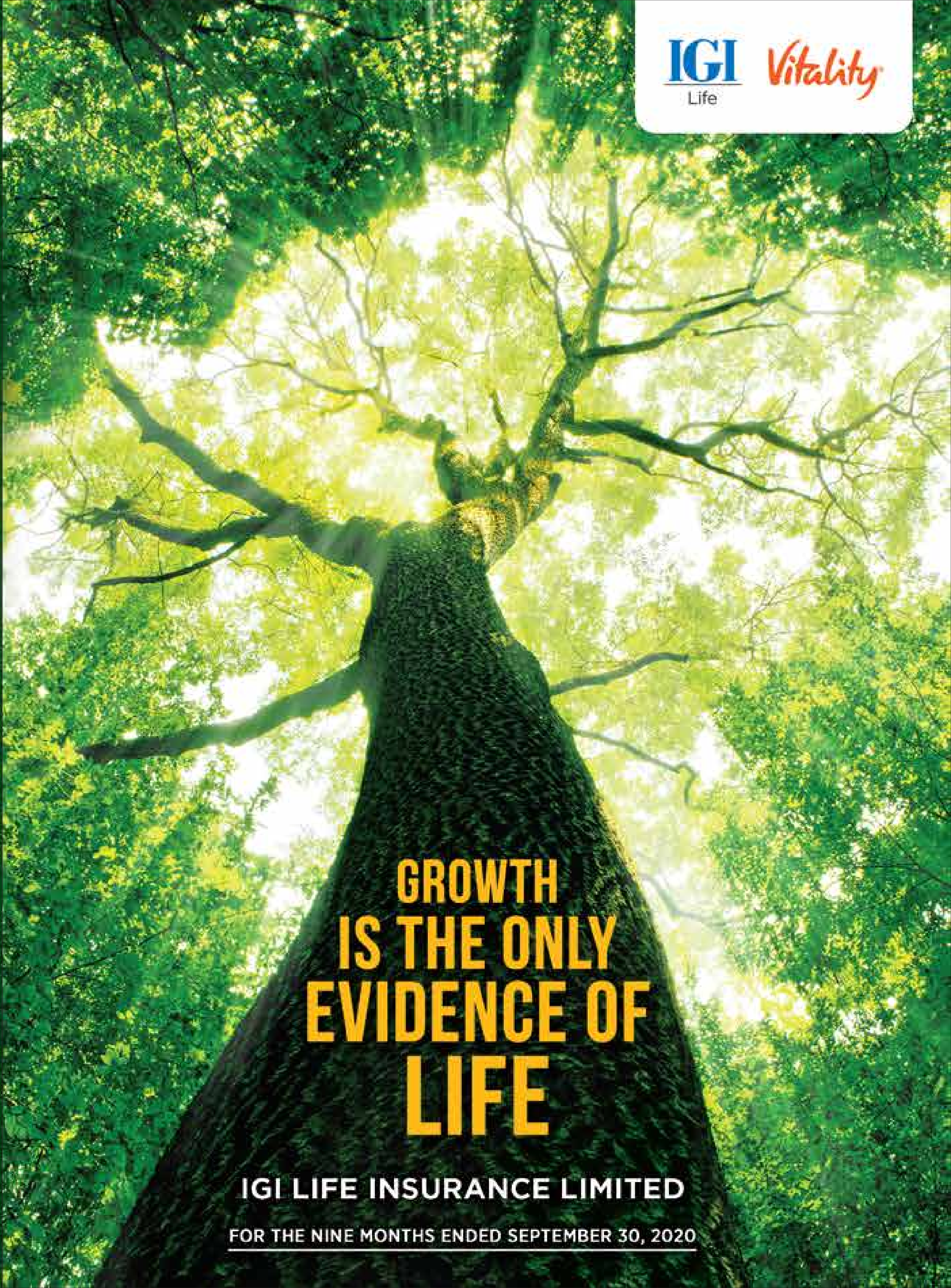
IGI Life Insurance Limited : 7th Floor, The Forum, Suite No. 701-713,
G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi-75600, Pakistan.
UAN: (+92-21) 111-111-711 | Web: www.igilife.com.pk

A Packages Group Company



VISION

Assure financial future today for
a better tomorrow.

MISSION

IGI Life provides innovative life and health insurance as well as investments solutions through ground-breaking innovation and exemplary customer service, leveraging different distribution channels.

CONTENTS

CONDENSED INTERIM FINANCIAL STATEMENTS (COMBINED)

CONDENSED INTERIM FINANCIAL STATEMENTS (WINDOW TAKAFUL OPERATIONS)

Corporate Information

Board of Directors

Shamim Ahmad Khan	Chairman
Syed Hyder Ali	Chief Executive Officer
Ms. Faresa Ahsan	Director
Syed Yawar Ali	Director
Khurram Raza Bakhtayari	Director
Ms. Zehra Naqvi	Director
Mohammad Kamal Syed	Director

Audit Committee

Mohammad Kamal Syed	Chairman
Ms. Zehra Naqvi	Member
Syed Yawar Ali	Member
Khurram Raza Bakhtayari	Member
Awais Hanif	Secretary

Claims Settlement Committee

Shamim Ahmad Khan	Chairman
Syed Yawar Ali	Member
Ms. Faresa Ahsan	Member
Kashif Qayyum	Secretary

Underwriting & Reinsurance Committee

Mohammad Kamal Syed	Chairman
Syed Hyder Ali	Member
Ms. Zehra Naqvi	Member
Tahir Masaud	Member
Abdul Haseeb	Member
Ali Nadim	Member
Hasham Wajih	Secretary

Investment Committee

Mohammad Kamal Syed	Chairman
Syed Hyder Ali	Member
Syed Yawar Ali	Member
Khurram Raza Bakhtayari	Member
Tahir Masaud	Member
Abdul Haseeb	Member
Ali Nadim	Member
Sajjad Iftikhar	Secretary

Ethics Human Resources Nomination & Remuneration Committee

Ms. Faresa Ahsan	Chair Person
Syed Hyder Ali	Member
Syed Yawar Ali	Member
Khurram Raza Bakhtayari	Member
Muhammad Adnan	Secretary

Risk Management and Compliance Committee

Shamim Ahmad Khan	Chairman
Ms. Zehra Naqvi	Member
Syed Yawar Ali	Member
Mohammad Kamal Syed	Member
Khurram Raza Bakhtayari	Member
Ayesha Haq	Secretary

Corporate Information

Head of Business and Operations
Tahir Masaud

Chief Operating Officer
Ali Nadim

Chief Financial Officer
Abdul Haseeb

Head of Internal Audit
Shahzeb Haider

Head of Compliance
Saira Sheikh

Company Secretary
Awais Hanif

Head of Window Takaful Operations
Zurre Atta Hussain

Appointed Actuary
Shujat Siddiqui MA FIA FPSA

Shariah Advisor
Dr. Mufti Ismatullah

Shariah Compliance Officer
Mufti Muhammad Hanif

Legal Advisor
Surridge and Beecheno
HaidermotaBNR & Co.
OrrDignam & Co.

Rating
Rating Agency: PACRA
Insurance Financial Strength (IFS)
Rating: A+
Outlook: Stable

Auditor
A. F. Ferguson & Co.
Chartered Accountant
A member firm of
PricewaterhouseCoopers

Share Registrar
FAMCO Associates
(Private) Limited
8-F next to Hotel Faran,
Nursery, Block 6, P.E.C.H.S.,
Shahrah-e-Faisal, Karachi.

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Bankers

- Bank Alfalah Limited
- Standard Chartered Bank (Pakistan) Limited
- Bank Al-Habib Limited
- MCB Islamic Bank Limited
- Faysal Bank Limited
- Habib Bank Limited
- Soneri Bank Limited
- MCB Bank Limited
- Meezan Bank Limited
- Summit Bank Limited
- Bank of Punjab Limited
- Dubai Islamic Bank Pakistan Limited
- Samba Bank Limited
- United Bank Limited
- Bank Al Baraka Limited
- Telenor Microfinance Bank Limited
- Mobilink Microfinance Bank Limited
- U-Micro Finance Bank Limited
- FINCA Microfinance Bank Limited
- NRSP Microfinance Bank Limited
- First Microfinance Bank Limited
- Khushali Microfinance Bank Limited
- Silk Bank Limited
- Bank Islami Pakistan Limited

Our Nationwide Network

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Central Region Lahore

Packages Lahore Branch

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Our Nationwide Network

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Central Region Okara

Okara Branch

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Multan Branch

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North Region Rawalpindi

Murree Road Rawalpindi Branch

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North Region Peshawar

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North Region Mirpur

Mirpur Branch

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Regional Office Shahrah-e-Faisal Karachi

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Fahad Laique
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South Region Sukkur

Sukkur Branch

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South Region Hyderabad

Hyderabad Branch

Muhammad Arif
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IGI Life Insurance Limited
Window Takaful Operations Branch Network

Central Region Lahore

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1st Floor, Trafco House, 1-C-1
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Central Region Kasur

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Faisalabad Branch

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Window Takaful Operations Branch Network

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Sukkur Branch

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Directors Report to the Members

Nine Months Ended September 30, 2020

The Directors of your Company are pleased to present the condensed interim financial statements (un-audited) for the nine months ended September 30, 2020:

Financial Highlights:

Profit / Loss

	Sept 30 2020	Sept 30 2019
	(Rs. in 000') (Unaudited)	
Loss before tax	(97,995)	(248,113)
Taxation	(28,419)	(71,954)
Loss after tax	(69,576)	(176,159)
Other comprehensive (loss) / income – net	(30,448)	15,016
	(in Rupees)	
Loss per share	(0.41)	(1.46)
Break-up value per share (including amount retained in the statutory funds to meet the requirement of Insurance Ordinance)	12.55	12.86

During the period ended September 30, 2020, gross premium written by your Company (including takaful contributions) stood at Rs. 4.484 billion as against Rs. 3.591 billion in the corresponding period last year. Individual Life regular premium (including takaful contributions) posted growth of 20% and stood at Rs. 1.975 billion as against Rs.1.640 billion in the corresponding period last year.

Single premium / contribution individual policies stood at Rs 983 million as compared to Rs. 305 million written in the corresponding period last year. Group Life premiums / contribution including takaful group family stood at Rs. 618 million (2019: Rs. 381 million), posting an increase of 62% from corresponding period of last year while Group Health premium / contribution (including takaful group health) stood at Rs 907 million (2019: Rs.1.265 million). This decline is due to our renewed focus on profitably growing our book of business.

