

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

  
**SINDH INSURANCE**  
POWER TO THE PEOPLE

SIL/HO/PC/2022-0561

23<sup>rd</sup> September, 2022

M/s Akhtar & Hasan (Pvt) Limited  
2<sup>nd</sup> Floor, (Annexe)  
State Life Building No. 1,  
I.I Chundrigar Road,  
Karachi.

**Subject: Letter of Award-Actuarial Services For IFRS-17 to Sindh Insurance Limited**

Dear Sir,

The management of Sindh Insurance Limited is pleased to award the subject contract to **M/s Akhtar & Hasan (Pvt) Limited** for the tender reference # SIL/HO/ACTUARIAL SERVICES FOR IFRS-17 serial # T00013-22-0002 which was opened on 31<sup>st</sup> August, 2022.

Thanks & Regards



**Nadeem Akhter**

Head of Procurement Committee



STAMP VENDOR

30 JUN 2022

Stamp No. 261 New Ruby Centre  
 Durrani Market, Karachi  
 No. \_\_\_\_\_ Date \_\_\_\_\_  
 Issued to with Address \_\_\_\_\_  
 Through with Address \_\_\_\_\_  
 Purpose \_\_\_\_\_  
 Value Rs \_\_\_\_\_ Attached \_\_\_\_\_  
 Stamp Vendor's Signature \_\_\_\_\_

SINDH INSURANCE LIMITED

CONTRACT FOR IFRS 17 FINANCIAL IMPACT ASSESSMENT

THIS AGREEMENT is made and entered into this 29<sup>th</sup> day of September 2022.

BY and BETWEEN:

**Sindh Insurance Limited**, an insurance company incorporated under the laws of Pakistan and having its registered office at First Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi Pakistan (hereinafter referred to as "SIL", which expression shall, wherever the context so permits, mean and include its successors-in-interest, nominees, legal representatives and permitted assigns), of the **First Part**;

AND

**Akhtar and Hasan (Pvt) Ltd**, an actuarial consulting company with its Registered Office: 2<sup>nd</sup> Floor (Annexe), State Life No 1 Building, I.I Chundrigar Road, Karachi, Pakistan (hereinafter referred to as the "A&H", which expression shall, where the context so admits, mean and include its successors-in-interest, nominees, legal representatives, administrators and permitted assigns) of the **Second Part**.

WHEREAS A&H is in the business of actuarial services.

AND WHEREAS SIL desires to avail professional services for International Financial Reporting Standard No. 17 (IFRS 17) – Financial Impact as per SECP Circular No. ID/MDPRD/IFRS-17/2022/2392 dated 04 April 2022.

NOW THEREFORE in consideration of the various covenants, promises, and conditions set forth below, the parties agree as follows:



## SECTION 1: A&H SCOPE OF WORK AND RESPONSIBILITIES

1.1 The following will be the overall scope of work and responsibilities of the A&H:

### **Financial Impact Assessment:**

The full Financial Impact Assessment report would be required to be submitted as at 31 December 2022 along with the submission of the template. The SECP has required interim submission of the IFRS 17 Status Summary Reports as described in FIA Report and Guidelines.

These are discussed in turn as follows:

- (a) Interim Submission 1. This relates to IFRS 4 related sheets in the template and a status report on the progress made towards filling out the rest of the template. Due June 30<sup>th</sup> 2022, the interim submission 1 requires the following template sheets to be completed:
- Input – Overview – Life
  - Input – Overview – General
  - Input – INFO
  - Input – IFRS 4 BS
  - Input – IFRS 4 P&L
  - Input – Sensitivity BS – for IFRS4 only
  - Input – Sensitivity P&L – for IFRS 4 only

The status summary report format is up to the company, however, the summary report must comment on the progress on the following tasks at the minimum:

- Decision related to the level of aggregation for IFRS 17 portfolios (such that IFRS 4 portfolios were mapped for comparison);
- Any details regarding the Governance / Steering Committee / Technical Committee set up, including summary of the meeting notes;
- Transition related requirements of the FIA;
- High level comments on:
  - o Risk Adjustment for non-financial risks methodology
  - o Coverage units calculation
  - o Onerosity of any existing group of contracts at transition and any subsequent measurement.
  - o Acquisition and Expense allocation; and
- Progress on the overall FIA report



In addition, the status report should also provide confirmation that the FIA tasks and plan have been discussed with the steering committee and the company is in line with the SECP requirements to submit the FIA as per the timelines.

