



19th 19th Annual Report 2004 19th Annual Report 2004 ১৯তম বার্ষিক প্রতিবেদন ২০০৪

LINSUBANCE



PRAGATI INSURANCE LIMITED

SYMBOL OF SECURITY

COMPANY PROFILE

Company Profile

Incorporation : January 27, 1986

Commencement Of business : January 30, 1986 Listing with DSE : April 4, 1996

Listing With CSE : April 6, 1996

Mission Statement

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



Comprehensive health Policy "New Product of the Year"

Introduction of Takaful Insurance



Insurance Services

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

Financial Services

- Underwriting & Bridge Financing:
- Trusteeship:

Re - Insurers:

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

Growth of Capital (million)

95	30.00
IPO	61.00
20% Stock dividend	73.20
30% Stock dividend	95.16
25% Stock dividend	118.95
27% Stock dividend	151.07
25% Stock dividend (Proposed)	188.84
	IPO 20% Stock dividend 30% Stock dividend 25% Stock dividend 27% Stock dividend

Growth of Asset (million)

1986-1990	260.35
1991-1995	495.23
1995-2000	1014.53
2000-2004	1380.25



NNUAL REPORT 2004 COMPANY PROFILE



Notice



Head Office: Pragati-R.P.R. Centre, 20-21, Karwan Bazar Dhaka 1215. Tel: PABX: 9133680-2. Fax: 88-02-8122980

Notice of the Nineteenth Annual General Meeting

Notice is hereby given that the 19 th Annual General Meeting of Pragati Insurance Limited will be held on Thursday, the 26th May, 2005 at 3.00 pm. at the CA Bhaban Auditorium, 100 Kazi Nazrul Islam Avenue, Dhaka, to transact the following business:

- To receive, consider and adopt the Directors' Report for the year ended 31st December 2004.
- To receive, consider and adopt the Audited Accounts of the Company and the Auditors' Report thereon for the year ended 31st December 2004.
- 3) To declare Dividend for the year 2004 as recommended by the Board of Directors.
- To elect Directors in place of retiring Directors from Group-A shareholders & from Group-B shareholders.
- 5) To appoint Auditors for the year 2005 and fix their remuneration

By order of the Board of Directors

(H.R Chowdhury) Company Secretary

Dated: Dhaka, 3rd May, 2005

Notes:

- (a) The record date: 10th May 2005
- (b) Members of the Company whose name appear in the Register of Members upto record date will be entitled to dividend for the year 2004 to be approved by the shareholders in the Annual General Meeting.
- (c) A member wishing to appoint a Proxy, must deposit the Proxy Form duly stamped to the Company's Registered Office at least 72 hours before the meeting.
- (d) Only the shareholders or their appointed proxies can attend the meeting .A proxy must be a member of the company.
- (e) Entry to the Annual General Meeting is reserved only for the Shareholders or his/ her Proxy. No guest and children shall be allowed entrance in the meeting.

Board of Directors







A.S.M Mainuddin Monem Vice Chairman



Zakaria Taher Vice Chairman



A.K.M. Rafiqul Islam, FCA Managing Director

Directors



Engr. A. Latif



Abdul Monem



Abdul Awal Mintoo



Mohammed A. Awwal



Moazzam Hossain



Syed M. Altaf Hussain



Khan Mohd Ameer



Capt, Imam Anwar Hossair



Md. Sarwar Kamal



Mohammed A. Malek



Md Syedur Rahman Mintoo



Prof. Jahangir Chowdhury



Md. Mushfigur Rahman



Tabith Mohd Awal



Razia Sultana Shimu



A N M Yeahe



Md Mahbubur Rahman



Nigar Jahan Chowdhury



A J.M. Enamul Islam



A.S.M Mohiuddin Monem



Ahmedul Hoque



Tahsina Rahman



Mahbub Anam



Syed Shamsul Alarn



Tafsir Mohd Awal



Moazzem Hossain



Executives

Managing Director

A.K. M. Rafigul Islam, FCA.

Additional Managing Director

A.B.M. Mir Hossain

Deputy Managing Director

Q. A.F.M. Serajul Islam Shaikh Shahjahan Uddin

Company Secretary

Hafizur Rahman Chowdhury

Sr. Executive Vice President

Md. Shahabuddin Mahboob Uddin Ahmed Mohammed Ali Khan

Executive Vice President

Shamsuzzaman

Senior Vice President

Zabed Ali Mridha Md. Anisur Rahman S.M.B. Shamim Abdul Momen Sharif Mustaba Taslim Bahar Chowdhury S. M. Murshed M.A. Hasan Md. Nazrul Islam Md. Jamal Uddin Haider

Vice President

Md . Shafigul Islam Khondaker Zafor Sadeque Monjurul Hoque

Deputy Vice President

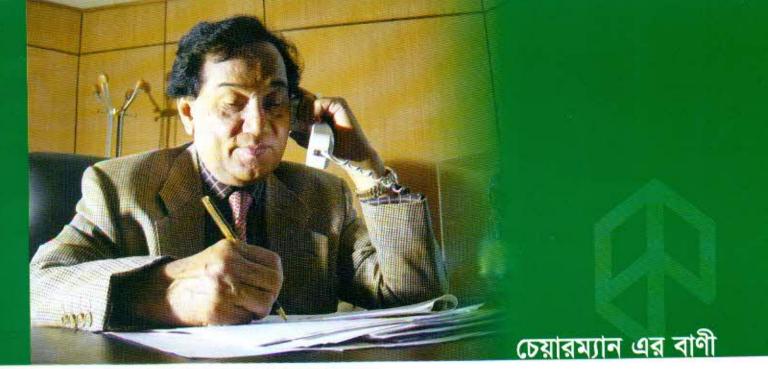
Kabir Ahmed Farid Ahmed

Asstt. Vice President

Delwar Hossain Abdur Razzague Sarder Ali Fathker Kollol

Auditor

A. Wahab & Co. Chartered Accountants



প্রিয় শেয়ারহোন্ডারবৃন্দ,

আসসালামুআলাইকুম

প্রগতি ইন্যুরেন্স লিমিটেড এর বোর্ড অব ভিরেক্টরস এর পক্ষ থেকে আমি কোম্পানীর ১৯তম বার্ষিক সাধারণ সভায় আপনাদেরকে স্বাগত জানাচিছ। এই সাধারণ সভায় আপনাদের উপস্থিতি দেখে আমি অত্যন্ত আনন্দিত এবং উৎসাহিত বোধ কর্মছি। এতে এটাই প্রমান করে যে কোম্পানীর উপর আপনাদের গভীর বিশ্বাস এবং দৃঢ় আস্থা বিদ্যমান।

আপনার জেনে অত্যন্ত খুশি হবেন যে নানা প্রতিকুলতা যথা প্রাকৃতিক দুর্যোগ, রাজনৈতিক অস্থিরতা ইত্যাদি সত্ত্বে প্রগতি ইন্সুরেন্স লিমিটেড তার অগ্রগতি অব্যাহত রাখতে সক্ষম হয়েছে। ২০০৪ সালে প্রগতি ইন্সুরেন্স লিমিটেড মোট প্রস প্রিমিয়াম আয় করেছে ৫০৭.৭০ মিলিয়ন টাকা যা গত বছরের তুলনায় ৩৮.৯৬ মিলিয়ন টাকা অধিক। এটা সম্ভব হয়েছে সকলের সমন্ত্রিত প্রয়াশে, সহযোগীতায় ও পৃষ্ঠপোষকতায়। এ জন্য আমরা অত্যন্ত কৃতজ্ঞ এবং আপনাদের সকলকে জানাই অভিনন্দন। ভবিষ্যতে আমরা আমাদের অগ্রগতি সমুনুত রাখার জন্য বদ্ধপরিকর।

আপনারা জানেন যে বীমা ব্যবসা কঠিন প্রতিযোগিতার সম্মুখীন। WTO চুক্তির আওতায় বাজার উম্মুক্ত হলে এই প্রতিযোগিতা কঠিনতর হবে এবং তা হবে আমাদের বেঁচে থাকার জন্য বিরাট চ্যালেজ্ঞ স্বরূপ। একমাত্র শক্তিশালীরাই টিকে থাকতে পারবে এই প্রতিযোগিতায়। সেজন্য এখন থেকেই আমাদের প্রস্তুতি নিতে হবে নচেৎ আমাদেরকে অসহায় অবস্থায় পড়তে হবে।

আমি আপনাদেরকে এই আশ্বাস দিছি যে আমরা এই সমস্যা সম্পর্কে সম্পূর্ণ সচেতন এবং কোম্পানীকে অধিকতর শক্ত ভিত্তিতে দাড় করানোর জন্য আমরা সচেষ্ট রয়েছি। আপনাদের সকলের সাহায্য এবং সহযোগিতা পেলে আমরা এই চ্যালেঞ্জ মোকাবিলা করতে সক্ষম হব, ইনশাআল্লাহ।

প্রিয় শেয়ারহোন্ডারবৃন্দ, আমরা আপনদের নিকট কোম্পানীর ২০০৪ সালের বার্ষিক প্রতিবেদন উপস্থাপন করেছি। আমাদের সাফল্য এবং ব্যর্থতা এতে বর্ণনা করা হয়েছে। আমরা আমাদের সাফল্যের জন্য গর্বিত। তথাপিও আমরা ভবিষ্যতের জন্য আপনাদের গঠনমূলক পরামর্শ স্বাগত জানাব। আগামী দিনগুলোতে দেশে বৈদেশিক বিনিয়োগের উজ্জ্বল সম্ভাবনা দেখা দিয়েছে। এটা বাস্তবায়িত হলে আমরা কোম্পানীকে আরও উনুতির পর্যায়ে নিয়ে যেতে পারব বলে আশা রাখি।

পরিশেষে আপনাদের মূল্যবান সময় আমাদেরকে দেয়ার জন্য আবারও ধন্যবাদ এবং আমাদের লক্ষ্য অর্জনের অভিযাত্রায় আপনাদের এবং সম্মানিত গ্রাহকবৃন্দের অনড় ও অব্যাহত সহযোগিতা কামনা করছি।

আল্লাহ হাফেজ।

আলহাজ্ব খলিলুর রহমান

চেয়ারম্যান



Company's Performance

Taka in Million

Particulars	2000	2001	2002	2003	2004
Financial Performance					
Gross Premium	301.37	337.45	350.39	468.74	507.70
Net Premium	161.88	169.35	176.47	225.95	234.15
Net Claim	39.22	65.58	67.50	51.48	94.90
Underwriting Profit	26.51	30.17	40.99	41.56	47.82
Investment Income	26.65	26.99	24.51	25.07	23.64
Income from Financial service/Capital gain	10.28	9.77	5.06	7.27	24.64
Net Profit before Tax	51.17	53.29	56.39	58.42	75.71
Net Profit after Tax	42.17	43.79	45.89	46.42	54.96
Share Capital and Reserve					
Paid up Capital	73.20	73.20	95.16	118.95	151.09
Shareholders Equity	539.72	566.64	595.07	584.92	766.99
Total Reserves	583.39	616.94	627.83	721.54	779.29
Assets					
Investment in Share and Securities	84.84	94.40	90.12	111.99	167.55
Cash , FDR and Bank balance	274.69	291.82	260.98	301.37	380.93
Land	332.91	340.95	348.07	413.24	418.89
Fixed Assets	41.82	53.34	60.49	63.81	71.54
Other Assets	280.27	270.46	333.51	361.83	339.54
Total Assets	1,014.53	1,050.97	1,093.17	1,253.24	1,380.25
Ratios					
Dividend in percent (Cash + Stock)	35	30+30	20+25	20+27	20+25
EPS	57.62	59.81	48.22	39.02	36.40
P/E (Time)	7.49	6.72	10.96	16.54	19.29













DIRECTORS' REPORT -2004

Dear Shareholders,

Assalamualaikum.

I have the pleasure to welcome the shareholders to the 19th Annual General Meeting of Pragati Insurance Limited on behalf of the Board of Directors and take the privilege to present the Annual Report of the company for the year 2004 alongwith the audited financial statements for the year ended December 31,2004.

Bangladesh Economy:

Bangladesh economy maintained its growth momentum and is pursuing the silent path of progress. Despite adverse effects of natural calamites and externalities of oil and commodity price hike, its macroeconomic performance improved over the last calendar year.GDP growth recorded at 5.5% in the Financial Year (FY)-2004 as aginat 5.3% in the FY-2003. According to a report of the Bangladesh Bank MFA phase out monster is yet to strike a blow to our major export i.e. garment industry. In fact, Knit Fabrics export has exceeded last year's performance by more than 30%. Knit export may hit the 50% growth in 2005. Steady rise in home remittance from NRB has facilitated steady growth in economy . Overall export growth has been recorded at 14.9% in 2004 on year to year basis as against 9.4% growth in 2003 . Import increased by 20%. While export to US destination has declined slightly, but export increase to EU destinations has compensated the shortfall. In its PRSP goal, Bangladesh Govt. has given serious efforts to child education specially the female ones. PRSP aims at tapping the nation's richer resource that is its manpower.

In the trade sector, our trade gap, with our biggest neighbor is widening every year. Our potential export destinations need to be seriously exploited either under the SAFTA or through FTA.

Industrial Growth:

Textile sector witnessed a phenomenal growth during the last 8 months of the year and extending beyond December, 04. Accelerated investment in the textile sector is to face the MFA phase out to support the major export sector of the country viz; garments and knitwear. Besides, investment in the service sector like telecommunication also played the key role.

These investment related imports have put pressure on the foreign exchange of the country as a result of which country witnessed sliding of the Taka currency against US\$. Industrial growth recorded 7.3 % increase and is poised to take the front seat in the foreseeable future.