The Company posted loss after tax of Rs. 69.576 million as compared to loss after tax of Rs. 176.159 million in corresponding period of last year. The decline was due to increase in acquisition costs and significant expenditures incurred on IT infrastructure and marketing of the new product "Vitality".

Window Takaful Operations

Summarised results of Company's Window Takaful Operations for the nine months are as follows:

	Sept 30 2020	Sept 30 2019
Policyholder' Fund	(Rs. in 000') (Unaudited)	
Gross Contribution	1,106,476	877,591
Net Contribution	1,082,789	864,231
Investment (Loss) / Income	(28,617)	83,942
Deficit for the period	(9,190)	(6,328)
Operator's Fund		
Investment income	73,397	16,156
Operators' loss before tax	(182,877)	(134,987)
Operators' loss after tax	(129,843)	(95,840)
Operators' other comprehensive loss	(2,066)	(661)

Future Outlook

Vitality, the newest addition to our product portfolio, continues to grow from strength to strength. It continues to be adopted by both our bancassurance partners and agency team. This is particularly as source of comfort for us in the current adverse socio-economic climate.

We are pleased to report that the company has successfully adopted to the 'new normal' with our Managed Care Call Centre and COVID-19 helpline providing round the clock medical and emergency advice and our operational teams (claims and underwriting) offering uninterrupted service to our customers.

Your Company has generated return on investments of Rs. 1,615 million during the current period as compared to Rs 1,152 million generated during corresponding period of 2019. During the current period, The State Bank of Pakistan (SBP) has reduced discount rate to 7% from 13.25% to provide growth stimulus to the local economy amid Covid-19. As a result, the investment team of your Company has also taken pro-active actions to generate steady returns even during volatile times in line with investment strategies opted by individual policyholders. Moving forward, we will continue aligning our investment portfolio in line with market conditions to generate shareholders' and policyholders' value.

The Board of Directors would like to express their gratitude to IGI Life customers and business partners. We thank our stakeholders for the trust they have placed in the Company and our employees for their valuable contribution.

On behalf of the Board of Directors

Shamim Ahmad Khan
Chairman
Dated: October 28, 2020

Syed Hyder Ali
Chief Executive Officer
Dated: October 28, 2020

ڈائریکٹرز کی رپورٹ بنام ممبران

آپ کی کمپنی کے ڈائریکٹرز مورخہ 30 ستمبر 2020ء کو اختتام پذیر ہونے والی نو ماہی کے لئے مجموعی عبوری مالیاتی گوشوارے (غیر آڈٹ شدہ) پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔

مالیاتی سرخیاں:

نفع/نقصان	30 ستمبر 2020ء	30 ستمبر 2019ء
	(روپے ہزار میں)	
	(غیر آڈٹ شدہ)	
خسارہ قبل از ٹیکس	(97,995)	(248,113)
ٹیکس کاری	(28,419)	(71,954)
خسارہ بعد از ٹیکس	(69,576)	(176,159)
دیگر جامع (نقصان)/آمدنی - خالص	(30,448)	15,016
	----(روپے میں)-----	
نقصان فی حصص (روپے)	(0.41)	(1.46)
بریک اپ ویلیو فی حصص (اس میں وہ رقم شامل ہے جو انشورنس آرڈیننس کی شرائط کی تکمیل کے لئے اسٹیچوری فنڈز میں موجود رہتی ہے)۔	12.55	12.86

30 ستمبر 2020 کو ختم ہونے والی مدت کے دوران آپ کی کمپنی کا تحریری مجموعی پریمیم (بشمول تکافل زرتعاون) 4.484 بلین روپے ریکارڈ کیا گیا جو گذشتہ سال اسی دورانیے میں 3.591 ارب روپے تھا۔ انڈیویجوئل لائف ریگولر پریمیم (بشمول تکافل زرتعاون) میں 20 فیصد اضافہ ہوا اور یہ گذشتہ سال کے اسی عرصے میں 1.640 بلین روپے کے برخلاف اس سال 1.975 بلین روپے رہا۔

گذشتہ سال کے اسی عرصے میں 305 ملین روپے کے مقابلے میں اس سال سنگل پریمیم/ زرتعاون کی انفرادی پالیسیاں 983 ملین روپے ریکارڈ کی گئی۔ گروپ لائف پریمیم/ زرتعاون (بشمول تکافل گروپ فیملی) اس سال 618 ملین (2019: 381 ملین روپے) رہی جو گذشتہ سال کی اسی مدت سے 62 فیصد زیادہ ہے گروپ ہیلتھ پریمیم/ زرتعاون (بشمول تکافل گروپ ہیلتھ) 907 ملین روپے رہا (2019: 1.265 ملین روپے)۔ اس کی وجہ کمپنی کا زیادہ منافع بخش کاروبار پر توجہ مرکوز کرنا ہے۔

آئی ٹی کے بنیادی انفرااسٹرکچر اور نئی پروڈکٹ (وٹیلیٹی) کی مارکیٹنگ پر نمایاں اخراجات کی وجہ سے کمپنی نے گذشتہ سال کے اسی عرصے میں 176.159 ملین روپے بعد از ٹیکس کے خسارے کے مقابلے میں اس سال 69.576 ملین روپے بعد از ٹیکس خسارہ ریکارڈ کیا ہے۔

ونڈو تکافل آپریشنز

کمپنی کے ونڈو تکافل آپریشنز کے نو ماہی کے تلخیص شدہ نتائج مندرجہ ذیل ہیں۔

	30 ستمبر 2020ء	30 ستمبر 2019ء
فنڈ برائے پالیسی ہولڈر	(روپے ہزار میں)	
	(غیر آڈٹ شدہ)	
مجموعی زرتعاون	1,106,476	877,591
خالص زرتعاون	1,082,789	864,231
سرمایہ کاری (نقصان) /آمدنی	(28,617)	83,942
خسارہ برائے مدت	(9,190)	(6,328)
فنڈ برائے آپریٹر		
سرمایہ کاری آمدنی	73,397	16,156
آپریٹرز کا نقصان قبل از ٹیکس	(182,877)	(134,987)
آپریٹرز کا نقصان بعد از ٹیکس	(129,843)	(95,840)
آپریٹرز کا دیگر جامع نقصان	(2,066)	(661)

مستقبل کا منظر نامہ

وٹیلیٹی، ہمارے پروڈکٹ پورٹ فولیو میں تازہ ترین اضافہ ہے جو کامیابی کے ساتھ جاری ہے۔ یہ ہمارے بینکا انشورنس شراکت داروں اور ایجنسی ٹیم دونوں کی جانب سے اپنایا جارہا ہے۔ جو کہ خاص طور پر موجودہ معاشرتی اور معاشی ماحول میں ہمارے لئے اطمینان کا باعث ہے۔

ہمیں یہ رپورٹ دیتے ہوئے نہایت خوشی ہورہی ہے کہ کمپنی نے ہمارے منیجڈ کیئر کال سنٹر اور کووڈ-19 ہیلپ لائن کے ساتھ چوبیس گھنٹے میڈیکل اور ایمرجنسی مشورے فراہم کرتے ہوئے کامیابی کے ساتھ "نئے معمول" کو اپنالیا ہے۔ اور ہماری آپریشنل ٹیمز (کلیمز اور انڈر رائیٹنگ) اپنے صارفین کو بلاتعطل خدمات فراہم کررہی ہے۔

آپکی کمپنی نے پچھلے سال اسی عرصے میں 1,152 ملین کے مقابلے میں اس سال 1,615 ملین روپے سرمایہ کاری آمدنی کمائی ہے۔ اسی عرصے کے دوران، اسٹیٹ بینک آف پاکستان نے معاشی ترقی کو محرک کرنے کیلئے ڈسکاؤنٹ ریٹ 13.25 فیصد سے 7 فیصد کردیا ہے۔ اس صورتحال کے سے نمٹنے کے لئے ہماری انویسٹمنٹ ٹیم نے ایسے فیصلے لئے ہیں جس کی وجہ سے ان غیر یقینی حالات میں بھی پالیسی ہولڈز کے لئے مستحکم آمدنی کمائی ہے۔ اگے بھی ہم اپنے انویسٹمنٹ پورٹ فولیو کو مارکیٹ کے حالات کے حساب سے منظّم کرتے رہیں گے تاکہ شیئر ہولڈرز اور پالیسی ہولڈرز کی آمدنی میں اضافہ ہوتا رہے۔

بورڈ آف ڈائریکٹر آئی جی آئی لائف کے صارفین اور کاروباری شراکت داروں سے اظہار تشکر کرنا چاہتے ہیں اور ہم اپنے تمام اسٹیک ہولڈرز بھروسے اور اپنے ملازمین کی انتھک محنت پر ان کے شکر گزار ہیں۔

منجانب بورڈ آف ڈائریکٹرز

شمیم احمد خان
چیئرمین
تاریخ: 28 اکتوبر، 2020

سید حیدر علی
چیف ایگزیکٹو آفیسر
تاریخ: 28 اکتوبر، 2020

Condensed Interim Statement of Financial Position

As at September 30, 2020

	Note	Un-audited September 30, 2020	Audited December 31, 2019
		-------- Rupees in 000 --------	
Assets			
Property and equipment	9	318,508	204,875
Intangible assets	9	431,710	437,463
Investments			
Equity securities	10	35,162	86,130
Mutual funds	10	3,085,546	3,027,759
Government securities	11	14,369,686	12,247,588
Debt securities	12	225,000	457,354
Term deposits	13	1,002,000	1,532,107
		18,717,394	17,350,938
Loans secured against life insurance policies		167,771	167,965
Insurance / takaful / reinsurance / retakaful receivables		390,266	460,958
Other loans and receivables		507,254	647,299
Taxation - payments less provision		723,925	599,667
Deferred tax asset - net		118,764	59,797
Prepayments		147,853	104,675
Cash and bank	14	(113,173)	110,462
Total assets		21,410,272	20,144,099
Equity and liabilities			
Capital and reserves attributable to Company's equity holders			
Authorised share capital			
(300,000,000 (2019: 300,000,000) ordinary shares of Rs. 10 each)		3,000,000	3,000,000
Issued, subscribed and paid-up capital		1,705,672	1,705,672
Ledger account C & D		(281,417)	(148,245)
Unappropriated profit		739,139	675,543
(Deficit) / surplus on revaluation of available for sale investments		(22,705)	7,743
Total equity		2,140,689	2,240,713
Liabilities			
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	15	17,946,082	16,864,180
Outstanding claims		410,755	371,060
Retirement benefit obligations		27,341	24,109
Premium received in advance		111,234	65,569
Reinsurance / retakaful payables		77,936	75,298
Other creditors and accruals		575,644	453,603
Lease liability against right-of-use assets		120,591	49,567
Total liabilities		19,269,583	17,903,386
Total equity and liabilities		21,410,272	20,144,099
Contingencies and commitments	16		

