



64th
YEAR OF
CONTINUOUS
SERVICES

Condensed Interim
Financial Information
For the Period Ended
March 31,
2024

BIBOJEE GROUP



**The Universal
Insurance Co. Ltd.**

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VISION STATEMENT

We, at Universal Insurance Company Limited recognize the importance of satisfying our customers by consistently providing quality insurance service in accordance with their needs and expectations. We strive to be competent partner of our customers against insured perils.

MISSION STATEMENT QUALITY POLICY

We, strive to provide our customers cost effective insurance cover by continually increasing the productivity of our employees. To increase productivity, we conduct regular training programs during which employees are assessed and allocated a career path in accordance with their performance.

We diligently follow the applicable laws ensure strict compliance by conducting regular internal audit and educating our employees about the law.

We try to improve our services by continually assessing our systems and procedures bases on customers and team feedback. We strive to maintain a customer focused approach by ensuring that our service is delivered to the customer on time, according to the customer required specifications and with in our stipulated Cost.

CORPORATE INFORMATION

Board of Directors	Lt. Gen (Retd.) Ali Kuli Khan Khattak	Chairman
	Dr. Shahin Kuli Khan Khattak	Chief Executive
	Mr. Ahmed Kuli Khan Khattak	
	Mrs. Shahnaz Sajjad Ahmed	
	Mr. Khalid Kuli Khan Khattak	
	Wing Commander (Retd.) Javaid Ahmad Afzal	
	Dr. Hassan Iqbal	
Principal Officer	Mr. Amir Raza	
Chief Financial Officer	Mr. Amir Nazar	
Company Secretary	Mr. Liaqat Ali Shaukat	
Internal Auditor	Mr. Ashfaq Ahmed	
Auditors	M/s. Junaidy Shoaib Asad Chartered Accountants	
Legal Adviosor	Rana Muhammad Aamir Zulfiqar (Advocate)	
Share Registrar	M/s. Hameed Majeed Associates (Pvt.) Ltd. H.M House, 7-Bank Square, Lahore Phone # 042-37235081-82 Fax: # 042-37358817	
Registered Office:	Universal Insurance House 63-Shahrah-e-Quaid-e-Azam, Lahore, 54000 Pakistan Ph: 042-37355426-37324244 Fax: 042-37230326 Web: www.uic.com.pk Email: info@uic.com.pk	

BOARD AND MANAGEMENT COMMITTEES

Board Committees:

i) Ethics, Human Resource & Remuneration Committee

Wing Commander (R) Javaid Ahmad Afzal	Chairman	Independent
Mr. Ahmed Kuli Khan Khattak	Member	Non-Executive
Dr. Shahin Kuli Khan Khattak	Member	Executive
Mr. Liaqat Ali Shaukat	Secretary	

ii) Investment Committee

Dr. Hassan Iqbal	Chairman	Independent
Mr. Ahmed Kuli Khan Khattak	Member	Non-Executive
Dr. Shahin Kuli Khan Khattak	Member	Executive (CEO)
Mr. Amir Nazar	Member/ Secretary	Chief Financial Officer

iii) Audit Committee

Dr. Hassan Iqbal	Chairman	Independent
Mr. Ahmed Kuli Khan Khattak	Member	Non-Executive
Mrs. Shahnaz Sajjad Ahmed	Member	Non-Executive
Mr. Khalid Kuli Khan Khattak	Member	Non-Executive
Mr. Ashfaq Ahmed	Secretary	

Management Committees:

iv) Underwriting, Reinsurance & Co-Insurance Committee;

Dr. Hassan Iqbal	Chairman	Independent
Dr. Shahin Kuli Khan Khattak	Member	Executive
Mr. Muhammad Alyas	Member/ Secretary	

v) Claims Settlement Committee;

Mr. Ahmed Kuli Khan Khattak	Chairman	Non-Executive
Dr. Shahin Kuli Khan Khattak	Member	Executive
Mr. Amir Raza	Member	
Mr. Ashfaq Ahmed	Secretary	

vi) Risk Management & Compliance Committee

Dr. Shahin Kuli Khan Khattak	Chairman	Executive
Wing Commander (R) Javaid Ahmad Afzal	Member	Independent
Mr. Amir Raza	Member	
Mr. Amir Nazar	Member	
Miss. Bushra Hina Mushtaq	Secretary	

DIRECTORS' REVIEW REPORT

We are pleased to represent on behalf of the Board of Directors unaudited financial statements of the Company for the period ended on 31st March, 2024.

