

Annual Report 2019



Pragati Insurance Limited

প্রগতি ইশ্যুরেন্স ভবন PRAGATI INSURANCE LTD.



Annual Report **2019**



Pragati Insurance

is a

'AAA'

Credit Rated Company



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 2019

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, 2019 and Income statement (Profit & Loss Account) & Cash Flow Statement for the year ended 31st December 2019 along with notes thereon for your kind information and record.

Thanking you,

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Anisul Hoque'.

(Syed Anisul Hoque)

Company Secretary (CC)





Pragati Insurance Limited

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

Tel: PABX: 9133680-2 Fax: 880-2-55013694

NOTICE OF THE 34TH ANNUAL GENERAL MEETING

Notice is hereby given to all the shareholders of Pragati Insurance Limited that the 34th Annual General Meeting of the company will be held on **Wednesday, the 23rd September, 2020 at 11.30 a.m.** The AGM will be held through Digital platform (in pursuance with BSEC Order SEC/SRMIC/04-231/25 dated July 08, 2020) 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, 2019 together with the Auditors' Report thereon.
2. To declare Dividend for the year 2019 as recommended by the Board of Directors.
3. To retire, elect/re-elect Directors in accordance with the provision of Articles of Association of the Company and to confirm the appointment of Independent Director.
4. To appoint Auditors for the year 2020 & fix their remuneration.
5. To appoint Compliance Auditor for the year 2020 as per Corporate Governance Code-2018 and fix their remuneration.

By order of the Board of Directors

(Syed Anisul Hoque)
Company Secretary (CC)

Dated Dhaka, the 6th september 2020

Notes:

- (1) **The record date : 24th August, 2020.** Shareholders of the Company whose names appear in the CDS / Company's Share Register on the record date 24th August, 2020 will be entitled to dividend for the year 2019 to be approved by the shareholders in the 34th 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 through email : sharedept@pragatiinsurance.com
- (3) Only the shareholders or their appointed proxies can attend the meeting. A proxy must be a member of the company.
- (4) Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Order No. SEC/SRMIC/04-231/25 dated 08th July, 2020; the ensuing 34th AGM will be conducted through Digital platform (Virtual Meeting) through their e-mail ID in their B.O Account. Therefore, the shareholders are requested to join in the AGM through online live portal. The detailed procedures and link of the online live portal to attend the meeting will be communicated to the shareholders through their e-mail ID available in their B.O Account in due course of time and will also given in our website: www.pragatiinsurance.com
- (5) 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 -2019 in Soft formats to the respective e-mail address of the shareholders available in their BO Account maintained with Depository Participants (DP). However, interested shareholders may collect hardcopy of the Annual Report-2019 from the Company's share department by submitting a written request. The soft copy of the Annual Report-2019 will also be available at company's website: www.pragatiinsurance.com
- (6) The Shareholders will be able to submit their questions/comments electronically to the e-mail: sharedept@pragatiinsurance.com before 48 hours of the AGM.
- (7) In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/ CMRRCD/2009-193/154 dated October 24, 2013, no gift/ or benefit in cash or kind / gift Coupon/ Food Box shall be paid/ offered/ distributed at the 34th AGM of the Company.

Company Profile

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



Auditor
Hoda Vasi Chowdhury & Co
Chartered Accountants



Registered Office :

Pragati Insurance Bhaban

20-21, Kawran Bazar

Dhaka-1215 Bangladesh

Phone : PABX : 880-02-9133680-2

Fax : 880-2-55013694

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

Innovation

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

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.

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.

Team Work

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

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.





**Pragati
Services**





Insurance Services

Fire Insurance

- Fire & Allied Perils Insurance

Motor Insurance

- Comprehensive Insurance
- Act Liability Insurance

Health and Accident Insurance

- Overseas Mediclaim 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







CHAIRMAN'S REPORT

A MESSAGE FROM THE CHAIRMAN

Bismillahir Rahmanir Raheem

Assalamu Alaikum

Dear Esteemed Shareholders,

It is an absolute privilege to present yet another Annual Report of the Pragati Insurance Company Limited – I see this not as a simple performance analysis but as a great success story throughout the year 2019.

Global Economy: The International Monetary Fund (IMF) estimated that the global Gross Domestic Product (GDP) slowed to 2.9 percent in 2019 compared to 3.6 percent in 2018. The slow-down in the global economy was on the back of trade and geopolitical tensions. The US-China Trade tensions, Brexit Deal or No Deal impasse and the Organization of the Petroleum Exporting Countries (OPEC) supply cuts on the back of global oversupply were among the factors that contributed to the slow growth.

IMF had projected global growth to rise to 3.3 percent in 2020 on account of signs of economic stabilization such as the favorable news on US-China trade negotiations, an accommodative policy stance across the markets with the US embarking on several fed rate cuts in the year, similar to the continued policy rate easing seen in Japan and Europe.

Bangladesh Economy: The Bangladesh economy experienced a GDP growth rate of 8.1 percent in FY 2019, supported by rising exports, infrastructural development and remittance. The inflation rate remained stable throughout the year; overall inflation stood at 5.4 percent in FY19, below the targeted 5.6 percent. The per capita national income increased by 11.4 percent and investment-GDP increased to 31.6 percent from 31.2 percent in the preceding fiscal year.

Our Company Performance: Pragati Insurance Company Limited has recorded a resilient performance with a Gross Written Premium of Tk. 2406.52 million with a growth of 17.2 percent during the period under consideration. The underwriting profit increased by Tk. 82 million approximately while Profit after tax reached Tk. 281.19 million in 2019 against Tk. 236.62 million, an increase of nearly 19 percent in the year 2018. During the year under report, Pragati Insurance Limited has deposited Tk. 380.18 million to the Government Exchequer as Corporate Income Tax, Withholding Tax, Stamp Duty and VAT.

Global Insurance Industry Scenario 2019: Global insurance premiums figure for 2019 were not available at the time of writing this report, but according to

the latest Sigma report from the Swiss Re Institute, Global insurance premiums passed the USD 5 trillion mark for the first time in 2018, which accounted to more than 6 percent of world gross domestic product (GDP). This was based mostly on solid growth in the non-life sector, particularly in China and other countries in emerging Asia, and also among advanced markets, according to the report.

Bangladesh Non-Life Insurance Scenario 2019:

The overall industry-wise non-life insurance premium statistics for 2019 are not yet available. However, the gross premium income of non-life private sector insurance companies increased from Tk. 26,694 million in 2017 to Tk. 30,347 million in 2018 registering a growth rate of 13.7 percent. The total assets stood at Tk. 79,774 million in 2018, whereas it was Tk. 75,495 million in 2017. The total investment stood at Tk. 38,036 million in 2018 while it was Tk. 38,635 million in 2017.

Our Business Performance in 2019:

Despite a challenging business setting in a small market, I am happy to announce to you that the company was able to perform well and has registered growth in 2019. Our Gross premium income and Net premium income stood at Tk. 2406.52 Million and Tk. 1024.53 Million respectively during the year under review.

Underwriting profit stood at Tk. 228.74. The total Assets of the company stood at Tk. 4672.43 million as at December 31, 2019 showing a growth of 2.78 percent from 2018. The company settled claim amounting to Tk. 138.47 Million during 2019 which was Tk. 117.69 million in 2018.

A summarized position of your Company's operation in the year 2019 will help you appreciate the performance of the company during the year under review:

Million Taka

Particulars	2019	2018	Increase (+)
Gross Premium	2406.52	2053.44	17.2%
Retained Premium (RP)	1024.53	817.15	25.4%
Claims-retained portion	138.46	117.69	18%
Underwriting Profit	228.74	147.10	55.5%
Net Profit Gross	281.19	236.62	19%

I am happy to announce a cash dividend of 22%, which I hope will get your endorsement. 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



2019 has been presented in the Annual Report.

Going Forward: Although Bangladesh's insurance sector has witnessed some growth in comparison with other emerging nations, there is a potential for improvement. However, in terms of market penetration, there is even a bigger possibility for improvement. Overall, insurance penetration (insurance premiums as a share of GDP) in Bangladesh was less than 1 percent in 2018, which falls behind that of several other developing countries.

About our insurance industry, we have stated this before and reiterate once more that given the small size of the market and the number of players competing, it reduces the true magnitude and effectiveness of the sector and gives rise to unethical practices to attract business. One of the by-product of this bad practice is the growth of illicit commissions being offered over and beyond the mandated agent commission set by the regulators. It is therefore a welcome sight to see the positive approach undertaken to remove this malpractice by Insurance Development & Regulatory Authority Bangladesh (IDRA) with full endorsement of the Bangladesh Insurance Association. We fully support the initiatives taken by these epic bodies to bring reform to our industry.

Covid-19: On 30th January 2020, the World Health Organization (WHO) confirmed Corona Virus disease, (COVID-19), as a Public Health Emergency of International concern. Outbreaks have been recorded in many countries around the world with drastic measures being taken, including closing borders and restricting international travel. This pandemic has led to a slow-down in the global economy and is expected to negatively impact our economy depending on how fast alleviations are exerted to help reduce the spread of the disease among the population.

Although, we find ourselves in a very unsettled times in the wake of Covid-19 outbreak, we are self-assured that our professional team would be able to provide the best service to our customers in the same manner that we are renowned for within the insurance industry in Bangladesh.

In the interim, I take this opportunity to extend our condolences to all the family members and loved ones of the deceased and the affected due to Covid-19. We wish all of them a speedy recovery to continue their normal life.

I express my sincere gratitude to all our stakeholders and reiterate my deep appreciation for the continuous guidance and support extended to us by 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, Insurance Companies and other Financial Industries.

I extend my sincere appreciation to the Chief Executive Officer and to all the employees of the Company for their tireless dedication, devotion and effort made to continually improve the Company's performance.

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

I would like to thank all our stakeholders for being with us through these years and we are looking forward to sharing company's success with you all also in the future.

Thank you to everyone who has been a part of our development and for your steadfast support and trust which has strengthened the company to its present glory.

Thank you.

Syed M. Altaf Hussain
Chairman

Directors'
Profile



Chairman



Syed M. Altaf Hussain

Syed M. Altaf Hussain is the present Chairman of Pragati Insurance Ltd. He is one of the promoters and a sponsor Director of the company. He was elected Chairman of Pragati Insurance Ltd. in December, 2015 and continuing this position. He represents Pragati Insurance Ltd. in the Bangladesh Insurance Association as its member. He has got a long and distinguished career in the fields of food grains, crop nutrition, business development, high-rise building development, technology, business operations and financial institutions with over 36 years of experience. He is a sponsor director and notably the founding Chairman of Pragati Life Insurance Ltd. As Chairman and CEO of WW Grains Corp. representing Cargill Inc., USA, he pioneered large-scale trading of food grains and fertilizer commodities over three decades. Through his work, he has spent considerable time traveling internationally and had the opportunity to attain an Engineering degree from the University of Texas as well as successfully completed Grain Marketing & Agrochemical courses from North Dakota State University and Harvard Business School. Additionally, he holds the Chairman title in the following businesses: Sonic Allied Industries Ltd., WW Properties Ltd. and the editorial board of 'The Daily Janata'. He was former Chief Advisor of ATDP-II projects funded by the USAID. Several social, governmental and educational institutions at home and abroad have acknowledged his agro-based expertise.

Vice Chairman



Tabith Mohammed Awal

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 and also elected the Vice President of Bangladesh Football Federation Consecutive for two terms. Mr. Tabith Awal is an elected member of the Executive Committee of the Metropolitan Chamber of Commerce and Industry (MCCI) Dhaka, for three Consecutive terms.



Director



Abdul Awal Mintoo

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 Agricultural 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. 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।

Director



Mohammed Abdul Awwal

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.

Director**Alhaj Khalilur Rahman**

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 Bhatiary 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 .

Director**Md. Syedur Rahman Mintoo**

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 the Honorary Consul of Laos People's Democratic Republic. 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.



Director



Md. Sarwar Kamal

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.

Director



Mohammed Abdul Malek

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.

Director**A.S.M. Mohiuddin Monem**

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 2009 and 2011 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.

Director**Nasir Latif**

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.



Director



Md. Mushfiqur Rahman

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 instutions.

Director



Ms. Nahreen Siddiqua

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.

Director**Nigar Jahan Chowdhury**

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.

Independent Director**Md. Akbar Hossain**

Mr. Md. Akbar Hossain is an Independent Director of Pragati Insurance Limited and a member of the Directors 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.



Independent Director



Santosh Sharma

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.

Independent Director



Mrs. Hasinatun Naher

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).

