



64th

YEAR OF
CONTINUOUS
SERVICES

Condensed Interim
Financial Information for
the Nine Months Period Ended
September 30,
2024

BIBOJEE GROUP



The Universal Insurance Co. Ltd.



CONTENTS

Vision / Mission Statement	02
Corporate Information	03
Board and Management Committees	04
Directors' Review	05
Condensed Interim Statement of Financial Position	07
Condensed Interim Statement of Profit or Loss	08
Condensed Interim Statement of Other Comprehensive Income	09
Condensed Interim Statement of Changes in Equity	10
Condensed Interim Statement of Cash Flow	11
Notes to the Condensed Interim Financial Statements	13



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 Advisor	Rana Muhammad Arshad Khan (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

We are pleased to present on behalf of the Board of Directors unaudited financial statements of the Company for the nine months period ended September 30, 2024.

Financial Performance

The gross written premium of the company has decreased as compared to last period but net insurance premium has reduced significantly due to impact of unearned premium income. There is a loss after tax of Rs. 18.968 million as compared to loss after tax of Rs. 6.628 million over the same period apparently on account of reduction in gross written premium.

	2024	2023
	-----Rupees in million-----	
Written gross premium	20.482	30.644
Net insurance premium	14.123	38.067
Net insurance claims	2.302	23.579
Underwriting results	(48.028)	(56.461)
Investment and other income	31.022	27.307
Loss before taxation	(11.798)	(31.172)
Loss after taxation	(18.968)	(6.628)
Loss per share	(0.38)	(0.13)

Future Outlook

For the revival of the Company, Board had already approved the revival strategy of the Company for underwriting market business along with projected business figures for next four years and through the implementation of approved strategy which is now underway and possible enhanced investment income the financial results of the Company will eventually improve. For business activities, the Company has booked a partial floor in Project Sky Gardens as disclosed in note 7.3 of these condensed interim financial statements.

For & on behalf of the Board of Directors

Date: October 19, 2024

Place: Lahore

Dr. Shahin Kuli Khan Khattak
Chief Executive Officer

Khalid Kuli Khan Khattak
Director



ڈائریکٹرز کا جائزہ

ہمیں بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2024ء کو ختم ہونے والی نو ماہ کی مدت کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی ہو رہی ہے۔

مالی کارکردگی

کمپنی کا مجموعی تحریری پریمیوم کچھلی مدت کے مقابلے میں کم ہوا ہے جبکہ ان ارنڈ پریمیوم آمدنی کے اثر کی وجہ سے نیٹ انشورنس پریمیوم بھی نمایاں طور پر کم ہوا ہے۔ اس کے علاوہ 18.968 ملین روپے کا بعد از ٹیکس نقصان ہے جو کہ اسی مدت کے مقابلے میں 6.628 ملین روپے رہا بظاہر یہ مجموعی تحریری پریمیوم میں کمی کی وجہ سے ہے۔

2024	2023	
-----	-----	ملین روپے میں
20.482	30.644	- مجموعی تحریری پریمیوم
14.123	38.067	- نیٹ انشورنس پریمیوم
2.302	23.579	- نیٹ انشورنس کمیوز
(48.028)	(56.461)	- انڈر رائٹنگ نتائج
31.022	27.307	- سرمایہ کاری اور دیگر آمدنی
(11.798)	(31.172)	- قبل از ٹیکس (نقصان)
(18.968)	(6.628)	- بعد از ٹیکس (نقصان)
(0.38)	(0.13)	- (نقصان) (نی شیئر (روپے)

مستقبل کا نقطہ نظر

بورڈ نے پہلے ہی کمپنی کی بحالی کے لیے حکمت عملی کی منظوری دے دی ہے جس میں مارکیٹ بزنس کو انڈر رائٹنگ کرنے کے ساتھ ساتھ اگلے چار سالوں کے لیے متوقع کاروباری اعداد و شمار شامل ہیں اور منظور شدہ حکمت عملی پر عمل درآمد جاری ہے۔ اور ممکنہ بہتر سرمایہ کاری کی آمدنی سے کمپنی کے مالی نتائج بالآخر بہتر ہو جائیں گے۔ کاروباری سرگرمیوں کے لیے کمپنی نے پروجیکٹ اسکائی گارڈن میں ایک جزوی فلور ٹیک کی ہے جیسا کہ ان کنڈیشنڈ عبوری مالیاتی گوشوارے کے نوٹ 7.3 میں ظاہر کیا گیا ہے۔

