

DIRECTORS' REVIEW REPORT TO THE MEMBERS'

Your Directors are pleased to present their report together with un-audited quarterly Financial Statements for the period ended March 31, 2021 .

The statistic covers the annexed Financial Statements of conventional general insurance and Window Takaful operation comprising:

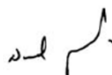
- 0 Condnsed interim statement of financial position;
- 0 Condnsed interim statement of profit and loss account;
- 0 Condnsed interim statement of comprehensive income;
- 0 Condnsed interim statement of changes and equity;
- 0 Condnsed interim cash flow statement;
- 0 Notes to the condnsed interim financial information;

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The financial highlight of the company for the period ended March 31, 2021 is as follows:

	(Unaudited)	
Result of operating activites	142,421,894	
Profit before tax from Window Takaful Operations	3,643,189	
Profit before tax	<u>146,065,083</u>	
Income tax expenses	(10,010,979)	
Profit after taxation	<u>136,054,104</u>	
Other Comprehensive income	(329,940)	
Total Comprehensive income	<u><u>135,724,164</u></u>	
Unappropriated profit at beginning of the year	96,987,512	
Profit for the period	<u>136,054,104</u>	
Unappropriated at the end of the period	<u><u>233,041,616</u></u>	
	March, 31 2021	March, 31 2020
	----- (Unaudited) -----	
Gross premium	814,199,597	734,664,841
Net premium	509,420,296	422,579,953
Underwriting results	155,417,629	129,573,698
Investment income/(Loss)	18,139,265	(10,053,741)
Profit before tax (including Window Takaful Operations)	146,065,083	91,133,278
Profit after tax (including Window Takaful Operations)	136,054,104	84,391,822
Earnings per share - basic and diluted (Rupees)	1.15	0.71

On behalf of the Board of Directors



Naved Yunus

Chief Executive Officer
Karachi : April 29, 2021

EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2021

		March 31, 2021	December 31, 2020
	Note	----- Rupees-----	
ASSETS			
Property and equipment	6	124,682,058	128,693,753
Intangible assets	7	1,023,526	1,049,352
Investment properties	8	47,017,161	47,612,214
Investments			
Equity securities	9	836,976,410	816,976,410
Debt securities	10	268,781,953	259,785,281
Term deposits	11	378,500,000	385,045,476
		1,484,258,363	1,461,807,167
Loans and other receivables	12	265,822,462	127,512,183
Insurance / Reinsurance receivables	13	567,606,775	732,304,967
Reinsurance recoveries against outstanding claims		393,670,108	455,666,161
Deferred commission expense		239,359,769	290,582,372
Prepayments	14	521,653,720	566,323,601
Cash and bank	15	68,057,437	26,721,813
		3,713,151,379	3,838,273,583
Total assets of General Takaful Operations - Operator's Fund		140,585,541	123,004,409
TOTAL ASSETS		3,853,736,920	3,961,277,992
EQUITY AND LIABILITIES			
Capital and reserves attributable to Company's equity holders			
Ordinary share capital		1,183,358,100	1,183,358,100
Reserves	16	368,088,688	368,418,628
Unappropriated profit		233,041,616	96,987,512
TOTAL EQUITY		1,784,488,404	1,648,764,240
LIABILITIES			
Underwriting provisions			
Outstanding claims including IBNR		566,965,735	652,587,244
Unearned premium reserves		1,108,889,414	1,223,128,077
Unearned reinsurance commission		70,060,700	125,918,778
		1,745,915,849	2,001,634,099
Retirement benefit obligations		2,308,354	3,698,757
Premium received in advance		57,899,115	62,543,115
Insurance / reinsurance payables		26,710,362	17,122,645
Other creditors and accruals	18	102,963,358	109,169,579
Lease liabilities		3,048,304	5,375,079
Deferred taxation		6,727,750	5,717,273
Taxation - net		70,126,851	65,251,738
TOTAL LIABILITIES		2,015,699,943	2,270,512,285
Total liabilities of takaful operations		53,548,573	42,001,467
TOTAL EQUITY AND LIABILITIES		3,853,736,920	3,961,277,992
CONTINGENCIES AND COMMITMENTS			
	19		

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

 CHAIRMAN	 CHIEF EXECUTIVE	 DIRECTOR	 DIRECTOR	 CHIEF FINANCIAL OFFICER
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EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021

	Note	for the period ended	
		March 31, 2021	March 31, 2020
Net insurance premium	20	509,420,296	422,579,953
Net insurance claims	21	(211,849,566)	(177,216,312)
Net commission	22	(69,277,616)	(60,203,363)
Insurance claims and acquisition expenses		(281,127,182)	(237,419,675)
Management expenses		(72,875,485)	(55,586,580)
Underwriting results		155,417,629	129,573,698
Investment income	23	18,139,265	(10,053,741)
Rental income		-	1,446,077
Other income		317,036	1,494,902
Other expenses		(31,313,924)	(34,835,054)
Result of operating activities		<u>142,560,006</u>	<u>87,625,882</u>
Finance cost		(138,112)	(579,593)
Profit from takaful operations		<u>3,643,189</u>	<u>4,086,989</u>
Profit before tax		<u>146,065,083</u>	<u>91,133,278</u>
Income tax expense		(10,010,979)	(6,741,456)
Profit after taxation		<u>136,054,104</u>	<u>84,391,822</u>
Earnings per share - basic and diluted	24	<u>1.15</u>	<u>0.71</u>

