

**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 2021, 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, for the effects of the matter described in the Basis for 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 2021, 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, 2020 and other applicable laws and regulations.

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. 2,506,515,327 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. 190,225,089 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 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, 2020 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, 2020 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 Pragati Insurance Limited 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

Enrolment No.-196
DVC: 2204130196AS896316

Dated: Dhaka, April 13, 2022

Statement of Financial Position

(Balance Sheet)

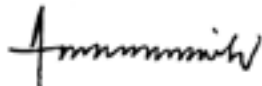
As at 31 December 2021

Particulars	Notes	31-Dec-21	31-Dec-20
PROPERTY & ASSETS			
Non - Current Assets		3,164,965,775	2,901,085,865
Office Building	3.00	1,222,732,352	1,251,120,170
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	72,444,751	78,282,890
Right of use (ROU) Assets	7.00	14,864,689	25,513,373
Investment	8.00	933,014,261	624,259,711
Current Assets		2,514,827,935	2,243,375,085
Inventory (Printing Material)		1,850,126	2,078,793
Amount due from other persons or bodies carrying on insurance business	9.00	21,449,415	249,610,659
Interest, Dividend & Rent Receivable	10.00	1,947,029	3,545,828
Sundry Debtors	11.00	84,480,751	87,147,041
Premium Control Account	12.00	27,202,323	46,266,190
Advance Payment of Tax	13.00	528,088,628	450,439,297
Cash and cash equivalent	14.00	1,849,809,663	1,404,287,278
Total Property & Assets		5,679,793,710	5,144,460,950
Shareholder's Equity and Liabilities			
Shareholder's Equity		3,759,783,491	3,509,884,818
Share Capital	15.00	655,903,290	655,903,290
Reserve and surplus	16.00	2,868,308,025	2,653,729,507
Retained Earnings	17.00	235,572,176	200,252,021
Liabilities and provisions		1,920,010,219	1,634,576,132
Balance of fund & account	18.00	406,061,375	509,823,077
Premium Deposit	19.00	8,350,300	7,542,245
Lease Liability	20.00	16,240,735	26,549,602
Deferred Tax Liability	21.00	37,705,913	27,504,956
Estimated liabilities in respect of outstanding claims	22.00	190,225,089	137,603,245
Amount due to other persons or bodies	23.00	434,924,329	222,830,645
Loan from Bank	24.00	1,175,301	2,810,682
Un-Paid Dividend	25.00	22,988,001	22,605,058
Sundry Creditors	26.00	96,682,011	64,369,901
Provision for Income Tax	27.00	684,521,652	594,694,681
Other Liabilities	28.00	21,135,514	18,242,040
Total Shareholder's Equity and Liabilities		5,679,793,710	5,144,460,950
Net Asset Value Per Share of Tk. 10 each	34.00	57.32	53.51

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



Amar Krishna Shil
Chief Financial Officer



Syed Anisul Hoque
Company Secretary



Syed Sehab Ullah Al-Manjur
Chief Executive Officer (CC)



Santosh Sharma
Independent Director

Subject to our separate report of even date.



Tabith Mohd. Awal
Vice Chairman



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Statement of Profit or Loss and Other Comprehensive Income

(Profit or Loss Account)

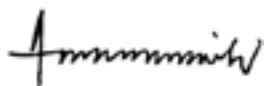
For the year ended 31 December 2021

Particulars	Notes	31-Dec-21	31-Dec-20
Profit transferred from :			
Fire revenue account		29,047,427	(10,917,196)
Marine revenue account		232,513,970	203,847,818
Misc. revenue account		147,426,892	125,476,175
		408,988,288	318,406,797
Other income	29.00	193,680,662	124,883,467
		602,668,950	443,290,264
Expenses of Management (not applicable to any fund or account)			
Director Fees & Expenses		4,008,405	2,107,148
Registration Renewal Fee	30.00	2,567,115	2,886,976
Audit Fees	32.00	728,750	373,750
Other Expenses	33.00	20,991,347	13,317,294
Depreciation on Lease Assets		10,648,684	17,364,390
Lease Interest		1,849,729	3,858,999
Depreciation		37,677,776	38,009,501
		78,471,806	77,918,058
		524,197,144	365,372,206
Profit before tax			
Income tax expense:			
Current tax expense		138,931,591	88,229,572
Deferred tax expense	31.00	10,200,957	10,164,956
		149,132,547	98,394,528
		375,064,597	266,977,678
Net Profit after Tax			
Other comprehensive income			
Gain from fair value changes of investment in securities	8.02.02	71,605,063	66,585,128
		71,605,063	66,585,128
Total Profit or Loss and Other Comprehensive Income		446,669,660	333,562,805
Earning Per Share	35.00	5.72	4.07

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Dated: Dhaka, April 13, 2022

Consolidated Revenue Account

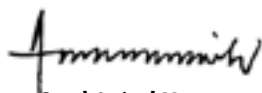
For the year ended 31 December 2021

Particulars	FIRE	Marine Cargo	Marine Hull	Motor	MISC	31-Dec-21	31-Dec-20
Balance of Account at the beginning of the year:							
Reserve for unexpired risk	135,450,825	225,697,663	39,641,938	72,726,787	36,305,863	509,823,076	534,050,263
Premium, Less Re-insurance	179,747,278	447,084,733	48,276,424	145,143,364	122,487,002	942,738,801	980,004,215
Commission on Re-Insurance ceded	43,241,335	35,925,749	3,867,108	-	7,293,241	90,327,433	82,638,326
Total	358,439,438	708,708,145	91,785,470	217,870,151	166,086,106	1,542,889,310	1,596,692,805
Claim under policies less Re-insurance :							
Claim paid during the year	38,216,109	89,799,131	2,010,874	26,203,854	13,816,539	170,046,507	84,427,192
Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	95,710,973	71,775,463	8,181,275	4,579,133	9,978,245	190,225,089	137,603,245
	133,927,082	161,574,594	10,192,149	30,782,987	23,794,784	360,271,596	222,030,437
Less: Outstanding Claim at the end of the previous year	79,375,283	52,116,331	2,892,985	1,987,759	1,230,887	137,603,245	92,938,352
	54,551,799	109,458,263	7,299,164	28,795,228	22,563,897	222,668,351	129,092,085
Expenses for management	138,682,967	148,239,588	11,709,780	27,310,870	30,589,906	356,533,111	332,098,523
Commission	64,258,334	58,354,168	5,808,365	10,766,466	9,450,852	148,638,185	307,272,323
Profit transfer to Profit & Loss Account	29,047,427	213,822,233	18,691,737	92,940,241	54,486,650	408,988,288	318,406,797
Balance on Account at the end of the year as shown in statement of financial position :							
Reserve for unexpired risks being 40% of Fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull Premium income of the year.	71,898,911	178,833,893	48,276,424	58,057,346	48,994,801	406,061,375	509,823,077
Total:	358,439,438	708,708,145	91,785,470	217,870,151	166,086,106	1,542,889,310	1,596,692,805

