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DIRECTORS' REPORT

Dear Shareholders

The Board of Directors of Pak-Qatar Family Takaful Limited (hereinafter referred to as "the Company" or "PQFTL") is pleased to present Annual Report & Audited Financial Statements of the Company for the year ended 31st December, 2024.

I. Economic Overview & outlook

The country's economic pulse, once faltering, now beats with renewed hope, fueled by strategic fiscal reforms, stronger international alliances, and a revitalized financial market. Pakistani authorities in September managed to clinch a crucial \$7 billion bailout package from the International Monetary Fund (IMF), which stood as a lifeline as it stabilized the country after a tumultuous period of financial instability.

For the fiscal year 2025, the IMF projects that Pakistan's GDP growth would be at 3.2%, a modest but encouraging sign of recovery given the challenges. Though, this is less than the target set by the government, it is still better than the projections coming from other international institutions. These positive forecasts reflect the resilience of Pakistan's economy despite challenges that are still ongoing. The challenges include political instability and security concerns. Analysts say that as political stability improves, the economy will likely experience accelerated growth.

One of the most striking developments of 2024 has been seen in the performance of Pakistan Stock Exchange (PSX). The PSX saw its first ever bullish trend, with the benchmark KSE-100 index reaching from 58,000 points to over 109,000 points by the end of December 2024. Such sudden spikes in stock market action clearly point towards a further improvement in investor sentiment on the stability of economic conditions. With an increase in foreign exchange reserves to \$12 billion from \$7 billion, this certainly would raise confidence levels. Moreover, as of today, the reserves now are good for 2.5 months of imports; thus, in all probabilities, PSX's rise would be smooth for the coming years into 2025 with no surprises politically or economically.

By the end of 2024, it was evident that inflation had eased significantly from what it was plaguing Pakistan's economy in 2023. The national inflation rate was cut from a high of 29.2% in 2023 to 4.9% in 2024. Inflation in urban areas dropped sharply from 30.4% to 5.2%, while that in rural areas fell from 27.5% to 4.3%. Similarly, the interest rate, which was at 22% in



2023, had been cut by 900 basis points to 13% by December 2024. This cut is likely to continue in 2025 and thus will bring some respite to consumers and businesses. Throughout 2024, the fiscal situation of Pakistan continued to be precarious, with increasing government debt obligations. During the year, the federal government debt increased by Rs. 6,631 billion, reaching Rs. 69,114 billion by October 2024, up from Rs. 62,483 billion in the previous year. On the other hand, the tough decision-making on the part of the government, especially by the government through tax reforms is the backbone that has seen stability of the economy. All those important sectors of retail, wholesale, and agriculture have had their respective tax nets imposed. Economists may raise objections that this indeed increases the revenue, while the enforcement capacity of Federal Board of Revenue is far from effective.

Remittances also witnessed a tremendous growth of 34.7% year-over-year. During July 2024 to October 2024, remittances surged from \$8.79 billion to \$11.84 billion, which would go a long way in meeting the foreign exchange needs of the country. Exports also surged by 12.57% during July 2024 to November 2024, reaching \$13.7 billion, another encouraging development for Pakistan's external sector. While there were many encouraging signs, some industries struggled. Large-scale manufacturing declined, with production decreasing by 1.92% from July to October 2024 compared to a growth of 2.16% in the same period last year. This reflects the challenges in reviving industrial production in an environment of high inflation and interest rates. The prices of gold also jumped during the year, increasing to Rs. 281,400 per tola in December 2024 from Rs. 219,200 in the year 2023. This has reflected inflationary pressures along with the quest for safe haven amid economic uncertainty.

A glimmer of hope as the economy slowly recovers, with expectations of greater political stability in the new government. The country faces the dual challenge of political and economic stability into 2025. While the IMF's fiscal discipline has brought some level of stabilization, the growth pace remains slower than expected. The government remains optimistic that the tough reforms of 2024 will bear fruit in 2025, with projections for GDP growth to recover to around 3.2% despite the political and social instability that continues to affect the country.

2. Business Performance

Rooted in a culture of innovation and high service standards, the Company has consistently elevated its business position. Throughout this journey of growth, we remained firmly committed to fundamental Shari'ah-compliant values and the core principle of integrity.

In the financial year 2024, the Company achieved a remarkable milestone, recording gross contribution income of **Rs. 28.81 billion**, compared to Rs. 16.29 billion in 2023, an impressive **76.85% increase** from the previous year. This substantial growth highlights the Company's relentless dedication to excellence and its high-quality service. The performance also reaffirms

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the relevance and reliability of the Company's products, which continue to meet the diverse and evolving needs of its valued customers.

Business positioning reflects the deep trust placed in the brand and the strength of the long-term relationships built with policyholders. Looking ahead, the Company is fully committed to maintaining these high standards, fostering meaningful customer connections, and preserving its strong reputation as a dedicated takaful leader in the industry.

3. Participant Takaful Fund

The Company has a robust claim management system in place, critical to success of any Takaful/insurance provider. Our team consisting of doctors and other skilled professionals serve round the clock, ensuring peace of mind to our policyholders of a helping hand with a wide range of hospitals at your Company's panel. The servicing of our policyholders has been our utmost priority, and it is their time of distress when they look towards the promises they've bought and those sold to them by us. We've been with them & their successors at every step of their journey with us, reflected in benefits/claims paid worth **Rs. 17.7 billion** (2023: 10.9 billion) inclusive of the policyholder's request for withdrawals, surrender and maturities that were due during the year. This underscores our unwavering commitment to meet obligations to policyholders, which strengthens our standing as a trusted takaful provider.

This year, management adopted a strategy to re-price and offload high-loss-ratio clients in the group segment, which ultimately resulted in posting an overall surplus in the Participant Takaful Fund (PTF). The PTF recorded a **Surplus of Rs. 8.4 million** in 2024, compared to deficit of Rs. 62 million in 2023.

Furthermore, the investment returns on funds are aligned with the benchmark index performance. Unit-linked funds also performed in line with their peers. This underscores the effectiveness of our investment strategies, operational excellence, and robust risk management protocols. Furthermore, management maintains a vigilant approach to align with the changing compliance landscape and evolving takaful benefit patterns, especially in the face of decreasing policy rates. The company remains committed to ensuring compliance with liquidity and solvency requirements.

4. Profitability

The company prioritizes adaptability and growth by anticipating the diverse and evolving needs of its valued customers, while continuously enhancing its product offerings under the expert oversight of the Actuary and Shari'ah Advisor. This proactive approach not only drives



ongoing business expansion but also strengthens Shareholders' funds, via increase in Wakala and operator fees, supported by investment income.

Respected Shareholders, your Company concluded the year 2024 with Profit before tax of **Rs. 366.4 million** against Rs. 192.1 million in 2023, settling at **Rs. 269.7 million** after tax effects (2023: Rs. 156.20 million).

Extracts of Profit & Loss Account

	<u>2024</u>	<u>2023</u>
	---- Rupees ----	
Total Investment Income of Shareholders' Fund	290,946,849	275,180,815
Other Revenues	16,062,810	32,465,318
Total Investment Income & Other Revenues	307,009,659	307,646,134
Other expenses	(14,019,220)	(17,230,880)
Surplus / (Deficit) in shareholders' sub fund	73,465,909	(98,302,603)
	59,446,689	(115,533,483)
Profit before Taxation	366,456,348	192,112,651
Taxation	(96,735,200)	(35,814,547)
Profit for the year after Tax	269,721,148	156,298,104

The statutory auditors of the company have issued a clean opinion in their audit report. However, without modifying their opinion, they have included an emphasis of matter paragraph regarding the scope and applicability of Punjab Sales Tax (PST) and Sindh Sales Tax (SST) on Life Takaful/Insurance services, as the matter is being challenged by the Company, along with other insurance/takaful companies, in the Honourable Lahore High Court and Sindh High Court. Further details are provided in Note 28.1 to the financial statements.

5. Earnings per Share & Break-up Value per Share

The earnings per share of Rs. 2.06 for the year, reflecting a significant improvement compared to Rs. 1.20 in 2023.

Net Equity of Shareholders' Funds (SHF) during the year increased by Rs. 196 million to settle at Rs. 1.84 billion, resulting in a break-up value per share of Rs. 14.15 (2023: 12.86).

Additionally, Participant Takaful Fund (PTF) Equity rose to Rs. 706.5 million, compared to Rs. 698 million in 2023.

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6. Dividends to Shareholders

We are pleased to inform that the Board of Directors has recommended a cash dividend of 10% per share for the year ended 31 December 2024. The approval of the members of the Company for the dividend will be obtained at the Annual General Meeting. The financial statements for the year ended 31 December 2024 do not include the effect of proposed dividend, which will be accounted for in the year ending 31 December 2025.

7. Post Balance Sheet Event

There are no material adjusting event and changes affecting the financial position of the Company have occurred between the end of the financial year to which this balance sheet relates and the date of the Directors' Report.

8. Credit Rating

A **credit rating** is a comprehensive tool for assessing an obligor's creditworthiness and reliability of its debt obligations. It allows the rating bearer to show potential investors and partners its creditworthiness, without divulging any confidential information, and to make relations between obligor and investors highly transparent and efficient.

Your Company stands with a strong credit rating of **A++ (Single A++)** by the local credit rating agencies, the VIS Credit Rating Company Limited and The Pakistan Credit Rating Agency (PACRA). The Insurer Financial Strength (IFS) rating 'A++' indicates strong capacity to meet policy Strong capacity to meet policy holders and contract obligations.

9. Related Party Transactions

At board meeting, the Board of Directors approves Company's transactions with Associated Companies/Related parties. All transactions executed with related parties are on arm's length basis in normal course of business, and no Director or Chief Executive has personal interest in the transactions with associated companies.

Related party transactions are disclosed at note 44 to the financial statements for the year ended 31 December 2024.

10. Prospects for 2025

Amid the current political and economic environment, the prospects for the upcoming year 2025 are presenting both opportunities and challenges. Initiation of the IMF program,



reduction in interest rates are positive signs for the economy while internal, regional, and global geopolitical landscape can present severe challenges. Insurance Industry in Pakistan observed several peaks and dips in recent years. However, it successfully managed to keep pace with the development of the economy and other sectors. Amid the current macro-economic and political environment, we foresee moderate growth trajectory in Insurance Sector during the year 2025.

Our strategic focus will remain consistent, sustainable and profitable growth within a challenging business landscape while upholding Shari'ah standards. The established key performance indicators for realizing our management objectives remain unchanged, prioritizing the optimization of customer satisfaction, enhancement of operational underwriting results, cost management, and increasing overall value for stakeholders. Further, aggregate results of dedicated takaful companies and window takaful also indicates growing demand for Takaful products.

11. IFRS 17 Insurance Contracts

The new financial reporting standard IFRS 17 undoubtedly brings about significant changes to insurance accounting requirements wherein the insurers globally with their apex regulators are working in partnership to ensure smooth transition towards the new accounting standard. The Securities and Exchange Commission of Pakistan has issued instructions of four phase approach for implementation of IFRS 17.

1. Phase 1 : Gap Analysis : submitted on 30th Sept 2021
2. Phase 2 : Financial Impact Analysis (FIA) was submitted in three layers on 30th June, 30th Sept and 31st Dec in the year 2022.
3. Phase 3 : System Design and Methodology deadline is 30th Sep 2024.
4. Phase 4 : Parallel Run & Implementation date 1st Jan 2026

The three phases now stand completed and in pursuit of successful implementation of IFRS Phase 4 'Parallel Runs & Implementation', the SECP has issued directives and requirements relating to the scope of work, roles & responsibilities, and report format & timelines vide letter ID/MDPRD/IFRS-17/2024/3783, dated December 23, 2024. The Company has onboarded an actuarial consulting firm and aligned internal resources to ensure effective execution of the directives. A structured implementation plan has been developed aimed at ensuring timely execution of first Dry Run exercise by June 2025, which will lay a solid foundation for the smooth execution of subsequent steps for successful implementation of IFRS 17.



12. Capital Management and Liquidity

The Company maintains good financial base. Your company carefully administers its liquidity to ensure its ability to meet its obligations efficiently. The Company operates and honours its obligations through cash flow generated from its core business as well as investment and other income. As a part of liquidity management, Company also gets auditors certification annually on its solvency position prepared as per requirements of Insurance Ordinance, 2000. S.R.O 828(I)/2015 requires minimum paid-up capital of Rs. 700 million for the life insurance companies/ takaful operators. We are pleased to inform that with the strong financial support and commitment from our shareholders & sponsors, Company's paid-up capital of Rs. 1.307 billion has been fully compliant with the said SRO.

In a recent development, the SECP, vide S.R.O. 310(I)/2025 dated 03 March 2025, has outlined the revised minimum paid-up capital requirements, which will become effective in phases starting from 31 December 2026 and culminating on 31 December 2030. The Company has initiated the planning of comprehensive strategy to ensure phase-wise revised paid-up capital requirements, which includes but not limited to evaluation of feasible capital enhancement options including right issue, bonus share issuance, or direct capital injection.

13. Contribution to National Exchequer

Your Company contributes to the national economy in terms of taxes and duties and the contribution is increasing as the Company is growing. The Company, in the capacity of a tax payer and withholding agent, has deposited Rs. 276.19 million into the national exchequer.

14. Compliance with Shariah principles

The requirements set out by the Takaful Rules, 2012, and directives issued by our respected Shariah Advisor have been complied with. As required by Takaful Rules, 2012, Independent Sharia review report on compliance with Takaful rules and our Shariah Advisor's report are annexed with the Annual Report.

Since inception, Pak-Qatar Takaful Group of companies have an independent Shari'ah Advisory Board (SAB), to oversee all products and operations for Shari'ah compliance. Respected Justice (Retd.) Mufti Muhammad Taqi Usmani sahab was the founding Chairman of the group's Shari'ah Board since inception, who later named Mufti Hassaan Kaleem sahab as his successor in 2019. The compliance function is further supported by Shari'ah Advisor Mufti Ismatullah sahab, ensuring continued adherence to Shari'ah principles across all business operations. This privilege supervision has enabled us to have distinction in implementing Sharia governance practices exceeding statutory requirements. Pak-Qatar Takaful Group also has



the distinction of being the 'first takaful group', licensed by the SECP to operate dedicated General Takaful and Family Takaful companies. Thus, a complete Sharia compliant suite with wide range of financial planning & protection products for all walk of life.

15. Human Resources

Your company is perceived well by customers and stakeholders and the Company's growth & success endorse the quality, ethical behavior and practices of our workforce. At PQFTL, people from diverse backgrounds bring a wide array of expertise to cater the ever-changing needs of its existing and prospective customers. We believe in the employees' training & development to boost their knowledge, skills and abilities to cater the challenging business landscape, which is constantly evolving. Further, as part of diversity & inclusion, we track gender representation and employment of differently abled individuals. The company strongly believes that motivated & good quality employees are its real strength. In line with PQFT's philosophy, we foster the culture of giving people wings to fly, roots to come back and reasons to stay.

ICAP's approved Training Organization outside Practice (TOoP); We are pleased to announce that Pak Qatar Group has been recognized by Institute of Chartered Accountants of Pakistan (ICAP) as an Approved Training Organizations Outside Practice (TOoP). By engaging in the TOoP program, we strive to provide aspiring Chartered Accountants with the essential practical skills, real-world industry exposure, and leadership experience required to excel in today's competitive business environment.

We extend our heartfelt gratitude to ICAP for this recognition and look forward to contribute significantly in the development of highly skilled and qualified Chartered Accountants.

16. Information Technology

The Company has aligned itself for efficient use of the information technology resources in achieving its operational and strategic objectives. Strategic investments in prior years by the Company in the Technology enabled the Company to continue its operations efficiently & smoothly during work from home through secure VPN connections. Customers were able to connect with the Company through various channels such as Call Center, Mobile App, and web portals for enquires and service requests.

The Company maintains its "Disaster Recovery" site and performs "Disaster Recovery" drills. Further, the Company maintains good standards of Cyber Security and firewalls. The



Company will continue to strive to create more opportunities for engaging its customers in the digital arena and provide services when and how customer desires.

17. Risk and uncertainties

The Company conducts business in a complex and challenging environment and is therefore exposed to number of external and internal risks that may present threats to its success and profitability. Some of the major risks facing the Company include regulatory risk, operational risks, underwriting risks, market risk, credit risks, retakaful risks, liquidity risk & economic / political risks etc.

The management is committed to putting risk management at the center of the strategic decision-making process and to this end runs a robust risk management process that traverses through all functions of the Company. This puts the Company at such advantageous position that provides safeguarding its business & stakeholders. The business decision taken is based on weighing the associated risks against rewarding opportunities, as we strive to seize business opportunities that are compatible with our long-term vision. The company has established a risk management function/department that performs its duties in accordance with the relevant regulations.

18. Grievance Function

The Company has setup complaints/grievances function for takaful policyholders. Grievance functions tries its best to resolve the complaints/grievances effectively and efficiently within shortest possible time. Relevant staff of grievance function resolves the complaints / grievances within the minimum possible time and act according to the requirements of the Code of Corporate Governance for insurer.

19. Relationship with other Stakeholders

Your Company continues to maintain good relationship with:

- Its employees by providing a positive work environment;
- Its clients through building trust and providing quality service;
- The business community through honest and fair dealing;
- The Government & regulators through promoting free enterprise along with competitive market system and complying with all applicable laws; and
- Society in general through providing safe and healthy workplace and provide employees the opportunity to improve their skills.



20. Corporate and Financial Reporting Frame Work

- a. The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- b. Proper books of accounts have been maintained by the Company.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- d. The International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements, and any departure there from has been adequately disclosed.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Company's ability to continue as a going concern.
- g. There has been no material departure from the best practices of Corporate Governance. A Statement to this effect is annexed with the report.
- h. The key operating and financial data for the last six years is attached.
- i. There is no significant change in objective & strategies from last year, and there is no plan to discontinue any operations.
- j. The balance in the provident & gratuity fund accounts as at the year-end was Rs. 5,584,775 & Rs. 215,597 respectively.
- k. The number of board meeting & attendance by director(s) is given under heading 'Board of Directors'.
- l. The pattern of shareholding of the company is attached.
- m. No trading in shares has been made by the Chief Executive, Directors, Chief Financial Officer, Company Secretary, their spouses and minor children, except for net disposal of 2,898,254 shares by Mr. Said Gul, and net acquisition of 5,171,466, 1,133,577 & 1,133,577 shares by Pak Qatar investment (Pvt) Ltd, Ms. Sameera and Ms. Fatima, respectively.

21. Compliance with Code of Corporate Governance

In November 2016, the Securities & Exchange Commission of Pakistan implemented 'the Code of Corporate Governance for Insurers, 2016', applicable to all insurance/takaful companies. The requirements of the Code of Corporate Governance set out by the regulatory authorities have been duly complied with. A Statement to this effect is annexed with the report.

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As part of Corporate Governance, Board maintains Board committees and Management committees, whose composition & meetings held during the year under review are mentioned in the aforementioned statement.

22. Board of Directors

The Directors of your Company were elected at the Extra-ordinary General Meeting held on 29th April 2022 for term of three years. Accordingly, fresh election is scheduled in upcoming annual general meeting on 30 April 2025.

During the year, seven meetings of the Board of Directors were held and attended as follows:

	Directors	Number of meetings attended
1	Sheikh Ali Bin Abdullah Al-Thani	3
2	Abdul Basit Ahmed Al-Shaibei	3
3	Ali Ibrahim Al Abdul Ghani	2
4	Said Gul	7
5	Zahid Hussain Awan	7
6	Mrs. Sameera Usman	5
7	Mr. M. Kamran Saleem	7
8	Mr. Muhammad Owais Ansari	1
9	Mr. Farrukh Viqaruddin Junaidy	4

Leave of absence was granted to directors, who could not attend the Board Meetings.

23. Internal Audit function

Internal Audit function is in place for appraisal of internal controls and monitoring compliance. The Company has in place and appropriately staffed, Internal Audit department. Internal auditor has full access to the Chairman of the Board Audit Committee. Further, the internal auditor meets senior management to discuss internal audit reports and is fully independent to access the management at any time to discuss audit issues in order to make the audit process transparent and effective. To maintain its objectivity and independence, the Internal Audit Department reports functionally to the Board Audit Committee and administratively to the CEO.

Audit Committee (the Committee) oversees the effective implementation of a sound internal control system including compliance with control procedures. The Audit Committee is assisted by the Internal Auditor in reviewing the adequacy of operational controls and in monitoring and managing risks to provide reasonable assurance that such system continues



to operate satisfactorily and effectively in the Company and to add value and improve the Company's operations by providing independent and objective assurance.

24. Compliance Framework

A compliance framework outlines the regulatory compliance standards and regulations relevant to the organization. We comply with laws and regulations promulgated by Securities and Exchange Commission of Pakistan. The Company also adheres with the laws and regulations promulgated by Federal and provincial governments as are relevant to the Company. We consider compliances of the relevant laws and rules as the foremost priority.

Compliance Officer is responsible for the compliance function. Policies and procedures are amended whenever required for effective, efficient and smooth operations. The Compliance framework is part and parcel of internal control framework of the Company, main purpose being, to ensure and remain compliant.

25. Anti-Money Laundering (AML) & Counter Terrorism Financing (CTF)

The Company is keen to implement & adhere the requirements of the SECP to cater the relevant risk and exposure. In this connection, the management has implemented the AML & CTF Policy through the utilization of relevant modern tools, techniques and by amending the procedures accordingly. The Company has also conducted / arranged trainings of its staff with regards to AML and CTF.

26. Auditors

The retiring auditors, Yousuf Adil, Chartered Accountants are eligible for reappointment. On recommendation of the Audit Committee, the Board of Directors of the Company has recommended their appointment as auditors of the Company for the year ending 2025, who have indicated their consent to act as auditors.

27. Appreciation & Acknowledgement

Your company's performance during the year would not have been possible without passion, commitment and hard work of both the employees and the management. On behalf of the Board of Directors, we wish to place our thanks and sincere appreciation for the continued support & guidance from respected Shari'ah Board.

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We also acknowledge the support of the Securities and Exchange Commission of Pakistan as the apex regulator and appreciate various regulatory and ease of doing business measures initiated. On behalf of the Board of Directors, we thank our policyholders, intermediaries and reinsurers for reposing their unstinted faith in the Company, and we are sure of continuing to share our success with all of them.

Conclusion

In conclusion, we bow, beg and pray to Almighty Allah, Ar-Rahman-Ar-Rahim, for the continued showering of His blessings, guidance, strength, health, and prosperity upon us, our Company, Country and all other stakeholders. Ameen, Summa Ameen.

By Order of the Board

Chief Executive Officer

Director

Dated: 09 April 2025

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SIX YEARS' KEY OPERATING & FINANCIAL DATA

s in thousands)

	2024	2023	2022	2021	2020	2019
Gross contribution	28,817,017	16,296,690	10,235,624	9,986,417	7,961,475	8,287,057
Revenue & P&L account						
Contribution - net of retakaful	28,399,184	15,846,874	9,771,659	9,555,201	7,554,834	7,861,433
Surrenders & Maturities	15,000,277	8,147,648	4,572,642	4,257,898	3,246,602	2,812,533
Net Claims under PTF	2,490,159	2,504,870	2,045,701	1,537,016	1,329,329	1,645,503
Net investment income (PIF)	9,624,999	6,943,643	259,677	(69,518)	2,992,255	2,350,400
Net investment income (PTF)	68,310	54,257	67,584	59,860	45,178	51,633
Net investment income (SHF)	290,947	275,181	163,918	148,722	167,150	189,982
Commission expense	598,981	628,211	847,916	1,071,538	994,446	999,168
Policy stamps	15,200	10,836	22,865	31,210	26,886	25,208
Total administrative expenses	1,745,431	1,619,660	1,684,336	1,194,428	1,186,179	1,192,269
Surplus / (Deficit) in PTF	8,440	(62,378)	147,622	(37,968)	26,819	(23,963)
Profit before tax	366,456	192,113	184,620	224,674	208,122	84,070
Profit after tax	269,721	156,298	149,091	175,329	163,563	55,241
Balance sheet						
Investments including bank deposits	58,135,763	39,613,649	29,149,850	28,530,687	27,220,588	22,980,553
Deferred tax asset	-	-	13,534	-	-	3,353
Other assets	3,575,332	3,615,728	3,269,546	2,780,781	2,339,370	2,241,763
Fixed assets	510,022	559,695	575,613	529,894	569,830	615,037
Total assets	62,221,117	43,789,072	33,008,542	31,841,362	30,129,788	25,840,706
Issued, subscribed & paid up capital	1,307,124	1,307,124	1,307,124	1,307,124	1,307,124	1,307,124
Accumulated Surplus/(deficit) & Qard-e-Hasna	542,859	346,774	274,194	161,614	150,541	1,007
Balance of statutory funds	57,365,644	39,261,402	29,176,047	28,228,470	27,136,292	23,367,668
Other liabilities	3,005,490	2,873,772	2,251,177	2,144,154	1,535,831	1,164,907
Total equity & liabilities	62,221,117	43,789,072	33,008,542	31,841,362	30,129,788	25,840,706
Financial ratios						
Profitability						
Profit / (loss) before tax / Gross contribution	1.27%	1.18%	1.80%	2.25%	2.61%	1.01%
Profit / (loss) before tax / Net contribution	1.29%	1.21%	1.89%	2.35%	2.75%	1.07%
Profit / (loss) after tax / Gross contribution	0.94%	0.96%	1.46%	1.76%	2.05%	0.67%
Profit / (loss) after tax / Net contribution	0.95%	0.99%	1.53%	1.83%	2.17%	0.70%
Net claims & surrenders / Net contribution	61.59%	67.22%	67.73%	60.65%	60.57%	56.71%
Commission / Gross contribution	2.08%	3.85%	8.28%	10.73%	12.49%	12.06%
Administrative expenses / Gross contribution	6.06%	9.94%	16.46%	11.96%	14.90%	14.39%
Net investment income / Net contribution	35.16%	45.90%	5.03%	1.46%	42.42%	32.97%
Return to shareholders						
Return on equity	14.58%	9.45%	9.43%	11.94%	11.22%	4.22%
Earning per share (pre-tax)	2.80	1.47	1.41	1.72	1.59	0.64
Earning per share (after-tax)	2.06	1.20	1.14	1.34	1.25	0.42
Net assets per share (SHF)	14.15	12.65	12.10	11.24	11.15	10.01
Return on assets (SHF)	11.10%	7.08%	7.04%	8.87%	8.58%	3.13%
Performance liquidity						
Current ratio (Times)	1.02	1.03	1.03	1.03	1.03	1.03
Total liabilities / Equities (Times) - SHF	0.31	0.34	0.34	0.35	0.31	0.35
Total liabilities / Equities (Times) - Total	32.63	25.48	19.87	20.68	19.67	18.75
Paid up capital / Total assets	2.10%	2.99%	3.96%	4.11%	4.34%	5.06%
Equity / Total assets	2.97%	3.78%	4.79%	4.61%	4.84%	5.06%
Cash flows						
Net cash flow from operating activities	8,647,317	3,422,917	856,081	1,492,852	869,827	674,550
Net cash flow from investing activities	(8,232,374)	(2,568,797)	(1,130,240)	(869,043)	(2,717,176)	724,815
Net cash flow from financing activities	(65,356)	(65,356)	-	(92,930)	-	(58,566)
Net change in cash & cash equivalent	349,587	788,764	(274,159)	530,879	(1,847,349)	1,340,799



PAK-QATAR
FAMILY TAKAFUL
Together for the Future

PATTERN OF SHAREHOLDING

Part - 1		
1. 1.1	Name of the Company	PAK-QATAR FAMILY TAKAFUL LIMITED
1.2	CUIN number	0054338

Part - 2			
2.1. Pattern of holding of the shares held by the shareholders as at 31 December 2023			
2.2.	Number of shareholders	Shareholdings	Total shares held
	3	shareholding from 1 to 100 shares	3
	0	shareholding from 101 to 1000 shares	-
	2	shareholding from 1001 to 5000 shares	2,938
	11	shareholding from 5001 to 10000 shares	68,597
	16	shareholding from 10001 to 200000 shares	849,688
	11	shareholding from 200001 to 3000000 shares	8,440,357
	0	shareholding from 3000001 to 4000000 shares	-
	2	shareholding from 4000001 to 10000000 shares	10,456,995
	4	shareholding from 10000001 to 30000000 shares	60,524,038
	1	shareholding from 30000001 to 50000000 shares	50,369,824
	50	Total	130,712,440

2.3.	Categories of shareholders	Shares held	Percentage
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2.3.1. Directors, Chief Executive Officer, and their spouse and minor children.

2.3.1.1	Sheikh Ali Bin Abdullah	13,300,734	10.18%
2.3.1.2	Said Gul	2,614,249	2.00%
2.3.1.3	Zahid Hussain Awan	1,203,551	0.92%
2.3.1.4	Ali Ibrahim Al Abdul Ghani	1	0.00%
2.3.1.5	Abdul Basit Ahmad Al-Shaibei	1,563,484	1.20%
2.3.1.6	Sameera Usman	5,228,498	4.00%
2.3.1.7	Owais Ahmed Yusuf	1	0.00%
2.3.1.8	Farrukh Viqarudin Junaidy	1	0.00%
2.3.1.9	Muhammad Kamran Saleeem	717,092	0.55%

2.3.2. Associated Companies, undertakings and related parties.

2.3.2.1	Pak-Qatar Investment (Pvt.) Ltd.	50,369,824	38.53%
2.3.2.2	Qatar International Islamic Bank	13,009,223	9.95%
2.3.2.3	Qatar Islamic Insurance Company	14,341,019	10.97%
2.3.2.4	FWU AG	19,873,062	15.20%

2.3.3.	NIT and ICP	-	0.00%
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2.3.4. Banks, Development Financial Institutions, Non-Banking Financial Institutions.

2.3.4.1	Qatar International Islamic Bank	13,009,223	9.95%
2.3.4.2	Qatar Islamic Insurance Company	14,341,019	10.97%
2.3.4.3	FWU	19,873,062	15.20%

2.3.5. Insurance Companies

2.3.5.1	Qatar Islamic Insurance Company	14,341,019	10.97%
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2.3.6.	Modarabas and Mutual Funds	-	0.00%
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2.3.7. Share holders holding 10%

2.3.7.1	Pak-Qatar Investment (Private) Limited	50,369,824	38.53%
2.3.7.2	Sheikh Ali Bin Abdullah	13,300,734	10.18%
2.3.7.3	FWU AG	19,873,062	15.20%
2.3.7.4	Qatar Islamic Insurance Company	14,341,019	10.97%

2.3.8. General Public

2.3.8.1	Local	6,685,804	5.11%
2.3.8.2	Foreign	1,805,898	1.38%

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR INSURERS, 2016

Pak-Qatar Family Takaful Limited

For The Year Ended December 31, 2024

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of corporate governance.

