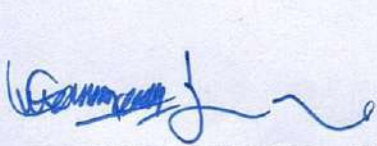
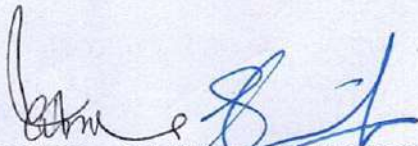




STATE LIFE INSURANCE CORPORATION OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

		March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	Note	-----Rupees in '000-----	
Assets			
Property and equipment	3	1,439,924	1,397,309
Investment properties	4	3,451,617	3,466,461
Investment in subsidiaries		323,618	323,618
Investments			
Equity securities	5	171,124,206	145,611,242
Government securities	6	1,213,020,502	1,218,241,835
Debt securities	7	13,190,344	13,240,251
Mutual funds	8	9,812,858	9,458,269
Loans secured against life insurance policies		158,353,807	159,781,265
Insurance / reinsurance receivables	9	220,953,924	184,565,731
Loans and other receivables	10	94,439,905	95,902,946
Taxation - payments less provision		16,433,928	16,183,090
Prepayments	11	285,899	284,602
Cash and bank	12	117,723,579	82,227,016
Total Assets		2,020,554,111	1,930,683,635
Equity and Liabilities			
Capital and reserves attributable to Corporation's equity holders			
Ordinary share capital		8,000,000	8,000,000
Ledger account C & D		33,365,774	28,600,427
Reserves	13	1,661,919	1,661,919
Unappropriated profit		503,090	1,869,842
Capital contributed to statutory fund		-	-
Total Equity		43,530,783	40,132,188
Liabilities			
Insurance liabilities	14	1,892,742,526	1,802,980,473
Retirement benefit obligations		7,382,038	7,103,749
Deferred capital grant		4,117	5,705
Deferred taxation	15	18,662,628	15,615,932
Premium received in advance		5,457,471	5,903,946
Insurance / reinsurance payables	16	2,047,175	1,994,831
Other creditors and accruals	17	46,278,359	53,223,771
Provision for taxation		4,449,013	3,723,040
Total Liabilities		1,977,023,327	1,890,551,447
Total Equity and Liabilities		2,020,554,111	1,930,683,635
Contingencies and commitments	18		


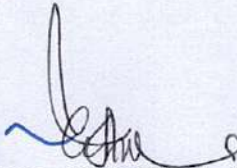
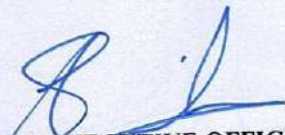

CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER

SULAIMAN S. MEHDI **Anwar Mansoor Khan** **Shoab Javed Hussain** **Muhammad Rashid**
 Chairman Director Director Chief Executive Officer Chief Financial Officer
 Humayun Bashir

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024



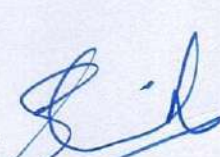

		Three-months period ended	
		Mar 31, 2024	Mar 31, 2023
		-----Rupees in '000 -----	
	Note		
Premium revenue		54,794,014	62,749,276
Premium ceded to reinsurers		(160,238)	(192,944)
Net premium revenue	19	54,633,776	62,556,332
Investment income	20	43,513,523	32,395,831
Net realized fair value gain / (loss) on financial assets	21	2,882,824	673,336
Net fair value loss on financial assets at fair value through profit or loss	22	11,319,097	(4,118,251)
Net rental income	23	286,316	395,882
Other income	24	11,521,086	17,647,758
		69,522,845	46,994,555
Net Income		124,156,622	109,550,888
Insurance benefits		(44,452,588)	(51,786,325)
Recoveries from reinsurers		108,186	101,347
Claim related expenses		(3,214)	(3,381)
Net Insurance Benefits	25	(44,347,615)	(51,688,359)
Net Change in Insurance Liabilities (other than outstanding claims)		(62,737,330)	(44,499,795)
Acquisition expenses	26	(3,583,726)	(3,501,567)
Marketing and administration expenses	27	(3,699,245)	(3,307,781)
Other expenses	28	(117,441)	(92,207)
Total Expenses		(70,137,742)	(51,401,350)
Profit before tax for the period		9,671,264	6,461,179
Income tax expense	29	(3,772,669)	(2,134,467)
Profit after tax for the period		5,898,595	4,326,712
Other comprehensive income		-	-
Total comprehensive income for the period		5,898,595	4,326,712
Earnings (after tax) per share - Rupees	30	73.73	54.08

CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER
 SULAIMAN S. MEHDI Anwar Mansoor Khan Shoab Javed Hussain Muhammad Rashid
 Humayun Bashir

