



# *Annual Report* 2008



SYMBOL OF SECURITY

**PRAGATI INSURANCE LIMITED**



*excellent service of 23 years*



annual report

2008



# Table of Contents

Contents	Page
Company Profile	04
Vision & Mission Statement	05
Services	06
Notice of 23rd AGM	07
Board of Directors	08
Executives	09
Company's Performance	10-11
Chairman's Speech	12-13
Directors' Report-2008	14-24
22nd AGM in Picture	25
Value Added Statement	26
Auditors' Report & Accounts 2008	27-57
Classified Summary of Assets (Form-AA)	58
Directors' Certificate	59
Branch Offices	60-62
Proxy Form & Attendance Slip	



# International Award for Pragati Insurance



Pragati Insurance Ltd. has been awarded "The World Quality Commitment Award in Platinum Category" in recognition of its quality. The award was presented at the International Quality Convention-2008 held in Paris on September 22, 2008. Mr. Abdul Awal Mintoo, Chairman and Mr. A.K.M. Rafiqul Islam, Managing Director of Pragati Insurance Limited received the award from the President of Business Initiative Directions in Paris.





# CompanyProfile

Incorporation

January 27, 1986

Commencement

January 30, 1986

Listing with DSE

April 04, 1996

Listing with CSE

April 06, 1996

## REGISTERED OFFICE:

Pragati RPR Centre  
20-21, Kawran Bazar  
Dhaka-1215  
Tel: PABX: 9133680-2  
Fax: 880-2-8122980  
E-mail: [info@pragatiinsurance.com](mailto:info@pragatiinsurance.com)  
[www.pragatiinsurance.com](http://www.pragatiinsurance.com)

## AUDITOR

Hoda Vasi Chowdhury & Co.  
Chartered Accountants



## Our Vision



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

## Our Mission

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







## Insurance Services

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



## Financial Services

- Underwriting & Bridge Financing
- Trusteeship



## Re-Insurers

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





## Pragati Insurance Limited

Head office: Pragati-RPR Center, 20-21, Kawran Bazar, Dhaka-1215.

Tel: PABX: 9133680-2 Fax: 880-2-8122980

### NOTICE OF THE 23rd ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of Pragati Insurance Ltd. will be held on Sunday, the 21st June, 2009 at 11:30 a.m. at Officers' Club (Ground floor), Bailey Road, Dhaka to transact the following business.

1. To receive, consider and adopt the Directors' Report, Audited Accounts of the company for the year ended 31st December, 2008 & the Auditors' Report thereon.
2. To declare Dividend for the year 2008 as recommended by the Board of Directors.
3. To elect Directors in place of retiring Directors from Group- A shareholders and from Group -B shareholders.
4. To appoint Auditors for the year 2009 and fix their remuneration.

By order of the Board of Directors

  
( H. R. Chowdhury )  
Company Secretary

Dated Dhaka, the 7th May, 2009

#### Notes: -

- (a) The record date : 31st May, 2009.
- (b) Members of the Company whose name appear in the Register of members upto the record date will be entitled to dividend for the year 2008 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 guests & children shall be allowed entrance in the meeting.



## Board of Directors



Abdul Awal Mintoo  
**Chairman**



A.S.M Mainuddin Monem  
**Vice Chairman**



Zakaria Toher  
**Vice Chairman**



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



Abdul Monem



Al Haj Khalilur Rahman



Mohammed A. Awwal



Moazzam Hossain



Syed M. Altaf Hussain



Khan Mohd Ameer



Md. Syedur Rahman  
Mintoo



Capt. Imam Anwar  
Hossain



Md. Sarwar Kamal



Mohammed A. Malek



Nigar Jahan  
Chowdhury



Razia Sultana Shimul



Tabith Mohd Awal



Ahmedul Hoque



A.K.M Shamsuddin  
Independent Director





## Executives

### Office

#### Managing Director

A.K.M.Rafiqul Islam, FCA

#### Additional Managing Director

A.B.M.Mir Hossain (Underwriting,  
Re-insurance & Claims)  
Shaikh Shahjahan Uddin (Branch Control)

#### Company Secretary

Hafizur Rahman Chowdhury

#### Chief Financial Officer

Mihir Kanti Barua

#### Deputy Managing Director

Kaiser Rahman (Health Insurance)

#### Executive Vice President

Zabed Ali Mridha, FCA (Internal Audit)

#### Sr. Vice President

Md. Shafiqul Islam (Accounts)

#### Vice President

Kabir Ahmed (Re-insurance)  
Md. Ahsan Ullah (Investment)  
Md. Ibrahim (Internal Audit)

### Marketing

#### Business Consultant

Syed Zahrul Huq

#### Deputy Managing Director

Nizam Mohammed Uddin

#### Asstt. Managing Director

Mohammed Ali Khan

#### Sr. Executive Vice President

Mahboob Uddin Ahmed  
Abdul Monem

#### Executive Vice President

Sharif Mustaba  
Khandoker Zafar Sadeque  
S.M.B. Shameem  
Fazlul Karim Alamgir  
M.A. Hasan  
Md. Sirajul Mustafa  
Md. Nazrul Islam  
Shahid-e-Manjur Murshed