Managing Director & CEO



Md. Rezaul Karim

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 Department

Syed Sehab Ullah Al-Manjur

Deputy Managing Director & Head of Underwriting & Claim Department

Mrs. Papiya Rahman ACII(UK)

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

Lt Colonel(Retd) Muhammad Afzal Hossain PSC & G+

Deputy Managing Director & Head of Administration & Human Resource Department

Mr. Amar Krishna Shil FCA

Chief Financial Officer

Kabir Ahmed

Assistant Managing Director & Head of Legal Cell

Mamunul Hassan ACII(UK)

Executive Vice President & Head of Branch Control Department

Mahtabuzzaman Chowdhury

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

Md. Manjur Hussain

Executive Vice President Branch Control Department, Head Office, Dhaka

Mostaque Ahmed

Senior Vice President Claim Department, Head Office, Dhaka

Md. Abu Sufian Akhand

Senior Vice President & Head of IT Department

Md. Moniruzzaman Khan

Vice President & Head of Internal Audit Department

M. Abdullah

Vice President Underwriting Department, Head Office, Dhaka

Mr. Golam Sabur Chowdhury

Vice President Re-Insurance Department, Head Office, Dhaka

Mrs. Farida Akhter

Vice President Re-Insurance Department, Head Office, Dhaka

A.N.M. Abul Quasem

Vice President Claim Department, Head Office, Dhaka

Mr. Md. Abdur Rahim

Vice President (Underwriting) VIP Road Branch

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) Sk.Shakil Md. Monzur Quader

Assistant Managing Director

- i) Bahauddin Ahmed
- ii) Mr. Shah Jahangir Abed

Sr. Executive Vice President

- i) Syed Saidul Islam
- ii) Mr.Humayun Kabir Majumder
- iii) Md. Abu Sarwar Hossain
- iv) Mr. Abdus Salam

Executive Vice President

- i) Bikash Chandra Pal
- ii) Mr. Md. Azizul Hoque
- iii) Md. Kazi Golam Haider Dablu
- iv) Mr. Md. Abdul Mottaleb
- v) Ashis Kumar Barua
- vi) Md. Habibur Rahman
- vii) Murad Ahmed
- viii) A.S.M. Emdadul Hoque

Senior Vice President

- i) Md. Mujtaba Ali Mahmood
- ii) Nazmul Alam Khan
- iii) Mirza Md Sajedul Alam
- iv) Mahbubul Hoque Chowdhury
- v) Md. Shakhawath Hossain
- vi) Abdul Alim Khan
- vii) Mr.Md.Kamrul Islam (Srabon).
- viii) S. M. Shamsul Alam

Vice President

- i) Md. Mojibur Rahman Salim
- ii) Amjad Hossain Talukder
- iii) Md. Belayet Hossain
- iv) Razzaqul Haider Chowdhury
- v) Md. Mostafijur Rahman.
- vi) A.S. M. Jubair
- vii) Mr. Monwar Ahmed.
- viii) Md. Kamrul Ahsan Khan Himu
- ix) M.A.Mannan
- x) Anamul Hoque Chow.
- xi) Md. Iftakar Uddin
- xii) Sanjoy Muhuri
- xiii) Belal Ahmed Chowdhury
- ivx) Mr. Ahmed Asif

Business Consultant

- i) Md. Rafiqul Alam Chowdhury

Syed Anisul Hoque
Company Secretary (CC)



COMPANY'S PERFORMANCE

5 Years at a glance

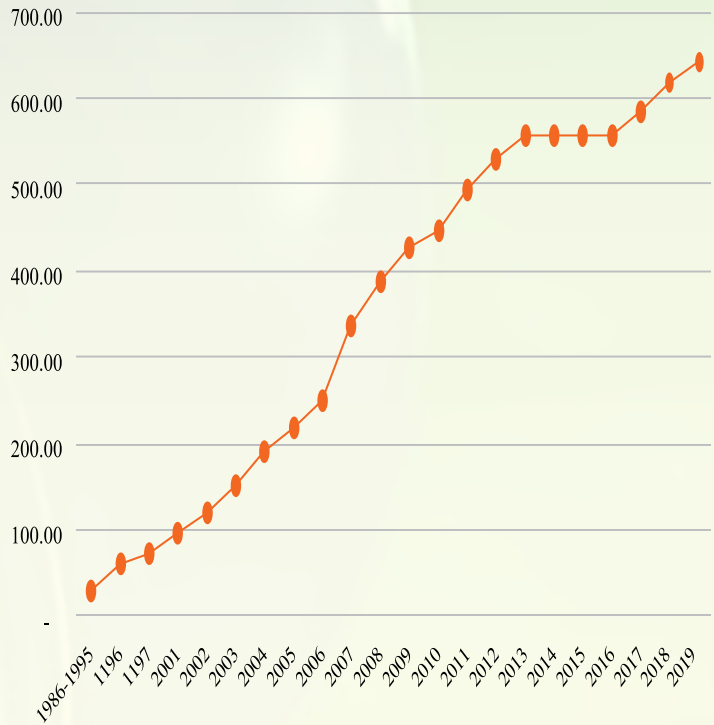
Taka in Million

	2019	2018	2017	2016	2015
Financial Performance					
Gross premium	2406.53	2,053.44	1,664.78	1,542.60	1,512.62
Net Premium	1024.54	817.15	702.35	638.52	607.55
Net claim	138.47	117.69	82.48	76.72	92.59
Underwriting profit	228.74	147.10	124.89	93.66	23.63
Investment income	-2.05	26.57	21.03	5.00	15.24
Income from financial service	44.52	48.35	48.13	63.54	58.32
Net profit before tax	281.19	236.62	210.33	186.27	121.71
Net profit after tax	209.19	185.12	117.78	84.48	48.41
Dividend in percent	22	13+7 (Stock)	13+5 (Stock)	10+5 (Stock)	10
Share Capital and Reserve					
Paid up Capital	655.90	612.99	583.8	556.00	556.00
Total Reserves & Surplus	2664.71	2638.88	2600.17	2507.22	2326.69
Share Holders Equity	3320.62	3251.83	3183.97	3063.22	2882.69
Assets					
Investment in Shares and Securities	377.61	388.65	416.66	407.66	409.89
Cash, FDR and Bank balance	992.04	712.87	586.92	552.38	582.35
Land and Building	2209.12	2218.10	2227.24	2205.57	2191.79
Total Assets	4672.44	4546.15	4310.59	4200.13	4065.18
Ratios					
EPS	3.19	3.02	2.66	2.38	1.74
P/E (Times)	12.07	10.3	11.16	13.4	15.57
Solvency Surplus	2139.51	2132.82	2146.31	2143.12	2008
Net Asset Value Per Share	50.63	53.05	54.54	55.03	51.85
Net Cash Flow Per Share	5.57	0.61	0.54	0.08	0.20
Credit Rating					
Long Term	AAA	AAA	AAA	AA1	AA1
Short Term	ST1	ST1	ST1	ST1	ST1



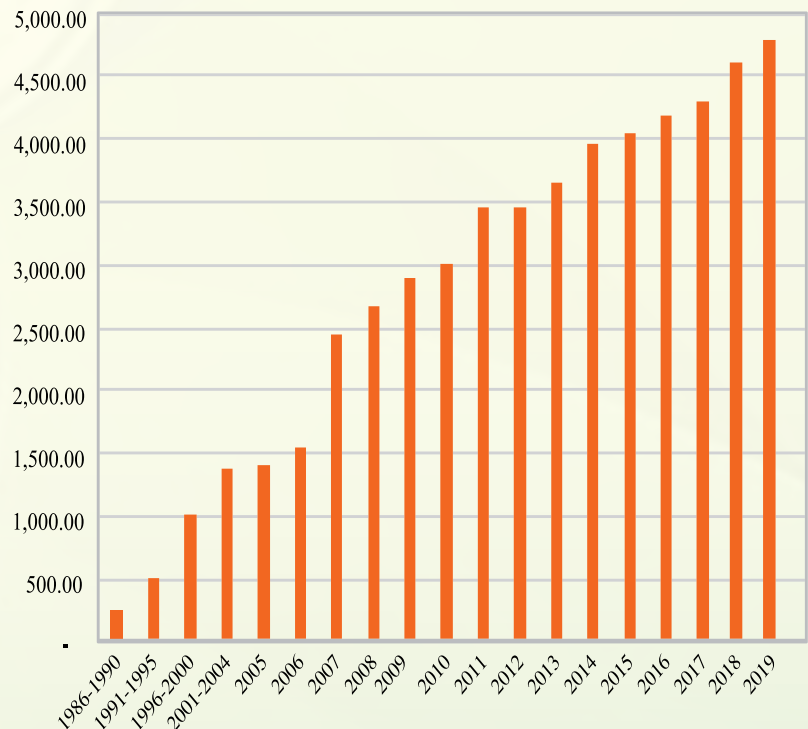
Growth of Capital

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



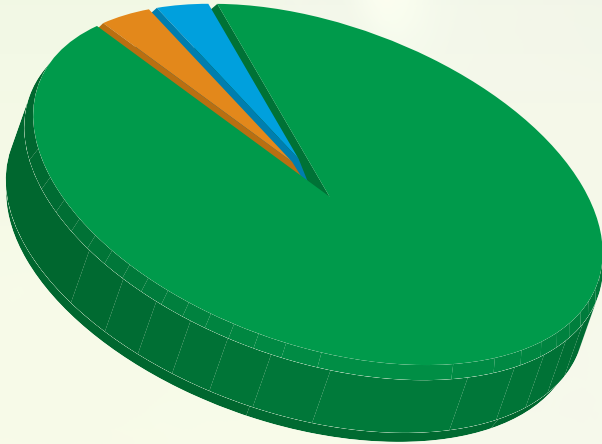
Growth of Asset

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



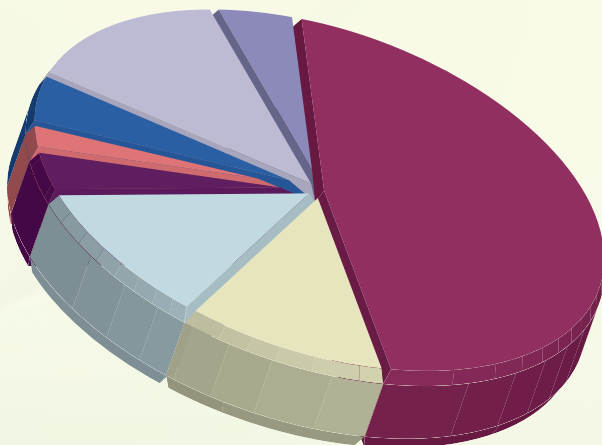
Value Added Statement

VALUE ADDED



Gross Premium	2,406.53
Commission on Re-insurance	105.17
Interest, Dividend & Other Income	99.96
Total	<u>2,611.66</u>

APPLICATION



Net Claim	138.47
Re-insurance Premium	1,381.99
Management Expenses	326.59
Commission	326.04
Unexpired Risk Adjustment	109.86
Income tax to Government	72.00
Dividend for Distribution	145.80
Reserve & Surplus.	409.56
Total	<u>2,910.31</u>

Directors' Report





Directors' Report 2019

Bismillahir Rahmanir Raheem

Assalamu Alaikum

Dear Shareholders,

The Board of Directors and I would like to thank you for taking some of your valuable time out to attend this 34th Annual General Meeting of the Company. It is my pleasure to place before you the Annual Report, the Audited Financial Statements and review of your Company's business progress for the year ended December 31, 2019.

Bangladesh Economic Scenario 2019 - According to Bangladesh Bureau of Statistics (BBS), Bangladesh economy continued to maintain healthy growth in FY 2019, which was supported by rising exports, private consumption, and record remittances. According to the report, GDP growth in FY 2019 has reached at 8.1 percent (7.9 percent in FY 2018). This performance places Bangladesh among the top ten fastest-growing countries globally. Large and medium-scale manufacturing activities responded the fastest on the supply side, accompanied by broad-based growth in services, led by wholesale and retail trade.

The inflation rate remained stable throughout the year as overall inflation stood at 5.4 percent in FY19, below the targeted 5.6 percent. The per capita national income increased by 11.4 percent and investment-GDP increased to 31.6 percent from 31.2 percent in the preceding fiscal year.

Exports grew by 10.1 percent in FY19 only to slow down to negative 7 percent during the first six months of FY20 due to stiffer global competition faced by RMG manufacturers/exporters. Imports growth also slowed down to 10 percent from over 25 percent in FY18. Remittances grew by 9.8 percent to USD 16.4 billion following improved government incentives. In FY19, FDI increased by 50.71 percent to USD 3.89 billion from USD 2.58 billion in the previous year.

The industry sector grew by 13 percent in FY 2019, led mainly by manufacturing and construction activities. The service sector grew by 6.5 percent in FY 2019, led by an expansion in wholesale and retail trade, supplemented by strong growth in transportation and financial intermediation services. Agricultural growth fell to 3.5 percent in FY 2019 from 4.2 percent in FY 2018. As bumper rice yields led to falling prices, food inflation dropped to 5.5 percent in FY 2019 from 7 percent in FY 2018. Non-food inflation increased from 3.7 percent to 5.4 percent in FY 2019, led by increasing clothing and footwear prices.

Remittance inflows grew by 9.8 percent reaching a record USD 16.4 billion in FY 2019. The balance of payments was slightly positive (USD 12 million) in FY 2019. The current account deficit decreased to USD 5,254 million in FY 2019 from USD 9,567 million in FY 2018 as the trade and services deficits fell, and remittances rose.

Gross foreign exchange reserve stood at USD 32.6 billion at the end of FY 2019, representing around 5.8 months of prospective imports.

World Economic Scenario 2019 - Overall, global economic growth appears robust. The world economy is projected to expand an estimated 2.9 percent in 2019 to 3.3 percent in 2020 and 3.4 percent for 2021, this is according to an IMF report, 'World Economic Outlook Update', published in January 2020. Progress rates among developed economies have mounted near to what is broadly considered their potential, while unemployment rates have fallen towards historical lows.

