

Balancing Growth with Responsibility



Annual Report 2020



Pragati Insurance
Awarded



SYMBOL OF SECURITY

Pragati Insurance
Limited



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Letter of Transmittal



All Shareholders;
Bangladesh Securities & Exchange Commission;
Insurance Development & Regulatory Authority;
Registrar of Joint Stock Companies & Firms;
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

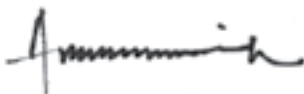
Sub: Annual Report for the year ended 31st December 2020

Dear Sir(s)

The undersigned has the privilege to forward a copy of Annual Report of Pragati Insurance Limited together with the Auditors' Report & Audited Financial Statements including Balance Sheet as at 31st December, 2020 and Income statement (Profit & Loss Account) & Cash Flow Statement for the year ended 31st December 2020 along with notes thereon for your kind information and record.

Thanking you,

Yours Sincerely,



(Syed Anisul Hoque)

Company Secretary (CC)

Pragati Insurance Limited

Head office: Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215.

Tel: PABX: 55012680-2 Fax: 880-2-55013694

NOTICE OF THE 35th ANNUAL GENERAL MEETING

Notice is hereby given to all the shareholders of Pragati Insurance Limited that the 35th Annual General Meeting of the company will be held on **Thursday, the 26th August, 2021 at 11:30 a.m by using** Digital platform through this **link: <http://pil35.digitalagmbd.net>** to transact the following businesses.

1. To receive, consider & adopt the Directors' Report & the Audited Financial Statements of the company for the year ended 31st December, 2020 together with the Auditors' Report thereon.
2. To declare Dividend for the year 2020 as recommended by the Board of Directors.
3. To elect/re-elect Directors and to confirm the appointment of Independent Director.
4. To appoint statutory Auditors for the year 2021 and fix their remuneration.
5. To appoint Compliance Auditor for the year 2021 and fix their remuneration.

By order of the Board of Directors



Syed Anisul Hoque
Company Secretary (CC)

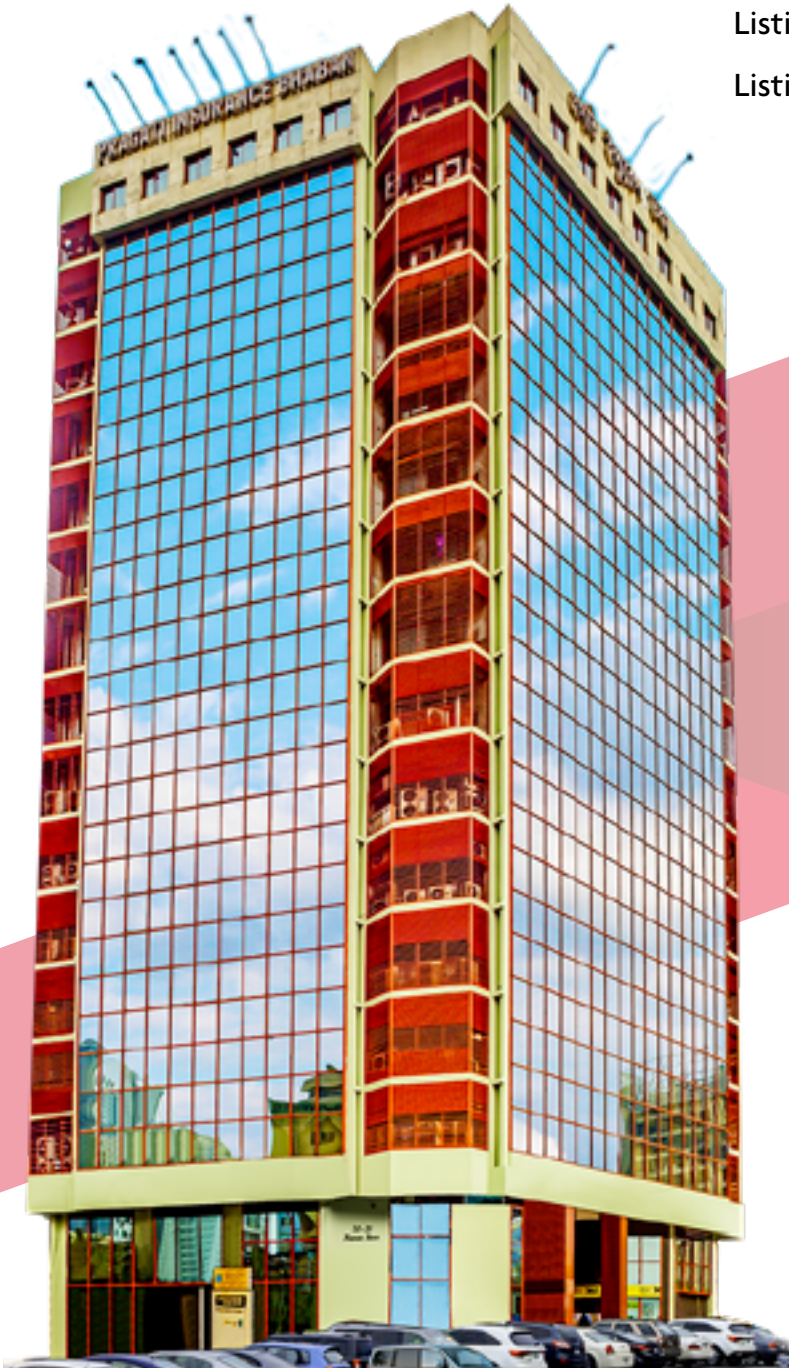
Dated Dhaka, the 5th August, 2021

Notes:

- (1) **The record date : 30th June, 2021.** Shareholders of the Company whose names appear in the CDS / Company's Share Register on the record date 30th June, 2021 will be entitled to dividend for the year 2021 to be approved by the shareholders in the 35th Annual General Meeting.
- (2) A shareholder wishing to appoint a Proxy, must deposit the Proxy Form duly stamped (Tk20.00) to the Company's Registered Office at least 48 hours before the meeting. A proxy must be a member of the company.
- (3) Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Order No. SEC/SRMRC/04-231/2 dated 08th July, 2020; the ensuing 35th AGM will be conducted through Digital platform (Virtual Meeting).
- (4) Pursuant to the Bangladesh Securities & Exchange Commission Notification No. BSEC/ CMRRCD/2006/158/208/Admin/81 dated June 20, 2018 the Company will send the Annual Report -2020 in Soft formats to the respective e-mail address of the shareholders available in their BO Account maintained with Depository Participants (DP). The soft copy of the Annual Report-2020 will also be available at company's website: www.pragatiinsurance.com
- (5) Members can cast their vote through on time or e-voting starting from 48 hours before the AGM and voting option will remain open till the closure of the AGM.
- (6) The Shareholders will be able to submit their questions/comments electronically before 48 hours of the AGM to the e-mail: sharedept@pragatiinsurance.com
- (7) The cash dividend will be distributed to the shareholders of the company through Bangladesh Electronic Fund Transfer Network (BEFTN).

Company Profile

Incorporation	January 27, 1986
Commencement	January 30, 1986
Listing with DSE	April 04, 1996
Listing with CSE	April 06, 1996



Registered Office :

Pragati Insurance Bhaban

20-21, Kawran Bazar

Dhaka-1215, Bangladesh

Phone : PABX : +880-02-55012680-2

Fax : +880-2-55012680

E-mail : info@pragatiinsurance.com

www.pragatiinsurance.com

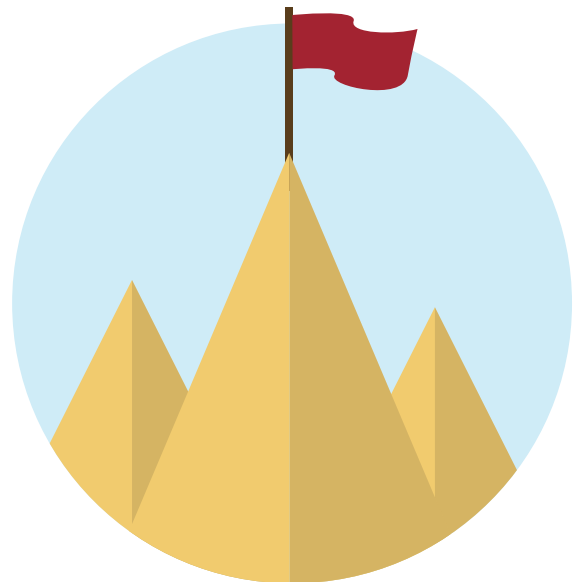


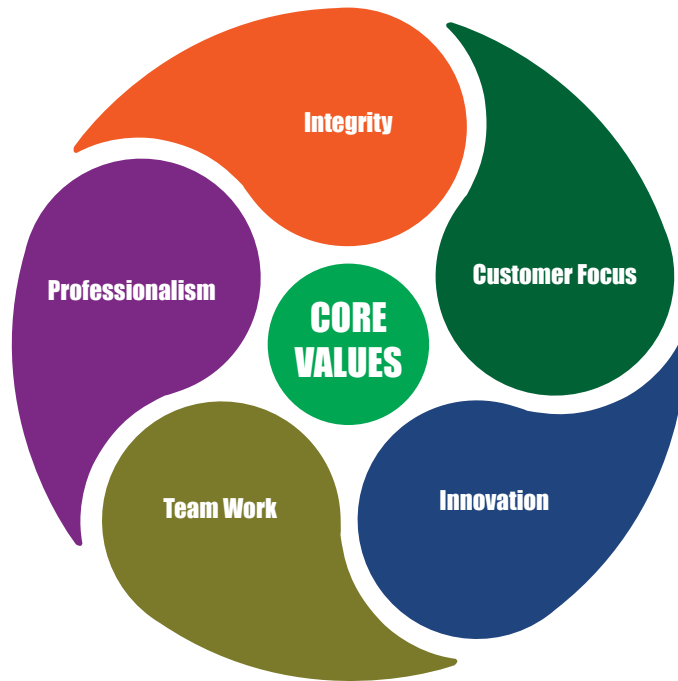
Our Vision

Our vision is to be the leaders in non-life insurance industry in the country by way of providing expeditious and courteous services to all our clients; to operate by code of conduct motivated by a value system that promotes integrity, performance and personal growth, and to maintain our leading edge in the industry by striving to boost our financial strength and profitability.

Our Mission

Our Mission is to provide innovative and cost effective non-life insurance solutions to our clients and an acceptable return to our shareholders through committed and professional staff.





Core Values

Integrity

To comply with high ethical standards that replicate honesty and professionalism in dealing with our customers, peers and regulators.

Customer Focus

To have the most satisfied customers through strong focus on customer value and to secure their loyalty through quality service.

Innovation

To create value through innovation by transforming ideas into marketable products, and finding ways to change existing products and services to meet the expectation of the customers in the fast changing technological environment.

Team Work

To achieve our goals by synergizing our individual talents and skills.

Professionalism

Ensuring an all-inclusive and thorough understanding of the work we do with the dexterity and willingness to communicate the information in the most proficient way.

Business Strategy

Our strategy is designed to achieve sustainable and profitable growth for all our stakeholders. To realize this, our fundamental goal is to have a deep understanding of our customer's need and provide them with high quality insurance services. We believe that by attending this vital goal the success will trickle down to all our stakeholders.



Building & Deepening Long-term Relationship



Insurance Services

Fire Insurance

- Fire & Allied Perils Insurance

Motor Insurance

- Comprehensive Insurance
- Act Liability Insurance

Health and Accident Insurance

- Overseas Medclaim Insurance
- Personal Accident Insurance
- Peoples Personal Accident Insurance
- Health Care & Hospitalization Insurance

Marine Insurance

- Marine Cargo Insurance
- Marine Hull Insurance

All Risk Insurance

- Industrial All Risk Insurance
- Erection All Risk Insurance
- Hotel All Risk Insurance
- Machinery Breakdown Insurance
- Electronic Equipment Insurance
- Boiler & Pressure Vessels Insurance
- Power Plant Insurance
- Deterioration of Stock Insurance
- Contractor's All Risk Insurance

Aviation Insurance

- General Aviation Insurance
- Personal Accident Airline Insurance
- Air Travel Insurance

Miscellaneous Insurance

- Fidelity Guarantee Insurance
- Public Liability Insurance
- Products Liability Insurance
- Burglary & Housebreaking Insurance
- Cash-in-Safe Insurance
- Cash-in-Transit Insurance
- Cash-in-ATM Insurance
- Safe Deposit Box (Bank Lockers) Insurance
- Credit Shield Insurance Policy
- SME Insurance
- Tournament Insurance
- Replacement of Lost Card/Fraud Insurance
- Consequential Loss/Business Interruption Insurance
- Workman's Compensation Insurance
- Hotel All Risk Insurance
- Weather Index-Based Insurance

Chairman's Report

Dr. M. U. Khan





Chairman's Report 2020

Bismillahir Rahmanir Raheem
Assalamu Alaikum

Dear Shareholders,

It gives me immense pleasure to present the Annual Report of your Insurance Company for the Financial Year 2020. At the outset, I would like to express my gratitude for your continuous trust, loyalty and unwavering support to the company. A detailed performance for the year including the Directors' Report, the Audited Financial Statements and the Auditors' Report for the year ended on 31st December, 2020 has been presented in the Annual Report.

2020 marked the 35th year of Pragati Insurance and in spite the profound upheaval of 2020, Pragati Insurance's fundamental purpose never faltered. With the advent of COVID-19 pandemic, our Company took immediate steps to protect both our staff and provide service to our customers and ensuring continuation of the business activities. Our Marketing, Underwriting, IT departments along with other essential staff worked round the clock to facilitate our customers in keeping their businesses stable.

The COVID-19 pandemic has been a human, health, and economic catastrophe, which has profoundly affected the lives of many people around the world, including members of our Pragati family, their relatives and friends. Our heartfelt condolences go out to all those who have lost loved ones during this difficult time.

You will also be happy to learn that Pragati Insurance Limited has been awarded the rating of "AAA" for consecutive two years. 'AAA' signifies 'VERY STRONG' financial security characteristics and with which an entity is adjudged to have very good financials, claim paying ability and first rate operating environment.

It is pleasing to note that the agreement set forth for

keeping agency commission within the prescribed regulatory limit of 15% is being adhered by the Insurance companies in the sector. While IDRA reforms, albeit slow, are beginning to bear fruit while the industry seeks the level playing field that it deserves. We are buoyant that more reforms that are on the way, will enable the industry to transform into a stronger shape. In this regard, we welcome the government initiative on a project of Tk 632 crore for the development of the country's insurance sector, by which the government in collaboration with the World Bank will be implementing to bring all insurance companies under a single automated platform.

However, apart from the positives, it is very disappointing that we are still unable to increase our non-life Insurance penetration, which is currently at under 1 percent, whereas the world average in insurance penetration is about 7.25 percent. We attribute this shortcoming to our industry's inability to raise awareness of insurance products and services to the potential clients. For higher penetration of non-life insurance businesses, implementation of crop insurance, live-stock insurance, health insurance, education insurance, microinsurance and Islamic insurance, building insurance, to name a few, must be executed.

Our Business Performance in 2020 - In 2020 Pragati Insurance Limited achieved subdued success in earning gross premium of Tk. 2217.52 million. Covid-19 pandemic lead to a decline of Gross premium income, which decreased by Tk. 189.00 million registering a decay of -8.52% compared to previous year.

In spite of COVID-related challenges during the year, I am happy to announce a cash dividend of 30%, which I hope will get your endorsement.

Before I conclude, I would like to place on record my deep appreciation and gratitude for the positive and cordial rapport and the support we have received from the Ministry of Finance, IDRA, Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Sadharan Bima Corporation, our overseas Reinsurers and



Brokers, Bangladesh Insurance Association, Local Banks and Insurance Companies, other Financial Institutions and our numerous Stakeholders.

Also, my thanks are extended to the management and every staff member who have cooperated with one another, been dedicated to their duties, and been responsible for their individual role towards the progress of the company.

I also take the opportunity to express my appreciation to our sharp customers and business associates for their support and inspiration. I sincerely thank my fellow Board of Directors for their wisdom and guidance.

And finally, dear Shareholders, I would like to convey my deepest acknowledgement to each one of you for your continued support and trust which has strengthened the company to its present glory.

Thank you,



Syed M. Altaf Hussain
Chairman



Directors' Profile





Syed M. Altaf Hussain
Chairman

Syed M. Altaf Hussain is son of Syed M Wares Ali, who was a renowned businessperson during the then British and Pakistani periods. Altaf Hussain is the current Chairman of Pragati Insurance Limited (PIL). He is one of the principal entrepreneurs, a sponsor Director and founding Chairman of the company. He was again elected Chairman of the leading insurance company in December 2015 and is continuing in the position till date.

Altaf Hussain is Member and Convener of the Board Finance Committee of Pragati Life Insurance Limited and represents the company as a Director in four renowned and reputed Public Listed Companies of Bangladesh.

Altaf Hussain is a member of the Bangladesh Insurance Association (BIA) and that of the Executive Committee of the Bangladesh Association of Publicly Listed Companies (BAPLC).

He has a long and distinguished career with over 36 years of experience in the fields of Food Grains, Crop Nutrition, Cargill's Food Ingredients and Bio-Industrial Business, Business Development, Real Estate, Resorts & High-Rise Building Construction, Technology, Business Operations and Financial Institutions. He is Chairman of the Editorial Board of The Dainik Janata (Daily National Newspaper) & WW Properties.

He is Vice Chairman of National Housing Finance and Investments Limited (NHFIL), Director of Industrial and Infrastructure Development Finance Company Limited (IIDFC) and Co-Chairman of Jamuna Resort Limited.

He is former Chief Advisor of ATDP-II projects funded by the USAID along with Cargill Technical Services and former Director of National Tea Company Limited (NTCL).

As Chairman and CEO of WW Grains Corp. Representing Cargill Inc., USA in Bangladesh, he pioneered large-scale trading of Food Grains, Fertilizer and Commodities over four decades. Through his work, he has spent considerable time traveling internationally in order to attend various conferences and seminars. He attended University of Texas and has successfully completed Grain Marketing & Agrochemical courses from North Dakota State University and the Harvard Business School.

He is a member of the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), Dhaka Chamber of Commerce and Industry (DCCI), American Chamber of Commerce in Bangladesh (AmCham), Australia Bangladesh Chamber of Commerce and Industry (ABCCI), Switzerland-Bangladesh Chamber of Commerce & Industry (SBCCI) and a Graduate Member of National University of Singapore Alumni Association.

Several social, governmental and educational institutions, both at home and abroad, have acknowledged his agro-based expertise. He has earned a very good name and fame in the business community for his honesty, integrity, sincerity of purpose, perseverance, endurance, patience, dedication, hard work, and high degree of sense of responsibility.

Altaf Hussain is a member of Gulshan Club Limited, Kurmitota Golf Club, Gulshan Society and Baridhara Society.



Tabith M. Awal
Vice Chairman

Mr. Tabith Mohammed Awal is the Vice Chairman of Pragati Insurance Limited and a member of the Directors' Audit Committee. He obtained a Bachelor of Business Administration and Masters of Science from George Washington University, USA. He is a Director of Multimode Group and presently serves as the Deputy Chief Executive Officer of Multimode Group. He is the Managing Director of Kay & Que (BD) Limited and Jongboo Multimode Chemicals Limited. He sits on the Board of all Multimode Group and Associate Concerns. He is also a Director of Pragati Life Insurance Limited. He has keen interest in Sports, Music and associated with many social and cultural Organizations. He is the President of Soccer Club, Feni. Presently Mr. Tabith is the

Chairman and Founder President of another Football Club NoFeL playing in the Premier League under BFF. He was also elected the Vice President of Bangladesh Football Federation consecutive for two terms. Mr. Tabith Awal is an elected member of Executive Committee of Metropolitan Chamber of Commerce and Industry (MCCI) Dhaka, for three consecutive terms. He was elected as the Senior Vice President of Bangladesh Seed Association for the 2017-2019 tenure. Tabith's exposure in leadership elected as Member of UN Global Compact Initiatives, South Asian Youth Business Forum, FBCCI, DCCI, CACCI and EC Member in BD CNG Filling Station & Conversion, Workshop Owner's Association, American Alumni Association etc.





Abdul Awal Mintoo
Director

Mr. Abdul Awal Mintoo is a Sponsor Director of Pragati Insurance Limited and past Chairman of the Company. He obtained his B.Sc. and M.Sc. degree from the State University of New York. He also obtained M.Sc. in Agriculture Economics from the University of London. Mr. Mintoo is a visionary man and leading business personality in the country. He is the CEO of Multimode Group, Director of Dula Mia Cotton and Spinning Mills, Kay & Que (BD) Limited, Lal Teer Seeds Limited, North South Seeds Limited, M.F. Consumer Limited, NFM Limited, NFM Energy Limited, A & A Investment Limited and Multimode Limited. He is also a Director of Heidelberg Cement Bangladesh Ltd., United Hospital Limited and Pragati Life Insurance Limited. He is the former Chairman of National Bank Limited and Past chairman of Bangladesh Association of Banks. He is associated with a number

of Social and Trade bodies. He was elected President of FBCCI, the Apex Trade Body for two terms and has been recognized through numerous awards. Mr. Mintoo has recently been elected as the President of Bangladesh Seed Association (BSA) & Executive Committee Member (EC Member) in Asia & Pacific Seed Association (APSA), first time in the history of Bangladesh. He is the founder of Iqbal Memorial College in his village. He is associated with number of Social and educational institutions. Mr. Mintoo is very widely traveled person and he already traveled most of the countries of the world. He is fond of reading and writing and has already authored few books i.e. Bangladesh Anatomy of change (Published by Athena press, London.)

বাংলাদেশঃ পরিবর্তনের রেখাচিত্র, সন্তানকে পিতার কথামালা এবং বাংলাদেশ রাজনীতি ও রাজনৈতিক অর্থনীতি ইত্যাদি।

Alhaj Khalilur Rahman is a Sponsor Director of Pragati Insurance Limited and former Chairman of the Company. He is the Chairman and Managing Director of KDS Group, a renowned business house in the country. He is the Chairman of Pragati Life Insurance Limited. He is a Director of National Bank Limited. He is the Founder President of Chittagong Metropolitan Chamber of Commerce and Industries. He is the Chairman of Bangladesh CR Coil Manufacturer and Exporters Association and is the Vice-President of Bangladesh Inland Container Depot Association (BICDA). He is the Life Member of Bhatiyar Golf & Country Club, Chittagong & a Member of Chittagong Club Ltd. As an Industrialist, Businessman and Entrepreneur, he achieved a good number of Awards in different categories. He achieved President

Gold Trophy 9 times for High Export of Ready Made Garments & he also achieved a number of awards. He is the Founder Chairman of Southern University Bangladesh. Besides, he has set up a number of social and educational institutions in his native village in Chittagong i.e. Khalilur Rahman Mohila College, Khalil Mir Degree College, Khalilur Rahman Girls' High School, Khalil Mir Girls High School & Shaidair Al-Haj Abul Khair Sunnia Senior Madrasha.