اظہار تشکر

ہم اپنے قابل قدر کلائنٹس، بینکرز، کوانٹوررز، ری انشوررز اور ایس ای سی پی کا ہمارے ساتھ مسلسل تعاون پر شکریہ ادا کرتے ہیں۔

تاریخ: 19 اکتوبر 2024ء

جگہ: لاہور

منجانب بورڈ آف ڈائریکٹرز

خالد خان خٹک
ڈائریکٹر

ڈاکٹر شاہین فقی خان خٹک
چیف ایگزیکٹو آفیسر



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2024

		Un-audited Sep 30, 2024	Audited Dec. 31, 2023
	Note	Rupees in thousand	
Assets			
Property and equipment	7	264,317	146,509
Investment property		46,342	46,342
Investments in Associates	8	-	270,078
Investments			
- equity securities	9	-	-
- debt securities	10	58,379	57,005
Loans and other receivables		32,256	83,843
Insurance / reinsurance receivables	11	59,590	60,475
Reinsurance recoveries against outstanding claims		40,085	40,038
Deferred commission expense		1,134	755
Taxation - payments less provisions		-	9,794
Deferred taxation	12	18,604	-
Prepayments	13	1,966	1,609
Cash and bank balances	14	325,306	142,861
Total Assets		847,979	859,309
Equity and Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorised share capital		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
- revaluation surplus on fixed assets		140,384	321,106
Fair value reserve on available-for-sale investments		-	-
Accumulated loss		(4,992)	(166,955)
Total Equity		649,234	667,993
Liabilities			
Underwriting Provisions			
Outstanding claims including IBNR		98,828	101,142
Unearned premium reserves		11,944	6,940
Premium deficiency reserves		4,402	3,295
Unearned reinsurance commission		125	98
Long term deposits		84	130
Insurance / reinsurance payables	11.1	60,486	64,135
Deferred taxation	12	-	6,645
Taxation - provision less payments		14,347	-
Unclaimed dividends		555	555
Other creditors and accruals		7,974	8,376
Total Liabilities		198,745	191,316
Contingencies and Commitments	15	-	-
Total Equity and Liabilities		847,979	859,309

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

 Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	 Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE OFFICER	 Khalid Kuli Khan Khattak DIRECTOR	 Wing Commander (Retd.) Javaid Ahmad Afzal DIRECTOR	 Amir Raza PRINCIPAL OFFICER	 Amir Nazar CHIEF FINANCIAL OFFICER
--	--	---	--	--	--



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	Note	Three months period ended		Nine months period ended	
		July to Sep, 2024	July to Sep, 2023	January to Sep, 2024	January to Sep, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
----- (Rupees in thousand) -----					
Net insurance premium	16	5,452	9,044	14,123	38,067
Net insurance claims	17	(987)	(10,745)	(2,302)	(23,579)
Premium deficiency		(1,539)	(1,625)	(1,107)	701
Net commission	18	(499)	(1,101)	(1,407)	(4,754)
Insurance claims and expense		(3,025)	(13,471)	(4,816)	(27,632)
Management expenses	19	(18,121)	(22,923)	(57,335)	(66,896)
Underwriting results		(15,694)	(27,350)	(48,028)	(56,461)
(Loss) / Income on Investments	20	1,902	2,255	(24,008)	8,189
Rental income		160	158	465	609
Other income	21	27,837	17,611	54,565	18,509
Other expenses	22	(1,270)	(2,041)	(5,067)	(6,456)
Results of operating activities		12,935	(9,367)	(22,073)	(35,610)
Share of profit of associates - net	8	-	(4,866)	10,275	4,438
Loss before income taxation		12,935	(14,233)	(11,798)	(31,172)
Minimum and final taxes					
Final taxes		-	-	-	(368)
Minimum tax differential		-	(129)	-	(665)
Loss before income tax		12,935	(14,362)	(11,798)	(32,205)
Income tax					
- current year		(2,273)	-	(32,210)	-
- prior year		-	-	-	(40)
- deferred		(1,118)	19,828	25,040	25,617
		(3,391)	19,828	(7,170)	25,577
Loss after taxation		9,544	5,466	(18,968)	(6,628)
----- Rupee -----					
Loss per share (after taxation)		0.19	0.11	(0.38)	(0.13)