Pak-Qatar Family Takaful Limited (PQFTL or The Company), being an insurer, has applied the principles contained in the Code in the following manner:

1. PQFTL ensures representation of independent non-executive directors and facilitates directors representing minority interests on its Board of directors. At present, the Board includes:

<u>Category</u>	<u>Names</u>
Independent Director	Mr. Farrukh Viqaruddin Junaidy
Non-Executive Directors	H.E. Sheikh Ali Bin Abdullah Al Thani Mr. Said Gul Mr. Abdul Basit Ahmad Al-Shaibei Mr. Ali Ibrahim Al Abdul Ghani Mr. Zahid Hussain Awan Mr. Muhammad Owais Ansari
Executive Directors	Mr. Muhammad Kamran Saleem Mr. Waqas Ahmad*
Female Director, Non - Executive	Mrs. Sameera Usman

*The chief executive is a 'deemed director' under section 188(3) of the Companies Act, 2017 whereas the number of elected/nominated directors on the Board are nine (9).

The independent director meets the criteria of independence as laid down under the Code of Corporate Governance for Insurers, 2016.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including PQFTL.
3. All the resident directors of PQFTL are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or a NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy arose on the Board of Directors during the year.
5. PQFTL has prepared a Code of Conduct, which has been disseminated among all the directors and employees of the Company.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

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7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, other executive directors and key officers, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meeting, along with agenda and working papers, were circulated at least seven (7) days before the meeting. The minutes of the meeting were appropriately recorded and circulated.
9. The Board has established system of sound internal control, which is effectively implemented at all levels within the Company. PQFTL has adopted and complied with all the necessary aspects of internal controls given in the code.
10. The orientation course was arranged for the directors in the form of booklet to apprise them of their duties and responsibilities and also about changes in Laws and Regulations.
11. There was no change of Chief Financial Officer and Company Secretary during the year 2024. Following the resignation of Mr. Tahir Lateef, Mr. Danish Raza has been elevated as the Head of Internal Audit. The Board has approved remuneration and terms and conditions of employment and complied with relevant requirements of the regulations.
12. The directors' report for this year has been prepared in compliance with the requirements of the Code of Corporate Governance for Insurers, 2016 and fully describes the salient matters required to be disclosed.
13. The financial statements of PQFTL were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
14. The directors, Chief Executive Officer and other executives do not hold any interest in the shares of PQFTL other than disclosed in the pattern of shareholding.
15. PQFTL has complied with all the corporate and financial reporting requirements of the Code of Corporate Governance for Insurers, 2016, except for limited scope review by the statutory auditors of half-yearly financial statements for the period ended June 30, 2024. Due to practical difficulties, the Company did not engage external auditors for half-yearly review June 30, 2024. Furthermore, being an unlisted Company, the stakeholders has not been significantly impacted in meeting business goals in this regard.
16. The Board has formed the following Management Committees:

Underwriting & Re-Takaful Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Zahid Hussain Awan	Chairman
Mr. Waqas Ahmed	Member
Mr. Muhammad Ahsan Qureshi	Member
Mr. Adnan Arif	Member
Mr. Imran Lakhani	Member
Mr. Athar Ali	Member
Mr. Muhammad Shahzad	Member & Secretary

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Claims Settlement Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Said Gul	Chairman
Mr. Waqas Ahmed	Member
Mr. Junaid Asghar	Member
Mr. Obaid Hussain Qureshi	Member
Mr. Nasir Ali Soomro	Member
Mr. Ramesh Kumar	Member & Secretary

Risk Management & Compliance Committee

<u>Name of the Member</u>	<u>Category</u>
Mr. Zahid Hussain Awan	Chairman
Mr. Waqas Ahmed	Member
Mr. Junaid Asghar	Member
Mr. Muhammad Ahsan Qureshi	Member
Mr. Danish Raza	Member
Mr. Saifuddin Shaikh	Member
Mr. Kashan Rafique Ahmed	Member
Mr. Muhammad Shahzad	Member
Mr. Adnan Arif	Member
Mufti Shakir Siddiqui	Member
Mr. Athar Ali	Member
Mr. Obaid Hussain Qureshi	Member & Secretary

17. The Board has formed the following Board Committee

Ethics, Human Resource & Remuneration Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Said Gul	Chairman
Mr. Zahid Hussain Awan	Member
Mrs. Sameera Usman	Member
Mr. Muhammad Kamran Saleem	Member & Secretary

Investment Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Zahid Hussain Awan	Chairman
Mr. Said Gul	Member
Mr. Muhammad Kamran Saleem	Member
Mr. Waqas Ahmed	Member
Mr. Abdul Rahim Abdul Wahab	Member
Mr. Muhammad Ahsan Qureshi	Member & Secretary

18. The Board has formed an audit committee. It comprises of four (4) members, of whom 3 are non-executive directors and 1 executive director. The chairman of the Committee is an independent director.

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Audit Committee:

<u>Name of the Member</u>	<u>Category</u>
Mr. Farrukh Viqaruddin Junaidy	Chairman
Mr. Ali Ibrahim Al Abdul Ghani	Member
Mr. Zahid Hussain Awan	Member
Mr. Muhammad Kamran Saleem	Member
Mr. Danish Raza	Secretary

19. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance. The frequency of meeting of the committees were as follows:

<u>Name of Committee</u>	<u>Frequency</u>
A. Underwriting & Re-Takaful Committee	Quarterly
B. Claims Settlement Committee	Quarterly
C. Risk Management & Compliance Committee	Quarterly
D. Ethics, Human Resource & Remuneration Committee	Twice a year
E. Investment Committee	Quarterly
F. Audit Committee	Quarterly

20. The Board has set up an effective internal audit function.

21. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as required under the Code of Corporate Governance for Insurers, 2016. The Appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover, the persons heading the underwriting, claim, re-takaful, risk management and grievance functions/ 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);

<u>Name of the Person</u>	<u>Designation</u>
Mr. Waqas Ahmed	Chief Executive Officer
Mr. Muhammad Kamran Saleem	Company Secretary
Mr. Muhammad Ahsan Qureshi	Chief Financial Officer
Mr. Obaid Hussain Qureshi	Compliance Officer & Head of Grievance Department
Mr. Abdul Rahim Abdul Wahab	Appointed Actuary
Mr. Danish Raza	Head of Internal Audit
Mr. Athar Ali*	Head of Re-Takaful & Risk Management
Mr. Junaid Asghar	Head of Operations
Mr. Muhammad Shahzad	Head of Underwriting
Mr. Ramesh Kumar	Head of Claims

* Mr. Athar Ali passed away in October 2024. The management extends its deepest condolences to his family and acknowledges his valuable contributions to the organization.

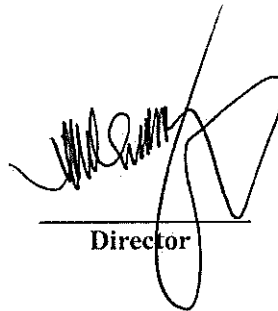
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22. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP), 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 ICAP.
23. The statutory auditors or the persons associated with them have not been appointed to provide other services and the auditors have confirmed that they have observed IFAC guidelines in this regard.
24. The actuary appointed by the company has confirmed that he or his spouse and minor children do not hold shares of the Company.
25. The Board ensures that the appointed actuary complies with the requirements set out for him in the Code of Corporate Governance for Insurers, 2016.
26. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code of Corporate Governance for Insurers, 2016.
27. The Board ensures that the risk management system of the Company is in place as per the requirements of the Code of Corporate Governance for Insurers, 2016.
28. The company has set up a risk management function/department, which carries out its tasks as covered under the Code of Corporate Governance for Insurers, 2016.
29. The Board ensures that as part of the risk management system, the PQFTL gets itself rated from VIS Credit Rating Company Limited and The Pakistan Credit Rating Agency Limited (PACRA) which are being used by its risk management function/ department and the respective Committee as a risk monitoring tool. The rating assigned by the said rating agencies on December 07, 2023 and 26th June 2024 respectively are A++ with 'Stable' outlooks.
30. The Board has set up a grievance department, which fully complies with the requirements of the Code of Corporate Governance for Insurers, 2016.
31. The Company has not obtained exemption from the Securities & Exchange Commission of Pakistan in respect of the requirements of Code of Corporate Governance for Insurers, 2016.
32. We confirm that all other material principles contained in the Code of Corporate Governance for Insurers, 2016 have been complied with, except as mentioned in point 15 above.

By Order of the Board



Chief Executive Officer



Director

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ڈائریکٹر رپورٹ

محترم شیئر ہولڈرز

الحمد للہ! ہمیں پاک قطر فیملی تکافل لمیٹڈ (جسے یہاں کمپنی یا PQFTL کہا جائے گا) کی 31 دسمبر 2024 میں ختم ہونے والے سال کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے بہت خوشی محسوس ہو رہی ہے۔

1. معیشت کا جائزہ اور منظر نامہ

ملک کی معیشت کی نبض، جو کمزور پڑ چکی تھی، اب نئی امید کے ساتھ دوبارہ دھڑکنے لگی ہے، جس کی بنیاد اسٹریٹجک مالی اصلاحات، مضبوط بین الاقوامی تعلقات، اور ایک بحال شدہ مالیاتی منڈی پر ہے۔ ستمبر میں پاکستانی حکام نے انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) سے 7 ارب ڈالر کا اہم بیل آؤٹ پیکیج حاصل کیا، جو مالیاتی عدم استحکام کے ایک طویل دور کے بعد ملک کو سنبھالنے کے لیے ایک زندگی بخش سہارا ثابت ہوا۔

مالی سال 2025 کے لیے آئی ایم ایف نے پاکستان کی جی ڈی پی میں 3.2 فیصد ترقی کی پیش گوئی کی ہے، جو کہ چیلنجز کے باوجود ایک حوصلہ افزا علامت ہے۔ اگرچہ یہ ہدف حکومتی تخمینے سے کم ہے، لیکن دیگر بین الاقوامی اداروں کی پیش گوئیوں کے مقابلے میں بہتر ہے۔ یہ مثبت پیش گوئیاں پاکستان کی معیشت کی مضبوطی اور چمک کی عکاسی کرتی ہیں، باوجود اس کے کہ کئی چیلنجز اب بھی درپیش ہیں۔ ان میں سیاسی عدم استحکام اور سیکیورٹی خدشات شامل ہیں۔ ماہرین کا کہنا ہے کہ جیسے جیسے سیاسی استحکام بہتر ہوگا، معیشت میں تیزی سے بہتری متوقع ہے۔

2024 کی سب سے نمایاں پیش رفتوں میں سے ایک پاکستان اسٹاک ایکسچینج (PSX) کی شاندار کارکردگی رہی ہے۔ PSX نے اپنی تاریخ میں پہلی بار بھرپور تیزی کا رجحان دیکھا، جہاں بیچ مارک KSE-100 انڈیکس 58,000 پوائنٹس سے بڑھ کر دسمبر 2024 کے اختتام تک 109,000 پوائنٹس سے تجاوز کر گیا۔ اسٹاک مارکیٹ میں یہ اچانک اضافہ سرمایہ کاروں کے اعتماد میں اضافے اور معاشی حالات کے استحکام کی واضح علامت ہے۔

زرمبادلہ کے ذخائر میں بھی اضافہ دیکھنے میں آیا، جو 7 ارب ڈالر سے بڑھ کر 12 ارب ڈالر ہو گئے۔ یہ بہتری سرمایہ کاروں کے اعتماد میں اضافے کا باعث بنی ہے۔ مزید برآں، موجودہ ذخائر 2.5 ماہ کی درآمدات کے لیے کافی ہیں، جس سے عہدہ ملتا ہے کہ اگر سیاسی یا معاشی طور پر کوئی غیر متوقع صورتحال پیش نہ آئی، تو PSX کی ترقی 2025 میں بھی نسبتاً ہموار اور پُر امن انداز میں جاری رہے گی۔

2024 کے آخر تک یہ واضح تھا کہ افراط زر میں نمایاں کمی آئی ہے جو کہ 2023 میں پاکستان کی معیشت کو متاثر کر رہی تھی۔ قومی افراط زر کی شرح 2023 میں 29.2 فیصد کی بلند ترین سطح سے کم ہو کر 2024 میں 4.9 فیصد پر آگئی ہے۔ شہری علاقوں میں منگائی 30.4 فیصد سے تیزی سے کم ہو کر 5.2 فیصد پر آگئی ہے، جبکہ دیہی علاقوں میں یہ 27.5 فیصد سے کم ہو کر 4.3 فیصد ہو گئی ہے۔ اسی طرح شرح سود جو کہ 2023 میں 22 فیصد تھی، دسمبر 2024 تک 900 بنیادی پوائنٹس کم ہو کر 13 فیصد ہو گئی تھی۔ امکان ہے کہ 2025 میں یہ کمی جاری رہے گی اور اس طرح صارفین اور کاروباروں کو کچھ راحت ملے گی۔ 2024 کے دوران پاکستان کی مالیاتی صورتحال بدستور نازک رہی، اور حکومت کے قرضوں کی ذمہ داریاں بڑھتی رہیں۔ سال کے دوران وفاقی حکومت کے قرض میں 6,631 ارب روپے کا اضافہ ہوا، اور یہ اکتوبر 2024 تک 69,114 ارب روپے تک پہنچ گیا، جو پچھلے سال میں 62,483 ارب روپے تھا۔ دوسری طرف، حکومت

کی جانب سے سخت فیصلے لیے گئے، خاص طور پر حکومت نے ٹیکس اصلاحات کیں جو کہ ریڑھ کی ہڈی کی حیثیت رکھتی ہیں، جس سے معیشت میں استحکام دیکھنے میں آیا۔ ریٹیل، ہول سیل اور زراعت کے تمام اہم شعبوں پر ان کے متعلقہ ٹیکس نیٹ عائد کیے گئے ہیں۔ اقتصادی ماہرین یہ اعتراض اٹھا سکتے ہیں کہ اگرچہ اس اقدام سے محصولات میں اضافہ ضرور ہوگا، تاہم فیڈرل بورڈ آف ریونیو (FBR) کی نفاذی صلاحیت اب بھی ناکافی اور غیر موثر ہے۔

ترسیلات زر میں بھی سال بہ سال 34.7 فیصد کی زبردست نمود دیکھنے میں آئی۔ جولائی 2024 سے اکتوبر 2024 کے دوران، ترسیلات زر 8.79 بلین ڈالر سے بڑھ کر 11.84 بلین ڈالر تک پہنچ گئیں، جو ملک کی زرمبادلہ کی ضروریات کو پورا کرنے میں بہت مددگار ثابت ہوں گی۔ جولائی 2024 سے نومبر 2024 کے دوران برآمدات میں بھی 12.57 فیصد کا اضافہ ہوا اور یہ 13.7 بلین ڈالر تک پہنچ گئیں، جو پاکستان کے بیرونی شعبے کے لیے ایک اور حوصلہ افزا پیش رفت ہے۔ اگرچہ بہت سے حوصلہ افزا آثار تھے، لیکن بعض صنعتوں کو جدوجہد کرنی پڑی۔ بڑے پیمانے پر مینوفیکچرنگ میں کمی واقع ہوئی، جولائی سے اکتوبر 2024 کے دوران پیداوار میں 1.92 فیصد کمی واقع ہوئی، جبکہ گزشتہ سال کی اسی مدت میں 2.16 فیصد اضافہ ہوا تھا۔ یہ اس بات کی عکاسی کرتا ہے کہ زیادہ منگائی اور بلند سود کی شرح کے ماحول میں صنعتی پیداوار کو دوبارہ زندہ کرنا کتنا مشکل ہے۔ سال کے دوران سونے کی قیمتوں میں بھی اضافہ ہوا، اور دسمبر 2024 میں فی تولہ قیمت 281,400 روپے تک پہنچ گئی جبکہ سال 2023 میں یہ 219,200 روپے تھی یہ صورتحال منگائی کے دباؤ کے ساتھ ساتھ معاشی غیر یقینی کی حالت میں محفوظ سرمایہ کاری کی تلاش کی بھی عکاسی کرتی ہے۔

معیشت کی سست رفتار سے بحالی کے ساتھ امید کی ایک کرن نظر آ رہی ہے، اسی کے ساتھ ساتھ نئی حکومت میں سیاسی استحکام کی توقعات بھی ہیں۔ ملک کو 2025 تک سیاسی اور معاشی استحکام کے دوہرے چیلنج کا سامنا ہے۔ اگرچہ آئی ایم ایف کی مالیاتی نظم و ضبط کی وجہ سے کچھ حد تک استحکام آیا ہے، لیکن ترقی کی رفتار توقع سے کم ہے۔ حکومت پر امید ہے کہ 2024 کی سخت اصلاحات 2025 میں اپنے مثبت نتائج دیں گی، اور ملک میں جاری سیاسی و سماجی عدم استحکام کے باوجود جی ڈی پی کی شرح نمو تقریباً 3.2% تک بحال ہونے کی توقع کی جا رہی ہے۔

2. کاروباری کارکردگی

جدت طرازی اور معیاری خدمات کی روایت کو جاری رکھتے ہوئے کمپنی نے اپنی کاروباری پوزیشن کو مسلسل مستحکم رکھا ہے۔ ترقی کے اس سفر میں کمپنی نے شریعت کے اصولوں اور دیانت داری کے بنیادی جذبے پر مضبوطی سے کاربند رہتے ہوئے اپنا مقام بنایا۔

سال 2024 میں کمپنی نے ایک بڑی کامیابی حاصل کی، جب اس کا مجموعی زرتعاون (کنٹری بیوشن) 28.81 ارب روپے تک پہنچا، جو کہ گزشتہ سال 2023 میں 16.29 ارب روپے تھا۔ یوں گزشتہ سال کے مقابلے میں 76.85% کا شاندار اضافہ ہوا۔ یہ نمایاں پیش رفت نہ صرف کمپنی کی بہترین کارکردگی کو ظاہر کرتی ہے بلکہ اس بات کا بھی ثبوت ہے کہ کمپنی کی پراڈکٹس صارفین کی بدلتی ضروریات کے مطابق موثر اور قابل بھروسہ ہیں۔

کمپنی کی بزنس پوزیشن، صارفین کے اس برانڈ پر اعتماد اور برسوں کی محنت سے پالیسی ہولڈرز کے ساتھ استوار کیے گئے مضبوط تعلقات کی عکاسی کرتی ہے۔ آئندہ بھی کمپنی کا عزم ہے کہ وہ انہی اعلیٰ اقدار کو برقرار رکھتے ہوئے صارفین سے اپنے تعلق کو مزید مضبوط کرے گی اور تکافل انڈسٹری میں ایک قابل احترام اور قابل اعتماد نام بن کر اپنا کردار ادا کرتی رہے گی۔

3. پارٹنر شپ ٹکافل فنڈ (PTF)

کمپنی کے پاس کلیمز (Claims) کی موثر اور مضبوط مینجمنٹ کا نظام موجود ہے، جو کسی بھی تکافل یا انشورنس ادارے کی کامیابی کے لیے نہایت اہم ہوتا ہے۔ ہماری ماہر ٹیم، جس میں ڈاکٹرز اور دیگر تربیت یافتہ افراد شامل ہیں، جو ہمیں گھنٹے خدمات انجام دیتی ہے تاکہ پالیسی ہولڈرز کو ذہنی سکون میسر رہے اور وہ کمپنی کے پینل پر موجود مختلف ہسپتالوں میں بروقت مدد حاصل کر سکیں۔ پالیسی ہولڈرز کی خدمت ہمیشہ سے ہماری اولین ترجیح رہی ہے۔ خاص طور پر ان مشکل لمحات میں جب وہ اپنی حاصل کی گئی پالیسی کی توقعات اور ہمارے وعدوں کی تکمیل کی امید رکھتے ہیں۔ ہم اپنے پالیسی ہولڈرز اور ان کے ورثاء کے ساتھ ان کے پورے سفر میں قدم بہ قدم موجود رہے ہیں، جس کا عملی ثبوت رواں سال کے دوران ادا کیے گئے کلیمز اور فوائد کی مجموعی رقم ہے جو 17.7 ارب روپے (2023 میں 10.9 ارب روپے) رہی۔ اس میں جزوی اور مکمل دستبرداری اور مچورٹی کے تحت پالیسی ہولڈرز کی درخواستوں پر کی گئی ادائیگیاں بھی شامل ہیں۔ یہ سب اس بات کا ثبوت ہے کہ کمپنی اپنے وعدوں کی تکمیل میں سنجیدہ اور پر عزم ہے، جس نے ہمیں ایک بااعتماد تکافل فراہم کنندہ کے طور پر مستحکم مقام دلوایا ہے۔

مزید یہ کہ رواں سال مینجمنٹ نے گروپ بزنس میں ایسے کلائنٹس کی ری پرائسنگ اور اخراج کرنے کی حکمت عملی اپنائی جن کے کلیمز کا تناسب غیر معمولی تھا، نتیجتاً سال 2024 میں PTF نے مجموعی طور پر 8.4 ملین روپے کا سرپلس ریکارڈ کیا، جبکہ 2023 میں اسے 62 ملین روپے کے خسارے کا سامنا تھا۔

مزید برآں، فنڈز پر حاصل ہونے والی سرمایہ کاری کی آمدنی بیچ مارک اینڈ بکس کی کارکردگی سے ہم آہنگ رہی۔ یونٹ نکلڈ فنڈز نے بھی اپنے ہم پلڈ فنڈز کے برابر کارکردگی دکھائی، جو اس بات کی غمازی کرتا ہے کہ ہماری سرمایہ کاری کی حکمت عملی، آپریشنل معیار، اور موثر رسک مینجمنٹ کے نظام نہایت کارگر ثابت ہو رہے ہیں۔ اس کے ساتھ ساتھ، مینجمنٹ مسلسل بدلتے ہوئے ریگولیٹری تقاضوں اور تکافل فوائد کے نئے رجحانات خصوصاً پالیسی ریٹس میں کمی کی صورت حال کو مد نظر رکھتے ہوئے محتاط حکمت عملی اختیار کیے ہوئے ہے۔ کمپنی لیویڈیٹی اور سولونینسی کے تقاضوں پر مکمل عملدرآمد کو یقینی بنانے کے لیے پر عزم ہے۔

4. نفع

کمپنی نے ہمیشہ اپنے معزز شرکاء کی بدلتی ہوئی اور متنوع ضروریات کا پیشگی اندازہ لگا کر ان کے مطابق خود کو ڈھالنے اور ترقی کی راہ پر گامزن رہنے کو ترجیح دی ہے۔ اس مقصد کے لیے ایک ماہر ایگزیکٹو اور مستند شریعہ ایڈوائزر کی نگرانی میں کمپنی کی پراڈکٹس کو مسلسل بہتر بنایا جا رہا ہے۔ یہ محتاط حکمت عملی نہ صرف کاروبار کے مستقل فروغ کا ذریعہ بنی ہے، بلکہ سرمایہ کاری آمدن کے ساتھ وکالہ اور آپریٹس فیس میں اضافے کی بدولت شیئر ہولڈرز فنڈز کو بھی مضبوطی فراہم کر رہی ہے۔

معزز شیئر ہولڈرز، آپ کی کمپنی نے سال 2024، قبل از ٹیکس 366.4 ملین روپے کے منافع کے ساتھ مکمل کیا، جو کہ سال 2023 میں 192.1 ملین روپے تھا۔ بعد از ٹیکس منافع 2024 میں 269.7 ملین روپے رہا، جبکہ 2023 میں یہ رقم 156.20 ملین روپے تھی۔

نفع و نقصان کے اکاؤنٹ کا خلاصہ درج ذیل ہے :

	<u>2024</u>	<u>2023</u>
	---- Rupees ----	
Total Investment Income of Shareholders' Fund	290,946,849	275,180,815
Other Revenues	16,062,810	32,465,318
Total Investment Income & Other Revenues	307,009,659	307,646,134
Other expenses	(14,019,220)	(17,230,880)
Surplus / (Deficit) in shareholders' sub fund	73,465,909	(98,302,603)
	59,446,689	(115,533,483)
Profit before Taxation	366,456,348	192,112,651
Taxation	(96,735,200)	(35,814,547)
Profit for the year after Tax	269,721,148	156,298,104

کمپنی کے قانونی آڈیٹرز نے اپنے آڈٹ رپورٹ میں غیر مشروط یا صاف رائے جاری کی ہے۔ تاہم، انہوں نے اپنی رائے میں کوئی تبدیلی کیے بغیر ایک "اہم امور کی نشاندہی" کا پیرا گراف شامل کیا ہے، جو کہ لائف تکافل / انشورنس سروسز پر پنجاب سیلز ٹیکس (PST) اور سندھ سیلز ٹیکس (SST) کے دائرہ کار اور اطلاق سے متعلق ہے۔ یہ معاملہ کمپنی اور دیگر انشورنس / تکافل کمپنیوں کی جانب سے معزز لاہور ہائی کورٹ اور سندھ ہائی کورٹ میں چیلج کیا گیا ہے۔ اس حوالے سے مزید تفصیلات مابینائی گوشواروں کے نوٹ نمبر 28.1 میں فراہم کی گئی ہیں۔

5. فی شیئر آمدن اور فی شیئر بریک اپ ویلیو

رواں سال فی حصص آمدنی 2.06 روپے رہی، جو کہ 2023 میں 1.20 روپے کے مقابلے میں نمایاں کارکردگی کی عکاسی کرتی ہے۔

سال کے دوران شیئر ہولڈرز فنڈ (SHF) کی صافی مالیت میں 196 ملین روپے کا اضافہ ہوا، جس سے اس کی مجموعی مالیت 1.84 ارب روپے تک پہنچ گئی۔ اس کے نتیجے میں فی شیئر بریک اپ ویلیو 14.15 روپے رہی (2023 میں 12.86 روپے)۔

مزید یہ کہ، پارٹنیشن تکافل فنڈ (PTF) کی ایجوٹی بھی بڑھ کر 706.5 ملین روپے ہو گئی، جو کہ 2023 میں 698 ملین روپے تھی۔

6. شیئر ہولڈرز کے لیے ڈیویڈنڈ

ہمیں یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ بورڈ آف ڈائریکٹرز نے مالی سال 31 دسمبر 2024 کو ختم ہونے پر فی شیئر 10% نقد منافع (کیس ڈیویڈنڈ) کی سفارش کی ہے۔ اس منافع کی منظوری کمپنی کے اراکین سے سالانہ جنرل میٹنگ (AGM) میں حاصل کی جائے گی۔ مالی سال 31 دسمبر 2024 کے لیے تیار کردہ مابینائی گوشواروں میں تجویز کردہ منافع کا اثر شامل نہیں کیا گیا، کیونکہ اس کو مالی سال 31 دسمبر 2025 کے دوران ریکارڈ کیا جائے گا۔

7. پوسٹ بیلنس شیٹ ایڈجسٹنگ ایونٹ

مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان ایسی کوئی اہم ایڈجسٹمنٹ یا مالی حیثیت پر اثر انداز ہونے والی تبدیلی واقع نہیں ہوتی ہے جو کمپنی کی مالی حالت کو متاثر کرے۔

8. کریڈٹ ریٹنگ

کریڈٹ ریٹنگ ایک جامع ذریعہ ہے جس کے ذریعے کسی ادارے کی قرض ادا کرنے کی صلاحیت اور مالی ذمہ داریوں کی ادائیگی میں بھروسے کو پرکھا جاتا ہے۔ یہ ریٹنگ کمپنی یا ادارے کو ممکنہ سرمایہ کاروں اور کاروباری شراکت داروں کے سامنے کسی خفیہ معلومات کو افشا کیے بغیر اپنی مالی ساکھ ظاہر کرنے کا موقع دیتی ہے۔ اس عمل سے ادارے اور سرمایہ کاروں کے درمیان شفاف اور موثر تعلقات قائم ہوتے ہیں۔

آپ کی کمپنی کو مقامی کریڈٹ ریٹنگ ایجنسیوں VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ اور PACRA کی جانب سے A++ (سنگل A++) کی مضبوط ریٹنگ حاصل ہے۔ انشورر کی مالیاتی قوت (IFS) کی یہ "A++" ریٹنگ ظاہر کرتی ہے کہ کمپنی کے پاس پالیسی ہولڈرز اور معاہدے کی ذمہ داریوں کو پورا کرنے کی مضبوط صلاحیت موجود ہے۔

9. متعلقہ پارٹی کے لین دین

بورڈ کے اجلاس میں بورڈ آف ڈائریکٹرز نے کمپنی سے وابستہ کمپنیوں / متعلقہ پارٹیز کے معاملات کی منظوری دیدی ہے۔ متعلقہ فریقوں کے ساتھ کیے گئے تمام لین دین معمول کے کاروباری عمل کے تحت برابر کے درجے پر کیے گئے ہیں، اور کسی بھی ڈائریکٹر یا چیف ایگزیکٹو کا متعلقہ کمپنیوں کے ساتھ ہونے والے لین دین میں ذاتی مفاد نہیں ہے۔

متعلقہ فریقوں کے ساتھ ہونے والے لین دین کا ذکر 31 دسمبر 2024 کو ختم ہونے والے مالی سال کے مالی بیانات کے نوٹ 44 میں کیا گیا ہے۔

2025.10 کے امکانات

موجودہ سیاسی اور معاشی حالات کے تناظر میں آنے والا سال 2025 مواقع اور چیلنجز، دونوں لیے ہونے ہے۔ آئی ایم ایف پروگرام کا آغاز اور شرح سود میں کمی معیشت کے لیے مثبت اشارے ہیں، تاہم اندرونی، علاقائی اور عالمی جغرافیائی سیاسی منظر نامہ سنگین چیلنجز پیش کر سکتا ہے۔ پاکستان کی انشورنس انڈسٹری نے گزشتہ برسوں میں کئی اتار چڑھاؤ دیکھے، لیکن یہ معیشت اور دیگر شعبوں کی ترقی کے ساتھ ہم آہنگ رہنے میں کامیاب رہی۔ موجودہ میکر و انکم اور سیاسی ماحول کے پیش نظر ہمیں 2025 کے دوران انشورنس سیکٹر میں معتدل شرح سے ترقی کی توقع ہے۔