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

	Three-months period ended	
	Mar 31, 2024	Mar 31, 2023
	-----Rupees in '000-----	
Operating Cash Flows		
(a) Underwriting activities		
Insurance Premiums received	51,086,047	31,861,803
Reinsurance premiums paid	(107,894)	(295,662)
Claims paid	(32,174,866)	(25,315,827)
Surrenders paid	(18,740,807)	(13,154,856)
Reinsurance and other recoveries received	101,002	137,535
Commissions paid	(8,149,430)	(6,051,384)
Other underwriting payments	(872,421)	(826,000)
Net cash flow generated from underwriting activities	(8,858,369)	(13,644,392)
(b) Other operating activities		
Income tax paid	(250,842)	(256,989)
General management expenses paid	(1,849,513)	(6,813,281)
Loans advanced	1,187,806	(4,050,858)
Loan repayments received	480,629	6,924,573
Other operating payments	137,338	4,717,035
Net cash flow used in other operating activities	(294,582)	520,480
Total cash flow used in operating activities	(9,152,951)	(13,123,912)
Investment Activities		
Profit / return received	45,283,671	30,321,009
Dividends received	4,065,444	1,764,051
Rentals received	483,498	380,828
Payments for investments	(19,407,069)	(62,202,207)
Proceeds from disposal of investments	19,939,876	124,189,478
Fixed capital expenditure	(106,321)	(19,545)
Proceeds from sale of property and equipment	-	-
Total cash flow used in investing activities	50,259,099	94,433,615
Finance Activities		
Dividend paid	(2,500,000)	-
Total cash flow from financing activities	(2,500,000)	-
Net cash flow from all activities	38,606,148	81,309,703
Cash and cash equivalents at beginning of the period	72,317,743	44,702,252
Cash and cash equivalents at end of the period	110,923,891	126,011,955
Reconciliation to Profit and Loss Account		
Operating cash flows	(9,152,952)	(13,123,912)
Depreciation expense	(46,626)	(40,266)
Investment income	69,522,845	47,156,527
Amortization/capitalization	139,359	(73,682)
Allocation of surplus	-	(100,000)
Non cash adjustments (APL)	-	(6,274,962)
Inc/(Dec) in assets other than cash	31,902,690	29,089,142
Inc/(Dec) in liabilities other than running finance	(20,687,855)	(6,248,013)
Net change in insurance liabilities	(62,737,330)	(44,499,795)
Other adjustments	(3,041,536)	(1,558,328)
	5,898,595	4,326,712
Ledger account C & D	-	-
Profit after taxation	5,898,595	4,326,712


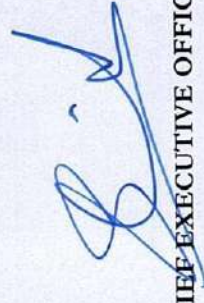

SULAIMAN S. MEHDI **Anwar Mansoor Khan** **Shoab Javed Hussain** **Muhammad Rashid**
 CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER
 Humayun Bashir

**STATE LIFE INSURANCE CORPORATION OF PAKISTAN
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024**

	Attributable to equity holders of the Corporation					Total
	Share capital	Capital contributed to statutory fund	Revenue reserves		Unappropriated profit	
			General reserves	Ledger account C & D [Refer Note]		
Balance as at January 01, 2023	6,200,000	100,000	808,314	18,190,546	2,113,605	27,412,465
Total comprehensive income for the period	-	-	-	-	4,326,712	4,326,712
Surplus for the period retained in statutory funds-net of tax	-	-	-	3,366,910	(3,366,910)	-
Transfer to general reserve	-	-	-	-	-	-
Capital contributed to statutory fund	-	(100,000)	-	-	-	(100,000)
Dividend for the year ended December 31 2023	-	-	-	-	-	-
Balance as at March 31, 2023	6,200,000	100,000	808,314	21,557,456	3,073,407	31,639,177
Balance as at January 01, 2024	8,000,000		1,661,919	28,600,427	1,869,842	40,132,188
Dividend paid for the year December 31, 2023					(2,500,000)	(2,500,000)
Total comprehensive income for the period					5,898,595	5,898,595
Surplus for the period retained in statutory funds-net of tax					(4,765,347)	-
Transfer to general reserve						-
Capital contributed to statutory fund						-
Balance as at March 31, 2024	8,000,000	-	1,661,919	33,365,774	503,090	43,530,783

-----Rupees in '000-----

Note: This includes balances maintained in accordance with the requirements of Section 35 of the Insurance Ordinance, 2000 read with Rule 14 of the Insurance Rules, 2017 (previously the SEC Insurance Rules, 2002) to meet solvency margins, which are mandatorily maintained for the carry on of the life insurance business.

		
SULAIMAN S. MEHDI CHAIRMAN	Shoaib Javed Hussain CHIEF EXECUTIVE OFFICER	Muhammad Rashid CHIEF FINANCIAL OFFICER
Humayun Bashir DIRECTOR Anwar Mansoor Khan		