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

Condensed Interim Profit and Loss Account (Un-Audited)

For the Nine Months and Quarter Ended September 30, 2020

	Note	Nine months ended September 30, 2020	Nine months ended September 30, 2019	Quarter ended September 30, 2020	Quarter ended September 30, 2019
		---Rupees in 000---			
Premium / contribution revenue		4,483,602	3,591,132	1,831,961	1,110,388
Less: premium / contribution ceded to reinsurers / retakaful operators		157,341	112,271	51,543	38,510
Net premium / contribution revenue	17	4,326,261	3,478,861	1,780,418	1,071,878
Investment income	18	1,347,572	1,091,369	364,965	421,187
Net realised fair value (losses) / gains on financial assets		217,605	(20,933)	315,090	(17,526)
Other income - net		50,173	81,908	15,816	23,154
		1,615,350	1,152,344	695,871	426,815
Net income		5,941,611	4,631,205	2,476,289	1,498,693
Insurance benefits		3,312,139	3,658,695	1,165,577	1,054,361
Recoveries from reinsurers / retakaful operators		(82,213)	(72,331)	(44,767)	(13,009)
Net insurance benefits	19	3,229,926	3,586,364	1,120,810	1,041,352
		2,711,685	1,044,841	1,355,479	457,341
Change in insurance liabilities (other than outstanding claims)		1,171,938	(86,530)	709,890	21,633
Acquisition expenses	20	1,011,161	550,624	430,765	179,357
Marketing and administration expenses	21	612,837	813,127	238,795	253,625
Other expenses	22	7,321	14,136	4,020	603
Total expenses		2,803,257	1,291,357	1,383,470	455,218
		(91,572)	(246,516)	(27,991)	2,123
Finance costs		6,423	1,597	3,449	(15)
(Loss)/Profit before tax		(97,995)	(248,113)	(31,440)	2,138
Income tax	23	(28,419)	(71,954)	(9,117)	(4,692)
(Loss)/Profit after tax		(69,576)	(176,159)	(22,323)	6,830
		---Rupees---			
			(Restated)		(Restated)
(Loss)/Earning per share	24	(0.41)	(1.46)	(0.13)	0.06

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the Nine Months and Quarter Ended September 30, 2020

	Nine months ended September 30,		Quarter ended September 30,	
	2020	2019	2020	2019
	---------------------------Rupees in 000------------------------			
(Loss)/Profit after tax	(69,576)	(176,159)	(22,323)	6,830
Other comprehensive (loss) / income				
Change in unrealised income / (loss) on available-for-sale financial assets - net of tax	(120,484)	(90,695)	(197,801)	55,812
Change in insurance liabilities - net	90,036	105,711	211,521	(53,971)
Other comprehensive (loss) / income for the period	(30,448)	15,016	13,720	1,841
Total comprehensive (loss) / income for the period	(100,024)	(161,143)	(8,603)	8,671

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

Condensed Interim Statement of Changes in Equity

For the Nine Months and Quarter Ended September 30, 2020

	Attributable to equity holders of the Company				
	Share capital	Un-appropriated profit *	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments	Total
	-------------------------------------Rupees in 000------------------------------------				
Balance as at December 31, 2018 (audited)	705,672	625,357	71,065	(48,240)	1,353,854
Total comprehensive income / (loss)					
Profit / (loss) for the nine months ended September 30, 2019	-	14,182	(190,341)	-	(176,159)
Other comprehensive income for the nine months ended September 30, 2019	-	-	-	15,016	15,016
	-	14,182	(190,341)	15,016	(161,143)
Balance as at September 30, 2019 (un-audited)	705,672	639,539	(119,276)	(33,224)	1,192,711
Total comprehensive income / (loss)					
Profit / (loss) for the quarter ended December 31, 2019	-	36,004	(36,563)	-	(559)
Other comprehensive income for the quarter ended December 31, 2019	-	-	7,594	40,967	48,561
	-	36,004	(28,969)	40,967	48,002
Transactions with owners recorded directly in equity					
Issuance of right shares	1,000,000	-	-	-	1,000,000
Balance as at December 31, 2019 (audited)	1,705,672	675,543	(148,245)	7,743	2,240,713
Total comprehensive income / (loss)					
Profit / (loss) for the nine months ended September 30, 2020	-	63,596	(133,172)	-	(69,576)
Other comprehensive loss for the nine months ended September 30, 2020	-	-	-	(30,448)	(30,448)
	-	63,596	(133,172)	(30,448)	(100,024)
Balance as at September 30, 2020 (un-audited)	1,705,672	739,139	(281,417)	(22,705)	2,140,689

* This includes an amount of Rs. 50 million set aside by the Company in respect of Takaful operations.
** This balance is net of related change in insurance liabilities.

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

Condensed Interim Cash Flow Statement (Un-Audited)

For the Nine Months and Quarter Ended September 30, 2020

	Note	2020	2019
		---------Rupees in 000---------	
Operating Cash flows			
(a) Underwriting activities			
Premiums received net of policy transfers		4,527,528	3,411,322
Reinsurance premium paid		(271,016)	(142,452)
Claims paid		(1,193,156)	(1,200,282)
Surrenders paid		(2,135,311)	(2,438,462)
Reinsurance recovery received		154,644	64,708
Commissions paid		(834,485)	(368,568)
Commission received		35,548	142,452
Net cash inflow from / (outflow on) underwriting activities		283,752	(531,282)
(b) Other operating activities			
Income tax paid		(150,234)	(112,919)
Payment for expenses		(666,344)	(860,675)
Other operating receipts		15,008	152,945
Loans advanced		12,498	8,835
Loan repayments received		4,121	6,996
Net cash outflow on other operating activities		(784,951)	(804,818)
Total cash outflows on all operating activities		(501,199)	(1,336,100)
Investment activities			
Profit / return received		1,578,311	1,115,557
Dividend received		106,898	29,923
Payment for investments		(1,852,403)	(5,379,197)
Proceeds from disposal of investments		112,230	5,211,165
Fixed capital expenditure		(175,491)	(534,855)
Fixed assets disposals		3,976	6,285
Capital work in progress		(26,047)	356,228
Total cash (outflows on) / inflows from investing activities		(252,526)	805,106
Financing activities			
Dividends paid		(17)	-
Total cash outflows on financing activities		(17)	-
Net cash outflow on from all activities		(753,742)	(530,994)
Cash and cash equivalents at beginning of period		1,642,569	1,833,762
Cash and cash equivalents at end of period	14.2	888,827	1,302,768
Reconciliation to Profit and Loss Account			
Operating cash flows		(501,199)	(1,336,100)
Depreciation and amortisation expenses		(116,709)	(86,614)
Gain on disposal of fixed assets		1,553	6,029
Increase in assets other than cash		267,088	198,349
Decrease / (increase) in liabilities		(1,195,597)	31,186
Investment income		1,452,427	890,626
Profit received on bank deposits		22,861	120,365
Loss after taxation		(69,576)	(176,159)

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

Notes to and Forming Part of the Condensed Interim Financial Statements (Un-Audited)

For the Nine Months and Quarter Ended September 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Company.

1.2 The Company is a subsidiary of IGI Holdings Limited ("Holding Company") which holds 82.69% (December 31, 2019 : 82.69%) share capital of the Company.

1.3 The Company is engaged in life insurance, carrying on both participating and non-participating business. The Company is also engaged in providing Shariah Compliant family takaful products as an approved window takaful operator.

1.4 In accordance with the requirements of the Insurance Ordinance, 2000, the Company established a Shareholders' Fund and Separate Statutory Funds, in respect of each class of life insurance and family takaful business. The Statutory Funds established by the Company, in accordance with the advice of the Appointed Actuary are as follows:

- Life (participating)
- Life (non-participating) – Individual
- Life (non-participating) – Group
- Accident & Health – Individual
- Accident & Health – Group
- Pension Business Fund
- Investment Linked
- Individual Family Takaful
- Group Family Takaful
- Group Health Takaful

2 BASIS OF PREPARATION

2.1 Statement of compliance

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 comprise of:

- Accounting Standards (IAS 34) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017; and

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

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

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. 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, 2019.

2.3 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2019.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

The Securities and Exchange Commission of Pakistan (the SECP), in exercise of the powers conferred under Rule 11(1)(c) of the Takaful Rules, 2012, has imposed certain conditions vide its Circular No. 15 of 2019 dated November 18, 2019 on life insurers related to financial reporting of their window takaful operations. Under these conditions, the Life Insurers shall separately prepare financial statements for family takaful operations as if these are carried out by a Standalone Takaful Operator and shall be annexed with the insurer's annual / interim report (as applicable).

Accordingly, the Company has prepared and annexed to these condensed interim financial statements, a standalone set of condensed interim financial statements for Window Takaful Operations of the Company, as if these are carried out by a Standalone Takaful Operator. This standalone set of condensed interim financial statements for Window Takaful Operations of the Company is unaudited and un-reviewed and is being submitted in compliance with the conditions imposed by the SECP as detailed above.