Alhaj Khalilur Rahman
Director



Mohammed Abdul Awwal
Director

Mr. Mohammed Abdul Awwal is a Sponsor Director of Pragati Insurance Limited and the former Chairman of the Company. He is a renowned shipping personality. Mr. Awwal joined business from early 1968. He is the Chairman of MKR Group and Bengal Shipping Line Limited, Khalil and Sons Limited, Royal Bengal Shipping, Beacon Shipping Lines Limited, Adam Garments Sourcing Limited and Beacon Engineering Limited. He is also a Director of Pragati Life Insurance Limited, Jamuna Resort Limited and Padma Oil Limited. He is the Member of Chittagong Club Limited and Gulshan Club Limited. He is the past District Governor of Rotary International, District-3280, Bangladesh. Besides,

he is associated with many Social and Professional Organizations. He is the Honorary Consul of the Republic of the Philippines in Chittagong.

Mr. Md. Syedur Rahman Mintoo is a Sponsor Director and former Vice Chairman of Pragati Insurance Limited. He is the Managing Director of Pro-Star Group. He is the Chairman of K-Tex Industrial Company Limited and Process Industrial Company Limited. He is a member of Dhaka Club Limited, Gulshan Club Limited and Kurmitola Golf Club, Dhaka. He is associated with many Social and Educational institutions.



Md. Syedur Rahman Mintoo
Director





Md. Sarwar Kamal
Director

Mr. Md. Sarwar Kamal is a Sponsor Director of Pragati Insurance Limited and a former Vice Chairman of the Company. He graduated in Economics from the North East Missouri State University of USA and obtained Masters of Human Resource Management from the North East Missouri State University of USA. He is the Managing Director of McDonald Bangladesh (Pvt.) Limited, McDonald Steel Building Products Limited, McDonald Seeds Limited, Polymer Agro Industries Limited, One Steel Limited and he is also a Director of National Tea Company Limited. He is the member of Kurmitola Golf Club, Dhaka Club, Gulshan Club Limited, Uttara Club, Dhaka and Army Golf Club, Dhaka. He is an active Social worker engaged with various activities to bring positive changes among under privileged people.

Mr. Mohammed Abdul Malek is a Director of Pragati Insurance Limited. He graduated in Marine Engineering from the Merchant Navy College, London. He also obtained DTP Class-1 Marine Engineering Certificate from England. Presently, he is engaged in Marine Technology Consultancy, Ship Owning, Ship Management and Shipping Agency. He is the Managing Director of Bengal Shipping Lines Limited, Associated Traders and Marines Limited, ADAMS Garments Sourcing Limited, Bencon Seatrans Limited and a Director of Khalil & Sons Limited. He is the Chairman of The New School, Dhaka. He was a freedom fighter in Liberation War of Bangladesh in 1971. He is a member of Chittagong Club Limited and Bhatiary Golf and Country Club, Chittagong. He is

associated with many Social and educational Organizations.



Mohammed Abdul Malek
Director



A.S.M. Mohiuddin Monem
Director

Mr. A.S.M. Mohiuddin Monem is a Director of Pragati Insurance Limited and a member of the Directors' Audit Committee. He is one of the most successful industrialists of Bangladesh. He represents the new generation of business leaders in Bangladesh. Mr. Monem received his Bachelor's degree in Industrial Engineering from North Eastern University, Boston, USA in 1991 and Master Degree in Engineering Management from the same institution in 1994, where he graduated with Honors with CUMLAUDE. After his graduation, Mr. Monem joined Abdul Monem Limited (AML). Since then he has revolutionized the way of doing business at AML. His dedication, commitment and passion for business have transformed the fortune of Abdul Monem Empire. Under his leadership, the business process at AML has gained clockwork efficiency which has been translated into unprecedented growth in Beverage, Ice-Cream, Food, Sugar and Construction units. He is

also a Director of Pragati Life Insurance Limited. He has a keen eye for identifying opportunities and transforming them into profitable ventures. He has successfully set-up the first USA-Bangladesh joint venture operation in Information Technology sector through Service Engine, where he serves as the Chairman. This is true reflection of his remarkable business acumen. He has been awarded CIP (Commercially Important Person) - Export in consecutive seven years by the Government of Bangladesh for his great contribution to export in the Information Technology sector. Mr. Monem is a great believer in community development. He takes pride in taking the extra step to go beyond business activities in order to become a Socially responsible citizen. In this spirit, he has set-up AML foundation, a non-profit organization with a view to helping the less privileged people of the society with their education, healthcare and other amenities.

Mr. Nasir Latif is a Director of Pragati Insurance Limited and a member of the Directors' Audit Committee. He is the Chairman of Concord Pragatee Consortium Limited, the Concord Builders Limited, Cosmos Properties Limited, Engreen Limited and Prudent Super Mall. He is associated with many Social and educational Organizations.



Nasir Latif
Director





Md. Mushfiqur Rahman
Director

Mr. Md. Mushfiqur Rahman a Electrical Engineer by Profession is a sponsor Director of Pragati Insurance Limited. He is the Managing Director of Concord Pragatee Consortium Limited, the Concord Builders Limited, Cosmos Properties Limited, Engreen Limited and Prudent Super Mall. He is associated with a number of social and educational institutions.



Nahreen Siddiqua
Director

Ms. Nahreen Siddiqua is a sponsor Director of Pragati Insurance Limited. She obtained her MSS Degree from the University of Dhaka. She joined her husband's business and holds the position of Chairperson of Purbachal Steel Mills Limited and Purbachal Exclusive Limited. She has much interest in Industry and share business. She visited many countries of the World. She is associated with a number of Social and Cultural Organizations.



Nigar Jahan Chowdhury
Director

Mrs. Nigar Jahan Chowdhury is a Director of Pragati Insurance Limited. She is the wife of Alhaj Younus Chowdhury of Chittagong, a renowned Industrialist. She is also a Director of Chowdhury P & D Industries Limited, Chittagong and a Director of Pragati Life Insurance Ltd. She is associated with many social organizations.



Md. Akbar Hossain
Independent Director

Mr. Md. Akbar Hossain is an Independent Director of Pragati Insurance Limited and a member of the Director's Audit Committee. He is a Graduate. He is the Director of Dula Mia Cotton Spinning Mills Ltd., Kay & Que (Bangladesh) Ltd. and also a Director of Pragati Life Insurance Ltd. He is associated with many social and educational institutions in his native village in Feni. He has keen interest in sports and social work.





Santosh Sharma
Independent Director

Mr. Santosh Sharma is an Independent Director of Pragati Insurance Limited and a Member of the Director's Audit Committee. He obtained M.S.S. degree in Political Science. He also obtained post graduate diploma in Journalism and secured First Class First position. He is a professional journalist and involved with this profession more than 25 years. Presently, he is associated with the Daily Amader Shomoy as Managing Editor. He is associated with number of professional, social and cultural organization.

Mrs. Hasinatun Naher is an Independent Director of Pragati Insurance Limited. She comes of a respectable Muslim Family. Her parents hail from Cumilla. She completed her B. S. S. (Honours) in Political Science from the University of Dhaka. Later she obtained the M. S. S. (Political Science) Degree from the University of Chittagong. After completion of her studies, Mrs. Naher served Nitexpo International Limited, Cambrian College and DSG International PLC, United Kingdom in various capacity. At present, She is a Business Development Consultant of Shourov Group of Companies, Gulshan Avenue, Dhaka. She is widely travelled personality and visited many countries of the world including UK, USA & Europe. Mrs. Naher is married and blessed with two daughters (Twins).



Hasinatun Naher
Independent Director



Md. Rezaul Karim
Managing Director & CEO

Mr. Md. Rezaul Karim started his career in private insurance sector with Pragati Insurance Limited as Managing Director & CEO since 16th July, 2017. He obtained B.Com (Hon's) and M.Com from Dhaka University in 1976. He joined Sadharan Bima Corporation, a state owned Corporation, in 1981 as Trainee Officer. He retired from Sadharan Bima Corporation after completion of four terms as Managing Director in 2016. During his service in Sadharan Bima Corporation, he worked in various departments such as Underwriting, Claims & Re-insurance and gathered vast knowledge and experience. He attended many insurance related seminars, symposiums and workshops. He participated in various professional training courses at home and abroad. Mr. Karim is a renowned insurance

personality. Mr. Karim was the Vice Chairman of Asian Reinsurance Corporation, Bangkok.

Apart from insurance Industry, Mr. Karim is well associated with various social organizations.



Pragati Insurance Limited

Executives

Office

Md. Rezaul Karim

Chief Executive Officer

Mr. Kaiser Rahman

Deputy Managing Director & Head of Development & Incharge(Admin & HR) Department

Syed Sehab Ullah Al-Manjur ACII (UK)

Deputy Managing Director & Head of Underwriting & Claim Department

Mrs. Papia Rahman ACII (UK)

Deputy Managing Director & Head of Non Tradition, Health, & Training Department

Mr. Kabir Ahmed

Consultant

Mr. Amar Krishna Shil FCA

Chief Financial Officer

Kabir Ahmed

Assistant Managing Director & Head of Legal Cell

Mamunul Hassan ACII (UK)

Sr.Executive Vice President & Head of Branch Control Department

Mahtabuzzaman Chowdhury

Sr.Executive Vice President & In-Charge of Re-Insurance Department

Md. Manjur Hussain

Executive Vice President Branch Control Department,

Mostaque Ahmed

Executive Vice President Claim Department

Md. Abu Sufian Akhand

Executive Vice President & Head of IT Department

Md. Nasir Uddin

Sr.Vice President & Head of Internal Audit Department

Md. Abdullah

Sr.Vice President Underwriting Department

Mr. Golam Sabur Chowdhury

Sr.Vice President Re-Insurance Department

Mrs. Farida Akhter

Sr.Vice President Re-Insurance Department

Mr. Md. Abdur Rahim

Sr.Vice President (Underwriting) VIP Road Branch

Md. Moniruzzaman Khan

Vice President Finance & Accounts Department

Muhammad Musa

Vice President Legal Cell

Md. Nazrul Islam

Vice President (Underwriting) Elephanth Road Branch

Marketing

Deputy Managing Director

- i) M. A. Hasan
- ii) Sharif Mustaba
- iii) Md. Nazrul Islam
- iv) Md. Golam Faruque
- v) Ali Fathker Kallol
- vi) Md. Sirajul Islam Bhuiyan (Babu)
- vii) Ruhul Amin Talukder

Assistant Managing Director

- i) Mr. Shah Jahangir Abed
- ii) Syed Saidul Islam
- iii) Mr. Ahmed Faruk

Sr. Executive Vice President

- i) Mr.Humayun Kabir Majumder
- ii) Md. Abu Sarwar Hossain
- iii) Mr. Abdus Salam
- iv) Md. Kazi Golam Haider Dablu
- v) Mr. A.S.M Emdadul Hoque
- vi) Md. Habibur Rahman

Executive Vice President

- i) Bikash Chandra Pal
- ii) Mr. Md. Azizul Hoque
- iii) Mr. Md. Abdul Mottaleb
- iv) Murad Ahmed
- v) Mirza Md Sajedul Alam
- vi) Md. Manjur Hussain
- vii) Md.Kamrul Islam (Srabon)
- viii) Md. Shakhawath Hossain
- ix) Abdul Alim Khan
- x) S. M. Shamsul Alam.

Senior Vice President

- i) Md. Mujtaba Ali Mahmood
- ii) Nazmul Alam Khan
- iii) Mahbulul Hoque Chowdhury
- iv) Md. Mostafijur Rahman
- v) A.S.M. Jubair
- vi) Monwar Ahmed

- vii) Belal Ahmed Chowdhury
- viii) Anamul Hoque Chowdhury

Vice President

- i) Amjad Hossain Talukder
- ii) Razzaqul Haider Chowdhury
- iii) Sanjoy Muhuri
- iv) Md. Kamrul Ahsan Khan Himu
- v) M.A.Mannan
- vi) Md. Azizul Hakim
- vii) Happy Akter
- viii) Farzana Rahman Dipali
- ix) Md. Mozammel Haque(Firoz)
- x) Md. Belayet Hossain
- xi) Md. Nazrul Islam
- xii) Md. Ruhul Amin

Business Consultant

- i) Md. Rafiqul Alam Chowdhury

Syed Anisul Hoque

Company Secretary (CC)

Investor Highlights

Providing Sustainable Returns

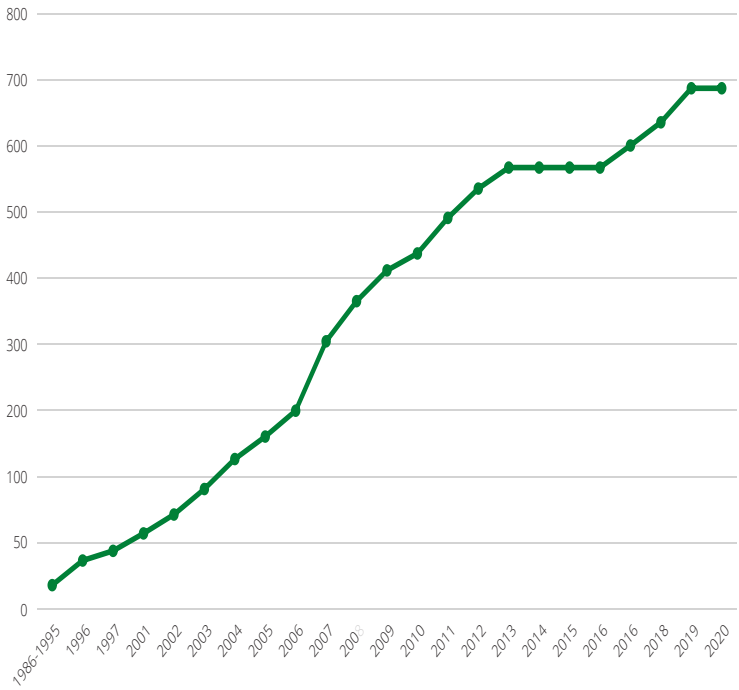
5 Years at a glance

Taka in Million

	2020	2019	2018	2017	2016
Financial Performance					
Gross premium	2,217.52	2,406.53	2,053.44	1,664.78	1,542.60
Net Premium	980.00	1024.54	817.15	702.35	638.52
Net claim	127.29	138.47	117.69	82.48	76.72
Underwriting profit	320.21	228.74	147.1	124.89	93.66
Investment income	0.74	-2.05	26.57	21.03	5.00
Income from financial service	67.53	44.52	48.35	48.13	63.54
Net profit before tax	365.37	281.19	236.62	210.33	186.27
Net profit after tax	266.98	209.19	185.12	117.78	84.48
Dividend in percent	30	22	13+7(Stock)	13+5(Stock)	10+5(Stock)
Share Capital and Reserve					
Paid up Capital	655.90	655.90	612.99	583.8	556.00
Total Reserves & Surplus	2853.98	2664.71	2638.88	2600.17	2507.22
Share Holders Equity	3509.88	3320.62	3251.83	3183.97	3063.22
Assets					
Investment in Shares and Securities	466.14	377.61	388.65	416.66	407.66
Cash, FDR and Bank balance	1402.93	992.04	712.87	586.92	552.38
Land and Building	2173.03	2209.12	2218.10	2227.24	2205.57
Total Assets	5144.46	4672.44	4546.15	4310.59	4200.13
Ratios					
EPS	4.07	3.19	3.02	2.66	2.38
P/E (Times)	15.55	12.07	10.3	11.16	13.4
Solvency Surplus	2419.49	2139.51	2132.82	2146.31	2143.12
Net Asset Value Per Share	53.51	50.63	53.05	54.54	55.03
Net Cash Flow Per Share	8.53	5.57	0.61	0.54	0.08
Credit Rating					
Long Term	AAA	AAA	AAA	AAA	AA1
Short Term	ST1	ST1	ST1	ST1	ST1

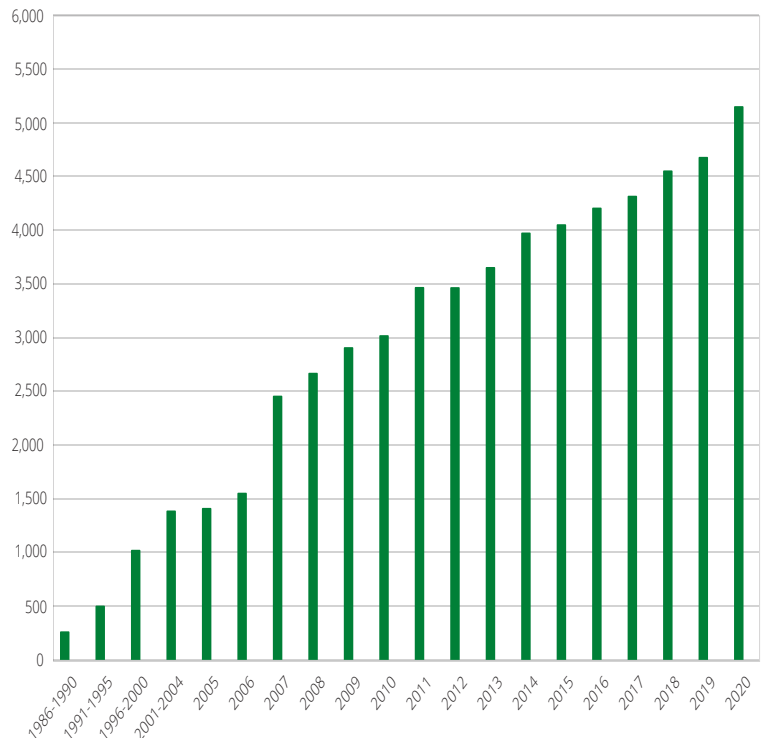
Growth of Capital

Year	Amount
1986-1995	Sponsor's 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
2007	35% Stock Dividend 337.13
2008	15% Stock Dividend 387.70
2009	10% Stock Dividend 426.47
2010	5% Stock Dividend 447.80
2011	10% Stock Dividend 492.58
2012	7.5% Stock Dividend 529.52
2013	5% Stock Dividend 556.00
2014	556.00
2015	556.00
2016	556.00
2017	5% Stock Dividend 583.80
2018	7% Stock Dividend 612.99
2019	655.90
2020	655.90

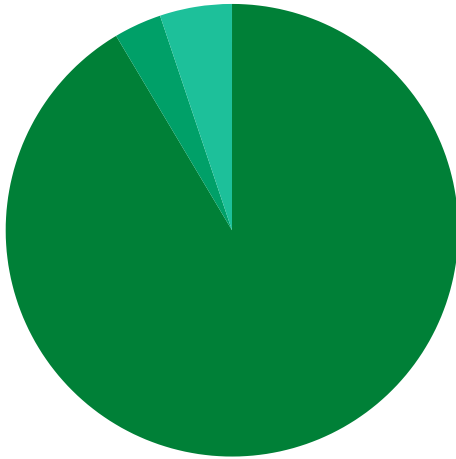


Growth of Asset

Year	Amount
1986-1990	260.35
1991-1995	495.23
1996-2000	1,014.53
2001-2004	1,380.25
2005	1,404.54
2006	1,546.01
2007	2,449.50
2008	2,662.46
2009	2,900.93
2010	3,012.47
2011	3,461.34
2012	3,459.61
2013	3,647.11
2014	3,967.98
2015	4,045.17
2016	4,200.13
2017	4,310.59
2018	4,546.15
2019	4,672.43
2020	5,144.46



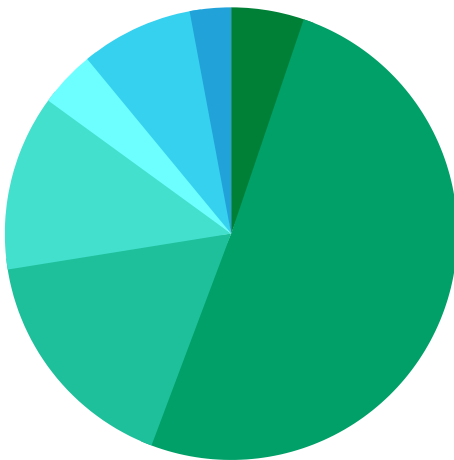
Value Added Statement



VALUE ADDED

Gross Premium	2,217.52
Commission on Re-insurance	82.64
Interest, Dividend & Other Income	124.88
Total	<u>2,425.04</u>

APPLICATION



Net Claim	127.29
Re-Insurance Premium	1,237.52
Management Expenses	410.01
Commission	307.27
Unexpired Risk Adjustment	(24.22)
Income tax to Government	98.39
Dividend for Distribution	196.77
Reserve & Surplus.	72.01
Total	<u>2,425.04</u>



Directors' Report



Directors' Report 2020

Bismillahir Rahmanir Raheem

Assalamu Alaikum

Dear Shareholders, Ladies & Gentlemen

I and on behalf of the Board of Directors of Pragati Insurance Limited welcome you to the 35th Annual General Meeting and would like to thank you for your continued support and patronage over the last 35 years.

We are very delighted to present before you the Directors' Report-2020 along with the Audited Financial Statements for the year ended 31st December, 2020 & Auditors Report thereon for your kind consideration and adoption.

The Report of the Board of Directors of the company has been prepared in compliance with the provisions of section 184 of the Company's Act 1994 & other relevant rules and notifications issued by the Regulatory bodies.

The World witnessed an extraordinary situation in 2020 as the COVID-19 pandemic inflicted chaos on the economies of many countries and brought health care systems to the brink of failure. We were equally affected and the subsequent lockdown caused economic hardship to the general public as well as businesses, large or small.

Bangladesh Economy 2020 – During the last decade Bangladesh's economic growth has steadily increased from 6 percent to 8 percent. However, Coronavirus (COVID-19) pandemic has adversely affected the economy of Bangladesh. According to the provisional estimates of the **Bangladesh Bureau of Statistics (BBS)**, GDP growth in FY2019-20 stood at 5.24 percent, in comparison 8.15 percent in the previous fiscal year. Growth in export and import in FY2019-20 is negative. However, remittance inflows grew by 10.87 percent has reduced the current account deficit compared to the previous fiscal year. At the same time, the increase in capital and financial account inflows has led to a surplus in the overall balance of payments. Due to this, our foreign exchange reserves have increased manifold. As of June 30, 2020 the foreign exchange reserve was at US\$ 36.04 billion, which is the highest ever. In this period, a marginal depreciation in exchange rate of Taka with the US dollar is being observed. To keep the country's economy buoyant in the face of the current Coronavirus pandemic, extra spending on healthcare, emergency humanitarian assistance has been gained. The

government has already declared a financial package of about Tk. 1.2 lakh crore for economic recovery. Some of the notable activities of this package are: building special funds for export oriented industries; contribute working capital facilities to the affected industry and service sector organizations; provide working capital facilities to small (including cottage industries) and medium industrial enterprises; increase the benefits of the Export Development Fund; increase the range of social security; direct cash transfer to targeted people, prepare various funds for the agricultural sector. As well as financial incentives, various activities including policy support such as reduction of import duty on COVID-19 related products, policy support to increase liquidity in the banking sector has been provided. On account of these courses of actions undertaken by the government, the economy is expected to change.

Bangladesh Macroeconomic Situation 2019-20 – Our Economic growth wound down to 5.24 percent in FY2019-20 (July, 2019 to June, 2020), according to the provisional estimates of BBS, which is the smallest since FY2008-09. Following the trend of attaining steady economic growth, the growth exceeded 6 percent in FY2010-11, 7 percent in FY2015-16 and 8 percent in FY2018-19. Although the economic situation of the country was regular in the first eight months of FY2019-20, the COVID-19 pandemic has had a huge negative impact on the economy of Bangladesh since March, 2020.