- (b) Interim Submission 2 of all the transition related sheets as well as a note on transition along with the equity impact. Due September 30<sup>th</sup> 2022, Interim Submission 2 requires the following template sheets to be completed:
- Input – IFRS 17 BS (only Balance Sheet for 2020 related information – the 2021 will be submitted with the final submissions)
  - Input – BS Reconciliation (only Balance Sheet for 2020 related information – the 2021 will be submitted with the final submissions)

Status summary report providing comments on the progress of the following tasks:

- Note on transition, which should include comments on why the impact on equity is positive or negative, along with the component level details;
- Actuarial model building for each measurement approach and assumptions setting;
- IFRS 17 Balance Sheet 2021;
- Projection of IFRS 17 P&L for all portfolios; and
- Sensitivity analysis relating to IFRS 17 scenarios.

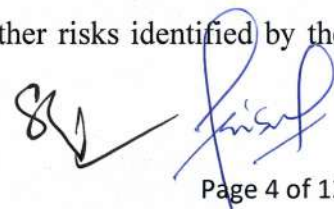
In addition, the summary report should also provide confirmation that the transition results, FIA tasks and plan have been discussed with the Steering Committee and the Company is on track to submit the final report as per the permitted timeline.

- (c) Final submission of the full template and FIA. Due December 31<sup>st</sup> 2022 the template of FIA needs to be submitted, along with the full detailed FIA report with minimum contents covering:

- (a) Definition of all abbreviations to be used throughout the document;
- (b) Business Overview (types of products, details of conventional and takaful products);
- (c) Describe the data used for FIA (including details of reconciliation of Underwriting Years and Financial Years of all lines of business used in the FIA), including reconciliation with the financial statements;
- (d) Level of Aggregation and Grouping of Insurance Contracts for IFRS 17 (along with one-to-one mapping from IFRS 4 Line of business / products to IFRS 17 Portfolio's definition and the same will be used in populating the FIA template);
- (e) Basis for determining whether a group of Insurance Contracts is onerous

- (f) IFRS-17 Measurement Models (details of which methodology has been adopted for each portfolio and particularly those which are long-term in nature in line with IFRS-17 requirements) along with rationale behind model selection;
- (g) The standard under paragraph 53(a) requires the insurer to perform a reasonability check prior to applying Premium Allocation Approach (PAA) to a group of contracts. An insurer must determine whether PAA produces a measurement of the Liability for Remaining Coverage (LRC) that would not differ materially from the one produced using paragraphs 30-53. For the purposes of this FIA, insurers may decide on whether to conduct this exercise or not, and must specify as such in the report;
- (h) Current and Future Assumptions (including Loss ratios, mortality, lapses, morbidity, expenses, acquisition costs – as per the IFRS-17 expense definition);
- (i) Details on other methodologies for FIA and how they were determined (Risk adjustment, discount rates, takaful approach etc);
- (j) Explanation on the process of modeling the fulfilment cash flows;
- (k) Details of Transition Methodology (reasons which methodology has been adopted in the FIA, along with suggestions for the future design and implementation stages in terms of data requirements, if any);
- (l) Qualitative explanation of how a reconciliation of Contractual Service Margin (CSM) and revenue would be performed to depict the impact of the transition approach;
- (m) Simplifications and assumptions employed under the Modified Retrospective Approach, if used;
- (n) Methodology and basis for setting the assumptions for estimating the fair value as per IFRS 13 if the Fair Value Approach is used for transition;
- (o) Describe the Reinsurance Approach (such as Reinsurance loss recovery ratios, treatment of reinsurance items sliding scale commissions, profit commissions, adjustment premiums, swing rates) – where applicable under PAA and General Measurement Model (GMM), as well as the method for determining whether a group of Reinsurance Contracts is onerous;
- (p) Any simplifications and judgments used (in all aspects of actuarial modeling, IFRS-17 accounting, or others);
- (q) IFRS-17 Results of P&L and BS (along with comments and comparison of IFRS-4);
- (r) Overview of insurance risk and other non-financial risks identified in the template (mortality, lapse, expense) as well as further risks identified by the company, if any,





- (s) Sensitivity Testing (based on the scenarios defined in the template along with commentary on the results); and
- (t) Certifications on FIA report to be signed by the CEO/CFO as well as the appointed actuary for life insurers.