পরিচালকমন্ডলীর প্রতিবেদন-২০০৪

প্রিয় শেয়ারহোন্ডারবৃন্দ,

আসসালামু আলাইকুম

প্রগতি ইন্সারেন্স লিমিটেভের ১৯৩ম বার্ষিক সাধারন সভায় আমি পরিচালকমন্তলীর পক্ষ থেকে আপনাদেরকে স্বাগত জানাচিছ এবং সেই সঙ্গে ৩১শে ডিসেম্বর সমাপ্ত ২০০৪ সালের বার্ষিক হিসাব সহ কোম্পানীর ১৯তম বার্ষিক প্রতিবেদন আপনাদের সমীপে পেশ করতে পেরে আনন্দিত। একই সংগে উপরোক্ত হিসাবের উপর নিরীক্ষকদের প্রতিবেদনও আপনাদের বিবেচনা ও গ্রহনের জনা পেশ করা হলো।

বাংলাদেশের অর্থনীতিঃ

বাংলাদেশের অর্থনৈতিক অগ্রগতি অব্যাহত রয়েছে। প্রাকৃতিক দুর্যোগ, অর্প্তজাতিক বাজারে তেলসহ অন্যান্য দ্রবামূল্যের উর্ধ্বগতি সত্তেও ম্যাক্রো অর্থনীতির সুষ্ঠ ব্যবস্থাপনার ফলে অর্থনীতিতে যথেষ্ট গতি সঞ্চার হয়েছে। বিগত অর্থ বছরের তুলনায় বর্তমান অর্থ বছরে ৫.৫% জিডিপি বৃদ্ধি পেয়েছে। বিগত বছরে এর হার ছিল ৫.৩%। বাংলাদেশ ব্যাংকের প্রতিবেদনে উল্লেখ করা হয়েছে যে তৈরী পোষাক শিল্পের উপর মুক্ত বাজার অর্থনীতির মারাত্মক প্রতিক্রিয়া এ যাবত ততটা পরিলক্ষিত হয়নি। প্রকত পক্ষে বাংলাদেশের নীট পোযাক রপ্তানী ২০০৩ সালের তুলনায় ২০০৪ সালে ৩০% বৃদ্ধি পেয়েছে এবং আগামী বছরে অর্থাৎ ২০০৫ সালে তা বৃদ্ধি পেয়ে ৫০% উন্তিত হবে বলে আশা করা যাচ্ছে। এ ছাড়াও প্রবাসী বাংলাদেশীদের প্রেরিত অর্থ দেশের অর্থনৈতিক উনুয়নে প্রভূত অবদান রাখতে সক্ষম হয়েছে। বিগত বছরের তুলনায় ২০০৪ সালে দেশের মোট রগুনী ১৪,৯% বৃদ্ধি পেয়েছে। পূর্ববর্তী বছরে রপ্তানী বৃদ্ধির হার ছিল ১.৪%। আমদানী ২০% বৃদ্ধি পেয়েছে। যদিও যুক্তরাষ্ট্রে বাংলাদেশের পণ্য, বিশেষ করে তৈরী পোশাকের রপ্তানী কিছুটা হ্রাস পেয়েছে কিন্তু ইউরোপিয় ইউনিয়নেরদেশ সমুহে বাণিজ্য বৃদ্ধি পাওয়ায় উল্লেখিত ঘাটতি পুষিয়ে নেয়া হয়েছে। দারিদ্র বিমোচন নীতিতে বাংলাদেশ সরকার মহিলাসহ শিশু শিক্ষার উপর বিশেষ গুরত আরোপ করেছে। দারিদ্র বিমোচন নীতির মূল লক্ষই হচ্ছে মানব সম্পদের উনুয়ন এবং এই লক্ষে সর্বাত্যক প্রচেষ্টা চালানো হচেছ।

বানিজা ক্ষেত্রে আমাদের বহং প্রতিবেশী দেশের সাথে বাণিজ্ঞা ঘাটতি প্রতি বছরেই বন্ধি পাচেছ। তাই SAFTA অথবা FTA এর অধীনে বাংলাদেশের রপ্তানীবৃদ্ধির কার্যক্রম গ্রহন একান্ত প্রয়োজন হয়ে পড়েছে।

শিল্প ক্ষেত্রে অগ্রগতি:

বস্ত্র শিল্পে বিগত ৮ মাসে অভ্তপূর্ব অগ্রগতি সাধিত হয়েছে। মুক্তবাজার অর্থনীতির প্রেক্ষিতে উদ্ভদ পরিস্থিতির মোকাবিলায় বাংলাদেশের প্রধান রপ্তানী তৈরী পোষাক শিল্পকে সাহায্য করাই বস্ত শিল্পে অধিকতর বিনিয়োগের কারন। টেলিযোগাযোগ ক্ষেত্রে বিনিয়োগও অগ্রগতির ক্ষেত্রে যথেষ্ট ভূমিকা পালন করেছে। এ সব শিল্পে বিনিয়োগ বৃদ্ধির ফলে আমদানীও বৃদ্ধি পায় যার ফলশ্রুতিতে বৈদেশিক মুদ্রার উপর চাপ সৃষ্টি হয় এবং ডলারের বিপরীতে টাকার মুদ্রামান হাস পায়। ২০০৪ সালে দেশের শিল্প ক্ষেত্রে প্রবৃদ্ধির হার প্রাথমিক হিসাব অনুযায়ী ১০% বৃদ্ধি পাবে যা আগামীতে অব্যাহত থাকৰে বলে আশা করা যায়।













Insurance Sector:

Growth in the insurance business has maintained a steady trend. The prospect of ODI in the iron and steel; Coal, Power, Gas and Fertilizer is considered as a major breakthrough to come out of the sign of "Small Country, Small Business" impasse. Re-insurers do not care to give Bangladesh insurance a prominence in view of country's small port-folio suffering from the genesis of natural calamities and political disability.

It is expected that with the implementation of the expected ODI, there would be a quantum jump in the insurance scenario of Bangladesh. Let us all hope for the best. We hope to pin on the development of electricity, infrastructure, port facility, telecommunication and other service sector on the current ODI prospects.

Insurance Law:

Insurance Law as reported earlier, is currently under consideration for change as per the recommendation of the committee formed by the Government in which World Bank expert has added his expertise and knowledge.

Since WTO regime envisages opening up of the service sector which includes "Insurance", Government of Bangladesh will decide as to when the sector would be opened to competition from outside. That will pose a big challenge to the indigenous local companies.

ICAB Award:

It is a matter of great pride for us that the company's Annual Accounts & Reports for the year 2003 has been adjudged as the 2nd best in the non-Banking Subsector of Financial Sector by the Institute of Chartered Accountants of Bangladesh (ICAB) in recognition of the quality of its Annual Report. Consecutively for the 2nd year, ICAB has recognized the Annual Reports of the Company.

ইন্যারেন সেম্বর:

বীয়া ব্যবসাক্ষেত্রে অপ্রগতি অব্যাহত রয়েছে। ইস্পাত, কয়লা, বিদ্যুত, গ্যাস এবং বসায়ন শিল্পে বিদেশী বিনিয়োণের সম্ভাবনা বাস্তবায়িত হলে অচিবেই বাংলাদেশ "গৱিবী হালত" থেকে মুক্তি পাবে বলে আশা করা যাচেছ। রি-ইশ্যুরেন্স মার্কেটে বিদেশীরা প্রাকৃতিক দুর্যোগ এবং রাজনৈতিক অস্থিতিশীলতার কারনে বাংগাদেশকে কম গুরুত্ব দেয়। তবে আশা করা যায় যে বাংলাদেশে যদি বিদেশী বিনিয়োগ বৃদ্ধির প্রস্তাবসমূহ বান্তবায়িত হয় তবে বাংলাদেশে ইপ্যারেপ ব্যবসায় ইতিবাচক ভূমিকা রাখবে। অবশ্য বাংলাদেশের অব-কাঠামো ব্যবস্থা অর্থাৎ বন্দর, বিদ্যাত, টেলিযোগাযোগসহ, অন্যান্য সেবা খাতের উনুয়নের উপর নির্ভর করছে সম্ভাবনাময় বৈদেশিক বিনিয়োগের প্রস্তাব সমূহ ৷

ইপ্যুরেন্স আইন:

ইস্যুরেস আইন প্রনয়ন বিষয়টি বর্তমানে সরকারের বিবেচনাধীন রয়েছে। এক্ষেত্রে সরকার কর্তৃক গঠিত কমিটির সুপারিশসমূহ পেশ করা হয়েছে। উল্লেখা যে বিশ্ব ব্যাংকের একজন বিশেষজ্ঞ এ বিষয়ে তার জ্ঞান ও অভিজ্ঞতা দিয়ে সাহায্য করেছেন। মুক্ত বাজার অর্থনীতির আওতায় সার্ভিস সেষ্টরে যে সকল সেবা মূলক খাতকে আনা হয়েছে তনাধ্যে বীমা শিল্প অন্যতম। বাংলাদেশ সরকারের এখন সিন্ধান্ত নিতে হবে কবে নাগাদ বীমা শিল্পকে উত্মুক্ত ঘোষনা করা হবে এবং তা হবে দেশীয় বীমা শিল্পের প্রতি বিরাট চ্যালেঞ্জ স্বরুপ।

ইনিস্টিটিউট অব চাটার্ড একাউন্টন্টেট-এর পুরস্কার:

আমরা অতীব গর্বের সঙ্গে জানাচিছ যে প্রগতি ইস্থুরেন্স লিমিটেড তার ২০০৩ সালের বার্ষিক হিসাব এবং প্রতিবেদন গুন্গতমানে স্বীকৃতি স্বরূপ আই,সি,এ,বি কড়ক প্রদন্ত ফিন্যানসিয়াল সেউরের নন-ব্যাকিং সাব সেইরে ২য় পুরস্কার লাভ করেছে। উল্লেখ্য, যে পর পর দুই বছর প্রগতি ইস্যারেন্স লিমিটেডের বার্ষিক প্রতিবেদন আই,সি,এ,বি এর শ্বীকৃতি লাভ করে।



ICAB National Award-2003 Ceremony



ICAB National Award-2003

+ 39,32

+39.02

95.50













Pragati Insurance: An Overview

Salient features of 2004 Account compared to the previous year's account are shown herein below.

	Figure in millio	
2004	2003	Inc/Dec
507.70	468.74	38.96
273.55	242.79	30.76
53.88%	51.80%	2.08%
234.15	225.95	8.20
94.90	51.49	43.41
40.53%	22.79%	+17.73%
86.67	107.93	-21.26%
17.07%	23.02%	-5.96%
47.82	41.57	+6.25
	507.70 273.55 53.88% 234.15 94.90 40.53% 86.67	2004 2003 507.70 468.74 273.55 242.79 53.88% 51.80% 234.15 225.95 94.90 51.49 40.53% 22.79% 86.67 107.93 17.07% 23.02%

Income from Sources other than insurance

Profit on sale of investment	20.79	3.64	+17.15
Building Rent (net)	3.35	3.03	+0.32
Interest and Dividend	23.64	25.08	-1.44
Others	0.50	0.60	-0.10
Total	48.28	32.35	15.93

Divisible Profit Tk.7,64.70,868

The divisible profit for the year is made up as follows:

Underwriting Profit for the y	/ear	47.82	41.57	+ 6.25
Income from sources other than insurance		48.28	32.35	+ 15.93
	Sub Total	96.10	73.92	+ 22.18
Less: Expenses charged to Profit & Loss Account		20.39	15.50	- 4.89
	Sub Total	75.71	58.42	+ 17.29
Add: Last year un-appropria	ted Profit	.76	0.73	0.03
Total Divisible Profit		76.47	59.15	+ 17.32

Appropriation of Profit

Exceptional Loss Reserve	23.42	22.60	+ 0.82
Provision for Income Tax + Dividend Tax	20.72	12.00	+ 8.72
General Reserve	1,00	-	1.00
Dividend Equalization Reserve	1.00	-	1.00
Balance available for distribution	30.33	24.55	+ 5.78
Total	76,47	59.15	17.32

Gross Premium income of 2004 exceeded the previous year's income by Tk.38.96 million

Net premium after reinsurance outgo stood at Tk.234.15 million in the year 2004 which is Tk.8.20 million more than the previous year

Underwriting profit for 2004 was Tk. 47.82 million as against Tk.41.57 million earned in 2003 .