Financial Performance

The gross written premium of the company has slightly increased as compared to last year whereas the net insurance premium has reduced significantly due to impact of unearned premium income. There is a loss after tax of Rs. 10.999 million as compared to profit after tax of Rs. 0.926 million over the same period.

	2024	2023
	----- (Rupees in million) -----	
Written gross premium	3.267	2.933
Net insurance premium	4.485	12.705
Net insurance claims	3.236	1.010
Underwriting results	(19.486)	(9.978)
Investment and other income	7.505	3.876
Loss before taxation	(3.387)	(0.242)
(Loss) / Profit after taxation	(10.999)	0.926
(Loss) / Earnings per share	(0.22)	0.02

Future Outlook

For the revival of the Company, Board already approved the revival strategy of the Company for underwriting open market business along with projected business figures for next four years and through the implementation of approved strategy the financial results of the Company will eventually improve. The management of the company has also been perusing the reinsurance companies for better reinsurance treaty arrangements and this will definitely enhance insurance underwriting capacity of the Company.

Acknowledgement

We express our deep appreciation and thanks to our valued clients, bankers, coinsurers, reinsurers and SECP for their continued cooperation extended to us.

For & on behalf of the Board of Directors

Date: April 27, 2024

Place: Lahore



Dr. Shahin Kuli Khan Khattak
Chief Executive Officer



Khalid Kuli Khan Khattak
Director

ڈائریکٹرز کی جائزہ رپورٹ (Directors' Review Report) (یہ انگریزی رپورٹ کا ترجمہ ہے)

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2024 کو ختم ہونے والی مدت کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔

مالیاتی کارکردگی

کمپنی کے مجموعی تحریری پریبینم میں پچھلے سال کے مقابلے میں قدرے اضافہ ہوا ہے جبکہ ان انڈر پریبینم آمدنی کے فرق کی وجہ سے نیٹ انشورنس پریبینم میں نمایاں کمی آئی ہے۔ اس کے علاوہ 10.999 ملین روپے بعد از ٹیکس کا نقصان ہے جو کہ اسی مدت میں بعد از ٹیکس منافع کے مقابلے میں 0.926 ملین روپے تھا۔

2024 2023
----- (ملین روپے) -----

3.267	2.933	- مجموعی تحریری پریبینم
4.485	12.705	- نیٹ انشورنس پریبینم
3.236	1.010	- نیٹ انشورنس کلیمز
(19.486)	(9.978)	- انڈر رائٹنگ نتائج
7.505	3.876	- سرمایہ کاری اور دیگر آمدنی
(3.387)	(0.242)	- قبل از ٹیکس (نقصان)
(10.999)	0.926	- بعد از ٹیکس (نقصان)
(0.22)	0.02	- (نقصان) فی شیئر

مستقبل کا نقطہ نظر

کمپنی کی بحالی کے لیے بورڈ نے پہلے ہی اوپن مارکیٹ کے کاروبار کو انڈر رائٹنگ کے لیے اگلے چار سالوں کے لیے متوقع کاروباری اعداد و شمار کے ساتھ کمپنی کی بحالی کی حکمت عملی کی منظوری دے دی ہے اور منظور شدہ حکمت عملی کے نفاذ سے کمپنی کے مالیاتی نتائج بالآخر بہتر ہوں گے۔ کمپنی کی انتظامیہ بہتری انشورنس معاہدے کے انتظامات کے لیے ری انشورنس کمپنیوں سے بھی معاملات طے کر رہی ہے اور اس سے کمپنی کی انشورنس انڈر رائٹنگ کی صلاحیت میں یقیناً اضافہ ہوگا۔

اظہار تشکر

ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، پاکستان ری انشورنس کمپنی لمیٹڈ، سٹیٹ بینک آف پاکستان اور دوسری ری انشوررز اور کو انشوررز کی پورے سال کے دوران مسلسل مدد اور رہنمائی کے شکرگزار ہیں اور ہم اپنے معزز کلائنٹس کے مسلسل اعتماد پر ان کے بھی شکرگزار ہیں۔

