

Looking Over the Horizons



EFU LIFE

Annual Report 2016



To reach high, you need to go above and beyond the call of duty. A bird cannot fly on a single feather, but together with other features it can take flight. Similarly, small elements of construction don't mean much on their own, but together they create skyscrapers that pierce the clouds. Our direction remains steadfast and we are determined to create history and leave our mark.

To reach the highest ambitions you need wings that are strong, and that is why, at EFU Life, we believe in strong, unbreakable partnerships forged over years of trust. We strongly believe that if we join together, we can scale new heights.



EFU LIFE ASSURANCE LTD.

ISO 9001: 2008 Certified | Rated AA+ by JCR-VIS

www.efulife.com



(021) 111-338-111



efulife.com



EFU Life PlanIT



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/EFULifeOfficial



EFU LIFE
9898



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ADVANCING THROUGH FORESIGHT

To reach the highest peaks one needs to soar higher. The falcon feather represents all that it takes to move ahead in life - honor, respect and a broader perspective. Just as water always flows through time and gives life to all that it touches, the falcon soars above it and forges the way to the future with its vision.

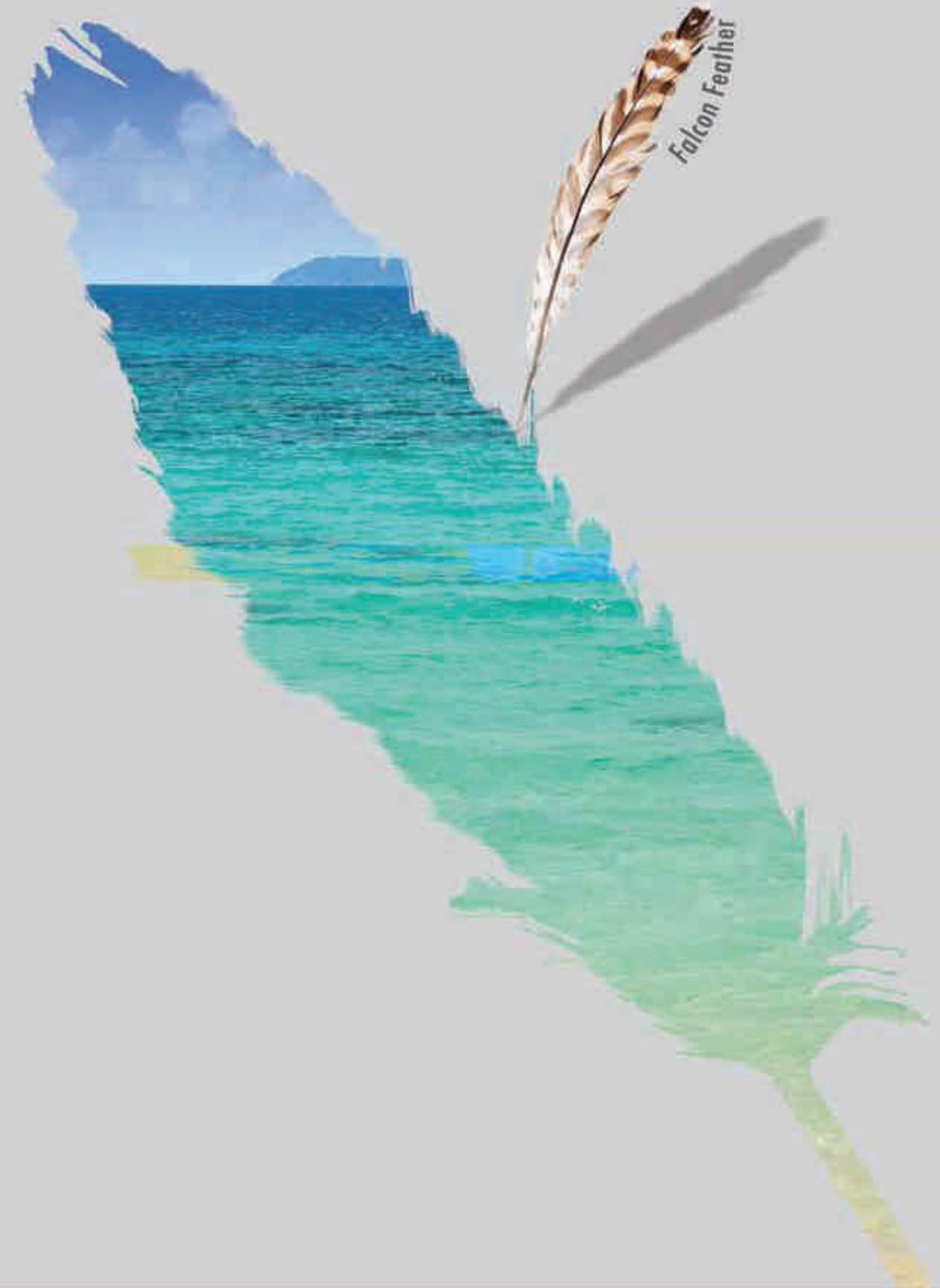
VISION

Our Vision is to make EFU Life one of the most respected and successful financial services organisation in the world. Our strategy to achieve our vision is: build our core capabilities, serve our clients beyond their expectations, adhere to our core values and be a good corporate citizen.

MISSION

We shall together build EFU Life into a dynamic and financially sound institution by:

- Working together as a team
- Continually improving our client services
- Creating an empowered and self-fulfilling culture
- Developing innovative products
- Adopting leading technology



CARVING A WAY FORWARD

To rise above the rest, you need to plan ahead. Just as a tree keeps growing towards the light, it is important to adapt and grow to fulfill the highest goals. The Harrier is a migratory bird which strategizes its journey according to the situation at hand because it knows that planning is the key to moving forward.

STRATEGIC OBJECTIVES

LEAD THE INDUSTRY

Be the leading provider of insurance and financial planning solutions by achieving growth in existing and new markets.

VALUE OF SHAREHOLDERS

Achieve sustainable level of profitability and continuously create value for shareholders.

BRAND EQUITY

Enhance our brand equity through continuous investments in communication channels and market education.

INNOVATIVE SOLUTIONS

Continually innovate and deliver a comprehensive range of insurance and savings products meeting the needs of all market segments.

DISTRIBUTION FOOTPRINT

Strengthen and expand our distribution footprint by connecting to all segments of the market where there is a need for financial planning and protection.

CUSTOMER OBSESSION

Build a customer-centric culture by not only excelling in caring for our customers and delivering on our promises, but also delighting them at every step of the way.

EMBRACE TECHNOLOGY

Adopt leading technology, deeply entwined with business functions to create optimization across the organization.



CEMENTING OUR LEGACY

When your values are as strong as concrete, your foundations can never be broken. Just as a feather from a swan symbolizes guardianship and grace, our core values give us the will we need for a strong foundation.

VALUES

CHARACTER

Our business principles for achieving exceptional success are a belief that our corporate conduct should be based on uncompromising integrity, ethics and honesty.

PRIDE

We believe that people want to excel and that extraordinary results can be achieved, if given the right support and work climate.

SERVICE

Our clients are the reason for being in business. We shall deliver to them the highest quality of flawless service to win and keep their loyalty.

COMMITMENT

We nurture and develop our people to be good human beings, work together as a team to achieve our organizational objectives and obligations, while at the same time fulfill their aspirations.

CULTURE

Embed a high performance culture that points the organisation towards the common good and intense passion for achievement at all levels



PASSION DRIVES PROSPERITY

The blue jay feather symbolizes determination, intelligence and a talent to save for the future. A blue jay knows that in order to survive, it has to use its resources wisely. Similar to the foundation, without which no building can stand, our strong financial resources are the pillars on which we succeed.

RS. 2.32 BILLION
TOTAL CLAIMS PAID

RS. 1.87 BILLION
PROFIT AFTER TAX

45%
RETURN ON EQUITY

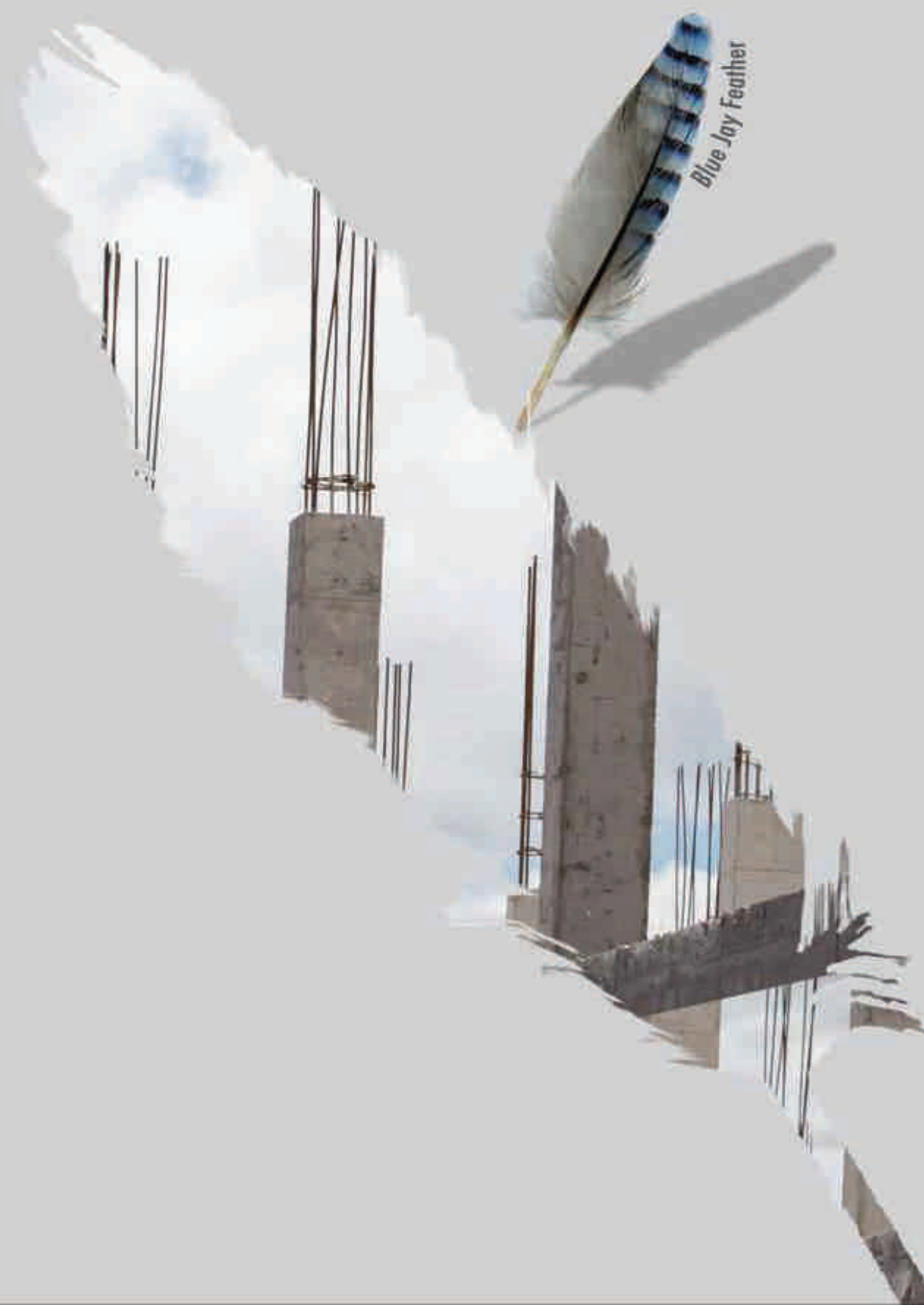
RS. 18.73
EARNINGS PER SHARE

150%
CASH DIVIDEND

RS. 106.30 BILLION
STRONG ASSET BASE

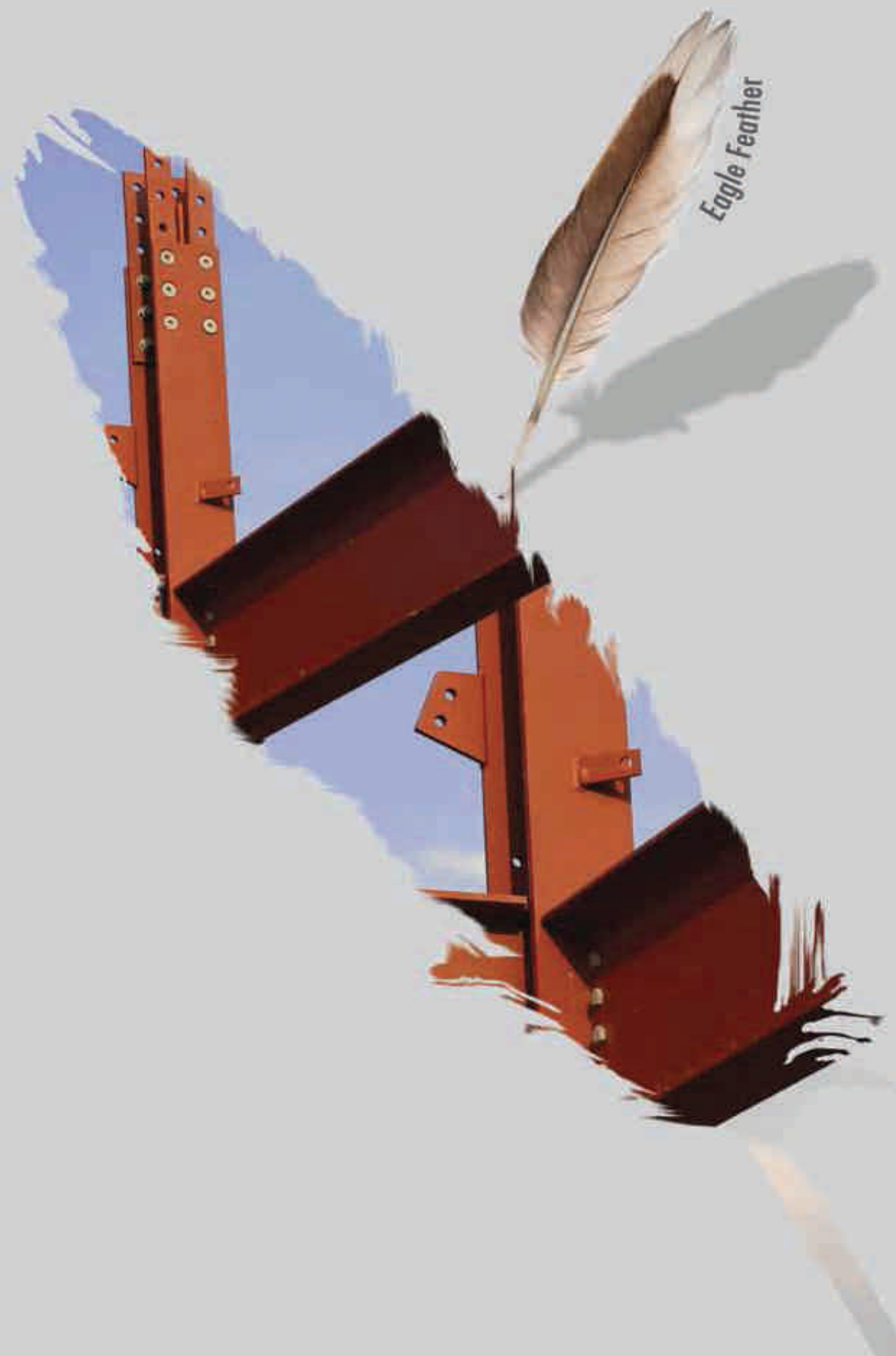
RS. 96.36 BILLION
FUNDS UNDER MANAGEMENT

RS. 4.19 BILLION
SHAREHOLDERS EQUITY



PROGRESS IS A JOURNEY

In our constant quest to excel, we look to the future and advancement is always a priority. By modernizing our outlook and using state-of-the-art technology, we achieve what we set out to do at a pace that ensures we surpass others. An eagle feather symbolizes courage, clarity and speed. Just as girders are instrumental in getting the building off the ground and growing, we look to advancing through innovation.



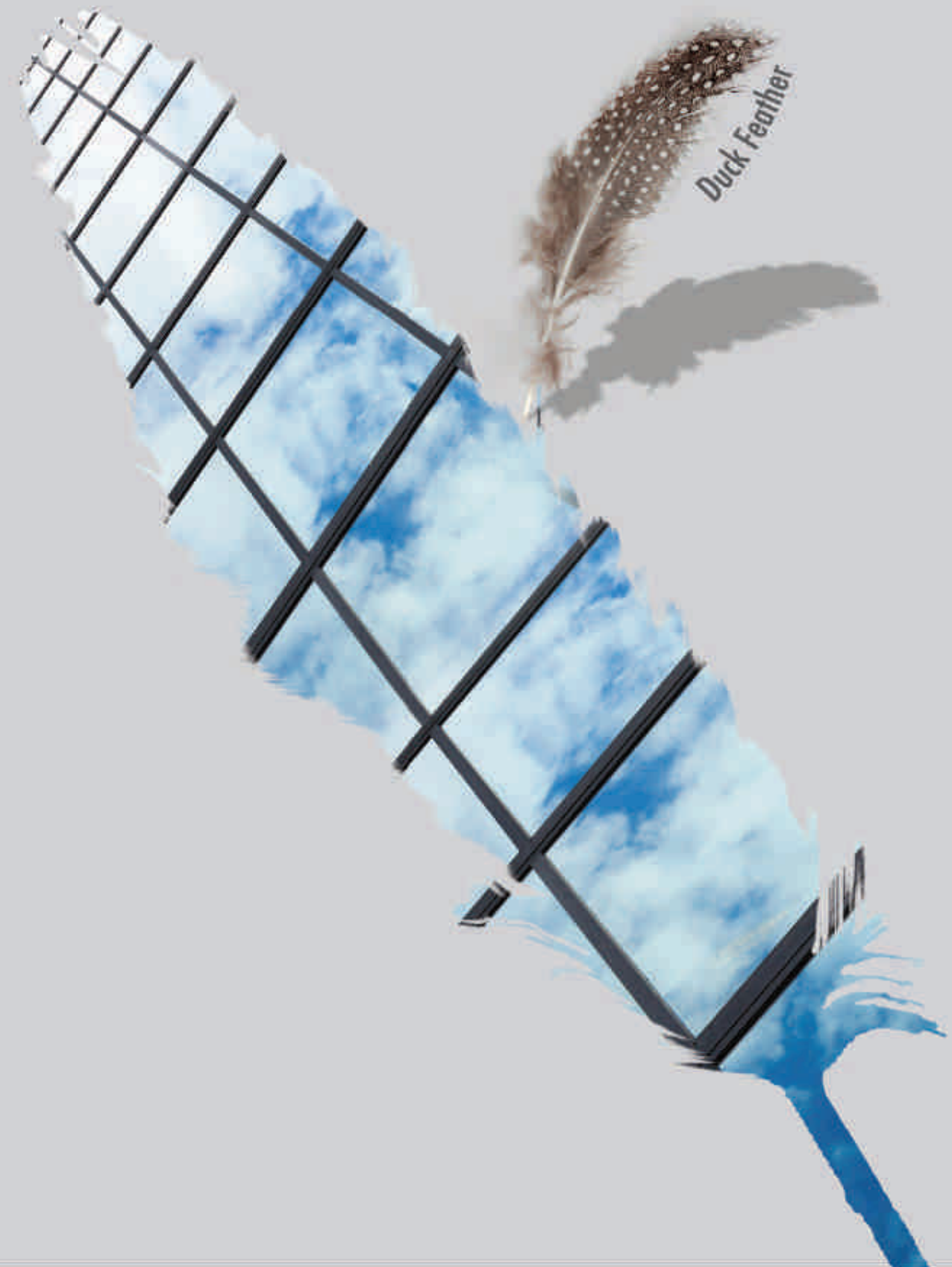
GOING FURTHER TOGETHER

A stronger organization is one which embraces networking and the power of collective action. A peacock feather signifies integrity and what can be achieved through showing our true colors. Just as tiny stones are ineffective in stopping the tide on their own, but can prove invaluable when combined, we believe in not giving up until we band together to create an ever-evolving distribution network.



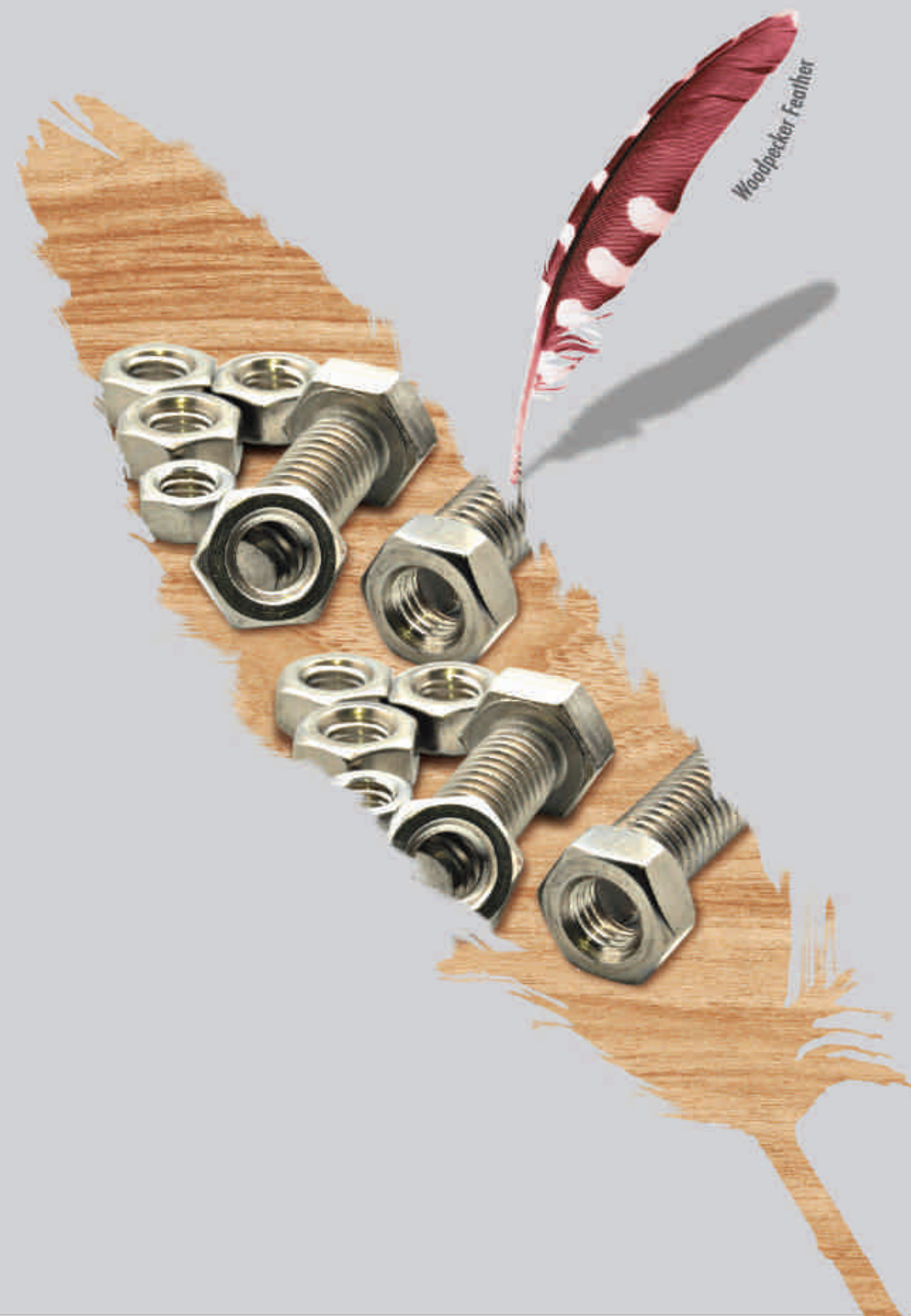
MOVING FORWARD BY GIVING BACK

We believe in conducting our affairs as transparently as possible, allowing everyone to observe us in action as if through a glass, especially when contributing to society. We hold trust as sacred as, like glass, it has to be handled properly or it shatters easily. A duck feather symbolizes trust, adoration and dedication to doing whatever it takes to do the right thing.



SKILLFULLY CRAFTING

Great and complex structures are bound together by crucial elements like nuts and bolts. Hence, we focus on minute details and bringing them together, resulting in products & solutions that are more than the sum of their parts and sensitive to your needs. The woodpecker feather symbolizes the need for attention and awareness, as do we, with our eye for detail to enhance customer experience.



TOGETHER WE RISE TO THE TOP

With the sands of time continuing to shift, progress is only possible through teamwork, commitment, dedication and trust. Our greatest strength is the team that works together to ensure success for one and all, as signified by the swallow feather, which symbolizes togetherness, good luck and hope.



Director's Profile



Rafique R. Bhimjee

Mr. Rafique R. Bhimjee is B.Sc (Hons) in Management Science, University of Warwick, MBA in Finance from City University, London and a "Certified Director" from Pakistan Institute of Corporate Governance.

He has worked overseas in Merrill Lynch Asset Management, New York and Abu Dhabi Investment Authority.

Mr. Rafique Bhimjee was the Chairman of EFU General Insurance Ltd. from February 1999 to July 2011 and became Chairman of EFU Life Assurance Ltd in July 2011. He is also a Director of Allianz EFU Health Insurance Ltd. and EFU Services (Pvt.) Ltd. and Director of International Foundation Garments (Pak) Pvt. Ltd.



Taher G. Sachak

Mr. Taher G. Sachak has studied in UK and is a graduate in Business Studies from Bournemouth University, and also has a post-graduate Diploma in Management Studies from Liverpool University. Following his studies, he joined the British Civil Service and after 5 years decided to pursue a career in life assurance. He held executive positions in major UK Life Assurance Companies, Allied Dunbar, Trident Life and finally Century Life before coming to Pakistan in 1994 to join EFU Life.

He is also a Director of EFU General Insurance and Vice Chairman of Allianz EFU Health and Chairman of Pakistan Insurance Institute and a "Certified Director" from Pakistan Institute of Corporate Governance.



Saifuddin N. Zoomkawala

Mr. Saifuddin N. Zoomkawala has been associated with EFU Group since 1964. He served as Managing Director of EFU General Insurance Ltd from 1990 till 2011 when he was elected Chairman of the Company. He is also the Chairman of Allianz EFU Health Insurance Ltd. He was also Chairman of EFU Life Assurance Ltd. from 1999 to 2011.

He is on the Board of Governors of Shaikat Khanum Memorial Trust; SIUT; Burhani Hospital; and Fakhr-e-Imdad Foundation.



Heinz Dollberg

Mr. Heinz Dollberg, based in the Asia Pacific Division of Allianz SE in Munich since 1998, was responsible for managing operations in Asia, the Middle East and North Africa. He frequently travelled between Allianz headquarters in Munich and the subsidiaries to oversee operations. He has over three decades of experience at Allianz.

In the 1980's, Mr. Dollberg worked in Tokyo and Hong Kong, and was part of the pioneering team that established the Group's widespread operations in the Asia Pacific.

Mr. Dollberg holds a degree in Law and holds executive positions with numerous subsidiaries of Allianz. He was appointed, Honorary Professor by two well reputed universities in China -- South Western University of Chengdu, as well as the Tongji University of Shanghai.



Muneer R. Bhimjee

Mr. Muneer R. Bhimjee, has been associated with EFU since July 1993. He is a Graduate (Hons) in Social Sciences from University of Westminster, London.

He is also a Director of International Foundation Garments (Pak) Pvt. Ltd. and EFU General Insurance Ltd. and now also on the board of Allianz EFU Health.



Hasanali Abdullah

Mr. Hasanali Abdullah is Chartered Accountant and Certified Director from Pakistan Institute of Corporate Governance (PICG). He has been associated with EFU General Insurance Ltd since 1979 and is its Managing Director & Chief Executive from 2011. He is also Director of Allianz EFU Health Insurance Ltd and EFU Services (Pvt) Ltd. He is Director of Tourism Promotion Services (Pakistan) Limited (owners of Serena Hotels in Pakistan), Honorary Treasurer of Aga Khan Hospital & Medical College Foundation, Member of National Committee of Aga Khan University Foundation (Pakistan Branch) Geneva. Chairman of Insurance Association of Pakistan and Director of Institute of Financial Markets of Pakistan. He has served on the Boards, Council and Committees of various Aga Khan Development Network institutions from 1976 to 2002. He has been Director of PICG in 2011, Chairman of Insurance Association of Pakistan for the year 2008 and 2010 - 11, Executive Committee Member of Federation of Pakistan Chambers of Commerce & Industries for 2011 and Chairman of Pakistan Insurance Institute 2014 - 15.



Kamal Afsar

Mr. Afsar holds a post-graduate degree in Economics and International Studies and is a "Certified Director" from Institute of Corporate Governance. He was Chairman, State Life Insurance Corporation of Pakistan, Chairman and CEO, Pakistan Reinsurance Company Limited, and Chairman and CEO, Pakistan Automobile Corporation Limited. He has also served as the Managing Director, Karachi Electric Supply Corporation Limited and CEO, National Tanker Company.

He has served on the Board of Pakistan Stock Exchange and Central Depository Company of Pakistan.

Mr. Afsar has held the position of Federal Commerce Secretary and as Consul General of Pakistan at Hong Kong for over 5 years.

He also sits on the Boards of National Insurance Corporation Ltd and Bank Islami.



Syed Salman Rashid

Mr. Syed Salman Rashid has done B.Sc. (Hons) from Karachi University and is a "Certified Director" from Pakistan Institute of Corporate Governance.

He started his career with EFU General Insurance Limited and has been associated with the company for over three decades and serves as Deputy Managing Director in the company.

He has attended international seminars, meetings and conferences in several countries of the world. Parallel to his professional services, he has also served on the Board of JS Investment Bank Limited and is presently on the Board of Power Cement Limited.



Mahmood Lotia

Mr. Mahmood Lotia is a B.Sc from Punjab University and an Associate of the Chartered Insurance Institute, UK (ACII). He started his insurance career in 1974 and went to UK in 1977 and to Abu Dhabi in the 80's. He joined EFU General Insurance Ltd in 1991 and currently is in-charge of the Company's technical operations including underwriting, claims and reinsurance. He is the Senior Deputy Managing Director and on the Board of EFU General and Allianz-EFU Health Insurance Ltd.

Mr. Lotia has remained associated with Insurance Association of Pakistan and has served on various technical committees, the Executive Committee and also as the Chairman of the Association.



Mustafa Hussain Ali
National Sales Director
Sales Force

Taher G. Sachak
Managing Director &
Chief Executive

S. Shahid Abbas
Chief Financial Officer &
Executive Director

Husein Sachak
Head of Bancassurance



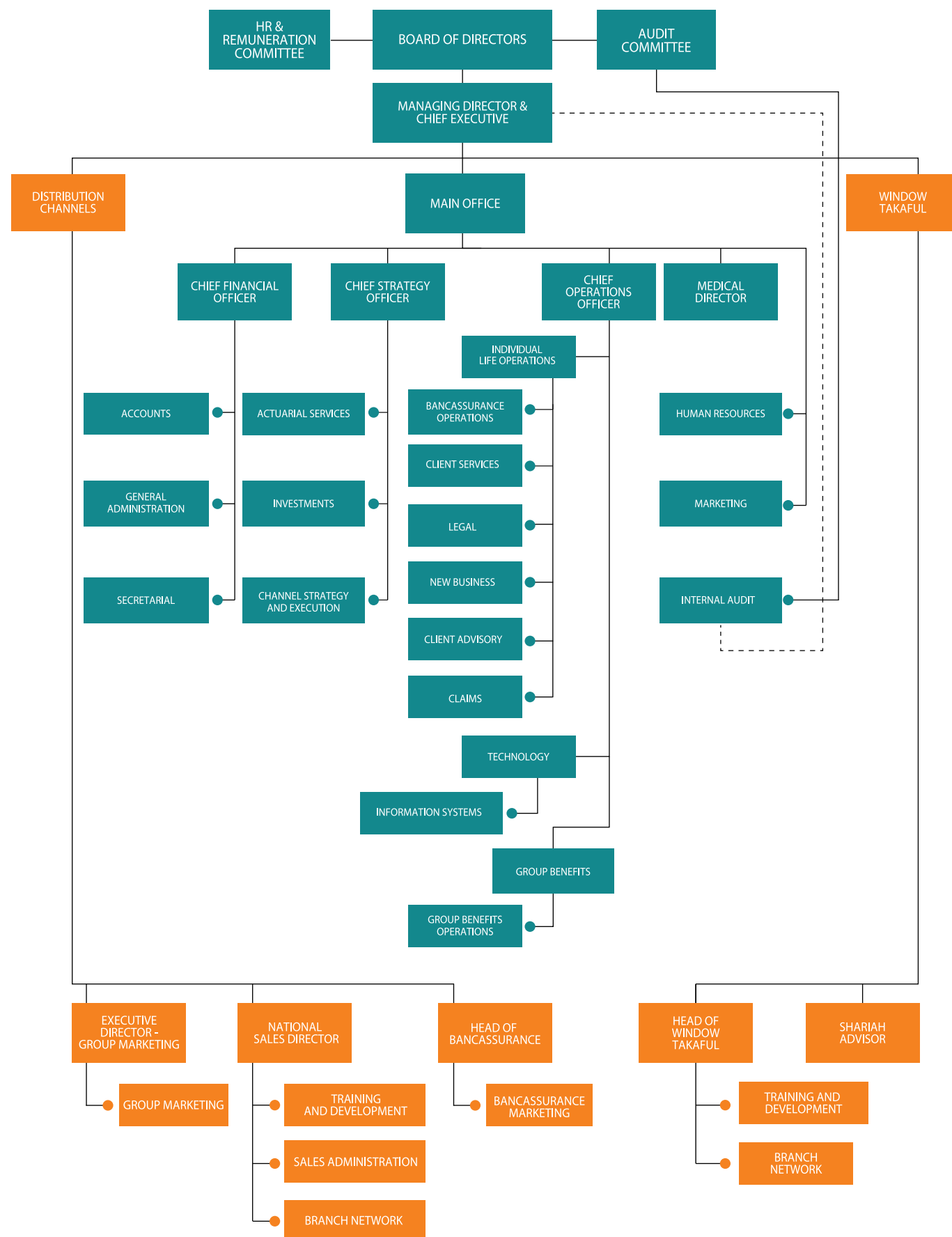
Zain Ibrahim
Chief Operations Officer &
Executive Director

Rehman Fayaaz Khan
Head of Window
Takaful Operations

M. Ali Ahmed
Chief Strategy Officer &
Executive Director

S. Ali Raza Zaidi
Executive Director
Group Benefits

Organogram



Management

Managing Director & Chief Executive

Taher G. Sachak

Executive Directors

Mohammed Ali Ahmed
S. Shahid Abbas
Zain Ibrahim

Deputy General Managers

Arshad Iqbal
Ashfaque Ahmed
Mohammad Asim Khan

Assistant General Managers

Adeel Ishaque
Ali Qureshi
Aman Hussain
Jalal Habib Curmally
Raza Hasan
S. Mohammad Owais

Medical Director

Dr. Tajuddin A. Manji, F.R.C.P., M.R.C.P.

Chief Managers

Evelyn D. Abrogena
M. Fawad Habib
M. Hasan Shaikh
M. Rehan Siddiqui
Mohammad Abbas
Naseeruddin Ahmed
Nilofer Sohail
S. Muhammad Athar
Sajjad Hussain Khan

Senior Managers

Abida Hasanali
Ammar Qamar
Asim Maqbool
Burhan Zahid Chughtai
Dr. Asad ul Hadi Siddiqui
Fahd Saifuddin Syed
Farukh Hasan
Mohammad Zubair
S. Mohammad Amer
S. Rizwan Ali Bukhari
Zia ur Rehman Khan

Managers

Adnan Ali Gul
Akbar Husain Qazilbash
Ameer Abbas Mir Muhammadi
Asif Akhtar
Dr. Ammara Moazzum
Faisal Zahir
Farah Mushtaq
Furqan Ahmed
Irfan Abbas Hameer
Irfan Junejo
Irfan Qadir Malik
Javed Ameen
Jibran Masood Khan
M. Jawaid Mughal
M. Rafi Malik
Majid Aziz
Mohammad Faisal
Mushtaq Ali
Nasir Feroze Khan
Ramesh Kumar
S. Abdul Mujeeb
Sajid Mahmood Butt
Sheikh Irfan Zafar

Distribution Channels

Sales Force

Mustafa Hussain Ali
National Sales Director

Group Benefits

S. Ali Raza Zaidi
Executive Director

Bancassurance

Husein Sachak
Head of Bancassurance

Takaful Operations

Rehman Fayyaz Khan
Head of Window Takaful Operations

Shariah Advisor

Mufti Muhammad Ibrahim Essa

Shariah Compliance Officer

Adeel Ishaque

Committees

Audit Committee

Hasanali Abdullah
Saifuddin N. Zoomkawala
Muneer R. Bhimjee
Kamal Afsar

Ethics, HR & Remuneration Committee

Rafique R. Bhimjee
Saifuddin N. Zoomkawala
Taher G. Sachak

Investment Committee

Rafique R. Bhimjee
Saifuddin N. Zoomkawala
Taher G. Sachak
Hasanali Abdullah
Omer Morshed
S. Shahid Abbas
Mohammed Ali Ahmed
S. Muhammad Owais

Underwriting Committee

Taher G. Sachak
Dr. Tajuddin Manji
Zain Ibrahim
Hasan Sheikh
Dr. Asad-ul-Hadi

Claim Settlement Committee

Taher G. Sachak
Arshad Iqbal
Dr. Ammara Moazzam
Sajjad Hussain

Reinsurance Committee

Taher G. Sachak
Mohammad Ali Ahmed
Zain Ibrahim
Raza Hasan
Ali Qureshi

Risk Management & Compliance Committee

Taher G. Sachak
Mohammed Ali Ahmed
S. Shahid Abbas
Zain Ibrahim
Ali Qureshi
Abbas Hussain

IT Steering Committee

Zain Ibrahim
S. Shahid Abbas
Ashfaq Ahmed

Company Information

Chairman

Rafique R. Bhimjee

Managing Director & Chief Executive

Taher G. Sachak

Directors

Saifuddin N. Zoomkawala
Muneer R. Bhimjee
Hasanali Abdullah
Heinz Walter Dollberg
Kamal Afsar
Syed Salman Rashid
Mahmood Lotia

Corporate Secretary

S. Shahid Abbas

Appointed Actuary

Omer Morshed
F.C.A., F.P.S.A., F.I.A.

Legal Advisor

Mohammad Ali Sayeed, M.A.B.L.

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants, Karachi

Shariah Advisor

Mufti Muhammad Ibrahim Essa

Rating

Rating Agency: JCR-VIS
Insurer Financial Strength Rating: AA+
Outlook: Stable

Registrar

Technology Trade (Pvt.) Ltd.
Dagia House 241-C
Block-2, P.E.C.H.S.
Off Shahrah-e-Quaideen
Karachi.
Ph: (92-21) 34391316-17 & 19, 34387960-61
Fax: (92-21) 34391318

Website:

www.efulife.com

Registered Office

Al-Malik Centre
70 W, F-7/G-7
Jinnah Avenue, (Blue Area)
Islamabad.

Main Office

EFU Life House,
Plot No.112, 8th East Street
Phase 1, DHA, Karachi.

Access to Reports and Enquiries

Annual Report

Annual report can be downloaded from the Company's website: www.efulife.com; or printed copies obtained by writing to:

The Company Secretary
EFU Life Assurance Ltd.
EFU Life House,
Plot No.112, 8th East Street
Phase 1, DHA, Karachi
Pakistan

Quarterly Reports

The Company publishes interim reports at the end of first, second and third quarters of the financial year. The interim reports can be accessed at website: www.efulife.com; or printed copies can be obtained from the Company Secretary.

Shareholders' Enquiries

Shareholders' enquiries about their holding, dividends or share certificates can be directed to Share Registrar at the following address:

Technology Trade (Pvt.) Ltd.
Dagia House 241-C
Block-2, P.E.C.H.S.
Off Shahrah-e-Quaideen
Karachi.
Tel: (92-21) 34391316-17
Fax: (92-21) 34391318

Stock Exchange Listing

The shares of the Company are listed on Pakistan Stock Exchange. The symbol code is EFUL.

Journey Through The Year

Awards & Accolades:



'Who's Who Professional's Award' conferred to Mr. Taher G Sachak, MD & CEO, EFU Life for his outstanding contribution to the insurance industry of Pakistan.



'Certificate of Excellence' for the 7th consecutive time by Management Association of Pakistan (MAP) in the category of Commercial Banks & Insurance Sector, recognizing the exemplary standards of management practices.



'Consumer Choice Award 2015' for Best Life Insurance Company in Pakistan for 8th consecutive time, for excellence in management practices and service quality.

'World Finance Global Insurance Award 2015' in the 7th Annual Global Insurance Awards by World News Media, securing the top position in the life insurance sector in Pakistan.



'CSR Award 2016' in the category of Social Impact by The Professionals Network and Ethical Business Update (EBU) in recognition of the company's efforts in areas of health and education.

'Best Life Insurance Company 2016' in Pakistan in International Finance Awards by Acquisition International showcasing the achievement, innovation and dedication to the international finance industry.



'1st Runner Up for the Best Corporate Report (BCR) Award 2015' in the Non-Banking Financial Institutions Category by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost & Management Accountants of Pakistan (ICMAP) for best presented accounts, improvement in transparency, accountability, and governance.

'Certificate of Merit' by South Asian Federation of Accountants (SAFA) for Best Presented Accounts 2015 in the insurance sector, within South Asian countries.

Steps in the Right Direction:

Celebrating the spirit of patriotism through Wall Art



Marking the 69th year of Independence of Pakistan, EFU Life launched 'Meri Shaan Mera Pakistan' a beautification project in collaboration with Commissioner Karachi Division to reclaim the walls of major public areas of the city through thematic wall art, aimed at eradicating wall chalking and negativity on walls.

The campaign rejoiced the spirit of patriotism and depicts the rich cultural heritage of Pakistan. Celebrating the cultural diversity of its people and yet unified under the nation's flag is the underlying theme of the campaign.

For a Cleaner and Greener Pakistan



A Tree Plantation Drive was initiated by EFU Life at Jinnah Post Graduate Medical Centre (JPMC), under the slogan 'Keep JPMC Clean and Green' to commemorate the 4th Insurance Day in Pakistan. The drive involved plantation of trees and installation of trash cans, to address global warming-induced climate change and its adverse impact on the environment.

Blood Connects Us All



Continuing our support to the cause of saving lives, we endorsed this year's Blood Donor day theme of 'Blood Connects Us All', by rolling out a blood donor drive with Afzaal Memorial Thalassemia Foundation (AMTF). An awareness session on Thalassemia was conducted, followed by Thalassemia screening and a blood donation drive.



'EFU Life House' Inauguration Ceremony

The end of the year closed on the biggest milestone of all. The move to our new home, the EFU Life House. Centrally located to meet the diverse needs of our clients with an immaculate working environment, the EFU Life House is a testament to the trust that our clients have in us and stands tall, promising the best financial planning solutions and world class services.



Joining hands #ForALife



This Ramadan, we endeavored to bring colors in the life of many. We partnered with four NGO's, in areas of education and health, FESF, SIUT, LRBT, and Dar ul Sukun, by launching a mass social media campaign 'Join hands for a Life'. Each NGO was dedicated a week on the company's official social media pages. For any Comment, Like or Share on any of the posts of the NGO during the week, a donation of Rs.10 was made by EFU Life to the respective NGO.

Customer Centricity Driving Innovation

This year saw us moving closer to our vision of insuring every household in Pakistan, with emphasis on strategic partnerships, expansion of our distribution footprint, product innovations and continuous focus on service and technological improvements.

Payment Solutions made easier



One of the key developments in the year were our strategic partnerships with Easypaisa, JazzCash, and NADRA-E-Sahulat, for our payment solutions, giving our clients the ease and flexibility to pay their renewal premiums in a reliable and secure manner through their vast network of outlets and retailers.



Additionally, Monet solution, the mobile POS system was also introduced, that allows our client to make mobile payments through Debit/Credit Cards which can be accepted on-the-go.

We also tied up with 1Link, to allow policy payments via e-banking and ATM machines.



Smart Solutions

Our emphasis on service augmentations continued by introducing a more user friendly interface of the client e-services portal, and new features for a richer online experience. Additionally, new options were added to the EFU Life PlanIT app, on push notifications, confirmations on tax filer status and easier registration to e-services for monitoring and tracking one's policy.

Along with this, we automated Finger print verification with live NADRA systems across Pakistan, helping speed up client processing forms for surrender and maturity. This has not only made the process faster by eliminating the 'know your customer' requirement but reduced the error rate.

Coverage beyond borders

Recognizing the needs of the masses for insurance protection and savings financial solutions, EFU Life partnered with Easypaisa to launch a range of products, the first being Easypaisa Kamyab Mustakbil. This unique Shariah compliant financial planning solution provides customers with a simple and secure takaful plan, with a keen focus on affordability.



Additionally, a unique value added service 'Doctor Connect' was also launched for our clients. Doctor Connect is a 'second medical opinion' service and provides access to the world's best physicians and specialists giving you an invaluable second medical opinion when you need it the most. Whether it is a chronic medical issue or a minor health concern, Doctor Connect provides a wide range of services to our clients, their spouse and dependent children to ensure that they get the right diagnosis, treatment and medical information.



Statement of Ethics

All Directors and Staff are required to:

- Act with integrity, dignity and in an ethical manner when dealing with the public, clients and peers.
- Protect the confidentiality of client information at all times except where required by law to disclose it.
- Protect the confidentiality of information relating to the Company both during the course of Directorship or employment (as the case may be) and after its termination (regardless of reason).
- Obtain written permission from the Company's Compliance Officer (or the Chief Executive Officer in the event that the Compliance Officer is unavailable) to hold any position (paid or unpaid) with any outside party, firm or organization. For clarity, positions covered include but are not limited to consultant, employee, Director, representative and agent. Furthermore, all staff must disclose in writing to the Company, any such positions they currently hold at the time of signing this statement. Directors are exempt from this requirement.
- Maintain accurate records of business transactions related to the Company or its clients.
- Report any business or professional activities or any beneficial interests that may result in a conflict with or be competitive with the interests of the Company.
- Report any person or activity to the Compliance Officer or CEO that, in their opinion, is in violation of this statement.
- Disclose their shareholding in the Company's Securities upon signing this agreement and any changes in shareholding within 24 hours of any such change.

Statement of Business Practices

- Uncompromising integrity. Our business is founded on trust and we manage it ethically, lawfully and fairly.
- Clients first. Nothing we do is more important than protecting and preserving our clients' interests. We hold responsibilities towards our clients in the highest regard.
- Entrepreneurship. We work hard every day to hire the best people, motivate them, reward them and encourage them to innovate. We are a meritocracy and an equal opportunity employer.
- Passion for performance. We contribute towards our Company's financial goals and concentrate on achieving superior results.
- A culture of excellence. We measure our performance on every task we undertake not just by the results but also by the quality of our work.
- A tradition of success. While we are fair and ethical at all times, we compete aggressively by providing excellent service to our clients.

Whistle Blowing Policy

In compliance with the Code of corporate Governance the Company has adopted Whistle Blowing Policy. The Company has established Code of Ethics which sets out the standards of conduct in the management of its business. All the employees are expected to carry out their duties in a manner that is consistent with the Code. If employees become aware of the circumstances which are not in compliance with the Code, they communicate their concerns to the Managing Director.

Internal Audit Framework and Role of the Internal Auditor

Internal Audit is an independent appraisal function, which operates as a service to the company through the Audit Committee and senior management. Its role, as part of the overall governance and control environment, is to provide an independent and objective assurance and consulting service; to evaluate the adequacy and effectiveness of the risk management, internal controls, operations and governance processes throughout the company. It also provides an opinion on the company's operation for economy, efficiency and effectiveness.

To fulfill this role, the internal audit service covers all the financial and other management control systems. Internal Audit is empowered to audit all systems and activities and has unrestricted access to all records, reports, personnel, IT systems and assets for audit purposes. It consult with appropriate management to set mutually convenient dates for audit work to take place, but the timing of the audit is at the ultimate discretion of the audit department.

Stakeholder Engagement / Quality Assurance

Policy and Procedures for Stakeholder Engagement

Institutional Investors

The Company convenes Annual General Meeting in accordance with the Companies Ordinance, 1984. The Company's financial reports are published every quarter and are also placed on Company's website for the share holders and potential investors.

In compliance with the Code of Corporate Governance under the listing regulations of the stock exchange. The Company notifies information to the stock exchange from time to time. This helps the shareholders remain connected with the Company. The dates of the Board of Directors Meetings and financial results are notified to the stock exchange.

Customers

We believe in customer trust and satisfaction being our strength over the years. To help improve customer service and meet their needs and expectations, feedback from customers are sought.

Banks

We understand the importance of these stakeholders and ensure continuous interactions with them and manage our relationships.

Media

We engage with media through press briefing and regular press releases on key achievements, periodical results, and other strategic events.

Regulators

To maintain compliance with applicable laws and regulations, the applicable statutory returns and forms are filed with various regulatory bodies and federal and provisional taxation authorities.

Procedures Adopted for Quality Assurance of Products / Services

EFU Life believes that meeting customer expectations comes from consistently meeting standards and delivering consistent results is at the core of quality assurance procedures. It is our responsibility to ensure that every employee understands the quality definitions and how he / she is to make certain those standards are met. Measuring the quality that is delivered is critical for consistent results. Department / Branch Heads monitor work processes and maintain quality standards.

As per ISO 9001:2008 standards, EFU Life has established procedures for quality assurance of services by continually improving the effectiveness of the quality management system through the use of:

- the quality policy,
- quality objectives,
- audit results,
- analysis of data,
- corrective and preventive actions,
- regular management reviews,
- trainings,
- customer feedback system and
- monitoring / measurement activities.

The old expression, "There is always room for improvement," rings true when it comes to quality assurance. To keep our business on the cutting edge, we always ask the question, How can we make this better? By tweaking the process where required or by raising standards each year, we will see our overall business quality improve to levels higher than ever before.

Investor Grievance Policy

EFU Life Assurance Ltd. believes that relations with investors are vital for the financial life line and substantial growth of the organization. Relations with investors also reflect on the goodwill of the organization. It is therefore, imperative to place an efficient and effective mechanism in the organization for providing services to the investors and to re-dress their grievances in accordance with law.

The Company has accordingly provided on its website, the necessary information about the Company, the directors, auditors, share registrars, the financial data for the current period and for the last six years and daily stock update showing daily rates of the Company's shares quoted at the Karachi Stock Exchange.

The Chief Financial Officer and Corporate Secretary of the Company is the primary contact on behalf of the Company to whom the investors can contact to re-dress their grievances and resolve their issues.

The management endeavors to investigate and resolve all the complaints and queries of the investors to their utmost satisfaction. An investor who is not satisfied can also approach the Securities & Exchange Commission of Pakistan (SECP) complaint cell through interactive link provided on our website. Our investor grievance policy is broadly based on the following principles:

- Investors calling us in person, telephone, fax or email are received and their complaints are dealt in timely manner.
- Each and every investor is treated fairly at all the times.
- Prompt, efficient and fair treatment is given to all the complaints and queries of the investors.

Company Profile / Evaluation of Board's Performance

Company Profile

The EFU Brand has a rich history of over 84 years, starting in 1932 in Calcutta. By 1961, EFU had become the flag bearer of Pakistan's insurance industry on the world stage, and the largest life company in Afro-Asian countries (excluding Japan). It remained so until 1972 when Life insurance business in Pakistan was nationalized. From then onwards EFU operated solely as a general insurance company.

In 1992, the Government of Pakistan opened up life insurance to the private sector and EFU Life Assurance Ltd was incorporated as the first private sector life insurance company. Over a span of 24 years EFU Life has established itself as a trusted brand name in providing all types of financial planning solutions. The Company markets its business through three main distribution channels - Sales Force, Bancassurance and Group Benefits. A comprehensive range of retail products are available targeting low income persons up to high net worth individuals. In addition, tailor made solutions are offered to the corporate sector through group life schemes.