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 State Life Insurance Corporation of Pakistan (the Corporation) was incorporated in Pakistan on November 01, 1972 under the Life Insurance Nationalization Order, 1972 (LINO). The Corporation's principal office is located at State Life Building No. 9, Dr. Ziauddin Ahmad Road, Karachi. It operates in Pakistan through 33 zones for individual life business alongwith 7 Regions, 4 zones for group life business and in the gulf countries comprising United Arab Emirates (UAE) through zonal office located at Dubai (UAE).
- 1.2 The Corporation is engaged in the life insurance, health and accident insurance business and takaful business. The brief description is defined in the note 3 of the unconsolidated financial statement for the year ended December 31, 2023.
- 1.3 The Corporation was issued the certificate of authorization for commencement of Window Takaful Operation under rule 6 of the Takaful rules, 2012 by Securities Exchange Commission of Pakistan vide letter no. 0097, dated September 22, 2016. For the purpose of carrying on the takaful business, the Corporation has formed an Individual Family Participant Takaful Fund (IFPTF) on August 18, 2017 under the Waqf deed and ceded Rs. 1 million to the IFPTF. The Waqf deed governs the relationship of Corporation and participants for management of takaful operations. The Corporation launched the Window Takaful Operations on January 28, 2021.
- 1.4 The Presidential Order dated April 06, 2016 in respect of State Life (Reorganization and Conversion) Ordinance, 2016 was issued by Government of Pakistan Ministry of Law and Justice to provide for the reorganization and conversion of the Corporation into a Public Limited Company. After the commencement of this Ordinance, the Federal Government established a Company namely, State Life Insurance Company Limited under the repealed Companies Ordinance, 1984 (XLVII of 1984) with the objective of taking over the business, functions, contracts, policies, proceedings, undertakings, assets, liabilities. etc of the Corporation on fulfillment of the statutory requirements. The National Assembly converted the said Ordinance into Bill for the conversion of State Life Insurance Corporation of Pakistan to State Life Insurance Company Limited and sent the Bill to Senate for approval and the Senate, instead of passing the Bill, proposed few amendments in the Bill. For the consideration of the proposed amendments the matter was moved to National Assembly Standing Committee on Commerce and the matter is still pending with that Committee.

Under the new scheme all the assets, liabilities, contracts, policies, proceedings and undertakings of the Corporation shall stand transferred to and vest in the Company on a specific date which is uncertain. Accordingly, the Corporation is not expected to continue as going concern. Since there will be no change in operational activities of the Corporation pursuant to change in aforesaid legal structure, no adjustments are expected to the carrying amount of assets and liabilities.

2 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual unconsolidated financial statements and should be read in conjunction with the Corporation's annual unconsolidated financial statements for the year ended December 31, 2023.

The figures in the unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and condensed interim unconsolidated statement of changes in equity together with the relevant notes to the unconsolidated condensed interim financial statements for the three-months period ended March 31, 2024 are not audited. Further, the figures for the three-months period ended March 31, 2024 in the unconsolidated condensed interim statement of comprehensive income have also not been reviewed by the auditors.

2.1 STATEMENT OF COMPLIANCE

The unconsolidated condensed interim financial statements of the Corporation has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of;

- International Accounting Standard (IAS) 34, Interim Financial Reporting issued by the International Accounting and Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012.

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

2.2 BASIS OF MEASUREMENT

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except the certain investments which are carried at fair value and the obligations under policy holder liability and certain employee benefits that are measured at present value. Accrual basis of accounting has been used except for cash flow statement.

2.3 FINANCIAL RISK MANAGEMENT / JUDGEMENT AND ESTIMATES

The financial risk management objectives and policies are consistent with those disclosed in the annual unconsolidated financial statements of the Corporation for the year ended December 31, 2023. In preparing this unconsolidated condensed interim financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Corporation's and the key sources of estimation uncertainty are the same as those that applied to the annual unconsolidated financial statements for the year ended December 31, 2023.

2.4 FUNCTIONAL AND PRESENTATION CURRENCY

These unconsolidated financial statements have been presented in Pakistani Rupee, which is the Corporation's functional and presentation currency. Amounts have been rounded off to the nearest thousand, unless otherwise stated.

Standards, amendments and interpretations to the published standards that may be relevant to the Corporation and adopted in the current period

The Corporation has adopted the following new standards, amendments to published standards and interpretations of IFRSs which became effective during the current period

Standard or Interpretation	Effective Date (Annual period beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2024
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2024
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2024

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Corporation

The following new standards, amendments to published standards and interpretations would be effective from the dates mentioned below against the respective standard or interpretation.

Standard or Interpretation	Effective Date (Annual period beginning on or after)
- IFRS 16 - 'Leases' (amendments)	January 01, 2024
- IAS 1 - 'Presentation of financial statements' (amendments)	January 01, 2024
- IAS 7 - 'Statement of cashflows' (amendments)	January 01, 2024
- IFRS 7 - 'Financial Instruments - Disclosures' (amendments)	January 01, 2024
- IAS 21 - 'The effect of changes in foreign exchange rates' (amendments)	January 01, 2025
- IFRS 9 - Financial instruments	January 01, 2025
- IFRS 9 - Financial instruments	January 01, 2026
- IFRS 17- Insurance contracts	January 01, 2026

The Corporation is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Corporation.

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
	-----Rupees in '000 -----	
3. PROPERTY AND EQUIPMENT		
Operating fixed assets		
Net book value as at the beginning of the period	1,397,309	1,033,492
Additions / adjustments during the period	89,538	546,301
Disposal during the period		(18,815)
Net depreciation charge during the period / year	(46,923)	(163,669)
Net book value as at the end of the period / year	<u>1,439,924</u>	<u>1,397,309</u>

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
-----Rupees in '000-----		
4 INVESTMENT PROPERTIES		
Net book value as at the beginning of the period	3,466,461	3,175,533
Additions / adjustments during the period	17,080	360,131
Disposal during the period		-
Net depreciation charged during the period	(31,924)	(84,643)
Less: Provision for impairment in value		(2,672)
	3,451,617	3,448,349
Capital work-in-progress	-	18,112
	3,451,617	3,466,461

4.1 The market value of the investment properties, owned by the Corporation as determined by the independent valuers on yearly basis, amounted to Rs.109,582 million (2023: Rs..109,582 million).