ہماری حکمت عملی کامر کز اب بھی ایک مستحکم، پائیدار اور منافع بخش ترقی رہے گا، جو مشکل کاروباری ماحول میں شریعت کے اصولوں کو مد نظر رکھتے ہوئے حاصل کی جائے گی۔ بیجمنٹ کے مقاصد کے لیے وضع کردہ کلیدی کارکردگی کے اشاریے بدستور برقرار رہیں گے، جن میں کسٹمر کے اطمینان کی بہتری، انڈر رائٹنگ کے

نتائج میں بہتری، لاگت کا موثر نظم، اور تمام اسٹیک ہولڈرز کے لیے قدر میں اضافہ شامل ہیں۔ مزید یہ کہ وقت کی بنیاد پر قائم تکافل کمپنیز اور ونڈو تکافل آپریٹرز کے مجموعی نتائج بھی تکافل پراڈکٹ کی بڑھتی ہوئی طلب کو ظاہر کرتے ہیں۔

11. آئی ایف آر ایس (IFRS) 17 انشورنس کا نٹریٹ

نیامیاتی رپورٹنگ معیار IFRS 17 یقیناً انشورنس اکاؤنٹنگ کے تقاضوں میں نمایاں تبدیلیاں لے کر آیا ہے، جس کے تحت دنیا بھر کے انشورنس ادارے اور ان کے اعلیٰ نگران ادارے مل کر اس نئے معیار کی جانب ہموار منتقلی کو یقینی بنانے کے لیے کام کر رہے ہیں۔ سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے IFRS 17 کے نفاذ کے لیے چار مراحل پر مشتمل طریقہ کار کی ہدایات جاری کی ہیں:

پہلا مرحلہ: گپ اینالیس۔ 30 ستمبر 2021 کو جمع کروا دیا گیا

دوسرا مرحلہ: مالیاتی اثرات کا تجزیہ (FIA)۔ سال 2022 میں 30 جون، 30 ستمبر اور 31 دسمبر کو تین مرحلوں میں جمع کروا دیا گیا

تیسرا مرحلہ: سسٹم ڈیزائن اور طریقہ کار۔ اس کی آخری تاریخ 30 ستمبر 2024 تھی

چوتھا مرحلہ: متوازی عمل اور نفاذ۔ اس کا آغاز 1 جنوری 2026 سے ہوگا

اب تک کے تین مراحل مکمل ہو چکے ہیں، اور IFRS 17 کے چوتھے مرحلے ”متوازی عمل اور نفاذ“ کی کامیاب تکمیل کے لیے SECP نے 23 دسمبر 2024 کے خط نمبر ID/MDPRD/IFRS-17/2024/3783 کے ذریعے کام کے دائرہ کار، ذمہ داریوں، رپورٹنگ فارمیٹ اور ٹائم لائنز کے حوالے سے ہدایات جاری کی ہیں۔ کمپنی نے ایک ایگزیکٹو کنسلٹنگ فرم کی خدمات حاصل کر لی ہیں اور اندرونی وسائل کو ان ہدایات کے موثر نفاذ کے لیے ہم آہنگ کر لیا گیا ہے۔ ایک منظم عملدرآمد منصوبہ ترتیب دیا گیا ہے، جس کا مقصد جون 2025 تک پہلا Dry Run کامیابی سے مکمل کرنا ہے، تاکہ آئندہ مراحل کے نفاذ کے لیے مضبوط بنیاد رکھی جاسکے اور IFRS 17 کے کامیاب نفاذ کو یقینی بنایا جاسکے۔

12. کیپیٹل اور سیال کا انتظام

کمپنی ایک مضبوط مالی بنیاد رکھتی ہے۔ آپ کی کمپنی اپنی مالی ذمہ داریوں کو موثر طریقے سے پورا کرنے کے لیے اپنی لیویڈیٹی کو نہایت احتیاط سے منظم کرتی ہے۔ کمپنی اپنے بنیادی کاروبار سے حاصل ہونے والی نقد آمدنی، سرمایہ کاری اور دیگر ذرائع آمدنی کے ذریعے اپنے مالی معاملات کو چلاتی ہے اور ذمہ داریوں کو پورا کرتی ہے۔ لیویڈیٹی کے انتظام کا ایک حصہ یہ بھی ہے کہ کمپنی ہر سال آڈیٹر سے اپنی سالوینسی کا سرٹیفکیٹ حاصل کرتی ہے، جو کہ انشورنس آرڈیننس 2000 کے تقاضوں کے مطابق تیار کیا جاتا ہے۔ SRO828(I)/2015 کے تحت لائف انشورنس کمپنیز/تکافل آپریٹرز کے لیے کم از کم ادا شدہ سرمایہ 700 ملین روپے مقرر ہے۔ ہمیں یہ بتاتے ہوئے خوشی محسوس ہو رہی ہے کہ ہمارے شیئر ہولڈرز اور اسپانسرز کی مضبوط مالی معاونت اور عزم کے ساتھ، کمپنی کا ادا شدہ سرمایہ 1.307 ارب روپے ہے، جو کہ اس ایس آر او کی مکمل طور پر تعمیل کر رہا ہے۔

حالیہ پیش رفت کے تحت، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے مورخہ 3 مارچ 2025 کو جاری کردہ S.R.O. 310(I)/2025 کے ذریعے ادا شدہ سرمایہ (پیڈ اپ کیپیٹل) کی نئی کم از کم حدود کا تعین کیا ہے، جو مرحلہ وار نافذ العمل ہوں گی۔ ان کا آغاز 31 دسمبر 2026 سے ہوگا اور تکمیل 31 دسمبر 2030 تک ہوگی۔ کمپنی نے ان مرحلوں اور نظر ثانی شدہ پیڈ اپ کیپیٹل کے تقاضوں کو پورا کرنے کے لیے ایک جامع حکمت عملی کی منصوبہ بندی کا آغاز

کر دیا ہے، جس میں پیڈاپ کیسٹل میں اضافے کے مختلف ممکنہ آپشنز کا جائزہ شامل ہے، جیسے کہ رائٹ ایٹو، بونس شیئرز کا اجراء، یا براہ راست سرمایہ کاری کے ذریعے سرمایہ کا اضافہ۔

13. قومی خزانے میں شراکت

آپ کی کمپنی قومی معیشت میں ٹیکسز اور ڈیوٹیز کی مد میں اپنا حصہ ڈالتی ہے، اور کمپنی کی ترقی کے ساتھ یہ حصہ داری مسلسل بڑھ رہی ہے۔ بطور ٹیکس گزار اور وڈ ہولڈنگ ایجنٹ، کمپنی نے قومی خزانے میں 276.19 ملین روپے جمع کروائے ہیں۔

14. شرعی اصولوں کی تعمیل

تکافل رولز 2012 اور ہمارے معزز شریعہ ایڈوائزری کی جاری کردہ ہدایات کی مکمل طور پر تعمیل کی گئی ہے۔ تکافل رولز 2012 کے مطابق، سالانہ رپورٹ کے ساتھ ایک آزاد شریعہ ریویو رپورٹ اور ہمارے شریعہ ایڈوائزری کی رپورٹ منسلک کی گئی ہے، جس میں تکافل قواعد و ضوابط پر عملدرآمد کا جائزہ شامل ہے۔ پاک قطر تکافل گروپ آف کمپنیز کے قیام سے ہی ایک خود مختار شریعہ ایڈوائزری بورڈ (SAB) قائم ہے، جو تمام مصنوعات اور آپریشنز کی شریعت کے مطابق نگرانی کرتا ہے۔ گروپ کے شریعہ بورڈ کے بانی چیئرمین جسٹس (ر) مفتی محمد تقی عثمانی صاحب تھے، جنہوں نے بعد ازاں 2019 میں مفتی حسان کلیم صاحب کو اپنا جانشین مقرر کیا۔ شریعہ کی پیروی کے اس نظام کو مزید تقویت، شریعہ ایڈوائزری مفتی عصمت اللہ صاحب کی خدمات سے حاصل ہوئی ہے، جو کمپنی کی تمام کاروباری سرگرمیوں میں شریعت کے اصولوں پر مستقل عمل درآمد کو یقینی بناتے ہیں۔ اس باوقار نگرانی نے ہمیں شریعہ گورننس کے ایسے عملی اقدامات کرنے کا امتیاز بخشا ہے جو قانونی تقاضوں سے بڑھ کر ہیں۔ پاک قطر تکافل گروپ کو یہ اعزاز بھی حاصل ہے کہ یہ پہلا تکافل گروپ ہے جسے ایس ای سی پی کی جانب سے خالص وقت کی بنیاد پر قائم جنرل تکافل اور فیملی تکافل کے لیے لائسنس جاری کیے گئے، جس کے نتیجے میں زندگی کے ہر طبقے کے لیے مالی منصوبہ بندی اور تحفظ پر مبنی مکمل طور پر شریعت کے مطابق مصنوعات کا ایک وسیع سلسلہ پیش کیا گیا ہے۔

15. ہیومن ریسورسز

آپ کی کمپنی کو صارفین اور دیگر اسٹیک ہولڈرز کی جانب سے مثبت طور پر دیکھا جاتا ہے، اور کمپنی کی ترقی و کامیابی ہماری افرادی قوت کے اعلیٰ معیار، اخلاقی طرز عمل اور عملی طریقوں کی عکاسی کرتی ہے۔

PQFTL میں مختلف پس منظر سے تعلق رکھنے والے افراد اپنے وسیع تجربات کے ساتھ موجودہ اور ممکنہ صارفین کی بدلتی ضروریات کو پورا کرنے کے لیے کام کر رہے ہیں۔ ہم اپنے ملازمین کی تربیت و ترقی پر یقین رکھتے ہیں تاکہ ان کے علم، مہارت اور صلاحیتوں میں اضافہ ہو اور وہ مسلسل بدلتے ہوئے کاروباری منظر نامے سے موثر انداز میں نمٹ سکیں۔ علاوہ ازیں، تنوع اور شمولیت کے اصولوں کے تحت ہم ادارے میں صنفی نمائندگی اور مختلف صلاحیتوں کے حامل افراد کی بھرتی کو باقاعدگی سے مانیٹر کرتے ہیں۔ کمپنی کا پختہ یقین ہے کہ پر عزم اور اعلیٰ معیار کے ملازمین ہی اس کی اصل طاقت ہیں۔ PQFTL کی سوچ کے مطابق، ہم ایک ایسا ماحول پروان چڑھاتے ہیں جہاں افراد کو ”اڑنے کے لیے پر، واپس آنے کے لیے جڑیں، اور قیام کے لیے وجوہات“ فراہم کی جاتی ہیں۔

ICAP کی منظور شدہ ٹریننگ آرگنائزیشن آؤٹ سائڈ پریکٹس (TOoP)؛ ہمیں یہ اعلان کرتے ہوئے ہمیں خوشی محسوس ہو رہی ہے کہ پاک قطر گروپ کو انسٹی

ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کی جانب سے Approved Training Organization Outside Practice (TOoP)

کے طور پر تسلیم کیا گیا ہے۔ TOoP پروگرام میں شمولیت کے ذریعے ہمارا مقصد مستقبل کے چارٹرڈ اکاؤنٹنٹس کو وہ بنیادی عملی مہارتیں، حقیقی صنعتی تجربہ، اور قیادت کی صلاحیتیں فراہم کرنا ہے جو آج کے مسابقتی کاروباری ماحول میں کامیابی کے لیے ناگزیر ہیں۔

ہم ICAP کے اس اعتراف پر دل کی گہرائی سے شکر یہ ادا کرتے ہیں اور پُر امید ہیں کہ ہم باصلاحیت اور اعلیٰ قابلیت کے حامل چارٹرڈ اکاؤنٹنٹس کی ترقی میں موثر کردار ادا کرتے رہیں گے۔

16. انفارمیشن ٹیکنالوجی

کمپنی نے اپنے آپریشنل اور حکمت عملی کے مقاصد کے حصول کے لیے انفارمیشن ٹیکنالوجی کے وسائل کو موثر طریقے سے استعمال کرنے کے لیے خود کو منظم کیا ہے۔ کمپنی کی جانب سے ماضی میں کی گئی اسٹریٹجک سرمایہ کاری نے اسے گھر سے کام کرنے کے دوران محفوظ VPN کنکشنز کے ذریعے اپنے کام کو موثر اور روانی سے جاری رکھنے کے قابل بنایا۔ صارفین مختلف ذرائع جیسے کال سینٹر، موبائل ایپ، اور ویب پورٹلز کے ذریعے کمپنی سے رابطہ کر کے معلومات حاصل کر سکتے تھے اور سروس درخواستیں دے سکتے تھے۔

کمپنی اپنے "ڈیزاسٹر ریجوری" سائٹ کو نہ صرف برقرار رکھتی ہے، بلکہ اس کی مشقیں باقاعدگی سے انجام دیتی ہے۔ علاوہ ازیں، کمپنی سائبر سیجورٹی اور فائر والز کے اعلیٰ معیار کو برقرار رکھتی ہے۔ کمپنی مسلسل اس بات کی کوشش کرے گی کہ ڈیجیٹل دنیا میں صارفین کو مزید مواقع فراہم کرے اور ان کی خدمات ان کی مطلوبہ جگہ اور وقت پر فراہم کرے۔

17. رسک اور غیر یقینی کیفیات

کمپنی ایک پیچیدہ اور چیلنجنگ ماحول میں کاروبار کرتی ہے، جس کی وجہ سے اسے متعدد داخلی اور خارجی خطرات کا سامنا ہوتا ہے جو اس کی کامیابی اور منافع پر اثر انداز ہو سکتے ہیں۔ کمپنی کو درپیش اہم خطرات میں ریجیولٹری رسک، آپریشنل رسک، انڈر رائٹنگ رسک، مارکیٹ رسک، کریڈٹ رسک، ری ٹیکافل رسک، لیجویڈیٹی رسک اور اقتصادی / سیاسی خطرات شامل ہیں۔

انتظامیہ اس بات کا عزم رکھتی ہے کہ رسک مینجمنٹ کو حکمت عملی سازی کے مرکزی عمل کا حصہ بنایا جائے اور اس مقصد کے لیے کمپنی میں ایک مضبوط رسک مینجمنٹ کا نظام نافذ کیا گیا ہے جو کمپنی کے تمام شعبہ جات میں لاگو ہوتا ہے۔ اس سے کمپنی کو ایک ایسا فائدہ مند مقام حاصل ہوتا ہے جو اس کے کاروبار اور اسٹیک ہولڈرز کی حفاظت کرتا ہے۔ کاروباری فیصلے اس بنیاد پر کیے جاتے ہیں کہ منافع بخش مواقع کے ساتھ منسلک خطرات کا وزن کیا جائے، کیونکہ ہم ایسے کاروباری مواقع کو حاصل کرنے کی کوشش کرتے ہیں جو ہماری طویل مدتی حکمت عملی کے مطابق ہوں۔ کمپنی نے ایک رسک مینجمنٹ فیمشن / ڈیپارٹمنٹ قائم کیا ہے جو متعلقہ ضوابط کے مطابق اپنے فرائض انجام دیتا ہے۔

18. شکایت کا فیمشن

کمپنی نے تکافل پالیسی ہولڈر کے لئے شکایات کے حوالے سے ایک سیٹ اپ ترتیب دیا ہے۔ اس سیٹ اپ کے ذریعے کم سے کم وقت میں شکایات کو موثر اور تسلی بخش طریقے سے حل کرنے کی پوری کوشش کی جاتی ہے۔ متعلقہ عملہ شکایات / شکایات کو کم سے کم وقت میں حل کرتا ہے اور انشورر کے کوڈ آف کارپوریٹ گورننس کے تقاضوں کے مطابق کارروائی کرتا ہے۔

19. دوسرے اسٹیک ہولڈرز کے ساتھ تعلقات

آپ کی کمپنی کا ذیل کے ساتھ اچھے تعلقات جاری رکھنے کی خواہاں ہے :

- اپنے ملازمین کے ساتھ، ایک مثبت کام کا ماحول فراہم کر کے
- پالیسی ممبران کے ساتھ، اعتماد پیدا کرنے اور معیاری خدمات کی فراہمی کے ذریعہ
- کاروباری طبقہ کے ساتھ، ایماندارانہ اور منصفانہ سلوک کے ذریعہ
- حکومت اور ریگولیٹرز کے ساتھ آزاد کاروباری سرگرمیوں کو فروغ دے کر، مسابقتی مارکیٹ نظام کو برقرار رکھتے ہوئے اور تمام قابل اطلاق قوانین کی تعمیل کر کے؛ اور
- عام طور پر سماج کے ساتھ محفوظ اور صحت مند کام کی جگہ فراہم کر کے، اور ملازمین کو اپنی مہارتوں کو بہتر بنانے کے مواقع فراہم کر کے۔

20. کارپوریٹ اور فنانسئل رپورٹنگ فریم ورک

- آ. کمپنی کی مینجمنٹ کی طرف سے تیار کیے گئے فنانسئل اسٹیٹمنٹ، اس کے معاملات، آپریشنز کے نتائج، کیش فلوا اور ایجوٹیٹی میں تبدیلی کو درست طریقے سے پیش کرتا ہے۔
- ب. کمپنی نے بک آف اکاؤنٹس مناسب طریقے سے مرتب کیے ہیں۔
- ج. فنانسئل اسٹیٹمنٹ کے نوٹس میں کی گئی وضاحت کے مطابق، اکاؤنٹنگ پالیسی میں کی گئی تبدیلی کے علاوہ مناسب اکاؤنٹنگ پالیسیز کو فنانسئل اسٹیٹمنٹ بنانے میں استعمال کیا گیا ہے، اور اکاؤنٹنگ کے اندازے ایک مناسب اور معقول توجیہ پر مبنی ہیں۔
- د. فنانسئل اسٹیٹمنٹ کی تیاری میں پاکستان میں رائج انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز کی پیروی کی گئی ہے اور کسی بھی قسم کی تبدیلی کو مناسب طریقے سے ظاہر کیا گیا ہے۔
- ه. انٹرنل کنٹرول کا سسٹم مناسب ڈیزائن پر مبنی ہے اور موثر طریقے سے اس کو لاگو کیا گیا اور اس کی نگرانی کی جا رہی ہے۔
- و. کمپنی کے گونگ کنسرن ہونے میں کوئی خاطر خواہ شک نہیں ہے۔
- ز. کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی قابل ذکر انحراف نہیں ہوا۔ اس حوالے سے ایک بیان رپورٹ کے ساتھ منسلک ہے۔
- ح. گذشتہ چھ سالوں کا اہم آپریٹنگ اور فنانسئل ڈیٹا منسلک ہے۔
- ط. پچھلے سال سے مقاصد اور حکمت عملیوں میں کوئی خاص تبدیلی نہیں آئی ہے، اور نہ ہی کسی آپریشن کو روکنے کا کوئی پلان ہے۔
- ی. سال کے اختتام تک پراویڈنٹ فنڈ اور گریجویٹی فنڈ کے اکاؤنٹس کا بیلنس بالترتیب 5,584,775 اور 215,597 روپے تھا۔
- ک. بورڈ میننگ اور ڈائریکٹرز کی حاضری کی تعداد ذیل میں ”بورڈ آف ڈائریکٹرز“ کے عنوان کے تحت دی گئی ہے۔
- ل. کمپنی کے حصہ داروں کا پیٹرن منسلک ہے۔

م۔ چیف ایگزیکٹو، ڈائریکٹرز، چیف فنانشل آفیسر، کمپنی سیکرٹری، ان کے شریک حیات اور نابالغ بچوں کی جانب سے شیئرز کی کوئی خرید و فروخت نہیں ہوئی، سوائے مسٹر سعید گل کے جنہوں نے 2,898,254 شیئرز فروخت کیے، جبکہ پاک قطر انویسٹمنٹ (پرائیویٹ) لمیٹڈ، محترمہ سمیرا، اور محترمہ فاطمہ نے بالترتیب 1,133,577.5,171,466، اور 1,133,577 شیئرز کی خریداری کی۔

21. کوڈ آف کارپوریٹ گورننس کی تعمیل

نومبر 2016 میں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے تمام انشورنس/تکافل کمپنیوں کے لیے 'کوڈ آف کارپوریٹ گورننس برائے انشوررز، 2016' نافذ کیا تھا۔ ریگولیشنری حکام کی جانب سے مقرر کردہ کارپوریٹ گورننس کے کوڈ کی تمام شرائط پر مکمل طور پر عمل درآمد کیا گیا ہے۔ اس حوالے سے ایک بیان رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ گورننس کے تحت، بورڈ نے بورڈ کمیٹیاں اور بیٹنٹ کمیٹیاں قائم کی ہوئی ہیں، جن کی ترکیب اور سال کے دوران ہونے والی میٹنگز کا ذکر مذکورہ بیان میں کیا گیا ہے۔

22. بورڈ آف ڈائریکٹرز

آپ کی کمپنی کے ڈائریکٹرز کا انتخاب 29 اپریل 2022 کو منعقدہ غیر معمولی عمومی اجلاس میں تین سال کی مدت کے لیے کیا گیا تھا۔ اس کے مطابق، نئے انتخابات آئندہ سالانہ عمومی اجلاس میں مقرر ہیں، جو کہ 30 اپریل 2025 کو منعقد ہونے والا ہے۔

سال 2024 کے دوران بورڈ آف ڈائریکٹرز کی سات میٹنگز منعقد ہوئیں اور ان میں درج ذیل افراد نے شرکت کی:

#	ڈائریکٹر	میٹنگز کی تعداد جن میں وہ شریک ہوئے
1	شیخ علی بن عبداللہ الثانی	3
2	عبدالباسط احمد الشیبی	3
3	علی ابراہیم العبد الغنی	2
4	سید گل	7
5	زاہد حسین اعوان	7
6	محترمہ سمیرا عثمان	5
7	جناب محمد کامران سلیم	7
8	جناب محمد اویس انصاری	1

4	جناب فرخ وقار الدین جنیدی	9
میٹنگ میں شریک نہ ہونے والے ڈائریکٹرز کو غیر حاضری کی رخصت دی گئی۔		

23. انٹرنل آڈٹ فنکشن

اندرونی کنٹرولز کے جائزے اور تعمیل کی نگرانی کے لیے کمپنی میں انٹرنل آڈٹ کا نظام موجود ہے۔ کمپنی کا انٹرنل آڈٹ ڈیپارٹمنٹ باقاعدہ طور پر قائم ہے اور اس میں مناسب اسٹاف تعینات ہے۔ انٹرنل آڈیٹر کو بورڈ آڈٹ کمیٹی کے چیئرمین تک مکمل رسائی حاصل ہے۔ مزید برآں، انٹرنل آڈیٹر سینئر مینجمنٹ سے اندرونی آڈٹ رپورٹس پر تبادلہ خیال کرتا ہے اور آڈٹ کے عمل کو شفاف اور موثر بنانے کے لیے کسی بھی وقت مینجمنٹ سے براہ راست رابطہ کرنے میں مکمل طور پر آزاد ہے۔ اپنی غیر جانبداری اور خود مختاری کو برقرار رکھنے کے لیے، انٹرنل آڈٹ ڈیپارٹمنٹ بورڈ آڈٹ کمیٹی کو فنکشنل طور پر اور چیف ایگزیکٹو آفیسر کو انتظامی طور پر رپورٹ کرتا ہے۔

آڈٹ کمیٹی ایک موثر اندرونی کنٹرول سسٹم کے نفاذ کی نگرانی کرتی ہے، جس میں کنٹرول طریقہ کار کے ساتھ مکمل تعمیل بھی شامل ہے۔ آڈٹ کمیٹی کو انٹرنل آڈیٹر کی معاونت حاصل ہے، جو آپریشنل کنٹرولز کی تائید کا جائزہ لینے اور خطرات کی نگرانی و انتظام میں مدد فراہم کرتا ہے، تاکہ اس بات کی معقول یقین دہانی ہو سکے کہ یہ نظام کمپنی میں موثر طریقے سے چلتا رہے اور اس کی کارکردگی میں بہتری لاتے ہوئے آزادانہ اور غیر جانبدارانہ رائے فراہم کرے۔

24. کپلائنس فریم ورک

کپلائنس فریم ورک ان قواعد و ضوابط کا خاکہ پیش کرتا ہے جو ادارے سے متعلق قانونی تقاضوں کو واضح کرتا ہے۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ قوانین و ضوابط کی مکمل تعمیل کرتے ہیں۔ اس کے ساتھ ساتھ کمپنی وفاقی اور صوبائی حکومتوں کی طرف سے جاری کردہ ان قوانین و ضوابط کی بھی پابند ہے جو کمپنی سے متعلق ہوں۔ متعلقہ قوانین اور قواعد و ضوابط کی تعمیل کو ہم اپنی اولین ترجیح سمجھتے ہیں۔

کپلائنس فنکشن کی ذمہ داری کمپنی کے کپلائنس آفیسر کے سپرد ہے۔ موثر، مربوط اور ہموار آپریشنز کو یقینی بنانے کے لیے کمپنی کی پالیسیز اور طریقہ کار میں وقتاً فوقتاً ضروری تبدیلیاں کی جاتی ہیں۔ کمپنی کا کپلائنس فریم ورک اندرونی کنٹرول فریم ورک کا ایک لازمی حصہ ہے، جس کا بنیادی مقصد یہ یقینی بنانا ہے کہ کمپنی ہر وقت مکمل طور پر قوانین کی پاسداری کرے۔

25. اینٹی منی لانڈرنگ (AML) اور دہشت گردی کی مالی اعانت کی روک تھام (CTF)

کمپنی سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ ہدایات پر عملدرآمد اور ان سے مکمل مطابقت کو انتہائی اہمیت دیتی ہے تاکہ متعلقہ خطرات اور ممکنہ خطرات سے نمٹا جاسکے۔ اس سلسلے میں، انتظامیہ نے AML اور CTF پالیسی کو جدید ترین آلات، تکنیکیوں کے استعمال اور طریقہ کار میں ضروری ترامیم کے ذریعے نافذ کیا ہے۔ اس کے علاوہ، کمپنی نے AML اور CTF سے متعلق اپنے عملے کی تربیت کا اہتمام بھی کیا ہے۔

26. آڈیٹرز

ریٹائر ہونے والے آڈیٹرز، یوسف عادل، چارٹرڈ اکاؤنٹنٹس، دوبارہ تقرری کے لیے اہل ہیں۔ آڈٹ کمیٹی کی سفارش پر، بورڈ آف ڈائریکٹرز نے 2025 کے لیے یوسف عادل، چارٹرڈ اکاؤنٹنٹس کو کمپنی کا آڈیٹر تعینات کرنے کی تجویز دی ہے، جنہوں نے آڈیٹر کے طور پر کام کرنے پر رضامندی ظاہر کی ہے۔

27. قدردانی و اعتراف

آپ کی کمپنی کی سال بھر کی کارکردگی، ملازمین و انتظامیہ کے جذبے، عزم، اور ان کی محنت کے بغیر ممکن نہ ہوتی۔ بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے معزز شریعہ بورڈ کی مسلسل رہنمائی اور تعاون پر دلی شکر یہ اور خراج تحسین پیش کرتے ہیں۔

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے تعاون کو بھی تسلیم کرتے ہیں۔ بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے پالیسی ہولڈرز، انٹرمیڈیٹریز، ری تکافل آپریٹرز اور ڈیجیٹل اسٹیک ہولڈرز کا شکر یہ ادا کرتے ہیں کہ انہوں نے کمپنی پر بھرپور اعتماد کا اظہار کیا، اور ہمیں یقین ہے کہ ہم مستقبل میں بھی اپنی کامیابی ان سب کے ساتھ بانٹتے رہیں گے۔

اختتامیہ

اختتام پر ہم اللہ سبحانہ و تعالیٰ جو کہ رحمن و رحیم ہے کے سامنے سر جھکاتے ہوئے سوال کرتے ہیں کہ وہ ہمیں، ہماری کمپنی کو، ہمارے ملک کو اور تمام اسٹیک ہولڈرز کو اپنی مسلسل رحمت، ہدایت، طاقت، صحت اور کامیابی کے سائے میں رکھے۔ آمین ثم آمین
بورڈ آف ڈائریکٹرز کی طرف سے

ڈائریکٹرز

چیف ایگزیکٹو آفیسر

مورخہ: 9 اپریل 2025

Shariah Review Report to the Board of Directors for the year ended 31 December 2024

الحمد لله رب العلمين والصلاة والسلام على سيد الانبياء والمرسلين محمد النبي الامي
وعلى آله وصحبه اجمعين، وبعد

We have reviewed the accompanying financial statements of **Pak-Qatar Family Takaful Limited** (hereafter referred to as "the Company") for the year ended 31 December 2024.

During the year, the Shariah Advisory Board conducted online meetings to discuss various matters. Additionally, we reviewed all types of products, documents, MOUs, and business concerns of the Company. Based on the provided information and explanations, and to the best of our understanding, our findings are as follows:

- (i) The Company's financial transactions, along with the relevant documentation and procedures for the year ended December 31, 2024, were in compliance with the guidelines issued by the Shariah Advisory Board and the requirements of the Takaful Rules 2012.
- (ii) The prescribed Shariah Screening Criteria were duly met in all investment and financial transactions.
- (iii) We have realized the amount **7,089,026 /-** as Shariah non-Compliant income which has been credited to the relevant charity account.
- (iv) Moreover, we also agree with the accounting principles adopted for incorporation of Participants' Takaful Fund (Waqf Fund) into the accompanying financial statements.
- (v) The Shariah Compliance Department remains actively engaged in promoting awareness of Takaful and its processes among distribution staff, educational institutions, and corporate sectors. In 2024, multiple awareness sessions were conducted in collaboration with the Training Department as well as independently.
- (vi) In light of these observations, we confirm that Pak-Qatar Family Takaful Limited has successfully maintained Shariah compliance across all its activities. We commend the Company's efforts in ensuring strict adherence to Islamic financial principles and encourage continued diligence in upholding Shariah standards in the future.

"And Allah Knows Best"



Mufti Muhammad Hassan Kaleem
Chairman - Shariah Advisory Board



Dr. Mufti Ismatullah
Shariah Advisor & Member - Shariah Advisory Board

Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Shariah Principles

We were engaged by the Board of Directors (The Board) of **Pak Qatar Family Takaful Limited** ("the Company") to report on the management's assessment of compliance of the Takaful Operations of the Company, as set out in the statement prepared by management for the year ended **December 31, 2024**, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the statement presents fairly the status of compliance of the Operations with the Takaful Rules, 2012, in all material respects. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of the provisions of Takaful Rules 2012, issued by the Securities and Exchange Commission of Pakistan (SECP).