Net Profit after providing for depreciation and other

২০০৪ সালে কোম্পানীর কার্যক্রমের পর্যালোচনাঃ

২০০৪ সালে কোম্পানীর কার্যক্রমের বিশেষ দিকগুলো পূর্ববর্তী বছরের সাথে তুলনামূলক ভাবে নিম্নে প্রদর্শন করা হলো

	(Si	লিয়ন টাকা)
2008	2000	হ্রাস/বৃদ্ধি
009.90	866,98	5br.36
290,00	282,95	30,98
24d,00	\$2.60%	2.05%
208,50	220.50	b.20
28,30	65,85	80.83
80.00%	22,95%	+59,95%
b8.69	\$09,80	-২১,২৬%
\$9.09%	20,02%	-9,56%
89,62	83.69	+6.20
	009.90 98.30 % dd.00 % dd.00 96.86 % 50.08 % 50.08	208 2000 001.00 884 98 84.00 282.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00 200.00

অন্যান্য	খাত	হতে	আয়	(ইন্যারেন	ব্যতীরিকে)	į
4.131.43	710	400	-110	1 / 5000 1	13 -11 11 4 1)	ı

বাড়ী ভাড়া হতে আয়		9,00	0.00	+ 0,03
ডিভিডেন্ড এবং সুদ হতে আয়		45,58	20,07	- 3.88
বিৰিধ খাতে আয়		9,60	0.90	- 0.50
	মোট	89.26	54,00	30,00
বন্টনযোগ্য ম্নাফা				
অবলেখন মুনাফা		89.53	85.48	+ 3,20
অন্যান্য খাতের আয়		86.26	63,62	+ 30,70
		24.50	90,32	+ 55.36
(-) লাভক্ষতি হিসাবে চার্জকৃত খরচ		20.05	50.00	- 8.65
		92.95	@br.82	+ 24.59
(+) গত বছরের অবন্টনকৃত মুনাকা		.98	0.90	0,00

20.93

মুনাফা বন্টন

মোট বন্টন যোগা মুনাফা

বিনিয়োগ হতে আয়

অখাভাবিক কতির জন্য সংরক্ষিত তহবিল	20.82	44,60	(+) 0,62
আয়করের জন্য তহবিল + ডিভিডেড ট্যাকস	20,92	32.00	(+) 8.92
সাধারন সঞ্জিতি তহবিল	2.00		5,00
ডিভিডেভ ইকুয়োলাইজেশন বিজার্ভ	3.00	100	3,60
বন্টন্যোগ্য তহবিল	00.00	28,00	(+)4,95
মেট	99.89	92.30	39,52

পূব্বতী বছরের তুলনায় ২০০৪ সালে অর্জিত এস প্রিমিয়াম ৩৮.৯৬ মিলিয়ন টাকা অধিক।

রি-ইপ্যুরেপ ব্যয় পরিশোধের পর নীট মুনাফা হয়েছে ২৩৪.১৫ মিলিয়ন টাকা যা ২০০৩ সালের তুলনায় ৮.২০ মিলিয়ন টাকা অধিক।

২০০৪ সালে অবলেখন মুনাফার পরিমান ৪৭.৮২ মিলিয়ন টাকা। ২০০৩ সালে এর পরিমান ছিল ৪১.৫৭ মিলিয়ন টাকা।





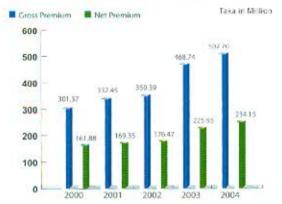


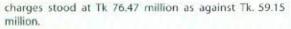












After providing for Exceptional Loss Reserve, Provision for Income Tax, General Reserve etc. an amount of Tk. 30.33 million is available for distribution.

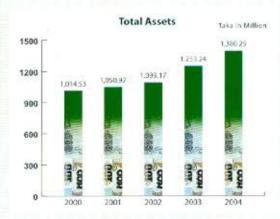
It is therefore, recommended that a cash Dividend @20% be considered for the year 2004 from out of the fund available for distribution leaving a balance of Tk.1,21,235 to be carried forward.

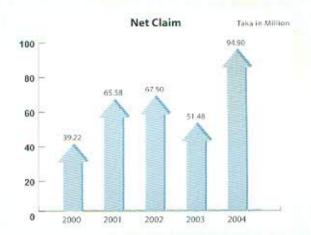
Besides, the Company has been following a policy of gradual increase of its paid-up-capital commensurate with increased " Risk Retention". It is recommended that stock dividend @ 25% through transfer from "Share Premium Account" to "Paid-up share capital Account" be also considered for approval. Thus raising the paid-up capital to Tk. 18,88,83,125.00 from Tk. 15,10,66,500.00.

Revaluation of Investments and Land:

In accordance with the International Accounting Standard (IAS), the value of the investments in shares and debentures have been shown at the market value on 31.12.2004. Increase and /or diminution in the value has been shown in

the "Revaluation Reserve* accounts separately. Land & Building have not been revalued this year. It has been shown as per the last revaluation carried out by independent valuer.





অবচয় এবং অন্যান্য ব্যয় বাদে ২০০৪ সালের নীট মুনাফার পরিমান দাভিয়েছে ৭৬.৪৭ মিলিয়ন টাকায় । পূর্ববর্তি বছরে এর পরিমান ছিল ৫৯.১৫ মিলিয়ন টাকা।

অস্বাভাবিক ক্ষতির জন্য সংরক্ষিত তহবিল, আয়কর তহবিল, সাধারন সঞ্জিতি তহবিল ইত্যাদি খাতে বরান্দের পর বিতরনযোগ্য টাকার পরিমান হচেছ ৩০.৩৩ মিলিয়ন টাকা।

উপরোল্রিখিত ব্যাখ্যার আলোকে ২০০৪ সালের জন্য বিতরনযোগ্য তহবিল হতে প্রস্তাবিত ডিভিডেভর উপর ডিভিডেভ ট্যাক্স সংরক্ষনের পর ২০% ক্যাশ ডিভিডেভ প্রদানের প্রস্তাব বিবেচনার জন্য সুপারিশ জানানো হচেছ। এই খাতে উদ্বন্ত ১,২১,২৩৫ টাকা আগামী বছরের হিসাবে স্থানন্তর করা হবে।

এ ছাতাও আপনারা অবগত আছেন যে পরিশোধিত মূলধন বৃদ্ধির লক্ষে এবং ক্রমানুয় কোম্পানীর অধিকতর বৃকি গ্রহনের ক্ষমতা বৃদ্ধির লক্ষে প্রগতি ইন্সারেন্স লিমিটেভ ইতিমধ্যেই পর্যায়ক্রমে কয়েকবার পদক্ষেপ নিয়েছে। এই লক্ষে এ বছরেও ডিভিডেড প্রদানের পাশাপাশি শেয়ার প্রিমিয়াম হিসাব হতে পরিশোধিত মুলধন খাতে স্থানভারের মাধ্যমে ২৫% স্টক ডিভিডেন্ড প্রদানের সুপারিশ জানানো যাচেছ। এর ফলে প্রণতি ইপুরেপ লিমিটেড এর পরিশোধিত মূলধন ১৫.১০.৬৬,৫০০.০০ টাকা হতে ১৮,৮৮,৮৩,১২৫,০০ টাকায় উন্নীত হবে।

সম্পদের পূর্ণঃমূল্যায়ন:

আন্তর্জাতিক এ্যাকাউন্টিং ষ্টান্ডার্ড অনুযায়ী শেয়ার এবং ডিবেঞ্চারে বিনিয়োগকৃত সম্পদের মূল্য ৩১/১২/২০০৪ তারিখের বাজারদর অনুযায়ী মৃল্যায়ন করা হয়েছে। শেয়ার ডিবেঞ্চার মূল্যের বৃদ্ধি/হাস ভিনুভাবে "রি-ভ্যালুয়েশন রিজার্ভ" হিসাবে দেখানো হয়েছে। এ বছর জমির মূল্য পুনঃ মৃল্যায়ন করা হয়নি। গত বছরে জমির যে পুনঃ মূল্যায়ন করা হয়েছিল তাই প্রতিবেদনে দেখানো হয়েছে।







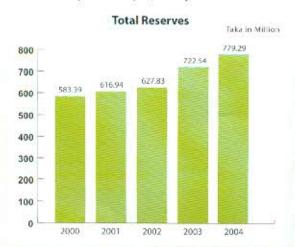






Re-insurance:

Re-insurance arrangement has been concluded for the year 2005. Across the Board, we have increased our own retention. Business has been placed as before with SBC (50%) and GIC (50%), 50% placed with SBC is a matter of legal requirement and the remaining 50% has been placed outside Bangladesh under the leadership of GIC, a Government of India undertaking. In spite of one big fire loss recorded at the fag end of 2004, terms and conditions for 2005 are more or less akin to the expiring terms and conditions. Limits have been adjusted with new increased retention. Overseas Re-insurance market is slowly returning to its normal position and hopefully, if there is no major catastrophe, is likely to ease out further.



Stock Market:

Stock market after June, 2004 showed buoyancy and we were quite an active player in the secondary market. We earned capital gain through market operation amounting to Tk.20.79 million which reflects our continuous

Market however, has stagnated after the crunch in money market but we are hopeful that with the corporate announcement market is likely to cheer up.

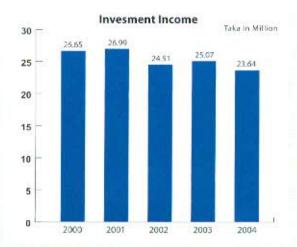
Board of Directors:

In accordance with the Articles 105 and 107 of the company's Articles of Association, the undernoted Directors from Group-A shareholders retire from office by rotation. Being eligible, they offer themselves for re-election:

- 01. Engr. A. Latif
- 02, Mr. Abdul Awal Mintoo
- 03. Mr. Mohd. A. Awwal
- 04. Mr. Mohd. A. Malek
- 05. Mr. Md. Mahbubur Rahman

রি-ইপ্যুরেন্স:

২০০৫ সালের জন্য রি-ইস্যুরেন্স চুক্তি সম্পন্ন করা হয়েছে। আলোচনার মাধ্যমে আমরা আমাদের ধারন ক্ষমতা (Retention) বৃদ্ধি করেছি। গত বছরের ন্যায় এবারও ৫০% সাধারন বীমা করপোরেশনে এবং অবশিষ্ট ৫০% জেনারেল ইস্যুরেন্স করপোরেশন অব ইভিয়ার নেতৃত্বে বর্হিবিশ্বে ন্যান্ত করা হয়েছে। আলোচ্য বছরের শেষভাগে একটি বিরাট অগ্নি দুর্ঘটনা সত্ত্বে রি-ইপ্যুরেপ চুক্তির শর্তাবলী প্রায় পূর্ববর্তী বছরের মতনই। অন্তর্জাতিক বি-ইন্সারেন্স মার্কেট ধীরগতিতে স্নাভাবিক পর্যায়ে ফিরে আসছে। আশা করা যায় কোন বড রকমের দুর্ঘটনা না ঘটলে, আগামীতে পরিস্থিতির আরও উনুতি হবে।



পুঁজি বাজার:

জুন ২০০৪ সালের পর থেকেই পঁজি বাজারে তেজীভাব পরিলক্ষিত হয়েছে। আমরাও সেকেভারী মার্কেটে মোটামটি সক্রিয় অংশ গ্রহন করেছি এবং আলোচ্য বছরে ২০,৭৯ মিলিয়ন টাকা অর্জন করেছি। কিন্তু মানি মার্কেটে ধ্বস নামার পর পুঁজি বাজারে স্থবিরতা বিরাজ করছে। তবে আমরা আশাবাদী যে বিভিন্ন প্রতিষ্ঠানের লভ্যাংশ ঘোষনার পর পুঁজি বাজার পুনরায় চাংগা হয়ে উঠবে।

পরিচালক মন্ডলী:

কোম্পানীর আর্টিকেলস অব এসোসিয়েশনের ১০৫ এবং ১০৭ ধারা অনুযায়ী "এ" গ্রুপের নিমুলিখিত উদ্যোক্তা পরিচালক অবসর গ্রহন করবেন এবং যোগ্য বিধায় প্রত্যেকেই পুনঃনির্বাচনের ইচছা প্রকাশ ক্রেছেন:

- ১, জনাব প্রকৌশলী এ, লতিফ
- ২, জনাব আবুল আউয়াল মিন্ট
- ৩, জনাব মোহাম্মদ আব্দুল আউয়াল
- ৪, জনাব মোহাম্মদ আব্দুল মালেক
- ৫. জনাব মোহাম্মদ মাহববর রহমান













06. Mr. Tabith Mohd, Awal 07, Mr. A.N.M. Yeahea

Besides, following 3(three) Directors from Group-B Shareholding retire today at the 19h AGM of the company.

Being eligible, all three have offered themselves for re-election:

> 01. Mr. Zakaria Taher 02. Mr. Syed Shamsul Alam

03. Mrs. Tahsina Rahman

Auditors:

In compliance with the Article 149 of the Articles of Association of the company, the Auditor M/s. A. Wahab & Co., Chartered Accountants is to retire as Auditor of the Company. M/s. A. Wahab & Co., has indicated their willingness in writing for appointment as auditors. Accordingly, we have written to the SEC for permission to appoint M/s. A. Wahab & Co., as the Auditor of the company for the year 2005. Subject to the approval of the Securities and Exchange Commission, it is recommended that M/s. A. Wahab & Co., be appointed as the Auditor of the company for the year 2005.

Conclusion:

In the end, the Board express its grateful thanks and deep appreciation for the assistance, help and much needed support received by the company from various Banks both in the private as well as in the nationalized sector, DFIs and all private sector enterprises who have helped us in building a sound footing for the company. We are specially grateful to the management of Square Group, Beximco Group, KDS Group, Abdul Monem Limited, Hosaf Group, Multimode Group, Abul Khair Group, Monno Group, KAFCO, Grameen Phone, Aktel, City Cell, Novartis Bangladesh Ltd., Organon Bangladesh, BOC, Hoque Group, Hop-Lum, Holcim Cement, Scan Cement, Lafarge, Larson & Turbo, Glaxo Smith Kline, Prostar Group, Progatee-Concord Group, Bengal Shipping Lines Ltd., Chowdhury Apparels, McDonald (BD) Ltd., SA Group, Gonoshashtya Group, National Bank, DHL Worldwide, Group-4 Securities, Olympic Industries, NASA Group, NTV, ETV, American International School, Dhaka, UAE Embassy, Dhaka Youngone Group, Pacific Jeans, HKD Group, Alita Group, Apex Weaving, Metro Spinning, Prime Textile, Dhakaria, MGH Group, Westmont Power, AES Power, Khulna Power, Jayson Group for reposing

৬, জনাব তাবিদ মোহাম্মদ আউয়াল ৭, জনাব এ, এন, এম, ইয়াহিয়া

এতছবাতীত "বি" ফ্রণ শেয়ারহোন্ডারদের মধ্য থেকে নিমুবর্নিত ৩ জন পরিচালক ১৯তম এজিএম-এ অবসর গ্রহন করবেন।

প্রত্যেকেই যোগ্য বিধায় তারা পুনঃনির্বাচন করার ইচ্ছা প্রকাশ করেছেন:

- ১. জনাব জাকারিয়া তাহের
- ২, জনাব সৈয়দ শামসূল আলম
- ৩, জনাব তাহসিনা রহমান

নিরীক্ষক:

আর্টিকেল অব এসোসিয়েশনের ১৪৯ ধারা অনুযায়ী কোম্পানীর নিরীক্ষক মেসসি এ, ওহাব এন্ড কোং অবসর গ্রহন করবেন। তারা প্রগতি ইপ্যারেন্স লিটিটেড-এ অভিটর হিসাবে নিযুক্তির আগ্রহ প্রকাশ করে পত্র দিয়েছেন। আমরা মেসাস এ, ওহাব এড কোং কে ২০০৫ সালের জন্য কোম্পানীর অভিটর নিয়োগের জন্য সিকিউরিটিজ এড একসচেঞ্জ কমিশনের অনুমতি প্রার্থনা করে পত্র দিয়েছি। সিকিউরিটিজ এন্ত একসচেঞ্চ কমিশন-এর অনুমতি সাপেক্ষে আমরা ২০০৫ সালের জন্য মেসসি এ, ওহাব এন্ড কোং কে কোম্পানীর অভিটর নিয়োগের সপারিশ জানাচ্চি।

উপসংহার:

পরিশেষে পরিচালকমন্ডলী কোম্পানীর কার্যক্রমে সহায়তা এবং সহযোগিতা প্রদানের জন্য সরকারী ও বেসরকারী ব্যাংক সমূহ, বিভিন্ন আর্থিক প্রতিষ্ঠান এবং ব্যক্তি মালিকানাধীন ব্যবসায়ীক প্রতিষ্ঠানসমূহের প্রতি কতজ্ঞতা প্রকাশ করেছেন। কোম্পানীকে বর্তমান মর্যাদায় উন্নীতকরনে তাঁদের অবদান অপরিসীম। বিশেষভাবে স্কয়ার গ্রন্থ, বেশ্লিমকো এণ্প, কেডিএস এণ্প, আবুল মোনেম লিঃ, হোসাফ গ্রুপ, মালটিমোড গ্রুপ আবুল খায়ের গ্রুপ, মনু গ্রুপ, কর্নফুলী ফার্টিলাইজার কোং লিঃ (কাফকো), গ্রামীন ফোন, এ্যাকটেল, সিটি সেল, নোভারটিস (वाश्लाम्म्य) लिঃ, अत्रशानन (वाश्लाम्म्य) लिঃ, वि. ७. त्रि वाश्लाम्म्य, হক ক্রপ, হোপ-লুম, হোলসিম সিমেন্ট, স্ক্রান সিমেন্ট, লাফার্জ, লারসান এন্ড টারবো, গ্রাকসো স্মিপক্লাইন, প্রো-স্টার গ্রুপ, প্রগতি-কনর্কভ প্রুপ, বেংগল শিপিং লাইনস, চৌধুরী এ্যাপারেলস, ম্যাকডোনান্ড (বাংলাদেশ) লিঃ, এস.এ, গ্রুপ, গনস্বাস্থ্য গ্রুপ, ন্যাশনাল ব্যাংক, ডি.এইচ.এল ওয়ার্লড-ওয়াইড, গ্রুপ-৪ সিকিউরিটিস লিঃ, অলম্পিক ইভাস্ট্রিজ, নাশা গ্রুপ, এনটিভি, ইটিভি, আমেরিকান ইন্টারন্যাশনাল স্কুল, ঢাকা, আরব এ্যামিরাত দুতাবাস, ঢাকা, ইয়াংওয়ান এলপ, প্যাসিফিক জিনস, এইচ কে ডি এলপ, আলিটা এলপ, এ্যাপেরা উইভিং, মেট্রো স্পিনিং, প্রাইম টেরাটাইল, ডাকারিয়া, এম.জি.এইচ গ্রুপ, ওয়েষ্টমন্ট পাওয়ার (বাংলাদেশ) লিঃ, এ.ই.এস পাওয়ার, খুলনা পাওয়ার, জেসন গ্রাপ প্রগতি ইন্যারেন্সের উপর যে আস্থা প্রদর্শন করেছেন তার জন্য পরিচালকমন্ডলী তাঁদের নিকট













their confidence in the company. We have also been favoured by PHP Group by placing a substantial portion of the group's business with Pragati; policy of which was issued in January, 2005.

We also record our gratefulness to the Government of the Peoples' Republic of Bangladesh, Chief Controller of Insurance, Securities and Exchange Commission, Sadharan Bima Corportation for their support and assistance.

Above all, the Board of Directors express its profound gratitude to all its valued clients, patrons and well wishers for their continued support, active cooperation and confidence in the company

গভীরভাবে কৃতজ্ঞ। এছাড়াও পিএইচপি ক্রুপের ইন্যুরেন্স বাবসাও আমরা ইতিমধ্যে অর্জন করেছি। ২০০৫ এর জানুয়ারীতে আমরা তাদের বাবসা অর্জনে সক্ষম হই।

আমরা গ্রপ্রজাতন্ত্রী বাংলাদেশ সরকার, প্রধান বীমা নিয়ন্ত্রক, সিকিউরিটিজ এন্ত এক্সচেঞ্চ কমিশন, সাধারন বীমা কর্পোরেশন এর নিকট সর্বধর্নের সাহায্য সহযোগিতা পাওয়ার জন্য তাঁদের প্রতি আমাদের আন্তরিক কৃতজ্ঞতা জানাচ্ছি।

এতদ্ব্যতীত কোম্পানীর সম্মানিত গ্রাহকবৃন্দ, ওভানুধ্যায়ী এবং প্টপোষকবৃন্দ কোম্পানীর কার্যক্রমে যে সক্রিয় সাহায্য, সহমর্মিতা এবং আস্তা প্রদর্শন করেছেন তৎজন্য পরিচালকমন্ডলী তাঁদের জানাচ্ছেন স্থান্ধ ধন্যবাদ এবং কৃতজ্ঞতা।



The Directors also put on record their thanks to the Managing Director and have conveyed their appreciation through the Managing Director to all the Executives, Officers and Staff of the Company for their excellent work. With their sincere, dedicated, whole-hearted devotion and committed efforts to the challenging duty and responsibility, we may look forward to achieving better results in the coming days. The Directors have been pleased to reward its staff including the Executives, Officers and Employees with 3 (three) Bonus.

The company remains fully committed to its deep determination and ideology of personalized client service, their satisfaction and their financial security.

On behalf of the Board of Directors

Al-Haj Khalilur Rahman Chairman

পরিচালকমন্তলী ব্যবস্থাপনা পরিচালক মহোদয়কে ধন্যবাদ জ্ঞাপন করছেন এবং তার মাধ্যমে কোম্পানীর সকল শ্রেনীর কর্মকর্তা ও কর্মচারীর আন্তরিক কর্মনিষ্ঠা, অক্লান্ত পরিশ্রম, নিবেদিত সেবার প্রশংসা করছেন এবং আশা প্রকাশ করছেন যে ভবিষ্যতেও তারা একইভাবে তাদের প্রচেষ্টা সমুনুত রাখবেন এবং কোম্পানীকে উত্তোরস্তর সমৃদ্ধির পথে নিতে অগ্রণী ভূমিকা পালন করবেন। পরিচালকমন্ডলী তাঁদের আন্তরিক এবং প্রশংসনীয় কর্মোদ্যমের জন্য সকল শ্রেনীর কর্মকর্তা ও কর্মচারীবৃন্দকে ৩ টি উৎসাহ বোনাস প্রদানের সিন্ধান্ত নিয়েছেন।

উপসংহারে পরিচালকমন্তলী সম্মানিত গ্রাহক, পৃষ্ঠপোষক, শুভানুধ্যায়ীদের এইমর্মে আশ্বাস প্রদান করছেন যে ভবিষ্যতেও প্রগতি ইস্বরেস লিঃ গ্রাহক সেবা এবং তাদের আর্থিক নিরাপন্তার ব্যাপারে অধিকতর সচেতনতা এবং নিরলস প্রচেষ্টা অব্যাহত রাখবে।

পরিচালকমন্ডলীর পক্ষে

আলহাজু খলিলুর রহমান চেয়ারম্যান



VALUE ADDED STATEMENT

For The Year Ended December 31, 2004

Figures in million

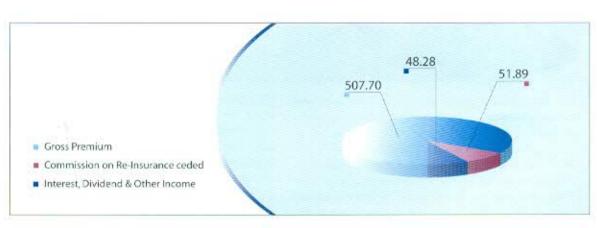
Value Added:

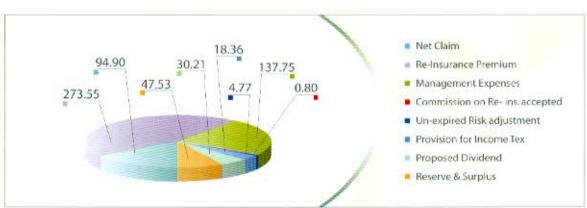
Gross Premium	507.70
Commission on Re-Insurance ceded	51.89
Interest, Dividend & Other Income	48.28

Application:

Net Claim	94.90
Re - Insurance Premium	273.55
Management Expenses	137.75
Commission on Re- ins. accepted	0.80
Un - expired Risk adjustment	4.77
Provision for Income Tax	18.36
Proposed Dividend	30.21
Reserve & Surplus	47.53

607.87 Total Taka: 607.87 Total Taka:





Auditor's Report To The Shareholders

We have audited the accompanying Balance Sheet of Pragati Insurance Limited as of December 31, 2004 and the related Profit and Loss Account and Statement of Cash flows for the year then ended. The preparation of these Financial Statements is the responsibility of the Company's management. Our responsibility is to express an independent opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as of December 31, 2004 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act, 1994, Insurance Rules 1958, The Securities Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us:
- iii) The company's Balance Sheet and Profit and Loss Account and its Cash Flows dealt with by the report are in agreement with the books of account and returns;
- iv) The expenditure incurred was for the purposes of the company's business;
- v) As per Section 40c(2) of the Insurance Act 1938 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations 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 Profit & Loss Account of the Company; and
- vi) As per Regulation-11 of Part-1 of the Third Schedule of the Insurance Act 1938 as amended, we certify 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 of its business re-insured abroad.

(A WAHAB & CO.)

Chartered Accountants

Dated: Dhaka, April 17, 2005



BALANCE SHEET

As at December 31, 2004

Capital & Liabilities	Note	2004	2003
Authorized Capital: 2,500,000 Ordinary shares of Tk. 100 each.		250,000,000	250,000,000
THE TAXABLE WAS ASSESSED. AND ADDRESS OF A STANDARD WAS ASSESSED.		200,000,000	20010001000
ssued, Subscribed & Paid-up capital: 1,510,665 Ordinary shares of Tk. 100 each	14	151,066,500	118,950,000
Share Premium		45,118,772	77,235,272
Reserve or Contingency Account:		617,909,055	532,009,818
Reserve for Exceptional Losses		212,524,799	189,109,796
Contingency Reserve for Insurance Guarantees		TOTAL MARKET AND A STATE OF THE	Property and Co.
and Tail ended Insurance Business	15	105,869,651	105,869,651
Revaluation Reserve	16	215,320,830	157,226,598
General Reserve	17	1,264,728	264,728
Dividend Equalization Reserve		37,500,000	36,500,000
Depreciation Fund		45,307,812	42,274,161
Profit & Loss Appropriation Account		121,235	764,884
Balance of Fund & Account:		118,065,758	113,299,266
Fire Insurance Business		20,845,624	29,536,506
Marine Insurance Business		54,833,749	49,411,832
Misc. Insurance Business		42,386,385	34,350,928
Premium Deposit	18	7,499,186	47,732,604
Liabilities & Provision:		278,699,012	174,574,392
Estimated Liabilities in respect of outstanding claims whether due or Intimated	19	160,401,084	112,755,915
Amount due to other persons or bodies carrying on			13 10 10 10 10 10 10 10 10 10 10 10 10 10
Insurance Business	20	118,297,928	61,818,477
		82,870,027	116,921,654
Loan from Bank for Building Project (Secured)	21	46,091,895	68,350,836
Loan from Bank for Gulshan Land (Secured)	21.01	36,778,132	48,570,818
Sundry Creditors	22	30,447,774	27,233,389
Provision for Income Tax (Including Dividend Distribution Tax)	23	18,359,333	21,489,024
Proposed Dividend	24	30,213,300	23,790,000
The state of the s	tal: Taka	1,380,248,717	1,253,235,419

Notes:

- i) Contingent Liabilities (Note-31)
- ii) Figures have been rounded off to the nearest Taka.
- iii) Approved by the Board on 16th April 2005 and signed on its behalf by.

A.K.M Rafiqul Islam Managing Director

Capt. Imam Anwar Hossain Director



BALANCE SHEET As at December 31, 2004

PROPERTY & ASSETS	Note	2004	2003
Investment:		169,350,581	112,996,991
National Investment Bond	1	4,500,000	4,500,000
Shares & Debentures	2	164,850,581	108,496,991
Outstanding Premium	3	11,479,916	12,168,434
Amount due from other persons or bodies carrying on Insurance Business	4	116,742,182	132,150,668
Interest, Dividend & Rent Outstanding	5	7,578,213	8,158,779
Sundry Debtors	6	25,214,900	23,279,249
Advance Payment of Tax	7	2,981,112	10,495,786
Cash and Bank Balances:		380,931,546	301,372,524
Fixed Deposit Accounts	8	278,502,632	254,302,632
STD & Current Accounts	9	96,112,700	42,070,378
Cash & Stamp in Hand	10	6,316,214	4,999,514
Other Accounts:		665,970,267	652,612,988
Land (freehold)	11	356,098,311	356,038,311
Land at Gulshan	11 (a)	62,796,636	57,197,623
Fixed Assets (at cost)	12	71,538,527	63,812,761
Joint Venture Building Project	13	175,294,893	175,294,893
Stock of Printing Materials		241,900	269,400
	*3		
Tate	al: Taka	1,380,248,717	1,253,235,419

Subject to our separate report of even date.

Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) Chartered Accountants



PROFIT AND LOSS ACCOUNT

For the year ended December 31, 2004

	Note	2004	2003
Expenses of Management:			
(Not applicable to any fund or account)			
Advertisement & Publicity		4,650,171	3,626,171
Directors' Fee		1,158,440	1,258,905
Bonus		6,500,000	4,865,535
Registration Renewal Fee	28	1,636,539	525,030
Donation		1,000,000	-
Audit Fees (including fee for special audit)	29	500,000	255,000
Legal Expenses	4 1 500	350,000	271,912
Depreciation		4,593,651	4,701,629
Profit for the year transferred to Profit & Loss		4,000,001	4,701,025
Appropriation Account		75,705,984	58,415,427
	Total: Taka	96,094,785	73,919,609

PROFIT AND LOSS APPROPRIATION ACCOUNT

For the year ended December 31, 2004

	Total: Taka	76,470,868	59,149,899
Balance Transferred to Balance Sheet	30	121,235	764,884
Proposed Dividend		30,213,300	23,790,000
Dividend Equalization Reserves		1,000,000	92
General Reserve		1,000,000	A 2
Provision for Income Tax (Including Dividend Distribution Tax)		20,721,330	12,000,000
Reserve for Exceptional Losses		23,415,003	22,595,015

Approved by the Board on 16th April 2005 and signed on its behalf by.

A.K.M Rafigul Islam Managing Director

Capt. Imam Anwar Hossain Director



PROFIT AND LOSS ACCOUNT

For the year ended December 31, 2004

	Note	2004	2003
Interest, Dividend and Rent: (Not applicable to any fund or account)		23,643,045	25,075,185
Interest Received & Accrued	26	20.246,953	19,726,937
Dividend and Debenture Interest	27	3,396,092	5,348,248
Profit transferred from:		47,816,305	41,567,776
Fire Revenue account		19,271,385	20,508,584
Marine Revenue account	25	21,834,538	16,200,891
Misc. Revenue account	25	6,710,382	4,858,301
Other Income:		24,635,435	7,276,648
Misc. Receipt		501,406	600,933
Profit on Sale of Investment (Shares)		20,787,481	3,641,800
Building Rent		3,346,548	3,033,915
	Total: Taka	96,094,785	73,919,609

PROFIT AND LOSS APPROPRIATION ACCOUNT For the year ended December 31, 2004

Total: Ta	rka 76,470,868	59,149,899
Net profit for the years transferred from Profit and Loss Account	75,705,984	58415427
Balance brought forward from previous period	764,884	734,472

Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) Chartered Accountants



FIRE INSURANCE REVENUE ACCOUNT

For The Year Ended December 31, 2004

Claims under policies Less: Re-Insurance:	
Paid during the year	
Total estimated liability in respect of	
outstanding claims at the end of the	
year whether due or intimated	
Less: Outstanding claims at the end	
of the previous year	
Commission on Re-insurance Accepted	
Expenses of Management	
Commission	
Profit transferred to	
Profit & Loss Account	
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	

2004	2003
6,492,317	16,201,388
62,278,951	37,345,167
68,771,268	53,546,555
37,345,167	40,471,503
31,426,101	13,075,052
760,533	321,638
36,770,107	34,224,632
N S 3	26,544,850
19,271,385	20,508,584
20,845,624	29,536,506
109,073,750	124,211,262

Total: Taka

A.K.M Rafigul Islam Managing Director

Capt. Imam Anwar Hossain Director



FIRE INSURANCE REVENUE ACCOUNT

For The Year Ended December 31, 2004

f Account at the beginning of the year: r Unexpired Risk	
less : Re-Insurance	
on on Re-Insurance Ceded	
1	f Account at the beginning of the year: or Unexpired Risk less: Re-Insurance ion on Re-Insurance Ceded

2004	2003
29,536,506	16,714,284
41,691,248	59,073,012
37,845,996	48,423,966
109,073,750	124,211,262

Total: Taka

Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) **Chartered Accountants**



MARINE INSURANCE REVENUE ACCOUNT For The Year Ended December 31, 2004

	CARGO	HULL	2004	2003
Claims under Policies				
Less: Re-Insurance:				
Paid during the year	6,299,368	225,495	6,524,863	9,854,488
Total estimated liability in respect of outstanding claims at the end of				
the year whether due or intimated	58,749,216	75,016	58,824,232	37,628,369
	65,048,584	300,511	65,349,095	47,482,857
Less: Outstanding Claims at	THE PART OF THE			
the end of the previous year	37,628,369	*	37,628,369	39,308,480
	27,420,215	300,511	27,720,726	8,174,377
Expenses of Management	60,631,293	1,118,602	61,749,895	41,408,486
Commission		25	-	23,012,380
Profit transferred to				
Profit & Loss Account	21,503,774	330,764	21,834,538	16,200,891
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 and 100% of the Marine				
Hull Premium Income of the year	52,852,271	1,981,478	54,833,749	49,411,832
Total: Taka	162,407,553	3,731,355	166,138,908	138,207,966

A.K.M Rafiqul Islam Managing Director

Capt. Imam Anwar Hossain Director



MARINE INSURANCE REVENUE ACCOUNT For The Year Ended December 31, 2004

	CARGO	HULL	2004	2003
Balance of Account at the				
beginning of the year:				
Reserve for Unexpired Risk	48,763,455	648,377	49,411,832	33,923,731
Premium less: Re-Insurance	105,704,542	1,981,478	107,686,020	98,175,288
Commission on				
Re-Insurance Ceded	7,939,556	1,101,500	9,041,056	6,108,947
	145,51841.53	.,,,,,,,,,,	214,1713,414	***********
	E 1			
Total: Taka	162,407,553	3,731,355	166,138,908	138,207,966

Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) Chartered Accountants



MISCELLANEOUS INSURANCE REVENUE ACCOUNT For The Year Ended December 31, 2004

	MOTOR	MISC.	2004	2003
Claims under Policies Less: Re-Insurance: Paid during the year	19,865,575	14,373,319	34,238,894	24,064,293
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	24,873,607	14,424,294	39,297,901	37,782,379
	44,739,182	28,797,613	73,536,795	61,846,672
Less: Outstanding claims at the end of the previous year	21,150,655	16,631,724	37,782,379	31,608,355
and and an experience year.	23,588,527	12,165,889	35,754,416	30,238,317
Commission on Re-Insurance Accepted		44,122	44,122	30,707
Expenses of Management	34,457,339	4,771,015	39,228,354	32,400,558
Commission			i i	12,104,401
Profit transferred to Profit & Loss Account	5,648,409	1,061,973	6,710,382	4,858,301
Balance of Account at the end of the year as shown in Balance Sheet: Reserve for unexpired risks being 50% of the Motor and Misc.				
Premium income of the year	32,614,124	9,772,261	42,386,385	34,350,928
Total: Taka	96,308,399	27,815,260	124,123,659	113,983,212

A.K.M Rafiqul Islam Managing Director

Capt. Imam Anwar Hossain Director



MISCELLANEOUS INSURANCE REVENUE ACCOUNT For The Year Ended December 31, 2004

	MOTOR	MISC.	2004	2003
Balance of Account at the				
beginning of the year:	- reserve entrolers	12/12/27 b 10/12/20		
Reserve for Unexpired Risk	31,080,151	3,270,777	34,350,928	37,692,333
Premium less: Re-Insurance	65,228,248	19,544,523	84,772,771	68,701,850
Commission on				
Re-Insurance Ceded (including profit commission)		4,999,960	4,999,960	7,589,023
Total: Taka	96,308,399	27,815,260	124,123,659	113,983,21

Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) Chartered Accountants

STATEMENT OF CHANGES IN EQUITY QUITY

For The Year Ended December 31, 2004

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Revaluation Reserve	General Reserve	Dividend Equalization Reserve	Income Tax Provision	Proposed Dividend	Retained Earnings	Total
Opening Balance as on 01-01-2004	118,950,000	77,235,272	189,109,796	157,226,598	264,728	36,500,000	21,489,024	23,790,000	764,884	625,330,302
Dividend Paid	9	-	2.	-				(23,657,620)		(23,657,620)
Transfer to unpaid dividend		171	2	2		-		(132,380)	-	(132,380)
Increase share capital during the year	32,116,500			-	- 12	-		14	-	32,116,500
Adjustment of Share Premium	-	(32,116,500)			570		-			(32,116,500)
Revaluation Reserve during the year		1.	-	58,094,232	820	-	- 2	14	2	58,094,232
General Reserve during the year	18			-5	1,000,000	- + -		-	(1,000,000)	-
Dividend Equalization Reserve	-			-		1,000,000		-	(1,000,000)	
Net Profit for the year 2004				-					75,705,984	75,705,984
Reserve for Exceptional losses		- 5	23,415,003	-	525	140	-		(23,415,003)	-
Provision for Income Tax	=			-	-) 7 :	20,721,330	- 4	(20,721,330)	-
Proposed Dividend			-	2	2.50	141	-	30,213,300	(30,213,300)	
Tax adjustment during the year	-						(23,851,021)	-		(23,851,021)
December 31, 2004 Taka	151,066,500	45,118,772	212,524,799	215,320,830	1,264,728	37,500,000	18,359,333	30,213,300	121,235	711,489,497

See accompanying notes.

Approved by the board on 16th April, 2005 and signed on its behalf by:

A.K.M Rafiqul Islam Managing Director

Capt. Imam Anwar Hossain Director Mohammed A. Awwal Director

Al-Haj Khalilur Rahman Chairman (A. Wahab & Co.) Chartered Accountants

Dated: Dhaka, April 17, 2005

D.R. vs. d. Spor

Net Profit after Tax

Cash Flow from Operating Activities:

58,005,984

46,415,427

		The second secon
Adjustment to reconcile net profit to net cash provided by Operating Activities:		
Depreciation	3,033,651	2,686,616
Loss (Profit) on Sale of Investment		
Reserve for Unexpired Risk	4,766,492	24,968,918
Decrease in Stock of Printing	27,500	95,300
Increase in Advance Payment of Tax	7,514,674	(6,913,678
Increase in Sundry Debtors	(1,935,651)	9,095,699
Decrease in Interest, Dividend & Rent outstanding	580,566	74,228
Increase in Amount due from Other Person or Bodies carrying on Insurance Business	15,408,486	(22,688,889
Increase in Outstanding Premium	688,518	(6,802,787
Increase / (Decrease) in Income Tax Payable	(6,151,021)	8,417,892
Increase / (Decrease) in S. Creditors (excluding unpaid Dividend)	3,082,005	(5,614,474
Increase in Estimated Liability in respect of outstanding claim whether due or intimated	47,645,169	1,367,577
Increase in Amount due to other person or bodies carrying on Insurance business	56,479,451	13,832,848
Increase / (Decrease) in Premium Deposit	(40,233,418)	24,958,195
Net Cash Flow from Operating Activities	148,912,406	89,892,872
Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(15,544,779)	(10,928,426
Increase in Capital Work-in-Progress (Building Project)	1470	(1,229,365
Disposal of Investment & other assets	17,618,937	11,369,628
Investment made during the year	(13,718,295)	(23,579,055)
Net Cash Flow from Investing Activities	(11,644,137)	(24,367,218)
Cash Flow from Financing Activities:		
Loan Received from Bank	12,658,581	15,340,094
Loan Repayment to Bank	(46,710,208)	(21,467,780)
Dividend Paid	(23,657,620)	(19,009,370)
Net Cash Flow from Financing Activities	(57,709,247)	(25,137,056)
Decrease in Cash and Bank Balance (A+B+C)	79,559,022	40,388,598
MATERIAL CONTROL OF THE PROPERTY OF THE CONTROL AND PROPERTY OF THE CONTROL AND THE CONTROL AN	The state of the s	

A.K.M Rafiqul Islam

Managing Director Director

Cash and Bank Balance at Opening

Cash and Bank Balance at Closing

Capt. Imam Anwar Hossain

Mohammed A. Awwal

Director

Al-Haj Khalilur Rahman Chairman

301,372,524

380,931,546

(A. Wahab & Co.) Chartered Accountants

260,983,926

301,372,524

Dated: Dhaka, April 17, 2005

NOTES ON ACCOUNTS

For The Year Ended December 31, 2004



GENERAL:

Incorporation and Legal Form of the Company:

The company was incorporated as a public limited company on January 27, 1986, under the Companies Act 1913. It commenced its commercial operation as on January 30, 1986.

The company is listed with both Dhaka and Chittagong Stock Exchange Limited as a Publicly traded company.

Nature of Business:

The primary objectives of the company are to carry on all kinds of insurance, guarantee and indemnity business.



SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

i) The Company has adopted relevant International Accounting Standards as were adopted in Bangladesh under the title Bangladesh Accounting Standards (BAS) with reference to disclosures of accounting policies, valuation of investment such as long term and current investments.

ii) Basis of Accounting:

The accounts have been prepared on a going concern basis under generally accepted accounting principles on historical cost convention.

iii) Basis of Presentation:

The Balance Sheet has been prepared in accordance with the regulations as contained in Part-I of the First Schedule. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per Form "F" as set forth in Part-II of Third Schedule of the Insurance Act, 1938 as amended from time to time.

iv) 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 reinsurance premium due to Sadharan Bima Corporation, 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 statements of 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.

v) Interest on Statutory and other Investments:

Interest accrued on statutory investment of Tk. 45.00 lacs lying with Bangladesh Bank in the form of N.I.B.s has not been accounted for. But interest received from banks on STD accounts and FDR Accounts have been duly credited to the Profit and Loss Account after adjusting interest on OD A/C.



vi) Loss or Gain on Sale of Shares and Debentures:

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

vii) Management Expenses:

Management expenses as charged to Revenue Accounts and amounting to Tk. 137,748,356 is approximately 27.13% of gross premium of Tk. 507,698,731. The expenses have been apportioned @ 26.69% to Fire, 44.83% to Marine and 28.48% to Miscellaneous business as per Management decision.

viii) Provision for Unexpired Risks:

Before arriving at the surplus of each class of business necessary provision for un-expired 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 2004.

ix) Reserve for Exceptional Loss:

Reserve for Exceptional Losses as appropriated out of current year's profit before tax amounts to Tk. 23,415,003 being 10% of the net premium earned during the year.

x) 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 and Fixtures	10% to 15%
Motor Vehicles	20%
Office & Electrical Equipment	15%
Miscellaneous Items	20%

xi) Outstanding Premium:

The outstanding premium appearing in the accounts was realized subsequently till January, 2005.

xii) Contingency Reserve:

The company has credited Contingency Reserve for Insurance Guarantees and tail ended insurance business against which there exists no re-insurance arrangement although there remain risk till the expiry of the Guarantee.

xiii) Use of Estimate:

Preparation of Financial Statements in conformity with International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.