5 INVESTMENTS IN EQUITY SECURITIES

	March 31 2024 (Un-audited)			December 31 2023 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
-----Rupees in '000-----						
Fair value through profit or loss account						
Related parties						
Listed shares	3,586,292		21,848,551	3,586,106	-	19,186,769
Unlisted shares	5,000		5,000	5,000	-	5,000
Others						
Listed shares	82,556,628		149,206,239	68,090,035	-	126,354,910
Unlisted shares	279,425	(215,623)	63,802	279,425	(215,623)	63,802
Unlisted preference shares	3,743	(3,129)	614	3,743	(2,982)	761
	86,431,088	(218,752)	171,124,206	71,964,309	(218,605)	145,611,242

6 INVESTMENTS IN GOVERNMENT SECURITIES

	March 31, 2024(Un-audited)				December 31, 2023 (Audited)	
	Maturity Year	Effective Yield (%)	Amortized Cost	Principal Repayment	Carrying Value	Carrying Value
-----Rupees in '000-----						
<i>Held to maturity</i>						
Pakistan Investment Bond						
3 year Pakistan Investment Bonds	2025 - 2026	19.50 % - 21.75 %	231,055,600	250,600,000	231,055,600	227,893,674
5 year Pakistan Investment Bonds	2024 -2027	16.71 % - 21.74 %	199,880,706	208,475,000	199,880,706	198,903,155
10 year Pakistan Investment Bonds	2024 - 2033	15.37 % - 21.72 %	489,644,170	508,768,300	489,644,170	489,926,970
15 year Pakistan Investment Bonds	2026 - 2035	14.10 % - 17.04 %	114,198,476	112,353,700	114,198,476	114,206,245
20 year Pakistan Investment Bonds	2024 - 2039	14.06 % - 21.94 %	69,239,587	68,041,300	69,239,587	71,252,327
30 year Pakistan Investment Bonds	2036 - 2038	12.74 % - 13.69 %	37,797,939	40,050,000	37,797,939	37,824,081
Islamic Republic of Pakistan Bonds			18,698,182	-	18,698,182	18,686,308
			1,160,514,660	1,188,288,300	1,160,514,660	1,158,692,760
Treasury Bills						
Treasury Bills	2024	21.93% - 21.99%	50,968,398	52,300,000	50,968,398	58,411,631
Other						
Sukuk Bonds	2025 - 2027		1,537,444	1,502,300	1,537,444	1,137,444
			1,213,020,502	1,242,090,600	1,213,020,502	1,218,241,835

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

7 INVESTMENT IN DEBT SECURITIES

Note	March 31 2024 (Un-audited)			December 31 2023 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
-----Rupees in '000-----						
<i>Held to maturity</i>						
Debtentures	7,573	(7,573)	-	7,573	(7,573)	-
Foreign fixed income securities	13,190,344		13,190,344	13,240,251	-	13,240,251
	<u>13,197,917</u>	<u>(7,573)</u>	<u>13,190,344</u>	<u>13,247,824</u>	<u>(7,573)</u>	<u>13,240,251</u>

- 7.1 Debtentures include an amount of Rs. 7.573 million (December 31, 2023: Rs. 7.573 million) pertaining to those companies which are in liquidation process since 1974. Further, a court case is in process against the Colony Textile Mills Limited against debtenture loan amounting to Rs. 0.678 million (December 31, 2023: Rs. 0.678 million). The Corporation had made full provision against these debtentures.

8 INVESTMENT IN MUTUAL FUNDS

	March 31 2024 (Un-audited)			December 31 2023 (Audited)		
	Cost	Impairment / provision	Carrying value	Cost	Impairment / provision	Carrying value
-----Rupees in '000-----						
<i>Fair value through profit or loss</i>						
<i>Listed</i>						
Open ended mutual fund	3,282,446		7,384,397	3,282,447	-	7,159,700
<i>Unlisted</i>						
Close end mutual fund	594,190		2,428,461	594,190	-	2,298,569
	<u>3,876,636</u>	<u>-</u>	<u>9,812,858</u>	<u>3,876,637</u>	<u>-</u>	<u>9,458,269</u>

9	INSURANCE / REINSURANCE RECEIVABLES	Note	March 31,	December
			2024 (Un-audited)	31,2023 (Audited)
-----Rupees in '000-----				
<i>Unsecured and considered good</i>				
	Due from insurance contract holders		219,605,831	183,224,823
	Less: provision for impairment of receivables from Insurance contract holders		-	-
	Due from other insurers / reinsurers		1,348,092	1,340,908
	Less: provision for impairment of due from other insurers / reinsurers		-	-
			<u>220,953,924</u>	<u>184,565,731</u>
10	LOANS AND OTHER RECEIVABLES			
	Accrued investment income		78,429,010	76,587,035
	Loans to agents		123,217	98,204
	Loans to employees		1,577,759	1,420,194
	Advance to contractors & security deposit		331,363	365,010
	Other receivables		13,486,169	17,080,987
	Deposit against bank guarantee		492,387	351,516
			<u>94,439,905</u>	<u>95,902,946</u>