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



Amar Krishna Shil
Chief Financial Officer



Syed Anisul Hoque
Company Secretary



Syed Sehab Ullah Al-Manjur
Chief Executive Officer (CC)



Santosh Sharma
Independent Director



Tabith Mohd. Awal
Vice Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Fire Insurance Revenue Account

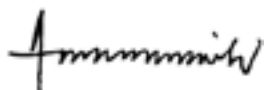
For the year ended 31 December 2021

Particulars	31-Dec-21	31-Dec-20
Balance of account at the beginning of the year :		
Reserve for unexpired risk	135,450,825	138,564,470
Premium less: Re-Insurance	179,747,278	270,901,650
Commission on Re-insurance ceded	43,241,335	52,747,560
	358,439,438	462,213,680
Claims under policies		
Less: Re-insurance : Paid during the year	38,216,109	8,955,645
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	95,710,973	79,375,283
	133,927,082	88,330,928
Less: Outstanding claims at the end of the previous year	79,375,283	42,272,232
	54,551,799	46,058,696
Expenses of management	138,682,967	150,780,265
Commission	64,258,334	140,841,090
Profit transferred to Statement of Profit or Loss Account	29,047,427	(10,917,196)
Balance of account at the end of the year as shown in statement of financial position:		
Reserve for unexpired risks, being 40% of the fire premium income of the year	71,898,911	135,450,825
	358,439,438	462,213,680

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Chief Financial Officer



Syed Anisul Hoque
Company Secretary



Syed Sehab Ullah Al-Manjur
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Santosh Sharma
Independent Director



Tabith Mohd. Awal
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Dated: Dhaka, April 13, 2022

Marine Insurance Revenue Account

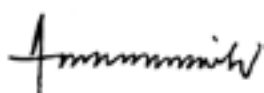
For the year ended 31 December 2021

Particulars	Marine Cargo	Marine Hull	31-Dec-21	31-Dec-20
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	225,697,663	39,641,938	265,339,601	236,229,789
Premium Less: Re-Insurance	447,084,733	48,276,424	495,361,157	491,037,265
Commission on Re-Insurance Ceded	35,925,749	3,867,108	39,792,857	22,294,970
	708,708,145	91,785,470	800,493,615	749,562,024
Claims under Policies				
Less: Re-Insurance: Paid during the year	89,799,131	2,010,874	91,810,005	21,169,282
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	71,775,463	8,181,275	79,956,738	55,009,317
	161,574,594	10,192,149	171,766,743	76,178,599
Less: Outstanding Claims at the end of the previous year	52,116,331	2,892,985	55,009,316	33,038,119
	109,458,263	7,299,164	116,757,427	43,140,480
Expenses of Management	148,239,588	11,709,780	159,949,368	122,228,777
Commission	58,354,168	5,808,365	64,162,533	115,005,348
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 :	213,822,233	18,691,737	232,513,970	203,847,818
Reserve for unexpired risks being 40% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	178,833,893	48,276,424	227,110,317	265,339,601
	708,708,145	91,785,470	800,493,615	749,562,024

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



Amar Krishna Shil
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DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Motor and Miscellaneous Insurance Revenue Account

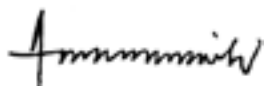
For the year ended 31 December 2021

Particulars	Motor	Misc	31-Dec-21	31-Dec-20
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	72,726,787	36,305,863	109,032,650	159,256,005
Premium Less: Re-Insurance	145,143,364	122,487,002	267,630,366	218,065,300
Commission on Re-insurance ceded (including profit commission)	-	7,293,241	7,293,241	7,595,796
	217,870,151	166,086,106	383,956,257	384,917,101
Claims under Policies				
Less: Re-Insurance: Paid during the year	26,203,854	13,816,539	40,020,393	54,302,265
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	4,579,133	9,978,245	14,557,378	3,218,646
	30,782,987	23,794,784	54,577,771	57,520,910
Less: Outstanding Claims at the end of the previous year	1,987,759	1,230,887	3,218,646	17,628,001
	28,795,228	22,563,897	51,359,125	39,892,909
Expenses of Management	27,310,870	30,589,906	57,900,776	59,089,481
Commission	10,766,466	9,450,852	20,217,318	51,425,885
Profit transferred to Statement of Profit or Loss Account	92,940,241	54,486,650	147,426,892	125,476,175
Balance of Account at the end of the year as shown in statement of Financial Position :				
Reserve for unexpired risks being 40% of the Motor and Miscellaneous Premium Income of the year	58,057,346	48,994,801	107,052,146	109,032,650
	217,870,151	166,086,106	383,956,257	384,917,101

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



Amar Krishna Shil
Chief Financial Officer



Syed Anisul Hoque
Company Secretary



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Tabith Mohd. Awal
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(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Statement of Changes in Equity

For the year ended 31 December 2021

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
Balance at 1 January 2021	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
Dividend paid (Cash)	-	-	-	-	-	-	(196,770,987)	(196,770,987)
Net profit during the year	-	-	-	-	-	-	375,064,597	375,064,597
Reserve for exceptional losses for the year	-	94,273,880	-	-	-	-	(94,273,880)	-
Transferred to Contingency reserve	-	-	26,254,522	-	-	-	(26,254,522)	-
Transferred to General reserve	-	-	-	-	-	37,506,460	(37,506,460)	-
Depreciation on Revalued Assets	-	-	-	(15,061,407)	-	-	15,061,407	-
Fair value changes during the year	-	-	-	-	71,605,063	-	-	71,605,063
Balance at 31 December 2021	655,903,290	1,112,893,285	132,124,173	1,382,010,921	203,529,608	37,750,038	235,572,176	3,759,783,491

For the year ended 31 December 2020


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)	(144,298,723)
Net profit during the year	-	-	-	-	-	-	266,977,678	266,977,678
Reserve for exceptional losses for the year	-	83,300,358	-	-	-	-	(83,300,358)	-
Depreciation on Revalued Assets	-	-	-	(15,061,407)	-	-	15,061,407	-
Fair value changes during the year	-	-	-	-	66,585,128	-	-	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

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


Amar Krishna Shil
 Chief Financial Officer


Syed Anisul Hoque
 Company Secretary


Syed Sehab Ullah Al-Manjur
 Chief Executive Officer (CC)


Santosh Sharma
 Independent Director

Subject to our separate report of even date.