منجانب بورڈ



خالد فی خان خٹک
ڈائریکٹر



ڈاکٹر شہین فہمی خان خٹک
چیف ایگزیکٹو آفیسر

بتاریخ: 27 اپریل، 2024

مقام: لاہور

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT MARCH 31, 2024**

	Note	Un-audited March 31, 2024	Audited December 31, 2023
Rupees in thousand			
Assets			
Property and equipment	7	145,760	146,509
Investment property		46,342	46,342
Investments in associates	8	216,767	270,078
Investments			
-Equity securities	9	-	-
-Debt securities	10	57,647	57,005
Loans and other receivables		83,898	83,843
Insurance / reinsurance receivables	11	60,229	60,475
Reinsurance recoveries against outstanding claims		40,038	40,038
Deferred Commission expense		567	755
Taxation - payments less provisions		10,097	9,794
Prepayments	13	1,263	1,609
Cash and bank balances	14	191,090	142,861
Total assets		853,698	859,309
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorised share capital			
75,000,000 (2023: 75,000,000) ordinary shares of Rs.10 each		750,000	750,000
Issued, subscribed and paid-up share capital		500,000	500,000
Capital reserves:			
- Share premium		13,824	13,824
- Others		18	18
- Surplus on revaluation of fixed assets		278,776	321,106
Accumulated loss		(135,555)	(166,955)
Total Equity		657,063	667,993
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		104,070	101,142
Unearned premium reserves		5,219	6,940
Premium deficiency reserves		3,295	3,295
Unearned reinsurance commission		71	98
Deferred taxation	12	13,373	6,645
Long term deposits		143	130
Insurance / reinsurance payables		62,420	64,135
Unclaimed dividends		555	555
Other creditors and accruals		7,489	8,376
Total Liabilities		196,635	191,316
Contingencies and commitments	15	-	-
Total Equity and Liabilities		853,698	859,309

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

					
Lt. Gen (R) Ali Kuli Khan Khattak	Dr. Shahin Kuli Khan Khattak	Khalid Kuli Khan Khattak	Dr. Hassan Iqbal	Amir Raza	Amir Nazar
CHAIRMAN	CHIEF EXECUTIVE	DIRECTOR	DIRECTOR	PRINCIPAL OFFICER	CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	Note	1st Quarter ended	
		March 31, 2024	March 31, 2023
Rupees in thousand			
Net insurance premium	16	4,485	12,705
Net insurance claims	17	(3,236)	(1,010)
Premium deficiency		-	1,490
Net commission	18	(502)	(1,681)
Insurance claims and expense		(3,738)	(1,201)
Management expenses	19	(20,233)	(21,482)
Underwriting results		(19,486)	(9,978)
Investment income	20	420	3,265
Rental income		145	319
Other income	21	6,940	292
Other expenses	22	(1,681)	(2,733)
Results of operating activities		(13,662)	(8,835)
Share of profit of associates - net		10,275	8,593
Loss before taxation		(3,387)	(242)
Income tax		(7,612)	1,168
Profit / (loss) after taxation		(10,999)	926
----- Rupees -----			
Earnings / (loss) (after taxation) per share		(0.22)	0.02

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

					
Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE	Khalid Kuli Khan Khattak DIRECTOR	Dr. Hassan Iqbal DIRECTOR	Amir Raza PRINCIPAL OFFICER	Amir Nazar CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024**

	1st Quarter ended	
	March 31, 2024	March 31, 2023
	Rupees in thousand	
Profit / (loss) after taxation	(10,999)	926
Other comprehensive income / (loss):		
Unrealised profit / (loss) on available-for-sale investments	-	3
Impact of deferred taxation on remeasurement of available-for-sale investments	-	(1)
	-	2
Total comprehensive profit / (loss) for the period	(10,999)	928

The annexed notes 1 to 27 form an integral part of these financial statements.