In the United States, growth is expected to moderate from 2.3 percent in 2019 to 2 percent in 2020 and decline further to 1.7 percent in 2021, (0.1 percentage point lower for 2020 as previously projected). Amid sluggish demand at home and abroad and escalating U.S. trade pressure, China, the world's second-largest economy, grew an annual 6.1 percent in 2019, the slowest in 29 years. Growth in the Euro zone is projected to pick up from 1.2 percent in 2019 to 1.3 percent in 2020 (a downward revision of 0.1 percentage point) and 1.4 percent in 2021. The UK economy, the 2nd largest economy in Europe, grew by 1.4 percent in 2019, marginally higher than the 1.3 percent rate in 2018. Japan's growth rate is projected to moderate from an estimated 1 percent in 2019 to 0.7 percent in 2020.

Among the developing economies, the East and South Asia economies remain on a strong growth curve, while many commodity-exporting countries are continuing a gradual recovery. Regionally, the Indian economy is expected to expand by 7.6 and 7.4 per cent in 2019 and 2020, respectively, after expanding by 7.4 per cent in 2018. Economic growth continues to be strengthened by robust private consumption, a more expansionary fiscal stance and benefits from previous reforms. The Sri Lankan economy is recovering from the slowdown in 2017, but much more slowly than



anticipated, amid weak business sentiment, feeble investment demand and political turbulences. The economic outlook in Pakistan is challenging, and it encompasses significant downside risks.

The 2019 world growth may have been higher but brought down due to rising geopolitical tensions, particularly between the United States and Iran, and by rising social unrest in several countries, as did weather-related catastrophes from hurricanes in the Caribbean, to drought and bushfires in Australia, floods in eastern Africa, and drought in southern Africa.

Global Insurance Industry Scenario 2019 - Global insurance premiums figure for 2019 were not available at the time of writing this report, but according to the latest Sigma report from the Swiss Re Institute, Global insurance premiums passed the USD 5 trillion mark for the first time in 2018, which accounted to more than 6 percent of world gross domestic product (GDP). This was based mostly on solid growth in the non-life sector, particularly in China and other countries in emerging Asia, and also among advanced markets, according to the report.

Global Insurance Disasters 2019 - Swiss Re reports that total economic losses from natural and man-made disasters in 2019 stood at around USD 140 billion as against USD 176 billion in 2018. Global insured losses in 2019 estimated to be around USD 56 billion, below the previous 10-year annual average. Natural catastrophes accounted for USD 133 billion economic losses in 2019, down from USD 166 billion a year earlier. Disaster events claimed more than 11,000 victims in 2019.

Bangladesh Non-Life Insurance Scenario 2019 - The overall industry-wise non-life insurance premium

statistics for 2019 are not yet available.

The gross premium income of non-life private sector insurance companies increased from Tk. 26,694 million in 2017 to Tk. 30,347 million in 2018 registering a growth rate of 13.68 per cent. The total assets stood at Tk. 79,774 million in 2018 whereas it was Tk. 75,495 million in 2017. The total investment stood at Tk. 38,036 million in 2018 while it was Tk. 38,635 million in 2017.

Going Forward - COVID-19 has brought challenging times to the industry as the insurance companies look for avenues to stay relevant to society and the clientele. The revenue stream of insurance industry is suffering badly due to COVID-19 pandemic and due to which fire and marine insurance are expected to be negatively impacted. These two components consist of approximately around 75 percent of non-life insurance companies total premium income in Bangladesh.

Currently there are 45 insurance companies operating in a very small market i.e. Tk. 30,347 million according to 2018 statistics. This has resulted in a cut throat competition, which has given birth to myriad of bad business ethics and malpractices. The government's decision to set up the Insurance Development and Regulatory Authority (IDRA) was much needed and, therefore, was welcomed when it took initiatives to overcome the problems of Non-Life Insurance Sector recently. Bangladesh Insurance Association buoyed by steps taken by IDRA agreed upon keeping agency commission within the prescribed regulatory limit of 15 percent. This will definitely bring reform for the best within the industry.

Pragati Insurance Limited Operational Result 2019

Gross Premium Income

In 2019 Pragati Insurance Limited achieved significant success in earning gross premium of Tk. 2406.52 million. Gross premium income increased by Tk. 353.09 million registering a growth of 17.19% compared to previous year.

CLASS WISE PREMIUM

Fire Insurance

The Company had underwritten a total fire insurance premium of Tk.1036.36 million as against Tk. 863.99 of last year. After payment/provision for re-insurance premiums, claims and management expenses the company has incurred underwriting (loss)/profit of Tk.(17.17) million against underwriting loss

Tk.(25.08) million of last year.

Marine Insurance

In the year 2019 gross premium earning in Marine insurance including Marine Hull was Tk.891.20 million against Tk.771.58 million of the year 2018. After providing for re-insurance and claims, we have earned underwriting profit of Tk.110.52 million against last year's underwriting profit of Tk. 72.31 million.

Miscellaneous Insurance

From miscellaneous insurance business our total gross premium income in 2019 was Tk. 478.96 million (both in Motor and Miscellaneous departments) against Tk. 417.86 million in 2018. After meeting expenses for

re-insurance, claims and management expenses, we have earned underwriting profit of Tk.135.39 million against Tk.109.86 million in 2018.

Investment Operation

Pragati Insurance Limited has concentrated its focus on diversifying its investment portfolio. Facing all the odds the company has loss Tk. (2.05) million as capital loss out of share trading in 2019 against Tk. 26.57 million in 2018.

Contribution National Exchequer

During the year under report Pragati Insurance Limited has deposited Tk. 380.18 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. 281.19 million against Tk. 236.62 million in the year 2018. The net profit before tax has been proposed for approximate as follows:

Particulars	Million Taka
Reserve for Exceptional Losses	79.69
Provision for Income Tax	72.00
Balance available for distribution	145.81

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 @Tk.22% cash dividend to the shareholders of the company for the year 2019. The whole scenario will look as follows:

Particulars	Taka
General Reserve	243,578
Divisible Profit	145,812,018
Total available	146,055,596
Less: Cash Dividend for the year	144,298,724
Balance to be carried forward for the next year	1,756,872

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 Group-A shareholders shall retire from the office by rotation and eligible for re-election .

1. Mr. Md. Syedur Rahman Minto
2. Mr. Khalilur Rahman
3. Mr. Md. Sarwar Kamal

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 34th Annual General Meeting of the company for approval of the Group-A shareholders.

In accordance with Articles 105 &106 of the company’s Articles of Association, the under-noted Directors from Group-B shareholders shall retire from the office by rotation.

1. Mrs. Nigar Jahan Chowdhury
2. Mr. Nasir Latif

The election to fill up the 2 (two) vacancies will be held on the day of the 34th AGM of the company as on 23rd September, 2020.

As per Insurance Act 2010, Rules 1958 clause No.15B(3) the Election Notice has been published in the two national dailies on 14th July, 2020.

The 2(two) shareholders i.e. (i) Mrs. Nigar Jahan Chowdhury & (ii) Mr. Nasir Latif submitted their nomination papers within the stipulated time. Since no-body else has submitted any nomination papers other than above 2(two) candidates so, they will be taken as elected Directors from Group-B shareholders in the ensuing 34th AGM schedule to be held on 23rd September, 2020.

Board meeting and Audit Committee meetings

11(eleven) meetings of the Board of Directors and 8(eight) meeting of the Director’s Audit Committee were held during the year 2019. Details are given below in comparison to last 3 years.

Name of the Meeting	2019	2018	2017
Board of Director’s	11	11	13
Directors Audit Committee	8	5	4



Audit Committee

The Audit Committee of the company met 8(eight) 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 2019 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. Hoda Vasi Chowdhury & Co, Chartered Accountants was appointed as External Auditors of the company for the year 2019 at the 33rd Annual General Meeting. They have audited the books of account for the period covering 1st January, 2019 to 31st December 2019. This is the 3rd year that M/S. Hoda Vasi Chowdhury & Co has audited the Financial Statements of the company.

M/s. Hoda Vasi Chowdhury & Co. has completed their tenure in 2019. In this connection we invited application for appointment of External Auditor in the Company for the year of 2020 through publishing an advertisement in the 2(two) dailies. Accordingly, we have received expression of interest for appointment of External Auditor from the 11 numbers of Audit Firm. Which will be placed in the ensuing 34th AGM for approval.

Director's Response to Auditor's Qualifications

The Board of Directors is pleased to give below its full information and explanations on every point of qualifications as contained in the auditor's report as required by section 184 (3) of the Companies Act 1994:

01. Financial statements not prepared properly in accordance with IFRS

Qualification contained in the auditor's Report

- The requirements of the Securities and Exchange Commission Ordinance 1969, Financial Reporting Act 2015 and Income Tax Ordinance 1984 about preparation and presentation of the financial statements as per International Financial Reporting Standard (IFRS) have not been followed properly in the preparation and presentation of the accompanying financial statements.
- In addition to the above, disclosure of the following item as required in the Notification of Bangladesh Securities and Exchange Commission (BSEC) # BSEC/CMRRCD/2006/208/Admin/81 dated 20 June 2018 have not been made in the accompanying financial statements:

Reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals, in addition to disclosures on direct method of cash flows applied.

Information and explanations

- The Board of Directors are not in a position to give its explanation since the auditor has not specified any particular non -compliance in preparation and presentation of the financial statements. However, the Board of Directors express its firm commitment to comply with the requirements of the Securities and Exchange Commission Ordinance 1969, Financial Reporting Act 2015 and Income Tax Ordinance 1984, International Financial Reporting Standard (IFRS) while preparing the financial statements of the company for the year ended 31st December, 2020.
- The company has disclosed the cash flow statements under direct method as per requirement of IAS -7. But a reconciliation of net income on net profit with cash flows from operating activities making adjustment for non - cash items, for non –operating items and for the net changes in operating accruals has not been disclosed in the financial statements inadvertently. However, the Board express its firm commitment that aforesaid requirement will be complied with while preparing the financial statements for the year ended 31st December,2020.



02. Different types of reserves created without any basis

- Reserve for exceptional loss are being carried in the books of the Company since long and a sum of BDT 935,319,047 (including current year amount of BDT 69,156,197) has been transferred to the reserve for exceptional loss and the same has been charged to the profit and loss account and accordingly tax benefits have been availed under Income Tax Ordinance 1984. In accordance with the accounting standards the purpose, objective, legal or constructive obligation relating thereto and basis for such reserve were not found.
- In addition to the above reserve, the requirements, either legal or otherwise, and justification for carrying the Contingency Reserve with the balance of BDT 105,869,651 since 2000 were not explained to us.
- Revaluation reserve of BDT 1,412,133,735 set up in connection with the revaluation of the Company's non-current assets has not been adjusted for any subsequent tests of revaluation and impairment as no such exercises was conducted despite the requirements of IAS 16. It could not also be ascertained if annual charges of depreciation on the property and calculation of deferred tax in relation to above have been duly accounted for.
- Para -6 of the 4th Schedule of the Income Tax Ordinance 1984 allowed the insurance companies to set-aside certain percentage of premium income of the year from the balance of profit as reserve for exceptional losses with a view to meeting up unexpected loss which may arise in future. The company has also maintained Contingency Reserve, General Reserve, Revaluation Reserve as permitted by Insurance Act, and also as per Board decision to comply with the legal requirements as well as to strengthen the equity base of the company. These are duly explained in the related notes to the financial statements. However, the purpose, objective will be explained more specifically in the financial statements for the year ended 31st December, 2020.
- The frequency of the revaluation depends upon the changes in fair values of the items of non- current assets being revalued when the fair value of a revalued asset differs materially from its carrying amount further a revaluation is required. When the Board of Directors considers the fair value of the company's revalued assets differs materially from its carrying amount a further revaluation will be carried out in due course.
- It may be mentioned that annual depreciation on revalued assets (Building) has been duly accounted for in the financial statements. But calculation of deferred Tax in relation to the above had not been calculated and accounted for inadvertently, which will be taken due care of while preparing the financial statements for the year ended 31st December,2020.



03. Issues relating to current and deferred tax

- Accumulated liability for income tax charges for several years reported on 31st December 2019 at BDT 537,754,453 could not be verified by us due to the absence of relevant information. We are not also aware of pending cases of assessment and related liabilities, disputed or agreed as the related information were not made available for our review. And the adequacy of the charge of BDT 72,000,000 set up against current year's tax liability could not be verified as the basis for the computation was not produced for our examination.
- There are disputes with the Income Tax Authority in respect of assessment of taxes for many years. As a result, income tax cases are pending with the High Court Division of the Supreme Court of the Bangladesh for the assessment year 2005-2006 to 2015-2016 and with the Income Tax Appellate Tribunal for the assessment year 2016-2017. The assessment of taxes is also pending with the different level of Income Tax Authority from the annual year 2017-2018. However, we could not obtain the latest assessment status of the aforesaid assessment years from our learned Income Tax Adviser to provide the same for auditors review due to prevailing Covid -19 pandemic situation.
The charge of Tk.72 million has been set of in the statement of profit & loss & other comprehensive income against current year's tax liability at certain percentage (37.5%) on net profit applicable for insurance companies. Any adjustment will be made in the financial statements on finalization of the income tax assessment.
- In addition to the above, deferred tax has not been calculated as required under IAS-12, and it could not be verified a balance of BDT 17,340,000 carried in the books of the company since long.
- Deferred tax has not been calculated and accounted for in the financial statements as required under IAS-12. The same will be accounted for in the financial statements for year 31st December, 2020.