Tabith Mohd. Awal
 Vice Chairman


 (A. WAHAB & CO.)
 CHARTERED ACCOUNTANTS

Signed By: Md. Showkat Hossain, FCA
 Enrollment No.-196
 DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Statement of Cash Flows

For the year ended 31 December, 2021

Particulars	Notes	2021	2020
A. Cash Flow from operating Activities			
Collection from Premium & Other income		2,485,320,553	2,571,231,205
Payment for Expenses of Management, Re-insurance, Claim and Commission etc.		(1,345,568,723)	(1,710,460,208)
Interest Paid		(1,230,019)	(2,510,336)
VAT and Tax paid to government Treasures		(345,849,412)	(299,053,558)
Net Cash Flow From Operating Activities	36.01	792,672,399	559,207,103
B. Cash Flow from Investing Activities			
Interest & other Income		1,794,423	62,411,931
Dividend Income		27,910,497	9,963,721
Rental Income		61,769,799	55,018,152
Purchase of Fixed Assets		(3,451,820)	(4,855,860)
Land & Building		4,500,000	-
Bangladesh Government Treasure Bond		(206,696,226)	(75,479,693)
Net Fund adjustment with Brokers house		(34,953,261)	8,978,990
Net Cash Flow From Investing Activities		(149,126,588)	56,037,240
C. Cash Flow from Financing Activities			
Increase/(Decrease) of bank Overdraft		(1,635,381)	(72,302,953)
Dividend Paid		(196,388,045)	(130,695,045)
Net Cash Flow From Financing Activities		(198,023,426)	(202,997,998)
Increase/Decrease in Cash Flow(A+B+C)		445,522,385	412,246,345
Opening Cash and Cash equivalent		1,404,287,278	992,040,933
Closing Cash and Cash equivalent	14.00	1,849,809,663	1,404,287,278
Net operating cash flow per share of Tk. 10 each	36.00	12.09	8.53

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


Amar Krishna Shil
Chief Financial Officer



Syed Anisul Hoque
Company Secretary


Syed Sehab Ullah Al-Manjur
Chief Executive Officer (CC)


Santosh Sharma
Independent Director

Subject to our separate report of even date.


Tabith Mohd. Awal
Vice Chairman


(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022

Pragati Insurance Limited

Notes to the Financial Statements and Significant Accounting Policies

For the year ended December 31, 2021

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, 2021 were authorized by the Board for issue on 4th April 2022 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, 2021;
- (b) Profit and Loss Account (Statement of Profit or Loss Account & Other Comprehensive Income) for the year ended December 31, 2021;

- (c) Profit and Loss Appropriation Account for the year ended December 31, 2021;
- (d) Consolidated all Business Revenue Account for the year ended December 31, 2021;
- (e) Fire Insurance Revenue Account for the year ended December 31, 2021;
- (f) Marine Insurance Revenue Account for the year ended December 31, 2021;
- (g) Motor Insurance Revenue Account for the year ended December 31, 2021;
- (h) Miscellaneous Insurance Revenue Account for the year ended December 31, 2021;
- (i) Statement of Changes in Equity for the year ended December 31, 2021;
- (j) Statement of Cash Flows for the year ended December 31, 2021; 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. 307,343,363 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. 356,533,111 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. 356,533,111 represents approximately 14.22% of gross premium of Tk. 2,506,515,327. These expenses have been apportioned @ 38.90% to Fire, 44.86% to Marine Cargo and Marin hull, 16.24% to Motor and 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%
Building	2%

(g) Operation:

During the year, the gross premium earned by the company amounted to Tk. 2,506,515,327 including public sector business of Tk. 97,428,412 . After ceding for re-insurance premium the net premium for the year amounted to Tk. 942,738,801 and after charging direct expenses there from the net underwriting profit stood at Tk. 408,988,289 as against Tk. 320,206,797 in the previous year.

(h) Public sector business:

Public Sector Business up to June 2021 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, 2021 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 7 (seven) 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 2006-2007, 2007-2008 & 2008-2009, 2010-2011, 2012-2013, 2013-2014 and 2014-2015. Return for the Assessment year 2015-2016, 2016-2017, 2017-2018, 2018-2019, 2019-2020, 2020-2021 & 2021-2022 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 2021.

(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.

(n) Investment in FDR

The accompanying investment in FDR have been prepared on a cash basis.

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, 2021 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 10% 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:

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Owner occupied property (IAS 16)	3.01	149,750,309	153,691,106
Building as investment property (IAS 40)	3.02	1,071,517,738	1,093,841,024
Electrical Equipment	3.03	1,464,306	3,588,039
Balance at the year end		1,222,732,352	1,251,120,170

Details are shown in **Annexure-'A'**.

3.01 Building space for owner occupied (IAS 16)

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
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	43,348,774	39,407,976
Addition during the year	3,940,798	3,940,798
Balance at the year end	47,289,571	43,348,774

Carrying Amount

149,750,309	153,691,106
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3.02 Building as investment property (IAS, 40)

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Balance at the beginning of the year	1,116,164,310	1,116,164,310
Addition 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	22,323,286	
Addition during the year	22,323,286	22,323,286
Sales/ Adjustment during the year	-	-
Balance at the year end	44,646,572	22,323,286

Carrying Amount

1,071,517,738	1,093,841,024
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3.03 Electrical Equipment

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Balance at the beginning of the year	21,237,336	28,211,948
Sales/ Adjustment during the year for power substation	-	(6,974,612)
Balance at the year end	21,237,336	21,237,336

Accumulated Depreciation:

Balance at the beginning of the year	17,649,297	18,925,687
Addition during the year	2,123,734	2,123,734
Sales/ Adjustment during the year for power substation	-	(3,400,124)
Balance at the year end	19,773,030	17,649,297

Carrying Amount

1,464,306	3,588,039
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4.00 Panthapath Building