					
Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE	Khalid Kuli Khan Khattak DIRECTOR	Dr. Hassan Iqbal DIRECTOR	Amir Raza PRINCIPAL OFFICER	Amir Nazar CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	Attributable to equity holders of the Company						
	Share capital	Capital Reserves			Fair value reserve on available-for-sale investments	(Accumulated loss) / unappropriated profit	Total
		Share Premium reserve	Other	Surplus on revaluation of fixed assets			
(Rupees in thousand)							
Balance as at 31 December, 2022 - (audited)	500,000	13,824	18	352,945	237	(137,303)	729,721
Transfer from surplus on revaluation of buildings on account of incremental depreciation	-	-	-	(292)	-	292	-
Deferred tax adjustment	-	-	-	85	-	-	85
Miscellaneous items of associates accounted for under equity method	-	-	-	(164)	-	164	-
Loss for the period ended 31 March, 2023	-	-	-	-	-	926	926
Other comprehensive loss for the period ended 31 March, 2023	-	-	-	-	2	-	2
Total comprehensive loss for the period ended 31 March, 2023	-	-	-	-	2	926	928
Balance as at March 31, 2023 - (un-audited)	500,000	13,824	18	352,574	239	(135,921)	730,734
Transfer from surplus on revaluation of buildings on account of incremental depreciation	-	-	-	(893)	-	893	-
Deferred tax adjustment	-	-	-	259	-	-	259
Transfer from surplus on revaluation of buildings on account of disposal	-	-	-	(3,165)	-	3,165	-
Deferred tax adjustment on disposal	-	-	-	918	-	-	918
Miscellaneous items of associates accounted for under equity method	-	-	-	90,619	-	253	90,872
Transfer of revaluation surplus of associates on disposal of investment	-	-	-	(119,206)	-	119,206	-
Loss for the nine months period ended 31 December, 2023	-	-	-	-	-	(155,837)	(155,837)
Transfer of fair value reserve on available -for-sale investments	-	-	-	-	(239)	237	(2)
Other comprehensive loss for the nine months period ended 31 December, 2023	-	-	-	-	-	1,049	1,049
Total comprehensive loss for the nine months period ended 31 December, 2023	-	-	-	-	(239)	(154,551)	(154,790)
Balance as at 31 December, 2023 - (audited)	500,000	13,824	18	321,106	-	(166,955)	667,993
Transfer from surplus on revaluation of buildings on account of incremental depreciation	-	-	-	(239)	-	239	-
Deferred tax adjustment	-	-	-	69	-	-	69
Transfer of revaluation surplus of associates on disposal of investment	-	-	-	(41,880)	-	41,880	-
Miscellaneous items of associates accounted for under equity method	-	-	-	(280)	-	280	-
Loss for the period ended March 31, 2024	-	-	-	-	-	(10,999)	(10,999)
Other comprehensive income for the period ended March 31, 2024	-	-	-	-	-	-	-
Total comprehensive income for the period ended March 31, 2024	-	-	-	-	-	(10,999)	(10,999)
Balance as at March 31, 2024 - (un-audited)	500,000	13,824	18	278,776	-	(135,555)	657,063

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

 Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	 Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE	 Khalid Kuli Khan Khattak DIRECTOR	 Dr. Hassan Iqbal DIRECTOR	 Amir Raza PRINCIPAL OFFICER	 Amir Nazar CHIEF FINANCIAL OFFICER
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CONDENSED INTERIM STATEMENT CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED MARCH 31, 2024

	1st Quarter ended	
	March 31, 2024	March 31, 2023
	Rupees in thousand	
Operating Cash flows		
a) Underwriting activities		
Insurance premium received	3,267	2,933
Reinsurance premium paid	(393)	(3,059)
Claims paid	(308)	(952)
Reinsurance and other recoveries received	-	(13,647)
Commission received	43	-
Management expenses paid	(19,059)	(19,302)
Net cash outflow from underwriting activities	(16,450)	(34,027)
b) Other operating activities		
Income tax paid	(1,118)	(322)
Other operating payments	(1,487)	(2,522)
Other operating receipts	6,272	-
Loans and other receivables	169	234
Other receipts - net	(3,334)	10,155
Net cash inflow from other operating activities	502	7,545
Total cash outflow from all operating activities	(15,948)	(26,482)
Investment activities		
Profit / return received	1,977	1,455
Rental received	145	319
Proceeds from investments	62,055	31,956
Fixed capital expenditure	-	(63)
Proceeds from sale of fixed assets	-	1
Total cash inflow from investing activities	64,177	33,668
Net cash inflow / (outflow) from all activities	48,229	7,186
Cash and cash equivalents at beginning of the period	142,861	10,071
Cash and cash equivalents at end of the period	191,090	17,257

	1st Quarter ended	
	March 31, 2024	March 31, 2023
Rupees in thousand		
Reconciliation to Condensed Interim Profit or Loss		
Operating cash flows	(15,948)	(26,482)
Depreciation expense	(749)	(921)
(Decrease) / Increase in assets other than cash	(422)	(6,864)
Decrease / (Increase) in liabilities	(5,388)	21,251
	<u>(22,507)</u>	<u>(13,016)</u>
Other adjustments		
Gain on investments - net	420	3,265
Share of profit of associates - net	10,275	8,593
Change in premium deficiency reserve	-	1,490
Loss on disposal of fixed assets	-	(17)
Rental income	145	319
Profit on savings accounts	668	292
Profit / (loss) after taxation	<u>(10,999)</u>	<u>926</u>

Definition of cash:

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

Cash for the purposes of cash flow statement consists of:

Cash and cash equivalents

Cash in hand	79	152
Bank accounts		
Current accounts	4,003	4,628
Savings accounts	187,008	12,477
	<u>191,011</u>	<u>17,105</u>
Total cash and cash equivalents	<u>191,090</u>	<u>17,257</u>

The annexed notes 1 to 27 form an integral part of these financial statements.