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

 Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	 Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE OFFICER	 Khalid Kuli Khan Khattak DIRECTOR	 Wing Commander (Retd.) Javaid Ahmad Afzal DIRECTOR	 Amir Raza PRINCIPAL OFFICER	 Amir Nazar CHIEF FINANCIAL OFFICER
---	---	--	---	------------------------------------	---



**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

	Three months period ended		Nine months period ended	
	July to Sep, 2024	July to Sep, 2023	January to Sep, 2024	January to Sep, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	----- (Rupees in thousand) -----			
Loss for the period after taxation	9,544	5,466	(18,968)	(6,628)
Other comprehensive gain / (loss)				
Unrealised profit / (loss) on available-for-sale investments	-	18	-	61
Deferred tax asset / (liability) on remeasurement of available-for-sale investments	-	(6)	-	(18)
	-	12	-	43
Net share of other comprehensive income of associates net of taxation	-	1,050	-	1,050
Total comprehensive loss for the period	9,544	6,528	(18,968)	(5,535)

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


Lt. Gen (R) Ali Kuli Khan Khattak
CHAIRMAN


Dr. Shahin Kuli Khan Khattak
CHIEF EXECUTIVE OFFICER


Khalid Kuli Khan Khattak
DIRECTOR


Wing Commander (Retd.) Javaid Ahmad Afzal
DIRECTOR


Amir Raza
PRINCIPAL OFFICER


Amir Nazar
CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 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	Others	Revaluation surplus on fixed assets			
	(Rupees in thousand)						
Balance as at December 31, 2022 - audited	500,000	13,824	18	352,945	237	(137,303)	729,721
Transfer from revaluation surplus on buildings on account of incremental depreciation	-	-	-	(883)	-	883	-
Deferred tax adjustment	-	-	-	256	-	-	256
Miscellaneous items of associates accounted for under equity method	-	-	-	90,512	-	359	90,871
Loss for the nine months period ended September 30, 2023	-	-	-	-	-	(6,628)	(6,628)
Transfer of fair value reserve on disposal of available for sale investment	-	-	-	-	(36)	36	-
Other comprehensive loss for the nine months period ended September 30, 2023	-	-	-	-	43	1,050	1,093
Total comprehensive loss for the nine months period ended September 30, 2023	-	-	-	-	7	(5,542)	(5,535)
Balance as at September 30, 2023 - un-audited	500,000	13,824	18	442,830	244	(141,603)	815,313
Loss for the quarter ended December 31, 2023	-	-	-	-	-	(148,283)	(148,283)
Transfer of fair value reserve on available-for-sale investment	-	-	-	-	(244)	244	-
Other comprehensive income / (loss) for the quarter ended December 31, 2023	-	-	-	-	-	(44)	(44)
Total comprehensive income / (loss) for the quarter ended December 31, 2023	-	-	-	-	(244)	(148,083)	(148,327)
Transfer from revaluation surplus on buildings on account of incremental depreciation	-	-	-	(302)	-	302	-
Deferred tax adjustment	-	-	-	88	-	-	88
Transfer from revaluation surplus on 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	-	-	-	(57)	-	58	1
Transfer of revaluation surplus of associates on disposal of investment	-	-	-	(119,206)	-	119,206	-
Balance as at December 31, 2023 - audited	500,000	13,824	18	321,106	-	(166,955)	667,993
Transfer from revaluation surplus on buildings on account of incremental depreciation	-	-	-	(721)	-	721	-
Deferred tax adjustment	-	-	-	209	-	-	209
Transfer of revaluation surplus of associates on disposal of investment	-	-	-	(179,930)	-	179,930	-
Miscellaneous items of associates accounted for under equity method	-	-	-	(280)	-	280	-
Loss for the nine months period ended September 30, 2024	-	-	-	-	-	(18,968)	(18,968)
Other comprehensive income for the nine months period ended September 30, 2024	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the nine months period ended September 30, 2024	-	-	-	-	-	(18,968)	(18,968)
Balance as at September 30, 2024 - Un-audited	500,000	13,824	18	140,384	-	(4,992)	649,234