The Company also has the distinction of being the first Window Family Takaful Operator to be licensed by the SECP and to start window takaful operations. A complete Shariah compliant suite of financial planning products is available through all distribution channels.

Annual Evaluation of Board's Performance

The Board has placed a mechanism to evaluate its performance annually as required by the Code of Corporate Governance. The mechanism devised is based on the emerging and leading trends on the functioning of the Board and improving its effectiveness. The placement and functioning of evaluation mechanism is out sourced.

MD's Performance Review

Managing Director's performance is monitored and evaluated by the Board against the objectives and performance targets set by the Board.

Decisions Taken at the 24th AGM

No significant issues were raised by the shareholders during the meeting. The following matters taken up in the meeting as per Agenda were approved unanimously and the decisions taken were implemented in due course:

1. approval of the minutes of the 23rd Annual General Meeting held on April 10, 2015.
2. Approval of Audited Financial Statements for the year ended December 31, 2015 together with the Directors and Auditors' reports thereon.
3. Approval of Final Cash Dividend at the rate of Rs.7/- per share i.e. 70% for the year ended December 31, 2015 as recommended by the Board of Directors and also approve the interim dividend of Rs 3 i.e. 30% already paid to shareholders, thus making a total of Rs 10 per share i.e. 100% for the year ended December 31, 2015
4. Approval of special resolution to amend the Article of Association of the company by inserting a new clause numbering 82 to introduce E-Voting as prescribed by securities & Exchange Commission of Pakistan
5. Appointment of KPMG as Auditors for the year 2016.
6. Approval to invest in shares of Associated Company, EFU General Insurance Ltd. of Rs. 100,000,000/- with in period of next three years.

Role of the Chairman and the CEO

The roles of the Chairman and the Chief Executive are separate and complementary, with responsibilities clearly set out.

Chairman

The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance.
- Ensure effective communication with shareholders, and other relevant stakeholders and that the views of these groups are understood by the Board.
- Set an agenda which is primarily focused on strategy, performance, value creation and accountability, and ensure that issues relevant to those areas are considered by the Board.
- Ensure that the Board determines the nature and extent of the significant risks the Company is willing to embrace in the implementation of its strategy, and that the Board reviews on an ongoing basis the effectiveness of risk management and internal control systems.
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making.
- Manage the Board to ensure that adequate time is allowed for discussion of all agenda items (in particular strategic issues) and to ensure that complex or contentious issues are dealt with effectively, making sure in particular that non-executive directors have sufficient time to consider them.
- Ensure that Board members receive accurate, timely and clear information, in particular about the Company's performance.

Chief Executive

The Chief Executive is responsible for leadership of the life insurance business, managing it within the authorities delegated by the Board and the development and implementation of strategy. In particular, he will:

- Develop strategy proposals for recommendation to the Board and ensure that agreed corporate strategy actions are reflected in the business.
- Be responsible to the Board for the performance of the business consistent with agreed business plans, corporate strategies and policies and keep the Board as a whole updated on progress made against such agreed plans, corporate strategies and policies.
- Facilitate the operating businesses of the Company in developing their own strategic plans for the future ensuring that they are properly evaluated and that they are built into the overall corporate strategy.
- Plan human resourcing to ensure that the Company has the capabilities and resources required to achieve its business plans
- Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources.
- Lead the Committees, including the development of performance targets and appraisals for the Executive Committees and senior management. Ensure that business is conducted in accordance with the Business Principles.
- Ensure that the flow of information to the Board is accurate, timely and clear. Ensure that reporting lines within the Company are clearly established and are effective.
- Ensure that management puts procedures in place to ensure compliance with all relevant legislation and regulation.
- Develop and maintain an effective framework of internal controls including risk management in relation to all business activities.
- Ensure that the Company has a suitable system and policy for the timely and accurate disclosure of information in accordance with regulatory requirements.
- Keep the Chairman promptly informed on all matters that may be of importance to the Board or of which the Board should be aware.

The Chairman and Chief Executive will meet regularly to review issues, opportunities and problems.

Financial Calendar

Results

First Quarter ended 31 March	Announced on	23-Apr-16
Half year ended 30 June	Announced on	20-Aug-16
Third quarter ended 30 September	Announced on	22-Oct-16
Year ended 31 December	Announced on	14-Feb-17

Dividend

1st Interim 2016	Announced On	23-Apr-16
	Amount	10%
	Entitlement date	9-May-16
	Paid On	20-May-16

2nd Interim 2016	Announced On	20-Aug-16
	Amount	10%
	Entitlement date	5-Sep-16
	Paid On	22-Sep-16

3rd Interim 2016	Announced On	22-Oct-16
	Amount	10%
	Entitlement date	7-Nov-16
	Paid On	18-Nov-16

Final Cash 2016	Announced On	14-Feb-17
	Amount	120%
	Entitlement date	7-Apr-17
	Statutory limit up to payable	15-May-17

Interim (2015)	Announced on	23-Apr-15
	Amount	10%
	Entitlement date	7-May-15
	Paid on	18-May-15

Interim (2015)	Announced on	31-Aug-15
	Amount	10%
	Entitlement date	14-Sep-15
	Paid on	21-Sep-15

Interim (2015)	Announced on	31-Oct-15
	Amount	10%
	Entitlement date	16-Nov-15
	Paid on	26-Nov-15

Final cash (2015)	Announced on	15-Feb-16
	Amount	70%
	Entitlement date	25-Mar-16
	Paid on	8-Apr-16

Issuance of Annual Report	18-Mar-17
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25th Annual General Meeting	15-Apr-17
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Notice of Meeting

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of EFU Life Assurance Ltd. will be held at Kamran Centre, 1st Floor, 85 East, Blue Area, Jinnah Avenue, Islamabad on April 15, 2017 at 12.00 Noon to:

A. ORDINARY BUSINESS:

1. confirm the minutes of the 24th Annual General Meeting held on April 2, 2016.
2. receive, consider and approve the Audited Financial Statements for the year ended December 31, 2016 together with the Directors' and Auditors' reports thereon.
3. consider and if thought fit to approve the payment of Final Cash Dividend at the rate of Rs.12/- per share i.e. 120% as recommended by the Board of Directors and also approve the Interim cash dividend of Rs.3/- per share i.e. 30% already paid to shareholders for the year ended December 31, 2016.
4. appoint Auditors for the year 2017 and fix their remuneration.

B. SPECIAL BUSINESS:

5. Consider, and if thought fit, to pass the following Resolution with or without modification(s)
RESOLVED that transmission of annual audited financial statements, auditors' report and directors' report etc to the members of the Company at their registered addresses in soft form i.e. through CD/ DVD/ USB instead of transmitting the same in hard copies from the year ending December 31, 2017 in terms of SRO No.470(1)/2016 dated May 31, 2016 be and is hereby approved.
FURTHER RESOLVED that the Chief Executive Officer and the Company Secretary of the Company be and are hereby severally authorized to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required and to sign such documents and take such steps from time to time, as and when necessary for the purposes of implementing this resolution."
6. transact any other matter with the permission of the Chair.
Attached to this notice of meeting being sent to the members is a statement under Section 160(1) (b) of the Companies Ordinance 1984 setting forth:
 - all material facts concerning the resolutions contained in items 5 of the notice
 - status of previous approval of investment in associated Company.

By Order of the Board

Syed Shahid Abbas
Chief Financial Officer &
Corporate Secretary

Karachi February 14, 2017

NOTES:

1. A member entitled to attend and vote at the General Meeting is entitled to appoint another member as a proxy to attend and vote on his/her behalf. Form of proxy must be deposited at the Company's Registered Office not later than 48 hours before the time appointed for the meeting.
2. CDC Account holders are advised to follow the following guidelines of the Securities and Exchange Commission of Pakistan:
 - a. **For attending the meeting:**
 - (i) In case of individuals, the account holder and or sub-account holder and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - (ii) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
 - b. **For appointing proxies:**
 - (i) In case of individuals, the account holder and or sub-account holder and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - (iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
 - (v) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along-with proxy form to the Company.
3. The Share Transfer Books of the Company will be closed from April 08, 2017 to April 15, 2017 (both days inclusive). Transfers received at the office of our Share Registrar, Technology Trade (Pvt) Ltd., situated at Dagia House, 241- C Block 2, PECHS. Shahrah-e-Quaideen, Karachi, before the close of business on April 7, 2017 will be considered in time to attend and vote at the meeting and for the entitlement of Dividend.
4. Members are requested to notify / submit the following, in case of book entry securities in CDC to respective CDC participants and in case of physical shares, to the Company's Share Registrar, if not earlier provided/ notified:-
 - a. Change in their addresses;
 - b. Valid and legible photocopies of Computerized National Identity card (CNIC) for Individuals and National Tax Number (NTN) both for individual & corporate entities; and

5. Electronic Transmission of Annual Financial Statement and Notices

Securities and Exchange Commission of Pakistan (SECP) vide SRO.787 (1)/2014 of September 08, 2014, has directed to facilitate the members of the Company receiving Annual Financial Statements and Notices through electronic mail system (e-mail). We are pleased to offer this facility to our members who desire to receive Annual Financial Statements and Notices of the Company through email in future. In this respect members are hereby requested to convey their consent via email on a standard request form which is available at the Company website i.e. www.efulife.com. Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 1 MB file in size. Further, it is the responsibility of the member to timely update the Share Registrar of any change in the registered email address.

6. Mandate for Dividend (Optional)/ E-Dividend

Under section 250 of the Companies Ordinance, 1984 shareholders, if they so desire, may elect to have their cash dividend warrants deposited directly in their bank accounts by giving bank mandate. The shareholders holding physical shares can request to the Company for direct deposit of their dividend warrants into their bank accounts by submitting their requests to the Company's Share Registrar on the Bank Mandate Form placed at the end of Annual Report. CDC Account Holders are required to kindly contact their Participants / Brokers / Investor Account Services Department for record of Bank Mandate.

As per the Circular No.18 dated June 05, 2012 of SECP and its Notice No.8(4)SM/CDC 2008 dated April 05, 2013 listed Companies are advised to encourage their shareholders to provide dividend mandate for payment of cash dividend electronically to make the process of dividend payment more efficient, the Company is making required arrangements for providing this facility in phased manner.

7. Submission of Valid CNIC (Mandatory)

As per SECP directives the dividend warrants of the shareholders whose valid CNICs, are not available with the Share Registrar could be withheld. All shareholders having physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if already not provided, to the Company's Share Registrar at the following address, M/s. Technology Trade (Pvt) Ltd. Dagia House, 241-C, Block-2, P.E.C.H.S., Off: Shahrah-e-Quaideen, Karachi without any further delay.

8. Deduction of Withholding Tax on the Amount of Dividend

Pursuant to SECP directives vide Circular No.19/2014 dated October 24, 2014 SECP has directed all companies to inform shareholders about changes made in the section 150 of the Income Tax Ordinance, we hereby advise shareholder as under;

- (i) The Government of Pakistan through Finance Act, 2016 has made certain amendments in section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:
 - for filers of income tax returns: 12.5 %
 - for non-filers of income tax returns: 20.0 %

To enable the Company to make tax deduction on the amount of cash dividend @ 12.5% instead of 20%, all the shareholders whose names are not entered into the Active Tax Payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @20% instead @12.5%.

- (ii) In the case of shares registered in the name of two or more shareholders, each joint-holder is to be treated individually as either a filer or non-filer and tax be deducted by the Company on the basis of shareholding of each joint-holder as may be notified to the Company in writing. The joint-holders are, therefore, requested to submit their shareholdings otherwise each joint-holder shall be presumed to have an equal number of shares.
- (iii) For any query / problem / information, the investors may contact the Company and / or the Share Registrar at the following phone numbers & email address. The contact number of Company Secretary is 021-111-338-111 & email: shahidabbas@efulife.com and the contact numbers of Share Registrar, Technology Trade (Pvt.) Limited is 021-34391316-7 & 19 & email: mail@ttpl.com.pk.
- (iv) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or its Share Registrar, M/s. Technology Trade (Pvt.) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

Statement under section 160 of the Companies Ordinance, 1984 pertaining to the Special business

This statement sets out the material facts pertaining to the Special business to be transacted at the Annual General Meeting of the Company to be held on April 15, 2017.

Item 5 - Circulations of Annual Reports through CD/ DVD/ USB

Securities and Exchange Commission of Pakistan has vide S.R.O 470(1)/2016 dated 31 May 2016 allowed the companies to circulate the annual reports including annual audited accounts, notices of annual general meetings and other information contained therein of the Company to its members through CD/DVD/USB subject to consent of the shareholders in the general meeting.

After approval of the shareholders, the Company will place a Standard Request Form on its website to communicate their need of hard copies of the documents along with postal and email address of the Company Secretary / Share Registrar to whom such requests shall be made. The Company shall supply the hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand.

Accordingly, the directors have placed the matter before the shareholders for their approval and to pass the ordinary resolution as proposed in the notice of meeting. This is in compliance to the above mentioned notification of Securities and Exchange Commission of Pakistan and the Directors and Shareholders are interested to this as Directors & Shareholders.

Status of previous approval for investment in associated company.

As required under clause 4(2) of SRO No. 27(1)/2012 dated January 16, 2012 the status of investment in our associated Company EFU General Insurance Ltd., against approval obtained by the Company in Annual General Meeting held on April 5, 2014 for two years and further extended it for next three years by a Special Resolution passed at Annual General Meeting on April 2, 2016 is as under:

a) total investment approved;

Rs.100 million approved by the shareholders at Annual General Meeting of April 05, 2014 to be invested within a period of two years which was revalidated by a Special Resolution on April 2, 2016 to extend the period of investment up to next three years.

b) amount of investment made to date;

Nil

c) reasons for not having made complete investment so far where resolution required it to be implemented in specified time;

The period in which the investment is to be made as approved by the shareholders is up to April 4, 2019.

d) and material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company.

Since the date of passing the resolution by the shareholders of the Company on April 05, 2014 the shareholders equity of the investee company has increased to Rs.16,901 million from Rs.13,111 million due to increase in Reserves of Rs.3,790 million.

Energy Conservation

Keeping in view the energy crisis in the country, the company has over time taken steps to reduce its consumption of electricity in its premises by taking the following measures:

- Gradual replacement of all lighting emitting sources with energy savers
- Replacement of all CRT based computer monitors with energy efficient LCD screens
- Introduced Thin Clients which consume 88% less energy as compared to desktop PCs, thus cutting down electricity costs and heat emissions.

Occupational Safety and Health

The company believes that proving a safe and pleasant working environment to its staff is one of its core responsibilities as an employer. We have taken various steps to ensure that the employees are provided a safe working environment and have the access to opportunities to develop a healthy lifestyle.

- All permanent employees are covered by a comprehensive Health insurance scheme, Group Life and pay continuation cover
- The office is secured by armed security personnel
- CCTV cameras are setup at key locations within the office premises
- Smoke alarms are installed within the premises along with fire extinguishing facilities
- The Company adheres to strict no smoking policy in its offices for both employees and visitors.

Environmental protection measures:

EFU LIFE is using state of the art Enterprise Content Management technology from IBM FileNet to digitalize paper documents and automate its business processes and operational workflows (BPM). In 2015, the technology was further implemented in Claims (COD) & Bancassurance (BOD) departments.

ECM is the standard way to manage and organize not only paper document, but all forms of organizational content stored in diversified formats. Organizations working in the ECM environment carry out most of their operations using digital documents, stored electronically. Managing organizational content in this way requires specific strategies, methods and tools.

The company has deployed Thin Clients, replacing Desktops machine to achieve the benefits of Data protection & Security, centralized software management, huge cost saving in power and better control and users management.

Automating content through the use of Business Process Management is a key enabling factor in improving process efficiency, business agility, continuous process improvement, process quality and eventually customer satisfaction.

EFU LIFE has a keen eye on ensuring that the environment in which we are working stays green. We have minimized the usage of filing cabinets, shelves, physical space, paper documents and files which eventually cause paper-pollution and deforestation; thus creating a positive impact on green house environment which exacerbates global warming. Additionally, in line with this objective we have focused on centralized printers which are more energy efficient and environmental compliant.

Policy for safety of records of the company:

In addition to having a data centre which is equipped with the latest technologies like virtualization, robotic tapes, Flex Technology, blade servers, SAN and NAS storage devices, we have a Disaster recovery plan in place and also a paperless ECM solution to digitally store our physical records. The company has two DR sites both located in Karachi, and data back-ups are taken on daily basis. All of these measures help us ensure safety of records.

The company has procedures to maintain the integrity and availability of data/records and backup & recovery of all mission critical application and electronic data. As a first step company has also maintained Cold Disaster Recovery site for critical business data. IT functions with ensuring continuous business operation in case of system or enterprise disaster or failure are in place.

The company has installed latest state of the art Fire Suppression and Detection System to protect its data center. Additionally, we have strengthened our DR Plan with use of Data Guard and Online Transfer of Data to DR Site using Fiber Optic Technology.

Disclosure of IT Governance Policy

EFU LIFE had moved forward to develop a better and more comprehensive service management structure. All IT strategies are closely aligned with the business requirements of the company drilling down to departmental objectives. EFU Life is committed to ensuring the integrity, reliability, availability and confidentiality of its data and computer systems.

To this aim, the IT Steering Committee has empowered the Information Security to evaluate, establish, maintain and ensure compliance of control measures to protect the EFU Life's information resources from unauthorized or accidental modification, destruction or disclosure. The Information Security Head will advise the IT Steering Committee on standards, policies and practices related to the security, risk assessment and compliance of rules and regulations used in support of Information Security Policies and Procedures.

Audit Committee - Terms of Reference

The terms of reference of the Audit Committee are laid down by the Board of Directors in accordance with the terms of reference listed in the Code of Corporate Governance. The terms of reference are as follows:

1. Determine appropriate measures to safeguard the assets of the company.
2. Review of preliminary announcements of results prior to publication.
3. Review quarterly, half yearly and annual financial statements before they are approved by the Board of Directors, focusing on major judgmental areas, significant adjustments resulting from the audit, the going concern assumptions, any changes in accounting policies and practices, compliance with applicable accounting standards and compliance with listing regulations and other statutory and regulatory requirements and significant related party transactions.
4. Facilitate external audit and discuss audit observations with the external auditors and any matter that they may wish to highlight (in the absence of management, where necessary).
5. Review management letter issued by external auditor as well as the response of management to the letter.
6. Ensure that proper coordination takes place between external and internal auditors.
7. Review the scope and extent of the internal audit department within the company and ensure that internal audit department has sufficient resources to carry out their tasks effectively and that the department is appropriately placed within the company.
8. Consideration of major findings of the internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.
9. Ascertain that the adequate and effective internal control system including financial and operational controls, accounting system and reporting structure are in place within the company.
10. Review the Company's statement on the internal control systems prior to endorsement by the Board of Directors.
11. Institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and consider communicating any matter to the external auditors or to any other external body.
12. Ensure that the company complies with all the rules and regulations and statutory requirements.
13. Monitor compliance with the best practices of Code of Corporate Governance and identification of any significant violations thereof.
14. Recommend to the Board of Directors the appointment and audit fees of external auditors and consider any question pertaining to the resignation or removal of external auditors.
15. Consideration of any other issue or matter as may be assigned by the Board of Directors.

The committee comprises of four members, including the Chairman of the committee, three of them are non-executive directors and one is an independent director.

Report of the Audit Committee

The Audit Committee comprises of one independent and three non-executive directors. The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the external auditors attend Committee meetings by invitation as and when required. The Chief Internal Auditor (CIA) attends Committee meetings as Audit Committee Secretary. Four meetings of the Committee were held during the year 2016. Based on the reviews and discussions in these meetings, the Committee reports that:

1. The Committee reviewed and approved the quarterly, half yearly and annual financial statements of the Company and recommended them for approval of the Board of Directors.
2. The Company issued a Statement of Compliance with the Code of Corporate Governance which has also been reviewed by the external auditors of the Company.
3. The Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company and the Directors' Report. They acknowledge their responsibility for true and fair presentation of the financial statements and compliance with regulations and applicable accounting standards.
4. The financial statements have been prepared in accordance with the approved accounting standards which comprise of such International Financial Reporting Standards (IFRS) as applicable in Pakistan.
5. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment. The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
6. Proper books of accounts have been maintained by the Company.
7. The Committee reviewed and approved all related party transactions and recommended them for approval of the Board of Directors.
8. The Company's system of internal control is sound in design and is continually evaluated for effectiveness and adequacy.
9. For appraisal of internal controls and monitoring compliance, the Company has in place and appropriately staffed, Internal Audit department. The Committee reviewed the resources of the Internal Audit department to ensure that they were adequate for the planned scope of the Internal Audit function.
10. The Committee on the basis of the internal audit reports reviewed the adequacy of controls and compliance shortcomings in areas audited and discussed corrective actions in the light of management responses. This has ensured the continual evaluation of controls and improved compliance.
11. The external auditors M/s KPMG Taseer Hadi & Co., Chartered Accountants had direct access to the Committee and necessary coordination with internal auditors was ensured. Major findings arising from audits were also discussed.
12. The Committee reviewed the letter issued by the external auditors and the management response thereto.
13. Appointment of external auditors and fixing of their audit fee was reviewed and the Committee following this review, recommended to the Board of Directors for re-appointment of M/s KPMG Taseer Hadi & Co. as external auditors and Shariah auditors for the year ending December 31, 2017.

Report of the Directors to the Members

The Directors of your Company are pleased to present to you the Twenty Fifth Annual Report of the Company for the year ended 31 December 2016.

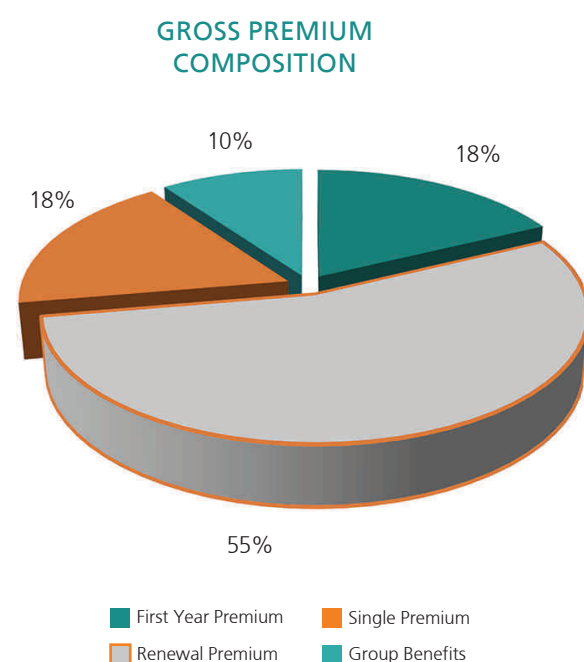
A review of the industry:

The life insurance and family takaful industry of the country comprises of nine players. With a 24 year rich history of successful life insurance operations, your Company is one of the leading players in the private life insurance sector. Based on the Annual In 2015 figures, the life insurance gross premium crossed the Rs.150 Billion mark, registering a 5 year annualized growth of close to 25%. Consistent with the trend in the last 5 years, distribution channels, predominantly bancassurance have continued to drive the growth momentum of the private life insurance sector.

The regulatory environment for life insurance remained conducive to growth, with the Securities and Exchange Commission of Pakistan taking a lead on many fronts in engaging with the industry and strengthening the regulatory regime in various areas.

Business Performance:

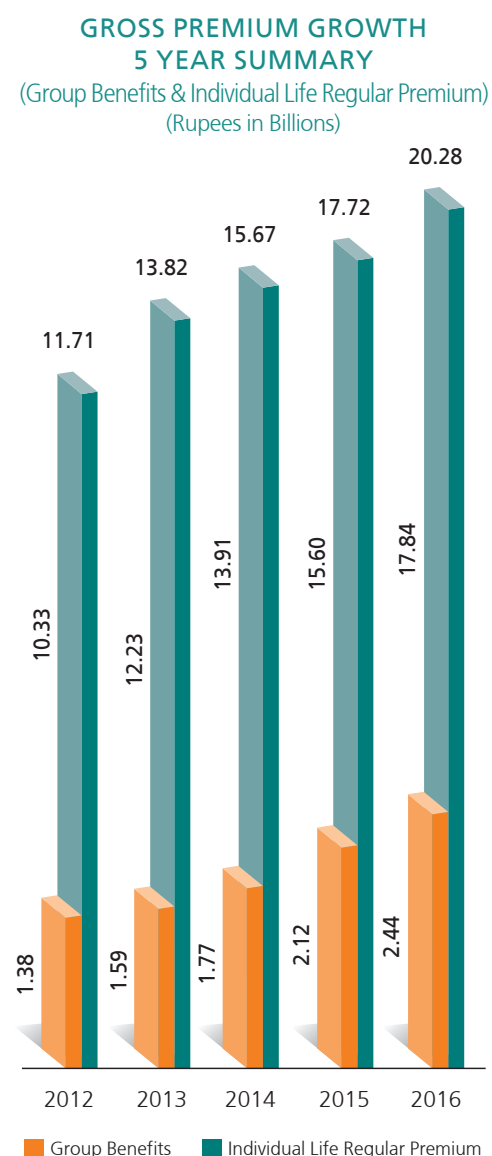
Your Company's gross premium (including Takaful contributions) was Rs. 24.7 billion. The gross premium composition in 2016 was as follows:



Individual Life regular premiums (including Takaful contributions) increased by 14.5% reaching a total premium of Rs.17.84 billion (2015: Rs. 15.6 billion). Renewal premium base increased to Rs. 13.5 billion (2015: Rs. 11.86 billion), a growth of 13.92%. The Company's focus on superior levels of client servicing and retention has resulted in maintaining a high level of persistency during the year. The overall persistency (2nd year and onwards) of individual life business was 86.6% (2015: 85.3%).

The Group Benefits line of business achieved a gross premium, including Takaful contributions, of Rs. 2.4 billion (2015: Rs 2.12 billion), registering a growth of 14.4%.

The Gross Premium growth trend over the last 5 years is as follows (including Takaful contributions in 2016):



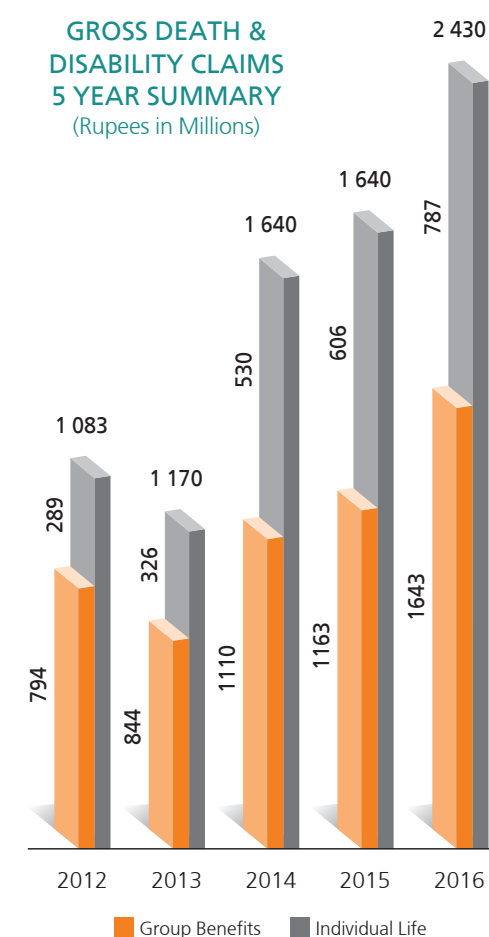
Single Premium has slowed down this year, recording a premium of Rs.4.4 billion (2015: 13.3 billion). This is mainly due to the shift in the business strategy of one of our bank partners who contributed significantly to this line of business during 2015.

2016 is the first full financial year of your Company's Window Takaful operations - Hemayah (details later in the report). The company achieved an Individual Family takaful new business of Rs.666 million (2015: 236 million). For Group Family Takaful, the Company achieved a business of Rs. 51.7 million. (2015: 13 million).

Claim payments:

The Company has a robust claims management system which ensures implementation of the Company's philosophy of prompt claims settlement.

The Company paid total death and disability claims of Rs.2.43 billion (2015: 1.77 billion) with individual and group life claims amounting to Rs.787 million and Rs. 1.64 billion, respectively in 2016.



Investment Performance:

The net asset value of all unit linked funds under management increased from Rs. 81.5 billion to Rs. 96.5 billion in 2016, a growth in size of 19%. This size of funds under managements has made your Company one of the leading asset managers in the private life insurance sector as well as amongst all asset management companies in Pakistan.

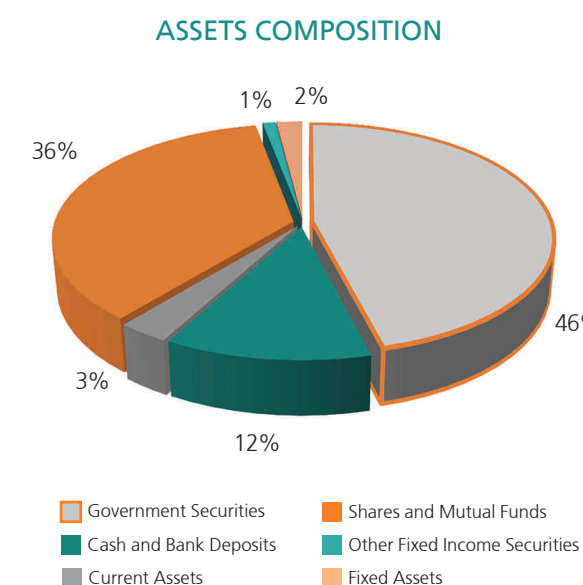
The Managed Growth Fund is the largest unit linked fund of the Company with net asset value of Rs. 90.57 billion (2015: 78 billion). The fund has provided consistently good returns to our clients over medium to long term. The annualized return (net of all charges) is 13.53% since inception of the fund. The annualized return over last 3 years is 16.19%, and one year return on the fund was 17.29%.

The performance of the other unit linked funds, which have their specific investment strategies, are as follows:

Aitemad Growth Fund - interest free investments, and has provided an annualized return (net of all charges) of 19.32% over 2016. The 3 years annualized return is 16.96% p.a.

Guaranteed Growth Fund - stable investment strategy with assured guaranteed bid price. This fund has provided an annualized return (net of all charges) of 6.42% over last three years.

The Company has a strong balance sheet size with total assets increasing by 17% during the year at Rs. 106.3 billion (2015: Rs. 91.3 billion). The composition of assets is as follows:



Profitability:

During the year, the Company's statutory funds generated a surplus of Rs.2.5 billion.

Out of this surplus, Rs. 2.32 billion was transferred to the Profit & Loss Account after retaining the amount necessary to meet 100% Solvency Margin requirement. Your Company made an after tax profit of Rs.1.87 billion.

Earnings Per Share

The earnings per share for the year was Rs. 18.73 (2015: Rs. 14.75)

Appropriation and Dividend:

The Company made a profit before tax of Rs.2.80 billion in the year ending 2016 as compared to Rs.2.23 billion in 2015. The after tax profit was Rs.1.87 billion as compared to Rs. 1.47 billion in 2015.

Rupees '000

The amount available for appropriation is

Amount brought forward from previous year	59,743
Profit after tax for the year	1,872,896
Amount available for appropriation	1,932,639
The Directors recommend that this amount be appropriated in the following manner	

Less Appropriation

Interim Dividend 2016 @ 30% (2015 :30%)	300,000
Proposed final cash dividend 2016 @120% (2015 :70%)	1,200,000
Transfer to general reserve	250,000
Capital contribution	89,256
Carry forward to next year	93,383
	1,839,256

Market Share

Based on the available published financial statements as of 30 September 2016 the Company has a market share of 30% in the private life insurance sector companies based on the gross premium income and 43.29% by size of assets. The statistics are compiled by the Insurance Association of Pakistan and published for the industry.

Product Range:

The Company offers products which focus on the needs of child education and marriage, retirement planning, savings and wealth accumulation, Islamic products and protection products. The Company has a comprehensive product range with the depth to reach into all the main segments of our society.

In 2016, the company further consolidated its family takaful product range. At the same time, the Company ventured into inclusive insurance products to extend its outreach to the masses and launched innovative financial solutions with telecommunication companies, branchless banking as well as microfinance institutions.

The Company also launched Doctor Connect, a second medical opinion service, in collaboration with Best Doctors, providing access to the world's leading health professionals and doctors who can give an invaluable medical opinion when it is needed the most.

Distribution Strengths:

The Company has maintained its focus on further enhancing the reach of its distribution channels. The three main channels are Individual Life sales force, Individual Life bancassurance and Group Benefits. During 2016, the Company also focused on developing alternative distribution channels such as telecommunication operators and branchless banking setups.

The branch network of the individual life and family takaful sales force was 200 locations across the country. Bancassurance is the second major contributor to the Company's business and has continued to grow over the years. The Company has partnerships with 14 banks.

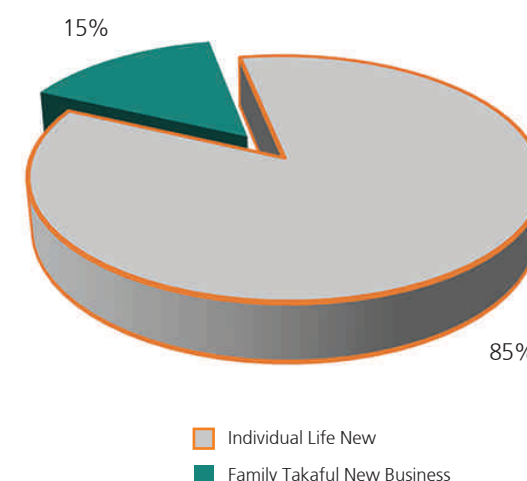
Group Benefits is the third and a sizable distribution channel of the Company targeting corporate entities. During 2016, an improvement was seen in the overall industrial and corporate sector of the country resulting in a good growth in the Group Benefits premium.

Family Takaful:

Your Company is the first life insurance Company to receive approval from the Securities and Exchange Commission of Pakistan to operate as Window Takaful Operator. The

Company launched its window takaful operations on 6 February 2015 under a dedicated brand "Hemayah", through its individual life and takaful sales force, bank partners and group benefits setup.

During 2016, the new business contribution of takaful in the Individual Life/Family takaful segment was as follows:



The Company expects this new line of business to grow over time and contribute positively to Company's overall performance.

For its investment linked takaful business, the Company launched a new unit linked fund "Takaful Growth Fund".

Critical performance measures:

The Company evaluates its performance on certain key defined measures such as:

- Growth in premium for each line of business
- Persistency of individual life business by distribution channel
- Loss ratio analysis
- Expense ratios and trends
- Mortality and morbidity experience
- Growth in profitability for each line of business

The Company expects these parameters to be relevant for future as well and will continue its internal performance measurement based on this criteria.

Insurer Financial Strength Rating:

During the year, the Company's IFS rating was upgraded to AA+ (Outlook: Stable) by JCR VIS Credit Rating Agency. The rating takes into account the Company's strong capitalization level vis-à-vis the nature of risks underwritten and the very high capacity to meet policyholders' obligations. The rating enhancement is also a confirmation of the fact that the Company is on strong financial footing and is the market leader in the life insurance sector in terms of long term sustainable business strategies, innovative products, superior systems and IT infrastructure, satisfied clients and prudent investment policies resulting in good medium to long term returns to our clients.

Our new home - EFU Life House, Karachi

In December 2016, the Company moved its Head Office to purpose built office building - the EFU Life House in Karachi in Phase 1, of Defence Housing Authority. This building marks a milestone in our Company's history. Constructed with modern materials and equipped with state of the art systems, the EFU Life House is an embodiment of sophistication to match and further uplift the caliber of our people and teams. We continue to believe that our continued success is dependent entirely upon our people, and the EFU Life House stands as a testament to that belief by providing our staff with the state of the art premises and the finest of working conditions.

Awards and Achievements:

Your Company's performance and market leadership was recognized by various independent entities during the year. The Company received the following prestigious awards during 2016:

- 'World Finance Global Insurance Award 2015' in the 7th Annual Global Insurance Awards by World News Media, securing the top position in the life insurance sector in Pakistan.
- Certificate of Excellence' for the consecutive time by Management Association of Pakistan (MAP) in the category of Commercial Banks & Insurance Sector, recognizing the exemplary standards of management practices.

- '1st Runner Up for the Best Corporate Report (BCR) Award 2015' in the Non-Banking Financial Institutions Category by Institute of Chartered Accountants of Pakistan (ICAP) and Institute of Cost & Management Accountants of Pakistan (ICMAP) for best presented accounts, improvement in transparency, accountability, and governance.
- 'Certificate of Merit' by South Asian Federation of Accountants (SAFA) for Best Presented Accounts 2015 in the insurance sector, within South Asian countries.
- 'Consumer Choice Award 2015' for Best Life Insurance Company in Pakistan for 8th consecutive time, for excellence in management practices and service quality.
- 'CSR Award 2016' in the category of Social Impact by The Professionals Network and Ethical Business Update (EBU) in recognition of the Company's efforts in areas of health and education.
- 'Best Life Insurance Company 2016' in Pakistan in International Finance Awards by Acquisition International showcasing the achievement, innovation and dedication to the international finance industry.
- 'Who's Who Professional's Award' conferred to the Company's CEO for his outstanding contribution to the insurance industry of Pakistan.
- Revalidation of ISO-9001:2008 Certification

Technology and Operational efficiencies:

Your Company as always continued its focus on the technology.

Technology revolves around the heart of our day to day operations and business. With this in mind the Company has made a significant investment in upgrading its Data center. The core focus of this design has been to ensure 24x7x365 operations, uninterruptible power sources (UPS), environmental control, physical security systems, precision cooling, fire separation system and network security.

The Company partnered with Monet, to provide devices connectivity for real time payment mechanisms through a mobile platform. Linking to a smart mobile device via a card reader, clients can make payments through Debit/Credit Cards, offering convenience and portability.

To upgrade its telephony platform, with a focus on cost saving, the Company replaced its traditional PSTN with VolP Technology offering enhanced new-age features. This new technology covers the Head Office as well as the expansive distribution network of the Company.

The usage of the state-of-the-art Point of Sales system continued with penetration into the Family Takaful Operations. The system optimizes the process of insurance sales in bank branches as it works in a live environment with a strong underwriting engine that automates the insurance application approval process. The client experience is enhanced and at the same time the turn-around time for issuance of a policy is reduced to a few minutes. A version of POS is also available on the mobile technology platform.

Recognizing the need for effective business intelligence, the Company is leveraging BI technology to improve its business effectiveness in various functions. The core features include reporting and analytics to facilitate decision making.

The Branch Operations Support System is an integrated solution for branches that offers the convenience of front-end access to all current branch operational system under one connectivity screen.

The Company further enhanced the features of its mobile apps - PlanIT (for clients) and Agent app (for the individual life sales force). These apps provide a new engagement platform with our clients and sales channels resulting in higher levels of service and customer satisfaction.

Human Resource Management:

Your Company continued to focus on career development of its professional life insurance management team. Our staff includes experienced insurance sales personnel, accountants, IT professionals, underwriters, medical doctors, lawyers, business management graduates and actuaries, to name a few. The Company believes that investment in developing and motivating staff plays a pivotal role in their positive contribution to the current and future success of the Company.

The Company actively supports its staff to acquire relevant professional qualifications and has in place career programs

linked to international professional bodies in the field of actuarial science, finance, accounting, underwriting and claims management

The Company has in place a succession plan for key individuals of the management team. The succession plan takes into account the skill set of the individual, the existing role being fulfilled as well as expansion in the role based on the future growth prospects of the Company. The succession plan is updated periodically to keep in line with the future strategy of the Company.

Environment

The Company has consciously invested in technology to reduce the usage of paper in its offices. The Enterprise Content Management technology from IBM FileNet has over time expanded into key functions of the Company, to digitalize paper documents and automate business processes and operational workflows (BPM). The Company keeps eyes on ensuring that the work environment stays green. Due to this system, the Company has minimized the usage of filing cabinets, shelves, physical space, paper documents and files which eventually cause paper-pollution and deforestation; thus creating a positive impact on the green house environment which exacerbates global warming.

Capital Management and Liquidity

The Company has adequate capital to support its existing operations. The Company's paid up capital of Rs.1 billion is the highest in the private life insurance sector.

The Company's liquidity position continue to remain very strong with cash and cash equivalents at the end of 2016 of Rs.12.4 billion.

Related Party Transactions

At each board meeting the Board of Directors approve the Company's transactions made with Associated Companies and Related Parties. All such transactions are executed on arm's length basis.

Risks to business:

Business risks and mitigation factors are described in detail on note 29 of this Annual Report.

CSR Initiatives

Meri Shaan Mera Pakistan-Beautification through wall art

Marking the 69th year of Independence of Pakistan, EFU Life launched 'Meri Shaan Mera Pakistan' a beautification project in collaboration with Commissioner Karachi Division to reclaim the walls of major public areas of the City through thematic wall art, aimed at eradicating wall chalking and negativity on walls. The campaign rejoiced the spirit of patriotism and depicts the rich cultural heritage of Pakistan. Celebrating the cultural diversity of its people and yet unified under the nation's flag is the underlying theme of the campaign. This project has been rolled out in Karachi at Ayesha Manzil, and National Coaching Centre.

Tree Plantation Drive

A Tree Plantation Drive was initiated by EFU Life at Jinnah Post Graduate Medical Centre (JPMC), under the slogan 'Keep JPMC Clean and Green' to commemorate the 4th Insurance Day in Pakistan. The drive involved plantation of trees and installation of trash cans, to address global warming-induced climate change and its adverse impact on the environment.

Blood Donor Drive

Continuing our support towards the cause of saving lives, and endorsing this year's Blood Donor day theme of 'Blood Connects Us All', EFU Life conducted a blood donor drive at its Head Office with Afzaal Memorial Thalesemmia Foundation (AMTF). An awareness session on Thalesemmia was conducted for the employees, followed by Thalesemmia screening and blood donation drive.

Joining hands For A Life

This Ramadan, we endeavored to bring colors in the life of many. We partnered with four NGO's, in areas of education and health, namely, FESF, SIUT, LRBT, and Dar ul Sukun, by launching mass social media campaign 'Join hands for a Life'. Each NGO was dedicated a week on the Company's official social media pages. For any Comment, Like or Share on any of the posts of the NGO during the week, a donation of Rs.10 was made by the company to the respective NGO.

In addition to the social media presence, there were activities conducted internally to generate funds, and create awareness about the work the NGO's are involved in. For FESF, there was a training session for the staff along with a craft shop set up for sale of items developed by special children of FESF. For Dar ul Sukun, we ran a "Trash Campaign" for donation of items by the employees intended to help Dar ul Sukun to generate financial value from waste material and unproductive items. Moreover, donation boxes were placed at the premises to encourage donations and flyers sent to our clients to spread awareness on the cause of each of the NGO's and ways in which they can contribute.

Business Ethics, Consumer Protection and anti-corruption measures

The Board has adopted the statement of ethics and business practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to business and regulations. Statement of Ethics and business practices are based on integrity, dignity, culture of excellence and ethical dealing with clients, peers and the public.

Relationship with other Stakeholders

Your Company strives to maintain good relationship with:

- Its employees by providing a positive work environment
- Its clients through building trust and providing quality service
- The business community through honest and fair dealing
- The Government through promoting free enterprise along with competitive market system and comply with all applicable laws; and
- Society in general through providing safe and healthy workplace and employees the opportunity to improve their skills

Contribution to National Exchequer

Your Company contributes substantially to the national economy in terms of taxes and duties and the contribution is increasing as the company grows. This year the Company contributed Rs. 913 million to the national exchequer in the form of Income Tax, Federal Excise Duty, Sales Tax, stamp duty etc.

Compliance with Code of Corporate Governance

The requirements of the Code of Corporate Governance set out by the regulatory authorities have been duly complied with. A statement to this effect is annexed with the report.

The Directors of your Company were elected at the Extra Ordinary General Meeting held on June 20, 2014 for a term of three years expiring on June 21, 2017.

The number of meeting attended by each Director is given hereunder:

Sr. No	Name of Directors	Number of meetings attended
1.	Rafique R Bhimjee (Non-Executive Director)	4 out of 4
2.	Saifuddin N. Zoomkawala (Non-Executive Director)	4 out of 4
3.	Taher G. Sachak (Executive Director)	4 out of 4
4.	Muneer R. Bhimjee (Non-Executive Director)	3 out of 4
5.	Hasanali Abdullah (Non-Executive Director)	4 out of 4
6.	Heinz Walter Dollberg (Non-Executive Director)	3 out of 4
7.	S. Salman Rasheed (Non-Executive Director)	3 out of 4
8.	Kamal Afsar (Independent Director)	4 out of 4
9.	Mahmood Lotia (Non-Executive Director)	4 out of 4

Board Committee

Your Company maintains the following three Board Committees.

Audit Committee:

The Board is responsible for effective implementation of a sound internal control system including compliance with control procedures. The Audit Committee is assisted by the Internal Auditor in reviewing the adequacy of operational controls and in monitoring and managing risks so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively in the Company and to add value and improve the Company's operations by providing independent and objective assurance. The principal responsibility of the Internal Auditor is to conduct periodic audit to ensure adequacy in operational controls,

consistency in application of policies and procedures, compliance with the laws and regulations. The Committee comprises of the following members:

1. Hasanali Abdullah (Chairman)
2. Saifuddin N. Zoomkawala
3. Muneer R Bhimjee
4. Kamal Afsar

Investment Committee

The Company has a Board level Investment Committee. The Committee is also responsible for developing the investment policy for the various funds managed by the Company. The Committee comprises of the following members:

1. Rafique R Bhimjee (Chairman)
2. Saifuddin N. Zoomkawala
3. Taher G. Sachak
4. Hasanali Abdullah

Ethic & Human Resource and Remuneration Committee

The Committee is responsible for recommending to the Board resource management policies of the Company as well as selection, evaluation and compensation of the key officers of the Company. The Committee comprises of the following members:

1. Rafique R Bhimjee
2. Saifuddin N. Zoomkawala
3. Taher G. Sachak

Management Committee

As part of Corporate Governance, your Company maintains following four management Committees which meet at least once every quarter:

Underwriting Committee

The underwriting Committee formulates the underwriting policy of your Company. It sets out the criteria for assessing various types of insurance risk. The Committee regularly reviews the underwriting and premium policies of the Company with due regard to relevant factors such as its business portfolio and the market development.

Claim Settlement Committee

The Committee is responsible for directing the overall claim

strategy of the Company. It is kept updated on the status of all large and important claims, particularly claims falling under catastrophic events. The Committee oversees claims analysis and also ensures that adequate measures are taken to combat fraudulent claims. In addition, the Committee also decides on how to manage claims submitted to courts/ Insurance Ombudsman/ Insurance tribunal and decides the way forward.

Reinsurance Committee

This Committee ensures that adequate reinsurance arrangements are made for the Company's businesses. It evaluates the proposed reinsurance arrangements prior to their execution, reviews the arrangements from time to time and subject to the consent to the participating reinsurers, and makes appropriate adjustment to those arrangements in the light of the market development. It also assesses the effectiveness of the reinsurance program for future reference.

Risk Management and Compliance Committee

The committee ensures that the risk management and compliance function is effectively working in the organization, monitors that compliance function with various regulations are in place and recommends and assist the Board in implementation of the decisions taken by the Board with respect to the possible risks.

Corporate and Financial Reporting Frame Work

- a) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- b) Proper books of accounts have been maintained by the Company.
- c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) The International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.
- e) System of internal control is sound in design and has been effectively implemented and monitored.

- f) There are no significant doubts upon the Company's ability to continue as a going concern.
- g) There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- h) The key operating and financial data for the last six years is annexed.
- i) The value of investments of provident and pension funds based on their un-audited accounts as on December 31, 2016 were the following.

Provident Fund	Rs.393 Million
Pension Fund	Rs.265 Million

The value of investments includes accrued interest.

- j) Trading of Shares by Chief Executive, Directors, Chief Financial Officer, Company Secretary, their spouses and minor children:

Purchase of Shares:	No. of Shares
Mr. Salman Rashid	154,495
Sale of Shares:	
Mr. Taher G Sachak	150,000

- k) The statement of shareholding in the Company as at 31 December 2016 is included with the Report.

Our Auditors Messrs. KPMG Taseer Hadi Chartered Accountants, retire and willing to continue are recommended for reappointment as Auditor of the Company for the year 2017 as suggested by the Audit Committee.

Future Outlook of the industry:

The vibrancy in the life insurance sector continued in 2016 and your Company maintains a positive outlook on the future of the industry. The sector has been in a high-growth mode during the last few years and the Company expects this growth momentum to continue. Primarily the main driving force for this growth is the increased penetration of distribution channels, and investment by market players to explore alternative channels. There is keen interest from the insurance sector on the development of micro and mass market insurance, and your Company believes that

this will result in more lives being covered under the insurance net, resulting in significant social benefits for the masses. With the expansion of the distribution channels, it is, expected that life insurance industry will focus more on improving the productivity.

With the opening up of window takaful operations during 2015, and several window takaful operators having started operations, we expect takaful to also contribute positively in increasing the size of the insurance pie. Investment on IT will continue, especially adopting new trends in technology, and will be one of the key aspects of the industry's strategy. The Company expects investments in enhancing the technology base for back-end operations and for front end sales and services to clients.

Acknowledgments:

We wish to recognize and place on record our appreciation of the contribution made by our Appointed Actuary Mr. Omer Morshed for his invaluable advice on the overall strategy of the Company.

We would also like to record our appreciation and gratitude to Munich Re of Germany who are your Company's main reinsurers and who continue to provide full support to your Company.

Our gratitude is also due to EFU General Insurance Ltd. for their continuous support and guidance, which has enabled the Company to establish a strong presence in the market.

The Directors wish to record their appreciation for the tremendous contribution made by the able and eminent officers, staff and field force of the Company towards its development and growth. Their continuous commitment to high ethical standards, client service and hard work has helped your Company emerge and maintain its position as a clear market leader amongst private sector life insurers.

Finally, we would like to thank our clients for the confidence expressed in us and also to the Insurance Division of the Securities and Exchange Commission of Pakistan for their guidance, co-operation and understanding extended to us throughout the year.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Risk and Opportunity Report: The Company considers the following to be important risks:

Category of risk	Risk Impact	Plans and strategies for mitigating these risks
Operational Risk	Regulatory changes	The Company believes in having a transparent and open relationship with the regulator. Representatives of the Company are part of the discussion process with the regulator for potential changes to regulatory environment. The Company works closely with peers on matters of importance for the insurance industry.
	Human Resources	The Company provides a professional working environment, market competitive remuneration and career enrichment opportunities. Succession planning is in place for key employees.
	Temporary loss of business continuity	Business Continuity Plan is in place.
	Loss of Data, Technology failure, Data Security	Disaster Recovery Plan is in place.
Financial Risk	Adverse changes in the equity market and interest rate environment	The Investment monitoring setup governed by the Investment Committee ensures a diversified portfolio of securities with continuous monitoring of the economy, as well as equity, debt and money markets. Investment Policy takes into account limits of exposure in the equity market.
	Default in debt instruments	Prudent exposure limits are set with regular monitoring as well as investment in high credit rated securities.
Reinsurance Risk	Default of reinsurer on its obligations, or its exit from Pakistan	Use of internationally regulated reinsurers with high credit ratings, and maintaining a diversified portfolio of reinsurers.
Commercial Risk	Increased competition from existing and new players in the industry	The Company focuses on its brand equity and financial strength, as well as pricing, product features and customer services to always gain a competitive edge.
Reputational Risk	Events or acts due to which the Company's reputation comes into question	The Company maintains a strong and open relationship with all stakeholders. Internal governance and control documents are in place to aid good governance. Prompt and effective communication is carried out.