Sectoral Growth - According to the provisional estimate of BBS, the growth of agriculture sector has retarded to 3.11 percent in the FY2019-20, compared to 3.92 percent in FY2018-19. At the same time, industry sector grew by 6.48 percent, as compared to 12.68 percent in the previous fiscal year. The **service sector** grew by 5.32 percent in FY2019-20 compared to 6.78 percent in the previous fiscal year.

Within the broad agriculture sector, the growth rate of agriculture and forestry sector decelerated from 3.15 percent to 2.08 percent in FY2019-20. In addition, growth in fishing sector slowed slightly to 6.10 percent from 6.21 percent of previous fiscal year. The contribution of the broad agricultural sector to the GDP stood at 13.35 percent in FY2019-20 against 13.65 percent in the previous fiscal year.

Inflation - In FY2018-19, the average Consumer Price Index (CPI) inflation was 5.48 percent, which stayed within the target (5.50 percent) and 0.30 percent lower than the previous fiscal year. Food inflation for FY2018-19 lowered to 5.51 percent from 7.13 percent in FY2017-18, while non-food inflation increased to 5.43 percent



from 3.73 percent of previous fiscal year. In FY2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the target (5.50percent). In this case, food inflation increased to 5.56 percent and non-food inflation stood at 5.85 percent. The Coronavirus pandemic has slowed global economic activity and reduced inflation globally. However, the pandemic could ignite world food production and disruption of supply chain. Therefore, it is expected that food inflation will increase in the coming months. **(Source: Bangladesh Economic Review 2020)**

Global Economy 2020 - The Worldwide Coronavirus pandemic has disrupted the global economy. The discharge of wide-ranging containment measures by governments all over the world to curb the spread of the COVID-19 virus has resulted in large impacts to the global economy. As a result of the pandemic, the global economy is anticipated to decrease in a much worse way than during the 2008-2009 financial crises. *The World Economic Outlook (WEO) October 2020, International Monetary Fund (IMF) report* estimated that the world economic growth would degrade sharply by 4.4 percent in 2020 downgrading from -3.0 percent projection made in April 2020, WEO. According to IMF, the global economy is projected to grow by 5.2 percent in 2021 as the economic activity normalizes, helped by policy support.

In advanced economies, growth is expected to slow to -5.8 percent in 2020. The rapid and widespread impact of COVID-19 and the consequent stagnation of economic activity have led to a slowdown in growth. The economic growth of almost all countries of advanced economies will be negative, most notably: United States (-4.3 percent), Germany (-6.0 percent), France (-9.8 percent), Italy (-10.6 percent), and Spain (-12.8 percent), Japan (-5.3 percent) and the United Kingdom (-9.8 percent). Emerging markets and developing economies face health crisis, harsh external demand shock: tightening in global financial conditions, and a plunge in commodity prices, enabling severe impact on economic activity in commodity exporters. Similarly, oil exporting countries will face problems as the falling of oil prices. Average petroleum spot prices per barrel are projected at US\$ 41 in 2020 and US\$ 43.8 in 2021, higher than in the April and June forecasts. Non-fuel commodity prices are expected to rise faster than assumed in April and June. Overall, the group of emerging market and developing economies, growth is forecast at -3.3 percent in 2020, 2.1 percentage points weaker than in the projection made by April 2020 WEO. All emerging market and developing economy regions are expected to contract this year, including

emerging Asia, where large economies, such as India and Indonesia, continue to try to bring the pandemic under control. **(Source: Bangladesh Economic Review 2020)**

Global Insurance - 2020 - According to an **Allianz Insurance Report published in July 2020**, global insurance industry entered 2020 in a robust form: In 2019, premiums increased by +4.4 percent, the strongest growth since 2015. The increase was driven by the life segment, where growth sharply increased over 2018 to +4.4 percent as China overcame its temporary, regulatory-induced setback and mature markets finally came to grips with low interest rates. Non-Life insurance posted almost the same growth rate (+4.3 percent), down from +5.4 percent in 2018. Global premium income totaled EUR3,906bn in 2019 (life: EUR2,399bn, non-life: EUR1,507bn).

Covid-19 devastated the world economy in 2019. The sudden stop of economic activity around the globe battered insurance demand. Global premium income is expected to shrink by -3.8 percent in 2020 (life: -4.4percent, non-life: -2.9 percent), three times the pace witnessed during the Global Financial Crisis. Compared to the pre-Covid-19 growth trend, the pandemic will shave around EUR358bn from the global premium pool (life: EUR249bn, non-life: EUR109bn).

Global Insurance Disasters 2020 - Insurance industry losses from natural catastrophes and man-made disasters globally amounted to USD 83 billion in 2020, according to *Swiss Re Institute's preliminary sigma estimates*. This makes it the fifth-costliest year for the industry since 1970. Losses were driven by a record number of severe convective storms (thunderstorms with tornadoes, floods and hail) and wildfires in the US. These and other secondary peril events around the world accounted for 70 percent of the USD 76 billion insured losses from natural catastrophes.

Bangladesh Non-Life Insurance Scenario 2020 - The gross premium income of non-life private sector insurance companies decreased from Tk. 47,116 million in 2019 to Tk. 44,021 in 2020 registering a negative growth rate of -7 percent.

Non-Life Insurance Penetration - It is a shame that we lag behind in bringing insurance to our public. A research firm LightCastle Partners, in a recent research has found that Bangladesh is the most underinsured country in the non-life insurance category. Further Swiss Re data shows that overall insurance penetration in Bangladesh stood at a scanty 0.57 percent in 2018, which is the lowest among emerging Asian countries. Insurance penetration

was 5.27 percent in Thailand in 2018, followed by 4.77 percent in Malaysia, 4.22 percent in China, 3.70 percent in India, 2.42 percent in Vietnam, 1.95 percent in Indonesia, 1.82 percent in the Philippines and 1.15 percent in Sri Lanka. Taiwan has the highest penetration rate with 18 percent. The way out here is to raise the awareness of Insurance products and services to the potential clients and provide traditional insurance in tandem with non-traditional insurance such as of crop insurance, live-stock insurance, health insurance, education insurance, railway passengers' insurance, building insurance etc.

Pragati Insurance Limited Operational Result - 2020

Gross Premium Income

In 2020 Pragati Insurance Limited achieved subdued success in earning gross premium of Tk. 2217.52 million. Covid-19 pandemic lead to a decline of Gross premium income, which decreased by Tk. 189.00 million registering a decay of -8.52% compared to previous year.

CLASS WISE PREMIUM

Fire Insurance

The Company had underwritten a total fire insurance premium of Tk.1006.81 million as against Tk. 1036.36 of last year. After payment/provision for re-insurance premiums, claims and management expenses the company has incurred underwriting (loss)/profit of Tk. (12.17) million against underwriting loss Tk. (17.17) million of last year.

Marine Insurance

In the year 2020 gross premium earning in Marine insurance including Marine Hull was Tk.491.04 million against Tk.891.20 million of the year 2019. After providing for re-insurance and claims, we have earned underwriting profit of Tk.203.85 million against last year's underwriting profit of Tk.110.52 million.

Miscellaneous Insurance

From miscellaneous insurance business our total gross premium income in 2020 was Tk.218.07 million (both in Motor and Miscellaneous departments) against Tk. 478.96 million in 2019. After meeting expenses for re-insurance, claims and management expenses, we have earned underwriting profit of Tk.127.27 million against Tk.135.39 million in 2019.

Investment Operation

Pragati Insurance Limited has concentrated its focus on diversifying its investment portfolio. Facing all the odds

the company has gained Tk. 0.74 million as capital gain out of share trading in 2019 against Tk. (2.05) million in 2019.

Contribution National Exchequer

During the year under report Pragati Insurance Limited has deposited Tk. 344.03 million to the Government Exchequer as Corporate Income Tax, Withholding Tax, Stamp Duty and VAT.

Income Distribution

Underwriting Profit of non- life insurance Company is not at desired level due to ever increasing operational and other expenses. Growth of insurance company is also dependent on in its investment income. It is therefore important to explore all avenues to raise the return from investment. However, due to increase in income from investment income and rental income the Company's net profit before tax stood at Tk.365.37 million against Tk. 281.19 million in the year 2019. The net profit before tax has been proposed for approximate as follows:

Particulars	Million Taka
Reserve for Exceptional Losses	83.30
Provision for Income Tax	88.23
Balance available for distribution	200.25

Taking into consideration the financial position and working capital requirement for smooth running of the company and with an aim to have a steady growth in per share dividend, the Board of Directors of Pragati Insurance Limited recommended 30% cash dividend to the shareholders of the company for the year 2020. The whole scenario will look as follows:

Particulars	Taka
General Reserve	243,578
Divisible Profit	200.25
Total available	200.49
Less: Cash Dividend for the year	196.77
Balance to be carried forward for the next year	3.72

Credit Rating

Credit Rating of Pragati Insurance Ltd. was carried out by National Credit Ratings Limited for the year 2019-2020 and their assessments are as follows:

Long Term	AAA
Short Term	ST-1

Board of Directors

In accordance with Articles **105, 106 & 107** of the company's Articles of Association, the under-noted Directors from Sponsor Shareholders shall retire from the office by rotation and eligible for re-election.

1. **Syed M. Altaf Hussain**
2. **Mr. Abdul Awal Mintoo**
3. **Mrs. Nahreen Siddiqua**
4. **Mr. Mohammed Abdul Malek**

In accordance with the Article **107** the above mentioned 3(three) Directors are eligible for re-election.

Accordingly, this was placed before the Board of Directors for their kind approval. The Board of Directors already approved the same and this will be placed in the ensuing **35th Annual General Meeting** of the company for approval of the Sponsor Shareholders .

To fill up the 3 (three) vacancies of public subscribers directors, the election will be held on the day of the **35th AGM** of the company scheduled to be held on 26th August, 2021.

As per Insurance Act 2010, Rules 1958 clause No.15B (3) the Election Notice has been published in the two national dailies.

The 3 (three) persons submitted their nomination papers within the stipulated time. Since no-body else has submitted any nomination papers other than this 3(three) candidates so, they will be taken as elected Directors from Public Shareholders in the ensuing 35th AGM scheduled to be held on 26th August, 2021.

Board meeting and Audit Committee meetings

09 (nine) meetings of the Board of Directors and 5 (five) meeting of the Director's Audit Committee were held during the year 2020. Details are given below in comparison to last 3 years.

Name of the Meeting	2020	2019	2018
Board of Director's	9	11	11
Directors Audit Committee	5	8	05

Audit Committee

The Audit Committee of the company met 5(five) times during the year and reviewed the followings with special emphasis on compliance of respective recommendations:

1. Audit and inspection Report(s) of the Audit Team and External Auditors.

2. Ensuring an effective Risk Management system of the Company through ongoing review of the company's internal control system.
3. The financial statements of the company for the year 2020 audited by the External Auditors.
4. Stressing on the importance of the Compliance Culture within the Company.

This is to confirm that the company's Audit Committee is constituted as per terms & condition of BSEC'S Circular No. CMRRCD/2006-/158/207/Admin/80 dated 3 June, 2018 .

Corporate Governance Compliance status

Pursuant to the clause 9 of the BSEC'S Notification No. SEC/ CMRRCD/2006-/158/207 Admin/ 80 dated 3 June, 2018 we attached the company's compliance status as annexure-1.

Auditors

M/S. A. Wahab & Co. Chartered Accountants was appointed as External Auditors of the company for the year 2020 at the 34th Annual General Meeting. They have audited the books of account for the period covering 1st January, 2020 to 31st December 2020. This is the 1st year that M/S. A. Wahab & Co. has audited the Financial Statements of the company. **M/s. A. Wahab & Co.** vide their letter dated AWC-BO/PIL/2021/113 dated May 24,2021 expressed their willingness to continue to be our auditors for the year 2021 and requested for re-appointment for audit of accounts for the year ended December 31, 2021.This will be placed in the ensuing 35th Annual General Meeting for the approval of the Shareholders.

Acknowledgement

On behalf of the Board Directors, we humbly take this opportunity to express our heartfelt gratitude to all of our valued clients, shareholders and well-wishers in home and abroad for their whole hearted co-operation. We are especially thankful to all Banks both in the private and public sector and the management of Multimode Group, Beximco Group, KDS Group, Abdul Monem Group, W&W Group, Square Group, Bata Shoe (BD) Ltd, BSRM Group, Novartis (Bangladesh) Ltd, Heidelberg Cement Bangladesh, International Television Channel Ltd (NTV), National Television Ltd (RTV), Maasranga Television, Independent Television, ICDDR,B, Pacific Jeans Group of Companies, HKD Group of Companies, Jayson Group, Aristopharma Ltd, Karim Group, Square Air, BCL Aviation,

DBL Group, MJL Bangladesh, MJL (Mobil), Saad Musa Group, Grameen Phone Ltd, Esquire Group, Mir Group, Pedrollo (NK) Ltd, PHP Group, Rahimafrooz Group, Envoy Group, Maksons Group, M.I. Cement Factory Ltd (Crown Cement), Olympic Group, Rabintex Group, Shanta Group, T.K. Group, Healthcare Pharmaceuticals Ltd, Khulna Power Company Ltd, Khan Jahan Ali Power Company Ltd, NEPC Consortium Power Ltd, Summit Group, United Group, High Speed Navigation Company Ltd, RZ Power, Eurostar Shipping Ltd, Peoples Shipping Ltd, Summit Shipping Ltd, Sealink Shipping Company, Poseidom Enterprise, Brave Royal Shipping, Central Navigation, Ace Bi Cycle (BD) Ltd, Denim Plus(BD) Ltd, Jay Jay Mills (BD) Pvt. Ltd, J & J Industries Ltd, Jemina Accessories Ltd, Luna Lite Company (BD) Ltd, Mamiya Op (BD) Ltd, Meghna Accessories Ltd, Merim Company Ltd, Mitali Textile Industries (BD) Ltd, Modern Towels (BD) Ltd, Multi Safh Bags Ltd, MZM Textile Ltd, Padma Industries Ltd, Papella Shoe Ltd, Sanko Optical Company (BD) Ltd, U-Jin Led Company (BD) Ltd, Van Green (BD) Ltd, Kadena Sports Wear (BD) Ltd, Nawab Abdul Malek Jute Mills (BD) Ltd, Quality Feeds Ltd, Grameen Shakti, National Polymer Industries Ltd, Paxar (BD) Ltd, Care Bangladesh, Bangladesh Edible Oil Ltd, CEAT Bangladesh Ltd, Ruby Food Products, Ahad Jute Spinners Ltd, State Bank of India, Embassy of the United Arab Emirates, Berger Paints (BD) Ltd, Asian Paints Bangladesh Ltd, Sanofi Aventis Bangladesh Ltd, Dhakarea Ltd, EXSACO Ltd, Renata Ltd, Nuvista Pharma Ltd, EPV Chittagong Ltd, Modele De Capital Ltd, North South University, Al-Muslim Group, Energypac Bangladesh, Paragon Group, Armana Group, IDLC, MGH Group, Pran Group, Trendex Furniture Industries Ltd, Singer Bangladesh Ltd, The Westin (Dhaka), Perfetti Van Melle Bangladesh Ltd, Global Fabrics, Campex (BD) Ltd, Social Marketing Company (SMC), Omera Petroleum Ltd., Paolo Footwear(BD) Ltd., Kenpark Bangladesh, Hopeful Textile, Alita Group, Chihong Knit Ltd., Qualitex Group, Swan Lon Company, LSI Inds. Ltd., Daeyu (BD) Ltd., Lik Fung Garments, KAFCO, Aventis Ltd., Navana Group, Bombay Sweets & Company, Independent University, Bangladesh, Edison Footwear Ltd., Bengal Group, Knit Plus Group, Zeil's Wear Ltd., AA Knitspin Ltd., Aman Group, Mosharraf Group, Opex Sinha Group, Ha-Meem Group, Shahjibazar Power Co., Ltd., Matador Group, Haque Group, United International University, IUBAT-International University of Business Agriculture and Technology, BUFT-BGMEA University of Fashion & Technology, Babylon Group, Prime Bank Ltd., Dutch Bangle Bank Ltd., Arab Group, Virgo MH Ltd., SAN Apparels Ltd., Sterling Group, Indofil (BD) Pvt. Ltd., Nassa Group, Star Ceramics Ltd., Master Knitwear Ltd., Butterfly Group, Kingpro Manufacturing Co., Ltd., BRB

Group, SQ Group, Acorn Infrastructure Services Unit-2 Ltd, Sheikh Brothers and many others for reposing their confidence in the Company.

We would also like to convey our sincerest thanks to Insurance Development and Regulatory Authority, Bangladesh Securities and Exchanges Commission, Dhaka Stock Exchange, Chittagong Stock Exchange and Re-Insurers - Sadharan Bima Corporation, General Insurance Corporation of India (GIC) Best Re. Malaysia and Trust International and Re-Insurance Brokers- J.B. Boda, Protection Bahrain, Willis and others for their support and assistance. The Board also expresses its appreciation to M/S. A. Wahab & Co. the Auditor of the Company.

We take this opportunity to express my profound gratitude to the Chief Executive Officer and all the Executives, Officers and Staff of the company for their outstanding services throughout the year and look forward to the continued support and whole-hearted cooperation for the realization of the corporate goals in the year ahead. The Board of Directors has been pleased to reward its staff including Executives, Officers and Employees 03 (Three) Incentive Bonus based on individual performance to be decided by the management.

Lastly, with best regards to all our valuable shareholders, we promise to continue the growth of the company with your continued support.

Thank you all.

On behalf of the Board of Directors,



Syed M. Altaf Hussain
Chairman

Directors' Report to the Shareholders

(Under Section 184 of the Companies Act 1994)

We report that:

- i. The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii. Proper books of account of the company have been maintained.
- iii. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- iv. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- v. The system of internal control is sound in design and has been effectively implemented and monitored.
- vi. There are no significant doubts upon the company's ability to continue as a going concern. vii. There are no significant deviations from last year operating result of the company.
- viii. During the year ended 31 December 2020 the Board of Directors held 11 (Eleven) meetings and the Directors serving on the Board attended in aggregate 75% of the total number of meetings.
- ix. At 31 December 2020, the pattern of shareholding are given below:
 - a) Shareholding of Parent/Subsidiary/ Associate companies and other related parties: Nil.
 - b) Shareholdings of Directors, CEO, Company Secretary, CFO and Head of Internal Audit and their spouses and minor children: Nil.



CORPORATE GOVERNANCE

Compliance Report on SEC Notification

Annexure-C

[As per condition No. 1(5)(xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158 /207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

(Report under Condition No. 9)

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1	Board of Directors:			
1(1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5(five) and more than 20 (twenty).	✓	–	–
1(2)	Independent Directors All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-			
1(2)(a)	At least (1/5) of the total number of Directors in the company's Board shall be independent Directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓	–	Complied as per Insurance Act 2010.
1(2)(b)	For the purpose of this clause "Independent Director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;		–	–
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	–	–
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓	–	–
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓	–	–
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓	–	–
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓	–	–
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	–	–
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓	–	–

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓	–	–
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude.	✓	–	–
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓	–	–
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓	–	–
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only; Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenure [i.e. six years]; Provided further that the independent director shall not be subject to retirement by rotation as per the, কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮নং আইন) (Company Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	✓	–	–
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓	–	–
1(3)(b)(i)	Independent director shall have following qualifications: Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓	–	–
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or Explanation: Top level executive includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.	✓	–	–
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	–	–	N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	–	–	N/A



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	–	–	N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓	–	–
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	–	–	No such deviation occurred.
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals.	✓	–	–
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	–	–
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	–	–
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓	–	–
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	–	–	No such deviation occurred.
1(5)	The Directors' Report to Shareholders The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994) :-			
1(5)(i)	An Industry outlook and possible future developments in the industry.	✓	–	–
1(5)(ii)	The Segment-wise or product-wise performance.	✓	–	–
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	–	–
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	–	–
1(5)(v)	A Discussion on continuity of any extraordinary activities and their implications(gain or loss);	–	–	No such item exists.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	–	–
1(5)(vii)	A statement of utilization of proceeds raised through from public issues, rights issues and/or through any others instruments;	–	–	No such item exists.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering(RPO), Rights Share Offer, Direct Listing, etc.;	–	–	No such event occurred.

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(5)(ix)	An explanation on any significant variance occurs between Quarterly Financial performance and Annual Financial Statements;	–	–	No such event occurred.
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	–	–
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	–	–
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	–	–
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	–	–
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	–	–
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	–	–
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	–	–	N/A
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	✓	–	–
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	–	–	N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized .	✓	–	–
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	–	–	N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	–	–	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	–	9 meeting with average 75% attendance
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	–	–	N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓	–	–
1(5)(xxiii)(c)	Executives; and	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name- wise details). Explanation: For the purpose of this clause, the expression “executive” means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	–	–	N/A
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the company shall disclose the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director;	✓	–	–
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	✓	–	–
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓	–	–
1(5)(xxv)	A Management’s Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company’s position and operations along with a brief discussion of changes in the financial statements, among others focusing on:			
	(a) accounting policies and estimation for preparation of financial statements;	✓	–	–
	(b) changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓	–	–
	(c) comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	–	–
	(d) compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	–	–
	(e) briefly explain the financial and economic scenario of the country and the globe;	✓	–	–
	(f) risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	–	–
	(g) future plan or projection or forecast for company’s operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	–	–
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	–	–
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓	–	–
1(6)	Meeting of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	–	–

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1(7)	Code of Conduct for the Chairperson, other Board members and chief Executive Officer (a)The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	–	✓	–
	(b)The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	–	✓	–
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	–	–	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	–	–	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	–	–	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	–	–	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	–	–	N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3(1)	Appointment: (a)The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	–	–
	(b)The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	–	–
	(c)The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	–	–
	(d)The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	–	–
	(e)The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	–	–	N/A
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board; Provided that the CS, CFO and/or HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	–	–
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:-			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	-	-
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the code of conduct for the company's Board or its members;	✓	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	-
4	Board of Directors' Committee:- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓	-	-
4(ii)	Nomination and Remuneration Committee.	✓	-	-
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	-
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members.	✓	-	-
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience. Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.	–	–	No such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓	–	–
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	–	–
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓	–	–
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	–	–	No such event occurred
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(AGM). Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓	–	–
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	–	–
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	–	–
5(5)	Role of Audit Committee The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	✓	–	–
5(5)(b)	Monitor choice of accounting policies and principles;	✓	–	–
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	–	–
5(5)(d)	Oversee hiring and performance of external auditors;	✓	–	–
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	–	–
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓	–	–
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
5(5)(h)	Review the adequacy of internal audit function;	✓	–	–
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	–	–
5(5)(j)	Review statement of all related party transactions submitted by the management.	✓	–	–
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓	–	–
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	–	–
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results; Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	–	–	N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board;	✓	–	–
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	–	–	No such event occurred
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	–	–	No such event occurred
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	–	–	No such event occurred
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	–	–	No such event occurred
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	–	–	No such event occurred

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5.(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	No such event occurred
6	Nomination and Remuneration Committee (NRC):-			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	-
6(1)(c)	The terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition NO. 6(5)(b).	✓	-	-
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All members of the Committee shall be non-executive directors;	✓	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180(one hundred eighty) days of occurring such vacancy in the Committee;	✓	-	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	✓	-
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	-



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓	–	–
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	–	–
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	–	–	–
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	–	–
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	–	–
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	–	–
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	✓	–	–
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	–	–
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	–	–
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	–	–
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	–	–
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	–	–
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓	–	–
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓	–	–
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓	–	–
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	–	–

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
7	External or Statutory Auditors:			
7(1)	The issuer company should not engage its external or statutory auditors to perform the following services of the company; namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓	–	–
7(1)(ii)	Financial information systems design and implementation;	✓	–	–
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓	–	–
7(1)(iv)	Broker-dealer services;	✓	–	–
7(1)(v)	Actuarial services;	–	–	N/A
7(1)(vi)	Internal audit services or special audit services;	✓	–	–
7(1)(vii)	Any service that the Audit Committee determines;	✓	–	–
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓	–	–
7(1)(ix)	Any other service that creates conflict of interest.			
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	–	–
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	–	–
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓	–	–
8(2)	The company shall keep the website functional from the date of listing.	✓	–	–
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓	–	–
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	–	–
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓	–	–
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	–	–



Ownership Status

Shares:65,590,329 Nos.

