

individuals for sales force nationwide. EFU have also formed business alliances with leading major banks in the local market.

Bancassurance, whereby the company sells its products through banks, has played a pivotal role as a contributor in

the last few years. The channel has contributed the highest to the top line of insurance business.

With massive usage of cell phones, the company is also entering into partnerships with telecom companies to offer low ticket premiums through SMS. Pres-

ently the penetration of Takaful life insurance industry is fairly low. With few private players in the market, it is still considered to be in its infancy stage. There is massive potential in the industry and it is bound to grow in the coming years. ■

CONCEPT OF TAKAFUL GETTING PLEASING AND ACCEPTABLE RESPONSE

Interview with Muhammad Nasir Ali Syed - CEO, Pak-Qatar Family Takaful

KHALIL AHMED
(feedback@pgeconomist.com)

PAGE: Tell me something about yourself and your profession, please:

Muhammad Nasir Ali Syed: My nature of work involves helping people in time of need. There is no bigger satisfaction in the world than to help a fellow human being and get his honest blessings in return. I firmly believe in developing a vision in life and plan accordingly. Without vision and purpose one cannot manage life. My parents have been a source of continuous inspiration and I try my level best to follow their professional approach and positive traits in my daily routine. I enjoy reading and my favorite book is Quran Kareem (the ultimate source of all knowledge and guidance). Due to my busy routine, I hardly get time to read but I mostly enjoy reading management and science books.

PAGE: Your views on performance of Takaful business in Pakistan:

Muhammad Nasir Ali Syed: Takaful is a Shariah-compliant alternative to conventional insurance. In the current age, the need and importance of insurance cannot be overlooked, but the current principles and practices used in insurance are against the teachings of our religion. Islamic Scholars have deliberated over this matter for years and devised the concept of Takaful. It will not be possible for me to summarize that effort of years within few lines, but briefly we can say that the three elements which are forbidden in Islamic teachings namely Riba (Interest), Qimar/Maysir (Gambling) and Gharrar (Uncertainty) are avoided in Takaful by creating a model on the principles of Tabarru (charity) and Waqf (similar to



mortmain).

Takaful business is based on a vast pool of finances, where a large number of customers are contributing for the protection and rehabilitation of the few unfortunate participants who suffer any losses, some unpleasant incident or a tragedy. Takaful funds are sufficient enough to fulfill the needs and commitments of such unfortunate participants. The financial pool is treated with utmost transparency under the supervision of Shariah guidelines. We believe that the primary virtue and most important characteristic of a true Muslim is honesty, fair-dealing and justice, while all other rituals of worships will become secondary on the final day of judgment.

Takaful rules were introduced by the SECP in Pakistan in 2005. The formation of Pak-Qatar Family Takaful Ltd began in 2006 and in the year 2007 we got the license as the first Life Takaful company in Pakistan. So we are the pioneers of Takaful in the country. We offer two kinds of Takaful, including; Life Takaful Services and General Takaful Services.

Pak-Qatar Family Takaful achieved its financial break-even within four years of its inception, which reflects our exceptionally rapid growth. Normally the insurance companies take 9 to 11 years to break-even.

Currently, there are two Takaful companies offering Life Takaful services; one is Pak-Qatar and the other is Dawood Family Takaful. Three Takaful companies in Pakistan are offering Non-life or General Takaful services.

Today, the penetration of Takaful in Pakistan has reached 12 percent in Banca sector, while the overall penetration is nearly ten percent of the private sector. In the Life insurance business, State Life Insurance Corporation, being a government entity, has the exclusive rights to retain 60 percent of the market share. The rest of the 40 percent can be acquired by the other private companies. Despite being the youngest company in the sector, Pak-Qatar Takaful Group stands 4th among the seven private companies in this business. We are offering very competitive prices to the customers, while we offer all kinds of Shariah-compliant Takaful products.

PAGE: Your views on capital injections by sponsors in Takaful companies:

Muhammad Nasir Ali Syed: Sponsors are investing money due to the opportunities and growth in the market. The potential of Takaful industry is very high. Pak-Qatar Takaful achieved its financial break even within four years, which is a great accomplishment by any standards. The high potential has also inspired the conventional insurance companies to create their Takaful divisions or windows.

I can foresee that within the next five years, the Takaful business will take over 60 percent of the total insurance

industry in Pakistan. The global growth of Takaful business is nearly 28 percent per annum, while the growth of insurance is only 8 to 10 percent.

In the 190 million population of Pakistan, the Insurance Penetration in the country has only reached 0.7 percent, over so many years. So till date, the remaining 99.3 percent of the financial protection market is still untapped, giving us a vast room to grow. Pak-Qatar Takaful already has over 4 percent market share in Pakistan.

PAGE: How would you comment on Islamic health insurance?