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


Lt. Gen (R) Ali Kuli Khan Khattak
CHAIRMAN


Dr. Shahin Kuli Khan Khattak
CHIEF EXECUTIVE OFFICER


Khalid Kuli Khan Khattak
DIRECTOR


Wing Commander (Retd.) Javaid Ahmad Afzal
DIRECTOR


Amir Raza
PRINCIPAL OFFICER


Amir Nazar
CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT CASH FLOW (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Nine months period ended	
	Sep 30, 2024	Sep 30, 2023
	Rupees in thousand	
Operating Cash Flows		
a) Underwriting activities		
Insurance premium received	20,482	30,644
Reinsurance premium paid	(1,575)	(4,451)
Claims paid	(5,043)	(16,005)
Reinsurance and other recoveries received	380	(12,580)
Commission paid	(2,208)	(3,465)
Commission received	205	194
Management expenses paid	(54,876)	(63,954)
Net cash outflows from underwriting activities	(42,635)	(69,617)
b) Other operating activities		
Income tax paid	(8,069)	(3,198)
Other operating payments	(5,261)	(6,700)
Other operating receipts	17,456	14,059
Loan received	597	681
Other receipts / (payments) - net	47,966	(4,103)
Net cash inflows from other operating activities	52,689	739
Total cash inflows / (outflows) from all operating activities	10,054	(68,878)
Investment activities		
Profit / return received	38,183	5,073
Rental received	465	609
Payment for investments	(7,451)	(9,807)
Proceeds from redemption of investments	258,099	75,654
Fixed capital expenditure	(120,313)	(1,385)
Proceeds from sale of fixed assets	3,408	3,581
Total cash inflows from investing activities	172,391	73,725
Cash flows from financing activities	-	-
Net cash inflows from all activities	182,445	4,847
Cash and cash equivalents at beginning of the period	142,861	10,071
Cash and cash equivalents at end of the period	325,306	14,918



Reconciliation to Condensed Interim Statement of Profit or Loss

Nine months period
ended

	Sep 30, 2024	Sep 30, 2023
	Rupees in thousand	
Operating cash flows	10,054	(68,878)
Depreciation expense	(2,299)	(2,816)
Gain / (Loss) on disposal of fixed assets	3,202	3,039
(Decrease) / increase in assets other than cash	(51,690)	20,520
Increase in liabilities	2,279	26,860
	(38,454)	(21,275)
Other adjustments		
(Loss) / Profit on investments	(24,008)	8,189
Share of profit of associates - net	10,275	4,438
Change in premium deficiency reserve	(1,107)	-
Rental income	465	609
Profit on savings accounts	33,861	1,411
	19,486	14,647
Loss after taxation	(18,968)	(6,628)

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 a day-to-day basis.

Cash for the purposes of the Condensed Interim Statement of Cash Flows consists of:

Cash and cash equivalents

Cash-in-hand and policy stamps	133	158
Current and other accounts		
Current accounts	4,461	6,615
Saving accounts	320,712	8,145
	325,173	14,760
Total cash and cash equivalents	325,306	14,918

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

 Lt. Gen (R) Ali Kuli Khan Khattak CHAIRMAN	 Dr. Shahin Kuli Khan Khattak CHIEF EXECUTIVE OFFICER	 Khalid Kuli Khan Khattak DIRECTOR	 Wing Commander (Retd.) Javaid Ahmad Afzal DIRECTOR	 Amir Raza PRINCIPAL OFFICER	 Amir Nazar CHIEF FINANCIAL OFFICER
--	--	---	--	--	--



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 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 nil (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.

The disclosures made in these condensed interim financial statements have been limited based on the requirements of the International Accounting Standard 34 'Interim Financial Reporting'. Accordingly these condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2023.

These condensed interim financial statements are unaudited.

3. Accounting convention

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 except for 4.1 below, as those applied in the preparation of preceding annual financial statements of the Company for the year ended December 31, 2023.

4.1 Change in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, prior year tax expense and deferred tax was recorded as income tax expense.

During the year the Institute of Chartered Accountants of Pakistan has issued the guidance for accounting for minimum and final taxes through circular No. 7/2014 dated May 15, 2024.

During the period ended September 30, 2024, the Company has revised its accounting policy. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative condensed interim financial statements have been restated.



For the period ended September 30, 2023

(Rupees in thousand)

	As previously reported	As restated	Restatement
Effect on statement of profit or loss (un-audited)			
Final taxes	-	(368)	(1,033)
Minimum tax differential	-	(665)	(1,033)
Income tax	(1,033)	-	-

The change has been applied retrospectively resulting in reclassification in the statement of profit or loss. The change do not have any impact on condensed interim statement of financial position, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows.

- 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, 2024 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:

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 management has opted for 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 relating to temporary exemption from the application of IFRS 9 are given below.