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2020, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments or interpretations:

	Effective date (period beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2020
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors ' (amendments)`	January 1, 2020
- IFRS 9 - 'Financial instruments'	January 1, 2023 *

*The management 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 relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

5.2.2 There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2021, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual audited financial statements for the year ended December 31, 2019. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2020 conducted at the year end. Hence actuarial gains / losses for the nine months ended September 30, 2020 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2019.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an insurance company, the management has opted temporary exemption from the application of IFRS 9 as allowed by the International Accounting Standards Board (IASB) for entities whose activities are predominantly connected with insurance. Additional disclosures, as required by the IASB, for being eligible to apply the temporary exemption from the application of IFRS 9 are given in note 8.1 below:

8.1 Fair value of financial assets as at September 30, 2020 and change in the fair values during the nine months ended September 30, 2020:

Financial assets with contractual cash flows that meet the SPPI criteria, excluding those held for trading	(Rupees in 000)
Pakistan Investment Bonds - available for sale (refer note 11)	
Opening fair value	9,235,853
Additions / (disposals) during the period	(5,612,072)
Increase / (decrease) in fair value	(232,168)
Closing fair value	3,391,613
Market Treasury Bills - available for sale (refer note 11)	
Opening fair value	3,011,735
Additions / disposals during the period	7,678,858
Increase / (decrease) in fair value	10,532
Closing fair value	10,701,125
GOP Ijarah Sukuk - available for sale (refer note 11)	
Opening fair value	-
Additions / disposals during the period	284,649
Increase / (decrease) in fair value	(7,701)
Closing fair value	276,948
Debt Securities - available for sale (refer note 12)	
Opening fair value	457,354
Additions / disposals during the period	(232,354)
Increase / (decrease) in fair value	-
Closing fair value	225,000
Financial assets that do not meet the SPPI criteria	
Mutual funds - available for sale (refer note 10)	
Opening fair value	3,027,759
Additions / disposals during the period	228,239
Increase / (decrease) in fair value	(170,452)
Closing fair value	3,085,546
Listed equities - available for sale (refer note 10)	
Opening fair value	86,130
Additions / disposals during the period	(42,178)
Increase / (decrease) in fair value	(8,790)
Closing fair value	35,162

9 PROPERTY AND EQUIPMENT

	Note	Un-audited September 30, 2020	Audited December 31, 2019
		------ Rupees in 000 ------	
Tangible assets (including right-of-use-asset)		290,724	203,138
Capital work-in-progress		27,784	1,737
		318,508	204,875
Intangible assets		431,710	437,463
	9.1	750,218	642,338

9.1		Un-audited September 30, 2020	Audited December 31, 2019
Opening net book value		640,601	189,122
Add: Additions during the period / year			
-	Leasehold improvements	1,559	24,165
-	Furniture and fixtures	5,147	6,296
-	Office equipment	4,744	5,007
-	Computer equipment	26,682	6,905
-	Motor vehicles	83,011	28,378
-	Right-of-use assets	25,474	12,286
-	Software and licenses	54,348	497,028
		200,965	580,065
Less: net book value of disposals		2,423	1,973
Less: depreciation and amortisation for the period / year		116,709	126,613
		119,132	128,586
Closing net book value		722,434	640,601
Add: capital work-in progress		27,784	1,737
		750,218	642,338

10 INVESTMENTS IN EQUITY SECURITIES

	Un-audited As at September 30, 2020			Audited As at December 31, 2019		
	Carrying amount	Market value	Deficit on revaluation of investments	Carrying amount	Market value	Surplus on revaluation of investments
	------Rupees in 000------					
Available for sale:						
Listed equity securities	39,900	35,162	(4,738)	82,078	86,130	4,052
Mutual Funds	3,072,490	3,085,546	13,056	2,844,251	3,027,759	183,508
	3,112,390	3,120,708	8,318	2,926,329	3,113,889	187,560

11 INVESTMENTS IN GOVERNMENT SECURITIES

	Note	Un-audited As at September 30, 2020			Audited As at December 31, 2019		
		Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Surplus on revaluation of investments
		------Rupees in 000------					
Available for sale:							
Pakistan Investment Bonds	11.1 & 11.2	3,379,861	3,391,613	11,752	8,991,933	9,235,853	243,920
Market Treasury Bills	11.3	10,684,492	10,701,125	16,633	3,005,634	3,011,735	6,101
GOP Ijarah Sukuk	11.4	284,649	276,948	(7,701)	-	-	-
		14,349,002	14,369,686	20,684	11,997,567	12,247,588	250,021

11.1 The effective yield on Pakistan Investment Bonds ranges from 6.66% to 12.68% (December 31, 2019: 6.60% to 14.97%) per annum. The market yield ranges from 7.18% to 8.25% (December 31, 2019: 11% to 13.44%) per annum.

11.2 The Company has deposited 10 years Pakistan Investment Bonds having face value amounting to Rs. 193 million (December 31, 2019: Rs. 192.34 million) with State Bank of Pakistan under section 29 of Insurance Ordinance, 2000.

11.3 The effective yield on Market Treasury Bills ranges from 6.40% to 13.12% (December 31, 2019: 13.15% to 14.19%) per annum. The market yield ranges from 7.10% to 7.25% (December 31, 2019: 13.25% to 13.44%) per annum.

11.4 The effective yield on GOP Ijarah Sukuk ranges from 6.63% to 7.36% (December 31, 2019: Nil) per annum.

12 INVESTMENTS IN DEBT SECURITIES

	Note	Un-audited As at September 30, 2020			Audited As at December 31, 2019		
		Carrying amount	Market value	Surplus / (deficit) on revaluation of investments	Carrying amount	Market value	Surplus / (deficit) on revaluation of investments
		------Rupees in 000------					
Available for sale:							
Unlisted term finance certificates	12.1	225,000	225,000	-	225,000	225,000	-
Commercial papers		-	-	-	232,354	232,354	
		225,000	225,000	-	457,354	457,354	-

12.1 The effective yield on term finance certificates are 8.50% to 9.97% (December 31, 2019: 14.89% to 15.40%) per annum.

13 INVESTMENTS IN TERM DEPOSIT RECEIPTS

	Un-audited As at September 30, 2020			Audited As at December 31, 2019		
	Principal amount	Tenure	Rates	Principal amount	Tenure	Rates
	Rupees in 000			Rupees in 000		
Held to maturity						
Term Deposit Receipts	1,002,000	1 month to 3 months	6% to 6.50% per annum	1,532,107	1 month to 3 months	11.75% to 13.50% per annum

14 CASH AND BANK

	Note	Un-audited September 30, 2020	Audited December 31, 2019
		------ Rupees in 000 ------	
Cash in hand		857	774
Cash at bank			
- Savings accounts	14.1	(114,030)	109,688
		(113,173)	110,462

14.1 These savings accounts carry markup rates ranging between 5.5% - 6% per annum (December 31, 2019: 10% - 12%).

14.2 Cash and cash equivalents

	Note	Un-audited September 30, 2020	Audited December 31, 2019
		------ Rupees in 000 ------	
Cash and bank balances	14	(113,173)	110,462
Term deposit receipts (with original maturity of less than 3 months)	13	1,002,000	1,532,107
		888,827	1,642,569

	Note	Un-audited September 30, 2020	Audited December 31, 2019
		------ Rupees in 000 ------	

15 INSURANCE LIABILITIES

Incurred but not reported claims	167,663	221,007
Investment component of unit-linked and account value policies	8,748,455	7,967,418
Liabilities under individual conventional insurance contracts	6,874,762	6,785,242
Liabilities under group insurance contracts	541,304	292,730
Other insurance liabilities	1,105,064	1,188,543
Ledger account A and B	508,834	409,240
	17,946,082	16,864,180

16 CONTINGENCIES AND COMMITMENTS

With effect from November 1, 2018, the Punjab Revenue Authority (PRA), withdrew the exemption on both, life and health insurance, and subjected the same to the levy of Punjab Sales Tax (PST). Previously, the Sindh Revenue Board (SRB) had withdrawn similar exemptions granted in Sindh. However, during 2019, the Sindh Revenue Board, vide notification no. SRB 3-4/5/2019 dated May 8, 2019, restored the exemption on both, life and health insurance business uptil June 30, 2019.

With effect from July 1, 2019, in Sindh, the SRB, vide its notifications SRB-3-4/16/2019 and SRB-3-4/14/2020, extended the exemption to health insurance upto June 30, 2021. For individual life insurance, the SRB prescribed a reduced rate of 3% on gross premium written. The exemption to Group Life insurance lapsed on June 30, 2019. Hence, Group Life Insurance was made taxable at the full rate of 13%. The SRB, however, vide its notification SRB-3-4/13/2020 dated June 22, 2020, provided exemptions to Individual Life and Group Life Insurance subject to e-deposit of sales tax payable thereon, as were provided or rendered during the period from July 1, 2019 till June 30, 2020. The Company, however, has not availed this exemption.

With effect from April 2, 2020, in Punjab, the Government of the Punjab (Finance department), as part of COVID relief, amended Second Schedule to the Punjab Sales Tax on Services Act, 2012 and changed sales tax rates on health and life insurance to 0% without input tax adjustment for the period from notification's effective date till June 30, 2020. This tax exemption is however retained only in case of Individual Health Insurance through Punjab Finance Act, 2020 which is effective from July 1, 2020.

The Insurance Association of Pakistan (IAP) had taken up the matter extensively with PRA and SRB for restoration of the exemptions that were withdrawn, besides seeking legal advice. The legal advisors of the IAP/Company have confirmed the contention of the Company that insurance is not a service, but infact, in sum and substance, a contingent contract under which payment is made on the occurrence of an event, specified in the terms of contract or policy, and is thus a financial arrangement. Superior courts in foreign jurisdictions have held that insurance is not a service.

The legal advisors have also raised the important question of constitutionality of the levy of provincial sales tax on life insurance, which is a Federal subject, and have expressed the view that under Article 142 of the Constitution of Pakistan, only those matters which are not enumerated in the Federal Legislative List, may be legislated upon by the provinces. In their view, since the Federation has retained a legislative mandate over all laws relating to insurance, therefore, only the Federation is entitled to levy any tax in relation to insurance business.

Without prejudice to the main contentions as stated above, even otherwise, the legal advisors have expressed in their opinions a further flaw in the context of the manner in which the entire premium payment, i.e. Gross Written Premium (GWP) is being charged to the levy of provincial sales tax. This is despite the fact that there are two distinct elements of GWP (i) the amount allocated towards the policy holders' investment, which belongs to them and (ii) the difference between the GWP charged and the investment amount allocated. Thus, in their view, if the entire GWP is subjected to provincial sales tax, then this is akin to a direct tax on policy holders, in the nature of income tax, wealth tax, or capital value tax, all of which fall exclusively within the domain of Federal Legislature.

Based on the above contentions, the Company and other life insurance / health insurance companies challenged the levy of PST on life and health insurance in the Punjab through a writ petition in the Hon'ble Lahore High Court (LHC) in September 2019. Subsequent to the filing of the petition, in October 2019, the PRA issued a show cause notice to the Company and other life insurance companies, attempting to levy PST on the Pan Pakistan GWP, i.e. beyond their jurisdiction, and for the entire calendar year 2018, besides other inaccuracies. The Company and other life insurance companies have filed further Writ Petitions in the Honourable Lahore High Court against the same. The petition is pending adjudication.

In Sindh, extensive discussions were held at the collective level of IAP with the SRB for the restoration of exemption on life insurance, which remained inconclusive. In November 2019, the Company, and other life insurance companies received show cause notices from the SRB, requiring the companies to deposit the SST on life insurance. Based on the same contentions as PST, the Company and other life insurance companies, have filed a Petition in the Hon'ble Sindh High Court (SHC) in November 2019, challenging the levy of SST. The Hon'ble SHC, in their interim order dated December 2, 2019, directed that the request of the petitioners, seeking exemption in terms of Section 10 of the SST Act, 2011, shall be considered by the SRB in accordance with the law. The Company, along with other industry participants, have filed a petition The Petition is pending adjudication.