04. Compliance with IDRA rules

- It could not be verified if the company has made investment in designated instruments and in the manner as prescribed in SRO No. 353-law/2019 dated 14 November 2019. We did not verify the correctness of the Company's report on assets and liabilities in the prescribed manner (Schedule # 1) as mentioned in the said SRO.
- Management expenses including insurance commission were incurred and charged in excess of the limit set out in section 63 of the Insurance Act 2010 read in conjunction with SRO # 280-law/2018 in respect of marine & hull insurance by an amount of BDT 81 Million.
- The IDRA has issued rules on investment for non-life insurance company vide SRO No-353-law/2019 dated 14th November, 2019 which requires investment in designated instruments. This rule is under implementation by the management.
- The excess over limit of management expenses including insurance commission during the year. It may be mentioned here that the company has to incur management expenses for reasonable grounds for the purpose of business development of the company. Necessary steps will be taken to reduce further the management expenses in coming years.

05. Issues related to Property, Plant and Equipment

- The Correctness of the net book balance of Fixed Assets as of 31 December 2019 (ref. Note 25-29 to the FS) amounting to BDT 2,292,171,000 could not be verified and confirmed by us due to the absence of necessary records maintained for the initial recognition of cost, subsequent revaluation of value and charge of depreciation of the individual items of fixed assets;
- The International Accounting Standard (IAS) 40 requires that property generating rental income or used for capital appreciation should be presented as investment property. This standard will be implemented and reflected in financial statements for the year ended 31st December, 2020 in respect of land and building.



- International Accounting Standard (IAS) 40 requires that property generating rental income or used for capital appreciation should be presented as investment property but this requirement has not been complied with and reflected in accompanying financial statements in respect of land and building.
- The company maintained necessary records and register in relation to Fixed Assets with different particulars. Also prepared depreciation schedule in connection to financial statements. Necessary steps will be taken to maintain those register & records more comprehensively in the next year.

06. Non-compliance with Labour Law 2006

- The Company did not set aside due part of its profit for the year in relation to workers profit participation and welfare fund as required under the Bangladesh Labour Act 2006 and did not also forward any justification in support of its inaction.
- The Bangladesh Labour Act, 2006 (as amended in 2013) declared the status of business of certain institutions and companies along with banks and insurance companies as “industrial undertakings”. This Act requires the industrial undertakings to maintain provisions for workers’ profit participation and welfare fund @ 05% on net profit, but no insurance company in Bangladesh has implemented the provisions of chapter XV of the Labour Act (as amended in 2013) as yet.

Consistent with the industry practice and in accordance with letter no BIA - 3(91) 2019 dated 26-12-2019 of Bangladesh Insurance Association no provision for WPPWF However, performance bonus is paid to the employees on the basis of yearly performance with a view of recognize welfare of the employees and reward their participation and contribution to the company.

Proper disclosure in this regard will be made in the financial statements of the company for the year ended 31st December, 2020.
- It may be mentioned here that two of our officers in Finance and Accounts Department affected by Covid -19 and could not attend office. This is one of the reasons for non- providing information to the auditors as required by them. Moreover, five nos. of experience officers left their jobs during the year which also affected the preparation of financial statements as well as submission of statements as required by the auditor during the course of audit.



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 wholehearted 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, Novartis (Bangladesh) Ltd, Heidelberg Cement Bangladesh, International Television Channel Ltd (NTV), National Television Ltd (RTV), Maasranga Television, ICDDR,B, Pacific Jeans Group of Companies, HKD Group of Companies, Jayson Group, Aristopharma Ltd, Karim Group, Square Air, 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, Robintex 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, G.B.B Power Ltd, Desh Energy Ltd, Eurostar Shipping Ltd, Peoples Shipping Ltd, Summit Shipping Ltd, Sealink Shipping Company, Poseidon 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, Alliance Francaise De Dhaka, Berger Paints (BD) Ltd, Asian Paints Bangladesh Ltd, Sanofi Aventis Bangladesh Ltd, Dhakarea Ltd, EXSACOMPANY Ltd, Renata Ltd, Nuvista Pharma Ltd, EPV Chittagong Ltd, Modele De Capital Ltd, North South University, Al-Muslim Group, Energypac Bangladesh, Independent Television, 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, Global Fabrics, Hopeful Textile, Denim Plus (BD) Ltd, Alita Group, Chihong Knit Ltd, Qualitex Group, Swan Lon Company, LSI Ind. Ltd, Daeyu (BD) Ltd, Lik Fung Garments, KAFCO, Queen South Textile Mills Ltd, Aventis Ltd, Monno Group of Companies, Navana Group, Bombay Sweets & Company., Ltd, Independent University Bangladesh, Edison Footwear Ltd, Bengal Group, Knit Plus Group, Zeil's Wear Ltd, AA Knitspin Ltd, Aman Group, Mosharaf Group, Opex-Sinha Group, Ha-Meem Group, Shahjibazar Power Company Limited, Matador Group, Haque Group, United International University, IUBAT-International University of Business Agriculture and Technology, Rahimafrooz Group, BUFT- BGMEA University of Fashion & Technology, Babylon Group, Prime Bank Limited, Dutch Bangla Bank Limited, Arbab Group, Virgo MH Limited, SAN Apparels Limited, Sterling Group, Indofil BD Pvt. Limited, Nassa Group, Star Ceramics Limited, Master Knitwear Limited, Butterfly Group, Kingpro Manufacturing Co. Ltd., BRB Group, SQ Group 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. Hoda Vasi Chowdhury & Co Chartered Accountants, the Auditor of the Company.

We take this opportunity to express my profound gratitude to the Managing Director 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.

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 2019 the Board of Directors held 11 (Eleven) meetings and the Directors serving on the Board attended in aggregate 53.03% of the total number of meetings.
- ix. At 31 December 2019, 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.





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 ১৮ নং 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 5 th 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
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);	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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.
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;	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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;	✓	–	11 meeting with average 53.03% 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	✓	–	–
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name- wise details). <u>Explanation:</u> 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	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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.	✓	–	–
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



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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):			
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;	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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.	✓	–	–
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.	✓	–	–



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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;	✓	–	–
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

Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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
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			



Condition No.	Title	Compliance Status		Remarks (if any)
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
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;	✓	–	–
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.	–	–	Under process
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	1315830	13477	N/A	1,329,307	2.17
2	Mr. Tabith M. Awal	1315805	-	N/A	1,315,805	2.15
3	Mr. Abdul Awal Minto	1320214	508117	N/A	1,828,331	2.98
4	Mr. Khalilur Rahman	3317004	-	N/A	3,317,004	5.41
5	Mr. Mohammed Abdul Awwal	1429485	477570	N/A	1,907,055	3.11
6	Mr. Md. Syedur Rahman Minto	1320214	12923	N/A	1,333,137	2.17
7	Mr. Md. Sarwar Kamal	1363798	383,110	N/A	1,746,908	2.85
8	Mr. Mushfiqur Rahman	1311882	-	N/A	1,311,882	2.14
9	Mrs. Nahreen Siddiqua	1313046	-	N/A	1,313,046	2.14
10	Mrs. Nigar J. Chowdhury	1402474	-	N/A	1,402,474	2.29
11	Mr. Mohammed Abdul Malek	1331806	200000	N/A	1,531,806	2.50
12	Mr. Nasir Latif	1334675	-	N/A	1,334,675	2.18
13	Mr. ASM Mohiuddin Monem	1312806	-	N/A	1,312,806	2.14
14	Mr. Md. Akbar Hossain	42248	-	N/A	42,248	0.07
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



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 prepared the Financial Statement in according with International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), and the preparation of financial statements with disclosures as per rules and regulations required by the Insurance Act 2010 also in compliance with the Companies Act 1994. Besides, Bangladesh Securities and Exchange Commission Rules 1987. Listing of Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). The details of the accounting policies and the estimates used to prepare the financial statements of the company are published in Note 2 of the financial statements.

Five-year comparative analysis of financial performance or results and financial position as well as cash flow with current fiscal year.

The company has maintained steady revenue growth for the past five years.

Taka in Million

	2019	2018	2017	2016	2015
Financial Performance					
Gross premium	2406.53	2,053.44	1,664.78	1,542.60	1,512.62
Net Premium	1024.54	817.15	702.35	638.52	607.55
Net claim	138.47	117.69	82.48	76.72	92.59
Underwriting profit	228.74	147.10	124.89	93.66	23.63
Investment income	-2.05	26.57	21.03	5.00	15.24
Income from financial service	44.52	48.35	48.13	63.54	58.32
Net profit before tax	281.19	236.62	210.33	186.27	121.71
Net profit after tax	209.19	185.12	117.78	84.48	48.41
Paid up Capital	655.90	612.99	583.8	556.00	556.00
Total Assets	4672.44	4546.15	4310.59	4200.13	4065.18
EPS	3.19	3.02	2.66	2.38	1.74
Net Asset Value Per Share	50.63	53.05	54.54	55.03	51.85
Net Cash Flow Per Share	5.57	0.61	0.54	0.08	0.20
Credit Rating					
Long Term	AAA	AAA	AAA	AA1	AA1
Short Term	ST1	ST1	ST1	ST1	ST1

Operational Result/Performance of the company: 2019

In 2019, Pragati Insurance Limited has achieved significant success in earning a total premium of Tk. 2406.53 million. The total premium income has increased by Tk 353.09 million recorded an increase of 17.19% over the previous year.



Pragati Insurance Limited

FINANCIAL ANALYSIS RATIO

The Net Asset Value (NAV) of the company stood at Tk. 3320.62 million in 2019 as against TK. 3352.04 million in 2018. The net asset value per share was TK.50.63 in 2019, although it was TK.49.58 in 2018 (Restated).

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

The financial strength of an insurance company is the assessment of the contractual obligation power of an insurance company which basically forms the claims on the insurance policies, this payment is made timely. Pragati Insurance Limited has the best ability to meet policyholder and contractual obligations.

Pragati Insurance Limited continues to make a name for itself through its customer service, technical facilities, managed care in strategic agreement with its products and value-added services. In a tough and competitive market environment, Pragati Insurance Limited has achieved sound success in 2019.

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, 2019

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, 2019 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, 2019 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

Moghbazar, 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 2019. This Code relates to the Notification No. BSEC/CMRRCD/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
September 02, 2020

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 with 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 2019 under review 08 (Eight) 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 2019.
- 02 Reviewed that draft annual financial statement of accounts for the year 2019 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 2019 and also approved the internal audit plan 2020 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 2019 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.



AUDITORS' REPORT





INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRAGATI INSURANCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Pragati Insurance Limited (the “Company”), which comprise the statement of financial position as at 31 December 2019, and the Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, 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 2019, 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. Financial statements not prepared properly in accordance with IFRS

The requirements of the Securities and Exchange Commission Ordinance 1969, Financial Reporting Act 2015 and Income Tax Ordinance 1984 about preparation and presentation of the financial statements as per International Financial Reporting Standard (IFRS) have not been followed properly in the preparation and presentation of the accompanying financial statements.

In addition to the above, disclosure of the following item as required in the Notification of Bangladesh Securities and Exchange Commission (BSEC) # BSEC/CMRRRC/2006/208/Admin/81 dated 20 June 2018 have not been made in the accompanying financial statements:

Reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals, in addition to disclosures on direct method of cash flows applied.

2. Different types of reserves created without any basis

Reserve for exceptional loss are being carried in the books of the Company since long and a sum of BDT 935,319,047 (including current year amount of BDT 69,156,197) has been transferred to the reserve for exceptional loss and the same has been charged to the profit and loss account and accordingly tax benefits have been availed under Income Tax Ordinance 1984. In accordance with the accounting standards the purpose, objective, legal or constructive obligation relating thereto and basis for such reserve were not found.

In addition to the above reserve, the requirements, either legal or otherwise, and justification for carrying the Contingency Reserve with the balance of BDT 105,869,651 since 2000 were not explained to us.

Revaluation reserve of BDT 1,412,133,735 set up in connection with the revaluation of the Company's non-current assets has not been adjusted for any subsequent tests of revaluation and impairment as no such exercises was conducted despite the requirements of IAS 16. It could not also be ascertained if annual charges of depreciation on the property and calculation of deferred tax in relation to above have been duly accounted for.



3. Issues relating to current and deferred tax

Accumulated liability for income tax charges for several years reported on 31 December 2019 at BDT 537,754,453 could not be verified by us due to the absence of relevant information. We are not also aware of pending cases of assessment and related liabilities, disputed or agreed as the related information were not made available for our review. And the adequacy of the charge of BDT 72,000,000 set up against current year's tax liability could not be verified as the basis for the computation was not produced for our examination.

In addition to the above, deferred tax has not been calculated as required under IAS-12, and it could not be verified a balance of BDT 17,340,000 carried in the books of the company since long.