Paid up Capital: Tk. 655,903,290.00

SL No.	Name of Director	No. shares	Spouse	Minor Children	Total	% of share
1	Syed M. Altaf Hussain	1,315,830	13,477	N/A	1,329,307	2.03
2	Mr. Tabith M. Awal	1,315,805	-	N/A	1,315,805	2.01
3	Mr. Abdul Awal Mintoo	1,315,398	508,117	N/A	1,823,515	2.78
4	Mr. Khalilur Rahman	3,317,004	-	N/A	3,317,004	5.06
5	Mr. Mohammed Abdul Awwal	1,429,485	477,570	N/A	1,907,055	2.91
6	Mr. Md. Syedur Rahman Mintoo	1,320,214	12,923	N/A	1,333,137	2.03
7	Mr. Md. Sarwar Kamal	1,363,798	283,110	N/A	1,646,908	2.51
8	Mr. Mushfiqur Rahman	1,311,882	-	N/A	1,311,882	2.00
9	Mrs. Nahreen Siddiqua	1,313,046	-	N/A	1,313,046	2.00
10	Mrs. Nigar J. Chowdhury	1,402,474	-	N/A	1,402,474	2.14
11	Mr. Mohammed Abdul Malek	1,331,806	200,000	N/A	1,531,806	2.34
12	Mr. Nasir Latif	1,334,675	-	N/A	1,334,675	2.03
13	Mr. ASM Mohiuddin Monem	1,312,806	-	N/A	1,312,806	2.00
14	Mr. Md. Akbar Hossain	42,248	-	N/A	42,248	0.06
15	Mr. Santosh Sharma	-	-	-	-	0.00
16	Ms. Hasinatun Naher	-	-	-	-	0.00
17	Managing Director	-	-	N/A	-	0.00
18	Company Secretary	-	-	N/A	-	0.00
19	Chief Financial Officer	-	-	N/A	-	0.00
20	Head of Internal Audit	-	-	N/A	-	0.00
20	Head of Internal Audit	-	-	N/A	-	0.00

Management's Discussion And Analysis

As per condition no. 1(5) (xxv) of the Corporate Governance Code 2018 issued by BSEC, the Management's Discussion and Analysis are as follows:

Management Responsibility:

The Company follows International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) in preparing financial statements, Disclosure and rules as required by Insurance Act 2010 have been complied with while preparing financial statements and also in compliance with the Companies Act 1994. In addition, the Bangladesh Securities and Exchange Commission Rules 1987. Listing Regulations of Dhaka Stock Exchange Ltd. (DSE) & Chittagong Stock Exchange Ltd.(CSE). Detailed description of accounting policies and estimation used for preparation of the financial statements of the company are disclosed in the note 2 of the financial statements.

Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years.

The company consistently maintained earnings growth for the last five years.

Taka in Millon

	2020	2019	2018	2017	2016
Financial Performance					
Gross premium	2,217.52	2,406.53	2,053.44	1,664.78	1,542.60
Net Premium	980.00	1024.54	817.15	702.35	638.52
Net claim	127.29	138.47	117.69	82.48	76.72
Underwriting profit	320.21	228.74	147.10	124.89	93.66
Investment income	0.74	-2.05	26.57	21.03	5.00
Income from financial service	67.53	44.52	48.35	48.13	63.54
Net profit before tax	365.37	281.19	236.62	210.33	186.27
Net profit after tax	266.98	209.19	185.12	117.78	84.48
Paid up Capital	655.90	655.90	612.99	583.8	556.00
Total Assets	5144.46	4672.44	4546.15	4310.59	4200.13
EPS	4.07	3.19	3.02	2.66	2.38
Net Asset Value Per Share	53.51	50.63	53.05	54.54	55.03
Net Cash Flow Per Share	8.53	5.57	0.61	0.54	0.08
Credit Rating					
Long Term	AAA	AAA	AAA	AAA	AA1
Short Term	ST1	ST1	ST1	ST1	ST1

Operational Result/Performance of the company: 2020

In 2020 Pragati Insurance Limited achieved significant success in earning gross premium of Tk. 2,217.52 million. Gross premium income decreased by Tk. 189.01 million which is 7.85% compared to previous year.

FINANCIAL ANALYSIS RATIO

Net Asset Value (NAV) of the company stood Tk.3,509.88 million in 2020 which was Tk. 3,320.62 million in 2019. Net asset value per share is TK.53.51 in 2020 while it was TK. 50.63 in 2019.

Business Risk

This year was another challenging year for non-life insurance industry due to sound premium growth, volatility in financial market, lower bank interest rate and newly imposed various regulatory compliance issue. But the industry has not been able to grow at a steady pace with the economic growth of the country. Our industry comparison with other neighbor country is overcrowded. Hard competition is remained in non-life market for presence of 46 privet owned insurer and One state owned corporation.

Category of risks and its mitigation:

1. Underwriting Risk

The underwriting risk may explain as risk of insured loss being higher than the expectation. The premium and reserves is the main part of the underwriting risk. Good underwriting decisions involve a consideration of the expected underwriting profit, the length of time that the reserve must be held, and the additional capital needed to protect then insurer's solvency. Pragati Insurance Ltd controls its risk arising different types of underwriting policies by professional staff at end of branch level with the help of guideline of IDRA.

2. Credit Risk

Credit risk is said to be the financial loss that may result from a change in the financial condition of the counter party such as the issuance of securities or the payment of another defaulter with the liability of the insurer. In addition to the credit risk arising from investing and paying transactions with clients. To assess credit risk from a single counter party, two factors of an organization should consider default probability and credit exposure.

3. Market Risk

Market risk is the risk of economic loss as a result of price changes, including equity risk in the capital market, general and fixed interest rate risk, asset risk, and exchange risk. Market risk is the risk to the financial condition of an organization as a result of unfavorable movements due to the level or volatility of interest rate instruments, equity and currency market prices. This is usually measured as the probable gain or loss of a portfolio position relative to the price movement of the given probable above the given time horizon.

4. Operational Risk

This is the risk of direct or indirect loss from various factors related to the company's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks, such as legal and regulatory requirements and the standard of corporate conduct generally accepted. Operational failures can have serious consequences such as misleading financial data production or damage to the company's reputation. Operational risk arises from all operations of the company. While it is recognized that the company cannot remove all operational risks, it can manage such risks by initiating strict control structures and monitoring and responding to potential risks.

5. Liquidity Risk

The risk of liquidity is that an entity will have difficulty meeting its obligations due to lack of funds or excessive spending to meet these obligations. In particular, it is a company's ability to meet its own policies and its ability to meet the cash needs of its contract holder without (or at least minimal) loss.

Solvency Margin

An insurance Financial Strength is an assessment of an insurance company's capacity of contractual obligation that mainly constitutes claims on insurance policies, timeliness of these payments. Pragati Insurance Ltd has premier capacity to meet policyholder and contract obligation.

Pragati Insurance Ltd continues to thrive on its name recognition, customer service, technological advantages, strategic alliances in managed care, and breadth of its products and value-added services. Amid stiff and competitive market environment, Pragati Insurance Limited achieved moderate success in 2020.



Md. Rezaul Karim
Managing Director & CEO

Declaration By CEO And CFO

Annexure -VI

As per condition No.1(5)(xxvi) of CGC
The Board of Directors
Pragati Insurance Limited
Pragati Insurance Bhaban
Head Office
20-21, Kawran Bazar
Dhaka-1215.

Subject: Declaration of Financial Statements for the year ended on 31st December,2020.

Dear Sirs,

Pursuant to the condition No.1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Pragati Insurance Limited for the year ended on 31st December,2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standard (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have received the financial statements for the year ended on 31st December,2020 and that to be best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely Yours,



Md. Rezaul Karim
Managing Director & CEO



Amar Krishna Shil
Chief Financial Officer (CFO)



ISLAM QUAZI SHAFIQUE & CO.

Chartered Accountants

AI-HAJ SHAMSUDDIN MANSION

4th Floor, Room # C
17, New Eskaton Road
Moghbar, Dhaka-1000.
Phone: 02-48312349 Mobile: 01819-252604.
Website: www.qsibd.com
E-mail: qsi.esk@gmail.com

PARTNERS:

Quazi Shafiqul Islam FCA, FCS

Biplab Hossain FCA

Abu Nasser FCA

Md. Abdur Rahman FCA, ACS, LL.B

[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Pragati Insurance Limited on Compliance on the corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Pragati Insurance Limited for the year ended on 31 December 2020. This Code relates to the Notification no. BSEC/CMRRC/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a Scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- I. The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issue by Commission;
- II. The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- III. Proper books and records have been kept by the company as required under the Companies Act 1994, the securities laws and other relevant laws; and
- IV. The Governance of the Company is highly satisfactory.

For Islam Quazi Shafique & Co.
Chartered Accountants

Abu Nasser FCA
Partner

Dated, Dhaka
August 10, 2021

Report of the Audit Committee

The Audit committee of the Pragati Insurance Limited is a sub-committee of the Board of Directors appointed by the Board of the company. The Audit Committee comprise of the following Directors:

01.	Mr. Santosh Sharma	Independent Director and chairman of the meeting
02.	Mr. A.S.M. Mohiuddin Monem	Co- Chairman and Director
03.	Mr. Tabith Mohd. Awal	Member and Director
04.	Mr. Md. Sarwar Kamal	Member and Director
05.	Mr. Nasir Latif	Member and Director
06.	Mr. Akbar Hossain	Member and Independent Director

The Committee operates according to the terms of reference approved by the Board and in compliance with section 05 of the Bangladesh Securities and Exchange Commission's notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 . The committee is accountable for all audit activities and report to the Board of Directors of the company. The key role of the Audit Committee is to monitor, review and examine the financial statements, corporate governance practices, internal control systems and risk management activities related with the insurance.

Resolutions of the Audit Committee meeting:

During the year 2020 under review 05 (Five) meetings of the Audit Committee were held and the Committee focused on the following activities:

- 01 Reviewed the reliability and consistency of the financial statements of the company to ensure that the internal control and compliance procedures are adequate to present a true and fair view of the company's state of affairs for the year 2020.
- 02 Reviewed that draft annual financial statement of accounts for the year 2020 that audited by the external auditors. Ensured that proper disclosure required under Accounting Standards as adopted in Bangladesh have been made and also complied with the companies Act and various rules and regulations applicable to insurance business.
- 03 Reviewed the unaudited quarterly and half yearly financial statement of accounts for their proper presentation to the shareholders and regulatory authorities.
- 04 Reviewed the various reports of the internal Auditor and their recommendations to take appropriate actions to the management where needed.
- 05 Reviewed the audit plan 2021 and also approved the internal audit plan 2021 with appropriate directions to the Internal Auditor.
- 06 Reviewed the appointment of external auditors.

Approval of Financial Statement

The Audit Committee reviewed and examined the annual financial statements 2020 prepared by the management and audited by the external auditors and recommended the same before the Board for consideration.

Acknowledgement

The Directors Audit Committee expressed their sincere thanks to the members of the Board, management of the company and the auditors for their support to carry out its duties and responsibilities effectively.

Chairman
Directors Audit Committee.

Report of the Nomination and Remuneration Committee

Pragati Insurance Limited has a Nomination and Remuneration Committee (NRC) consisting with the following Board Members:

1. **Mr. Santosh Sharma,** - Chairperson
Independent Director
2. **Mr. Abdul Awal Mintoo,** - Member
Director
3. **Syed M. Altaf Hussain,** - Member
Director
4. **Mr. Mohammed A. Awwal,** - Member
Director

Chairperson of the Nomination & Remuneration Committee is an Independent Director and the Nomination and Remuneration Committee of Pragati Insurance Limited operates in compliance with Code-6 of the Bangladesh Securities and Exchange Commission's Corporate Governance Code, Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3rd June, 2018.

During the year 2020 Nomination and Remuneration Committee had 2 (two) meeting and the following decisions were made :

- Reviewed the renewal of the Top level executive of the Company.
- Reviewed the criteria for evaluation of performance and nomination of Independent Directors and Board Members.
- Discussed about the appointment of Top level executives in the Company.
- Reviewed the succession plan of the Company.

The Nomination and Remuneration Committee emphasized on the selection of personnel with right skill and experience for continuous growth of the human resource of the Company.

During the year 2020 which witnessed economic downturn caused by global Covid-19 pandemic, activities of the Company and its Human Resources faced a great challenge which they have never encountered before. The human resilience and collective effort made by all is already being reflected in signs of improvement both in human and corporate life.

The Chairperson, on behalf of the Committee thanks all concerned, especially the management of the Company and the Board of Directors for their endeavors and support during the year 2020.



Santosh Sharma
Chairperson
Nomination and Remuneration Committee.



AUDITORS' REPORT



**Independent Auditor's Report
To the Shareholders of Pragati Insurance Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pragati Insurance Limited which comprise the Statement of Financial Position as at 31 December 2020, Statement of Profit or Loss and Other Comprehensive Income, Consolidated and related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of this report, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994 the Insurance Act, 2010 the Insurance Rules, 1958 the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. Gratuity provision.

As disclosed in Note # 2.06 (k) (ii) the company has a funded Gratuity Scheme for all eligible employees who have completed minimum 5 years of confirmed service with the company. As per Note # 26.00 the company reported an amount of Tk. 10,030,031 as Provision for Gratuity as at 31/12/2020 whereas the balance as at 31/12/2019 was Tk. 2,530,031. The amount of Tk. 10,030,031 has been calculated for the employees who have left the company during the year after completing minimum five years service. No provision has been made for the employees who have completed 5 years service and continuing with the company. As a result, the provision for gratuity and expenses has been understated and EPS has been overstated.

2. Compliance with IDRA Regulation

The company has not made proper investment in designated instruments in the manner as prescribed in SRO No. 353-law/2019 dated 11 November 2019 issued by IDRA. As well as the company has not submitted the report on category of investment in assets in the prescribed manner as prescribed in Schedule # 1 of the said SRO.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the current year. During the course of the audit, we considered premium income and investment in other entity's shares as significant matter. To address the risk arising in the key audit matter we made sure that we do check the premium income with their individual policies of the insurer, we obtained the share portfolio and cross checked against each share transactions of the share investment and we also verified the each bank balance with their bank statements and the reconciliation. We calculate reserve for unexpired risk of premium income during the year according to Insurance Development & Regulatory Authority Bangladesh.

Risk	Our response to the risk
Premium Income	
<p>Gross premium amount of Tk. 2,217,522,331 includes amount received from public sector business for the whole year covered by contracts entered into during the year.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that reinsurance premium was deducted from the gross premium. ➤ Applying specialist judgment ensured if there is any impairment of the reinsurer. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act, 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See Revenue Account, Annexure-B (Page-32) to the financial statements	
Estimated liability in respect of outstanding claims	
<p>Company represents Tk. 137,603,245 as the estimated liability in respect of outstanding claims from the insured and involves significant management judgment and risk of understatement.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ➤ Obtained the claim register and tested for completeness of claim recorded in the register on a sample basis. ➤ Obtained a sample of claimed policy copy and cross check it with claim. ➤ Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. ➤ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. ➤ Reviewed the claim committee meeting minutes about decision about impending claims. ➤ Tasted a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act, 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See note no. 22.00 to the financial statements	



Other Matter

The financial statements of the Company for the year ended June 30, 2019 were audited by another auditor who expressed a modified opinion on those statements on July 23, 2020. The qualification point of the previous auditor which mitigate during the period are given below:

1. Financial statements not prepared properly in accordance with IFRS,
2. Different types of reserves created without any basis,
3. Issues relating to current and deferred tax,
4. Issues related to Property, Plant and Equipment, and
5. Non-compliance with Labor Law, 2006.

Other Information

The Directors as well as Management are responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994 the Insurance Act, 2010 the Insurance Rules, 1958 the Securities and Exchange Rules, 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 the Insurance Act, 2010 the Insurance Rules, 1958 the Securities and Exchange Rules, 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained. Due to present pandemic situation we have not visited any branch, however, proper returns adequate for the purposes of our audit have been received from branches not visited by us;



- d) As per section 63(2) of the Insurance Act, 2010 in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Profit or Loss and other Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) Balance Sheet, Profit and Loss Account, related Revenue Accounts, Statement of Changes in Equity and Statements of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

For, A. WAHAB & CO.
CHARTERED ACCOUNTANTS



Md. Showkat Hossain, FCA
Partner
Enrollment No.-196
DVC- 2106100196AS827665

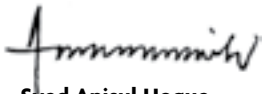
Dated: Dhaka, June 10, 2021

Statement of Financial Position

As at 31 December 2020

Particulars	Notes	2020	2019
PROPERTY & ASSETS			
Non - Current Assets		2,901,085,865	2,735,120,283
Office Building	3.00	1,251,120,170	1,283,082,475
Panthapath building	4.00	34,282,698	34,282,698
Freehold Land	5.00	887,627,023	887,627,023
Other Fixed Assets	6.00	78,282,890	83,048,714
Right of use (ROU) Assets	7.00	25,513,373	-
Investment	8.00	624,259,711	447,079,373
Current Assets		2,243,375,085	1,937,319,292
Inventory (Printing Material)		2,078,793	1,953,458
Amount due to from other persons or bodies carrying on insurance business	9.00	249,610,659	423,382,512
Interest, Dividend & Rent Receivable	10.00	3,545,828	3,432,331
Sundry Debtors	11.00	87,147,041	76,378,244
Premium Control Account	12.00	46,266,190	54,136,239
Advance Payment of Tax	13.00	450,439,297	385,995,575
Cash and cash equivalent	14.00	1,404,287,278	992,040,933
Total Property & Assets		5,144,460,950	4,672,439,575
Shareholder's Equity and Liabilities			
Shareholder's Equity		3,509,884,818	3,320,620,735
Share Capital	15.00	655,903,290	655,903,290
Reserve and surplus	16.00	2,653,729,507	2,518,905,427
Retained Earnings	17.00	200,252,021	145,812,018
Liabilities and provisions		1,634,576,132	1,351,818,840
Balance of fund & account	18.00	509,823,077	534,050,264
Premium Deposit	19.00	7,542,245	5,472,647
Lease Liability	20.00	26,549,602	-
Deferred Tax Liability	21.00	27,504,956	17,340,000
Estimated liabilities in respect of outstanding claims	22.00	137,603,245	92,938,352
Amount due to other persons or bodies	23.00	222,830,645	11,437,925
Loan from Bank	24.00	2,810,682	75,113,635
Un-Paid Dividend	25.00	22,605,058	17,112,298
Sundry Creditors	26.00	64,369,901	46,955,135
Provision for Income Tax	27.00	594,694,681	537,754,453
Other Liabilities	28.00	18,242,040	13,644,131
Total Shareholder's Equity and Liabilities		5,144,460,950	4,672,439,575
Net Asset Value Per Share of Tk. 10 each	34.00	53.51	50.63

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director



Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196AS827665

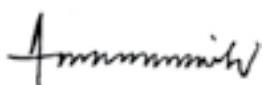
Dated: Dhaka, June 10, 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2020

Particulars	Notes	2020	2019
Profit transferred from :			
Fire revenue account		(10,917,196)	(17,178,029)
Marine revenue account		203,847,818	110,528,544
Misc. revenue account		125,476,175	135,393,615
		318,406,797	228,744,130
Other income	29.00	124,883,467	99,958,197
		443,290,264	328,702,327
Expenses of Management(not applicable to any fund or account)			
Director Fees & Expenses		2,107,148	3,050,625
Registration Renewal Fee	30.00	2,886,976	2,362,448
Audit Fees	32.00	373,750	373,750
Other Expenses	33.00	13,317,294	7,127,366
Depreciation on Lease Assets		17,364,390	-
Lease Interest		3,858,999	-
Depreciation		38,009,501	34,589,429
		77,918,058	47,503,618
Profit before tax		365,372,206	281,198,709
Income tax expense:			
Current tax expense		88,229,572	72,000,000
Deferred tax (income)/expense	31.00	10,164,956	-
		98,394,528	72,000,000
Net Profit after Tax		266,977,678	209,198,709
Other comprehensive income			
Gain/(loss) from fair value changes of investment in securities	8.02.02	66,585,128	(60,724,890)
		66,585,128	(60,724,890)
Total Profit or Loss and Other Comprehensive Income		333,562,805	148,473,819
Earning Per Share	35.00	4.07	3.19

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director



Nasir Latif
Director

Subject to our separate report of even date.



