



Sustained Success



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Vision & Mission



VISION

To continue our journey to be better than the best.

OUR VALUES

Our philosophy is to be the leading Company with service above par, with integrity, excellence and professionalism. Following are our core values:

INTEGRITY & ETHICS

Conduct business with ethics, dignity, fairness and transparency.

EXCELLENCE

We measure our performance by results but more by quality of service.

MISSION

To provide services beyond expectation with a will to go an extra mile. In the process, continue to upgrade technology, human resource and reinsurance protection.

PROFESSIONALISM

We believe professionalism is perfection. Business resources are utilized in a manner to achieve optimum returns on resources.

OUR PEOPLE

In EFU we work like a family. Everyone is treated with respect and without any discrimination.

CORPORATE SOCIAL RESPONSIBILITY

We donate to various institutions in health and education sectors, for improving the lifestyle of common man.



Company Information

Chairman

Saifuddin N. Zoomkawala

Managing Director & Chief Executive

Hasanali Abdullah

Directors

Rafique R. Bhimjee
 Abdul Rehman Haji Habib
 Muneer R. Bhimjee
 Taher G. Sachak
 Ali Raza Siddiqui
 Mohammed Iqbal Mankani
 Mahmood Lotia

Chief Financial Officer & Corporate Secretary

Altaf Qamruddin Gokal, F.C.A.

Legal Advisor

Mohammad Ali Sayeed

Advisors

Akhtar K. Alavi, A.C.I.I.
 Salim Rafik Sidiki, B.A. (Hons), M.A.
 S.C. (Hamid) Subjally
 Syed Mehdi Imam, M.A.

Shariah Advisor

Mufti Muhammad Ibrahim Essa

Audit Committee

Rafique R. Bhimjee
 Taher G. Sachak
 Ali Raza Siddiqui
 Mohammed Iqbal Mankani

Investment Committee

Saifuddin N. Zoomkawala
 Hasanali Abdullah
 Rafique R. Bhimjee

Human Resource & Remuneration Committee

Saifuddin N. Zoomkawala
 Rafique R. Bhimjee
 Hasanali Abdullah

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
 Chartered Accountants
 601, 6th Floor
 Progressive Plaza
 Beaumont Road
 Karachi

Registrar

Technology Trade (Pvt.) Ltd.
 Dagia House 241-C
 Block-2, P.E.C.H.S.
 Off Shakra-e-Quaideen
 Karachi

Website

www.efuinsurance.com

Registered Office

Kamran Centre, 1st Floor
 85, East, Jinnah Avenue
 Blue Area
 Islamabad

Main Offices

EFU House
 M. A. Jinnah Road
 Karachi

Co-operative Insurance Building
 23, Shahrah-e-Quaid-e-Azam
 Lahore



Directors' Review

We are pleased to present the unaudited financial statements for the six months period ended 30 June 2015.

Your Directors are pleased to inform that the Company launched Window Takaful Operations to transact General Takaful products.

The Written Premium for the six months period (including Takaful Contribution of Rs. 3 million) was Rs. 6,568 million as against Rs. 6,538 million in corresponding period of last year. The Net Premium Revenue for the six months period (including Takaful Net Contribution Revenue) was Rs. 3,380 million as against Rs. 3,354 million in the corresponding period of last year. The overall ratio of Claims to Net Premium Revenue remained constant at 47%. The total underwriting profit for the six months period (including Takaful underwriting loss) was Rs. 641 million as compared to Rs. 684 million in corresponding period of last year.

The after tax profit for the six months period was Rs. 1,257 million compared to Rs. 879 million in the corresponding period last year.

The earning per share for the six months period was Rs. 7.85 against Rs. 5.49 in the corresponding period of last year.

Your Directors have pleasure in declaring second interim cash dividend of Rupee 1.00 per share for the period ended 30 June 2015.

The total Market value of Properties, Equity (other than investment in associate), Fixed Income securities and Cash and Bank Balances as at 30 June 2015 stood at Rs. 15,106 million as compared to Rs. 14,919 million as on 31 December 2014.

Your Directors would like to place on record their highest appreciation to the field force, officers and staff of the Company for the dedicated efforts in a difficult operating environment.

Your Directors would also like to thank the Securities and Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



Auditors' Report to Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of EFU General Insurance Limited as at 30 June 2015 and the related condensed interim profit and loss account, condensed interim statements of comprehensive income, changes in equity, cash flows, premiums, claims, expenses and investment income and notes forming part thereof (here-in-after referred to as the "interim financial information") for the six-months' period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

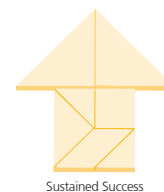
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Engagement Partner: Arslan Khalid

Karachi 29 August, 2015

Condensed Interim Balance Sheet As at 30 June 2015 (Unaudited)



	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Share capital and reserves			
Authorised share capital			
200 000 000 (2014: 200 000 000)			
ordinary shares of Rs.10 each		2 000 000	2 000 000
Issued, subscribed and paid-up share capital		1 600 000	1 600 000
Reserves and retained earnings	6	11,807,672	11 511 099
		13 407 672	13 111 099
Underwriting provisions			
Provision for outstanding claims (including IBNR)		5 143 759	5 652 404
Provision for unearned premium		5 771 430	6 363 732
Commission income unearned		255 837	296 383
Total underwriting provisions		11 171 026	12 312 519
Deferred liabilities			
Deferred taxation		98 251	117 081
Creditors and accruals			
Premiums received in advance		5 825	5 154
Amounts due to other insurers / reinsurers		2,096,797	2 069 905
Accrued expenses		192 010	183 975
Agent balances		433 739	551 661
Unearned rentals		65 755	54 684
Taxation - provision less payments		7 941	48 366
Other creditors and accruals		267 620	164 599
		3 069 687	3 078 344
Other liabilities			
Other deposits		514 538	509 979
Unclaimed dividends		116 445	98 223
		630 983	608 202
Total liabilities		14 969 947	16 116 146
Total equity and liabilities		28 377 619	29 227 245
Total liabilities from general takaful operations - OPF		1 570	-
Total equity and liabilities		28 379 189	29 227 245
Contingencies	7		



Rupees '000

	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Cash and bank deposits			
Cash and other equivalents		3 861	5 741
Current and other accounts		1 207 520	916 069
Deposits maturing within 12 months		343 168	598 985
		1 554 549	1 520 795
Loans - secured considered good			
To employees		1 867	2 578
Investments	8	15 877 844	15 647 043
Investment properties		202 064	213 313
Current assets - others			
Premiums due but unpaid - net	9	2 957 253	3 159 203
Amounts due from other insurers / reinsurers		157 207	27 137
Salvage recoveries accrued		30 498	26 189
Accrued investment income		138 461	137 444
Reinsurance recoveries against outstanding claims		2 842 811	3 389 989
Deferred commission expense		474 789	561 850
Prepayments		3 072 560	3 506 731
Security deposits		6 701	6 505
Sundry receivables		91 235	108 902
		9 771 515	10 923 950
Fixed assets - tangible and intangible	10		
Land and buildings		330 867	327 942
Furniture, fixtures and office equipments		351 404	374 487
Vehicles		238 375	217 016
Computer softwares		72	121
Capital work-in-progress		6 076	–
		926 794	919 566
Total assets		28 334 633	29 227 245
Total assets from general takaful operations - OPF		44 556	–
Total assets		28 379 189	29 227 245