Two Storied Commercial Building at panthapath land

Particulars	31-Dec-21	31-Dec-20
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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Cost:		
Balance at the beginning of the year	248,377,346	243,729,986
Addition during the year	3,451,820	4,855,860
Sales/ Adjustment during the year	(207,000)	(208,500)
Balance at the year end	251,622,166	248,377,346
Accumulated Depreciation:		
Balance at the beginning of the year	170,094,456	160,681,272
Addition during the year	9,289,959	9,621,684
Sales/ Adjustment during the year	(207,000)	(208,500)
Balance at the year end	179,177,415	170,094,456
Carrying Amount	72,444,751	78,282,890

Details are shown in **Annexure-'A'**.**7.00 Right of use (ROU) Assets**

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Opening Balance		25,513,373	-
Addition during the year		-	42,877,763
Accumulated Depreciation	Annexure-A	(10,648,684)	(17,364,390)
Closing Balance		14,864,689	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

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Bangladesh Government Treasury Bond	8.01	307,343,363	100,647,137
Investment in Shares	8.02	621,540,808	514,982,484
Investment in Debentures	8.03	-	4,500,000
Holiday Homes		4,130,090	4,130,090
Total		933,014,261	624,259,711

8.01 Bangladesh Government Treasury Bond

The amount represents 15 years Bangladesh Government Treasury Bond (BGTB) with a face value of TK. 307,343,363 held with Bangladesh Bank as statutory Deposit under Insurance Act ,2010.

Particulars	31-Dec-21	31-Dec-20
Opening Balance	100,647,137	25,167,444
Addition during the year	206,696,226	75,479,693
Closing Balance	307,343,363	100,647,137

8.02 Investment in Shares

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Values of Shares at cost	8.02.01	412,693,264	360,993,010
Change in Fair value of shares through OCI, (5.710 IFRS 09)	8.02.02	203,529,608	131,924,545
Ledger Balance of Houses	8.02.03	5,317,936	22,064,929
Total		621,540,808	514,982,484

8.02.01	Break up of Share as on December 31, 2021	No. of Shares	At cost	Market Value
	ACME Pesticides Limited	13,380	136,800	358,584
	Bangladesh Export Import Limited	65,680	10,956,928	9,746,912
	Beximco Pharmaceuticals Ltd.	10,000	2,253,620	1,927,000
	Delta Life Insurance Company Ltd.	60,731	11,646,384	11,933,642
	Delta Speiner Ltd.	121,000	1,994,080	1,076,900
	Desh General Insurance Company Limited	7,702	80,020	315,012
	E Generation Limited	7,491	77,910	355,823
	Esquire Knit Composite Limited	20,890	940,050	731,150
	Familytex (BD) Ltd.	76,403	1,746,573	351,454
	Golden Son Limited	183,750	8,176,875	3,509,625
	Green Delta Mutual Fund	40,000	290,870	296,000
	International Leasing & Financial Services Ltd.	93,933	2,746,601	619,958
	Kay & Que (Bangladesh) Ltd.	98,250	8,327,896	27,755,625
	KDS Accessories Limited	38,377	1,969,569	2,686,390
	LafargeHolcim Bangladesh Limited	70,000	7,573,300	4,977,000
	Lanakabangla Finace Ltd.	137,531	5,583,331	5,129,906
	Libra Infusions Limited	470	463,096	457,028
	Master Feed Agrotec Limited	26,648	266,480	255,821
	Mostafa Metal Industries Limited	26,960	269,600	288,472
	National Bank Limited	2,035,213	32,565,438	15,264,098
	National Housing Fin. and Inv. Ltd.	5,324,462	49,932,168	264,625,761
	Nialco Alloys Ltd.	41,297	412,970	879,626
	Olympic Industries Ltd.	59,700	18,221,037	9,587,820
	Oryza Agro Ind. Ltd.	27,244	272,440	283,338
	Pragati Life Insurance Ltd.	621,000	41,066,730	55,331,100
	Relince Insurance Limited	50,000	4,441,295	4,375,000
	Renata Limited	4,000	5,297,410	5,248,000
	Runner Automobiles Limited	7,566	540,439	388,136
	Sena Kalyan Insurance Company Limited	6,995	72,950	540,714
	Shahjibazar Power Co. Ltd.	44,466	5,341,611	3,819,629
	South Bangla Agriculture & Commerce Bank Limited	56,847	549,610	864,074
	Southeast Bank Limited	408,419	7,259,905	6,330,495
	Square Pharmaceuticals Ltd.	174,469	39,138,490	37,388,707
	S. S. Steel Limited	26,330	743,675	497,637
	Titas Gas Transmission & Dist. Co. Ltd.	60,000	1,896,673	2,178,000
	Union Insurance Company Limited	4,643	49,430	49,430
	Unique Hotel & Resorts Limited	64,500	6,829,905	3,237,900
		10,116,347	280,132,159	483,661,767
	Non- Tradable			
	Central Depository Bangladesh. Ltd	1,142,362	3,138,890	3,138,890
	Ind. & Infrastructure Dev. Finance Co.	13,380,903	31,183,820	31,183,820
	Jamuna Resort Ltd.	392,009	43,900,895	43,900,895
	United Hospital Ltd.	220,500	54,337,500	54,337,500
	Non- Tradable	15,135,774	132,561,105	132,561,105
	Total	25,252,121	412,693,264	360,993,010
8.02.02	Changes in fair value of the shares available for sale			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Fair Value of the Investment		483,661,767	360,356,450
	Less: Cost price of the investment		280,132,159	228,431,905
	Fair value reserve as at 31 December 2020		203,529,608	131,924,545
	Less: Fair value reserve as at 1 January 2021		131,924,545	65,339,417
	Fair value adjustment for the year		71,605,063	66,585,128
8.02.03	Brokerage house ledger Balance		5,317,936	22,064,929
	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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Bangladesh Luggage Industries Ltd	4,500,000	4,500,000
Less: Encashment during the year	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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Co-Insurance premium receivable	5,172,179	264,008
Co-Insurance claim receivable	4,915,827	15,266,543
Refund Co-Insurance premium receivable	687,612	3,699,809
Sadharan Bima Corporation	10,673,797	200,142,912
Overseas re-insurer	-	30,237,387
Total	21,449,415	249,610,659

10.00 Interest, Dividend & Rent Receivable

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Dividend	10.01	1,947,029	3,020,828
Debenture Interest	10.02	-	525,000
Total		1,947,029	3,545,828