Syed M. Altaf Hussain
Chairman



(A. WAHAB & CO.)
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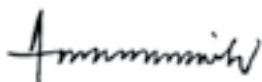
Dated: Dhaka, June 10, 2021

Consolidated Revenue Account

For the year ended 31 December 2020

Particular	FIRE	Marine	Marine Hull	Motor	MISC	2020	2019
Balance of Account at the beginning of the year :							
Reserve for unexpired risk	138,564,470	192,665,520	43,564,269	118,908,339	40,347,666	534,050,263	424,186,468
Premium, Less Re-insurance	270,901,650	451,395,326	39,641,938	145,453,574	72,611,727	980,004,215	1,024,536,256
Commission on Re-Insurance ceded	52,747,560	16,923,561	5,371,409	-	7,595,796	82,638,326	105,169,918
Total	462,213,680	660,984,407	88,577,616	264,361,913	120,555,188	1,596,692,805	1,553,892,642
Claim under policies less Re-insurance :							
Claim paid during the year	8,955,645	20,380,675	788,607	32,138,530	22,163,735	84,427,192	121,956,357
Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	79,375,283	52,116,331	2,892,985	1,987,759	1,230,887	137,603,245	92,938,352
	88,330,928	72,497,007	3,681,592	34,126,289	23,394,621	222,030,437	214,894,709
Less: Outstanding Claim at the end of the previous year	42,272,232	32,465,933	572,186	8,311,850	9,316,151	92,938,352	76,426,819
	46,058,696	40,031,074	3,109,406	25,814,439	14,078,470	129,092,085	138,467,890
Expenses for management	150,780,265	110,085,706	12,143,071	31,502,546	27,586,935	332,098,523	326,588,335
Commission	140,841,090	103,751,021	11,254,327	30,904,399	20,521,486	307,272,323	326,042,025
Profit transfer to Profit & Loss Account	(10,917,196)	181,418,944	22,428,874	103,413,742	22,062,433	318,406,797	228,744,130
Balance on Account at the end of the year as shown in statement of financial position:							
Reserve for unexpired risks being 50% of Fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull Premium income of the year.	135,450,825	225,697,663	39,641,938	72,726,787	36,305,863	509,823,077	534,050,263
Total	462,213,680	660,984,407	88,577,616	264,361,913	120,555,188	1,596,692,805	1,553,892,642

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director




Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196A5827665

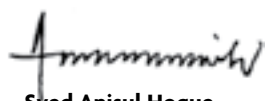
Dated: Dhaka, June 10, 2021

Fire Insurance Revenue Account

For the year ended 31 December 2020

Particulars	2020	2019
Balance of account at the beginning of the year :		
Reserve for unexpired risk	138,564,470	88,635,591
Premium less: Re-Insurance	270,901,650	277,128,939
Commission on Re-insurance ceded	52,747,560	30,314,103
	462,213,680	396,078,633
Claims under policies		
Less: Re-insurance : Paid during the year	8,955,645	32,915,003
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	79,375,283	42,272,232
	88,330,928	75,187,235
Less: Outstanding claims at the end of the previous year	(42,272,232)	(27,994,857)
	46,058,696	47,192,378
Expenses of management	150,780,265	82,998,759
Commission	140,841,090	144,501,055
Profit transferred to Statement of Profit or Loss Account	(10,917,196)	(17,178,029)
Balance of account at the end of the year as shown in statement of financial position :		
Reserve for unexpired risks, being 50% of the fire premium income of the year	135,450,825	138,564,470
	462,213,680	396,078,633

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director



Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.



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Enrollment No.-196
DVC- 2106100196AS827665

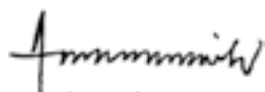
Dated: Dhaka, June 10, 2021

Marine Insurance Revenue Account

For the year ended 31 December 2020

Particulars	Marine Cargo	Marine Hull	2020	2019
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	192,665,520	43,564,269	236,229,789	190,990,145
Premium Less: Re-Insurance	451,395,326	39,641,938	491,037,265	428,895,308
Commission on Re-Insurance Ceded	16,923,561	5,371,409	22,294,970	59,665,243
	660,984,407	88,577,616	749,562,024	679,550,696
Claims under Policies				
Less: Re-Insurance: Paid during the year	20,380,675	788,607	21,169,282	44,491,401
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	52,116,331	2,892,985	55,009,317	33,038,119
	72,497,007	3,681,592	76,178,599	77,529,520
Less: Outstanding Claims at the end of the previous year	32,465,933	572,186	33,038,119	26,362,692
	40,031,074	3,109,406	43,140,480	51,166,828
Expenses of Management	110,085,706	12,143,071	122,228,777	166,412,242
Commission	103,751,021	11,254,327	115,005,348	115,213,294
Profit transferred to Statement of Profit or Loss Account				
Balance of Account at the end of the year as shown in statement of financial position :	181,418,944	22,428,874	203,847,818	110,528,543
Reserve for unexpired risks being 50% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	225,697,663	39,641,938	265,339,601	236,229,789
	660,984,407	88,577,616	749,562,024	679,550,696

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director

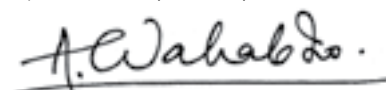


Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
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Enrollment No.-196
DVC- 2106100196AS827665

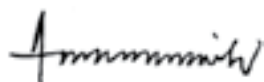
Dated: Dhaka, June 10, 2021

Motor and Miscellaneous Insurance Revenue Account

For the year ended 31 December 2020

Particulars	Motor	Misc	2020	2019
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	118,908,339	40,347,666	159,256,005	144,560,732
Premium Less: Re-Insurance	145,453,574	72,611,727	218,065,300	318,512,009
Commission on Re-insurance ceded (including profit commission)	-	7,595,796	7,595,796	15,190,572
	264,361,913	120,555,188	384,917,101	478,263,313
Claims under Policies				
Less: Re-Insurance: Paid during the year	32138530	22,163,735	54,302,265	44,549,953
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	1,987,759	1,230,887	3,218,646	17,628,001
	34,126,289	23,394,621	57,520,910	62,177,954
Less: Outstanding Claims at the end of the previous year	8,311,850	9,316,151	17,628,001	22,069,270
	25,814,439	14,078,470	39,892,909	40,108,684
Expenses of Management				
Commission	31,502,546	27,586,935	59,089,481	77,177,334
Profit transferred to Statement of Profit or Loss Account	30,904,399	20,521,486	51,425,885	66,327,676
Balance of Account at the end of the year as shown in statement of Financial Position :	103,413,742	22,062,433	125,476,175	135,393,615
Reserve for unexpired risks being 50% of the Motor and Miscellaneous Premium Income of the year	72,726,787	36,305,863	109,032,650	159,256,005
	264,361,913	120,555,188	384,917,101	478,263,314

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director

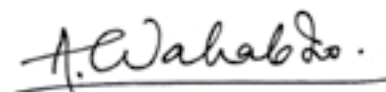


Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196AS827665

Dated: Dhaka, June 10, 2021

Statement of Changes in Equity

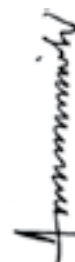
For the year ended 31 December 2020

Particulars	Share capital		Reserve for exceptional losses		Contingency Reserve for Insurance Guarantees		Asset Revaluation Surplus		Investment Fluctuation Reserve (Fair Value Changes)		General Reserve		Retained Earnings		Total equity		
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Balance at 1 January 2020	655,903,290	935,319,047	105,869,651	1,412,133,735	65,339,417	243,578	145,812,018	3,320,620,736									
Dividend paid (Cash)	-	-	-	-	-	-	-	(144,298,723)									
Net profit during the year	-	-	-	-	-	-	-	266,977,678									
Reserve for exceptional losses for the year	-	83,300,358	-	-	-	-	-	(83,300,358)									
Depreciation on Revalued Assets	-	-	-	(15,061,407)	-	-	-	-	66,585,128								
Fair value changes during the year	-	-	-	-	-	-	-	-	-	66,585,128							
Balance at 31 December 2020	655,903,290	1,018,619,405	105,869,651	1,397,072,328	131,924,545	243,578	200,252,021	3,509,884,818									


For the year ended 31 December 2019

Balance at 1 January 2019	612,993,730	866,162,850	105,869,651	1,412,133,735	126,064,307	243,578	128,368,251	3,251,836,102									
Dividend paid (Stock)	42,909,560	-	-	-	-	-	(42,909,560)										
Dividend paid (Cash)	-	-	-	-	-	-	(79,689,185)										
Net profit during the year	-	-	-	-	-	-	209,198,707										
Transferred to Reserve for exceptional losses	-	69,156,197	-	-	-	-	(69,156,197)										
Fair value changes during the year	-	-	-	-	(60,724,890)	-	-	(60,724,890)									
Balance at 31 December 2019	655,903,290	935,319,047	105,869,651	1,412,133,735	65,339,417	243,578	145,812,016	3,320,620,734									

The annexed Notes 1 to 39 form an integral part of these financial statements.


Syed Anisul Hoque
Company Secretary


Md. Rezaul Karim
Managing Director


Santosh Sharma
Independent Director


Nasir Latif
Director

Subject to our separate report of even date.



Syed M. Altaf Hussain
Chairman

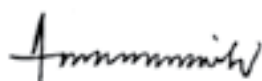
(A. WAHAB & CO)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196AS827665

Statement of Cash Flows

For the year ended 31 December, 2020

Particulars	Notes	2020	2019
A. Cash Flow from operating Activities			
Collection from Premium & Other income		2,571,231,205	2,597,051,779
Payment for Expenses of Management, Re-insurance, Claim and Commission etc.		(1,710,460,208)	(1,964,313,143)
Interest Paid		(2,510,336)	(3,524,112)
VAT and Tax paid to government Treasures		(299,053,558)	(263,554,394)
Net Cash Flow From Operating Activities	36.00	559,207,103	365,660,130
B. Cash Flow from Investing Activities			
Interest & other Income		62,411,931	33,477,327
Dividend Income		9,963,721	12,979,435
Rental Income		55,018,152	55,552,338
Purchase of Fixed Assets		(4,855,860)	(14,922,085)
Land & Building		-	8,982,870
Bangladesh Government Treasure Bond		(75,479,693)	-
Net Fund adjustment with Brokers house		8,978,990	11,042,674
Net Cash Flow From Investing Activities		56,037,240	107,112,559
C. Cash Flow from Financing Activities			
Increase/(Decrease) of bank Overdraft		(72,302,953)	(113,922,165)
Dividend Paid		(130,695,045)	(79,689,185)
Net Cash Flow From Financing Activities		(202,997,998)	(193,611,350)
Increase/Decrease in Cash Flow(A+B+C)		412,246,345	279,161,339
Opening Cash and Cash equivalent		992,040,933	712,879,594
Closing Cash and Cash equivalent	14.00	1,404,287,278	992,040,933
Net operating cash flow per share of Tk. 10 each	36.00	8.53	5.57

The annexed Notes 1 to 39 form an integral part of these financial statements.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director

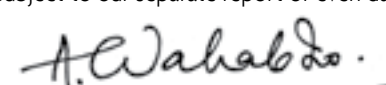


Nasir Latif
Director

Subject to our separate report of even date.



Syed M. Altaf Hussain
Chairman



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196AS827665

Dated: Dhaka, June 10, 2021

Pragati Insurance Limited

Notes to the Financial Statements and significant accounting policies

For the year ended December 31, 2020

1.00 General information:

1.01 Legal status and nature of the company:

(a) Legal status:

The Company was incorporated as a Public Limited Company on 27 January 1986 and obtained the Certificate of Commencement of business No. C-15249/815 from the Registrar of Joint Stock Companies and Firms, Bangladesh with effect from 30 January 1986. The Company is listed with both Dhaka and Chittagong Stock Exchange Limited.

(b) Nature of business:

The primary objectives of the company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business. The offered general insurance products that includes fire and allied perils insurance, marine cargo and hull insurance, aviation insurance, automobile insurance and miscellaneous insurance. Non-life healthcare contracts provide medical cover to policyholders.

1.02 Address of registered office and place of business of the company:

The registered office of the Company is located at Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh. The operation of the company are being carried out through its 40 Branches located in different divisions of Bangladesh.

1.03 Date of Financial Statements authorized for issue:

Financial Statements of the company for the year ended December 31, 2020 were authorized by the Board for issue on 31st May, 2021 in accordance with a resolution of the Board of Directors of the company.

2.00 Summary of significant accounting and related policies:

2.01 Basis of preparation:

(a) These accounts have been prepared under Generally Accepted Accounting Principles (GAAP) on going concern and accrual basis under historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act, 2010 the Insurance Rules, 1958 and in conformity with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act, 1994 the Securities and Exchange Rules, 1987 (as amended in 1997), the listing rules of Dhaka and Chittagong Stock Exchange and other applicable laws & regulations in Bangladesh and practice generally followed by the insurance sector.

(b) The Balance Sheet has been prepared in accordance with the regulations contained in Part I of the First Schedule and as per Form "A" as set forth in Part II of that Schedule and the Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part I of the Third Schedule and as per Form "F" as set forth in Part II of that Schedule of the Insurance Act, 2010 as amended.

(c) Use of estimates and judgment:

The preparation of financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates is revised and in any future periods affected.

2.02 Adoption of International Accounting Standards (IASs):

In Preparing and presenting these financial statements, considering relevant for the significant accounting issues of the company, following IASs and IFRSs have been adopted by the company.

IAS 1 Presentation of Financial Statements

IAS 2 Inventories

IAS 7 Statement of Cash Flows

IAS 10 Events after the reporting period

IAS 12 Income taxes

IAS 14 Segment Reporting

IAS 16 Property, Plant and Equipment

IAS 19 Employees Benefit plan

IAS 24 Related party disclosure

IAS 32 Financial Instruments

IAS 33 Earning per Share

IAS 37 Provision, contingent liabilities and contingent Assets

IFRS 15 Revenue from Contracts with Customer

IFRS 16 Lease

2.03 Provision for liabilities:

According to IAS 37 the company recognizes the provision in the Balance Sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

2.04 Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with IAS 7 the Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the operating activities as well as a reconciliation between direct method and indirect method is shown in Note No. 36.01 to the financial statement.

2.05 Content and presentation of financial statements:

Components of the financial statements

Following the Insurance Act, 2010 and IAS 1 the company's financial statements include the following components:

- (a) Balance Sheet (Statement of Financial Position) as at December 31, 2020;
- (b) Profit and Loss Account (Statement of Profit or Loss Account & Other Comprehensive Income) for the year ended December 31, 2020;

- (c) Profit and Loss Appropriation Account for the year ended December 31, 2020;
- (d) Consolidated all Business Revenue Account for the year ended December 31, 2020;
- (e) Fire Insurance Revenue Account for the year ended December 31, 2020;
- (f) Marine Insurance Revenue Account for the year ended December 31, 2020;
- (g) Motor Insurance Revenue Account for the year ended December 31, 2020;
- (h) Miscellaneous Insurance Revenue Account for the year ended December 31, 2020;
- (i) Statement of Changes in Equity for the year ended December 31, 2020;
- (j) Statement of Cash Flows for the year ended December 31, 2020; and
- (k) Notes to the Financial Statements and significant accounting policies.

2.06 Significant accounting policies:

(a) Premium income:

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation and General Insurance Corporation of India (GIC), the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the Company and while preparing the final accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting profit for the year.

(b) Interest on statutory and other investments:

Interest is accrued on statutory investment of Tk.100,647,137 lying with Bangladesh Bank in the form of Govt. Treasury Bond. Along with the aforesaid interest, the interest received during the year from banks on STD account and FDR Accounts has been duly credited to the Profit and loss Account.

(c) Gain and Loss on shares and debentures:

Gain and loss on sale of shares and dividend income earned during the year have been shown in the Profit & Loss Account and the tax relief as well as the concession on the rate of tax as availed under the existing income tax law, have been given effect in the accounts.

(d) Debenture of Bangladesh Luggage Industries Ltd.:

ICB as a Trustee of the aforesaid investment in Debenture of Beximco Group lodged Artha Jari cases for recovery on behalf of institutional investors is under judgment of Artha Rin Adalat. Therefore no provision was made in the Financial statements.

(e) Management expenses:

As per section 63 of Insurance Act, 2010 all relevant management expenses for an amount of Tk. 332,098,523 have been allocated to each class of Insurance business on pro-rata basis of their respective gross premium income earned during the year from direct business in Bangladesh. Management expenses as charged to Revenue Accounts amounting to Tk. 332,098,523 represents approximately 14.97% of gross premium of Tk. 2,217,522,331. These expenses have been apportioned @ 45.40% to Fire, 33.14% to Marine Cargo, 3.66% to Marine hull, 9.49% to Motor and 8.31% to Miscellaneous business as per management decision.

(f) Depreciation on fixed assets:

Depreciation on Fixed Assets has been charged on cost for full year as per Straight Line Method at the following rates as per consistent practice.

Category of Assets	Rate of Depreciation
Furniture	10%
Fixtures	15%
Motor Vehicles	20%
Office & Electrical Equipment	15%
Miscellaneous Items	20%

(g) Operation:

During the year, the gross premium earned by the company amounted to Tk. 2,217,522,331 including public sector business. After ceding for re-insurance premium the net premium for the year amounted to Tk. 980,004,215 and after charging direct expenses there from the net underwriting profit stood at Tk. 318,406,797 as against Tk. 228,744,126 in the previous year.

(h) Public sector business:

Public Sector Business up to June 2020 has been accounted for on the basis of statements received from Sadharan Bima Corporation.

(i) Taxation:

Income tax on earnings for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the Profit and Loss Account as tax expense.

i. Current Tax

Provision for income tax has been made @ 37.5% as per Finance Act, 2020 of the profit made by the company considering taxable add-back of income and disallowance of expenditure.

ii. Deferred tax

The Company accounted for deferred tax as per International Accounting Standard 12: Income Taxes. Deferred tax is accounted for using the comprehensive tax balance sheet method. It is generated by temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. Deferred tax assets, including those related to the tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses and credits can be utilized.

iii. Tax assessment position

There were 4 (four) appeals pending in respect of the tax assessment purpose with the High Court Division against the order of Taxes Appellate Tribunal for the Assessment Year 2008-2009, 2011-2012 & 2012-2013 and 2013-2014. Return for the Assessment year 2014-2015, 2015-2016, 2016-2017 & 2017-2018, 2018-2019 and 2019-2020 duly submitted u/s 82BB of ITO.

(j) Earnings per share:

Earnings per share have been calculated in accordance with International Accounting Standard 33 and shown on the face of Profit and Loss Account and computation shown in note # 35.

i. Basic earning per share

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding for the year.

ii. Weighted average number of ordinary shares outstanding during the year

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued (as bonus share) during the year multiplied by a time weighting factor. The time-weighting factor is the numbers of days the specific shares are outstanding as a proportionate of the number of days in the year.

iii. Diluted earnings per share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2020.

(k) Employees benefits:

i. Provident fund:

Company Operates a contributory provident fund which is approved by Commissioner of Taxes for its confirm employees. The provident fund is wholly administered by a Board of Trustees and no part of the fund is included in the assets of the Company.

ii. Gratuity fund:

The company has a funded Gratuity Scheme for all eligible employees who completed minimum 5 years of confirmed service with the company. The scheme is approved by the National Board of Revenue (NBR) on 16/11/2002 and administrated by an independent Board of Trustee.

iii. Other benefits:

“In addition to above, the company provides other benefits to its employees like Group Insurance Scheme, Incentive bonus, House building loan etc.”

iv. Workers profit participation fund (WPPF):

The Board refers the matter of provision for Worker Profit Participation Fund (WPPF) and like to clarify that as per provisions of para (A to G) of section 233 of Bangladesh Labour Amendments Act, 2013 functions of Non life Insurance Companies are not similar to the functions of Industrial Relating Workers as mentioned in the aforesaid section.

Therefore, provision for Workers Profit Participation and Welfare Fund (WPPF) is not applicable for the Company. It may be mentioned here that Pragati Insurance Limited has been maintaining a Recognized Employees Provident Fund, Gratuity Scheme, Group Insurance Scheme (GIS), Incentive Bonus, House Building Loan Scheme etc. as per provision of IAS-19.

(l) General:

Figures appearing in the financial statements have been rounded off to the nearest Taka and previous year's figures and account titles have been re-arranged, wherever necessary for the purpose of comparison.



(m) Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements does not include any adjustments should the Pragati Insurance Limited be unable to continue as a going concern.

2.07 Reporting Currency

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's financial currency.

2.08 Reporting period:

The financial statements of the company cover one calendar year from 1st January to 31st December, 2020 consistently.

2.09 Foreign Currency Translation

Transactions in currencies (foreign currencies) other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Exchange differences are recognized currency fluctuation reserve.

2.10 Reserve or Contingencies:

i. Reserve for Exceptional Loss

Company sets aside 8.50% of the net premium income of the year from the balance of the profit as Reserve for exception losses as per approval of the Board of Directors and para 6 of 4th schedule of the income tax ordinance, 1984 to meet the exceptional losses. Details calculation have been given in note # 16.00.

ii. Investment Fluctuation Fund

The Company made investments in the capital market in a large portfolio and income generate from the investment (realized gain and dividend received) is credited to the profit & loss Account. Unrealized capital gain if any is transferred to the Investment Fluctuation Fund subsequently.

iii. General reserve

The Company has not transferred any amount as General Reserve from the current year profit.

iv. Revaluation reserve

The company preserve a revaluation reserve which was created on 2011 and subsequent measurement is made in accordance with the related accounting standards.

2.11 Disclosure of departure from few requirements of IAS/IFRS due to mandatory compliance of Insurance Act's requirements

The Pragati Insurance Limited (PIL) management has followed the principles of IAS & IFRS consistently in preparation of the financial statements to that extent as applicable to the PIL. Some requirements of Insurance Act, 2010 and Insurance Rules, 1958 and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the PIL has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of IDRA, Bangladesh which are disclosed below along with financial impact where applicable:

3.00 Office Building:			2020	2019
Particulars	Notes			
Owner occupied property (IAS 16)	3.01		153,691,106	157,631,904
Building as investment property (IAS 40)	3.02		1,093,841,024	1,116,164,310
Electrical Equipment	3.03		3,588,039	9,286,261
Balance at the year end			1,251,120,170	1,283,082,475
Details are shown in Annexure-'A'.				
3.01 Building space for owner occupied (IAS 16)			2020	2019
Particulars				
Balance at the beginning of the year			197,039,880	197,039,880
Addition during the year			-	-
Balance at the year end			197,039,880	197,039,880
Accumulated Depreciation:				
Balance at the beginning of the year			39,407,976	19,703,988
Addition during the year			3,940,798	19,703,988
Balance at the year end			43,348,774	39,407,976
Carrying Amount			153,691,106	157,631,904
3.02 Building as investment property (IAS, 40)			2020	2019
Particulars				
Balance at the beginning of the year			1,116,164,310	1,116,164,310
Addition during the year			-	-
Sales/ Adjustment during the year			-	-
Balance at the year end			1,116,164,310	1,116,164,310
Accumulated Depreciation:				
Balance at the beginning of the year			-	-
Addition during the year			22,323,286	-
Sales/ Adjustment during the year			-	-
Balance at the year end			22,323,286	-
Carrying Amount			1,093,841,024	1,116,164,310
3.03 Electrical Equipment			2020	2019
Particulars				
Balance at the beginning of the year			28,211,948	28,211,948
Addition during the year			-	-
Sales/ Adjustment during the year for power substation			(6,974,612)	-
Balance at the year end			21,237,336	28,211,948
Accumulated Depreciation:				
Balance at the beginning of the year			18,925,687	16,368,170
Addition during the year			2,123,734	2,557,517
Sales/ Adjustment during the year for power substation			(3,400,124)	-
Balance at the year end			17,649,297	18,925,687
Carrying Amount			3,588,039	9,286,261
4.00 Panthapath Building			2020	2019
Two Storied Commercial Building under construction at panthapath land				
Particulars				
Opening Balance			34,282,698	34,282,698
Addition during the year			-	-
Total			34,282,698	34,282,698

These assets are recognized and accounted for in accordance with IAS 40 - Investment Property except the premises is using for administrative purpose for the company.

5.00 Freehold Land - Panthapath Particulars	2020	2019
Opening balance	887,627,023	887,627,023
Addition during the year	-	-
Closing Balance	887,627,023	887,627,023

The Company has a land measuring 86 kathas on the corner of Panthapath and Sonargaon road.

6.00 Other Fixed Assets Particulars	2020	2019
Cost:		
Balance at the beginning of the year	243,729,986	234,233,901
Addition during the year	4,855,860	14,922,085
Sales/Adjustment during the year	(208,500)	(5,426,000)
Balance at the year end	248,377,346	243,729,986
Accumulated Depreciation:		
Balance at the beginning of the year	160,681,272	153,779,348
Addition during the year	9,621,684	12,327,924
Sales/ Adjustment during the year	(208,500)	(5,426,000)
Balance at the year end	170,094,456	160,681,272
Carrying Amount	78,282,890	83,048,714
Details are shown in Annexure-¹A'.		