4. Compliance with IDRA rules

It could not be verified if the company has made investment in designated instruments and in the manner as prescribed in SRO No. 353-law/2019 dated 14 November 2019. We did not verify the correctness of the Company's report on assets and liabilities in the prescribed manner (Schedule # 1) as mentioned in the said SRO.

Management expenses including insurance commission were incurred and charged in excess of the limit set out in section 63 of the Insurance Act 2010 read in conjunction with SRO # 280-law/2018 in respect of marine & hull insurance by an amount of BDT 81 Million.

5. Issues related to Property, Plant and Equipment

- The Correctness of the net book balance of Fixed Assets as of 31 December 2019 (ref. Note 25-29 to the FS) amounting to BDT 2,292,171,000 could not be verified and confirmed by us due to the absence of necessary records maintained for the initial recognition of cost, subsequent revaluation of value and charge of depreciation of the individual items of fixed assets;
- International Accounting Standard (IAS) 40 requires that property generating rental income or used for capital appreciation should be presented as investment property but this requirement has not been complied with and reflected in accompanying financial statements in respect of land and building.

6. Non-compliance with Labor Law 2006

The Company did not set aside due part of its profit for the year in relation to workers profit participation and welfare fund as required under the Bangladesh Labour Act 2006 and did not also forward any justification in support of its inaction.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the Profit and Loss Schedule which states how net premium was calculated after deducting re-insurance premium, and Note 14 of the financial statements, which describes that the payables against expense (withholding tax) and outstanding dividend yet to be paid to the respective persons and authorities, and Note 21 describes that there is receivable from Jamuna Resort Ltd. which may not be realized. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.



Risk	Our Response to the risk
<p>Premium Income: Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. 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 audit 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 re insurance 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.
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. 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 claims 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. • Tested 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.

Other information

Management is responsible for the other information. The other information comprises the director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value-added statement (EVA), and value added statement and certification on corporate governance but doesn't include the financial statements and our auditor's report. The director's reports, management discussion and analysis, statement of corporate governance, financial highlights, economic value added (EVA) statement, value added statement and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover 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 identified above when it becomes available 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.



Responsibilities of management and those charged with governance for the financial statements

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 judgement 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 and (where applicable) 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 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) The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement 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.

Dhaka, Bangladesh

Hoda Vasi Chowdhury & Co
Chartered Accountants



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER, 2019

CAPITAL & LIABILITIES	Notes	2019	2018
Issued, Subscribed & Paid-up capital	4	655,903,290	612,993,730
Reserve or contingency account			
Reserve for Exceptional Losses	5	935,319,047	866,162,850
Contingency Reserve	6	105,869,651	105,869,651
Revaluation Reserve	7	1,412,133,735	1,412,133,735
General Reserve	8	243,578	243,578
Investment Fluctuation Fund (Fair Value Changes)	18.1.1	65,339,416	126,064,308
Profit & Loss Appropriation Account	9	145,812,018	128,368,251
		2,664,717,445	2,638,842,373
Balance of fund & account			
Fire Insurance Business		138,564,470	88,635,591
Marine Insurance Business		236,229,789	190,990,145
Misc. Insurance Business		159,256,005	144,560,730
		534,050,263	424,186,466
Premium Deposit	10	5,472,647	4,920,763
Liabilities & provision			
Estimated liabilities in respect of outstanding claims	11	92,938,352	76,426,819
Amount due to other persons or bodies	12	11,437,925	12,659,072
		104,376,277	89,085,891
Loan from Bank	13	75,113,635	189,035,800
Sundry Creditors	14	77,711,564	103,995,345
Provision for Income Tax	15	537,754,453	465,754,453
Provision for Deferred Tax	16	17,340,000	17,340,000
		4,672,439,573	4,546,154,821
PROPERTY & ASSETS			
Investment			
Bangladesh Government Treasury Bond	17	25,167,444	25,167,444
Shares & debentures (at Cost)	18	352,442,421	363,485,091
		377,609,865	388,652,535
Fair Value Changes Account	18.1.1	65,339,416	126,064,308
Receivables from other persons or bodies	19	423,382,512	536,989,987
Interest, Dividend & Rent outstanding	20	3,432,331	4,986,426
Sundry Debtors	21	76,378,244	89,008,184
Premium Control Account	22	54,136,239	50,402,240
Advance Payment of Tax	23	385,995,575	336,875,232
Cash and Bank Balances			
Fixed Deposit Accounts		745,776,850	440,126,850
STD & Current Accounts		237,081,083	255,416,227
Cash, Cheque in hand & Stamp		9,183,000	17,336,517
	24	992,040,933	712,879,594
Other accounts			
Land (freehold)	25	887,627,023	887,627,023
Holiday Homes	26	4,130,090	4,130,090
Fixed Assets(at cost less accumulated depreciation)	27	83,048,714	80,454,560
Building	28	1,283,082,475	1,292,065,345
Panthapath building	29	34,282,698	34,282,698
Stock of printing materials		1,953,458	1,736,599
		2,294,124,458	2,300,296,315
		4,672,439,573	4,546,154,821
Net Asset Value Per Share	33	50.63	49.58

The annexed notes an integral part of these financial statements

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dated, Dhaka, July 23, 2020



Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2019

	Notes	2019	2018
Profit transferred from :			
Fire revenue account		(17,178,029)	(25,077,546)
Marine revenue account	Console	110,528,544	72,319,634
Misc. revenue account	Revenue	135,393,615	109,862,485
		228,744,130	157,104,573
Other income	30	99,958,197	125,983,481
		328,702,327	283,088,054
Expenses of Management (not applicable to any fund or account)			
Director Fees & Expenses		3,050,625	3,251,345
Registration Renewal Fee	31	2,362,448	1,953,866
Audit Fees		373,750	373,750
Other expense	32	7,127,366	7,020,168
Depreciation		34,589,429	33,867,282
		47,503,618	46,466,411
Profit before tax		281,198,709	236,621,643
Income tax expense:			
Current tax expense	15	72,000,000	51,500,000
Deferred tax (income)/expense		-	-
		72,000,000	51,500,000
Profit for the year transferred to Profit & Loss Appropriation Account		209,198,709	185,121,643
Other comprehensive income			
Gain /(loss) from fair value changes of investment in securities		65,339,416	126,064,308
Revaluation gain/ (loss)		-	-
Deferred tax on revaluation reserve		-	-
		65,339,416	126,064,308
Total Profit or Loss and Other Comprehensive Income		274,538,125	311,185,951

Profit or Loss Appropriation Account

For the year ended 31 December 2019

		2019	2018
Net profit for the year transferred from Profit and Loss Account		209,198,709	185,121,643
Balance brought forward from previous period		128,368,251	117,789,414
Dividend:			
Stock dividend		(42,909,560)	(29,190,180)
Cash dividend		(79,689,185)	(75,894,461)
Reserve for Exceptional Losses		(69,156,197)	(69,458,165)
Balance transferred to Balance Sheet		145,812,018	128,368,251
Earning Per Share	36	3.19	2.82

These financial statements should be read in conjunction with the annexed notes

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
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Hoda Vasi Chowdhury & Co
Chartered Accountants

Dated, Dhaka, July 23, 2020



**CONSOLIDATED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 2019**

Particular	FIRE	Marine	Marine Hull	Motor	MISC	2019	2018
Balance of Account at the beginning of the year :							
Reserve for unexpired risk	88,635,591	159,772,098	31,218,047	110,894,077	33,666,655	424,186,468	363,221,916
Premium, Less Re-insurance	277,128,939	385,331,039	43,564,269	237,816,678	80,695,331	1,024,536,256	817,154,885
Commission on Re-Insurance ceded	30,314,103	49,387,398	10,277,845	-	15,190,572	105,169,918	87,556,957
Total	396,078,633	594,490,535	85,060,161	348,710,755	129,552,558	1,553,892,642	1,267,933,758
Claim under policies less Re-insurance :							
Claim paid during the year	32,915,003	43,369,723	1,121,678	34,578,468	9,971,485	121,956,357	88,294,188
Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	42,272,232	32,465,933	572,186	8,311,850	9,316,151	92,938,352	76,426,819
	75,187,235	75,835,656	1,693,864	42,890,318	19,287,636	214,894,709	164,721,007
Less: Outstanding Claim at the end of the previous year	27,994,857	24,985,496	1,377,196	8,195,000	13,874,270	76,426,819	57,026,144
	47,192,378	50,850,160	316,668	34,695,318	5,413,366	138,467,890	107,694,863
Expenses for management	82,998,759	154,049,143	12,363,099	48,546,887	28,630,447	326,588,335	312,047,219
Commission	144,501,055	108,912,208	6,301,086	36,737,929	29,589,747	326,042,025	266,900,637
Profit transfer to Profit & Loss Account	(17,178,029)	88,013,505	22,515,039	109,822,282	25,571,333	228,744,130	157,104,573
Balance on Account at the end of the year as shown in Balance Sheet :							
Reserve for unexpired risks being 50% of Fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull Premium income of the year.	138,564,470	192,665,520	43,564,269	118,908,339	40,347,666	534,050,263	424,186,466
Total	396,078,633	594,490,535	85,060,161	348,710,755	129,552,558	1,553,892,642	1,267,933,758

These financial statements should be read in conjunction with the annexed notes

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants


Dated, Dhaka, July 23, 2020




FIRE INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 2019

Notes	2019	2018
Balance of account at the beginning of the year :		
Reserve for unexpired risk	88,635,591	69,354,799
Premium less : Re-Insurance	277,128,939	177,271,181
Commission on Re-insurance ceded	30,314,103	29,239,151
	<u>396,078,633</u>	<u>275,865,131</u>
Claims under policies		
Less : Re-insurance : Paid during the year	32,915,003	4,282,023
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	42,272,232	37,994,857
	75,187,235	42,276,880
Less : Outstanding claims at the end of the previous year	(27,994,857)	(15,695,510)
	47,192,378	26,581,370
Expenses of management	82,998,759	83,498,316
Commission	144,501,055	112,227,400
Profit transferred to Profit & (Loss) Account	(17,178,029)	(25,077,546)
Balance of account at the end of the year as shown in Balance Sheet :		
Reserve for unexpired risks, being 50% of the fire premium income of the year	138,564,470	88,635,591
	<u>396,078,633</u>	<u>275,865,131</u>

The annexed notes an integral part of these financial statements. These financial statements were approved by the Board of Directors on July 23, 2020 and were signed on its behalf.


Md. Rezaul Karim
Managing Director

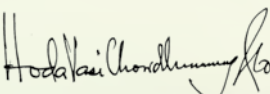

Santosh Sharma
Director


Nasir Latif
Director


Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
See annexed report of date

Dated, Dhaka, July 23, 2020


Hoda Vasi Chowdhury & Co
Chartered Accountants



MARINE INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 2019

Particulars	CARGO	HULL	Total	
			2019	2018
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	159,772,098	31,218,047	190,990,145	162,244,840
Premium Less : Re-Insurance	385,331,039	43,564,269	428,895,308	350,762,242
Commission on Re-Insurance Ceded	49,387,398	10,277,845	59,665,243	46,456,954
	594,490,535	85,060,161	679,550,696	559,464,036
Claims under Policies				
Less : Re-Insurance: Paid during the year	43,369,723	1,121,678	44,491,401	32,697,408
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	32,465,933	572,186	33,038,119	26,362,692
	75,835,656	1,693,864	77,529,520	59,060,100
Less : Outstanding Claims at the end of the previous year	24,985,496	1,377,196	26,362,692	13,072,479
	50,850,160	316,668	51,166,828	45,987,621
Expenses of Management	154,049,143	12,363,099	166,412,242	145,450,558
Commission	108,912,208	6,301,086	115,213,294	104,716,080
Profit transferred to Profit & (Loss) Account	88,013,504	22,515,039	110,528,543	72,319,634
Balance of Account at the end of the year as shown in Balance Sheet :				
Reserve for unexpired risks being 50% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	192,665,520	43,564,269	236,229,789	190,990,145
	594,490,535	85,060,161	679,550,696	559,464,038

The annexed notes an integral part of these financial statements. These financial statements were approved by the Board of Directors on July 23, 2020 and were signed on its behalf.

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dated, Dhaka, July 23, 2020


MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER, 2019

Particulars			Total	
	Motor	Misc	2019	2018
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	110,894,077	33,666,655	144,560,732	131,622,278
Premium Less : Re-Insurance	237,816,678	80,695,331	318,512,009	289,121,460
Commission on Re-insurance ceded (including profit commission)	-	15,190,572	15,190,572	11,860,852
	348,710,755	129,552,558	478,263,313	432,604,590
Claims under Policies				
Less : Re-Insurance: Paid during the year	34578468	9,971,485	44,549,953	51,314,757
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	8,311,850	9,316,151	17,628,001	22,069,270
	42,890,318	19,287,636	62,177,954	73,384,027
Less : Outstanding Claims at the end of the previous year	8,195,000	13,874,270	22,069,270	28,258,155
	34,695,318	5,413,366	40,108,684	45,125,872
Expenses of Management	48,546,887	28,630,447	77,177,334	83,044,528
Commission	36,737,929	29,589,747	66,327,676	49,957,158
Profit transferred to Profit & (Loss) Account	109,822,282	25,571,333	135,393,615	109,916,302
Balance of Account at the end of the year as shown in Balance Sheet :				
Reserve for unexpired risks being 50% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	118,908,339	40,347,666	159,256,005	144,560,730
	348,710,755	129,552,559	478,263,314	432,604,590

The annexed notes an integral part of these financial statements. These financial statements were approved by the Board of Directors on July 23, 2020 and were signed on its behalf.