The annexed notes 1 to 16 form an integral part of these condensed financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



Condensed Interim Profit and Loss Account

For the six months period ended 30 June 2015 (Unaudited)

Rupees '000

Note	Three months period ended 30 June					Aggregate 2015	Aggregate 2014
	Fire & property damage	Marine, aviation & transport	Motor	Others	Treaty		
Revenue account							
	476 776	361 962	742 960	104 569	–	1 686 267	1 621 290
	(105 838)	(149 219)	(422 997)	(15 334)	–	(693 388)	(706 107)
	(104 518)	(79 359)	(208 673)	(22 855)	–	(415 405)	(375 162)
	(70 366)	(58 264)	(64 358)	33 653	–	(159 335)	(191 720)
Underwriting result	196 054	75 120	46 932	100 033	–	418 139	348 301
Investment income						607 599	166 226
Rental income						30 163	28 553
Profit on deposits						17 342	31 948
Other income						8 374	6 474
Share of profit of an associate						172 831	98 093
General and administration expenses						(158 188)	(141 399)
Workers' welfare fund						(21 785)	(10 553)
						656 336	179 342
Profit before tax from general insurance operations						1 074 475	527 643
Loss before tax from general takaful operations - OPF	11					(7 014)	–
Profit before tax for the period						1 067 461	527 643
Provision for taxation – Current						(173 747)	(100 977)
– Prior year	12					(59 520)	–
– Deferred tax						22 798	(10 400)
						(210 469)	(111 377)
Profit after tax for the period						856 992	416 266
Earnings per share - basic and diluted					(Rupees)	5.36	2.60

Six months period ended 30 June							
Revenue account							
	984 818	753 061	1 460 575	181 158	–	3 379 612	3 354 443
	(287 474)	(344 317)	(859 689)	(92 666)	–	(1 584 146)	(1 583 322)
	(213 826)	(163 506)	(391 844)	(39 334)	–	(808 510)	(717 913)
	(146 287)	(115 123)	(127 317)	42 500	–	(346 227)	(368 998)
Underwriting result	337 231	130 115	81 725	91 658	–	640 729	684 210
Investment income						847 316	402 731
Rental income						62 082	56 954
Profit on deposits						36 891	57 666
Other income						13 252	5 552
Share of profit of an associate						303 904	189 144
General and administration expenses						(311 809)	(288 116)
Workers' welfare fund						(31 707)	(21 728)
						919 929	402 203
Profit before tax from general insurance operations						1 560 658	1 086 413
Loss before tax from general takaful operations - OPF	11					(7 014)	–
Profit before tax for the period						1 553 644	1 086 413
Provision for taxation – Current						(256 382)	(212 851)
– Prior year	12					(59 520)	–
– Deferred tax						18 831	5 221
						(297 071)	(207 630)
Profit after tax for the period						1 256 573	878 783
Profit and loss appropriation account						1 256 573	878 783
Balance at commencement of the period						1 998 197	1 645 027
Profit after tax for the period						1 256 573	878 783
Issuance of bonus shares for the year 2013: Rs. 2.80 (28%) per share						–	(350 000)
Final dividend for the year 2014 Rs. 5.00 (50%) per share (2013: Rs. 4.00 (40%) per share)						(800 000)	(500 000)
1st Interim dividend for the year 2015 Re. 1.00 (10%) per share						(160 000)	–
Transfers to general reserve						(1 000 000)	(500 000)
Balance unappropriated profit at end of the period						1 294 770	1 173 810
Earnings per share - basic and diluted					(Rupees)	7.85	5.49

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman



Condensed Interim Statement of Comprehensive Income For the six months period ended 30 June 2015 (Unaudited)

Rupees '000

	Three months period ended 30 June		Six months period ended 30 June	
	2015	2014	2015	2014
Profit for the period	856 992	416 266	1 256 573	878 783
Other comprehensive income for the period	–	–	–	–
Total comprehensive income for the period	<u>856 992</u>	<u>416 266</u>	<u>1 256 573</u>	<u>878 783</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

Condensed Interim Statement of Changes in Equity For the six months period ended 30 June 2015 (Unaudited)



Rupees '000

	Share capital	General reserve	Reserve for exceptional losses	Unappropriated profit	Total
Balance as at 1 January 2014	1 250 000	9 000 000	12 902	1 645 027	11 907 929
Total comprehensive income for the period ended 30 June 2014					
Profit for the period	–	–	–	878 783	878 783
Transactions with owners, recorded directly in equity					
Final dividend paid for the year 2013 at the rate of Rs. 4.00 per share	–	–	–	(500 000)	(500 000)
Issuance of bonus shares for the year 2013 Rs. 2.80 (28%) per share	350 000	–	–	(350 000)	–
Other transfer within equity					
Transfer to general reserve	–	500 000	–	(500 000)	–
Balance as at 30 June 2014	<u>1 600 000</u>	<u>9 500 000</u>	<u>12 902</u>	<u>1 173 810</u>	<u>12 286 712</u>
Balance as at 1 January 2015	1 600 000	9 500 000	12 902	1 998 197	13 111 099
Total comprehensive income for the period ended 30 June 2015					
Profit for the period	–	–	–	1 256 573	1 256 573
Transactions with owners, recorded directly in equity					
Final dividend paid for the year 2014 at the rate of Rs. 5.00 per share	–	–	–	(800 000)	(800 000)
1st Interim dividend paid for the year 2015 at the rate of Re. 1.00 per share	–	–	–	(160 000)	(160 000)
Other transfer within equity					
Transfer to general reserve	–	1 000 000	–	(1 000 000)	–
Balance as at 30 June 2015	<u>1 600 000</u>	<u>10 500 000</u>	<u>12 902</u>	<u>1 294 770</u>	<u>13 407 672</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



Condensed Interim Statement of Cash Flows

For the six months period ended 30 June 2015 (Unaudited)

