

YOUR TRUSTED PARTNER

Interim Financial Information for the

First Quarter

Ended March 31, 2023



ADAMJEE LIFE AS YOUR TRUSTED INSURANCE PARTNER

At Adamjee Life, we understand the importance of building strong and lasting relationships; those built on the foundation of trust, respect and integrity. With our ethos towards continuous improvement, we intend to provide our customers with the best solutions to secure their tomorrow, today.

The company's financial backing by the Nishat Group and its commitment to place customers first, has enabled it to become a trusted partner in protecting customer's financial well-being for the future.



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Our Vision

To be the most trusted insurance partner

Our Mission

Adhere to exemplary sales practices, best in
class product packaging and
customer engagement

Core Values



Value Creation

Create value in everything we do



Customer Focus

Always keep customer's interest in mind



Openness

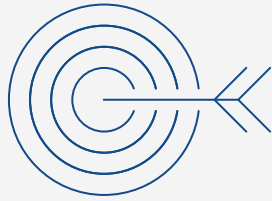
Foster a culture of trust and transparency



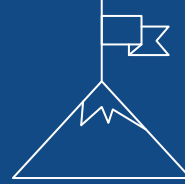
Respect

Promote mutual respect and inclusiveness

Strategic Objectives



Attain sustainable
Agency operations



Capitalize strategic
partnerships
to capture digital
space



Create product
awareness and its
value proposition
through trainings



Excellence in
quality of sales
and after sale
services



Product innovation
to strengthen long term
value for our customers



Reduce complains
to less than 1% of the
portfolio

COMPANY PROFILE





Rating of the Company

Insurer Financial Strength (IFS) Rating: **A++ (A Double Plus)**

Outlook: **Stable**

Rating Agency: **PACRA**

A++

Board of Directors

Mr. S. M. Jawed

Chairman

Mr. Umer Mansha

Director

Mrs. Naz Mansha

Director

Mr. Muhammad Ali Zeb

Director

Mr. Imran Maqbool

Director

Mr. Shahmeer Khalid Butt

Director

Mr. Ahmad Alman Aslam

Director

Management

Mr. Manzar Mushtaq

Chief Executive Officer

Mr. Jalal Meghani

Chief Financial Officer
& Deputy Managing Director

Dr. Bakht Jamal

Director Operations and
Legal Affairs

Mr. Ali Haider

Director - Distribution
(Bancassurance & Corporate)
Marketing & Business Strategy

Mr. Amin Nizar Ali

Director Actuarial Services
and Risk Management

Mr. Muhammad Imran Hussain Siddiqui

Director Information Technology

Mr. Absar Azim Burney

Head of Direct Distribution

Ms. Zehra Faiz

Head of Human Resources

Statutory Positions

Head of Compliance

Asif Mirza

Head of Internal Audit

Samad Ali Naqvi

Company Secretary

Rahim Vallyani

Share Registrar

CDC Share Registrar Services Ltd. CDC House,
99-B, Block B, SMCHS Main Shahrah-e- Faisal, Karachi 74400
Phone No. (92-21) 111-111- 500
Fax No. (92-21) 34326031
Email: info@cdcpak.com

Statutory Auditors of the Company

Yousuf Adil Chartered Accountants
Address: Cavish Court, A-35, Block 7 & 8 KCHSU,
Shahra-e-Faisal, Karachi-75350, Pakistan

Appointed Actuary

Alchemy Associates (Private) Ltd.
Address: 4th Floor, Central Hotel Building, Civil Lines,
Mereweather Road, Karachi, Pakistan.

Shariah Advisor

Mufti Muhammad Zubair Usmani

Legal Advisor

Bawaney & Partners

Address: 3rd & 4th floor 68-C, Bukhari Commercial Area,
DHA, Karachi

Asad Iftikhar

Address: Office no. 505, Commercial Trade Center,
Block 8 Clifton, Karachi.

Bankers

Al Baraka Bank (Pakistan) Limited	MCB Islamic Bank Limited
Askari Bank Limited	Mobilink Microfinance Bank Limited
Bank Alfalah Limited	National Bank Of Pakistan
Bankislami Pakistan Limited	NRSP Microfinance Bank Limited
Dubai Islamic Bank Limited	MCB Bank Limited
Faysal Bank Limited	Standard Chartered Bank (Pakistan) Limited
Finca Microfinance Bank Limited	Silk Bank Limited
Habib Bank Limited	Telenor Microfinance Bank Limited
Habib Metropolitan Bank Limited	U Microfinance Bank Limited
Khushhali Bank Limited	United Bank Limited

Registered Office

Adamjee Life Assurance Company Limited,
Office # 505, 5th Floor, Islamabad Stock Exchange Building,
Blue Area, Islamabad, Pakistan.

Head Office

Adamjee Life Assurance Company Limited,
3rd & 4th Floor, Adamjee House,
I.I. Chundrigar Road, Karachi, Pakistan.



Directors' Review



Directors' Review

The Board of Directors of Adamjee Life Assurance Company Limited are pleased to present to the members, the condensed interim financial statements of the Company, for the three months ended on 31st March 2023.

Financial Highlights:

The highlights for the period under review are as follows:

	31 March 2023 Unaudited ----- Rupees in '000 -----	31 March 2022 Unaudited ----- Rupees in '000 -----
Gross Premium	5,990,751	5,949,811
Net Premium	5,784,673	5,767,003
Investment income	2,154,634	1,090,505
Net Benefits paid to and reserved for policyholders	6,728,418	5,648,956
Acquisition & other operating expenses	1,014,446	1,112,274
Profit before tax	205,444	96,278
Profit after tax	103,498	67,577
Size of Statutory Fund	64,491,788	59,531,766
Shareholders' Equity	3,879,118	3,748,290
	-----Rupees-----	
Earnings Per Share		0.27

Performance Review:

Both, the Gross and net premium of the Company has increased by less than 1% whereas, the investment income has increased by 98% from corresponding period due to higher income on interest based securities. Moreover, the underwriting results of the Company has also been higher by 45% from last year due to lower acquisition cost. Consequently, the profit before tax reported in this quarter has increased by 113% from the corresponding period.

Window Takaful Operations:

The gross contribution generated from Window Takaful operations was Rs. 1.066 Billion (March 31, 2022: Rs. 1.274 Billion). The profit before tax that has been reported for March 2023 is amounting to Rs. 70.225 million which has increased by 60% from the corresponding period i.e. Rs. 27.670 million as reported in March 2022.

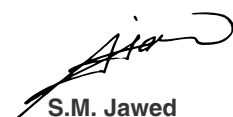
Future Outlook:

The year 2023 is likely to be very challenging on economic front. Tightening of fiscal and monetary policy due to balance of payment crisis will put significant pressure on people's disposable income. The revised GDP growth projection of Pakistan is less than 1% for the FY 2022-2023 with inflation hovering around 30%.

The Company's growth of new business is likely to remain subdued, however with higher investment income and persistent efforts with incentivization of our dedicated sales force we will ensure that the current policyholder's portfolio remains active thus delivering benefits both to the policyholders and to the Company.

Acknowledgements:

We would wholeheartedly like to thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Life emerge as one of the Pakistan's fastest growing life insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan (SECP) for its continued guidance and assistance.



S.M. Jawed

Chairman

On behalf of the Board of Directors



Manzoor Mushtaq

Chief Executive Officer

April 27, 2023

ڈائریکٹرز کا تجزیہ

آدم جی لائف انشورنس کمپنی لمیٹڈ کے ڈائریکٹرز مورخہ ۳۱ مارچ ۲۰۲۳ کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے عبوری مالیاتی گوشواروں پیش کرنے پر مسرت محسوس کر رہے ہیں۔

مالیاتی جھلکیاں:

زیر غور مدت کی جھلکیاں درج ذیل ہیں:

31 مارچ 2022	31 مارچ 2023
آؤٹ شدہ	آؤٹ شدہ
----- روپے میں 1000 -----	----- روپے میں 1000 -----
5,949,811	5,990,751
5,767,003	5,784,673
1,090,505	2,154,634
5,648,956	6,728,418
1,112,274	1,014,446
96,278	205,444
67,577	103,498
59,531,788	64,491,788
3,748,290	3,879,118
----- روپے میں -----	----- روپے میں -----
0.27	0.52

گراس پرمینیم
نیٹ پرمینیم
انویسٹمنٹ انکم
پالیسی ہولڈرز کے لئے نیٹ فوائد کی ادائیگی اور ریزو
اکتساب اور دیگر آپریٹنگ خرچ
ٹیکس سے پہلے منافع
ٹیکس کے بعد منافع
سیچورٹی فنڈ کا سائز
شیئر ہولڈرز اکیوٹی

فی حصہ آمدنی

کارکردگی کا جائزہ:

کمپنی کے مجموعی اور نیٹ پرمینیم دونوں میں ۱٪ سے کم اضافہ ہوا ہے جبکہ سرمایہ کاری کی آمدنی میں سود پر مبنی سیکیورٹیز پر زیادہ آمدنی کی وجہ سے اسی مدت کے دوران ۹۸٪ کا اضافہ ہوا ہے۔ مزید یہ کہ حصولی لاگت میں کمی کے سبب کمپنی کے انڈر رائٹنگ نتائج میں بھی پچھلے سال کے مقابلے میں ۴۵ فیصد کا اضافہ ہوا ہے۔ نتیجتاً، اس سہ ماہی میں رپورٹ کیے گئے ٹیکس سے قبل کے منافع میں اسی مدت کے مقابلے میں ۱۱۳٪ اضافہ ہوا ہے۔

ونڈو تکافل آپریشنز:

ونڈو تکافل آپریشنز سے حاصل ہونے والی مجموعی شرائط ۲۰۲۲ء ۱۶۰۶۶ بلین روپے (۳۱ مارچ ۲۰۲۲ء ۲۰۲۲ بلین روپے) تھی۔ مارچ ۲۰۲۳ کے لیے ٹیکس سے پہلے کا منافع ۷۰۲۵۵ بلین روپے ہے۔ جس میں اسی مدت کے مقابلے میں ۶۰ فیصد کا اضافہ ہوا ہے مارچ ۲۰۲۲ کو ۷۰۶۷۷ بلین روپے تھا۔

مستقبل کی صورت حال:

سال ۲۰۲۳ معاشی اعتبار سے ایک مشکل سال ہے۔ زری اور مالیاتی پالیسی کے سخت ہونے، ادائیگیوں کے بحران سے لوگوں کی ڈسپوزائبل آمدنی پر خاصا دباؤ پڑنے کی توقع کی جا رہی ہے۔ مالی سال ۲۰۲۲-۲۰۲۳ کے لیے نظر ثانی شدہ جی ڈی پی کی نمو کا تخمینہ ۱٪ سے کم ہے جبکہ افراط زر ۳۰٪ کے قریب ہے۔ کمپنی کے نئے کاروبار کی نمو میں کمی کا امکان ہے تاہم زیادہ سرمایہ کاری کی آمدنی اور اپنی قابل قدر سیلز فورس کے ساتھ ہمیں یقین ہے کہ ہمارے موجودہ پالیسی ہولڈر کا پورٹ فولیو فعال رہتے ہوئے پالیسی ہولڈرز اور کمپنی دونوں کو فوائد فراہم کرتا رہے گا۔