1.2 The scope of work is limited to the business lines currently underwritten by SIL.

**SECTION 2: RESPONSIBILITIES OF SIL & A&H**

- 2.1 SIL will nominate a Project coordinator and a centralized team of core users at Head Office who will provide all input, support and cooperation for this project.
- 2.2 A steering committee shall be formed by SIL and A&H, which shall convene regularly to discuss progress of the project.
- 2.3 SIL Project Team will ensure that clean data in the required format is provided on a timely basis, in accordance with project timelines.
- 2.4 SIL shall make available the technical environment necessary for the performance of the project, necessary space, project room, furniture and communication means, as and when required by, and to all A&H designated staff to carry on their duties.
- 2.5 A&H shall be responsible for fulfilling the scope of work relating only to the Financial Impact Assessment as prescribed by the SECP requirements. However, should SIL wish to extend the scope of work at a future date in time for the purpose of full implementation, A&H shall consider it as a separate assignment and set out the new engagement scope.

**SECTION 3: PROJECT TERM**

3.1 The following are the project timelines of the scope of work.

Sr.	Deliverable	Expected Date of Completion
1	Interim Submission 1 – template & status summary report	30 June 2022
2	Interim Submission 2 – template & status summary report	30 September 2022
3	Final Submission	31 December 2022

3.2 Given that the SIL commenced its FIA only a couple of weeks ago from the date of this agreement, A&H shall strive to ensure the completion of the deadlines. However, our normal required work time for the expected delivery for each submission is a minimum of 6 to 8 weeks subject to


  
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confirmation of appointment. This excludes any period where SIL shall need to incorporate its legal process for allotting tender to the winning consulting firm.

- 3.3 Further, this is also subject to response times and timely discussion by the management and the core team from SIL, who shall be apprised of continuous developments. It is therefore the responsibility of the SIL to ensure that a timely response is received from A&H in order to aim to strive towards the completion of FIA requirements.

#### **SECTION 4: PROJECT COST**

- 4.1 The professional charges for the implementation services of the project will be PKR 900,000/-. Payments will be made on satisfactory quarterly submissions against bills.
- 4.2 The professional charges provided above are exclusive of applicable Sindh Sales Tax (SST)

#### **SECTION 5: PAYMENT TERMS**

- 5.1 The payment schedule shall be made for each stage and shall commence at the start of each interim submission. Therefore, payouts shall be made to the A&H in three installments of PKR 300,000 each. The first payment is due at the time of submission of the draft of interim submissions to the SIL, the second payment at the time of draft of the second interim submission, and the third and final payment at the time of submission of the full report (final submission)
- 5.2 Payment will be made by SIL within 15 days of submission of the invoice with related deliverables.

#### **SECTION 6: SECURITY AND CONFIDENTIALITY**

- 6.1 "Proprietary Information" i.e. any data and information imparted to A&H by SIL in connection with A&H performance hereunder. A&H agrees that such Proprietary Information is and shall be confidential and proprietary to SIL for all times and agrees not to disclose such Proprietary Information to any third party without the express written permission of SIL and agrees to take all necessary precautions to maintain the secrecy and confidentiality of such Proprietary Information.
- 6.2 The obligation of non-disclosure described in the Agreement will not be deemed to restrict A&H from using and/or disclosing any of the Proprietary Information which:
- a) Is or becomes publicly known or within the public domain without the breach of this Agreement,
  - b) Was known to A&H prior to its receipt thereof from SIL,


- c) Is separately developed, whether before or after the date of this Agreement, by persons not privy to the confidential information employed by or on behalf of A&H, or
  - d) If A&H is requested or required by law or by any Court or governmental agency or authority to disclose any of the confidential information, provided that A&H will provide SIL with prompt notice of such request or requirement prior to such disclosure.
- 6.3 During the tenure of this Agreement A&H may from time to time, communicate with SIL electronically. However, the electronic transmission of information cannot be guaranteed to be secure or error-free, and such information can be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or otherwise be adversely affected or unsafe to use. However, A&H shall comply with the provisions of "The Electronic Data Protection Act 2005" while disseminating information electronically. A&H shall use reasonable procedures to check for the most known viruses before sending information electronically.

### SECTION 7: GENERAL

- 7.1 Neither party shall be responsible for any delay or failure to perform its obligations hereunder, if such delay or failure is due to causes beyond its control or without its fault or negligence, including, without limitation, strikes, riots, wars, fires, epidemics, quarantine restrictions, freight embargoes, unusually severe weather, earthquakes, explosions, acts of God or any public enemy, or acts mandated by any applicable laws, regulation or order (whether valid or invalid) of any governmental body or any other unforeseen circumstances.
- 7.2 This Agreement shall not be assignable by either Party to any other Party without the prior written consent of the other Party.
- 7.3 By accepting this Agreement both parties agree to indemnify and hold each other or its employees harmless from all third-party claims, damages, liabilities, and costs other than those resulting from A&H's willful misconduct or dishonesty. No admission of liability and/or settlement of any action, claim or proceeding shall be made on behalf of or bind A&H without its written consent. The maximum liability for damage shall be only up to the costs received by A&H from SIL relating to the services provided and billed as mentioned in Section 4 and Section 5.
- 7.4 No provision of this Agreement may be waived or changed except in writing signed by the party against whom such waiver or change is sought to be enforced. The failure to enforce a breach or default of this Agreement shall not constitute a waiver of the right to enforce any subsequent breach or default.