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







CHAIRMAN CHIEF EXECUTIVE DIRECTOR DIRECTOR CHIEF FINANCIAL OFFICER

EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021

	March 31, 2021	March 31, 2020
Profit after tax	136,054,104	84,391,822
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss account		
Unrealised (loss) / gain on available for sale investments-net of deferred tax	(1,010,475)	-
Reclassification of loss included in profit and loss account	680,535	149,500
	(329,940)	149,500
Total comprehensive income for the period	<u>135,724,164</u>	<u>84,690,822</u>

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







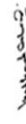
CHAIRMAN CHIEF EXECUTIVE DIRECTOR DIRECTOR CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021**

	Share capital Issued subscribed and paid-up	Reserves		Unrealized gain on available for sale investment	Total reserves	Unappropriated profit	Total
		General reserve					
Balance as at January 01, 2020	1,029,007,050	200,000,000	(63,670,694)	136,329,306	259,963,814	1,425,300,170	
Total comprehensive income for the period	-	-	-	-	-	84,391,822	84,391,822
Profit for the period	-	-	149,500	149,500	149,500	-	149,500
Other comprehensive income	-	-	149,500	149,500	149,500	84,391,822	84,541,322
Balance as at March 31, 2020	<u>1,029,007,050</u>	<u>200,000,000</u>	<u>(63,521,194)</u>	<u>136,478,806</u>	<u>344,355,636</u>	<u>1,509,841,492</u>	
Balance as at January 01, 2021	1,183,358,100	440,000,000	(71,581,372)	368,418,628	96,987,512	1,648,764,240	
Total comprehensive income for the period	-	-	-	-	-	136,054,104	136,054,104
Profit for the period	-	-	(329,940)	(329,940)	(329,940)	(329,940)	(329,940)
Other comprehensive income	-	-	(329,940)	(329,940)	(329,940)	136,054,104	135,724,164
Balance as at March 31, 2021	<u>1,183,358,100</u>	<u>440,000,000</u>	<u>(71,911,312)</u>	<u>368,088,688</u>	<u>233,041,616</u>	<u>1,784,488,404</u>	

Rupees

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



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR

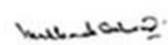


CHIEF FINANCIAL OFFICER

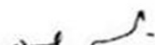
EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021

	March 31, 2021	March 31, 2020
OPERATING CASH FLOWS		
(a) Underwriting activities		
Insurance premium received	944,121,740	704,914,117
Reinsurance premium paid	(334,648,282)	(319,748,855)
Claims paid	(355,161,641)	(235,192,787)
Reinsurance and other recoveries received	119,686,619	69,862,980
Commission paid	(181,317,368)	(169,564,839)
Commission received	107,404,277	94,245,693
Underwriting payments	(80,668,226)	(68,639,077)
Net cash inflows from underwriting activities	<u>219,417,119</u>	<u>75,877,232</u>
(b) Other operating activities		
Income tax paid	(5,135,866)	(8,391,952)
Other operating payments	(154,585,379)	(25,620,017)
Net cash used in other operating activities	<u>(159,721,245)</u>	<u>(34,011,969)</u>
Total cash flow from all operating activities	<u>59,695,874</u>	<u>41,865,263</u>
INVESTMENT ACTIVITIES		
Profit / return received	4,435,042	7,020,722
Dividend received	8,258,479	10,187,342
Other income received	290,072	1,446,077
Payment for investments	(84,435,456)	(210,792,424)
Proceeds from investment	52,000,000	120,870,835
Fixed capital expenditure	(113,500)	(6,219,644)
Proceeds from sale of property and equipment	28,000	-
Total cash flow from investing activities	<u>(19,537,363)</u>	<u>(77,487,092)</u>
FINANCING ACTIVITIES		
Loan received from director	10,097,500	2,150,000
Loan repaid to director	(12,698,629)	(4,160,050)
Payment of finance lease	(2,462,234)	(1,864,993)
Total cash flow from financing activities	<u>(5,063,363)</u>	<u>(3,875,043)</u>
Net cash used in all activities	35,095,148	(39,496,872)
Cash and cash equivalents at beginning of the period	<u>411,767,289</u>	<u>370,103,383</u>
Cash and cash equivalents at end of the period	<u><u>446,862,437</u></u>	<u><u>330,606,511</u></u>

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



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

EAST WEST INSURANCE COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021

	March 31, 2021	March 31, 2020
Reconciliation to profit and loss account		
Operating cash flows	59,695,874	41,865,263
Depreciation expense	(4,124,123)	(5,813,564)
Amortization expense	(25,826)	(36,895)
Profit on disposal of fixed assets	26,964	-
Investment income	4,435,042	7,020,722
Gain / (Loss) on disposal of investment securities	-	588,483
Dividend income	8,258,479	10,187,342
Other income	290,072	1,446,077
Profit on takaful operations	3,643,189	4,086,989
Decrease / (increase) in assets other than cash	187,170,250	(95,501,332)
Decrease in operating liabilities	(123,315,817)	120,548,737
Profit for the period	<u><u>136,054,104</u></u>	<u><u>84,391,822</u></u>

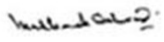



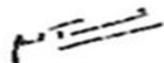
Definition of cash

Cash comprises of cash in hand, policy stamps 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 purpose of statement of cash flows consist of:

	March 31, 2021	March 31, 2020
Cash and other equivalents	13,644	62,198
Current and other accounts	68,043,793	35,544,313
Deposits maturing within 12 months	378,500,000	295,000,000
	<u><u>446,557,437</u></u>	<u><u>330,606,511</u></u>

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

				
CHAIRMAN	CHIEF EXECUTIVE	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER

EAST WEST INSURANCE COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

East West Insurance Company Limited (the Company) was incorporated as a public limited company in the year 1983 under the Companies Act, 1913, the shares of the Company are quoted on the Pakistan Stock Exchange Limited. The Company is engaged in the general insurance business comprising of fire and property, marine, aviation and transport, motor and miscellaneous. The company commenced Window Takaful Operations (WTO) from May 08, 2018 as per Securities Exchange Commission of Pakistan (SECP) Takaful Rules, 2012.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi. The Company operates through 3(2020: 3) principal offices and 24 (2020:24) branches in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

This condensed interim financial information is unaudited but subject to the limited scope review by the auditors and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended December 31, 2020 which have been prepared in accordance with approved accounting standards as applicable to insurance companies in Pakistan.