اعتراف

ہم تمہارے دل سے اپنے شیئر ہولڈرز، قابل قدر صارفین، ملازمین اور عملے کا شکریہ ادا کرنا چاہیں گے۔ ان سب کی مسلسل کاوشوں نے آدم جی لائف کو پاکستان کی سب سے تیزی سے ترقی کرتی لائف انشورنس کمپنی کے طور پر ابھرنے میں مدد دی ہے۔ ہم سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو ہنرمانی کرنے کیلئے بھی شکریہ ادا کرنا چاہیں گے۔

Mansoor Murshid
منظر مشتاق
چیف ایگزیکٹو آفیسر

از طرف بورڈ آف ڈائریکٹرز

اس ایم جاوید
چیئر مین

۱۷ اپریل ۲۰۲۳

IFRS Financial Statements



Adamjee Life Assurance Company Limited

Condensed Interim Statement of Financial Position


As at March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
Assets			
Property and equipment	6	210,847	215,532
Intangible assets		36,073	26,579
Right of use assets		110,823	124,420
Investment property	7	1,023,394	943,669
Investments			
Equity securities	8	8,547,068	8,292,169
Government securities	9	36,850,267	37,930,238
Debt securities	10	3,800,279	4,254,845
Term deposits	11	2,376,000	2,276,000
Mutual funds	12	10,605,575	8,017,302
Loan secured against life insurance policies		44,640	42,163
(Insurance / takaful) / (reinsurance / retakaful) receivables	13	70,211	62,456
Other loans and receivables	14	1,124,201	778,323
Taxation - payments less provision		900,441	843,706
Prepayments	15	72,180	41,655
Cash and bank	16	5,495,483	5,316,997
Total Assets		71,267,482	69,166,054
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		2,500,000	2,500,000
Money ceded to Waqf fund		500	500
Deficit on revaluation of available for sale investments		(5,166)	(5,496)
Ledger account D		865,187	776,870
Unappropriated profit		518,597	476,416
Total Equity		3,879,118	3,748,290
Liabilities			
Insurance / takaful liabilities	17	65,536,118	63,408,661
Retirement benefit obligations		-	4,866
Deferred taxation		423,358	376,644
Lease liabilities	18	146,402	159,592
Premium / contribution received in advance		322,118	367,165
(Insurance / takaful) / (reinsurance / retakaful) payables		87,647	175,083
Other creditors and accruals	19	872,721	925,753
Total Liabilities		67,388,364	65,417,764
Total Equity and Liabilities		71,267,482	69,166,054

Contingencies and commitments

20

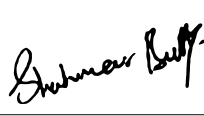
The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.



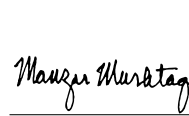
S. Muhammad Jawed
Chairman



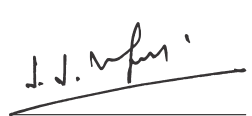
Muhammad Ali Zeb
Director



Shahmeer Khalid
Director



Manzar Mushtaq
Chief Executive Officer



Jalal Meghani
Chief Financial Officer


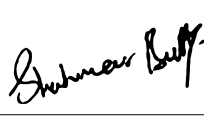

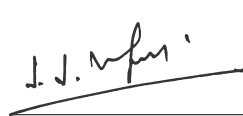
Adamjee Life Assurance Company Limited

Condensed Interim Statement of Profit and Loss (Un-audited)

For the quarter ended March 31, 2023

	Note	March 31, 2023	March 31, 2022
		(Rupees in '000)	
Premium / contribution revenue		5,990,751	5,949,811
Premium / contribution ceded to reinsurers / (retakaful operators)		(206,078)	(182,808)
Net premium / contribution revenue	21	5,784,673	5,767,003
Investment income	22	2,084,031	1,137,337
Net realised fair value gain on financial assets	23	193,930	65,686
Net fair value loss on financial assets at fair value through profit or loss - unrealised	24	(413,450)	(268,406)
Net rental income		244	500
Net unrealised gain on investment property	7	79,725	-
Other income	25	210,154	155,388
		2,154,634	1,090,505
Net income		7,939,307	6,857,508
Insurance / takaful benefits	27	(4,314,592)	(3,006,868)
Recoveries from reinsurers / retakaful operators	27	135,820	143,461
Claims related expenses		(1,933)	(1,028)
Net insurance / takaful benefits		(4,180,705)	(2,864,435)
Net change in insurance / takaful liabilities (other than outstanding claims)		(2,549,645)	(2,785,549)
Acquisition expenses	28	(645,304)	(829,057)
Marketing and administration expenses	29	(352,119)	(274,569)
Other expenses		(2,316)	(2,549)
		(3,549,384)	(3,891,724)
Total expenses		(7,730,089)	(6,756,159)
Finance costs		(3,774)	(5,071)
Profit before tax		205,444	96,278
Income tax expense	30	(74,946)	(28,701)
Profit after tax for the period		130,498	67,577
Earnings (after tax) per share - Rupees	31	0.52	0.27

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.

S. Muhammad Jawed
ChairmanMuhammad Ali Zeb
DirectorShahmeer Khalid
DirectorManzar Mushtaq
Chief Executive OfficerJalal Meghani
Chief Financial Officer

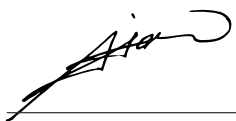
Adamjee Life Assurance Company Limited

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended March 31, 2023

	Note	March 31, 2023	March 31, 2022
		(Rupees in '000)	
Profit after tax for the period - as per statement of profit and loss		130,498	67,577
Other comprehensive income:			
<i>Item that will be reclassified subsequently to statement of profit and loss</i>			
Change in unrealised loss on revaluation of available for sale investments		472	(1,195)
Loss on disposal transferred to statement of profit and loss		6	-
	26	478	(1,195)
Related deferred tax		(148)	347
		330	(848)
Total other comprehensive income		330	(848)
Total comprehensive income for the period		130,828	66,729

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.



S. Muhammad Jawed
Chairman



Muhammad Ali Zeb
Director



Shahmeer Khalid
Director



Manzar Mushtaq
Chief Executive Officer



Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited


Condensed Interim Statement of Changes in Equity

For the quarter ended March 31, 2023

	Attributable to equity holders' of the Company					
	Share capital	Money ceded to Waqf fund	Surplus / (deficit) on revaluation of available for sale investments	Ledger account D *	Unappropriated profit	Total
	(Rupees in '000)					
Balance as at January 01, 2022 (Audited)	2,500,000	500	(4,743)	589,705	164,266	3,249,728
Total comprehensive income for the period ended March 31, 2022						
- Profit for the period after tax	-	-	-	-	67,578	67,578
- Other comprehensive loss	-	-	(848)	-	-	(848)
	-	-	(848)	-	67,578	66,730
Surplus for the period retained in statutory funds	-	-	-	48,466	(48,466)	-
Balance as at March 31, 2022 (Un-audited)	2,500,000	500	(5,591)	638,171	183,378	3,316,458
Balance as at January 01, 2023 (Audited)	2,500,000	500	(5,496)	776,870	476,416	3,748,290
Total comprehensive income for the period ended March 31, 2023						
- Profit for the period after tax	-	-	-	-	130,498	130,498
- Other comprehensive income	-	-	330	-	-	330
	-	-	330	-	130,498	130,828
Surplus for the period retained in statutory funds	-	-	-	88,317	(88,317)	-
Balance as at March 31, 2023 (Un-audited)	2,500,000	500	(5,166)	865,187	518,597	3,879,118

* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.



S. Muhammad Jawed
Chairman



Muhammad Ali Zeb
Director



Shahmeer Khalid
Director



Manzur Mushtaq
Chief Executive Officer



Jalal Meghani
Chief Financial Officer


Adamjee Life Assurance Company Limited

Condensed Interim Statement of Cash Flows (Un-audited)

For the quarter ended March 31, 2023

	Note	March 31, 2023	March 31, 2022
		(Rupees in '000)	
Operating Cash Flows			
(a) Underwriting activities			
Insurance premium / contribution received		5,937,949	5,791,964
Reinsurance premium / retakaful contribution paid		(157,694)	27,845
Claims paid		(4,738,713)	(3,084,329)
Commission paid		(577,749)	(647,583)
Marketing and administrative expenses paid		(510,031)	(532,781)
Net cash flow (used in) / generated from underwriting activities		(46,238)	1,555,116
(b) Other operating activities			
Income tax paid		(85,115)	(18,937)
Total cash flow (used in) / generated from all operating activities		(131,353)	1,536,179
Investment activities			
Profit / return received		1,691,704	970,002
Dividend received		138,121	77,632
Rental received		244	500
Payment for investments		(87,444,802)	(201,515,744)
Proceeds from investments		86,041,941	212,538,740
Fixed capital expenditure		(17,149)	(28,722)
Loan to policyholders		(1,242)	1,727
Proceeds from sale of property and equipment		1,022	-
Total cash flow generated from investing activities		409,839	12,044,135
Financing activities			
Borrowings		-	(22,531)
Total cash flow used in financing activities		-	(22,531)
Net cash inflows from all activities		278,486	13,557,783
Cash and cash equivalent at the beginning of the period		6,591,997	17,306,073
Cash and cash equivalent at the end of the period	16.2	6,870,483	30,863,856
Reconciliation to Statement of profit and loss			
Cash flow from all operating activities		(131,353)	1,536,179
Depreciation and amortisation expense		(33,163)	(28,667)
Financial charge expense		(5,176)	(7,040)
Write offs		(4,411)	-
Impact of expenses directly charged to OCI		-	347
Loss on disposal of property and equipment		(153)	-
Profit on disposal of investment		193,930	65,686
Rental income		244	500
Dividend income		188,038	150,666
Other investment income		2,186,027	1,142,061
Increase in assets other than cash		178,262	123,428
Increase in liabilities other than borrowings		(2,028,297)	(2,647,177)
Deficit on revaluation of investment		(413,450)	(268,406)
Profit after taxation		130,498	67,577

The annexed notes 1 to 36 form an integral part of these condensed interim financial statements.


S. Muhammad Jawed
Chairman


Muhammad Ali Zeb
Director


Shahmeer Khalid
Director


Manzar Mushtaq
Chief Executive Officer


Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Adamjee Life Assurance Company Limited ("the Company") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Company was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Company started its operations from April 24, 2009. Registered office of the Company is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi. The Company is a subsidiary of Adamjee Insurance Company Limited.

The Company is engaged in life insurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Company has established a shareholders' fund and the following statutory funds in respect of each class of its life insurance business:

- Conventional Business
- Accident and Health Business
- Individual Life Non-unitised Investment Linked Business
- Individual Life Unit Linked Business
- Individual Family Takaful Business (refer note 1.2)
- Group Family Takaful Business (refer note 1.2)

1.2 The Company was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations from July 14, 2016. The Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF) on December 22, 2015 under a Waqf deed executed by the Company with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

The Company issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Company commenced its Group Family Takaful Business in the second Quarter of 2020.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

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

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

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

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

These condensed interim financial statements does not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES & FINANCIAL RISK MANAGEMENT / JUDGEMENTS AND ESTIMATES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statement are same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2022. In preparing these condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements for the year ended December 31, 2022.

4. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING STANDARDS THAT BECAME EFFECTIVE FOR THE PERIOD ENDED MARCH 31, 2023

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore not detailed in these condensed interim financial statements.