7.5

- (a) This agreement may be terminated by either party if the other party fails to perform any of the material obligations under this Agreement and such failure is not remedied within a reasonable time not exceeding forty-five (45) days after its receipt of the written notice from the other Party requesting a remedy thereof.
- (b) This agreement may also be terminated, at any time during the term of the agreement, by providing the other Party written notice.
- (c) Any termination of this Agreement shall be without prejudice to rights and obligations accrued up to the date of termination and the obligations of confidentiality set forth in this Agreement shall survive such termination.

7.6 All documents and other belongings given to A&H by SIL during the course of this Agreement shall remain the absolute property of SIL and all such documents and belongings in A&H's possession and in the possession of its employees or agents/staff shall be returned to SIL upon the termination of this Agreement.

7.7 A&H warrants that its performance of Service does not infringe any patent design, trademark, copyright, or other proprietary or protected right (whether registered or unregistered) and that it shall fully indemnify SIL against any actions, claims, demands, costs, charges, expenses and damages arising from or incurred by reason of any such infringement or alleged infringement resulting from its performance of Services or any activities associated with them.

7.8 Each party represents to the other party that:

- (a) It is validly existing and has full power to execute, deliver and perform its obligations under this Agreement and that such execution, delivery, and performance do not violate or conflict with any law, regulation, or rules of Federal or Provincial Government or local government or agency; and
- (b) All consents, authorized and approvals required to enter into this agreement have been obtained

7.9 A&H specifically warrants SIL that it possesses requisite professional expertise, human resources, skills, knowledge, infrastructure, equipment, tools and such other things so as to perform its duties and obligations effectively, efficiently and with due diligence under this Agreement and to the entire satisfaction of SIL and shall keep it at all times during the period of this engagement.

7.10 All notices permitted or required under this Agreement shall be in writing and shall be sent by courier or by fax to the party to receive the notice(s) at the respective addresses/numbers noted below:

  
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- 7.11 A&H shall furnish performance security in shape of pay order favoring Sindh Insurance Limited which shall be valid for at least ninety (90) days beyond the date of completion of contract to cover defects liability period or maintenance period.

**If to SIL**

**Mr. Muhammad Faisal Siddiqui**

Chief Executive Officer

Sindh Insurance Limited

First Floor, Imperial Court, Dr Ziauddin Ahmed Road, Karachi, Pakistan.

Telephone No. +92 346 278 3753

E-mail: nadeemakhter@sindhinsuranceltd.com

**If to A&H**

**Mr. Shujaat Siddiqui**

Chief Executive

Akhtar & Hasan (Pvt) Limited

3<sup>rd</sup> Floor (Annexe), State Life No 1 Building, Chundrigar Road, Karachi

Telephone No.+92 300 820 5202

E-mail: shujat@akhasan.com

- 7.12 Notice given by way of personal delivery shall be effective upon receipt while notice given by courier shall be deemed to have been received on the next working day.
- 7.13 This Agreement represents the entire Agreement between the parties and supersedes all prior negotiations, understandings and agreements which are merged herein. This Agreement shall supersede and control over any conflicting terms, representations, promises, or conditions included in any purchase orders, invoices or other documents issued by either party
- 7.14 The project would be carried out using the information provided by SIL personnel. Therefore, no responsibility will be assumed by A&H in case wrong or inadequate information is provided.
- 7.15 In case any dispute cannot be settled mutually and amicably, it shall be referred to for the joint equitable decision by way of arbitration under the Arbitration Act, 1940 and any applicable rules made thereunder by two arbitrators, one to be appointed by each Party to this Agreement and in the

  
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event of no such equitable decision being available within thirty (30) days of the commencement of the arbitration, to the final decision of the Umpire, to be jointly appointed by the arbitrators before entering upon the reference. Any award made in such arbitration by the arbitrators together or by the Umpire as the case may be, shall be final, conclusive, and binding on the Parties for all purposes whatsoever. The venue for such arbitration shall be Karachi, Sindh. The arbitration shall be conducted in the English language. Arbitration shall be a prerequisite and a condition precedent to any other action at law. Each Party shall bear its own costs under the Arbitration.