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

September 30, 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 thousands				
Cash and Bank*	325,306	-	-	-
Investment in debt securities-held to maturity*	-	58,379	-	-
Loan and other receivables*	32,256	-	-	-
	357,562	58,379	-	-

* 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 which 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 - Operating assets

	Un-audited Sep. 30, 2024	Audited Dec. 31, 2023
	Rupees in thousand	
Operating assets	7.1 144,317	146,509
Capital work in progress	7.2 120,000	-
	264,317	146,509
7.1 Operating assets		
Opening book value	146,509	157,919
Additions / revaluation made during the period / year:		
- furniture and fixture	18	29
- office equipment	-	1,009
- computer equipment	295	869
	313	1,907
Book values of assets disposed-off during the period / year:		
- Buildings on freehold land	-	8,836
- Furniture and fixtures	-	44
- Office equipment	-	170
- vehicles	158	-
- Motor cycle	48	467
	206	9,517
Depreciation charge for the period / year	2,299	3,800
Closing book value	144,317	146,509
7.2 Capital work in progress		
Advance payment for purchase of Building	7.3 120,000	-
7.3 This represents advance payment against reservation of partial floor in office building Project Sky Gardens of Business Vision (Pvt) Ltd, situated at Plot No. 108 C.F. 1-5, Old Clifton Quarters, Karachi.		
8. Investments in Associates - Quoted		
Bannu Woollen Mills Ltd. (BWM)		
Carrying value at beginning of the year - Gross		
8,940 (2023: 8,940) ordinary shares of Rs. 10 each	2,937	2,985
Share of loss after taxation	(35)	(46)
Other changes in comprehensive income / (loss)	-	(7)
Disposal of investment - 8,940 ordinary shares	(2,902)	-
Share of surplus on revaluation of property, plant and equipment of BWM	-	5
Gross carrying value	-	2,937
Less: Accumulated Impairment	-	(2,722)
	-	215
Ghandhara Industries Ltd. (GIL)		
Carrying value at beginning of the year		
1,416,854 (2023: 2,368,296) ordinary shares of Rs. 10 each	269,863	360,776
Share of profit after taxation	10,310	2,054
Other changes in comprehensive income	-	1,056
Share of surplus on revaluation of property, plant and equipment of GIL	-	90,867
Disposal of investment 1,416,854 ordinary shares (2023: 951,442)	(280,173)	(184,890)
	-	269,863
	-	270,078



8.1 Market values of the Company's investments in BWM and GIL as at September 30, 2024 were Nil (December 31, 2023: Rs.215 thousand) and Rs. Nil (December 31, 2023: Rs. 239.108 million) respectively.

9. Investments in equity securities

	Note	Un-audited Sep. 30, 2024	Audited Dec. 31, 2023
		Rupees in thousand	
Available-for-sale investments	9.1	-	-
		-	-

9.1 Available-for-sale investments

	September, 30, 2024			No. of shares / units as at Dec. 31, 2023	December 31, 2023		
	Cost	Unrealised gain / (impairment)	Carrying value		Cost	Unrealised gain / (impairment)	Carrying value
	---- (Rupees in thousand) ----				---- (Rupees in thousand) ----		
Listed shares							
Hamid Textile Mills Ltd.	49,000	490	(490)	-	49,000	490	(490)
		490	(490)	-		490	(490)

10. Investments in debt securities (Held to maturity)

	No. of certificates		Face value	Value of certificates	
	Un-audited September 30, 2024	Audited Dec. 31, 2023		Un-audited September 30, 2024	Audited Dec. 31, 2023
	----- (Rupees in thousand) -----				
Pakistan Investment Bonds - PIBs (including accrued interest)	6	6	59,500	58,379	57,005

10.1 Investments in PIBs have been made to meet the statutory requirements of section 29(2)(a) of the Insurance Ordinance, 2000.

11. Insurance / reinsurance receivables

	Un-audited Sep. 30, 2024	Audited Dec. 31, 2023
	Rupees in thousand	
Unsecured and considered good		
Due from insurance contract holders	4,376	17,503
Less: provision for impairment of receivables from insurance contract holders	(4,376)	(17,503)
	-	-
Due from other insurers	103,284	103,284
Due from reinsurers	77,202	78,088
Less: provision for impairment of due from other insurers / reinsurers	(120,896)	(120,897)
	59,590	60,475
	59,590	60,475

11.1 The balances as at September 30, 2024 relating to insurance / reinsurance receivables and payables are although unconfirmed but are considered to be accurately stated by the management.