5. APPLICATION OF IFRS 9 AND IFRS 17

IFRS 9 'Financial Instruments' is effective since reporting year ended December 31, 2019. It replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Amendment to IFRS 4 'Insurance Contracts' - Applying IFRS 9 'Financial Instruments with IFRS 4 addresses issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduces two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS 9. The overlay approach allows an entity applying IFRS 9 from 1 July 2018 onwards to remove from the statement of profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied.

The Company has determined that it is eligible for the temporary exemption option since the Company has not previously applied any version of IFRS 9, its activities are predominantly connected with insurance as the percentage of the total carrying amount of its liabilities connected with insurance relative to the total

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

carrying amount of all its liabilities is greater than 95 percent and the Company does not engage in significant activities unconnected with insurance based on historical available information. Under the temporary exemption option, the Company can defer the application of IFRS 9 until the application IFRS 17.

To determine the appropriate classification of financial assets under IFRS 9, an entity would need to assess the contractual cash flows characteristics of any financial asset. Indeed, the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI") i.e. cash flows that are consistent with a basic lending arrangement. In a basic lending arrangement, consideration for the time value of money and credit risk are typically the most significant elements of interest.

IFRS 9 defines the terms "principal" as being the fair value of the financial asset at initial recognition, and the "interest" as being compensation for (i) the time value of money, and (ii) the credit risk associated with the principal amount outstanding during a particular period of time.

5.1 The tables below set out the fair values as at the end of quarter ended March 31, 2023 and the amount of change in the fair value during that quarter 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 asset that meets the definition of held for trading in IFRS 9, or that is managed and whose performance is evaluated on a fair value basis, and

b) all other financial assets

As at March 31, 2023 (Un-audited)				
Fail the SPPI test			Pass the SPPI test	
Fair value	Change in unrealised (loss) / gain during the period		Fair value	Change in unrealised (loss) / gain during the period
(Rupees in '000)				
Financial assets				
Cash at bank	5,487,176	-	-	-
Equity securities	8,547,068	(259,115)	-	-
Government securities	36,850,267	(213,863)	-	-
Debt securities	3,800,279	(28,270)	-	-
Term deposits	-	-	2,376,000	-
Mutual funds	10,605,575	119,530	-	-
Loan secured against life insurance policies	-	-	44,640	-
Loan to employees	22,726	-	-	-
65,313,091	(381,718)		2,420,640	-

As at March 31, 2023 (Un-audited)												
Gross carrying amount of financial Assets that pass the SPPI test (Rupees in '000)												
AAA	AA+	AA	AA-	A+	A	A-	A-1	A-1+	B3	Unrated	Total	
-	-	-	-	-	-	-	-	-	-	44,640	44,640	
-	700,000	-	-	775,000	901,000	-	-	-	-	-	2,376,000	
Total	700,000	-	-	775,000	901,000	-	-	-	-	-	2,420,640	

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

As at December 31, 2022 (Audited)				
Fail the SPPI test		Pass the SPPI test		
Fair value	Change in unrealised loss during the year	Fair value	Change in unrealised loss during the year	
(Rupees in '000)				
Financial assets				
Cash at bank	5,307,056	-	-	-
Equity securities	8,292,169	(1,823,506)	-	-
Government securities	37,930,238	(64,676)	-	-
Debt securities	4,254,845	(23,190)	-	-
Term deposits	-	-	2,276,000	-
Mutual funds	8,017,302	(691,709)	-	-
Loan secured against life insurance policies	-	-	42,163	-
Loan to employees	21,873	-	-	-
	63,823,483	(2,603,081)	2,318,163	-

As at December 31, 2022 (Audited)												
Gross carrying amount of financial Assets that pass the SPPI test (Rupees in '000)												
	AAA	AA+	AA	AA-	A+	A	A-	A-1	A-1+	B3	Unrated	Total
Loan secured against life insurance policies	-	-	-	-	-	-	-	-	-	-	42,163	42,163
Term deposits	-	400,000	-	-	875,000	1,001,000	-	-	-	-	-	2,276,000
Total	-	400,000	-	-	875,000	1,001,000	-	-	-	-	-	2,318,163

		Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
			(Rupees in '000)	
6. PROPERTY AND EQUIPMENT				
Operating fixed assets			207,426	212,363
Capital work-in-progress			3,421	3,169
			210,847	215,532
6.1 Details of additions to property and equipment is as follows for the period / year ended:				
Leasehold improvements			532	4,947
Furniture and fixtures			292	7,081
Office equipment			131	4,891
Computer and related equipment			8,155	37,449
Motor vehicles			7,189	48,051
			16,299	102,419
7. INVESTMENT PROPERTY				
Opening net book value			943,669	939,394
Unrealised fair value gain			79,725	4,275
Closing net book value	7.1		1,023,394	943,669

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

- 7.1** This represents piece and parcel of plot no. 1-A, Main Gulberg, Jail Road, Lahore, measuring 8 Kanal 8 Marla 203 Sq. ft. of a land bought by the Company for the Unit Linked Investment Business.

Market value of this investment property amounts to Rs. 1,023.39 million with the forced sale value (FSV) of Rs. 705.60 million as at March 28, 2023. Total unrealised gain till March 31, 2023 is Rs. 251.467 million (December 31, 2022: Rs. 171.742 million). The fair value of investment property is determined by K.G Traders (Private) Limited, a external, independent property valuer having appropriate recognised professional qualifications.

Valuation technique

The valuer 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.

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
8. INVESTMENTS IN EQUITY SECURITIES			
Available for sale	8.1	12,870	12,390
Fair value through profit or loss (held for trading)	8.2	8,534,198	8,279,779
		8,547,068	8,292,169

8.1 Available for sale

	As at March 31, 2023 (Un-audited)			As at December 31, 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
(Rupees in '000)						
Related parties	1,360	-	724	1,360	-	728
Others	19,233	-	12,146	19,233	-	11,662
	20,593	-	12,870	20,593	-	12,390

8.2 Fair value through profit or loss (held for trading)

	As at March 31, 2023 (Un-audited)			As at December 31, 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
(Rupees in '000)						
Related parties	900,944	-	877,381	1,297,356	-	942,938
Others	8,392,311	-	7,656,817	8,001,073	-	7,336,841
	9,293,255	-	8,534,198	9,298,429	-	8,279,779

Adamjee Life Assurance Company Limited

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For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
9. INVESTMENTS IN GOVERNMENT SECURITIES			
Fair value through profit or loss (held for trading)	9.1	36,850,267	37,930,238

9.1 Fair value through profit or loss (held for trading)

	Term (year / months)	Maturity year	Effective yield (%)	Amortised cost	Principal repayment	Carrying value
(Rupees in '000)						
GOP Ijara Sukuk 5 Years - Fixed	5 years	2025	15.75%	96,720	100,000	86,000
GOP Ijara Sukuk 5 Years - Fixed	5 years	2026	14.67%	496,682	522,500	473,385
GOP Ijara Sukuk 5 Years - VRR	5 years	2025	16.47%-17.93%	623,531	630,000	621,870
GOP Ijara Sukuk 5 Years - VRR	5 years	2026	15.93%-16.14%	472,414	475,000	470,714
GOP Ijara Sukuk 5 Years - VRR	5 years	2027	15.98%-16.11%	258,933	260,000	256,968
Pakistan Investment Bond	3 years	2025	18.93%	8,725	10,000	8,362
Pakistan Investment Bond	5 years	2025	18.72%	417	500	390
Pakistan Investment Bond (10.1.1)	5 years	2027	15.43%	62,086	75,000	57,462
Pakistan Investment Bond (10.1.1)	10 years	2030	15.1%	1,087,524	1,470,000	1,002,964
Pakistan Investment Bond (FRB)	2 years	2023	21.96%	7,084,896	7,094,500	7,087,406
Pakistan Investment Bond (FRB)	3 years	2023	21.96%	194,592	196,000	193,641
Pakistan Investment Bond (FRB)	3 years	2025	20.74%-20.83%	5,198,528	5,300,000	5,156,970
Pakistan Investment Bond (FRB)	5 years	2026	17.45%	1,696,020	1,750,000	1,679,127
Pakistan Investment Bond (FRB)	5 years	2027	17.36%	803,631	840,000	796,992
Pakistan Investment Bond (FRB)	10 years	2028	17.73%	49,098	50,000	47,485
Pakistan Investment Bond (FRB)	10 years	2030	18.87%	493,426	500,000	474,000
Treasury Bill	3 months	2023	16.97%-21.41%	17,495,443	17,666,150	17,479,860
Treasury Bill	6 months	2023	20.51%	502,333	507,000	501,383
Treasury Bill	12 months	2023	20.44%-21.22%	469,421	504,415	455,288
As at March 31, 2023 (Un-audited)				37,094,420	37,951,065	36,850,267
As at December 31, 2022 (Audited)				38,001,730	38,889,665	37,930,238

10.1.1 These include PIBs of Rs. 75 million & Rs. 100 million (December 31, 2022: Rs. 75 million & Rs. 100 million) placed with State Bank of Pakistan as per the requirement of section 29 of Insurance Ordinance, 2000 carrying coupon rate of 7.5% & 8% per annum having maturity period of 5 & 10 years and will mature on April 29, 2027 & December 10, 2030 respectively.

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

10. INVESTMENTS IN DEBT SECURITIES**At fair value through profit or loss (held for trading)**

		As at March 31, 2023 (Un-audited)			As at December 31, 2022 (Audited)		
	Note	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
		(Rupees in '000)					
Advance against the purchase of term finance certificate	10.1	122,000	-	122,000	472,000	-	472,000
Term finance certificates / corporate sukuks	10.2	4,132,466	-	3,678,279	4,208,762	-	3,782,845
		4,254,466	-	3,800,279	4,680,762	-	4,254,845

10.1 This represents Rs. 100 million paid to Bank of Punjab Limited and Rs. 22 million to Dubai Islamic Bank Limited (December 31, 2022: Rs. 450 million paid to Meezan Bank Limited and Rs. 22 million to Dubai Islamic Bank Limited) against issue of TFC.

10.2 Term finance certificates / corporate sukuks

Details of the term finance certificates and corporate sukuks are as follows:

	Maturity date	Carrying value				
		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)	Face value per certificate	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Number of certificates)			(Rupees in '000)	
Askari Bank Limited VI - TFC	Perpetual	100	100	1,000	100,000	100,000
Askari Bank Limited VII - TFC	17-Mar-30	100	100	1,000	102,081	100,980
Aspin Pharma (Private) Limited-Sukuk	30-Nov-23	820	820	30	12,374	16,656
Bank Al Habib Limited-TFC	30-Sep-31	195,000	195,000	5	962,722	998,000
Bank Alfalah Limited-TFC	15-Jan-24	20,000	20,000	5	92,712	92,514
Ghani Chemical Industries Limited-Sukuk	3-Feb-24	600	600	32	9,200	11,499
Habib Bank Limited-TFC II (Perpetual)	Perpetual	500	500	100	50,000	50,000
Jahangir Siddiqui and Company Limited - TFC	6-Sep-23	22,000	30,000	2	25,391	51,216
Meezan Bank Limited-Sukuk II	30-Jun-30	500	500	1,000	511,967	513,600
Meezan Bank Limited-Sukuk II	Perpetual	110	250	1,000	110,000	250,000
Meezan Bank Limited-Sukuk	16-Dec-31	450	-	1,000	438,295	-
Pakistan Energy II-Sukuk	21-May-30	115,000	115,000	5	575,000	574,999
Samba Bank Limited - TFC	1-Mar-31	4,250	4,250	100	424,660	424,107
The Bank Of Punjab I-TFC	23-Dec-26	-	3,400	100	-	339,184
The Bank Of Punjab II-TFC	23-Apr-28	2,580	2,580	100	263,877	260,090
		362,010	373,100		3,678,279	3,782,845

Adamjee Life Assurance Company Limited

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For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
11. INVESTMENT IN TERM DEPOSITS			
Deposits maturing within 12 months	11.1	2,376,000	2,276,000

- 11.1** This represents term deposits with banks which carry profit rate ranging between 15.15% to 18% per annum (December 31, 2022: 14.8% to 16% per annum) and maturing between April 2023 to September 2023 (December 31, 2022: January, 2023 to September, 2023). This includes term deposits of Rs. 1,001 million (December 31, 2022: Rs. 1,001 million) maintained with MCB Islamic Bank (related party).