Management's Responsibilities for Shariah Compliance

The management of the Company is responsible for preparation of the statement that is free from material misstatement.

The management of the Company is responsible for designing, implementing and maintaining internal controls relevant to the preparation of the statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Takaful Operations comply with laws and regulations applicable to its activities. They are also responsible for ensuring that the management, where appropriate, those charged with governance, and personnel involved with the Takaful Operations compliance with the Takaful Rules, 2012 are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

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 firms apply International Standard on Quality Management 1 (ISQM 1) 'Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements'. ISQM 1 mandates firms to establish, implement, and maintain a system of quality management, incorporating policies and procedures for ensuring compliance with ethical requirements, professional standards, and relevant legal and regulatory obligations.

Our Responsibilities and summary of the work performed

Our responsibility is to independently verify the statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the statement presents the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with the Takaful Rules, 2012, whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the Takaful Operations' compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. In performing our audit procedures necessary guidance on Shariah matters was provided by independent Shariah scholar.

A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with Takaful Rules, 2012, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed included:

- Evaluating the systems, procedures and practices in place with respect to the Takaful operations against the Takaful Rules, 2012 and Shariah Advisor's guidelines;
- Evaluating 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;
- Verifying that assets and liabilities of each Participant Takaful Fund and shareholder Fund are segregated from its other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012;
- Test for a sample of transactions relating to Takaful operations to ensure that these are carried out in accordance with the laid down procedures and practices including the regulations relating to Takaful operations as laid down in Takaful Rules, 2012; and
- Review the statement of management's assessment of compliance of the Takaful transactions during the year ended December 31, 2024, with the Takaful Rules, 2012.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion

In our opinion, the statement, for the year ended December 31, 2024, presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.



Chartered Accountants

Engagement Partner: Hena Sadiq

Place: Karachi

Dated: April 28, 2025

PAK QATAR FAMILY TAKAFUL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Pak-Qatar Family Takaful Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Pak-Qatar Family Takaful Limited** (the Company), which comprise the statement of financial position as at **December 31, 2024**, and the statement of profit and loss account and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information 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 profit and loss account and other comprehensive income, the statement of changes in equity and 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 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 other comprehensive income of the Shareholder's Fund and surplus reserve of Participant's Fund, the changes in equity and its cash flows 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.

Emphases for matter

We draw attention to note 28.1 to the financial statements where it is disclosed that the Company has challenged the scope and applicability of Punjab Sales Tax (PST) and Sindh Sales Tax (SST) on life insurance services. Our opinion is not modified in this respect.

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 is a material misstatement of this other information, we are required to report that fact. We have not been provided with such other information therefore we cannot 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 Insurance Ordinance, 2000 and 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.

Auditor's 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.
- 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.



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 the Insurance Ordinance, 2000 and the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit and loss account and other 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, the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) the apportionment of assets, liabilities, revenue and expenses between two or more funds has been performed in accordance with the advice of the appointed actuary;
- d) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- e) no zakat was deducted at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Hena Sadiq.


Chartered Accountants

Place: Karachi

Date: April 28, 2025

UDIN: AR202410057aJDqt7KFj

PAK-QATAR FAMILY TAKAFUL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	Note	Aggregate			
		Shareholders' Fund	Participants' Fund	December 31, 2024	December 31, 2023
(Rupees)					
ASSETS					
Property and equipment	8	433,948,479	-	433,948,479	474,986,768
Intangible assets	9	76,074,407	-	76,074,407	84,707,828
Investment property	10	-	1,200,000,000	1,200,000,000	1,124,510,000
		510,022,886	1,200,000,000	1,710,022,886	1,684,204,596
Investments					
Equity securities	11	39,764,835	-	39,764,835	7,084,956,770
Government securities	12	985,885,562	188,003,493	1,173,889,055	4,420,170,012
Debt securities	13	-	-	-	89,437,480
Term deposits	14	-	50,000,000	50,000,000	50,000,000
Mutual funds	15	379,675,827	52,110,908,583	52,490,584,410	23,937,145,826
		1,405,326,224	52,348,912,076	53,754,238,300	35,581,710,088
Advance against investment property		3,775,000	318,149,000	321,924,000	132,399,000
Takaful / Re-takaful receivables	16	-	842,186,279	842,186,279	1,109,930,970
Deposits, loans and other receivables	17	163,791,250	78,163,183	241,954,433	326,384,877
Taxation - payments less provision		-	941,516,559	941,516,559	901,724,562
Prepayments	18	27,748,980	-	27,748,980	20,778,575
Cash and bank	19	319,977,817	4,061,547,895	4,381,525,712	4,031,939,196
Total Assets		2,430,642,157	59,790,474,992	62,221,117,149	43,789,071,864
EQUITY and LIABILITIES					
Share capital	20	1,307,124,400	-	1,307,124,400	1,307,124,400
Unappropriated profit - net		802,858,966	-	802,858,966	606,773,532
Shareholders' Equity		2,109,983,366	-	2,109,983,366	1,913,897,932
Qard -e -Hasna		(260,000,000)	-	(260,000,000)	(260,000,000)
Total Equity		1,849,983,366	-	1,849,983,366	1,653,897,932
Waqf / Participant Takaful Fund (PTF)					
Cede money		-	500,000	500,000	500,000
Accumulated surplus		-	706,020,945	706,020,945	697,580,853
Total PTFs Equity		-	706,520,945	706,520,945	698,080,853
Qard -e -Hasna		-	260,000,000	260,000,000	260,000,000
Total Participants' Takaful Fund		-	966,520,945	966,520,945	958,080,853
Liabilities					
Deferred tax	21	7,823,121	-	7,823,121	12,508,208
Takaful liabilities	22	-	58,104,031,781	58,104,031,781	39,673,614,394
Staff retirement benefits	24	106,019,063	-	106,019,063	84,767,974
Contributions received in advance		-	507,886,930	507,886,930	751,488,717
Takaful / Re-takaful payable	25	-	143,681,016	143,681,016	117,046,472
Other creditors and accruals	26	256,037,932	68,354,320	324,392,252	339,880,513
Lease liabilities	27	133,995,874	-	133,995,874	184,547,201
Tax provision - payment less provision		76,782,801	-	76,782,801	13,239,600
Total Liabilities		580,658,791	58,823,954,047	59,404,612,838	41,177,093,079
Total Equity and Liabilities		2,430,642,157	59,790,474,992	62,221,117,149	43,789,071,864

Contingencies and commitments

28

The annexed notes from 1 to 51 form an integral part of these financial statements.

Chief Executive Officer

Director


Director

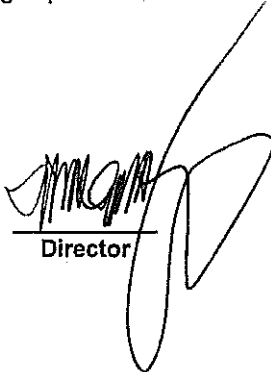
Chairman

PAK-QATAR FAMILY TAKAFUL LIMITED
 PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME - PARTICIPANTS' FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

	Note	December 31, 2024	December 31, 2023
		(Rupees)	
Participants' fund			
Gross contributions revenue	29	28,817,016,910	16,296,690,302
Wakala fee	30	(1,352,815,349)	(1,507,754,812)
		27,464,201,561	14,788,935,490
Re-takaful contribution ceded		(417,833,165)	(449,816,541)
Net contribution revenue		27,046,368,396	14,339,118,949
Investment income	31	570,597,925	669,423,985
Net realised fair value gains on investments	32	3,696,819,800	2,537,532,256
Net fair value gains / (losses) on investments	33	5,459,666,815	3,840,474,268
Unrealised gain on revaluation of investment property	10	75,490,000	13,643,705
Impairment on debt securities		(33,437,500)	-
Surplus income		-	82,815,115
		9,769,137,039	7,143,889,329
Net income		36,815,505,435	21,483,008,278
Takaful benefits	35	(17,773,459,111)	(10,954,415,360)
Recoveries from re-takaful	35	283,023,444	301,897,982
Takaful operator fee	36	(1,066,243,573)	(641,814,243)
Surplus distribution		(64,091,014)	(99,852,952)
Other expenses		(89,492,616)	(88,969,189)
Net takaful benefits		(18,710,262,870)	(11,483,153,762)
Net change in takaful liabilities (Other than outstanding claims)		(18,096,802,473)	(10,062,232,213)
Surplus / (deficit) reserve for the year [Participant Takaful Fund (PTF)]		8,440,093	(62,377,697)

The annexed notes from 1 to 51 form an integral part of these financial statements.


 Chief Executive Officer


 Director




 Director

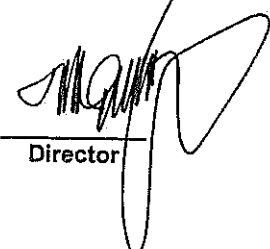

 Chairman


PAK-QATAR FAMILY TAKAFUL LIMITED
 PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME - SHAREHOLDERS' FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024

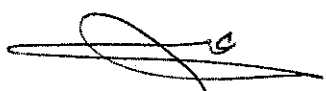
	Note	December 31, 2024	December 31, 2023
		----- (Rupees) -----	
Shareholders' fund			
Wakala fee	30	1,352,815,349	1,507,754,812
Commission expense	37	(598,981,272)	(628,211,309)
		<u>753,834,077</u>	<u>879,543,503</u>
Takaful operator fee	36	1,066,243,573	641,814,243
Investment income	31	217,207,289	181,956,378
Net realised fair value gains on investments	32	73,739,560	93,224,438
Other income	34	16,062,810	32,465,318
		<u>1,373,253,231</u>	<u>949,460,377</u>
Net income		<u>2,127,087,308</u>	<u>1,829,003,880</u>
Acquisition expenses	37	(815,210,112)	(803,409,785)
Marketing and administration expenses	38	(904,330,005)	(790,553,037)
Other expenses	39	(14,019,220)	(17,230,880)
Total expenses		<u>(1,733,559,336)</u>	<u>(1,611,193,702)</u>
Mark up on finance lease	27	(27,071,624)	(25,697,528)
Profit before tax		<u>366,456,348</u>	<u>192,112,650</u>
Taxation	40	(96,735,200)	(35,814,547)
Profit after tax		<u>269,721,148</u>	<u>156,298,103</u>
Other comprehensive income			
<i>Items not to be recognised to profit and loss account in subsequent year</i>			
Actuarial loss on staff retirement benefit	24.6.2	932,635	(4,093,333)
Tax effect		(270,464)	1,187,067
		<u>662,171</u>	<u>(2,906,266)</u>
<i>Items that may be recognised to profit and loss account in subsequent years</i>			
Change in unrealised gains on available for sale investments		61,647,066	160,364,238
Loss on disposal reclassified to profit or loss account		(74,240,940)	(62,414,762)
Tax effect		3,652,223	(28,405,248)
Change in unrealised (losses) / gains available for-sale-investments - net of tax		(8,941,650)	69,544,228
Total other comprehensive income		<u>(8,279,480)</u>	<u>66,637,962</u>
Total comprehensive income for the year (Share holder fund-SHF)		<u>261,441,668</u>	<u>222,936,065</u>
Earnings per share	41	<u>2.06</u>	<u>1.20</u>

The annexed notes from 1 to 51 form an integral part of these financial statements.



 Chief Executive Officer


 Director


 Director


 Chairman

Pak-Qatar Family Takaful Limited
Statement of Changes In Equity
As at December 31, 2024

Balance at January 01, 2023

Accumulated surplus

Contribution by Shareholder's Fund

Balance as at December 31, 2023

Accumulated surplus

Contribution by Shareholder's fund

Balance as at December 31, 2024

Attributable to Participants of the Company			
Cede Money	Accumulated surplus / (deficit)	Qard-e-Hasna	Total
(Rupees)			
500,000	759,958,550	175,000,000	935,458,550
-	(62,377,697)	-	(62,377,697)
-	-	85,000,000	85,000,000
500,000	697,580,853	260,000,000	958,080,853
-	8,440,092	-	8,440,092
-	-	-	-
500,000	706,020,945	260,000,000	966,520,945

Attributable to Shareholders of the Company
Net Unappropriated profit / (Accumulated loss)

Share Capital	Unappropriated Accumulated Profit/(Loss)	Surplus / (Deficit) on revaluation of available for sale investments	Capital Contribution to Statutory Funds	Net Unappropriated Accumulated Profit/(Loss)	Total
(Rupees)					

Balance at January 01, 2023

Total comprehensive income for the year ended December 31, 2023

Profit for the year

Other comprehensive income for the year - net of tax

1,307,124,400	540,556,776	(91,363,083)	(175,000,000)	449,193,693	1,581,318,093
-	156,298,103	-	-	156,298,103	156,298,103
-	(2,906,266)	69,544,228	-	66,637,962	66,637,962
-	153,391,837	69,544,228	-	222,936,065	222,936,065

Transactions with the owners

Dividend for the year ended December 31, 2023

@ Re. 0.5 per share i-e 5%

Qard-e-Hasna returned by statutory fund

Total comprehensive income for the year

-	(65,356,226)	-	-	(65,356,226)	(65,356,226)
-	-	-	(85,000,000)	-	(85,000,000)
-	(65,356,226)	-	(85,000,000)	(65,356,226)	(150,356,226)

Balance at December 31, 2023

Total comprehensive income for the year ended December 31, 2024

Profit for the year

Other comprehensive income for the year

Total comprehensive income for the year

1,307,124,400	628,592,387	(21,818,855)	(260,000,000)	606,773,532	1,653,897,932
-	269,721,148	-	-	269,721,148	269,721,148
-	662,171	(8,941,650)	-	(8,279,480)	(8,279,480)
-	270,383,319	(8,941,650)	-	261,441,668	261,441,668

Transaction with the owners

Dividend for the year ended December 31, 2024

@ Re. 0.5 per share i-e 5%

Qard-e-Hasna returned by statutory fund

-	(65,356,234)	-	-	(65,356,234)	(65,356,234)
-	-	-	-	-	-
-	(65,356,234)	-	-	(65,356,234)	(65,356,234)

Balance at December 31, 2024

1,307,124,400	833,619,472	(30,760,505)	(260,000,000)	802,858,966	1,849,983,366
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The annexed notes from 1 to 51 form an integral part of these financial statements.

Chief Executive Officer

Director

Director

Chairman

PAK-QATAR FAMILY TAKAFUL LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024

Note	Shareholders' Fund	Participants' Fund	Aggregate	
			December 31, 2024	December 31, 2023
			(Rupees)	
Operating Cash flows				
(a) Takaful activities				
Contributions received	-	28,832,636,468	28,832,636,468	16,301,948,155
Retakaful payment - net	-	(99,651,831)	(99,651,831)	(9,187,132)
Claims / benefits paid	-	(17,439,844,203)	(17,439,844,203)	(10,591,347,173)
Commission paid	(593,069,612)	-	(593,069,612)	(652,499,913)
Wakala fees / Modarib received	2,419,058,921	-	2,419,058,921	2,149,569,055
Wakala fees / Modarib paid	-	(2,419,058,921)	(2,419,058,921)	(2,149,569,055)
Net cash flow from takaful activities	1,825,989,309	8,874,081,513	10,700,070,822	5,048,913,937
(b) Other operating activities				
Income tax paid	(34,495,327)	(39,791,996)	(74,287,323)	(92,108,283)
Management and other expenses paid	(1,644,705,389)	-	(1,644,705,389)	(1,428,710,824)
Other operating receipts / (payments)	2,602,086	(78,203,328)	(75,601,242)	(4,019,668)
Advances and deposits	(494,436)	(193,574,477)	(194,068,913)	(1,305,000)
Surplus distributed	-	(64,091,014)	(64,091,014)	(99,852,952)
Net cash flow from other operating activities	(1,677,093,066)	(375,660,815)	(2,052,753,881)	(1,625,996,727)
Total cash flow from all operating activities	148,896,243	8,498,420,698	8,647,316,941	3,422,917,210
(c) Investment activities				
Profit / return received	198,014,660	4,247,219,333	4,445,233,993	3,290,086,530
Payment for investments	(1,307,125,386)	(94,781,593,400)	(96,088,718,786)	(56,582,275,658)
Proceeds from disposal of investments	1,362,903,363	81,974,601,092	83,337,504,455	50,715,024,771
Dividend received	-	128,663,100	128,663,100	183,960,500
Fixed capital expenditure	(55,411,311)	-	(55,411,311)	(178,967,187)
Proceeds from disposal of operating assets	354,350	-	354,350	3,373,996
Total cash flow from investing activities	198,735,676	(8,431,109,875)	(8,232,374,199)	(2,568,797,047)
(d) Financing activities				
Dividend paid	(65,356,226)	-	(65,356,226)	(65,356,226)
Total cash flow from financing activities	(65,356,226)	-	(65,356,226)	(65,356,226)
Net cash flow from all activities	282,275,693	67,310,823	349,586,516	788,763,937
Cash and cash equivalents at beginning of year	37,702,124	4,044,237,072	4,081,939,196	3,293,175,259
Cash and cash equivalents at end of year	19	4,111,547,895	4,431,525,712	4,081,939,196
Reconciliation to profit and loss account				
Cash flow from operating activities	148,896,243	8,498,420,698	8,647,316,941	3,422,917,210
Surplus of participants' funds for the year (Before distribution and changes in reserves)				
Exchange gain / (loss)	(18,725)	-	(18,725)	53,016
Depreciation expense	(160,795,284)	-	(160,795,284)	(168,411,788)
Amortisation expense	(9,181,753)	-	(9,181,753)	(9,059,505)
Actuarial (gain) / loss - retirement benefits obligation	(932,634)	-	(932,634)	4,093,333
Tax paid	34,495,327	39,791,996	74,287,323	92,108,283
(Loss) / Gain on disposal of operating assets	(58,291)	-	(58,291)	34,313
Return on investments	217,207,289	570,597,925	787,805,214	851,380,363
Long term deposits	494,436	193,574,477	194,068,913	1,305,000
Increase / (decrease) in receivables and other assets	2,602,086	(22,224,279)	(19,622,193)	(51,433,559)
(Increase) / decrease in liabilities	(1,638,973)	(314,847,552)	(316,486,525)	(471,746,727)
Fair value gain / (loss) on investments	61,647,066	5,426,229,315	5,487,876,381	4,034,882,564
Net realised fair value gain on investments	73,739,560	3,696,819,800	3,770,559,360	2,630,756,694
Income tax expense	(96,735,200)	-	(96,735,200)	(35,814,547)
Profit / Deficit for the year (after Tax / Reserves)	289,721,148	18,088,362,380	18,358,083,528	10,336,879,197

Chief Executive Officer

Director

Director

Chairman

PAK-QATAR FAMILY TAKAFUL LIMITED
NOTES COMPRISING MATERIAL ACCOUNTING POLICY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

1. CORPORATE INFORMATION

Pak Qatar Family Takaful Limited (the Company) was incorporated in Pakistan as an unquoted public company limited by shares on March 15, 2006 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The Company received certificate of registration on August 16, 2007 under Section 6 of the Insurance Ordinance, 2000. The principal business activity of the Company is to undertake family takaful business in accordance with the Insurance Ordinance 2000, Securities and Exchange Commission, Repealed Insurance Rules, 2002 (now Insurance Rules, 2017) and Takaful Rules, 2012. The registered office of the Company is situated at suite # 101-105, Business Arcade, Block 6, P.E.C.H.S, Karachi. The major shareholder is Pak Qatar Investment (Private) Limited who holds 34.58 percent holding.

To carry out the family takaful business, the Company has established the Takaful Business Statutory Fund as per Rule 8 of the Repealed Takaful Rules, 2005 (now Takaful Rules, 2012) and Section 15 of the Insurance Ordinance, 2000. The Takaful Business Statutory Fund has the following components in accordance with the Waqf-Wakala Model adopted by the Company.

- i) Participant Takaful Fund (PTF i.e. PQFTL Waqf): The Company formed a Waqf on August 17, 2007 under a trust deed executed by the Company with a cede amount of Rs. 500,000. Waqf deed also governs the relationship of the shareholders and policyholders for the management of the takaful operations, investment of participants' and shareholders' respective funds approved by the Shariah Board established by the Company and to manage the risk related contributions and payment of Takaful benefits. The Waqf supports the following:
 - a) Individual Family;
 - b) Group Family; and
 - c) Group Health.
- ii) Participant Investment Fund (PIF): Investment component of the participants contributions are managed in PIF which represents the aggregate of the individual Participant's Investment Accounts (PIA).

As per Section 21 of the Insurance Ordinance, 2000 capital contribution to a statutory fund is distributable back to the shareholders' fund subject to the written advice of the appointed actuary.

2. BASIS OF PREPARATION

These financial statements have been prepared in line with the format issued by the Securities and Exchange Commission of Pakistan (SECP) through Insurance Rules, 2017 (the Rules) vide SRO 89(I)/2017 and Insurance Accounting Regulations, 2017 (the Regulations) vide SRO 88(I)/2017 dated 09 February 2017, with appropriate modifications based on the advice of Shariah Advisor of the Company. In this regard, the Company has sought approval from the SECP vide email dated 29 April, 2019.

The Company maintains statutory / participants' funds in respect of each class of family takaful business. Assets, liabilities, revenues and expenses referable to respective funds have been recorded accordingly.

Apportionment of assets, liabilities, revenues and expenses, where required, between funds are made on a fair and equitable basis in accordance with the written advice of the appointed actuary.

These financial statements have been presented in Pakistani rupees, which is the functional currency of the Company.

These financial statements reflect the financial position and results of operations of both shareholders' Fund and participants' funds in a manner that the assets, liabilities, income and expenses remain separately identifiable.

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of:

- International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB), as are notified under the Companies Act, 2017 (the Act), and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP);

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

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

To clarify the applicability of Insurance Accounting Regulations, 2017 on Takaful business, the Company has applied through letter number SEC/19-08/20 dated August 09, 2019 which was responded by Securities and Exchange Commission of Pakistan (SECP) vide letter ID/OSM/PQFTL/2019/1507 dated August 20, 2019 that directed the company to apply Insurance Accounting Regulation 2017 format to maximum extent possible.

4. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention, except as disclosed in accounting policies relating to investments, investment property, lease liabilities, retirement benefits obligation and insurance liabilities. These financial statements have been presented in Pakistani rupees, which is the functional currency of the Company.

5. ACCOUNTING STANDARDS INTERPRETATIONS AND AMENDMENTS

5.1 Amendments and improvements that are effective for the year ended December 31, 2024

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

- Amendments to IFRS 16 'Leases' - Clarification on how seller - lessee subsequently measures sale and leaseback transactions;
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants;
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments : Disclosures' - Supplier Finance Arrangements.

5.2 New accounting standards, amendments and IFRS 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, interpretations and the amendments are either not relevant to the Operator's operations or are not expected to have significant impact on the Operator's financial statements other than certain additional disclosures.

	Effective Date (accounting periods beginning on or after)
- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
- IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments : Disclosures' - Classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments : Disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

Other than the aforesaid standards and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

5.3 The SECP vide SRO 1715 (I) / 2023 dated November 21, 2023 has directed the companies engaged in insurance / takaful and reinsurance / retakaful to follow IFRS 17 from January 01, 2026. The Company is in the process of determination of impact assesment of IFRS - 17 on the Company's financial statments.

5.4 Temporary exemption from application of IFRS 9:

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement. As notified by the SECP, IFRS 9 is applicable for annual periods beginning on or after July 01, 2018.

In September 2016, the IASB issued amendments to IFRS 4 'Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts' to address issues arising from the different effective dates of IFRS 9 and the new insurance contracts standard (IFRS 17).

The amendments introduce two alternative options of applying IFRS 9 for entities issuing contracts within the scope of IFRS 4: a temporary exemption; and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9 until the application of IFRS 17 and continue to apply IAS 39 to financial assets and liabilities. The overlay approach allows an entity applying IFRS 9 from the effective date to remove from the profit and loss account the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied. The Company has applied the temporary exemption which allows the Company to defer the application of IFRS 9.

The tables below set out the fair value as at the end of the reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:

- a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial assets that meets the definition of fair value through profit and loss in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and
- b) all other financial assets.

Financial assets	December 31, 2024			
	Other Financial Assets		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
	------(Rupees)-----			
Equity securities	39,764,835	(15,215,441)	-	-
Government securities	188,003,493	-	188,003,493	2,621,567
Debt securities	-	-	-	-
Term deposits	-	-	50,000,000	-
Mutual funds	52,490,584,410	-	-	-
Takaful / Re-takaful receivables	-	-	842,186,279	-
Deposits, loans and other receivables	-	-	241,954,433	-
Cash and bank	-	-	4,381,525,712	-
	<u>52,718,352,738</u>	<u>(15,215,441)</u>	<u>5,703,669,917</u>	<u>2,621,567</u>

Financial assets	December 31, 2023			
	Other Financial Assets		Financial Assets that will pass the SPPI test	
	Fair Value	Change in unrealized gain or loss during the year	Fair Value	Change in unrealized gain or loss during the year
	(Rupees)			
Equity securities	7,084,956,770	470,406,424	-	-
Government securities	3,566,760,012	-	854,410,000	7,174,433
Debt securities	89,437,480	-	-	-
Term deposits	-	-	50,000,000	-
Mutual funds	23,937,145,826	-	-	-
Takaful / Re-takaful receivables	-	-	1,109,930,970	-
Deposits, loans and other receivables	-	-	326,384,877	-
Cash and bank	-	-	23,937,145,826	-
	<u>34,678,300,088</u>	<u>470,406,424</u>	<u>26,277,871,673</u>	<u>7,174,433</u>

6. MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2024.

6.1 Leases

6.1.1 Leases (Policy applicable before 1 January 2019)

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

6.1.2 The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

At the commencement date of the lease, the right-of-use asset (RoU) is initially measured at the present value of lease liability. Subsequently, RoU assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. RoU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liability measured at the present value of the consideration (lease payments) to be made over the lease term and is adjusted for lease prepayments. The lease payments are discounted using the interest rate implicit in the lease, unless it is not readily determinable, in which case the lessee may use the incremental rate of borrowing. After the commencement date, the carrying amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payments made.

10/11

6.1.3 Determination of the lease term for lease contracts with renewal and termination options (Company as a lessee)

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 has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

6.1.4 Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the RoU in a similar economic environment. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustments (such as stand-alone credit rating, or to reflect the terms and conditions of the lease).

6.2 Property and equipment - operating assets

These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged using reducing balance method at the rates specified in note 8 to the financial statements. Depreciation on additions is charged from the month in which asset is available for use while no depreciation is charged in the month of disposal. Gains and losses on disposals are taken to profit and loss account and other comprehensive income.

Residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date.

Subsequent cost are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably. Maintenance and normal repairs are charged to profit and loss account and other comprehensive income.

Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account and other comprehensive income in the year the asset is derecognised.

6.3 Intangible assets

These are stated at cost less accumulated amortisation and any provision for impairment loss. Amortisation on intangible fixed assets is charged to income applying the straight line method at the rates specified in note 9 to the financial statements after taking into account residual value, if any.

Full month's amortisation is calculated from the month the assets are available for use, whereby the cost of the intangible asset is amortised over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortisation method is reviewed, and adjusted if appropriate, at each reporting date.

6.4 Capital work-in-progress

All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. It also includes advances to suppliers in respect of tangible and intangible assets. These are transferred to specific assets as and when assets are available for use. Capital work-in-progress is stated at cost less impairment in value, if any.

6.5 Investments

6.5.1 Classification

Investments with fixed or determinable payments and fixed maturity, where the Company has positive intent and ability to hold to maturity, are classified as held-to-maturity. Investments acquired principally for the purpose of selling or repurchasing in the near future are classified as held for trading. All investments that have not been classified as either held to maturity, held for trading or as fair value through profit or loss have been classified as available-for-sale.

6.5.2 Initial recognition and measurement

All financial instruments are recognised in the financial statements when, and only when, the company becomes a party to the contractual provisions of the instruments.

All investments are initially recognised at cost, being the fair value of the consideration given, including transaction costs associated with the investments, except for held for trading investments and at fair value through profit or loss categories, wherein the transaction costs are charged to the profit and loss account and other comprehensive income.

6.5.2 Investment categories and subsequent measurement

Investments

The company classifies its investments into the following categories:

Fair Value through profit or loss

Investments at FVTPL comprise held-for-trading investments and investments other than held-for-trading that are designated at fair value through profit or loss.

- a) Held-for-trading investments are investments that are acquired and held principally for the purpose of selling in the short term or it is part of a portfolio of identified securities that are managed together and for which there is evidence of a recent actual pattern of short term profit taking.
- b) Investments other than held-for-trading that are designated at fair value are classified as such if it 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 basis.

All investments under participants' funds except investment in short term deposits have been designated as carried at fair value through profit or loss.

Investments classified as FVTPL are subsequently measured at their fair values with fair value adjustments and realised gains and losses recognised in their respective funds. Equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are carried at cost.

Available-for-sale

All investments under shareholders' fund except investment in short term deposits have been classified as available-for-sale (AFS) investments.

AFS investments are investments that are not classified in any of the other categories and are measured at fair value. AFS investments are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition and are subsequently carried at fair value. Fair value gains or losses of those investments are recognised directly in other comprehensive income, except for impairment losses. Significant or prolonged decline in the fair value of the investments below its cost is considered in determining whether the assets are impaired. If any such evidence exist for AFS investments, the cumulative losses, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in equity is removed from equity and recognised in profit or loss. If in a subsequent period, the fair value of debt instrument classified as AFS increase and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss. Impairment losses previously recognised in profit or loss for equity instruments are not reversed through profit or loss. On de-recognition, the cumulative gains or losses previously reported in revaluation reserves are reclassified to profit and loss account and other comprehensive account.

Held-to-maturity

This represents term deposits of fixed maturity maintained with Islamic commercial banks under profit and loss sharing basis.

Investment in an associate - equity method

Associates are those entities in which the company has significant influence, but does not have control, over the financial and operating policies. These financial statements account for the Company's investment in associates under the equity method i.e. recognising Company's share of the total recognised gains and losses of associates on the equity accounting basis. The investment's carrying amount is reduced to nil where the Company's share of losses of the associate, exceeds its interest in an associate. Having reduced the carrying amount to Nil, further recognition of the associate's losses is discontinued, except to the extent that the Company has incurred legal or constructive obligation.

For investment in Government and Other fixed income securities, fair market value is determined by reference to quotations obtained from brokers. The fair market value of mutual fund units is determined as per the rates announced by the Mutual Funds Association of Pakistan (MUFAP). The fair / market value of shares is determined on the basis of closing quoted market prices available at the Pakistani Stock Exchange.