10.01 Dividend Receivable

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	3,020,828	2,907,330
Add: Addition during the year	22,328,390	10,077,219
	25,349,218	12,984,549
Less: Collection during the year	23,402,189	9,963,721
Closing Balance	1,947,029	3,020,828

10.02 Debenture Interest Receivable

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	525,000	525,000
Addition during the year	975,000	-
	1,500,000	525,000
Less: Collect during the year	1,500,000	-
Closing Balance	-	525,000

11.00 Sundry Debtors (including advances, deposits and prepayments and others)

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Advance against Salary	10,207,312	10,665,098
Advance against Rent	9,325,565	12,730,801
Advance against Expenses	6,828,963	5,793,026
House Building Loan	6,271	37,544
Jamuna Resort Ltd.	38,192,552	38,192,552
Security Deposits	776,192	776,192
Group Insurance	4,083,196	3,891,129
Advance against Insurance Management Software	15,060,700	15,060,700
Total	84,480,751	87,147,041

12.00	Premium Control Account			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Fire		1,003,503	860,304
	Marine (Cargo & Hull)		24,646,969	40,134,799
	Motor		1,028,450	286,124
	Misc		523,401	4,984,963
	Total		27,202,323	46,266,190
13.00	Advance Payments of Tax			
	This is made-up as follows-			
	Particulars	Notes	31-Dec-21	31-Dec-20
	Opening balance		450,439,297	385,995,575
	Add: Advance Tax paid/deduction at source during the year	13.01	99,352,075	64,443,722
			549,791,372	450,439,297
	Less: Adjustment made during the year		21,702,744	-
	Closing Balance		528,088,628	450,439,297
13.01	Advance Tax paid/deduction at source during the year			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Deduction At Source from FDR Interest		6,893,050	5,935,582
	Deduction At Source from BGTB Interest		259,483	-
	Deduction At Source from STD Interest		706,149	54,404
	Deduction At Source from Dividend Income		5,582,107	1,992,744
	Deduction At Source from office Rent		3,681,042	3,056,256
	Tax against Motor Maintenance		527,500	695,000
	Advance Income Tax Paid		81,702,744	52,709,736
	Total		99,352,075	64,443,722
14.00	Cash and cash equivalent			
	This is made-up as follows-			
	Particulars	Notes	31-Dec-21	31-Dec-20
	In Hand			
	Cash in hand (Head Office and Branch)		3,550,340	6,626,378
	Stamps in hand		1,199,800	1,364,600
			4,750,140	7,990,978
	At Banks			
	Fixed deposits Receipts (FDR)	14.01	1,680,365,000	1,214,226,850
	Short term deposit (STD) & Current accounts	14.02	164,694,523	182,069,450
			1,845,059,523	1,396,296,300
	Total		1,849,809,663	1,404,287,278
14.01	FDR balances consists of 901 numbers instruments maintained with 46 banks and 06 financial institutions throughout the country as at 31 December 2021.			
14.02	STD and current account balances consists of 54 numbers accounts maintained with 8 banks.			

15.00 Share capital

Particulars	31-Dec-21	31-Dec-20
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
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	2021		2020	
	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%	24,993,167	38.10%
Group-B: Institutions	11,215,481	17.09%	11,215,481	17.09%
Group-C: Public Shareholders	29,381,681	44.81%	29,381,681	44.81%
Total	65,590,329	100.00%	65,590,329	100%

Class of Interval	For the Year 2021			For the Year 2020		
	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	198,247	1,722	0
500 to 5,000	2,723,969	1438	4.15	2,723,969	1,438	4
5,001 to 10,000	2,331,010	316	3.55	2,331,010	316	4
10,001 to 20,000	2,616,039	174	3.99	2,616,039	174	4
20,001 to 30,000	1,844,189	74	2.81	1,844,189	74	3
30,001 to 40,000	1,080,609	31	1.65	1,080,609	31	2
40,001 to 50,000	1,078,702	23	1.64	1,078,702	23	2
50,001 to above	53,717,564	111	81.90	53,717,564	111	82
Total	65,590,329	3889	100	65,590,329	3,889	100

16.00 Reserve and surplus

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Reserve for Exceptional Losses	16.01	1,112,893,285	1,018,619,405
Contingency Reserve for Insurance Guarantees	16.02	132,124,173	105,869,651
Asset Revaluation Surplus	16.03	1,382,010,921	1,397,072,328
General Reserve	16.04	37,750,038	243,578
Investment Fluctuation Fund (Fair Value Changes)	8.02.02	203,529,608	131,924,545
Total		2,868,308,025	2,653,729,507

16.01 Reserve for Exceptional Losses:

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening balance	1,018,619,405	935,319,047
Add: Addition during the year	94,273,880	83,300,358
Closing Balance	1,112,893,285	1,018,619,405

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 10% of its net premium.

16.02 Contingency Reserve for Insurance Guarantees:

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Reserve for unexpired Guarantees	87,080,441	87,080,441
Reserve against Tail ended insurance business	18,789,210	18,789,210
Add: Addition during the year	26,254,522	-
Total	132,124,173	105,869,651

Contingency Reserve for Insurance Guarantees & tail ended Insurance Business which can be merged with general reserve.

16.03 Asset Revaluation Surplus:

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Opening balance		1,397,072,328	1,412,133,735
Less: Depreciation charged during the year	Annexure-A	(15,061,407)	(15,061,407)
Closing Balance		1,382,010,921	1,397,072,328

The above revaluation reserve was created on revaluation of land and building by a professional valuer in the year 2011.

16.04 General Reserve:

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening balance	243,578	243,578
Add: Addition during the year	37,506,460	-
Closing Balance	37,750,038	243,578

17.00 Retained Earnings

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	200,252,021	145,812,018
Dividend paid during the year (Bonus & Cash)	(196,770,987)	(144,298,723)
Net profit after Tax	375,064,597	266,977,678
Appropriation for the period (exceptional loss)	(94,273,880)	(83,300,358)
Appropriation for the period (General Reserve)	(37,506,460)	-
Depreciation on revalued Assets	15,061,407	15,061,407
Appropriation for the period (Contingency Reserve)	(26,254,522)	-
Closing Balance	235,572,176	200,252,021

18.00 Balance of fund & account

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Fire Insurance Business	71,898,911	135,450,825
Marine Insurance Business	227,110,317	265,339,601
Misc. Insurance Business	107,052,146	109,032,650
Total	406,061,375	509,823,077

19.00 Premium deposits:

This represents premium received against cover notes which were not converted into policy within 31 December 2021 because of the period of nine months from the dates of issue of cover notes had not elapsed.