					
Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE	Khalid Kuli Khan Khattak DIRECTOR	Dr. Hassan Iqbal DIRECTOR	Amir Raza PRINCIPAL OFFICER	Amir Nazar CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED MARCH 31, 2024

1. Legal status and nature of business

The Universal Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on May 09, 1958 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange Limited and is engaged in non-life insurance business. The registered office of the Company is situated at Universal Insurance House, 63 - Shahrah-e-Quaid-e-Azam, Lahore. Presently, the Company is operating through one (2023: one) branch in Pakistan.

The Company is a Subsidiary of Bibojee Services (Pvt.) Limited (the Holding Company), which holds 42,981,788 (December 31, 2023: 42,981,788) ordinary shares of the Company at the period-end.

2. Basis of preparation

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

- International Accounting Standard (IAS) 34, "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017 and Insurance Accounting Regulations, 2017.

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

Accounting convention

3. These condensed interim financial statements have been prepared under the historical cost convention except for investments at fair value through profit or loss and available-for-sale investments, which are stated at fair value, held to maturity investments, which are stated at amortised cost and land & buildings, which are stated at revalued amounts.

4. Accounting policies

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended December 31, 2023.

5. Standards, amendments and interpretations to approved accounting standards that are effective in current period

- 5.1 Certain standards, amendments and interpretations to IFRSs are effective for accounting periods beginning on January 01, 2023 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.
- 5.2 In addition to above, the following standards, amendments and interpretations to accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments and interpretations:

	Effective date (accounting period beginning on or after)
- IFRS 17, Insurance Contracts (Notified by SECP for the period commencing from 1st January 2026)	January 01, 2023
- IFRS 9, Financial instruments	June 30, 2024*

* The company has opted temporary exemption from the application of IFRS 9 as allowed by International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Further details / disclosure required to opt for temporary exemption from the application of IFRS 9 are given in note 25 to these condensed interim financial statements.

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

- a) Financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, excluding any financial 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

	March 31, 2024				
	Fail the SPPI test		Pass the SPPI test		
	Fair value	Change in un-realized gain / (loss) during the period	Carrying value	Cost less Impairment	Change in un-realized gain / (loss) during the period
Rupees in thousand					
Financial assets					
Cash and Bank*	191,090	-	-	-	-
Investments in associates	216,767	-	-	-	-
Investment in equity securities-available for sale	-	-	-	-	-
Investment in debt securities-held to maturity*	-	-	57,647	-	-
Loan and other receivables*	83,898	-	-	-	-
	<u>491,755</u>	<u>-</u>	<u>57,647</u>	<u>-</u>	<u>-</u>

* The carrying amount of these financial assets measured applying IAS 39 are a reasonable approximation of their fair values.

6. Accounting estimates, judgments and financial risk management

- 6.1 The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 6.2 Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended December 31, 2023.
- 6.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2023.

7. Property and equipment

	Un-audited March 31, 2024	Audited Dec 31, 2023
Rupees in thousand		
Opening book value	146,509	157,919
Additions made during the period:		
- Furniture and fixtures	-	29
- Computer equipment	-	869
- Office equipment	-	1,009
	-	1,907
Less: Book value of assets disposed		
Building on freehold land	-	8,836
Furniture and fixtures	-	44
Office equipments	-	170
Vehicles	-	467
	-	9,517
Less: Depreciation charge for the period	749	3,800
Closing book value	<u>145,760</u>	<u>146,509</u>