This condensed interim financial information of the Company for the period ended March 30, 2021 has been prepared in accordance with the requirements of the International Accounting Standard 34 – (IAS 34): Interim Financial Reporting, provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2017, Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

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

The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2020, whereas the comparative condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the period ended March 31, 2021.

In terms of the requirement of the Takaful Rules 2012, read with SECP circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's fund of the General Takaful Operations of the Company have been presented as single line item in the condensed interim statement of financial position and statement of profit and loss account of the Company respectively.

3.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets which are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

3.3 Functional and presentation currency

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

4 USE OF ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information in conformity with the requirements of approved accounting standards as applicable in Pakistan requires management to make judgments / estimates and associated assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments / estimates and associated assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the estimate about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this condensed interim financial information, 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 financial statements of the Company for the year ended December 31, 2020.

5 SIGNIFICANT ACCOUNTING POLICIES

5.1 The accounting policies and the methods of computation adopted by the Company in the preparation of this condensed interim financial information are same as those applied in the preparation of the preceding annual audited financial statements for the year ended December 31, 2020. During the period, the Company has changed its accounting policy with respect to subsequent measurement of available for sale securities as explained in note 5.2.1. Further, the Company has also changed its accounting policy with respect to presentation of financial statements and these financial statements have been presented in accordance with the revised format of financial statements as prescribed under the Insurance Rules, 2017 (as explained in note 5.2.2).

Amendments to certain existing standards and new standards and interpretations on approved accounting standards became effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company. During the period, the Company has changed format for preparation of its condensed interim financial information to comply with the requirements of the 'Insurance Rules, 2017' issued by SECP vide its S.R.O. 89(1) / 2017 dated February 09, 2017.

March 31, **December 31,**
2021 **2020**
(Audited)
----- Rupees -----

6 PROPERTY AND EQUIPMENT

	Note		
Opening balance as at		128,693,753	146,135,672
Additions during the period / year			
Owned			
Office premises		-	-
Furniture and fixtures		-	-
Electrical fittings and equipments		-	137,160
Computers		-	114,800
Office equipments		-	89,000
Vehicles		113,500	2,540,000
Leased			
Vehicles		-	-
		113,500	2,880,960
Less:			
Written down value of assets disposed during the period / year		(1,072)	(679,652)
Depreciation charge for the period / year		(4,124,123)	(19,643,227)
		<u>124,682,058</u>	<u>128,693,753</u>

		March 31, 2021	December 31, 2020 (Audited)
		----- Rupees -----	
7	INTANGIBLE ASSETS		
	Intangible assets	318,526	344,352
	Capital work in progress	705,000	705,000
		<u>1,023,526</u>	<u>1,049,352</u>
7.1	Opening balance as at	344,352	1,736,980
	Less: Amortization charge for the period/year	<u>(25,826)</u>	<u>(1,392,628)</u>
		<u>318,526</u>	<u>344,352</u>
8	INVESTMENT PROPERTIES		
	Invstment properties	<u>47,017,161</u>	<u>47,612,214</u>

8.1 Investment properties comprise of two properties having market value of Rs. 172.50 million as at March 31, 2021 (December 31, 2020: Rs. 172.50 million). Revaluation was carried out by the Company in the month of February, 2020 and July , 2020. The exercise was carried out by independent valuers M/s. Al-Shabaz Surveyors (Private) Limited and M/s. Salam Associates (Private) Limited.

9 INVESTMENTS IN EQUITY SECURITIES

9.1 Investments - Held For Trading

	March 31, 2020	
	Market value as at December 31, 2020	Market value as at March 31, 2021
----- Rupees -----		
Listed shares	91,261,498	91,261,498
Mutual funds	502,795,087	522,795,087
	594,056,585	614,056,585

9.2 Investments-Available For Sale

Listed shares (note 9.3)	222,919,825	222,919,825
Total equity securities	816,976,410	836,976,410

9.3 This includes investment in associated undertaking.

10 INVESTMENTS IN DEBT SECURITIES - Held for Maturity

Government Securities	239,785,281	248,781,953
10.1 INVESTMENTS IN DEBT SECURITIES - Available for Sale		
Others	20,000,000	20,000,000
Total debt securities	259,785,281	268,781,953

10.2 This represents Pakistan Investment Bonds (PIBs) and sharia compliant GOP Ijara Sukuk carrying interest ranging from 5.51% to 12% (December 31, 2020: 5.89% to 12%).

11 INVESTMENT IN TERM DEPOSIT RECEIPTS

Deposits maturing within 12 months- local currency	<u>378,500,000</u>	<u>385,045,476</u>
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These represent Term Deposit Receipts (TDRs) with commercial banks carrying markup ranging from 7.50% to 13.90% per annum (2020: 7.50% to 13.90% per annum).