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
	-----Rupees in '000 -----	
11 PREPAYMENTS	Note	
Prepaid rent	122,767	116,381
Prepaid miscellaneous expenses	163,132	168,221
	<u>285,899</u>	<u>284,602</u>
12 CASH AND BANK		
<i>Cash and Cash Equivalent</i>		
- Cash in hand	1,366	176
- Cash in transit	-	61,097
- Policy & Revenue stamps, Bond papers	54,336	14,341
	55,702	75,614
Cash at bank		
- Current accounts	7,776,311	13,318,736
- Savings accounts	12.2 103,091,878	58,923,393
- Fixed deposits maturing after 12 months	6,799,687	9,909,273
	<u>117,723,579</u>	<u>82,227,016</u>
12.1 Cash and cash equivalent include the following for the purposes of the cash flow statement:		
<i>Cash and cash equivalent</i>		
- Cash in hand	1,366	176
- Cash in transit	-	61,097
- Policy & Revenue stamps, Bond papers	54,336	14,341
	55,702	75,614
Cash at bank		
- Current accounts	7,776,311	13,318,736
- Savings accounts	103,091,878	58,923,393
	<u>110,923,891</u>	<u>72,317,743</u>
12.2 These carry mark-up ranging from 20.50% TO 20.60% (2023: 14.50% to 19.25%) per annum.		
	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
	-----Rupees in '000 -----	
13 RESERVES		
Revenue reserves		
General reserve	1,661,919	1,661,919
14 INSURANCE LIABILITIES		
Reported outstanding claims (including claims in payment)	221,274,363	194,249,640
Incurred but not reported claims	9,488,252	9,398,543
Investment Component of Unit Linked and Account Value Policies	1,001,105	804,216
Liabilities under Individual Conventional Insurance Contracts	1,652,794,347	1,589,029,838
Liabilities under group insurance contracts (other than investment linked)	6,455,336	7,976,153
Other insurance liabilities (premium deficiency reserve)	1,729,124	1,522,083
	<u>1,892,742,526</u>	<u>1,802,980,473</u>

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
15 DEFERRED TAXATION	-----Rupees in '000 -----	
Deferred tax credit arising in respect of On retained balance on Ledger Account D	=	<u>15,615,932</u>

	Balance as at January 1,2024	Recognized in statement of comprehensive income	Recognized in Other Comprehensive Income	Balance as at March 31, 2024
	----- Rupees in '000 -----			
Defer credit arising in respect of On Retained Balance on Ledger Account D	15,615,932	3,046,696	-	<u>18,662,628</u>

	Balance as at January 1,2023	Recognized in statement of comprehensive income	Recognized in Other Comprehensive Income	Balance as at December 31, 2022
	----- Rupees in '000 -----			
Defer credit arising in respect of On Retained Balance on Ledger Account D	9,210,234	6,405,698	-	<u>15,615,932</u>

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
16 INSURANCE / REINSURANCE PAYABLES	-----Rupees in '000 -----	
Due to other insurers / reinsurers	<u>2,047,175</u>	<u>1,994,831</u>
17 OTHER CREDITORS AND ACCRUALS		
Agents commission payable	2,421,046	7,859,171
Accrued expenses	15,367,040	16,311,117
Other liabilities	<u>28,490,274</u>	<u>29,053,483</u>
	<u>46,278,359</u>	<u>53,223,771</u>

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

There is no change in the status of contingencies as reported in note 23.1 to the annual unconsolidated financial statements of the Corporation for the year ended 31 December, 2023, except specified below:-

- 18.1.1** According to the Sindh Sales Tax on Services Act 2011, sales tax is payable on premium of life and health insurance policies written in the province of Sindh. The Punjab and Baluchistan Revenue Authorities have also introduced sales tax on life and health insurance premium effective from November 01, 2018 and July 03, 2015 respectively.

This being a collective issue of the industry, the Insurance Association of Pakistan (IAP) has actively taken up the matter with the provincial revenue authorities for the exemption on sales tax. The industry's main contention is that life insurance is not a service, but in fact, in sum and substance, a contingent contract under which payment is made on occurrence of an event, specified in the terms of contract or policy and thus is a financial arrangement. Superior courts in foreign jurisdiction have held that insurance is not a service.

In this relation, the legal advisors have also opined that an insurance contract is essentially a financial transaction, which is unrelated to the sale of any identifiable consumer goods or service, and as such, in leading jurisdictions, it has been widely held that insurance is not a service and hence, does not fall within the scope of taxability under the provincial sales tax laws.

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

Subsequently, life insurance companies collectively filed Constitutional Petitions (CPs) before Hon'ble High Courts of Lahore (writ petition no. 55421/ 2019) and Sindh (C.P. No. D.7677 of 2019) against the levy of sales tax on life and health insurance in Punjab and levy of sales tax on life insurance in Sindh respectively that are pending adjudication. As far as Baluchistan Revenue Authority (BRA) is concerned, no notice or communication has been received by the Corporation in this respect and hence, no petition is yet filed before any court.