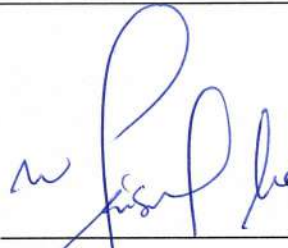

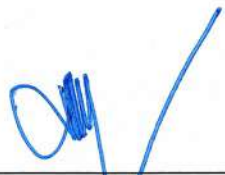


- 7.16 This Agreement shall be governed by the laws of Pakistan, and it is hereby irrevocably agreed and accepted that the courts of Pakistan shall have exclusive jurisdiction regarding any matter related to this Agreement.
- 7.17 This Agreement is executed in duplicate, and each copy is treated as original for all legal purposes.
- 7.18 This Agreement shall be effective as of the date first above written when signed by both parties thereto.



#### **SECTION 8: OTHER PROVISIONS**

- 8.1 Remedies – No single or partial exercise of a right or remedy prevents a further exercise of such or another right or remedy.
- 8.2 Language – English shall be the language of this Agreement and all communications under it.
- 8.3 Severability and Enforceability – Each paragraph and provision of this Agreement is severable, and if one or more paragraphs or provisions are declared invalid, the remaining provisions of this Agreement will remain in full force and effect. However, the parties agree to meet promptly and negotiate in good faith a provision to be substituted for the deleted provision, which to the extent legal and reasonably practical, accomplishes the intent of the parties with respect to the deleted provisions.


IN WITNESS WHEREOF, the parties hereto cause this agreement to be executed by their duly authorized representatives.

Signed by for and on behalf of	
SINDH INSURANCE LIMITED	  Muhammad Faisal Siddiqui Chief Executive Officer
In Presence of	 Nadeem Akhter Chief Financial Officer
In Presence of	 Imtiaz Ali Manager – Finance
Signed by for and on behalf of	
AKHTAR & HASAN PRIVATE LIMITED	 Shujat Siddiqui Chief Executive Officer Shujat Siddiqui Chief Executive Akhtar & Hasan (Pvt) Ltd.

In Presence of	 _____ Faisal Zai General Manager
In Presence of	 _____ Falak Sher Haider Soomro Assistant General Manager

IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

  
**SINDH INSURANCE**  
POWER TO THE PEOPLE

SIL/HO/PROCUREMENT/2022-0544

12<sup>th</sup> September, 2022

M/s Akhtar & Hasan (Pvt) Limited  
2<sup>nd</sup> Floor, (Annexe)  
State Life Building No. 1,  
I.I Chundrigar Road,  
Karachi.

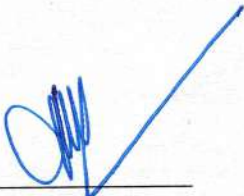
Dear Sir

**Subject: Letter of Acceptance-Actuarial Services For IFRS-17.**

M/s Akhtar & Hasan as the successful bidder of the subject tender reference # SIL/HO/ACTUARIAL SERVICES FOR IFRS-17 serial # T00013-22-0002.

You are requested to visit our head office and sign the agreement within 07 days of the issuance of this letter.

Kindly acknowledge.



**Nadeem Akhter**

Head of Procurement Committee.

## Bid Evaluation Report

### Actuarial Services For IFRS-17

Procuring Agency	Sindh Insurance Ltd
Ref no.	SIL/HO/ACTUARIAL SERVICES FOR IFRS-17/2022
Mode of Procurement	Single Stage Two Envelopes
Description	Actuarial Services For IFRS-17
Published	SPPRA S.No. T00013-22-0002 Dated August, 15, 2022
Bid Document Sold	1
Bid Received	1
Original Bid Opening Date	August 31, 2022 at 11:00am
Final Bid Opening Date	August 31, 2022 at 12:00pm
Number of Bids Technically Qualified	1
Rejected	-

Company Name	Qualified/Disqualified in Technical / Eligibility Inspection	Cost of Bid Offered	Ranking In terms of Cost	Comparison With Estimated Cost (Rs. 2,000,000/-)	Reason for Acceptance/Rejection	Remarks
1	2	3	4	5	6	7
M/s Akhtar & Hasan (Pvt) Limited	Technically qualified	Rs. 1,017,000/-	1	Rs. 983,000/- Below the Estimated Cost	Accepted being the only bidder	Rule-48 has been complied with

Note:- M/s Akhtar & Hasan (Pvt) Limited is awarded the tender for Actuarial Services For IFRS-17 being the only bidder.