Rupees '000

	2015	2014
Operating activities		
a) Underwriting activities		
Premiums received	6 767 141	6 592 933
Reinsurance premiums paid	(3 274 588)	(3 450 755)
Claims paid	(3 025 235)	(3 020 757)
Reinsurance and other recoveries received	1 345 243	1 374 581
Commissions paid	(695 563)	(813 279)
Commissions received	277 929	322 322
Management expenses paid	(689 189)	(635 825)
Net cash inflow from underwriting activities	705 738	369 220
b) Other operating activities		
Income tax paid	(356 181)	(96 461)
General and administration expenses	(340 286)	(278 794)
Other operating payments	(74 090)	(74 240)
Other operating receipts	107 525	34 312
Loans advanced	(960)	(398)
Loan repayments received	1 671	267
Net cash outflow from other operating activities	(662 321)	(415 314)
Total cash inflow / (outflow) from all operating activities	43 417	(46 094)
Investment activities		
Profit / return received	200 997	65 361
Dividends received	413 171	308 398
Rentals received	58 607	45 579
Payments for investments	(3 987 213)	(8 327 243)
Proceeds from disposal of investments	4 329 525	8 075 858
Fixed capital expenditures	(98 568)	(73 755)
Proceeds from disposal of fixed assets	15 596	13 817
Total cash inflow from investing activities	932 115	108 015
Financing activities		
Dividends paid	(941 778)	(490 402)
Net cash inflow / (outflow) from all activities	33 754	(428 481)
Cash at the beginning of the period	1 520 795	2 083 141
Cash at the end of the period	1 554 549	1 654 660
Reconciliation to profit and loss account		
Operating cash flows	43 417	(46 094)
Depreciation / amortisation expense	(99 970)	(85 444)
Rentals and investment income	894 853	430 812
Profit on deposits	36 891	57 666
Other income	13 252	9 823
Share of profit of an associate	303 904	189 144
Decrease in assets other than cash	(1 063 826)	(103 969)
Decrease in liabilities other than running finance	1 135 066	426 845
Profit after tax for the period	1 263 587	878 783
Loss from general takaful operations - OPF	(7 014)	-
Profit after tax for the period	1 256 573	878 783
Definition of cash		
Cash for the purposes of the statement of cash flows consists of:		
Cash and other equivalents	3 861	2 653
Current and other accounts	1 207 520	1 575 821
Deposits maturing within 12 months	343 168	76 186
	1 554 549	1 654 660

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

Condensed Interim Statement of Premiums

For the six months period ended 30 June 2015 (Unaudited)



Rupees '000

Class	Three months period ended 30 June								Net premium revenue 2015	Net premium revenue 2014
	Premiums				Reinsurance					
	Written	Unearned premium reserve		Earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense		
	Opening	Closing			Opening	Closing				
Direct and facultative										
Fire and property damage	1 197 444	3 952 685	3 123 841	2 026 288	945 666	2 923 949	2 320 103	1 549 512	476 776	494 136
Marine, aviation and transport	641 056	510 584	603 539	548 101	318 935	187 998	320 794	186 139	361 962	331 135
Motor	731 928	1 475 334	1 459 853	747 409	4 224	533	308	4 449	742 960	702 777
Miscellaneous	240 941	624 314	584 197	281 058	151 016	397 707	372 234	176 489	104 569	93 242
Total	2 811 369	6 562 917	5 771 430	3 602 856	1 419 841	3 510 187	3 013 439	1 916 589	1 686 267	1 621 290
Treaty - proportional	-	-	-	-	-	-	-	-	-	-
Grand total	2 811 369	6 562 917	5 771 430	3 602 856	1 419 841	3 510 187	3 013 439	1 916 589	1 686 267	1 621 290

Six months period ended 30 June

Direct and facultative										
Fire and property damage	3 123 072	4 056 159	3 123 841	4 055 390	2 400 307	2 990 368	2 320 103	3 070 572	984 818	1 015 713
Marine, aviation and transport	1 133 411	555 303	603 539	1 085 175	413 880	239 028	320 794	332 114	753 061	742 453
Motor	1 599 978	1 329 780	1 459 853	1 469 905	8 896	742	308	9 330	1 460 575	1 398 910
Miscellaneous	708 059	422 490	584 197	546 352	478 397	259 031	372 234	365 194	181 158	197 367
Total	6 564 520	6 363 732	5 771 430	7 156 822	3 301 480	3 489 169	3 013 439	3 777 210	3 379 612	3 354 443
Treaty - proportional	-	-	-	-	-	-	-	-	-	-
Grand total	6 564 520	6 363 732	5 771 430	7 156 822	3 301 480	3 489 169	3 013 439	3 777 210	3 379 612	3 354 443

Note: Premiums written includes administrative surcharge of Rs. 201.06 million (2014: Rs. 156.93 million).

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



Condensed Interim Statement of Claims

For the six months period ended 30 June 2015 (Unaudited)

Rupees '000

Class	Three months period ended 30 June										
	Claims				Reinsurance					Net claims expense 2015	Net claims expense 2014
	Paid	Outstanding		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue			
	Opening	Closing			Opening	Closing					
Direct and facultative											
Fire and property damage	798 704	2 963 201	2 438 657	274 160	630 931	2 260 380	1 797 771	168 322	105 838	23 185	
Marine, aviation and transport	195 876	1 234 171	1 153 882	115 587	21 221	710 566	655 713	(33 632)	149 219	253 711	
Motor	393 618	1 021 773	1 051 337	423 182	177	3 827	3 835	185	422 997	383 007	
Miscellaneous	94 951	526 790	499 883	68 044	49 600	382 382	385 492	52 710	15 334	49 698	
Total	1 483 149	5 745 935	5 143 759	880 973	701 929	3 357 155	2 842 811	187 585	693 388	709 601	
Treaty - proportional	-	-	-	-	-	-	-	-	-	(3 494)	
Grand total	1 483 149	5 745 935	5 143 759	880 973	701 929	3 357 155	2 842 811	187 585	693 388	706 107	
	Six months period ended 30 June										
Direct and facultative											
Fire and property damage	1 717 792	3 143 108	2 438 657	1 013 341	1 323 027	2 394 931	1 797 771	725 867	287 474	262 246	
Marine, aviation and transport	336 921	1 098 528	1 153 882	392 275	42 982	650 737	655 713	47 958	344 317	360 596	
Motor	752 093	943 727	1 051 337	859 703	438	4 259	3 835	14	859 689	829 374	
Miscellaneous	214 120	467 041	499 883	246 962	108 866	340 062	385 492	154 296	92 666	134 600	
Total	3 020 926	5 652 404	5 143 759	2 512 281	1 475 313	3 389 989	2 842 811	928 135	1 584 146	1 586 816	
Treaty - proportional	-	-	-	-	-	-	-	-	-	(3 494)	
Grand total	3 020 926	5 652 404	5 143 759	2 512 281	1 475 313	3 389 989	2 842 811	928 135	1 584 146	1 583 322	

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

Condensed Interim Statement of Expenses

For the six months period ended 30 June 2015 (Unaudited)