The Hon'ble LHC in its order dated October 03, 2019 has restrained Punjab Revenue Authority (PRA) from taking any coercive measures against applicants.

Hearing in the main petition related to PRA i.e. WP. 55421 of 2019 was fixed on May 12, 2022 and directed the Federation to submit the reply on the subject matter of the petition. Next date of hearing is yet to be announced.

The Hon'ble SHC, in its interim order dated December 02, 2019, directed that the request of the petitioners, seeking exemption in terms of Section 10 of the Sindh Sales Tax Act, 2011, shall be considered by the Sindh Revenue Board (SRB), in accordance with the law.

Sindh Revenue Board (SRB) vide notification No.3-4/13/2020 dated June 22, 2020, has exempted life insurance from levy of service tax up to June 30, 2020 subject to the condition that person providing insurance services commences e-depositing the amount of Sindh sales tax due on such services from July, 2020 onwards. The exemption to health insurance upto 30 June, 2023 vide notification no. SRB-3-4/19/2022 has expired and is not extended. Corporation and other insurance companies have filed joint CP (CP No. 4318 of 2023) before Honorable Sindh High Court, Karachi against sales tax on health insurance which is pending adjudication.

Through the Khyber Pakhtunkhwa Finance Act, 2021, the exemption in respect of the sales tax on services of life and health insurance in the province of Khyber Pakhtunkhwa (KP) has been withdrawn from July 01, 2021. As a consequence, life insurance is taxable at the rate of 15% and health insurance is taxable at a reduced rate of 1% without any input tax adjustment. This withdrawal of the exemption was intimated by Khyber Pakhtunkhwa Revenue Authority (KPRA) on July 29, 2021 vide letter no. F. No. 7(10)/KPRA/ADC(HQ)/2021/12114. In reply, the Corporation most respectfully requested KPRA to exempt the levy of sales tax on life and health insurance vide letter no. F&A/KPRA/ST/47 Dated: 9th August, 2021. Moreover, on October 05, 2021, the Corporation sent a letter to the Ministry of Finance, Government of KP, in which the Corporation requested to allow the permanent exemption from sales tax on services under Khyber Pakhtunkhwa Sales Tax on Services Act, 2013. Consequently, the Government of Khyber Pakhtunkhwa has allowed the exemption on health insurance premium vide notification dated 10th August, 2022. However, exemption to life insurance was not allowed. Consequently, Corporation filed writ petition (WP No. 3521 of 2023) which is pending adjudication.

In view of the opinion of legal advisor the Corporation has calculated estimated aggregated amount of sales tax liability amounting to Rs. 8,819.93 million (December 31, 2023: Rs. 8,233.86 million), which is calculated based on risk premium and excluding the investment amount allocated to policies. The management contends that should the administrative efforts fail, the amount will be charged to the policyholders.

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

		March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
19	NET PREMIUM REVENUE		
		-----Rupees in '000 -----	
	Gross Premiums		
	Regular premium individual policies		
	First year	3,027,201	2,533,248
	Single Premium	233,650	402,132
	Second year renewal	1,966,061	2,250,000
	Subsequent year renewal	25,619,754	22,365,806
	Group policies with cash values	18,530	6,926
	Group policies without cash values	57,973,184	42,897,978
	Less: experience refund	(34,044,366)	(7,706,813)
	Total Gross Premiums	54,794,014	62,749,276
	Less: Reinsurance Premiums Ceded		
	On individual life First year business - Ceded	(183)	(68,456)
	On individual life Second year business - Ceded	(7,755)	(7,362)
	On individual life Renewal business - Ceded	(37,681)	(32,482)
	On group policies - Ceded	(114,619)	(84,644)
		(160,238)	(192,944)
	Net Premium revenue	54,633,776	62,556,332
20	INVESTMENT INCOME		
	Income from equity securities		
	<i>Fair value through profit or loss</i>		
	- Dividend income	5,149,981	2,456,173
	Income from government and debt securities		
	<i>Held to maturity</i>		
	- Return on government and debt securities	38,363,542	29,939,658
		43,513,523	32,395,831
21	NET REALISED FAIR VALUE GAIN / (LOSS) ON FINANCIAL ASSETS		
	<i>Fair value through profit or loss</i>		
	Realised gain / (loss) on equity securities	2,882,824	673,336
22	NET FAIR VALUE LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
	Net unrealised loss on investments at fair value through profit or loss	11,336,752	(4,096,918)
	Investment related expenses	(17,656)	(21,334)
		11,319,097	(4,118,251)
23	NET RENTAL INCOME		
	Rental income	516,068	557,854
	Less: Expenses of investment property	(229,752)	(161,972)
		286,316	395,882
24	OTHER INCOME		
	Return on bank balances	3,490,753	2,476,905
	Return on loans to employees	15,999	12,630
	Return on loans to policyholders	7,911,343	6,274,962
	Exchange gain on revaluation	86,660	8,862,377
	Miscellaneous income	16,330	20,882
		11,521,086	17,647,758