Opportunities:

Pakistan's life insurance penetration rate is 0.54%, one of the lowest in the world. Such a large uninsured population provides a significant opportunity to the Company in the following areas:

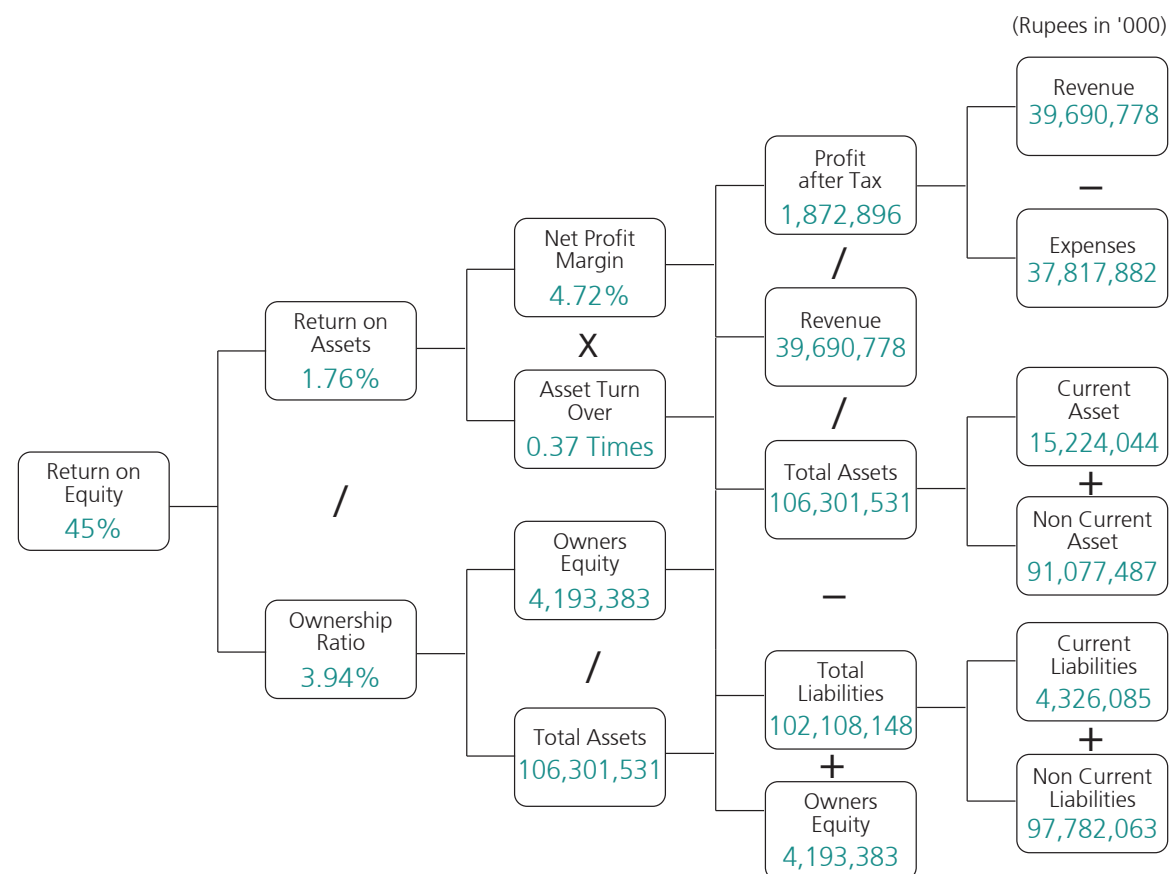
- Increasing reach to all parts of the country through expanding distribution network, and identification and utilization of emerging and unconventional channels.
- Focus on insurance awareness through continuous investments in communication channels and market education.
- Focus on "Inclusive Insurance" approach by offering affordable financial planning solutions for the micro and mass segments.
- Offer takaful solutions through window operations.
- With increasing mobile penetration amongst the masses, utilize such platforms for customer interaction, awareness, marketing and sales.

Key sources of uncertainty:

The Key sources of uncertainty in estimation of future benefit payments and premium receipts are as follows:

- Adverse Mortality and Morbidity experience
- Unexpected changes in Lapses and Surrenders
- Expense overruns
- Interest rate movements

DuPont Analysis For the year 2016



Summary of Cash Flow

Summary of cashflow statement for the year ended 31 December 2016

Cashflow	2016	2015	2014	2013	2012	2011
Net cashflow from operating Activity	212 450	15 860 606	7 939 450	5 765 564	5 045 710	3 938 800
Net cashflow from investing Activity	(1 223 448)	(8 220 388)	(7 237 128)	614 911	(3 911 095)	(3 198 668)
Net cashflow from financing Activity	(1 000 000)	(900 000)	(650 000)	(490 000)	(552 500)	(425 000)
Cash and cash equivalent	12 395 589	14 406 587	7 666 369	7 614 047	1 723 572	1 141 457

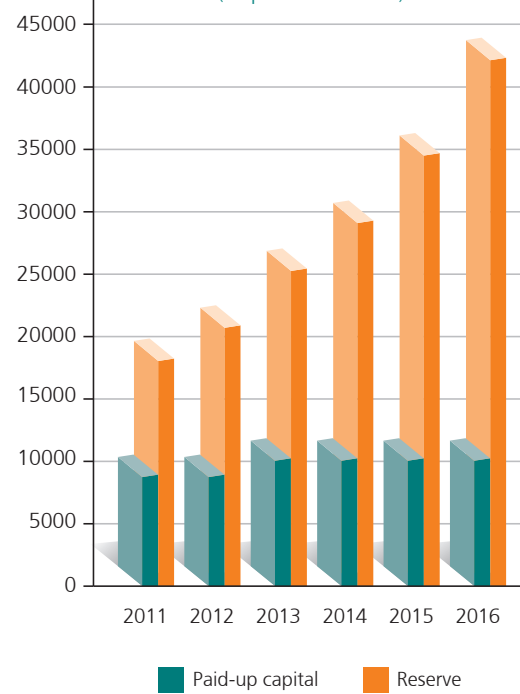


■ Cash and cash equivalent
■ Net cashflow from financing Activity
■ Net cashflow from investing Activity
■ Net cashflow from operating Activity

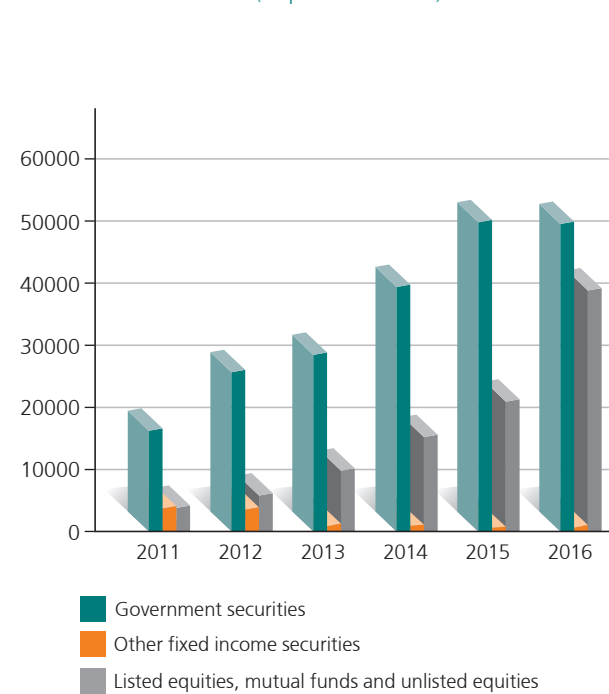
Performance at a Glance

Graphical Presentation

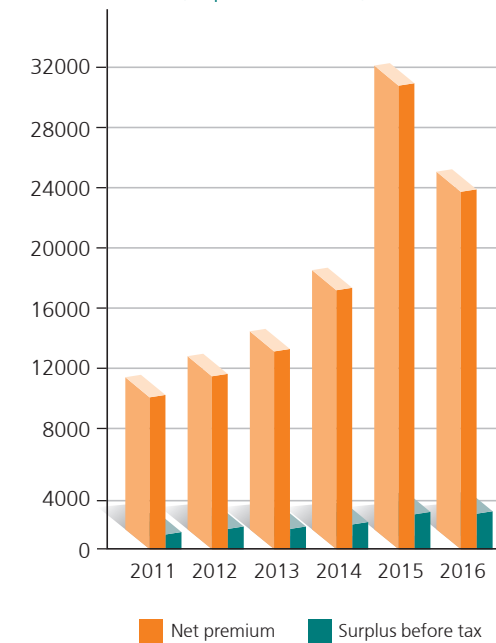
SHARE HOLDER'S EQUITY
(Rupees in million)



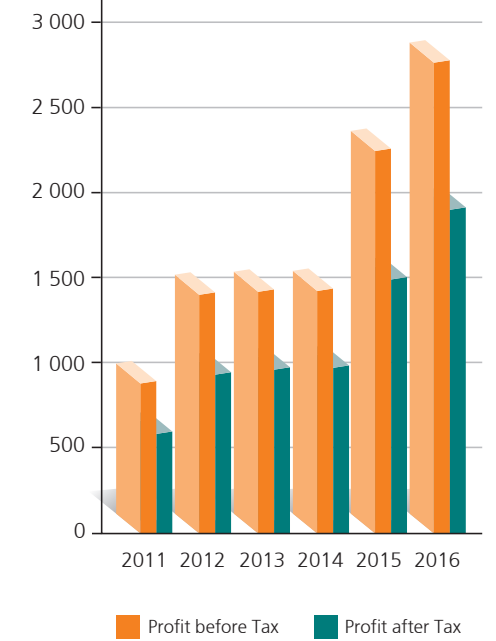
INVESTMENTS
(Rupees in million)



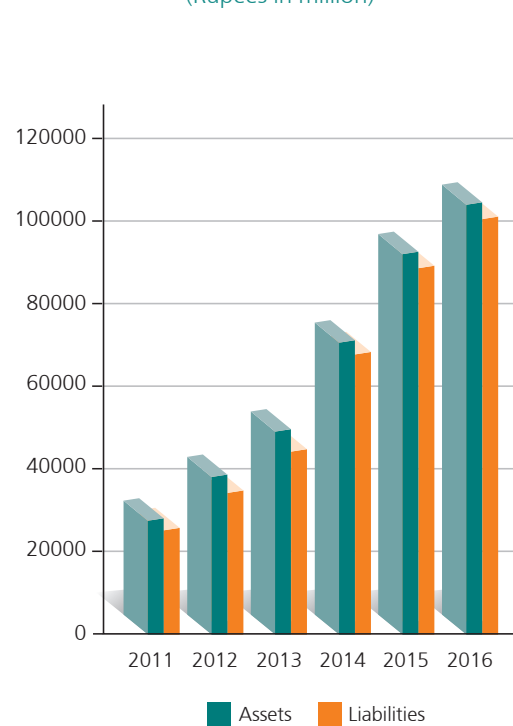
NET PREMIUM & SURPLUS BEFORE TAX
(REVENUE ACCOUNT)
(Rupees in million)



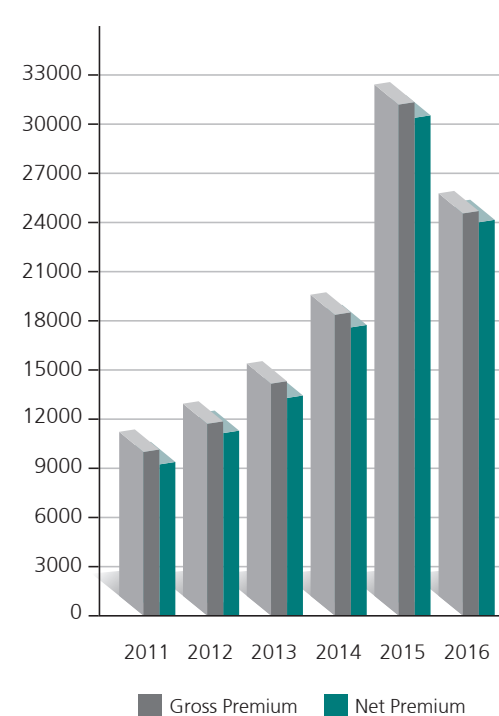
PROFITABILITY
(Rupees in million)



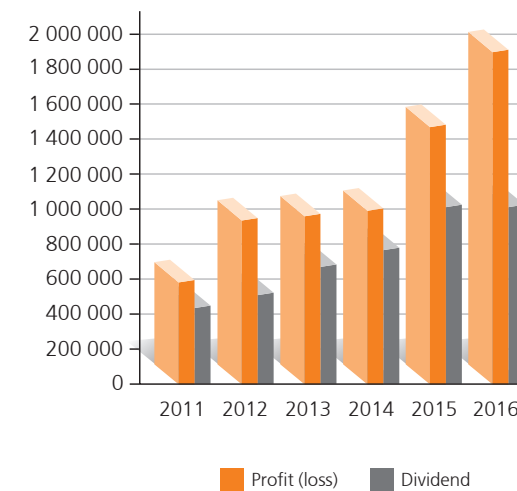
ASSETS & LIABILITIES
(Rupees in million)



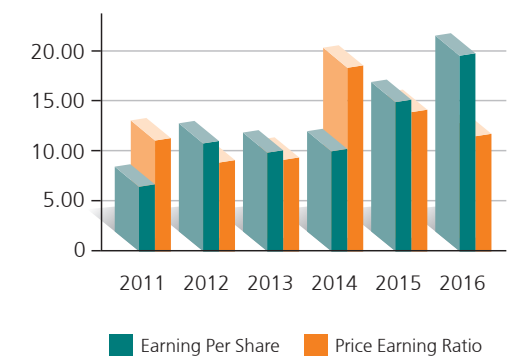
GROSS / NET PREMIUM
(Rupees in million)



PROFIT (LOSS) AFTER TAX & DIVIDENDS
(Rupees in million)



EARNING PER SHARE & PRICE EARNING RATIO



Key Financial Data For The Last Six Years

Share Price Sensitivity Analysis

Earnings - News on earnings, profits and future positive cashflows develop interest of investors in the shares of the company.

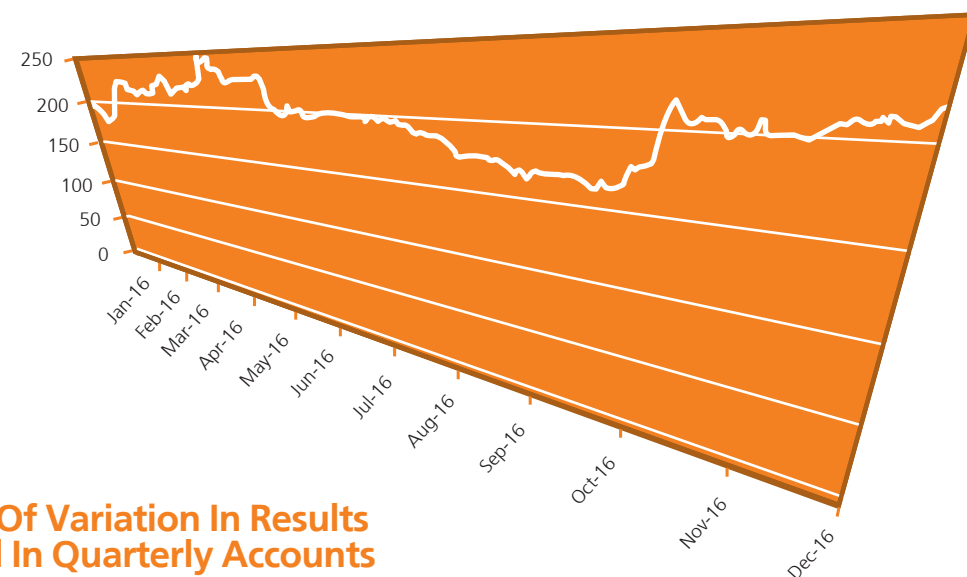
Introduction of new Products - this could lead to positive earnings growth which in return affects share prices

Government Policies - Government's policies could be perceived as positive or negative for business. The policies may lead to change in Inflation and interest rates, which may affect stock prices.

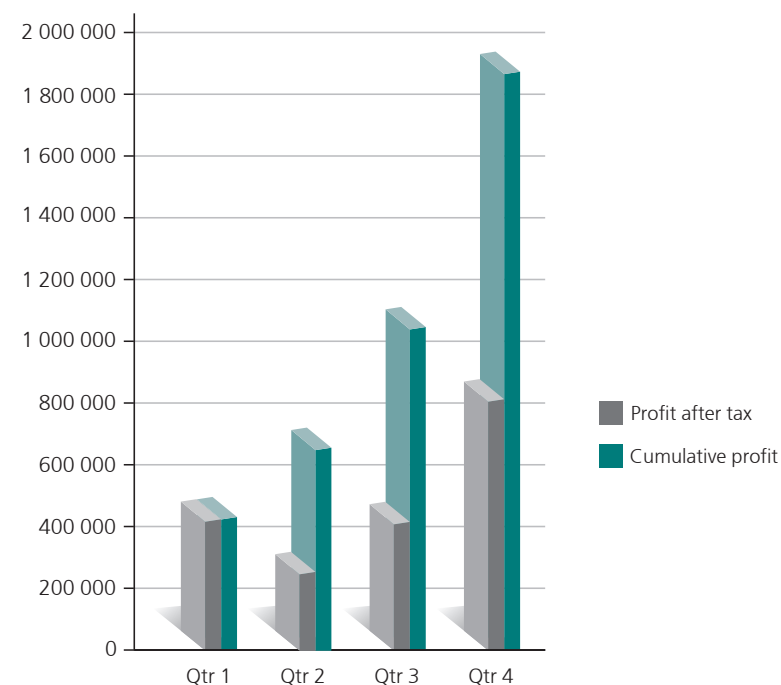
Industry specific performance - any changes in Govt. policies toward Insurance industry may result in movement of stock prices

Investor sentiments / confidence - Positive economic reforms can attract investors.

Announcement of Dividends - Expected distribution from earning could increase in share prices in expectations of realization of profits on investments.



Analysis Of Variation In Results Reported In Quarterly Accounts



(Rupees '000)

	2016	2015	2014	2013	2012	2011
Gross Premium	24 676 452	31 033 830	18 219 910	14 058 930	11 873 842	10 129 599
REVENUE ACCOUNT						
Premium-net of reinsurance	23 861 851	30 351 972	17 595 939	13 365 479	11 301 615	9 597 263
Interest and other Income	8 128 626	8 117 383	6 796 578	4 748 784	3 949 224	2 817 408
	31 990 477	38 469 355	24 392 517	18 114 263	15 250 839	12 414 671
Claims less reinsurance	17 764 439	8 941 518	4 714 369	3 483 942	2 625 301	2 360 779
Commission and Expense	5 535 953	5 415 109	4 727 382	4 274 210	3 438 858	3 309 327
Provision for Appreciation/ (depreciation) on investments	7 763 528	748 228	3 699 382	1 028 649	1 361 453	(235 264)
Write back / (Provision) for doubtful debts on available for sale fixed income securities	-	(6 559)	65 379	(160 407)	(9 075)	(40 501)
Provision for Impairment for available for sale Equity Investments	200 407	(22 201)	347 560	12 681	183 134	(39 257)
Capital contribution from Shareholders' fund	89 256					
Changes in statutory Funds	13 945 180	22 606 826	17 639 714	9 838 720	9 329 724	5 548 728
Profit / (Loss) before tax	2 798 096	2 225 370	1 423 373	1 398 314	1 392 468	880 815
Provision for Taxation	(925 200)	(749 900)	(472 472)	(469 200)	(478 350)	(302 450)
Profit / (Loss) after tax	1 872 896	1 475 470	950 901	929 114	914 118	578 365
BALANCE SHEET						
Investments	88 831 183	71 941 323	55 534 580	39 585 719	34 728 349	25 133 535
Cash & Bank balances	12 395 589	14 406 587	7 666 369	7 614 047	1 723 572	1 141 457
Other Assets	2 920 367	3 249 775	2 943 929	1 094 258	835 281	1 304 662
Fixed Assets	2 154 392	1 667 694	1 083 604	810 235	607 105	450 410
	106 301 531	91 265 379	67 228 482	49 104 259	37 894 307	28 030 064
Issued Subscribed and paid-up capital	1 000 000	1 000 000	1 000 000	1 000 000	850 000	850 000
Accumulated surplus / (Loss)	1 543 383	1 459 743	1 083 773	1 032 872	1 011 758	650 140
General Reserve	1 650 000	950 000	750 500	500 500	232 500	232 500
Balance of Statutory Funds	97 782 063	83 836 320	61 222 367	43 582 653	33 743 933	24 414 209
Other liabilities	4 326 085	4 019 316	3 171 842	2 988 234	2 056 116	1 883 215
	106 301 531	91 265 379	67 228 482	49 104 259	37 894 307	28 030 064

Key Operating and Financial Data

Graphical Analysis

Six years summary Financial Ratios		2016	2015	2014	2013	2012	2011
Profitability Ratios							
Profit / (Loss) Before Tax / Gross Premium	%	11%	7%	8%	10%	12%	9%
Profit / (Loss) Before Tax / Net Premium	%	12%	7%	8%	10%	12%	9%
Profit / (Loss) After Tax / Gross Premium	%	8%	5%	5%	7%	8%	6%
Profit / (Loss) After Tax / Net Premium	%	8%	5%	5%	7%	8%	6%
Gross Yield on Earning Assets	%	6%	7%	8%	8%	9%	11%
Net Claims / Net Premium	%	74%	29%	27%	26%	23%	25%
Commission / Net premium	%	12%	10%	14%	17%	17%	22%
Acquisition Cost / Net premium	%	18%	14%	21%	25%	25%	29%
Administration Expenses / Net premium	%	5%	3%	5%	6%	6%	5%
Change in PHL / Net Inflow	%	35%	57%	61%	52%	55%	44%
Net investment income / Net Premium	%	66%	29%	59%	41%	46%	26%
Return On Capital Employed	%	23%	22%	16%	15%	24%	17%
Return on Equity	%	45%	43%	34%	37%	44%	33%
Liquidity Ratio							
Current Ratio		3.54	4.39	3.35	2.91	1.24	1.30
Quick Ratio		3.54	4.39	3.35	2.91	1.24	1.30
Cash to Current Liability	%	287%	358%	242%	255%	84%	61%
Investment / Market Ratio							
Breakup Value Per Share	Rupees	41.93	34.10	28.34	25.33	24.64	20.384
Earnings / (loss) per share (pre tax) Diluted	Rupees	27.98	22.25	14.23	13.98	13.92	10.36
Earnings / (loss) per share (after tax) Diluted	Rupees	18.73	14.75	9.51	9.29	9.14	6.80
Price Earning Ratio -PAT	Times	11.50	13.49	17.86	8.80	10.20	11.00
Mkt. price per share at end of the year	Rupees	215.47	199	169.85	81.71	93.23	74.8
Mkt. price per share - Highest during the year	Rupees	247.47	260	177.99	96.45	97.00	79.80
Mkt. price per share - Lowest during the year	Rupees	162.3	140	80.60	68.01	62.00	50.70
Cash Dividend per Share	Rupees	15	10	7.50	6.5	5.5	5
Price to book ratio		0.20	0.22	0.25	0.17	0.21	0.23
Cash Dividend %	%	150%	100%	75%	65%	55%	50%
Dividend Yield	%	7%	5%	4%	8%	6%	7%
Dividend Payout	%	80.09%	67.78%	78.87%	69.97%	60.18%	73.53%
Dividend Cover	Times	0.80	0.68	0.79	0.70	0.60	0.74
Stock Dividend per share	Times	—	—	—	—	1.75	—
Bonus %	%	—	—	—	—	17.64%	—
Capital Structure Ratio							
Return on Asset	%	3%	2.4%	2%	3%	4%	3.14%
Earning Asset to total asset	%	95%	94%	93%	97%	96%	93.51%
Total Liabilities / Equity	Times	24.35	25.77	22.70	18.38	17.09	15.18
Paid-up Capital / Total Asset	%	0.94%	1.10%	1.49%	2.04%	2.24%	3.03%
Equity/ total Asset	%	4%	4%	4%	5%	6%	6.18%

Comments:

Profitability Ratios:

Net profit after tax have increased from 1.48 million to 1.87 billion (27% growth) the increase in profitability ratios is due to growth in our principal line of business the Company has managed to underwrite 24.6 billions of business (new and subsequent) in 2016.

Liquidity Ratio

EFU Life's liquidity position had always been very strong. Minimal decrease in liquidity ratios in due to minimal fall in cash and investment in TDRs and major investment in Equity and other money market instruments.

Investment / Market Ratio

Investment ratios are gradually increasing over the year due to better performance and earning of the company. Company has announced 120% final dividend and 30% interim dividend (which sum up to 150% total dividend for 2016).

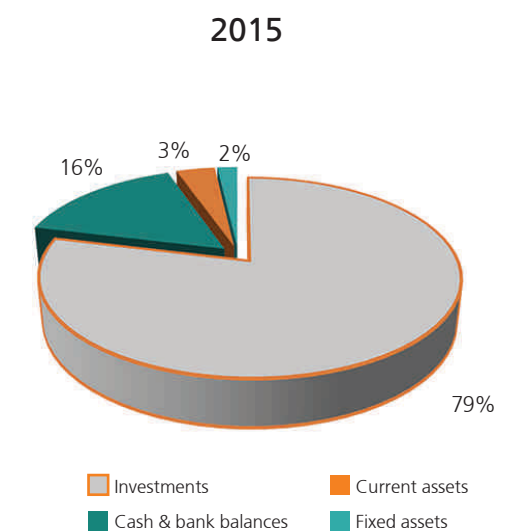
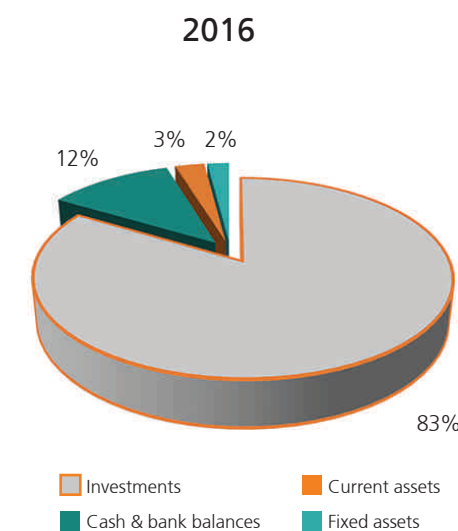
Capital Structure Ratio

EFU Life's paid up capital is 1 Billions which is the largest in the life insurance industry in Pakistan. Total assets of the company has increased from 91 Billion to 106 Billion making an increase of almost 16.5%.

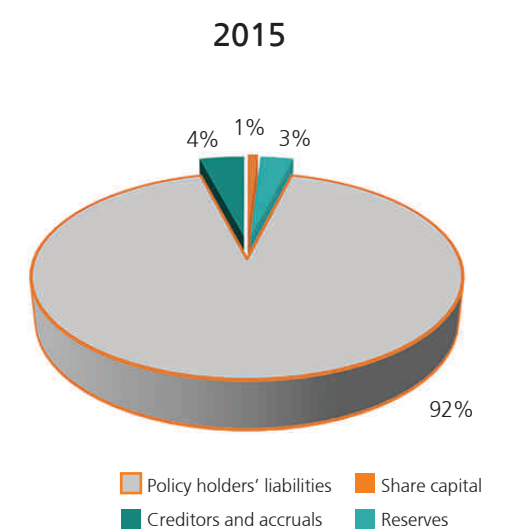
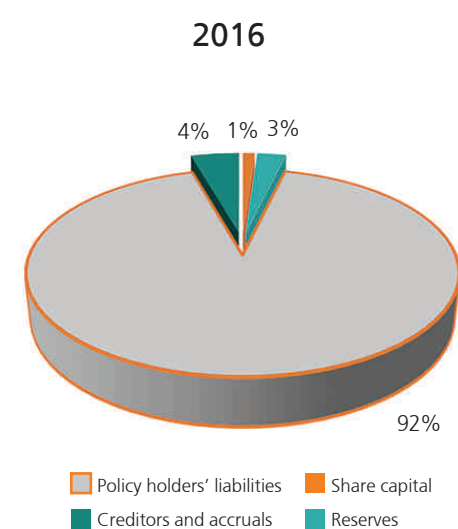
In addition to this, company has maintained solvency margin of Rs. 1.861 billions along with 3.19 billion in accumulated surplus and reserves.

Balance Sheet

ASSETS

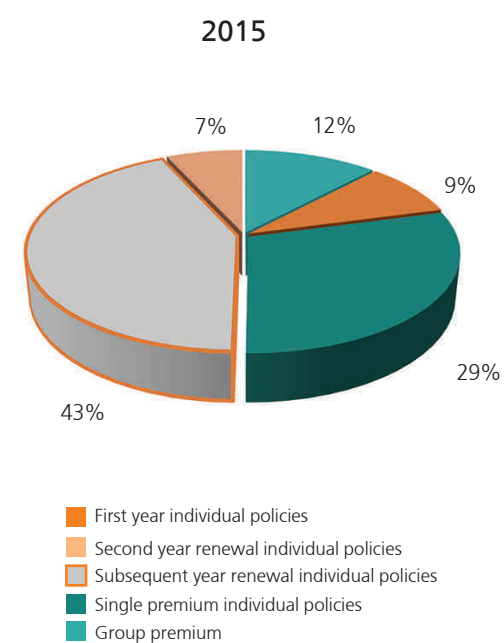
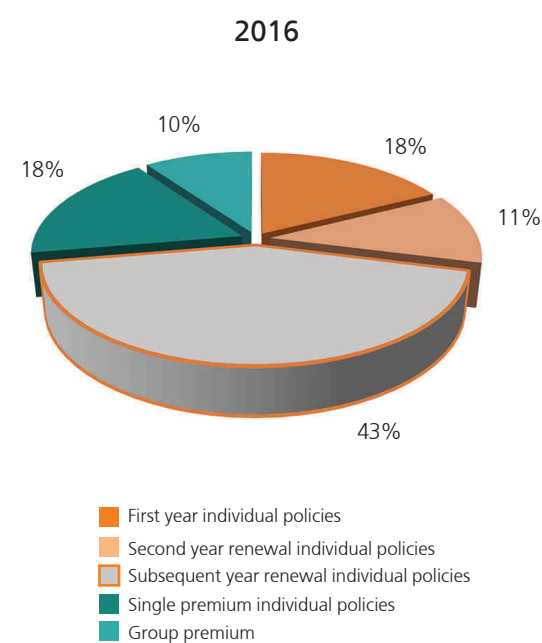


SHARE CAPITAL & RESERVES AND LIABILITIES

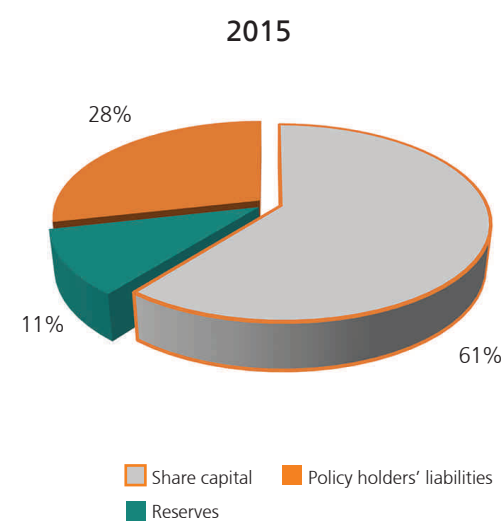
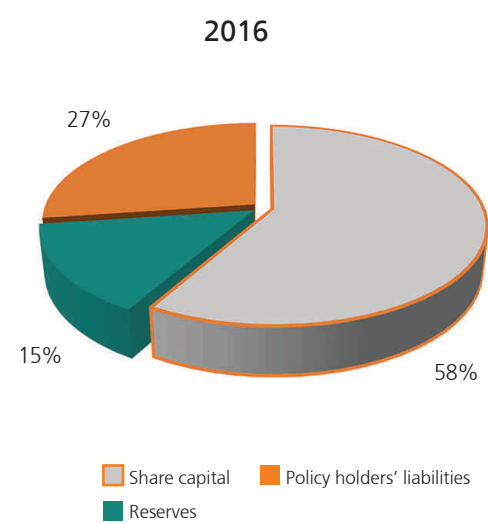


Profit & Loss / Revenue Account

GROSS PREMIUM

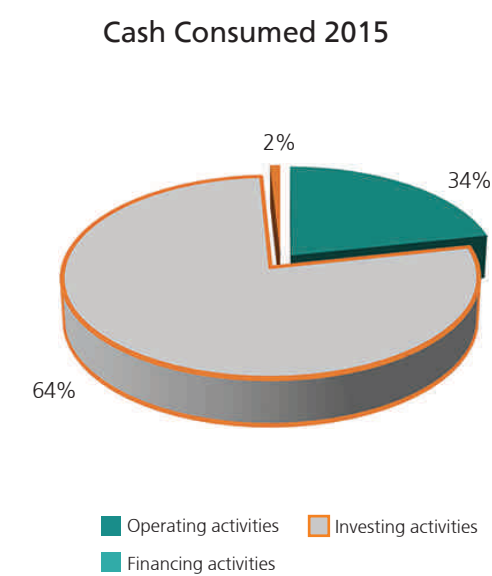
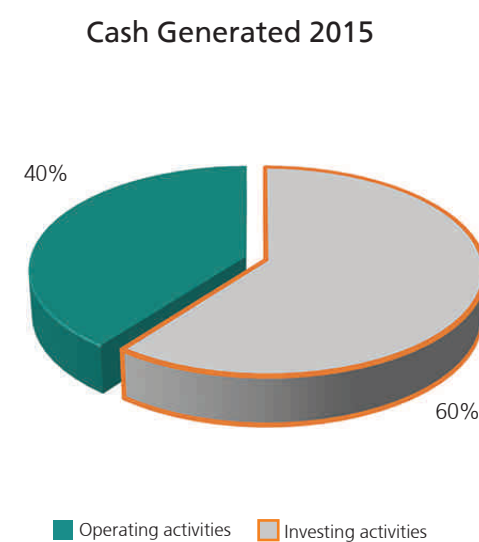
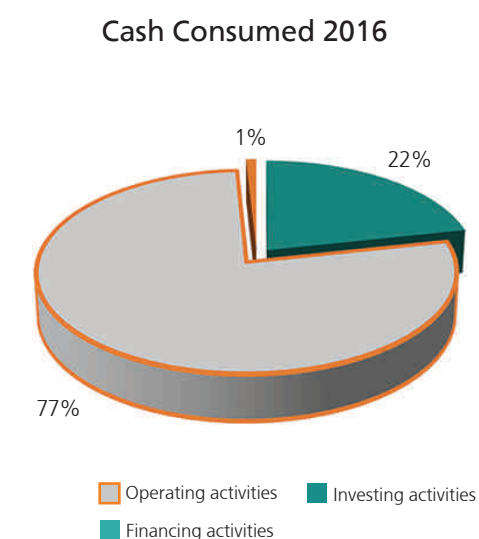
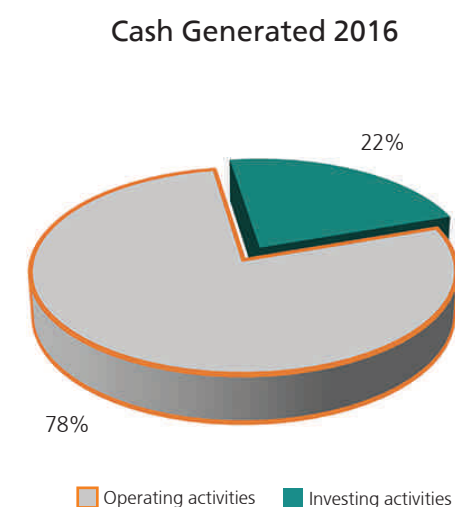


INVESTMENT INCOME



Cash Flow

CASH GENERATED / UTILIZED



Vertical / Horizontal Analysis

Vertical Analysis

Balance Sheet

	2016		2015	
	Rupees in '000	%	Rupees in '000	%
Net Equity	4 193 383	3.94	3 409 743	3.74
Statutory Fund	97 782 063	91.99	83 836 320	91.86
Current Liabilities	4 326 085	4.07	4 019 316	4.40
Total Equity & Liabilities	106 301 531	100	91 265 379	100
Total non-current Assets	2 246 304	2.11	1 667 694	1.83
Investments	88 831 183	83.57	71 941 323	78.83
Current Assets	15 224 044	14.32	17 656 362	19.35
	106 301 531	100	91 265 379	100

Revenue & Profit & Loss Account

Net Income	39 952 080	100	39 188 823	100
Claims, Expenditures and Policy-holders Liabilities	(36 892 682)	(92.34)	(36 618 738)	(93.44)
Solvency Margin	(261 302)	(0.65)	(344 715)	(0.88)
Profit / Loss before Tax	2 798 096	7.00	2 225 370	5.68
Income Tax expense	(925 200)	(2.32)	(749 900)	(1.91)
Profit / Loss after Tax	1 872 896	4.69	1 475 470	3.77

Horizontal Analysis

Balance Sheet

	2016	2015	2014	2013
	Rupees in '000	Rupees in '000	Rupees in '000	Rupees in '000
Net Equity	4 193 383	3 409 743	2 834 273	2 533 372
Statutory Fund	97 782 063	83 836 320	61 222 367	43 582 653
Current Liabilities	4 326 085	4 019 316	3 171 842	2 988 234
Total Equity & Liabilities	106 301 531	91 265 379	67 228 482	49 104 259
Total non-current Assets	2 246 304	1 667 694	1 083 604	810 235
Investments	88 831 183	71 941 323	55 534 580	39 585 719
Current Assets	15 224 044	17 656 362	10 610 298	8 708 305
Total assets	106 301 531	91 265 379	67 228 482	49 104 259

Revenue & Profit & Loss Account

Net Income	39 952 080	39 188 823	28 504 838	18 995 186
Claims, Expenditures and Policy-holders Liabilities	(36 892 682)	(36 618 738)	(26 522 989)	(17 590 800)
Solvency Margin	(261 302)	(344 715)	(558 476)	(6 072)
Profit / Loss before Tax	2 798 096	2 225 370	1 423 373	1 398 314
Income Tax expense	(925 200)	(749 900)	(472 472)	(469 200)
Profit / Loss after Tax	1 872 896	1 475 470	950 901	929 114

2014		2013		2012		2011	
Rupees in '000	%	Rupees in '000	%	Rupees in '000	%	Rupees in '000	%
2 834 273	4.22	2 533 372	5.16	2 094 258	5.53	1 732 640	6.18
61 222 367	91.07	43 582 653	88.76	33 743 933	89.05	24 414 209	87.10
3 171 842	4.71	2 988 234	6.08	2 056 116	5.42	1 883 215	6.72
67 228 482	100	49 104 259	100	37 894 307	100	28 030 064	100
1 083 604	1.61	810 235	1.65	607 105	1.60	450 410	1.61
55 534 580	82.61	39 585 719	80.62	34 728 349	91.65	25 133 535	89.67
10 610 298	15.78	8 708 305	17.73	2 558 853	6.75	2 446 119	8.72
67 228 482	100	49 104 259	100	37 894 307	100	28 030 064	100
28 504 838	100	18 995 186	100	16 786 351	100	12 099 649	100
(26 522 989)	(93.05)	(17 590 800)	(92.61)	(15 152 760)	(90.27)	(11 017 049)	(91.05)
(558 476)	(1.96)	(6 072)	(0.03)	(241 123)	(1.44)	(201 785)	(1.67)
1 423 373	4.99	1 398 314	7.36	1 392 468	8.29	880 815	7.28
(472 472)	(1.66)	(469 200)	(2.47)	(478 350)	(2.85)	(302 450)	(2.50)
950 901	3.33	929 114	4.89	914 118	5.44	578 365	4.78

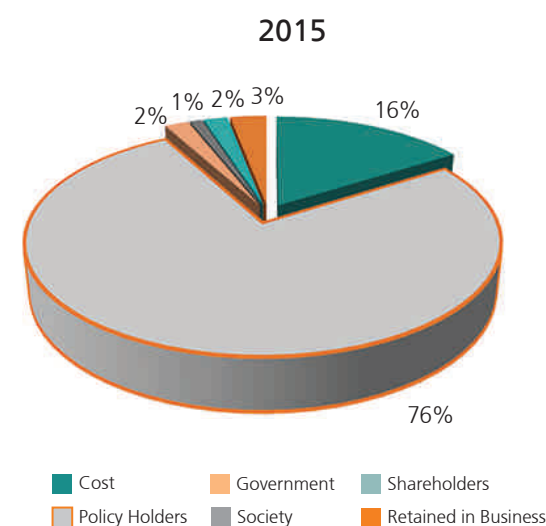
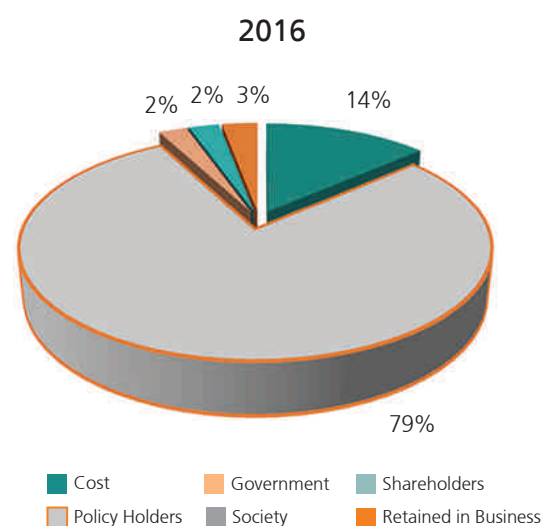
% increase / (decrease) over preceding year

2012	2011	2016	2015	2014	2013	2012	2011
Rupees in '000	Rupees in '000						
2 094 258	1 732 640	22.98	20.30	11.88	20.97	20.87	9.71
33 743 933	24 414 209	16.63	36.94	40.47	29.16	38.21	29.41
2 056 116	1 883 215	7.63	26.72	6.14	45.33	9.18	9.62
37 894 307	28 030 064	16.48	35.75	36.91	29.58	35.19	26.47
607 105	450 410	34.70	53.90	33.74	33.46	34.79	7.02
34 728 349	25 133 535	23.48	29.54	40.29	13.99	38.18	27.50
2 558 853	2 446 119	-13.79	66.41	21.84	240.32	4.61	20.50
37 894 307	28 030 064	16.48	35.75	36.91	29.58	35.19	26.47
16 786 351	12 099 649	1.95	37.48	50.06	13.16	38.73	28.06
(15 152 760)	(11 017 049)	0.75	38.06	50.78	16.09	37.54	24.05
(241 123)	(201 785)	-24.20	-38.28	9097.56	-97.48	19.50	1169.73
1 392 468	880 815	25.74	56.34	1.79	0.42	58.09	59.85
(478 350)	(302 450)	23.38	58.72	0.70	-1.91	58.16	61.05
914 118	578 365	26.94	55.17	2.34	1.64	58.05	59.23

Revenue Application

Shariah Advisory Report to the Board of Directors

	2016	2015
(Rupees in '000)		
Revenue		
Premium	23 861 851	30 351 972
Investment	16 064 695	8 814 395
Other	27 866	22 455
	39 954 412	39 188 822
Cost		
Acquisition Cost	4 281 125	4 375 494
Employee Benefits	489 332	444 050
Other	638 895	455 376
	5 409 352	5 274 920
Policy Holders		
Claims and surrenders	17 764 439	8 941 518
Policy Holders Movements	13 683 878	22 262 111
	31 448 317	31 203 629
Government		
Income & other Taxes	925 200	749 900
WWF	—	46 987
	925 200	796 887
Shareholders		
Dividend	1 000 000	900 000
Bonus	1 000 000	900 000
	2 000 000	1 800 000
Society		
Donations	5 284	7 277
	5 284	7 277
Retained in Business		
Reserve unappropriated profit	872 896	575 470
Capital Contribution	(89 256)	—
Depreciation / Amortization	121 317	85 924
Statutory Reserves - Solvency Margin	261 302	344 715
	1 166 259	1 006 109
Revenue	39 954 412	39 188 822



الحمد لله رب العالمين والعاقبة للمتقين والصلاة والسلام على اشرف الانبياء والمرسلين وعلى آله واصحابه اجمعين -امابعد

EFU Life Assurance Ltd started its Window Takaful Operations on 6th February 2015. By the grace of Allah, the year under review was the second successful year of Family Takaful in EFU Life. In this year, the Management, Distribution Channels and Board of Directors demonstrated their sincere efforts for the promotion of Takaful and underwritten good numbers in Takaful.

Progress of the Year:

During the year under review; EFU Life Window Takaful Operations (EFU Life-WTO) has achieved significant successes, details of which are as follow:

1. EFU Life-WTO opened number of dedicated Takaful branches across the country in strategic locations.
2. Significant success was achieved in creating BancaTakaful tie-ups during the year. EFU Life-WTO entered into distribution agreements with a number of banks and the number of Partner Banks for BancaTakaful are 10 on which I am thankful to all these Partners Banks for the confidence they have shown on EFU Life-WTO's BancaTakaful Products.
3. Under the guidance of the undersigned EFU Life-WTO developed different Takaful Products especially in the BancaTakaful segment focusing on the need of Savings, Child Savings, affordable savings and investment based plans.
4. All the distribution channels of EFU Life- WTO including BancaTakaful, Individual and Group Family Takaful segments performed very well and underwritten good figures in Takaful.
5. A number of Religious Institutions (Madaris) reviewed the Takaful Products of EFU Life-WTO and with the grace of Allah they issued Shariah Compliance Certificates (Fatawa) in favor of Takaful Products developed by EFU Life- WTO that can be viewed on the website of the Company.

Shariah Certification:

As Shari'ah Advisor of EFU Life-WTO; I confirm that:

- I have carefully reviewed all the product documents of EFU Life-WTO including Takaful Policies, Brochures, Marketing materials, Agreements of BancaTakaful and Group Takaful etc. and Alhamdulillah I have found them in accordance with Shari'ah Principles. Further, I confirm that the Takaful Policies issued during the year under review are in accordance with the guidelines of Shari'ah.
- Before launching any Takaful Product, EFU Life-WTO took guidance and advice of Shari'ah from the undersigned and developed the Takaful Products in accordance with the guidelines provided by me as Shari'ah Advisor.
- Segregation of Window Takaful Operations is the essential part of valid Takaful contracts. I am pleased to state that EFU Life has realized criticalities of this issue and from the day one, Alhamdulillah, all the Takaful Funds, Investments, Bank Accounts, Systems and other related issues are kept separate from its conventional insurance business, as per requirement of Shari'ah.
- Conducting Training and Development is an imperative for understanding the principles of Takaful and its practical outline. For this purpose EFU Life-WTO arranged classroom training sessions for its Distribution Channels working in their respective fields and I personally felt that participants gained significantly from these training sessions. I hope EFU Life will continue this practice in the future.

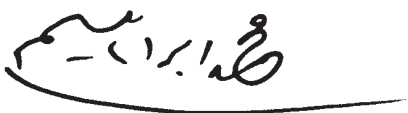
Statement of Compliance with the Shariah Principles

- For the unit linked Takaful products, EFU Life-WTO has established a dedicated Fund named "Takaful Growth Fund". All investments under this fund fulfill the requirements of Shari'ah. Moreover, the investments of all other Takaful Funds are separate from the conventional insurance business and they are in line with Shariah.

While concluding; I state that the Shari'ah principles have been followed in every aspect of practical implementation of EFU Life-WTO. I am grateful to the Board of Directors of EFU Life, Management, Appointed Actuary and all relevant departments who cooperated with me and provided me every possible support to ensure Shari'ah Compliance in our Takaful practices.

In the end; I pray to Allah Almighty to grant us success and help us at every step, keep us away from every hindrance and difficulty, and give financial success to EFU Life Window Takaful Operations.

والسلام عليكم ورحمة الله وبركاته



Muhammad Ibrahim Essa
Shari'ah Advisor
EFU Life Window Takaful Operations
11th February, 2017

Profile of Shariah Advisor

The Shari'ah Advisor of EFU Family Takaful is Mufti Muhammad Ibrahim Essa, a prominent scholar from Jamiah Darul Uloom Karachi specializing in Islamic Finance and Takaful. Mufti Ibrahim has completed his Darse Nizami (Masters in Quran and Sunnah) and Takhassus Fil Fiqh (Specialization in Islamic Jurisprudence) from Jamiah Darul Uloom Karachi under the close supervision of Mufti Muhammad Taqi Usmani.

Mufti Ibrahim is also a teacher and member of Darul Ifta, Darul Uloom Karachi (September 2006 to date). He is also associated as Shariah Advisor with different Islamic Financial Institutions, an Islamic Bank, Mudarabas and an auditing Firm.

The financial arrangements, contracts and transactions, entered into by EFU Life Assurance Limited-Window Takaful Operations ('the Company') for the period from 1 January 2016 to 31 December 2016 are in compliance with the Takaful Rules, 2012.

Further we confirmed that:

- The Company has developed and implemented all the policies and procedures in accordance with the Takaful Rules, 2012 and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance with such rulings and Takaful rules, 2012 in their overall operations with zero tolerance. Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Audit Committee / Shari'ah Advisor and the Board of Directors have been implemented;
- The Company has imparted trainings / orientations and ensured availability of all manuals / agreements approved by Shariah Advisor/ Board of Directors to maintain the adequate level of awareness, capacity and sensitization of the staff, management;
- All the products and policies have been approved by Shariah Advisor and the financial arrangements including investments made, policies, contracts and transactions, entered into by Window Takaful Operations are in accordance with the policies approved by Shariah Advisor.
- The assets and liabilities of Window takaful Operation (Participant Takaful Fund and Operator's Sub Fund) are segregated from its other assets and liabilities, at all times in accordance with the provisions of the Takaful Rules, 2012.

This has been duly confirmed by the Shariah Advisor of the Company.

Dated: February 14, 2017

Managing Director
(Chief Executive Officer)

Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Shariah Principles

We were engaged by the Board of Directors of EFU Life Assurance Limited ("the Company") to report on the management's assessment of compliance of the Window Takaful Operations ("Takaful Operations") of the Company, as set out in the annexed statement prepared by the management for the year ended 31 December 2016, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of compliance of the Operations with the Takaful Rules, 2012, in all material respects.

Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed comprise of the provisions of Takaful Rules 2012.

Responsibilities of the Management

The Board of Directors / management of the Company are responsible for designing, implementing and maintaining internal controls relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

The Board of Directors / management of the Company are also responsible for preventing and detecting fraud and for identifying and ensuring that the Takaful Operations comply with laws and regulations applicable to its activities. They are also responsible for ensuring that the management, where appropriate, those charged with governance, and personnel involved with the Takaful Operations compliance with the Takaful Rules, 2012 are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibilities

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

The procedures selected depend on our judgment, including the assessment of the risks of material non-compliances with the Takaful Rules, 2012, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Takaful Operations compliance with the Takaful Rules, 2012, in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the Takaful Operations' compliance with the Takaful Rules, 2012. Reasonable assurance is less than absolute assurance.

A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Takaful Rules, 2012, and consequently cannot provide absolute assurance that the objective of compliance with Takaful Rules, 2012, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

The procedures performed included:

- Evaluate the systems, procedures and practices in place with respect to the Takaful operations against the Takaful Rules, 2012 and Shariah advisor's guidelines;
- Evaluating the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Audit Committee/ Shari'ah Advisor and the board of directors;
- Test for a sample of transactions relating to Takaful operations to ensure that these are carried out in accordance with the laid down procedures and practices including the regulations relating to Takaful operations as laid down in Takaful Rules, 2012; and
- Review the statement of management's assessment of compliance of the Takaful transactions during the year ended 31 December 2016, with the Takaful Rules, 2012.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the annexed statement, for the year ended 31 December 2016, presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

Date: 14 February 2017
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

Statement of Compliance with the Code of Corporate Governance For Insurers, 2016 & Code of Corporate Governance, 2012 For the year ended 31 December 2016

This statement is being presented in compliance with the Code of Corporate Governance for Insurers, 2016 (the Code) for the purpose of establishing a framework of good governance, whereby an insurer is managed in compliance with the best practices of corporate governance and the Code of Corporate Governance 2012 (CCG 2012) as contained in Regulation No.5.19.24 of the Rule Book of the Pakistan Stock Exchange.