In January 2020, the SRB, PRA and BRA invited the IAP and insurance industry to hold a dialogue for an amicable settlement of the matter. The Company, along with the IAP and other insurance companies participated in the meeting convened by Chairman SRB, and will continue its efforts to convince the provincial revenue authorities about the merits of the case.

The SRB has also issued show cause notices to life insurance companies compelling them for mandatory registration under SST Act, 2011. The Company had filed a stay petition with the SHC against the coercive action taken by SRB for compelling the Company for mandatory registration which was granted by SHC on September 22, 2020.

The legal advisors, in their opinion, have expressed the view that the Company has a reasonably strong case on the merits of the Petitions filed in both, the Hon'ble LHC and Hon'ble SHC, against the imposition of the provincial sales taxes on life and health insurance in the Punjab and on life insurance in Sindh.

Had the sales tax liability on life insurance and health insurance premium been recorded, the loss after tax and loss per share would have been higher by Rs. 207.778 million and Rs. 1.22 respectively while sales tax liability as at September 30, 2020 would have been higher by Rs. 292.644 million.

	--------Un-audited--------- For the nine months ended September 30	
	2020	2019
	---- Rupees in 000 ----	

17 NET PREMIUM / CONTRIBUTION REVENUE

Gross premiums / contribution:		
Regular premium / contribution individual policies*		
First year	812,457	422,838
Second year renewal	279,266	307,316
Subsequent year renewal	883,365	909,799
Single premium / contribution individual policies	982,968	305,147
Group policies without cash value	1,525,546	1,646,032
Total gross premiums / contribution	4,483,602	3,591,132
Less: reinsurance premium / contribution ceded		
On individual life first year business	20,334	16,863
On individual life second year business	5,083	6,392
On individual life renewal business	25,437	24,668
On single premium policies	3,133	4,244
On individual accident and health first year	2,016	2,741
On group policies	136,886	75,774
Commission from reinsurers	(35,548)	(18,411)
	157,341	112,271
Net premium / contribution	4,326,261	3,478,861

* Individual policies are those underwritten on an individual basis, and includes joint life policies underwritten as such.

18 INVESTMENT INCOME

Return on government securities	1,059,026	943,639
Amortisation of discount / (premium)	56,252	4,892
Dividend income	106,898	29,923
Profit on term deposit receipts	96,031	86,136
Profit on debt securities	29,365	26,779
	1,347,572	1,091,369

	--------Un-audited--------- For the nine months ended September 30 2020	2019
	---- Rupees in 000 ----	
19 NET INSURANCE BENEFITS		
Gross claims		
Claims under individual policies		
By death	109,185	114,583
By insured event other than death	-	-
By maturity	8,785	9,035
By surrender	2,135,311	2,438,462
Total gross individual policy claims	2,253,281	2,562,080
Claims under group policies		
by death	424,687	194,887
by insured event other than death	690,193	909,618
by surrender	-	-
experience refund	(56,022)	(7,890)
Total gross group policy claims	1,058,858	1,096,615
Total gross policy claims	3,312,139	3,658,695
Less: reinsurance recoveries		
On individual life claims	40,318	40,306
On group life claims	41,895	32,025
	82,213	72,331
Net insurance benefit expense	3,229,926	3,586,364
20 ACQUISITION EXPENSES		
Remuneration to insurance intermediaries on individual policies:		
- Commission on first year premiums / contribution	325,319	163,063
- Commission on second year premiums / contribution	17,515	18,449
- Commission on subsequent renewal premiums / contribution	24,391	23,826
- Commission on single premiums / contribution	33,297	9,190
- Other benefits to insurance intermediaries	351,642	174,249
	752,164	388,777
Remuneration to insurance intermediaries on group policies:		
- Commission	118,205	130,406
- Other benefits to insurance intermediaries	2,463	2,949
	120,668	133,355
Branch overheads :		
- Salaries and other benefits	67,657	14,224
- Other operational cost	60,350	11,475
	128,007	25,699
Other acquisition cost :		
- Policy stamps	10,322	2,793
	1,011,161	550,624

	--------Un-audited--------- For the nine months ended September 30 2020	2019
21 MARKETING AND ADMINISTRATION EXPENSES	---- Rupees in 000 ----	
Salaries, allowances & other benefits	266,434	347,748
Travelling expenses	3,978	12,400
Directors fees	4,869	5,399
Regulators fee	12,486	22,226
Actuary's fees	6,809	6,508
Medical fees	-	991
Legal and professional charges	4,086	2,396
Advertisement and publicity	12,384	50,133
Printing and stationery	14,384	9,907
Depreciation and amortisation	116,709	86,614
Rentals	40,222	51,534
Vehicles and general repair and maintenance	62,509	111,213
Utilities-electricity, water and gas	12,908	12,378
Transportation	3,212	5,955
Communication	18,335	28,089
Consultancy fee	7,050	16,149
Training and workshop	703	1,859
Insurance	6,765	5,204
Interest on premium deposit in advance	1,035	1,042
Social security	2,200	1,301
Entertainment	5,274	9,942
Books and subscriptions	12	24
Miscellaneous expenses	10,473	24,115
	612,837	813,127
22 OTHER EXPENSES		
Auditors' remuneration	7,321	4,576
Exchange loss	-	9,560
	7,321	14,136

23 TAXATION

As per Income Tax Ordinance, 2001, the current tax expense is chargeable to income attributable to shareholder's fund only. During the nine months ended September 30, 2020, the shareholder's fund reflected a profit before tax of Rs. 89.572 million resulting in current tax amounting to Rs. 25.976 million.

The Income Tax Ordinance, 2000 requires insurance companies to charge tax on the surplus transferred to shareholder's fund. However, due to application of the Insurance Accounting Regulations, 2017, the surplus generated by statutory funds (other than participating fund) of the Company are also presented in profit and loss account on aggregate basis. Therefore the Company has recognised deferred tax of Rs. 114.946 million (December 31, 2019: Rs. 60.551 million) in this respect.

	----------------Un-audited------------------			
	For the nine months ended September 30,		For the quarter ended September 30,	
	2020	2019	2020	2019
24 (LOSS)/EARNING PER SHARE	----------Rupees in 000---------		----------Rupees in 000----------	
Basic / diluted loss per share				
(Loss)/Profit for the period	(69,576)	(176,159)	(22,323)	6,830
Weighted average number of ordinary shares	170,567,200	120,935,890	170,567,200	120,935,890
	---------------------- (Rupees) -----------------------			
		(Restated)		(Restated)
(Loss)/Earning per share	(0.41)	(1.46)	(0.13)	0.06

25 SEGMENT INFORMATION

Each class of business has been identified as a reportable segment. The following is a schedule of class of business wise assets, liabilities, revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017 and the Insurance Accounting Regulations, 2017:

25.1 Revenue Account by Statutory Funds

	(Un-audited)												
	For the nine months ended September 30, 2020												
	CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS					Total
	Life (Participating)	Life (Non-participating) Individual	Life (Non-participating) Group	Investment Linked	Accident & Health Individual	Accident & Health Group	Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health		
	Rupees in '000												
INCOME													
Premiums / contribution less reinsurances / retakaful	20,385	316,907	468,235	1,519,713	5,650	878,825	1,268	1,039,192	206	15,320	25,012	4,290,713	
Net investment income	210,644	670,570	1,158	395,624	(47)	(1,418)	13,005	(21,757)	-	(81)	(212)	1,267,486	
Other income - net	5,843	8,389	3,148	11,518	47	18,072	7	75,356	1	755	3,497	126,633	
Total net income	236,872	995,866	472,541	1,926,855	5,650	895,479	14,280	1,092,791	207	15,994	28,297	5,684,832	
CLAIMS AND EXPENDITURE													
Claims, including bonuses, net of reinsurance recoveries	89,123	707,993	295,812	1,051,723	313	637,176	9,483	363,811	-	28,067	46,425	3,229,926	
Policy transfers to other statutory funds	-	-	-	-	-	-	-	-	-	-	-	-	
Management expenses less recoveries	6,734	124,601	70,135	545,359	18,432	179,155	-	603,935	77	11,715	23,142	1,583,285	
Total claims and expenditure	95,857	832,594	365,947	1,597,082	18,745	816,331	9,483	967,746	77	39,782	69,567	4,813,211	
Excess / (shortage) of Income over claims and expenditure	141,015	163,272	106,594	329,773	(13,095)	79,148	4,797	125,045	130	(23,788)	(41,270)	871,621	
Add: Policyholders' liabilities at beginning of the period	1,558,617	6,093,433	99,126	5,934,041	14,841	352,032	146,962	2,238,892	-	19,872	(2,877)	16,454,939	
Less: Policyholders' liabilities at end of the period	(1,600,039)	(6,109,772)	(249,354)	(6,400,938)	(13,876)	(411,869)	(150,454)	(2,524,871)	(111)	(341)	24,377	(17,437,248)	
Movement in policyholders' liabilities	(41,422)	(16,339)	(150,228)	(466,897)	965	(59,837)	(3,492)	(285,979)	(111)	19,531	21,500	(982,309)	
Surplus / (deficit) before tax	99,593	146,933	(43,634)	(137,124)	(12,130)	19,311	1,305	(160,934)	19	(4,257)	(19,770)	(110,688)	
Taxation	-	(48,194)	12,518	39,663	3,515	(5,762)	(379)	46,173	(6)	1,206	5,661	54,395	
Surplus / (deficit) after tax	99,593	98,739	(31,116)	(97,461)	(8,615)	13,549	926	(114,761)	13	(3,051)	(14,109)	(56,293)	
Movement in policyholders' liabilities	41,422	16,339	150,228	466,897	(965)	59,837	3,492	285,979	111	(19,531)	(21,500)	982,309	
Transfers (to) or from shareholders' fund													
- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	-	-	-	
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	
Balance of statutory fund at beginning of the period	1,967,858	6,558,849	191,462	5,880,468	4,193	375,873	154,363	2,159,828	-	22,817	45,156	17,360,867	
Balance of statutory fund at end of the period	2,108,873	6,673,927	310,574	6,249,904	(5,387)	449,259	158,781	2,331,046	124	235	9,547	18,286,883	
Represented by:													
Capital contributed by shareholders' fund	-	197,552	-	242,100	12,000	4,300	6,000	101,500	-	1,200	77,500	642,152	
Policyholders' liabilities / PTF	1,600,039	6,109,772	249,354	6,400,938	13,876	411,869	150,454	2,524,871	111	341	(24,377)	17,437,248	
Retained earnings attributable to policyholders (Ledger Account A)	472,283	-	-	-	-	-	-	-	-	-	-	472,283	
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	36,551	-	-	-	-	-	-	-	-	-	-	36,551	
Retained earnings on other than participating business (Ledger Account D) / PTF	-	379,960	61,570	(391,051)	(31,202)	33,090	2,327	(292,074)	13	(1,126)	(42,924)	(281,417)	
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(13,357)	(350)	(2,083)	(61)	-	-	(3,251)	-	(180)	(652)	(19,934)	
BALANCE OF STATUTORY FUND	2,108,873	6,673,927	310,574	6,249,904	(5,387)	449,259	158,781	2,331,046	124	235	9,547	18,286,883	

