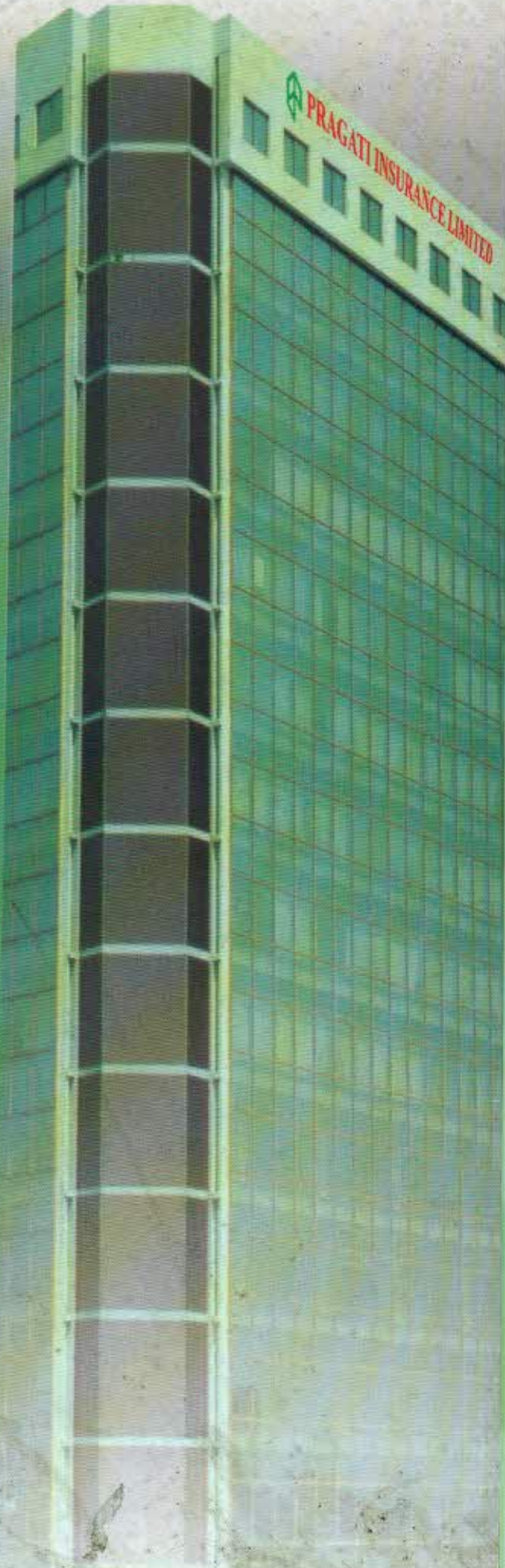




ANNUAL REPORT 2006



**PRAGATI
INSURANCE
LIMITED**
SYMBOL OF SECURITY





Let's Preserve the Nature Ever Green



Company Profile

Incorporation January 27, 1986

Listing with DSE April 04, 1996

Commencement January 30, 1986

Listing with CSE April 06, 1996



Pragati Insurance Ltd. has recently signed a Credit Rating Agreement with the Credit Rating Agency of Bangladesh Ltd. (CRAB). Photo shows Managing Director of Pragati Insurance Ltd., Mr. AKM Rafiqul Islam & the Managing Director & Economic Adviser of CRAB Dr. Masihur Rahman exchanging the documents after signing the agreement on behalf of their respective organizations.

Pragati Insurance Limited

CREDIT RATING REPORT (ENTITY RATING)

	Long Term	Short Term
Rating Outstanding (Assigned on 31 st May 2007)	AA2	ST-1
Validity of Outstanding Rating	1 (one) year	

Financial Analyst : Md. Moazzam Hossain

1. RATING DETAILS

1.1 Rating Rationale

CRAB has assigned "AA2"(pronounced Double A Two) rating to Pragati Insurance Limited in the Long Term and "ST-1" in the Short Term. General Insurance Companies rated in the Long Term "AA2"category, are adjudged to be very strong insurance company, characterized by good financials, healthy and sustainable franchises, and a first rate operating environment. This level of rating indicates very high claims paying ability, protection factors are strong, risk is modest but may vary slightly over time due to underwriting and/or economic condition. General Insurance Companies rated in the Short Term "ST-1" category, are considered to have highest capacity for timely repayment of obligations, excellent position in terms of liquidity, internal fund generation, and access to alternative sources of funds is outstanding. CRAB performed the present rating assignment based on the audited financial statements of 31 December 2006 and other relevant information. The present rating takes into account both quantitative and qualitative indicators of underwriting quality, claim paying ability, capital adequacy and solvency, corporate governance, risk involvement, asset quality, economic and business environment.