8,350,300 **7,542,245****20.00 Lease Liability**

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	26,549,602	
Add: Addition during the year	-	42,877,763
Less: Payment made during the year	10,308,867	16,328,161
Closing Balance	16,240,735	26,549,602

21.00 Deferred Tax liability

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Opening Balance		27,504,956	17,340,000
Add: Provided during the year	31.00	10,200,957	10,164,956
Closing Balance		37,705,913	27,504,956

22.00 Estimated liability in respect of outstanding claims

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Fire	95,710,973	79,375,283
Marine	79,956,738	55,009,317
Motor	4,579,133	1,987,759
Miscellaneous	9,978,245	1,230,887
Total	190,225,089	137,603,245

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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Co-insurers	2,610,892	11,170,173
Sadharan Bima Corporation and overseas Re-insurance	432,313,437	211,660,472
Total	434,924,329	222,830,645

24.00 Loan from Bank for office Building (Secured):

This is made-up as follows-

Particulars	A/C No.	Notes	31-Dec-21	31-Dec-20
Sonali Bank Ltd.	08293	24.01	18,109	11,294
IFIC Bank Ltd.	58001	24.02	-	-
Delta Brac Finance Company Ltd.	17442	24.03	1,157,192	2,799,388
Total			1,175,301	2,810,682

24.01 Sonali Bank Ltd.

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	11,294	71,368,672
Loan Taken during the year	-	-
Interest charged during the year	6,815	2,140,078
Re-payment during the year	-	(73,497,456)
Closing Balance	18,109	11,294

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

24.02 IFIC Bank Ltd.

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	-	6,913
Loan Taken during the year	-	53,087
Less: Re-payment during the year	-	60,000
Closing Balance	-	-

24.03 Delta Brac Finance Company Ltd.

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	2,799,388	3,738,050
Loan Taken during the year	-	-
Interest charged during the year	227,157	411,218
Less: Re-payment during the year	1,869,353	1,349,880
Closing Balance	1,157,192	2,799,388

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

25.00 Un-paid Dividend

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
From Inception to 2015	-	6,622,104
2016	-	813,734
2017	992,770	1,015,381
2018	510,231	550,160
2019	11,802,665	13,603,680
2020	9,682,335	-
Total	22,988,001	22,605,058

25.01 The movement is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	22,605,058	17,112,298
Add: Addition during the year	9,682,335	13,603,680
Less: Fund Transferred to CMSF	7,320,322	-
Less: Fund Paid to Shareholders	1,979,070	8,110,920
Closing Balance	22,988,001	22,605,058

Capital Market Stabilization Fund (CMSF) Undistributed or unclaimed or unseparated cash dividend or non - refunded public subscription money transferred to the Capital Market Stabilization Fund (CMSF) rule 2021 in pursuance of these rules or as per direction of the notification -BSEC/CMRRC/2021-391/20/Admin/121, dated 01-06-2021. The company has been transferred the unclaimed dividend amount of Tk.7,320,322, which is more than a period of 3 years ended.

26.00 Sundry creditors (including provision for expenses and taxes)

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Payable against expenses		7,489,323	7,168,823
Provident fund deduction	26.01	2,337,022	2,803,446
Provident fund Loan		96,951	96,951
Received against security		5,066,160	5,066,160
Liability for Stamp		13,563,085	8,316,447
Provision for Gratuity	26.02	29,393,158	10,030,031
Hospitalization Insurance Claim		1,145,134	645,134
Rent Received in Advance		37,591,178	30,242,910
Total		96,682,011	64,369,901

26.01 Provident fund deduction

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Opening Balance	2,803,446	3,306,605
Add: Employees Contribution during the year	6,755,524	6,583,145
	9,558,970	9,889,750
Less: Fund Transferred to PF	7,221,948	7,086,304
Closing Balance	2,337,022	2,803,446

26.02 Provision for Gratuity

The movement is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Opening Balance		10,030,031	2,530,031
Add: Provision during the year		35,500,000	28,989,749
For Current year		16,676,727	28,989,749
For Earlier years	26.02.01	18,823,273	-
		45,530,031	31,519,780
Less: Paid/Adjustment during the year		16,136,873	21,489,749
Closing Balance		29,393,158	10,030,031

26.02.01 For Earlier years

As per extracts from the minutes of the 175th meeting held on 25th February, 2021 of the Board of Directors, Finance and Development Committee of the Company took a decision to provide the shortfall of Gratuity within 5 years. Total amount of shortfall is Tk. 94,116,365, as such per year adjustment amount is Tk. 18,823,273.

27.00 Provision for Income Tax

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Opening Balance		594,694,681	537,754,453
Add: Provision made during the year	27.01	138,931,591	88,229,572
		733,626,272	625,984,025
Less: Adjustment made during the year (AY 2009-2010 & 2011-2012)		49,104,620	31,289,344
Closing Balance		684,521,652	594,694,681

27.01 Income Taxes

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Current Tax		138,931,591	88,229,572
Deferred Tax	31.00	10,200,957	10,164,956
Total		149,132,547	98,394,528

Details	Income Amount	Rate %	31-Dec-21	31-Dec-20
Dividend on shares	27,860,497	20.00%	5,572,099	1,982,744
Exempted income from dividend	50,000	0.00%	-	-
Gain on sales shares	21,851,490	10.00%	2,185,149	73,948
Donation	500,000	0.00%	-	-
Capital Gain (Sales of motor vehicles)	50,425	10.00%	5,043	1,575
Reserve for exceptional loss	94,273,880	0.00%	-	-
Income from house Rent	31,443,746	37.50%	11,791,405	10,745,799
Exempted for Repair Maintenance	30,326,053	0.00%	-	-
Business Income	318,341,053	37.50%	119,377,895	80,938,029
	524,197,144		138,931,591	93,742,096

Provision made during the year**138,931,591** **88,229,572**

27.02 Year-wise break-up is as follows:

Accounting year	Assessment year	31-Dec-21	31-Dec-20
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	56,940,228
2021	2022-2023	89,826,971	-
Total		684,521,652	594,694,681

28.00 Other Liability

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Income tax deduction	28.01	211,292	44,469
VAT payable	28.02	20,605,682	17,868,160
Tax deduction against Bill		97,498	86,681
VAT deduction against Bill		221,042	242,730
Total		21,135,514	18,242,040

28.01 Income Tax deduction

Income Tax deduction at source amounting to Tk. 211,292 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. 20,605,682 represent the Vat for the month of December 2021 which has been deposited into Bangladesh Bank subsequently.