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

		March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
25 NET INSURANCE BENEFITS	Note	-----Rupees in '000 -----	
Gross Claims			
Claims under individual policies			
- by death		2,280,335	1,990,651
- by insured event other than death		99,482	70,834
- by maturity		6,233,770	4,914,220
- by surrender		18,740,807	13,154,856
- annuity payments		1,901	2,348
Total gross individual policy claims		27,356,294	20,132,909
Claims under group policies			
- by death		2,169,011	2,088,286
- by insured event other than death		14,927,282	29,564,621
- by maturity		-	509,200
Total gross policy claims		17,096,294	31,653,416
Total Gross Claims		44,452,588	51,786,325
Less: Reinsurance Recoveries			
-on individual life claims		(11,249)	(6,458)
-on group life claims		(96,937)	(94,889)
		(108,186)	(101,347)
Claim related expenses		3,214	3,381
Net insurance benefit		44,347,615	51,688,359
26 ACQUISITION EXPENSES			
Remuneration to insurance intermediaries on individual policies:			
- commission to agent on first year premiums		1,428,002	1,414,734
- commission to agent on second year premiums		221,876	268,358
- commission to agent on subsequent renewal premiums		898,628	862,158
- other benefits to insurance intermediaries		162,282	129,193
- branch overhead		594,875	514,710
Remuneration to insurance intermediaries on group policies:			
- commission		518	392
- other benefits to insurance intermediaries		-	-
Other acquisition costs			
- Stamp duty and medical fee		277,546	312,023
		3,583,726	3,501,567
27 MARKETING AND ADMINISTRATION EXPENSES			
Employee benefit cost	27.1	2,814,450	2,408,487
Travelling expenses		53,528	57,383
Advertisement and sales promotion		3,318	18,773
Balance carry forward		2,871,297	2,484,643

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

		March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
		-----Rupees in '000 -----	
<i>Balance brought forward</i>	Note	2,871,297	2,484,643
Printing and stationery		23,356	17,039
Depreciation		46,626	39,446
Rent, rates and taxes		78,945	92,252
Legal and professional charges - business related		550,668	576,539
Electricity, gas and water		45,957	37,223
Office repair and maintenance		8,012	5,093
Bank charges		7,824	8,010
Postages, telegrams and telephone charges		23,371	20,729
Appointed Actuary fees		1,740	1,582
Training expense		16,450	12,725
Annual Supervision fees SECP		25,000	12,500
		<u>3,699,245</u>	<u>3,307,781</u>
27.1 Employee benefit cost			
Salaries, allowances and other benefits		2,377,289	1,974,750
Charges for post employment benefit		437,162	433,737
		<u>2,814,450</u>	<u>2,408,487</u>
28 OTHER EXPENSES			
Auditors' remuneration	28.1	10,979	5,341
Revenue stamps		5,969	6,072
Insurance charges		30,459	32,627
Office maintenance		24,858	17,924
Entertainment		6,069	4,422
Miscellaneous		39,107	25,821
		<u>117,441</u>	<u>92,207</u>
29 INCOME TAX EXPENSE			
For the period			
Current		725,973	476,139
Deferred		3,046,696	1,658,328
		<u>3,772,669</u>	<u>2,134,467</u>
30 EARNINGS PER SHARE			
Profit (after tax) for the period		5,898,595	4,326,712
Weighted average outstanding number of ordinary shares as at period end		80,000	80,000
Earnings per share (Rupees)		<u>73.73</u>	<u>54.08</u>
			Restated

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

31 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Corporation has related party relationships with provident fund, pension fund scheme, gratuity fund, state owned profit oriented entities and its key management personnel.

Accrual of liability in respect of the funds are made annually. Remuneration to key management personnel are determined in accordance with the terms of their employment / appointment. Certain key management personnel are also provided with free use of the Corporation maintained vehicles and post retirement benefits in accordance with their entitlement under the terms of their employment.

The related parties also comprise subsidiaries, directors, key management personnel and employees' benefits funds. The Corporation in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties, amounts due from chairman and executive directors are disclosed in the relevant notes.

Terms and conditions of transactions with related parties

Transactions with related parties are carried out at the agreed terms as approved by the Board of Directors. There have been no guarantees provided or received for any related party receivables or payables.

Other material transactions and balances with related parties are given below:

	March 31, 2024 (Un-audited)	December 31,2023 (Audited)
Note	----- Rupees in '000 -----	
Profit oriented state-controlled entities		
common ownership		
Investment in shares - State Bank of Pakistan	3,221	3,221
PIBs deposited with State Bank of Pakistan	1,246,500	501,500
Subsidiaries		
Alpha Insurance Company Limited (95.15% holding)		
Rental income received	-	-
Group insurance	-	-
Staff retirement fund		
Contribution to provident fund	1,314	1,314
Contribution to pension fund	211,786	705,953
Contribution to funded gratuity	83	1,314
Expense charged for pension fund	664,424	1,898,354
Transactions with associated companies		
- common directorship		
Dividend received during the year		
Pakistan Reinsurance Company Limited (24.41 % of holding)	-	164,772
Fauji Fertilizer Company Limited	479,058	1,698,903
Sui Northern Gas Pipelines Company Limited	-	41,225
Security Papers Limited	14,089	61,171
Pak Data Communication	-	8,236
Pak Cables Limited	-	-
Shahtaj Sugar Mills Limited	10,598	-
Wah-Nobel Chemicals Limited	-	8,621
Reinsurance premium ceded		