The Company, being an insurer, has applied the principles contained in the Code and CCG, 2012 in the following manner:

1. The Company encourages representation of independent and non-executive Directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Name
Independent Director	Mr. Kamal Afsar
Executive Director	Mr. Taher G. Sachak
Non Executive Directors	Mr. Rafique R. Bhimjee
Non Executive Directors	Mr. Saifuddin N. Zoomkawala
Non Executive Directors	Mr. Muneer R. Bhimjee
Non Executive Directors	Mr. Hasanali Abdullah
Non Executive Directors	Mr. Heinz Walter Dolberg
Non Executive Directors	Mr. S. Salman Rashid
Non Executive Directors	Mr. Mahmood Lotia

The independent director meet the criteria of independence under the Code and the CCG, 2012.

2. The directors have confirmed that none of them is serving as a director on more than seven (7) listed companies, including this company.
3. All the resident directors of the company have confirmed that they are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI. None of the directors or their spouses is engaged in business of stock brokerage.
4. There were no casual vacancy occurred on the Board during the year.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were presented on the Board for approval or amendment has been maintained.
7. All powers of the Board have been duly exercised and decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of Chief Executive Officer, other executive and non-executive directors and the key officers, have been taken by the Board except the decision on terms of and the circumstances in which a law suit may be compromised and claim / right in favor of the company may be waived, released, extinguished or relinquished, which shall be made within timeline provided in Code.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board has established a system of sound internal control, which is effectively implemented at all levels within the Company. The Company has adopted and complied with all the necessary aspects of internal controls given in the Code.
10. The Board arranged an Orientation course for all its directors in the form of booklet which was submitted to the Board of Director during the year to apprise them of their duties and responsibilities and also about changes in Code of Corporate Governance.

11. The Board has put in place a mechanism for an annual evaluation of the board's own performance as required under the CCG, 2012.
12. There was no change of Chief Financial Officer, Company Secretary and Head of Internal Audit during the year.
13. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and the CCG, 2012 and fully describes the salient matters required to be disclosed.
14. The financial statements of the Company were duly endorsed by Chief Executive Officer and Chief Financial Officer before approval of the Board.
15. The Directors, Chief Executive Officer and other executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
16. The Company has complied with all the corporate and financial reporting requirements of the Code and CCG, 2012.
17. The Board has formed the following Management Committees under the Code:

Underwriting Committee:

Name of the Member	Category
Taher G. Sachak	Chairman (Chief Executive Officer)
Dr Tajuddin A, Manji	Member
Zain Ibrahim	Member
Hasan Sheikh	Member
Dr Asadul Hadi Siddiqui	Member

Claim Settlement Committee:

Name of the Member	Category
Taher G. Sachak	Chairman (Chief Executive Officer)
Arshad Iqbal	Member
Dr Ammara Moazzum	Member
Sajjad Hussain	Member

Reinsurance Committee:

Name of the Member	Category
Taher G. Sachak	Chairman (Chief Executive Officer)
Mohammad Ali Ahmed	Member
Zain Ibrahim	Member
Raza Hasan	Member
Ali Qureshi	Member

Risk Management & Compliance Committee:

Name of the Member	Category
Taher G. Sachak	Chairman (Chief Executive Officer)
Mohammed Ali Ahmed	Member
S. Shahid Abbas	Member
Zain Ibrahim	Member
Ali Qureshi	Member
Abbas Hussain	Member

18. The Board has formed the following Board Committees under the Code / CCG 2012:

Ethics, Human Resource & Remuneration Committee:

<u>Name of the Member</u>	<u>Category</u>
Rafique R. Bhimjee	Chairman (Non-Executive Director)
Saifuddin N. Zoomkawala	Member (Non-Executive Director)
Taher G. Sachak	Member (Chief Executive Officer)

Investment Committee:

<u>Name of the Member</u>	<u>Category</u>
Rafique R. Bhimjee	Member (Non-Executive Director)
Saifuddin N. Zookawala	Member (Non-Executive Director)
Taher G. Sachak	Chairman (Chief Executive Officer)
Hasanali Abdullah	Member (Non-Executive Director)
Omer Morshed	Member (Appointed Actuary)
S. Shahid Abbas	Member (CFO & Corporate Secretary)
Mohammed Ali Ahmed	Member
S. Muhammad Owais	Member

19. The Board has formed an Audit Committee. It comprises of four members, of whom one is independent director and three are non-executive Directors. The chairman of the committee is a non-executive director. The composition of the Audit Committee is as follows:

Audit Committee:

<u>Name of the Member</u>	<u>Category</u>
Hasanali Abdullah	Chairman (Non-Executive Director)
Saifuddin N. Zoomkawala	Member (Non-Executive Director)
Muneer R. Bhimjee	Member (Non-Executive Director)
Kamal Afsar	Member (Independent Director)

20. The meetings of the Committees, except Ethics, Human Resource and Remuneration Committee, were held at least once every quarter prior to approval of interim and final results of the insurer and as required by the Code / CCG, 2012. The terms of reference of the committee have been formed and advised to the committee for compliance. No meeting of Risk Management and Compliance Committee was conducted as it was formed on 14 February 2017.

21. The Board has set up an effective internal audit function.

22. The Chief Executive Officer, Chief Financial Officer, Compliance Officer and the Head of Internal Audit possess such qualification and experience as is required under the Code. The Appointed Actuary of the Company also meets the conditions as laid down in the said Code. Moreover, the persons heading the underwriting, claim, reinsurance, risk management and grievance functions / departments possess qualification and experience of direct relevance to their respective functions, as required under section 12 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000):

<u>Name of the Person</u>	<u>Designation</u>
Taher G. Sachak	Chief Executive Officer
S. Shahid Abbas	Chief Financial Officer
Abbas Husain	Compliance Officer
Mohammed Ali Ahmed	Actuary
S. Shahid Abbas	Company Secretary
Mohammad Abbas	Head of Internal Audit
Zain Ibrahim	Head of Underwriting
Dr Ammara Moazzum	Head of Claims
Ali Qureshi	Head of Reinsurance
Ali Qureshi	Head of Risk Management
Arshad Iqbal	Head of Grievance Dept.

23. The statutory auditors of the Company have been appointed from the panel of auditors approved by the Commission in terms of section 48 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000). The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the insurer and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.

24. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

25. The Appointed Actuary of the Company has confirmed that he/she or his/her spouse and minor children do not hold shares of the Company.

26. The Board ensures that the Appointed Actuary complies with the requirement set out for him/her in the Code.

27. The Board ensures that the investment policy of the Company has been drawn up in accordance with the provisions of the Code.

28. The Board ensures that the risk management system of the Company is in place as per the requirement of the Code.

29. The Company already has risk management function, the task of the new Risk management and compliance function as covered under the Code was approved on 14 February 2017.

30. The Board ensures that as part of the risk management system, the Company gets rated from JCR-VIS which is being used by its risk management function/department and the respective Committee as a risk monitoring tool. The rating assigned by the said rating agency on 17 March 2016 is AA+ with Stable outlook. which carries out its tasks as covered under the Code.

31. The Board has set up a grievance department / function, which fully complies with the requirements of the Code.

32. The Company has not obtained any exemption from the Securities and Exchange Commission of Pakistan in respect of the requirements of the Code.

33. The Board has arranged director training programs for one of its director during the year. All other directors are either already certified or exempt from the said requirement under Code of Corporate Governance contained in Listing Regulations.

34. The 'closed period', prior to the announcement of interim / final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and the Pakistan stock exchange as required by the CCG 2012.

35. Material / price sensitive information has been disseminated among all market participants at once through the Pakistan stock exchange as required by the CCG 2012.

36. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.

37. We confirm that all other material principles contained in the Code and the CCG 2012 have been complied with.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Review Report to the Members on Statement of Compliance with the Best Practices of the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance for Insurers, 2016 and Code of Corporate Governance, 2012 as mentioned in the Regulation No. 5.19.24 of the Rule Book of Pakistan Stock Exchange ("PSX") (combined called 'the Code') as prepared by the Board of Directors ("the Board") of EFU Life Assurance Limited ("the Company") for the year ended 31 December 2016 to comply with the requirements of Listing Regulations of PSX where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 31 December 2016.

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi February 14, 2016

Auditors' Report to the Members

Independent Auditors' Report to the Members

We have audited the annexed financial statements comprising of:

- i. balance sheet;
- ii. profit and loss account;
- iii. statement of changes in equity;
- iv. cash flow statement;
- v. revenue account;
- vi. statement of premiums;
- vii. statement of claims;
- viii. statement of expenses; and
- ix. statement of investment income

of EFU Life Assurance Limited ("the Company") as at 31 December 2016 together with the notes forming part thereof, for the year then ended.

It is the responsibility of the Company's Board of Directors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved accounting standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) proper books of account have been kept by the Company as required by the Insurance Ordinance, 2000 and Companies Ordinance, 1984;
- (b) the financial statements together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Ordinance, 1984, and accurately reflect the books and records of the Company and are further in accordance with accounting policies consistently applied;
- (c) the financial statements together with notes thereon present fairly, in all material respects, the state of the Company's affairs as at 31 December 2016 and of the profit, its cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan and give the information required to be disclosed by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984;
- (d) the apportionment of assets, liabilities, revenue and expenses between two or more funds has been performed in accordance with the advice of the appointed actuary; and
- (e) Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.

KPMG Taseer Hadi & Co.
Chartered Accountants
Muhammad Taufiq
Karachi February 14, 2017

Balance Sheet

As At 31 December 2016

(Rupees '000)

		Statutory Funds									
Note	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015		
Share capital and reserves											
	Authorised share capital [150 000 000 ordinary shares (2015: 150 000 000) of Rs. 10 each]	1 500 000						1 500 000	1 500 000		
	Issued, subscribed and paid-up share capital	8	1 000 000					1 000 000	1 000 000		
	Accumulated surplus		1 543 383					1 543 383	1 459 743		
	General reserves		1 650 000					1 650 000	950 000		
	Net shareholders' equity		4 193 383					4 193 383	3 409 743		
Balance of statutory fund [including policyholders' liabilities Rs. 95 869 million (2015: Rs. 82 185 million)]											
	Statutory fund	10	–	95 349 835	1 028 151	25 000	2 270	1 345 578	23 539	97 774 373	83 829 193
	Cede Money - Waqf		–	–	–	–	–	2 000	–	2 000	2 000
	Shareholder's Fund unit holding in PIF		–	–	–	–	–	5 690	–	5 690	5 127
			–	95 349 835	1 028 151	25 000	2 270	1 353 268	23 539	97 782 063	83 836 320
	Deferred tax liability	11	131 000	–	–	–	–	–	–	131 000	15 800
Creditors and accruals											
	Outstanding claims	12	–	834 990	847 023	–	1 345	6 028	3 331	1 692 717	1 458 110
	Premium / contribution received in advance		–	475 245	77 959	15	22	20 538	2 027	575 806	570 463
	Amounts due to reinsurers / retakaful		–	95 705	25 611	252	–	14 696	11 759	148 023	187 617
	Amounts due to agents		–	465 404	17 161	–	29	73 631	239	556 464	524 163
	Accrued expenses		3 787	367 377	27 922	5	19	6 209	6 209	411 528	322 041
	Unclaimed dividend		22 047	–	–	–	–	–	–	22 047	16 870
	Other creditors and accruals	13	12 852	193 563	5 889	43	57	134 051	25 000	371 455	268 719
	Inter - fund payable		–	406 347	7	1 672	2 446	–	6 573	417 045	655 533
	Total liabilities		38 686	2 838 631	1 001 572	1 987	3 918	255 153	55 138	4 195 085	4 003 516
	Total equity and liabilities		4 363 069	98 188 466	2 029 723	26 987	6 188	1 608 421	78 677	106 301 531	91 265 379

Contingencies and commitments 14

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

(Rupees '000)

		Statutory Funds								
	Note	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Cash and bank deposits	15									
Policy stamps in hand		–	4 322	38	–	–	19	–	4 379	8 545
Current and other accounts		91 330	2 366 777	115 352	2 859	51	397 133	59 608	3 033 110	3 538 042
Deposits maturing within 12 months		250 000	8 574 000	25 100	1 000	–	494 000	14 000	9 358 100	10 860 000
		341 330	10 945 099	140 490	3 859	51	891 152	73 608	12 395 589	14 406 587
Loans	16									
To employees - secured		80 918	–	–	–	–	–	–	80 918	85 094
To employees and agents - unsecured		10 994	–	–	–	–	–	–	10 994	15 093
		91 912	–	–	–	–	–	–	91 912	100 187
Investments	17									
Government securities		1 574 647	45 510 283	1 618 072	15 733	5 497	143 336	2 500	48 870 068	49 251 553
Other fixed income securities		–	1 575 511	–	–	–	–	–	1 575 511	1 434 650
Listed equities and mutual funds		995 554	36 815 902	105 729	7 284	375	460 252	–	38 385 096	21 254 612
Unlisted equities		508	–	–	–	–	–	–	508	508
		2 570 709	83 901 696	1 723 801	23 017	5 872	603 588	2 500	88 831 183	71 941 323
Current assets - others										
Premium / contribution due but unpaid		–	–	90 317	–	–	–	1 712	92 029	70 254
Amounts due from reinsurer / retakaful		–	17 008	58 495	–	254	–	–	75 757	147 849
Taxation - provision less payments		58 550	–	–	–	–	–	–	58 550	56 952
Prepayments		–	27 643	3 185	–	2	5 450	–	36 280	26 071
Sundry receivables		166 049	25 012	2 750	2	2	14 656	400	208 871	136 325
Investment income accrued	18	8 766	1 766 822	4 653	104	–	2 280	8	1 782 633	1 964 499
Shareholders' Fund unit holding in PIF		–	–	–	–	–	5 690	–	5 690	5 127
Advances and deposits		20 088	124 566	6 032	5	7	453	449	151 600	86 978
Inter - fund receivable		331 893	–	–	–	–	85 152	–	417 045	655 533
		585 346	1 961 051	165 432	111	265	113 681	2 569	2 828 455	3 149 588
Fixed assets	19									
Tangible & Intangible assets										
Leased hold land		–	126 505	–	–	–	–	–	126 505	126 505
Building		–	1 254 115	–	–	–	–	–	1 254 115	–
Furniture fixtures office equipment and vehicles		752 127	–	–	–	–	–	–	752 127	422 522
Capital work in progress		–	–	–	–	–	–	–	–	1 095 312
Intangible (Computer software)		21 645	–	–	–	–	–	–	21 645	23 355
		773 772	1 380 620	–	–	–	–	–	2 154 392	1 667 694
Total assets		4 363 069	98 188 466	2 029 723	26 987	6 188	1 608 421	78 677	106 301 531	91 265 379

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Profit and Loss Account

For The Year Ended 31 December 2016

(Rupees '000)		
Note	2016	2015
Investment income not attributable to statutory funds		
Return on government securities	105 461	103 846
Return on other fixed income securities and deposits	26 211	18 419
Dividend income	49 209	48 823
	180 881	171 088
Profit on sale of investments	33 382	–
Reversal of / (provision for) impairment in the value of available for sale investments	196 434	(26 640)
Net investment income	410 697	144 448
Other revenue	22	22 455
	438 563	166 903
Expenses not attributable to statutory funds	23	(63 609)
	472 018	103 294
Surplus transferred from statutory funds	2 326 078	2 122 076
Profit before tax	2 798 096	2 225 370
Taxation	24	(925 200)
Profit after tax	1 872 896	1 475 470
Earnings per share - basic and diluted (Rupees)	18.73	14.75

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Changes in Equity

For The Year Ended 31 December 2016

(Rupees '000)					
	Share Capital	General Reserve	Capital Contribution	Accumulated Surplus	Total
Balance as at 1 January 2015	1 000 000	750 500	–	1 083 773	2 834 273
Total Comprehensive Income for the year					
Profit for the year ended 31 December 2015	–	–	–	1 475 470	1 475 470
Transaction with owners of the company					
Transfer to General Reserve	–	199 500	–	(199 500)	–
Dividend for the year ended 31 December 2014 at the rate of Rs. 6.00 per share	–	–	–	(600 000)	(600 000)
Interim dividend for the quarter ended 31 March 2015 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Interim dividend for the quarter ended 30 June 2015 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Interim dividend for the quarter ended 30 September 2015 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Balance as at 31 December 2015	1 000 000	950 000	–	1 459 743	3 409 743
Total Comprehensive Income for the year					
Profit for the year ended 31 December 2016	–	–	–	1 872 896	1 872 896
Transaction with owners of the company					
Transfer to General Reserve	–	700 000	–	(700 000)	–
Dividend for the year ended 31 December 2015 at the rate of Rs. 7.00 per share	–	–	–	(700 000)	(700 000)
Interim dividend for the quarter ended 31 March 2016 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Interim dividend for the quarter ended 30 June 2016 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Interim dividend for the quarter ended 30 September 2016 at the rate of Rs. 1.00 per share	–	–	–	(100 000)	(100 000)
Capital Contribution	–	–	(89 256)	–	(89 256)
Balance as at 31 December 2016	1 000 000	1 650 000	(89 256)	1 632 639	4 193 383

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Cash Flows

For The Year Ended 31 December 2016

(Rupees '000)

	Statutory Funds							Aggregate 2016	Aggregate 2015
	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Operating cash flows									
a) Underwriting activities									
Premium / contribution received	-	20 397 556	2 361 422	947	1 394	1 846 576	52 125	24 660 020	30 989 191
Reinsurance premium / retakaful contribution paid	-	(3 447)	(167 396)	19	-	1	-	(170 823)	(149 070)
Claims paid	-	(690 364)	(1 610 503)	-	(1 924)	(2 912)	(18 043)	(2 323 746)	(2 144 302)
Surrenders paid	-	(15 706 820)	-	(643)	-	(86 045)	-	(15 793 508)	(6 911 087)
Commission paid	-	(2 516 969)	(254 501)	(43)	(273)	(333 382)	(5 744)	(3 110 912)	(3 247 239)
Net cash generated from / (used in) underwriting activities	-	1 479 956	329 022	280	(803)	1 424 238	28 338	3 261 031	18 537 493
b) Other operating activities									
Income tax paid	(811 598)	-	-	-	-	-	-	(811 598)	(648 584)
General management expenses paid	34 362	(1 698 191)	(155 068)	(27)	(133)	(374 762)	(11 975)	(2 205 794)	(2 055 603)
Other operating payments	(140 228)	86 366	(1 512)	43	10	133 071	24 986	102 736	(330 867)
Other operating receipts	328 663	(258 515)	(49 972)	5	(32 566)	(806)	13 191	-	481 363
Loans advanced	(57 370)	-	-	-	-	-	-	(57 370)	(99 453)
Loans repayments received	65 645	-	-	-	-	-	-	65 645	70 566
Other payments on operating assets	(98 228)	(37 613)	(146)	(7)	65	(5 422)	(849)	(142 200)	(94 309)
Net cash (used in) / generated from other operating activities	(678 754)	(1 907 953)	(206 698)	14	(32 624)	(247 919)	25 353	(3 048 581)	(2 676 887)
Total cash (used in) / generated from operating activities	(678 754)	(427 997)	122 324	294	(33 427)	1 176 319	53 691	212 450	15 860 606
Investment activities									
Profit / return received	186 909	5 322 262	125 549	1 727	844	131 018	14 160	5 782 469	5 567 597
Dividends received	49 209	1 397 806	3 084	333	-	8 254	-	1 458 686	1 011 657
Payments for investments	(1 851 649)	(81 935 509)	(1 940 213)	(25 595)	(10 919)	(1 757 465)	-	(87 521 350)	(28 200 544)
Proceeds from disposal of investments	1 436 018	75 968 992	974 299	21 390	10 472	1 238 850	-	79 650 021	14 058 448
Fixed capital expenditure	(444 714)	(174 678)	-	-	-	-	-	(619 392)	(684 603)
Proceeds from disposal of fixed assets	26 118	-	-	-	-	-	-	26 118	27 057
Total cash (used in) / generated from investing activities	(598 109)	578 873	(837 281)	(2 145)	397	(379 343)	14 160	(1 223 448)	(8 220 388)
Financing activities									
Surplus appropriated to shareholders' fund	2 326 078	(2 340 660)	16 868	(990)	(1 296)	-	-	-	-
Cede Money	-	-	-	-	-	-	-	-	-
Dividends paid	(1 000 000)	-	-	-	-	-	-	(1 000 000)	(900 000)
Total cash generated from / (used in) financing activities	1 326 078	(2 340 660)	16 868	(990)	(1 296)	-	-	(1 000 000)	(900 000)
Net cash generated from / (used in) all activities	49 215	(2 189 784)	(698 089)	(2 841)	(34 326)	796 976	67 851	(2 010 998)	6 740 218
Cash and cash equivalents at beginning of the year	292 115	13 134 883	838 579	6 700	34 377	94 176	5 757	14 406 587	7 666 369
Cash and cash equivalents at end of the year	341 330	10 945 099	140 490	3 859	51	891 152	73 608	12 395 589	14 406 587
Reconciliation to profit and loss account									
Operating cash flows								212 450	15 860 606
Depreciation								(110 767)	(78 870)
Amortization								(10 550)	(7 054)
Profit on disposal of fixed assets								14 741	12 468
Other revenue								13 125	9 987
Investment revenue								7 046 164	6 533 792
Appreciation in market value of investments								7 380 998	538 210
(Provision for) / reversal of impairment in the value of available for sale equity investments								200 407	(22 201)
(Provision for) / reversal of impairment in the value of available for sale fixed income securities								-	(6 559)
Capital contribution from shareholders fund								89 256	-
Profit on sale of investments								1 437 126	1 755 197
(Decrease) / Increase in assets other than cash								(147 542)	341 321
Increase in liabilities								(14 252 512)	(23 461 427)
Profit after taxation								1 872 896	1 475 470

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Revenue Account

For The Year Ended 31 December 2016

(Rupees '000)

		Statutory Funds								
	Note	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015	
Income										
		Premium / contribution less reinsurance / retakaful	20 188 466	1 824 189	968	990	1 810 349	36 889	23 861 851	30 351 972
		Net investment income / wakala income	15 294 768	119 635	4 114	702	220 613	14 166	15 653 998	8 669 948
		Total net income	35 483 234	1 943 824	5 082	1 692	2 030 962	51 055	39 515 849	39 021 920
Claims and Expenditure										
		Claims net of reinsurance recoveries	16 334 777	1 325 148	624	976	89 816	13 098	17 764 439	8 941 518
		Management expenses	4 362 953	423 273	67	376	758 479	24 260	5 569 408	5 351 500
		Total claims and expenditure	20 697 730	1 748 421	691	1 352	848 295	37 358	23 333 847	14 293 018
Excess of income over claims and expenditure										
			14 785 504	195 403	4 391	340	1 182 667	13 697	16 182 002	24 728 902
Add : policyholders' liabilities at beginning of the year										
			81 600 231	495 921	21 258	2 691	62 328	2 942	82 185 371	59 923 260
Less : policyholders' liabilities at end of the year										
	9.2		93 863 055	664 081	24 608	1 825	1 307 669	8 011	95 869 249	82 185 371
			(12 262 824)	(168 160)	(3 350)	866	(1 245 341)	(5 069)	(13 683 878)	(22 262 111)
Surplus / (deficit) before tax										
			2 522 680	27 243	1 041	1 206	(62 674)	8 628	2 498 124	2 466 791
Movement in policyholders' liabilities										
			12 262 824	168 160	3 350	(866)	1 245 341	5 069	13 683 878	22 262 111
Transfer of (surplus) / deficit to shareholders' fund										
			(2 340 660)	16 868	(990)	(1 296)	–	–	(2 326 078)	(2 122 076)
Capital contribution										
			–	–	–	–	85 449	3 807	89 256	–
Balance of statutory funds at beginning of the year										
			82 904 991	815 880	21 599	3 226	77 462	6 035	83 829 193	61 222 367
Balance of statutory funds at end of the year										
			95 349 835	1 028 151	25 000	2 270	1 345 578	23 539	97 774 373	83 829 193
Represented by:										
	9.2	Policyholders' liabilities	93 863 055	664 081	24 608	1 825	1 307 669	8 011	95 869 249	82 185 371
		Retained earnings on other than participating business	1 486 780	364 070	392	445	37 909	15 528	1 905 124	1 643 822
	10	Balance of statutory funds	95 349 835	1 028 151	25 000	2 270	1 345 578	23 539	97 774 373	83 829 193

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Premiums

For The Year Ended 31 December 2016

(Rupees '000)

	Statutory Funds							
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Gross premium / contribution								
Regular premium / contribution individual policies*								
First year	3 674 394	2 410	–	242	665 979	–	4 343 025	3 732 089
Second year renewal	2 684 309	455	–	39	121 946	–	2 806 749	2 733 076
Subsequent year renewal	10 688 383	2 832	997	1 172	5 298	–	10 689 682	9 122 589
Single premium / contribution individual policies	3 349 856	–	–	–	1 041 515	–	4 391 371	13 316 717
Group policies with cash values	35 129	–	–	–	–	–	35 129	33 384
Group policies without cash values	–	2 349 795	–	–	–	51 701	2 401 496	2 095 975
Total gross premium / contribution	20 432 071	2 355 492	997	1 453	1 834 738	51 701	24 676 452	31 033 830
Less: Reinsurance premium / retakaful contribution ceded								
On individual life first year business	38 693	452	–	20	20 439		59 604	50 994
On individual life second year business	28 125	130	–	8	3 950	–	32 213	28 286
On individual life renewal business	176 787	800	29	435	–	–	178 051	175 400
On group policies	–	529 921	–	–	–	14 812	544 733	427 178
Total reinsurance premium / retakaful contribution ceded	243 605	531 303	29	463	24 389	14 812	814 601	681 858
Net premium / contribution	20 188 466	1 824 189	968	990	1 810 349	36 889	23 861 851	30 351 972

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

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

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Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Claims

For The Year Ended 31 December 2016

(Rupees '000)

	Statutory Funds							
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Gross claims								
Claims under individual policies								
by death	759 772	2 373	–	433	8 940	–	771 518	584 915
by insured event other than death	14 817	–	–	952	–	–	15 769	20 828
by maturity	627 227	–	–	–	–	–	627 227	528 925
by surrender	15 078 077	–	643	–	86 045	–	15 164 765	6 925 241
Total gross individual policy claims	16 479 893	2 373	643	1 385	94 985	–	16 579 279	8 059 909
Claims under group policies								
by death	166	1 555 229	–	–	–	18 140	1 573 535	1 090 571
by insured event other than death	–	68 749	–	–	–	402	69 151	72 572
by surrender	2 410	–	–	–	–	–	2 410	1 092
experience refund	–	127 486	–	–	–	–	127 486	171 911
Total gross group claims	2 576	1 751 464	–	–	–	18 542	1 772 582	1 336 146
Total gross claims	16 482 469	1 753 837	643	1 385	94 985	18 542	18 351 861	9 396 055
Less: Reinsurance / retakaful recoveries								
On individual life first year business	62 033	–	–	–	5 169	–	67 202	31 992
On individual life second year business	–	–	–	–	–	–	–	20 209
On individual life subsequent renewal business	49 562	150	–	409	–	–	50 121	74 979
On group claims	–	367 906	–	–	–	5 444	373 350	235 987
On experience refund of premium	36 097	60 633	19	–	–	–	96 749	91 370
Total reinsurance / retakaful recoveries	147 692	428 689	19	409	5 169	5 444	587 422	454 537
Net claims	16 334 777	1 325 148	624	976	89 816	13 098	17 764 439	8 941 518

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

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Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Expenses

For The Year Ended 31 December 2016

(Rupees '000)

		Statutory Funds							
	Note	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Acquisition costs									
Remuneration to insurance intermediaries on individual policies:									
– commission on first year premium / contribution		1 573 041	705	–	99	288 100	–	1 861 945	1 619 768
– commission on second year premium / contribution		235 760	52	–	15	12 797	–	248 624	244 503
– commission on subsequent renewal premium / contribution		240 832	70	25	81	1 187	–	242 195	242 065
– commission on single premium / contribution		106 028	–	–	–	34 077	–	140 105	519 241
– override commission		349 694	211	9	47	40 802	–	390 763	444 734
– other benefits to insurance intermediaries		545 482	108	19	27	110 710	–	656 346	570 028
		3 050 837	1 146	53	269	487 673	–	3 539 978	3 640 339
Remuneration to insurance intermediaries on group policies:									
– commission		2 555	251 075	–	–	–	5 951	259 581	291 927
– other benefits to insurance intermediaries		757	50 621	–	–	–	1 420	52 798	46 722
		3 312	301 696	–	–	–	7 371	312 379	338 649
Branch overheads	20	311 373	4 150	14	20	38 757	–	354 314	324 062
Other acquisition costs - policy stamps		60 521	346	–	2	13 585	–	74 454	72 444
Total acquisition cost		3 426 043	307 338	67	291	540 015	7 371	4 281 125	4 375 494
Administration expenses									
Salaries and other benefits		366 585	61 013	–	42	59 422	2 270	489 332	444 050
Travelling expenses		67 929	5 754	–	3	3 803	56	77 545	61 694
Cede money - Waqf		–	–	–	–	–	–	–	2 000
Actuary's fees		8 509	466	–	1	1 224	–	10 200	9 880
Medical fees		19 017	661	–	–	537	–	20 215	19 136
Legal and professional fee		33 728	6 341	–	4	6 909	21	47 003	29 938
Advertisements and publicity		172 936	15 323	–	–	2 488	–	190 747	93 870
Computer expenses		12 959	731	–	2	1 860	1	15 553	15 871
Printing and stationery		26 409	2 022	–	3	3 821	34	32 289	33 530
Depreciation	19.4	43 097	4 534	–	5	5 742	125	53 503	21 770
Amortization		8 801	482	–	1	1 266	–	10 550	7 054
Rental		25 245	4 876	–	3	3 513	189	33 826	24 448
Exchange (gain) / loss		(4 393)	–	–	–	–	–	(4 393)	(5 642)
Postage		47 931	2 629	–	6	7 133	–	57 699	62 787
Fees and subscription		45 370	2 755	–	5	9 732	47	57 909	24 283
Wakala/Wakalat-ul-istasmar Expenses		–	–	–	–	105 688	13 902	119 590	15 956
Other management expenses	21	87 745	8 561	–	10	14 130	244	110 690	142 930
Gross management expenses		4 387 911	423 486	67	376	767 283	24 260	5 603 383	5 379 049
Commission from reinsurers		(14 860)	(213)	–	–	(8 785)	–	(23 858)	(18 851)
Fees charged to policy holders		(10 098)	–	–	–	(19)	–	(10 117)	(8 699)
Net management expenses		4 362 953	423 273	67	376	758 479	24 260	5 569 408	5 351 499

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Statement of Investment Income

For The Year Ended 31 December 2016

(Rupees '000)

	Statutory Funds							
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Investment income								
Income from trading investments								
Gain / loss on trading	18 287	–	–	–	–	–	18 287	213 708
Dividend Income on trading	29 798	–	–	–	–	–	29 798	37 453
	48 085	–	–	–	–	–	48 085	251 161
Income from non-trading investments								
On government securities	4 395 002	88 364	1 130	450	5 205	103	4 490 254	4 795 200
On other fixed income securities and deposits	821 479	7 460	238	134	22 334	161	851 806	609 362
Dividend income	1 368 008	3 084	333	–	8 254	–	1 379 679	925 381
Amortization of (premium) / discount	(384 069)	1 785	46	20	(312)	–	(382 530)	(210 018)
	6 200 420	100 693	1 747	604	35 481	264	6 339 209	6 119 925
Gain on sale of investments	1 364 221	15 067	181	–	5 988	–	1 385 457	1 541 489
Gain / (loss) on revaluation of investments								
Government securities	(282 198)	–	(124)	–	–	–	(282 322)	783 256
Other fixed income securities	5 326	–	–	–	–	–	5 326	39 033
Listed equities securities and mutual fund units	7 964 758	–	2 310	–	73 456	–	8 040 524	(74 061)
	7 687 886	–	2 186	–	73 456	–	7 763 528	748 228
(Provision for) / Reversal of impairment in value of investments								
Available-for-sale fixed income securities	–	–	–	–	–	–	–	(6 559)
Available-for-sale equity securities and mutual fund units	–	3 875	–	98	–	–	3 973	4 439
	–	3 875	–	98	–	–	3 973	(2 120)
	15 300 612	119 635	4 114	702	114 925	264	15 540 252	8 658 683
Less : Investment related expense	(5 844)	–	–	–	–	–	(5 844)	(4 692)
Add: Wakala/Wakalat-ul-istasmar Income	–	–	–	–	105 688	13 902	119 590	15 956
Net investment income	15 294 768	119 635	4 114	702	220 613	14 166	15 653 998	8 669 947

The annexed notes 1 to 35 form an integral part of these financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Notes to the Financial Statements

For The Year Ended 31 December 2016

1. STATUS AND NATURE OF BUSINESS

- 1.1 EFU Life Assurance Limited (the Company) was incorporated in Pakistan on 09 August 1992 as a public limited company under the Companies Ordinance, 1984 and started its operation from 08 November 1992. The shares of the Company are quoted on New Pakistan Stock Exchange. The registered office of the Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at Plot No.112, 8th Street, Phase 1, DHA, Karachi, Pakistan.
- 1.2 The Company is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000 and Takaful Rules, 2012:
- Investment Linked business (includes individual life business)
 - Conventional business (includes group life and individual life businesses)
 - Pension business (unit linked)*
 - Accident and health business
 - Individual Family Takaful (Refer note 1.3)
 - Group Family Takaful (Refer note 1.3)
- * The Company had discontinued pension business and accordingly no new business has been written under this fund.
- 1.3 The Company was granted authorization on 19 January 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operation in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 6 February 2015 under the brand name "Hemayah". For the purpose of carrying on takaful business, the Company has formed a Waqf namely EFU Life - Window Family Takaful Limited Waqf (here-in-after referred to as the Participant Takaful Fund (PTF)) was formed on 6 February 2015 under a Waqf deed executed by the Company with a cede amount of Rs. 2 million. The cede money is required to be invested in Shariah compliant investments and any profit thereon can be utilized only to pay benefits to participants or defray PTF expenses. Waqf deed also governs the relationship of the Company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with the format prescribed under Securities and Exchange Commission (Insurance) Rules, 2002 [SEC (Insurance) Rules, 2002].

3. STATEMENT OF COMPLIANCE

These financial statements have been 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 Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012 shall prevail.

The SECP has allowed the insurance companies to defer the application of International Accounting Standard – 39 (IAS-39) "Financial Instruments: Recognition and Measurement" in respect of valuation of "available-for-sale investments". Accordingly, the requirements of IAS-39, to the extent allowed by SECP as aforesaid, have not been considered in the preparation of these financial statements (also see note 17.6).

4. BASIS OF MEASUREMENT

These financial statements have been prepared on the basis of the historical cost convention except revaluation of certain investments at fair value.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 5.1 The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except for the policies and standards disclosed in note 5.2 of these financial statements which have been adopted by the Company during the current year.

The significant accounting policies adopted in the preparation of these financial statements are set out below:

5.1.1 Reinsurance assets

Reinsurance contracts entered into by the Company with reinsurers for compensation of losses suffered on insurance contracts issued. Claim recoveries receivable from the reinsurers are recognized at the same time as the claim which give rise to the right of recovery and are measured at the amount expected to be recovered.

Reinsurance assets represent balances due from reinsurance companies which are stated on the basis of amounts receivable under the respective contract after considering any impairment in the value of such assets.

5.1.2 Statutory funds

The Company maintains statutory funds for all classes of life insurance business. Assets, liabilities, revenues and expenses are recorded in respective funds, if referable or, on the basis of actuarial advice if not referable. Other assets, liabilities, revenues and expenses are allocated to shareholders' fund. Policyholders' liabilities have been included in statutory funds on the basis of the actuarial valuation carried out by the appointed actuary of the Company on the balance sheet date as required by Section 50 of the Insurance Ordinance, 2000. A capital transfer provided to statutory funds by the shareholders' fund is recorded as a reduction in the shareholders' equity. Changes in the amount of capital contributed to statutory funds is recorded by the shareholders' funds directly in equity.

5.1.3 Policyholders' liabilities

Policyholders' liabilities are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date. In determining the value, both acquired policy values (which forms the bulk of policyholders' liabilities) as well as estimated values which will be payable against risks which the Company underwrites are taken into account. The bases used are applied consistently from year to year.

The basic liability consists of the estimated actuarial liability against each contract which is in force. To this are added:

- a) The cash value of policies which have lapsed over the last two years and where the liability would be reinstated in case of the policy being revived; and
- b) A reserve for potential losses on a policy by policy basis.

5.1.4 Provision for outstanding claims

A liability for outstanding claims is recognized in respect of all claims incurred up to the balance sheet date, except for accident and health claims which are recognized as soon as reliable estimates of the claim amount can be made. Claims where intimation of the event giving rise to the claim is received or in respect of investment linked business when the policy ceases to participate in the earnings of the statutory fund are reported as claims in the revenue account. The liability for claims incurred but not reported at the year end is determined by the Appointed Actuary and are included in the policyholders' liabilities. Experience refund of premium calculated by appointed actuary is included in outstanding claims. Experience refund of premium receivable from reinsurers is included in the reinsurance recoveries of claim.

5.1.5 Investments

All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs except for held-for-trading investments in which case transaction costs are charged to the profit and loss account. All purchase and sale of investments that require delivery within the required time frame established by regulations or market convention are accounted for at the trade date. Trade date is the date when the Company commits to purchase or sell the investments. Subsequently the investments are classified as follows:

Held-for-trading

Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price are classified as held-for-trading.

Subsequent to initial recognition, these investments are remeasured at fair value. Gains or losses on investments on remeasurement of these investments are recognized in profit and loss account or the revenue account as the case may be.

Held-to-Maturity

At the time of acquisition, investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held-to-maturity.

Investments classified as held-to-maturity are subsequently measured at amortized cost, taking into account any discount or premium on acquisition, using the effective interest rate method.

Available-for-Sale

Investments which do not fall in the above category are classified as available-for-sale.

Available-for-sale investments relating to the units assigned to policies of investment linked business and pension business are subsequently measured at their fair values and the difference taken to respective revenue accounts. Other available-for-sale investments are subsequently measured at lower of cost or market value (market value being taken as lower if fall is other than temporary).

5.1.6 Revenue recognition

- First year individual life premiums are recognized once the related policies have been issued and the premiums received. Renewal premiums are recognized upon receipt of premium provided the policy is still in force. Single premiums are recognized once the related policies are issued against the receipts of premium.
- Group life premiums are recognized when due. A provision for unearned premiums is included in the policyholders' liabilities.
- Reinsurance expense is recognized as a liability in accordance with the pattern of recognition of related premium.
- Interest income on bank deposits is recorded on a time proportion basis.
- Fixed income securities are recorded on a time proportion basis using effective interest rate method.
- Dividend income is recognized when right to receive such dividend is established.

5.1.7 Acquisition costs

These are costs incurred in acquiring insurance policies, maintaining such policies, and include without limitation all forms of remuneration paid to insurance agents.

Commissions and other expenses are recognized as an expense in the earlier of the financial year in which they are paid and financial year in which they become due and payable, except that commission and other expenses which are directly referable to the acquisition or renewal of specific contracts are recognized not later than the period in which the premium to which they refer is recognized as revenue.

5.1.8 Employees' retirement benefits - defined contribution plans

5.1.8.1 The Company operates a contributory provident fund for all eligible employees to which equal monthly contributions at the rate of 8.33% of basic salary are made by both the Company and the employees. The contributions are recognized as employee benefit expense when they are due.

5.1.8.2 The Company also operate an approved funded contributory pension scheme, whereby, fixed monthly contributions at the rate of 10% of the basic salary are made by the Company and the employees also have an option to contribute in the fund at the rate of 5%. At the time of retirement, employees are paid in full for their contribution (if any) and Company's contribution accumulated in the fund is paid to employees over the period of time in accordance with the rules of the fund.

5.1.9 Taxation

Current

Provision of current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year, if enacted. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments finalized during the current year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the balance sheet date between the tax bases and carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to equity in which case it is included in equity.

5.1.10 Dividends and other appropriations

Cash dividend to shareholders is recognized as liability in the period in which it is approved. Similarly all other appropriations other than those required by law including reserve for issue of bonus shares are recognized in the period in which they are approved.

5.1.11 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting using the classes or sub classes of business (statutory funds) as specified under the Insurance Ordinance, 2000 and (Insurance) Rules, 2002.

Based on its classification of Insurance contracts issued, the Company has four business segments for reporting purposes namely investment linked business, conventional business, pension business and accident and health business.

5.1.12 Fixed Assets

Tangible assets

These are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation is calculated so as to write off the depreciable amount of the assets over their expected useful lives at the rates specified in note 19.2 to the financial statements, after taking into account residual value, if any. The useful lives, residual values and depreciation methods are reviewed and adjusted, if appropriate, at each balance sheet date.

Depreciation on additions is charged from the quarter in which an asset is available for use while no depreciation is charged for the quarter in which asset is disposed off.

Subsequent cost are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is possible that the future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Normal repairs and maintenance are charged to income currently.

An item of fixed asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gain and losses on disposal, if any, of assets are included in income currently.

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable. If any such indications exist and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount.

Intangible assets

These are stated at cost less accumulated amortization and any impairment in value. Amortization on intangible fixed assets is charged to income applying the straight line method at the rates specified in note 19.3 to the financial statements after taking into account residual value, if any.

Amortization is charged from the quarter the assets are available for use and no amortization is charged for the quarter in which the asset is disposed off. The useful life and amortization method is reviewed, and adjusted if appropriate, at each balance sheet date.

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that this carrying value may not be recoverable, if any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Capital work-in-progress

Capital work-in-progress is stated at cost less impairment losses, if any.

5.1.13 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents include the following:

- Cash at bank in current and saving accounts
- Policy stamps in hand
- Term deposits maturing within 12 months

5.1.14 Foreign currency transactions

5.1.14.1 Functional and presentation currency

These financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

5.1.14.2 Foreign currency translations

Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange which approximate those prevailing on the balance sheet date. Gain and losses on translation are taken into income currently. Non monetary-items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

5.1.15 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.1.16 Financial Instruments

Financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when the contractual right to future cash flows from the asset expire or is transferred along with the risk and reward of the ownership of the asset. Financial liabilities are de-recognized when obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on de-recognition of the financial asset and liabilities is recognized in the profit and loss account of the current year.

5.1.17 Off-setting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off and the Company intends either to settle the assets and liabilities on a net basis or to realize the asset and settle the liability simultaneously.

5.2 Significant Accounting Policies - Window Family Takaful Operations

5.2.1 Takaful Contracts

The takaful contracts are based on the principles of Wakala Waqf Model. Takaful is a program based on Shariah compliant, approved concept founded on the principles of mutual cooperation, solidarity and brotherhood.

The obligation of Waqf for Waqf participants' liabilities is limited to the amount available in the Waqf fund. In the event where there is insufficient funds in Waqf to meet their current payments less receipts, the deficit is funded by way of an interest free loan (Qard-e-Hasna) from the shareholders' fund to the statutory fund (Takaful Business Statutory Funds). The amount of Qard-e-Hasna is refundable to the shareholders' fund.

Technical reserves are stated at a value determined by the appointed actuary through an actuarial valuation carried out as at each balance sheet date, in accordance with section 50 of the Insurance Ordinance, 2000.

5.2.2 Group Takaful

The group family takaful contracts are issued typically on yearly renewable term basis. The Company offers group term life and group credit plans to its participants.

5.2.3 Individual Takaful Contracts Unit-Linked

The Company offers unit Linked Takaful plans which provide Shariah compliant financial protection and investment vehicle to individual participants contribution received from policyholders, after deducting specific charges and takaful donations, are invested in internal unit funds of the Company.

The basic plan contains family takaful cover over and above the unit value with additional protection.

5.2.4 Retakaful

These contracts are entered into by the Company with retakaful operator under which the retakaful operator cedes the takaful risk assumed during normal course of its business and according to which the Waqf is compensated for losses on contract issued by it are classified as retakaful contracts held.

Retakaful Contribution

Retakaful contribution is recorded at the time the retakaful is ceded. Surplus from retakaful operator is recognized in the revenue account.

Retakaful Expenses

Retakaful expenses are recognized as a liability in accordance with the pattern of recognition of related contribution.

Retakaful assets and liabilities

Retakaful assets represent balances due from retakaful operator. Recoverable amounts are estimated in a manner consistent with the associated retakaful treaties.

Retakaful liabilities represent balances due to retakaful companies. Amounts payable are calculated in a manner consistent with the associated retakaful treaties.

Retakaful assets are not offset against related retakaful liabilities. Income or expenses from retakaful contract are not offset against expenses or income from related retakaful contracts as required by Insurance Ordinance, 2000.

Retakaful assets and liabilities are derecognized when the contractual rights are extinguished or expired.

5.2.5 Business Segment - Window Family Takaful Operation

The Company has two primary business segment for reporting purposes; Individual Family Takaful and Group Family Takaful.

- The individual Family Takaful segments provides family takaful coverage to individuals under unit-linked policies issued by the PTF.
- The Group Family Takaful business segment provides family takaful coverage to member of business enterprises, corporate entities and common interest groups under group family takaful scheme operated by the Company.

5.2.6 Takaful operator's fee

The shareholders of the Company manage the family takaful operations for the participants and act as Wakeel of the Waqf fund. The Company is entitled for the wakala fee for the management of takaful operation under Waqf fund to meet its general and administrative expenses.

The window takaful operator is also entitled for Wakalt-ul-Istismar fee as it manages Participant Investment Fund.

5.2.7 Revenue recognition

Individual first year contribution are recognized once the related policies have been issued and the contribution received. Renewal contribution are recognized upon receipt of contribution provided the policy is still in force. Individual single contribution are recognized once the related policies are issued against the receipts of contribution.

Group contribution are recognized when due. A provision for unearned contribution is included in the policyholders' liabilities.

6. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

	Note
Policyholders' liabilities and underlying actuarial assumptions	5.1.3, 9 & 29.3
Provision for outstanding claims	5.1.4 & 12
Classification and impairment of investments	5.1.5 & 17
Taxation and deferred taxation	5.1.9 & 11
Determining the residual value and useful lives of fixed assets	5.1.12 & 19

6.1 New, Amended And Revised Standards And Interpretations of IFRSs

During the year certain standards became effective, however, they don't have material effect on these financial statements of the Company.

7. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2017:

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 1 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments further clarify that when calculating deferred tax asset in respect of insufficient taxable temporary differences, the future taxable profit excludes tax deductions resulting from the reversal of those deductible temporary differences. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 7 'Statement of Cash Flows' are part of IASB's broader disclosure initiative and are effective for annual periods beginning on or after 1 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.
- Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements

and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on Company's financial statements.

- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' -effective for annual periods beginning on or after 1 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on Company's financial statements.
- Annual improvements to IFRS standards 2014-2016 cycle. The new cycle of improvements addresses improvements to following approved accounting standards:
- Amendments to IFRS 12 'Disclosure of Interests in Other Entities' (effective for annual periods beginning on or after 1 January 2017) clarify that the requirements of IFRS 12 apply to an entity's interests that are classified as held for sale or discontinued operations in accordance with IFRS 5 - 'Non-current Assets Held for Sale and Discontinued Operations'. The amendments are not likely to have an impact on Company's financial statements.
- Amendments to IAS 28 'Investments in Associates and Joint Ventures' (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit or loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on Company's financial statements.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The above amendments are not likely to have an impact on Company's financial statements.

8. SHARE CAPITAL

(Rupees '000)

Authorised Share Capital

2016	2015		2016	2015
(Number of Shares)				
150 000 000	150 000 000	Ordinary shares of Rs 10 each	1 500 000	1 500 000

Paid up Share Capital

2016	2015		2016	2015
(Number of Shares)				
15 000 000	15 000 000	Ordinary shares of Rs 10 each issued for cash	150 000	150 000
85 000 000	85 000 000	Ordinary shares of Rs 10 each issued as fully paid bonus shares	850 000	850 000
100 000 000	100 000 000		1 000 000	1 000 000

- 8.1 As of balance sheet date 43,059,240 (2015: 43,059,240) ordinary shares of Rs. 10/- each were held by the associated company.

9. POLICYHOLDERS' LIABILITIES

(Rupees '000)

		Statutory Funds							
		Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
9.1 Gross of reinsurance									
Actuarial liability relating to future events		93 598 117	536 193	24 633	2 041	1 317 827	12 255	95 491 066	81 952 070
Provision for outstanding reported claims payable over a period exceeding twelve months		444 421	117 251	–	12	374	–	562 058	488 899
Provision for incurred but not reported claims		128 486	250 974	–	–	–	–	379 460	272 179
		<u>94 171 024</u>	<u>904 418</u>	<u>24 633</u>	<u>2 053</u>	<u>1 318 201</u>	<u>12 255</u>	<u>96 432 584</u>	<u>82 713 148</u>
9.2 Net of reinsurance									
Actuarial liability relating to future events		93 477 808	432 245	24 608	1 816	1 307 295	8 011	95 251 783	81 704 013
Provision for outstanding reported claims payable over a period exceeding twelve months		284 556	39 221	–	9	374	–	324 160	268 383
Provision for incurred but not reported claims		100 691	192 615	–	–	–	–	293 306	212 975
		<u>93 863 055</u>	<u>664 081</u>	<u>24 608</u>	<u>1 825</u>	<u>1 307 669</u>	<u>8 011</u>	<u>95 869 249</u>	<u>82 185 371</u>

10. RECONCILIATION OF STATUTORY FUNDS

(Rupees '000)

		Statutory Funds							
		Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Policyholders' liabilities									
Balance at beginning of the year		81 600 231	495 921	21 258	2 691	62 328	2 942	82 185 371	59 923 260
Increase / (decrease) during the year		12 262 824	168 160	3 350	(866)	1 245 341	5 069	13 683 878	22 262 111
Balance at end of the year		<u>93 863 055</u>	<u>664 081</u>	<u>24 608</u>	<u>1 825</u>	<u>1 307 669</u>	<u>8 011</u>	<u>95 869 249</u>	<u>82 185 371</u>
Retained earnings on other than participating business									
Balance at beginning of the year		1 304 760	319 959	341	535	15 134	3 093	1 643 822	1 299 107
Surplus for the year		2 522 680	27 243	1 041	1 206	(62 674)	8 628	2 498 124	2 466 791
Capital contribution		–	–	–	–	85 449	3 807	89 256	–
Surplus appropriated to shareholders' fund		(2 340 660)	16 868	(990)	(1 296)	–	–	(2 326 078)	(2 122 076)
Balance at end of the year (refer note no. 10.1)		<u>1 486 780</u>	<u>364 070</u>	<u>392</u>	<u>445</u>	<u>37 909</u>	<u>15 528</u>	<u>1 905 124</u>	<u>1 643 822</u>
Balance of statutory funds		<u>95 349 835</u>	<u>1 028 151</u>	<u>25 000</u>	<u>2 270</u>	<u>1 345 578</u>	<u>23 539</u>	<u>97 774 373</u>	<u>83 829 193</u>

10.1 The SECP has issued amendments to the SEC (Insurance) Rules 2002, which includes revision in the solvency margin requirements for life insurers. Keeping in view such future solvency requirements, the Company has retained an aggregate amount of Rs. 1 861 million (2015: Rs. 1 616 million) in the Statutory Funds based on the advice of the appointed actuary.