10. Investment in debt securities (Held to maturity)	No. of certificates		Face value	Value of certificates	
	March 31, 2024	Dec 31, 2023		March 31, 2024	Dec 31, 2023
	-----'(Rupees in thousand)-----				
Pakistan Investment Bonds - PIBs (including accrued interest)	6	6	59,500	57,647	57,005
10.1 These Investments, held with State Bank of Pakistan, have been made to meet the statutory requirement of section 29(2)(a) of the Insurance Ordinance, 2000.					
				Un-audited March 31, 2024	Audited Dec 31, 2023
				Rupees in thousand	
11. Insurance / Reinsurance receivables - Unsecured and considered good					
Due from insurance contract holders			13,127	17,503	
Less: provision for impairment of receivables from insurance contract holders			<u>(13,127)</u>	<u>(17,503)</u>	
			-	-	
Due from other insurers			103,284	103,284	
Due from reinsurers			77,842	78,088	
Less: provision for impairment of due from other insurers / reinsurers			<u>(120,897)</u>	<u>(120,897)</u>	
			<u>60,229</u>	<u>60,475</u>	
			<u>60,229</u>	<u>60,475</u>	
12. Deferred taxation - net					
This is composed of the following:					
Taxable temporary differences arising in respect of:					
- accelerated tax depreciation allowances			187	260	
- surplus on revaluation of buildings			10,293	10,353	
- surplus on revaluation of investment property			8,427	8,427	
- Unrealized gain on investment in associate			<u>61,252</u>	<u>66,509</u>	
			80,159	85,549	
Deductible temporary differences arising in respect of:					
- unused tax losses			<u>26,248</u>	37,317	
- provision for doubtful insurance / reinsurance receivables and others			40,034	40,526	
- employee's retirement benefits			<u>504</u>	1,061	
			66,786	78,904	
Net deferred tax (liability) recognised			<u>(13,373)</u>	<u>(6,645)</u>	
13. Prepayments					
Prepaid reinsurance premium ceded			565	675	
Other			<u>698</u>	<u>934</u>	
			1,263	1,609	
14. Cash and bank balances					
Cash and cash equivalents					
Cash-in-hand			79	-	
Cash at banks					
- Current accounts			<u>4,003</u>	134,768	
- Savings accounts			<u>187,008</u>	<u>8,093</u>	
			191,011	142,861	
Deposits maturing within 12 months					
Term deposit receipts			<u>855</u>	855	
Provision for impairment			<u>(855)</u>	<u>(855)</u>	
			-	-	
			<u>191,090</u>	<u>142,861</u>	

15. Contingencies and commitments

15.1 There has been no significant change in the status of contingencies and commitments as disclosed in notes 22.1 to 22.12 to the Company's audited financial statements for the year ended December 31, 2023.

	Un-audited March 31, 2024	Un-audited March 31, 2023
	Rupees in thousand	
16. Net insurance premium		
Written gross premium	3,267	2,933
Add: Unearned premium reserve opening	6,940	34,477
Less: Unearned premium reserve closing	5,219	17,883
Premium earned	4,988	19,527
Less: Reinsurance premium ceded	393	3,059
Add: Prepaid reinsurance premium opening	675	11,370
Less: Prepaid reinsurance premium closing	565	7,607
Reinsurance expense	503	6,822
	4,485	12,705
17. Net insurance claims expense		
Claims paid	308	952
Add: Outstanding claims including IBNR closing	104,070	84,152
Less: Outstanding claims including IBNR opening	101,142	84,091
Claims expense	3,236	1,013
Less: Reinsurance and other recoveries received	-	(13,647)
Add: Reinsurance and other recoveries in respect of outstanding claims closing	40,038	35,367
Less: Reinsurance and other recoveries in respect of outstanding claims opening	40,038	21,717
Reinsurance and other recoveries revenue	-	3
	3,236	1,010
18. Net commission expense		
Commission paid or payable	384	350
Add: Deferred commission expense opening	755	5,154
Less: Deferred commission expense closing	567	2,695
Net Commission	572	2,809
Less: Commission received or receivable	43	-
Add: Unearned reinsurance commission opening	98	2,380
Less: Unearned reinsurance commission closing	71	1,252
Commission from reinsurers	70	1,128
	502	1,681
19. Management expenses		
Employee benefit cost	13,950	14,865
Travelling and entertainment	476	143
Printing and stationery	141	39
Depreciation	749	921
Rent, Rates and Taxes	353	190
Legal and professional charges	1,041	1,338
Electricity, gas and water	678	811
Entertainment	267	226
Vehicle running expenses	1,880	2,384
Office repairs and maintenance	199	80
Bank charges	16	10
Postage, telegrams and telephone	251	344
Annual supervision fee SECP	25	25
Miscellaneous	207	106
	20,233	21,482