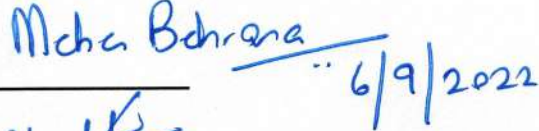
#### Procurement Committee Members

- 1 **Mr. Nadeem Akhter**  
Sindh Insurance Ltd  
CFO & Company Secretary  
Head of Procurement Committee
- 2 **Ms. Meher Dinshaw Khory**  
Sindh Insurance Ltd  
Head-HR & Admin  
Member
- 3 **Muhammad Adnan Shakeel**  
Sindh Modraba  
CFO & Company Secretary  
Independent Member

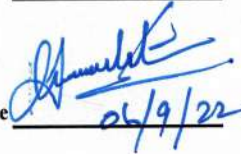
Signature



Signature



Signature




IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

**SINDH INSURANCE**  
POWER TO THE PEOPLE

**OPENING OF BIDS  
FINANCIAL PROPOSALS**


Actuarial Services For IFRS-17

Dated: 31/08/2022


S.no	Company Name	Total	Signature of Company Representative	Remarks
1	M/s AKWA E-HAN	1,017,000/-		
2				
3				
4				
5				
6				

**Procurement Committee Memebers**

- Mr. Nadeem Akhter**  
Sindh Insurance Ltd  
CFO & Company Secretary  
Head Of Procurement Committee
- Ms. Meher Dinshaw Khory**  
Sindh Insurance Ltd  
Head HR & Admin  
Member
- Mr. Muhammad Adnan Shakeel**  
Sindh Mdaraba  
CFO & Company Secretary  
Independent Member

  
31/08/22

Meher Behrara  
31/8/2022

  
31/8/22



IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

  
**SINDH INSURANCE**  
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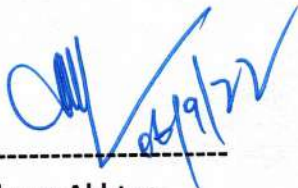
TENDER# SIL/HO/ACTUARIAL SERVICES FOR IFRS-17/2022  
06-09-2022

**Subject; Certificate in Compliance of Rule 48 of SPPRA**

This is to certify that as only one bid was received against the tender, so Rule 48 has been complied with as follows

Sr. No	Last tender Price.	Total Cost as per Market Quotation (M/s Nauman Associates)	Total Cost Offered by the Bidder (M/s Akhtar & Hasan (Pvt) Limited)
01	NIL	Rs. 3,500,000/-	Rs. 1,017,000/-

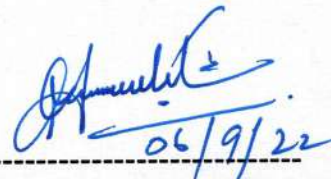
**Members Procurement Committee**

  
06/9/22

Nadeem Akhter  
CFO / Company Secretary  
Sindh Insurance Ltd.

  
6/9/22

Meher Dinshaw Khory  
Head-HR & Admin  
Sindh Insurance Ltd.

  
06/9/22

Muhammad Adnan Shakeel  
CFO / Company Secretary  
Sindh Modaraba



**NAUMAN ASSOCIATES**  
CONSULTING ACTUARIES

September 5, 2022

**Mr. Asim Qamar**  
Managing Admin  
**Sindh Insurance Limited**

***Subject: Proposal for IFRS-17 services for Financial Impact Analysis***

**Dear Mr. Asim,**

Please refer to your communication with us with regard to acquiring a proposal for Financial Impact Analysis as per requirements from SECP.

This document highlights our work in the segment as a firm and scope of work as required by SECP.

We hope you find this proposal to your satisfaction and look forward to a positive response.

Thank you.

Sincerely,

*N. A. Cheema*

**NAUMAN A. CHEEMA**  
Consultant & Chief Executive

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**NAUMAN ASSOCIATES**  
CONSULTING ACTUARIES

**Scope of Work**

The proposal covers the following work:

- 1) Completion of SECP FIA template with interim submissions as at 30-9-2022 and final submission as at 31-12-2022.
- 2) Submission of accompanying report to the SECP.
- 3) Answering any subsequent queries from the SECP.

The scope of work does not extend to any work already completed under the first interim submission as at 30-6-2022.

**Fee Structure**

The fee for the above scope of work exclusive of sales tax is given below:

Item	Fee
Phase 2 – FIA Template and SECP submissions	PKR 3,500,000

The fee mentioned above is payable entirely on completion of the project.