Rupees '000

Class	Three months period ended 30 June							Net	Net
	Paid or payable	Commission		Net expense	Other management expenses	Underwriting expenses	Commission from reinsurers	underwriting expenses	underwriting expenses
		Opening	Closing					2015	2014
Direct and facultative									
Fire and property damage	105 750	316 216	244 553	177 413	104 518	281 931	107 047	174 884	202 700
Marine, aviation and transport	65 908	50 686	49 887	66 707	79 359	146 066	8 443	137 623	130 126
Motor	59 410	125 115	120 116	64 409	208 673	273 082	51	273 031	239 876
Miscellaneous	17 961	51 299	60 233	9 027	22 855	31 882	42 680	(10 798)	(5 818)
Total	249 029	543 316	474 789	317 556	415 405	732 961	158 221	574 740	566 884
Treaty - proportional	-	-	-	-	-	-	-	-	-
Grand total	249 029	543 316	474 789	317 556	415 405	732 961	158 221	574 740	566 884
	Six months period ended 30 June								
Direct and facultative									
Fire and property damage	244 121	359 610	244 553	359 178	213 826	573 004	212 891	360 113	369 327
Marine, aviation and transport	127 984	52 539	49 887	130 636	163 506	294 142	15 513	278 629	267 361
Motor	130 536	117 001	120 116	127 421	391 844	519 265	104	519 161	458 140
Miscellaneous	75 000	32 700	60 233	47 467	39 334	86 801	89 967	(3 166)	(7 915)
Total	577 641	561 850	474 789	664 702	808 510	1 473 212	318 475	1 154 737	1 086 913
Treaty - proportional	-	-	-	-	-	-	-	-	-
Grand total	577 641	561 850	474 789	664 702	808 510	1 473 212	318 475	1 154 737	1 086 913

Note: Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



Condensed Interim Statement of Investment Income For the six months period ended 30 June 2015 (Unaudited)

Rupees '000

	Three months period ended 30 June		Six months period ended 30 June	
	2015	2014	2015	2014
Income from non - trading investments				
Return on government securities	72 409	3 369	155 202	7 038
Return on other fixed income securities and deposits	986	1 748	1 953	3 659
Amortisation of discount relative to par	5 045	161	10 728	204
Dividend income	55 169	52 054	109 628	110 397
Gain on sale of non - trading investments	296 838	119 919	389 893	182 178
	430 447	177 251	667 404	303 476
Reversal / (provision) for impairment - available for sale investments - net	177 552	(10 811)	180 542	99 669
Investment related expenses	(400)	(214)	(630)	(414)
Net investment income	<u>607 599</u>	<u>166 226</u>	<u>847 316</u>	<u>402 731</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

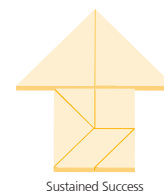
HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

Notes to the Condensed Interim Financial Statements

For the six months period ended 30 June 2015 (Unaudited)



1. Status and nature of business

EFU General Insurance Limited (the Company) was incorporated as a public limited company on 2 September 1932. The Company is listed on the Karachi and Lahore Stock Exchanges and is engaged in non-life insurance business comprising of fire and property, marine, motor, miscellaneous etc.

The registered office of the Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi. The Company has been allowed to work as Window Takaful Operator on 16 April 2015 by Securities and Exchange Commission of Pakistan under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

2. Statement of compliance

2.1 These condensed interim financial statements of the Company for the period ended 30 June 2015 have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012. In case where requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012 shall prevail.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2014.

2.3 During the period, the Company was granted permission by Securities and Exchange Commission of Pakistan to transact Window Takaful Operations. In terms of the requirements of the Takaful Rules 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the General Takaful operations of the Company have been presented as a single line item in the balance sheet and profit and loss account of the Company respectively.

2.4 Further, a separate set of financial statements of the General Takaful operations has been annexed to these financial statements as per the requirements of the Takaful Rules 2012.

3. Significant accounting policies

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as disclosed in note 2.3 and 2.4 and as follows:

3.1 New / Revised Standards, Interpretations and Amendments

The Company has adopted the following amendment to IFRSs which became effective for the current period:

IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements - Investment Entities (Amendment)

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

IAS 19 – Employee Benefits - (Amendment) - Defined Benefit Plans: Employee Contributions

The adoption of the above amendments to accounting standards did not have any effect on the condensed interim financial statements:

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

4. Accounting estimates and judgements

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statement, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2014.



5. Management of insurance and financial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2014.

6. Reserves and retained earnings

Rupees '000

	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
General reserve	6.1	10 500 000	9 500 000
Reserve for exceptional losses		12 902	12 902
Retained earnings		1 294 770	1 998 197
		<u>11 807 672</u>	<u>11 511 099</u>

6.1 The reserve for exceptional losses was created prior to 1979 and was charged to income in accordance with the provisions of the repealed Income Tax Act, 1922 and has been so retained to date.

7. Contingencies

The income tax assessments of the Company have been finalised upto Tax Year 2014 (Financial year ending 31 December 2013).

The Company has filed appeals with Income Tax Appellate Tribunal (ITAT) in respect of assessment years 1999-2000 and 2000-2001 in respect of disallowance of management expenses, provision for gratuity and bonus. The Company paid the taxes at the time of the assessment and if the appeals are decided against the Company there will be no tax payable, however if Company succeeds refund of 13 million would be receivable.

The Company has filed appeal for the Tax year 2008 with Income Tax Appellate Tribunal (ITAT) in respect of additions made by Commissioner Inland Revenue (Appeals) on Reinsurance Premium. If the appeal is decided against the Company, a tax liability of Rs. 5.3 million would be payable.

The department has filed appeals for the Tax years 2005 to 2007 before Honourable Supreme Court against the decision of the Honourable High Court in respect of proration of expenses and if the appeals are decided against the Company, a tax liability of Rs. 37 million would be payable.

The department has filed appeal for the assessment year 2002-2003 before Honourable High Court against the order of Income Tax Appellate Tribunal (ITAT) in respect of estimated liability of claims, excess perquisites and retrocession commission. If the appeal is decided against the Company, a tax liability of Rs. 71 million would be payable.

The department has filed appeal for the Tax year 2008 before Income Tax Appellate Tribunal (ITAT) against the order of Commissioner of Income Tax (Appeals) in respect of Capital gain. If the appeal is decided against the Company, a tax liability of Rs. 5,094 million would be payable. The department has been over ruled by the Appellate Tribunal (ITAT) on the identical case of capital gain tax liability.

The department has filed appeal for the Tax years 2009, 2010 & 2013 before Income Tax Appellate Tribunal (ITAT) against the order of Commissioner Inland Revenue (Appeals) in respect of provision for IBNR and proration of expenses. If the appeal is decided against the Company, a tax liability of Rs. 148 million would be payable.

During the period, the tax department has amended the tax assessments of the Company for the year 2009-2013 by taxing the dividend income on full corporate tax rate as against the reduced tax rates applied by the Company. The Company has filed an appeal before CIR (A) against the order of CIR and expects favorable outcome. The additional tax impact of the said adjustment is estimated to be Rs. 760 million which include tax years 2014-2016.

The Company has filed appeal for the Tax year 2014 before Income Tax Appellate Tribunal (ITAT) against the order of Additional Commissioner of Income Tax (Audit) in respect of proration of expenses. If the appeal is decided against the Company, a tax liability of Rs. 7 million would be payable.