Md. Rezaul Karim
 Managing Director



Santosh Sharma
 Director


Nasir Latif
 Director


Syed M. Altaf Hussain
 Chairman

Auditors' Report to the Shareholders
See annexed report of date

Dated, Dhaka, July 23, 2020


Hoda Vasi Chowdhury & Co
 Chartered Accountants



STATEMENT CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER, 2019

Particulars	2019	2018
A. Cash Flow from operating Activities		
Collection from Premium & Other income	2,597,051,779	2,142,999,082
Less: Payment for Expenses of Management, Re-insurance, Claim and Commission etc.	2,182,271,306	2,060,383,239
Less: Tax paid/or deducted	49,120,343	47,232,201
Net Cash Flow From Operating Activities	365,660,130	35,383,642
B. Cash Flow from Investing Activities		
Interest & other Income	33,477,327	31,068,069
Dividend Income	12,979,435	19,292,750
Rental Income	55,552,338	49,048,736
Purchase of Fixed Assets	(14,922,085)	(18,324,280)
Land & Building	8,982,870	(10,572,590)
Net Fund adjustment with Brokers house	11,042,674	42,965,735
Net Cash Flow From Investing Activities	107,112,559	113,478,420
C. Cash Flow from Financing Activities		
Increase/(Decreased) of bank Overdraft	(113,922,165)	52,993,530
Dividend Paid	(79,689,185)	(75,894,461)
Net Cash Flow From Financing Activities	(193,611,350)	(22,900,931)
Increase/Decrease in Cash Flow(A+B+C)	279,161,339	125,961,131
Opening Cash In hand & At Banks	712,879,594	586,918,464
Closing Cash In hand & At Banks	992,040,933	712,879,594
Net operating cash flow per share	5.57	0.61

The annexed notes an integral part of these financial statements. These financial statements were approved by the Board of Directors on July 23, 2020 and were signed on its behalf.

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders
See annexed report of date

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dated, Dhaka, July 23, 2020

PRAGATI INSURANCE LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER, 2019

Particulars	Share capital		Reserve for exceptional losses		Contingency Reserve for Insurance Guarantees		Revaluation Reserve		Investment Fluctuation Fund (Fair Value Changes)		General reserve		Profit & loss appropriation		Total equity	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1 January 2019	612,993,730	866,162,850	-	1,412,133,735	105,869,651	-	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)	-						
Transferred to Reserve for exceptional losses	-	69,156,197	-	-	-	-	-	-	(69,156,197)	-						
Transferred to Revaluation reserve	-	-	-	-	-	-	-	-	-	-						
Transferred to profit & loss appropriation account	-	-	-	-	-	-	-	-	209,198,709	-						
Current year change	-	-	-	-	-	-	(60,724,890)	-	-	-						
Balance at 31 December 2019	655,903,290	935,319,047	105,869,651	1,412,133,735	105,869,651	1,412,133,735	65,339,417	243,578	145,812,018	3,320,620,736						
Balance at 31 December 2018	612,993,730	866,162,850	105,869,651	1,412,133,735	105,869,651	1,412,133,735	126,064,307	243,578	128,368,251	3,251,836,102						

The annexed notes an integral part of these financial statements. These financial statements were approved by the Board of Directors on July 23, 2020 and were signed on its behalf.



Md. Rezaul Karim
Managing Director



Santosh Sharma
Director



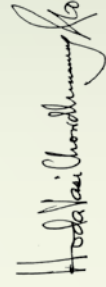
Nasir Latif
Director



Syed M. Altaf Hussain
Chairman

Auditors' Report to the Shareholders See annexed report of date

Dated, Dhaka, July 23, 2020



Hoda Vasi Chowdhury & Co
Chartered Accountants



PRAGATI INSURANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER, 2019

1. Background

The Company was incorporated as a public company on 27 January 1986 and obtained the Certificate of Commencement i.e C-15249/815 of Business from the Registrar of Joint Stock Companies, Bangladesh with effect from 30 January 1986. The Company is listed with both Dhaka Stock Exchange and Chittagong Stock Exchange Limited as a Public Limited Company. The primary objectives of the company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

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 division of Bangladesh.

1.1 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. Revenue under above activities is derived primarily from insurance premiums.

1.2 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by per requirement of Insurance Act 2010 and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

- i) Balance sheet as at 31 December 2019;
- ii) Profit and Loss Account for the year ended 31 December 2019;
- iii) Profit and Loss Appropriation Account for the year ended 31 December 2019;
- iv) Statement of Changes in Equity for the year ended 31 December 2019;
- v) Statement of cash flows for the year ended 31 December 2019;
- vi) Consolidated all Business Revenue Account for the year ended 31 December 2019;
- vii) Fire Insurance Revenue Account for the year ended 31 December 2019;
- viii) Motor Insurance Revenue Account for the year ended 31 December 2019;
- ix) Marine Insurance revenue Account for the year ended 31 December 2019;
- X) Miscellaneous Insurance Revenue Account for the year ended 31 December 2019; and
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2019.

2. Summary of significant accounting policies & basis of preparation

A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), is set out below:

2.01 Basis of preparation

The Financial Statements have been prepared on going concern and accrual basis under the 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 Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 (as amended in 1997), the listing rules of Dhaka Stock Exchange Limited and Chittagong Exchange Limited and other applicable laws & regulations in Bangladesh.

2.02 Significant accounting policies

A summary of the principle accounting policies which have been applied consistently (unless otherwise stated), is set out below.



2.03 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.

2.04 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency except as indicated.

2.05 Use of estimates and judgments

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 are revised and in any future periods affected.

2.06 Operation

During the year under audit, the gross premium earned by the company amounted to Tk. 2406,529,123 including public sector business of Tk. 76,667,062 After ceding for re-insurance premium the net premium for the year amount to Tk. 1,024,536,256 and after charging direct expenses therefrom the net Underwriting profit stood at Tk. 228,744,126 as against Tk. 147,104,569 of previous year.

2.07 Public Sector Business

Public Sector Business up to June 2019 has been accounted for on the basis of statement received from Sadharan Bima Corporation.

2.08 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 income statement as tax expense.

i. Current Tax

Provision for income tax has been made @ 37.5% as per Finance Act 2019 of the profit made by the company considering taxable add-back of income and disallowance of expenditure.

ii. Deferred Tax

The Corporation 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.

2.09 Foreign Currency Translation

Transactions in currencies other than the Company's functional currency (foreign currencies) 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 Revenue Recognition

i. 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.

ii. Re-insurance commission

Re-insurance commission are recognized as revenue over the period in which the related services are performed.



iii. Interest on Statutory and other Investments

The interest received during the year from banks on STD account and FDR Accounts has been duly credited to the Statement of Comprehensive Account

iv. 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 Statement of Comprehensive 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.

2.11 Benefits, claims and expenses recognition

i. Gross benefits and claims

General insurance and health claims include all claims occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

ii. Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

2.12 Management Expenses

Management expenses as charged to Revenue Accounts amounting to Tk.326,588,336 represents approximately 13.57% of gross premium of Tk.2,406,529,123. The expenses have been apportioned @ 25.41% to Fire, 50.95% to Marine and 23.63% to miscellaneous business as per Management decision.

2.13 Provision for Unexpired Risks

Before arriving at the surplus of each class of business necessary provision for unexpired risks have been created at the rate of 50% on all business except on Marine Hull business for which the provision was made @ 100% of the total premium for the year 2019.

2.14 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:

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

2.15 Provision for outstanding claims

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

2.16 Employees' Benefit Scheme

Pragati Insurance Limited provided employees' benefit as per IAS-19 as under,

i. 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) and administrated by an independent Board of Trustee.

ii. Contributed Provident Fund

The company has a contributed provident Fund for its regular employee. The fund is approved by Commissioner of Taxes.

iii. Other Benefit's

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 Workers Profit Participation Fund (WPPF) and like to clarify as per provision of para (A to G) 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 mention 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 Ltd. has been maintaining a recognized Employees Provident fund, Gratuity Scheme, Group Insurance Scheme (GIS), performance bonus as per provision of IAS-19.

2.17 Reserve or Contingencies

i. Reserve for Exceptional Loss

Company sets aside 6.75% of the net premium income of the year from the balance of the profit as Reserve for exception losses as per para 6 of 4th schedule of the income tax ordinance 1984 to meet the exceptional losses. Details calculation have been given in note 05.

ii. Foreign Currency 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 maintained a general reserve from the current year profit to avoid future contingency.

iv. Revaluation reserve

The company preserve a revaluation reserve which was created on 2009 and subsequent measurement is made in accordance with the related accounting standards.

2.18 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

These financial statements have been prepared in compliance with the requirements of the Insurance Act 2010 and regulations formed thereunder for the time being in force taking procedures over the requirements of relevant IFRS. Such departures from IFRS has been disclosed wherever applicable.

General provision on insurance premium and re-insurance premium are set up as per Insurance Act 2010 which does not meet the recognition criteria of IAS 37.

2.19 Interest Expense

The Company has incurred interest and related expenses on account of overdraft, finance lease and short term loan. In terms of provision of the International Accounting Standard 1: Presentation of Financial Statements, interest expenses are recognized on accrual basis.

2.20 Earnings Per share

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in note # 36.

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 2019.

2.21 Accounting for changes in accounting estimates

IAS 8 states that the effect of a change in an accounting estimate is to be applied prospectively by inclusion in the current accounting period and, if relevant, in future accounting period. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change.



2.22 Events after the reporting period

There is no material adjusting or non adjusting events after the balance sheet date.

2.23 Contingent liability and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements. A contingent liability is probable obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events not within the control of the company or present obligation that is not recognize because outflow of resources is not likely or obligation cannot be measured reliably.

2.24 Related Party Disclosures

Pragati Insurance in normal course of business carried out a number of transactions with other entities that fall within the definition of related parties contained in Bangladesh Accounting Standard 24: 'Related Parties Disclosers'. All transactions involving related parties arising the normal course of business and on a arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details transactions with related parties and balances with them as at December 31,2019 were as follows:

2.25 Consistency of Presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, Pragati Insurance Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS 8. We have applied the consistent accounting and valuation principles.

Name of the Client	Relationship	Nature of Business	Net Premium Income-2019	Premium Outstanding upto 31-12-2019	Amount Realized Subsequently	Claim Paid-2019
W & W Grains Corporation	Common Director	Insurance	509,812	Nil	Nil	-
Multimode Group	Common Director	Insurance	22,502,137	Nil	Nil	13,027,970
Abdul Monem Ltd.	Common Director	Insurance	44,488,409	Nil	Nil	6,966,496
KDS Group	Common Director	Insurance	64,602,259	Nil	Nil	1,466,484
McDonald Group	Common Director	Insurance	868,400	Nil	Nil	-
Prostar Group	Common Director	Insurance	1,256,901	Nil	Nil	-
Armana Group	Common Director	Insurance	42,363,929	Nil	Nil	1,335,313
Chowdhury Group	Common Director	Insurance	3,059,430	Nil	Nil	-
Concord Pragatee Consortium	Common Director	Insurance	2,841,684	Nil	Nil	7,721,339
MKR Group	Common Director	Insurance	36,669	Nil	Nil	-
Total			182,529,630	-	-	30,517,802

2.26 General

- Figures appearing in these financial statements have been rounded off to the nearest BDT amount.
- Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current period's presentation.

2.27 Reporting Currency

The financial statements are prepared and presented in Bangladesh Taka (BDT), which is the company's financial currency. A sizeable amount have however been received in foreign currency.

2.28 Reporting Period

The financial period under audit of the company covering (12) twelve months from of 01 January 2019 to 31 December 2019

3. Valuation of Assets

The value of all assets at 31 December 2019 as shown in the Balance Sheet and in the Classified Summary of Assets on Form 'AA' annexed have been reviewed and the said assets have been set forth in the Balance Sheet at amounts at their respective book values which in the aggregate do not exceed their aggregate market value.



	2019	2018
4. Share capital:		
Authorized:		
200,000,000 ordinary shares of Tk 10 each	2,000,000,000	2,000,000,000
Issued, subscribed and paid up:		
61,299,373 ordinary Shares of Tk 10 each Fully	655,903,290	612,993,730
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	-
	655,903,290	612,993,730
5. Reserve for Exceptional Losses:		
Opening balance	866,162,850	796,704,685
Add: Addition during the year	69,156,197	69,458,165
	935,319,047	866,162,850

In accordance with the Income Tax Ordinance, these amount has been setaside from net profit with a view to meeting up unexpected loss may be arised in future. Current rate of the reserve is 6.75% of its net premium.