12 LOANS AND OTHER RECEIVABLES

Unsecured - considered good			
Accrued investment income		6,816,305	5,530,238
Advances	12.1	135,423,930	103,780,668
Deposits		15,579,275	15,564,275
Other receivables		<u>108,002,952</u>	<u>2,637,002</u>
		<u>265,822,462</u>	<u>127,512,183</u>

12.1 This represents advances in the normal course of business which do not carry any interest / mark-

Note	March 31, 2021	December 31, 2020 (Audited)
-----	(Rupees)	-----

13 INSURANCE / REINSURANCE RECEIVABLES

(Unsecured - considered good)		
Due from insurance contract holders	341,075,187	479,067,029
Provision for impairment of receivables from insurance contract holders	(2,414,077)	(2,414,077)
Premium written off	-	(3,425,699)
	338,661,110	473,227,253
Due from other insurers / reinsurers	<u>228,945,665</u>	<u>259,077,714</u>
	<u>567,606,775</u>	<u>732,304,967</u>

14 PREPAYMENTS

Prepaid reinsurance premium ceded	521,027,734	565,677,650
Prepaid rent	394,612	414,577
Others	<u>231,374</u>	<u>231,374</u>
	<u>521,653,720</u>	<u>566,323,601</u>

15 CASH AND BANK

Cash and cash equivalents		13,644	14,069
Cash at bank			
Current accounts		10,750,343	20,752,663
Saving accounts	15.1	57,293,450	5,955,081
		<u>68,057,437</u>	<u>26,721,813</u>

15.1 These include interest bearing accounts carrying interest rates ranging from 5% to 10% (December 31, 2020: 5% to 10%) per annum.

16

General reserve		440,000,000	440,000,000
Unrealized gain / (loss) on available for sale investments		(71,911,312)	(71,581,372)
		<u>368,088,688</u>	<u>368,418,628</u>

17 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Current portion		3,048,304	5,375,079
Non-current portion		-	-
		<u>3,048,304</u>	<u>5,375,079</u>
		March 31,	December 31,
		2021	2020
	Note		(Audited)
	----- (Rupees) -----		

18 OTHER CREDITORS AND ACCRUALS

Sundry creditors		45,902,272	18,484,965
Commission payable		-	30,956,525
Federal excise duty		3,854,816	4,858,214
Federal insurance fee		3,465,370	3,234,804
Workers' welfare fund		36,057,172	36,057,172
Withholding tax		7,595,083	6,888,125
Unclaimed dividend		31,303	31,303
Due to director	17.1	6,057,342	8,658,471
		<u>102,963,358</u>	<u>109,169,579</u>

18.1 The amount of loan is payable to directors which is unsecured and interest free.

19 CONTINGENCIES AND COMMITMENTS

There is no contingencies and commitments as at statement of financial position date March 31, 20

March 31,	March 31,
2021	2020

	----- (Rupees) -----	
20 NET INSURANCE PREMIUM		
Written gross premium	814,199,597	734,664,841
Add: Unearned premium reserve - opening	1,223,128,077	1,252,193,521
Less: Unearned premium reserve - closing	<u>(1,108,889,414)</u>	<u>(1,109,487,133)</u>
Premium earned	928,438,260	877,371,229
Less: Reinsurance premium ceded	<u>374,368,048</u>	<u>337,419,046</u>
Add: Prepaid reinsurance premium - opening	565,677,650	577,141,443
Less: Prepaid reinsurance premium - closing	<u>(521,027,734)</u>	<u>(459,769,213)</u>
Reinsurance expense	<u>419,017,964</u>	<u>454,791,276</u>
	<u>509,420,296</u>	<u>422,579,953</u>

	March 31, 2021	March 31, 2020
	----- (Rupees) -----	
21 NET INSURANCE CLAIMS EXPENSE		
Claims paid	355,161,641	235,192,787
Add: Outstanding claims (including IBNR) - closing	566,965,735	580,157,492
Less: Outstanding claims (including IBNR) - opening	<u>(652,587,244)</u>	<u>(596,061,338)</u>
Claims expense	269,540,132	219,288,941
Less: Reinsurance and other recoveries received	<u>119,686,619</u>	<u>69,862,980</u>
Add: Reinsurance and other recoveries in respect of outstanding claims - closing	393,670,108	437,669,451
Less: Reinsurance and other recoveries in respect of outstanding claims - opening	<u>(455,666,161)</u>	<u>(465,459,802)</u>
Reinsurance and other recoveries revenue	<u>57,690,566</u>	<u>42,072,629</u>
	<u>211,849,566</u>	<u>177,216,312</u>

22 NET COMMISSION		
Commission paid or payable	181,317,368	169,564,839
Add: Deferred commission expense - opening	290,582,372	328,921,034
Less: Deferred commission expense - closing	<u>(239,359,769)</u>	<u>(273,438,109)</u>
Net commission	<u>232,539,971</u>	<u>225,047,764</u>

Less: Commission received or recoverable	107,404,277	94,245,693
Add: Unearned reinsurance commission - opening	125,918,778	130,735,976
Less: Unearned reinsurance commission - closing	(70,060,700)	(60,137,268)
Commission from reinsurers	163,262,355	164,844,401
	<u>69,277,616</u>	<u>60,203,363</u>

23 INVESTMENT INCOME

Income from equity securities		
Held-for-trading		
Dividend income	8,258,479	10,187,342
Gain / (loss) on disposal of securities	-	588,483
	<u>8,258,479</u>	<u>10,775,825</u>
Income from debt securities		
Held for Maturity		
Return on debt securities		
Pakistan Investment bond	5,209,976	4,173,287
Gop Ijara Sukuk	-	-
Treasury Bills	47,017	77,647
	<u>5,256,993</u>	<u>4,250,934</u>
Available for Sale		
Term Finance Certificates	236,712	393,204
Corporate Sukuk	222,904	387,156
	459,616	780,360
Return on term deposits	4,469,177	7,083,285
Net unrealized gains / (losses) on investments at fair value through profit or loss (held for trading)	-	(32,650,145)
	<u>18,444,265</u>	<u>(9,759,741)</u>
Investment related expenses	(305,000)	(294,000)
	<u>18,139,265</u>	<u>(10,053,741)</u>