8. Investments

Rupees '000

	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Investment in associate - EFU Life Assurance Limited	8.1 & 8.2		
Opening balance		11 311 920	11 178 362
Purchases		5 334	8 456
Share in profit of associate		303 904	404 436
Dividend received		(301 224)	(279 334)
		11 319 934	11 311 920
Provision for impairment		(1 987 000)	(1 987 000)
		9 332 934	9 324 920
Available for sale	8.2 & 8.4		
In related parties			
Mutual funds		150 000	171 052
Ordinary shares		2 121 922	2 121 922
		2 271 922	2 292 974
Provision for impairment – net of reversals		(1 611 985)	(1 798 181)
		659 937	494 793
Others			
Mutual funds		1 004 294	988 380
Ordinary shares		2 302 263	2 304 637
Preference shares		20 000	20 000
Fixed income securities	8.3		
Government securities		2 604 179	2 521 889
Term finance certificates		45 118	77 651
		5 975 854	5 912 557
Provision for impairment – net of reversals		(90 881)	(85 227)
		5 884 973	5 827 330
		15 877 844	15 647 043

- 8.1 The carrying amount of the investment in EFU Life Assurance Limited was tested for impairment based on value in use, in accordance with IAS 36 - Impairment of Assets. The value in use calculations were carried out by an independent actuary and are based on cash flow projections based on the budget and the forecasts approved by the management up to five years.
- 8.2 The market value of investments in associate and available for sale investments as on 30 June 2015 was Rs. 8,504 million (31 December 2014: Rs. 7,308 million) and Rs. 10,712 million (31 December 2014: Rs. 10,559 million) respectively.
- 8.3 The fixed income securities includes Government Securities amounting to Rs. 166 million (31 December 2014: Rs. 162 million) deposited with the State Bank of Pakistan as required by section 29 of the Insurance Ordinance, 2000.
- 8.4 As per the Company's accounting policy, available for sale investments are stated at lower of cost or market value. However, IAS 39 - Financial Instruments: Recognition and Measurement, requires that these instruments should be measured at their fair value. Accordingly, had these investments been measured at fair value, their carrying value as on 30 June 2015 would have been higher by Rs. 4,168 million (31 December 2014: higher by Rs. 4,237 million).



9. Premiums due but unpaid – net – unsecured

Rupees '000

	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Considered good	2 957 253	3 159 203
Considered doubtful	36 050	29 400
	<u>2 993 303</u>	<u>3 188 603</u>
Provision for doubtful balances	(36 050)	(29 400)
	<u><u>2 957 253</u></u>	<u><u>3 159 203</u></u>

10. Fixed assets – tangible and intangible

The details of additions and disposals during the six months period ended 30 June 2015 are as follows:

Rupees '000

	Additions (at cost)		Disposals (at net book value)	
	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)	30 June 2015 (Unaudited)	30 June 2014 (Unaudited)
Tangible				
Buildings	15 116	22 824	–	–
Furniture and fixtures	6 087	14 191	830	–
Office equipments	4 448	3 831	84	–
Computers	3 722	1 925	–	42
Vehicles	62 535	30 487	1 533	4 026
Fixed assets - General takaful operations (OPF)	2 873	–	–	–
Intangible				
Computer softwares	–	94	28	–
	<u>94 781</u>	<u>73 352</u>	<u>2 475</u>	<u>4 068</u>

11. General takaful operations - OPF

Rupees '000

	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Wakala fee	58	–
Management expenses	(1 030)	–
Commission expenses	(14)	–
Other income	831	–
General and administration expenses	(6 859)	–
Loss before tax	<u>(7 014)</u>	<u>–</u>

12. The Federal Government vide Finance Act 2015 has imposed a onetime super tax at the rate of 3% on income for the year ended 31 December 2014 (Tax Year 2015). This tax has been levied for financing the rehabilitation of internally displaced persons affected by the ongoing war on terror. Accordingly, provisions of Rs. 59 million for super tax have been made for the prior year.



13. Operating segments

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Treaty		Total	
	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)
Corporate segment assets – conventional	5 715 609	7 258 696	1 763 547	1 621 153	605 948	593 300	1 390 893	1 180 388	–	–	9 475 997	10 653 537
Corporate segment assets – Takaful OPF	463	–	8	–	660	–	68	–	–	–	1 199	–
Corporate unallocated assets – conventional											18 858 636	18 573 708
Corporate unallocated assets – Takaful OPF											43 357	–
Consolidated total assets											28 379 189	29 227 245
Corporate segment liabilities	7 388 232	9 355 618	2 145 151	1 989 424	2 577 062	2 350 083	2 111 480	1 754 093	–	–	14 221 925	15 449 218
Corporate segment liabilities – Takaful OPF	447	–	7	–	635	–	67	–	–	–	1 156	–
Corporate unallocated liabilities											748 022	666 928
Corporate unallocated liabilities – Takaful OPF											414	–
Consolidated total liabilities											14 971 517	16 116 146
Capital expenditures											98 568	73 755
Capital expenditures – OPF											2 873	–
											101 441	73 755
Unallocated depreciation – conventional											99 970	177 457
Unallocated depreciation – Takaful OPF											160	–
Total depreciation											100 130	177 457

Location	External premium less reinsurance by geographical segments		Carrying amount of assets by geographical segments		Carrying amount of liabilities excluding branch account by geographical segments		Capital expenditures	
	2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Audited)	2015 (Unaudited)	2014 (Unaudited)
Pakistan – Conventional	3 364 258	3 331 808	28 143 201	29 057 969	14 879 356	16 034 695	98 568	–
Pakistan – Takaful OPF	58	–	44 556	–	1 570	–	2 873	–
*EPZ – Conventional	15 354	22 635	191 432	169 276	90 591	81 451	–	–
Total	3 379 670	3 354 443	28 379 189	29 227 245	14 971 517	16 116 146	101 441	–

* This represents US Dollar equivalent in Pak Rupees

14. Related party transactions

Related parties comprise of directors, major share holders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties are as follows:

Rupees '000

Transactions	Three months period ended 30 June		Six months period ended 30 June	
	2015	2014	2015	2014
Associated company				
Premiums written	1 978	1 666	19 159	17 844
Premiums paid	18	–	9 660	5 162
Claims paid	691	1 267	3 682	5 229
Claims lodged	912	–	912	2 232
Dividends received	301 224	–	301 224	214 872
Dividends paid	65 405	34 065	65 405	34 065
Expenses recovered	2 592	4 979	2 592	4 979
Bonus shares paid - face value	–	23 846	–	23 846