### **OUR IFRS-17 EXPERIENCE**

Nauman Associates has been engaged by a number of insurance companies in the UAE to conduct IFRS-17 Gap Analysis as per the requirements of Insurance Authority UAE (now merged into Central Bank of the UAE). These include:

1. Orient Insurance (largest general insurer in UAE by GWP)
2. Dubai Insurance
3. Union Insurance
4. Dubai National Insurance and Reinsurance
5. State Life (UAE Operations)
6. Life Insurance Corporation – India (UAE Operations)

Nauman Associates has also acted as a review actuary for Gap Analysis and Financial Impact Assessment conducted under the requirement of Saudi Arabia Monetary Authority for Salama Insurance.

Society of Actuaries (USA) has recently initiated a 5-month certification program, with the aim to provide a hands on practical training on actuarial elements of IFRS reporting requirements and IFRS 17 reporting standards applicable to insurance products. The aim of the certification is to:

- Gain detailed coverage and in-depth knowledge in a systematic approach, with key practical steps to support the organizational, financial, and reporting impacts of adopting IFRS 17, regardless of organization's stage of preparation or implementation.
- Practice learned methods and concepts with real-world illustrative examples and applications to understand the changes in reporting and their impact.
- Obtain a certificate after successful completion of the final assessment, that offers recognition of the quantitative skills and in-depth regulatory and reporting knowledge acquired.

We are pleased to let you know that Mr. Farhan Cheema, Our Team Lead for the IFRS-17 project has completed the program and achieved the certification.

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**NAUMAN ASSOCIATES**  
CONSULTING ACTUARIES

**Our Team**

IFRS-17 LEAD CONSULTANT

Nauman Cheema  
Chief Executive  
Fellow of Society of Actuaries - USA FASI, FPSA

Nauman set up the Firm in 1985 after his return from Canada, where he acquired his higher education and then gained work experience. During his 7 year stay in Canada, he received his Masters Degree in Business and Mathematics from University of Manitoba and gained Fellowship of the Society of Actuaries in 1982. In addition to being the Fellow of Society of Actuaries (USA), he also holds the fellowship of Pakistan Society of Actuaries and Actuarial Society of India. He has a post qualification experience of more than 30 years.

Nauman has handled assignments based in various economies which give him considerable exposure to a number of international markets. Apart from his country of residence, he has worked in Canada in addition to handling clients based in UAE, Saudi Arabia, Kenya, India, Uganda and Kazakhstan.

Nauman has acted as an Appointed Actuary for a significant number of Life Insurance and General Insurance companies. More recently, he is / has acted as an Appointed Actuary of the following companies:

- Jubilee Life Insurance Company, Pakistan
- Salama Cooperative Insurance Company, KSA
- Weqaya Takaful Insurance and Reinsurance Company, KSA
- Alinma Tokio Marine Company, KSA

Apart from regulatory Appointed Actuary role, he has also been involved in areas of accounting and risk management for the above mentioned clients. Some of other major projects where Nauman has acted as a project lead:

- Actuarial Lead in Due Diligence of Metlife ALICO on behalf of IGI Insurance Pakistan
- Actuarial Lead in Due Diligence of Asia Care Insurance on behalf of Trakker Pakistan.
- Actuarial Lead in Due Diligence of Commercial Union on behalf of Agha Khan Funds for Economic Development.
- Lead Actuarial Consultant of Asian Development Bank for Actuarial Assessment of Pension and GP Fund Liability of Government of Punjab Employees.
- Actuary Specialist of Asian Development Bank for preparation of Resource Management Program of Government of Baluchistan Employees.



**NAUMAN ASSOCIATES**  
CONSULTING ACTUARIES

IFRS 17 – Team Lead

Farhan Afzal Cheema

Assistant Vice President – Nauman Associates Consulting Actuaries

Fellow of the Institute and Faculty of Actuaries - UK

Associate of the Society of Actuaries - USA

Completed Society of Actuaries IFRS-17 Certification

Farhan has a BSc (Hons) in Accounting and Finance from Lahore University of Management Sciences, in 2015. Farhan joined the Firm in 2015. He attained the designation as an Associate of Society of Actuaries (USA) in 2018 and is fellowship designation in 2021.