24 EARNINGS PER SHARE - basic and diluted

	for the period ended	
	March 31, 2021	March 31, 2020
Profit for the period	<u>136,054,104</u>	<u>84,391,822</u>
Weighted average number of ordinary shares of Rs. 10 each	<u>118,335,810</u>	<u>118,335,810</u>
Earnings per share - rupees	<u>1.15</u>	<u>0.71</u>

23.1 There is no dilutive effect on basic earning per share of the Company.

25 **TRANSACTIONS WITH RELATED PARTIES**

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions with related parties are as follows:

Nature of relationship	Nature of transaction	Period ended March 31	
		2021	2020
		Rupees	Rupees
Common directorship	Investment in associated company	-	-
Directors and Key Management Personnel	Loan received from directors	<u>10,097,500</u>	<u>2,150,000</u>
	Loan repaid to directors	<u>12,698,629</u>	<u>4,160,050</u>
	Remuneration paid	<u>3,510,000</u>	<u>3,000,000</u>

25 **GENERAL**

25.1 This condensed interim financial information was authorised for issue in the Board of Directors meeting of the Company held on April 29, 2021.

25.2 The figures for the quarter period ended March 31, 2021 have been rounded off to the nearest Rupee.



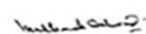



CHAIRMAN CHIEF EXECUTIVE DIRECTOR DIRECTOR CHIEF FINANCIAL OFFICER

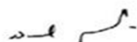
EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2021

	Note	Operator's Fund		Participant's Takaful Fund	
		March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
		-----Rupees-----		-----Rupees-----	
ASSETS					
Property and equipment	6	10,847,141	11,046,167	-	-
Investment property - at cost	7	34,804,438	35,245,000	-	-
Accrued investment income	8	116	1,200	1,561	13,553
Qard-e-Hasna to Participants' Takaful Fund (PTF)	9	18,150,000	18,150,000	-	-
Takaful / re-takaful receivables	10	-	-	109,683,957	82,028,389
Receivable from PTF	11	51,028,681	41,212,140	-	-
Taxation - payment less provision	12	18,005	17,239	10,475	5,780
Deferred wakala fee expense		-	-	41,020,821	31,668,279
Deferred commission expense	21	24,990,890	17,075,306	-	-
Prepayments	13	662,000	226,000	55,349,929	45,757,947
Cash and bank	14	84,275	31,357	637,781	20,879,038
TOTAL ASSETS		140,585,546	123,004,409	206,704,524	180,352,986
FUND AND LIABILITIES					
Operators' Fund					
Statutory Fund		50,000,000	50,000,000	-	-
Accumulated profit		27,870,981	24,227,792	-	-
Total Operators Fund		77,870,981	74,227,792	-	-
Participants' Takaful Fund					
Ceded money		-	-	500,000	500,000
Accumulated surplus		-	-	22,572,660	15,104,934
Balance of Participant Takaful Fund		-	-	23,072,660	15,604,934
Qard-e-Hasna from Operator's Fund	9	-	-	18,150,000	18,150,000
LIABILITIES					
Underwriting provisions					
Outstanding claims		-	-	-	-
Unearned contribution reserve		-	-	92,741,991	86,086,761
Unearned Re-takaful rebate		-	-	7,884,355	6,804,133
		-	-	100,626,346	92,890,894
Takaful / Re-takaful payable	15	-	-	11,447,511	10,130,951
Unearned wakala fee		41,020,821	31,668,279	-	-
Contribution received in advance		-	-	1,929,633	1,954,934
Payable to OPF	11	-	-	50,528,681	40,712,140
Other creditors and accruals	16	12,527,752	10,333,188	949,693	909,133
Payable to East West Insurance Company Limited	17	9,165,992	6,775,150	-	-
TOTAL LIABILITIES		62,714,565	48,776,617	165,481,864	146,598,052
TOTAL FUND AND LIABILITIES		140,585,546	123,004,409	206,704,524	180,352,986
CONTINGENCIES AND COMMITMENTS	5				

The annexed notes from 1 to 28 form an integral part of this financial information.



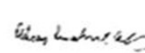
CHAIRMAN



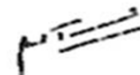
CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED MARCH 31, 2021**

		March 31 2021	March 31 2020
	Note	-----Rupees-----	
Participants' Takaful Fund			
Contributions earned	18	43,302,597	43,537,625
Less: Contributions ceded to retakaful	18	(23,466,622)	(33,532,033)
Net contributions revenue		<u>19,835,975</u>	<u>10,005,592</u>
Retakaful rebate	20	<u>3,533,303</u>	<u>5,564,948</u>
Net underwriting income		23,369,278	15,570,540
Net claims - reported / settled	19	(15,910,984)	(10,191,671)
Other direct expenses		<u>(226)</u>	<u>(319)</u>
Surplus before investment income		7,458,068	5,378,550
Investment income	24	19,315	15,294
Less: Modarib share of investment income	24	(9,658)	-
		<u>7,467,726</u>	<u>5,393,844</u>
Surplus transferred to accumulated surplus		<u>7,467,726</u>	<u>5,393,844</u>
Operator's Fund			
Wakala fee	22	15,027,878	23,845,258
Commission expense	21	(8,013,244)	(14,681,333)
Management expenses	23	<u>(4,000,496)</u>	<u>(5,653,993)</u>
		3,014,138	3,509,932
Modarib's share of PTF investment income		9,658	-
Investment income	24	1,393	4,057
Rental income		618,000	573,000
Other expenses	25	-	-
Profit for the period		<u>3,643,189</u>	<u>4,086,989</u>

The annexed notes from 1 to 28 form an integral part of this financial information.