29.00 Other income

This is made-up as follows-

Particulars	Notes	31-Dec-21	31-Dec-20
Interest on:			
Fixed deposit receipts (FDR)		68,930,502	58,398,310
Bangladesh Govt. Treasure Bond		5,189,670	
Short term deposit (STD) accounts		7,396,825	1,693,164
House Building Loan Interest		615,001	856,498
		82,131,998	60,947,972
Overdraft interest		(1,230,019)	(2,510,336)
Dividend received during the year		27,910,497	9,963,721
Sundry Income		1,179,422	83,754
Revert from provident Fund	29.01	17,050	624,975
Profit/(Loss) on sale of shares		21,851,490	739,480
Profit on sale of motor vehicle		50,425	15,750
Building Rent		61,769,799	55,018,152
Total		193,680,662	124,883,467

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. 17,050.00 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		2,567,115	2,886,976
	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			
	This is made-up as follows-			
	Particulars	Notes	31-Dec-21	31-Dec-20
	Opening Balance		27,504,956	17,340,000
	Add: Addition during the year	21.00	10,200,957	10,164,956
	Closing Balance		37,705,913	27,504,956
	Carrying amount of property , plant and equipment excluding land		1,292,512,696	1,329,430,668
	Tax base		1,191,963,596	1,256,084,118
	Taxable/deductible temporary difference		100,549,100	73,346,550
	Effective Tax Rate		37.50%	37.50%
	Deferred Tax Liability	21.00	37,705,913	27,504,956
32.00	Audit Fees			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Statutory audit fee (Including VAT)		728,750	373,750
	Total		728,750	373,750
33.00	Other Expenses			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	AGM Expenses		218,950	147,550
	Advertisement		6,237,038	3,849,375
	Donation		1,332,000	500,000
	Performance Bonus		12,759,064	8,303,572
	Subscription		444,295	516,797
	Total		20,991,347	13,317,294
34.00	Net Asset Value Per Share			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Net Asset Value		3,759,679,314	3,509,884,818
	Number of Shares		65,590,329	65,590,531
	Net Asset Value per share of Tk. 10 each		57.32	53.51
	Net Asset Value Per Share was increased due to increase of Investment, Dividend & Interest Receivable and Cash equivalent etc.			
35.00	Earning Per Share			
	This is made-up as follows-			
	Particulars		31-Dec-21	31-Dec-20
	Profit after Tax		374,960,421	266,977,678
	Number of Share		65,590,329	65,590,329
	Basic Earning Per Share per share of Tk. 10 each		5.72	4.07
	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		792,672,399	559,207,103
	Outstanding number of shares		65,590,329	65,590,531
	Net Operating cash flows per share per share of Tk. 10 each		12.09	8.53
	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	31-Dec-21	31-Dec-20
Cash flow from Operating Activities:		
As per direct method	792,672,399	559,207,103
Net profit during the year	524,197,144	365,372,206
Adjustment:		
Depreciation	48,326,460	55,373,891
Interest Income	7,396,825	1,693,164
Profit on sales of fixed assets	50,425	15,750
Profit/Loss on sales share	21,851,490	739,480
Changes in working capital:		
Increase/ (decrease) the balance of fund	(103,761,702)	(24,227,187)
Increase/ (decrease) the premium deposit	808,055	2,069,598.00
Increase/ (decrease) of Outstanding claims	52,621,845	44,664,893
Increase/ (decrease) of sundry creditor	194,031,072	78,952,903
(Increase) / decrease of Advance, deposit & prepayment	154,777,002	121,176,156
(Increase) / decrease of premium control account	19,063,867	7,870,049
(Increase) / decrease Stock of printing & stationery	228,667	(125,335)
(Increase) / decrease Insurance stamp in hand	(164,800)	1,364,600
Income tax paid	(126,753,951)	(95,733,066)
Net cash generated from operating activities	792,672,399	559,207,103

37.00 Number of Employees

The number of permanent employees of the company drawing salaries below and above Tk. 5,000 P.M is as under

a) Salaries drawing above Tk. 5,000	531 Nos. (2021)	528 Nos. (2020)
b) Salaries drawing Below Tk. 5,000	Nil	Nil

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

This is made-up as follows-

Particulars	31-Dec-21	31-Dec-20
Directors' Fees	3,286,399	1,992,000
MD's Salary & Emoluments	6,000,000	6,000,000
Officers Salary	225,205,757	229,618,927
Meeting Fees	722,006	115,148
	235,214,162	237,726,075

39.00 Event after the reporting period**39.01 Approval of Financial Statements**

The Board of Directors in its meeting held on April 04, 2022 approved the financial statement for the year 2021 and also authorised the same for issue.

39.02 Recommendation of Dividend

The Board of Directors have recommend @ Tk. 35% cash dividend for the year ended 2021 which is subject to approval by the shareholders in the ensuing 36th Annual General Meeting of the Company.

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.

Amar Krishna Shil
Chief Financial Officer

Syed Anisul Hoque
Company Secretary

Syed Sehab Ullah Al-Manjur
Chief Executive Officer (CC)

Santosh Sharma
Independent Director

Subject to our separate report of even date.

Tabith Mohd. Awal
Vice Chairman

(A. WAHAB & CO.)