11.2 No balance was due from Associated Companies as at September 30, 2024 and December 31, 2023.



12. Deferred taxation - net

This is composed of the following:

Taxable temporary differences arising in respect of:

- accelerated tax depreciation allowances
- surplus on revaluation of buildings
- surplus on revaluation of investment property
- unrealized gain on investment in associate

Deductible temporary differences arising in respect of:

- unused tax losses
- provision for doubtful insurance / reinsurance receivables and others
- employee's retirement benefits

	Un-audited Sep. 30, 2024	Audited Dec. 31, 2023
	Rupees in thousand	
	263	260
	10,144	10,353
	8,427	8,427
	-	66,509
	18,834	85,549
	-	37,317
	36,719	40,526
	719	1,061
	37,438	78,904
	18,604	(6,645)

13. Prepayments

Prepaid reinsurance premium ceded
Others

	895	675
	1,071	934
	1,966	1,609

14. Cash and bank balances

Cash and cash equivalents

Cash-in-hand

133

-

Cash at commercial banks

- Current accounts
- Savings accounts

	4,461	134,768
	320,712	8,093
	325,173	142,861

Deposits maturing within 12 months

Term deposit receipts
Provision for impairment

	855	855
	(855)	(855)
	-	-
	325,306	142,861

15. Contingencies and commitments

15.1 There has been no significant change in the status of contingencies as disclosed in notes 22.1 to 22.11 of the Company's annual audited financial statements for the year ended December 31, 2023.

15.2 No commitments were outstanding as at September 30, 2024 and December 31, 2023.

16. Net insurance premium

	<u>Three months period ended</u>		<u>Nine months period ended</u>	
	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
	Unaudited	Unaudited	Unaudited	Unaudited
	----- (Rupees in thousand) -----			
Written gross premium	14,143	15,321	20,482	30,644
Add: unearned premium reserve opening	3,705	6,904	6,940	34,477
Less: unearned premium reserve closing	11,944	11,916	11,944	11,916
Premium earned	5,904	10,309	15,478	53,205
Less: reinsurance premium ceded	745	859	1,575	4,451
Add: prepaid reinsurance premium opening	602	1,089	675	11,370
Less: prepaid reinsurance premium closing	895	683	895	683
Reinsurance expense	452	1,265	1,355	15,138
	5,452	9,044	14,123	38,067



17. Net insurance claims expense

	Three months period ended		Nine months period ended	
	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
	----- (Rupees in thousand) -----			
Claims paid	1,564	13,776	5,043	16,005
Add: outstanding claims including IBNR closing	98,828	98,189	98,828	98,189
Less: outstanding claims including IBNR opening	99,214	97,430	101,142	84,091
Claims expense	1,178	14,535	2,729	30,103
Less: reinsurance and other recoveries received	191	1,067	380	(12,580)
Add: reinsurance and other recoveries in respect of outstanding claims closing	40,085	40,821	40,085	40,821
Less: reinsurance and other recoveries in respect of outstanding claims opening	40,085	38,098	40,038	21,717
Reinsurance and other recoveries revenue	191	3,790	427	6,524
	987	10,745	2,302	23,579

18. Net commission expense

Commission paid or payable	1,298	1,835	1,964	3,465
Add: deferred commission expense opening	398	851	755	5,154
Less: deferred commission expense closing	1,134	1,369	1,134	1,369
Net commission	562	1,317	1,585	7,250
Less: commission received or recoverable	96	114	205	194
Add: unearned reinsurance commission opening	92	180	98	2,380
Less: unearned reinsurance commission closing	125	78	125	78
Commission from reinsurers	63	216	178	2,496
	499	1,101	1,407	4,754

19. Management expenses

Employees' benefit cost	11,648	14,727	38,301	44,611
Travelling	187	361	895	731
Advertisements and business promotion	12	-	266	100
Printing and stationery	66	71	366	419
Depreciation	803	954	2,299	2,816
Rent, rates and taxes	641	229	1,108	533
Legal and professional charges - business related	1,029	1,149	2,785	3,087
Electricity, gas and water	1,099	1,364	2,691	3,356
Entertainment	210	255	598	743
Vehicles' running	1,676	2,932	5,676	8,391
Office repairs and maintenance	79	70	367	330
Bank charges	9	34	36	60
Postage, telegrams and telephone	215	334	724	1,031
Annual supervision fee SECP	25	25	75	75
Miscellaneous	422	418	1,148	613
	18,121	22,923	57,335	66,896