				
CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2021**

	March 31 2021	March 31 2020
	-----Rupees-----	
Participants' Takaful Fund		
Surplus for the year	7,467,726	5,393,844
Other comprehensive income	-	-
Total comprehensive surplus for the year	<u>7,467,726</u>	<u>5,393,844</u>
Operator's Fund		
Profit for the year	3,643,189	4,086,989
Other comprehensive income	-	-
Total comprehensive income for the year	<u>3,643,189</u>	<u>4,086,989</u>

The annexed notes from 1 to 28 form an integral part of this financial information.

				
CHAIRMAN	CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER

EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED MARCH 31, 2021

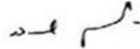
	Operator's Fund		
	Statutory Fund	Accumulated (Losses) / Profit	Total
	----- Rupees -----		
Balance as at January 1, 2020	50,000,000	11,089,318	61,089,318
Total comprehensive income for the period			
Profit for the period	-	4,086,989	4,086,989
Other comprehensive income	-	-	-
	-	4,086,989	4,086,989
Balance as at March 31, 2020	<u>50,000,000</u>	<u>15,176,307</u>	<u>65,176,307</u>
Balance as at January 1, 2021	50,000,000	24,227,792	74,227,792
Total comprehensive income for the period			
Profit for the period	-	3,643,189	3,643,189
Other comprehensive income	-	-	-
	-	3,643,189	3,643,189
Balance as at March 31, 2021	<u>50,000,000</u>	<u>27,870,981</u>	<u>77,870,981</u>

	Participants' Fund		
	Ceded Money	Accumulated (Deficit) / Surplus	Total
	----- Rupees -----		
Balance as at January 1, 2020	500,000	9,440,023	9,940,023
Total comprehensive income for the period			
Surplus for the period	-	5,393,844	5,393,844
Other comprehensive income	-	-	-
	-	5,393,844	5,393,844
Balance as at March 31, 2020	<u>500,000</u>	<u>14,833,867</u>	<u>15,333,867</u>
Balance as at January 1, 2021	500,000	15,104,934	15,604,934
Total comprehensive income for the period			
Surplus for the period	-	7,467,726	7,467,726
Other comprehensive income	-	-	-
	-	7,467,726	7,467,726
Balance as at March 31, 2021	<u>500,000</u>	<u>22,572,660</u>	<u>23,072,660</u>


The annexed notes from 1 to 28 form an integral part of this financial information.



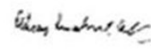
CHAIRMAN



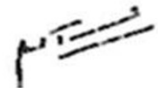
CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR FINANCIAL OFFICER



EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021

	Operator's Fund		Participant's Takaful Fund	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
-----Rupees-----				
OPERATING CASH FLOWS				
(a) Takaful activities				
Contribution received	-	-	38,621,396	51,919,229
Retakaful contribution paid	-	-	(33,058,604)	(30,232,119)
Claims paid	-	-	(41,838,962)	(35,218,622)
Retakaful and recoveries received	-	-	25,927,978	25,576,951
Commission paid	(13,329,732)	(11,834,972)	-	-
Retakaful rebate received	-	-	4,613,525	4,655,168
Wakulla fee received	24,380,420	19,455,869	-	-
Wakulla fee paid	-	-	(24,380,420)	(19,455,869)
Modarib share received	9,658	-	-	-
Modarib share paid	-	-	(9,658)	-
Net cash flow tactful activities	11,060,346	7,620,897	(30,124,745)	(2,755,262)
(b) Other operating activities				
Income tax paid	(768)	(418)	(4,695)	(1,651)
Direct expenses paid	-	-	(226)	(319)
Other operating payment	639,590	(645,224)	-	-
Management expenses paid	(4,405,028)	(3,774,897)	-	-
Other operating receipts	(7,861,699)	(3,780,234)	9,857,102	2,499,895
Net cash flow from other operating activities	(11,627,905)	(8,200,773)	9,852,181	2,497,925
Total cash used in all operating activities	(567,560)	(579,876)	(20,272,564)	(257,337)
INVESTMENT ACTIVITIES				
Profit received on investment income	2,477	4,179	31,307	16,507
Rental income	618,000	573,000	-	-
Addition to plant and equipment	-	-	-	-
Addition to investment	-	-	-	-
Qard-e-Hasna to PTF	-	-	-	-
Proceeds from disposal of investments	-	-	-	-
Total cash flow generated from / (used in) investing activities	620,477	577,179	31,307	16,507
FINANCING ACTIVITIES				
Contribution to the Operator's fund	-	-	-	-
Ceded money	-	-	-	-
Qard-e-Hasna from OPF	-	-	-	-
Total cash flow generated from financing activities	-	-	-	-
Net cash flow from all activities	52,918	(2,697)	(20,241,257)	(240,830)
Cash and cash equivalents at beginning of the period	31,357	16,341	20,879,038	811,959
Cash and cash equivalents at end of the period	84,275	13,644	637,781	571,129
Reconciliation to profit and loss account:				
Operating cash flows	(567,560)	(579,876)	(20,272,564)	(257,337)
Depreciation	(639,590)	(689,292)	-	-
Investment income	2,477	4,179	31,307	16,507
Rental income	618,000	573,000	-	-
Increase / (decrease) in assets other than cash	18,167,809	(7,038)	46,592,794	(10,314,238)
Increase / (decrease) in liabilities	(13,937,948)	4,786,016	(18,883,812)	15,948,912
Profit / surplus for the period	3,643,189	4,086,989	7,467,726	5,393,844

The annexed notes from 1 to 28 form an integral part of this financial information.