	(Un-audited)												
	For the nine months ended September 30, 2019												
	CONVENTIONAL - STATUTORY FUNDS							TAKAFUL - STATUTORY FUNDS					Total
	Life (Participating)	Life (Non-participating) Individual	Life (Non-participating) Group	Investment Linked	Accident & Health Individual	Accident & Health Group	Pension Business Fund	Individual Family	Individual Accidental and Health	Group Family	Group Health		
	Rupees in '000												
INCOME													
Premiums/contribution less reinsurances/retakaful	27,775	369,692	297,084	795,903	6,152	1,073,938	26,745	690,670	-	13,350	159,141	3,460,450	
Net investment income	144,773	541,982	9,546	263,481	915	(1,036)	8,399	(104,264)	-	620	229	864,645	
Other income - net	6,386	16,041	3,359	15,199	1,429	22,594	1,516	67,137	-	2,405	4,602	140,668	
Total net income	178,934	927,715	309,989	1,074,583	8,496	1,095,496	36,660	653,543	-	16,375	163,972	4,465,763	
CLAIMS AND EXPENDITURE													
Claims, including bonuses, net of reinsurance recoveries	107,818	733,751	170,186	1,410,782	196	748,690	1,468	269,227	-	142	144,104	3,586,364	
Policy transfers to other statutory funds	-	-	-	-	-	-	-	-	-	-	-	-	
Management expenses less recoveries	5,363	81,406	83,066	547,943	18,874	227,540	-	325,030	-	11,676	26,792	1,327,690	
Total claims and expenditure	113,181	815,157	253,252	1,958,725	19,070	976,230	1,468	594,257	-	11,818	170,896	4,914,054	
Excess of Income over claims and expenditure	65,753	112,558	56,737	(884,142)	(10,574)	119,266	35,192	59,286	-	4,557	(6,924)	(448,291)	
Add: Policyholders' liabilities at beginning of the period	1,569,863	6,075,027	98,103	6,219,006	10,020	320,265	106,582	1,721,067	-	7,529	33,077	16,160,539	
Less: Policyholders' liabilities at end of the period	(1,593,187)	(6,072,567)	(146,212)	(5,555,540)	(7,918)	(455,945)	(140,260)	(1,874,619)	-	(15,158)	(64,463)	(15,925,869)	
Movement in policyholders' liabilities	(23,324)	2,460	(48,109)	663,466	2,102	(135,680)	(33,678)	(153,552)	-	(7,629)	(31,386)	234,670	
Surplus / (deficit) before tax	42,429	115,018	8,628	(220,676)	(8,472)	(16,414)	1,514	(94,266)	-	(3,072)	(38,310)	(213,621)	
Taxation	-	(31,057)	(462)	63,509	2,512	4,536	(439)	27,077	-	954	11,116	77,746	
Surplus / (deficit) after tax	42,429	83,961	8,166	(157,167)	(5,960)	(11,878)	1,075	(67,189)	-	(2,118)	(27,194)	(135,875)	
Movement in policyholders' liabilities	23,324	(2,460)	48,109	(663,466)	(2,102)	135,680	33,678	153,552	-	7,629	31,386	(234,670)	
Transfers (to) or from shareholders' fund													
- Capital contributions from shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Qard-e-Hasna from Operators' Sub Fund to PTF	-	-	-	-	-	-	-	-	-	-	(22,000)	(22,000)	
- Qard-e-Hasna received from PTF to Operators' Sub Fund	-	-	-	-	-	-	-	-	-	-	22,000	22,000	
- Capital returned to shareholder's fund	-	-	-	-	-	-	-	-	-	-	-	-	
- Surplus appropriated to shareholders' fund	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	
Balance of statutory fund at beginning of the period	1,899,924	6,395,448	180,223	6,345,275	5,926	374,405	112,551	1,717,526	-	11,222	19,182	17,061,682	
Balance of statutory fund at end of the period	1,965,677	6,476,949	236,498	5,524,642	(2,136)	498,207	147,304	1,803,889	-	16,733	23,374	16,691,137	
Represented by:													
Capital contributed by shareholders' fund	-	197,552	-	242,100	2,000	4,300	6,000	91,500	-	1,200	2,500	547,152	
Policyholders' liabilities / PTF	1,593,187	6,072,567	146,212	5,555,540	7,918	455,945	140,260	1,874,619	-	15,158	64,463	15,925,869	
Retained earnings attributable to policyholders (Ledger Account A)	343,857	-	-	-	-	-	-	-	-	-	-	343,857	
Retained earnings on par business attributable to shareholders - undistributable (Ledger Account B)	28,633	-	-	-	-	-	-	-	-	-	-	28,633	
Retained earnings on other than participating business (Ledger Account D) / PTF	-	224,487	91,909	(265,541)	(11,813)	40,731	1,044	(158,156)	-	590	(42,527)	(119,276)	
Revaluation surplus / (deficit) on revaluation of available for sale investments	-	(17,657)	(1,623)	(7,457)	(241)	(2,769)	-	(4,074)	-	(215)	(1,062)	(35,098)	
BALANCE OF STATUTORY FUND	1,965,677	6,476,949	236,498	5,524,642	(2,136)	498,207	147,304	1,803,889	-	16,733	23,374	16,691,137	

25.2 Condensed Interim Statement of Financial Position by Segment

	Un-audited September 30, 2020 Shareholders Fund	Statutory Funds	Total	Audited December 31, 2019 Shareholders Fund	Statutory Funds	Total
	Rupees in 000			Rupees in 000		
Assets						
Property and equipment	233,516	84,992	318,508	124,913	79,962	204,875
Intangible assets	431,710	-	431,710	437,463	-	437,463
Investments						
Equity securities	-	35,162	35,162	-	86,130	86,130
Mutual funds	-	3,085,546	3,085,546	-	3,027,759	3,027,759
Government securities	896,439	13,473,247	14,369,686	308,046	11,939,542	12,247,588
Debt securities	-	225,000	225,000	-	457,354	457,354
Term deposits	25,000	977,000	1,002,000	396,257	1,135,850	1,532,107
Loans secured against life insurance policies	-	167,771	167,771	-	167,965	167,965
Insurance / takaful / reinsurance / retakaful receivables	-	390,266	390,266	-	460,958	460,958
Other loans and receivables	27,964	479,290	507,254	22,411	624,888	647,299
Taxation - payments less provision	723,925	-	723,925	599,667	-	599,667
Deferred tax asset - net	118,764	-	118,764	59,797	-	59,797
Prepayments	75,536	72,317	147,853	19,381	85,294	104,675
Cash and bank	(344,173)	231,000	(113,173)	19,485	90,977	110,462
Total assets	2,188,681	19,221,591	21,410,272	1,987,420	18,156,679	20,144,099
Liabilities						
Insurance liabilities [including policyholders' liabilities and ledger account A & B]	-	17,946,082	17,946,082	-	16,864,180	16,864,180
Outstanding claims	-	410,755	410,755	-	371,060	371,060
Retirement benefit obligations	-	27,341	27,341	961	23,148	24,109
Premium received in advance	-	111,234	111,234	-	65,569	65,569
Reinsurance / retakaful payables	-	77,936	77,936	-	75,298	75,298
Other creditors and accruals	243,478	332,166	575,644	217,294	236,309	453,603
Liabilities against right-of-use assets	120,591	-	120,591	49,567	-	49,567
Total liabilities	364,069	18,905,514	19,269,583	267,822	17,635,564	17,903,386

26 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Company, associated companies, retirement benefit funds, directors and key management personnel of the Company. Remuneration to the key personnel is determined in accordance with the terms of their appointments. All transactions involving related parties arise in the normal course of business. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

26.1 The details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the condensed interim financial statements are as follows:

	Un-audited							
	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	September 30,		September 30,		September 30,		September 30,	
	2020	2019	2020	2019	2020	2019	2020	2019
	(Rupees in 000)							
Transactions								
Premium underwritten	-	-	-	-	-	3,491	73,247	82,202
Premium paid for general insurance	-	-	-	-	-	-	3,881	4,776
Claims paid	-	-	-	-	-	-	29,940	23,584
Claims received	-	-	-	-	-	-	664	490
Charge for administrative services received	-	-	-	-	-	-	68,287	47,694
Charge for administrative services provided	-	-	-	-	-	-	10,151	12,365
Rent expense	-	-	-	-	-	-	31,156	38,023
Purchase of fixed asset	-	-	-	-	-	-	16,030	-
Remuneration paid	-	-	-	-	182,553	86,801	-	-
Charge in respect of employees gratuity fund	-	-	14,233	12,000	-	-	-	-
Charge in respect of provident fund	-	-	7,383	11,785	-	-	-	-

	Holding Company		Post Employment Benefit Plans		Key Management Personnel		Other Related Parties	
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
	(Rupees in 000)							
Balances								
(Receivable) / payable for group shared services	(3,056)	(10,056)	-	-	-	-	66,588	16,813
Receivable)/ payable for general insurance premium	-	-	-	-	-	-	144	(140)
Premium receivable	-	-	-	-	-	-	-	2,346
Payable to employee gratuity fund	-	-	27,339	24,109	-	-	-	-
(Receivable) / payable to employee provident fund	-	-	525	(850)	-	-	-	-

27 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market 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 measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2020 and December 31, 2019, the Company held the following financial instruments measured at fair value:

	Un-audited As at September 30, 2020 Level 1	Level 2	Level 3
Assets carried at fair value	Rupees in 000		
Available-for-sale investments	35,162	17,680,232	-

	Audited As at December 31, 2019 Level 1	Level 2	Level 3
Assets carried at fair value	Rupees in 000		
Available-for-sale investments	86,130	15,732,701	-

28 GENERAL

28.1 All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

28.2 Effects of COVID-19 pandemic

On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the business, operations and profitability of the Company as well as a going concern assessment. As a result of such assessment, the management has not identified any adverse impact on the profitability, liquidity and continuity of the Company due to COVID-19 pandemic situation other than decline in fair value of investments in equity securities due to temporary decline in KSE 100 index resulting in corresponding fair value losses being recognised in the condensed interim profit and loss account. The KSE 100 index has showed significant recovery subsequent to the nine months ended September 30, 2020.