Investment properties

Investment properties comprising of land and buildings, is held for long term rental yields / capital appreciation. The investment property of the Company comprises of land which is valued using the Fair Value model i.e. its initial measurement at cost (expenditure that is directly attributable to the acquisition of the investment property) and subsequently at fair value with any change therein recognised in profit and loss account and other comprehensive income.

The Company engages external, independent and qualified valuers to determine the fair value of the investment property at least once every financial year. The gain or loss on disposal of investment property, represented by the difference between the sale proceeds and the carrying amount of the asset is recognised as income or expense in profit and loss account and other comprehensive income.

Date of recognition

Regular way purchases and sales of investments that require delivery within the time frame established by regulations or market convention are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sell the investment.

6.6 Impairment of non-financial assets

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Impairment losses are charged to profit and loss account and other comprehensive income.

6.7 Ijarah arrangements

Ijarah rentals are recognised as an expense on accrual basis as and when the rentals become due.

6.8 Creditors, accruals and provisions

Liabilities for creditors and other amounts payable are carried at cost which is fair value of the consideration to be paid in future for goods and / or services received, whether or not billed to the Company.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an out flow 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 reporting date and adjusted to reflect the current best estimate.

6.9 Takaful liabilities

These includes outstanding claims and the technical reserves comprising reserve for claims – incurred but not reported (IBNR), contribution deficiency reserve (CDR) and reserve for unearned contribution.

6.10 Financial instruments

Financial assets and financial liabilities other than those arising out of takaful contracts are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. At the time of initial recognition, financial assets and liabilities are measured at fair values which is the cost of consideration given or received for it. Financial assets are de-recognised when the contractual right to future cash flows from the asset expire or is transferred along with the risk and reward of the asset. Financial liabilities are de-recognised when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liabilities are recognised in the statement of profit and loss and other comprehensive income.

6.11 Off-setting

A financial asset and financial liability is offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to set-off the recognised amounts and it intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

6.12 Takaful contracts

The takaful contracts are based on the principles of Waqf Wakala Model. Takaful is a programme based on shariah compliant, approved concept founded on the principles of mutual cooperation, solidarity and brotherhood.

The obligation of Waqf for Waqf participants' liabilities is limited to the amount available in the Waqf Fund. In the event where there is insufficient funds in waqf to meet their current payments less receipts, the deficit is funded by way of an interest free loan (Qard-e-Hasna) from the Shareholders fund to the participants' funds (Takaful Business Statutory Funds). The amount of Qard-e-Hasna is refundable to the shareholders' fund.

Technical reserves are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date, in accordance with Section 50 of the Insurance Ordinance, 2000.

Principal actuarial assumptions used by the actuary in computing technical reserves are:

- a) the liability in respect of Family Takaful Business and riders of all types is set using the unearned contribution method. Due provision is made for claims incurred but not reported (IBNR) and contingencies over the term of coverage.
- b) the liability is calculated by summing up individual mathematical reserves for the policies. The mathematical reserves as at the valuation date are calculated individually.

Group takaful

The group family takaful contracts are issued typically on yearly renewable term basis. The Company offers group term life and group credit plans to its participants.

Individual takaful contracts

Unit-linked

The Company offers Unit Linked Takaful Plans which provide Shariah compliant financial protection and investment vehicle to individual participants. These plans carry cash value. The death benefit design is based on Constant Sum at Risk approach i.e. the sum cover is paid up to the cash value. The plans offer investment choices to the customer to direct their investment related contributions based on their risk / return objectives. No investment guarantees are offered. The investment risk is borne by the participants.

Term life

The Company offers term life contracts which provides financial protection to individual participants. The death benefit design is based on decreasing term value i.e. the face value is reduced with term. The plan offers financial protection choices by selecting the factors for decreasing the face value.

6.13 Provision for outstanding claims

A liability for outstanding claims is recognised in respect of all claims incurred up to the reporting date and includes expected settlement cost, except for accident and health claims / surrenders / partial withdrawals which are recognised as soon as reliable estimates of the claims amount can be made.

Claims where intimation of the event giving rise to the claim is received or in respect of investment linked business when the policy ceases to participate in the earnings of the participants' funds are reported as claims in profit and loss account and other comprehensive income.

Claim recoveries receivable from the retakaful operator are recognised at the same time as the claim which gave rise to the right of recovery and are measured at the amount expected to be recovered.

6.14 Reserve for claims – Incurred but not reported (IBNR)

The liability for claims - IBNR is determined by the Appointed Actuary and included in the technical reserves. The IBNR is expressed on the basis of past claims reporting pattern as percentage of earned contribution.

The Company maintains 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 claims and other supplementary expenses expected to be incurred after the reporting date in respect of the unexpired policies in that class of business at the reporting date. Provision for contribution deficiency reserve is made as per the advice of appointed actuary. The movement in the contribution deficiency reserve is recorded as an expense / income in profit and loss account and other comprehensive income.

6.15 Commission

Commission expense incurred in obtaining and recording policies is recognised as an expense in accordance with the pattern of recognition / receipt of contribution revenue.

6.16 Retakaful

Contracts entered into by the Company with retakaful operator under which the Waqf cedes takaful risks assumed during normal course of its business and according to which the Waqf is compensated for losses on contracts issued by it are classified as retakaful contracts held.

Retakaful contribution

Retakaful contribution is recorded at the time the retakaful is ceded. Surplus from retakaful operator is recognised in profit and loss account and other comprehensive income.

Retakaful expense

Retakaful expense is recognised as a liability in accordance with the pattern of recognition of related contribution.

Retakaful assets and liabilities

Retakaful assets represent balances due from retakaful operator. Recoverable amounts are estimated in a manner consistent with the associated retakaful treaties.

Retakaful liabilities represent balances due to retakaful companies. Amounts payable are calculated in a manner consistent with the associated retakaful treaties.

Retakaful assets are not offset against related takaful liabilities. Income or expenses from retakaful contract are not offset against expenses or income from related takaful contracts as required by the Insurance Ordinance, 2000.

Retakaful assets and liabilities are derecognised when the contractual rights are extinguished or expired.

Impairment of retakaful assets

An impairment review of retakaful assets is performed at each reporting date. If there is an objective evidence that the asset is impaired, the Company reduces the carrying amount of the retakaful asset to its recoverable amount and recognises that impairment loss in the profit and loss account and other comprehensive income.

6.17 Operating segment

An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments. The Company accounts for segment reporting using the classes or sub classes of business (Takaful Business Statutory Funds) as specified under the Insurance Ordinance, 2000.

The Company has following three primary business segments for reporting purposes:

- a) The Individual Family Takaful segment provides family takaful coverage to individuals.
- b) The Group Family Takaful business segment provides family takaful coverage to member of business enterprises, corporate entities and common interest groups under group family takaful schemes.
- c) The Group Health Takaful segment provides accident coverage and inpatient / outpatient health coverage to members of business enterprises and corporate entities under group health schemes.

6.18 Revenue recognition

Contributions

i) Individual Family

- First year contributions and single contributions are recognised once the related policies are issued against receipt of contribution.
- Renewal contributions are recognised on receipt basis.
- Top up contributions are recognised against receipt of contribution.

ii) Group Family

- Group Family contributions are recognised as and when due. In respect of certain group policies the Company continues to provide cover even if the contribution is received after the grace period.

iii) Group Health

- Group Health contributions are recognised as and when due. In respect of certain group policies the Company continues to provide cover even if the contribution is received after the grace period.
- Income from admin services only (ASO) is recognised as a fixed percentage of claims paid based on the contractual terms with ASO group health customer. The company only manages the administration of the claims and the amount received in advance is recognised as a liability on the receipt. The contribution / advance received from ASO customers is recognised separately as liability and are not included in the Waqf fund.

Income from investments

- Return on bank deposits and income on Islamic investment products is recognised on an accrual basis.
- Gain / loss on sale of available-for-sale investments and investments held at fair value through profit or loss are included in profit and loss account and other comprehensive income in the period of sale.
- Dividend income is recognised when the right to receive the dividend is established.

6.19 Reserve for unearned contribution

The unearned portion of gross contribution net off wakala is set aside as a reserve and included in the technical reserves. Such reserve is calculated as a portion of the gross contribution of each policy, determined according to the ratio of the unexpired period of the policy and the total period, both measured to the nearest day.

6.20 Acquisition cost

These are costs incurred in acquiring and maintaining takaful policies and include without limitation all forms of remuneration paid to takaful agents.

Commissions and other expenses are recognised as an expense in the earlier of the financial year in which they are paid and financial year in which they become due and payable, except that commission and other expenses which are directly referable to the acquisition or the renewal of specific contract are recognised not later than the period in which the contribution to which they relate is recognised as revenue.

6.21 Takaful operator's fee / Wakala fee

The shareholders of the Company manage the family takaful operations for the participants and as such the Company is entitled for the takaful operator's fee for the management of takaful operation under Waqf Fund to meet its general and administrative expenses. The takaful operator's fee is recognised upfront.

6.22 Modarib fee

The shareholders of the Company manage the PTF's investments as a Modarib and charge Modarib's share of takaful investment income and profit on bank balances earned by PTF.

6.23 Contribution due but unpaid

These are initially recognised at fair value. Provision for impairment on contribution receivable is established when there is objective evidence that the Company will not be able to collect all amount due according to original term of receivables. Receivables are analysed as per their aging and accordingly provision is maintained on a systematic basis.

6.24 Liability adequacy test

An assessment has been made to ensure that the business provisions are adequate. Using current estimates of future cash flows, appointed actuary has carried out expense projections of the Company to keep a reserve in the light of estimated future cash flows. The current estimates are adequate and no separate reserve needs to be set aside.

6.25 Claims expense

Provision is maintained in respect of all reported claims against losses incurred up to the reporting date which is measured at the undiscounted value of expected future payments. Claims are recognised if the takaful event occurs before the policy ceases to participate in the earnings of the funds.

6.26 Dividend and appropriation to reserves

Dividend and appropriation to reserves except appropriations required by the law or determined by actuary or allowed by Insurance Ordinance, 2000, are recognised in the year in which these are approved.

6.27 Qard-e-Hasna

When the participants takaful fund including reserves are insufficient to meet the current payments less receipts, the deficit is funded by way of contributions (qard-e-hasna) from the shareholder's fund.

6.28 Taxation

Current

Provision for current taxation is based on taxable income of shareholders' fund at the current rate of taxation after taking into account tax credits and rebates available, if any, or 1.25 percent of turnover, whichever is higher.

Deferred

Deferred tax is recognised using the liability method, on all temporary differences arising at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are 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 utilised. 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 reporting 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 reporting 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 utilised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

6.29 Foreign currency transactions and translations

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss account and other comprehensive income.

6.30 Staff retirement benefits - defined benefit plan

The Company operates funded gratuity scheme for all its permanent employees who have completed completed a minimum of five years continuous services. The condition of five years' continuous service shall be replaced by two years' continuous service when an employee dies (except suicide) or has to leave service on total permanent disablement grounds. The expense is recognised on the basis of actuarial valuation carried out at each year end using the "Projected unit credit method". Actuarial gains and losses are recognised in other comprehensive income (OCI) in the periods in which they occur. Amounts recorded in the profit and loss SHF account are limited to current and past service costs, gains or losses on settlements, and net interest income / (expense). All other changes in the net defined benefit obligation are recognised directly in other comprehensive income with no subsequent recycling through profit and loss account and other comprehensive income.

6.31 Staff retirement benefits - defined contribution plan

The Company operates an approved contributory provident fund for all its permanent employees. Contributions are made by both the Company and the employees to the fund at the rate of 10% of basic salary. Contribution made by the Company is recognised as an expense in profit and loss account and other comprehensive income

6.32 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, 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 reporting date and adjusted to reflect the current best estimate.

Handwritten mark

6.33 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents include the following:

- Cash at bank in current and savings accounts;
- Cash and stamps in hand;
- Term deposits with original maturity within three months; and
- Highly liquid short-term investments that are convertible to known amount of cash and are subject to insignificant risk of change in value.

7. ACCOUNTING JUDGEMENTS AND ESTIMATES

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 Company's accounting policies. 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 assumptions and estimates are significant to the financial statements, or judgments was exercised in application of accounting policies, are as follows:

	Note
- Estimation of technical reserves and underlying actuarial assumption	6.12, 6.13, 6.15, 6.20, 6.25 and 21
- Classification and valuation of investments	6.5,10,11,12,13 and 15
- Useful lives of assets and method of depreciation	6.1, 6.2, 6.3, 6.4, 8 and 9
- Taxation	6.28, 18 and 40
- Impairment of assets	6.2, 6.3, 6.4, 6.5, 6.6 and 6.23
- Determination of the lease term for lease contracts with renewal	6.1.3
- Estimating the incremental borrowing rate	6.1.4

8. PROPERTY AND EQUIPMENT

Operating fixed assets
Right-of-use assets
Capital work in progress

Note	December 31, 2024	December 31, 2023
	------(Rupees)-----	
8.1	296,804,442	307,220,396
8.2	125,558,426	160,844,557
8.3	11,585,611	6,921,815
	<u>433,948,479</u>	<u>474,986,768</u>

8.1 Operating fixed assets

Particulars	Cost		Accumulated depreciation		Carrying value	Rate (%)	
	As at January 01, 2024	Additions / Transfer / (disposals)	As at December 31, 2024	As at January 01, 2024			For the year / (disposals)
Building improvements	400,273,684	15,344,047	415,617,731	189,988,080	32,272,812	193,356,839	15
Furniture and fixtures	60,952,448	326,812 (34,387)	61,244,873	43,139,751	2,694,353 (5,866)	15,416,635	15
Office equipment	75,290,346	12,021,898 (688,613)	86,623,631	43,337,831	5,363,944 (460,454)	38,382,310	15
Motor vehicles	8,620,691	-	8,620,691	6,853,117	353,514	1,414,060	20
Computer equipment	163,973,466	18,928,280 (1,274,092)	181,627,654	118,571,459	15,939,727 (1,118,131)	48,234,599	30
2024	709,110,635	46,621,037 (1,997,092)	753,734,580	401,890,239	56,624,350 (1,584,451)	296,804,442	

8.1.1 The transfers were made to building improvements amounting to Rs. 1.789 million (December 31, 2023: Rs. 28.442 million)

Particulars	Cost		Accumulated depreciation		Carrying value	Rate (%)	
	As at January 01, 2023	Additions / Transfer / (disposals)	As at December 31, 2023	As at January 01, 2023			For the year / (disposals)
Building improvements	345,066,464	64,698,900 (9,491,680)	400,273,684	166,306,018	30,085,060 (6,402,998)	210,285,604	15
Furniture and fixtures	57,098,846	3,972,702 (119,100)	60,952,448	40,259,769	2,930,442 (50,460)	17,812,697	15
Office equipment	59,732,245	15,701,551 (143,450)	75,290,346	39,441,802	3,943,809 (47,780)	31,952,515	15
Motor vehicles	8,620,691	-	8,620,691	6,411,224	441,893	1,767,574	20
Computer equipment	145,557,540	18,601,426 (185,500)	163,973,466	104,181,279	14,488,989 (98,809)	45,402,007	30
2023	616,075,786	102,974,579 (9,939,730)	709,110,635	356,600,092	51,890,194 (6,600,047)	307,220,396	

8.1.2 Disposal of operating assets

Particulars	Cost	Accumulated depreciation	Net book value	Sales value	Gain / (loss) on disposal	Mode of disposal	Particulars of buyers along with relationship
(Rupees)							
Furniture & Fixture	34,387	5,866	28,521	10,389	(18,132)	As per company policy	Various PQFTL Employees
Office Equipment	688,613	460,454	228,159	148,960	(79,199)	As per company policy	Various PQFTL Employees
Computer Equipment	1,274,092	1,118,131	155,961	195,001	39,040	As per company policy	Various PQFTL Employees
	<u>1,997,092</u>	<u>1,584,451</u>	<u>412,641</u>	<u>354,350</u>	<u>(58,291)</u>		

8.1.3 Allocation of depreciation:

	Note	December 31, 2024	December 31, 2023
(Rupees)			
Acquisition expenses	37	29,227,418	31,341,797
Marketing expenses	38	27,396,932	20,548,397
		<u>56,624,350</u>	<u>51,890,194</u>

8.2 Right-of-use assets

Buildings

Opening balance		160,844,557	195,397,127
Additions during the year		78,880,390	96,043,811
Termination during the year		(9,995,587)	(14,074,787)
Depreciation expense	8.2.1	(104,170,934)	(116,521,594)
Closing balance		<u>125,558,426</u>	<u>160,844,557</u>

8.2.1 Allocation of right-of-use assets depreciation:

Acquisition expenses	37	69,430,947	83,928,493
Marketing expenses	38	34,739,987	32,593,101
		<u>104,170,934</u>	<u>116,521,594</u>

8.2.1.1 The depreciation is charged at the rates ranging from 20 percent to 33.33 percent (2023: 20 percent to 33.33 percent).

8.3 Capital work in progress

Building Improvements

	December 31, 2024	December 31, 2023
(Rupees)		
Opening balance	6,921,815	28,442,018
Additions	6,452,869	6,921,815
Transfers	(1,789,073)	(28,442,018)
Closing balance	<u>11,585,611</u>	<u>6,921,815</u>

9. INTANGIBLE ASSETS

Particulars	Cost		Accumulated amortisation				Carrying value	Rate	
	As at January 01,	Additions	As at December 31,	As at January 01,	For the year	As at December 31,			
(Rupees)									
Computer softwares	2024	188,934,974	548,332	189,483,306	104,227,146	9,181,753	113,408,899	76,074,407	05-20
	2023	187,465,974	1,469,000	188,934,974	95,167,641	9,059,505	104,227,146	84,707,828	05-20

9.1 Fully amortised assets having cost of Rs. 56.624 million (December 31, 2023: Rs. 56.624 million) are still in use.

	Note	Shareholders' fund	Participants' fund	Aggregate	
				December 31, 2024	December 31, 2023
10. INVESTMENT PROPERTY				(Rupees)	
Opening balance		-	1,124,510,000	1,124,510,000	983,381,249
Additions and capital improvements		-	-	-	127,485,046
Unrealised fair value gain	10.1	-	75,490,000	75,490,000	13,643,705
Closing balance		-	1,200,000,000	1,200,000,000	1,124,510,000

10.1 The company acquired an investment property with the objective of capital appreciation. The fair value of investment property was determined by external, independent property valuer, Ms. Credit & Commerce Consultants (Pvt.) Limited having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The latest valuation was carried out as at December 31, 2024 resulting in total fair value of Rs. 1,200 million (December 31, 2023 : Rs. 1,124.510 million). The independent valuer provide the fair value of the Company's investment property at least once every financial year as per Company's policy.

10.2 Valuation technique

The valuer adopted marked based approach for the valuation of investment property and has arranged inquiries and verifications from various estate agents, brokers and dealers, the location and condition of the property, size, utilisation, and current trends in prices of real estate including assumptions that ready buyers are available in the current scenario and analysed through detailed market surveys, the properties that have recently been sold or purchased or offered / quoted for sale into given vicinity to determine the best estimates of the fair value. The valuation technique used is included in level 3 in fair value hierarchy.

10.3 The covered area of the freehold land is 1,866.66 sq.yards and office premises is 889 sq.yards.

10.4 The cost of freehold land amount to Rs. 600 million (December 31, 2023: Rs. 600 million) and office premises Rs. 470.23 million (December 31, 2023: Rs. 470.23 million) respectively.

11. INVESTMENTS IN EQUITY SECURITIES

	Note	December 31, 2024			December 31, 2023		
		Cost	Impairment / Provision (Rupees)	Carrying value	Cost	Impairment / Provision (Rupees)	Carrying value
<u>Shareholders' fund:</u>							
Available for sale							
Listed shares	11.1	45,644,617	(27,071,624)	24,764,835	45,644,617	-	40,332,372
Non-Banking Finance Company							
Pak Qatar Asset Management Limited	11.2	15,000,000	-	15,000,000	15,000,000	-	15,000,000
<u>Participants' fund</u>							
Fair value through profit or loss							
Listed shares	11.3	-	-	-	5,229,528,074	-	7,029,624,398
		60,644,617	(27,071,624)	39,764,835	5,275,172,691	-	7,084,956,770

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11.1 Listed Shares - Available-for-sale (SHF)

Sector wise names of the Investee companies / organisations	December 31, 2024	December 31, 2023	Face value	December 31, 2024	December 31, 2023
	Number of units / shares			Carrying amount (Rupees)	
Food and Personal care					
Al - Shaheer Corporation Limited	3,250,000	3,250,000	10	24,764,835	40,332,372

11.2 Unlisted Shares - Available-for-sale (SHF)

Non-Banking Finance Company

Pak-Qatar Asset Management Company Limited

December 31, 2024	December 31, 2023	Face value	December 31, 2024	December 31, 2023
1,500,000	1,500,000	10	15,000,000	15,000,000

The above investment in unlisted related party is carried at cost as there is no major change in the book value of the shares. Therefore, the management considers that the impact of fair valuation is not material to the financial statements.

11.3 Listed Shares - Fair value through profit or loss (PTF)

Sector wise names of the Investee companies / organisations	December 31, 2024	December 31, 2023	Face value (Rupees)	December 31, 2024	December 31, 2023
	Number of units / shares			Carrying amount (Rupees)	
Automobile					
Honda Atlas Cars (Pakistan) Limited	-	1,875,000	10	-	400,725,000
Engineering					
Agha Steel Industries Limited	-	17,766,000	10	-	252,810,180
Crescent Steel and Allied Products Limited	-	7,725,000	10	-	367,941,750
Amreli Steels Limited	-	20,500,000	10	-	472,730,000
Food and personal care products					
Al Shaheer Corporation Limited	-	22,140,500	10	-	274,763,605
Unity Foods Limited	-	24,028,071	10	-	567,783,318
Refinery					
Pakistan Refinery Limited.	-	100,000	10	-	2,919,000
Cement					
DG Khan Cement Company Limited	-	9,623,067	10	-	744,825,386
Technology & Communication					
Pakistan Telecommunication	-	-	10	-	-
Avanceon Limited	-	4,200,000	10	-	240,828,000
Oil and Gas exploration					
Oil and Gas Development Company Limited	-	8,000,000	10	-	899,600,000
Pakistan Petroleum Limited	-	8,000,000	10	-	920,240,000
Cables and electrical goods					
Pak Elektron Limited	-	55,781,140	10	-	1,259,538,159
Oil and Gas marketing companies					
Pakistan State Oil Company Limited	-	-	10	-	-
Sui Northern Gas Pipelines Limited	-	8,500,000	10	-	624,920,000
				-	7,029,624,398

Signature

13.1 Sukuk Certificates - Fair Value Through Profit or Loss (PTF)

	Maturity Year	Rate of Return %	December 31, 2024		December 31, 2023			
			Cost	Impairment / Provision	Carrying value (Rupees)	Cost	Impairment / Provision	Carrying value
- Hascol sukuk	2022	3 months Kibor plus 1.50%	33,437,480	(33,437,480)	-	33,437,480	-	33,437,480
- Meezan Bank Limited - tier - I sukuk	Perpetual	3 month Kibor plus 1.75%	-	-	-	56,008,000	-	56,008,000
			33,437,480	(33,437,480)	-	89,445,480	-	89,437,480

14. INVESTMENTS IN TERM DEPOSITS

Participants' fund

Deposits maturing within 12 months

14.1 This represents term deposits of fixed maturity maintained with Islamic commercial banks under profit and loss sharing basis. The estimated profit rate on such deposits ranges from 17 percent to 21.16 percent (2023: 15.5 percent to 21 percent) per annum with maturity up to March 31, 2025.

Aggregate	
December 31, 2024	December 31, 2023
(Rupees)	(Rupees)
50,000,000	50,000,000

15. INVESTMENTS IN MUTUAL FUNDS

Shareholders' fund:

Available-for-sale Mutual funds

Participants' fund

Fair value through profit or loss Mutual funds

	Note	December 31, 2024		December 31, 2023			
		Cost	Impairment / Provision	Carrying value (Rupees)	Cost	Impairment / Provision	Carrying value
15.1		376,668,973	-	379,675,827	536,853,848	-	538,351,918
15.2		46,674,480,435	-	52,110,908,583	21,577,310,579	-	23,398,793,908
		47,051,149,408	-	52,490,584,410	22,114,164,427	-	23,937,145,826

15.1 Mutual Funds - Available-for-sale (SHF)

HBL Islamic Asset Allocation Fund Plan I

Investment in related parties

Pak Qatar Cash Plan

Pak Qatar Islamic Asset Allocation Fund (Pak Qatar Stable Return Plan)

Pak Qatar Islamic Stock Fund

Pak Qatar Income Plan

Pak Qatar Islamic Pension Fund-Debt Sub Fund

Pak Qatar Islamic Pension Fund-Equity Sub Fund

Pak Qatar Islamic Pension Fund-Money Market Sub Fund

	December 31, 2024	December 31, 2023	December 31, 2023	
			Number of units / shares	Face value (Rupees)
	154	518,863	100	58,598,239
	302,293	1,878,268	100	208,360,427
	1,729	159,000		16,764,817
	-	83,956		12,349,616
	2,624,848	1,836,068		204,477,600
	100,000	100,000		12,058,040
	100,000	100,000		13,707,440
	100,000	100,000		12,035,740
	379,675,827	354,611		538,351,918

	December 31,	December 31,	Face value (Rupees)	December 31,	December 31,
	2024	2023		2024	2023
	Number of units / shares			Carrying amount (Rupees)	
15.2 Mutual Funds - Fair Value Through Profit or Loss (PTF)					
ABL Islamic Asset Allocation Fund	86,438,370	174,695,425	10	946,447,538	1,920,985,833
AKD Islamic Income Fund	2,405,616	2,016,574	100	134,867,038	112,567,766
Al Ameen Islamic Aggressive Income Plan I	3,551,567	6,785,795	100	426,883,733	806,729,943
Alfalah GHP Islamic Value Fund	8,279,295	33,959,606	100	1,012,271,342	3,397,954,043
Faysal Islamic Asset Allocation Fund	7,441,489	19,368,603	100	747,572,012	1,919,862,453
HBL Islamic Asset Allocation Fund Plan I	2,779,766	11,689,970	100	307,620,999	1,320,216,155
Investment in related parties					
Pak Qatar Asset Allocation Plan I (PQAAP IA)	106,428,555	24,673,552	100	11,884,285,446	2,577,865,524
Pak Qatar Asset Allocation Plan II (PQAAP IIA)	136,272,846	17,432,112	100	15,057,100,076	1,852,951,538
Pak Qatar Asset Allocation Plan II (PQAAP IIIA)	68,722,194	-	100	9,805,062,773	-
Pak Qatar Islamic Asset Allocation Fund (Pak Qatar Stable Return)	-	4,450,000	100	-	469,203,995
Pak Qatar Asan Munafa Plan	1,678,717	1,463,907	100	182,356,792	161,675,631
Pak Qatar Cash Plan	16,991,857	5,929,466	100	1,858,302,081	657,779,665
Pak Qatar Daily Dividend Plan	5,497,697	7,132,964	100	549,139,035	713,296,386
Pak Qatar Income Plan	66,712,376	53,687,728	100	7,437,914,724	5,979,046,567
Pak Qatar Islamic Stock Fund	4,481,937	4,483,898	100	978,232,249	659,566,601
Pak Qatar Khalis Bachat Plan	2,971,782	2,861,134	100	327,726,317	317,171,883
Pak Qatar Monthly Income Plan	4,492,755	3,789,063	100	455,126,429	381,490,806
786 Smart Fund (Formerly: Dawood Income Fund)	-	1,643,515	-	-	150,429,122
				52,110,908,583	23,398,793,908
Aggregate					
				December 31,	December 31,
				2024	2023
16. TAKAFUL / RETAKAFUL RECEIVABLES	Note	Shareholders ' fund	Participants' funds	(Rupees)	
-Unsecured, considered good					
Due from takaful contract holders		-	775,434,888	775,434,888	1,034,656,233
Due from retakaful operators		-	66,751,391	66,751,391	75,274,737
		-	842,186,279	842,186,279	1,109,930,970
17. DEPOSITS, LOANS AND OTHER RECEIVABLES					
Accrued investment income		52,517,077	42,343,975	94,861,052	184,133,132
Security deposit		36,400,994	10,049,477	46,450,471	42,895,430
Advance to supplier		12,298,007	-	12,298,007	10,433,833
Advance to employees	17.1	22,053,239	-	22,053,239	11,734,517
Receivable against Banca takaful		20,376,806	17,002,431	37,379,237	25,264,312
Car Ijarah receivable		9,365,428	-	9,365,428	6,149,688
Surety against legal expense		4,022,000	-	4,022,000	4,022,000
Other receivables		6,757,699	8,767,300	15,524,999	41,751,965
		163,791,250	78,163,183	241,954,433	326,384,877

17.1 These are secured against retirement benefit obligations of employees. Repayments are made through deduction from salary paid.