20. Income on investments

Income from equity securities (available-for-sale)				
- Dividend income	-	-	-	2,453
- Loss on disposal of investment of associates	-	-	(29,751)	-
- Realized gain on investments at fair value through profit or loss	-	116	-	4,028
- Realized gain on available for sale investments	-	27	-	27
Income from debt securities (held to maturity)				
- Return on fixed income securities and deposits	1,902	1,905	5,743	5,273
Net unrealised loss on investments at fair value through profit or loss	-	207	-	(3,592)
	1,902	2,255	(24,008)	8,189



	Three months period ended		Nine months period ended	
	July to September, 2024	July to September, 2023	January to September, 2024	January to September, 2023
21. Other income	----- (Rupees in thousand) -----			
Income from financial assets				
Profit on savings accounts	16,188	513	33,861	1,411
Income from non-financial assets				
Insurance commission	9,948	14,059	17,456	14,059
Gain on disposal of fixed assets	1,701	3,039	3,202	3,039
Credit balances writtten back	-	-	46	-
	11,649	17,098	20,704	17,098
	27,837	17,611	54,565	18,509

22. Other expenses				
Legal & professional fees other than business related	-	60	226	1620
Auditors' remuneration	254	254	1,019	1,019
Subscription	110	219	488	640
Insurance	714	483	1,740	1,522
Office expenses	126	120	438	364
Repair and maintenance of computer equipment	40	116	317	249
Loss on disposal of fixed assets	-	(17)	-	-
Others	26	806	839	1,042
	1,270	2,041	5,067	6,456

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 period of nine months ended are as follows:

i)	Associated Companies due to common directorship	Nature of transaction	Sep 30,	Sep 30,
			2024	2023
			Rupees In thousand	
	Janana De Malucho Textile Mills Ltd.	Salaries & benefits paid	2,628	1,799
		Expenses paid	180	180
		Salaries & benefits recovered	-	1,173
	Bannu Woolen Mills Ltd	Salaries & benefits recovered	-	1,173
	Gandhara Nissan Ltd	Salaries & benefits recovered	-	1,173
	Gandhara Industries Ltd	Salaries & benefits recovered	-	1,173
	Rehman Cotton Mills Ltd	Salaries & benefits recovered	-	1,173
	Business Vision (Pvt) Ltd.	Amount received	50,000	-
		Advance payment for purchase of Building	120,000	-
ii)	Key management personnel			
	Salary and other employment benefits		24,324	29,414
	Period end balances			
	Loan - receivable		-	50



24. Segment Information

Nine months period ended September 30, 2024

	Fire and property damage	Marine and transport	Motor	Others	Total
----- (Rupees in thousand) -----					
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	711	5,632	14,582	2,746	23,671
Less: Federal excise duty	92	681	1,877	334	2,984
Federal insurance fee	6	49	126	24	205
Gross written premium (inclusive of administrative surcharge)	613	4,902	12,579	2,388	20,482
Gross direct premium	609	4,843	12,443	2,356	20,251
Facultative inward premium	-	-	-	-	-
Administrative surcharge	4	59	136	32	231
Insurance premium earned	481	3,655	10,237	1,105	15,478
Insurance premium ceded to reinsurers	215	819	185	136	1,355
Net insurance premium	266	2,836	10,052	969	14,123
Commission income	33	123	-	22	178
Net underwriting income	299	2,959	10,052	991	14,301
Insurance claims	428	870	1,364	67	2,729
Insurance claims recovered from reinsurers	-	427	-	-	427
Net claims	428	443	1,364	67	2,302
Commission expense	32	547	935	71	1,585
Management expenses	1,716	13,722	35,215	6,682	57,335
Premium deficiency expense	214	(1,352)	1,676	569	1,107
Net insurance claims and expenses	2,390	13,360	39,190	7,389	62,329
Underwriting result	(2,091)	(10,401)	(29,138)	(6,398)	(48,028)
Net income on investments					(24,008)
Rental income					465
Other income					54,565
Other expenses					(5,067)
Share of profit of associates - net					10,275
Loss before taxation					(11,798)
As at September 30, 2024 (Un-audited)					
Segment assets	34,780	48,067	8,684	10,173	101,704
Unallocated assets					746,275
					847,979
Segment liabilities	81,762	21,842	57,767	14,414	175,785
Unallocated liabilities					22,960
					198,745