Rupees '000

	Three months period ended 30 June		Six months period ended 30 June	
	2015	2014	2015	2014
Key management personnel				
Premiums written	433	164	444	175
Claims paid	51	–	181	–
Dividends paid	3 841	1 107	3 841	1 107
Bonus shares paid - face value	–	775	–	775
Compensation	34 916	32 253	65 165	57 447
Others				
Premiums written	19 389	8 087	81 946	68 810
Premiums paid	–	–	12 984	9 021
Claims paid	7 348	5 909	29 282	28 072
Claims lodged	598	4 574	2 528	5 641
Investments made	205 000	353 000	205 000	703 500
Investments sold	178 598	265 000	226 052	615 500
Dividends paid	519 649	252 318	519 649	252 318
Bonus shares paid - face value	–	176 623	–	176 623
Bank deposits / (withdrawals)	–	(195 500)	70 500	–
Brokerage paid	807	133	946	133
Employees' funds				
Contributions to provident fund	5 616	6 253	10 467	10 931
Contributions to gratuity fund	2 364	2 423	4 729	4 846
Contributions to pension fund	58	90	109	81
Dividends paid	4 948	2 577	4 948	2 577
Bonus shares paid - face value	–	1 804	–	1 804
			30 June 2015	31 December 2014
			(Unaudited)	(Audited)
Balances				
Others				
Balances receivable			13	663
Balances payable			(890)	(473)
Deposits maturing within 12 months			70 500	140 500
Bank balances			317 242	39 516
Employees' funds receivable				
EFU gratuity fund			33 583	38 313
EFU pension fund			34 130	34 130

15. General

Figures in these condensed interim financial statements for the quarters ended 30 June 2015 and 30 June 2014 have not been subjected to limited scope review of the auditors.

16. Date of authorisation for issue of financial statements

These financial statements were authorised for issue by the Board of Directors in its meeting held on 29 August, 2015.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

Financial Statements
General Window Takaful Operations
For the period from 6 May 2015 to 30 June 2015



Auditors' Report to Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of EFU General Insurance Limited - Window Takaful Operations as at 30 June 2015 and the related condensed interim profit and loss account, condensed interim statements of comprehensive income, changes in fund, cash flows, contributions, claims, expenses of operator's fund, expenses of participants' takaful fund and notes forming part thereof (here-in-after referred to as the "interim financial information") for the six-months' period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

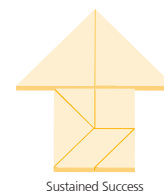
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Engagement Partner: Arslan Khalid

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations
Condensed Interim Balance Sheet
As at 30 June 2015 (Unaudited)



30 June 2015 (Unaudited)

Note	Operator's Fund	Participants' Takaful Fund	Aggregate
Operator's Fund			
Statutory Fund	50 000	–	50 000
Accumulated loss	(7 014)	–	(7 014)
	42 986	–	42 986
Waqf / Participants' Takaful Fund			
Cede money	–	500	500
Accumulated surplus	–	1 446	1 446
	–	1 946	1 946
Underwriting provisions			
Provision for outstanding claims (including IBNR)	–	40	40
Provision for unearned contribution	–	2 957	2 957
Unearned retakaful rebate	–	283	283
Total underwriting provisions	–	3 280	3 280
Creditors and accruals			
Contributions received in advance	–	1	1
Amounts due to other takaful / retakaful operator	–	1 153	1 153
Unearned wakala fees	891	–	891
Wakala fees payable	–	949	949
Accrued expenses	184	–	184
Agent balances	265	–	265
Other creditors and accruals	230	396	626
	1 570	2 499	4 069
Total liabilities	1 570	5 779	7 349
Total equity and liabilities	44 556	7 725	52 281

Rupees '000

30 June 2015 (Unaudited)

	Note	Operator's Fund	Participants' Takaful Fund	Aggregate
Cash and bank deposits				
Cash and other equivalents		–	1	1
Current and other accounts		9 167	3 592	12 759
Deposits maturing within 12 months		30 000	–	30 000
		39 167	3 593	42 760
Current assets - others				
Contributions due but unpaid - net		–	1 961	1 961
Accrued investment income		24	6	30
Deferred commission expense		250	–	250
Wakala fees receivable		949	–	949
Deferred Wakala fees		–	891	891
Prepayments		1 056	1 273	2 329
Security deposits		301	–	301
Sundry receivables		96	1	97
		2 676	4 132	6 808
Fixed assets - tangible				
	4			
Furniture, fixtures and office equipments		1 145	–	1 145
Vehicles		1 568	–	1 568
		2 713	–	2 713
Total assets		44 556	7 725	52 281

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

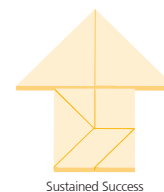
RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations
Condensed Interim Profit and Loss Account
For the period from 6 May 2015 to 30 June 2015 (Unaudited)



Rupees '000

	Fire & property damage	Marine, aviation & transport	Motor	Others	Treaty	Aggregate 2015
PTF Revenue Account						
Net contribution revenue	12	–	–	1	–	13
Wakala expense	(24)	(1)	(31)	(2)	–	(58)
Net claims	–	–	(40)	–	–	(40)
Retakaful rebate	19	–	–	1	–	20
Underwriting results	<u>7</u>	<u>(1)</u>	<u>(71)</u>	<u>–</u>	<u>–</u>	<u>(65)</u>
Profit on deposits						11
Other income						1 500
						1 511
Surplus for the period						<u>1 446</u>
OPF Revenue Account						
Wakala fee	24	1	31	2	–	58
Management expenses	(422)	(4)	(564)	(40)	–	(1 030)
Commission expense	(8)	–	(6)	–	–	(14)
	<u>(406)</u>	<u>(3)</u>	<u>(539)</u>	<u>(38)</u>	<u>–</u>	<u>(986)</u>
Profit on deposits						831
General and administration expenses						(6 859)
						(6 028)
Loss for the period						<u>(7 014)</u>

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



EFU General Insurance Ltd. – Window Takaful Operations
 Condensed Interim Statement of Comprehensive Income
 For the period from 6 May 2015 to 30 June 2015 (Unaudited)

Rupees '000

	2015
Operator's Fund	
Loss for the period	(7 014)
Other comprehensive income	–
Total comprehensive loss for the period	(7 014)

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
 Director

RAFIQUE R. BHIMJEE
 Director

HASANALI ABDULLAH
 Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
 Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations
 Condensed Interim Statement of Changes in Fund
 For the period from 6 May 2015 to 30 June 2015 (Unaudited)



Rupees '000

	Operator's Fund		
	Statutory Fund	Accumulated Loss	Total
Contribution made during the period	50 000	–	50 000
Total comprehensive income for the period ended 30 June 2015			
Loss for the period	–	(7 014)	(7 014)
Balance as at 30 June 2015	<u>50 000</u>	<u>(7 014)</u>	<u>42 986</u>

	Participants' Takaful Fund		
	Cede Money	Accumulated Surplus	Total
Cede money	500	–	500
Surplus for the period	–	1 446	1 446
Balance as at 30 June 2015	<u>500</u>	<u>1 446</u>	<u>1 946</u>

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
 Director

RAFIQUE R. BHIMJEE
 Director

HASANALI ABDULLAH
 Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
 Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations

Condensed Interim Statement of Cash Flows

For the period from 6 May 2015 to 30 June 2015 (Unaudited)