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Aggregate

18. PREPAYMENTS	Note	Shareholders' fund	Participants' funds	Aggregate	
				December 31, 2024	December 31, 2023
				----- (Rupees) -----	
Prepaid rent		493,610	-	493,610	106,220
Prepaid software / hardware maintenance fee		5,147,206	-	5,147,206	9,238,665
Prepaid marketing		3,952,637	-	3,952,637	4,468,881
Other prepayments		18,155,527	-	18,155,527	6,964,809
		<u>27,748,980</u>	<u>-</u>	<u>27,748,980</u>	<u>20,778,575</u>

19. CASH AND BANK

Cash and cash equivalent

Cash in hand		775,067	-	775,067	478,177
Stamps in hand		9,581,932	-	9,581,932	6,360,683

Cash at bank

Current accounts		4,986,489	157,551,639	162,538,128	364,481,170
Saving accounts	19.1	304,634,329	3,903,996,256	4,208,630,585	3,660,619,166
		<u>319,977,817</u>	<u>4,061,547,895</u>	<u>4,381,525,712</u>	<u>4,031,939,196</u>

19.1 Saving accounts carry profit rates of 8% to 21.6% (2023: 10% to 21%) per annum.

	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
Cash for the purposes of the cash flow statement consists of:		
Cash and other equivalents		
Cash in hand	775,067	478,177
Stamps in hand	9,581,932	6,360,683
	<u>10,356,999</u>	<u>6,838,860</u>
Current and other accounts		
Current accounts	162,538,128	364,481,170
Saving accounts	4,208,630,585	3,660,619,166
	<u>4,371,168,713</u>	<u>4,025,100,336</u>
Deposits maturing within 3 months (encashable on demand)	50,000,000	50,000,000
	<u>4,431,525,712</u>	<u>4,081,939,196</u>

20. SHARE CAPITAL

20.1	December 31, 2024	December 31, 2023		December 31, 2024	December 31, 2023
	----- (Number of shares) -----			----- (Rupees) -----	
			Note		
	AUTHORISED SHARE CAPITAL				
	<u>200,000,000</u>	<u>140,000,000</u>	Ordinary shares of Rs. 10 each	<u>2,000,000,000</u>	<u>1,400,000,000</u>
	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL				
20.2	<u>130,712,440</u>	<u>130,712,440</u>	Ordinary shares of Rs. 10 each, fully paid in cash	<u>1,307,124,400</u>	<u>1,307,124,400</u>

20.3 The Company has only one class of ordinary shares which carry no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

21. DEFERRED TAX	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
Deductible temporary difference arising in respect of		
Surplus on revaluation of available-for-sale-investments	4,810,185	1,157,962
Remeasurement of post retirement benefits obligation	6,684,581	6,955,045
	11,494,766	8,113,007
Taxable temporary difference arising in respect of		
Accelerated depreciation	(19,317,887)	(20,621,215)
	(7,823,121)	(12,508,208)

21.1 Reconciliation of deferred tax deductible temporary difference arising in respect of	As at January 01, 2023	Recognised in profit and loss	Recognised in statement of comprehensive income	As at December 31, 2023	Recognised in profit and loss	Recognised in statement of comprehensive income	As at December 31, 2024
	(Rupees)						
Remeasurement of post retirement benefits obligation	5,767,978	-	1,187,067	6,955,045	-	(270,464)	6,684,581
Surplus / (Deficit) on revaluation of available for sale investments	29,563,310	-	(28,405,348)	1,157,962	-	3,652,223	4,810,185
taxable temporary difference arising in respect of							
Accelerated depreciation	(21,797,722)	1,176,507	-	(20,621,215)	1,303,328	-	(19,317,887)
	13,533,566	1,176,507	(27,218,281)	(12,508,208)	1,303,328	3,381,759	(7,823,121)

22. TAKAFUL LIABILITIES	Note	December 31, 2024	December 31, 2023
		----- (Rupees) -----	
Reported outstanding claims (including claims in payment)	22.1	1,703,908,248	1,370,293,340
Incurred but not reported claims	22.2	169,259,369	168,286,622
Liabilities under individual takaful contracts	22.3	39,859,189	50,031,565
Liabilities under group takaful contracts		573,495,202	595,897,283
Investment component of unit-linked and account value policies		55,617,509,773	37,489,105,584
		58,104,031,781	39,673,614,394

22.1 Reported outstanding claims		December 31, 2024	December 31, 2023
Gross of re-takaful			
Payable within one year		1,151,459,646	1,098,666,853
Payable over a period of time exceeding one year		552,448,602	271,626,487
		1,703,908,248	1,370,293,340

	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
22.2 Incurred but not reported claims		
Gross of re-takaful	254,073,696	224,963,366
Re-takaful recoveries	<u>(84,814,327)</u>	<u>(56,676,744)</u>
Net of re-takaful	<u>169,259,369</u>	<u>168,286,622</u>

22.3 Liabilities under individual takaful contracts		
Gross of re-Takaful	89,585,042	104,962,420
Re-takaful recoveries	<u>(49,725,853)</u>	<u>(54,930,855)</u>
Net of re-takaful	<u>39,859,189</u>	<u>50,031,565</u>

23. UNCLAIMED TAKAFUL BENEFIT

Circular 11 of 2014 dated May 19, 2014 issued by the Securities and Exchange Commission of Pakistan (SECP) has established requirement for all insurers to disclose age wise break up of unclaimed insurance benefits in accordance with format prescribed in the annexure to the said circular.

The unclaimed benefits are described in the circular as the amounts which have become payable in accordance with the terms and conditions of an insurance policy but have not been claimed by the Participants or their beneficiaries. Such unclaimed amounts may fall into the following categories:

	Age-wise break up - 2024					
	Total Amount	1 - 6 Months	7 - 12 Months	13 - 24 Months	25 - 36 Months	Beyond 36 months
	----- (Rupees) -----					
Unclaimed maturity benefits	5,947,913	377,528	495,313	3,050,815	409,412	1,614,845
Claims not encashed	<u>185,214,078</u>	<u>159,015,942</u>	<u>7,582,212</u>	<u>4,754,354</u>	<u>5,469,184</u>	<u>8,392,386</u>
	<u>191,161,991</u>	<u>159,393,470</u>	<u>8,077,525</u>	<u>7,805,169</u>	<u>5,878,596</u>	<u>10,007,231</u>

	Age-wise break up - 2023					
	Total Amount	1 - 6 Months	7 - 12 Months	13 - 24 Months	25 - 36 Months	Beyond 36 months
	----- (Rupees) -----					
Unclaimed maturity benefits	1,346,707	133,364	148,605	325,651	285,295	453,792
Claims not encashed	<u>60,783,113</u>	<u>46,112,878</u>	<u>4,383,623</u>	<u>3,472,204</u>	<u>1,307,774</u>	<u>5,506,634</u>
	<u>62,129,820</u>	<u>46,246,242</u>	<u>4,532,228</u>	<u>3,797,855</u>	<u>1,593,069</u>	<u>5,960,426</u>

24. STAFF RETIREMENT BENEFITS

Defined benefit plan - gratuity scheme

The Company has approved funded gratuity scheme applicable to permanent employees with effect from January 01, 2012. The actuarial valuation is carried out annually. The latest actuarial valuation was carried out as at December 31, 2024. Following were the significant assumptions used for the actuarial valuation:

	December 31 2024	December 31 2023
	----- (%) -----	
-Discount rate per annum	12.25	15.50
-Expected rate of increase in the salaries of employees per annum	12.25	15.50

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24.1 The scheme typically exposes the Company to actuarial risks such as: salary risk, discount rate risk, mortality risk and investment risk defined as follow:

- Salary increase risk

There is the risk that the salary at the time of cessation of service is higher than that assumed by the Company. There is a risk because the benefits payable are based on the final salary; if the final salary is higher than what was estimated, the benefits will also be higher.

- Discount rate risk

The discount rate is based on the yield on government bonds. If the market yield of bonds varies, the discount rate would vary in the same manner and would affect the present value of obligation and fair value of assets.

- Mortality / withdrawal risk

There is the risk that the actual mortality/withdrawal experience is different than that assumed by the Company.

- Investment risk

There is the risk that the assets are underperforming and are not sufficient to meet the liabilities.

	Note	December 31 2024	December 31 2023
		----- (Rupees) -----	
24.2. Statement of financial position reconciliation			
Present value of defined benefit obligations	24.3	139,559,685	109,637,114
Fair value of plan assets	24.4	(33,540,622)	(24,869,139)
Net liability	24.5	<u>106,019,063</u>	<u>84,767,975</u>
24.3. Movement in present value of obligations			
Opening balance		109,637,113	95,947,586
Past service cost		-	-
Current service cost		16,210,062	14,907,073
Interest cost		16,462,527	12,850,239
Benefits paid during the year		(6,854,525)	(14,650,500)
Actuarial loss		4,104,508	582,716
Closing balance		<u>139,559,685</u>	<u>109,637,113</u>
24.4. Movement in fair value of plan assets			
Opening balance		24,869,139	23,428,094
Interest income on plan assets		3,838,866	3,502,162
Contribution to the fund during the year		6,650,000	16,100,000
Benefits paid during the year		(6,854,525)	(14,650,500)
Actuarial gain / (loss)		5,037,142	(3,510,617)
Closing balance		<u>33,540,622</u>	<u>24,869,139</u>
24.5. Movement in liability during the year			
Opening balance		84,767,975	72,519,493
Charge for the year	24.6.1	28,833,723	24,255,149
Other comprehensive income	24.6.2	(932,635)	4,093,333
Contribution		(6,650,000)	(16,100,000)
Closing balance		<u>106,019,063</u>	<u>84,767,975</u>

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		December 31 2024	December 31 2023
	Note	------(Rupees)-----	
24.6	Charge for the year		
24.6.1	Charged to profit and loss account - Shareholder's fund		
	Current service cost	16,210,062	14,907,073
	Interest cost - net	24.6.1.1 12,623,661	9,348,076
		<u>28,833,723</u>	<u>24,255,149</u>
24.6.1.1	Interest cost - net		
	Interest cost on obligation	24.3 16,462,527	12,850,239
	Interest income on plan assets	24.4 (3,838,866)	(3,502,162)
		<u>12,623,661</u>	<u>9,348,076</u>
	Allocated to:		
	Shareholder's sub fund	28,833,723	24,255,149
	Expenses not attributable to Participants' funds	-	-
24.6.2	Charged to statement of comprehensive income		
	Actuarial loss on obligations	4,104,508	582,716
	Actuarial (gain) / loss on plan assets	(5,037,142)	3,510,617
		<u>(932,634)</u>	<u>4,093,333</u>

24.6.3 Composition of fair value of plan assets

	December 31, 2024		December 31, 2023	
	Fair value (Rupees)	Percentage (%)	Fair value (Rupees)	Percentage (%)
Bank balance	215,597	1	561,749	2
Mutual funds	33,321,861	99	24,302,767	98
Accrued profit	3,164	-	4,058	-
	<u>33,540,622</u>	<u>100</u>	<u>24,868,574</u>	<u>100</u>

24.6.4 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected rate of salary increase, mortality rates and withdrawal rates. Sensitivity analyses were carried out on each of these assumptions while keeping the other assumptions constant. The results are given below.

		Present value of obligation	Change from base
		(Rupees)	(%)
Base		<u>139,559,685</u>	
Discount rate	Increase by 1%	129,072,975	(7.51)
	Decrease by 1%	151,458,211	8.53
Salary growth rate	Increase by 1%	151,346,285	8.45
	Decrease by 1%	128,984,464	(7.58)



24.6.5 The estimated contribution to the fund for the year ending December 31, 2024 is Rs. 28.834 million.

Comparison for five years:	2024	2023	2022	2021	2020
	(Rupees)				
As at December 31					
Fair value of plan assets	33,540,622	24,869,139	23,428,094	29,127,955	19,901,498
Present value of defined benefit obligation	(139,559,685)	(109,637,113)	(95,947,586)	(86,479,697)	(67,517,494)
(Deficit) / Surplus	(106,019,063)	(84,767,974)	(72,519,492)	(57,351,742)	(47,615,996)
Experience adjustments					
Gain / (loss) on plan assets	5,037,142	(3,510,617)	(8,693,676)	2,100,713	(1,656,233)
Gain / (loss) on obligations	(4,104,508)	(582,716)	2,046,395	(4,232,009)	2,154,315
	(%)				
Gain / (loss) on plan assets (as a percentage of plan asset)	15.02%	(14.11%)	(37.10%)	7.21%	(8.32%)
Gain / (loss) on obligations (as a percentage of plan obligations)	(2.94%)	(0.53%)	2.13%	(4.89%)	3.19%

25. TAKAFUL / RE-TAKAFUL PAYABLE	Shareholders' fund	Participants' funds	December 31, 2024	December 31, 2023
	(Rupees)			
Due to re-takaful operators	-	143,681,016	143,681,016	117,046,472

26. OTHER CREDITORS AND ACCRUALS	Shareholders' fund	Participants' funds	Aggregate	
	(Rupees)			
			December 31, 2024	December 31, 2023
Agent commission	69,936,994	-	69,936,994	64,025,334
Payable for banca-takaful	-	-	-	14,795,361
Accrued expenses	56,732,390	98,836	56,831,226	66,820,958
Withholding tax	6,184,275	11,901	6,196,176	5,140,836
Unpaid dividend	7,397,476	-	7,397,476	9,757,811
Advance against claim - administrative services only	30,146,621	-	30,146,621	50,702,892
Computer and Software Maintenance	-	-	-	2,500
Stale cheques	924,920	35,300,130	36,225,050	28,049,838
Charity Payble	6,869,259	3,554	6,872,813	9,531,787
Others	77,845,996	32,939,900	110,785,896	91,053,196
	256,037,932	68,354,320	324,392,252	339,880,513

26.1 This includes accrual related to last month salary and provision related to bonus and leave encashment for the respective year.

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	Shareholders' fund	Participants' funds	Aggregate	
			December 31, 2024	December 31, 2023
------(Rupees)-----				
27. LEASE LIABILITIES				
Current portion	68,483,288	-	68,483,288	94,250,081
Non current portion	65,512,586	-	65,512,586	90,297,120
	133,995,874	-	133,995,874	184,547,201
Opening balance	184,547,201	-	184,547,201	223,735,747
Increase in lease liability	78,880,390	-	78,880,390	96,043,811
Impact of termination	(10,912,965)	-	(10,912,965)	(19,615,679)
Finance cost	27,071,624	-	27,071,624	25,697,528
Payments	(145,590,376)	-	(145,590,376)	(141,314,206)
Closing balance	133,995,874	-	133,995,874	184,547,201

27.1. Finance cost on lease liabilities for the year ended December 31, 2024 was Rs. 27.071 million (2023: Rs. 25.697 million).

27.2. The lease liabilities are discounted using incremental borrowing ranges from 7.99% to 16.09%.

	December 31, 2024		
	Present value of minimum lease payment	Financial charge for the future	Minimum lease payment
------(Rupees)-----			
Not later then one year	69,677,855	8,361,343	78,039,198
Later then one year but not later then five years	64,318,020	7,074,982	71,393,002
	133,995,875	15,436,325	149,432,200
------(Rupees)-----			
December 31, 2023			
	Present value of minimum lease payment	Financial charge for the future	Minimum lease payment
------(Rupees)-----			
Not later then one year	94,250,081	19,820,234	114,070,315
Later then one year but not later then five years	90,297,120	18,059,424	108,356,544
	184,547,201	37,879,658	222,426,859

28. CONTINGENCIES AND COMMITMENTS

28.1 Contingencies

The company in the year 2019, together with other Life / Health insurance companies, through writ petitions in the Hon'ble Lahore High Court (LHC) and the Sindh High Court (SHC) challenged the levy of Punjab Sales Tax and Sindh Sales Tax on Life and Health Insurances in Punjab and on Life insurance in Sindh as health insurance in Sindh was granted exemption till June 30, 2023. The LHC in its hearing had directed that no final order shall be passed in pursuance to impugned show cause notices (which were issued by PRA to some of the Life and Health insurance companies) until the next date of hearing. The SHC, in their interim order dated December 02, 2019, directed that the request of the petitioners seeking exemption in terms of Section 10 of the Sindh Sales Tax Act, 2011, shall be considered by the Sindh Revenue Board (SRB) in accordance with the law. Further, the SHC, in their interim order dated December 08, 2020, impleaded that the Federal Government be also added as one of the respondents to the case.

The SRB through Notification No. SRB-3-4/13/2020 dated June 22, 2020, made the life insurance taxable w.e.f. July 01, 2020 at the full rate of 13%. A conditional exemption for the financial year 2019-20 was granted from the levy of SST, subject to the person providing Life Insurance services commences e- depositing with the SRB, the amount of SST due on such services for the tax periods from July 01, 2020 onwards.

Further, SRB did not extend the exemption on health insurance which was available till June 30, 2023, hence making it taxable with effect from July 01, 2023 at the full rate of 13%. The company with other 7 health insurance / takaful providers challenged the levy of Sindh Sales Tax on Health Insurance/takaful in Sindh High Court (SHC).

Further, the management of the Company after due consultation of legal advisor is of the view that since under the Unit Linked Family Takaful Policy, contribution is received for two separate purposes, i.e. "Risk coverage" and "Investment" and contributions thus received are segregated into separate funds, therefore, only the risk based portion of contribution may potentially be subject to sales tax. This contention is further strengthened by the underlying provisions of Punjab Sales Tax on Services (Specific Provisions) Rules, 2012 and Sindh Sales Tax on Services Rules, 2011. These rules clearly state that sales tax shall be calculated on the gross amount of premium charged on risk covered in the insurance policy.

Shortly after 2024, the SHC dismissed the cases, other than stay against SST on health insurance merely on technical grounds and without considering the merits of the arguments that forms the basis of the petition, essentially directing the petitioners to re-approach SRB regarding show cause notices issued by the department on the matter of taxability of the life insurance. However, it has been unanimously decided by the industry, through the platform of Insurance Association of Pakistan (IAP), to refer the case to and file a constitutional petition in the Supreme Court of Pakistan.

In view of the opinion of the legal advisors, and pending the adjudication of the petitions filed, the Company has neither billed its customers, nor recognized the contingent liability for PST, SST, which, calculated on the basis of risk premium and excluding the investment amount allocated to unit linked policies as per the opinion of the legal advisors, aggregated to Rs. 949.44 million (2023: Rs. 684.54 million). The management contends that should the administrative efforts fail, the amount will be charged to the Participants

28.2 Commitments

Commitments under ijarah arrangements amounting to Rs. 144.21 million (2023: Rs. 268.379 million) and the period in which these payments will become due are:

	December 31, 2024	December 31, 2023
	------(Rupees)-----	
Not later than one year	56,469,075	94,888,977
Later than one year and not later than five years	<u>87,741,161</u>	<u>173,490,509</u>
	<u>144,210,236</u>	<u>268,379,486</u>

29. NET TAKAFUL CONTRIBUTION REVENUE

Gross contributions

Regular contribution individual policies	309,511,412	820,806,895
First year	351,641,559	862,354,931
Second year renewal	3,103,486,191	3,827,734,712
Subsequent year renewal	21,930,337,828	7,714,370,705
Single and top-up contributions	<u>3,122,039,920</u>	<u>3,071,423,059</u>
Group policies without cash values	<u>28,817,016,910</u>	<u>16,296,690,302</u>

Total gross contributions

Less: Re-takaful contributions ceded

On individual life first year business	(8,032,736)	(11,889,203)
On individual life second year business	(11,233,551)	(30,705,798)
On individual life subsequent renewal business	(134,859,606)	(167,909,575)
On single contributions individual policies	(17,923)	(52,471)
On group policies	<u>(263,689,349)</u>	<u>(239,259,494)</u>
	<u>(417,833,165)</u>	<u>(449,816,541)</u>

Net contributions

	<u>28,399,183,745</u>	<u>15,846,873,761</u>
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30. WAKALA FEE

Contribution allocated to Shareholders' sub-fund
Other wakala fee

	721,464,050	834,827,499
	<u>631,351,298</u>	<u>672,927,313</u>
	<u>1,352,815,349</u>	<u>1,507,754,812</u>

Aggregate

31. INVESTMENT INCOME

-Dividend income

	Shareholders' fund	Participants' funds	Aggregate	
			December 31, 2024	December 31, 2023
	------(Rupees)-----			
Listed shares	-	-	-	4,855,000
- Available-for-sale	-	128,663,100	128,663,100	179,105,500
- Fair value through profit or loss	-	-	-	-

-Return on debt securities

Debt securities	64,909,407	-	64,909,407	70,161,764
- Available-for-sale	-	343,417,185	343,417,185	384,203,912
- Fair value through profit or loss	-	-	-	-

Income from deposits²

	<u>152,297,882</u>	<u>98,517,639</u>	<u>250,815,521</u>	<u>213,054,187</u>
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Total investment income

	<u>217,207,289</u>	<u>570,597,925</u>	<u>787,805,213</u>	<u>851,380,363</u>
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32. NET REALISED FAIR VALUE GAINS ON INVESTMENTS

	Shareholders' fund	Participants' funds	Aggregate	
			December 31, 2024	December 31, 2023
----- (Rupees) -----				
Available-for-sale:				
- Listed shares	-	-	-	18,687,588
- Mutual funds	72,767,221	-	72,767,221	74,961,285
- Debt securities	972,339	-	972,339	(424,435)
	<u>73,739,560</u>	<u>-</u>	<u>73,739,560</u>	<u>93,224,438</u>
Fair value through profit or loss:				
-Listed shares	-	582,636,045	582,636,045	1,051,696,723
-Mutual funds	-	3,178,280,005	3,178,280,005	1,697,270,090
-Debt securities	-	(64,096,250)	(64,096,250)	(211,434,557)
Net gain	<u>73,739,560</u>	<u>3,696,819,800</u>	<u>3,770,559,360</u>	<u>2,723,981,132</u>

33. NET FAIR VALUE GAINS / (LOSSES) ON INVESTMENTS

	Note	December 31, 2024	December 31, 2023
		----- (Rupees) -----	
Fair value through profit or loss			
Net unrealised gain / (loss)		-	1,799,178,226
-Equity securities		5,436,550,972	1,811,434,490
-Mutual funds		23,115,843	229,861,552
-Debt securities		<u>5,459,666,815</u>	<u>3,840,474,268</u>

34. OTHER INCOME

	Note	December 31, 2024	December 31, 2023
Gain on sale of operating assets	8.1.2	-	34,313
Exchange (loss) / gain		(18,725)	53,016
Administrative services income		12,081,180	15,713,778
Reassessment income		-	5,540,890
Miscellaneous income		4,000,355	11,123,321
		<u>16,062,810</u>	<u>32,465,318</u>

35. TAKAFUL BENEFITS - NET

Gross claims			
Claims under individual policies		92,291,744	153,835,439
by death		13,713,583,515	7,331,485,471
by surrenders / withdrawals		1,286,693,016	816,162,237
by maturities		15,092,568,275	8,301,483,147
Total gross individual policy claims			
Claims under group policies		524,727,190	495,081,295
by death		2,156,163,646	2,157,850,918
by insured event other than death		2,680,890,836	2,652,932,213
Total gross group claims		<u>17,773,459,111</u>	<u>10,954,415,360</u>
Total gross claims			
Retakaful recoveries		(39,129,690)	(83,708,452)
On individual life		(243,893,754)	(218,189,530)
On group claims		(283,023,444)	(301,897,982)
Total retakaful		<u>17,490,435,667</u>	<u>10,652,517,378</u>
Net claims			

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35.1 Aging and movement of outstanding claims

The claims development table for each class of business and an overall aging and movement of outstanding claims is presented below:

Individual Family

Accident Year	2021	2022	2023	2024
	(Rupees)			
Estimate of ultimate claims costs:				
At end of accident year	164,832,612	156,747,064	165,454,393	103,662,588
One year later	156,761,116	132,960,585	107,593,223	-
Two years later	160,005,853	148,343,506	-	-
Three years later	151,846,042	-	-	-
Current estimate of cumulative claims	214,512,720	212,214,824	165,454,393	123,662,588
Less: cumulative payments to date	166,828,078	168,134,071	58,240,890	28,510,501
	47,684,642	44,080,753	107,213,503	95,152,087
				135,793,466

Liability recognised in the statement of financial position

Group Family

Accident year	2021	2022	2023	2024
	(Rupees)			
Estimate of ultimate claims costs:				
At end of accident year	295,075,376	315,695,438	226,802,254	484,344,454
One year later	279,425,224	281,028,737	236,036,038	-
Two years later	285,315,699	285,368,074	-	-
Three years later	286,031,459	-	-	-
Current estimate of cumulative claims	370,696,339	449,845,147	462,838,292	484,344,454
Less: cumulative payments to date	370,696,339	438,064,081	287,005,646	327,197,572
		11,781,066	175,832,646	157,146,882
				124,924,478

Liability recognised in the statement of financial position

Group Health

Accident year	2021	2022	2023	2024
	(Rupees)			
Estimate of ultimate claims costs:				
At end of accident year	916,121,787	1,249,123,627	1,018,207,524	2,134,643,807
One year later	921,611,842	1,221,476,134	1,131,817,021	-
Two years later	910,806,217	1,219,119,519	-	-
Three years later	910,954,003	-	-	-
Current Estimate of cumulative claims	1,209,132,739	1,942,343,910	2,150,024,545	2,134,643,807
Less: cumulative payments to date	1,209,132,739	1,942,343,910	1,821,353,444	1,864,233,642
			328,671,101	270,410,165
				44,987,073

Liability recognised in the statement of financial position

	Note	December 31,	December 31,
		2024	2023
		------(Rupees)-----	
36. TAKAFUL OPERATOR FEE			
Modarib fee income		68,309,964	54,256,987
Other wakala income		997,933,609	587,557,256
		<u>1,066,243,573</u>	<u>641,814,243</u>
37. ACQUISITION EXPENSES / COMMISSION EXPENSE			
Remuneration to takaful intermediaries on individual policies:			
Commission to agent on first year contributions		98,173,730	228,973,736
Commission to agent on second year contributions		55,531,501	123,988,314
Commission to agent on subsequent renewal contributions		104,548,274	103,865,870
Commission to agent on top- up contribution and single contribution		231,936,398	61,656,944
Commission to takaful intermediaries on group policies		108,791,369	109,726,445
		<u>598,981,272</u>	<u>628,211,309</u>
Other acquisition expenses:			
Other benefits to takaful intermediaries		100,019,041	87,557,383
Salaries, allowances and other benefits		275,782,184	302,147,752
Contribution to defined contribution plan		11,855,577	10,350,546
Entertainment		1,570,999	919,272
Training / conference		5,492,947	4,425,994
Office supplies and amenities		18,049,571	18,796,133
Vehicle running		39,583,590	40,373,321
Car ijarah		3,620,680	6,487,869
Traveling		23,205,069	17,042,417
Utilities		47,497,922	41,686,515
Rental		2,892,208	398,926
Postages		7,001,081	7,327,677
Telephone		6,891,476	10,923,343
Repairs and maintenance		16,195,982	14,748,951
Printing and stationary		11,379,961	15,000,147
Computer		4,555,793	10,162,875
Sales promotion		43,501,598	38,891,774
Depreciation (Operating assets)	8.1.2	29,227,418	31,341,797
Depreciation (Right-of-use assets)	8.2.1	69,430,947	83,928,493
Miscellaneous other expenses		128,711	676,153
Group Takaful		82,127,797	49,385,987
Policy stamps		15,199,561	10,836,460
		<u>815,210,112</u>	<u>803,409,785</u>
		<u>1,414,191,384</u>	<u>1,431,621,094</u>

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Note	December 31,	December 31,
	2024	2023
	------(Rupees)-----	
38. MARKETING AND ADMINISTRATION EXPENSES	330,026,805	301,584,147
Salaries, allowances and other benefits	28,833,723	24,255,149
Charge for defined benefit plan	16,215,218	15,606,636
Contribution to defined contribution plan	34,854,580	35,343,082
Vehicle running	7,325,202	4,881,238
Car ljarah rentals	-	94,084
Medical	12,125,146	8,138,282
Travelling	42,128,955	31,348,134
Utilities	-	621,400
Rental	20,816,169	31,482,065
Communication	11,111,075	6,519,140
Repairs and maintenance	8,935,637	13,846,280
Printing and stationary	75,127,657	69,001,266
Software maintenance	16,066,029	14,579,414
Advertisement	27,396,932	20,548,397
Depreciation (Operating assets)	34,739,987	32,593,101
Depreciation (Right-of-use assets)	9,181,753	9,059,505
Amortisation	3,860,064	3,844,943
Shariah advisors' fees	1,398,945	1,895,076
Actuary's fees	10,576,639	12,555,092
Legal and professional	135,904,573	79,272,521
Consultancy	16,377,024	15,978,291
Supervision fees	12,826,066	9,308,556
Subscription fees	2,909,148	1,533,566
Bank and brokerage	4,793,311	4,405,556
Entertainment	2,141,386	2,084,094
Training	10,711,567	11,939,706
Staff welfare	26,063,931	25,861,824
Group Takaful	1,489,686	1,691,786
General takaful	392,799	680,706
Miscellaneous	904,330,005	790,553,037

39. OTHER EXPENSES	3,655,457	2,471,194
Salaries, allowances and other benefits	188,491	139,841
Employer's contribution to provident fund	513,761	435,560
Vehicles running	158,693	154,530
Traveling	38,634	17,363
Communication	2,608,200	1,991,974
Auditors' remuneration	58,291	-
Loss on sale of operating assets	6,797,692	11,422,261
Consultancy	-	598,157
Miscellaneous expenses	14,019,220	17,230,880

39.1 These expenses are not attributable to Participants' fund

39.1.1 Auditors' remuneration

Audit and related services

Audit fee
 Fee for review, other certifications and advisory services
 Out of pocket
 Sales tax

1,400,000	1,000,000
700,000	625,000
315,000	219,420
193,200	147,554
2,608,200	1,991,974

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	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
40. TAXATION		
Current year	95,948,843	37,498,657
Prior year	2,089,685	(507,603)
	<u>98,038,528</u>	<u>36,991,054</u>
Deferred	(1,303,328)	(1,176,507)
	<u>96,735,200</u>	<u>35,814,547</u>

40.1 The Company has filed returns upto and including tax year 2024 which are deemed to have been assessed under Section 120 of the Income Tax Ordinance, 2001.

40.2 Security and Exchange Commission of Pakistan (SECP) through the S.R.O. 312(I)/2025 dated March 03, 2025, made permissible for the Shareholders' Fund of a life insurer to purchase the full amount of adjustable, advance, withholding, or refundable tax recorded in the books of the Statutory Fund(s), against consideration in the form of cash, cash equivalents, or government securities. Furthermore, the Shareholders' Fund is now required to mandatorily purchase such taxes related to the Statutory Fund(s) that are adjustable within a period of one year. Failing to do so may result in the lapse of the unadjusted advance tax after one year.

40.3 The relationship between tax expense and accounting profit for the year 2024 is given below.

	December 31, 2024	December 31, 2023
	----- (Rupees) -----	
Profit before taxation	366,456,348	192,112,650
Tax at the applicable rate of 29% (2023: 29%)	106,272,341	55,712,668
Tax effect of:	16,233,248	3,008,226
- expenses not deductible for tax purposes	(21,348,913)	(18,780,089)
- income not subject to tax	(4,421,476)	(4,126,258)
- others	96,735,200	35,814,547

**41. EARNINGS PER SHARE (EPS)
Basic and diluted**

	Note	December 31, 2024	December 31, 2023
Profit after tax (Rupees)		269,721,148	156,298,103
Weighted average ordinary shares as at year end (Number)	20	130,712,440	130,712,440
EPS (Rupees)		2.06	1.20

42. REMUNERATION OF CHIEF EXECUTIVE OFFICER (CEO), DIRECTORS AND EXECUTIVES

Aggregate amounts charged in the financial statements for remuneration, including all benefits to Chief Executive Officer (CEO), Directors, and Executives of the Company are as follows:

	December 31, 2024		December 31, 2023	
	CEO	Executives	CEO	Executives
	----- (Rupees) -----			
Managerial remuneration	6,455,383	82,967,765	6,008,923	73,000,733
House rent	2,904,923	37,335,495	2,704,015	32,850,332
Utilities	571,056	7,339,333	531,555	6,457,645
Others	3,004,395	30,466,353	3,782,540	30,290,478
	<u>12,935,757</u>	<u>158,108,946</u>	<u>13,027,033</u>	<u>142,599,188</u>
	----- (Number) -----			
Persons	1	39	1	36

The Company also provides Company maintained cars to certain executives.