7.00 Right of use (ROU) Assets Particulars	Notes	2020	2019
Opening Balance		-	-
Addition during the year		42,877,763	-
Accumulated Depreciation	Annexure-A	(17,364,390)	-
Closing Balance		25,513,373	-

FRS 16 – Leases' became effective for annual reporting beginning on or after 1 January 2019 which replaces the existing standard IAS 17. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The Company decided to adopt IFRS 16 lease from 1st January 2020. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

8.00 Investment Particulars	Notes	2020	2019
Bangladesh Government Treasury Bond	8.01	100,647,137	25,167,444
Investment in Shares	8.02	514,982,484	413,281,839
Investment in Debentures	8.03	4,500,000	4,500,000
Holiday Homes		4,130,090	4,130,090
Total		624,259,711	447,079,373

8.01 Bangladesh Government Treasury Bond

The amount represents 15 years Bangladesh Government Treasury Bond (BGTB) with a face value of TK.10,06,47,137 held with Bangladesh Bank as statutory Deposit under Insurance Act ,2010.

Particulars	2020	2019
Opening Balance	25,167,444	25,167,444
Addition during the year	75,479,693	-
Encashment during the year	-	-
Closing Balance	100,647,137	25,167,444

8.02 Investment in Shares

Particulars	Notes	2020	2019
Values of Shares at cost	8.02.01	360,993,010	347,907,072
Change in Fair value of shares through OCI, (5.7.10 IFRS 09)	8.02.02	131,924,545	65,339,418
Ledger Balance of Houses	8.02.03	22,064,929	35,349
Total		514,982,484	413,281,839

8.02.01	Break up of Share as on December 31, 2020	At cost	Market Value
	Coppertec Industries Ltd.	144,623	105,036
	Crystal Insurance Ltd.	111,790	428,633
	Delta Life Insurance	11,646,384	4,141,854
	Delta Speiner Ltd.	1,994,080	798,600
	Dominage Steel Building Systems 1	157,428	579,566
	Esquire Knit Composite Limited	940,050	549,407
	Family Tex Limited	1,746,573	213,928
	Golden Son Limited	8,176,875	2,058,000
	Green Delta Mutual Fund	581,740	616,000
	Int Leasing And Financial Services Limited	2,746,601	563,598
	Kay & Que Limited	8,327,896	20,377,050
	KDS Accessories Limited	1,969,569	1,677,075
	Lanka Bangla Finance Limited	8,529,587	6,202,473
	Lafars Holesim Bangladesh Limited	7,573,300	3,346,000
	Libra Infusions Limited	463,096	302,116
	Monno Fabrics Ltd.	27,125	35,000
	National Bank	30,699,858	11,730,264
	National Housing	49,932,168	214,043,372
	NCC Bank Ltd.	1,022,002	770,867
	Olympic Ind. Ltd.	18,221,037	11,408,670
	Pragati Life Insurance Ltd.	41,066,730	54,834,300
	Robi Axiata Limited	2,715,540	8,083,369
	Runner Auto Mobiles Ltd.	540,439	385,109
	Rupali Insurance	444,329	442,000
	S.S. Steel Limited	743,675	484,472
	Saif Powertec Limited	7,229,255	4,154,238
	South East Bank Ltd.	7,259,905	5,105,238
	Shahjibazar Power Company Limited	5,341,611	3,134,015
	Titas Gas Limited	1,248,735	1,232,000
	Unique Hotel & Resort Limited	6,829,905	2,554,200
		228,431,905	360,356,450
	Non- Tradable		
	Central Depository Bangladesh. Ltd	3,138,890	3,138,890
	Ind. & Infrastructure Dev. Finance Co.	31,183,820	31,183,820
	Jamuna Resort Ltd.	43,900,895	43,900,895
	United Hospital Ltd.	54,337,500	54,337,500
	Non- Tradable	132,561,105	132,561,105
	Total	360,993,010	347,907,072
8.02.02	Changes in fair value of the shares available for sale		
	Particulars	Notes	
	Fair Value of the Investment		2020
			2019
	Fair Value of the Investment		360,356,450
	Less: Cost price of the investment		280,685,383
	Fair value reserve as at 31 December 2020	16.03	228,431,905
	Less: Fair value reserve as at 1 January 2020		215,345,965
	Fair value adjustment for the year		131,924,545
			65,339,418
			65,339,417
			(60,724,889)
			22,064,929
			35,349
8.02.03	Brokerage house ledger Balance		
	The company has made investment in capital market in a large portfolio and income generated from investment (realized gain and dividend received) is credited to Statement of Comprehensive Income. Unrealized capital gain if any is transferred to investment Fluctuation Fund. Investment in shares that do not have any quoted market price in the active market and whose fair value can not be measured reliably, are recognised at cost.		
8.03	Debentures		
	Particulars		
	Bangladesh Luggage Industries Ltd		2020
			2019
			4,500,000
	Total		4,500,000

The above amount has subsequently been realised.

Bangladesh Luggage Industries Ltd has issued debentures that carries value 45,00,000 as at year ended 2020 but The Bangladesh Lugges industries limited pay off outstanding amount through a pay order no. FSIB-PO 2001786 dated 28.02.2021 and subsequently, the company realised this amount.

9.00	Amount due from other persons or bodies carrying on insurance business			
	Particulars		2020	2019
	Co-Insurance premium receivable		264,008	24,403,555
	Co-Insurance claim receivable		15,266,543	16,269,656
	Refund Co-Insurance premium receivable		3,699,809	3,863,885
	Sadharan Bima Corporation		200,142,912	286,805,256
	Overseas re-insurer		30,237,387	92,040,160
	Total		249,610,659	423,382,512
10.00	Interest, Dividend & Rent Receivable			
	Particulars	Notes	2020	2019
	Dividend	10.01	3,020,828	2,907,331
	Debenture Interest	10.02	525,000	525,000
	Total		3,545,828	3,432,331
10.01	Dividend Receivable			
	Particulars		2020	2019
	Opening Balance		2,907,330	4,461,425
	Addition during the year		10,077,219	2,855,905
			12,984,549	7,317,330
	Collection during the year		(9,963,721)	(4,410,000)
	Closing Balance		3,020,828	2,907,330
10.02	Debenture Interest Receivable			
	Particulars		2020	2019
	Opening Balance		525,000	525,000
	Addition during the year		-	-
	Collect during the year		-	-
	Closing Balance		525,000	525,000
11.00	Sundry Debtors (including advances, deposits and prepayments and others)			
	Particulars		2020	2019
	Advance against Salary		10,665,098	6,841,951
	Advance against Rent		12,730,801	10,899,041
	Advance against Expenses		5,793,026	4,342,981
	House Building Loan		37,544	149,716
	Jamuna Resort Ltd.		38,192,552	34,605,420
	Security Deposits		776,192	776,192
	Group Insurance		3,891,129	3,702,243
	Advance against Insurance Management Software		15,060,700	15,060,700
	Total		87,147,041	76,378,244
12.00	Premium Control Account			
	Particulars		2020	2019
	Fire		860,304	1,006,645
	Marine (Cargo & Hull)		40,134,799	46,961,876
	Motor		286,124	334,795
	Misc		4,984,963	5,832,923
	Total		46,266,190	54,136,239
13.00	Advance Payments of Tax			
	Particulars	Notes	2020	2019
	Opening balance		385,995,575	336,875,232
	Add: Advance Tax paid/deduction at source during the year	13.01	64,443,722	49,120,343
			450,439,297	385,995,575
	Less: Adjustment made during the year		-	-
	Closing Balance		450,439,297	385,995,575

13.01 Advance Tax paid/deduction at source during the year			
Particulars		2020	2019
Deduction At Source from FDR Interest		5,935,582	2,652,915
Deduction At Source from STD Interest		54,404	321,646
Deduction At Source from Dividend Income		1,992,744	2,906,689
Deduction At Source from office Rent		3,056,256	2,750,930
Tax against Motor Maintenance		695,000	527,636
Advance Income Tax Paid		52,709,736	39,960,527
Total		64,443,722	49,120,343
14.00 Cash and cash equivalent			
Particulars	Notes	2020	2019
In Hand			
Cash in hand (Head Office and Branch)		6,626,378	8,406,000
Stamps in hand		1,364,600	777,000
		7,990,978	9,183,000
At Banks			
Fixed deposits Receipts (FDR)	14.01	1,214,226,850	745,776,850
Short term deposit (STD)& Current accounts	14.02	182,069,450	237,081,083
		1,396,296,300	982,857,933
Total		1,404,287,278	992,040,933
14.01	FDR balances consists of 974 numbers instruments maintained with 43 banks and 06 financial institutions throughout the country as at 31 December 2020.		
14.02	STD and current account balances consists of 53 numbers accounts maintained with 8 banks.		
15.00 Share capital			
Particulars		2020	2019
Authorized:			
200,000,000 ordinary shares of Tk 10 each		2,000,000,000	2,000,000,000
Issued, subscribed and paid up:			
65,590,329 ordinary Shares of Tk 10 each fully paid up		655,903,290	655,903,290
6,100,000 Ordinary shares of Tk.10 each fully paid up in cash		61,000,000	61,000,000
1,220,000 Ordinary shares of Tk.10 each fully paid up as bonus share(20%) allotted in 1997		12,200,000	12,200,000
2,196,000 Ordinary shares of Tk.10 each fully paid up as bonus share(30%) allotted in 2002(out of general reserve as at 31st December 2001)		21,960,000	21,960,000
2,379,000 Ordinary shares of Tk.10 each fully paid up as bonus share(25%) allotted in 2003(out of general reserve as at 31st December 2002)		23,790,000	23,790,000
3,211,650 Ordinary shares of Tk.10 each fully paid up as bonus share(27%) allotted in 2004(out of Share Premium)		32,116,500	32,116,500
3,776,650 Ordinary shares of Tk.10 each fully paid up as bonus share(25%) allotted in 2005(out of Share Premium)		37,766,500	37,766,500
2,832,500 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2006(out of Share Premium & General reserve)		28,325,000	28,325,000
3,257,370 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2007(out of Share Premium & General reserve)		32,573,700	32,573,700
8,740,600 Ordinary shares of Tk.10 each fully paid up as bonus share(35%) allotted in 2008(out of net Profit)		87,406,000	87,406,000
50,570,600 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2008(out of net Profit)		50,570,600	50,570,600

Particulars	2020	2019
38,770,830 ordinary Shares of Tk 10 each fully Paid up bonus share (10%) allotted in 2009 (Out of General Reserve and Dividend Equalisation Reserve)	38,770,700	38,770,700
42,647,900 ordinary Shares of Tk 10 each fully Paid up bonus share (5%) allotted in 2010 (Out of Net Profit)	21,323,950	21,323,950
4,478,0295 ordinary Shares of Tk 10 each fully Paid up bonus share (10%) allotted in 2011 (Out of Net Profit & General Reserve)	44,780,350	44,780,350
3,694,374 ordinary shares of Tk.10 each fully paid up bonus share(7.5%) allotted in 2012 (out of Net profit & General reserve)	36,943,740	36,943,740
2,647,635 ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2013 (out of Net profit & General reserve)	26,476,350	26,476,350
2,780,016 ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2016 (out of Net profit & General reserve)	27,800,160	27,800,160
2,919,018 ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2017 (out of Net profit)	29,190,180	29,190,180
4,290,956 ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2018 (out of Net profit)	42,909,560	42,909,560
Total	655,903,290	655,903,290

Category of Shareholders	2020		2019	
	No. Of share	% of holding on paid up capital	No. Of share	% of holding on paid up capital
Group - A: Sponsors & Directors	24,993,167	38.10%	26,606,033	40.56%
Group-B: Institutions	11,215,481	17.09%	19,883,443	30.31%
Group-C: Public Shareholders	29,381,681	44.81%	19,100,853	29.13%
Total	65,590,329	100.00%	65,590,329	100.00%

Class of Interval	For the Year 2020			For the Year 2019		
	No. Of share	No. of share holders	% of holding on paid up capital	No. Of share	No. of share holders	% of holding on paid up capital
Less than 500	198,247	1722	0.30	186,816	1757	0.34
500 to 5,000	2,723,969	1438	4.15	1,486,433	840	3.20
5,001 to 10,000	2,331,010	316	3.55	1,107,227	164	1.56
10,001 to 20,000	2,616,039	174	3.99	875,175	62	1.98
20,001 to 30,000	1,844,189	74	2.81	830,458	33	1.53
30,001 to 40,000	1,080,609	31	1.65	378,175	11	0.77
40,001 to 50,000	1,078,702	23	1.64	667,631	15	1.41
50,001 to above	53,717,564	111	81.90	60,058,414	96	89.21
Total	65,590,329	3889	100	65,590,329	2978	100

16.00 Reserve and surplus

Particulars	Notes	2020	2019
Reserve for Exceptional Losses	16.01	1,018,619,405	935,319,047
Contingency Reserve for Insurance Guarantees	16.02	105,869,651	105,869,651
Asset Revaluation Surplus	16.03	1,397,072,328	1,412,133,735
General Reserve	16.04	243,578	243,578
Investment Fluctuation Fund (Fair Value Changes)	8.02.02	131,924,545	65,339,416
Total		2,653,729,507	2,518,905,427

16.01 Reserve for Exceptional Losses:

Particulars	2020	2019
Opening balance	935,319,047	866,162,850
Add: Addition during the year	83,300,358	69,156,197
Closing Balance	1,018,619,405	935,319,047

These amount has been set aside from net profit with a view to meeting up unexpected loss that may be raised in future as per Income Tax Ordinance 1984. Current rate of the reserve is 8.5% of its net premium.

16.02	Contingency Reserve for Insurance Guarantees:			
	Particulars		2020	2019
	Reserve for unexpired Guarantees		87,080,441	87,080,441
	Reserve against Tail ended insurance business		18,789,210	18,789,210
	Total		105,869,651	105,869,651
	Contingency Reserve for Insurance Guarantees & tail ended Insurance Business which can be merged with general reserve.			
16.03	Asset Revaluation Surplus:			
	Particulars	Notes	2020	2019
	Opening balance		1,412,133,735	1,412,133,735
	Less: Depreciation charged during the year	Annexure-A	(15,061,407)	-
	Closing Balance		1,397,072,328	1,412,133,735
	The above revaluation reserve was created on revaluation of land and building by a professional valuer in the year 2011.			
16.04	General Reserve:			
	Particulars		2020	2019
	Opening balance		243,578	243,578
	Add: Addition during the year		-	-
	Closing Balance		243,578	243,578
17.00	Retained Earnings			
	Particulars		2020	2019
	Opening Balance		145,812,018	128,368,251
	Dividend paid during the year (Bonus & Cash)		(144,298,723)	(122,598,745)
	Net profit after Tax		266,977,678	209,198,709
	Appropriation for the period (exceptional loss)		(83,300,358)	(69,156,197)
	Depreciation on revalued Assets		15,061,407	
	Closing Balance		200,252,021	145,812,018
18.00	Balance of fund & account			
	Balance of fund & account as of following business			
	Particulars		2020	2019
	Fire Insurance Business		135,450,825	138,564,470
	Marine Insurance Business		265,339,601	236,229,789
	Misc. Insurance Business		109,032,650	159,256,005
	Total		509,823,077	534,050,264
19.00	Premium deposits:		7,542,245	5,472,647
	This represents premium received against cover notes which were not converted into policy within 31 December 2020 because of the period of nine months from the dates of issue of cover notes had not elapsed.			
20.00	Lease Liability			
	Particulars		2020	2019
	Opening Balance		-	-
	Addition during the year		42,877,763	-
	Payment made during the year		(16,328,161)	-
	Closing Balance		26,549,602	-
21.00	Deferred Tax liability			
	Particulars	Notes	2020	2019
	Opening Balance		17,340,000	17,340,000
	Add: Provided during the year	31.00	10,164,956	-
	Closing Balance		27,504,956	17,340,000

22.00 Estimated liability in respect of outstanding claims

Particulars	2020	2019
Fire	79,375,283	42,272,232
Marine	55,009,317	33,038,119
Motor	1,987,759	8,311,850
Miscellaneous	1,230,887	9,316,151
Total	137,603,245	92,938,352

All the claims of which the management is aware of as per intimation up to the year-end have been taken into consideration.

23.00 Amounts due to other persons or bodies

Particulars	2020	2019
Co-insurers	11,170,173	11,437,925
Sadharan Bima Corporation and overseas Re-insurance	211,660,472	-
Total	222,830,645	11,437,925

The amount is payable under co-insurance scheme to other insurance companies and other parties. As a result of the covid-19 pandemic, the foreign re-insurer did not invoice properly at the end of FS 2020. The majority of the amount dues was paid subsequently.

24.00 Loan from Bank for office Building (Secured):

Particulars	A/C No.	Notes	2020	2019
Sonali Bank Ltd.	08293	24.01	11,294	71,368,672
IFIC Bank Ltd.	58001	24.02	-	6,913
Delta Brac Finance Company Ltd.	17442	24.03	2,799,388	3,738,050
Total			2,810,682	75,113,635

24.01 Sonali Bank Ltd.

Particulars	2020	2019
Opening Balance	71,368,672	141,244,473
Loan Taken during the year	-	-
Interest charged during the year	2,140,078	10,028,635
	73,508,750	151,273,108
Re-payment during the year	(73,497,456)	(79,904,436)
Closing Balance	11,294	71,368,672

The secured overdraft loan bears 9% interest and is secured by lien of FDR.

24.02 IFIC Bank Ltd.

Particulars	2020	2019
Opening Balance	6,913	18,578,757
Loan Taken during the year	53,087	40,648,249
Interest charged during the year	-	1,728,270
	60,000	60,955,276
Less: Re-payment during the year	60,000	60,948,363
Closing Balance	-	6,913

24.03 Delta Brac Finance Company Ltd.

Particulars	2020	2019
Opening Balance	3,738,050	4,212,570
Loan Taken during the year	-	-
Interest charged during the year	411,218	875,360
	4,149,268	5,087,930
Re-payment during the year	(1,349,880)	(1,349,880)
Closing Balance	2,799,388	3,738,050

The loan bears 12.5% interest with advance cheque till maturity.

25.00 Un-paid Dividend			2020	2019
Particulars				
From Inception to 2015			6,622,104	6,663,295
2016			813,734	822,363
2017			1,015,381	1,105,381
2018			550,160	8,521,259
2019			13,603,680	-
Total			22,605,058	17,112,298
26.00 Sundry creditors (including provision for expenses and taxes)				
Particulars	Notes		2020	2019
Payable against expenses			7,168,823	1,601,337
Provident fund deduction			2,803,446	3,306,604
Provident fund Loan			96,951	517,940
Received against security			5,066,160	5,066,160
Liability for Stamp			8,316,447	3,030,005
Provision for Gratuity	26.01		10,030,031	2,530,031
Hospitalization Insurance Claim			645,134	651,330
Rent Received in Advance			30,242,910	30,251,728
Total			64,369,901	46,955,135
26.01 Provision for Gratuity				
Particulars	Notes		2020	2019
Opening Balance			2,530,031	860,843
Add: Addition during the year			28,989,749	9,863,764
			31,519,780	10,724,607
Less: Paid/Adjustment during the year			21,489,749	8,194,576
Closing Balance			10,030,031	2,530,031
27.00 Provision for Income Tax				
Particulars	Notes		2020	2019
Opening Balance			537,754,453	465,754,453
Add: Provision made during the year	27.01		88,229,572	72,000,000
			625,984,025	537,754,453
Less: Adjustment made during the year (AY 2009-2010 & 2011-2012)			31,289,344	-
Closing Balance			594,694,681	537,754,453
27.01 Income Taxes				
Particulars	Notes		2020	2019
Current Tax			88,229,572	72,000,000
Deferred Tax	31.00		10,164,956	-
Total			98,394,528	72,000,000
Details	Income Amount	Rate %	2020	2019
Dividend on shares	9,913,721	20.00%	1,982,744	2,585,887
Exempted income from dividend	50,000	0.00%	-	-
Gain on sales shares	739,480	10.00%	73,948	(205,090)
Donation	500,000	0.00%	-	-
Capital Gain (Sales of motor vehicles)	15,750	10.00%	1,575	-
Reserve for exceptional loss	83,300,358	0.00%	-	-
Income from house Rent	28,655,465	37.50%	10,745,799	14,582,489
Exempted for Repair Maintenance	26,362,687	0.00%	-	-
Business Income	215,834,745	37.50%	80,938,029	55,036,715
	365,372,206		93,742,096	72,000,000
Provision made during the year			88,229,572	72,000,000

27.02 Year-wise break-up is as follows:

Accounting year	Assessment year	2020	2019
2004	2005-2006	18,359,333	18,359,333
2005	2006-2007	18,489,336	18,489,336
2006	2007-2008	14,888,836	14,888,836
2007	2008-2009	32,366,948	32,366,948
2008	2009-2010	37,500,000	37,500,000
2009	2010-2011	17,500,000	17,500,000
2010	2011-2012	15,000,000	15,000,000
2011	2012-2013	25,000,000	25,000,000
2012	2013-2014	33,000,000	33,000,000
2013	2014-2015	50,000,000	50,000,000
2014	2015-2016	18,550,000	18,550,000
2015	2016-2017	24,700,000	24,700,000
2016	2017-2018	53,900,000	53,900,000
2017	2018-2019	55,000,000	55,000,000
2018	2019-2020	51,500,000	51,500,000
2019	2020-2021	72,000,000	72,000,000
2020	2021-2022	56,940,228	-
Total		594,694,681	537,754,453

28.00 Other Liability

Particulars	Notes	2020	2019
Income tax deduction	28.01	44,469	54,561
VAT payable	28.02	17,868,160	13,048,915
Tax deduction against Bill		86,681	283,363
VAT deduction against Bill		242,730	257,292
Total		18,242,040	13,644,131

28.01 Income Tax deduction

Income Tax deduction at source amounting to Tk.44,469 including income tax deduction from salary during the year which has been deposited into Bangladesh Bank subsequently.

28.02 VAT Payable

VAT payable as Tk. 17,868,160 represent the Vat for the month of December 2020 which has been deposited into Bangladesh Bank subsequently.

29.00 Other income

Particulars	Notes	2020	2019
Interest on:			
Fixed deposit receipts (FDR)		58,398,310	26,465,102
Short term deposit (STD) accounts		1,693,164	8,602,838
House Building Loan Interest		856,498	469,613
		60,947,972	35,537,553
Overdraft interest		(2,510,336)	(3,524,112)
Dividend received during the year		9,963,721	12,979,435
Sundry Income		83,754	1,463,886
Revert from provident Fund	29.01	624,975	-
Profit/(Loss) on sale of shares		739,480	(2,050,903)
Profit on sale of motor vehicle		15,750	-
Building Rent		55,018,152	55,552,338
Total		124,883,467	99,958,197

29.01

As per gazette notification no. 179/FRC/FRM/2020/2 dated July 07,2020 of The Financial Reporting Council (FRC), in according to the rule of 2(8) of Financial Reporting Act, 2015, The forfeited fund of Tk. 624,975 was returned to the company's account from the contributory provident fund that left the employment without receiving the company's contribution of provident fund.