11. DEFERRED TAX LIABILITY

(Rupees '000)

		2016		2015	
Deferred tax liability arising in respect of:					
Accelerated tax depreciation			131 000		15 800
					(Rupees '000)
	As at 1 January 2015	Profit and loss account	As at 31 December 2015	Profit and loss account	As at 31 December 2016
11.1 Movement of deferred tax					
Deferred tax liability arising in respect of:					
Accelerated tax depreciation allowances		14 900	900	15 800	115 200
		<u>14 900</u>	<u>900</u>	<u>15 800</u>	<u>115 200</u>
					(Rupees '000)

12. OUTSTANDING CLAIMS

	Note	2016	2015
Investment linked business	12.1	834 990	749 705
Conventional business	12.2	847 023	703 689
Pension business	12.3	–	–
Accident and health business	12.4	1 345	1 884
Individual Family Takaful	12.5	6 028	–
Group Family Takaful	12.6	3 331	2 832
		<u>1 692 717</u>	<u>1 458 110</u>
12.1 Investment linked business			
Outstanding claims at the beginning of the year		749 705	589 981
Cash paid during the year		(16 397 184)	(7 894 744)
Net increase in liabilities due to current year claims		16 482 469	8 054 468
Outstanding claims at the end of the year		<u>834 990</u>	<u>749 705</u>
12.2 Conventional business			
Outstanding claims at the beginning of the year		703 689	526 667
Cash paid during the year		(1 610 503)	(1 153 444)
Net increase in liabilities due to current year claims		1 753 837	1 330 466
Outstanding claims at the end of the year		<u>847 023</u>	<u>703 689</u>
12.3 Pension Business			
Outstanding claims at the beginning of the year		–	–
Cash paid during the year		(643)	(2 893)
Net increase in liabilities due to current year claims		643	2 893
Outstanding claims at the end of the year		<u>–</u>	<u>–</u>
12.4 Accident & Health Business			
Outstanding claims at the beginning of the year		1 884	796
Cash paid during the year		(1 924)	(300)
Net increase in liabilities due to current year claims		1 385	1 388
Outstanding claims at the end of the year		<u>1 345</u>	<u>1 884</u>
12.5 Individual Family Takaful			
Outstanding claims at the beginning of the year		–	–
Cash paid during the year		(88 957)	–
Net increase in liabilities due to current year claims		94 985	–
Outstanding claims at the end of the year		<u>6 028</u>	<u>–</u>
12.6 Group Family Takaful			
Outstanding claims at the beginning of the year		2 832	–
Cash paid during the year		(18 043)	(2 300)
Net increase in liabilities due to current year claims		18 542	5 132
Outstanding claims at the end of the year		<u>3 331</u>	<u>2 832</u>

12.7 As the Company settles most of the claim obligations within a year the claim development table has not been presented.

12.8 Statement of Age wise Break up of Unclaimed Insurance Benefits

As on 31 December 2016

This represents outstanding claims in respect of which cheques have been issued by the Company for claim settlement. However, the same have not been encashed by the claimant. Following is the aging as required by the SECP Circular No.11 of 2014 dated 19 May 2014.

(Rupees '000)

Particulars	Age Wise Breakup					
	Total Amount	1 to 6 months	7 to 12 months	13 to 24 months	25 to 35 months	Beyond 36 months
Unclaimed Maturity Benefits	50 120	35 332	11 152	1 782	1 729	125
Unclaimed Death Benefits	-	-	-	-	-	-
Unclaimed Disability Benefits	-	-	-	-	-	-
Claims not encashed	2 832	-	10	756	583	1 483
Other Unclaimed benefits	-	-	-	-	-	-
Total	52 952	35 332	11 162	2 539	2 312	1 608

13. OTHER CREDITORS AND ACCRUALS

(Rupees '000)

	Statutory Funds							Aggregate 2016	Aggregate 2015
	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Staff Bonus payable	-	102 790	1 110	42	49	-	-	103 991	88 387
Payable to Workers' Welfare Fund	-	12 833	-	-	-	-	-	12 833	59 820
Medical fee payable	-	1 698	196	-	-	-	-	1 894	1 856
Sundry creditors payable	-	62 019	2 970	-	7	-	-	64 996	1 722
Withholding tax payable	-	9 399	1 092	-	1	-	-	10 492	752
Others	12 852	4 824	521	1	-	134 051	25 000	177 249	116 182
Total	12 852	193 563	5 889	43	57	134 051	25 000	371 455	268 719

14. CONTINGENCIES AND COMMITMENTS

14.1 The Income tax assessment of the Company for tax year 2016 has been finalized. The tax department has reopened the assessment order issued under Sec 122(5A) for the tax year 2009-2016 and has raised a demand of Rs. 56.31 million against dividend income so received by the Company to be taxed at corporate rate instead of reduced rates available in the First schedule of Income Tax Ordinance 2001. The Company filed an appeal 'for tax year 2009-2013 before CIT appeals where the case was decided against the Company. The Company has filed an appeal before Appellate Tribunal for the same tax years and believes that the matter will be settled in its favour. For tax year 2014, the Company filed an appeal before CIT appeals against the order, where the case was decided in favour of the Company. For the tax year 2015 and 2016, the Company has filed an appeal before CIT appeal. No provision has been made in respect of aforementioned additional demand.

In 2013 Income Tax Department imposed an additional tax demand under section 151(1)(d) on account of non-deduction of withholding tax on surrender and maturity amounting to Rs. 13.833 million and Rs. 15.014 million for Tax Year 2012 and 2013 respectively. The Company filed an appeal before Commissioner Inland Revenue (Appeals) and the same was dismissed. The Company filed second appeal before the Appellate Tribunal against the order of CIT. The learned Appellate Tribunal Inland revenue has decided the case in Company's favour.

In 2015 and 2016, The searle company limited issued bonus shares (76,031 shares and 342,480 shares respectively) after withholding 5 percent of bonus shares (3,801.55 shares and 18,707.44 shares respectively) and the IBL Healthcare Ltd. issued bonus shares (46,625 shares and 80,311 shares respectively) after withholding 5 percent of bonus shares (2,331.26 shares and 4,031 shares respectively). In this regard, a constitutional petition had been filed by the company in Sindh High Court challenging the applicability of withholding tax provision on bonus shares received by the Company. The honorable high court decide the case against the Company. Subsequently, the Company filed an appeal with a larger bench of the Sindh High Court and in response the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. The Company is of the view that the case will be decided in it's favour and no provision has been made for the aforementioned tax.

14.2 Bank guarantees amounting to Rs. 16.88 million has been given in respect of Group Life coverage. These bank guarantees will expire by 30th June 2017 and 31st March 2018.

(Rupees '000)

15. CASH AND BANK DEPOSITS

Policy stamps in hand

Current and other accounts

Cash at bank - PLS saving accounts

Cash at bank - Current accounts

Deposits maturing within 12 months

Term deposit receipts

Note	2016	2015
	4 379	8 545
15.1	2 709 366	2 440 105
	323 744	1 097 937
	3 033 110	3 538 042
15.2	9 358 100	10 860 000
	12 395 589	14 406 587

15.1 These carry mark-up ranging from 4.25% to 5.28% (2015: 4.5% to 6.90%) per annum and include balance of Rs. 29.65 million (2015: Rs. 52.768 million) held with JS Bank Limited (a related party).

15.2 These have tenure of one to three months (2015: one to three month) and carry mark-up at the rate 4.24% to 6.45% (2015: 6.10% to 7.15%) per annum and includes term deposit receipts of Rs. 2.15 billion (2015: Rs. 2.15 billion) held with JS Bank Limited (a related party) which carries mark-up at the rate 6.45% (2015: 6.75%).

(Rupees '000)

16. LOANS

To employees - secured

To employees and agents - unsecured

Note	2016	2015
16.1	80 918	85 094
16.2	10 994	15 093
	91 912	100 187

16.1 This represent housing and vehicle loans to employees at the interest rate ranging between 8% to 12.5% (2015: 8% to 12.5%) per annum. These loans are recoverable over a period of one to ten years (2015: one to ten years) and are secured against retirement benefit payable to respective employees and security documents of property / vehicle.

16.2 This represent loans to employees and agents for domestic purposes at the interest rates ranging between 8% to 12.5% (2015: 8% to 12.5%) per annum. These loans are recoverable over a period of one to seven years (2015: one to seven years).

(Rupees '000)

17. INVESTMENTS

Government securities

Other fixed income securities

Listed equity securities and mutual fund units

Unlisted equity securities

Note	2016	2015
17.1	48 870 068	49 251 553
17.2	1 575 511	1 434 650
17.3	38 385 096	21 254 612
17.4	508	508
	88 831 183	71 941 323

17.1. Government Securities

(Rupees '000)

	Maturity Year	Coupon Rate per Annum %	Shareholders' Fund	Statutory Funds						Aggregate 2016	Aggregate 2015
				Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Held to maturity (at amortised cost)											
3 Months Treasury Bills	2017	5.82%	279 461	–	–	1 599	5 497	–	–	286 557	–
6 Months Treasury Bills	2017	5.93%	979 946	–	1 518 718	–	–	–	–	2 498 664	123 863
GOP IJARA Sukuk Certificates	2017	4.39%	–	–	–	–	–	2 500	2 500	5 000	5 000
3 Years Pakistan Investment Bonds	2018	8.75%	304 932	–	–	–	–	–	–	304 932	1 867 512
5 Years Pakistan Investment Bonds	2016	11.50%	–	–	–	–	–	–	–	–	247 524
5 Years Pakistan Investment Bonds	2018	8.75%	–	–	–	–	–	–	–	–	309 028
10 Years Pakistan Investment Bonds	2017	9.6%	–	89 616	–	–	–	–	–	89 616	89 067
10 Years Pakistan Investment Bonds	2018	12%	–	116 242	99 354	–	–	–	–	215 596	214 879
15 Years Pakistan Investment Bonds	2019	9%	10 308	–	–	–	–	–	–	10 308	10 444
20 Years Pakistan Investment Bonds	2024	10%	–	54 401	–	–	–	–	–	54 401	54 469
			1 574 647	260 259	1 618 072	1 599	5 497	2 500	2 500	3 465 074	2 921 786
Available for sale (at fair value)											
3 Months Treasury Bills	2017	5.93%	–	901 029	–	5 996	–	–	–	907 025	497 659
6 Months Treasury Bills	2017	6.01%	–	3 168 636	–	995	–	–	–	3 169 631	1 472 670
12 Months Treasury Bills	2017	6.05%	–	4 351 636	–	2 890	–	–	–	4 354 526	2 510 441
GOP IJARA Sukuk Certificates	2017	4.39%	–	5 000	–	–	–	–	–	5 000	5 000
GOP IJARA Sukuk Certificates	2018	5.89%	–	–	–	–	–	30 141	–	30 141	–
GOP IJARA Sukuk Certificates	2019	6.10%	–	–	–	–	–	60 695	–	60 695	–
GOP IJARA Sukuk Certificates	2019	5.59%	–	50 000	–	–	–	50 000	–	100 000	–
8 Years WAPDA Sukuk Certificates	2021	7.60%	–	215 392	–	–	–	–	–	215 392	257 160
3 Years Pakistan Investment Bonds	2016	11.25%	–	–	–	–	–	–	–	–	8 011 457
3 Years Pakistan Investment Bonds	2017	11.25%	–	12 819 310	–	–	–	–	–	12 819 310	13 309 852
3 Years Pakistan Investment Bonds	2018	8.75%	–	6 685 636	–	–	–	–	–	6 685 636	5 691 388
3 Years Pakistan Investment Bonds	2019	7.00%	–	2 301 163	–	–	–	–	–	2 301 163	–
5 Years Pakistan Investment Bonds	2017	11.50%	–	514 600	–	–	–	–	–	514 600	535 383
5 Years Pakistan Investment Bonds	2018	11.50%	–	–	–	–	–	–	–	–	351 569
5 Years Pakistan Investment Bonds	2018	8.75%	–	343 531	–	–	–	–	–	343 531	5 084 237
5 Years Pakistan Investment Bonds	2019	11.50%	–	5 057 044	–	–	–	–	–	5 057 044	5 217 583
5 Years Pakistan Investment Bonds	2020	9.25%	–	5 334 630	–	–	–	–	–	5 334 630	–
10 Years Pakistan Investment Bonds	2024	12.00%	–	121 440	–	–	–	–	–	121 440	116 507
10 Years Pakistan Investment Bonds	2017	9.60%	–	255 525	–	2 044	–	–	–	257 569	263 319
10 Years Pakistan Investment Bonds	2018	12.00%	–	9 805	–	–	–	–	–	9 805	10 051
10 Years Pakistan Investment Bonds	2019	12.00%	–	16 955	–	–	–	–	–	16 955	17 057
10 Years Pakistan Investment Bonds	2022	12.00%	–	2 513 070	–	–	–	–	–	2 513 070	2 413 259
15 Years Pakistan Investment Bonds	2019	9.00%	–	154 770	–	–	–	–	–	154 770	154 180
20 Years Pakistan Investment Bonds	2024	10.00%	–	430 852	–	2 209	–	–	–	433 061	410 995
			–	45 250 024	–	14 134	–	140 836	–	45 404 994	46 329 767
			1 574 647	45 510 283	1 618 072	15 733	5 497	143 336	2 500	48 870 068	49 251 553

17.1.1 Market Value of government securities carried at amortized cost amounted to Rs. 3 492.21 million (2015: Rs. 3 023.76 million)

17.1.2 Government securities includes Rs.115 million (2015: Rs. 115 million) placed with the State Bank of Pakistan in accordance with Section 29 of the Insurance Ordinance 2000.

17.2 Other fixed income securities

(Rupees '000)

Statutory Funds										Aggregate 2016	Aggregate 2015
Maturity Year	Coupon Rate per Annum %	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful			
Held- to- maturity (at amortised cost)											
Term Finance Certificates											
Azgard Nine Ltd PPTFC 1	2019	NPD	–	–	5 550	–	793	–	–	6 343	6 343
Azgard Nine Ltd TFC 5th Issue	2014	NPD	–	–	4 321	–	618	–	–	4 939	4 939
			–	–	9 871	–	1 411	–	–	11 282	11 282
Available- for- sale (at fair value)											
Term Finance Certificates											
Agritech Limited TFC 5th Issue	2016	NPD	–	36 266	–	–	–	–	–	36 266	36 266
Al Baraka Bank	2021	7.31%	–	35 369	–	–	–	–	–	35 369	42 534
Azgard Nine Ltd PPTFC 1	2014	NPD	–	63 029	–	–	–	–	–	63 029	63 029
Azgard Nine Ltd TFC 2	2019	NPD	–	15 944	–	–	–	–	–	15 944	15 944
Azgard Nine Ltd TFC 5th Issue	2017	NPD	–	58 191	–	–	–	–	–	58 191	58 191
Bank Alfalah 4Th Issue	2017	15.00%	–	21 086	–	–	–	–	–	21 086	32 813
Bank Alfalah Ltd 20– 02– 13	2021	7.28%	–	15 696	–	–	–	–	–	15 696	15 579
Engro Corporation Islamic RupiYa Sukuk	2017	13.00%	–	314 334	–	–	–	–	–	314 334	321 790
Engro Fertilizer Sukuk	2019	8.21%	–	242 059	–	–	–	–	–	242 059	253 953
Fatima Fertilizer Sukuk	2021	6.10%	–	49 035	–	–	–	–	–	49 035	–
Hascol Petroleum Ltd. Sukuk (07– 01– 2016)	2022	7.53%	–	155 496	–	–	–	–	–	155 496	–
New Allied	2014	NPD	–	9 420	–	–	–	–	–	9 420	9 420
NIB Bank Limited (19– 06– 2014)	2022	7.30%	–	101 034	–	–	–	–	–	101 034	98 941
K Electric AZM Sukuk 2	2017	8.75%	–	353 040	–	–	–	–	–	353 040	356 277
K Electric AZM Sukuk 3	2019	8.85%	–	78 362	–	–	–	–	–	78 362	78 361
Pakistan Mobile Communication Limited	2016	9.24%	–	–	–	–	–	–	–	–	10 646
Pakistan Mobile Communication Limited	2016	9.23%	–	–	–	–	–	–	–	–	13 756
			–	1 548 361	–	–	–	–	–	1 548 361	1 407 500
Less: Provision for impairment in the value of available- for- sale fixed income securities - note 17.2.1											
			–	(182 850)	(9 871)	–	(1 411)	–	–	(194 132)	(194 132)
			–	1 365 511	–	–	–	–	–	1 365 511	1 224 650
Certificate of Investment –											
First Habib Modarba	2015	9.60%	–	210 000	–	–	–	–	–	210 000	210 000
			–	1 575 511	–	–	–	–	–	1 575 511	1 434 650
7.2.1 Reconciliation of Provision											
Balance at beginning of the year			–	182 850	9 871	–	1 411	–	–	194 132	187 573
(Reversal) / provision for impairment in value of investments			–	–	–	–	–	–	–	–	6 559
Balance at the end of year			–	182 850	9 871	–	1 411	–	–	194 132	194 132

17.3 Listed equity securities and mutual fund units

(Rupees '000)

Note	Shareholders' Fund	Statutory Funds						Aggregate 2016	Aggregate 2015
		Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Held-for-trading (at fair value)									
Listed equities		459 246	–	–	–	–	–	459 246	451 369
Available-for-sale (at fair value)									
Listed equities	17.3.3	36 223 541	–	7 284	–	–	–	36 230 825	19 756 346
Open end mutual fund units		51 531	–	–	–	460 252	–	511 783	166 915
Available-for-sale (at lower of cost or fair value)									
Listed equities	17.3.2 & 17.3.3	1 311 086	76 553	144 867	–	1 035	–	1 533 541	1 405 229
Open end mutual fund units		47 571	5 031	–	–	–	–	52 602	78 061
		1 358 657	36 815 902	144 867	7 284	1 035	460 252	38 787 997	21 857 920
Less: Provision for impairment in the value of equity securities	17.3.1	(363 103)	–	(39 138)	–	(660)	–	(402 901)	(603 308)
		995 554	36 815 902	105 729	7 284	375	460 252	38 385 096	21 254 612

17.3.1 Reconciliation of provision

Balance at the beginning of the year	559 537	–	43 013	–	758	–	–	603 308	581 107
(Reversal) / charge for impairment on available-for-sale investments	(196 434)	–	(3 875)	–	(98)	–	–	(200 407)	22 201
Balance at the end of the year	363 103	–	39 138	–	660	–	–	402 901	603 308

17.3.2 Listed equities include investment in EFU General Insurance Limited (an associated company) at carrying value of Rs. 1,486.093 million (2015: Rs. 1,132.62 million) representing 6.81% (2015: 6.81%) of the issued capital of the EFU General Insurance Limited.

17.3.3 This includes investment in 3,178,851 (2015: 3,178,851) ordinary shares of Agritech limited which are not held in the name of the company. These shares are held in the name of Trustees i.e. Faysal Bank and Pak Brunei Investment Company, on behalf of EFU Life Assurance Limited. The market value of these shares as at 31 December 2016 is Rs. 40.308 million (2015: Rs. 29.722 million).

17.4 This represents investment in ordinary shares of Security General Insurance Company Limited. The breakup value of each ordinary share of Rs. 10 is Rs. 133.77 based on the latest audited financial statements available for the year ended 31 December 2015. The Company's holding as at the year end is 0.67% (number of shares: 457,038) (2015: 0.67%) (number of shares: 457,038). The Chief Executive Officer of Security General Insurance Company Limited is Mr. Farrukh Aleem.

17.5 Investments by classification

(Rupees '000)

Held-to-maturity

Government securities
Other fixed income securities

Available-for-sale

Government securities (at fair value)
Other fixed income securities (at fair value)
Listed equity securities and mutual fund units (at fair value)
Listed equity securities and mutual fund units (at lower of cost or fair value)
Unlisted equity securities (relating to shareholders' fund)

Held-for-trading - listed equities

Less: Impairment in the value of available-for-sale investments

Impairment in the value of equity securities
Impairment in the value of fixed income securities

Total Investments - net of provision

2016	2015
3 465 074	2 921 786
221 282	221 282
3 686 356	3 143 068
45 404 994	46 329 767
1 548 361	1 407 500
36 742 608	19 923 261
1 586 143	1 483 290
508	508
85 282 614	69 144 326
459 246	451 369
(402 901)	(603 308)
(194 132)	(194 132)
(597 033)	(797 440)
88 831 183	71 941 323

17.6 As per the Company's accounting policy and SECP's accounting regulations for Life Insurance companies certain, available-for-sale investments are stated at lower of cost or market value (market value being taken as lower if the reduction is other than temporary). However, International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurements" dealing with the recognition and measurement of financial instruments requires that these investments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as on 31 December 2016 would have been higher by Rs. 854.181 million (2015: higher by Rs. 598.493 million).

18. INVESTMENT INCOME ACCRUED

(Rupees '000)

	Statutory Funds							Aggregate 2016	Aggregate 2015
	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Government securities	7 437	1 377 472	4 045	81	–	1 492	8	1 390 535	1 856 123
Fixed income securities	1 215	297 090	70	8	–	503	–	298 886	108 200
Dividend receivable	114	92 260	538	15	–	285	–	93 212	176
	8 766	1 766 822	4 653	104	–	2 280	8	1 782 633	1 964 499

19. FIXED ASSETS

(Rupees '000)

		2016	2015
Capital work-in-progress (civil work)	19.1	–	1 095 312
Tangible assets	19.2	2 132 747	549 027
Intangible assets (computer software)	19.3	21 645	23 355
		2 154 392	1 667 694
19.1 Capital work-in-progress			
Opening Balance		1 095 312	569 580
Additions		174 678	525 732
Transfer to tangible operating assets		(1 269 990)	–
Closing Balance		–	1 095 312

19.2 Tangible assets

(Rupees '000)

	Cost			Accumulated Depreciation				Written down value	Depreciation Rate %
	As at 01 Jan 2016	Additions	Disposals	As at 31 Dec 2016	As at 01 Jan 2016	Charge for the year	On Disposal	As at 31 Dec 2016	
Lease hold land	126 505	–	–	126 505	–	–	–	–	–
Building	–	1 269 990	–	1 269 990	–	15 875	–	15 875	5
Office equipment	68 699	206 882	70	275 511	30 037	9 199	48	39 188	10
Computers	118 776	16 640	–	135 416	70 060	17 074	–	87 134	30
Furniture and fixture	260 483	112 504	36	372 951	133 101	16 191	29	149 263	10
Vehicles	360 955	99 848	36 793	424 010	153 193	52 428	25 445	180 176	20
2016	935 418	1 705 864	36 899	2 604 383	386 391	110 767	25 522	471 636	2 132 747

(Rupees '000)

	Cost			Accumulated Depreciation				Written down value	Depreciation Rate %
	As at 01 Jan 2015	Additions	Disposals	As at 31 Dec 2015	As at 01 Jan 2015	Charge for the year	On Disposal	As at 31 Dec 2015	
Lease hold land	126 505	–	–	126 505	–	–	–	–	–
Office equipment	60 794	8 074	169	68 699	26 305	3 825	93	30 037	10
Computers	93 229	25 722	175	118 776	54 924	15 207	71	70 060	30
Furniture and fixture	245 298	15 650	465	260 483	120 453	13 050	402	133 101	10
Vehicles	312 497	85 220	36 762	360 955	128 821	46 788	22 416	153 193	20
2015	838 323	134 666	37 571	935 418	330 503	78 870	22 982	386 391	549 027

19.3 Intangible assets

(Rupees '000)

	Cost			Accumulated Amortization				Written down value	Amortization Rate %
	As at 01 Jan 2016	Additions	Disposals	As at 31 Dec 2016	As at 01 Jan 2016	Charge for the year	On Disposal	As at 31 Dec 2016	
Computer Software	67 436	8 840	–	76 276	44 081	10 550	–	54 631	33

(Rupees '000)

	Cost			Accumulated Amortization				Written down value	Amortization Rate %
	As at 01 Jan 2015	Additions	Disposals	As at 31 Dec 2015	As at 01 Jan 2015	Charge for the year	On Disposal	As at 31 Dec 2015	
Computer Software	43 231	24 205	–	67 436	37 027	7 054	–	44 081	33

19.4 Depreciation has been allocated as follows:

(Rupees '000)

	Statutory Funds						Aggregate 2016	Aggregate 2015
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Branch overheads	53 661	1 274	3	4	2 322	–	57 264	57 100
Administration expenses	43 097	4 534	–	5	5 742	125	53 503	21 770
	96 758	5 808	3	9	8 064	125	110 767	78 870

19.5 Disposal of tangible assets

(Rupees '000)

	Original Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain / (Loss) on Sale	Mode of Disposal	Particulars of Buyer	
Vehicle	850	627	223	575	352	Negotiation	Abbas Hussain	Employee
Vehicle	891	612	279	625	346	Negotiation	Abbas Zaidi	Employee
Vehicle	363	305	58	300	242	Negotiation	Abid Hussain	Employee
Vehicle	360	311	49	250	201	Negotiation	Ahmed	Employee
Vehicle	846	749	97	600	503	Negotiation	Ammad Jamal	Employee
Vehicle	44	22	22	10	(12)	Negotiation	Arif	Employee
Vehicle	901	798	103	600	497	Negotiation	Azeem Aslam	Employee
Vehicle	388	326	62	275	213	Negotiation	Bilal Farooqui	Employee
Vehicle	450	344	106	200	94	Negotiation	Farukh Naseem Ansari	Employee
Vehicle	625	468	157	500	343	Negotiation	Hafiz Baber	Employee
Vehicle	1 724	1 378	346	900	554	Negotiation	Hasan Amir	Employee
Vehicle	1 450	1 066	384	1 000	616	Negotiation	Faisal Tahir	Employee
Vehicle	2 102	1 130	972	1 750	778	Negotiation	Kashif Azeem	Employee
Vehicle	631	536	95	450	355	Negotiation	Moazzam Kamal	Employee
Vehicle	363	308	55	225	170	Negotiation	Ms. Nazia Shakeel	Employee
Vehicle	45	18	27	18	(9)	Negotiation	Rizwan	External party
Vehicle	850	627	223	575	352	Negotiation	Nadeem Alam Ansari	Employee
Vehicle	618	446	172	525	353	Negotiation	Nazeer Ahmen Solangi	Employee
Vehicle	676	477	199	525	326	Negotiation	Osama Hassan	Employee
Vehicle	742	435	307	500	193	Negotiation	Parkash Lal Moolchan	Employee
Vehicle	631	454	177	425	248	Negotiation	Rina Ghanshamdas	Employee
Vehicle	1 480	1 016	464	950	486	Negotiation	Saulat Naqvi	Employee
Vehicle	1 193	798	395	700	305	Negotiation	Syed Ali Raza Zaidi	Employee
Vehicle	737	432	305	550	245	Negotiation	Tajamal Khan	Employee
Vehicle	36	31	5	7	2	Negotiation	Adil Ashraf	Employee
Vehicle	727	444	283	550	267	Negotiation	Basharat	Employee
Vehicle	891	563	328	550	222	Negotiation	Iram Ashbel	Employee
Vehicle	810	628	182	575	393	Negotiation	Khalid Maqsood	Employee
Vehicle	485	342	143	375	232	Negotiation	Shahid Anwar	Employee
Vehicle	42	22	20	14	(6)	Negotiation	Shahzad	Employee
Vehicle	39	28	11	12	1	Negotiation	Shoukat	Employee
Vehicle	39	21	18	15	(3)	Negotiation	Tanveer haider	Employee
Vehicle	850	638	212	575	363	Negotiation	Zahid Khan	Employee
Vehicle	2 392	1 351	1 041	1 450	409	Negotiation	Syed Ozair Abbas	External party
Vehicle	382	321	61	245	184	Negotiation	Ali Raza	External party
Vehicle	1 430	1 111	319	985	666	Negotiation	Mehboob yousuf	External party
Vehicle	398	323	75	339	264	Negotiation	Mehboob Ahmed	External party
Vehicle	424	340	84	339	255	Negotiation	Mehboob Ahmed	External party
Vehicle	424	340	84	339	255	Negotiation	Mehboob Ahmed	External party
Vehicle	494	390	104	339	235	Negotiation	Mehboob Ahmed	External party
Vehicle	494	390	104	339	235	Negotiation	Mehboob Ahmed	External party
Vehicle	494	390	104	339	235	Negotiation	Mehboob Ahmed	External party
Vehicle	363	299	64	339	275	Negotiation	Mehboob Ahmed	External party
Vehicle	631	531	100	500	400	Negotiation	Muhammad Imran	External party
Vehicle	865	624	241	500	259	Negotiation	Muhammad Imran	External party
Vehicle	690	436	254	500	246	Negotiation	Muhammad Imran	External party
Vehicle	671	451	220	507	287	Negotiation	Shahid Ahmed Rabbani	External party
Vehicle	688	191	497	625	128	Insurance Claim	EFU General - Claim	Insurance Claim
Vehicle	683	265	418	600	182	Insurance Claim	EFU General Claim	Insurance Claim
Vehicle	2 392	1 290	1 102	2 100	998	Insurance Claim	EFU General Claim	Insurance Claim

Assets having Written down value less than Rs.50 000

Office equipment	70	48	22	18	(4)	Various
Furniture & Fixture	35	31	4	14	10	Various
2016	36 899	25 522	11 377	26 118	14 741	
2015	37 571	22 982	14 589	27 057	12 468	

20. BRANCH OVERHEADS

(Rupees '000)

	Statutory Funds						Aggregate 2016	Aggregate 2015
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Insurance premium	14 845	254	1	1	682	–	15 783	13 867
Printing and stationery	11 320	72	–	1	1 604	–	12 997	13 934
Advertisement and publicity	7 454	–	–	–	659	–	8 113	9 236
Postage	4	–	–	–	765	–	769	4 831
Marketing incentive	19 103	321	1	2	1 226	–	20 653	26 865
Telephone and electricity	42 915	1 063	2	3	7 478	–	51 461	46 972
Rent, rates and taxes	60 308	150	3	4	12 472	–	72 937	57 637
Conveyance	14 186	7	1	1	1 149	–	15 344	10 645
Repair and maintenance	9 153	94	–	1	1 094	–	10 342	16 247
Entertainment	53 169	441	2	2	6 905	–	60 519	40 407
Depreciation	53 661	1 274	3	4	2 322	–	57 264	57 100
Other expenses	25 255	474	1	1	2 401	–	28 132	26 321
	<u>311 373</u>	<u>4 150</u>	<u>14</u>	<u>20</u>	<u>38 757</u>	<u>–</u>	<u>354 314</u>	<u>324 062</u>

21. OTHER MANAGEMENT EXPENSES

(Rupees '000)

	Statutory Funds						Aggregate 2016	Aggregate 2015
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful		
Insurance premium	5 199	377	–	1	623	8	6 208	8 601
Telephone and electricity	23 799	2 663	–	3	3 290	75	29 830	18 415
Repair and maintenance	4 308	411	–	1	613	9	5 342	5 158
Entertainment	17 728	2 626	–	2	3 895	126	24 377	30 760
Bank charges	7 869	431	–	1	1 271	–	9 572	10 713
Claim investigation fees	6 035	331	–	1	868	–	7 235	5 864
Other expenses	22 807	1 722	–	1	3 570	26	28 126	63 419
	<u>87 745</u>	<u>8 561</u>	<u>–</u>	<u>10</u>	<u>14 130</u>	<u>244</u>	<u>110 690</u>	<u>142 930</u>

22. OTHER REVENUE

Gain on sale of fixed assets
Interest on loan to employees

Note	2016	2015
19.5	14 741	12 468
	13 125	9 987
	<u>27 866</u>	<u>22 455</u>

23. EXPENSES NOT ATTRIBUTABLE TO STATUTORY FUNDS

Printing and stationery		2 998	570
Advertisement and publicity		829	447
Travelling		–	1 233
Legal and professional fee		–	4 003
Workers' welfare fund	23.3	(46988)	46 987
Auditors' remuneration	23.1	3 721	2 987
Donations	23.2	5 284	7 277
Directors' fee	25.1	600	–
Others		101	105
		<u>(33 455)</u>	<u>63 609</u>

(Rupees '000)

23.1 Auditors' remuneration

Annual audit fee
Half yearly review
Review of code of corporate governance
Other certifications
Out of pocket expenses

2016	2015
1 500	1 400
250	220
225	200
1 424	970
322	197
<u>3 721</u>	<u>2 987</u>

23.2 None of the directors or their spouses have any interest in donees.

23.3 The Finance Act 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. Therefore, WWF has been recorded and paid to the Income tax department for the year from 2008 to 2014 amounted to Rs. 131.057 million. During the current year the company has reversed WWF amounting to Rs. 46.987 million which was provided in the financial statements for the year 2015 but was not paid to the tax authorities.

The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act 2008 are ultra-vires to the Constitution.

The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

The management, as a matter of abundant caution, has decided not to record the reversal of WWF paid to the tax authorities till the decision of Supreme Court in respect of Civil Review Petition.

(Rupees '000)

24. TAXATION

Current
– for the year
– prior to year
– Deferred

2016	2015
743 161	705 864
66 839	43 136
115 200	900
<u>925 200</u>	<u>749 900</u>

24.1 Relationship between tax expense and accounting profit

Tax at applicable rate 31% (2015: 32%)
Tax effect of income subject to lower tax rates
Prior year adjustment
Others
Tax charge for the year

31.00	32.00
–	(0.48)
2.39	1.93
(0.33)	0.25
<u>33.06</u>	<u>33.70</u>

25. Remuneration of chief executive and executives

(Rupees '000)

	2016		2015	
	Chief Executive	Executives	Chief Executive	Executives
Managerial remuneration	22 194	517 232	20 094	452 717
Bonus	6 705	43 820	5 204	33 000
Retirement benefits	3 607	26 779	3 277	21 329
Utilities	404	–	460	–
Medical expenses	413	6 161	257	6 271
Leave passage	643	364	486	417
	<u>33 966</u>	<u>594 356</u>	<u>29 778</u>	<u>513 734</u>
	<u>1</u>	<u>142</u>	<u>1</u>	<u>127</u>

Number of persons

The Chief Executive is provided with Company maintained cars, furnished accommodation and medical insurance cover. The Executives are provided with Company maintained cars and in certain cases, household items and furniture in accordance with their terms of employment. The chairman is provided with free use of company car, medical insurance cover and residential utilities.

25.1 In addition, Five Directors were paid aggregate fee of Rs. 600,000 (2015: Nil).

26. BASIC AND DILUTED EARNINGS PER SHARE

Profit for the year

Weighted average number of ordinary shares

Earnings per share – basic and diluted

	2016	2015
	1 872 896	1 475 470
(Number of Shares)		
	100 000	100 000
(Rupees)		
	18.73	14.75

27. PROVIDENT FUNDS / PENSION FUNDS RELATED DISCLOSURE

The following information is based on un-audited financial statements of the fund as at 31 December 2016:

27.1 Provident Fund

	2016	%	2015	%
Size of the fund - total assets	396 632		327 444	
Cost of investments	297 951	75.12	270 949	82.75
Fair value of investments	385 694	97.24	320 773	97.96

27.1.1 The breakup of fair value of investment in Provident Fund is as follows:

	2016	%	2015	%
Open end mutual fund	146 932	38.10	112 092	34.94
Shares	1 123	0.29	1 010	0.32
Government securities	237 639	61.61	204 806	63.85
Term Finance Certificates	–	–	2 865	0.89

27.1.2 The above investments out of provident fund have been made in accordance with the requirement of Section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

27.2 Pension Fund

	2016	%	2015	%
Size of the fund - total assets	268 943		210 310	
Cost of investments	216 491	80.50	178 614	84.93
Fair value of investments	259 584	96.52	199 870	95.04

27.2.1 The breakup of fair value of investment in Pension Fund is as follows:

	2016	%	2015	%
Open end mutual fund	81 903	31.55	62 937	31.49
Shares	429	0.17	354	0.17
Government securities	176 029	67.81	133 323	66.71
Term Finance Certificates	1 223	0.47	3 256	1.63

28. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

28.1 Financial risk management objectives and policies

The Company is exposed to a variety of financial risks: market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk and credit risk in relation to the financial statements on its balance sheet.

The Company's overall risk management seeks to minimize potential adverse effects on the Company's financial performance of such risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. There are Board Committees and Management Committees for developing risk management policies and its monitoring.

28.1.1 Market Risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to market risk with respect to its investments and with respect to products other than unit linked products (where the investment risk is passed on to policyholders). The Company limits market risk by maintaining a diversified portfolio and by continuously monitoring developments in government securities, equity and term finance certificates. The Company, along with minimizing market risk by careful diversification in assets, also periodically carries out an Asset Liability management exercise, to match its duration of assets and liabilities.

28.1.1.1 Interest Rate Risk Exposure

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company invests in securities and has bank balances and deposits that are subject to interest / mark-up rate risk. The Company limits interest / mark-up rate risk by monitoring changes in interest / mark-up rates in the currencies in which its cash and investments are denominated.

The information about Company's exposure to interest rate risk (other than relating to policyholders' liabilities) based on contractual reprising or maturity dates as of 31 December 2016 whichever is earlier is as follows:

	2016										(Rupees '000)	
	Exposed to yield / interest rate risk											
	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Above 10 years	Sub Total	Non-interest bearing financial instruments	Total
On balance sheet financial instruments												
Assets												
Policy stamps in hand	-	-	-	-	-	-	-	-	-	-	4 379	4 379
Current and other accounts	2 709 366	-	-	-	-	-	-	-	-	2 709 366	323 744	3 033 110
Deposits maturing with in 12 months	9 358 100	-	-	-	-	-	-	-	-	9 358 100	-	9 358 100
Loans- secured to employees	1 811	3 760	5 398	9 851	15 422	18 250	11 206	10 335	4 885	80 918	-	80 918
Loans- unsecured to employees	431	910	1 209	1 989	3 177	2 235	717	326	-	10 994	-	10 994
Investments	3 514 059	1 427 817	889 867	10 185 000	13 317 000	8 331 500	10 375 260	2 645 700	-	50 686 203	38 144 980	88 831 183
Premium due but unpaid	-	-	-	-	-	-	-	-	-	-	92 029	92 029
Amounts due from reinsurer	-	-	-	-	-	-	-	-	-	-	75 757	75 757
Sundry Receivables	-	-	-	-	-	-	-	-	-	-	208 871	208 871
Investment income accrued	-	-	-	-	-	-	-	-	-	-	1 788 323	1 788 323
Advances and deposits	2 212	4 410	4 481	7 213	6 724	2 726	466	-	-	28 232	123 368	151 600
	15 585 979	1 436 897	900 955	10 204 053	13 342 323	8 354 711	10 387 649	2 656 361	4 885	62 873 813	40 761 451	103 635 264
Liability												
Outstanding claims	-	-	-	-	-	-	-	-	-	-	1 692 717	1 692 717
Premium received in advance	-	-	-	-	-	-	-	-	-	-	575 806	575 806
Amounts due to reinsurer	-	-	-	-	-	-	-	-	-	-	148 023	148 023
Amounts due to agent	-	-	-	-	-	-	-	-	-	-	556 464	556 464
Accrued expenses	-	-	-	-	-	-	-	-	-	-	411 528	411 528
Unclaimed Dividend	-	-	-	-	-	-	-	-	-	-	22 047	22 047
Other creditors and accruals	-	-	-	-	-	-	-	-	-	-	371 455	371 455
	-	-	-	-	-	-	-	-	-	-	3 778 040	3 778 040
Interest risk sensitivity gap	15 585 979	1 436 897	900 955	10 204 053	13 342 323	8 354 711	10 387 649	2 656 361	4 885	62 873 813	36 983 411	99 857 224
Cumulative interest risk sensitivity gap	15 585 979	17 022 876	17 923 831	28 127 884	41 470 207	49 824 918	60 212 567	62 868 928	62 873 813			

(Rupees '000)

2015

Exposed to yield / interest rate risk												
	Upto 1 month	Over 1 to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 2 years	Over 2 to 3 years	Over 3 to 5 years	Over 5 to 10 years	Above 10 years	Sub Total	Non-interest bearing financial instruments	Total
On balance sheet financial instruments												
Assets												
Policy stamps in hand	-	-	-	-	-	-	-	-	-	-	8 545	8 545
Current and other accounts	2 440 105	-	-	-	-	-	-	-	-	2 440 105	1 097 937	3 538 042
Deposits maturing within in 12 months	10 860 000	-	-	-	-	-	-	-	-	10 860 000	-	10 860 000
Loans- secured to employees	1 649	3 025	5 168	8 683	14 769	11 345	19 911	20 544	-	85 094	-	85 094
Loans- unsecured to employees	560	767	1 064	2 015	6 098	1 557	1 759	1 273	-	15 093	-	15 093
Investments	3 514 059	1 427 817	889 867	10 185 000	13 317 000	8 331 500	10 375 260	2 645 700	-	50 686 203	21 255 120	71 941 323
Premiums due but unpaid	-	-	-	-	-	-	-	-	-	-	70 254	70 254
Amounts due from reinsurer	-	-	-	-	-	-	-	-	-	-	147 849	147 849
Sundry Receivables	-	-	-	-	-	-	-	-	-	-	136 325	136 325
Investment income accrued	-	-	-	-	-	-	-	-	-	-	1 969 626	1 969 626
Advances and deposits	2 526	4 052	5 221	7 359	7 501	1 980	1 411	144	-	30 194	56 784	86 978
	16 818 899	1 435 661	901 320	10 203 057	13 345 368	8 346 382	10 398 341	2 667 661	-	64 116 689	24 742 440	88 859 129
Liability												
Outstanding claims	-	-	-	-	-	-	-	-	-	-	1 458 110	1 458 110
Premiums received in advance	-	-	-	-	-	-	-	-	-	-	570 463	570 463
Amounts due to reinsurer	-	-	-	-	-	-	-	-	-	-	187 617	187 617
Amounts due to agent	-	-	-	-	-	-	-	-	-	-	524 163	524 163
Accrued expenses	-	-	-	-	-	-	-	-	-	-	322 041	322 041
Unclaimed Dividend	-	-	-	-	-	-	-	-	-	-	16 870	16 870
Other creditors and accruals	-	-	-	-	-	-	-	-	-	-	268 719	268 719
	-	-	-	-	-	-	-	-	-	-	3 347 983	3 347 983
Interest risk sensitivity gap	16 818 899	1 435 661	901 320	10 203 057	13 345 368	8 346 382	10 398 341	2 667 661	-	64 116 689	21 394 457	85 511 146
Cumulative interest risk sensitivity gap	16 818 899	18 254 560	19 155 880	29 358 937	42 704 305	51 050 687	61 449 028	64 116 689	64 116 689			

The effective interest rate range (per annum) for the financial assets is as follows:

	2016	2015
Saving and other accounts	4.25% to 5.25%	5.50% to 5.75%
Deposits	4.25% to 6.45%	6.10% to 7.15%
Loans	8% to 12.5%	8% to 12.5%
Investments	5.77% to 13%	4.39% to 15%
Advances and other receivables	8% to 12.5%	8% to 12.5%

28.1.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in foreign exchange rates. The Company, at present is not materially exposed to currency risk as majority of the transactions are carried out in Pak Rupees.

28.1.1.3 Other Price Risk

Other price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

28.1.1.4 Equity Price Risk

The Company's listed securities are susceptible to market price risk arising from uncertainties about the future value of investment securities. The Company limits market risk by maintaining a diversified portfolio. In addition, the Company actively monitors the key factors that affect stock market. In the equity portfolio, the top three sectors by exposure are Oil and Gas, Banks and Chemicals.

28.1.2 Credit Risk

Credit risk arises when one party fails to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties have similar types of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet their contractual obligations. The Company is exposed to credit risk on premiums receivable from group clients, commission and claims recoverable from insurers and investment in term finance certificates. The management monitors exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties and prudent estimates of provision for doubtful debts. The Company believes it is not exposed to any major concentration of credit risk.

The credit quality of Company's bank balances (including Term Deposit Receipts) can be assessed with reference to external credit ratings as follows:

	(Rupees '000)	
Rating of Banks*	2016	2015
A	677 546	462 772
A-	-	22 827
A+	250 055	3 522 655
AA	2 423 252	3 296 725
AA-	2 480 347	1 026 083
AA+	1 676 630	5 052 001
AAA	4 883 380	1 014 979
	12 391 210	14 398 042

*Rating of banks performed by PACRA, JCR-VIS and Standard and Poors.

The credit quality of Company's exposure on TFCs can be assessed with reference to rating issued by rating agency as follows:

			(Rupees '000)	
<u>Issuer of TFC</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>2016</u>	<u>2015</u>
Al Baraka Bank	A	JCR-VIS	35 369	42 534
Bank Alfalah Limited	AA–	PACRA	36 782	48 392
Engro Chemical Pakistan Limited	AA	PACRA	556 393	575 743
Fatima Fertilizer Sukuk	AA–	PACRA	49 035	–
Hascol Petroleum Ltd. Sukuk	AA–	JCR-VIS	155 496	–
First Habib Modarba (Certificate of investment)	AA+	PACRA	210 000	210 000
K Electric	AA	JCR-VIS	431 402	434 638
NIB Bank Limited	AA–	PACRA	101 034	98 941
Pakistan Mobile Communication (Private) Limited	AA–	PACRA	–	24 402
			1 575 511	1 434 650

Investment in Government securities are not exposed to any credit risk.

The management monitors exposure to credit risk in premium receivable from group clients through regular review of credit exposure and prudent estimates of provision for doubtful debts. As of 31 December 2016 there was no provision for doubtful premiums as all the premiums receivable were considered good.

28.1.3 Capital risk managements

The Company's objective when managing capital is to safe guard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development its businesses. The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

Currently the Company has a paid up capital of Rs. 1.0 billion against the minimum required paid-up capital of Rs. 500 million set by the SECP for the life insurance companies for the year ended 31 December 2016.

In addition, the Company is also required to maintain minimum solvency in accordance with the rules and regulations set by the SECP, which are fully met by the Company.

28.1.4 Fair value

Investments on the balance sheet are carried at fair value except for investments in non unit-linked funds which are stated at lower of cost or market value and unquoted investments which are stated at cost. The Company is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

The Company's accounting policy on fair value measurements of its investments is discussed in note 5.1.5 to these financial statements.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

(Rupees '000)

2016											
								Fair value			
Note	Available for Sale	HFT	HTM	Loans and Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments											
Financial assets measured at fair value											
- Investments											
Government Securities (Tbills + PIBs + Sukuks)	45 404 994	-	-	-	-	-	45 404 994	-	45 404 994	-	45 404 994
Sukuk Bonds (other than government)	1 192 326	-	-	-	-	-	1 192 326	1 192 326	-	-	1 192 326
Listed equity securities	36 230 825	459 246	-	-	-	-	36 690 071	36 690 071	-	-	36 690 071
Unlisted equity securities	508	-	-	-	-	-	508	-	-	508	508
Units of mutual funds	511 783	-	-	-	-	-	511 783	-	511 783	-	511 783
Debt securities (Listed TFCs)	173 185	-	-	-	-	-	173 185	173 185	-	-	173 185
Financial assets not measured at fair value											
- Government Securities (Tbills + PIBs + Sukuks)	-	-	3 465 074	-	-	-	3 465 074	-	3 492 212	-	3 492 212
- Balances with banks *	28.1.4.1 12 391 210	-	-	-	-	-	12 391 210	-	-	-	-
- Certificate of Investment	28.1.4.1 210 000	-	-	-	-	-	210 000	-	-	-	-
- Advances	28.1.4.1 -	-	-	91 912	1 782 633	-	1 874 545	-	-	-	-
- Listed equity securities and mutual fund units (at lower of cost or market value)	1 183 242	-	-	-	-	-	1 183 242	1 995 995	-	-	1 995 995
- Other assets (excluding markup accrued)*	28.1.4.1 -	-	-	-	2 162 060	-	2 162 060	-	-	-	-
	97 298 073	459 246	3 465 074	91 912	3 944 693	-	105 258 998	40 051 577	49 408 989	508	89 461 074
Financial liabilities not measured at fair value											
- Other liabilities (excluding Liabilities against assets subject to finance lease) *	28.1.4.1 -	-	-	-	-	3 202 234	3 202 234	-	-	-	-
	-	-	-	-	-	3 202 234	3 202 234	-	-	-	-
	97 298 073	459 246	3 465 074	91 912	3 944 693	(3 202 234)	102 056 764	40 051 577	49 408 989	508	89 461 074

(Rupees '000)

2015											
								Fair value			
Note	Available for Sale	HFT	HTM	Loans and Receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments											
Financial assets measured at fair value											
- Investments											
Government Securities (Tbills + PIBs + Sukuks)	46 329 767	-	-	-	-	-	46 329 767	-	46 329 767	-	46 329 767
Sukuk Bonds (other than government)	1 010 381	-	-	-	-	-	1 010 381	1 010 381	-	-	1 010 381
Listed equity securities	19 756 346	451 369	-	-	-	-	20 207 715	20 207 715	-	-	20 207 715
Unlisted equity securities	508	-	-	-	-	-	508	-	-	508	508
Units of mutual funds	166 915	-	-	-	-	-	166 915	166 915	-	-	166 915
Debt securities (Listed TFCs)	214 269	-	-	-	-	-	214 269	214 269	-	-	214 269
Financial assets not measured at fair value											
- Government Securities (Tbills + PIBs + Sukuks)	-	-	2 921 786	-	-	-	2 921 786	-	3 023 764	-	3 023 764
- Balances with banks *	28.1.4.1 14 398 042	-	-	-	-	-	14 398 042	-	-	-	-
- Certificate of Investment	28.1.4.1 210 000	-	-	-	-	-	210 000	-	-	-	-
- Advances	28.1.4.1 -	-	-	100 187	1 964 499	-	2 064 686	-	-	-	-
- Listed equity securities and mutual fund units (at lower of cost or market value)	879 982	-	-	-	-	-	879 982	1 478 475	-	-	1 478 475
- Other assets (excluding markup accrued)*	28.1.4.1 -	-	-	-	503 485	-	503 485	-	-	-	-
	82 966 210	451 369	2 921 786	100 187	2 467 984	-	88 907 536	23 077 755	49 353 531	508	72 431 794
Financial liabilities not measured at fair value											
- Other liabilities (excluding liabilities against assets subject to finance lease) *	28.1.4.1 -	-	-	-	-	2 777 520	2 777 520	-	-	-	-
	-	-	-	-	-	2 777 520	2 777 520	-	-	-	-
	82 966 210	451 369	2 921 786	100 187	2 467 984	(2 777 520)	86 130 016	23 077 755	49 353 531	508	72 431 794

28.1.4.1 The Company has not disclosed the fair values for these financial assets and liabilities, as these are for short term or reprice over short term. Therefore their carrying amounts are reasonable approximation of fair value.

29. INSURANCE RISK

29.1 Insurance contracts and Takaful contracts

29.1.1 Classification

The Company currently issues contracts that are classified as insurance and takaful contracts as they transfer significant insurance risk (against death, disability and sickness) from the policyholder to the Company. In the past the Company has issued contracts where the insurance risk transferred is insignificant, these therefore being classified as investment contracts. All contracts which include an investment element being unit-linked contracts linked to internal mutual funds.

The Company classifies its business into Individual Life and Group Life businesses, in both cases the form of contract consisting of main plans and supplementary riders (which are generally optional).

Individual life business mainly consists of unit linked products and conventional protection products, in both cases with optional supplementary riders which generally provide protection only. Group Life business consists primarily of protection products and a relatively small number of unit-linked policies.

29.1.2 Contract details and measurement

The insurance contracts offered by the Company are described below.

29.1.2.1 Individual Life Policies

These consist of the following types of policies:

(a) Unit Linked Products:

These are medium to long term unit-linked plans designed to address a variety of future policyholder needs, such as retirement planning, education planning for children, marriage planning for children, life protection and investments and savings for future. Premiums received from policyholders and after deduction of specified charges including risk charges, are invested in internal unit funds of the Company The basic plan contains life cover over and above the unit value, with additional protection (for death, disability and sickness) being provided through the addition of optional riders.

Policyholder liabilities for these plans (excluding attached riders) are measured as the sum of the fair value of units attached and the unearned part of any risk premiums charged.