CHAIRMAN **CHIEF EXECUTIVE OFFICER** **DIRECTOR** **DIRECTOR/CHIEF FINANCIAL OFFICER**

**EAST WEST INSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2021**

1 STATUS AND NATURE OF BUSINESS

- 1.1 East West Insurance Company Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on May 08, 2018 by Securities and Exchange Commission of Pakistan (SECP) under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.
- 1.2 For the purpose of carrying on the takaful business, the Operator has formed a Participants' Takaful Fund (PTF) on April 06, 2018 under the Waqf deed with the ceded money of Rs. 500,000. The Waqf deed and PTF policies (Waqf Rules) which govern the relationship of Operator, Waqf and Participants for management of Takaful operations, investment of Waqf and Operator's Fund are approved by the Shariah Advisor of the Operator.
- 1.3 The registered office of the Operator is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Sarwar Shaheed Road, Lakson Square Building No. 03, 4th, Floor Karachi.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements are prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act 2017, provision of and directives issued under the Companies Act 2017, the Insurance Ordinance 2000, the Takaful Rules 2012 and the General Takaful Accounting Regulations, 2019. In case requirement differ, the provision or directives of the Companies Act 2017, the Insurance Ordinance 2000, the Takaful Rules 2012 and the General Takaful Accounting Regulation 2019 shall prevail.

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable.

- 2.1 These condensed interim financial statement do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Operator's financial statements for the year ended December 31, 2020.

3 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention except that certain investments are stated at lower of cost and market value.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of annual financial statements for the year ended December 31, 2020.

5 CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at March 31, 2021.

6 PROPERTY AND EQUIPMENT

		March 31, 2021							
		Cost		Accumulated depreciation					
As at January 1, 2021	Additions during the period	Transfer to investment property	As at March 31, 2021	As at January 1, 2021	Depreciation for the period	Transfer to investment property	As at March 31, 2021	Written down value	Depreciation rate %
Rupees		Rupees							
10,000,000	-	-	10,000,000	579,166	117,760	-	696,926	9,303,074	5%
2,300,000	-	-	2,300,000	674,666	81,267	-	755,933	1,544,067	20%
12,300,000	-	-	12,300,000	1,253,832	199,027	-	1,452,859	10,847,141	
12,300,000	-	-	12,300,000	351,666	902,167	-	1,253,833	11,046,167	

December 31, 2020 - audited

7 INVESTMENT PROPERTY

		March 31, 2021							
		Cost		Accumulated depreciation					
As at January 1, 2021	Additions during the period	Transfer to investment property	As at March 31, 2021	As at January 1, 2021	Depreciation for the period	Transfer to investment property	As at March 31, 2021	Written down value	Depreciation rate %
Rupees		Rupees							
38,000,000	-	-	38,000,000	2,755,000	440,563	-	3,195,563	34,804,438	5%
38,000,000	-	-	38,000,000	2,755,000	440,563	-	3,195,563	34,804,438	
38,000,000	-	-	38,000,000	900,000	1,855,000	-	2,755,000	35,245,000	

December 31, 2020 - audited

This represents office premises owned by the Operator. These investments properties was acquired on an arms length transaction and recorded as per cost model defined in IAS 40. All of these properties are rented out and income generated in the year 2021 is Rs.618,000/-. However, we are carrying it at cost model due to the difficulties of identifying sale of the similar type of properties recently.

Depreciation on this property is calculated using reducing balance method @5% calculated on written down value (WDV) of the property.

Forced sale value of the investment property is assessed at Rs. 38 million.

The depreciation on investment property measured at WDV is charged to other expenses.

	Operator's Fund		Participants Takaful Fund	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Note	-----Rupees-----			
8 ACCRUED INVESTMENT INCOME				
Income accrued on savings account	116	1,200	1,561	13,553
	<u>116</u>	<u>1,200</u>	<u>1,561</u>	<u>13,553</u>
			March 31, 2021	December 31, 2020
			(Unaudited)	(Audited)
			----- Rupees -----	
9 QARD-E-HASNA TO PARTICIPANT'S TAKAFUL FUND (PTF)				
Opening as at January 1st			18,150,000	18,150,000
Qard-e-hasna transferred from OPF during the period / year			-	-
Closing			<u>18,150,000</u>	<u>18,150,000</u>
10 TAKAFUL / RE-TAKAFUL RECEIVABLES (PTF)				
Participants' Takaful Fund				
Due from takaful participant holders			32,092,622	24,751,565
Less: provision for impairment of receivables from takaful participant holders			-	-
			<u>32,092,622</u>	<u>24,751,565</u>
Due from other takaful / re-takaful operators			77,591,335	57,276,824
Less: provision for impairment of receivables from takaful participant holders			-	-
			<u>109,683,957</u>	<u>82,028,389</u>
11 RECEIVABLE FROM PTF / PAYABLE TO OPF				
Other receivable / payable	51,028,681	41,212,140	(50,528,681)	(40,712,140)
	<u>51,028,681</u>	<u>41,212,140</u>	<u>(50,528,681)</u>	<u>(40,712,140)</u>
12 TAXATION - PAYMENT LESS PROVISION				
Tax deducted at source	18,004	17,239	10,475	5,780
	<u>18,004</u>	<u>17,239</u>	<u>10,475</u>	<u>5,780</u>
13 PREPAYMENTS				
Prepaid retakaful contribution ceded	-	-	55,349,929	45,757,947
Other prepayments	662,000	226,000	-	-
	<u>662,000</u>	<u>226,000</u>	<u>55,349,929</u>	<u>45,757,947</u>