Certain Directors have been reimbursed with the boarding and lodging costs in relation to attending board meetings of the company as per the company's policy which amounted to Rs. 1.37 million (2023: Rs. 0.668 million).

Executive mean employees other than Chief Executive and Directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

43 PROVIDENT FUND

The Company operates approved contributory provident fund (the Fund) for its permanent employees. The following information is based on unaudited financial statements of the fund as at December 31, 2024 (2023: audited).

	(Un-audited) December 31, 2024	(Audited) December 31, 2023
Size of the fund - net assets (Rupees)	8,035,725	7,248,902
Cost of the investments made (Rupees)	5,584,775	4,800,294
Percentage of the investments made (%)	69	66
Fair value of the investments made (Rupees)	5,584,775	4,800,294

43.1 The break up of fair value of the investments in provident fund is as follows:

	December 31, 2024		December 31, 2023	
	(Rupees)	(%)	(Rupees)	(%)
Bank balances	5,584,775	100	4,800,294	100

The investments have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

44 RELATED PARTY TRANSACTIONS

Related parties comprise of related group companies, associates, directors, staff retirement funds and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Details of transactions and balances with related parties, except as disclosed elsewhere in the financial statements, are as follows:

Name of Related Party	Relationship	Shareholding (%)	
		December 31, 2024	December 31, 2023
Pak-Qatar General Takaful Ltd	Common Directorship	Nil	Nil
Pak-Qatar Asset Management Company Ltd	Common Directorship	5%	5%
Pak-Qatar Family Takaful Ltd - Employees' Provident Fund	Provident Fund	Nil	Nil
FWU Pakistan	Associate Company	Nil	Nil

Relationship	Nature of transaction	December 31, 2024	December 31, 2023
		(Rupees)	
Entities with common directorship	Net shared expenses received	147,010,330	106,928,479
	Claims received against general takaful	690,850	74,000
	Claims paid against group takaful	4,621,508	-
	Contribution paid against general takaful	1,159,327	350,640
	Contribution received against group takaful	1,337,786	1,811,581
	Investment advisory fee	139,017,327	82,543,678
Associated company	Banca takaful acquisition, entrance and administration fee	82,701,437	112,371,674
Employees provident fund.	Contribution paid	32,128,179	29,176,021
Balances with related parties are as follows:			
Entities with common directorship	Investment advisory fee payable	16,200,053	7,383,928
Associated company	Administrative charges payable	-	14,660,361

45. SEGMENTAL INFORMATION
45.1 REVENUE ACCOUNT

December 31, 2024

	Participants' funds					Aggregate
	Individual Family (Direct)	Individual Family (Banca)	Individual Family	Group Family	Group Health	December 31, 2024
	(Rupees)					
Participant Investment Fund (PIF)						
Income						24,555,982,509
Allocated contribution	23,424,537,770	1,131,444,739	24,555,982,509	-	-	9,624,999,344
Net investment income	5,787,593,925	3,837,405,418	9,624,999,344	-	-	34,180,981,853
Total net income	29,212,131,696	4,968,850,158	34,180,981,853	-	-	
Less: Claims and expenses						15,000,276,531
Surrender / partial withdrawal	11,360,445,223	3,639,831,308	15,000,276,531	-	-	997,933,609
Takaful operators' fee	845,972,118	151,961,491	997,933,609	-	-	54,367,526
Other charges	2,263,073	52,104,453	54,367,526	-	-	16,052,577,665
Total claims and expenditure	12,208,680,413	3,843,897,251	16,052,577,665	-	-	18,128,404,189
Excess of income over claim and expenditure	17,003,451,282	1,124,952,907	18,128,404,189	-	-	
Add: Technical reserves at beginning of the year	24,466,028,582	13,023,077,002	37,489,105,584	-	-	37,489,105,584
Less: Technical reserves at end of the year	41,469,479,864	14,148,029,909	55,617,509,773	-	-	55,617,509,773
Movement in technical reserves	(17,003,451,282)	(1,124,952,907)	(18,128,404,189)	-	-	(18,128,404,189)
Surplus / (deficit)						
Movement in technical reserves	17,003,451,282	1,124,952,907	18,128,404,189	-	-	18,128,404,189
Balance of PIF at beginning of the year	24,466,028,582	13,023,077,002	37,489,105,584	-	-	37,489,105,584
Balance of PIF at end of the year	(a) 41,469,479,864	14,148,029,909	55,617,509,773	-	-	55,617,509,773
Participants' Takaful Fund (PTF)						
Income						3,121,737,186
Contribution net of retakaful	249,334,206	14,052,408	263,386,614	436,294,792	2,422,055,779	68,309,964
Net investment income	51,068,903	7,590,515	58,659,418	8,565,033	1,085,513	
Other income						3,190,047,149
Total net income	300,403,110	21,642,923	322,046,032	444,859,824	2,423,141,292	
Less: Claims and expenditures						2,490,159,136
Claim net of retakaful recoveries	45,467,010	7,695,045	53,162,055	280,833,436	2,156,163,646	631,351,298
Takaful operators' fee	135,472,897	7,114,800	142,587,697	235,204,100	253,559,501	27,607,325
Other charges	13,667,591	7,757,306	21,424,898	3,130,587	3,051,840	3,149,117,759
Total claims and expenditure	194,607,498	22,567,151	217,174,650	519,168,123	2,412,774,987	40,929,390
Excess of income over claims and expenditures	105,795,612	(924,228)	104,871,382	(74,308,299)	10,366,305	
Add: Technical reserves at beginning of the year	60,911,579	4,700,973	65,612,552	217,316,480	531,286,437	814,215,469
Less: Technical reserves at end of the year	50,294,083	4,685,527	54,979,610	179,969,312	547,664,831	782,613,753
Movement in technical reserves	10,617,496	15,446	10,632,942	37,347,168	(16,378,394)	31,601,716
Surplus / (deficit) before distribution	116,413,108	(908,782)	115,504,324	(36,961,131)	(6,012,089)	72,531,106
Distribution of surplus	(64,091,013)	-	(64,091,013)	-	-	(64,091,013)
Surplus / (deficit) after distribution	52,322,095	(908,782)	51,413,311	(36,961,131)	(6,012,089)	8,440,093
Movement in technical reserves	(10,617,496)	(15,446)	(10,632,942)	(37,347,168)	16,378,394	(31,601,716)
Transfers from/(to) Qard-e-Hasna (returned to)/ contributed from shareholders' sub fund						
Net transfer from shareholders' sub fund						
Balance of PTF at beginning of the year	636,377,747	275,569,867	911,947,614	303,311,766	556,536,920	1,771,796,300
Balance of PTF at end of the year	(b) 678,082,346	274,645,638	952,727,983	229,003,468	566,903,225	1,748,634,677
Subtotal	(a+b) 42,147,562,210	14,422,675,547	56,570,237,756	229,003,468	566,903,225	57,366,144,450

	Participants' Funds					Aggregate
	Individual Family (Direct)	Individual Family (Banca)	Individual Family	Group Family	Group Health	December 31, 2024
	(Rupees)					
Shareholders' Sub Fund						
Income						
Takaful operator's fee	1,538,889,195	323,096,162	1,861,985,356	235,204,100	253,559,501	2,350,748,957
Mudarib fee from PTF	51,068,903	7,590,515	58,659,418	8,565,033	1,085,513	68,309,964
Total Income	1,589,958,098	330,686,677	1,920,644,774	243,769,133	254,645,014	2,419,058,921
Less: Expenditures						
Net commission expenses	352,550,508	137,639,395	490,189,903	49,239,257	59,552,112	598,981,272
Other acquisition expenses	650,341,592	869,901	651,211,492	72,696,635	109,710,421	833,618,548
Management expenses	549,596,534	157,934,016	707,530,550	60,522,475	144,940,168	912,993,193
Total expenditure	1,552,488,633	296,443,312	1,848,931,945	182,458,367	314,202,700	2,345,593,013
Excess / (deficit) of Income over expenditure	37,469,465	34,243,365	71,712,829	61,310,766	(59,557,686)	73,465,908
Add: Technical reserves at beginning of the year	-	-	-	-	-	-
Less: Technical reserves at end of the year	-	-	-	-	-	-
Surplus / (deficit) for the year	37,469,465	34,243,365	71,712,829	61,310,766	(59,557,686)	73,465,908
(Surplus) / deficit transferred to shareholders' fund	(37,469,465)	(34,243,365)	(71,712,829)	(61,310,766)	59,557,686	(73,465,908)
Transfer from / (to) shareholders' fund						
Contribution received from shareholders' fund	-	-	-	-	-	-
Qard-e-Hasna contributed to PTF	-	-	-	-	-	-
Net transfer from / (to) shareholders' fund	-	-	-	-	-	-
Balance of shareholders' sub fund at beginning of the year	-	-	-	-	-	-
Balance of fund at end of the year (c)	-	-	-	-	-	-
Balance of Participants' funds at end of the year (a+b+c)	42,147,562,210	14,422,675,547	56,570,237,756	229,003,468	566,903,225	57,366,144,450
Represented by:						
Participants' Investment Fund						
Technical reserves for PIF	41,469,479,864	14,148,029,909	55,617,509,773	-	-	55,617,509,773
Participants' Takaful Fund						
Technical reserves for PTF	50,294,083	4,685,527	54,979,610	179,969,312	547,664,831	782,613,753
Qard-e-Hasna contributions	-	-	-	-	260,000,000	260,000,000
Accumulated surplus / (deficit) - PTF	627,788,263	269,960,111	897,748,373	49,034,156	(240,761,606)	706,020,923
	678,082,346	274,645,638	952,727,983	229,003,468	566,903,225	1,748,634,677
Shareholders' sub fund						
Technical reserves for shareholders' sub fund	-	-	-	-	-	-
Accumulated surplus - shareholders' sub fund	-	-	-	-	-	-
Balance of funds at the end of the year	42,147,562,210	14,422,675,547	56,570,237,756	229,003,468	566,903,225	57,366,144,450

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45.1 REVENUE ACCOUNT

	December 31, 2023 Participants' funds					Aggregate
	Individual Family (Direct)	Individual Family (Banca)	Individual Family	Group Family	Group Health	December 31, 2023
(Rupees)						
Participant Investment Fund (PIF)						
Income						
Allocated contribution	10,364,483,531	1,510,407,962	11,874,891,493	-	-	11,874,891,493
Net investment income	3,715,396,226	3,228,246,412	6,943,642,638	-	-	6,943,642,638
Total net income	14,079,879,757	4,738,654,374	18,818,534,131	-	-	18,818,534,131
Less: Claims and expenses						
Surrender / partial withdrawal	5,515,422,498	2,632,225,212	8,147,647,708	-	-	8,147,647,708
Takaful operators' fee	455,655,893	131,901,363	587,557,256	-	-	587,557,256
Other charges	3,198,410	42,037,748	45,236,158	-	-	45,236,158
Total claims and expenditure	5,974,276,799	2,806,164,323	8,780,441,122	-	-	8,780,441,122
Excess of income over claim and expenditure	8,105,602,958	1,932,490,051	10,038,093,009	-	-	10,038,093,009
Add: Technical reserves at beginning of the year	16,264,617,467	11,186,395,108	27,451,012,575	-	-	27,451,012,575
Less: Technical reserves at end of the year	24,370,220,425	13,118,885,159	37,489,105,584	-	-	37,489,105,584
Movement in technical reserves	(8,105,602,958)	(1,932,490,051)	(10,038,093,009)	-	-	(10,038,093,009)
Surplus / (deficit)						
Movement in technical reserves	8,105,602,958	1,932,490,051	10,038,093,009	-	-	10,038,093,009
Balance of PIF at beginning of the year	16,264,617,467	11,186,395,108	27,451,012,575	-	-	27,451,012,575
Balance of PIF at end of the year (a)	24,370,220,425	13,118,885,159	37,489,105,584	-	-	37,489,105,584
Participants' Takaful Fund (PTF)						
Income						
Contribution net of retakaful	280,050,001	24,941,165	304,991,166	439,604,919	2,392,558,646	3,137,154,731
Net investment income	23,220,848	12,874,605	36,095,453	11,993,889	6,167,673	54,267,015
Other income	39,696,618	43,118,496	82,815,115	-	-	82,815,115
Total net income	342,967,468	80,934,266	423,901,734	451,598,808	2,398,726,319	3,274,228,861
Less: Claims and expenditures						
Claim net of retakaful recoveries	52,558,040	17,568,947	70,126,987	276,891,765	2,157,850,918	2,504,869,670
Takaful operators' fee	157,757,487	5,240,996	162,998,483	151,814,022	358,114,800	672,927,305
Other charges	9,621,295	10,515,132	20,136,427	8,242,884	6,436,116	34,815,427
Total claims and expenditure	219,936,822	33,325,075	253,261,897	436,948,671	2,522,401,834	3,212,612,402
Excess of income over claims and expenditures	123,030,646	47,609,191	170,639,837	14,650,137	(123,675,515)	61,614,459
Add: Technical reserves at beginning of the year	56,938,801	3,717,650	60,656,451	189,428,257	539,991,557	790,076,265
Less: Technical reserves at end of the year	60,812,507	4,700,045	65,612,552	217,316,480	531,286,437	814,215,469
Movement in technical reserves	(3,973,706)	(982,395)	(4,956,101)	(27,888,223)	8,705,120	(24,139,204)
Surplus / (deficit) before distribution	119,056,940	46,626,796	165,683,736	(13,238,086)	(114,970,395)	37,475,255
Distribution of surplus	(55,565,369)	(44,287,583)	(99,852,952)	-	-	(99,852,952)
Surplus / (deficit) after distribution	63,491,571	2,339,213	65,830,784	(13,238,086)	(114,970,395)	(62,377,697)
Movement in technical reserves	3,973,706	982,395	4,956,101	27,888,223	(8,705,120)	24,139,204
Transfers from/(to)						
Qard-e-Hasna (returned to)/ contributed from shareholders' sub fund	-	-	-	-	85,000,000	85,000,000
Net transfer from shareholders' sub fund	-	-	-	-	85,000,000	85,000,000
Balance of PTF at beginning of the year	558,610,996	282,549,731	841,160,727	288,661,629	595,212,464	1,725,034,821
Balance of PTF at end of the year (b)	626,076,273	285,871,339	911,947,612	303,311,766	556,536,949	1,771,796,328
Subtotal (a+b)	24,996,296,698	13,404,756,498	38,401,053,196	303,311,766	556,536,949	39,260,901,912

	Participants' Funds					Aggregate
	Individual Family (Direct)	Individual Family (Banca)	Individual Family	Group Family	Group Health	December 31, 2023
	(Rupees)					
Shareholders' Sub Fund						
Income						
Takaful operator's fee	1,138,447,279	446,935,967	1,585,383,246	151,814,022	358,114,800	2,095,312,088
Mudarib fee from PTF	23,220,849	12,874,606	36,095,455	11,993,889	6,167,643	54,266,987
Total income	1,161,668,128	459,810,573	1,621,478,701	163,807,911	364,282,443	2,149,569,055
Less: Expenditures						
Net commission expenses	277,199,662	241,285,201	518,484,863	30,356,084	79,370,361	828,211,308
Other acquisition expenses	644,204,713	9,014,624	653,219,337	65,392,141	99,792,803	818,404,281
Management expenses	467,766,766	145,744,335	613,511,101	53,511,625	128,682,453	795,715,179
Total expenditure	1,389,171,141	396,044,160	1,785,215,301	149,259,850	307,855,617	2,242,330,768
Excess / (deficit) of income over expenditure	(227,503,013)	63,766,413	(163,736,600)	14,548,061	56,426,826	(92,761,713)
Add: Technical reserves at beginning of the year	-	-	-	-	-	-
Less: Technical reserves at end of the year	-	-	-	-	-	-
Surplus / (deficit) for the year	(227,503,013)	63,766,413	(163,736,600)	14,548,061	56,426,826	(92,761,713)
(Surplus) / deficit transferred to shareholders' fund	227,503,013	(63,766,413)	163,736,600	(14,548,061)	(56,426,826)	92,761,713
Transfer from / (to) shareholders' fund						
Contribution received from shareholders' fund	-	-	-	-	-	-
Qard-e-Hasna contributed to PTF	-	-	-	-	-	-
Net transfer from / (to) shareholders' fund	-	-	-	-	-	-
Balance of shareholders' sub fund at beginning of the year	-	-	-	-	-	-
Balance of fund at end of the year (c)	-	-	-	-	-	-
Balance of Participants' funds at end of the year (a+b+c)	24,996,296,698	13,404,756,498	38,401,053,196	303,311,766	556,536,949	39,260,901,912
Represented by:						
Participants' Investment Fund						
Technical reserves for PIF	24,370,220,425	13,118,885,159	37,489,105,584	-	-	37,489,105,584
Participants' Takaful Fund						
Technical reserves for PTF	60,912,507	4,700,045	65,612,552	217,316,480	531,286,437	814,215,469
Qard-e-Hasna contributions	-	-	-	-	260,000,000	260,000,000
Accumulated surplus / (deficit) - PTF	565,163,766	281,171,294	846,335,060	85,995,286	(234,749,488)	697,580,858
	626,076,273	285,871,339	911,947,612	303,311,766	556,536,949	1,771,796,328
Shareholders' sub fund						
Technical reserves for shareholders' sub fund	-	-	-	-	-	-
Accumulated surplus - shareholders' sub fund	-	-	-	-	-	-
Balance of funds at the end of the year	24,996,296,698	13,404,756,498	38,401,053,196	303,311,766	556,536,949	39,260,901,912

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45.2 SEGMENT REPORTING

	December 31, 2024			
	Participants' funds			Aggregate
	Individual Family	Group Family	Group Health	December 31, 2024
Income	(Rupees)			
Gross Contributions				
- First year individual regular contributions	309,511,412	-	-	309,511,412
- Individual renewal contributions	3,455,127,750	-	-	3,455,127,750
- Individual single & top-up contributions	21,930,337,828	-	-	21,930,337,828
- Group contributions	-	699,984,141	2,422,055,779	3,122,039,920
Total gross contributions	25,694,976,990	699,984,141	2,422,055,779	28,817,016,910
Retakaful contributions				
- Individual policies	(154,143,816)	-	-	(154,143,816)
- Group policies	-	(263,689,349)	-	(263,689,349)
Total retakaful contributions	(154,143,816)	(263,689,349)	-	(417,833,165)
Net contribution revenues	25,540,833,174	436,294,792	2,422,055,779	28,399,183,745
Surplus from retakaful operators	-	-	-	-
Net investment income	9,683,658,762	8,565,033	1,085,513	9,693,309,308
Total net income	35,224,491,936	444,859,824	2,423,141,292	38,092,493,053
Takaful benefits and expenditures				
Takaful benefits, including bonuses, net of retakaful	15,117,529,599	280,833,436	2,156,163,646	17,554,526,680
Management expenses less recoveries	1,937,777,779	238,334,687	256,611,341	2,432,723,807
Total takaful benefits and expenditures	17,055,307,378	519,168,123	2,412,774,987	19,987,250,487
Excess of income over takaful benefits and expenditures	18,169,184,558	(74,308,298)	10,366,305	18,105,242,565
Add: Participants liabilities at beginning of year	37,554,718,136	217,316,480	531,286,437	38,303,321,053
Less: Participants liabilities at end of year	55,672,489,383	179,969,312	547,664,831	56,400,123,526
Surplus reserve for the year [Participant Takaful Fund (PTF)]	51,413,311	(36,961,130)	(6,012,089)	8,440,093

SEGMENT REPORTING

	December 31, 2023			
	Participants' funds			Aggregate
	Individual Family	Group Family	Group Health	December 31, 2023
Income	(Rupees)			
Gross Contributions				
- First year individual regular contributions	820,806,895	-	-	820,806,895
- Individual renewal contributions	4,690,089,643	-	-	4,690,089,643
- Individual single & top-up contributions	7,714,370,705	-	-	7,714,370,705
- Group contributions	-	678,864,413	2,392,558,646	3,071,423,059
Total gross contributions	13,225,267,243	678,864,413	2,392,558,646	16,296,690,302
Retakaful contributions				
- Individual policies	(210,557,047)	-	-	(210,557,047)
- Group policies	-	(239,259,494)	-	(239,259,494)
Total retakaful contributions	(210,557,047)	(239,259,494)	-	(449,816,541)
Net contribution revenues	13,014,710,196	439,604,919	2,392,558,646	15,846,873,761
Surplus from retakaful operators	82,815,085	-	-	82,815,085
Net investment income	6,979,738,091	11,993,889	6,167,673	6,997,899,653
Total net income	20,077,263,372	451,598,808	2,398,726,319	22,927,588,499
Takaful benefits and expenditures				
Takaful benefits, including bonuses, net of retakaful	8,317,627,647	276,891,765	2,157,850,918	10,752,370,330
Management expenses less recoveries	1,650,755,831	160,056,906	364,550,916	2,175,363,653
Total takaful benefits and expenditures	9,968,383,478	436,948,671	2,522,401,834	12,927,733,983
Excess of income over takaful benefits and expenditures	10,108,879,894	14,650,137	(123,675,515)	9,999,854,516
Add: Participants liabilities at beginning of year	27,511,669,026	189,428,257	539,991,557	28,241,088,840
Less: Participants liabilities at end of year	37,554,718,136	217,316,480	531,286,437	38,303,321,053
Surplus reserve for the year [Participant Takaful Fund (PTF)]	65,830,784	(13,238,086)	(114,970,395)	(62,377,697)

45.3 SEGMENTAL STATEMENT OF FINANCIAL POSITION

December 31, 2024

	Shareholders' Fund	Participants' funds			Aggregate
		Individual Family	Group Family	Group Health	December 31, 2024
(Rupees)					
ASSETS					
Property and equipment	308,390,053	-	-	-	308,390,053
Intangible assets	76,074,407	-	-	-	76,074,407
Right-of-use-Asset	125,558,426	-	-	-	125,558,426
Investments	1,405,326,224	52,167,873,922	181,038,155	-	53,754,238,300
Investment in Associate	-	-	-	-	-
Investment property	-	1,200,000,000	-	-	1,200,000,000
Advance against investment property	3,775,000	318,149,000	-	-	321,924,000
Takaful / Re-takaful receivables	-	63,310,772	143,915,518	634,959,988	842,186,279
Deposits, loans and other receivables	163,790,994	66,226,859	544,434	11,392,146	241,954,433
Taxation - payments less provision	-	915,268,073	17,787,412	8,461,074	941,516,559
Prepayments	27,748,980	-	-	-	27,748,980
Cash and bank	319,977,817	3,933,211,827	72,246,849	56,089,219	4,381,525,712
Total assets	2,430,641,902	58,664,040,453	415,532,368	710,902,427	62,221,117,149
EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	1,307,124,400	-	-	-	1,307,124,400
Unappropriated profit - net	542,858,966	-	-	-	542,858,966
Total equity	1,849,983,366	-	-	-	1,849,983,366
Deferred tax liability	7,823,121	-	-	-	7,823,121
Waqf / Participant Takaful Fund (PTF)					
Cede money	-	-	500,000	-	500,000
Accumulated surplus / (Deficit)	-	897,748,373	49,034,156	(240,761,606)	706,020,923
Total PTFs Equity	-	897,748,373	49,534,156	(240,761,606)	706,520,923
Qard-e-Hasna	-	-	-	260,000,000	260,000,000
Total Participants' equity	-	897,748,373	49,534,156	19,238,394	966,520,923
Takaful liabilities	-	57,206,486,080	304,893,790	592,651,911	58,104,031,781
Retirement benefits obligations	106,019,063	-	-	-	106,019,063
Contributions received in advance	-	347,778,065	61,104,445	99,004,443	507,886,953
Takaful / retakaful payable	-	143,681,016	-	-	143,681,016
Other creditors and accruals	256,037,932	68,345,930	-	8,390	324,392,252
Lease Liabilities	133,995,874	-	-	-	133,995,874
Taxation -provision less payments	76,782,801	-	-	-	76,782,801
	572,835,670	57,766,291,091	365,998,235	691,664,744	59,396,789,739
Total liabilities	580,658,791	57,766,291,091	365,998,235	691,664,744	59,404,612,860
Total equity and liabilities	2,430,642,157	58,664,039,464	415,532,391	710,903,138	62,221,117,150

45.3 SEGMENTAL STATEMENT OF FINANCIAL POSITION

December 31, 2023

	Participants' funds				Aggregate
	Shareholders' Fund	Individual Family	Group Family (Rupees)	Group Health	December 31, 2023
ASSETS					
Property and equipment	474,986,768	-	-	-	474,986,768
Intangible assets	84,707,828	-	-	-	84,707,828
Right-of-use-Asset	-	-	-	-	-
Investments	1,448,094,290	33,898,552,211	235,063,587	-	35,581,710,088
Investment in Associate	-	-	-	-	-
Investment property	-	1,124,510,000	-	-	1,124,510,000
Advance against investment property	3,775,000	128,624,000	-	-	132,399,000
Takaful / Re-takaful receivables	-	75,274,737	220,554,736	814,101,497	1,109,930,970
Deposits, loans and other receivables	138,584,614	173,314,176	746,941	13,739,146	326,384,877
Taxation - payments less provision	-	881,307,826	12,952,634	7,464,102	901,724,562
Prepayments	20,778,575	-	-	-	20,778,575
Cash and bank	37,702,124	3,777,791,598	72,893,918	143,551,556	4,031,939,196
Total assets	2,208,629,199	40,059,374,548	542,211,816	978,856,301	43,789,071,864
EQUITY AND LIABILITIES					
Shareholders' equity					
Share capital	1,307,124,400	-	-	-	1,307,124,400
Unappropriated profit - net	346,773,532	-	-	-	346,773,532
Total equity	1,653,897,932	-	-	-	1,653,897,932
Deferred tax liability	12,508,208	-	-	-	12,508,208
Waqf / Participant Takaful Fund (PTF)					
Cede money	-	-	500,000	-	500,000
Accumulated surplus / (Deficit)	-	846,335,060	85,995,286	(234,749,488)	697,580,858
Total PTFs Equity	-	846,335,060	86,495,286	(234,749,488)	698,080,858
Qard-e-Hasna	-	-	-	260,000,000	260,000,000
Total Participants' equity	-	846,335,060	86,495,286	25,250,512	958,080,858
Takaful liabilities	-	38,732,622,131	340,347,930	600,644,332	39,673,614,393
Retirement benefits obligations	84,767,974	-	-	-	84,767,974
Contributions received in advance	-	289,713,142	109,388,903	352,386,672	751,488,717
Takaful / retakaful payable	-	111,732,756	5,313,697	-	117,046,453
Other creditors and accruals	259,668,284	78,971,459	666,000	574,785	339,880,528
Lease Liabilities	184,547,201	-	-	-	184,547,201
Taxation -provision less payments	13,239,600	-	-	-	13,239,600
	542,223,059	39,213,039,488	455,716,530	953,605,789	41,164,584,866
Total liabilities	554,731,267	39,213,039,488	455,716,530	953,605,789	41,177,093,074
Total equity and liabilities	2,208,629,199	40,059,374,548	542,211,816	978,856,301	43,789,071,864

	Available- for-sale	Fair value through profit or loss	Term deposits	Total
	(Rupees)			
MOVEMENT IN INVESTMENTS				
As at January 01, 2023	1,286,311,838	24,470,262,744	100,000,000	25,856,574,582
Additions	932,235,720	55,650,039,938	50,000,000	56,632,275,658
Disposal (sale and redemption)	(917,039,900)	(49,797,984,871)	(100,000,000)	(50,815,024,771)
Fair value net losses	97,949,476	3,809,935,143	-	3,907,884,619
As at January 01, 2024	1,399,457,134	34,132,252,953	50,000,000	35,581,710,088
Additions	1,307,125,386	94,731,593,400	50,000,000	96,088,718,786
Disposal (sale and redemption)	(1,362,903,363)	(82,024,601,092)	(50,000,000)	(83,437,504,455)
Fair value net losses	61,647,066	5,459,666,815	-	5,521,313,881
As at December 31, 2024	1,405,326,223	52,298,912,076	50,000,000	53,754,238,300

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonable change in rates of profit, with all other variables held constant, of the Company's profit before tax and equity based upon average balances and rates:

	Increase / decrease in basis points	Effect on profit before tax (Rupees)	Effect on equity
December 31, 2024	100 (100)	42,826,510 (42,826,510)	30,406,822 (30,406,822)
December 31, 2023	100 (100)	7,573,342 (7,573,342)	5,377,073 (5,377,073)

46. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The Company issues contracts that transfer takaful risk or financial risk or both to the Company. This section summarises these risks and the way the Company manages them.

46.1 Takaful risk

The PTF issues takaful contracts which are classified in the following segments:

- Individual Family (unit linked)
 - Group Family
 - Group Health
- The Individual Family including (unit linked) segment provides family takaful coverage to individuals under unit based policies issued by the PTF. The takaful contracts under individual family are distributed through Direct Sales Force and Bancatakal.
 - The Group Family segment provides Family takaful coverage to members of business enterprises and corporate entities under group family takaful schemes issued by the PTF. The takaful contracts under group family are distributed through Direct Sales Force and sales staff employed by the Company.
 - The Group Health segment provides accident coverage and inpatient / outpatient health coverage to members of business enterprises and corporate entities under group health schemes issued by the PTF. The takaful contracts under group health are distributed through Direct Sales Force and sales staff employed by the Company.

The Company assesses the takaful risk on the basis of the different factors such as non-medical factors, medical factors, financial assessment, occupation assessment, group size, industry class, average age of the group and free cover limit etc.

The basic risk the Company faces under takaful contracts is that the actual claims and benefit payments or timing thereof, differ from expectations. This is influenced by frequency of claims, severity of claims, actual claim paid and subsequent development of claims. The most significant risks arise from catastrophic events and epidemic.