	2019	2018
6. Contingency Reserve :		
Reserve for unexpired Guarantees	87,080,441	87,080,441
Reserve against Tail ended insurance business	18,789,210	18,789,210
	105,869,651	105,869,651
Contingency Reserve for Insurance Guarantees & tail ended Insurance Business which can be merged with general reserve.		
7. Revaluation Reserve:		
Opening balance	1,412,133,735	1,412,133,735
Accumulated depreciation for the reserve	-	-
	1,412,133,735	1,412,133,735
Revaluation amount includes the value of land and building and value of building is depreciable as per the company policy.		
8. General Reserve:	243,578	243,578
9. Balance of Profit & Loss Appropriation Account:	145,812,018	128,368,251
Underwriting Profit as per revenue Account	172,754,416	157,104,573
Interest Income & Dividend	48,516,988	58,526,629
Other Income(Including gain/(loss) on Sale of Share	54,965,321	77,623,152
	276,236,725	293,254,354
Less: Expenses of Management (Not related to any fund or account)		
Management Expense	47,503,618	46,466,411
Overdraft Interest	3,524,112	10,166,300
Income tax expense	72,000,000	51,500,000
	123,027,730	108,132,711
Net profit for the year	153,208,995	185,121,643
less: Reserve for Exceptional losses (6.75% of Net Premium) Tax free (In 2018 it was 8.5%)	69,156,197	69,458,165
Add: Surplus Brought forward:	128,368,251	117,789,414
	212,421,049	233,452,892
Less: Distribution		
Stock dividend	42,909,560	29,190,180
Cash dividend	79,689,185	75,894,461
	122,598,745	105,084,641
Surplus Carried forward	89,822,304	128,368,251
10. Premium deposits:	5,472,647	4,920,763
Balance on this account represents premium received against cover notes which were not converted into policy within 31 December 2019 because of the period of nine months from the dates of issue of cover notes had not elapsed.		

	2019	2018
11. Estimated liability in respect of outstanding claims :		
Fire	42,272,232	27,994,857
Marine	33,038,119	26,362,692
Motor	8,311,850	8,195,000
Miscellaneous	9,316,151	13,874,270
	92,938,352	76,426,819
All the claims of which the management is aware of as per intimation up to the year-end have been taken into consideration.		
12. Amounts due to other persons or bodies carrying on insurance business:		
Co-insurers	11,437,925	12,659,072
	11,437,925	12,659,072
The following to the the balance payable under co-insurance scheme for payment to other insurance companies and other parties.		
13. Loan from Bank for office Building (Secured):	75,113,635	189,035,800
13.01 Sonali Bank		
Opening Balance	141,244,473	86,902,791
Loan Taken during the year	-	75,562,700
Interest charged during the year	10,028,635	11,618,107
	151,273,108	174,083,598
Less. Re-payment during the year	79,904,436	32,839,125
	71,368,672	141,244,473
13.02 IFIC Bank		
Opening Balance	18,578,757	(860,521)
Loan Taken during the year	40,648,249	177,605,090
Interest charged during the year	1,728,270	4,824,637
	60,955,276	181,569,206
Less. Re-payment during the year	60,948,363	162,990,449
	6,913	18,578,757
13.03 IDLC	-	25,000,000
13.04 Delta Brac Finance Company	3,738,050	4,212,570
14. Sundry creditors (including provision for expenses and taxes)		
Payable against expenses	7,161,373	24,451,504
Provident fund deduction	3,306,604	2,063,390
Provident fund Loan	517,940	191,790
Income tax deduction(14.1)	54,561	42,068
Received against security	5,066,160	5,066,160
Tax deduction against Bill	283,363	209,506
VAT deduction against Bill	257,292	105,082
Un-paid dividend (14.2)	17,112,298	11,813,693
Vat payable (14.3)	13,048,915	12,498,620



	2019	2018
Hospitalization Insurance Claim	651,330	634,795
Advance Rent Received	30,251,728	46,918,738
	77,711,564	103,995,345
14.01 Income Tax deduction		
Income Tax deduction at source amounting to Tk.54,561 including income tax deduction from salary during the year which has been deposited into Bangladesh Bank subsequently.		
14.02 Unpaid Dividend		
This represent the balance of unpaid dividend from year to year TK.17,112,298		
14.03 VAT Payable		
VAT payable as Tk.13,048,915 represent the Vat for the month of December 2019 which has been deposited into Bangladesh Bank subsequently.		
15. Provision for Income Tax		
The amount includes Tk. 72,000,000 being Income tax provision made for the accounting year ended on 31 December 2019 (Assesment Year 2019-2020) in accordance with the best estimate of the management on lump sum basis but without considering the admissible and inadmissible expenses.		
Opening Balance	465,754,453	414,254,453
Add. Provision made during the year	72,000,000	51,500,000
	537,754,453	465,754,453
** Profit Shown as per Statement of Comprehensive Income	281,198,709	236,621,641
Less: Reserve for exceptional losses	69,156,197	69,458,165
Taxable income	212,042,512	167,163,476
Less: Capital Gain on sale of shares for separate tax	(2,050,903)	26,573,925
Business Income	214,093,415	140,589,551
Tax on Above @ 37.5%	80,285,031	52,721,084
Add. Tax on capital gain at 10%	205,090	2,657,393
Provision comes to Taka	80,079,941	55,378,477
Say, Provision made during The year	72,000,000	51,500,000
16. Provision for Deferred Tax	17,340,000	17,340,000
17. Bangladesh Government Treasury Bond	25,167,444	25,167,444
The amount represents 5 years Bangladesh Government Treasury Bond (BGTB) with a face value of TK.25,167,444 held with Bangladesh Bank as statutory Deposit under Insurance Act ,2010.		
18. Shares and Debentures Tk. 382,581,265		
Shares (Ref. note # 18.1)	347,942,421	358,985,091
Debentures (Ref. note # 18.2)	4,500,000	4,500,000
	352,442,421	363,485,091
18.1 Break up of Share and debenturs of 2019	At cost	Market Value
BD Submarine Cable	709,880	375,200
Coppertech Industries Ltd.	144,623	117,195
Delta Life Insurance	11,646,384	4,767,384
Delta Speiner Ltd.	1,994,080	484,000

	At cost	Market Value
Eastland Insurance	31,502	22,706
Esquire Knit Composite Ltd	940,050	591,187
Familytex (BD) Ltd.	1,746,573	152,806
Golden Son Limited	8,176,875	1,231,125
Int. Leasing And FSL	2,746,601	563,598
Kay & Que	4,501,005	16,925,200
KDS Accessories Limited	1,969,569	1,395,870
Lafarge Holsim Cement BD	7,573,300	2,352,000
Lanakabangla Finace Ltd.	8,529,588	3,386,250
Libra Infusions Limited	463,096	309,119
Monno Fabrics Ltd.	27,125	271,250
National Bank	30,330,585	12,916,811
National Housing Finance Company Ltd.	49,932,168	169,850,338
NCC Bank Ltd.	1,022,002	687,060
Olympic Industries Ltd.	18,221,037	9,850,500
Pragati Life Insurance Ltd.	36,409,230	39,216,150
Runner Automobiles Ltd	540,439	450,177
Saif Powertec Ltd.	7,229,255	2,945,333
Shahjibazar Power Ltd.	5,341,611	2,934,260
Southeast Bank Ltd.	7,259,905	5,339,337
SS Steel Limited	743,675	524,700
Unique Hotel & Resort	6,829,905	2,831,550
United Power Generation	285,904	194,278
	215,345,967	280,685,383

18.1.1 Changes in fair value of the shares available for sale

	2019	2018
Fair Value of the Investment	280,685,383	341,094,434
Fair value reserve as at 31 December 2018	(215,345,967)	(215,030,126)
	65,339,416	126,064,308

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

Total	132,561,105	132,561,105
Brokerage Balance	35,349	11,393,859

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.



	2019	2018
18.2 Debentures		
Bangladesh Luggage Industries Ltd	4,500,000	4,500,000
19. Amount due from other persons or bodies carrying on insurance business		
Co-Insurance premium receivable	24,403,555	23,524,527
Co-Insurance claim receivable	16,269,656	15,492,551
Refund Co-Insurance premium receivable	3,863,885	3,865,536
Sadharan Bima Corporation	286,805,256	399,458,067
Overseas re-insurear	92,040,160	94,649,306
	423,382,512	536,989,987
20. Dividend & Debenture Interest Receivable		
Dividend (Ref. note # 20.1)	2,907,331	4,461,426
Debenture Interest (Ref. note # 20.2)	525,000	525,000
	3,432,331	4,986,426
20.01 Dividend		
Metro Spinning Mills Ltd.	510	510
Beximco Fisheries Ltd.	50,916	50,916
CDBL	2,855,905	4,410,000
	2,907,331	4,461,426
20.02 Debenture Interest		
Bangladesh Luggage Industries Ltd	525,000	525,000
21. Sundry Debtors (including advances, deposits and prepayments and others)		
Advance against Salary	6,841,951	5,733,022
Advance against Rent	10,899,041	14,008,495
Advance against Expenses	4,342,981	17,147,491
House Building Loan	149,716	755,187
Jamuna Resort Ltd.	34,605,420	26,845,168
Security Deposits	776,192	6,044,306
Group Insurance	3,702,243	3,383,815
Advance against Insurance Management Software	15,060,700	15,060,700
Rent Receivable	-	30,000
	76,378,244	89,008,184
22. Premium Control Account		
Fire	1,006,645	3,488,185
Marine (Cargo & Hull)	46,961,876	37,039,189
Motor	334,795	-
Misc	5,832,923	9,874,866
	54,136,239	50,402,240
Total amount of premium control account was realized within february 2019.		
23. Advance Payments of Tax		
Opening balance	336,875,232	289,643,031
Add: Advance Tax paid/Deduction at source during the year (Ref. note # 23.1)	49,120,343	47,232,201
	385,995,575	336,875,232



	2019	2018
23.01 Advance Tax paid/Deduction at source during the year		
Deduction At Source from FDR Interest	2,652,915	3,105,462
Deduction At Source from STD Interest	321,646	344,756
Deduction At Source from Dividend Income	2,906,689	2,971,601
Deduction At Source from office Rent	2,750,930	3,777,146
Tax against Motor Maintanance	527,636	59,690
Advance Income Tax Paid	39,960,527	36,973,546
	49,120,343	47,232,201
24. Cash and cash equivalent		
In hand		
Cash (Head Office and Branch)	8,406,000	16,735,917
Stamps	777,000	600,600
	9,183,000	17,336,517
At banks		
Fixed deposits (FDR)	745,776,850	440,126,850
Short term deposit (STD)& Current accounts	237,081,083	255,416,227
	982,857,933	695,543,077
	992,040,933	712,879,594
25. Land		
Opening balance	887,627,023	887,115,023
Add.: Sundry cost	-	512,000
	887,627,023	887,627,023
26. Holiday Homes	4,130,090	4,130,090
27. Fixed Asset		
Cost	243,729,986	234,233,901
Less: Accumulated depreciation	160,681,272	153,779,341
Written down value as per Annexure 'A'	83,048,714	80,454,560
28. Office Building		
Head Office Building is yet to be registered in the name of the Company and hence no depreciation Charged so far expect electrical equipment.		
Opening Balance	1,292,065,345	1,302,008,743
Add: Interest on Sonali Bank SOD-32008293	10,028,635	11,618,107
Add.Other expenses	3,250,000	700,000.00
	1,305,343,980	1,314,326,850
Less: Depreciation	22,261,505	22,261,505
Closing Balance	1,283,082,475	1,292,065,345
These assest are recognised and accounted for in accordance with IAS 40 - Investment Property except the premises is using for administrative purpose for the company.		
29. Panthapath Building		
Two Storied Commercial Building under construction at panthapath land		
Opening Balance	34,282,698	33,982,698
Add: Rate,legal & other expenses.	-	300,000
	34,282,698	34,282,698



	2019	2018
These assets are recognised and accounted for in accordance with IAS 40 - Investment Property except the premises is using for administrative purpose for the company.		
30. Other income		
Interest on:		
Fixed deposit receipts (FDR)	26,465,102	35,181,790
Short term deposit (STD) accounts	8,602,838	3,741,771
House Building Loan Interest	469,613	310,318
	35,537,553	39,233,879
Overdraft interest	(3,524,112)	(10,166,300)
Dividend received during the year	12,979,435	19,292,750
Sundry Income	1,463,886	2,000,491
Profit/ (Loss) on sale of Investment	(2,050,903)	26,573,925
Building Rent	55,552,338	49,048,736
Total	99,958,197	125,983,481
31. Registration Renewal Fee	2,362,448	1,953,866
The balance represents the amount deposited to Bangladesh Bank against renewal of registration for carrying on fire, marine and miscellaneous insurance business as per Section- 3A of Insurance Act-2010. Such expense amounts to Tk. 2,362,448.		
32. Other Expenses		
AGM Expenses	1,647,339	2,077,392
Advertisement	3,455,888	-
Donation	432,000	-
Performance Bonus	-	4,942,776
Subscription	1,592,139	-
	7,127,366	7,020,168
33. Audit fees		
Statutory audit fee (Including Vat)	373,750	373,750
34. Net Asset Value		
(Total Asset-Current Liabilities)	3,320,620,733	3,252,040,091
Number of Share	65,590,329	65,590,329
Net Asset Value	50.63	49.58
Total Asset-Current Liabilities	3,320,620,733	3,252,040,091
Total Assets	4,672,439,573	4,565,858,808
Current Liabilities	1,351,818,840	1,313,818,717
Fire Insurance Business	138,564,469	88,635,590
Marine Insurance Business	236,229,788	190,990,145
Misc. Insurance Business	159,256,005	144,560,731
Premium Deposit	5,472,647	4,920,763
Estimated liabilities in respect of outstanding Claims whether due or intimated	92,938,352	76,426,819
Amount due to other persons or bodies for carrying on insurance business	11,437,925	12,659,072
Loan from Bank	75,113,635	189,035,800
Sundry Creditors	77,711,566	103,995,345



	2019	2018
Provision for Income Tax	537,754,453	475,254,453
Provision for Deferred Tax	17,340,000	17,340,000
36. Earning Per Share		
Profit after Tax	209,198,709	185,121,643
Number of Share	65,590,329	65,590,329
Basic Earning Per Share (Comparative Restated)	3.19	2.82
37. 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	548 Nos.	
b) Salaries drawing Below TK.5000	Nil	
38. Payments/ perquisites/ to Directors/Officers during the year		
Directors' Fees	2,570,598	2,369,562
MD's Salary & Emoluments	6,000,000	6,000,000
Officers Salary	202,581,515	187,293,311
Meeting Fees	480,027	881,783
	196,343,936	196,544,656

39. Post Balance Sheet Events

The novel coronavirus (COVID-19) pandemic is spreading around the globe rapidly Bangladesh is not beyond this pandemic. The virus has taken its toll on not just human life, but businesses and financial markets too, we expect that our business will run and no significant event that has occurred between the balance sheet date and the date when the Financial Statements are authorized for issue by the board of Directors Of Pragati Insurance Ltd in its 288th meeting held 23rd July, 2020 other than the fact that it has recommended Cash Dividend @ 22% out of surplus subject to approval of shareholders in the 34th Annual General Meeting.