29 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 28, 2020 by the Board of Directors of the Company.

Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

CONDENSED INTERIM FINANCIAL STATEMENTS
(WINDOW TAKAFUL OPERATIONS)

IGI Life Insurance Limited - Window Takaful Operations

Condensed Interim Statement of Financial Position (Un-Audited)

As at September 30, 2020

	Note	As at September 30, 2020 Operator sub fund	Policyholders fund	Total	As at December 31, 2019 Total
		Rupees in 000			
Assets					
Property and equipment		59,175	-	59,175	3,867
Investments					
Mutual funds		77,704	1,304,573	1,382,277	1,091,808
Government Securities		115,824	161,256	277,080	-
Term deposits		25,132	977,000	1,002,132	1,331,250
		218,660	2,442,829	2,661,489	2,423,058
Takaful / retakaful receivables		-	9,252	9,252	22,093
Other loans and receivables		329,094	-	329,094	34,807
Taxation - payments less provision		36,513	-	36,513	19,801
Deferred tax asset - net		138,953	-	138,953	85,075
Prepayments		16,488	-	16,488	5,491
Cash and bank		(99,379)	(47,468)	(146,847)	(122,567)
Total assets		699,504	2,404,613	3,104,117	2,471,625
Equity and liabilities					
Equity and reserves					
Waqf Ceded Money		-	500	500	500
Capital contributed		229,700	-	229,700	229,700
Ledger account C & D		(336,113)	-	(336,113)	(206,270)
Surplus/(deficit) on revaluation of available for sale investments		(4,082)	-	(4,082)	(2,016)
Total equity		(110,495)	500	(109,995)	21,914
Liabilities					
Insurance liabilities [including policyholders' liabilities and profit retained in waqf]		61,691	2,439,255	2,500,946	2,255,887
Outstanding claims		-	44,480	44,480	14,088
Contribution received in advance		-	41,935	41,935	19,023
Takaful / retakaful payables		-	3,603	3,603	12,362
Other creditors and accruals		121,065	-	121,065	73,860
Interfund receivable / (payable)		598,160	(125,160)	473,000	71,923
Lease liability against right-of-use assets		29,083	-	29,083	2,568
Total liabilities		809,999	2,404,113	3,214,112	2,449,711
Total equity and liabilities		699,504	2,404,613	3,104,117	2,471,625
Contingencies and commitments	9				

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

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

for the Nine Months September 30, 2020

	Note	September 30, 2020 Operator sub fund	Policyholders fund	Total	September 30, 2019 Operator sub fund	Policyholders fund	Total
		Rupees in 000					
Contribution revenue	10	-	1,106,476	1,106,476	-	877,591	877,591
Less: wakala fee recognised		358,058	(358,058)	-	201,098	(201,098)	-
		358,058	748,418	1,106,476	201,098	676,493	877,591
Less: contribution ceded to retakaful operators	10	-	23,687	23,687	-	13,360	13,360
Net contribution revenue		358,058	724,731	1,082,789	201,098	663,133	864,231
Investment income		72,750	46,346	119,096	9,477	73,602	83,079
Net realised fair value losses / (gains) on financial assets		(2,071)	(75,379)	(77,450)	(859)	8,893	8,034
Takaful operator fee income		40,750	(40,750)	-	29,192	(29,192)	-
Other income - net		2,718	416	3,134	7,538	1,447	8,985
		114,147	(69,367)	44,780	45,348	54,750	100,098
Net income		472,205	655,364	1,127,569	246,446	717,883	964,329
Takaful benefits		-	470,691	470,691	-	413,100	413,100
Recoveries from retakaful operators		-	(32,388)	(32,388)	-	373	373
Net takaful benefits	11	-	438,303	438,303	-	413,473	413,473
		472,205	217,061	689,266	246,446	304,410	550,856
Change in takaful liabilities (including profit retained in waqf fund)		13,153	217,061	230,214	17,814	304,410	322,224
Acquisition expenses	12	498,945	-	498,945	199,221	-	199,221
Marketing and administration expenses		142,984	-	142,984	164,398	-	164,398
Total expenses		655,082	217,061	872,143	381,433	304,410	685,843
Loss before tax attributable to Operator		(182,877)	-	(182,877)	(134,987)	-	(134,987)
Taxation		(53,034)	-	(53,034)	(39,147)	-	(39,147)
Loss after tax attributable to Operator		(129,843)	-	(129,843)	(95,840)	-	(95,840)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

Condensed Interim Statement of Comprehensive Income (Un-Audited)

for the Nine Months September 30, 2020

	September 30, 2020			September 30, 2019		
	Operator sub fund	Policyholders fund	Total	Operator sub fund	Policyholders fund	Total
	--Rupees in 000--					
Loss after tax attributable to Operator	(129,843)	-	(129,843)	(95,840)	-	(95,840)
Other comprehensive loss						
Change in unrealised loss on available-for-sale financial assets - net of tax	(2,066)	14,845	12,779	(661)	(129,659)	(130,320)
Change in takaful liabilities - net	-	(14,845)	(14,845)	-	129,659	129,659
Other comprehensive loss for the period	(2,066)	-	(2,066)	(661)	-	(661)
Total comprehensive loss for the period attributable to Operator	(131,909)	-	(131,909)	(96,501)	-	(96,501)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

Condensed Interim Statement of Changes in Equity (Un-Audited)

for the Nine Months September 30, 2020

	Attributable to equity holders of the Company				
	Capital contributed	Waqf Ceded Money	Ledger C & D account	Surplus / (deficit) on revaluation of available for sale investments **	Total
	-------------------------------------Rupees in 000-------------------------------------				
Balance as at December 31, 2018	144,700	500	(104,254)	(4,689)	36,257
Total comprehensive loss					
Loss for the nine months ended September 30, 2019	-	-	(95,840)	-	(95,840)
Other comprehensive loss for the nine months ended September 30, 2019	-	-	-	(661)	(661)
	-	-	(95,840)	(661)	(96,501)
Balance as at September 30, 2019	144,700	500	(200,094)	(5,350)	(60,244)
Total comprehensive income					
Loss for the three months ended December 31, 2019	-	-	(6,176)	-	(6,176)
Other comprehensive income for the three months ended December 31, 2019	-	-	-	3,334	3,334
	-	-	(6,176)	3,334	(2,842)
Transactions with owners recorded directly in equity					
Capital Contributed	85,000	-	-	-	85,000
Balance as at December 31, 2019	229,700	500	(206,270)	(2,016)	21,914
Total comprehensive loss					
Loss for the nine months ended September 30, 2020	-	-	(129,843)	-	(129,843)
Other comprehensive loss for the nine months ended September 30, 2020	-	-	-	(2,066)	(2,066)
	-	-	(129,843)	(2,066)	(131,909)
Balance as at September 30, 2020	229,700	500	(336,113)	(4,082)	(109,995)

** This balance is net of related change in insurance liabilities.

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

Condensed Interim Cash Flow Statement (Un-Audited)

for the Nine Months September 30, 2020

	Note	September 30, 2020	September 30, 2019
		Rupees in 000	
Operating Cash flows			
(a) Underwriting activities			
Premiums received net of policy transfers - net of retakaful		1,124,259	894,673
Claims paid - net of retakaful recoveries		(55,449)	(147,780)
Surrenders paid		(352,938)	(268,942)
Commissions paid		(426,174)	(122,483)
Net cash inflow from underwriting activities		289,698	355,468
(b) Other operating activities			
Payment for expenses		(206,088)	(221,094)
Other operating receipts		136	3,972
Inter fund transactions		255,301	(37,703)
Net cash outflow on other operating activities		49,349	(254,825)
Total cash inflow from all operating activities		339,047	100,643
Investment activities			
Profit / return received		93,323	68,352
Dividend received		38,120	10,174
Payments (made) / received on investments		(820,186)	(38,852)
Fixed capital expenditure		(3,702)	(16,072)
Total cash (outflow) / inflow from investing activities		(692,445)	23,602
Net cash (outflow on) / inflow from all activities		(353,398)	124,245
Cash and cash equivalents at beginning of year		1,208,683	824,755
Cash and cash equivalents at end of period		855,285	949,000
Reconciliation to Profit and Loss Account			
Operating cash flows		339,047	100,643
Depreciation and amortisation expenses		25,484	17,358
Increase in assets other than cash		177,139	41,044
Decrease in liabilities		(716,293)	(354,983)
Investment income and other income		41,782	92,586
Profit received on bank deposits		2,998	7,512
Loss after taxation		(129,843)	(95,840)

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

Chairman	Director	Director	Chief Executive Officer	Chief Financial Officer

IGI Life Insurance Limited - Window Takaful Operations

Notes to and forming part of the Condensed Interim Financial Statements (Un-Audited)

for the Nine Months September 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 IGI Life Insurance Limited ("the Company") was incorporated in Pakistan on October 9, 1994 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited. The Company commenced its operations on May 25, 1995 after registration with the Controller of Insurance on April 30, 1995. The registered office of the Company is situated at 7th Floor, The Forum, Suite No. 701-713, G-20, Block 9, Khayaban-e-Jami, Clifton, Karachi which is also the principal office of the Company.

1.2 The Company was granted approval on July 02, 2015 under Rule 6 of the Takaful Rules, 2012 to start its Window Takaful Operations ("the Operations") by the Securities and Exchange Commission of Pakistan ("the SECP") in Pakistan. The Waqf deed was executed on June 20, 2015 and the operations were commenced also commenced in year 2015.

1.3 In accordance with the requirements of the Insurance Ordinance, 2000 and Takaful Rules, 2012, the Company established a Operator Sub Fund (OSF), Participant Investment Fund (PIF) and Participant Waqf Fund (PTF) under each statutory funds mentioned below:

- Individual Family Takaful
- Group Family Takaful
- Group Health Takaful

2 BASIS OF PREPARATION

These financial statements have been presented in accordance with the requirements of the Insurance Rules, 2017 issued through S.R.O. 88 (I) / 2017 dated February 09, 2017 by the Securities and Exchange Commission of Pakistan (SECP).

2.1 Statement of compliance

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

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

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

2.2 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current year:

The Company has applied the following standards for the first time for their accounting period commencing January 1, 2020:

Where the provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 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, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

2.3 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. 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, 2019.