30.00	Registration Renewal Fee		2,886,976	2,362,448
	The amount represents deposit to Bangladesh Bank against renewal of registration for carrying on fire, marine and miscellaneous insurance business as per Section- 3A of Insurance Act, 2010.			
31.00	Deferred Tax			
	Particulars	Notes	2020	2019
	Opening Balance		17,340,000	17,340,000
	Add: Addition during the year	21.00	10,164,956	-
	Closing Balance		27,504,956	17,340,000
	Carrying amount of property , plant and equipment excluding land		1,329,430,668	-
	Tax base		1,256,084,118	-
	Taxable/deductible temporary difference		73,346,550	-
	Effective Tax Rate		37.50%	37.50%
	Deferred Tax Liability	21.00	27,504,956	17,340,000
32.00	Audit Fees			
	Particulars		2020	2019
	Statutory audit fee (Including Vat)		373,750	373,750
	Total		373,750	373,750
33.00	Other Expenses			
	Particulars		2020	2019
	AGM Expenses		147,550	1,647,339
	Advertisement		3,849,375	3,455,888
	Donation		500,000	432,000
	Performance Bonus		8,303,572	-
	Subscription		516,797	1,592,139
	Total		13,317,294	7,127,366
34.00	Net Asset Value Per Share			
	Particulars		2020	2019
	Net Asset Value		3,509,884,818	3,320,620,735
	Number of Shares		65,590,329	65,590,329
	Net Asset Value per share of Tk. 10 each		53.51	50.63
	Net Asset Value Per Share was increased due to increase of Investment, Dividend & Interest Receivable and Cash equivalent etc.			
35.00	Earning Per Share			
	Particulars		2020	2019
	Profit after Tax		266,977,678	209,198,707
	Number of Share		65,590,329	65,590,329
	Basic Earning Per Share per share of Tk. 10 each		4.07	3.19
	Earning per share was increased due to increase of operating income and other income.			
36.00	Net Operating cash flows per share:			
	Net operating cash flows per share (NOCFPS) has been calculated base on direct method as per IAS -7, total outstanding number of shares 65,590,329 during the year and previous year was same as outstanding number of shares 65,590,329 so there was no scope for dilution for weighted number of shares.			
	Net cash generated from operating activities		559,207,103	365,660,130
	Outstanding number of shares		65,590,329	65,590,329
	Net Operating cash flows per share per share of Tk. 10 each		8.53	5.57
	Net operating cash flow was increased due to increase of premium collection , less claim settlement, and others income etc.			

36.01 Reconciliation of Cash Flows

The reconciliation of Net Cash Flow from operating activities between Direct and Indirect method as follows:

Particulars	2020	2019
Cash flow from Operating Activities:		
As per direct method	559,207,103	365,660,130
Net profit during the year	365,372,206	281,198,709
Adjustment:		
Depreciation	55,373,891	34,589,429
Interest Income	1,693,164	8,602,838
Profit on sales of fixed assets	15,750	-
Profit/Loss on sales share	739,480	(2,050,903)
Changes in working capital:		
Increase/ (decrease) the balance of fund	(24,227,187)	109,863,798
Increase/ (decrease) the premium deposit	2,069,598	551,884.00
Increase/ (decrease) of Outstanding claims	44,664,893	16,511,533
Increase/ (decrease) of sundry creditor	78,952,903	(26,283,780)
(Increase) / decrease of Advance, deposit & prepayment	121,176,156	(3,858,918)
(Increase) / decrease of premium control account	7,870,049	(3,733,999)
(Increase) / decrease Stock of printing & stationery	(125,335)	(216,859)
(Increase) / decrease Insurance stamp in hand	1,364,600	(393,259)
Income tax paid	(95,733,066)	(49,120,343)
Net cash generated from operating activities	559,207,103	365,660,130

37.00 Number of Employees

The number of permanent employees of the company drawing salaries below and above TK.5000 P.M is as under

- a) Salaries drawing above TK.5000 528 Nos. (2019:548 Nos.)
b) Salaries drawing Below TK.5000 Nil

38.00 Payments/ Perquisites/ to Directors/Officers during the year

Particulars	2020	2019
Directors' Fees	1,992,000	2,570,598
MD's Salary & Emoluments	6,000,000	6,000,000
Officers Salary	229,618,927	202,581,515
Meeting Fees	115,148	480,027
	237,726,075	211,632,140

39.00 Event after the reporting period

39.01 Approval of Financial Statements

The Board of Directors in its 297th meeting held on 31st May, 2021 approved the financial statement for the year 2020 and also authorised the same for issue.

39.02 Recommendation of Dividend

The Board of Directors have recommend 30% Cash dividend for the year ended 2020 which is subject to approval by the shareholder in the 35th Annual General Meeting.

39.03 Other Significant Events

No other significant event occurred after the reporting period, except those mentioned above, which has material affect and disclosure in these financial statements.

Syed Anisul Hoque
Company Secretary

Md. Rezaul Karim
Managing Director

Santosh Sharma
Independent Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date.

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2106100196AS827665

Dated: Dhaka, June 10, 2021

Schedule of Fixed Assets

As at 31 December 2020

Particulars	Cost			Depreciation			WDV as at 31 December 2020	WDV as at 31 December 2019
	Opening balance	Additions during the year	Disposal during the year	Closing balance	Rate	Charged during the year		
				31.12.2007				31.12.2007
Furniture & Fixture	32,822,940	287,229	-	33,110,169	10%	419,767	458,125	590,663
Fixture (Plastic Sign)	9,584,689	70,524	-	9,655,213	15%	1,149,827	6,161,540	7,240,843
Motor Vehicle	93,862,044	3,376,205	208,500	93,655,544	20%	498,493	50,698,218	51,196,711
Electrical Equipment	73,515,963	37,495	-	76,892,168	15%	4,989,503	8,251,072	9,864,370
Office Equipment	3,226,770	692,051	-	3,264,265	15%	2,581	52,114	17,200
Curtain & Carpets	692,051	23,175	-	692,051	20%	2,607	10,426	13,033
Bi-Cycle	23,175	-	-	23,175	20%	-	-	-
Telephone(Intercom)	492,284	27,455	-	519,739	20%	27,645	519,738	191
Office Decoration	29,510,070	1,056,952	-	30,567,022	10%	2,531,261	12,651,395	14,125,704
TOTAL: A	243,729,986	4,855,860	208,500	248,377,346		9,621,684	78,282,890	83,048,715
Office Building:								
Electrical Equipment	28,211,948	6,974,612	-	21,237,336	10%	2,123,734	3,400,124	9,286,261
Owner occupied	197,039,880	-	-	197,039,880	2%	3,940,798	153,691,106	157,631,904
Investment property	1,116,164,310	-	-	1,116,164,310	2%	22,323,286	1,093,841,024	1,116,164,310
TOTAL: B	1,341,416,138	6,974,612	6,974,612	1,334,441,526		28,387,817	1,251,120,170	1,283,082,475
GRAND TOTAL (A+B)	1,585,146,124	4,855,860	7,183,112	1,582,818,872		38,009,501	1,329,403,060	1,366,131,190
Revaluation reserve (Building)	753,070,343	-	-	753,070,343	2%	15,061,407	738,008,936	753,070,343
Right of use of Assets (ROU)	-	42,877,763	-	42,877,763	-	17,364,390	25,513,373	-
TOTAL IN 2020	753,070,343	42,877,763	-	795,948,106		32,425,797	763,522,309	753,070,343

REVENUE ACCOUNT

For the year ended 31 December 2020

1) Summarized position of net underwriting profit earned during the year 2020 is as follows.

Annexure-B

Particular	FIRE	MARINE	MOTOR & MISC	2020	2019
	BDT	BDT	BDT	BDT	BDT
Premium Income					
A) Gross Premium	1,006,805,456	816,158,530	394,558,345	2,217,522,331	2,406,529,123
B) Re-insurance premium	735,903,806	325,121,265	176,493,045	1,237,518,116	1,381,992,867
C) Net Premium (A-B)	270,901,650	491,037,265	218,065,300	980,004,215	1,024,536,256
Direct Expenses					
D) Commission (Net of Re-insurance Accepted and Ceded)	88,093,530	92,710,378	43,830,089	224,633,997	220,872,107
E) Claim Settled & provide	46,058,696	43,140,480	38,092,909	127,292,085	138,467,890
F) Management Expenses	150,780,265	122,228,777	59,089,481	332,098,523	326,588,336
G) Allocation Of Management Expenses					
H) Total Direct Expenses (D+E+F)	284,932,491	258,079,634	141,012,479	684,024,605	685,928,333
I) Adjustment Fund Balance for Un-expired risk (Opening Balance Less closing Balance)	3,113,645	(29,109,812)	50,223,354	24,227,187	(109,863,797)
Net Underwriting Profit (C-H+I)	(10,917,196)	203,847,818	127,276,175	320,206,797	228,744,126
Commission(Net)					
Commission paid on Direct Business	140,841,090	115,005,348	51,425,885	307,272,323	326,042,025
Commission paid on Re-insurance Accepted					
	140,841,090	115,005,348	51,425,885	307,272,323	326,042,025
Less: Commission earned on re-insurance ceded	52,747,560	22,294,970	7,595,796	82,638,326	105,169,918
Net Commission	88,093,530	92,710,378	43,830,089	224,633,997	220,872,107
Claim Settled					
Gross Claim	80,838,537	78,175,177	62,772,810	221,786,523	263,381,836
Less: Salvage received	-	-	-	-	-
	80,838,537	78,175,177	62,772,810	221,786,523	263,381,836
Less: Re-insurance claim Recovery	71,882,892	57,005,895	8,470,545	137,359,331	141,425,479
Paid During The Year	8,955,645	21,169,282	54,302,265	84,427,192	121,956,357
Add: Outstanding Claim at the end of the year whether due or Intemated (Company's Share)	79,375,283	55,009,317	3,218,645	137,603,245	92,938,352
	88,330,928	76,178,599	57,520,910	222,030,437	214,894,709
Less: Outstanding claim at the end of the previous Year	42,272,232	33,038,119	17,628,001	92,938,352	76,426,819
Net Claim	46,058,696	43,140,480	39,892,909	129,092,085	138,467,890

PRAGATI INSURANCE LIMITED
FORM 'AA'
 CLASSIFIED SUMMARY OF ASSETS
 AS AT 31 DECEMBER 2020

1) Summarized position of net underwriting profit earned during the year 2020 is as follows.

Particulars	2020	Annexure-B 2019
Bangladesh Government Treasury Bond	100,647,137	25,167,444
Shares - at cost	360,993,010	347,942,419
Debenture(At Cost)	4,500,000	4,500,000
Fixed deposit, STD and current A/C with Banks	1,396,296,300	982,857,933
Cash in hand and Stamp in hand	7,990,978	9,183,000
Amount due from other persons or bodies carrying on insurance business	249,610,659	488,721,929
Accrued interest	3,545,828	3,432,331
Debtors (including advances, deposits and prepayments)	87,147,041	76,378,244
Stock of Printing material	2,078,793	1,953,458
Land	887,627,023	887,627,023
Holiday homes	4,130,090	4,130,090
Fixed Asset	78,282,890	83,048,714
Building	1,285,402,868	1,317,365,173
	4,468,252,617	4,232,307,758


Syed Anisul Hoque
 Company Secretary



Md. Rezaul Karim
 Managing Director


Santosh Sharma
 Independent Director


Nasir Latif
 Director


Syed M. Altaf Hussain
 Chairman

Subject to our separate report of even date.


 (A. WAHAB & CO.)
 CHARTERED ACCOUNTANTS
 Signed By: Md. Showkat Hossain, FCA
 Enrollment No.-196
 DVC- 2106100196AS827665

Dated: Dhaka, June 10, 2021

PRAGATI INSURANCE LIMITED
DIRECTORS' CERTIFICATE
AS AT 31 DECEMBER 2020

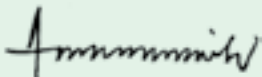
Annexure-D

As per regulations contained in the first schedule of the Insurance Act, 2010 as amended and as per section 40 of the said Act we certify that:-

The value of investment in shares and debentures have been taken at cost and the quoted value thereof mentioned wherever available.

The value of all assets as shown in the Balance Sheet and as classified on Form AA annexed have been duly reviewed as at 31st December, 2020 and in our belief, the said assets have been set forth in the Balance Sheet at amount not exceeding their realisable or market value under the several headings as enumerated in the annexed form.

All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Profit & Loss Account.



Syed Anisul Hoque
Company Secretary



Md. Rezaul Karim
Managing Director



Santosh Sharma
Independent Director



Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

List Of Branches

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
Dhaka Division			
1	Elephant Road Branch 299, Elephant Road, Pearsons Tower Dhaka-1205	Sharif Mustaba Deputy Managing Director	Mob : 01819238198 Tel : 9661349 Fax : 58616023 E-mail : er@pragatiinsurance.com
2	Biman Bhaban Branch " WW Tower" 11th Floor 68, Motijheel C/A, Dhaka-1000.	Md. Azizul Hakim Vice President	Mob : 01712650025 Tel : 9570424, 223357686, E-mail : biman@pragatiinsurance.com
3	Malibagh Branch Manhattan Tower, 83, Siddeswari, Circular Road, Malibagh, Dhaka-1217.	Md.Golam Faruque Deputy Managing Director	Mob : 01711566735 Tel : 48321844 Fax : 9351265 E-mail : malibagh@pragatiinsurance.com
4	Motijheel Branch " WW Tower" 11th Floor 68, Motijheel C/A, Dhaka-1000.	Ali Fathker (Kallol) Deputy Managing Director	Mob : 01713002412 Tel : 9556415 /47115066 Fax : 9556415 E-mail : motijheel@pragatiinsurance.com
5	Gulshan Branch House No.55, Road No.17, Kamal Ataturk Avenue, Banani C/A, Dhaka-1213.	Ruhul Amin Talukder Deputy Managing Director	Mob : 01745694829 Tel : 48810930 Fax : 9886151 E-mail : gulshan@pragatiinsurance.com
6	Savar Branch 'Hashem Plaza', 1st Floor, DEPZ Gate, Ganak Bari, Savar, Dhaka.	Abdus Salam Senior Executive Vice President	Mob : 01793592378 Tel : 7790262 Fax : 7790262 E-mail : savar@pragatiinsurance.com
7	Sadarghat Branch 32/Ka, Johnson Road, Dholaikhal, Dhaka.	Ahmed Faruk Assistant Managing Director	Mob : 01719686947 Tel : 47113066,9583619 Fax : 9583619 E-mail : sb@pragatiinsurance.com faruk@pragatiinsurance.com
8	Uttara Branch House # 18 (4th Floor), Road # Sonargaon Janapath, Sector # 9,Uttara Model Town , Dhaka-1230	Md. Abu Sarwar Hossain Senior Executive Vice President	Mob : 01711901553,01554344748 Tel : 55080229 Fax : 55080230 E-mail : uttara@pragatiinsurance.com
9	Bangabandhu Avenue Branch " WW Tower" 11th Floor 68, Motijheel C/A, Dhaka-1000.	Md.Kamrul Islam (Srabon) Executive Vice President	Mob : 01718007723 Tel : 9557772,02223386389 Fax : 9566911 E-mail : bangabandhu@pragatiinsurance.com
10	Dilkusha Branch " WW Tower" 11th Floor 68, Motijheel C/A, Dhaka-1000.	Humayun Kabir Majumder Senior Executive Vice President	Mob : 01712296516 Tel : 02223387861 Fax : 9551685 E-mail : dilkusha@pragatiinsurance.com

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
11	Imamgonj Branch 31, Mitford Road, Imamgonj, Dhaka.	Syed Saidul Islam Assistant Managing Director	Mob : 01552382814,01766146660 Tel : 57319818 Fax : 57319818 E-mail : imamgonj@pragatiinsurance.com
12	Tejgaon Branch EDB Trade Center(4th Floor) (Northern University Building) 93, Kazi Nazrul Islam Avenue Kawran Bazar, Dhaka-1215.	Abdul Alim Khan Executive Vice President	Mob : 01711696343 Tel : 55012451-52 Fax : 9117671 E-mail : tejgaon@pragatiinsurance.com
13	Tongi Branch Jalil Market (2nd Floor), Tongi,Gazipur.	S.M. Shamsul Alam Executive Vice President	Mob : 01715327848 Tel : 9812888 E-mail : tongi@pragatiinsurance.com
14	VIP Road Branch 69/1, Purana Paltan Lane, Oriental Trade Centre, (3rd Floor), Dhaka-1000.	A.S.M Emdadul Hoque. Senior Executive Vice President	Mob : 01711155185 Tel : 48321796,9341840 Fax : 48316354 E-mail : vip@pragatiinsurance.com : asm.emdadulhaque@pragatiinsurance.com
15	Hatkhola Branch " WW Tower" 11th Floor 68, Motijheel C/A, Dhaka-1000.	Md. Abdul Mottaleb Executive Vice President	Mob : 01819458976 Tel : 223389410 Fax : 9559410 E-mail : hatkhola@pragatiinsurance.com
16	Mirpur Branch House No.127, (3rd Floor) Senpara Parbata, Begum Rokeya Sharani, Mirpur-10,Dhaka-1216.	Md. Razzaqul Haider Chowdhury Vice President	Mob : 01711841175 Tel : 48038430 E-mail : mirpur@pragatiinsurance.com
17	Narsingdi Branch Bhuiyan Market, (Bajeen More) Sadar Road, Narsingdi-1600.	Md.Jasim Uddin Bhuiyan Deputy Vice President	Mob : 01817404102 Tel : 9463009 Fax : 9463009 E-mail : narsingdi@pragatiinsurance.com
18	Faridpur Branch 169, Mujib Sarak, Faridpur.	Khandoker Zakir Hossain Assistant Vice President	Mob : 01715477641 Tel : 063162691 Fax : 063162691 E-mail : faridpur@pragatiinsurance.com
19	Pragati Sharani Branch S.M. Bhaban (1st Floor) Cha-75/C, Pragati Sharani, North Badda, Dhaka-1212	Md. Ruhul Amin Vice President	Mob : 01552322986,01730710566 Tel : 02222286805 Fax : 9846805 E-mail : ps@pragatiinsurance.com
20	Narayanganj Branch 150, B.B. Sarak Jibon Bima Bhabon, Narayanganj-1400	Md. Abdul Wadud Assistant Vice President	Mob : 01711561368 Tel : 7633646 Fax : 7633646 E-mail : narayanganj@pragatiinsurance.com
21	Mymensingh Branch 10, Durgabari Road(1st Floor),	Md. Ashraful Hoque Senior Manager	Mob : 01712721794 Tel : 091-64062

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
	Mymensingh-2200.		Fax : 091-64062 E-mail : mymensingh@pragatiinsurance.com
Chattogram Division			
22	Agrabad Branch Ayub Trade Center(5th Floor), 1269/B, Sheikh Mujib Road, Agrabad C/A, Chittagong.	M. A. Hassan Deputy Managing Director	Mob : 01711749274 Tel : 031713228,031713227 Fax : 031-2511948 E-mail : agrabadbranch@pragatiinsurance.com : hassan@pragatiinsurance.com
23	Jubilee Road Branch EPIC Ittehad Point (5th Floor) 618,Nur Ahmed Sarak, Chittagong.	Md.Nazrul Islam Deputy Managing Director	Mob : 01711749273 Tel : 031-617844/616847 Fax : 031-616022 E-mail : jr@pragatiinsurance.com
24	Khatunganj Branch 305, Khatunganj C/A , Chittagong.		Mob : Tel : 031-637051,031-636121 E-mail : khatungonj@pragatiinsurance.com
25	Feni Branch Sultan Mansion (2nd Floor), Trunk Road, Feni.	Azizul Hoque Executive Vice President	Mob : 01312638626,01819638626 Tel : 0331-74313 E-mail : feni@pragatiinsurance.com
26	Cumilla Branch Comilla Co-operative Super Market, (2nd Floor), Kandirpar, Main Road, Cumilla.	Md. Zahangir Hossain Manager	Mob : 01817092502 Tel : 081-76977 E-mail : comilla@pragatiinsurance.com
27	Chowmuhani Branch Golam Rahman Miar Building, 4th Floor, Feni Road, Chowmuhani.	Md. Belayet Hossain Vice President	Mob : 01716390848 Tel : 0321-52030 E-mail : chowmuhani@pragatiinsurance.com
28	Chandpur Branch Aslam Mansion, (2nd Floor), J.M.Shengupta Road, Chandpur-3600.	Nemai Chandra Paul Manager	Mob : 01715044556 Tel : 0841-63290 Fax : 0841-63290 E-mail : chandpur@pragatiinsurance.com :
29	Cox's Bazar Branch Ahmadia Mansion, Purba Bazar Ghata, Main Road, Cox's Bazar.	Jaber Hossain Manager	Mob : 01818449970 Tel : 0341-64101 E-mail : cb@pragatiinsurance.com
Rajshahi Division			
30	Bogura Branch Thana Road, Bogura	Md. Abdul Hai Shaik Manager	Mob : 01727227049 Tel : 051-66189 Fax : 051-66189 E-mail : bogra@pragatiinsurance.com
31	Rajshahi Branch 78/2, Razia Tower Miapara (Gonokpara), Shaheb Bazar, Rajshahi.	Monowar Ahmed Senior Vice President	Mob : 01710968633 Tel : 721-775926 Fax : 721-775926 E-mail : rajshahi@pragatiinsurance.com :



Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
32	Pabna Branch Maspo Sultana Center (4th Floor), Panch-Mathar More Ataikula Road, Pabna Town Pabna.	A.H.M.Raihan Manager	Mob : 01712021653 Tel : 0731-66541 Fax : 0731-66541 E-mail : pabna@pragatiinsurance.com
33	Dinajpur Branch Northern Plaza (2nd Floor), Holding No.74/69, Dinajpur Town, Dinajpur.	Farid Hossain Sarker Assistant Vice President	Mob : 01712138134 Tel : 0531-51105 Fax : 0531-51105 E-mail : dinajpur@pragatiinsurance.com
34	Natore Branch Kanai Khali, Dhaka Road, Natore.	Priyotosh Kumar Guha Deputy Manager	Mob : 01718484412 Tel : 0771-66761 Fax : E-mail : natore@pragatiinsurance.com
35	Rangpur Branch Baitus Syed Super Market, Central Road, Rangpur.	A.A.Salimur Reza Talukder Deputy Manager	Mob : 01819688697 Tel : 0521-62933 Fax : 0521-62933 E-mail : rangpur@pragatiinsurance.com
Khulna Division			
36	Khulna Branch G. M. Baksh Tower 22, Sir Iqbal Road, Khulna.	Shah Jahangir Abed Assistant Managing Director	Mob : 01711814066 Tel : 041-720056, 723724 E-mail : khulna@pragatiinsurance.com
37	Jashore Branch "Jess Tower" (2nd Floor), M. K. Road, Jashore	Md. Kazi Golam Haider (Dablu) Senior Executive Vice President	Mob : 01711574966 Tel : 0421-68896 Fax : 0421-68896 E-mail : jashore@pragatiinsurance.com
38	Kushtia Branch Lovely Tower(5th Floor), 55/1, Sirajuddowla Road, Kushtia-7000.	Md. Mostafijur Rahman Senior Vice President	Mob : 01721750886 Tel : 071-62223 E-mail : kushtia@pragatiinsurance.com
Barishal Division			
39	Barishal Branch Sazrini Super Market(3rd Floor) East Bogra Road, Barishal.	Amjad Hussain Talukder Vice President	Mob : 01711185353 Tel : 0431-64286 Fax : 0431-64286 E-mail : barishal@pragatiinsurance.com
Sylhet Division			
40	Sylhet Branch Laldighir Par, Sylhet.	Belal Ahmed Chowdhury Senior Vice President	Mob : 01709663010 Tel : 0821-715008 Fax : 0821-715008 E-mail : sylhet@pragatiinsurance.com

CERTIFICATES



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: **CE/2021/116**

Date of issue : **February 11, 2021**

Renewed Certificate


This is to certify that

PRAGATI INSURANCE LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2021.