CHARTERED ACCOUNTANTS

Signed By: Md. Showkat Hossain, FCA

Enrollment No.-196

DVC- 2204130196AS896316

Schedule of Fixed Assets

As at 31 December 2021

Annexure-A

Particulars	Cost			Closing bal- ance	Rate	Depreciation			WDV as at 31 December 2021	WDV as at 31 December 2020
	Opening balance	Additions during the year	Disposal during the year			Charged during the year	Disposal	Opening balance		
Furniture & Fixture	33,110,169	249,975	-	33,360,144	10%	475,197	33,127,241	232,903	458,125	
Fixture(Plastic Sign)	9,655,213	-	-	9,655,213	15%	1,157,255	4,650,928	5,004,285	6,161,540	
Motor Vehicle	93,653,544	1,009,688	207,000	94,456,232	20%	658,730	43,407,056	51,049,176	50,698,218	
Electrical Equipment	76,892,168	2,146,157	-	79,038,325	15%	4,690,150	73,331,246	5,707,079	8,251,072	
Office Equipment	3,264,265	-	-	3,264,265	15%	12,307	3,224,458	39,807	52,114	
Curtain & Carpets	692,051	-	-	692,051	20%	2,607	684,232	7,819	10,426	
Bi-Cycle	23,175	-	-	23,175	20%	-	23,175	-	-	
Telephone(Intercom)	519,739	46,000	-	565,739	20%	14,729	534,467	31,272	1	
Office Decoration	30,567,022	-	-	30,567,022	10%	2,278,984	20,194,611	10,372,411	12,651,395	
TOTAL: A	248,377,346	3,451,820	207,000	251,622,166		9,289,959	179,177,414	72,444,752	78,282,890	
Office Building:										
Electrical Equipment	21,237,336	-	-	21,237,336	10%	2,123,734	19,773,030	1,464,306	4,864,430	
Owner occupied	197,039,880	-	-	197,039,880	2%	3,940,798	47,289,571	149,750,309	149,750,309	
Investment property	1,116,164,310	-	-	1,116,164,310	2%	22,323,286	44,646,572	1,071,517,738	1,093,841,024	
TOTAL: B	1,334,441,526	-	-	1,334,441,526		28,387,817	111,709,174	1,222,732,352	1,248,455,762	
GRAND TOTAL (A+B)	1,582,818,872	3,451,820	207,000	1,586,063,692		37,677,776	290,886,588	1,295,177,104	1,326,738,653	
Revaluation reserve (Building)	753,070,343	-	-	753,070,343	2%	15,061,407	30,122,814	722,947,529	738,008,936	
Right of use of Assets (ROU)	42,877,763	-	-	42,877,763	-	10,648,684	28,013,074	14,864,689	25,513,373	
TOTAL IN 2021	795,948,106	-	-	795,948,106		25,710,091	58,135,888	737,812,218	763,522,309	

REVENUE ACCOUNT

For the year ended 31 December 2021

Summarized position of net underwriting profit earned during the year 2021 is as follows.

Annexure-B

Particulars	FIRE	MARINE	MOTOR & MISC	2021	2020
	BDT	BDT	BDT	BDT	BDT
Premium Income					
A) Gross Premium	974,975,320	1,124,483,338	407,056,669	2,506,515,327	2,217,522,331
B) Re-insurance premium	795,228,042	629,122,181	139,426,303	1,563,776,526	1,237,518,116
C) Net Premium (A-B)	179,747,278	495,361,157	267,630,366	942,738,801	980,004,215
Direct Expenses					
D) Commission (Net of Re-insurance Accepted and Ceded)	21,016,999	24,369,676	12,924,077	58,310,752	224,633,997
E) Claim Settled & provide	54,551,799	116,757,426	51,359,126	222,668,351	127,292,085
F) Management Expenses	138,682,967	159,949,368	57,900,776	356,533,111	332,098,523
G) Allocation of Management Expenses	38.90%	44.86%	16.24%	100%	100k
H) Total Direct Expenses (D+E+F)	214,251,765	301,076,470	122,183,979	637,512,214	684,024,605
I) Adjustment Fund Balance for Un-expired risk (Opening Balance Less closing Balance)	63,551,914	38,229,284	1,980,504	103,761,702	24,227,187
Net Underwriting Profit (C-H+I)	29,047,427	232,513,971	147,426,891	408,988,289	320,206,797
Commission(Net)					
Commission paid on Direct Business	64,258,334	64,162,532	20,217,318	148,638,184	307,272,323
Commission paid on Re-insurance Accepted					
	64,258,334	64,162,532	20,217,318	148,638,184	307,272,323
Less: Commission earned on re-insurance ceded	43,241,335	39,792,856	7,293,241	90,327,432	82,638,326
Net Commission	21,016,999	24,369,676	12,924,077	58,310,752	224,633,997
Claim Settled					
Gross Claim	82,161,082	151,904,480	62,738,785	296,804,347	221,786,523
Less: Salvage received	-	-	-	-	-
	82,161,082	151,904,480	62,738,785	296,804,347	221,786,523
Less: Re-insurance claim Recovery	43,944,973	60,094,475	22,718,392	126,757,840	137,359,331
Paid During The Year	38,216,109	91,810,005	40,020,393	170,046,507	84,427,192
Add: Outstanding Claim at the end of the year whether due or Intemated (Company's Share)	95,710,973	79,956,738	14,557,378	190,225,089	137,603,245
	133,927,082	171,766,743	54,577,771	360,271,596	222,030,437
Less: Outstanding claim at the end of the previous Year	79,375,283	55,009,317	3,218,645	137,603,245	92,938,352
Net Claim	54,551,799	116,757,426	51,359,126	222,668,351	129,092,085

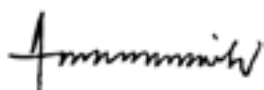
PRAGATI INSURANCE LIMITED
FORM 'AA'
CLASSIFIED SUMMARY OF ASSETS
AS AT 31 DECEMBER 2021

Annexure-C
2021 **2020**

Particulars	2021	2020
Bangladesh Government Treasury Bond	307,343,363	100,647,137
Shares - at cost	412,693,264	360,993,010
Debenture (At Cost)	-	4,500,000
Fixed deposit, STD and current A/C with Banks	1,845,059,523	1,396,296,300
Cash in hand and Stamp in hand	4,750,140	7,990,978
Amount due from other persons or bodies carrying on insurance business	21,449,415	249,610,659
Accrued interest	1,947,029	3,545,828
Debtors (including advances, deposits and prepayments)	84,480,751	87,147,041
Stock of Printing material	1,850,126	2,078,793
Land	887,627,023	887,627,023
Holiday homes	4,130,090	4,130,090
Fixed Asset	72,444,752	78,282,890
Building	1,257,015,050	1,285,402,868
	4,900,790,527	4,468,252,617



Amar Krishna Shil
Chief Financial Officer



Syed Anisul Hoque
Company Secretary



Syed Sehab Ullah Al-Manjur
Chief Executive Officer (CC)

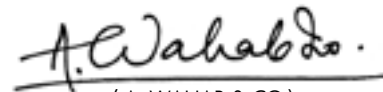


Santosh Sharma
Independent Director



Tabith Mohd. Awal
Vice Chairman

Subject to our separate report of even date.



(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS
Signed By: Md. Showkat Hossain, FCA
Enrollment No.-196
DVC- 2204130196AS896316

Dated: Dhaka, April 13, 2022