Operator's Fund		Participants Takaful Fund	
March 31, 2021 (Unaudited)	December 31, 2020 (Audited)	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)

-----Rupees-----

14 CASH AND BANK

Cash at bank

Current accounts

PLS savings accounts

	1,337	1,337	75	75
14.1	82,938	30,020	637,706	20,878,963
	<u>84,275</u>	<u>31,357</u>	<u>637,781</u>	<u>20,879,038</u>

March 31,
2021
(Unaudited)

December 31,
2020
(Audited)

----- Rupees -----

15 TAKAFUL / RETAKAFUL PAYABLE (PTF)

Participants' Takaful Fund

Due to other takaful / re-takaful

Local

	11,447,511	10,130,951
	<u>11,447,511</u>	<u>10,130,951</u>

16 OTHER CREDITORS AND ACCRUALS

Salaries payable

Staff provident fund

Commission payable

Withholding tax payable

Accrued expenses

	919,086	925,706	-	-
	422,102	396,952	-	-
	9,329,303	6,730,207	-	-
	112,252	83,052	-	-
	1,745,009	2,197,271	949,693	909,133
	<u>12,527,752</u>	<u>10,333,188</u>	<u>949,693</u>	<u>909,133</u>

17 PAYABLE TO EAST WEST INSURANCE COMPANY LIMITED (OPF)

This represents the amount payable in respect of expenses incurred by East West Insurance Company Limited on behalf of the Operator.

March 31, March 31,
2021 2020
Note -----Rupees-----

18 NET TAKAFUL CONTRIBUTION

		Participants' Takaful Fund	
	Written gross contribution	64,985,705	55,027,940
	Wakala fee	22 (15,027,878)	(23,845,258)
	Contribution net of wakala	49,957,827	31,182,682
	Unearned contribution reserve -Opening	86,086,761	86,423,643
	Unearned contribution reserve -Closing	(92,741,991)	(74,068,700)
	Contribution earned	43,302,597	43,537,625
	Less:		
	Re-takaful contribution ceded	33,058,604	30,751,524
	Prepaid retakaful contribution ceded-Opening	45,757,947	44,454,864
	Prepaid retakaful contribution ceded -Closing	(55,349,929)	(41,674,355)
	Retakaful expense	23,466,622	33,532,033
		<u>19,835,975</u>	<u>10,005,592</u>

19 NET TAKAFUL CLAIMS

	Claims paid	41,838,962	35,218,622
	Outstanding claims -Opening	-	-
	Outstanding claims -Closing	-	550,000
	Claim expense	41,838,962	35,768,622
	Retakaful and other recoveries received	(25,927,978)	(25,576,951)
		<u>15,910,984</u>	<u>10,191,671</u>

20 RETAKAFUL REBATE

	Retakaful rebate received	4,613,525	4,655,168
	Unearned retakaful rebate - opening	6,804,133	7,319,085
	Unearned retakaful rebate - closing	(7,884,355)	(6,409,305)
	Rebate from takaful operator	<u>3,533,303</u>	<u>5,564,948</u>

21 COMMISSION EXPENSE

		Operators' Fund	
	Commission paid	15,928,828	12,393,765
	Deferred commission expense - opening	17,075,306	19,571,136
	Deferred commission expense - closing	(24,990,890)	(17,283,568)
		<u>8,013,244</u>	<u>14,681,333</u>

22 WAKALA EXPENSE

		Participants' Takaful Fund	
	Gross wakala fee	24,380,420	19,455,869
	Deferred wakala expense - opening	31,668,279	31,701,100
	Deferred wakala expense - closing	(41,020,821)	(27,311,711)
	Deferred wakala expense	<u>15,027,878</u>	<u>23,845,258</u>

March 31, March 31,
2021 2020
Note -----Rupees-----

25 OTHER EXPENSES

Operators' Fund

Auditor's remuneration

-	-
-	-
-	-

26 RELATED PARTY TRANSACTION

The Operator has related party comprise of the associates, subsidiary company, directors, key management personnel and staff retirement funds. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Detail of related parties transactions with balances are as follows:

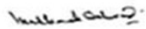
	Relationship with the Company	Basis of Relationship	March 31, 2021	December 2020
			Rupees	
Loan received from East West Insurance Company Limited	Window Takaful Operator	Management Company	2,390,842	2,634,603
Loan paid from East West Insurance Company Limited			-	-
Remuneration Paid				
Syed Arif Hussain	Ex-Head of Window Takaful Operation	Key Management Personal	-	-
Sajjad Usmani	Shariah Advisor	Key Management Personal	300,000	1,200,000
Abdul Hakeem Siddiqui	Ex-Head of Window Takaful Operation	Key Management Personal	-	906,667
Syed Mushtaq Hussain	Head of Window Takaful Operation	Key Management Personal	150,000	50,000
Payable to related parties				
East West Insurance Company Limited			9,165,992	6,775,150
Staff retirement benefits			-	-
Key management personal			250,000	306,667
			9,415,992	7,081,817

27 DATE OF AUTHORIZATION FOR ISSUE

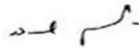
These financial statements were authorized for issue on April 29, 2021 by the Board of Directors of the Operator.

28 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.



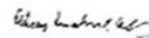
CHAIRMAN



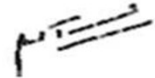
**CHIEF EXECUTIVE
OFFICER**



DIRECTOR



DIRECTOR



**CHIEF FINANCIAL
OFFICER**