Secretary-General

ncr National Credit Ratings Ltd.

Dhaka



Ref: NCR/ SR/M, 2020/2072
Date: October 09, 2020

Managing Director
Pragati Insurance Limited
Pragati Insurance Bhawan, 20-21,
Kawran Bazar, Dhaka-1215

Sub: Credit Rating Report on "Pragati Insurance Limited"

Dear Sir,
NCR is pleased to forward you the credit rating report on "Pragati Insurance Limited". The assigned ratings as the Rating Committee (RC) Meeting held on 01/10/2020 have been disclosed in the table below for your necessary action.

Declaration Date	Nature of Rating	Ratings			Validity
		Long Term	Short Term	Outlook	
01/10/2020	Surveillance	AAA (Local/A)	Sl-1	Stable	30/09/2021
26/06/2019	Surveillance	AAA (Local/A)	Sl-1	Stable	25/06/2020

Thanking You,

Sincerely yours,

(Md. Saiful Haque)
Managing Director & CEO
(Current Charge)

Enclosed as above

Zaman Tower, 6th Floor, 77/3, Buxarhat Road, Barsha Palan, Dhaka-1600
Tel: 8802 4712015/ 4712015/ 4712015 Website: www.ncrbd.com
E-mail: info@ncrbd.com, ncr@ncrbd.com



বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন




বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্যপদ হালনাগাদ এর জন্য প্রত্যয়ন পত্র

এতদ্বারা প্রত্যয়ন করা যাচ্ছে যে, ...প্রগতি ইন্স্যুরেন্স লিমিটেড.....
বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্য।

এই প্রত্যয়ন পত্র ২০২১ সালের জন্য লাইফ/নন-লাইফ বীমা ব্যবসা করার নিমিত্তে বীমা উন্নয়ন ও
নিয়ন্ত্রণ কর্তৃপক্ষ-এর নিকট থেকে নিবন্ধন নবায়নের জন্য হালনাগাদ সনদ।

তারিখ : ২৬.১১.২০২০

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর পক্ষে



(নিশীথ কুমার সরকার)
সেক্রেটারী জেনারেল

মুখ্য নির্বাহী কর্মকর্তা
প্রগতি ইন্স্যুরেন্স লিমিটেড
প্রগতি ইন্স্যুরেন্স ভবন (১৪, ১৫ ও ১৬তলা)
২০-২১, কাওরান বাজার
ঢাকা-১০০০

INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY

IDRA
B A N G L A D E S H

নিবন্ধন নবায়নের সনদ
১৩/১১/১৮/১৯৫

নিবন্ধন নম্বর : সিআরআর-৮/৯৫ (বীমা অধিদপ্তর)

নিবন্ধন নবায়নের তারিখ : ৩১ জানুয়ারি, ২০২১

বীমা আইন, ২০১০ (২০১০ সনের ১৯ নং আইন) এর ধারা ১১ মোতাবেক ০১ জানুয়ারি, ২০২১ ইং হতে ৩১ জানুয়ারি, ২০২১ ইং সাল পর্যন্ত প্রগতি ইন্স্যুরেন্স লিমিটেড এর নিবন্ধন সনদ এতদ্বারা নবায়ন করা হলো।

ইস্যুর তারিখ: ১৯-০১-২০২১



চেয়ারম্যান

বীমা সচিব, ৬/৬/১৯৫



EVENTS



Glimpses of 34th AGM



Syed M. Altaf Hussain, Chairman of the company delivering his speech at the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.

Photo shows the Managing Director & CEO Mr. Md. Rezaul Karim delivering his Welcome speech at the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.



Photo shows the Company Secretary, Syed Anisul Hoque read the Notice of the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.



Photo shows the Honorable Chairman & Directors in the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform



Photo shows the Honorable Chairman, Directors, Managing Director & CEO, CFO, Company Secretary in the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.

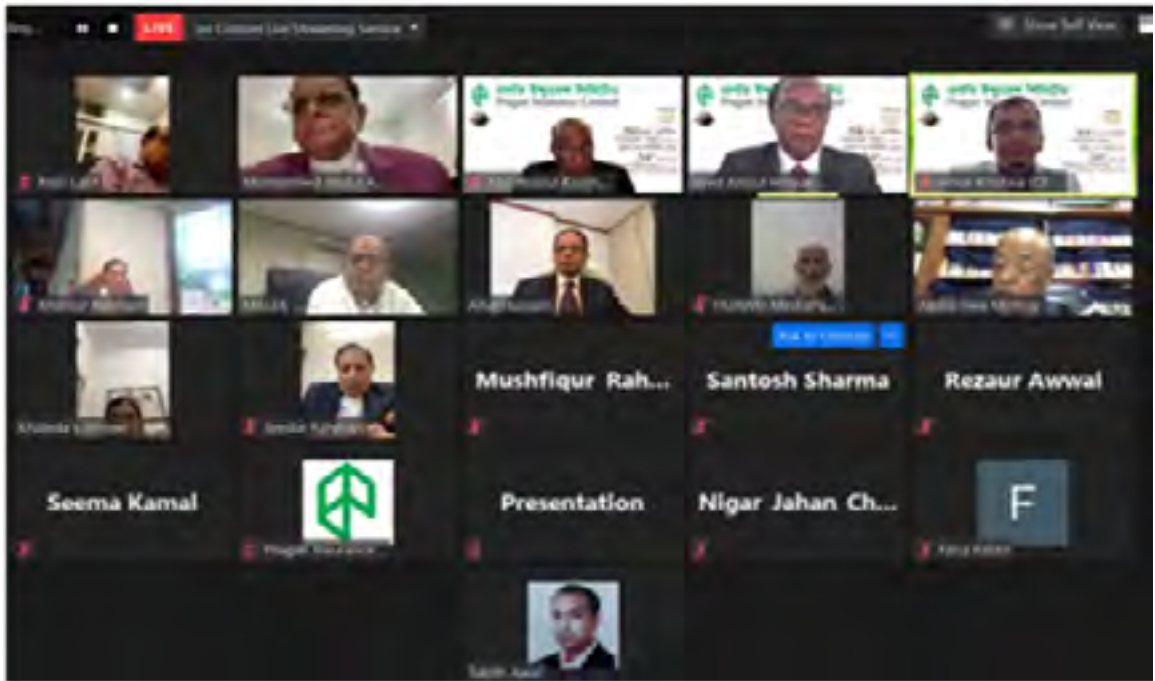


Photo shows the Honorable, Chairman, Vice-chairman, Directors, Managing Director & CEO, CFO, Company Secretary in the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.



Partial view in the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.



Photo shows the Managing Director & CEO Mr. Md. Rezaul Karim answering the question of the Shareholders at the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.



Photo shows the CFO, Mr. Amar Krishna Shil answering the question of the Shareholders at the 34th Annual General Meeting held on 23rd September, 2020 by using digital platform.

Glimpses of 33rd AGM



Syed M. Altaf Hussain, Chairman of the company delivering his speech at the 33rd Annual General Meeting held on 27th June, 2019

Photo shows the Managing Director & CEO Mr. Md. Rezaul Karim delivering his speech at the 33rd Annual General Meeting held on 27th June, 2019.



Photo shows the Honorable Directors on the dias in the 33rd Annual General Meeting held on 27th June, 2019.

Photo shows the Honorable Directors on the dias in the 33rd Annual General Meeting held on 27th June, 2019.



Partial view on the dias in the 33rd Annual General Meeting held on 27th June, 2019.

Shareholders doing their Registration in the 33rd Annual General Meeting held on 27th June, 2019





Partial view of shareholders attending in the 33rd Annual General Meeting held on 27th June, 2019



Partial view of shareholders attending in the 33rd Annual General Meeting held on 27th June, 2019



Photo shows Chairman, Managing Director and other officials of the Company.

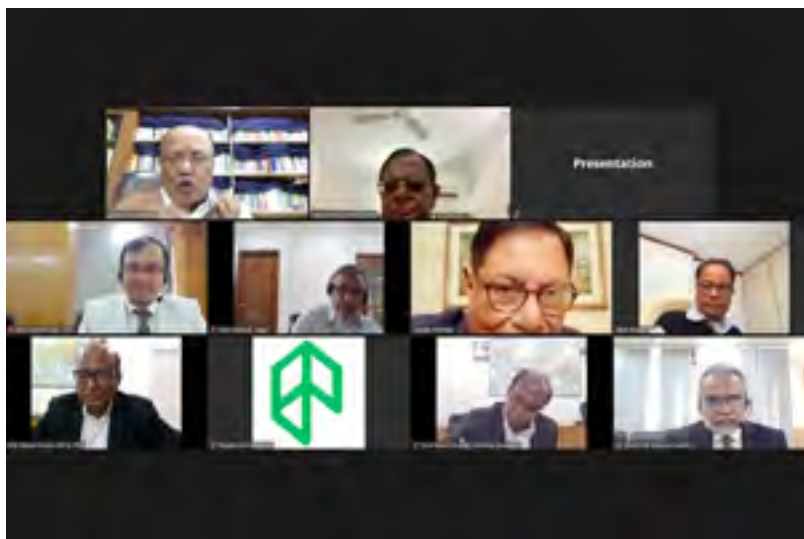
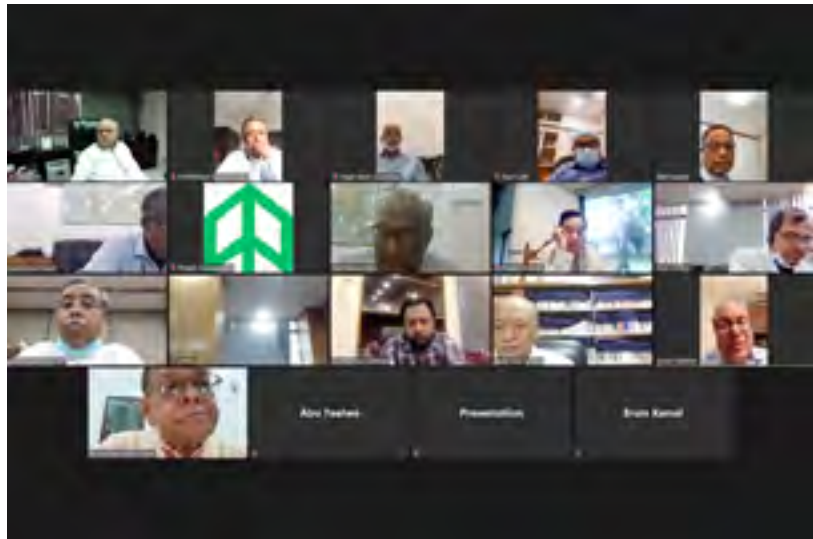


Image of Board / Committee Meetings in 2020

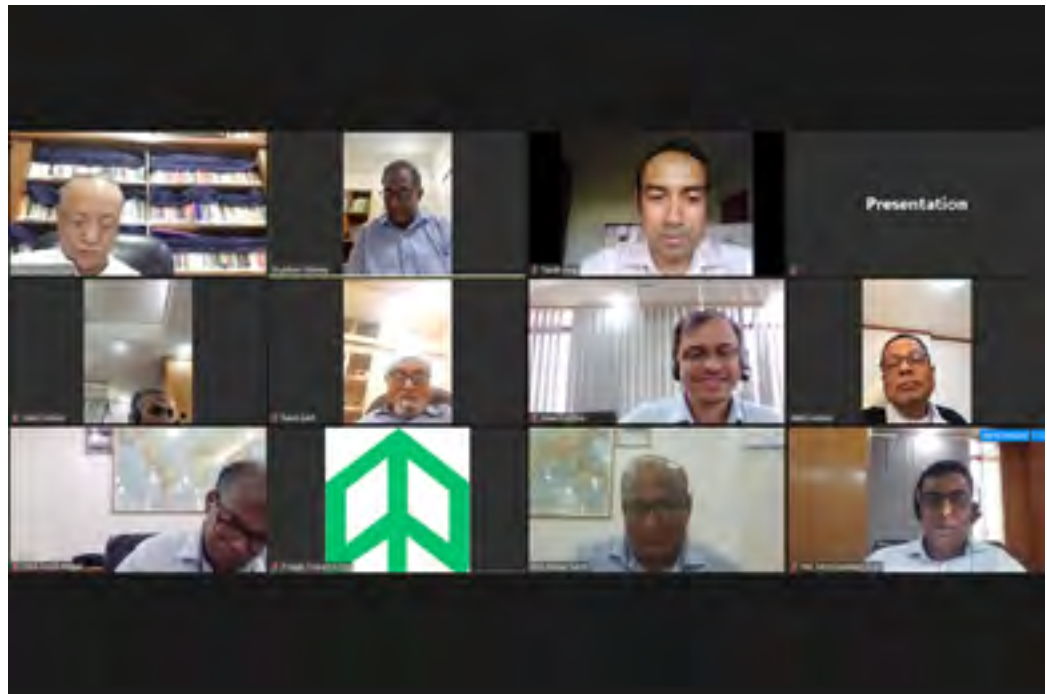


292th Meeting of the Board of Directors of Pragati Insurance Ltd. was held on 26th November, 2020 by using digital platform (Zoom Meeting). Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo,; Mr. Mohammed A Awwal, Vice-Chairman Tabith M. Awal; Directors, Mr. Nasir Latif, N.J. Chowdhury, Mr. Mohammed Abdul Malek and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.

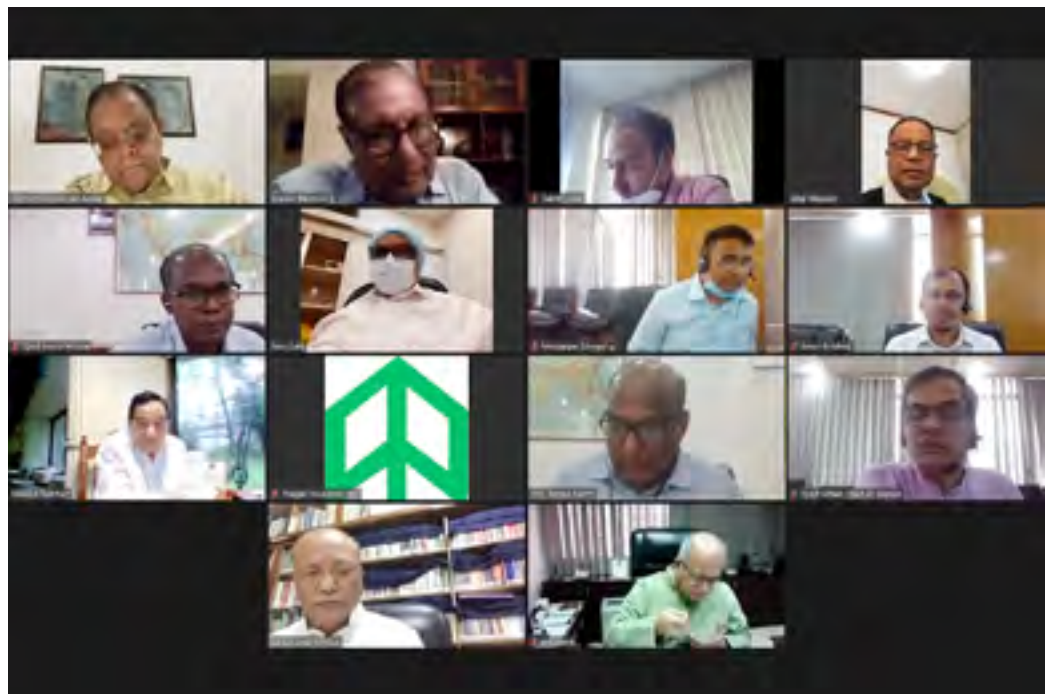
289th Meeting of the Board of Directors of Pragati Insurance Ltd. was held on 27th August, 2020 by using digital platform (Zoom Meeting). Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Khalilur Rahman, Mr. Mohammed A Awwal and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company and other Directors are also seen in the picture.



135th Meeting of the Directors' Admin Committee of Pragati Insurance Ltd. was held on 11th November, 2020 by using digital platform (Zoom Meeting). Photo shows Chairman of the Committee Mr. Abdul Awal Mintoo presiding over the meeting. Besides, members of the Committee Mr. Mohammed A Awwal, Mr. Md. Sayedur Rahman Mintoo and Chairman of the Board Syed M. Altaf Hussain and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Executives were also present in the meeting.



72th Meeting of the Directors' Audit Committee of Pragati Insurance Ltd. was held on 25th August, 2020 by using digital platform (Zoom Meeting). Photo shows Independent Director Mr. Santosh Sharma Chairman of the Committee presiding over the meeting. Besides, Member, Mr. Tabith M. Awal, Mr. Nasir Latif, Chairman of the Board Syed M. Altaf Hussain, Director Mr. Abdul Awal Mintoo and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.



129th Meeting of the Directors' Claim Committee of Pragati Insurance Ltd. was held on 20th August, 2020 by using digital platform (Zoom Meeting). Photo shows Mr. Md. Sayedur Rahman Mintoo Chairman of the Committee presiding over the meeting. Besides, other Committee members are also seen in the picture.

Image of Board / Committee Meeting

274th Meeting of the Board of Directors of Pragati Insurance Ltd was held on 20th February, 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Mohammed A. Awwal, Directors, Mr. Md. Syedur Rahman Mintoo, Engr. Md. Mushfiqur Rahman, Mrs. Nigar Jahan Chowdhury, Mrs. Nahreen Siddiqua, Independent Director Mr. Santosh Sharma and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.



275th Meeting of the Board of Directors of Pragati Insurance Ltd was held on 31st March, 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Mohammed A. Awwal, Directors, Mr. Engr. Md. Mushfiqur Rahman, Mrs. Nahreen Siddiqua, Mr. Md. Nasir Latif, Independent Directors, Mr. Md. Akbar Hossain, Mr. Santosh Sharma and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.

276th Meeting of the Board of Directors of Pragati Insurance Ltd was held on 11th April, 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Mohammed A. Awwal, Directors, Mr. Md. Syedur Rahman Mintoo, Mr. Khan Mohd. Ameer, Mrs. Nahreen Siddiqua, Mr. Md. Nasir Latif, Independent Director, Mr. Santosh Sharma and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.



Image of Board / Committee Meeting



277th Meeting of the Board of Directors of Pragati Insurance Ltd was held on 5th May, 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Mohammed A. Awwal, Director, Mr. Nasir Latif, Independent Director, Mr. Santosh Sharma and Syed Sehab Ullah Al-Manjur, Managing Director (Current Charge) of the Company are seen in the picture and other Directors were also present in the meeting. The CFO, Mr. Md. Shafiqul Islam and Company Secretary(CC), Syed Anisul Hoque were present in the meeting.

278th Meeting of the Board of Directors of Pragati Insurance Ltd. was held on 27th June, 2019 at KIB Auditorium Training Room, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides former Chairman Mr. Khalilur Rahman, Mr. Mohammed A. Awwal, Vice-chairman Mr. Tabith Mohd. Awal, Director Mr. Md. Syedur Rahman Mintoo, Mr. Nasir Latif and Mr. Md. Rezaul Karim Managing Director & CEO of the company are also seen in the picture and other Directors also present in the meeting.



279th Meeting of the Board of Directors of Pragati Insurance Ltd was held on 21st July, 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Director, Mr. Md. Syedur Rahman Mintoo, Engr. Md. Mushfiqur Rahman, Mr. Nasir Latif, Independent Director, Mr. Santosh Sharma and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are seen in the picture and other Directors were also present in the meeting. The CFO, Mr. Md. Shafiqul Islam and Company Secretary(CC), Syed Anisul Hoque were present in the meeting.

Image of Board / Committee Meeting

281st Meeting of the Board of Directors of Pragati Insurance Ltd was held on 1st October 2019 at the Head office of the Company at 20-21, Kawran Bazar, Dhaka. Photo shows Syed M. Altaf Hussain Chairman of the Company presiding over the meeting. Besides, former Chairman, Mr. Abdul Awal Mintoo, Mr. Khalilur Rahman; Directors, Mr. Md. Syedur Rahman, Mr. Md. Nasir Latif, N.J. Chowdhury; Independent Director, Mr. Santosh Sharma and Mr. Md. Rezaul Karim, Managing Director & CEO of the Company are also seen in the picture and other Directors were also present in the meeting.



Other Activities



Photo shows Managing Director & CEO Mr. Md. Rezaul Karim working at his office

‘AAA’ Certificate Award Ceremony

Pragati Insurance Ltd. achieved “AAA” in the Credit Rating. Photo shows Mr. Md. Asaduzzaman Khan, Managing Director & CEO of National Credit Ratings Limited handing over the Certificate to Mr. Md. Rezaul Karim, Managing Director & CEO of Pragati Insurance Limited. The senior officials of both the organizations are also seen in the picture.



Our Achievements



Pragati Insurance Ltd achieved Certificate of Best Accounts & Reports – 2002 awarded by ICAB.



Pragati Insurance Ltd achieved ICAB National Award - 2003, the Best Published Accounts & Reports.



Pragati Insurance Limited

Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

PROXY FORM

I/We.....
of.....
being a member of Pragati Insurance Ltd. and entitled to vote, hereby appoint
Mr./Mrs./Miss.....of
..... another member of the Company as
my/our Proxy to attend and vote for me/us and on my/our behalf at the 35th Annual General Meeting of the Company to be
held on the 26th August, 2021 at any adjournment there of.

Signed this day of 2021

Signature of the Shareholder (s)

Signature of the Proxy

No. of Shares held :.....

Folio No./Bo. No.

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Folio No./Bo. No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

N.B : A member entitled to attend and vote at the meeting may appoint another member his/her proxy to attend and vote on his/her behalf.

A Proxy must be a member of the Company

Form of Proxy, duly stamped and signed must be deposited at the Company's Registered Office not later than 48 hours before time appointed for the meeting. In default, forms of proxy will not be treated as valid.



Signature Verified

Authorised Signature



Pragati Insurance Limited

Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

ATTENDANCE SLIP

I hereby record my attendance at the 35th Annual General Meeting of Pragati Insurance Limited on the 26th August, 2021 at 11.30 a.m. to be held through Digital Platform.

Name of Member/ Proxy

Signature Verified

Signature of the Proxy

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Mobile No.

Authorised Signature of the Company

N. B. : Please complete the attendance slip and hand it over at the entrance of the meeting hall.



Symbol of Security

Pragati Insurance Limited

Head Office

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