Rupees '000

	2015
Operating activities	
a) Takaful / underwriting activities	
Contributions received	1 192
Management expenses	(821)
Net cash inflow from underwriting activities	371
b) Other operating activities	
General and administration expenses	(6 807)
Other operating payments	(1 369)
Other operating receipts	2 126
Net cash outflow from other operating activities	(6 050)
Total cash outflow from all operating activities	(5 679)
Investment activities	
Profit / return received	812
Fixed capital expenditures	(2 873)
Total cash outflow from investing activities	(2 061)
Financing activities	
Contribution to the Operator's Fund	50 000
Cede money	500
Total cash inflow from financing activities	50 500
Net cash inflow from all activities	42 760
Cash at the beginning of the period	–
Cash at the end of the period	42 760
Reconciliation to profit and loss account	
Operating cash flows	(5 679)
Depreciation / amortisation expense	(160)
Profit on deposits	842
Decrease in assets other than cash	6 776
Decrease in liabilities other than running finance	(7 347)
Loss for the period	(5 568)
Attributed to	
Operator's Fund	(7 014)
Participants' Takaful Fund	1 446
	(5 568)
Definition of cash	
Cash for the purposes of the statement of cash flows consists of:	
Cash and other equivalents	1
Current and other accounts	12 759
Deposits maturing within 12 months	30 000
	42 760

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations
Condensed Interim Statement of Contributions
For the period from 6 May 2015 to 30 June 2015 (Unaudited)



Rupees '000

Class	2015								
	Contribution				Retakaful				Net contribution revenue
	Written	Unearned contribution reserve		Earned	Retakaful ceded	Prepaid retakaful contribution ceded		Retakaful expense	
	Opening	Closing			Opening	Closing		2015	
Direct and facultative									
Fire and property damage	1 343	–	1 248	95	1 188	–	1 105	83	12
Marine, aviation and transport	16	–	15	1	14	–	13	1	–
Motor	1 593	–	1 502	91	91	–	–	91	–
Miscellaneous	201	–	192	9	163	–	155	8	1
Total	3 153	–	2 957	196	1 456	–	1 273	183	13
Treaty - proportional	–	–	–	–	–	–	–	–	–
Grand total	3 153	–	2 957	196	1 456	–	1 273	183	13

Note: Contributions written includes administrative surcharge of Rs. 84.

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015



EFU General Insurance Ltd. – Window Takaful Operations
Condensed Interim Statement of Claims
For the period from 6 May 2015 to 30 June 2015 (Unaudited)

Rupees '000

Class	2015								Net claims expense 2015
	Claims				Retakaful				
	Paid	Outstanding		Claims expense	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	
	Opening	Closing	Opening			Closing			
Direct and facultative									
Fire and property damage	-	-	-	-	-	-	-	-	-
Marine, aviation and transport	-	-	-	-	-	-	-	-	-
Motor	-	-	40	40	-	-	-	-	40
Miscellaneous	-	-	-	-	-	-	-	-	-
Total	-	-	40	40	-	-	-	-	40
Treaty - proportional	-	-	-	-	-	-	-	-	-
Grand total	-	-	40	40	-	-	-	-	40

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

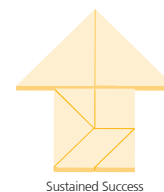
RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations
 Condensed Interim Statement of Expenses - OPF
 For the period from 6 May 2015 to 30 June 2015 (Unaudited)



Rupees '000

Class	2015					Net OPF expenses 2015
	Paid or payable	Commission		Net expense	Other management expenses	
		Opening	Closing			
Direct and facultative						
Fire and property damage	135	–	127	8	422	430
Marine, aviation and transport	2	–	2	–	4	4
Motor	109	–	103	6	564	570
Miscellaneous	18	–	18	–	40	40
Total	264	–	250	14	1 030	1 044
Treaty - proportional	–	–	–	–	–	–
Grand total	264	–	250	14	1 030	1 044

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
 Director

RAFIQUE R. BHIMJEE
 Director

HASANALI ABDULLAH
 Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
 Chairman

Karachi 29 August, 2015



EFU General Insurance Ltd. – Window Takaful Operations
Condensed Interim Statement of Expenses - PTF
For the period from 6 May 2015 to 30 June 2015 (Unaudited)

Rupees '000

Class	2015						Net PTF expenses 2015
	Gross wakala fee	Deferred wakala fee		Net expense	PTF Direct Expense	Rebate from retakaful operators	
		Opening	Closing				
Direct and facultative							
Fire and property damage	336	–	312	24	–	19	5
Marine, aviation and transport	6	–	5	1	–	–	1
Motor	557	–	526	31	–	–	31
Miscellaneous	50	–	48	2	–	1	1
Total	949	–	891	58	–	20	38
Treaty - proportional	–	–	–	–	–	–	–
Grand total	949	–	891	58	–	20	38

Note: Rebate from retakaful operators is arrived at after taking impact of opening and closing unearned rebate.

The annexed notes 1 to 8 form an integral part of these condensed interim financial statements.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015

EFU General Insurance Ltd. – Window Takaful Operations

Notes to the Condensed Interim Financial Statements

For the period from 6 May 2015 to 30 June 2015 (Unaudited)



1. Status and nature of business

EFU General Insurance Limited (the Operator) has been allowed to undertake Window Takaful Operations (WTO) on 16 April 2015 by Securities and Exchange Commission of Pakistan under SECP Takaful Rules, 2012 to carry on General Window Takaful Operations in Pakistan.

For the purpose of carrying on the takaful business, the Operator has formed a Waqf / Participants' Takaful Fund (PTF) on 6 May 2015 under the Waqf deed. The Waqf deed governs the relationship of Operator and participants for management of takaful operations.

2. Basis of preparation

These condensed interim financial statements have been prepared in line with the format issued by the SECP through SEC (Insurance) Rules, 2002, and SECP circular no 25 of 2015 dated 9 July 2015.

These condensed interim financial statements reflect the financial position and results of operations of both the Operator's Fund (OPF) and Participants' Takaful Fund (PTF) in a manner that the assets, liabilities, income and expenses of the Operator and PTF remain separately identifiable. These are the first set of financial statements of the EFU General Insurance Ltd - Window Takaful Operations.

2.1 Statement of compliance

These condensed interim financial statements of the WTO for the period from 6 May 2015 to 30 June 2015 have been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012. In case where requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 and SECP Takaful Rules, 2012 shall prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Operator's functional and presentation currency. All financial information presented in Pakistani Rupees has been rounded to the nearest thousand.

2.4 Use of judgments and estimates

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The judgments, estimates and assumptions are based on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the estimates about carrying values of assets and liabilities that are not readily apparent from other sources.

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



In particular, the matters involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are:

	<u>Note</u>
– Provision for unearned contributions	3.2
– Contributions deficiency reserve	3.3
– Provision for outstanding claims (including IBNR)	3.5
– Contributions due but unpaid	3.11
– Useful lives of fixed assets	3.12 & 4

3. Summary of significant accounting policies

3.1 Contribution

For all the takaful contracts, Contributions including administrative surcharge received / receivable under a takaful policy are recognised as written at the time of issuance of policy. Where Contributions for a policy are payable in installments, full Contribution for the duration of the policy is recognised as written at the inception of the policy and related assets set up for Contributions receivable at a later date. Contributions are stated gross of commission payable to intermediaries and exclusive of taxes and duties levied on Contributions.