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
12. INVESTMENTS IN MUTUAL FUNDS			
Fair value through profit or loss (held for trading)	12.1	10,605,575	8,017,302

12.1 Fair value through profit or loss (held for trading)

	As at March 31, 2023 (Un-audited)			As at December 31, 2022 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
(Rupees in '000)						
Related parties	7,401,098	-	7,462,618	6,099,261	-	5,403,600
Others	2,779,879	-	3,142,957	1,612,973	-	2,613,702
	10,180,977	-	10,605,575	7,712,234	-	8,017,302

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
13. (INSURANCE / TAKAFUL) / (REINSURANCE / RETAKAFUL RECEIVABLES)			
Due from insurance contract holders - Group life business		43,853	36,098
Due from reinsurers / retakaful operators		26,358	26,358
Net (insurance / takaful) / (reinsurance / retakaful) receivable		70,211	62,456

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
14. OTHER LOANS AND RECEIVABLES			
Receivable from related parties		6	6
Accrued income on investments		809,900	427,793
Security deposits		56,168	57,117
Receivable from gratuity fund		11,694	-
Loan to employees - secured	14.1	22,726	21,873
Advance to supplier		17,034	43,980
Dividend receivable		133,224	83,307
Receivable against the sale of investment		51,479	132,912
Other receivables		21,970	11,335
		1,124,201	778,323

14.1. This represents interest free loans secured against the gratuity entitlement and are repayable within one year of the disbursement.

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
15. PREPAYMENTS			
Prepaid rent- Ijarah term		9,230	10,698
Prepaid miscellaneous expenses	15.1	62,950	30,957
		72,180	41,655
15.1 These include prepayments related to insurance and software subscriptions.			
16. CASH AND BANK			
- Cash in hand		336	71
- Policy stamps		7,971	9,870
		8,307	9,941
Cash at bank			
- Current accounts		212,677	161,024
- Saving accounts	16.1	5,274,499	5,146,032
		5,487,176	5,307,056
		5,495,483	5,316,997

16.1 This carries profit rate ranging from 14.5% to 15.5% (December 31, 2022: 7.25% to 17.5%) per annum.

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
(Rupees in '000)			
16.2 Cash and cash equivalents			
Cash and cash equivalents includes the following for the purpose of cash flow statement:			
- Cash in hand and policy stamps		8,307	8,747
- Cash at bank		5,487,176	12,505,109
- Term deposits maturing within three months		1,375,000	18,350,000
		6,870,483	30,863,856

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
17. INSURANCE / TAKAFUL LIABILITIES			
Reported outstanding claims (including claims in payment)	17.1	2,700,309	3,122,497
Incurred but not reported claims	17.2	225,023	190,048
Investment component of unit-linked and account value policies	17.3	61,473,927	58,966,454
Liabilities under individual conventional insurance / takaful contracts	17.4	21,470	18,319
Liabilities under group insurance contracts (other than investment linked)	17.5	160,396	154,855
Other insurance / takaful liabilities	17.6	792,290	812,525
Gross insurance / takaful liabilities		65,373,415	63,264,698
Surplus of Participant Takaful Fund		162,703	143,963
Total Insurance / takaful liabilities		65,536,118	63,408,661

17.1 Reported outstanding claims

Gross of reinsurance / retakaful

Payable within one year	2,835,259	3,222,448
Recoverable from reinsurers / retakaful operators	(134,950)	(99,951)
Net reported outstanding claims	2,700,309	3,122,497

17.2 Incurred but not reported claims

Individual life

Gross of reinsurance / retakaful	261,326	223,514
Reinsurance / retakaful recoveries	(82,753)	(80,349)
Net of reinsurance / retakaful	178,573	143,165

Group life

Gross of reinsurance / retakaful	112,309	105,264
Reinsurance / retakaful recoveries	(65,859)	(58,381)
Net of reinsurance / retakaful	46,450	46,883
Net incurred but not reported claims	225,023	190,048

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		(Rupees in '000)	
17.3 Investment component of unit linked and account value policies			
Investment component of unit linked policies		59,942,321	57,385,281
Investment component of account value policies		1,531,606	1,581,173
		61,473,927	58,966,454
17.4 Liabilities under individual conventional insurance / takaful contracts			
Gross of reinsurance / retakaful		23,450	20,465
Reinsurance / retakaful credit		(1,980)	(2,146)
Net of reinsurance / retakaful		21,470	18,319
17.5 Liabilities under group insurance / takaful contracts (other than investment linked)			
Gross of reinsurance / retakaful		335,336	304,087
Reinsurance / retakaful credit		(174,940)	(149,232)
Net of reinsurance / retakaful		160,396	154,855
17.6 Other insurance / takaful liabilities			
Gross of reinsurance / retakaful		869,655	902,851
Reinsurance / retakaful credit		(77,365)	(90,326)
Net of reinsurance / retakaful		792,290	812,525
18. LEASE LIABILITIES	18.1	146,402	159,592
18.1 Lease liabilities - movement			
Opening balances		159,592	229,834
Derecognition during the period / year		-	(7,068)
		159,592	222,766
Interest accretion during the period / year		5,176	28,636
		164,768	251,402
Repaid during the period / year		(18,366)	(91,810)
Closing balances		146,402	159,592
Current portion		70,291	63,337
Non-current portion		76,111	96,255
		146,402	159,592

Adamjee Life Assurance Company Limited

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For the quarter ended March 31, 2023

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
19. OTHER CREDITORS AND ACCRUALS			
Agents commission payable		293,350	417,374
Payable to related parties		19,995	8,126
Payable against the purchase of investments		89,682	152,701
Accrued expenses	19.1	427,469	308,843
Other tax payable		42,225	38,709
		872,721	925,753

19.1 This includes provision for compensated absences amounting in aggregated to Rs. 73.59 million (December 31, 2022: Rs. 73.42 million).

20. CONTINGENCIES AND COMMITMENTS

20.1 CONTINGENCIES

Sales tax on life insurance premium

During the period, there has been no major change in the status of contingencies relating to Punjab Sales Tax (PST) and Sindh Sales Tax (SST) on life insurance as disclosed in annual financial statements for the year ended December 31, 2022.

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 recognised 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. 846.37 million (December 31, 2022: Rs. 775.53 million).

The management contends that should the administrative efforts fail, the amount will be charged to the policyholders.

	Note	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
(Rupees in '000)			
20.2 COMMITMENTS			
20.2.1 Commitments in respect of Ijarah rentals			
Not later than one year		78,518	80,066
Later than one year and not later than five years		148,095	176,989
		226,613	257,055

Commitments represent Ijarah rentals for vehicles payable in future period.

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Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	March 31, 2023	March 31, 2022
	(Un-audited)	(Un-audited)
	(Rupees in '000)	
21. NET PREMIUM / CONTRIBUTION REVENUE		
Gross premiums / contributions		
Regular premium / contributions individual policies*		
- first year	652,015	891,380
- second year renewal	764,288	750,871
- subsequent years renewal	2,015,708	1,863,537
Single premium / contributions individual policies*	2,340,854	2,246,160
Group policies without cash values	256,135	208,057
Less: experience refund	(38,249)	(10,194)
Total gross premiums / contributions	5,990,751	5,949,811
Less: reinsurance premiums / retakaful contributions ceded		
On individual life first year business	(12,016)	(15,216)
On individual life second year business	(9,202)	(8,367)
On individual life subsequent renewal business	(41,971)	(44,481)
On individual life single premium business	(1,606)	(1,244)
On group policies	(141,283)	(113,500)
	(206,078)	(182,808)
Net premiums / contributions	5,784,673	5,767,003
* Individual policies are those underwritten on an individual basis.		
22. INVESTMENT INCOME		
Income from equity securities		
Dividend income		
Available for sale	-	108
Fair value through profit or loss	188,038	150,558
	188,038	150,666
Income from government securities		
Available for sale	3,369	4,156
Fair value through profit or loss	1,616,470	722,453
	1,619,839	726,609
Income from debt securities - fair value through profit or loss		
Return on TFCs and corporate sukuks	175,145	115,654
Income from term deposit receipts - loans and receivables		
Return on term deposit receipts	101,009	144,408
	2,084,031	1,137,337

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For the quarter ended March 31, 2023

	March 31, 2023 (Un-audited) (Rupees in '000)	March 31, 2022 (Un-audited) (Rupees in '000)
23. NET REALISED FAIR VALUE (LOSSES) / GAINS ON FINANCIAL ASSETS		
Available for sale		
Realised (losses) / gains on:		
- Government securities	(6)	14
	(6)	14
Fair value through profit or loss		
Realised gains / (losses) on:		
- Equity securities	250,804	68,495
- Government securities	(59,940)	(30,885)
- Debt securities	(14,942)	-
- Mutual funds	18,014	28,062
	193,936	65,672
	193,930	65,686
24. NET FAIR VALUE (LOSSES) / GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED		
Net unrealised (losses) / gains on:		
- Equity securities	(259,593)	(251,531)
- Government securities	(213,863)	(52,711)
- Debt securities	(28,270)	55,274
- Mutual Funds	119,530	(61)
Total losses	(382,196)	(249,029)
Less: Investment related expenses	(31,254)	(19,377)
	(413,450)	(268,406)
25. OTHER INCOME		
Return on bank balances	209,072	154,497
Mark-up on policy loans	1,235	891
Loss on disposal of fixed assets	(153)	-
	210,154	155,388

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	March 31, 2023 (Un-audited) (Rupees in '000)	March 31, 2022 (Un-audited) (Rupees in '000)
26. CHANGE IN UNREALISED GAINS ON AVAILABLE-FOR-SALE FINANCIAL ASSETS		
- Equity securities	478	(735)
- Government securities	-	(460)
	478	(1,195)
27. NET INSURANCE / TAKAFUL BENEFITS		
Gross claims		
Claims under individual policies		
- by death	(214,682)	(225,794)
- by insured event other than death	(217)	(92)
- by maturity	(1,454,742)	(698,875)
- by surrender	(2,512,269)	(1,975,590)
Total gross individual policy claims	(4,181,910)	(2,900,351)
Claims under group policies		
- by death	(128,319)	(101,107)
- by insured event other than death	(4,363)	(5,410)
Total gross group policy claims	(132,682)	(106,517)
Total gross claims	(4,314,592)	(3,006,868)
Less: Reinsurance / retakaful recoveries		
- on individual life claims	53,593	86,752
- on group life claims	82,227	56,709
	135,820	143,461
Net insurance / takaful benefit expense	(4,178,772)	(2,863,407)