The company has transferred an amount of Tk. 32,116,500 (bonus share @ 27% of total paid up capital of Tk. 118,950,000) from share premium account to share capital account.

xv) Others:

- a) Provision for Income Tax has been made in accordance with the best estimate of the management based on the prevailing Income Tax law.
- b) During the year interest on investments in NIB and Debenture as well as dividend on shares have been accounted for as income on declaration basis.
- c) Figures have been rounded off to the nearest Taka and previous year's figures have been rearranged for the purpose of comparison, where felt necessary.

OPERATION:

During the year under audit, the company earned gross premium of Tk. 507,698,731, which includes public sector business of Tk. 273,548,692. After ceding for re-insurance, the net premium stood at Tk. 234,150,039. Underwriting profit of Tk. 47,816,305 as against Tk. 41,567,776 in the previous year, worked out to be 20.42% of the net premium.

Public Sector Business

Public Sector Business for four quarters upto June 2004 has been accounted for on the basis of statements received from SBC.

TAX ASSESSMENT POSITION:

Income Tax Assessment of the Company has been completed upto Assessment year 2003-2004 (A/cs 31-12-2002) as per Assessment Order, Subsequently the assessment has been completed upto Assessment year 2004-2005 (A/cs 31-12-2003) as certified by the DCT, Large Tax Payer Unit (LTU) dated March 10, 2005.

BALANCE SHEET:

National Investment Bond: Tk. 4,500,000

The amount represents 3-year National Investment Bond with a face value of Tk. 45.00 lacs held with Bangladesh Bank as Statutory deposit under Insurance Act, 1938.

Interest accrued on the investment has not been accounted for.

02 Shares and Debentures: Tk.: 164,850,581

The movement of the balance is shown below:

Particulars	2004	2003
Opening Balance	108,496,991	85,622,326
Add: Purchased during the year	13,718,295	23,579,055
	122,215,286	109,201,381
Less: Sales/Redemption during the year	15,458,937	9,337,581
	106,756,349	99,863,800
Add: Share value as per market price on 31-12-2004 (Adjusted through Revaluation Reserve Account)	58,094,231	8,633,191
Closing Balance at Market Value Tal	ka: 164,850,581	108,496,991



The company wise break-up of the above balance is as under:

i) Shares:

Share in Public Limited Company	No. of Shares	At Cost	Market Value as on 31-12-2004
IFIC Bank Ltd.	93	20,669	37,851
Rupali Bank Ltd.	325	42,819	223,519
National Bank Ltd.	3,189	766,267	1,515,572
Dhaka Bank Ltd.	600	285,012	510,000
Prime Bank Ltd.	3,850	1,408,389	2,231,075
Southeast Bank Ltd	5,000	1,531,858	3,312,500
One Bank Ltd.	2,000	379,000	920,000
Al-Arafa Bank Ltd.	685	913,134	2,212,036
Mutual Trust Bank	29,645	5,509,028	17,416,437
Standard Bank Ltd.	7	700	3,203
Exim Bank Ltd.	800	515,341	620,800
BOC Bangladesh Ltd.	100	16,190	14,470
Tripti Industries Ltd.	21,120	649,440	995,808
Green Delta Insurance Co. Ltd.	230	266,957	232,661
Reliance Insurance Ltd.	1,900	1,123,705	1,425,000
United Insurance Ltd.	440	350,156	319,220
Eastland Insurance Co. Ltd.	180	81,424	93,825
Ind. & Infrastructure Dev. Finance Co. Ltd.	115,000	11,500,000	11,500,000
United Leasing Co. Ltd.	316	437,982	622,915
National Housing Ltd.	200,000	20,000,000	20,000,000
Central Depository Bangladesh Ltd.	2	2,000,000	2,000,000
AMCL (Pran)	200	85,100	118,300
Pioner Insurance	300	75,600	83,850
1st ICB Mutul Fund	155	299,770	426,250
5th ICB Mutul Fund	160	40,960	59,920
6th ICB Mutul Fund	600	98,850	125,400
7th ICB Mutul Fund	700	105,000	146,825
Heidelberg Cement Bangladesh Ltd.	8,838	4,256,924	10,042,178
Daffodials Computers Ltd.	100,000	1,000,000	1,440,000
Lafarge Surma Cement Ltd.	100,449	14,527,180	43,720,427
Keya Detergent Ltd.	20,000	185,065	316,000
Beximco Pharma Ltd.	49,672	2,704,019	4,574,791
Orion Infusion Ltd.	7,000	512,750	976,500
Square Pharmaceuticals Ltd.	588	1,105,732	2,233,665
Beximco Infusion Ltd.	1,023	220,201	504,851
Eastern Housing Ltd.	10,900	1,070,925	1,387,025
Shinepukur Holding Ltd.	400	12,400	17,900
Monno Fabrics Ltd.	167,000	13,067,750	12,358,000
Padma Textile Ltd.	21,700	318,990	857,150
Tallu Spinning Mills Ltd.	390	39,000	32,405
Ashraf Textile Mills Ltd.	2,500	18,500	15,000
Square Textile Ltd.	2,300	1,078	3,734
Usmania Glass Sheet Ltd.	5	4,224	9,834
National Tubes Ltd.	80	189,116	174,540
Total Taka (i)		87,737,205	145,831,437



ii) Debentures:

Name of the Company	At Cost Less: Redemption
Bangladesh Export Import Company Ltd.	1,660,000
Beximco Fisheries Ltd.	1,161,194
Beximco Textile Ltd.	2,091,750
Beximco Denims Ltd.	9,606,200
Bangladesh Luggage Industries Ltd.	4,500,000
Total Taka (ii)	19,019,144
Grand Total Taka (i+ii)	164,850,581

Principal amount due against debenture not received is Tk. 17,458,670 upto 31-12-2004 and Debenture Interest due but no provision has been made in this account is Tk. 12,191,069 up to the same date.

Name of the Company	Interest	Redemption	Total
Bangladesh Export Imp. Co. Ltd.	421,610	1,660,000	2,081,610
Beximco Fisheries Ltd.	847,230	1,315,312	2,162,542
Beximco Denims Ltd.	7,504,910	8,198,200	15,703,110
Beximco Textile Ltd.	1,634,194	1,785,158	3,419,352
Bangladesh Luggage Ind. Ltd.	1,260,000	4,500,000	5,760,000
Total:	11,667,944	17,458,670	29,126,614

The dividend income and debenture interest shown in the accounts is Tk. 3,396,092.

Outstanding Premium: Tk. 11,479,916

The balance represents outstanding premium on direct account, which have been realized subsequently till January, 2005. It is exclusive of Tk. 54,770,364 due from other Co-insurers shown separately in note 4 below. The business wise break-up of the outstanding premium shown as above is given below:

Particulars		2004	2003
Fire		3,234,498	4,464,350
Marine		5,007,204	5,574,464
Motor		2,574,026	1,622,500
Misc.		664,188	507,120
	Taka:	11,479,916	12,168,434



Amount due from other persons or bodies carrying on Insurance business: Tk. 116,742,182

The amount is made up as follows:

Particulars	2004	2003
Co-Insurance Premium receivable (including refund premium)	54,770,364	52,632,711
Amount due from SBC	38,797,306	57,311,283
Co-insurance Claim receivable from different Insurance companies :		
Fire	4,348,398	4,344,055
Marine	15,068,976	14,971,542
Motor	989,406	967,421
Misc.	2,767,732	1,923,656
Taka:	116,742,182	132,150,668

Interest, Dividend & Rent outstanding: Tk. 7,578,213

The balance is made up as follows:

Particulars		2004	2003
Dividend (i)		51,426	160,516
Debenture Interest (ii)		7,526,787	7,998,263
	Taka:	7,578,213	8,158,779

i) Dividend: Tk. 51,426

The balance is made up as follows:

Name of Company		Amount
Metro Spinning Ltd.		510
Beximco Fisheries Ltd.		50,916
	Taka:	51,426

ii) Debenture Interest: Tk. 7,526,787

The balance is made up as follows:

Name of Company	Amount
Bangladesh Export Import Co. Ltd.	421,610
Beximco Textile Ltd.	1,069,612
Beximco Denims Ltd.	4,912,110
Beximco Fisheries Ltd.	598,455
Bangladesh Laggage Ltd.	525,000
Та	ka: 7,526,787

All of the above balance is old since long and an amount of Tk. 84,306 and Tk. 387,170 only has been received from Beximco Textile and Beximco Denims Ltd respectively, during the year under audit.



Sundry Debtors: Tk. 25,214,900

The balance is made up as follows:

Particulars	2004	2003
Advance against expenses	653,694	1,141,462
Advance against rent (i)	4,260,953	5,028,717
Advance against salary	74,409	174,565
Advance against investment (ii)	2,000,000	2,097,500
House Building Loan	6,325,227	5,123,260
Receivable against Building Maintenance from Rhone Polence	3,744,573	1,892,601
Security Deposit	499,080	499,080
Group Insurance Premium (Due from employees)	429,686	594,786
Jamuna Resort Limited (iii)	7,227,278	6,727,278
Taka:	25,214,900	23,279,249

i) Advance against Rent: Tk. 4,260,953

Advance against rent relates to advance paid for office rent of branch offices in different locations of the country. The balance is made up as follows:

	5,028,717
	1,894,880
	6,923,597
	2,662,644
Taka:	4,260,953
	Taka:

ii) Advance Against Investment: Tk. 2,000,000

The balance is made up as follows: 2,097,500 Opening Balance as on 01-01-2004 97,500 Less: Adjusted during the year 2,000,000 Taka: Closing Balance

iii) Jamuna Resort Ltd.: Tk. 7,227,278

The balance is made up as follows:

6,727,278 Opening Balance 500,000 Add: Addition during the year Taka: 7,227,278 Closing Balance

The amount spent for Bangabandhu Bridge Tourism Development Project is on account of preparatory action taken in connection with meeting the expenses relating to financial bids for the work of the project and miscellaneous development work undertaken subsequently. When fully paid the amount will be adjusted against equity participation in the capital of the company.



Advance Payment of Tax: Tk. 2,981,112

The entire balance relates to Accounting year ended on 31-12-2004 (Assessment year 2005-06).

The balance is made up as follows:

AIT Deducted on Account of	2004	2003
Deducted at Source from FDR Interest	1,889,098	1,773,280
Deducted at Source from STD Interest	169,245	268,627
Deducted at Source from Dividend Income	7,890	501,054
Deducted at Source from Office Rent	914,879	952,825
Advance Tax Paid	2	7,000,000
Taka:	2,981,112	10,495,786

The entire amount is eligible for adjustment towards the settlement of Tax liability on finalization of assessments. The provision for income tax during the year being Tk. 20,721,330 (including provision for Dividend Distribution Tax) the balance amount of the tax payable for the year needs to be paid before filing of the return.

Fixed Deposit Account: Tk. 278,502,632

The balance is made up as follows:

Particulars		2004	2003
Opening Balance as on 01-01-2004		254,302,632	237,702,632
Add : Addition during the year		24,200,000	16,600,000
		278,502,632	254,302,632
Less: Encashment during the year		-	426
Closing Balance	Taka:	278,502,632	254,302,632
4(0)570-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-		Company of the Compan	

STD & Current Account: Tk. 96,112,700

The balance has been arrived at as follows:

	2004	2003
	98,660,305	36,192,492
	(4,633,516)	(1,904,497)
	292,569	178,732
	1,793,342	7,603,651
Taka:	96,112,700	42,070,378
	Taka:	98,660,305 (4,633,516) 292,569 1,793,342





Cash and Stamp in hand: Tk. 6,316,214

The balance is made up as follows:

Particulars		2004	2003
Petty Cash Account at Head Office		1,110,597	808,733
Petty Cash Account with Branches		4,779,577	3,860,183
Stamp in Hand		426,040	330,598
	Taka:	6,316,214	4,999,514

Physical count of cash and stamp at Head Office have been done as on December 31, 2004. The management has furnished certificate confirming the position of Tk. 4,779,577 as cash lying with different branches located throughout the country.



Land: Tk. 356,098,311

The balance is made up as follows:

Particulars		2004	2003
Opening balance as on 01-01-2004		356,038,311	296,469,582
Less: Adjustment with Note - 11.01		· · ·	69,774
		356,038,311	296,399,808
Add: Expenses at Panthapath Land, Kawran Bazar (Legal Expenses and Salary of Security Personnel)	A.	49,055
Value Addition on revaluation of Panthapath Lan	d	345	59,589,448
Paid to G.K. Adjusters Ltd. For valuation of Panthapath Land.		60,000	
Closing Balance	Taka:	356,098,311	356,038,311



Land at Gulshan: Tk. 62,796,636

The balance is made up as follows:

Particulars		2004	2003
Opening Balance as on 01-01-2004		57,197,623	51,597,321
Add: Adjustment with Note-11		5 # 35	69,774
Interest on Loan for Procurement of the Land		5,599,013	5,473,497
Expenses for Gulshan Land (Boundary Wall)			57,031
Closing Balance	Taka:	62,796,636	57,197,623

The details of the land purchased is as under:

A total of 22.93 Katha Land at Plot No. NW(H)7, Holding No. 7, Road No. 51/54, Gulshan R/A-2, Dhaka. The land has been purchased with loan from National Credit & Commerce Bank Ltd., Motijheel Main Br., Dhaka as shown under Note 21(a).