Nine months period ended September 30, 2023

	Fire and property damage	Marine and transport	Motor	Others	Total
----- (Rupees in thousand) -----					
Premium receivable (inclusive of federal excise duty, federal insurance fee and administrative surcharge)	752	6,345	25,397	932	33,426
Less: Federal excise duty	99	616	1,759	119	2,593
Federal insurance fee	6	46	129	8	189
Gross written premium (inclusive of administrative surcharge)	647	5,683	23,509	805	30,644
Gross direct premium	643	4,559	12,742	782	18,726
Facultative inward premium	-	1,064	10,620	-	11,684
Administrative surcharge	4	60	147	23	234
	647	5,683	23,509	805	30,644
Insurance premium earned	14,655	4,286	32,027	2,237	53,205
Insurance premium ceded to reinsurers	12,764	831	332	1,211	15,138
Net insurance premium	1,891	3,455	31,695	1,026	38,067
Commission income	2,160	135	-	201	2,496
Net underwriting income	4,051	3,590	31,695	1,227	40,563
Insurance claims	16,552	4,012	12,493	(2,954)	30,103
Insurance claims recovered from reinsurers	9,384	1,013	-	(3,873)	6,524
Net claims	7,168	2,999	12,493	919	23,579
Commission expense	2,996	676	3,247	331	7,250
Management expenses	1,412	12,406	51,321	1,757	66,896
Premium deficiency expense	(3,094)	(1,380)	3,710	63	(701)
Net insurance claims and expenses	8,482	14,701	70,771	3,070	97,024
Underwriting result	(4,431)	(11,111)	(39,076)	(1,843)	(56,461)
Net income on investments					8,189
Rental income					609
Other income					18,509
Other expenses					(6,456)
Share of loss of associates - net					4,438
Loss before taxation					(31,172)
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.

30 September, 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	Total

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

Financial assets - not measured at fair value*

Debt securities	10	-	58,379	-	-	-	58,379	-	58,379	-	58,379
Loans and other receivables		-	-	32,256	-	-	32,256	-	-	-	-
Insurance / reinsurance receivables	11	-	-	59,590	-	-	59,590	-	-	-	-
Reinsurance recoveries against outstanding claims		-	-	40,085	-	-	40,085	-	-	-	-
Cash and bank	14	-	-	-	325,306	-	325,306	-	-	-	-
		-	58,379	133,897	325,306	-	517,582	-	58,379	-	58,379

Financial liabilities - not measured at fair value*

Underwriting provisions:

Outstanding claims (including IBNR)		-	-	-	-	98,828	-	-	-	-	-
Long term deposits		-	-	-	-	84	-	-	-	-	-
Insurance / reinsurance payables	11.1	-	-	-	-	60,486	-	-	-	-	-
Taxation - provision less payments		-	-	-	-	14,347	-	-	-	-	-
Unclaimed dividend		-	-	-	-	555	-	-	-	-	-
Other creditors and accruals		-	-	-	-	7,974	-	-	-	-	-
		-	-	-	-	182,274	-	-	-	-	-

* 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 value.



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	Total

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

Financial assets - not measured at fair value*

Debt securities	10	-	57,005	-	-	-	57,005	-	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	-	-	-	-
Cash and bank	14	-	-	-	142,861	-	142,861	-	-	-	-
		-	57,005	185,965	142,861	-	385,831	-	57,005	-	57,005

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 value.

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, whereas, condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of the immediately preceding financial year.



27. Date of authorisation for issue

These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on October 19, 2024.


Lt. Gen (R) Ali Kuli Khan Khattak
CHAIRMAN


Dr. Shahin Kuli Khan Khattak
CHIEF EXECUTIVE OFFICER


Khalid Kuli Khan Khattak
DIRECTOR


Wing Commander (Retd.) Javaid Ahmad Afzal
DIRECTOR


Amir Raza
PRINCIPAL OFFICER


Amir Nazar
CHIEF FINANCIAL OFFICER

🏠 Universal Insurance House
63-Shahrah-e-Quaid-e-Azam
Lahore-54000 Pakistan

☎ +92-42-3735 5426, 3732 4244,
3731 3878

📠 Fax: 042-3723 0326

✉ Email: info@uic.com.pk

🌐 Web: www.uic.com.pk