STATE LIFE INSURANCE CORPORATION OF PAKISTAN
 NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM
 FINANCIAL STATEMENTS (UN-AUDITED)
 FOR THE THREE-MONTHS PERIOD ENDED MARCH 31, 2024

Pakistan Reinsurance Company Limited

	-	-
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	----- Rupees in '000 -----	
Balances with related parties		
- common directorship		
Investment in units:		
NIT Islamic Equity Fund	276,587	258,955
Balances with related parties		
Retirement benefit obligation - <i>Restated</i>	7,382,038	7,103,749
Balances with related parties		
- common directorship		
Reinsurance payable		
Reinsurance payable - PRCL	-	-
Investment in shares:		
Fauji Fertilizer Company Limited	14,751,478	13,225,503
Sui Southern Gas Company Limited	605,841	654,355
Sui Northern Gas Pipelines Company Limited	1,718,246	2,020,560
Alpha Insurance Company Limited	298,818	422,803
Pakistan Cables Limited	479,362	65,093
Security Papers Limited	713,769	84,949
Shahtaj Sugar Mills Limited	15,518	38,596
Pak Data Communication Limited	66,107	1,689,467
Premier Insurance Company Limited	37,555	5,000
Pakistan Reinsurance Company Limited	3,258,101	3,506
Arabian Sea Country Club Limited	5,000	4,500
PICIC Insurance Limited	-	61,819
Nina Industries Limited	-	-
Mirpurkhas Sugar Mills Ltd.	42,733	24,700
State Life Abdullah Haroon Road Property (Private) Limited (Subsidiary Company) (100% holding) - net of provision	24,700	-
State Life Lackie Road Property (Private) Limited (Subsidiary Company) (100% holding) - net of provision	-	168,942
Wah-Nobel Chemicals Ltd	159,840	-
	137,062	137,062


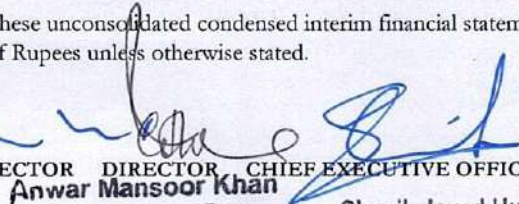
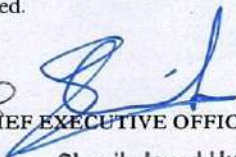

32 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorized for issue on

15 MAY 2024 by the Board of Directors of the Corporation.

33 GENERAL

Figures in these unconsolidated condensed interim financial statements have been rounded off to nearest thousand of Rupees unless otherwise stated.

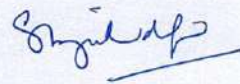
CHAIRMAN DIRECTOR DIRECTOR CHIEF EXECUTIVE OFFICER CHIEF FINANCIAL OFFICER
 SULAIMAN S. MEHDJ Anwar Mansoor Khan Shoab Javed Hussain Muhammad Rashid
 Humayun Bashir

Statement by the Appointed Actuary

required under Section 52(2) (a) & (b) of the Insurance Ordinance, 2000

In my opinion,

- a. The policyholders liabilities / technical liabilities included in the balance sheet of State Life Insurance Corporation of Pakistan as at March 31, 2024 have been determined in accordance with the provisions of the Insurance Ordinance, 2000; and
- b. Each statutory fund of the State Life Insurance Corporation of Pakistan complies with the solvency requirements of the Insurance Ordinance, 2000.



(Shujaat Siddiqui)
Appointed Actuary of the Corporation

Dated: 15 MAY 2024

Statement of Directors

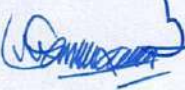
(As per requirement of Section 46(6) and Section 52(2) (C) of the Insurance Ordinance, 2000)


Section 46 (6)

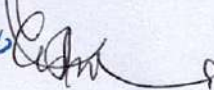
- a. In our opinion the financial statements of the State Life Insurance Corporation of Pakistan for the three months ended March 31, 2024, set out in the forms attached to the statement have been drawn up in accordance with the Insurance Ordinance, and any rules made there under;
- b. State Life Insurance Corporation of Pakistan has at all times in the period complied with the provisions of the Insurance Ordinance and the Insurance Rules made there under relating to paid-up-capital, solvency and re-insurance / retakaful arrangements; and
- c. As at March 31, 2024, State Life Insurance Corporation of Pakistan continues to be in compliance with the provisions of the Ordinance and the rules made there under relating to paid-up-capital, solvency and reinsurance / retakaful arrangements.

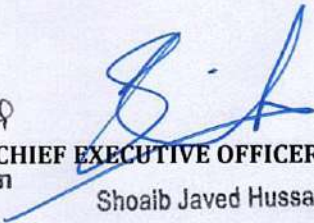
Section 52 (2) (C)


- d. In our opinion, each statutory fund of the State Life Insurance Corporation of Pakistan complies with the solvency requirements of the Insurance Ordinance, 2000 and the Insurance Rules, 2017.


CHAIRMAN
SULAIMAN S. MEHDI


DIRECTOR
Humayun Bashir


DIRECTOR
Anwar Mansoor Khan


CHIEF EXECUTIVE OFFICER
Shoaib Javed Hussain


CHIEF FINANCIAL OFFICER
Muhammad Rashid