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

	March 31, 2023 (Un-audited)	March 31, 2022 (Un-audited)
	(Rupees in '000)	
28. ACQUISITION EXPENSES		
Remuneration to insurance / takaful intermediaries on individual policies / contracts:		
- Commission on first year premiums / contributions	(229,109)	(355,488)
- Commission on second year premiums / contributions	(45,448)	(44,956)
- Commission on subsequent years renewal premiums / contributions	(44,155)	(43,666)
- Commission on single premiums / contributions	(66,705)	(64,628)
- Other benefits to insurance / takaful intermediaries	(59,364)	(90,257)
	(444,781)	(598,995)
Remuneration to insurance / takaful intermediaries on group policies:		
- Commission	(7,223)	(6,944)
- Other benefits to insurance / takaful intermediaries	(1,721)	(764)
	(8,944)	(7,708)
Other acquisition costs		
- Employee benefit cost	28.1 (110,314)	(136,705)
- Traveling expenses	(980)	(1,599)
- Information technology expense	(571)	(561)
- Printing and stationery	(398)	(905)
- Depreciation	(7,040)	(6,272)
- Depreciation - Right of use asset	(3,362)	(4,230)
- Rent, rates and taxes	(12,125)	(12,294)
- Insurance cost	(643)	(1,171)
- Car fuel and maintenance	(8,852)	(6,754)
- Postage	(1,999)	(1,280)
- Electricity, gas and water	(3,725)	(2,689)
- Office repairs and maintenance	(10,512)	(14,136)
- Entertainment	(4,397)	(2,550)
- Training and development	(755)	(866)
- Marketing cost	(5,422)	(10,695)
- Financial charges	(1,402)	(1,969)
- Write off against property and equipment	(4,411)	-
- Legal and professional charges	(397)	(90)
- Stamp duty	(11,900)	(17,185)
- Medical examination fee	(2,374)	(403)
	(191,579)	(222,354)
	(645,304)	(829,057)

28.1 Employee benefit cost includes charges for post employment benefit of Rs. 3.90 million (March 31, 2022: Rs. 3.66 million).

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Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

		March 31, 2023	March 31, 2022
		(Un-audited)	(Un-audited)
		(Rupees in '000)	
29. MARKETING AND ADMINISTRATION EXPENSES			
Employee benefit cost	29.1 & 29.2	(195,152)	(157,124)
Travelling expenses		(1,751)	(1,715)
Advertisements and sales promotion		(20,203)	(3,342)
Printing and stationery		(3,893)	(6,201)
Depreciation		(8,877)	(3,952)
Depreciation Right of use asset		(10,237)	(10,806)
Amortisation		(3,647)	(3,407)
Rent, rates and taxes		(3,504)	(3,298)
Legal and professional charges		(25,684)	(25,992)
Electricity, gas and water		(2,701)	(2,943)
Entertainment		(1,590)	(2,758)
Vehicle running expenses		(24,543)	(15,774)
Office repairs and maintenance		(8,970)	(6,927)
Appointed actuary fees		(3,548)	(1,228)
Postages, telegrams and telephone		(9,705)	(6,669)
Bank charges		(1,215)	(1,056)
Directors' Fee		(160)	(151)
Insurance expenses		(898)	(3,364)
Annual supervision fee		(8,293)	(6,859)
Information technology expenses		(15,438)	(12,812)
Training and development		(2,067)	(1,337)
Miscellaneous		(43)	3,146
		(352,119)	(274,569)
29.1 Employee benefit cost			
Salaries, allowances and other benefits		183,915	146,594
Charges for post employment benefit		11,237	10,530
		195,152	157,124

29.2 Total number of employees as at March 31, 2023 are 1,650 (March 31, 2022: 2,074) which includes permanent and contractual employees. Average number of employees during period ended March 31, 2023 were 1,696 (March 31, 2022: 2,033).

		March 31, 2023	March 31, 2022
		(Un-audited)	(Un-audited)
		(Rupees in '000)	
30. INCOME TAX EXPENSE			
For the period			
- Current		(28,380)	(8,729)
- Deferred		(46,566)	(19,972)
		(74,946)	(28,701)

Adamjee Life Assurance Company Limited

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For the quarter ended March 31, 2023

	March 31, 2023	March 31, 2022
	(Un-audited)	(Un-audited)
	(Rupees in '000)	
31. EARNINGS PER SHARE		
Profit after tax for the period	130,498	67,577
	(Number of shares in '000)	
Weighted average number of ordinary share outstanding as at period end	250,000	250,000
	(Rupees)	
Basic earnings per share	0.52	0.27

31.1 There are no dilutive affect on the basic earnings per share of the Company.

32. RELATED PARTY TRANSACTIONS

The related parties comprise of the parent company, directors, key management personnel, associated undertakings, group companies, entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed interim financial statements are given below:

	March 31, 2023	March 31, 2022
	(Un-audited)	(Un-audited)
	(Rupees in '000)	
Transactions during the period		
Holding company		
Premium written	2,610	5,789
Insurance expense	7,254	10,425
Claims expense	-	1,000
Premises rental	15,761	12,112
Rental income	244	500
Associated undertakings		
Premium / contribution written	16,790	33,116
Claims expense	7,284	77,247
Commission and other incentives in respect of bancassurance	303,627	360,619
Profit on bank deposits	102,688	50,682
Bank charges	247	259
Investments purchased	3,054,090	6,656,169
Investments sold	1,123,270	5,845,153
Dividend income	15,938	12,851
Other related parties		
Premium / contribution written	14,899	6,285
Claims expense	88,293	-
Investment advisor fee	13,381	9,216
Trustee fee	3,156	2,288
Directors		
Fee	160	-

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For the quarter ended March 31, 2023

	March 31, 2023 (Un-audited) (Rupees in '000)	March 31, 2022 (Un-audited) (Rupees in '000)
Key management personnel		
Remuneration	39,717	26,106
Loan issued	5,000	254
Staff retirement benefit plan (gratuity fund)		
Charge for the period	11,426	10,530

	Note	March 31, 2023 (Un-audited) (Rupees in '000)	December 31, 2022 (Audited) (Rupees in '000)
Balances outstanding as at the end of the period			
Holding company			
Claims and other payable		-	3,000
Insurance claims receivable		-	6
Other (payable) / receivable		(60)	-
Associated undertakings			
Premium / contribution due but unpaid		12,053	14,106
Bank deposits		2,839,874	1,851,156
Investments held		9,341,723	7,348,266
Dividend receivables		78,942	26,788
Accrued income		15,938	41,548
Commission payable		220,521	334,192
Claims payable		4,311	-
Other related parties			
Premium / contribution due but unpaid		10,161	5,278
Remuneration payable for the management of discretionary investment portfolio		17,993	6,934
Remuneration payable to trustee		2,000	1,192
Key management personnel			
Short term loans (as per policy)		7,457	3,732
Staff retirement benefit plan (gratuity fund)			
Receivable / (payable) to gratuity fund		11,694	(4,866)

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023

33. SEGMENTAL INFORMATION

33.1 Revenue account by statutory fund

For the period ended March 31, 2023 (Un-audited)

	Statutory Funds						Total
	Conventional Business	Accident and Health Business	Non-unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	
	(Rupees in '000)						
Income							
Premiums / contributions less reinsurances / re-takaful	55,372	1,093	13,187	4,668,134	1,025,630	21,257	5,784,673
Rental income from investment property	-	-	-	244	-	-	244
Net investment income	18,708	-	75,641	1,720,146	251,251	7,536	2,073,282
Total net income	74,080	1,093	88,828	6,388,524	1,276,881	28,793	7,858,199
Insurance / takaful benefits and expenditures							
Insurance benefits including bonus net of reinsurance / retakaful	(34,711)	-	(128,448)	(3,631,622)	(368,988)	(16,936)	(4,180,705)
Management expenses less recoveries	(17,367)	(468)	(1,355)	(743,695)	(230,409)	(2,738)	(996,032)
Total insurance / takaful benefits and expenditures	(52,078)	(468)	(129,803)	(4,375,317)	(599,397)	(19,674)	(5,176,737)
Excess / (deficit) of income over insurance / takaful benefits and expenditures	22,002	625	(40,975)	2,013,207	677,484	9,119	2,681,462
Net change in insurance / takaful liabilities (other than outstanding claims)	(7,702)	(825)	50,324	(1,975,066)	(604,846)	(11,530)	(2,549,645)
Surplus / (deficit) before tax	14,300	(200)	9,349	38,141	72,638	(2,411)	131,817
Movement in policyholders' liabilities	7,702	825	(50,324)	1,975,066	604,846	11,530	2,549,645
Balance of statutory funds at beginning of the period	363,539	1,322	1,713,066	50,969,588	8,652,337	110,474	61,810,326
Balance of statutory funds at end of the period	385,541	1,947	1,672,091	52,982,795	9,329,821	119,593	64,491,788

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

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33.2 Revenue account by statutory fund**For the period ended March 31, 2022 (Un-audited)**

	Statutory Funds						Total
	Conventional Business	Accident and Health Business	Non-unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	
	(Rupees in '000)						
Income							
Premiums / contribution less reinsurances / re-takaful	56,186	210	13,737	4,446,458	1,221,974	28,438	5,767,003
Rental income from investment property	-	-	-	500	-	-	500
Net investment income	6,829	-	58,933	867,532	111,653	602	1,045,549
Total net income	63,015	210	72,670	5,314,490	1,333,627	29,040	6,813,052
Insurance benefits and expenditures							
Insurance benefits including bonus net of reinsurance / retakaful	(39,275)	-	(136,825)	(2,396,983)	(280,311)	(11,041)	(2,864,435)
Management expenses less recoveries	(15,437)	(94)	(1,524)	(697,655)	(376,466)	(3,630)	(1,094,806)
Total insurance / takaful benefits and expenditures	(54,712)	(94)	(138,349)	(3,094,638)	(656,777)	(14,671)	(3,959,241)
Excess / (deficit) of income over insurance / takaful benefits and expenditures	8,303	116	(65,679)	2,219,852	676,850	14,369	2,853,811
Net change in insurance / takaful liabilities (other than outstanding claims)	(7,713)	(96)	77,412	(2,191,181)	(648,392)	(15,578)	(2,785,548)
Surplus / (deficit) before tax	590	20	11,733	28,671	28,458	(1,209)	68,263
Movement in policyholders' liabilities	7,713	96	(77,412)	2,191,181	648,392	15,578	2,785,548
Balance of statutory funds at beginning of the period	270,964	977	2,211,225	47,392,197	6,774,571	28,021	56,677,955
Balance of statutory funds at end of the period	279,267	1,093	2,145,546	49,612,049	7,451,421	42,390	59,531,766

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

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33.3 Segmental statement of financial position