Underwriting & Re-takaful and claim committees are in place to monitor the core business activities of the Company. This is further supplemented with a clear organisational structure with documented delegated authorities and responsibilities. Management of the Company recognises the critical importance of having efficient and effective risk management systems. The focus is on issuing contract to people having moderate risk of mortality and morbidity and having appropriate economic worth and source of income.

The PTF's risk exposure is mitigated by employing a comprehensive framework to identify, assess, manage and monitoring of risk. This framework includes implementation of underwriting strategies which aim to ensure the careful selection of takaful contracts and the diversification in terms of portfolio, type and amount of the risk. Adequate retakaful is arranged to mitigate the effect of the losses and retakaful arrangement for catastrophic events. PTF exposure has also been limited by imposing limits to the maximum sum covered in a single takaful contract in each class of business.

Further, in order to reduce the risk exposure of the PTF, the Company adopts proactive claim handling procedures and strict claim review policies including active management and prompt pursuing of the claims, regular detailed review of claim handling procedures and frequent investigation of possible false claims.

The PTF's class wise risk exposure (for a single life policy) is as follows:

Class	December 31, 2024		
	Maximum Gross Risk Exposure	Maximum Retakaful Cover	Highest Net Risk Retention
	(Rupees)		
Individual family	300,000,000	297,000,000	3,000,000
Group family	200,000,000	198,000,000	2,000,000
Group health	2,500,000	-	2,500,000
	502,500,000	495,000,000	7,500,000

Class	December 31, 2023		
	Maximum Gross Risk Exposure	Maximum Retakaful Cover	Highest Net Risk Retention
	(Rupees)		
Individual family	300,000,000	297,000,000	3,000,000
Group family	200,000,000	198,000,000	2,000,000
Group health	3,000,000	-	2,500,000
	503,000,000	495,000,000	7,500,000

Categories of takaful contracts

- (i) Long term takaful contracts
- (ii) Short term takaful contracts

(i) Long term takaful contracts

(a) Sources of uncertainty in the estimation of future benefit payments and contribution

Uncertainty in the estimation of future benefit payments and contribution receipts for long-term contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

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The Company uses appropriate base tables of standard mortality according to the type of contract being written and the territory in which the insured person resides. An investigation into the actual experience of the Company over the few years is carried out and statistical methods are used to adjust the crude mortality rates to produce a best estimate of expected mortality for the future. Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table. Where this is not based on standard industry tables adjusted for the Company's overall experience, contracts that insure survival, an adjustment is made for future mortality improvements based on trends identified in the data and in the continuous mortality reflected in this experience. The Company maintains voluntary termination statistics to investigate the deviation of actual termination experience against assumptions. Statistical methods are used to determine appropriate termination rates. An allowance is then made for any trends in the data to arrive at a best estimate of future termination rates.

(b) Process used to decide assumptions

Mortality and morbidity experience

Mortality / Morbidity tables are based on the risk rates being charged by the Re-takaful operators supporting individual and group lines of business. These rates vary due to the age, sex, occupation and the nature of industry.

Persistency rates for long term individual policies

An investigation into the Company's experience from time to time determines an appropriate persistency rate. Persistency rates vary by product type and policy duration. An allowance is then made for any trends in the data to arrive at a best estimate of future persistency rates that takes into account the Participants' behaviour.

Expense levels and inflation

All administrative and management expenses are charged to SHF, therefore, the inflationary risk is borne by the SHF.

Investment returns

The participant account values of these plans depend upon actual investment returns earned on these policies.

No investment guarantees are offered by the Company. Investment risk is borne by the participants.

Tax

There is no major impact of taxes on valuation of liabilities, future benefit payments and contribution.

Change in assumptions

There has been no change in assumptions for the takaful contracts during the year.

(ii) Short term takaful contracts

(a) Frequency and severity of claims

These contracts mostly pay a pre-determined amount on death and disability without any maturity or surrender values. These contracts are issued to individuals and also to employers to ensure their commitments to their employees in terms of other employees' benefit plans.

The risk is affected by several factors e.g. age, occupation, benefit structure and life style. The Company attempts to manage this risk through its underwriting, claims handling and retakaful policy.

(b) Sources of uncertainty in the estimation of future claim payments

Other than for the testing of the adequacy of the liability representing the unexpired risk at the end of the reporting period, there is no need to estimate mortality rates for future year because these contracts have short duration. However, for incurred disability income claims, it is necessary to estimate the rates of recovery from disability for future years. Standard recovery tables produced by reinsurers are used as well as the actual experience of the Company. The influence of economic circumstances on the actual recovery rate for individual contracts is the key source of uncertainty for these estimates.

(c) **Process used to decide an assumptions**

The assumptions used for these contracts are the same as for long term contracts.

Mortality

An appropriate base table of standard mortality is chosen depending on the type of contract. An investigation into Company's experience is conducted from time to time. Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table.

Morbidity

The rate of recovery from disability is derived from industry experience studies, adjusted where appropriate for the Company's own experience.

(d) **Change in assumptions**

The Company did not change its assumptions during the year.

Sensitivities

The claims are sensitive to changes in the key assumptions. Results of sensitivity testing due to the variation in assumptions of mortality and morbidity as determined by appointed actuary on PTF will be as follows:

Class of business	Change in assumption	Impact on PTF balance	
		Rupees	
Individual family	20 % increase in mortality level	(351,376,604)	
	20 % decrease in mortality level	351,376,604	
Group Health	20 % increase in morbidity level	(75,907,192)	
	20 % decrease in morbidity level	75,907,192	
Group Family	20 % increase in mortality level	(19,927,382)	
	20 % decrease in mortality level	19,927,382	

		December 31, 2024	December 31, 2023
Note		------(Rupees)-----	

Aging of outstanding claims

Upto one year		1,151,459,646	1,094,697,974
Over one year		552,448,602	275,595,366
	22	<u>1,703,908,248</u>	<u>1,370,293,340</u>

Movement of outstanding claim

Opening balance		1,370,293,340	1,007,225,153
Total gross claims	35	17,773,459,111	10,954,415,360
Claims paid		<u>(17,439,844,203)</u>	<u>(10,591,347,173)</u>
Closing balance		<u>1,703,908,248</u>	<u>1,370,293,340</u>

46.2 Re-takaful risk

In order to minimise the financial exposure arising from claims, the Company, in the normal course of business, enters into agreement with other parties for retakaful purposes. Re-takaful ceded does not relieve the PTF from its obligation to takaful contract holders and as a result the PTF remains liable for the portion of outstanding claims covered under retakaful to the extent that retakaful company fails to meet the obligation under the re-takaful agreements.

To minimise its exposure to significant losses from retakaful insolvencies, the Company evaluates the financial condition of its retakaful companies. The Company has obtained re-takaful arrangements with prominent international re-takaful operator having high credit rating.

46.3 Financial risk management

The Board of Directors (the Board) 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:

- Liquidity risk;
- Credit risk;
- Market risk;

Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. 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. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee monitors management's compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company Audit Committee is assisted in its oversight role by Internal Audit function. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

46.4 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 difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. 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 ensures that it has sufficient cash on demand to meet expected operational requirements. To guard against the risk, the Company maintains balance of cash and cash equivalent and readily marketable securities. The maturity profile of assets and liabilities is also monitored to ensure that adequate liquidity is maintained. The following are contractual maturities of financial liabilities:

	December 31, 2024		December 31, 2023	
	Carrying Amount	Contractual cash flows upto one year	Carrying Amount	Contractual cash flows upto one year
Non-derivative financial liabilities	------(Rupees)-----			
Outstanding claims	1,703,908,248	1,703,908,248	1,370,293,340	1,370,293,340
Takaful / re-takaful payables	143,681,016	143,681,016	117,046,472	117,046,472
Agent commission	69,936,994	69,936,994	64,025,334	64,025,334
Creditors, accruals and other liabilities	248,259,082	248,259,082	172,669,515	172,669,515
	<u>2,165,785,340</u>	<u>2,165,785,340</u>	<u>1,724,034,661</u>	<u>1,724,034,661</u>

46.5 Maturity profile of financial assets and liabilities:

2024	Profit bearing			Non-profit bearing			Total
	Maturity upto one year	maturity after one year	Sub total	Maturity upto one year	maturity after one year	Sub total	
(Rupees)							
FINANCIAL ASSETS							
Cash and bank deposits	4,208,630,585	-	4,208,630,585	172,895,127	-	172,895,127	4,381,525,712
Investments	-	1,223,889,055	1,223,889,055	52,530,349,245	-	52,530,349,245	53,754,238,300
Investment income accrued	94,861,052	-	94,861,052	-	-	-	94,861,052
Advance against investment property	-	-	-	-	321,924,000	321,924,000	321,924,000
Other loans and receivables	-	-	-	161,152,716	46,450,471	207,603,187	207,603,187
December 31, 2024	4,303,491,637	1,223,889,055	5,527,380,692	52,864,397,088	368,374,471	53,232,771,559	58,760,152,251

2024	Profit bearing			Non-profit bearing			Total
	Maturity upto one year	maturity after one year	Sub total	Maturity upto one year	maturity after one year	Sub total	
(Rupees)							
FINANCIAL LIABILITIES							
Outstanding claims	-	-	-	1,703,908,248	-	1,703,908,248	1,703,908,248
Takaful / retakaful payable	-	-	-	143,681,016	-	143,681,016	143,681,016
Agents commission	-	-	-	69,936,994	-	69,936,994	69,936,994
Creditors, accruals and other liabilities	-	-	-	248,259,082	-	248,259,082	248,259,082
December 31, 2024	-	-	-	2,165,785,340	-	2,165,785,340	2,165,785,340

Maturity profile of financial assets and liabilities:

2023	Profit bearing		Non-profit bearing		Total	
	Maturity upto one year	maturity after one year	Sub total	Maturity upto one year (Rupees)		maturity after one year
FINANCIAL ASSETS						
Cash and bank deposits	3,660,619,166	-	3,660,619,166	371,320,030	-	4,031,939,196
Investments	-	4,493,024,992	4,493,024,992	31,022,102,596	-	35,515,127,588
Investment income accrued	184,133,132	-	184,133,132	-	-	184,133,132
Takaful / retakaful receivables	-	-	-	1,109,930,970	-	1,109,930,970
Other loans and receivables	-	-	-	283,489,447	42,895,430	326,384,877
December 31, 2023	3,844,752,298	4,493,024,992	8,337,777,290	32,786,843,043	42,895,430	41,167,515,763
FINANCIAL LIABILITIES						
Outstanding claims	-	-	-	1,370,293,340	-	1,370,293,340
Takaful / retakaful payable	-	-	-	117,046,472	-	117,046,472
Agents commission	-	-	-	64,025,334	-	64,025,334
Creditors, accruals and other liabilities	-	-	-	172,669,515	-	172,669,515
December 31, 2023	-	-	-	1,724,034,661	-	1,724,034,661

46.6 Profit / yield rate risk

Profit / yield rate risk is the risk of changes in profit / yield rates reducing the overall return on profit bearing assets. The Company is exposed to profit / yield rate risk in respect of bank balances and deposits and available for sale debt instruments. Effective profit / yield rates on such accounts are disclosed in note 20 to these financial statements.

At the reporting date, the rate of profit profile of the Company's profit-bearing financial instruments was:

Variable rate instruments	Carrying amount		Effective rate of profit in %
	December 31, 2024	December 31, 2023	
Financial assets			
Term deposits	50,000,000	50,000,000	17.0 to 21.6
Savings accounts	4,208,630,585	3,660,619,166	8.0 to 21.60
Sukuk bonds	1,173,889,055	4,509,607,492	8.37 to 15.84
Financial liabilities			
	5,432,519,640	8,220,226,658	
			(%)
			15.5 to 21.0
			10.0 to 21.00
			8.37 to 25.05

46.7 Credit risk

Credit risk is the risk, which 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 with counterparties and by continually assessing the credit worthiness of counterparties and measuring exposure with counterparties to remain at a reasonable level.

46.7.1 Exposure to credit risk

The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to an annual or more frequent review.

Retakaful is used to manage takaful risk. This does not, however, discharge the Company's liability as primary takaful operator. If a retakaful operator fails to pay a claim for any reason, the Company remains liable for the payment to the participant. The creditworthiness of retakaful operators is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

Exposures to individual participants and groups of participants are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual participants, or homogenous groups of participants, a financial analysis equivalent to that conducted for retakaful operators is carried out by the Company risk department.

The credit quality of the Company's bank balances and term deposit receipts can be assessed with reference to external credit ratings as follows:

	December 31, 2024	December 31, 2023
	------(Rupees)-----	
Rating		
AAA	297,112,539	1,671,121,455
AA+	38,237,296	38,765,086
AA	529,248,947	684,558,609
AA-	1,513,909,598	1,235,101,897
A+	102,348,976	318,594,208
A	1,842,993,533	17,227,002
A-	18,210,839	59,732,078
BBB-	800,383	-
	<u>4,342,862,111</u>	<u>4,025,100,336</u>

Term Deposit Receipts

AA

<u>50,000,000</u>	<u>50,000,000</u>
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*Rating of Banks performed by PACRA and JCR-VIS.

46.7.2 The carrying amount of financial assets represent the maximum credit exposure, as specified below:

	December 31, 2024	December 31, 2023
	------(Rupees)-----	
Cash and bank deposits	4,381,525,712	4,031,939,196
Deposits maturing within 3 months	50,000,000	50,000,000
Long term security deposits	-	-
Contribution due but unpaid	-	-
Takaful / Retakaful receivables	842,186,279	1,109,930,970
Accrued investment income	-	-
Advance against investment property	-	132,399,000
Loans and other receivables	241,954,433	326,384,877
Investment in unlisted equity securities	15,000,000	15,000,000
	<u>5,530,666,424</u>	<u>5,665,654,043</u>

1011

	Note	December 31, 2024	December 31, 2023
		----- (Rupees) -----	
Financial assets			
Secured		4,219,522,206	4,389,195,732
Unsecured		1,311,144,218	1,141,471,978
		<u>5,530,666,424</u>	<u>5,530,667,710</u>
Not past due		4,544,780,862	4,630,997,810
Past due but not impaired	46.7.2.1	985,885,562	1,034,656,233
		<u>5,530,666,424</u>	<u>5,665,654,043</u>

46.7.2.1 The age analysis of financial asset are as follows:

	December 31, 2024		December 31, 2023	
	Carrying value	Impairment	Carrying value	Impairment
	----- (Rupees) -----			
Not past due	4,544,780,862	-	4,630,997,810	-
Past due but not impaired				
Upto 1 year	985,885,562	-	1,034,656,233	-
1-2 year	-	-	-	-
Over 1 year	-	-	-	-
Total	<u>5,530,666,424</u>	<u>-</u>	<u>5,665,654,043</u>	<u>-</u>

These amounts are receivable from corporate customers having good credit standing in the market and are doing regular business with the Company, therefore the management believes that these amounts will be fully recoverable.

46.7.3 The table below analyses the concentration of credit risk by industrial distribution in respect of:

	December 31, 2024	December 31, 2023
	----- (%) -----	
Banks	13	9
Manufacturing	16	20
Other Financial Institutions	2	2
Pharmaceuticals	3	1
Services	37	44
Textile	5	2
Trading	4	5
Foreign Embassy	20	17
	<u>100</u>	<u>100</u>

46.7.4 Amount due from retakaful operator in respect of retakaful recoveries against outstanding claims

The Company enters into a retakaful arrangements with retakaful operator having sound credit ratings accorded by reputed credit rating agencies. The Company is required to comply with the requirement of circular 32/2009 dated October 27, 2009 issued by SECP which requires a takaful company to place atleast 80% of their outward treaty session with retakaful rated 'A' or above by Standard and Poor's with the balance being placed with entities rated atleast 'BBB' by reputed credit agency. During the year, the Company placed 100% of their outward treaty session with retakaful operator having rating of 'A' or above.

JG

An analysis of all retakaful cession by the rating of the re-takaful entity is as follow:

		December 31, 2024	December 31, 2023
	Credit rating agency	----- (Rupees) -----	
Rating			
A or above	Standard and poor	417,833,165	449,816,541

46.8 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company manages its exposure to such risks by maintaining a diversified portfolio comprising of sukuks, Islamic mutual funds and listed securities.

A decline in markets or an increase in market volatility may also adversely affect sales of our unit linked products. Company recognises that market risk is part of the businesses and certain level of market risk is acceptable in order to deliver benefits to both participants' and shareholders.

46.9 Foreign exchange risk

Currency risk is the risk that the value of a financial asset or liability will fluctuate due to changes in foreign currency rates. Foreign exchange risk arises mainly where receivables and payables exist due to transactions in foreign currencies. As the Company had no material assets or liabilities in foreign currencies at the year end, the Company is not materially exposed to foreign exchange risk.

46.10 Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company manages its exposure to such risks by maintaining a diversified portfolio comprising of sukuk and Islamic mutual funds.

46.11 Capital management

Capital requirements applicable to the Company are set and regulated by the SECP. These requirements have been put in place to ensure sufficient solvency margins. The Company manages its capital requirement by assessing its capital structure against the required capital level on a regular basis. Currently the Company has a paid up capital of Rs. 1,307.124 million against the minimum required paid-up capital of Rs. 700 million set by the SECP for insurance companies / Takaful operators for the year ended December 31, 2024.

46.12 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the process, technology and infrastructure supporting the Company's operations either internally with in the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its objective of generating returns for stakeholders.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;

- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including takaful where this is effective.

Management ensures that the Company's staff have adequate training and experience and fosters effective communication related to operational risk management.

47. FAIR VALUE MEASUREMENT

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. There are no such transfers during the year.

Fair value is defined as the price that would be received upon selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of all the financial instruments are estimated to be not significantly different from their carrying values.

Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares, Government and other sukuk and units of mutual funds.

(b) Financial instruments in level 2

Currently, no financial instruments are classified in level 2.

(c) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

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	Available for Sale	Fair value through profit or loss	Carrying amount		Total	Fair value			Total
			Loans, advances and receivables	Cash and cash equivalents		Level 1	Level 2	Level 3	
(Rupees)									
December 31, 2023									
Financial assets - measured at fair value									
Investments									
Equity securities	40,332,372	7,029,624,398	-	-	7,069,956,770	-	-	-	7,069,956,770
Government securities - Sukuk Certificates	854,410,000	3,565,760,012	-	-	4,420,170,012	-	-	-	4,420,170,012
Debt securities - Sukuk Certificates	-	89,437,480	-	-	89,437,480	-	-	-	89,437,480
Mutual funds	538,351,918	23,398,793,908	-	-	23,937,145,826	-	-	-	23,937,145,826
	1,433,094,290	34,083,615,798	-	-	35,516,710,088	-	-	-	35,516,710,088
Financial assets - not measured at fair value									
Cash and others*									
Current and other accounts*	-	-	-	6,838,860	6,838,860	-	-	-	-
Deposits maturing within 12 months*	-	-	-	4,025,100,336	4,025,100,336	-	-	-	-
Investment income accrued*	-	-	-	50,000,000	50,000,000	-	-	-	-
Takaful / retakaful receivables*	-	-	184,133,132	-	184,133,132	-	-	-	-
Advance against investment property	-	-	1,109,930,970	-	1,109,930,970	-	-	-	-
Other loans and receivables*	-	-	132,399,000	-	132,399,000	-	-	-	-
Equity securities - Unlisted	-	-	326,384,877	-	326,384,877	-	-	-	-
	15,000,000	-	-	-	15,000,000	-	-	-	-
	15,000,000	-	1,752,847,979	4,081,939,196	5,849,787,175	-	-	-	-
Financial liabilities - measured at fair value									
Staff retirement benefits									
	-	-	-	-	84,767,974	-	84,767,974	-	84,767,974
Financial liabilities - not measured at fair value									
Outstanding claims*	-	-	-	-	1,370,293,340	-	-	-	-
Contributions received in advance*	-	-	-	-	751,488,717	-	-	-	-
Takaful / retakaful payable*	-	-	-	-	117,046,472	-	-	-	-
Agents commission*	-	-	-	-	64,025,334	-	-	-	-
Creditors, accruals and other liabilities*	-	-	-	-	172,669,515	-	-	-	-
	-	-	-	-	2,475,523,378	-	2,475,523,378	-	-

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

48. NUMBER OF EMPLOYEES

The average number of employees during the year ended December 31, 2024 were 635 (2023: 741) and number of employees as at December 31, 2023 were 641 (2023: 763).

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified wherever necessary for better presentation and disclosure. There is no material reclassification to report.

50. GENERAL

50.1 Subsequent to year end, the Board of Directors in its meeting have recommended _____ percent cash dividend. These financial statements do not include its effect, which will be accounted for subsequent to year end.

50.2 A new format of financial statement has been prescribed where revenue account, statement of contribution, statement of claims, statement of expenses and statement of investment income have been done away with. Statement of financial position has been consolidated, previously presenting each class of business separately.

51. DATE OF AUTHORISATION FOR ISSUE

09 APR 2025

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

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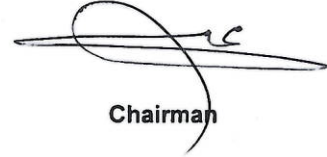
Chief Executive Officer



Director



Director



Chairman





NOTICE OF THE 19TH ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the shareholders of Pak-Qatar Family Takaful Limited (the Company) will be held on Wednesday, 30th April 2025 at 1500 hours at the Head Office of Pak-Qatar Family Takaful Limited, Business Arcade, Block 6 P.E.C.H.S, Shahra-e- Faisal, Karachi:

ORDINARY BUSINESS:

1. To confirm the minutes of Annual General Meeting of the Company held on 29th April 2024.
2. To receive, consider and approve the Audited Financial Statements for the year ended December 31, 2024 together with the Directors' and Auditors' Reports thereon.
3. To consider and approve the Dividend of 10% i.e. Rs. 1 per share, as recommended by the Board of Directors to shareholders for the year ended December 31, 2024.
4. To appoint External Auditors for the year ending 31 December 2025 and fix their remuneration. The Audit Committee and the Board of Directors have recommended the name of M/s Yousuf Adil (Chartered Accountants) for re-appointment as Statutory Auditors and Shariah Compliance Auditors.
5. To elect directors as fixed by the Board of directors in accordance with the provision of section 159 of the Companies Act, 2017 for three years. The names of retiring directors are as follows:

H.E. Sheikh Ali Bin Abdullah Al Thani	Mr. Abdul Basit Ahmed Al-Shaibei
Mr. Said Gul	Mr. Ali Ibrahim Al Abdul Ghani
Mr. Zahid Hussain Awan	Mr. Owais Ansari
Mr. M. Kamran Saleem	Mrs. Sameera Usman
Mr. Farrukh Viqaruddin Junaidy	

6. To transact any other business as may be placed before the Meeting with the permission of the Chair.

Muhammad Kamran Saleem
Company Secretary

09 April 2025
Karachi



Notes:

1. The Share transfer books of the Company shall remain closed from 24-04-2025 to 30-04-2025 (both days inclusive). Transfers received in order at Company's registered office at the close of business on 23-04-2025 will be treated in time for the purpose of attending the meeting.
2. Members are requested to notify/submit the following at registered office, if not earlier provided;
 - a) Change in their postal and/or email Addresses, if any.
 - b) Valid & legible photocopy of Computerized Nation Identity Cards (CNIC)/Passport for individuals and National Tax Number (NTN) for both Individuals & Corporate entities.
3. For attending the meeting: In case of individuals, the shareholder shall authenticate his/her original valid Computerized National Identity Card (CNIC) or the original Passport at the time of attending the meeting. In case of corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.
4. A Member of the Company entitled to attend and vote at this Meeting shall be entitled to appoint another member, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the Meeting as are available to a member. A Member shall not be entitled to appoint more than one proxy to attend any one meeting. If any Member appoints more than one proxy for any one meeting and more than one instruments of proxy are deposited with the Company, all such instruments of proxy shall be rendered invalid. A proxy must be a member of the Company.
5. For appointment of proxies: Proxies, in order to be effective, must be received by / lodged with the Company at its Registered Office, Business Arcade, Block 6, P.E.C.H.S, Shakra-e-Faisal, Karachi not less than 48 hours before the Meeting. In case of corporate entity, the Board of Directors' resolution/ power of attorney with the specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting. The proxy shall produce his/her original CNIC or original passport at the time of the Meeting. (Proxy form is annexed herewith).
6. SECP through its Notification SRO 787 (I)/2014 dated September 08, 2014 has allowed the circulation of Audited Financial Statements along with Notice to members of the Company through e-mail. The Company is pleased to offer this facility to our valued members who desire to receive annual financial statements and notices through email in future. In this regard, all members of the Company who wish to opt this facility are requested to send their consent via email on a standard request form. The Company shall, however, provide hard copy of the Audited Financial Statements to its shareholders, on request, free of cost, within seven days of receipt of such request.
7. Pursuant to Section 223(7) of the Companies Act, 2017, the Company has placed the audited Annual Financial Statements of the Company for the year ended December 31, 2024 along with the report thereon on its website.
8. As per the provision of Section 244 of the Companies Act 2017, any shares issued or dividend declared by the Company which have remained unclaimed for a period of three years from the date on which it was due and payable are required to be deposited with the Commission for the credit of Federal Government after issuance of notice to the shareholders to file their claim. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged timely. In case,



no claim is lodged with the Company in the given time, the Company shall after publication a notice in newspaper proceed to deposit the unclaimed/ unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Companies Act 2017.

9. Demand a poll: Members can exercise their right to demand a poll subject to meeting requirements of Sections 143 and 144 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.
10. We hereby apprise the shareholders that SECP vide Circular No.19/2014 dated October 24, 2014, has directed companies to inform shareholders about changes made in the Section 150 of the Income Tax Ordinance. We hereby inform shareholders that Government of Pakistan through Finance Act has made certain amendments in Section 150 of the Income Tax Ordinance, 2001, whereby the rates for deduction of withholding tax on the amount of dividend paid by the companies are @ 15% for filers of income tax returns and @ 30% for non-filers of income tax returns. All members are advised to ensure their names are on Active Tax-payers list (ATL) provided on the website of Federal Board of Revenue (FBR) otherwise tax on dividend will be deducted @30% instead of 15%.

In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. In this regard, all shareholders who hold shares with joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to the Company at registered office, in writing as follow, before date of closing of share transfer book positively; otherwise it will be assumed that the shares are equally held by principal shareholder and joint holder(s) and divided, if any, declared by the Company will be accounted for accordingly.

Name	Folio No.	Total Shares	Principle Shareholder		Joint Shareholder	
			Name & CNC No.	Shareholding Proportion (No. of shares)	Name & CNC No.	Shareholding Proportion (No. of shares)

As per directives, the dividend warrants of the shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders are, therefore, advised to submit a photocopy of their valid CNICs immediately, if already not provided, at registered office of the Company.

Under the Zakat and Usher Laws, Zakat is deductible from the dividends at source and will be deposited within the prescribed period with the relevant authority. For exemption, shareholders will be required to submit Zakat declarations under Zakat and Usher Ordinance, 1980 and Rule 4 of Zakat (Deduction & Refund) Rules, 1981 CZ-50 Form at registered office of the Company. The shareholders while sending the Zakat Declarations must quote company name and their respective Folio No.



Proxy Form

The Company Secretary
Pak-Qatar General Takaful Limited
Business Arcade, Block 6, P.E.C.H.S.,
Main Shahra-e-Faisal, Karachi.

I/we _____ of _____, (full address) being the member(s) of Pak-Qatar General Takaful Limited and holder of _____ ordinary shares as per share register Folio No. _____ hereby appoint _____ of _____ (full address) or failing him/her _____ of _____ as my/our proxy to vote for me or us and on my/our behalf at the Annual General Meeting of the Company to be held on 30th April 2025 and at any adjournment thereof.

Signed this _____ day of _____ 2025.

Signature of
Member(s)

Witness 1:

Name & Signature

Address

CNIC / passport No.

Witness 2:

Name & Signature

Address

CNIC / passport No.

Note:

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as proxy to attend, speak and vote instead of him/her.

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, if the appointer is a corporation, under its common seal or the hand of an officer or attorney duly authorized. A proxy must be a member of the Company.

Proxies in order to be effective must be received by the Company at its registered office not less than 48 hours before the meeting.

نیابت نامہ

کمپنی سیکریٹری

پاک قطر فیملی ہیکافل لمیٹڈ

بزنس آرکیڈ، بلاک 6، پی ای سی ایچ ایس

میں شاہراہ فیصل، کراچی۔

میں رہم..... ساکن (مکمل پتہ)..... پاک قطر فیملی ہیکافل لمیٹڈ کے رکن اور بمطابق شیئر رجسٹر
فولیو نمبر..... حامل..... عام..... حصص ہونے کی حیثیت سے
محترم محترمہ..... ساکن (مکمل پتہ)..... اور ان کی غیر موجودگی میں
محترم محترمہ..... ساکن..... کو 30 اپریل 2025 کو منعقد ہونے والے پاک قطر فیملی ہیکافل لمیٹڈ کے سالانہ
اجلاس عام میں حق رائے دہی استعمال کرنے یا اس کے التوا کی صورت میں اپنا رہنما نائب مقرر کرتا ہوں کرتی ہوں کرتے ہیں۔

مؤرخہ..... 2025 کو اس پر دستخط کیے گئے۔

گواہ 2:

گواہ 1:

نام اور دستخط

نام اور دستخط

رکن (اراکین) کے دستخط

پتہ

پتہ

قومی شناختی کارڈ نمبر / پاسپورٹ نمبر

قومی شناختی کارڈ نمبر / پاسپورٹ نمبر

نوٹ:

وہ رکن جو سالانہ اجلاس عام میں شرکت اور رائے دہی کا اہل ہو، وہ اپنی جگہ کسی دوسرے رکن کو اجلاس میں شرکت کرنے، گفتگو کرنے اور اپنی جانب سے حق رائے دہی استعمال کرنے کے لیے اپنا نمائندہ مقرر کر سکتا ہے۔

نمائندہ مقرر کرنے کا اختیار تحریری صورت میں ہونا چاہیے، جو مقرر کنندہ یا اس کے مجاز وکیل کے دستخط سے ہو۔ اگر مقرر کنندہ کوئی کمپنی ہو، تو یہ دستاویز کمپنی کے مہر یا کسی مجاز افسر یا وکیل کے دستخط سے تصدیق شدہ ہونی چاہیے۔ نمائندہ لازمی طور پر کمپنی کا رکن ہونا چاہیے۔

نیابت نامہ کے مؤثر ہونے کے لیے کمپنی کے پاس اجلاس شروع ہونے سے 48 گھنٹے قبل موصول ہونا ضروری ہے۔