Fixed Assets at cost: Tk. 71,538,527

Details break-up of Fixed Assets is given below:

Particulars	Furniture and Fixture	Office and Electrical Equipment	Motor Vehicles	Other Assets	Total
As at 1st January, 2004	23,791,451	14,756,524	24,333,542	931,244	63,812,761
Addition during the year 2004	2,069,863	1,350,583	6,377,320	88,000	9,885,766
Disposal of Fixed Assets		283	(2,160,000)		(2,160,000)
Cost as at December 31, 2004	25,861,314	16,107,107	28,550,862	1,019,244	71,538,527
Depreciation :					
As at 1st January, 2004	12.254,530	12,122,405	17,043,936	853,290	42,274,161
Charged for the year 2004 Depreciation adjustment for	1,539,942	1,236,148	1,783,291	34,270	4,593,651
disposal of Fixed Assets			(1,560,000)	2	(1,560,000)
Depreciation as at 31-12-2004	13,794,472	13,358,553	17,267,227	887,560	45,307,812
Written down value as at 31-12-2004	12,066,842	2,748,554	11,283,635	131,684	26,230,715

Joint Venture Building Project: Tk. 175,294,893

The balance is as per last account.

Joint Venture Building is yet to be registered in the name of the Company.

Issued, Subscribed & Paid up Capital: Tk. 151,066,500

The balance represents:

Particulars	2004	2003
610,000 ordinary shares of Tk. 100 each fully paid up in cash	61,000,000	61,000,000
122,000 Ordinary Shares of Tk. 100 each fully paid up as Bonus share (5:1) allotted during 1997	12,200,000	12,200,000
219,600 Ordinary shares of Tk. 100 each fully paid up as Bonus share (10:3) allotted during 2002 (Out of General Reserve Balance at 31-12-2001)	21,960,000	21,960,000
237,900 Ordinary shares of Tk. 100 each fully paid up as Bonus share (4:1) allotted during 2003 (Out of Share Premium Balance at 31-12-2002)	23,790,000	23,790,000
321,165 Ordinary Share of Tk. 100 each fully paid up issued as Bonus share during 2004 (Out of Share Premium)	32,116,500	- C
Taka:	151,066,500	118,950,000

All the shares of the company are in the dematerialized form (DEMAT) with effect from May 16,2004 under CDBL. The proportion of public and sponsor holdings are given below:

Category A (Sponsor)	50%
Category B (Public)	50%
A CONTRACTOR OF THE CONTRACTOR	100%



Contingency Reserve for Insurance Guarantees & Tail ended Insurance Business: Tk. 105,869,651

The balance is as per last account and made up as follows:

	2004	2003
	87,080,441	87,080,441
	18,789,210	18,789,210
Taka:	105,869,651	105,869,651
	Taka:	87,080,441 18,789,210

Revaluation Reserve: Tk. 215,320,830

The balance is made up as follows:

Particulars	2004	2003
Opening Balance as on 01-01-2004	157,226,598	89,003,959
Add: Appreciated value of shares (145,831,437-87,737,205)	58,094,232	8,633,191
	213,520,830	97,637,150
Add: Revaluation of Panthapath Land		59,589,448
Taka:	215,320,830	157,226,598

The amount includes accretion in value of Assets like land, investment in shares.

17 General Reserve: Tk. 1,264,728

The balance is made up as follows:

Particulars		2004	2003
Opening Balance 01-01-2004		264,728	264,728
Add: Addition during the year		1,000,000	
		1,264,728	264,728
Less: Adjustment during the year			
	Taka:	1,264,728	264,728

Premium Deposit: Tk. 7,499,186

The amount represents the adjusted balance of premium as received against Cover Notes over the years for which policies have not been issued within 31st December, 2004. The balance is made up as follows:

	2004	2003
	5,780,055	39,558,178
	1,719,131	8,174,426
Taka:	7,499,186	47,732,604
	Taka:	5,780,055 1,719,131



Estimated Liabilities in respect of outstanding claims whether due or intimated: Tk. 160,401,084

The balance is made up as follows:

Particulars		2004	2003
Fire		62,278,951	37,345,167
Marine		58,824,232	37,628,369
Motor		24,873,607	21,150,655
Misc.		14,424,294	16,631,724
	Taka:	160,401,084	112,755,915

Amount due to other persons or bodies carrying on Insurance Business: Tk. 118,297,928

The balance is made up as follows:

Particulars		2004	2003
Payable against Co-Insurance Premium		55,808,094	44,941,164
Overseas Re-Insurer		22,511,508	15,747,931
Co-Insurance Claim		39,978,326	1,129,382
	Taka:	118,297,928	61,818,477

Loan from Bank for Building Project (Secured): Tk. 46,091,895

The balance is made up as follows:

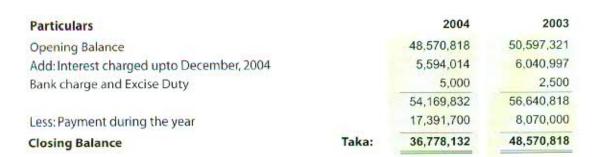
Particulars		2004	2003
Opening Balance		68,350,836	72,452,019
Interest charges upto December, 2004		7,054,567	9,291,597
Bank charges and Excise Duty		5,000	5,000
		75,410,403	81,748,616
Less: Adjusted/Payment during the year		29,318,508	13,397,780
Closing Balance	Taka:	46,091,895	68,350,836

This is a SOD loan from National Bank Ltd., Dilkusha Branch, Secured against lien of FDR for Tk. 82,212,000.

Loan from Bank for Gulshan land (Secured): Tk. 36,778,132

The balance is made up as follows:

This is on account of Loan from National Credit and Commerce Bank Ltd., Motijheel Main Branch, Dhaka under the Account SOD-01403893 (Land) for procurement of land in Gulshan, Dhaka, which has been fully liquidated subsequently on April 05, 2005.



22 Sundry Creditors: Tk. 30,447,774

The balance is made up as follows:

Particulars		2004	2003
Payable against Expenses (i)		17,026,228	12,184,665
Provident Fund		69,126	127,589
Income Tax deduction (ii)		1,807,820	1,858,931
VAT payable (iii)		7,554,551	4,766,287
Unpaid dividend (iv)		665,338	532,958
Received against Security		90,000	3,296,000
Tax deduction against Rent		10,000	48,980
Vat deduction against Bills		80,880	56,628
Advance Rent received (v)		2,970,550	4,164,550
Provident Fund Loan Deduction		108,458	145,008
Tax deduction against bills		50,490	19,932
Share Application		14,000	14,000
Hospitalization Insurance Claim		333	
Pragati Life Insurance Limited		-	6,900
Others		7	10,961
	Taka:	30,447,774	27,233,389

i) Payable against Expenses: Tk. 17,026,228

The balance is made up as follows:

Particulars	2004	2003
Company's Contribution to PF	259,880	230,104
Incentive Bonus	7,275,199	7,545,009
Honorarium	2,185,000	2,185,000
Audit Fee (including special audit fee)	700,000	475,000
Rhone Poulance (House Rent)	4,625,208	1,749,552
Payable against Rent to NBL	71,250	45
Payable against Advertisement	1,909,691	2. 12
Taka:	17,026,228	12,184,665



ii) Income Tax deduction: Tk. 1,807,820

Income Tax deduction at source amounting to Tk. 1,807,820 includes income tax deducted from salary and other bills paid during the year and yet to be deposited to Bangladesh Bank.

iii) VAT Payable: Tk. 7,554,551

VAT payable in the amount of Tk. 7,554,551 represents VAT for the month of December 2004 which has been deposited into Bangladesh Bank subsequently.

iv) Unpaid dividend: Tk. 665,338

This represents balance of unpaid dividend from year to year.

v) Advance Rent Received: Tk. 2,970,550

This balance will be adjusted over the period of lease from rental income.

Provision for Income Tax: Tk. 18,359,333

The amount includes Tk. 20,721,330 being Income Tax provision made for accounting year ended on 31st December, 2004 (Assessment year 2005-2006) as a lump sum basis and provision for Dividend Distribution Tax for the year 2004.

The make-up of the balance of provision is noted below:

	2004	2003
	21,489,024	13,071,132
004-05	10,495,786	3,582,108
	10,993,238	9,489,024
	876,259	
	10,116,979	9,489,024
	10,099,976	
	17,003	9,489,024
	2,379,000	
	(2,361,997)	9,489,024
ζ,		
	20,721,330	12,000,000
Taka:	18,359,333	21,489,024
		21,489,024 10,495,786 10,993,238 876,259 10,116,979 10,099,976 17,003 2,379,000 (2,361,997)

Proposed Dividend: Tk. 30,213,300

The amount has been appropriated out of surplus available for distribution @ 20% on paid-up capital of Tk. 151,066,500 as on 31-12-2004 as per recommendation of the Board. The Board of Directors has also recommended a stock dividend of 25% payable to the existing shareholders, out of Share Premium Account of the Company.

PROFIT AND LOSS ACCOUNT:

25 Revenue Account: Tk. 47,816,305

i) The summarized position of net underwriting profit earned during the year 2004 is as follows:

Particulars		Fire	Marine	Motor & Misc.	2004	2003
Premium Income: A) Gross Premium B) Re-Insurance premium Ceded		189,197,330		106,794,645	507,698,731	
C) Net Premium (A-B)	Taka:	147,506,082 41,691,248	104,020,736 107,686,020	22,021,874 84,772,771	273,548,692 234,150,039	

Ne	t underwriting profit (C-H+I) Taka:	19,271,385	21,834,538	6,710,382	47,816,305	41,567,776
	Adjusted Fund balance for unexpired risk (Opening Balance Less closing balance)	8,690,882	(5,421,917)	(8,035,457)	(4,766,492)	(24,968,918
	Total Direct expenses (D+E+F)	31,110,745	80,429,565	70,026,932	181,567,242	159,413,462
	Allocation of Management Expenses	26.69%	44.83%	28.48%	100%	1009
F)	Management Expenses	36,770,107	61,749,895	39,228,354	137,748,356	108,033,67
E)	Claim settled & provided ((Net) (Note-25 (iii))	31,426,101	27,720,726	35,754,416	94,901,243	51,487,746
D)	rect Expenses : Commission {(Net of Re-Insurance Accepted and Ceded (Net) Note-25 (ii)}	(37,085,463)	(9,041,056)	(4,955,838)	(51,082,357)	(107,960

ii) Commission (Net): Tk. (51,082,357)

Particulars		Fire	Marine	Motor & Misc.	2004	2003
Commission paid on Direct Commission paid on Re-In-		700 500		44.400	004.055	61,661,631
Accepted		760,533		44,122	804,655	352,345
Less: Commission earned o	n Re-insurance	760,533	neromores.	44,122	804,655	62,013,976
ceded		37,845,996	9,041,056	4,999,960	51,887,012	62,121,936
Net Commission	Taka:	(37,085,463)	(9,041,056)	(4,955,838)	(51,082,357)	(107,960)

iii) Claim settled (Net): Tk. 94,901,243

Particulars	Fire	Marine	Motor & Misc.	2004	2003
Gross Claim Less : Salvage Received	35,137,862	15,289,952	75,959,896	126,387,710	254,786,979
	35,137,862	15,289,952	75,959,896	126,387,710	254,786,979
Less : Re-Insurance claim Recovery	28,645,545	8,765,089	41,721,002	79,131,636	204,666,810
Paid during the year	6,492,317	6,524,863	34,238,894	47,256,074	50,120,169
Add: Outstanding Claim at the end of the year whether due or intimated (Company's Share)	62,278,951	58,824,232	39,297,901	160,401,084	112,755,915
No. 1990 Company of Co	68,771,268	65,349,095	73,536,795	207,657,158	162,876,084
Less : Outstanding claim at the end of the previous year	37,345,167	37,628,369	37,782,379	112,755,915	111,388,338
Net Claim Taka:	31,426,101	27,720,726	35,754,416	94,901,243	51,487,746
63					



Interest Received and Accrued: Tk. 20,246,953

The balance is made up as follows:

Particulars		2004	2003
Interest on FDR		18,890,980	17,732,800
Interest on STD Accounts		1,745,146	2,679,817
		20,636,126	20,412,617
Less: Interest adjusted on OD Account		389,173	685,680
	Taka:	20,246,953	19,726,937

Dividend and Debenture Interest (Gross): Tk. 3,396,092

The balance is made up as follows:

Particulars		2004	2003
Dividend Income		3,391,556	3,953,515
Debenture Interest (i)		4,536	1,394,733
	Taka:	3,396,092	5,348,248

i) Debenture Interest: 4,536

Name of the Company	Interest rec	eived during the yea
Bangladesh Zipper Ltd.		4,536
	Taka:	4,536
	1.7	

Building Rent: Tk. 3,346,548

The position has been arrived at after adjusting the Interest on loan and maintenance expenses.

28 Registration Renewal Fee: Tk. 1,636,539

The balance represents the amount deposited to Bangladesh Bank against renewal of registration for doing Fire, Marine and Miscellaneous insurance business as per Section-3A of Insurance Act, 1938.