	As at March 31, 2023 (Un-audited)		
	Statutory Funds	Shareholders' Fund	Total
Property and equipment	-	210,847	210,847
Intangible assets	-	36,073	36,073
Right of use asset	-	110,823	110,823
Investment property	1,023,394	-	1,023,394
Investments			
Equity securities	8,535,495	11,573	8,547,068
Government securities	35,307,500	1,542,767	36,850,267
Debt securities	3,800,279	-	3,800,279
Term deposits	2,376,000	-	2,376,000
Mutual funds	10,089,875	515,700	10,605,575
Loan secured against life insurance / takaful policies	44,640	-	44,640
(Insurance / takaful) / (reinsurance / retakaful) receivables	70,211	-	70,211
Deferred tax asset	-	3,648	3,648
Other loans and receivables	1,017,482	106,719	1,124,201
Taxation - payment less provision	1,029,880	-	1,029,880
Prepayments	5,892	66,288	72,180
Cash and bank	4,809,113	686,370	5,495,483
Total assets	68,109,761	3,290,808	71,400,569
Insurance / takaful liabilities	65,536,118	-	65,536,118
Retirement benefit obligations	-	-	-
Taxation - payment less provision	-	129,439	129,439
Deferred tax liability	427,006	-	427,006
Lease liabilities	-	146,402	146,402
Premium / contribution received in advance	322,118	-	322,118
(Insurance / takaful) / (reinsurance / retakaful) payables	87,647	-	87,647
Other creditors and accruals	505,702	367,019	872,721
Total liabilities	66,878,591	642,860	67,521,451

	As at December 31, 2022 (Audited)		
	Statutory Funds	Shareholders' Fund	Total
Property and equipment	-	215,532	215,532
Intangible assets	-	26,579	26,579
Right of use asset	-	124,420	124,420
Investment property	943,669	-	943,669
Investments			
Equity securities	8,280,594	11,575	8,292,169
Government securities	36,395,920	1,534,318	37,930,238
Debt securities	4,254,845	-	4,254,845
Term deposits	2,276,000	-	2,276,000
Mutual funds	7,413,610	603,692	8,017,302
Loan secured against life insurance / takaful policies	42,163	-	42,163
(Insurance / takaful) / (reinsurance / retakaful) receivables	62,456	-	62,456
Deferred tax asset	-	6,811	6,811
Other loans and receivables	672,848	105,475	778,323
Taxation - payment less provision	966,224	-	966,224
Prepayments	3,337	38,318	41,655
Cash and bank	4,804,286	512,711	5,316,997
Total assets	66,115,952	3,179,431	69,295,383
Insurance / takaful liabilities	63,408,661	-	63,408,661
Retirement benefit obligations	-	4,866	4,866
Taxation - payment less provision	-	122,518	122,518
Deferred tax liability	383,455	-	383,455
Lease liabilities	-	159,592	159,592
Premium / contribution received in advance	367,165	-	367,165
(Insurance / takaful) / (reinsurance / retakaful) payables	175,083	-	175,083
Other creditors and accruals	640,379	285,374	925,753
Total liabilities	64,974,743	572,350	65,547,093

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34. FAIR VALUE MEASUREMENT

The table below analyses assets measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

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

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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at March 31, 2023 (Un-audited)									
Carrying value					Fair value				
Available for Sale	Fair value through profit or loss	Loans and Receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total	
(Rupees in '000)									
Financial assets measured at fair value									
- Investments									
Government Securities (T-bills + PIBs + Sukuks)	-	36,850,267	-	-	36,850,267	-	36,850,267	-	36,850,267
Equity securities	12,870	8,534,198	-	-	8,547,068	8,547,068	-	-	8,547,068
Mutual funds	-	10,605,575	-	-	10,605,575	10,605,575	-	-	10,605,575
Debt securities (listed TFCs / corporate sukus)	-	3,678,279	-	-	3,678,279	3,678,279	-	-	3,678,279
	12,870	59,668,319	-	-	59,681,189	22,830,922	36,850,267	-	59,681,189
Non-financial assets measured at fair value									
- Investment property	-	1,023,394	-	-	1,023,394	-	-	1,023,394	1,023,394
	-	1,023,394	-	-	1,023,394	-	-	1,023,394	1,023,394
Financial assets not measured at fair value									
- Balances with banks	-	-	5,487,176	-	5,487,176				
- Term deposit receipts	-	-	2,376,000	-	2,376,000				
- Investment in debt securities	-	122,000	-	-	122,000				
- Other financial assets	-	-	2,346,555	-	2,346,555				
	-	122,000	10,209,731	-	10,331,731				
Financial liabilities not measured at fair value									
- Other Financial liabilities	-	-	-	960,368	960,368				
	-	-	-	960,368	960,368				
	12,870	60,813,713	10,209,731	960,368	71,996,682				

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

For the quarter ended March 31, 2023


As at December 31, 2022 (Audited)									
Carrying value					Fair value				
Available for sale	Fair value through profit or loss	Loans and receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value									
- Investments									
Government securities (T-bills + PIBs + Sukuks)	-	37,930,238	-	-	37,930,238	-	37,930,238	-	37,930,238
Equity securities	12,390	8,279,779	-	-	8,292,169	8,292,169	-	-	8,292,169
Mutual funds	-	8,017,302	-	-	8,017,302	8,017,302	-	-	8,017,302
Debt securities (listed TFCs / corporate sukus)	-	3,782,845	-	-	3,782,845	3,782,845	-	-	3,782,845
	12,390	58,010,164	-	-	58,022,554	20,092,316	37,930,238	-	58,022,554
Non-financial assets measured at fair value									
- Investment property	-	943,669	-	-	943,669	-	-	943,669	943,669
	-	943,669	-	-	943,669	-	-	943,669	943,669
Financial assets not measured at fair value									
- Balances with banks	-	-	5,307,056	-	5,307,056				
- Term deposit receipts	-	-	2,276,000	-	2,276,000				
- Investment in debt securities	-	472,000	-	-	472,000				
- Other financial assets	-	-	838,962	-	838,962				
	-	472,000	8,422,018	-	8,894,018				
Financial liabilities not measured at fair value									
- Other Financial liabilities	-	-	-	1,062,127	1,062,127				
	-	-	-	1,062,127	1,062,127				
	12,390	59,425,833	8,422,018	1,062,127	68,922,368				

35. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

36. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on April 27, 2023.


S. Muhammad Jawed
Chairman


Muhammad Ali Zeb
Director


Shahmeer Khalid
Director


Manzur Mushtaq
Chief Executive Officer


Jalal Meghani
Chief Financial Officer

Window Takaful Operations




Adamjee Life Assurance Company Limited

Statement of Financial Position

Window Takaful Operations (Un-audited)
As at March 31, 2023

	Note	Aggregate			
		Operator's Sub	Statutory	March 31,	December 31,
		Fund	Fund	2023	2022
(Rupees in '000)					
Assets					
Investments					
Equity securities	5	-	1,026,526	1,026,526	1,000,449
Government securities	6	84,192	1,682,383	1,766,575	1,491,436
Debt securities	7	-	261,505	261,505	429,040
Term deposits	8	-	2,275,000	2,275,000	2,175,000
Mutual funds	9	192,890	1,030,049	1,222,939	1,031,554
Takaful / retakaful receivables		-	13,182	13,182	2,373
Contribution due but unpaid		-	206	206	1,963
Other loans and receivables		872	243,016	243,888	165,105
Secured loans to employees		2,319	-	2,319	2,529
Interfund receivable		71,419	-	71,419	1,256
Taxation - payments less provision		8,128	169,106	177,234	153,225
Prepayments		5,892	-	5,892	3,337
Cash and bank	10	139,129	2,767,528	2,906,657	2,753,762
Total assets		504,841	9,468,501	9,973,342	9,211,029
Equity and Liabilities					
Capital contributed from Shareholders' Fund		35,630	-	35,630	35,630
Qard-e-Hasna contributed by window takaful operator		(48,130)	48,130	-	-
Money ceded to waqf fund		-	500	500	500
Ledger account D		229,337	-	229,337	182,337
Total equity		216,837	48,630	265,467	218,467
Liabilities					
Takaful liabilities	11	59,601	9,239,221	9,298,822	8,643,376
Deferred taxation		114,378	-	114,378	90,653
Contribution received in advance		-	69,801	69,801	91,714
Takaful / retakaful payables		-	19,324	19,324	19,314
Interfund payable		-	71,419	71,419	1,256
Other creditors and accruals		114,025	20,106	134,131	146,249
Total liabilities		288,004	9,419,871	9,707,875	8,992,562
Contingencies and commitments	12				
Total equity and liabilities		504,841	9,468,501	9,973,342	9,211,029

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


S. Muhammad Jawed
Chairman


Muhammad Ali Zeb
Director


Shahmeer Khalid
Director


Manzoor Mushtaq
Chief Executive Officer



Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited

Statement of Profit and LossWindow Takaful Operations (Un-audited)
For the quarter ended March 31, 2023

		Operator's Sub Fund	Statutory Fund	For the period ended	
	Note			March 31, 2023	March 31, 2022
		(Rupees in '000)			
Contribution revenue		221,088	845,558	1,066,646	1,274,758
Contribution ceded to retakaful		-	(19,759)	(19,759)	(24,346)
Net contribution revenue	13	221,088	825,799	1,046,887	1,250,412
Takaful operator's fee		74,605	(74,605)	-	-
Investment income	14	3,190	269,766	272,956	128,942
Net realised fair value gain on financial assets	15	-	28,634	28,634	8,775
Net fair value gain / (loss) on financial assets at fair value through profit or loss - unrealised	16	3,239	(56,436)	(53,197)	(27,478)
Other income	17	10,872	7,355	18,227	18,608
Net income		312,994	1,000,513	1,313,507	1,379,259
Takaful benefits	18	177	(415,914)	(415,737)	(328,820)
Recoveries from retakaful	18	-	30,558	30,558	37,792
Claims related expenses		-	(745)	(745)	(324)
Net takaful benefits		177	(386,101)	(385,924)	(291,352)
Net change in takaful liabilities (other than outstanding claims)		(2,752)	(613,624)	(616,376)	(663,970)
Acquisition expenses	19	(164,787)	-	(164,787)	(328,210)
Marketing and administration expenses	20	(67,917)	-	(67,917)	(50,966)
Other expenses		(7,490)	(788)	(8,278)	(17,091)
		(242,946)	(614,412)	(857,358)	(1,060,237)
Total expenses		(242,769)	(1,000,513)	(1,243,282)	(1,351,589)
Profit before tax		70,225	-	70,225	27,670
Income tax expense		(23,225)	-	(23,225)	(7,884)
Profit after tax for the period		47,000	-	47,000	19,786

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


 S. Muhammad Jawed
Chairman


 Muhammad Ali Zeb
Director


 Shahmeer Khalid
Director


 Manzur Mushtaq
Chief Executive Officer


 Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited


Statement of Comprehensive Income

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

	Note	March 31, 2023	March 31, 2022
		(Rupees in '000)	
Profit after tax for the period - as per statement of profit or loss		47,000	19,786
Other comprehensive income		-	-
Total comprehensive income for the period		47,000	19,786

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


S. Muhammad Jawed
Chairman


Muhammad Ali Zeb
Director


Shahmeer Khalid
Director


Manzar Mushtaq
Chief Executive Officer


Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited

Statement of Changes in Equity


Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

	Capital contributed from Shareholders' Fund	Money ceded to waqf fund	Ledger account D *	Total
	(Rupees in '000)			
Balance as at January 01, 2022	159,501	500	62,528	222,529
Total comprehensive income for the period ended March 31, 2022				
- Profit for the period after tax	-	-	19,786	19,786
- Other comprehensive income / (loss)	-	-	-	-
	-		19,786	19,786
Balance as at March 31, 2022	159,501	500	82,314	242,315
Balance as at January 01, 2023	35,630	500	182,337	218,467
Total comprehensive income for the period ended March 31, 2023				
- Profit for the period after tax	-	-	47,000	47,000
- Other comprehensive income / (loss)	-	-	-	-
	-	-	47,000	47,000
Balance as at March 31, 2023	35,630	500	229,337	265,467

* This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 to meet solvency margins, which are mandatorily maintained for carrying on of the life insurance business.