The annexed notes from 1 to 38 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 23 July 2020 and were signed on its behalf.

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Hoda Vasi Chowdhury & Co
CHARTERED ACCOUNTANTS

Dated, Dhaka, July 23, 2020

Fixed Assets

(at cost less accumulated depreciation)

Particulars	Cost			Rate	Depreciation			WDV as at 31 December 2019	WDV as at 31 December 2018
	Opening balance	Additions during the year	Disposal during the year		Closing balance	Charged during the year	Disposal during the year		
FURNITURE & FIXTURE	32,232,277	590,663	-	32,822,940	10%	403,651	-	32,232,277	403,651
FIXTURE(PLSTIC SIGN)	2,121,788	7,462,901	-	9,584,689	15%	318,268	-	2,343,846	96,210
MOTOR VEHICLE	99,288,044	-	5,426,000	93,862,044	20%	2,630,648	5,426,000	42,665,333	53,827,359
ELECTRICAL EQUIPMENT	67,038,826	6,477,137	-	73,515,963	15%	6,345,350	-	63,651,593	9,732,583
OFFICE EQUIPMENT	3,209,570	17,200	-	3,226,770	15%	-	-	3,209,570	-
CURTAIN & CARPETS	679,018	13,033	-	692,051	20%	-	-	679,018	-
BI-CYCLE	23,175	-	-	23,175	20%	-	-	23,175	-
TELEPHONE(INTERCOM)	492,093	191	-	492,284	20%	-	-	492,093	191
OFFICE DECORATION	29,149,110	360,960	-	29,510,070	10%	2,630,006	-	15,384,366	16,394,750
Total : Taka	234,233,901	14,922,085	5,426,000	243,729,986		12,327,924	5,426,000	160,681,272	80,454,553
Building:									
Electrical Equipment	28,211,948	-	-	28,211,948	10%	2,557,517	-	18,925,687	9,207,000
Building 4 No floor & Jubilee Road Flat	197,039,880	-	-	197,039,880	10%	19,703,988	-	39,407,976	177,335,892
Total in 2019	262,445,849	14,922,085	5,426,000	271,941,934		34,589,429	5,426,000	179,606,959	89,661,553
Total in 2018	244,121,569	18,324,280	-	262,445,849		33,867,282	-	170,147,518	85,500,567
Total : Taka 2016	245,237,431	4,125,593	2,470,000	246,893,024		12,792,076	2,470,000	149,514,443	106,045,066



REVENUE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER, 2019

Summarized position of net underwriting profit earned during the year 2019 is as follows.

Particular	FIRE	MARINE	MOTOR & MISC	2019	2018
Premium Income					
A) Gross Premium	1,036,359,217	891,200,155	478,969,751	2,406,529,123	2,053,441,634
B) Re-insurance premium	759,230,278	462,304,847	160,457,742	1,381,992,867	1,236,286,753
C) Net Premium (A-B)	277,128,939	428,895,308	318,512,009	1,024,536,256	817,154,881
Direct Expenses					
D) Commission (Net of Re-insurance Accepted and Ceded)	114,186,952	55,548,051	51,137,104	220,872,107	179,343,680
E) Claim Settled & provide	47,192,378	51,166,828	40,108,684	138,467,890	117,694,863
F) Management Expenses	82,998,759	166,412,241	77,177,336	326,588,336	312,047,219
G) Allocation Of Management Expenses					100%
H) Total Direct Expenses (D+E+F)	244,378,089	273,127,120	168,423,124	685,928,333	609,085,762
I) Adjustment Fund Balance for Un-expired risk (Opening Balance Less closing Balance)	(49,928,879)	(45,239,644)	(14,695,274)	(109,863,797)	(60,964,550)
Net Underwriting Profit (C-H+I)	(17,178,029)	110,528,544	135,393,611	228,744,126	147,104,569
Commission(Net)					
Commission paid on Direct Business	144,501,055	115,213,294	66,327,676	326,042,025	266,900,637
Commission paid on Re-insurance Accepted	-	-	-	-	-
	144,501,055	115,213,294	66,327,676	326,042,025	266,900,637
Less: Commission earned on re-insurance ceded	30,314,103	59,665,243	15,190,572	105,169,918	87,556,957
Net Commission	114,186,952	55,548,051	51,137,104	220,872,107	179,343,680
Claim Settled					
Gross Claim	110,032,860	101,570,712	51,778,264	263,381,836	496,801,828
less. Salvage received	-	-	-	-	-
	110,032,860	101,570,712	51,778,264	263,381,836	496,801,828
Less : Re-insurance claim Recovery	77,117,857	57,079,311	7,228,311	141,425,479	408,507,640
Paid During The Year	32,915,003	44,491,401	44,549,953	121,956,357	88,294,188
Add: Outstanding Claim at the end of the year whether due or Intemated(Company's Share)	42,272,232	33,038,119	17,628,001	92,938,352	86,426,819
	75,187,235	77,529,520	62,177,954	214,894,709	174,721,007
Less: Outstanding claim at the end of the previous Year	27,994,857	26,362,692	22,069,270	76,426,819	57,026,144
Net Claim	47,192,378	51,166,828	40,108,684	138,467,890	117,694,863



FORM 'AA'

CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER, 2019

	2019	2018
3 - Year National Investment Bond	25,167,444	25,167,444
Shares - at cost	347,942,419	358,985,093
Debenture(At Cost)	4,500,000	4,500,000
Fixed deposit, STD and current A/C with Banks	982,857,933	695,543,077
Cash in hand and Stamp in hand	9,183,000	17,336,517
Amount due from other persons or bodies carrying on insurance business	488,721,929	663,054,295
Accrued interest	3,432,331	4,986,426
Debtors (including advances, deposits and prepayments)	76,378,244	89,008,184
Stock of Printing material	1,953,458	1,736,599
Land	887,627,023	887,627,023
Holiday homes	4,130,090	4,130,090
Fixed Asset	83,048,714	80,454,560
Building	1,317,365,173	1,326,348,043
	4,232,307,758	4,158,877,350

Md. Rezaul Karim
Managing Director

Santosh Sharma
Director

Nasir Latif
Director

Syed M. Altaf Hussain
Chairman

Directors' Certificate

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, 2019 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.

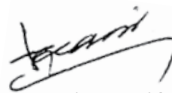
All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Profit & Loss Account.



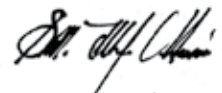
Md. Rezaul Karim
Managing Director



Shantosh Sharma
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 Deputy Vice President	Mob : 01712650025
			Tel : 9570424,9587652
			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 (Kallo) 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.	Bahauddin Ahmed Assistant Managing Director	Mob : 01711696341
			Tel : 9886151
			Fax : 9886151
			E-mail : gulshan@pragatiinsurance.com
6	Savar Branch ‘Hashem Plaza’, 1st Floor, DEPZ Gate, Ganak Bari, Savar, Dhaka.	Abdus Salam Sr. Executive Vice President	Mob : 01775538552
			Tel : 7790262
			Fax : 7790262
			E-mail : savar@pragatiinsurance.com
7	Sadarghat Branch 32/Ka, Johnson Road, Dholaikhal, Dhaka.	Ahmed Asif Vice President	Mob : 01719686947
			Tel : 47113066
			Fax : 9583619
			E-mail : sb@pragatiinsurance.com : faruk@pragatiinsurance.com
8	Uttara Branch House # 18 (4th Floor), Sonargaon Janapath, Sector # 9, Uttara Model Town Town, Dhaka-1230	Md. Abu Sarwar Hossain Sr. 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) Senior Vice President	Mob : 01718007723
			Tel : 9566389,9557772
			Fax : 9566911
			E-mail : bangabandhu@pragatiinsurance.com



Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
10	Dilkusha Branch “ WW Tower” 11th Floor 68, Motijheel C/A, Dhaka-1000.	Humayun Kabir Majumder Sr.Executive Vice President	Mob : 01712296516
			Tel : 9567861
			Fax : 9551685
			E-mail : dilkusha@pragatiinsurance.com
11	Imamgonj Branch 31, Mitford Road, Imamgonj, Dhaka.	Syed Saidul Islam Sr.Executive Vice President	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 Senior 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 Senior 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 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 : 9560214
			Fax : 9560214 / 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 : 9026587
			E-mail : mirpur@pragatiinsurance.com
17	Narsingdi Branch Bhuiyan Market, (Bajeen More) Sadar Road, Narsingdi-1600.	Md.Jasim Uddin Bhuiyan Assistant 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 Deputy Vice President	Mob : 01552322986,01730710566
			Tel : 9861745
			Fax : 9846805
			E-mail : ps@pragatiinsurance.com



Pragati Insurance Limited

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
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 : narayangonj@pragatiinsurance.com
21	Mymensingh Branch 10, Durgabari Road(1st Floor), Mymensingh-2200.	Md. Ashraful Hoque Manager	Mob : 01712721794
			Tel : 091-64062
			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 : 713227-8
			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	Ashis Kumar Barua Executive Vice President	Mob : 01819320520
			Tel : 031-637051,031-636121
			E-mail : khatunganj@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 Deputy Manager	Mob : 01727227049
			Tel : 051-66189
			Fax : 051-66189
			E-mail : bogra@pragatiinsurance.com



Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.
31	Rajshahi Branch 78/2, Razia Tower Miapara (Gonokpara), Shaheb Bazar, Rajshahi.	Monowar Ahmed Vice President	Mob : 01710968633
			Tel : 721-775926
			Fax : 721-775926
			E-mail : rajshahi@pragatiinsurance.com
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 Senior Manager	Mob : 01712138134
			Tel : 0531-51105
			Fax : 0531-51105
			E-mail : dinajpur@pragatiinsurance.com
34	Natore Branch Kanai Khali, Dhaka Road, Natore.	Priyotosh Kumar Guha Assistant Manager	Mob : 01718484412
			Tel : 0771-66761
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			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) 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 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 Vice President	Mob : 01709663010
			Tel : 0821-715008
			Fax : 0821-715008
			E-mail : sylhet@pragatiinsurance.com

Events





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 dais 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 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.

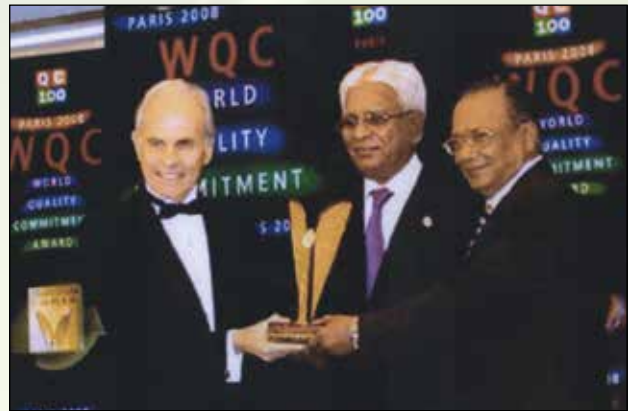




Our Achievements



Al-haj Khalilur Rahman, Chairman of Pragati Insurance Ltd receiving International Star Award, Geneva – 2007. Mr. AKM Rafiqul Islam, Former Managing Director of Pragati Insurance Ltd. is also seen in the picture.



Mr. Abdul Awal Mintoo, Chairman of Pragati Insurance Ltd. receiving The World Quality Commitment Award, Paris – 2008. Mr. AKM Rafiqul Islam, Former Managing Director of Pragati Insurance Ltd is also seen in the picture.



Mr. Jalalul Azim, Former Managing Director of Pragati Insurance Ltd. receiving International ARCH of Europe Award in Germany- 2012.



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 LTD





SYMBOL OF SECURITY

**Pragati Insurance
Limited**