2.4 These condensed interim financial statements are unaudited and are being submitted to shareholders in accordance with the Pakistan Stock Exchange Limited Regulations and section 237 of the Companies Act, 2017.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on historical cost convention except for certain investments which are carried at fair value and obligations in respect of defined benefit obligation is carried at present value.

4 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These condensed interim financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed interim financial statements are same as those applied in the preparation of financial statements of the Company for the year ended December 31, 2019.

5.1 Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the current period:

There are certain other new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after January 1, 2020, but are considered not to be relevant or do not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

5.2 Standards, interpretations of and amendments to the accounting and reporting standards that are not yet effective:

5.2.1 The following revised standards, amendments and interpretations with respect to the accounting and reporting standards would be effective for the dates mentioned below against the respective standards, amendments or interpretations:

	Effective date (period beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2020
- IAS 8 - 'Accounting policies, changes in accounting estimates and errors ' (amendments)`	January 1, 2020
- IFRS 9 - 'Financial instruments'	January 1, 2022 *

*The management 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 takaful. Further details relating to temporary exemption from the application of IFRS 9 is given in note 8 to these condensed interim financial statements.

The management is in the process of assessing the impact of these amendments on the financial statements of the Company.

5.2.2 There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period beginning on or after January 1, 2020, but are considered not to be relevant or will not have any significant effect on the Company's operations and are therefore not detailed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements for the year ended December 31, 2019. The Company intends to have an actuarial valuation in respect of staff retirement benefit plan for 2020 conducted at the year end. Hence actuarial gains / losses for the nine months ended September 30, 2020 are not quantifiable and are also considered immaterial by the management. Accordingly the resulting impact has not been accounted for in these condensed interim financial statements.

7 TAKAFUL FINANCIAL AND RISK MANAGEMENT

The Company's takaful risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2019.

8 TEMPORARY EXEMPTION FROM APPLICATION OF IFRS 9

As an takaful operator, the management 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 takaful.

9 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the main financials of the Company also includes impacts of Window Takaful Operations as at September 30, 2020. There were no other material contingencies and commitments as at September 30, 2020:

10 NET CONTRIBUTION REVENUE

	(Un-audited) For the nine months ended September 30, 2020	2019
	- - (Rupees in '000) - -	
Gross contribution:		
Regular contribution individual policies*		
First year	491,703	208,355
Second year renewal	299,792	164,032
Subsequent year renewal	148,238	218,358
Single contribution individual policies	113,272	108,500
Group policies without cash value	53,471	178,346
Total gross contribution	1,106,476	877,591
Less: retakaful contribution ceded		
On individual life first year business	6,449	2,460
On individual life second year business	2,018	2,692
On individual life renewal business	5,030	3,269
On single premium policies	93	154
On group policies	13,156	5,855
Commission from reinsurers	(3,059)	(1,070)
	23,687	13,360
Net contribution	1,082,789	864,231

* Individual policies are those underwritten on an individual basis, and includes joint life policies underwritten as such.

11 NET TAKAFUL BENEFITS

	(Un-audited) For the nine months ended September 30, 2020	2019
	- - (Rupees in '000) - -	
Gross Claims		
Claims under individual policies		
By death	25,630	(88)
By surrender	352,938	268,942
Total gross individual policy claims	378,568	268,854
Claims under group policies		
by death	42,769	142
by insured event other than death	52,033	144,104
experience refund	(2,679)	-
Total gross group policy claims	92,123	144,246
Total gross policy claims	470,691	413,100
Less: retakaful recoveries		
On Individual life claims	14,757	(373)
On Group Life claims	17,631	-
	32,388	(373)
Net takaful benefit expense	438,303	413,473

12 ACQUISITION EXPENSES

	(Un-audited) For the nine months ended September 30, 2020	2019
	- - (Rupees in '000) - -	
Remuneration to takaful intermediaries on individual policies:		
- Commission on first year contribution	191,700	77,257
- Commission on second year contribution	7,925	8,060
- Commission on subsequent renewal contribution	7,357	5,383
- Commission on single contribution	3,628	2,764
- Other benefits to takaful intermediaries	240,434	80,779
	451,044	174,243
Remuneration to takaful intermediaries on group policies:		
- Commission	7,620	14,078
- Other benefits to takaful intermediaries	437	476
	8,057	14,554
Branch overheads :		
- Salaries and other benefits	16,240	5,713
- Other operational cost	17,357	4,711
	33,597	10,424
Other acquisition cost :		
- Policy stamps	6,247	-
	498,945	199,221

13 SEGMENT INFORMATION

Each fund of business under takaful statutory funds has been identified as a reportable segment. The following is a schedule of class of business wise revenues and results have been disclosed in accordance with the requirements of the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017, and the Takaful Rules, 2012 :

	(Un-audited)					
	TAKAFUL - STATUTORY FUNDS				Aggregate For the nine months ended September 30	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	2020	2019
	(Rupees in '000)					
Income						
Allocated Contribution	705,819	-	-	-	705,819	511,597
Net Investment Income	(39,940)	-	-	-	(39,940)	(56,068)
Other Income	70,720	-	-	-	70,720	1,447
Total Net Income	736,599	-	-	-	736,599	456,976
Less: Claims and Expenditure						
Surrenders / Partial Surrenders	352,938	-	-	-	352,938	268,810
Risk Contributions	38,704	-	-	-	38,704	23,815
Wakalat-ul-Istismar	24,818	-	-	-	24,818	19,118
Policy admin fee	15,932	-	-	-	15,932	10,074
	432,392	-	-	-	432,392	321,817
Excess of Income over Claims and expenditure	304,207	-	-	-	304,207	135,159
Add: Technical reserves at the beginning of the period	2,133,423	-	-	-	2,133,423	1,624,708
Less: Technical reserves at the end of the period	(2,437,630)	-	-	-	(2,437,630)	(1,759,867)
	(304,207)	-	-	-	(304,207)	(135,159)
Surplus	-	-	-	-	-	-
Movement in technical reserves	304,207	-	-	-	304,207	135,159
Balance of PIF at the beginning of the period	2,133,423	-	-	-	2,133,423	1,624,708
Balance of PIF at the end of the period	2,437,630	-	-	-	2,437,630	1,759,867

13.2 Participants' Takaful Fund (PTF)

	(Un-audited)					
	TAKAFUL - STATUTORY FUNDS				Aggregate For the nine months ended September 30	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	2020	2019
	(Rupees in '000)					
Income						(Restated)
Contribution net of retakaful	14,924	(17)	8,353	21,128	44,388	167,755
Net investment income	-	-	-	-	-	2,651
Other income	5,108	-	686	3,436	9,230	1,070
	20,032	(17)	9,039	24,564	53,618	171,476
Less: Claims and Expenditure						
Claims	10,873	-	28,067	46,425	85,365	144,624
Wakala fee	-	-	-	-	-	-
	10,873	-	28,067	46,425	85,365	144,624
Excess of Income over Claims and expenditure	9,159	(17)	(19,028)	(21,861)	(31,747)	26,852
Add : Technical reserves at the beginning of the period	22,586	-	14,891	(4,104)	33,373	46,991
Less : Technical reserves at the end of the period	(26,220)	(207)	(22,497)	(22,320)	(71,244)	(80,171)
Add: Deficit retained in technical reserves	-	112	12,031	48,285	60,428	-
	(3,634)	(95)	4,425	21,861	22,557	(33,180)
Surplus / (deficit)	5,525	(112)	(14,603)	-	(9,190)	(6,328)
Movement in technical reserves	3,634	95	(4,425)	(21,861)	(22,557)	33,180
Qard-e-Hasna contributed by Window Takaful Operator	-	-	-	-	-	22,000
Balance of PTF at the beginning of the period	22,586	-	15,038	42,305	79,929	48,547
Balance of PTF at the end of the period	31,745	(17)	(3,990)	20,444	48,182	97,399

13.3 Operators' Sub Fund (OSF)

	(Un-audited)					
	TAKAFUL - STATUTORY FUNDS				Aggregate For the nine months ended September 30	
	Individual Family	Individual Accidental and Health	Group Family	Group Health	2020	2019
	(Rupees in '000)					
Income						
Allocation fee	346,964	223	6,967	3,884	358,038	201,098
Investment income	16,106	-	(81)	(212)	15,813	22,699
Other Income	2,587	1	69	61	2,718	-
Wakala fee - PTF	10,189	-	-	-	10,189	6,526
Policy admin fee	15,932	-	-	-	15,932	10,074
Takaful operator fee	-	-	-	-	-	-
Wakalat-ul-Istismar	24,818	-	-	-	24,818	19,118
	416,596	224	6,955	3,733	427,508	259,515
Less: Expenses						
Acquisition cost	455,135	77	5,886	2,171	463,269	188,797
Administration expenses / deferred taxation	103,609	6	4,623	15,310	123,548	136,663
	558,744	83	10,509	17,481	586,817	325,460
Excess of (expenditure)/over income	(142,148)	141	(3,554)	(13,748)	(159,309)	(65,945)
Add : Technical reserves at the beginning of the period	82,883	-	4,981	1,227	89,091	89,974
Less : Technical reserves at the end of the period	(55,496)	(128)	(4,478)	(1,588)	(61,690)	(98,599)
	27,387	(128)	503	(361)	27,401	(8,625)
Deficit	(114,761)	13	(3,051)	(14,109)	(131,908)	(74,570)
Movement in technical reserves	(27,387)	128	(503)	361	(27,401)	8,625
Capital Contribution during the period	-	-	-	-	-	-
Qard-e-Hasna contributed to the Participants Takaful Fund	-	-	-	-	-	(22,000)
Balance of OSF at the beginning of the period	3,819	-	7,779	2,851	14,449	74,675
Balance of OSF at the end of the period	(138,329)	141	4,225	(10,897)	(144,860)	(13,270)

14 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: fair value measurements using quoted price (unadjusted) in an active market 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 measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2020 the Operator and policyholders held the following financial instruments measured at fair value:

	As at September 30, 2020		
	Level 1	Level 2	Level 3
Assets carried at fair value	------------- Rupees in 000 -------------		
Available-for-sale investments	-	1,659,357	-

	As at December 31, 2019		
	Level 1	Level 2	Level 3
Assets carried at fair value	------------- Rupees in 000 -------------		
Available-for-sale investments	-	1,091,808	-

14 GENERAL

All figures have been rounded off to the nearest of thousand rupees, except otherwise stated.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 28, 2020 by the Board of Directors of the Company.

Chairman | Director | Director | Chief Executive Officer | Chief Financial Officer