He has been involved in Insurance and Takaful related projects primarily in KSA including development of business plans, product pricing and conducting actuarial valuations. Since June 2017, he has been extensively involved as team lead for services to insurers in KSA. His experience in General Insurance / Takaful includes:

- Medical and Motor Pricing for KSA clients as per the respective regulatory requirements.
  - Financial Condition Reports and Valuation of Technical Provisions for clients in KSA.
  - Analysis of Reinsurance Treaties and assessment of value for money from reinsurance arrangements for Non-Life Insurers in KSA.
  - Assessment of Solvency Positions of Non-Life Insurers in KSA
  - Acting as an external consultant to an insurer in KSA in order to assess reasons for inadequate solvency and recommendations for improvements in solvency position.
  - Involvement in preparation of business plans, including 5-year business projections and corresponding projections for solvency position and receivable projections.
  - Analysis of Portfolios of Non-Life Insurance Companies and strategic recommendations with regards to targeting areas of high profitability.
  - Expense Analysis for Non-Life Insurers His experience in Pensions and Post Retirement Benefits include: • Valuations of Post Retirement Benefits of companies in Pakistan as per IAS-19.
  - Analysis of Solvency Position of Post Retirement Funds and making recommendations for future contribution levels to ensure future solvency.
  - Recommendations of benefit changes for pension schemes in Pakistan in order to manage future liabilities. His Experience in Life Insurance / Family Takaful includes:
  - Analysis of Unit Reserves for Life Insurance products for an insurer in Pakistan and KSA.
  - Calculation of Expense Overrun Reserves for a life insurer in KSA.
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## Bidders Qualification Report

M/s Akhtar & Hasan (Pvt) Limited

S. No.	Requisite	Total Marks	Marks Obtained	Remarks	Attachment of relevant evidence in each case is required. In case of non-compliance no mark will be awarded	Attach evidence as Annex.
1	Actuarial Consultancy Firm Experience	20	20	15 years & above	NTN Certificate, Letter of Incorporation, Company Registration Certificate, SRB Registration Certificate to be enclosed	A
		15		10 years to 14 years		
		10		Below 10 years		
2	Number of Qualified Actuaries (Associates) in Firm	20	20	06 & above	Profiles / CVs of the Personnel	B
		15		04 to 05		
		10		02 to 03		
3	IFRS-17 Working Experience	20	20	03 years & above	Documentary Evidence of Working Experience in IFRS-17	C
		15		02 years		
		10		01 year		
04	Clients in Pakistani Market	20	20	10 & above	Clientele List	D
		15		07 to 09		
		10		05 to 06		
05	Physical Presence Branch / Head Office in Karachi	20	20	Yes	Complete addresses with Landline Numbers	E
		0		No		
<b>Total</b>			<b>100</b>	<b>Qualified</b>		

  
06/9/22

**Nadeem Akhter**  
CFO & Company Secretary  
Sindh Insurance Limited

  
06/9/22

**Meher Dinshaw Khory**  
Head HR & Admin  
Sindh Insurance Limited

  
06/9/22

**Muhammad Adnan Shakeel**  
CFO & Company Secretary  
Sindh Modaraba

**MINUTES OF THE OPENING OF THE TENDER (TECHNICAL / FINANCIAL PHASE)**

PE OF PROCUREMENT ADMIN / IT / CONSULTANT / MEDIA

TENDER NAME Actuarial Services For IFRS-17

TYPE OF TENDER SINGLE STAGE-ONE ENVELOPE / SINGLE STAGE-TWO ENVELOPE / TWO STAGE-TWO ENVELOPE

OPENING DATE 31-Aug-22

OPENING TIME 1100 Hours

ATTENDANCE MEMBER (PC) Mr. Nadeem Akhter  
Ms. Meher Dinshaw Khory  
Mr. Muhammad Adnan Shakeel



ATTENDANCE (REPS. OF BIDDERS)	NAME	FIRM
	<u>M. Mussayez</u>	<u>Atkins &amp; Sons (Pvt) Ltd.</u>
	<u>[Signature]</u>	<u>/</u>

TOTAL BIDS ACCEPTED FOR EVALUATION 01

TOTAL BIDS REJECTED -

REMARKS Bidder Technically Qualified & offered Rs. 1017,000/-

**PROCUREMENT COMMITTEE**

Mr. Nadeem Akhter [Signature] 31/08/22

Ms. Meher Dinshaw Khory Meher Behra 31/8/22

Mr. Muhammad Adnan Shakeel [Signature] 31/8/22




# Sindh Insurance Limited

TENDANCE SHEET

OPENING


Date:- 31-Aug-22

Actuarial Services For IFRS-17

S. O.	Company Name	Name of Company Representative	Contact No.	Signature
1	AKHTAR & HASAN (Pvt)	Muhammad Nussayeb	0317 2452699	
2				
3				
4				
5				

Signature of Procurement Committee

Mr. Nadeem Akhter  
Head-Procurement Committee

  
21/08/22

Ms. Meher Dinshaw Khory  
Member:-

Meher Behrana  
31/8/2022

Mr. Muhammad Adnan Shakeel  
Independent Member