(b) Conventional Protection Products:

Two types of products are offered under Individual life conventional business, these being medium to long term contracts with level premiums being paid over the policy period. The Company offers a standard term life assurance product that offers protection in event of death as well as a decreasing term life assurance policy that covers outstanding loan balances.

Policyholder liabilities for both products are determined on a net premium basis by determining the present value of benefits less the present value of future net premiums, a theoretical net premium being calculated using conservative assumptions for mortality and the discount rate.

(c) Individual Family Takaful Products:

These are medium to long term unit-linked plans operated through Window Takaful Operations of EFU Life Assurance.

The Member liabilities are divided into two broad categories, unit reserves and non-unit reserves. The unit reserve comprises of the total units allocated to the Membership in the Participants' Investment Fund (PIF). The value of these units, at the bid price prevailing on the valuation date, forms the unit reserve. The non-unit reserve is the actuarial reserve in the Participants' Takaful Fund (PTF). The net non-unit reserve is calculated as the unearned mortality reserve which is calculated as the unexpired portion of the net mortality charges (Net of Wakala Fee and Retakaful Contribution) deposited into the PTF. The gross non unit reserve is calculated as the net reserve plus the unearned retakaful contribution paid.

(d) Accident and Health Products:

These consist of long term and short term Accident and Health products providing cover against accidental death, disability, sickness and critical illness, offered both as long term as well as yearly renewable plans.

Policyholder liabilities for short term contracts are evaluated using the unearned premium reserve method, taking into account the unexpired future period of risk, with a premium deficiency reserve being provided for where the Company's management perceives that the premium being charged is not adequate. For the critical illness long-term contracts, liabilities are evaluated using a net premium method i.e. expected present value of benefits payable less expected present value of net premiums receivable.

(e) Other Supplementary Benefits:

The Company also offers a variety of supplementary benefits attached with main plans including additional term life assurance, income benefits, critical illness, sickness and accidental death and disability related benefits.

The methods used to determine policyholder liabilities differ with the nature and terms of these benefits. Most supplementary benefits related to death and critical illness, are identical to some main plans offered in individual life business, the valuation methods used for these being consistent with their related main plans. Measurement of liabilities for benefits related to accident disability, accidental death and sickness are based on unearned premium method.

(f) Reserve for Outstanding Losses (Individual life)

The Company records reported losses as payable upon intimation of any claim. Unpaid claims are assessed from time to time and the liability measured in accordance with management's estimates of whether claims are payable or not.

Claims payable over a duration of more than one year are measured at the discounted value of expected payments.

The Company also provides, as part of policyholder liabilities, a reserve for incurred but not reported claims (IBNR). Due to insufficient claim history of Individual life business, however, the general lag method for IBNR is not used. The Company adopts a methodology based on best estimates of future incurred but not reported claims, as suggested by the appointed actuary of the Company.

29.1.2.2 Group Life and Group Takaful Policies

(a) Nature of Contracts:

The Company's group life and group takaful business consists of one year term life contracts which provide coverage, in the event of death or disability, to:

- employees of a common employer, benefits payable under these contracts being either fixed, in case of death, or linked to the extent of loss incurred by the policyholder, in case of disability;

- customers of financial institutions, the contracts being issued to financial institutions to protect their customers' outstanding loan balances, such as on personal loan, mortgages and credit cards.

Unit-Linked Group Life policies are similar in nature to Individual-Life unit-linked products.

(b) Policyholder Liabilities:

Policyholder liabilities consist of the following components:

- Net Unearned Premium Reserve

The unearned premium reserve is the portion of premium that had been booked in the current period but pertains to a period that extends beyond the valuation date. The fraction of premium that is to be consumed in the succeeding period is considered to be unearned. The unearned premium is the aggregate for both posted and fluctuations in the unearned premium.

The unearned premium reserve is computed both gross and net of reinsurance, the methodology used for both being similar.

- Unit-Link Group Life Policies

Policyholder Liabilities for these policies are measured as the sum of the fair value of units attached and the unearned part of any risk premiums charged.

- Profit Commission Reserve (accrued for policyholders)

This is the total accrued profit commission that is payable to policy holders at a future date. Profit commission for any policy normally becomes payable at the end of three policy years. However, accrued profit commission is calculated at the end of each policy year to account for the liability that has been created for that year. The sum of all such accrued profit commissions for all schemes is the Profit Commission reserve.

- Profit Commission Reserve (accrued from re-insurer)

This is the total profit commission due from re-insurer on all reinsured schemes. Profit commission rates are applied on insured groups, based on their size. The total profit commission accrued from re-insurer is the sum of profit commissions for each group.

- Premium Deficiency Reserve

The need for premium deficiency reserve arises when the Company expects to incur claims in excess of reserves set aside using conventional methods. The Company analyzed its current portfolio of group contracts and evaluated loss ratios of group business. The Company does not expect excessive claims on any schemes and hence no provision for Premium Deficiency Reserve is set aside.

- Incurred But Not Reported (IBNR) Reserve

The IBNR (incurred but not reported) reserve is an estimate of those claims that might have occurred but not yet reported. This is estimated by using the claim intimation lag from the date of death for the claims that have been reported in the last two years. The system generated IBNR triangle report is used to calculate the ratio of delay to estimate the probable claims pertaining to and not reported up to the valuation date.

29.1.3 Liability Adequacy Test

Liability adequacy test is applied to all long term contracts where necessary, especially those products where actuarial liability estimation is based on conservative assumptions. Liability adequacy test is carried out using current best estimates of assumptions and future net cash flows, including premiums receivable, benefits payable and investment income from related assets.

To determine the adequacy of liabilities, assumptions must be based on realistic best estimates. At the moment, the Company does not have sufficient mortality data for comparison with assumed life table EFU (61-66). The Company compares efu(61-66) with recent mortality studies carried out in South East Asia region. The comparison suggests that current actual mortality experience is better than the experience reflected in efu(61-66). Thus the Company uses a modified version of efu(61-66) as a best estimate of mortality for liability adequacy test.

The investment return currently assumed for valuation is 3.75% p.a. This assumption reflects a long-term conservative return that the Company expects to earn on assets backing these liabilities. On a more realistic view of current financial markets, the Company estimates that a long term return on these assets of 6% is reasonable. Liabilities are re-evaluated at investment return assumption of 6% for Liability Adequacy Test.

The table below compares total policyholder liabilities under existing valuation basis with policyholder liabilities calculated using best estimate assumptions:

(Rupees in '000)

Assumption	Policyholder liabilities on existing valuation basis	Policyholder liabilities using best estimate assumptions
Mortality	95 869 249	95 712 972
Investment returns	95 869 249	95 856 719

The liabilities evaluated under these assumptions suggest that recognized liabilities are adequate and no further provision is required.

29.2 Reinsurance / Retakaful contracts held:

The Company has entered into reinsurance/retakaful (hereinafter referred to as “reinsurance”) arrangements, for both its individual and group businesses, in order to manage risks associated with the frequency and severity of claims. These arrangements include cover under treaties as well as on a facultative basis. The terms of reinsurance treaties vary by type of business, the objective being to maintain a reasonable risk profile suiting the risk appetite and overall exposure to adverse movements in mortality or morbidity.

Primarily, reinsurance assets are amounts due from reinsurers with respect to recoveries under claims and profit commission. Reinsurance recoveries are measured according to the terms and conditions of the reinsurance contracts

Reinsurance liabilities consist of amounts due to reinsurers on account of reinsurance premiums due which are measured accounting to the terms of the arrangements.

The details related to reinsurance assets and liabilities are shown below:

(Rupees in '000)

Reinsurer rating	Amounts due from reinsurers	Amounts due to reinsurers
'A' or above	75 757	148 023

The Company assesses impairment on its reinsurance assets on a regular basis to identify any losses in recoveries. As of now, Company's all reinsurance assets are due from reinsurers with a credit rating of “A or Above”. The reinsurers maintain a sound credit history and hence no impairment provision is required for now.

29.3 Accounting estimates and judgments

The Company makes several estimates of assumptions to evaluate its assets and liabilities reported in its financial statements. On the liability side, there are a number of factors that have a direct impact on policyholder liabilities. Assumptions are continually evaluated using internal analysis and monitoring processes to test validity of these assumptions.

29.3.1 Mortality, Disability and Critical Illness

Mortality and disability rates are basic assumptions used in valuation of policyholder liabilities. For mortality, life table efu(61-66) is being currently used. The life table was published more than 40 years ago and may not reflect mortality improvements. In absence of any updated mortality study of Pakistan's insured population, EFU (61-66) is used with some adjustment to reflect current mortality trends. For reserving purposes, a 10% mortality loading is used over efu (61-66) rates to build in conservatism. An analysis of past mortality experience, reveals that 10% mortality loading for reserving purposes is appropriate to ensure prudence.

Sudden adverse experience in mortality might occur due to epidemics, causing deaths on a mass scale due to incurable contagious illnesses. Mortality may also deteriorate over a period of time, due to wide-scale changes in living life styles, eating and health habits.

Sensitivity test with respect to mortality is carried out and impact on policyholder liabilities is observed. When mortality rates increase by 10%, policyholder liabilities increase by 0.056%. Likewise, when mortality rates decrease by 10%, policyholder liabilities decrease by -0.056%.

In absence of credible disability and critical illness incidence rates, the Company uses reinsurance rates for actuarial liability valuation of disability and critical illness benefits.

29.3.2 Investment income

Investment income is an important assumption for valuation of long-term conventional plans. This is the rate at which future expected benefits and expected premiums are discounted. Currently, the valuation assumption used for investment income is 3.75% p.a.

Sensitivity test with respect to investment income is carried out and its impact on policyholder liabilities observed. When investment rate is increased by 10%, policyholder liabilities decrease by 0.002%. Likewise, when investment income rate is decreased by 10%, policyholder liabilities increase by 0.002%.

29.4 Frequency and Severity of claims

Frequency and severity can have a significant impact on total claims paid out by the Company. High frequency of claims could occur due to adverse experience of mortality or disability. Adverse mortality experience, in short-term, could be due to a wide-range spread of fatal contagious disease, an epidemic. Over a longer term, overall health practices, eating and living habits could potentially have an adverse effect on mortality.

About 90% of Company's business is concentrated in the provinces of Sind and Punjab. This concentration is largely in line with the population of these provinces relative to country's total population. The Company's diversified portfolio of contracts helps limit the frequency and severity of claims. However, in event of large number of deaths or disabilities, Company does face the risk of paying out excessive claims. To manage and mitigate this exposure, arrangements in form of reinsurance and catastrophe cover are in place.

In Group life business, frequency and severity of claims can be affected by concentration of business in a specifically risky class of industry. Claim frequency can rise substantially from businesses in industries that are more prone to accidents due to the nature of work they perform. Likewise, severity of claims can also be associated with business concentration in a specific class of industry. The Company continually monitors its concentration risk and takes measures to keep its business portfolio well diversified.

Contracts in group life, are mainly one year term life contracts, where premium rates are generally guaranteed for one year only. The Company retains the right of changing premium rates by incorporating the claim experience of a group insured, thereby allowing the Company to charge a specific group in line with its claim experience.

The Company regularly carries out an exercise to monitor time lags between intimation and settlement claim dates. The study reveals that a significant portion of claims are settled within twelve months of claim intimation.

29.5 Sources of uncertainty in estimation of future benefit payments and premium receipts

The uncertainty with respect to future premiums and benefits may arise due to unexpected changes in mortality or disability experience. Adverse mortality experience will result in excess benefit payments, and reduced future premium income.

Likewise, unexpected changes in surrenders and lapses could also have a significant impact on future realized premiums. Estimates of lapses and surrenders are based on internal experience studies carried out annually. Factors that could affect policyholder behavior include market factors such as interest rates, policyholder preferences in terms of the monetary value that a policyholder relates with the insurance policy, the frequency of premium payments and the age of the individual.

29.6 Process used to decide on assumptions

Assumptions used to determine policyholder liabilities include, mortality/disability/critical illness rates, investment returns for conventional business, investment returns for investment linked business, expenses and mortality loading.

Mortality assumptions should in principle reflect adequate conservatism in liabilities. The Company considers efu(61-66) life table to be appropriate for actuarial valuation of policyholder liabilities.

Disability and Critical illness rates used for liability valuation are the reinsurance rates provided by the reinsurer. Due to lack of sufficient claim experience for these disabilities and critical illnesses, the Company considers this as the best estimate available.

The Company uses an investment return assumption of 3.75% per annum to evaluate actuarial liabilities of its conventional plans. Liabilities of conventional products should in principle reflect a long term conservative interest rate, to reflect adequate conservatism. An investment return of 3.75% per annum is hence considered appropriate.

For Unit Linked products where the death benefit is paid in form of annuity, the Company uses a discount rate of 6% to evaluate present value of future stream of cash flows. In principle, the interest rate assumption set to discount cash flows should reflect the expected returns on assets backing these liabilities. The Company expects to earn at least a 6% return on assets backing these unit-linked liabilities.

In valuation of unearned premium reserve for unit-linked plans a loading of 10% is applied on rates from efu(61-66). In opinion of Company's management and appointed actuary this assumption is prudent.

Since from Annual 2014 onwards the Company shall maintain 100% retention on its books on account of Solvency Margin, the Company will no longer keep an extra reserve on account of mortality fluctuation. It is the opinion of Company's management and appointed actuary that this assumption is prudent.

The Company reserves for any increase in actuarial liability resulting from the possible reinstatement of lapsed policies. The current liability valuation also takes into account cash value of units pertaining to policies lapsed in last 2 years. A unit-linked policy lapses when the second annual premium of policy is not received. In principle, cash value of a lapsed policy is not surrenderable, as per provisions and conditions, unless the second premium is paid and policy is reinstated. However, the Company recognizes the possibility of these lapsed policies to be reinstated and hence carries out periodic studies to determine expected renewals. In opinion of the Company's management and appointed actuary assumptions used to set aside a liability against these lapsed policies is prudent.

For the purpose of liability adequacy tests the Company makes assumptions relating to expenses. For this purpose regular expense analyses are carried out based on actual expenses and transaction volumes.

29.7 Sensitivity Analysis

The basic assumptions used in valuation of liabilities are mortality, disability, critical illness rates and investment returns assumed in discounting future cash flows. The table below presents sensitivity results with respect to above mentioned factors, with their impact observed on policyholder liabilities:

Sensitivity variable	% change in sensitivity variable	% change in policyholder liabilities
Worsening of mortality and critical illness rates	10%	0.056%
Improvement in mortality and critical illness rates	10%	-0.056%
Increase in investment returns	10%	-0.002%
Decrease in investment returns	10%	0.002%

29.8 Management of insurance, financial and other risks

29.8.1 Insurance Risk

The risk that Company faces is due to randomness in occurrence of insured events. In principle, the Company faces the risk that total claims exceed the reserves set aside at any point in time.

The occurrence of any single claim and amount paid on a single claim is a random event. However, as the number of contracts and independent lives increase, the estimated claim amounts and the number of claims get closer to the actual figures. This phenomenon is observed when pool of contracts is large enough and lives are independent. To manage this risk, Company monitors its concentration risk, on several parameters, and maintains diversity in its portfolio of insurance contracts.

In order to maintain this diversification, the Company takes a number of steps to manage the overall insurance risk of its portfolio of insurance contracts. The risk of an individual life is broadly assessed in light of its: medical condition, which include living habits, physical health and medical history; occupational condition, which assesses an individual's job profile and whether any characteristics of the job could have a significant impact on that individuals mortality; financial condition, which determines the individuals ability and affordability to purchase and maintain an insurance contract over the long-term.

The Company identifies and defines parameters in its underwriting strategy to clearly identify individuals (sub-standard lives) which could potentially increase the overall risk of insurance portfolio. Based on certain parameters, such individuals pay an extra charge called Extra Mortality Premium, in order to compensate for extra risk added to existing pool of insured individuals. These measures allow the Company to charge an individual life in line with the risk contributed to its insurance portfolio. These underwriting measures also discourage accumulation of sub-standard lives in the insured pool, thereby managing the overall insurance risk of Company in the long-term.

The Company also manages its geographical concentration of risk. Currently the Company's geographical concentration of risk for its Individual Life sales force business is as follows:

Conventional business:

	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Azad Kashmir	2.19%	2.81%
Baluchistan	4.94%	6.23%
Gilgit Baltistan	0.89%	1.22%
Khyber Pakhtunkhwa	2.57%	3.05%
Punjab	44.26%	44.40%
Sindh	45.15%	42.28%

Individual Family Takaful business:

	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Azad Kashmir	1.98%	1.21%
Baluchistan	1.45%	1.83%
Gilgit Baltistan	0.06%	0.18%
Khyber Pakhtunkhwa	3.82%	6.33%
Punjab	43.62%	49.53%
Sindh	49.07%	40.91%

For Group Life business, the Company's geographical concentration of risk is as follows:

Conventional business:

	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Sindh	56.05%	57.51%
Punjab	43.95%	42.49%

Group Family Takaful business:

	Diversification of Risk Portfolio	
	Before Resinsurance	After Reinsurance
Sindh	91.05%	90.95%
Punjab	8.95%	9.05%

The Company also has reinsurance arrangements with its reinsurance partners, to whom the Company passes any excess insurance risk beyond its retention levels. Limits are continually monitored and kept in line with the overall risk tolerance. This allows the Company to retain the risk according to its risk capacity and minimizes excessive claim payouts. Currently, the total risk retained on individual life products is Rs. 1,200,000 per life for the death risk, Rs. 500,000 for individual takaful policies and Rs. 600,000 for risks associated with critical illness plans. For Group Life, the Company currently retains Rs. 1,200,000 of total life risk on each life and Rs. 500,000 for Group Family Takaful business. For critical life cover, Rs. 50,000 per life is retained for both, Group Life and Group Family Takaful business.

The Company also has arrangements for claims in event of a catastrophic scenario under an Excess of Loss Catastrophe cover which is triggered in event of excessive claims, limiting total amount of claims paid out if such an event occurs.

29.8.2 Other risks

The Company faces a number of financial risks in its assets and liabilities, apart from insurance risk. These risks can be broadly categorized as expense risk, lapse risk, market risk, credit risk and liquidity risk. This section describes these risks on the Company level and identifies and describes the processes and strategy of management to manage these risks.

29.8.3 Expense risk

The risk that the Company faces is that future expenses may be higher than those used in pricing of products causing an expense overrun. The company mitigates this risk by incorporating a certain level of acceptable conservatism in building future policy expense factors in pricing and expects to maintain its actual expenses within these limits. Regular monitoring of expenses allows the Company to adjust its pricing in time to account for higher than expected expenses.

The Company closely monitors its expenses by regularly carrying out an expense analysis for its business. The assumptions for future policy expense levels are determined from the Company's most recent annual expense analysis, with an extra margin built-in to account for variability in future expenses. A review of product pricing is carried out each year based on the latest available expense factors. Constant monitoring of expenses enables the Company to take corrective actions in time.

Based on the results of expense analysis, the Company apportions its management expenses to different lines of business.

29.8.4 Lapse risk

The risk the Company faces is that future persistency rates may be lower than assumed in pricing, thus impacting the emergence of profit from its portfolio of individual life policies. The Company however is confident that this risk is insignificant as the company places tremendous emphasis on quality customer services and retention of clients by making persistency standard an integral part of the sales force culture. The Company has been consistently maintaining good levels of persistency and will continue a similar trend in future.

The Company has robust systems in place to regularly monitor the lapse experience. Regular focus on persistency is embedded in the Company culture and is an integral part of the monitoring of the sales force performance and remuneration.

29.8.5 Market risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market. The Company is exposed to market risk in relation to its investments with respect to products other than unit linked products (in unit linked products, investment risk is borne by the policyholder). The Company limits market risk by maintaining a diversified portfolio and by continuously monitoring developments in government securities, equity and term finance certificates. The company, along with minimizing market risk by careful diversification in assets, also periodically carries out an Asset Liability management exercise, to match its duration of assets and liabilities.

29.8.6 Credit risk and concentration of credit risk

Credit risk arises when one party fails to discharge its obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counter parties have similar types of business activities. As a result, any change in economic, political or other conditions would affect their ability to meet their contractual obligations. The Company is exposed to credit risk on premiums receivable from group clients, commission and claims recoverable from insurers and investment in term finance certificates. The management monitors exposure to credit risk through regular review of credit exposure, assessing credit worthiness of counter parties and prudent estimates of provision for doubtful debts. The Company believes it is not exposed to any major concentration of credit risk.

29.8.7 Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its funding requirements, without incurring a material loss in disposing off its illiquid assets. To guard against this risk, the company maintains a healthy balance of cash and cash equivalents and readily marketable securities. Liquidity is monitored regularly and assets are frequently rebalanced to maintain a certain level of liquidity at all times. Going forward, the company also plans to set up a contingency plan, whereby alternate sources of liquidity will be identified and assets would be analyzed and ranked in their liquidity order, to determine which assets would need to be disposed off first in case of a liquidity crisis.

The expected payouts in liabilities along with maturity profile of assets and liabilities are monitored to ensure that adequate liquidity is maintained within the Company, to avoid the need of liquidating assets below their actual market value.

The following extract, classifies the assets and liabilities of the Company by type of product in each Statutory Fund as at 31 December 2016. The table below also presents details of assets under Shareholder's Fund:

	Investment Linked Products (All unit main linked plans)	Conventional Products (Individual, Group Life, Riders)	Shareholders' Fund	(Rupees '000) Total
2016				
Available for sale:				
- Government securities	45 404 994	–	–	45 404 994
- Other fixed income securities	1 575 511	–	–	1 575 511
Held to maturity:				
- Government securities	264 358	1 626 069	1 574 647	3 465 074
- Other fixed income securities	–	–	–	–
Available for sale:				
- Listed equities and mutual funds	37 283 438	106 104	995 554	38 385 096
- Unlisted equities and mutual funds	–	–	508	508
Loans and receivables:				
- Insurance receivables	–	92 029	–	92 029
Reinsurance assets	17 008	58 749	–	75 757
Cash and cash equivalents	11 840 110	214 149	341 330	12 395 589
Other assets	3 438 455	17 488	1 359 118	4 815 061
Total assets	99 823 874	2 114 588	4 363 069	106 301 531

(Rupees '000)

2016	Investment Linked Products (All unit main linked plans)	Conventional Products (Individual, Group Life, Riders)	Shareholders' Fund	Total
Long-term insurance:				
Fixed term	55 996 716	291 536	–	56 288 252
Whole of life	38 596 622	–	–	38 596 622
Short-term insurance contracts	–	667 093	–	667 093
Riders	–	320 048	–	320 048
Retained earnings on other	1 525 081	380 043	–	1 905 124
Equity	–	–	4 193 383	4 193 383
Other liabilities	3 705 455	455 868	169 686	4 331 009
Total liabilities	99 823 874	2 114 588	4 363 069	106 301 531

30. SEGMENT REPORTING

Class of Business wise assets, liabilities and operating results have been disclosed in the Balance sheet and Profit and Loss account and revenue account prepared in accordance with the requirements of Insurance Ordinance 2000, the SEC (Insurance) Rules, 2002 and Takaful Rules, 2012.

31. NUMBER OF EMPLOYEES

	2016	2015
Number of employees as at 31 December	1 547	1 386
Average number of employees as at 31 December	1 466	1 329

32. RELATED PARTY TRANSACTIONS

The related parties comprise of directors, key management personnel, associated undertakings, and entities with common directors and retirement benefit fund. The transactions with related parties, other than those disclosed elsewhere in these financial statements and remuneration of key management personnel (disclosed in note 25) are as follows:

(Rupees '000)

	2016	2015
Associated companies (due to common directorship)		
Transactions		
Premium written	63 790	41 875
Premium paid	41 838	34 033
Claims paid	30 081	9 009
Claims received	4 994	6 490
Commission paid	75 954	81 452
Dividend paid	631 070	576 524
Dividend received	89 957	88 357
Interest on banks deposit	179 126	92 537
Bonus Shares Received	411 508	–
Redemption on Mutual Funds	204 064	208 523
Balances		
Bank balances	30 906	249 899
Bank deposits	2150 000	2150 000
Premium payable	49	413
Premium receivable	5 197	388
Investment in EFU General Insurance Company Limited	1 486 093	1132 622
Investment in related party	238 310	328 033
Key management personnel transactions		
Loan to employees	–	35 869
Loan recovered	5 425	1 250
Balances		
Loan Receivable	29 944	35 369
Employees' funds Transactions		
Contribution to provident fund	22 468	20 387
Contribution to pension fund	18 415	16 338

33. WINDOW TAKAFUL OPERATIONS

The Statement of financial position of Window Takaful Operations as at 31 December 2016 and its financial performance for the year ended 31 December 2016 are as follows:

33.1 Balance Sheet

(Rupees '000)

Note	Statutory Funds			Aggregate 2016	Aggregate 2015
	Shareholders' Funds	Individual Family Takaful	Group Family Takaful		
Share capital and reserves					
Operator's Fund	50 000	–	–	50 000	50 000
Accumulated deficit	–	–	–	–	(82 178)
Net shareholders' equity	50 000	–	–	50 000	(32 178)
Balance of statutory fund [including policyholders' liabilities Rs. 1315.68 million (2015: Rs. 65.270 million)]					
Participant Investment Fund	30 244	1 287 106	–	1 317 350	72 221
Participant Takaful Fund - Waqf	–	38 515	13 252	51 767	11 276
Cede Money - Waqf	–	2 000	–	2 000	2 000
Shareholder's Fund unit holding in PIF	–	5 690	–	5 690	5 127
	30 244	1 333 311	13 252	1 376 807	90 624
Creditors and accruals					
Outstanding Claims	–	6 028	3 331	9 359	2 832
Contribution received in advance	–	20 538	2 027	22 565	8 943
Amounts due to retakaful	–	14 696	11 759	26 455	8 707
Amounts due to agents	–	73 631	239	73 870	30 082
Accrued expenses	12 418	–	–	12 418	882
Other creditors and accruals	97 568	138 561	39 094	275 223	49 392
Interfund payable	58 671	–	–	58 671	–
Total liabilities	168 657	253 454	56 450	478 561	100 838
Total equity and liabilities	248 901	1 586 765	69 702	1 905 368	159 284
Cash and bank deposits					
Policy stamps in hand	19	–	–	19	18
Current and other accounts	66 423	363 922	26 396	456 741	113 074
Deposits maturing within 12 months	28 000	480 000	–	508 000	10 000
	94 442	843 922	26 396	964 760	123 092
Investments					
Government securities	–	143 336	2 500	145 836	5 000
Listed Equities & Mutual Funds	–	460 252	–	460 252	3 341
	–	603 588	2 500	606 088	8 341
Current assets - others					
Prepayments	5 450	–	–	5 450	3 092
Contributions due but unpaid	–	–	1 712	1 712	352
Amount due from retakaful	–	–	–	–	2 056
Sundry receivables	63 825	89 384	28 019	181 228	16 783
Investment income accrued	13	2 273	2	2 288	73
Shareholder's Fund unit holding in PIF	5 690	–	–	5 690	5 127
Capital Contribution	78 579	–	–	78 579	–
Income Tax Assets	–	–	–	–	268
Advances and deposits	902	–	–	902	100
Interfund Receivable	–	47 598	11 073	58 671	–
	154 459	139 255	40 806	334 520	27 851
Total assets	248 901	1 586 765	69 702	1 905 368	159 284

33.2 Revenue Account

	(Rupees '000)			
	Statutory Funds			
	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
33.2.1 Participants' Investment Fund (PIF)				
Income				
Allocated contribution	1 292 346	–	1 292 346	64 767
Policy Transfer to other statutory Fund	2 332	–	2 332	–
Net investment income	109 782	–	109 782	767
Total net income	1 404 460	–	1 404 460	65 534
Less: Claims and Expenditure				
Wakalat-ul-Istismar	87 240	–	87 240	7 303
Surrender	86 045	–	86 045	2 300
	173 285	–	173 285	9 603
Excess of income over claims and expenditure	1 231 175	–	1 231 175	55 931
Add : Technical reserves at the beginning of the period	55 931	–	55 931	–
Less : Technical reserves at the end of the period	1 287 106	–	1 287 106	55 931
	(1 231 175)	–	(1 231 175)	(55 931)
Surplus / (Deficit)	–	–	–	–
Movement in technical reserves	1 231 175	–	1 231 175	55 931
Balance of PIF at the beginning of the period	55 931	–	55 931	–
Balance of PIF at the end of the period	(a) 1 287 106	–	1 287 106	55 931
33.2.2 Participants' Takaful Fund (PTF)				
Income				
Contribution net of retakaful recoveries	41 215	36 889	78 104	22 330
Net investment income	2 556	264	2 820	84
Total net income	43 771	37 153	80 924	22 414
Less: Claims and Expenditure				
Claims net of retakaful recoveries	3 771	13 098	16 869	2 484
Selection discount	(8 785)	–	(8 785)	–
Wakala fee	18 447	13 902	32 349	8 654
	13 433	27 000	40 433	11 138
Excess of income over claims and expenditure	30 338	10 153	40 491	11 276
Add : Technical reserves at the beginning of the period	6 397	2 942	9 339	–
Less : Technical reserves at the end of the period	20 563	8 011	28 574	9 339
	(14 166)	(5 069)	(19 235)	(9 339)
Surplus / (Deficit) before distribution	16 172	5 084	21 256	1 937
Movement in technical reserves	14 166	5 069	19 235	9 339
Balance of PTF at the beginning of the period	8 177	3 099	11 276	–
Balance of PTF at the end of the period	(b) 38 515	13 252	51 767	11 276

33.2.3 Shareholders' Sub-Fund

	(Rupees '000)			
	Statutory Funds			
	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Income				
Un-allocated contribution	474 456	–	474 456	171 930
Net investment income	2 587	–	2 587	2 056
Wakalat-ul-Istismar - PIF	87 240	–	87 240	7 303
Wakala Fee - PTF	18 447	13 902	32 349	8 654
Total net income	582 730	13 902	596 632	189 943
Less: Expenditure				
Acquisition costs	548 800	7 371	556 171	201 075
Administration expenses	112 776	2 987	115 763	54 756
	661 576	10 358	671 934	255 831
(Shortfall) / Excess of income over expenditure	(78 846)	3 544	(75 302)	(65 888)
Add : Technical reserves at the beginning of the period	–	–	–	–
Less : Technical reserves at the end of the period	–	–	–	–
	–	–	–	–
(Deficit) / surplus transferred to shareholders' fund	–	–	–	(82 178)
Movement in technical reserves	–	–	–	–
Balance of shareholders' sub fund at beginning of the period	–	–	–	–
Capital Contribution	85 449	3 807	89 256	–
Retained earnings on other than participating business	13 354	2 936	16 290	16 290
Balance of shareholders' sub fund at the end of the period	(c) 19 957	10 287	30 244	16 290
Balance of statutory funds at the end of the period	(a+b+c) 1 345 578	23 539	1 369 117	83 497

33.3 Statement of contribution

	(Rupees '000)			
	Statutory Funds			
	Individual Family Takaful	Group Family Takaful	Aggregate 2016	Aggregate 2015
Gross contribution				
Regular contribution individual policies				
First year	665 979	–	665 979	235 600
Second year	121 946	–	121 946	–
Subsequent year renewal	5 298	–	5 298	–
Single contribution individual policies	1 041 515	–	1 041 515	18 992
Group policies without cash values	–	51 701	51 701	13 141
Total gross contribution	1 834 738	51 701	1 886 439	267 733
33.3.1 Participants' Investment Fund				
Allocated regular contribution	253 163	–	253 163	45 775
Allocated single contribution	1 041 515	–	1 041 515	18 992
Total allocated contribution	1 294 678	–	1 294 678	64 767
33.3.2 Participants' Takaful Fund				
Allocated gross contribution	65 604	51 701	117 305	31 036
Less: Retakaful contribution ceded				
On individual life first year business	20 439	–	20 439	4 260
On individual life second year business	3 950	–	3 950	–
On group policies	–	14 812	14 812	4 446
Total retakaful contribution ceded	24 389	14 812	39 201	8 706
Net Risk Contribution of PTF	41 215	36 889	78 104	22 330
33.3.3 Shareholders' Sub-Fund				
Unallocated regular contribution	474 456	–	474 456	171 930

33.4 Statement of Claims

(Rupees '000)

	Statutory Funds		Aggregate 2016	Aggregate 2015
	Individual Family Takaful	Group Family Takaful		
Claims under Individual Family Takaful	94 985	–	94 985	2 300
Claims under Group Family Takaful	–	18 542	18 542	4 540
Total Gross Claims	94 985	18 542	113 527	6 840
Gross Claims allocated as follows:				
Participant's Investment Fund (PIF)				
Surrenders / Partial withdrawals under Individual Policies	86 045	–	86 045	2 300
Participant's Takaful Fund (PTF)				
Under individual policies by death	8 940	–	8 940	–
Under group policies by death	–	18 140	18 140	4 532
Under group policies by event other than death	–	402	402	8
Total gross claims under PTF	8 940	18 542	27 482	4 540
Less: Re-Takaful recoveries under PTF				
On group policies	–	5 444	5 444	2 056
On individual policies	5 169	–	5 169	–
Net Claims under PTF	3 771	13 098	16 869	2 484
Total Net Claims	89 816	13 098	102 914	4 784

33.5 Statement of Expenses

(Rupees '000)

	Statutory Funds		Aggregate 2016	Aggregate 2015
	Individual Family Takaful	Group Family Takaful		
Acquisition costs				
Shareholders' Sub-Fund				
Remuneration to insurance intermediaries on individual policies:				
- commission on first year contribution	288 100	–	288 100	111 479
- commission on second year contribution	12 797	–	12 797	–
- commission on Subsequent Renewal Contribution	1 187	–	1 187	–
- commission on single contribution	34 077	–	34 077	424
- override commission	40 802	–	40 802	13 058
- other benefits to insurance intermediaries	110 710	–	110 710	56 906
	487 673	–	487 673	181 867
Remuneration to insurance intermediaries on group policies:				
- commission	–	5 951	5 951	199
- other benefits to insurance intermediaries	–	1 420	1 420	2 470
	–	7 371	7 371	2 669
Branch overheads	38 757	–	38 757	16 438
Other acquisition costs				
- policy stamps	13 585	–	13 585	101
Total acquisition cost	540 015	7 371	547 386	201 075

Acquisition costs

Administration expenses

Salaries and other benefits	59 422	2 270	61 692	20 865
Travelling expenses	3 803	56	3 859	4 582
Cede money - Waqf	–	–	–	2 000
Actuary's fees	1 224	–	1 224	321
Medical fees	537	–	537	256
Legal and professional fee	6 909	21	6 930	5 699
Advertisements and publicity	2 488	–	2 488	7 121
Computer expenses	1 860	1	1 861	701
Printing and stationery	3 821	34	3 855	2 295
Depreciation	5 742	125	5 867	669
Amortization	1 266	–	1 266	229
Rental	3 513	189	3 702	810
Postage	7 133	–	7 133	177
Fees and subscription	9 732	47	9 779	2 909
Other management expenses	14 130	244	14 374	6 122
Gross Management Expenses	661 595	10 358	671 953	255 831

Commission from reinsurers	(8 785)	–	(8 785)	–
Fees charged to policyholders	(19)	–	(19)	–

Net Management Expenses

33.6 Statement of Investment Income

(Rupees '000)

	Statutory Funds		Aggregate 2016	Aggregate 2015
	Individual Family Takaful	Group Family Takaful		
33.6.1 Participants' Investment Fund (PIF)				
Return on government securities	5 078	–	5 078	219
Other Fixed Income securities	17 703	–	17 703	606
Dividend Income	8 217	–	8 217	–
Amortization of (premium) / discount	(311)	–	(311)	(9)
Gain on sale of Investment	5 962	–	5 962	–
Unrealized gain / (loss) on Investment	73 133	–	73 133	(49)
Net investment income of PIF	(a) 109 782	–	109 782	767
33.6.2 Participants' Takaful Fund (PTF)				
Return on government securities	105	103	208	14
Profit on bank deposits	2 451	161	2 612	70
Net investment income of PTF	(b) 2 556	264	2 820	84
33.6.3 Shareholders' Sub-Fund				
Return on government securities	22	–	22	37
Other Fixed Income securities	78	–	78	87
Dividend Income	37	–	37	–
Amortization of discount/premium	(1)	–	(1)	–
Gain on sale of Investment	26	–	26	–
Unrealized Gain / (loss) on Investment	323	–	323	(10)
Interest on bank deposits	2 102	–	2 102	1 942
Net investment income of shareholders' sub-fund	(c) 2 587	–	2 587	2 056
Net Investment Income	(a+b+c) 114 925	264	115 189	2 907

Statements under Section 52(2) of Insurance Ordinance 2000

34. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on February 14, 2017.

35. GENERAL

- 35.1 Figures in these financial statements have been rounded off to the nearest thousand of rupees, unless otherwise stated.
- 35.2 Certain prior year's figures have been reclassified for the purpose of comparison. However, there are no major reclassifications to report.
- 35.3 The Board of Directors has proposed a cash dividend of Rs.12 per share (2015: Rs.7/- per share) amounting to Rs. 1,200 million (2015: Rs. 700 million) at its meeting held on February 14, 2017 for the approval of the members at the Annual General Meeting to be held on April 15, 2017. These financial statements do not reflect this appropriation as explained in note 5.1.10.

Statement by Appointed Actuary

I have reviewed the Balance Sheet and Revenue Account and related notes prepared by the Company for the year ending December 31, 2016. In my opinion:

- (a) the policyholder liabilities included in the balance sheet have been determined in accordance with the provisions of the Insurance Ordinance, 2000 ("the Ordinance"); and
- (b) each statutory fund set up by the Company, after accounting for the capital contribution, complies with the solvency requirements of the Ordinance.

OMER MORSHED, FCA, FPSA, FIA
Appointed Actuary

Statement by Directors

(As per the requirement of section 46(6) and section 52(2)(c) of the Insurance Ordinance, 2000).

Section 46(6)

- a. In our opinion the annual statutory account of EFU Life Assurance Ltd. set out in the forms attached to the statement have been drawn up in accordance with the Ordinance and any rules made there under.
- b. EFU Life Assurance Ltd. has at all times in the year complied with the provision of the Ordinance and the rules made there under relating to paid-up capital, solvency and reinsurance arrangements, and
- c. As at December 31, 2016 EFU Life Assurance Ltd, continues to be in compliance with the provisions of the Ordinance and rules made there under relating to paid-up capital, solvency and reinsurance arrangement.

Section 52(2)(c)

- d. In our opinion each statutory fund of EFU Life Assurance Ltd. complies with the solvency requirement of the Insurance Ordinance, 2000 and the Insurance Rules, 2002.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi February 14, 2017

Pattern of Shareholding as at 31 December 2016

Number of Shareholders	Shareholdings		Holding Shareholders
	From	To	
197	1	100	7 718
273	101	500	76 756
131	501	1 000	107 030
359	1 001	5 000	992 843
74	5 001	10 000	545 039
26	10 001	15 000	322 069
19	15 001	20 000	328 027
9	20 001	25 000	205 600
6	25 001	30 000	166 570
3	30 001	35 000	93 840
3	35 001	40 000	112 303
4	40 001	45 000	172 821
9	45 001	50 000	441 274
3	55 001	60 000	168 096
2	60 001	65 000	124 800
5	65 001	70 000	340 633
3	75 001	80 000	235 834
1	80 001	85 000	82 352
1	90 001	95 000	92 400
3	95 001	100 000	298 800
2	100 001	105 000	204 200
1	105 001	110 000	106 061
1	115 001	120 000	120 000
1	120 001	125 000	125 000
1	125 001	130 000	128 469
2	130 001	135 000	265 700
1	145 001	150 000	150 000
1	150 001	155 000	150 601
1	155 001	160 000	155 929
1	165 001	170 000	167 000
1	175 001	180 000	176 063
2	245 001	250 000	499 994
1	330 001	335 000	332 000
1	345 001	350 000	349 865
1	405 001	410 000	406 123
1	480 001	485 000	480 773
2	495 001	500 000	1 000 000
1	675 001	680 000	676 470
1	710 001	715 000	714 756
1	795 001	800 000	800 000
3	830 001	835 000	2 502 000
1	945 001	950 000	948 229
1	950 001	955 000	952 621
1	980 001	985 000	982 000
1	1 285 001	1 290 000	1 288 835
1	1 290 001	1 295 000	1 292 518
1	3 480 001	3 485 000	3 482 596
1	3 515 001	3 520 000	3 519 981
1	10 000 001	10 005 000	10 000 463
1	20 045 001	20 050 000	20 047 708
1	43 055 001	43 060 000	43 059 240
1 168			100 000 000

Information as required under the Code of Corporate Governance

Categories of Shareholders	Shareholders	Shares held	Percentage
Associated Companies, Undertakings and Related Parties			
EFU General Insurance Ltd.		43 059 240	
Jahangir Siddiqui & Co. Ltd.		20 047 708	
Energy Infrastructure Holding (Pvt) Ltd		800 000	
J S Bank Ltd.		982 000	
Jahangir Siddiqui Securities Services Limited		38	
Trustee EFU Life Assurance Ltd., Staff Provident Fund		760	
	7	64 889 746	64.89
Mutual Funds			
ICP A/C. MR. NOMAN FAROOQ		471	
ICP A/C. COL M.A. SHEIKH		1 331	
IDBL (ICP UNIT)		35	
	3	1 837	0.00
Directors, CEO, & their spouses and minor children			
Rafique R. Bhimjee		3 482 596	
Saifuddin N. Zoomkawala		500 000	
Taher G. Sachak		525 928	
Muneer R. Bhimjee		3 519 981	
Hasanali Abdullah		136 146	
Heinz Walter Dollberg		588	
Kamal Afsar		501	
Syed Salman Rashid		10 000 463	
Mahmood Lotia		6 000	
Naila Bhimjee		1 288 835	
Lulua Saifuddin Zoomkawala		55 432	
	13	19 516 470	19.52
Executives	5	143 307	0.14
Banks, Development Finance Institutions, CDC Modarabas & Mutual Funds	3	846 741	0.85
Non-Banking Finance Institutions, Insurance Co.	2	132 000	0.13
Individuals / Others	3	46 600	0.05
Foreign Investors (repatriable basis)	1 125	10 299 959	10.30
	7	4 123 340	4.12
Total	1 168	1 00 000 000	100.00
Shareholders holding 5 % or more voting interest			
EFU General Insurance Ltd.		43 059 240	43.06
Jahangir Siddiqui & Co. Ltd.		20 047 708	20.05
Syed Salman Rashid		10 000 463	10.00

Glossary of Important Terms

Acquisition cost	Expenses incurred by the company for acquisition of Insurance/Takaful business. These mainly include expenses relating to the distribution channels.
Administration Expenses	Expenses of the company other than the acquisition cost.
Authorized Share Capital	The maximum value of shares that a Company can issue.
Balance Sheet	An accounting term referring to a listing of a company's assets, liabilities and surplus as of a specific date.
Cash Value	The cash value of an insurance/Takaful contract, also called the cash surrender value or surrender value, is the cash amount offered to the policyholder/participant by the life insurer/Takaful operator upon cancellation/maturity of the insurance/Takaful policy.
Claims	The amount payable under a contract of insurance/Takaful arising from occurrence of an insured event.
Commission	Remuneration to an insurance/Takaful intermediary for services such as selling and servicing of insurance/Takaful products
Contribution	Monetary contribution paid as lump sum or periodically by a participant to a Takaful operator for the purpose of obtaining Takaful Benefits
Death Claim	Insurance/Takaful claims paid to beneficiaries when the insured person/participant dies during the period of insurance/Takaful.
Disability Claim	Insurance/Takaful claims paid to the insured person/participant in case of a defined disability during the periods of insurance/Takaful
Dividend Yield	A financial ratio that shows how much a company pays out in dividends each year relative to its share price. In the absence of any capital gains, the dividend yield is the return on investment for a stock.
Earnings per Share	The portion of the company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.
Gross Contribution	Total contribution of the Operator for all takaful lines of business including Individual Family Takaful new business, Individual Family Takaful renewal contributions, Group Family Takaful business and Single Contribution.
Gross Premium	Total premium of the company for all lines of business including individual life new business, individual life renewal premium, Group business and single premium
Maturity Claim	Insurance/Takaful claim paid to the insured person/Participant in case of maturity of the insurance/Takaful policy.
Net Contribution	Gross contribution less the retakaful contribution ceded.
Net Premium	Gross premium less the reinsurance premiums ceded
Outstanding Claims	Claims incurred and reported but not paid as on the date of the financial statements
Paid-up capital	The amount paid or contributed by shareholders in exchange for shares of a company's stock.
Participants	A person who participates in a Takaful scheme and to whom Takaful Contract is issued
Participants' Investment Fund (PIF)	The unit linked investment fund in which a proportion of the gross contribution is invested.
Participants' Takaful Fund (PTF)/Waqf Fund	A fund which is a risk pool for Takaful participants. It is a sub fund of a statutory fund into which participant's risk related contributions are paid and risk related benefits are paid out.

PAT	Gross profit for the year net of the tax for the year, as mentioned in the Profit and Loss Account.
Policyholders' liabilities	It is the value of the obligation of the insurer to its policyholders. A major portion of this is policyholder reserves, which is the amount representing actual or potential liabilities kept by an insurer to cover policyholders benefits.
Premium	Financial cost of obtaining an insurance cover, paid as a lump sum or in installments during the duration of the policy
Qard - e - Hasna	In case of a deficit in Waqf Fund, Takaful Operator extends a Qard-e-Hasna (interest free loan) to PTF to cover the deficit. This Qard is repaid to the Takaful Operator from future surpluses in the PTF.
Reinsurance Premium	Reinsurance premiums are premiums paid to other insurance companies pursuant to the reinsurance agreements mainly for the purpose of diversification of risks of high value policies.
Retakaful Contribution	Retakaful contributions are contributions paid to other Takaful companies pursuant to the retakaful agreements mainly for the purpose of diversification of risks of high value memberships.
Retention	The part of insurance/Takaful risk that the reinsurer/Takaful Operator retains before passing on the excess to a reinsurer/Retakaful.
Return on Equity	Return on equity measures a company's profitability by revealing how much profit a company generates with the money shareholders have invested. ROE is expressed as a percentage and calculated as: Return on Equity = Net Income/Shareholder's Equity
Shareholders' Equity	This is the total of Paid-up capital, accumulated surplus and any general reserves.
Shareholders' Fund	A fund that is established in the records of a life insurance/Takaful Operator and which contains that part of the assets and liabilities of a life insurer/Takaful operator which is attributed to it and is not attributed to any statutory fund maintained by that life insurer/Takaful Operator
Solvency	Having sufficient assets-capital, surplus, reserves-and being able to satisfy financial requirements to be eligible to transact insurance/Takaful business and meet liabilities.
Statutory Fund	A fund that is established in the records of a life insurer/ Takaful Operator and which relates solely to the life insurance/Takaful business of that life insurer/takaful operator or a particular part of that life insurance/Takaful business
Surplus in Waqf Fund	The excess of assets over liabilities in Waqf Fund/Participants' Takaful Fund (PTF). Negative surplus would be named as 'Deficit' in Waqf Fund.
Surrender Claim	Insurance/Takaful claims paid to the insured person/participant in case an insurance/Takaful policy is terminated before end of its term
Underwriting	The process of assessing and selecting risks for insurance/Takaful and classifying them according to their degrees of insurability so that and appropriate price may be assigned. The process also includes rejection of those risks that do not qualify.
Takaful Donation/Tabarru Donation/Mortality Charge	The portion of contribution of Participant to the Waqf Fund/Participants' Takaful Fund to obtain its membership for Takaful benefits.
Takaful Operators Fund	A Fund setup by a Window Takaful Operator which shall undertake all transactions which the Operator undertakes other than those which pertains to Participants Takaful Fund/Participant Investment Fund setup for the Window Takaful Operations.
Wakalah Fee	The fee that takaful operator charges for the management of Waqf Fund or acting as a Wakeel (Manager of PTF).
Window Takaful Operator	A Registered Insurer authorized under Takaful Rules, 2012 to carry on Takaful business as Window Operations in addition to Conventional Insurance Business.