1.2 Key Rating Issues

Rating Strengths

- ◆ Large market share
- ◆ Strong financial performance and profitability
- ◆ Adequate claim meeting capacity
- ◆ Strong franchise value
- ◆ Quality underwriting expertise
- ◆ Strong reserve base
- ◆ Introducing corporate governance issues and guidelines for compliance with the regulations of CCI and SEC

Rating Concerns

- ◆ Speedy completion of the corporate governance guidelines issued by CCI and SEC


 Managing Director
 Credit Rating Agency
 of Bangladesh Ltd.



Vision Statement

- We want to take Pragati to new heights of development
- We want to build sound, dependable/reliable image for Pragati in the society
- We want Pragati to contribute to national growth both in depth & dimension
- We want Pragati to expand its wings beyond national boundaries

Mission Statement

- We are conscious of our social obligation
- We aim to provide prompt and personalized services to our clients
- We strive hard to produce new ideas for the benefit of society and consumers
- We work to deliver optimum value to our shareholders, clients, employees and add value to the nation
- We continuously adjust ourselves to the insurance scenario in & around the world
- Happy Pragati Family is our aim





Insurance Services

- Industrial all Risks Policies
- Property and Marine Insurance
- Personal Accident including Group Personal Accident
- Motor Insurance
- Flood & Cyclone Insurance
- Tsunami and Earthquake Insurance
- CAR Insurance
- Business Interruption and Machinery Break-down Insurance
- Health Insurance including Overseas Mediclaim Insurance

Financial Services

- Underwriting & Bridge Financing
- Trusteeship

Re-Insurers

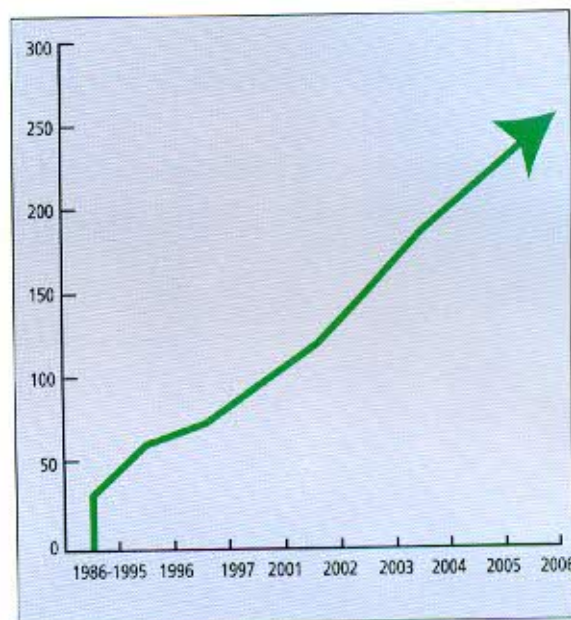
- Sadharan Bima Corporation of Bangladesh
- General Insurance Corporation of India





Growth of Capital (BDT Million)

1986-1995	Sponsors' capital	30.00
1996	IPO Of Tk.31 million	61.00
1997	20% stock dividend	73.20
2001	30% stock dividend	95.16
2002	25% stock dividend	118.95
2003	27% stock dividend	151.07
2004	25% stock dividend	188.84
2005	15% stock dividend	217.16
2006	15% stock dividend	249.73



Growth of Asset (BDT Million)

1986-1990	260.35
1991-1995	495.23
1996-2000	1014.53
2001-2004	1380.25
2005	1404.54
2006	1546.01