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


 S. Muhammad Jawed
 Chairman


 Muhammad Ali Zeb
 Director


 Shahmeer Khalid
 Director


 Manzar Mushtaq
 Chief Executive Officer


 Jalal Meghani
 Chief Financial Officer


Adamjee Life Assurance Company Limited

Statement of Cash Flows

Window Takaful Operations (Un-audited)
For the quarter ended March 31, 2023

	Note	March 31, 2023	March 31, 2022
		(Rupees in '000)	
Operating Cash Flows			
(a) Takaful activities			
Takaful contribution received		1,046,490	1,187,105
Retakaful contribution paid		-	(45,419)
Claims paid		(377,412)	(288,568)
Hadia paid		(136,386)	(286,314)
Marketing and administrative expenses paid		(271,434)	(160,022)
Net cash flow generated from takaful activities		261,258	406,782
(b) Other operating activities			
Income tax paid		(24,010)	(16,168)
Total cash flow generated from all operating activities		237,248	390,614
Investment activities			
Profit / return received		186,019	80,526
Dividend received		7,530	8,587
Payment for investments		(7,652,882)	(1,204,238)
Proceeds from disposal of investments		8,424,981	663,647
Total cash flow used in investing activities		965,647	(451,478)
Net cash inflows from all activities		1,202,895	(60,864)
Cash and cash equivalent at the beginning of the period		3,978,761	3,748,879
Cash and cash equivalent at the end of the period	10.2	5,181,657	3,688,015
Reconciliation to statement of profit or loss			
Cash flow from all operating activities		237,248	390,614
Depreciation and amortisation expense		(4,009)	(2,603)
Financial charge expense		(408)	197
Profit on disposal of investment		28,634	8,775
Dividend income		16,093	10,483
Other investment income		221,893	109,589
Increase in assets other than cash		108,905	2,022,162
Increase in liabilities other than borrowings		(561,356)	(2,519,431)
Profit after taxation for the period		47,000	19,786

The annexed notes 1 to 25 form an integral part of these condensed interim financial statements.


S. Muhammad Jawed
Chairman


Muhammad Ali Zeb
Director


Shahmeer Khalid
Director


Manzar Mushtaq
Chief Executive Officer


Jalal Meghani
Chief Financial Officer

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Adamjee Life Assurance Company Limited ("the Operator") was incorporated in Pakistan on August 04, 2008 as a public unlisted company under the Companies Act, 2017 (Previously Companies Ordinance, 1984). The Operator was converted to a public limited company on March 4, 2022 and registered itself on Pakistan Stock Exchange. The Operator started its operations from April 24, 2009. Registered office of the Operator is at 5th floor, Islamabad Stock Exchange Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is at Adamjee House, 3rd and 4th Floor, I.I Chundrigar Road, Karachi. The Operator is a subsidiary of Adamjee Insurance Company Limited.

The Operator is engaged in Takaful business carrying on non-participating business only. Following are the statutory funds in respect of each class of its Takaful business:

- Individual Family Takaful Business (refer note 1.2)
- Group Family Takaful Business (refer note 1.2)

1.2 The Operator was granted authorisation on May 04, 2016 under Rule 6 of Takaful Rules, 2012 to undertake Takaful Window Operations in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations from July 14, 2016. The Company formed a Waqf Fund namely the Adamjee Life Assurance Company Limited - Window Takaful Operations Waqf Fund (here-in-after referred to as the Participant Takaful Fund (PTF) on December 22, 2015 under a Waqf deed executed by the Operator with the cede amount of Rs. 500,000. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilised only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Operator.

The Operator issued supplemental policies to the Window Takaful Operations Waqf Fund on October 29, 2019 to include Group Family Participant's Takaful Fund business in existing Window Takaful Operations Waqf Fund and the same was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 11, 2019 and the Operator commenced its Group Family Takaful Business in the second Quarter of 2020.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules, 2017, Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

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

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

These condensed interim financial statements does not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES & FINANCIAL RISK MANAGEMENT / JUDGEMENTS AND ESTIMATES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim financial statement are same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Operator for the year ended December 31, 2022. In preparing these condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Operator's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the financial statements for the year ended December 31, 2022.

4. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING STANDARDS THAT BECAME EFFECTIVE FOR THE PERIOD ENDED MARCH 31, 2022

There are certain new and amended standards, interpretations and amendments that are mandatory for the Operator's accounting periods beginning on or after January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Operator's operations and therefore not detailed in these condensed interim financial statements.

	Note	March 31, 2023	December 31, 2022
		(Rupees in '000)	
5. INVESTMENT IN EQUITY SECURITIES			
Fair value through profit or loss (held for trading)	5.1	1,026,526	1,000,449

5.1 At fair value through profit or loss (held for trading)

	As at March 31, 2023			As at December 31, 2022		
	Cost	Provision / Impairment	Carrying value	Cost	Provision / Impairment	Carrying value
	(Rupees in '000)					
Related party	35,100	-	32,130	50,531	-	32,889
Others	1,167,034	-	994,396	1,153,777	-	967,560
	1,202,134	-	1,026,526	1,204,308	-	1,000,449

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial StatementsWindow Takaful Operations (Un-audited)
For the quarter ended March 31, 2023

	Note	March 31, 2023	December 31, 2022
(Rupees in '000)			
6. INVESTMENT IN GOVERNMENT SECURITIES			
Fair value through profit or loss (held for trading)	6.1	1,766,575	1,491,436

6.1 Fair value through profit or loss (held for trading)

As at March 31, 2023						
Term	Maturity Year	Effective Yield (%)	Amortised Cost	Principal Repayment	Carrying Value	
GOP Ijara Sukuk	5 years	2025	15.75%	96,720	100,000	86,000
GOP Ijara Sukuk	5 years	2026	14.76%	399,247	420,000	380,520
GOP Ijara Sukuk	5 years	2025	16.47%-17.93%	623,531	630,000	621,870
GOP Ijara Sukuk	5 years	2026	15.93%-16.14%	447,547	450,000	445,906
GOP Ijara Sukuk	5 years	2027	15.98%	234,032	235,000	232,279
As at March 31, 2023			1,801,077	1,835,000	1,766,575	
As at December 31, 2022			1,530,908	1,535,000	1,491,436	

	Note	March 31, 2023	December 31, 2022
(Rupees in '000)			
7. INVESTMENT IN DEBT SECURITIES			
At fair value through profit or loss (held for trading)	7.1	261,505	429,040

7.1 At fair value through profit or loss (held for trading)

	As at March 31, 2023			As at December 31, 2022		
	Cost	Provision / Impairment	Carrying value	Cost	Provision / Impairment	Carrying value
(Rupees in '000)						
Advances against purchase						
purchase of corporate sukuks	22,000	-	22,000	227,000	-	227,000
Corporate sukuks	242,812		239,505	203,125	-	202,040
	264,812	-	261,505	430,125	-	429,040

	Note	March 31, 2023	December 31, 2023
(Rupees in '000)			
8. INVESTMENT IN TERM DEPOSIT			
Deposits maturing within 12 months	8.1	2,275,000	2,175,000

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

8.1 This represents term deposits with banks which carry interest rate ranging between 15.15% to 18% per annum (December 31, 2022: 14.75% to 16% per annum) and maturing between April 2023 to September 2023. This includes term deposits of Rs. 950 million (December 31, 2022: Rs. 950 million) maintained with MCB Islamic Bank (related party).

	Note	March 31, 2023	December 31, 2022
(Rupees in '000)			
9. INVESTMENT IN MUTUAL FUND			
Fair value through profit or loss (held for trading)	9.1	1,222,939	1,031,554

9.1 Fair value through profit or loss (held for trading)

	As at March 31, 2023			As at December 31, 2022		
	Cost	Provision / Impairment	Carrying Value	Cost	Provision / Impairment	Carrying Value
Related party	587,736	-	592,833	999,283	-	943,929
Others	728,667	-	630,106	131,436	-	87,625
	1,316,403	-	1,222,939	1,130,719	-	1,031,554

	Note	March 31, 2023	December 31, 2022
(Rupees in '000)			
10. CASH AND BANK			
- Policy stamps		4,110	7,036
		4,110	7,036
Cash at bank			
- Current accounts		88,842	145,967
- Saving accounts	10.1	2,813,705	2,600,759
		2,902,547	2,746,726
		2,906,657	2,753,762

10.1 This carries profit rate ranging from 10% to 13% (December 31, 2022: 9% to 12%) per annum.

	Note	March 31, 2023	March 31, 2022
(Rupees in '000)			
10.2 Cash and cash equivalents			
Cash and cash equivalents includes the following for the purpose of cash flow statement:			
- Cash in hand and policy stamps		4,110	8,021
- Cash at bank		2,902,547	2,674,994
- Term deposits maturing within three months		2,275,000	1,005,000
		5,181,657	3,688,015

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial StatementsWindow Takaful Operations (Un-audited)
For the quarter ended March 31, 2023

	Note	March 31, 2023	December 31, 2022
		(Rupees in '000)	
11. TAKAFUL LIABILITIES			
Reported outstanding claims (including claims in payment)	11.1	228,755	189,685
Incurred but not reported claims	11.2	57,413	44,964
Investment component of unit-linked and account value policies	11.3	8,696,707	8,111,996
Liabilities under group takaful contracts (other than investment linked)	11.4	25,341	24,904
Other takaful liabilities	11.5	127,903	127,864
		<u>9,136,119</u>	<u>8,499,413</u>
Surplus retained in Participants' Takaful Fund (PTF)		162,703	143,963
		<u>9,298,822</u>	<u>8,643,376</u>
11.1 Reported outstanding claims (including claims in payment)			
Gross of retakaful		271,557	219,838
Recoverable from retakaful		(42,802)	(30,153)
Net reported outstanding claims		<u>228,755</u>	<u>189,685</u>
11.2 Incurred but not reported claims Individual life			
Gross of retakaful		77,808	49,075
Retakaful recoveries		(31,123)	(14,718)
Net of retakaful		<u>46,685</u>	<u>34,357</u>
Group life			
Gross of retakaful		16,285	15,039
Retakaful recoveries		(5,557)	(4,432)
Net of retakaful		<u>10,728</u>	<u>10,607</u>
		<u>57,413</u>	<u>44,964</u>
11.3 Investment component of unit linked and account value policies			
Investment component of unit linked policies		8,696,707	8,111,996
Investment component of account value policies		-	-
		<u>8,696,707</u>	<u>8,111,996</u>
11.4 Liabilities under group takaful contracts (other than investment linked)			
Gross of retakaful		38,089	39,891
Retakaful credit		(12,748)	(14,987)
Net of retakaful		<u>25,341</u>	<u>24,904</u>
11.5 Other takaful liabilities			
Gross of retakaful		157,862	160,351
Retakaful credit		(29,959)	(32,487)
Net of retakaful		<u>127,903</u>	<u>127,864</u>

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

12. CONTINGENCIES AND COMMITMENTS

12.1 CONTINGENCIES

The contingencies reported in main condensed interim financial statements of the Company also includes impacts of Window Takaful Operations as at March 31, 2023. Out of reported amount thereon, an amount of Rs. 142.29 million (December 31, 2022: Rs. 132.61 million) pertains to Window Takaful Operations.