Audit Fee: Tk. 500,000

The balance is made up as follows:

	2004	2003
	200,000	175,000
	300,000	80,000
Taka:	500,000	255,000
	Taka:	200,000 300,000



30 Net Profit for the year and its appropriation:

The balance is made up as follows:

Particulars	2004	2003
Underwriting Profit as per Revenue Accounts	47,816,305	41,567,776
Interest Income & Dividend	23,643,045	25,075,185
Other Income (including profit on sales of shares)	24,635,435	7,276,648
	96,094,785	73,919,609
Less: Expenses of management		
(not related to any fund or account)	20,388,801	15,504,182
Net profit for the year	75,705,984	58,415,427
Less: Reserve for Exceptional Loss		
(10% of Net Premium)	23,415,003	22,595,015
	52,290,981	35,820,412
Add: Surplus brought forward	764,884	734,472
	53,055,865	36,554,884
Less:		
i) Tax provision for Assessment year		
(2005-2006) A/C 31-12-2004	20,721,330	12,000,000
ii) Dividend Equalization Reserve	1,000,000	17
iii) General Reserve	1,000,000	:
iv) Balance available for distribution	30,334,535	24,554,884
iv) Dividend Paid/Recommended	30,213,300	23,790,000
Surplus Carried forward Taka:	121,235	764,884

Contingent Liability:

- a) As on 31-12-2004 financial Guarantees amounted to Tk. 85 million (app), which will expire on different dates during 2005.
- b) Money suits for Tk. 77,808,463 was pending as on 31-12-2004 for Marine Insurance (Cargo) claims which the company disputed and so not accounted for.

General:

i) Earning per share (EPS):

The earning per share of the company is as follows:

	2004	2003
Before Tax	50.11	49.11
After Tax	36.40	39.02

ii) During the year under review the company had 29 members on Board on Directors and held eight (8) Board Meetings.

> (A. Wahab & Co.) Chartered Accountants

2003

2004

Dated: Dhaka, April 17, 2005



FORM-AA **CLASSIFIED SUMMARY OF ASSETS**

For The Year Ended December 31, 2004

Class of Assets	Book Value
National Investment Bond (Tk. 45,00,000 is held with BD Bank)	4,500,000
Shares at market value	145,831,437
Debentures (at cost)	19,019,144
Cash on Fixed Deposit, STD and Current A/c with banks	374,615,332
Cash & Stamps in hand	6,316,214
Outstanding Premium and other dues	128,222,098
Interest accrued but not received	7,578,213
Sundry Debtors, advance & Deposits	28,196,012
Stock of Printing Materials in hand (at cost)	241,900
Land	418,894,947
Fixed Assets (at cost)	71,538,527
Joint Venture Building Project	175,294,893
Taka:	1,380,248,717

The cost of Fixed Assets is inclusive of Tk. 25,861,314 on account of Furniture & Fixtures, Accumulated depreciation on Fixed Assets amounting to Tk. 45,307,812 has been shown under Depreciation Fund Account and not deducted from the cost of fixed assets shown above.

A.K.M Rafigul Islam

Managing Director

Dated: Dhaka, April 17, 2005

Capt. Imam Anwar Hossain Mohammed A. Awwal

Al-Haj Khalilur Rahman Chairman

(A. Wahab & Co.) **Chartered Accountants**





As per Regulations contained in the First Schedule in the Insurance Act, 1938 as amended as per Section 40-C of the said Act, we certify that:

The value of investments in shares have been taken at market value and debentures at cost and the quoted value there of 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, 2004 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values 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.

A.K.M Rafigul Islam

Managing Director Dated: Dhaka, April 17, 2005

Capt. Imam Anwar Hossain

Director

Mohammed A. Awwal

Al-Haj Khalilur Rahman Chairman

Branch Offices

Dhaka Division

01. Dilkusha Brand 76 , Dilkhsha C Dhaka.		Mahboob Uddin Ahmed Sr . Executive Vice President	9567861 Fax : 9551685 Res : 9338126
02. Imamganj Bra 31. Mitford Ro		Nazrul Islam Talukder Branch Incharge	7319818 0189-288291
03. Narayanganj B 150 . B. B. Sarak	Branch K, Narayanganj.	Farid Ahmad Deputy Vice President	9712646 0171-561368
04. Sadarghat Bra 32-ka , Liakat / Dholaikhal, Dh	Avenue	Liaquat Ali Khan Branch Incharge	7113066 0171-017464
05. Narsingdi Brar H.M Plaza, 20 \ Sadar Road 16	West Kandapara	Jasim Uddin Buiyan Branch Incharge	63009 011-071258
06. Tejgaon Branc 100 Kazi Nazro Dhaka.	h ul Islam Avenue	Abdul Alim Khan Branch Incharge	8130173 0171-696343
07. Banga Bandhu 13 . B. B. Avenu		Khondaker Zafor Sadeque Vice President	9566389 Res:8610299 0191-342422
08. Elephant Road Rajdhani Com 237/2, New Ele Dhaka.	plex	Sharif Mustaba Senior Vice President	9661349 Fax : 8616023 Res : 8615028 0189-238198
09. Motijheel Brar Sena Kalyan B Room No 130 195, Motijheel	haban 6, (13th Floor)	Ali Fathker (Kollol) Asstt. Vice President	7115066 Fax : 9556415 Res : 8021464 0173-002412
10. Biman Bhabar 100 , Motijhee Dhaka - 1000.		S.M.B.Shameem Senior Vice President	7169618 Fax : 9570424 0191-351699

Branch Offices

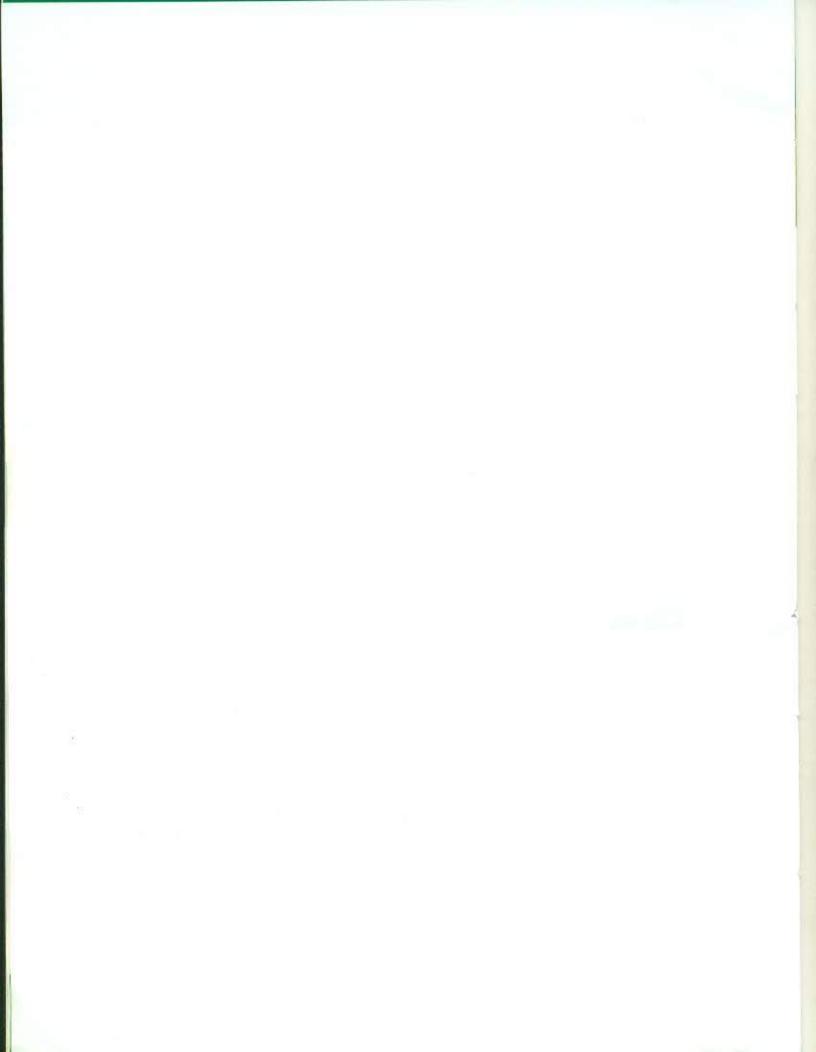
11. V.I.P Road Branch	Abdul Momen	8321796
69/1 (New) Purana Paltan	Senior Vice President	Fax:8316354
Lane, Dhaka.		Res: 9123054
		0171-696338
12. Malibagh Branch	Golam Faruque	8311078
Manhatton Tower	Deputy Vice President	Res: 9870658
83, Siddeshwari Circular Road,	1 0	0171-566735
Malibagh, Dhaka		Fax:8311078
13. Hatkhola branch	Taslim Bahar Chowdhury	9559410
SuvechchhaPlaza 32/1,	Senior Vice President	Fax:9560214
Shahid Nazrul Sarak .		Res:7211803
Hatkhola , Dhaka.		0189-212318
14. Gulshan Branch	Bahauddin Ahmed	9886151
House No -55, Road No-17	Branch Incharge	0171-696341
Kamal Ataturk Avenue, Banani , Dhaka.		Res: 7281321
15. Tongi Branch	Ekramul Hoque	9802786
Jalil Market (2nd floor)	Branch Incharge	011-838694
Tongi , Gazipur.	5.	
16. Faridpur Branch	Khandoker Zakir Hossain	62691
169 Mujib Sarak, Faridpur.	Branch Incharge	Res: 62848
		0172-061053
17. Mirpur Branch	Razzakul Haider	8060587
231 Senpara Parbata	Branch Incharge	0175-013021
Rokeya Sarani		
Central Plaza (4th Floor)		
Mirpur 10, Dhaka 1216.		
18. Mymensing Branch	Kawsar Hossain	64062
10 Durgabari Road	Branch Incharge	0172-003899
Mymensingh.	branch incharge	0172-003099

Chittagong Divison

19. Khatunganj Branch 410 -411, Khatungonj C/A Chittagong	Mohammed Ali Khan Sr. Executive Vice President	636121 Fax: 63705 Res: 653064 0171-721483
20. Agrabad Branch 75/A, Agrabad C/A Chittagong	M. A. Hasan Sr. Vice President	713228 Fax:713227 Res:611740 0171-749273
21. Jubilee Road Branch Pedrollo Plaza (3rd Floor) 5 , Juilee Road Chittagong	Nazrul Islam Sr. Vice President	616847 Fax : 617844 Res : 620662
22. Cox's Bazar Branch Ahamadia Mansion, Purba Bazarghata, Main road. Cox's Bazar.	Abdul Hannan Chowdhury Branch Incharge	64101 Res : 63468
23. Feni Branch Sultan Mansion Road. Trunk Road, Feni.	Jafar Ullah Majumder Branch Incharge	74313 0171-400323
24. Comilla Branch Comilla Co-Operative Super Market, (2nd Floor) Kandirpar Main Road, Comilla.	Muzammel Hoque Branch Incharge	76977 Res:,64645
25. Chandpur Branch 136/2 Shahid Muktijudha Sarak Chandpur.	Pradip Kumar Pal Branch Incharg	63290 0171-018087
 Chowmuhani Branch Poura Super Market Chandpur. 	Belayet Hossain Branch Incharge	52030
Rajshahi Divison		
 Rajshahi Branch Shaheb Bazar, Ghoramara, Rajshahi. 	Abdur Razzaque Sarder Asstt .Vice President	775926
28. Bogra Branch Thana Road, Bogra.	Nazrul Islam Branch Incharge	66189

WUAL REPORT TO Branch Offices

 Rangpur Branch Baitus Syed Super Market 	Farid Hossion Sarker Concurrent - Branch Incharge	62933
Central Road, Rangpur.	Concurrent - Branch Inchange	
30. Pabna Branch	A. H. M. Raihan	66541
Aourangajeb Road, Pabna.	Branch Incharge	
31. Dinajpur Branch	Farid Hossain Sarker	51105
Northern Plaza Holding No. 74/69	Branch Incharge	0172-138136
Dinajpur Town, Dinajpur		
Khulna Division		
32. Khulna Branch	S. M. Murshed	723724
25 , Sir Iqbal Road, Khulna.	Sr. Vice President	Fax:720056
		Res: 760207
		0171-321702
33. Jessore Branch	G. M. Saidur Rahman	72396
Jess Tower (2nd floor) M. K . Road , Jessore.	Branch Incharge	Res : 72397
34. Kushtia Branch	Md. Mahabubul Alam	64286
92 , N. S. Road , Thanapara, Kushtia-7000.	Branch Incharge	
Barisal Divison		
35. Barisal Branch	Amjad Hossain Talukdar	63186
18 . Hemayat Uddin Road. Barisal.	Branch Incharge	
Sylhet Divison		
36. Sylhet Branch	Ahmed Tazdiqul Mowla	715008
Laldighirpar, Sylhet	Branch Incharge	Res: 714009
		0171-388586



Proxy Form

of			A 10 11 12 12 12 12 12 12 12 12 12 12 12 12
being a member of	Pragati Insurance Limite	d and entitled to vote , he	reby appoint Mr./Mrs. Miss
			of as my /our
A		I I I I A	La Contraction of the Contractio
		26th May 2005 or at any	eteenth Annual General
	ipally to be field off the	Loci may 2000 or at any	Mon
Claused this	dayof	2005	111
Signed this	day of	2005.	14
Signature of Proxy			
Commence of the second			S Revenue
			Stamp
Signature of Membe	er		3nn
Folio No. / BO A/C N			
	0		
No. of shares held			
N.B: A member en	titled to attend and vo	ote at the meeting may	appoint another member
M. Propriet S. March	o attend and vote on hi		
			the Company's Registered
	then 72 Hours before t be treated as valid.	ime appointed for the Me	eeting. In default , forms of
proxy will not	be treated as valid.		
	Dungati L	nsurance Limi	tod
		Karwan Bazar Dhaka 1215, Bang	
	AT	TENDANCE SLIP	
I hereby record m	y attendance at the N	lineteenth Annual Gen	eral Meeting of Pragati
	on the 26th May 2005	at ICAB Auditorium, 100	Kazi Nazrul Islam Avenue,
Dhaka.			
Name of Member / I	Proxy		
Folio No./ BO A/C N	0		
		Signa	ture of Shareholder/proxy
	entra esta esta esta esta esta esta esta est		rance of the meeting hall.