Muhammad Nasir Ali Syed: Considering we are a developing nation, we face a plethora of challenges. From lack of primary healthcare infrastructure to lack of awareness regarding preventive medicine; from attacks on polio vaccine teams to lack of specialized care centers; from lack of effective legislation to absence of regulation of healthcare services costs; there are multiple challenges.

Pak-Qatar Takaful Group provides complete protection against risk, which is further protected through Re-Takaful by world-leading Islamic Takaful companies like; Hannover Re, Takaful-re and Munich Re. Thus the risk is shared in a Global Pool, which enhances the company's flexibility and increases its capacity for claims-payment. Pak-Qatar Family Takaful offers a wide variety of services including; Individual, Group and Banca products, which are customized according to the customer's financial position and needs.

Under Health Takaful, we are covering emergency hospitalization, chemotherapy, radiotherapy and dialysis etc. We are providing and giving maximum return and value for money to our members.

PAGE: How would you comment on the marketing of Takaful products?

Muhammad Nasir Ali Syed: The marketing team of Pak-Qatar Takaful Group is playing a vital role in creating awareness about the Islamic insurance models. It is very tough but challenging as well to market our products as we have to strictly follow Shariah guidelines for advertising.

Recent years have witnessed that people are now more inclined towards Islamic products. We even visit different institutions to deliver lectures and provide the students with basic knowledge. Creating awareness amongst the masses is the core objective of Pak-Qatar Takaful Group's Vision statement. We are advocating this purest form of Islamic financ-

ing to transform the social and economic system, while telling the masses about the necessity and benefits of this healthy financial system.

PAGE: Your views on Shariah boards: Muhammad Nasir Ali Syed: The Shariah-compliant nature of Takaful has been cautiously established through extensive religious debates and intellectual research, while many Muslim com-

munities have collaborated to apply this system and are getting favorable results. A majority of the scholars and economic experts have already validated the economic viability and social advantages of the Takaful system. An independent Shariah Advisory Board chaired by Mufti Muhammad Taqi Usmani certifies all products and operations for Shariah compliance. ■

SAMSUNG BEGINS PRE-BOOKING OF GALAXY GEAR S2 IN PAKISTAN

Samsung Electronics is a global technology leader and award-winning innovator, which has recently started pre-booking for its new Smart watch - the Galaxy Gear S2, in Pakistan. The promotion will continue for 3 weeks, whereby the customers can now pre-book their fascinating Gear S2 by simply paying an amount of 5000 Rupees at selected outlets in all major cities of Pakistan.

With the cutting-edge 'Gear S2', Samsung has given a new spin to the smart-watch experience. The rotating bezel and smart interface provide intuitive use, with easier access and navigation to its powerful features. It allows you to monitor your messages and notifications with just one glance. The health clock options promote a healthier lifestyle by automatically monitoring your heart-rate, level of physical activity and other fitness data, round-the-clock. This slim and sleek watch is further enriched with valuable features like; hands-free (NFC) payment system (Samsung Pay), a vast memory, customizable watch-face, Long battery life and wireless charging.

Managing Director for Samsung Pakistan, -Mr. J H Lee said, "We are proudly presenting this smart Gear S2 for our customers in Pakistan. We always bring technological innovations in our products keeping customer satisfaction in mind and excellent user experience has always been our prime focus." Mr. Lee also said that it is also the first Samsung smart-watch that is not only exclusively

compatible with Samsung phones but it can also be used with many other phones.

A gentle turn of the Bezel will allow you to; scroll through long emails, zoom into a map, play the next song, or access things that you need most from your smartphone, on-the-go. The portfolio of amazing apps on the Gear S2 is growing rapidly, making everything possible; From going the distance to keeping your home secure. The symbolism of a circular design gives an impression of Completeness and Geometric perfection, created in high-quality authentic materials to embody modern aesthetics and elegance.

For pre-booking of the device, the consumers can now visit selected Samsung outlets in; Lahore (Hafeez Centre, Hall road, Cantt, Defence & Moon Market), Karachi (Saddar, Clifton, Bahadurabad, Orangi & Metroville), Islamabad (Jinnah Super, Blue Area, F6, F8 & F10 Markaz), Rawalpindi (Cantt, Saddar & Murree Rd), Multan (Cantt & Mall plaza), Faisalabad (Katchery Bazar & D Ground), Hyderabad Cantt, Peshawar Cantt, Quetta (Liaquat Bazar & Abdul Sattar Rd), Gujranwala (Sialkot Adda), Bahawalpur (Trade Centre), Sargodha (Fatima Jinnah Rd), Okara (Benazir Rd), Sialkot (Railway Road) and other important markets. The innovative smart-watch models have been attractively priced in Pakistan; at Rs. 35,000 for the Gear S2 Sports RRP (available in Dark Gray and Silver colors), while the Gear S2 Classic RRP is priced at Rs. 39,999 (available in Blue Black color). ●

Today, Medicare provides health insurance to about 40 million seniors and disabled individuals each year. The number is only expected to grow as the baby boomers begin retiring. ~ Jim Bunning