	Un-audited March 31, 2024	Un-audited March 31, 2023
	Rupees in thousand	
20. Investment income - net		
Income from equity securities		
Dividend income	-	4
Loss on disposal of investment of associates	(1,574)	-
- Realised gain on investments at fair value through profit or loss	-	2,697
Reversal of impairment	44	-
Income from debt securities (held to maturity)		
Held-to-maturity		
- Return on fixed income securities and deposits	1,950	1,675
Net unrealised income / (loss) on investments at fair value through profit or loss	<u>-</u>	<u>(1,111)</u>
Total investment income	<u><u>420</u></u>	<u><u>3,265</u></u>
21. Other income		
Income from financial assets		
Profit on bank saving accounts	668	292
Income from non-financial assets		
Insurance commission	6,272	-
	<u><u>6,940</u></u>	<u><u>292</u></u>
22. Other expenses		
Legal and professional charges other than business related	226	1,500
Auditors' remuneration	194	194
Subscription	212	226
Insurance expenses	498	471
Office expenses	173	124
Computer repair and maintenance	184	66
Loss on disposal of fixed assets	-	17
Others	194	135
	<u><u>1,681</u></u>	<u><u>2,733</u></u>
23. Transactions with related parties		
Related parties comprise of the Holding Company, Associated Companies and key management personnel. The Company in the normal course of business carries-out transactions with various related parties. There were no transactions with key management personnel other than under the terms of employment. Details of significant transactions with related parties during the first quarter ended are as follows:		
Transactions during the period		
Associated Companies		
Janana De Malucho Textile Mills Ltd.	Salaries and benefits paid	847
	Expenses paid	60
	Salaries and benefits recovered	-
		398
Bannu Woollen Mills Ltd.	Salaries and benefits recovered	-
Gandhara Nissan Ltd.	Salaries and benefits recovered	-
		398
Rehman Cotton Mills Ltd.	Salaries and benefits recovered	-
		398
Key management personnel		
	Remuneration & benefits	7,722
		9,665
Period end balances		
Gandhara Industries Ltd.	Salaries and benefits	-
		398
Loan - receivable		350
Business Vision (Pvt) Ltd		50,000
		-

24. SEGMENT INFORMATION

For the period ended March 31, 2024	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneo- us	Total
	------(Rupees in thousand)-----				
Premium receivable (Inclusive of Federal Excise Duty, Federal Insurance Fee, and Administration Surcharge)	-	1,444	917	1,375	3,736
Less: Federal Excise Duty	-	173	106	157	436
Federal Insurance Fee	-	13	8	12	33
Gross written premium (inclusive of Administrative Surcharge)	-	1,258	803	1,206	3,267
Gross direct premium	-	1,244	770	1,200	3,214
Facultative inward premium	-	-	-	-	-
Administrative surcharge	-	14	33	6	53
	-	1,258	803	1,206	3,267
Insurance premium earned	161	1,255	3,258	314	4,988
Insurance premium ceded to reinsurers	137	274	25	67	503
Net insurance premium	24	981	3,233	247	4,485
Commission income	21	42	-	7	70
Net underwriting income	45	1,023	3,233	254	4,555
Insurance claims	253	5	2,978	-	3,236
Insurance claims recovered from reinsurers	-	-	-	-	-
Net claims	253	5	2,978	-	3,236
Commission expense	31	188	320	33	572
Management expenses	-	7,791	4,973	7,469	20,233
Net insurance claims and expenses	284	7,984	8,271	7,502	24,041
Underwriting results	(239)	(6,961)	(5,038)	(7,248)	(19,486)
Net Investment					420
Rental income					145
Other income					6,940
Other expenses					(1,681)
Share of profit of associates - net					10,275
Loss before taxation					(3,387)
Segment assets	66,923	22,513	4,047	7,916	101,399
Unallocated assets					752,299
					853,698
Segment liabilities	81,851	15,112	64,131	13,981	175,075
Unallocated liabilities					21,560
					196,635

For the period ended March 31, 2023

Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Total
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------(Rupees in thousand)-----

Premium receivable (Inclusive of Federal Excise Duty, Federal Insurance Fee, and Administration Surcharge)	-	1,475	1,860	17	3,352
Less: Federal Excise Duty	-	168	219	2	389
Federal Insurance Fee	-	13	17	-	30
Gross written premium (inclusive of Administrative Surcharge)	-	1,294	1,624	15	2,933
Gross direct premium	-	1,277	1,566	14	2,857
Facultative inward premium	-	-	-	-	-
Administrative surcharge	-	17	58	1	76
	-	1,294	1,624	15	2,933
Insurance premium earned	6,864	1,188	10,499	976	19,527
Insurance premium ceded to reinsurers	5,987	150	89	596	6,822
Net insurance premium	877	1,038	10,410	380	12,705
Commission income	1,016	18	-	94	1,128
Net underwriting income	1,893	1,056	10,410	474	13,833
Insurance claims	61	112	840	-	1,013
Insurance claims recovered from reinsurers	3	-	-	-	3
Net claims	58	112	840	-	1,010
Commission expense	1,404	181	1,075	149	2,809
Management expenses	-	9,478	11,894	110	21,482
Premium deficiency expense	(1,614)	(8)	-	132	(1,490)
Net insurance claims and expenses	(152)	9,763	13,809	391	23,811
Underwriting results	2,045	(8,707)	(3,399)	83	(9,978)
Net Investment					3,265
Rental income					319
Other income					292
Other expenses					(2,733)
Share of profit of associates - net					8,593
Loss before taxation					(242)
As at December 31, 2023 (Audited)					
Segment assets	67,244	22,573	4,330	7,796	101,943
Unallocated assets					757,366
					859,309
Segment liabilities	95,380	15,583	53,717	10,930	175,610
Unallocated liabilities					15,706
					191,316