12.2 COMMITMENTS

There are no other material commitments as at March 31, 2023.

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
13. Contribution revenue		
Gross Contribution		
Regular Contribution Individual Policies*		
First year	154,973	463,496
Second year renewal	355,541	302,943
Subsequent year renewal	502,658	366,435
Single contribution individual policies*	25,707	103,676
Group policies without cash values	27,767	38,208
Total gross contribution	1,066,646	1,274,758
Less: retakaful contributions ceded		
On individual life first year business	(3,265)	(6,619)
On individual life second year business	(3,871)	(3,476)
On individual life subsequent renewal business	(6,100)	(4,409)
On individual life single premium business	(13)	(72)
On group policies	(6,510)	(9,770)
	(19,759)	(24,346)
Net Contribution	1,046,887	1,250,412
* Individual policies are those underwritten on an individual basis.		
14. INVESTMENT INCOME		
Dividend income	16,093	10,483
Income from government securities -fair value through profit or loss	62,557	23,663
Income from debt securities - fair value through profit or loss		
- Return on TFCs and corporate sukuks	12,468	11,205
Income from term deposit receipts - loans and receivables		
- Return on term deposit receipts	181,838	83,591
	272,956	128,942

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial StatementsWindow Takaful Operations (Un-audited)
For the quarter ended March 31, 2023

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
15. NET REALISED FAIR VALUE GAINS / (LOSSES) ON FINANCIAL ASSETS		
Fair value through profit or loss		
Realised gains / (losses) on:		
- Equity securities	25,394	8,586
- Government securities	-	189
- Debt securities	(6,378)	-
- Mutual funds	9,618	-
	28,634	8,775
16. NET FAIR VALUE LOSSES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - UNREALISED		
Net unrealised (losses) / gains on:		
- Equity securities	(28,251)	(30,867)
- Government securities	(24,780)	(2,387)
- Debt securities	(2,222)	946
- Mutual funds	5,701	6,663
Total losses	(49,552)	(25,645)
Less: Investment related expenses	(3,645)	(1,833)
	(53,197)	(27,478)
17. OTHER INCOME		
Return on bank balances	10,394	2,016
Bonus allocation from operator's sub fund	7,355	16,256
Others	478	336
	18,227	18,608
18. Takaful benefits		
Claims under individual policies		
- by death	53,102	66,226
- by insured event other than death	127	77
- by maturity	86,006	7,728
- by surrender	253,066	243,748
Total gross individual policy claims	392,301	317,779
Claims under group policies		
- by death	22,900	8,300
- by insured event other than death	536	2,741
Total gross claims	415,737	328,820
Less: Retakaful recoveries		
- on individual life claims	(24,058)	(37,792)
- on group life claims	(6,500)	-
	(30,558)	(37,792)
Net takaful benefit expense	385,179	291,028

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
19. Acquisition expenses		
Operator's Sub-Fund		
Acquisition costs		
Remuneration to takaful intermediaries on individual policies:		
- Hadia to agent on first year contributions	58,029	184,315
- Hadia to agent on second year contributions	22,450	19,166
- Hadia to agent on subsequent year renewal contributions	10,265	7,082
- Hadia to agent on single contributions	1,415	3,406
- other benefits to takaful intermediaries	(4,727)	22,121
Total hadia cost	87,432	236,090
Remuneration to Takaful Intermediaries on Group Policies:		
- Hadia	2,121	2,531
- Other benefits to takaful intermediaries	384	139
	2,505	2,670
Other acquisition costs	3,088	6,668
	93,025	245,428
Branch overheads	71,762	82,782
Total acquisition cost	164,787	328,210
20. Administrative expenses		
Salaries allowances and other benefits	39,649	27,690
Travelling expenses	204	70
Actuary's fee	355	123
Auditor's remuneration	101	128
Legal and professional charges	3,101	3,094
Information technology expenses	1,620	1,276
Printing and stationery	1,059	2,509
Depreciation	1,527	331
Depreciation-right of use assets	1,124	881
Amortisation	318	341
Rent expense	541	142
Takaful expense	98	790
Vehicle running	4,877	2,973
Postage and courier	3,039	1,941
Electricity, gas and water	377	257
Office repairs and maintenance	1,123	485
Entertainment	213	406
Bank charges	23	113
Training and development	368	47
Fees and subscription	914	711
Marketing cost	6,725	6,152
Other expense	561	506
	67,917	50,966
	232,704	379,176

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

21. RELATED PARTY TRANSACTIONS

The related parties comprise of the holding company, directors, key management personnel, associated undertakings, group companies entities with common directors and staff gratuity fund. Related party transactions and balances, including those disclosed elsewhere in these condensed interim financial statements are given below:

	March 31, 2023	March 31, 2022
	(Rupees in '000)	
Transactions during the period		
Associated undertakings		
Hadia and other incentives in respect of bancatakaful	24,175	94,274
Profit on bank deposits	5,170	474
Bank charges	165	2
Investments purchased	694,089	1,766,736
Investments sold	1,057,289	1,715,903
Dividend income	-	6,068
Other related parties		
Investment advisor fee	1,428	987
Key management personnel		
Remuneration	3,972	2,611
Staff retirement benefit plan (gratuity fund)		
Charge for the period	3,212	1,053

	March 31, 2023	December 31, 2022
	(Rupees in '000)	
Balances outstanding as at the end of the period / year		
Associated undertakings		
Contribution due but unpaid	18	12,500
Bank deposits	600	554,992
Investments held	-	1,926,818
Hadia payable	7,895	20,955
Dividend receivables	-	6,068
Accrued Income	-	39,432
Other related parties		
Contribution due but unpaid	-	350
Remuneration payable for the management of discretionary investment portfolio	767	767

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

22. SEGMENTAL INFORMATION

22.1 Revenue account by statutory fund

For the period ended march 31, 2023

	Individual Family Takaful Unit Linked Business	Group Family Takaful Business	Total
	(Rupees in '000)		
Income			
Contribution less re-takaful	1,025,630	21,257	1,046,887
Net investment income	251,251	7,536	258,787
Total net income	1,276,881	28,793	1,305,674
Takaful benefits and expenditures			
Takaful benefits including bonus net of re-takaful	(368,988)	(16,936)	(385,924)
Management expenses less recoveries	(230,409)	(2,738)	(233,147)
Total takaful benefits and expenditures	(599,397)	(19,674)	(619,071)
Excess of income over takaful benefits and expenditures	677,484	9,119	686,603
Net change in takaful liabilities (other than outstanding claims)	(604,846)	(11,530)	(616,376)
Surplus / (deficit) before tax	72,638	(2,411)	70,227
Movement in policyholders' liabilities	604,846	11,530	616,376
Balance of statutory funds at beginning of the period	8,652,337	110,474	8,762,811
Balance of statutory funds at end of the period	9,329,821	119,593	9,449,414

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

Revenue account by statutory fund

For the period ended March 31, 2022

	Individual Family Takaful Unit Linked Business	Group Life Family Takaful Business	Total
	(Rupees in '000)		
Income			
Contribution less re-takaful	1,221,974	28,438	1,250,412
Net investment income	111,653	602	112,255
Total net income	1,333,627	29,040	1,362,667
Takaful benefits and expenditures			
Takaful benefits including bonus net of re-takaful	(280,311)	(11,041)	(291,352)
	(376,466)	(3,630)	(380,096)
Total takaful benefits and expenditures	(656,777)	(14,671)	(671,448)
Excess of income over takaful benefits and expenditures	676,850	14,369	691,219
Net change in takaful liabilities (other than outstanding claims)	(648,393)	(15,578)	(663,971)
Surplus / (deficit) before tax	28,457	(1,209)	27,248
Movement in policyholders' liabilities	648,393	15,578	663,971
Balance of statutory funds at beginning of the period	6,774,571	28,021	6,802,592
Balance of statutory funds at end of the period	7,451,421	42,390	7,493,811

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

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

The Operator 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

On balance sheet financial instruments

		As at March 31, 2023							
		Carrying value				Fair value			
	Available for Sale	Fair value through profit or loss	Loans and Receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments									
Government Securities (Sukuks)	-	1,766,575	-	-	1,766,575	-	1,766,575	-	1,766,575
Equity securities	-	1,026,526	-	-	1,026,526	1,026,526	-	-	1,026,526
Mutual funds	-	1,222,939	-	-	1,222,939	1,222,939	-	-	1,222,939
Debt securities (listed corporate sukuks)	-	261,505	-	-	261,505	-	261,505	-	261,505
	-	4,277,545	-	-	4,277,545	2,249,465	2,028,080	-	4,277,545
Financial assets not measured at fair value									
- Balances with banks	-	-	2,906,657	-	2,906,657				
- Term deposit receipts	-	-	2,275,000	-	2,275,000				
- Other financial assets	-	-	317,936	-	317,936				
	-	-	5,499,593	-	5,499,593				
Financial liabilities not measured at fair value									
- Other financial liabilities	-	-	-	224,874	224,874				
	-	4,277,545	5,499,593	(224,874)	9,552,264				

Adamjee Life Assurance Company Limited

Notes to and forming part of the Condensed Interim Financial Statements

Window Takaful Operations (Un-audited)

For the quarter ended March 31, 2023

As at December 31, 2022

Carrying value					Fair value			
Available for Sale	Fair value through profit or loss	Loans and Receivables	Financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)								

Financial assets measured at fair value

- Investments

Government Securities
(Sukus)

- 1,491,436 - - 1,491,436 - 1,491,436 - 1,491,436

Listed equity securities

- 1,000,449 - - 1,000,449 1,000,449 - - 1,000,449

Units of mutual funds

- 1,031,554 - - 1,031,554 1,031,554 - - 1,031,554

Debt securities (listed TFCs / Corporate sukus)

- 202,040 - - 202,040 - 202,040 - 202,040

- 3,725,479 - - 3,725,479 2,032,003 1,693,476 - 3,725,479

Financial assets not measured at fair value

- Balances with banks

- - 227,000 - 227,000

- Term deposit receipts

- - 2,753,762 - 2,753,762

- Investment in debt securities

- - 2,175,000 - 2,175,000

- Other financial assets

- - 162,673 - 162,673

- - 5,091,435 - 5,091,435

Financial liabilities not measured at fair value

- Other Financial liabilities

- - - 166,819 166,819


- 3,725,479 5,091,435 166,819 8,650,095

24. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation and comparison.

25. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Operator in their meeting held on April 27, 2023.


S. Muhammad Jawed
 Chairman


Muhammad Ali Zeb
 Director


Shahmeer Khalid
 Director


Manzur Mushtaq
 Chief Executive Officer


Jalal Meghani
 Chief Financial Officer