Group Benefits & Bancassurance - Offices

Group Benefits - Offices

Karachi

Plot No. 112, 8th East Street, Phase-I, DHA, Karachi
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Naveed-ul-Haq Bhatti, Chief Marketing Manager
Anila Hassan Riaz, Senior Marketing Manager
Rizwana Aslam, Marketing Manager
Umair Siddiqui, Marketing Executive
Adeel H. Jaffery, Director (Group Projects)

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Fayyaz Mehmood Tahir,
Head of Bancassurance - Central

Hafiz Muhammad Babar Rafique,
Sr. Regional Head - Bancatakaful

Syed Zamin Ali, Regional Head - Bancassurance

Zubair Zahid, Regional Head - Bancassurance

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Kashif Mansoor Ali Khan, Area Head - Bancassurance

Multan

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Individual Life - Offices

Abbottabad Branch

Alfatah Shopping Center, Opposite Radio
Station, Jhungi, Abbottabad.
0992-341978, 0992-403697, 0992-334254,
Waqas Khan, Senior Unit Manager

Ahmed Pur East Branch

Opposite Canal Rest House,
Katchery Road, Ahmed Pur East.
062-2273039, 062-2273049,
Ishfaq Hussain Mughal,
Assistant Branch Manager

Ali Pur Chatha Branch

Gujranwal Road opposite the
Bank of Punjab, Ali Pur Chatta Tehsil
Wazirabad, Distt., Gujranwala
0556332690
Muhammad Ishfaq, Unit Manager

Arifwala Branch

EFU Life Assurance, M-Block,
Pakpattan Road, Arifwala.
045-7830480, 045-7830478' 045-7830479,
045-7830481, 045-7830483, 045-7830477,
Altaf Hussain, Branch Manager

Arifwala City Branch

EFU Life Assurance, M-Block,
Pakpattan Road, Arifwala.
045-7830480, 045-7830478, 045-7830479,
0457830481, 045-7830483, 045-7830477,
Ahsaan Talib, Senior Unit Manager

Attock Branch

1st Floor, Sheikh Jaffar Plaza,
Siddiqui Road, Attock City.
057-2703338, 057-2602067,
057-2701957, 057-2702338
Amjid Hussain Shah,
Assistant Branch Manager

Bagh AK Branch

Near Bagh International Hotel
2nd Floor of Amaar Hospital Distt Bagh AK
0346-5212797
Ghulam Mustafa, Senior Unit Manager

Bahawalpur Branch

88-A, Noor Mahal Road, Bahawalpur.
062-2887338,39,40,41,42,43,44 &
062-2887348,49,50,
Mian M. Afzal,
Assistant Branch Manager

Bahawalpur Cantt Branch

88-A, Noor Mahal Road, Bahawalpur.
062-2887338,39,40,41,42,43,44 &
062-2887348,49,50,
Junaid Masud, Regional Manager

Bahawalpur City Branch

88-A, Noor Mahal Road, Bahawalpur.
062-2887338,39,40,41,42,43,44 &
062-2887348,49,50
Naeem Akhter Chaudhry, Branch Manager

Bahawal Nagar Branch

Chishtian Road opposite PSO Pump
Near Chungi # 2, Bahawalnagar
0632-277247
Hamid Bilal, Senior Unit Manager

Bhakkar Branch

1st Floor Ubaid Plaza Near MCB Bank
Behal Road Bhakkar
0453-515074
Mujahid Khan, Senior Unit Manager

Bhimber Branch

Heaven Palace Basement Sultan Plaza
Meer pur Chowk Bhimber AJK
053-7575520-22
M. Rizwan Sadiq, Unit Manager

Burewala Branch

Upper MCB Bank,
Main Multan Road, Burewala.
0673-771491-94, 771338
Imran Mehfooz, Assistant Branch Manager

Baltistan Branch

Husaini chowk Main Bazar Skardu Baltistan
05815-450941
Mubashir Hassan, Branch Manager

Chilas Branch

Near Karakuram Cooperative Bank Chilas
0581-2450647
Ouranzeb, Senior Unit Manager

Chichawatni Branch

Plot No # 1976, Street No 2, Block No 14,
Gujjar Chow Near Capton Naeem Hospital
Chicha Watni
0405-487158
Mudassir Meraj, Senior Unit Manager

Chishtian Branch

13 Gajyani Road, Chishtian.
063-2500299, 063-2509037, 063-2508037
063-2508137, 063-2507334, 063-2507332,
Muhammad Amin, Senior Unit Manager

Chowk Munda Branch

Multan Road Upper Story
Husnain Honda Center.
0344-2968580
Syed Rizwan Ali Shah, Unit Manager

Depalpur Branch

Super Market Okara Road Depalpur.
0333-6991991
Ahmad Kamran, Unit Manager

Dera Ismail Khan Branch

1st Floor, Najeeb Centre,
East Circular Road, Dera Ismail Khan.
0966-734001-02,03,04,05 & 06
S. Hasan Ali Shah, Unit Manager

Daharki Civic Branch

Near Main G.T. Road,
Daharki, Distrikt Ghotki.
0723-643256, 0723-643512,
0723-642424, 0723-643440,
Muhammad Nadeem,
Assistant Branch Manager

Dera Allahyar Branch

Main Quetta Road, Dera Allahyar
0740510636
Jan Muhammad, Senior Unit Manager

Dera Ghazi Khan Branch

Jampur Road, 1st Floor,
Habib Metropolitan Bank, D.G. Khan
0642-468116, 0642-471056-7,
Mukhtar Ahmed Tabbsum,
Assistant Branch Manager

Dinga Branch

1st Floor, Fazil Plaza, Dalyan Chowk,
Dinga, Tehsil Kahrian Distt., Gujrat.
0537-400338, 0537-402338, 0537-404338,
0537-403399, 0537-600749,
Qaisar Abbas, Branch Manager

Digri Branch

Near Govt. Girl's High School, Digri
Mirpurkhas
0331-0368053
Tassawar Ali, Senior Unit Manager

Faisalabad Branch

2nd Floor, Ajmal Centre,
289 Batala Colony, Faisalabad.
0418555981-2,3,4,5,6,7
Ali Raza, Senior Unit Manager

Faisalabad Central Branch

2nd Floor, Ajmal Centre,
289 Batala Colony, Faisalabad.
041-8555981-2,3,4,5,6,7,
Mohammad Zahid Bashir,
Senior Unit Manager

Faisalabad Chenab Branch

2nd Floor, Ajmal Centre,
289 Batala Colony, Faisalabad.
041-8555981-2,3,4,5,6,7
Tajamal Khan, Branch Manager
Sikander Arshad, Group Manager

Faisalabad City Branch

2nd Floor, Ajmal Centre,
289 Batala Colony, Faisalabad.
041-8555981-2,3,4,5,6,7,
Syed Bashrat Ali, Assistant Branch Manager

Fateh Pur Branch

M M Road Fateh Pur near NBP old grain
market Tehsil Karor Lal easn Distt Layyah.
606840848
Ghulam Abbu Talib, Senior Unit Manager

Ghotki Branch

1st Floor, Shadani Shopping Center,
Opposite Police Station, Ghotki.
072-3680352, 072-3680351, 072-3684107,
072-3682423
Mahesh Kumar, Branch Manager

Gilgit Baltistan Branch

1st Floor, Dar Plaza, Nabi Bazar, Gilgit.
05811-459874
Faiz Ahmed Khan, Senior Branch Manager

Ghizer Branch

2nd floor, Dar Plaza, Nabi Bazar, Gilgit
05811459874, 346-2513655
Imran Khan, Senior Unit Manager

Gujranwala Branch

2nd Floor, AWR Plaza, Upside First Women's
Bank Ltd, Main G.T. Gujranwala.
055-3257387, 055-3734104, 055-3730790,
055-3731660, 055-3257388,
Rashid Riaz, Senior Unit Manager

Gujrat Branch

Dhakkar Plaza,
Rehman Shaheed Road, Gujrat.
053-3514246, 053-3609417-18,19,
Faisal Tahir, Regional Manager
Ali Rizwan, Senior Branch Manager

Gawadar Branch

Air Port Road Gawadar.
0321-8091617
Akhtar Ali, Assistant Branch Manager

Gojra Branch

Latif Plaza 1st Floor, Tehsil Office Road Gojra
Dist. Toba Tek Singh.
041-3422769
Sajjad, Senior Unit Manager

Hafizabad Branch

1st Floor, Upper Al Baraka Bank,
Ali Pur Road, Distt. Hafizabad.
054-7525639, 054-7524639, 054-7540639,
054-7541639, 054-7523639,
Hafiz Muhammad Amjad,
Senior Unit Manager

Haroonabad Branch

Milad Chowk, Baldia Road, Haroonabad.
0632253592, 0632253290-1,
Muhammad Kashif, Senior Branch Manager

Hub Chowki Branch

Main R.C.D. Road, Hub Chowki,
Distric Lasbella, Hub Chowki.
0853302115, 085364098
Lal Bakhsh Baloch, Assistant Branch Manager

Hassan Abdal Branch

1st Floor Ch. Tariq Plaza Near
MCB Bank GT Road Hassan Abdal
057-2522238
Mubashar Azam, Unit Manager

Hyderabad Autobahn Branch

B-15/9, RECHS, 2nd Floor,
The Autobahn Road, Hyderabad.
022-3411190-1 &
022-3411181-2,3,4,5,6,7,8,9
Bhesham Kumar, Branch Manager

Hyderabad Model Branch

B-15/9, RECHS, 2nd Floor,
The Autobahn Road, Hyderabad.
022-3411190-1 &
022-3411181-2,3,4,5,6,7,8,9 &
Durdana Khan, Assistant Branch Manager

Hyderabad Cantt Branch

1st Floor, Plot No. C-10, Railway Cooperative
Housing Society, Near MC Modnalds
Autobhan, Hyderabad.
022-2786323, 022-2780811, 022-2784642,
022-2784746, 022-2784729, 022-2785278,
022-2785217, 022-2784629, 022-2786360,
022-2780815, 022-27880453,
Zaheeruddin Babar, Senior Branch Manager

Hyderabad New City Branch

Office No. 8,9, 2nd Floor, Shelter Shopping
Mall, Saddar Cantt, Hyderabad.
022-2720550-1,2,3
Syed Sabir, Senior Unit Manager

Hyderabad City Branch

B-15/9, RECHS, 3rd Floor,
The Autobhan Road, Hyderabad.
022-2786323, 022-2780811, 022-2784642,
022-2784746, 022-2784729, 022-2785278,
022-2785217, 022-2784629, 022-2786360,
022-2780815, 022-27880453,
Dileep Nenwani, Senior Branch Manager

Hyderabad Mehran Branch

1st Floor, Plot No. C-10, Railway Cooperative
Housing Society, Near MC Modnalds
Autobhan, Hyderabad.
022-2786323, 022-2780811, 022-2784642,
022-2784746, 022-2784729, 022-2785278,
022-2785217, 022-2784629, 022-2786360,
022-2780815, 022-27880453,
Syed Sajid Ali, Branch Manager

Hyderabad Prime Branch

1st Floor Plot No. C-10, Railway Cooperative
Housing Society, Near MC Modnalds
Autobhan, Hyderabad.
022-2786323, 022-2780811, 022-2784642,
022-2784746, 022-2784729, 022-2785278,
022-2785217, 022-2784629, 022-2786360,
022-2780815, 022-27880453,
Mohammad Farhan Ali,
Assistant Branch Manager

Hunza Nagar

2nd floor Nazar Shah Plaza Hospital Chok
Ali Abad Hunza
05813455172, 0344-5949858
Sajjad Haider, Assistant Branch Manager

Islamabad Branch

Al-Malik Centre, 3rd Floor, 70-W Jinnah
Avenue (Blue Area), Islamabad.
051-2803367, 051-2348048, 051-2803112,
051-2803043, 051-2348049, 051-2348172,
051-2348045, 051-2803175, 051-2803284,
051-2803283
Younus Butt, Assistant Sales Director
Muhammad Kashif Khan, Branch Manager

Islamabad City Branch

Al-Malik Centre, 3rd Floor, 70-W Jinnah
Avenue (Blue Area), Islamabad.
051-2803367, 051-2348048, 051-2803112,
051-2803043, 051-2348049, 051-2348172,
051-2348045, 051-2803175, 051-2803284,
051-2803283
Nadeem Afzal Khan, Senior Unit Manager

Jacobabad Branch

1st Floor, National Autos,
Main Quaid-e-Azam Road, Jacobabad.
072-2650156, 072-2651876, 072-2654931,
Faqir Muhammad Shaikh, Branch Manager

Jhelum Branch

Karim Arcade M.M.
No. 03 Jada Road, Jhelum
0544627337, 0544627118 ,
0544720394,0544628606, 0544628751,
Nadeem Shakeel, Assistant Branch Manager

Karachi Falcon Branch

37-K Block 6 PECHS Karachi
02134811173,74
Adil Khan Khilji, Senior Unit Manager

Karachi Cantt Branch

Nafees Arcade, 3rd Floor, Off No. 301,
Opp. Askari Park, University Road, Karachi.
021-34854675, 021-34854672,
021-34854674
Reeta, Senior Unit Manager

Karachi Capital Branch

37-K, Block-6, PECHS,Karachi
021-34811183, 82, 72, 73, 73, 85, 69, 81
Ghulam Sarwar, Senior Unit Manager

Karachi Central Branch

37-K, Block-6, PECHS, Karachi.
021-34554006, 021-34559126,
021-34384020, 021-34320619,
021-34320620, 021-34386340-1,2,3,4,
Syed Arif Raza, Group Manager

Karachi City Branch

37-K, Block-6, PECHS, Karachi.
021-34554006, 021-34559126,
021-34384020, 021-34320619,
021-34320620, 021-34386340-1,2,3,4,
Malik Zafarullah Khan,
Assistant Branch Manager

Karachi Crescent Branch

37-K, Block-6, PECHS, Karachi.
021-34320618, 021-34384020,
021-34320619, 021-34320620,
021-34386340-1,2,3,4
Faisal Maniar, Assistant Branch Manager

Karachi Faisal Branch

37-K, Block-6, PECHS, Karachi.
021-34313637, 021-34302323,
021-34302324, 021-34527136,
Shah Zaman Shaikh,
Assistant Branch Manager

Karachi Galaxy Branch

Room No. 620, 6th Floor,
EFU House, M.A. Jinnah Road, Karachi.
021-32203381, 021-32311969,
021-32311964, 0300-3811787,
Jagdesb Kumar Pahooja
Senior Branch Manager

Karachi Garden Branch

F-2, 1st Floor, 67/A,
APWA Complex, Garden Road, Karachi.
021-32237678, 021-32257309,
021-32253472 & 021-32241981-2,3,4,
Shehzad Pyarali, Branch Manager

Karachi Gulshan Branch

Nafees Arcade, 3rd Floor, Off No. 301,
Opp. Askari Park, University Road, Karachi.
021-34854675, 021-34854672,
021-34854674
Abdul Wahab Shaikh,
Assistant Branch Manager

Karachi Gulshan-e-Hadeed Branch

1st Floor, C-15, Phase-I,
Gulshan-e-Hadeed, Bin Qasim, Karachi.
021-34721574-76 & 021-34715070-71,72,
Ghulam Shabbir Mirani, Branch Manager

Karachi Indus Branch

Al-Samad Tower, 7th Floor, Plot # SB-33,
Block 13-B, Opposite Bait-ul-Mukarram
Masjid, Gulshan-e-Iqbal, Main University
Road, Karachi.
021-34811183,
S.Shahid Hussain Zaidi,
Senior Branch Manager

Karachi Karsaz Branch

Nafees Arcade, 3rd Floor, Off No. 301,
Opp. Askari Park, University Road, Karachi.
021-34854675,021-34854672,
021-34854674
Zahoor Ahmed Khuhro,
Senior Branch Manager

Karachi Mehran Branch

37-K Block-6 PECHS Karachi
021-34811183,74
S.Samar Raza Zaidi, Branch Manager

Karachi Merewether Branch

37-K, Block-6, PECHS, Karachi.
021-34554006, 021-34559126,
021-34384020, 021-34320619,
021-34320620, 021-34386340-1,2,3,4,
Rehan Anwar, Group Manager

Karachi Metropolitan Branch

37-K, Block-6, PECHS, Karachi.
021-34320667, 021-34384020,
021-34320619, 021-34320620,
021-34386340-1,2,3,4,
Abdul Ghafoor Mashori, Senior Unit Manager

Karachi Model Branch

Nafees Arcade, 3rd Floor, Off No. 301,
Opp. Askari Park, University Road, Karachi.
021-34854675, 021-34854672,
021-34854674
Bheroo Mal, Senior Unit Manager

Karachi New City Branch

37-K, Block-6, PECHS, Karachi.
021-34527218, 021-34527135,
021-386507, 021-34313638,
Rabnawaz Ghumro, Senior Branch Manager
Shams Uddin Shaikh, Regional Manager

Karachi Paradise Branch

F-2, 1st Floor,
APWA Complex, Garden Road, Karachi.
021-32237678, 021-32257309,
021-32253472 & 021-32241981-2,3,4,
Khawar Ahmed, Assistant Branch Manager

Karachi Pioneer Branch

37-K, Block-6, PECHS, Karachi.
021-34320667, 021-34384020,
021-34320619, 021-34320620,
021-34386340-1,2,3,4
Nasir Rashid Bhatti, Senior Branch Manager

Karachi Royal Branch

37-K, Block-6, PECHS, Karachi.
021-34320311
Shahzad Hanif, Senior Unit Manager

Karachi Saddar Branch

37-K, Block-6, PECHS, Karachi.
021-34554006, 021-34559126,
021-34384020, 021-34320619,
021-34320620, 021-34386340-1,2,3,4
Mubashar Qayyum, Senior Unit Manager

Karachi Shaheen Branch

Room# 201 Nafees arcade 2nd floor plot
sc-14 KDA Scheme no:7 Chandi chowk,
University Road Karachi
021-32294791-2, 021-32237702,
Muzaffar Ahmed Bughio,
Branch Manager

Karachi West Branch

37-K, Block-6, PECHS, Karachi.
021-34554006, 021-34559126,
021-34384020, 021-34320619,
021-34320620, 021-34386340-1,2,3,4,
Nadeem Alam Ansari, Branch Manager

Kot Addu Branch

Upper Story of Quami Bachat Bank,
Railway Kot Addu
0662239122
Fazal Abbas, Senior Unit Manager

Kotli Branch

2nd Floor, Rathore Plaza, Rawalpindi Road,
Opposite Gulistan Hotel, Kotli, Azad Kashmir.
0582-6445621
Sardar Zakaullah Khan, Branch Manager

Kotli City Branch

First floor MCB, Altaf Fazal Plaza Kotli AK.
058-26448606
Gul Nazar, Assistant Branch Manager

Kharian Branch

Al Muqet Center G.T, Road Kharian.
0346-6485700
Qaisar Abbas, Branch Manager

Kotla A.A. Khan Branch

Near Fruit Mandi, Bhimber Road,
Kotla AA Khan.
053-7575520-21,22
Muhammad Saeed,
Assistant Branch Manager

Khairpur Branch

Kutchery Road, Khairpur.
0243-554016, 0243-714336, 0243-714337,
0243-714330
Jamaluddin, Assistant Branch Manager

Khanpur City Branch

Model Town B,
Near DSP Office, Khanpur.
0685955808, 0685576809,
0685577809
Waqar Habib, Assistant Branch Manager

Kot Ghulam Muhammad Branch

Opposite Old Mukhtiar Kar Office Samaro
Road Kot Ghulam Mohammad Bhurghri.
0233863157-8,9
Arjun, Unit Manager

Khushab Branch

Upper Story Nadra Office Near Katha Chowk
Sargodha Road Khushab
0303- 3361565
Muhammad Muhktar, Senior Unit Manager

Khaplu Branch

Near MCB Bank Main Bazar Skardu Baltistan
05815-450941
Muhammad Ayaz Ali, Senior Unit Manager

Karakurum Branch

1st Floor, Dar Plaza, Nabi Bazar, Gilgit.
05811459874,
Mohammad Nazir, Assistant Branch Manager

Kandhkot

Office no # 03 Shah Muhammad Malik Plaza
Opp Honda Showroom Mandi Road,
Kandkot
0722-570685
Adnan M. Samejo, Senior Unit Manager

Lalamusa Branch

Shayan Center,
1st Floor, G.T. Road, Lalamusa.
053-7517272, 053-7515656,
053-7517441, 053-7517445,
Adnan Ghazanfar, Branch Manager

Lahore Cantt Branch

43-L, 1st Floor, M.M. Alam Road,
Gulberg-II, Lahore.
042-35871235-6,7, 042-35716075,
042-35716076, 042-35711560,
042-35871238, 042-3558090,
042-35871239, 042-35871240,
042-35871241
Shoukat Ali, Assistant Branch Manager

Lahore Capital Branch

18-C, 3rd Floor, Commercial Zone, Liberty
Market, Gulberg-III, Lahore.
042-35712632, 042-35789755,
042-35789552, 042-35789554,
042-35712632, 042-35711279,
042-35789782, 042-35789550,
Iftikhar Hassan, Senior Branch Manager

Lahore Central Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35712632, 042-35789755,
042-35789552, 042-35789554,
042-35712632, 042-35711279,
042-35789782, 042-35789550,
Imran Saleem, Assistant Branch Manager

Lahore City Branch

18-C, 3rd Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35712632, 042-35789755,
042-35789552, 042-35789554,
042-35712632, 042-35711279,
042-35789782, 042-35789550,
042-35711273
Shahid Iqbal Bhatti, Group Manager

Lahore Civic Branch

43-L, 1st Floor,
M.M. Alam Road, Gulberg-II, Lahore.
042-35871235-6,7, 042-35716075,
042-35716076, 042-35711560,
042-35871238, 042-3558090,
042-35871239, 042-35871240,
042-35871241
Mahmood Ahmed, Branch Manager

Lahore Crescent Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-5716072-4
Malik Azhar, Branch Manager

Lahore Defence Branch

2nd Floor, Garden Heights,
Abick Block, New Garden Town, Lahore.
042-35941850-1,2,3,4
Mian Kashif Naseer, Senior Branch Manager

Lahore Fort Branch

43-L, 1st Floor,
M.M. Alam Road, Gulberg-II, Lahore.
042-35871235-6,7, 042-35716075,
042-35716076, 042-35711560,
042-35871238, 042-3558090,
042-35871239, 042-35871240,
042-35871241
Moazzam Bashir Kamal,
Assistant Branch Manager

Lahore Garden Branch

2nd Floor, Garden Heights,
Abick Block, New Garden Town, Lahore.
042-35941850-1,2,3,4
Nasir Ahmed, Assistant Branch Manager

Lahore Gulberg Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35789631-2,3, 042-3-5716075,
Syed Mehdi Raza Zaidi,
Assistant Branch Manager

Lahore Metropolitan Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35716072-4
Zahid Ali Raza, Senior Branch Manager
Imtiaz Hussain, Group Manager

Lahore Pioneer Branch

18-C, 3rd Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35712632, 042-35789755,
042-35789552, 042-35789554,
042-35712632, 042-35711279,
042-35789782, 042-35789550,
Syed Abuzer Gilani, Assistant Branch
Manager

Lahore Ravi Branch

43-L, 1st Floor,
M.M. Alam Road, Gulberg-II, Lahore.
042-35871235-6,7, 042-35716075,
042-35716076, 042-35711560,
042-35871238, 042-3558090,
042-35871239, 042-35871240,
042-35871241
Tanveer Ahmed Khan, Regional Manager

Lahore Shadman Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35789631-2,3, 042-3-5716075,
S.M.Raza Zaidi, Branch Manager

Lahore Shaheen Branch

2nd Floor, Garden Heights,
Abick Block, New Garden Town, Lahore.
042-35941852
Shahid Lazir, Senior Unit Manager

Lahore Star Branch

18-C, 1st Floor, Commercial Zone,
Liberty Market, Gulberg-III, Lahore.
042-35716072-4
Kashif Hussain Malik,
Assistant Branch Manager

Larkana Branch

1st Floor, Bukhari Shopping Centre,
Station Road, Larkana.
074-4057434-5,6,7 & 074-4046700,
074-4046702
Shahzado Mal, Branch Manager

Layyah Branch

Opposite Bayco Petrol Pump,
Chobara Road, Layyah.
0606-410524-25, 0606-411802-3,4
Shafquat Ali Rao, Senior Branch Manager

Lodhran Branch

Al Noor Plaza, Uper Story National Bank of
Pakistan Supper Chowk Lodhran
0622887338,39,40,41,42,43,44 and
0622887348,49,50
Jaffar Muhammad, Unit Manager

Liaquat Pur Branch

1st Floor Karim Center Kachi
Mandi Liaquat pur.
0300-6248655
Mohammad Aslam, Unit Manager

Mangowal Gharbi Branch

EFU Life Tulla Plaza Near Police Chowki
Mangowal Gharbi District & Tahsil Gujrat.
0345-6938861
Shahzada Waqas Ahmed, Unit Manager

Mandi Bahauddin Branch

2nd Floor, Ayub Plaza,
Upper National Bank of Pakistan,
Katchary Road, Mandi Bahauddin.
0546-520955-6, 0546-520855,
0546-520755
Abid Mehmood, Assistant Branch Manager

Mianwali Branch

Muhammad Plaza 1st Floor Opp Niazi
News Agency Ballo Khail Raod Mianwali
0301-4750835
Mureed Abbas, Assistant Branch Manager

Mirpurkhas City Branch

Opp: Gama Stadium,
Main Hyderabad Road, Mirpukhas-69000.
0233-863157-8,9
Sharwan Kumar, Assistant Branch Manager

Mirpurkhas Tharparker Branch

Opp: Gama Stadium,
Main Hyderabad Road, Mirpukhas 69000.
0233-863157-8,9
Muhammad Fawad Faisal, Branch Manager

Multan City Branch

1st Floor, Rajput Commercial Centre,
Tareen Road, Multan.
061-4500911-12,13,14,15,16,17,18,19,20
Syed Wazir Ali Zaidi, Branch Manager
M. Kashif Riffat, Senior Branch Manager

Multan Pioneer Branch

1st Floor, Rajput Commercial Centre,
Tareen Road, Multan.
061-4500911-12,13,14,15,16,17,18,19,20
Kashif Aslam, Assistant Branch Manager

Multan Cantt Branch

1st Floor Rajput Commercial Centre Taren
Road Multan
0614500911-12,13,14,15,16,17,18,19,20
Mohammad Abid Raza Shah,
Branch Manager

Muridke Branch

Bangla Stop Near J.S Bank
Main G.T Road Muridke.
04237166065, 04237166065,
Bilal Iqbal, Unit Manager

Muzaffarabad Branch

1st Floor, Allied Bank,
Main Branch, Bank Road, Muzaffarabad.
05822-442080-1
Maqbool Ahmed Kiani, Branch Manager

Muzaffargarh Branch

Jandeel Plaza, First floor Ghang Road,
Muzzafar Garh
0662422944
Shazad Ahmed, Assistant Branch Manager

Mirpur AK Branch

2nd Floor, Nishat Center,
Opp. DHQ Hospital Mirpur AK
058-27446477-88, 0321-2415420
Tariq Mehmood, Senior Branch Manager

Mian Chanuu Branch

Tulamba Road Oppsit Sufdar
Nursery Doctor Complex 1st Floor.
0335-9103103
Mohammad Sajid, Unit Manager

Mansehra

1st Floor Al-Fateh Shopping Center, Opposite
Radio Station Mansehra Road, Abbottabad
0992341978,0992403697, 0992334254,
Saqib Hussain, Senior Unit Manager

Mirpur Mathelo

Mathelo Road Near Ghanta Ghar Mir Pur
Mathelo.
072-3663235, 0333-725365
Ali Hassan Rajput, Unit Manager

Naushero Feroze Branch

DCO Office, Main Road,
Naushero Feroze.
0242-448661
Sarfraz Ahmed Qureshi, Senior Unit Manager

Nawabshah Branch

Plot No.B-599, 1st Floor,
Opposite Al Karim Hotel,
Katchery Road, Nawabshah.
024-4372807-08, 024-4365033,
Abdullah M. Ghumro, Branch Manager

Naudero Branch

Station Road, Upon Dr. Muhammad Khan
Clinic, Naudero, Dist. Larkana.
0333-3208981
Shahzado Kosar Ali, Unit Manager

Okara Branch

1st Floor Bank Islami M.A Jinnah Road Okara.
0300-6951902
Arsalan Haider, Unit Manager

Peshawar Branch

Suite No. 1,2,3, Azam Tower,
2nd Floor, Arbab Road,
Stop Jamrood Road, Peshawar.
091-5852922-23, 091-5845609,
091-5843404, 091-5701609,
Syed Jameel Abbas, Senior Unit Manager

Pishin Branch

Office No-4, 1st Floor S,
Salahuddin Plaza Qazi Housing Scheme
Band Road Pishin
0333-7855510
Mohammad Asif, Unit Manager

Pano Aqil Branch

1st Floor Opn Khushali Bank, Baiji Road,
Pano Aqil, Taluka Pano Aqil, Dist. Sukkar.
071-5690291, 0315-3433161
Shafi M. Ghoto, Senior Unit Manager

Quetta Branch

1st Floor, Near Bank Alfalah,
M.A. Jinnah Road, Quetta.
081-2865509-13 &
081-2822184
Imran Ahmed, Branch Manager

Quetta Chilton Branch

1st Floor, Shaheen Views,
Model Town, Hali Road, Quetta.
081-2841696, 081-2827787, 0812836537,
081-2841618, 081-2834825, 081-2834831,
Suneel Kumar Matree,
Assistant Branch Manager

Quetta Model Branch

1st Floor, Shaheen Views,
Model Town, Hali Road, Quetta.
081-2841696, 081-2827787, 081-2836537,
081-2841618, 081-2834825, 081-2834831,
Muhammad Javed, Senior Branch Manager

Quetta Prime Branch

1st Floor, Shaheen Views,
Model Town, Hali Road, Quetta.
081-2841696, 081-2827787, 081-2836537,
081-2841618, 081-2834825, 081-2834831,
Mohammad Hanif Raza,
Assistant Branch Manager

Quetta Zarghoon Branch

1st Floor, Near Bank Alfallah,
M.A Jinnah Road, Quetta.
081-2865509-13 &
081-2822184
Amir Muhammad Jan, Senior Unit Manager

Rahim Yar Khan Branch

Upper Story, JS Bank,
Near Niaz Clinic, City Chowk, RYK.
068-5876735, 068-5871380, 068-5881380,
068-5880034, 068-5886819
Abdul Jabbars, Senior Branch Manager

Rajanpur Branch

Ramzan Karim Complex,
D. G. Khan Road, Rajanpur.
068-5876735, 068-5871380,
068-5881380, 068-5880034, 068-5886819,
Wahid Javed, Senior Unit Manager

Rawalpindi Branch

20-B, 2nd Floor, North Star Plaza,
Rehmanabad Muree Road, Rawalpindi.
051-4581364-5,6 & 051-4842002,
Shahid Mehmood Awan, Branch Manager

Rawalpindi Cantt Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Nea r Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
Numan Sabir, Branch Manager

Rawalpindi Chandni Chowk Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Near Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
Saad Aslam Cheema, Senior Unit Manager

Rawalpindi Rawal Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Near Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
Muhammad Afzal, Regional Manager

Rawalpindi Royal Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Near Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
S.M. Ali Shafaat Bukhari,
Senior Unit Manager

Rawalpindi Saddar Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Near Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
M.Ashfaq Khan, Assistant Branch Manager

Rawalpindi Westridge Branch

128- B, 2nd Floor, Din Plaza, Main Murree
Road, Near Chandni Chowk, Rawalpindi.
051-4427686, 051-4571485, 051-4571479
& 051-4571489,90,91,92,93,95
Malik Amjid Mehboob,
Assistant Branch Manager

Rohri Branch

Opp Bab - e - Karbala Gate,
G-T Road Rohri.
0715810664
Ghulam Mustafa Mughal,
Senior Unit Manager

Ranipur Branch

National Highway Ranipur Opp. Masha Allah
Petrol Pump Tehsil, Sobhodero Dist Khairpur
0243-630290,
Safdar Hussain Qureshi, Senior Unit Manager

Sanghar Branch

House # 962/42,
Shah Latif Colony Hyderabad Road Sanghar.
0333-2915046
Imtiaz Muhammad, Senior Unit Manager

Shahdad Kot Branch

Civil Hospiital Chowk, Tunia Muhalla,
Shadakot, Dist. Qamber Shadadkot.
0334-2009716
Fahad Hussain, Unit Manager

Sibi Branch

Opp. Qayyum Iron Store, Jinnah Road Sibi.
0333-7801759
Naveed Ul Haq, Unit Manager

Sargodha Branch

1st Floor, 66-Civil Lines,
Court Road, Khan Arcade, Sargodha.
048-3725516-18
Akhtar Husnain Akhtar, Branch Manager

Sialkot Branch

2nd Floor, Shareef Plaza,
Near Sialkot Chamber of Commerce Building,
Paris Road, Sialkot.
052-9269855, 0524264017
Zahid Khan, Branch Manager

Sukkur Branch

Ground Floor Bismillah, Near Qasim Park,
Opposite Queen's Road, Sukkur.
071-5622348, 071-5623168,
071-5627997, 071-5627069, 071-5627067,
071-5622347, 071-5622304
Zaheer Udddin Ghumro, Regional Manager
Sherzaman Khan, Branch Manager

Sukkur City Branch

Ground Floor Bismillah, Near Qasim Park,
Opposite Queen's Road, Sukkur.
071-5622348, 071-5623168, 071-5627997,
071-5627069, 071-5627067, 071-5622347,
071-5622304
M Arif Junejo, Assistant Branch Manager

Sukkur Civic Branch

Ground Floor Bismillah, Near Qasim Park,
Opposite Queen's Road, Sukkur
0715622348,0715623168,0715627997,
0715627069,0715627067,0715622347,
0715622304
Tariq H. Khosa, Senior Unit Manager

Shikarpur Branch

Near Tanveer Mahar Autos,
Main Station Road Shikarpur
03025293869
Zuhaib Ahmed, Unit Manager

Sahiwal City Branch

1st Floor, Central Plaza, High Street,
Sahiwal City.
040-4223201-5
Muhammad Rashid Latif, Group Manager
Prince Khurram Inayat, Branch manager

Sahiwal Civic Branch

1st Floor, Central Plaza, High Street,
Sahiwal City.
040-4223201-5
Ghulam Jelani, Assistant Branch Manager

Sarai Alamgir Branch

Awan Plaza 2nd Floor Office No -3,
GT Road Saraialamgir District Gujrat.
0333-9513308
Yousaf Tashfeen, Unit Manager

Sheikhupura Branch

Office No. 4 - 2nd Floor Usman Center
Railway Road Sheikhupura
04235789631-3, 0423-5716075
Mohsin Gulzar, Unit Manager

Sadiqabad

Al- Falah Town Main street near Majeeda
Chowk Sadiqabad
068-5702929 / 068-5801919
Khalid Javid, Senior Unit Manager

Toba Tek Singh Branch

Upper Story JS Bank, Farooq Road,
Toba Teck Singh.
046-2511017-9, 046-2514615,
Muhammad Salman Zaheer,
Assistant Branch Manager

Turbat City Branch

1st Floor, Allah Wala Market,
Main Road, Turbat.
085-2411718, 085-82411008-10
Ikhlaq Ahmed, Branch Manager

Thull City Branch

Main Kandhkot Road Thull, Near Sindh Bank
Thull , Taluka Thull District Jacobabad.
072-2611134, 072-2611089,
Sunjay Kumar, Senior Unit manager

Thatta Branch

Shah Kamal Mohallah, Ward No. 4,
Near Al Hamd Book Center Opposite
Star Press Thatta.
0298-550131,
Abid Hussain, Assistant Branch Manager

Tando Allahyar

Flat # 1 3rd Floor, Al Habib Plaza, Opp Civil
Hospital, Tando Allahyar
Shazina, Senior Unit Manager
0304-3237516

Ubauro Branch

Near Shah Medical Center,
G.T. Road, Ubauro.
072-3688764-6
Adil Mehmood Samejo,
Senior Branch Manager
Mumtaz Ali, Branch Manager

Usta Mohammad Branch

Near UBL - Bank,
Jinnah Road Usta Mohammad
0335-3537127
Muhammad Hafeez, Unit Manager

Vehari Branch

House # 2/H Block - H,
Near Govt Girls High School
0673363512
Muhammad Kamran, Unit Manager

Wah Cantt Branch

Office # B-8, 2nd Floor,
Din Plaza Main GT Road Taxila.
051-4536154
Munawar Khan, Senior Unit Manager

Yazman Branch

EFU Life Assurance,
Bahawalpur Road, Mandi Yazman.
062-2702122-24
Muhammad Boota, Senior Unit Manager

EFU Life Window Takaful - Offices

Takaful Bahawal Nagar Branch

Masjid Plaza, Jail Road,
Opposite Girls High School, City Chowk
063-2272124, 2272127, 31
Abdul Khaliq, Takaful Team Manager

Takaful Bahawalpur Branch

14-C/4, Model Town,
Shabbir Shaheed Road,
Near State Bank, Bahawalpur
0622-886847
Rashid Mehmood, Takaful Branch Manager

Takaful Chichawatni Branch

College Road Opposite Girl's College Rafique
Taf Tile 2nd Floor Chichawatni.
0333-6542393
Muhammad Afzal, Takaful Assistant Manager

Takaful Dera Ismail Khan Branch

Huzaifa Trade Center, 1st Center East
Circular Road, Near Topan Wala Gate,
Dera Ismail Khan
0300-5791811
Muhammad Ijaz Khan,
Takaful Assistant Manager

Takaful Faisalabad Branch

Aamir Plaza, 2nd Floor, Kohe-e-Noor City,
College Road, Faisalabad.
041-8718465-66
Ghulam Haider, Takaful Regional Manager

Takaful Haripur Branch

1st Floor, Al Hamra Complex,
Near Askari Bank, main GT Road Haripur.
0995-627396, 0995-627394
Muhammad Attique,
Takaful Branch Manager

Takaful Hyderabad Star Branch

Plot No.B3-19/1, Block B-3,
Autobhan Road, Latifabad, Hyderabad
022-3411176-79
Muhammad Umer Keerio,
Takaful Branch Manager

Takaful Jhang Branch

Upper Floor, MCB Ghalla Mandi Branch,
Toba Road, Jhang
047-761005
Muhammad Yousaf, Takaful Team Manger

Takaful Karachi Falcon Branch

23/F, Muhammad Ali Co - Operative
Housing Society Karachi.
021-34550488
Muneer Ahmed, Takaful Branch Manager

Takaful Karachi Hatf Branch

A.34, 1st Floor, Hafeez Center,
Shahre-e-Faisal, Karachi.
021-34313001-04, 021-34313006
Kinan Amin, Takaful Assistant Manager

Takaful Karachi Jinnah Branch

A.34, 1st Floor, Hafeez Center,
Shahre-e-Faisal, Karachi.
021-34386340-44
Mohammad Arshad Siddiqui,
Takaful Branch Manager

Takaful Karachi Meezan Branch

A.34, 1st Floor, Hafeez Center, Shahre-e-
Faisal, Karachi. 021-34386340-44
Ayoob Khan, Takaful Zonal Manager

Takaful Karachi Nursery Branch

A.34, 1st Floor, Hafeez Center,
Shahre-e-Faisal, Karachi.
021-34386340-44
Arshad Bin Ahmed, Takaful Branch Manager

Takaful Lahore Branch

Al Oadeer Heights, 1- Babar Block,
Suit # 1 & 2 Mezzanine Floor,
New Garden Town, Lahore
042-35832651-7
Kh. Mujib-ur-Rehman,
Takaful Senior Regional Manager

Takaful Lahore City Branch

Al Oadeer Heights, 1- Babar Block,
Suit # 1 & 2 Mezzanine Floor,
042-35832651-7
Muhammad Akbar Munir,
Takaful Zonal Manager

Takaful Lahore Fort Branch

Al Oadeer Heights, 1- Babar Block,
Suit # 1 & 2 Mezzanine Floor,
New Garden Town, Lahore.
042-35832651-7
Muhammad Imran, Takaful Branch Manager

Takaful Mian Channu Branch

First Floor, Allied Bank Near T, Chowk
G.T Road Mian Channu
0300-3446616
Aziz Ur Rehman, Takaful Branch Manager

Takaful Multan Civic Branch

2nd Floor Golden Heights
Opp High Court, Multan.
061-4587120
Qudrat Ullah, Takaful Branch Manager

Takaful Multan Branch

2nd Floor, Golden Heights,
Opp. High Court, Multan Cantt, Multan.
061-4587120
Qazi Mehboob Rizwan Aslam,
Takaful Regional Manager

Takaful Mirpur AK Branch

Plot No # 73, K. K Plaza C-3,
Near UBL Bank Fazal Chowk,
Mirpur Azad Kashmir
05827-450116-20
Syed Iltija Husain Shah,
Takaful Branch Manager

Takaful Peshawar Branch

Suit # 1,2,3 2nd Floor Azam Town,
Jamshed Road, University Town, Peshawar
091-5852921-3
Syed Shahid Ali Shah,
Takaful Assistant Manager

Takaful Quetta Branch

Plot Number 7-A Model Town Quetta
Cantt-Quetta
081-2833338-9, 2833321-22,
2822223, 2822228.
Najm-ul-Saqib, Takaful Branch Manager

Takaful Rahim Yar Khan Branch

Alhamrah House, 1st Floor,
20-A, Model Town, Rahim Yar Khan.
068-5887126
Manzoor Ali, Takaful Assistant Manager

Takaful Rawalpindi Branch

Feroze Sons Plaza 3rd Floor 32,
Hospital Road Rawalpindi.
0331-7921460
Imran Ahmed, Takaful Team Member

Takaful Sahiwal Branch

Plot No # 15, Block- E, Street No-30,
Housing Scheme II Disstrict Sahiwal.
0300-9696211
Mohammad Jaffar, Takaful Branch Manager

Takaful Sargodha Shaheen Branch

37-C, Satellite Town Chowk,
1st Floor, Ubaid Plaza, Sargodha.
048-3252684-86
Mazhar Iqbal, Takaful Branch Manager

Sukkur Takaful Branch

F/33- 4/7, Upper Dow Lab, 2nd Floor,
Barrage Road Sukkur
071-5613401, 5
Asmatullah Tunio, Takaful Regional Manager

Takaful Thatta Branch

Bukera Building, 1st Floor, Bata Shop,
Opposite HBL Bank, Thatta.
0298-550035
Abdul Sattar Khushik,
Takaful Assistant Manager

Takaful Toba Tek Singh Branch

Upper Floor, UBL Bank,
Shorkot Road, Toba Tek Singh.
0462-514080
Muhammad Shahid Rafique,
Takaful Branch Manager

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ہے۔ داخلی آڈیٹر کی بنیادی ذمہ داری ہے میعاد آڈٹ کرنا ہے اور آپریشنل کنٹرول میں موزونیت، پالیسیوں اور طریقہ کار، قوانین اور ضوابط کی پاسداری کی یقینی دہانی کرنا ہے۔ کمیٹی مندرجہ ذیل ارکان پر مشتمل ہے:

- ۱۔ حسن علی عبداللہ چیئرمین
- ۲۔ سیف الدین این۔ زمکاوالا
- ۳۔ منیر آر۔ بھیم جی
- ۴۔ کمال افسر

سرمایہ کمیٹی:

کمیٹی کی ایک بورڈ کے درجے کی سرمایہ کمیٹی بھی ہے۔ یہ کمیٹی کمیٹی کے زیر انتظام مختلف فنڈز کیلئے سرمایہ پالیسی مرتب کرنے کی بھی ذمہ دار ہے۔ کمیٹی مندرجہ ذیل ارکان پر مشتمل ہے:

- ۱۔ رفیق آر۔ بھیم جی (چیئرمین)
- ۲۔ سیف الدین این۔ زمکاوالا
- ۳۔ طاہری۔ ساچک

اینجمنٹ، ہیومن ریسورس اور ریویژن کمیٹی:

یہ کمیٹی بورڈ کو کمیٹی کی ریسورس اینجمنٹ کی پالیسیوں کے ساتھ ساتھ کمیٹی کے کلیدی افسران کے انتخاب، ان کی کارکردگی کا تعین اور معاوضے کی سفارشات پیش کرنے کی ذمہ دار ہے۔ اس کمیٹی میں مندرجہ ذیل ارکان شامل ہیں:

- ۱۔ رفیق آر۔ بھیم جی
- ۲۔ سیف الدین این۔ زمکاوالا
- ۳۔ طاہری۔ ساچک

منجمنٹ کمیٹی:

کارپوریٹ گورننس کے متعلق ہونے کی وجہ سے، آپ کی کمیٹی نے درج ذیل چار کمیٹیاں قائم کی ہوگی ہیں جو ہر سہ ماہی پر کم از کم ایک مرتبہ ضرور ملتی ہیں:

انڈر رائٹنگ کمیٹی:

انڈر رائٹنگ کمیٹی آپ کی کمیٹی کی بیمہ دار پالیسی وضع کرتی ہے۔ یہ بیمہ خطرے کی مختلف نوعیتوں کا تجزیہ کرنے کیلئے اصول وضع کرتی ہے۔ یہ کمیٹی باقاعدہ طور پر بیمہ داری اور کمیٹی کی پرمیٹم پالیسیوں پر، ان سے متعلق عوامل پر خاص طور سے جیسے کہ اسکا کاروباری رپورٹ فیلو اور مارکیٹ کی نشوونما، نظر ثانی کرتی ہے۔

کلیمز کی تصفیہ کمیٹی:

یہ کمیٹی کسی بھی کلیم کے سلسلے اسکے لئے بنائی گئی کمیٹی کی جملہ حکمت عملی کو صحیح سمت میں چلانے کی ذمہ دار ہے۔ اس کو تمام بڑے اور اہم کلیمز کے بارے میں جدید طور پر مطلع رکھا جاتا ہے خاص طور سے وہ کلیمز جو ناگہانی اور تباہ کن حالات کے تحت سامنے آئیں۔ کمیٹی کلیمز کے تجزیوں کی نگرانی کرتی ہے اور اس بات کو یقینی بناتی ہے کہ دعوہ کو دہی یا غلط کلیمز کا قلع قمع کرنے کیلئے مناسب اقدامات کئے جائیں۔ اسکے علاوہ، کمیٹی یہ فیصلہ بھی کرتی ہے کہ مختلف عدالتوں/بیرہنہ/بیرہنہ بیول میں پیش کیسوں کا انتظام کیسے چلانا ہے اور ان کے سلسلے میں اگلے اقدامات کا فیصلہ کرنا بھی کرتی ہے۔

ری انشورنس کمیٹی:

یہ کمیٹی اس امر کو یقینی بناتی ہے کہ بیمہ کمیٹی کے کاروباروں کیلئے مناسب ری انشورنس انتظامات موجود ہیں۔ یہ کمیٹی ان انتظامات پر عملدرآمد سے قبل تجویز کردہ ری انشورنس انتظامات کا تعین کرتی ہے، اور شریک ری انشوررز کی رضامندی کے صورت میں ان انتظامات پر وقتاً فوقتاً نظر ثانی کرتی ہے، اور مارکیٹ کی نشوونما کی روشنی میں ان انتظامات میں مناسب ردوبدل کرتی ہے۔ یہ کمیٹی مستقبل کے حوالے کیلئے ری انشورنس پروگرام کی اڑپڈیری کا بھی تجزیہ کرتی ہے۔

رسک منجمنٹ اینڈ کمپلائنس کمیٹی

یہ کمیٹی اس بات کو یقینی بناتی ہے کہ ادارے میں رسک منجمنٹ اور اسکی تعمیل پر عمل موثر طور پر ہو رہا ہے، کمیٹی اس بات کی نگرانی بھی کرتی ہے کہ تعمیل پر عمل، مختلف قواعد و ضوابط کے ساتھ، اپنی جگہ پر ہیں اور ممکنہ رسک سے متعلق بورڈ کے فیصلوں پر عملدرآمد میں، بورڈ کی معاونت کرتی ہے اور سفارشات پیش کرتی ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کا فریم ورک:

الف) کمیٹی کی انتظامیہ کے تیار کردہ مالیاتی بیانات اس کے امور کو، اس کے آپریشنز کے نتائج، نقد رقوم کے بہاؤ اور ایکویٹی میں تبدیلیاں، واضح طور پر پیش کرتے ہیں؛

ب) کمیٹی نے تمام تر کھاتے صحیح طور پر مرتب کئے ہیں؛

ج) مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیاں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے مناسب اور محتاط فیصلے پر مبنی ہیں؛

د) بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جیسے ان کا اطلاق پاکستان میں ہوتا ہے، مالیاتی بیانات کے تیاری میں ان پر عمل کیا گیا ہے اور اگر کسی باعث کہیں ان سے اختلاف ہوا ہے تو اسکو مناسب طور پر عیاں کر دیا گیا ہے؛

ه) داخلی کنٹرول کا سسٹم اپنے ڈھانچے کے اعتبار سے کافی متوازن ہے اور موثر طور پر اطلاق شدہ اور زیر نگرانی ہے؛

و) کمیٹی کو یہ کاروبار جاری رکھنے کیلئے اس کی قابلیت کے متعلق کوئی واضح شکوک و شبہات نہیں ہیں؛

ز) کارپوریٹ گورننس کے بہترین طریقہ کار سے، جن کی تفصیل ریگولیشنز میں دی گئی ہے، کہیں بھی کوئی مادی اختلاف نہیں کیا گیا ہے؛

ح) پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی مواد منسلک ہے؛

ط) 13 دسمبر 2016 کو غیر آڈٹ شدہ کھاتوں کی بنیاد پر، پروویڈنٹ اور پنشن فنڈز کی سرمایہ کاری کی قدر درج ذیل رہی:

پروویڈنٹ فنڈ	393 ملین روپے
پنشن فنڈ	265 ملین روپے

سرمایوں کی اس قدر میں ان رقوم پر حاصل ہونے والا سود شامل ہے۔

ی) چیف ایگزیکٹو، ڈائریکٹرز، چیف فنانشل آفیسر، کمیٹی سیکریٹری، ان کے زوج اور اطفال اور حقیقی حصص کنندگان کی جانب سے حصص کی تجارت:

حصص کی خرید	تعداد
سید سلمان راشد	154,495
حصص کی فروخت	
طاہری۔ ساچک	150,000

ک) 31 دسمبر 2016 کو کمیٹی میں شیئر ہولڈنگ کے بیان رپورٹ میں شامل ہے۔ ہمارے آڈیٹرز میسرز کے پی ایم جی تاثیر بادی چارٹرڈ اکاؤنٹنٹس مدّت پوری ہونے پر رٹائر ہوئے کے بعد دوبارہ اس ذمہ داری کے خواہاں ہیں اور ان کو آڈٹ کمیٹی کی تجویز پر 2017 کیلئے کمیٹی کے آڈیٹر کے طور پر دوبارہ تقرری کیلئے سفارش پیش کر دی گئی ہے۔

انڈسٹری کے مستقبل پر نظر:

بیمہ زندگی کے شعبے میں ارتعاش 2016 میں بھی جاری رہا اور آپ کی کمیٹی اس صنعت کے مستقبل پر مثبت نظر رکھے ہوئے ہے۔ بیمہ زندگی کا شعبہ پچھلے چند سالوں میں ایک تیز ترین پروان چڑھنے والے شعبے کے طور پر سامنے آیا ہے اور کمیٹی اس نشوونما کی رفتار کو حالیہ مستقبل میں بھی جاری رکھنے کی امید رکھتی ہے۔ ابتدائی طور پر اس نشوونما کیلئے اصل قوت ہے تقسیم کار رجسٹری بڑھتی ہوئی رسائی اور متبادل رجسٹریوں کو شاس کرانے کیلئے کمپنیوں کی طرف سے سرمایہ کاری۔ مائیکرو انشورنس اور وسیع پیمانے پر مارکیٹ انشورنس کی ترقی کیلئے بیمہ شعبے کی جانب سے بہت ہی زیادہ دلچسپی کا عنصر موجود ہے اور آپ کی کمیٹی اس

بات پر یقین رکھتی ہے کہ اس سے انشورنس کی مد میں مزید بیمہ ہائے زندگی کو تحفظ حاصل ہوگا، جو وسیع پیمانوں کیلئے نمایاں سماجی فوائد کا نتیجہ ثابت ہوگا۔ تقسیم کار رجسٹری کے بڑھنے سے، امید کی جاتی ہے کہ بیمہ زندگی کی صنعت پیداواری صلاحیت بہتر بنانے پر مرکوز رہے گی۔

2015 میں ونڈو ٹرانز آپریشنز کے آنے سے، اور کئی ونڈو ٹرانز آپریشنز کے شروع ہو جانے سے، ہم امید کرتے ہیں کہ ٹرانز بیمہ پالی کے حجم کو بڑھانے میں مثبت کردار ادا کرتا رہے گا۔ آئی ٹی میں سرمایہ کاری جاری رہے گی، خاص طور سے اس ٹیکنالوجی میں نئے رجحانات اپنانے کیلئے اور یہ اس صنعت کی حکمت عملی کے کلیدی عوامل میں سے ایک ہوگا۔ اندرون خانہ آپریشنز اور صارفین کو فرنٹ اینڈ سٹیز اور خدمات کی فراہمی کیلئے، کمیٹی ٹیکنالوجی کے جڑ کو بڑھانے کیلئے سرمایہ کاریوں کی امید رکھتی ہے۔

اظہار تشکر:

کمیٹی کی جملہ حکمت عملی پر اپنے قابل قدر مشورے کیلئے اور ان کے کردار کیلئے ہم اپنے مقرر کردہ انکچور ری جناب عمر مرشد کے مشکور و ممنون ہیں۔

ہم میونخ رے آف جرمنی کے بھی ممنون اور شکر گزار ہیں جو آپ کی کمیٹی کے اصل ری انشوررز ہیں اور جنہوں نے آپ کی کمیٹی کو مکمل حمایت فراہم کرنا جاری رکھا۔

ای ایف یو جزل انشورنس لمیٹڈ بھی شکریہ کے حقدار ہیں جنہوں نے کمیٹی کو مسلسل اپنی حمایت اور رہنمائی فراہم کی جس باعث کمیٹی کو مارکیٹ میں ایک مستحکم مقام حاصل کرنے کا موقع میسر آیا۔

کمیٹی کے نامور اور قابل آفیسرز، عملے اور فیلڈ فورس کی طرف سے، کمیٹی کی نشوونما اور فروغ کیلئے، ان کی قابل قدر اور زبردست شراکت کیلئے، کمیٹی کے ڈائریکٹرز مکمل ہائے تحسین قلمبند کرانا چاہیں گے۔ ان کی اعلیٰ اخلاقی اقدار سے مسلسل وابستگی، صارف کو دینی جانے والی خدمات اور جانفشانی اور محنت سے کام کرنے کے باعث آپ کی کمیٹی کو ابھر کر سامنے آنے میں مدد دی اور نجی شعبے کے بیمہ داروں کے درمیان ایک شفاف مارکیٹ لیڈر کی حیثیت سے اسکو برقرار رکھا۔

آخر میں، ہم اپنے صارفین کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اپنے بھروسے کا اظہار کیا اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے انشورنس ڈویژن کے بھی شکر گزار ہیں جنہوں نے تمام سال ہمیں مناسب رہنمائی اور تعاون فراہم کیا۔

طاہری۔ ساچک
مینجنگ ڈائریکٹر و چیف ایگزیکٹو

منیر آر۔ بھیم جی
چیئرمین

حسن علی عبداللہ
ڈائریکٹر

سیف الدین این۔ زمکاوالا
ڈائریکٹر

ماحول:

کمپنی نے اپنے دفاتر میں کاغذ کے استعمال کو کم سے کم کرنے کیلئے شعوری طور پر ٹیکنالوجی میں سرمایہ لگایا ہے۔ آئی بی ایم فائل نیٹ کی انٹر پرائز کونینٹ میجمنٹ ٹیکنالوجی وقت کے ساتھ، کاغذی دستاویزات کو ڈیجیٹلائز کرنے کیلئے اور کاروبار کے طریقہ ہائے اور جملہ آپریشنل امور ہائے کار کو خود کار کرنے کیلئے، رفتہ رفتہ کمپنی کے کلیدی امور تک پھیل چکی ہے۔ کمپنی نے اس بات پر نگاہ رکھی ہوئی ہے کہ کام کا ماحول سرسبز رہے۔ اس سسٹم کی وجہ سے، کمپنی نے فائلنگ کمپنوں، شیلیفس، جگہ، کاغذی دستاویزات اور فائلوں کا استعمال بہت کم کر دیا ہے جو آخر کار کاغذی آلودگی اور درختوں کا صفایا ہونے کا سبب بنتے ہیں اور چونکہ یہ گلوبل وارمنگ میں ہڈت پیدا کرتی ہے چنانچہ اس طرح سے کمپنی نے سرسبز ماحول کیلئے ایک مثبت تاثر پیدا کیا ہے۔

کمپیٹل میجمنٹ اور لکویڈیٹی:

کمپنی کے پس اپنے موجودہ امور چلانے کیلئے کافی سرمایہ موجود ہے۔ کمپنی کا پیڈ اپ سرمایہ جو ایک بلین روپے ہے، بیمہ زندگی کے کئی شعبے میں سب سے زیادہ ہے۔

کمپنی کی لکویڈیٹی صورت حال بھی بہت مستحکم ہے جس میں نقد اور اس کے مساوی رقوم کا مجموعہ 2016 کے اختتام پر 12.4 بلین روپے تھا۔

متعلقہ پارٹیوں سے لین دین:

ہر بورڈ مینٹگ میں بورڈ آف ڈائریکٹرز مشمول کمپنیوں اور متعلقہ پارٹیوں سے کئے گئے لین دین کی منظوری دیتے ہیں۔ ایسے تمام لین دین ایک محتاط فاصلے کی بنیاد پر عمل لائے جاتے ہیں۔

کاروبار کو لاحق ممکنہ خطرات:

کاروبار کو لاحق ممکنہ خطرات یا اس میں کمی کے عوامل، اس سالانہ رپورٹ کے شذرہ نمبر 29 میں تفصیل سے بیان کئے گئے ہیں۔

کارپوریٹ کی سماجی ذمہ داری

میری شان میرا پاکستان۔ وال آرٹ کے ذریعے ترقی و آرائش

پاکستان کی آزادی کے 69 ویں سال کے موقع پر، ای ایف یو لائف نے، کمشنر کراچی ڈویژن کے ساتھ مل کر، با مقصد وال آرٹ کے ذریعے، کراچی شہر کے بڑے عوامی

مقامات کی دیواروں کی خوبصورتی کے دوبارہ حصول کیلئے، ایک ترقی و آرائش کے منصوبے کا آغاز کیا، جس کا مقصد وال چانگ اور دیواروں پر غیر مناسب اور غیر ضروری تحریروں کو ختم کرنا ہے۔ ”میری شان میرا پاکستان“ کے نام سے یہ مہم حب الوطنی کے جذبے کو فروخت بخشتی ہے اور پاکستان کے شاندار سماجی ورثے کی تصویر کشی کرتی ہے۔ اپنے لوگوں کے سماجی فرق کو مٹانے کے ساتھ ہی قومی جھنڈے تلے متحد رہنا اس مہم کی بنیادی سوچ ہے۔ اس منصوبے پر کراچی میں، عائشہ منزل اور نیشنل کو چنگ سینٹر پر عمل درآمد کیا گیا ہے۔

شجر کاری مہم

پاکستان میں چوتھے یوم انشورنس کومنانے کیلئے، ای ایف یو لائف کی جانب سے جناح پوسٹ گریجویٹ میڈیکل سینٹر میں، ”جے پی ایم سی کو صاف ستھرا اور سرسبز رکھیں“ کے نعرے کے تحت، شجر کاری کا اہتمام کیا۔ اس مقصد میں، گلوبل وارمنگ کے باعث آب و ہوا کی تبدیلی اور ماحولیات پر اس کے اثر سے آگاہی پہنچانے کیلئے، شجر کاری اور کچرا جمع کرنے کے ڈبوں کی تنصیب شامل تھے۔

خون کے عطیے کی مہم

زندگیاں بچانے کے جذبے کیلئے اپنے تعاون کو جاری رکھتے ہوئے، اور اس سال کے ”بلڈ ٹیکنیکس اس آل“، بلڈ ڈونر ڈے کی تھیم کی توثیق کرتے ہوئے، ای ایف یو لائف نے، افضل میموریل ہیلیسیما فاؤنڈیشن کے تعاون سے، اپنے ہیڈ آفس میں خون کے عطیے کی مہم چلائی۔ ہیلیسیما اسکریٹنگ اور خون کے عطیے کی مہم کے بعد ہیلیسیما کے بارے میں ایک آگاہی سیشن بھی پیش کیا گیا۔

زندگی بچانے کیلئے ہاتھ سے ہاتھ ملائیے:

اس رمضان میں، ہم نے کئی لوگوں کی زندگی میں رنگ بھرنے کی کوشش کی۔ ہم نے تعلیم اور صحت کے شعبوں سے متعلق، چار غیر سرکاری تنظیموں ایف ای ایس ایف، ایس آئی یوٹی، ایل آر بی ٹی اور دارالسنکون کے ساتھ شراکت میں، ”زندگی بچانے کیلئے ہاتھ سے ہاتھ ملائیے“ بڑے پیمانے پر سماجی میڈیا مہم کا آغاز کیا۔ ہر غیر سرکاری تنظیم کو کمپنی کے سرکاری سماجی میڈیا صفحات پر ایک ہفتہ کی تشہیر مختص کی گئی۔ اس ہفتے کے دوران، غیر سرکاری تنظیم کی کسی بھی ڈاک پر، ہر کمٹ کیلئے، پسند کیا یا آگے بڑھانا، متعلقہ تنظیم کو کمپنی کی طرف سے دس روپے کا عطیہ دیا گیا۔

سماجی میڈیا کی موجودگی کے علاوہ، فنڈز اکٹھے کرنے کیلئے، اور اس کا خیر کے متعلق جس میں غیر سرکاری تنظیمیں شامل ہیں، اس کے متعلق آگاہی کیلئے داخلی طور پر بھی سرگرمیاں عمل میں لائی گئیں۔ ایف ای ایس ایف کیلئے، اس تنظیم کے خصوصی بچوں کے ہاتھ سے

تیار کردہ کاری گری کے مختلف نمونوں کی فروخت کیلئے دکان کے انتظام کے ساتھ ساتھ عملے کیلئے ایک تدریسی سیشن کا بھی اہتمام کیا گیا۔ دارالسنکون کیلئے، ملازمین کی طرف سے مختلف اشیاء کے عطیے کیلئے ہم نے ”فریش مہم“ چلائی جس میں فاضل ماڈے اور غیر پیداواری اشیاء سے مالی رقومات کے حصول سے دارالسنکون کی مدد کرنا مقصود تھا۔ مزید برآں، کمپنی کے مختلف مقامات پر عطیے کے لئے صندوق رکھے گئے تھے اور ہر غیر سرکاری تنظیم کے مقصد سے آگاہی پھیلانے کیلئے صارفین کو پیغامات بھیجے گئے تھے اور وہ طریقہ کار جن کے ذریعے وہ اس مقصد کیلئے اپنا حصہ ڈال سکتے ہیں۔

کاروباری اخلاقیات، صارفین کا تحفظ اور انسداد بدعنوانی کیلئے اقدامات:

بورڈ نے ضابطہ اخلاق کا بیان اور کاروباری طریقہ ہائے کار وضع کئے ہوئے ہیں۔ تمام ملازمین اس بیان سے آگاہ ہیں اور کاروبار اور قواعد سے متعلق ان اخلاقی قوانین پر عمل پیرا ہونے کے پابند ہیں۔ ضابطہ اخلاق کا بیان اور کاروباری طریقہ کار، صارفین، ساتھیوں اور عوام کے ساتھ، سالمیت، وقار، برتری کے کچھ اور اخلاقی طور پر معاملہ سازی پر مبنی ہیں۔

دیگر اسٹیک ہولڈرز کے ساتھ تعلقات:

آپ کی کمپنی اچھے تعلقات برقرار رکھنے کیلئے کوشاں رہتی ہے:

- ☆ اپنے ملازمین کے ساتھ ایک مثبت کام کا ماحول میسر کر کے؛
- ☆ اپنے صارفین کے ساتھ بھرپور سہ پیدا کر کے اور معیاری خدمت مہیا کر کے؛
- ☆ ایماندارانہ اور صاف ستھری معاملہ سازی کے ذریعے کاروباری کمیونٹی کے ساتھ؛
- ☆ حکومت کے ساتھ مسابقتی مارکیٹ سسٹم کے ساتھ آزاد کو فروغ دے کر اور تمام اطلاق شدہ قوانین پر عمل کر کے؛ اور
- ☆ معاشرے کے ساتھ عمومی طور پر، محفوظ اور صحت مند جائے کار مہیا کر کے اور اپنے ملازمین کو اپنی صلاحیتیں بڑھانے کا موقع فراہم کر کے۔

قومی خزانے میں حصہ:

آپ کی کمپنی معقول حد تک ٹیکسوں اور ڈیوٹیوں کے ذریعے قومی معیشت میں اپنا حصہ ڈالتی ہے اور جیسے جیسے کمپنی آگے بڑھتی ہے اس حصے میں بھی اضافہ ہو رہا ہے۔ اس سال کمپنی نے انکم ٹیکس، فیڈرل ایکسائز ڈیوٹی، سیلز ٹیکس، سٹامپ ڈیوٹی وغیرہ کے شکل میں قومی خزانے کو 913 ملین روپے ادا کئے۔

کارپوریٹ گورننس کے ضابطے کی پابندی:

ریگولیٹری اتھارٹیز کے وضع کردہ کارپوریٹ گورننس کے ضابطے پر مکمل طور پر عمل درآمد کیا گیا ہے۔ اس سلسلے میں ایک بیان رپورٹ کے ساتھ منسلک ہے۔

آپ کے کمپنی کے ڈائریکٹرز کا انتخاب 20 جون 2014 کو منعقد ہونے والی غیر معمولی میٹنگ میں، عمل میں آیا تھا اور تین سال کی مدت کیلئے جس کا اختتام 21 جون 2017 کو ہوگا۔

ڈائریکٹرز نے جتنی میٹنگوں میں شرکت کی، انکی تعداد درج ذیل ہے:

نمبر شمار	ڈائریکٹر کا نام	تعداد جن میں شرکت کی
۱	رفیق آر۔ بھیم جی (نان ایگزیکٹو ڈائریکٹر)	چار میں سے چار
۲	سیف الدین این۔ زمکاوالا (نان ایگزیکٹو ڈائریکٹر)	چار میں سے چار
۳	طاہر جی۔ ساچک (ایگزیکٹو ڈائریکٹر)	چار میں سے چار
۴	منیر آر۔ بھیم جی (نان ایگزیکٹو ڈائریکٹر)	چار میں سے تین
۵	حسن علی عبداللہ (نان ایگزیکٹو ڈائریکٹر)	چار میں سے چار
۶	ہمیز والٹر ولبرگ (نان ایگزیکٹو ڈائریکٹر)	چار میں سے تین
۷	سید سلمان راشد (نان ایگزیکٹو ڈائریکٹر)	چار میں سے تین
۸	کمال افسر (انڈیپنڈنٹ ڈائریکٹر)	چار میں سے چار
۹	محمود لوتیا (نان ایگزیکٹو ڈائریکٹر)	چار میں سے چار

بورڈ کمیٹی:

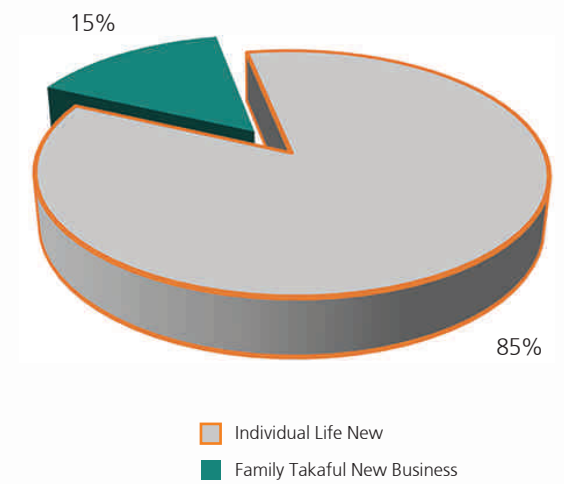
آپ کی کمپنی درج ذیل تین بورڈ کمیٹیاں چلاتی ہے:

آڈٹ کمیٹی:

بورڈ ایک متوازن داخلی کنٹرول سسٹم، بشمول کنٹرول کے طریقہ کار پر عمل پیرا ہونے کے موثر تکمیل کی ذمہ دار ہے۔ آڈٹ کمیٹی کو داخلی آڈیٹر آپریشنل کنٹرول کی موزونیت پر نظر ثانی کرنے اور خدشات پر نگاہ رکھنے اور ان کا انتظام چلانے میں مدد فراہم کرتا ہے تاکہ مناسب یقین دہانی میسر ہو جائے کہ کمپنی میں ایسا سسٹم اطمینان بخش طور پر اور موثر طور پر اور آزادانہ اور با مقصد اعتماد مہیا کر کے کمپنی کے امور کو بہتر بنانے کیلئے جاری رہتا

اور تکافل سیز فورس، بینک شراکت داروں اور گروپ بینفٹ سیٹ اپ کے ذریعے اپنے تکافل آپریشنز کا آغاز کیا۔

2016 کے دوران، انفرادی بیمہ زندگی/ فیملی تکافل کے شعبے میں تکافل کے نئے کاروبار کا حصہ درج ذیل رہا:



کمپنی کا روبرا کی اس نئی دوڑ کی وقت کے ساتھ آگے بڑھنے کی اور کمپنی کی مجموعی کارکردگی میں یقینی باعث ہونے کی امید رکھتی ہے۔

سرمائے سے منسلک تکافل کاروبار کیلئے، کمپنی نے ایک نئے یونٹ سے منسلک فنڈ ”تکافل گروتھ فنڈ“ کا آغاز کیا۔

کارکردگی کے لئے اہم اقدامات:

کمپنی کئی کلیدی اقدامات کے ذریعے اپنی کارکردگی کا تعین کرتی ہے، جیسے کہ:

- ☆ کاروبار کی ہر مد کیلئے پرمیئم کی نشوونما
- ☆ تقسیم کارچیل کے ذریعے انفرادی بیمہ زندگی کے کاروبار کا تسلسل
- ☆ نقصان کی شرح کا تجزیہ
- ☆ اخراجات کی شرحات اور رجحانات
- ☆ شرح اموات اور حالات امراض کی تجربہ
- ☆ کاروبار کی ہر مد کیلئے منافع میں نشوونما

کمپنی مستقبل کیلئے ان عوامل کو با مقصد رہنے کی توقع رکھتی ہے اور اس کے ساتھ ساتھ اپنی داخلی کارکردگی کا اقدام اسی کسوٹی کی بنیاد پر جاری رکھے گی۔

بیمہ کردہ کی مالیاتی صلاحیت کی درجہ بندی:

سال کے دوران، کمپنی کی مالیاتی صلاحیت کی درجہ بندی جے سی ایس کریڈٹ رینٹنگ ایجنسی کی طرف سے AA+ (Outlook Stable)

تک مقرر کی گئی۔ یہ درجہ بندی کمپنی کی مستحکم سرمایہ کاری کے درجہ اور اس کے مقابلے میں بیمہ کئے گئے خطرات کی نوعیت اور بیمہ کنندگان کی فرمائش پورا کرنے کی بہت اعلیٰ صلاحیت کی اہمیت کو خاطر میں لاتی ہے۔ یہ درجہ بندی اس حقیقت کا اعتراف بھی ہے کہ کمپنی مستحکم مالیاتی قدموں پر کھڑی ہے اور بیمہ زندگی کے شعبے میں، طویل مدت بانیدار کاروباری حکمت عملیاں، اختراعی پروڈکٹس، اعلیٰ سسٹمز اور آئی ٹی انفراسٹرکچر، مطمئن صارفین اور محتاط سرمایہ کاری کی پالیسیز کے لحاظ سے مارکیٹ لیڈر ہے نتیجتاً ایک مثبت آلہ کار کے طور پر ہمارے صارفین کو طویل المدت فائدے حاصل ہیں۔

ہمارا نیا گھر۔ ای ایف یو لائف ہاؤس، کراچی

دسمبر 2016 میں کمپنی نے اپنا ہیڈ آفس، ڈیفنس ہاؤسنگ اتھارٹی، فیز-1 میں، کراچی میں خاص مقصد کے تحت قائم کی گئی دفتری عمارت ای ایف یو لائف ہاؤس، منتقل کر لیا ہے۔ یہ عمارت کمپنی کی تاریخ میں ایک سنگ میل کی حیثیت رکھتی ہے۔ جدید ساز و سامان اور موجودہ دور کے تقاضوں کے مطابق سسٹمز سے آراستہ، ای ایف یو لائف، اپنے لوگوں اور ٹیوں کی صلاحیت سے مطابقت اور اس کو مزید بڑھانے کیلئے نفاست کا ایک عملی اظہار ہے۔ ہم اس بات پر قائم ہیں کہ ہماری مسلسل کامیابی مکمل طور پر ہمارے لوگوں پر منحصر ہے اور ای ایف یو لائف ہاؤس، اپنے عمل کو جدید تقاضوں کے عین مطابق جانے ملازمت اور کام کا بہترین ماحول مہیا کر کے، اس یقین کا ایک عہد ہے۔

اعزازات اور کامیابیاں:

اس سال کے دوران، آپ کی کمپنی کی کارکردگی اور مارکیٹ لیڈ شپ کا، کئی خود مختار اداروں کی جانب سے اعتراف کیا گیا۔ 2016 کے دوران کمپنی کو درج ذیل قابل فخر اور باوقار اعزازات سے نوازا گیا:

- ☆ ورلڈ نیوز میڈیا کی طرف سے ساتویں سالانہ گلوبل انشورنس ایوارڈز میں، پاکستان میں بیمہ زندگی کے شعبے میں اوّل پوزیشن حاصل کرنے پر، ”ورلڈ فنانس گلوبل انشورنس ایوارڈ 2015“

- ☆ انتظامی عملدرآمدیوں کے مثالی معیارات کو تسلیم کرتے ہوئے، تجارتی بینکوں اور بینے کے شعبے کے زمرے میں، بینجمنٹ ایبوسی ایشن آف پاکستان (ایم اے پی) کی جانب سے مسلسل ”سٹرٹیکٹ آف ایکسیٹس“۔

- ☆ انشٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان اور انشٹیٹیوٹ آف کاسٹ اینڈ بینجمنٹ اکاؤنٹنٹس آف پاکستان کی طرف سے بہترین طور پر پیش کئے حسابات، شفافیت میں بہتری، احتساب اور گورننس، کیلئے غیر بینکنگ مالیاتی اداروں کی کیلگری میں ”بہترین کارپوریٹ رپورٹ اوّل رنر اپ ایوارڈ 2015“۔

- ☆ ساؤتھ ایشین فیڈریشن آف اکاؤنٹنٹس سے، جنوبی ایشیائی ممالک میں، بیمہ کے شعبے میں بہترین طور پر پیش کئے گئے حسابات پر ”سٹرٹیکٹ آف میرٹ“۔

- ☆ انتظامی طریقہ ہائے اور سروس کے معیار کیلئے، مسلسل آٹھویں مرتبہ، پاکستان میں بہترین بیمہ زندگی کمپنی کیلئے ”کنزیومر چوائس ایوارڈ 2015“۔

- ☆ 2016 میں معاشرے کی بہتری کیلئے صحت اور تعلیم سے متعلق آگاہی پیدا کرنے میں کمپنی کی کاوشوں کے اعتراف میں ماحولیات اور صحت کیلئے قائم قومی فورم کی طرف سے۔

- ☆ بین الاقوامی مالیاتی صنعت میں حصول، اختراع اور لگن کے مظاہرے پر، ایکویزیشن انٹرنیشنل کی جانب سے، پاکستان میں ”بہترین بیمہ زندگی کمپنی 2016“۔

- ☆ پاکستان کی بیمہ صنعت میں اپنی شاندار شراکت کے لئے کمپنی کے چیف ایگزیکٹو آفیسر کو ”ہیو ایز ہو پرفیشنل ایوارڈ“ سے نوازا گیا۔

- ☆ ISO 9001-2008 سرٹیفیکیشن کی دوبارہ توثیق۔

ٹیکنالوجی اور اس پر عمل درآمد کی مہارتیں:

کمپنی نے اس سال بھی معمول کے مطابق ٹیکنالوجی پر اپنی توجہ مرکوز رکھی۔

ٹیکنالوجی ہمارے روزمرہ کے امور اور کاروبار کے قلب کے گرد گھومتی ہے۔ اس کو ذہن میں رکھتے ہوئے، کمپنی نے اپنے ڈیٹا سینٹر کو مزید بڑھانے کیلئے نمایاں سرمایہ کاری کی ہے۔ اس ڈیزائن پر توجہ کا اصل مرکز 24x7x365 آپریشنز، بغیر کسی رخصت کے پاور کا حصول (یو پی ایس)، ماحولیات پر قابو، جسمانی تحفظ کے نظام، باقاعدہ خنکی، آگ سے تحفظ کا نظام اور نیٹ ورک کا تحفظ، کو یقینی بنانا ہے۔

کمپنی نے موبائل پلیٹ فارم کے ذریعے، جلد از جلد ادائیگی کے میکینزم کیلئے ضروری آلہ جات سے رابطے کیلئے مونٹ سے شراکت کی ہے۔ کارڈ ریڈر کے ذریعے کسی بھی بہترین (سمارٹ) موبائل سے منسلک ہو کر، یہ آسانی اور کسی بھی جگہ سے، صارفین اب ڈیٹ / کریڈٹ کارڈ کے ذریعے ادائیگیاں کر سکتے ہیں۔

اپنے فون کے پلیٹ فارم کو مزید بہتر بنانے کیلئے، اور کفایت کو بھی مد نظر رکھتے ہوئے، کمپنی نے اپنا روایتی پی ایس ٹی این، وی آئی پی ٹیکنالوجی سے تبدیل کر دیا ہے جس میں آج کے دور کے اضافی فیچرز موجود ہیں۔ یہ نئی ٹیکنالوجی ہیڈ آفس کے ساتھ ساتھ کمپنی کے پھیلے ہوئے سبکی نیٹ ورک کا احاطہ کرتی ہے۔

جدید تقاضوں کے مطابق، پوائنٹ آف سیز سسٹم کا بینک شراکت داروں کے ساتھ استعمال جاری رہا۔ یہ سسٹم بینکوں کی شاخوں میں انشورنس کی فروخت کے طریقے کو موثر

بناتا ہے کیونکہ یہ ایک آزاد ماحول میں ایک مضبوط بیمہ کاری انجن کے ساتھ کام کرتا ہے جو بیمہ درخواست کی منظوری کے سسٹم کو خود کار کر دیتا ہے۔ صارف کا تجربہ بڑھ جاتا ہے اور اسی وقت پالیسی کے اجراء کیلئے درکار وقت کچھ منٹوں سے گھٹ جاتا ہے۔ پوائنٹ آف سیز کا متن موبائل ٹیکنالوجی پلیٹ فارم پر بھی دستیاب ہے۔

موثر کاروباری آگاہی کی ضرورت کو مد نظر رکھتے ہوئے، کمپنی مختلف عوامل میں اپنی آپریشنل اثر کو بہتر بنانے کیلئے زیادہ سے زیادہ فائدے اٹھانے کیلئے بی آئی ٹیکنالوجی استعمال میں لا رہی ہے۔ اس کے کلیدی فیچروں میں فیصلہ سازی کو سہولت فراہم کرنے کیلئے رپورٹنگ اور تجزیہ کاری شامل ہیں۔

برانچ آپریشنز سپورٹ سسٹم تمام شاخوں کیلئے ایک مربوط حل ہے جو ایک ہی رابطہ اسکرین کے تحت کسی بھی شاخ کے تمام آپریشنل نظام تک فوری رسائی کی سہولت فراہم کرتا ہے۔

کمپنی نے پلان آئی ٹی کے نام سے (اپنے صارفین کیلئے)، اپنی موبائل ایپ اور (انفرادی بیمہ زندگی کی سیز فورس کیلئے)، ایجنٹ ایپ، کی خصوصیات میں مزید اضافہ کیا۔ یہ ایپس ہمیں اپنے صارفین اور سیز چینلوں کے ساتھ نسبت کا ایک نیا پلیٹ فارم مہیا کرتی ہیں جس کے نتیجے میں ہمیں خدمات کے اور صارف کے اطمینان کے اعلیٰ درجات حاصل ہوتے ہیں۔

ہیومن ریسورس مینجمنٹ:

آپ کی کمپنی نے اپنی پیشہ ورانہ بیمہ زندگی کی انتظامیہ ٹیم کے کیریئر کے فروغ پر توجہ مرکوز رکھنا جاری رکھا۔ ہمارے عملے میں، حوالے کیلئے چند ایک شعبہ جات، تجربہ کار انشورنس سیز کے افراد، اکاؤنٹنٹس، آئی ٹی ماہرین، بیمہ دار، ڈاکٹرز، قانون دان، برنس مینجمنٹ گریجویٹس اور انکچوری شامل ہیں۔ کمپنی کو یقین ہے کہ عملے کو آگے بڑھانے اور انکی حوصلہ افزائی میں سرمایہ کاری، کمپنی کی حالیہ اور مستقبل کی کامیابی کیلئے ان کی مثبت شراکت میں ایک مرکزی کردار ادا کرتی ہے۔

کمپنی اپنے عملے کی، متعلقہ پیشہ ورانہ قابلیت کے حصول کیلئے، از حد حمایت کرتی ہے اور ان کیلئے کمپنی کے پاس انکچوری ریل سائنس، فنانس، اکاؤنٹنگ، بیمہ داری اور گیمز کے نظم کے میدان میں بین الاقوامی پیشہ ورانہ اداروں سے منسلک کیریئر پروگرام موجود ہیں۔

کمپنی کے پاس انتظامیہ ٹیم کے کلیدی افراد کیلئے جانشینی کا منصوبہ بھی ہے۔ جانشینی منصوبہ فرد کی صلاحیت، موجودہ کردار کی عملداری اور اس کے ساتھ ساتھ کمپنی کے مستقبل کے نشوونما کے امکانات پر مبنی کردار میں توسیع کو زیر غور لاتا ہے۔ جانشینی منصوبہ، کمپنی کی مستقل حکمت عملی کے اعتبار سے، وقتاً فوقتاً تبدیلی اور تجدید کے عمل سے گزرتا ہے۔

واحد پریئم اس سال ست روی کا شکار رہا، جس میں 4.4 بلین روپے کا پریئم ریکارڈ کیا گیا (2015: 13.3 بلین روپے)

اس کی بنیادی وجہ ہمارے ایک بینک شریک کی کاروباری حکمت عملی میں تبدیلی ہے جس نے 2015 کے دوران اس کاروباری شاخ میں نمایاں طور پر اپنا حصہ ڈالا۔

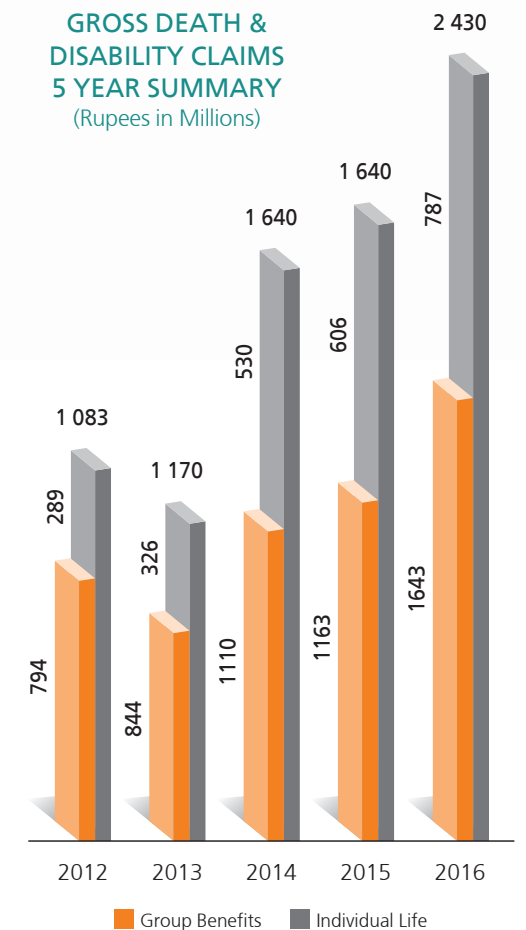
2016 آپ کی کمپنی کے ونڈو ٹافل آپریشنز حمایت کا پہلا مکمل مالیاتی سال تھا (تفصیلات رپورٹ میں آگے آنے والے صفحات میں درج ہیں)۔ کمپنی نے انفرادی فیملی مکافل میں 666 بلین روپے کا نیا کاروبار حاصل کیا (2015: 236 بلین روپے) (گروپ فیملی مکافل میں، کمپنی نے 51.7 بلین کا کاروبار کیا (2015: 13 بلین روپے)۔

کلیم کی ادائیگیاں:

کمپنی کا ایک کلیمز کیلئے ایک جامع انتظامی طریقہ کار ہے جو کلیمز کے فوری تصفیے کی کمپنی کے فلسفے کے عملدرآمد کو یقینی بناتا ہے۔

2016 میں کمپنی نے مکمل وفات اور معذوری کے 2.43 بلین روپے کے کلیمز ادا کئے (2015: 1.77 بلین روپے) جبکہ بنیادی اور گروپ لائف کلیمز کے بالترتیب 787 بلین اور 1.64 بلین روپے ادا کئے۔

GROSS DEATH & DISABILITY CLAIMS
5 YEAR SUMMARY
(Rupees in Millions)



سرمایہ کاری کی کارکردگی:

انتظامیہ کے تحت، تمام یونٹ سے منسلک فنڈز کی اصل اثاثہ قدر، 2016 میں 81.5 بلین روپے سے بڑھ کر 96.5 بلین روپے تک پہنچ گئی، اسکے حجم میں 19 فیصد اضافہ سامنے آیا۔ انتظامیہ کے تحت فنڈز کا اس حجم نے آپ کی کمپنی کو بیمہ زندگی کے نئی شعبے میں سب سے بڑی اثاثہ منیجر بنادیا ہے اور اسی کے ساتھ ساتھ پاکستان میں تمام اثاثوں کا انتظام چلانے کمپنی کے درمیان بھی۔

مینجڈ گروتھ فنڈ، کمپنی کے یونٹ سے منسلک سب سے بڑا فنڈ ہے اور اس کے خالص اثاثے کی قدر 90.57 بلین روپے تک پہنچ گئی ہے (2015: 78 بلین روپے)۔ اس فنڈ سے ہمارے صارفین کو درمیانی مدت اور طویل المدت سرمایہ کاری سے منسلک اچھے منافع جات میسر ہوئے۔ فنڈ کے آغاز سے سالانہ منافع (تمام اخراجات شامل کر کے) 13.53 فیصد ہے۔ پچھلے تین سالوں میں سالانہ منافع 16.9 فیصد سالانہ ہے اور فنڈ ایک سال کا منافع 17.29 فیصد رہا۔

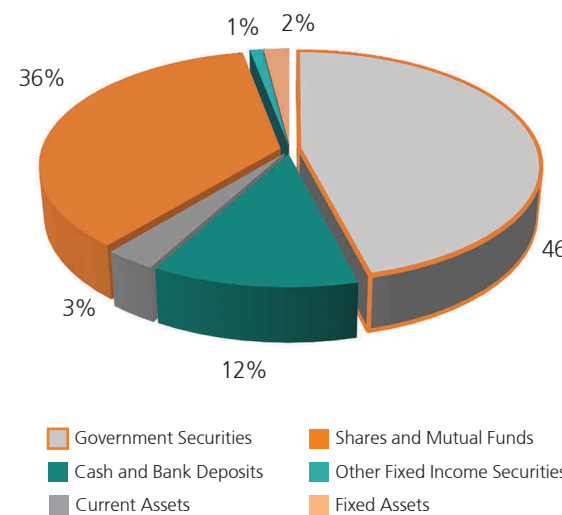
یونٹ سے منسلک دیگر فنڈز کی کارکردگی، جو اپنی مخصوص سرمایہ کاری کی حکمت عملیاں رکھتے ہیں، درج ذیل رہی:

اعتماد گروتھ فنڈ: سود سے پاک سرمایہ کاریاں، اور 2016 میں اس نے 19.32 فیصد (تمام اخراجات شامل کر کے) سالانہ منافع فراہم کیا۔ تین سالہ سالانہ منافع 16.96 فیصد رہا۔

گارنٹیڈ گروتھ فنڈ: مستحکم سرمایہ کاری حکمت عملی اس ضمانت کے ساتھ کہ بولی قیمت (بڈ پرائس) گرے گی نہیں۔ اس فنڈ نے پچھلے تین سالوں میں (تمام اخراجات شامل کر کے) 6.42 فیصد سالانہ منافع فراہم کیا ہے۔

کمپنی ایک مضبوط بیلنس شیٹ کی حامل ہے جس میں جملہ اثاثے سال کے دوران 17 فیصد سے بڑھ گئے یعنی 106.4 بلین (2015: 91.3 بلین روپے)۔ اثاثوں کا مرکب درج ذیل ہے:

ASSETS COMPOSITION



منافع جات:

سال کے دوران، کمپنی کے قانونی فنڈز نے 2.5 بلین روپے کا اضافہ پیش کیا۔

اس اضافی رقم سے، 2.32 بلین روپے، سو فیصد واجبی قرضہ جات کے مارجن کی ضرورت کیلئے ضروری رقم روکنے کے بعد، نفع و نقصان کھانے کو منتقل کئے گئے۔ آپ کی کمپنی نے بعد از ٹیکس 1.87 بلین روپے کا منافع حاصل کیا۔

فی حصص آمدن:

رواں سال کیلئے فی حصص آمدن 18.73 روپے رہی (2015: 14.75 روپے)۔

مناسبت اور ڈویڈنڈ:

سال 2016 کے اختتام پر کمپنی نے، قبل از ٹیکس 2015 کے 2.23 بلین روپے کے مقابلے میں 2.80 بلین روپے کا منافع، حاصل کیا۔ 2015 کے 1.47 بلین روپے کے مقابلے میں بعد از ٹیکس منافع، 1.87 بلین روپے رہا۔

مناسبت کیلئے دستیاب رقم:	0,000 روپے
پچھلے سال کی (اس مد میں) دستیاب رقم	59,743
بعد از ٹیکس سال رواں میں منافع	1,872,896
مناسبت کیلئے دستیاب رقم	1,932,639

مناسبت گھٹا کر:

اعلان کردہ وقتی ڈویڈنڈ اور 2016	300,000
ادائیگی 30 فیصد (2015: 30 فیصد)	
تجویز کردہ حتمی نقد ڈویڈنڈ 2016	1,200,000
120 فیصد (2015: 70 فیصد)	
عام پس انداز یوں کو تجویز کردہ منتقلی	250,000

مزید سرمایہ کاری کا حصہ	89,256
اگلے سال کیلئے دستیاب رقم	1,839,256
	93,383

مارکیٹ کی شراکت:

30 ستمبر 2016 کے اشاعت شدہ دستیاب مالیاتی بیانات کی بنیاد پر، نئی بیمہ زندگی کے شعبے سے منسلک کمپنیوں میں مجموعی پریئم کی آمدنی کے اعتبار سے مارکیٹ میں 30 فیصد حصہ ڈالا اور اثاثہ جات کے حجم کے اعتبار سے 43.29 فیصد۔ یہ شماریات انشورنس ایسوسی ایشن آف پاکستان نے ترتیب دئے ہیں اور بیمہ صنعت کیلئے شائع کئے ہیں۔

پروڈکٹ کی حد:

کمپنی وہ پروڈکٹس پیش کرتی ہے جو اپنی توجہ، بچے کی تعلیم اور شادی کی ضروریات، ریٹائرمنٹ منصوبہ بندی، بچتیں اور دولت کے مجموعے، اسلامی پروڈکٹس اور محفوظ پروڈکٹس پر مرکوز رکھتی ہیں۔ کمپنی ایک جامع پروڈکٹ کی حد کی حامل ہے جو ہمارے معاشرے کے تمام بنیادی درجات زندگی تک پہنچنے کی وسعت رکھتے ہیں۔

2016 میں کمپنی نے فیملی مکافل کیلئے اپنے حمایتی برانڈ کے تحت کئی پروڈکٹس مزید متعارف کرائیں۔ اسی کے ساتھ ساتھ، کمپنی اپنی پہنچ کو کثیر آبادی تک بڑھانے کیلئے مشمولہ بیمہ مصنوعات میں قسمت آزمائی کی اور ٹیلی کمیونیکیشن کمپنیوں، شاخ سے مبرا بینکاری کے ساتھ ساتھ مائیکرو فنانس اداروں کے ساتھ اختراعی مالیاتی حل متعارف کرائے۔

کمپنی نے ڈاکٹر کنیکٹ، ہیٹ ڈاکٹر سے اشتراک سے، دنیا کے نمایاں صحت مہیا کرنے والے پیشہ ور افراد اور ڈاکٹروں تک رسائی مہیا کرنے کیلئے جو بہت ہی اشد ضرورت کے وقت قیمتی طبی مشورے دے سکتے ہوں، ایک مزید طبی مشورے کی خدمت بھی متعارف کرایا ہے۔

تقسیم کاری کی صلاحیتیں:

کمپنی نے تقسیم کاری جینٹلز وضع کرنے کیلئے اپنی خاص توجہ مرکوز رکھنے کا سلسلہ جاری رکھا ہوا ہے۔ تین بنیادی جینٹلز انفرادی بیمہ زندگی سٹیز فورس، بنیادی لائف بینکھورس اور گروپ بینیفٹس ہیں۔ 2016 کے دوران، کمپنی نے متبادل تقسیم کار جینٹلز قائم کرنے پر بھی، جیسے کہ ٹیلی کمیونیکیشن آپریٹرز اور شاخ سے مبرا بینکاری کے ادارے، اپنی توجہ مرکوز کی۔

پورے ملک میں انفرادی بیمہ زندگی اور فیملی مکافل سٹیز کی شاخوں کا جال 200 مقامات تک پھیل گیا ہے۔ بینکھورس کمپنی کے کاروبار میں دوسرا بڑا حصہ دار ثابت ہوا ہے اور پچھلے کئی سالوں سے مسلسل نشوونما جاری رکھے ہوئے ہے۔ کمپنی کی 14 بینکوں کے ساتھ شراکت ہے۔

گروپ بینیفٹ، کارپوریٹ اینڈ ٹیلیکوم کو ہدف بناتے ہوئے کمپنی کا تیسرا اور ایک قابل حجم تقسیم کاری کا جینٹل ہے۔ 2016 کے دوران، تمام صنعتی اور کارپوریٹ سیکٹر میں بہتری دیکھی گئی جو گروپ بینیفٹس پریئم میں ایک اچھی نشوونما کا نتیجہ ثابت ہوا۔

فیملی مکافل:

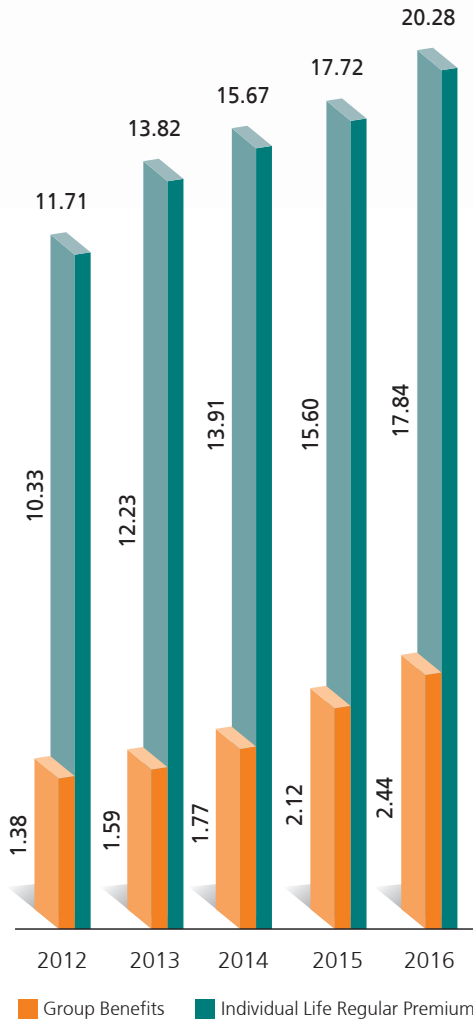
آپ کی کمپنی، ونڈو فیملی مکافل آپریٹر کی حیثیت سے کام کرنے کیلئے سکیو ریٹیز اینڈ ایجنسی کمیشن آف پاکستان کی طرف سے منظوری حاصل کرنے والی پہلی بیمہ زندگی کمپنی ہے۔ کمپنی نے 6 فروری 2015 کو ایک مخصوص برانڈ ”حمایہ“ کے تحت، انفرادی بیمہ زندگی

ممبران کو ڈائریکٹرز کی رپورٹ

انفرادی بیمہ زندگی کے باقاعدہ پرمیئمز (بشمول تکافل حصہ جات) 14.5 فیصد سے بڑھ کر 17.84 بلین روپے کے مجموعی پرمیئم تک پہنچ گئے (2015: 15.6 بلین روپے)۔ تجدیدی پرمیئم 13.92 فیصد اضافے سے، 13.5 بلین روپے تک بڑھ گیا (2015: 11.86 بلین روپے)۔ صارف کو مہیا کی جانے والی اعلیٰ تر خدمات اور صارفین کو برقرار رکھنے پر کمپنی کی توجہ کے مرکز کے باعث، دوران سال استقامت کا ایک اعلیٰ درجہ قائم رکھنے کا نتیجہ ثابت ہوا۔ انفرادی بیمہ زندگی کی مجموعی استقامت (دوسرے سال اور بعد ازاں)، 86.6 فیصد رہی (2015: 85.3 فیصد)۔

کاروبار کے گروپ بینیفٹس کے شعبے نے (بشمول تکافل حصہ جات)، 2.4 بلین روپے کا مجموعی پرمیئم حاصل کیا (2015: 2.12 بلین روپے)، یعنی 14.4 فیصد کا اضافہ۔ پچھلے پانچ سالوں میں مجموعی پرمیئم کاروبار (بشمول 2016 کے تکافل حصہ جات) درج ذیل رہا:

**GROSS PREMIUM GROWTH
5 YEAR SUMMARY**
(Group Benefits & Individual Life Regular Premium)
(Rupees in Billions)



آپ کی کمپنی کے ڈائریکٹرز، آپ کو کمپنی کی پچیسویں سالانہ رپورٹ برائے سال 2016 جس کا اختتام 31 دسمبر 2016 کو ہوا، پیش کرنے میں مسرت محسوس کرتے ہیں۔

بیمہ صنعت کا جائزہ

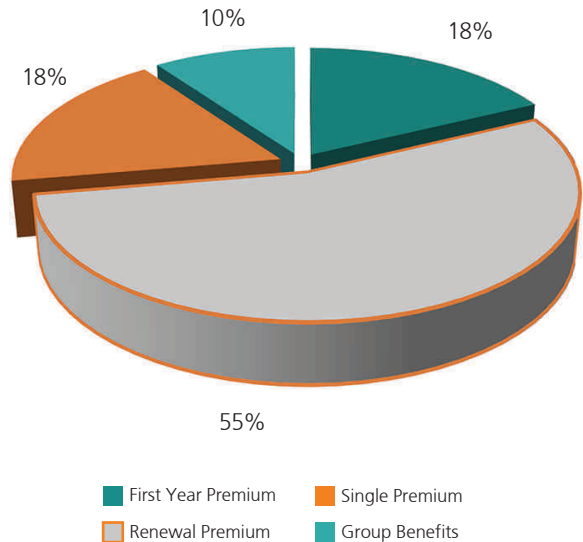
ہمارے ملک کی بیمہ زندگی اور فیملی تکافل کی صنعت نو ممتاز کمپنیوں پر مشتمل ہے۔ بیمہ زندگی کے کامیاب آپریشنز کی 24 سالہ وسیع تاریخ کی حامل، آپ کی کمپنی بیمہ زندگی کے نجی سیکٹر میں ان ممتاز کمپنیوں میں سے ایک ہے۔ 2015 کے سالانہ اعداد و شمار کی بنیاد پر، بیمہ زندگی کا مجموعی پرمیئم 150 بلین روپے کی حد پھلانگ گیا، یعنی پانچ سال تک سالانہ قریباً 25 فیصد کا اضافہ ہوا۔ پچھلے پانچ سالوں میں، اس رجحان کو متواتر رکھنے میں، تقسیم کار رجسٹر، بنیادی طور پر بینک شورٹس نے، بیمہ زندگی کے نجی سیکٹر کی نشوونما کی رفتار کو آگے بڑھانے کا سلسلہ جاری رکھا ہوا ہے۔

بیمہ زندگی کیلئے ریگولیٹری ماحول ترقی و شرح نمو کیلئے موافق رہا۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ساتھ صنعتوں میں معروف عمل کئی محاذوں پر سبقت حاصل کرتے ہوئے مختلف شعبوں میں ریگولیٹری رجیم کو مستحکم بنایا گیا۔

کاروبار کی کارکردگی

آپ کی کمپنی کا مجموعی پرمیئم (بشمول تکافل حصہ جات)، 24.7 بلین روپے رہا۔ 2016 میں مجموعی پرمیئم کا مرکب درج ذیل تھا:

**GROSS PREMIUM
COMPOSITION**





EFU LIFE ASSURANCE LTD

Form of Proxy

I/We _____
of _____
being a member of EFU LIFE ASSURANCE LTD. hereby appoint
Mr. _____
of _____
or failing him _____
of _____

as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on Saturday, April 15th, 2017 at 12:00 noon and at any adjournment thereof.

Signed this _____ day of _____ 2017

WITNESS:

1. Signature: _____
Name: _____
Address: _____

CNIC or
Passport No: _____

2. Signature: _____
Name: _____
Address: _____

CNIC or
Passport No: _____

Revenue
Stamp

Signature of Member(s)
Shareholder's Folio No. _____
and/or CDC
Participant ID. No. _____
and Sub Account No. _____

Important:

This form of Proxy, duly completed, must be deposited at the Company's Registered Office at Al-Malik Centre, 70 W, F-7/G-7 Jinnah Avenue (Blue Area), Islamabad not later than 48 hours before the time appointed for the meeting.

CDC Shareholders and their Proxies are each requested to attach attested photocopy of their Computerised National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.

CDC Shareholders or their Proxies are requested to bring with them their Original Computerised National Identity Card or Passport along with the Participant's ID number and their account number at the time of attending the Annual General Meeting in order to facilitate their identification.

AFFIX
POSTAGE

EFU LIFE ASSURANCE LTD.
The Company Secretary
Al-Malik Centre,
70 W, F-7/G-7
Jinnah Avenue (Blue Area)
Islamabad.

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EFU LIFE ASSURANCE LTD

پراکسی فارم

میں/ہم _____
 برائے _____
 EFU لائف اسٹورنس لمیٹڈ کا/کی/ممبر کی حیثیت سے بذریعہ ہذا
 کے/کی _____
 جناب/محترمہ _____
 ان کی جگہ _____
 جناب/محترم _____

کمپنی کے 25 ویں سالانہ اجلاس عام میں اپنی جگہ شرکت کرنے اور ووٹ دینے کے لیے اپنا/ہمارا پراکسی تقرر کرتا/کرتی ہوں/کرتے ہیں۔ یہ اجلاس بروز
 ہفتہ 15 اپریل 2017 کو دوپہر 12:00 بجے یا التواء کی صورت میں کسی بھی دیگر وقت مقررہ پر منعقد ہوگا۔

دستخط کردہ بروز _____ بتاریخ _____ 2017

گواہان:



1. دستخط: _____
 نام: _____
 پتہ: _____
 یا CNIC _____
 پاسپورٹ نمبر: _____
 ممبر (ممبران) کے دستخط _____
 2. دستخط: _____
 نام: _____
 پتہ: _____
 یا CNIC _____
 پاسپورٹ نمبر: _____

اہم نوٹ:

- باضابطہ مکمل شدہ یہ پراکسی فارم کمپنی کے رجسٹرڈ آفس، بمقام الملک سینٹر، 70W, F-7/G-7، جناح ایونیو (بلیو ایریا) اسلام آباد میں اجلاس کے وقت سے 48 گھنٹے قبل پہنچ جانا چاہیئے۔
- CDC شیئر ہولڈرز اور ان کے پراکسیز سے درخواست ہے کہ وہ کمپنی کو یہ پراکسی فارم جمع کروانے سے قبل اس کے ساتھ اپنے کمپیوٹر انز ڈقومی شناختی کارڈ (CNIC) یا پاسپورٹ کی تصدیق شدہ نقل منسلک کریں۔
- CDC شیئر ہولڈرز یا ان کے پراکسیز سے درخواست ہے کہ وہ اپنی شناخت میں سہولت کے لیے سالانہ اجلاس عام میں شرکت کے وقت شرکت کنندہ کے ID نمبر اور اپنے اکاؤنٹ نمبر کے ساتھ اپنے اصل کمپیوٹر انز ڈقومی شناختی کارڈ یا پاسپورٹ بھی ہمراہ لائیں۔

AFFIX
POSTAGE

EFU LIFE ASSURANCE LTD.
The Company Secretary
Al-Malik Centre,
70 W, F-7/G-7
Jinnah Avenue (Blue Area)
Islamabad.

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EFU LIFE ASSURANCE LTD.

Bank Mandate Form

To,
The Share Registrar
EFU Life Assurance Ltd.
M/s Technology Trade (Pvt.) Limited
Dagia House, 241-C, Block-2, PECHS,
Off: Shahra-e-Quaideen, Karachi.

Sub: Bank Mandate for Dividend Warrants

- 1) Mr. / Ms / Mrs. _____ S/o, D/o, W/o, Mr. _____ hereby authorize EFU Life Assurance Ltd. to deposit my dividend warrant directly to my Bank Account when the cash dividend, if any, is declared by the Company in the below mentioned bank account. I hereby further authorize company to update my particulars mentioned below in the member register of the company.

(i) Shareholder's detail	
Name of the Shareholder	
Folio No. / CDC Participants ID A/C No.	
CNIC No. *	
Passport No. (in case of foreign shareholder) **	
Land Line Phone Number	
Cell Number	
E-mail address	

(ii) Shareholder's bank detail	
Title of the Bank Account	
Bank Account Number	
Bank's Name,	
Branch Name and Code No.	
Branch Address	


- 2) It is stated that the above-mentioned information is correct, that I will intimate the changes in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur.

Signature of the Shareholder

Date

*Please attach attested photocopy of the CNIC.

**Please attach attested photocopy of the Passport.



By using our experience, innovating and working together, we can better understand our customers' needs and make a difference. Even while progressing and leaving a mark on history, we remain mindful of the pillars of our success and our responsibilities to both society and our stakeholders.

Our new home, EFU Life House, is much more than just steel, concrete and glass, it is a testament to the trust you have placed in us for over two decades. Just as every bird has a story and its feathers signify certain values and strengths, our new head office stands as an amalgamation of stability, honesty, and integrity. Our commitment to you stands strong, as we pledge to be your financial partner for many years to come.



OUR NEW HOME 'EFU LIFE HOUSE'

It is much more than just steel, concrete and glass. It is a testament to the trust you have placed in us for over two decades.

CD Space