25. Fair value measurement of financial instruments

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.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - 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); and

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3). Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

31 March, 2024										
Particulars	Carrying value						Fair value hierarchy			
	Note	Available for sale / FVTPL	Held to maturity	Other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3

----- Rupees in thousand -----

Financial assets - not measured at fair value*

Debt securities	10	-	57,647	-	-	-	57,647	-	-	-	-
Loans and other receivables		-	-	83,898	-	-	83,898	-	-	-	-
Insurance / reinsurance receivables	11	-	-	60,229	-	-	60,229	-	-	-	-
Reinsurance recoveries against outstanding claims		-	-	40,038	-	-	40,038	-	-	-	-
Prepayments	13	-	-	1,263	-	-	1,263	-	-	-	-
Cash and bank	14	-	-	-	191,090	-	191,090	-	-	-	-
		-	57,647	185,428	191,090	-	434,165	-	-	-	-

Financial liabilities - not measured at fair value*

Underwriting provisions:

Outstanding claims (including

IBNR)		-	-	-	-	104,070	-	-	-	-	-
Long term deposits		-	-	-	-	143	-	-	-	-	-
Insurance / reinsurance payables		-	-	-	-	62,420	-	-	-	-	-
Unclaimed dividend		-	-	-	-	555	-	-	-	-	-
Other creditors and accruals		-	-	-	-	7,489	-	-	-	-	-
		-	-	-	-	174,677	-	-	-	-	-

* The fair value of these financial assets are not significantly different from their carrying amounts since these assets are either short term in nature or are frequently repriced to market rate.

31 December, 2023										
Particulars	Carrying value						Fair value hierarchy			
	Note	Available for sale / FVTPL	Held to maturity	Other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3

----- Rupees in thousand -----

Financial assets - measured at fair value

Equity share - Quoted	9.1	-	-	-	-	-	-	-	-	-
Mutual funds - JS Growth fund	9.1	-	-	-	-	-	-	-	-	-
Mutual funds	9.2	-	-	-	-	-	-	-	-	-

Financial assets - not measured at fair value*

Debt securities	10	-	57,005	-	-	-	57,005	-	-	-
Loans and other receivables		-	-	83,843	-	-	83,843	-	-	-
Insurance / reinsurance receivables	11	-	-	60,475	-	-	60,475	-	-	-
Reinsurance recoveries against outstanding claims		-	-	40,038	-	-	40,038	-	-	-
Prepayments	13	-	-	1,609	-	-	1,609	-	-	-
Cash and bank	14	-	-	-	142,861	-	142,861	-	-	-
		-	57,005	185,965	142,861	-	385,831	-	-	-

Financial liabilities - not measured at fair value*

Underwriting provisions:

Outstanding claims (including IBNR)		-	-	-	-	101,142	-	-	-	-
Long term deposits		-	-	-	-	130	-	-	-	-
Insurance / reinsurance payables		-	-	-	-	64,135	-	-	-	-
Unclaimed dividend		-	-	-	-	555	-	-	-	-
Other creditors and accruals		-	-	-	-	8,376	-	-	-	-
		-	-	-	-	174,338	-	-	-	-

* The fair value of these financial assets are not significantly different from their carrying amounts since these assets are either short term in nature or are frequently repriced to market rate.

26. Corresponding figures

In order to comply with the requirements of IAS 34 'Interim financial reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year 2023, whereas, condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of the immediately preceding financial year.

27. Date of authorisation for issue

This condensed interim financial information has been authorised for issue on April 27, 2024 by the Board of Directors of the Company.


Lt. Gen (R) Ali Kuli Khan Khattak
CHAIRMAN


Dr. Shahin Kuli Khan Khattak
CHIEF EXECUTIVE


Khalid Kuli Khan Khattak
DIRECTOR


Dr. Hassan Iqbal
DIRECTOR


Amir Raza
PRINCIPAL OFFICER


Amir Nazar
CHIEF FINANCIAL OFFICER

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