3.2 Provision for unearned Contributions

The unearned Contribution reserve is the unexpired portion of the Contribution including administrative surcharge which relates to business in force at the balance sheet date. Unearned Contributions have been calculated by applying 1/24th method as specified in the SEC (Insurance) Rules, 2002.

3.3 Contribution deficiency reserve (liability adequacy test)

At each balance sheet date, liability adequacy tests are performed separately for each class of business to ensure the adequacy of the unearned contribution liability for that class. It is performed by comparing the expected future liability, after retakaful, from claims and other expenses, including retakaful expense, commissions and other underwriting expenses, expected to be incurred after balance sheet date in respect of policies in force at balance sheet date with the carrying amount of unearned contribution liability. Any deficiency is recognised by establishing a provision (contribution deficiency reserve) to meet the deficit.

No provision has been made as the unearned contribution reserve for each class of business as at the balance sheet date is adequate to meet the expected future liability, after retakaful, from claims and other expenses, including retakaful expense, commissions and other underwriting expenses, expected to be incurred after balance sheet date in respect of takaful contracts in force at balance sheet date.

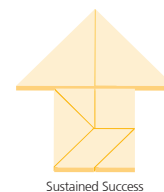
3.4 Claims

Claims are charged to PTF income as incurred based on estimated liability for compensation owed under the takaful contracts. It includes claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries and any adjustments to claims outstanding from previous years.

3.5 Provision for outstanding claims (including IBNR)

A liability for outstanding claims is recognised in respect of all claims incurred up to the balance sheet date which is measured at the undiscounted value of expected future payments. Provision for outstanding claims include amounts in relation to claims reported but not settled, claims incurred but not reported (IBNR) and expected claims settlement costs.

Retakaful recoveries against outstanding claims are recognized as an asset and measured at the amount expected to be received.



3.6 Retakaful contracts

Retakaful Contribution is recognised as an expense at the time the retakaful is ceded. Rebate from retakaful is recognised in accordance with the policy of recognising contribution revenue.

Retakaful assets represent balances due from retakaful operators and retakaful recoveries against outstanding claims. Retakaful liabilities represent balances due to retakaful operators and are primarily retakaful contributions payable for retakaful contracts and are recognised at the same time when retakaful Contributions are recognised as an expense.

3.7 Commission

3.7.1 Commission expense

Commission expenses incurred in obtaining and recording policies is deferred and recognised as an expense in accordance with pattern of recognition of contribution revenue by applying the 1/24th method.

3.7.2 Rebate from retakaful operators

Rebate from retakaful operators is deferred and recognised as revenue in accordance with the pattern of recognition of the retakaful contribution to which it relates.

3.8 Wakala fees

The Operator manages the general takaful operations for the participants and charges 25% for Fire and Property, 35% for Marine, Aviation and Transport, 35% for Motor, 25% for Miscellaneous, of gross contribution written including administrative surcharge as wakala fee against the services.

Wakala fee is recognised on the same basis on which the related revenue is recognised. Unexpired portion of wakala fee is recognized as a liability of OPF and an asset of PTF.

3.9 Revenue recognition

3.9.1 PTF

3.9.1.1 Contribution

The revenue recognition policy for Contributions is given under note 3.1.

3.9.1.2 Rebate from retakaful operators

The revenue recognition policy for rebate from retakaful operator is given under note 3.7.

3.9.2 OPF

The revenue recognition policy for wakala fee is given under note 3.8.

3.9.3 PTF / OPF

3.9.3.1 Investment Income

Return on investments, profit on profit and loss sharing accounts and bank deposits are recognised on accrual basis.

3.10 Creditors, accruals and provisions

Liabilities for creditors and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for the goods and or services received, whether or not billed to the Company.

Provisions are recognised 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. However, the provisions are reviewed at balance sheet date and adjusted to reflect current best estimates.



3.11 Receivables and payables related to takaful contracts

Receivables and payables related to insurance contracts are recognised when due at cost which is the fair value of the consideration given less provision for impairment, if any.

3.12 Fixed assets

3.12.1 Tangible

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight line basis using the following rates:

– Furniture, fixtures and office equipments	10%
– Vehicles	20%
– Computers	30%

The assets' residual values, useful lives and method for depreciation are reviewed at each financial year end and adjusted if impact on depreciation is significant.

Depreciation on additions to fixed assets is charged from the month in which an asset is available for use, while no depreciation is charged for the month in which the asset is disposed off.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable 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 profit and loss account currently.

Gains or losses on disposal of fixed assets are included in profit & loss account currently.

3.11 Expenses of management

Expenses of management have been allocated to various revenue accounts on equitable basis.

3.12 Cash and cash equivalents

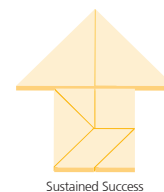
For the purpose of cash flow statement, cash and cash equivalents include cash at bank in current and saving accounts, cash and stamps in hand and bank deposits.

4. Fixed assets - tangible

The details of additions and disposals during the period from 6 May 2015 to 30 June 2015 are as follows:

Rupees '000

	2015	
	Additions (at cost) (Unaudited)	Disposals (at net book value) (Unaudited)
Tangibles		
Furniture and fixtures	583	–
Office equipments	333	–
Computers	277	–
Vehicles	1 680	–
	<u>2 873</u>	<u>–</u>



5. Operating segment

5.1 Operator's Fund

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)
Corporate segment assets	463	8	660	68	–	1 199
Corporate unallocated assets						43 357
Total assets						44 556
Corporate segment liabilities	447	7	635	67	–	1 156
Corporate unallocated liabilities						414
Total liabilities						1 570
Capital expenditures						2 873
Segment depreciation	–	–	–	–	–	–
Unallocated depreciation						160
Total depreciation						160

5.2 Participants' Takaful Fund

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Total
	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)	2015 (Unaudited)
Corporate segment assets	2 405	19	1 273	428	–	4 125
Corporate unallocated assets						3 600
Total assets						7 725
Corporate segment liabilities	2 754	36	2 190	403	–	5 383
Corporate unallocated liabilities						396
Total liabilities						5 779



6. Related party transactions

Related parties comprise of directors, major share holders, key management personnel, associated companies, entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties for the period from 6 May 2015 to 30 June 2015 are as follows:

Rupees '000

	2015
Transactions	
Key management personnel	
Contributions written	7

7. General

Being the first financial statements of Window Takaful Operations there were no comparative figures to report.

Statement of investment income is not included in these condensed interim financial statements as there were no investments and related income earned by Window Takaful Operations.

8. Date of authorisation for issue of financial statements

These financial statements were authorised for issue by the Board of Directors in its meeting held on 29 August, 2015.

MUNEER R. BHIMJEE
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 29 August, 2015