#### Sr. Vice President

Jamal Uddin Haider  
Abdus Salam

#### Vice President

Ali Fathker Kallol  
Md. Golam Farooque  
Farid Ahmed





## Company's Performance (5 years at a glance)

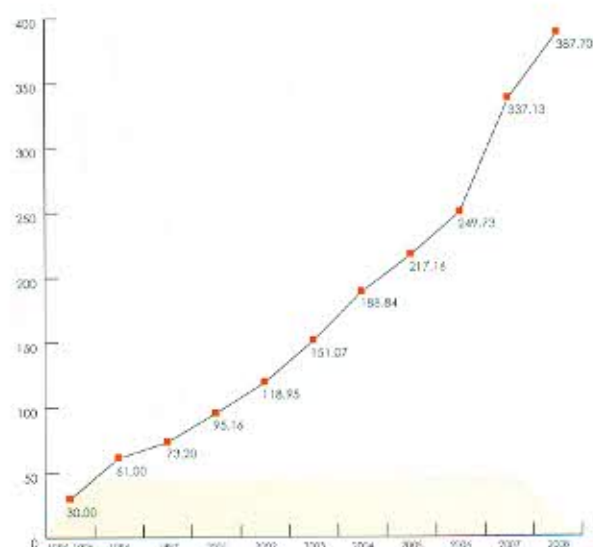
Taka in Million

	2004	2005	2006	2007	2008
<b>Financial Performance</b>					
Gross premium	507.70	632.09	695.43	802.76	979.08
Net Premium	234.15	274.98	303.68	341.97	412.81
Net claim	94.90	56.34	63.06	58.42	48.65
Underwriting profit	47.82	54.03	64.18	77.90	99.24
Investment income	23.64	37.51	39.88	74.74	69.84
Non insurance income	24.64	27.22	37.09	46.72	49.46
Net profit before tax	75.71	98.35	121.97	176.84	198.82
Net profit after tax	54.96	78.35	94.47	142.66	118.07
<b>Share Capital and Reserve</b>					
Paid up Capital	151.09	188.83	217.16	249.73	337.13
Share Holders Equity	766.99	780.51	948.14	1,865.56	2,023.56
Total Reserves	779.29	784.92	882.91	1,615.83	1,686.37
<b>Assets</b>					
Investment in Shares and Securities	169.35	163.35	220.22	242.58	361.64
Cash, FDR and Bank balance	380.93	344.67	475.59	510.34	532.12
Land and Building	594.18	531.92	531.92	1,318.52	1,322.16
Total Assets	1,380.24	1,404.54	1,546.01	2,449.50	2,662.46
Dividend in percent	20+25(Stock)	15+15(Stock)	15+15(Stock)	35(Stock)	20+15(Stock)
<b>Ratios</b>					
EPS	36.40	41.49	43.50	56.78	46.84
P/E (Times)	19.29	9.45	6.94	8.45	20.28
Solvency Surplus	830.80	863.64	1,025.32	1899.89	2044.48



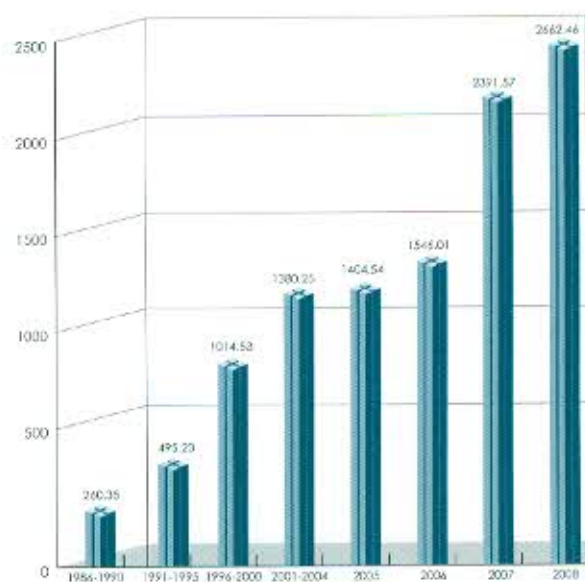
## Growth of **Capital** (BDT Million)

1986-1995	Sponsors' Capital	30.00
1996	IPO of Tk. 31 million	61.00
1997	20% stock dividend	73.20
2001	30% stock dividend	95.16
2002	25% stock dividend	118.95
2003	27% stock dividend	151.07
2004	25% stock dividend	188.84
2005	15% stock dividend	217.16
2006	15% stock dividend	249.73
2007	35% stock dividend	337.13
2008	15% stock dividend	387.70



## Growth of **Asset** (BDT Million)

1986-1990	260.35
1991-1995	495.23
1996-2000	1014.53
2001-2004	1380.25
2005	1404.54
2006	1545.01
2007	2391.57
2008	2662.46







## Chairman's Speech

Assalamu Alaikum,

I have the great pleasure in welcoming the esteemed shareholders to the 23rd Annual General Meeting of the Company.

We have been waiting for a democratically elected Government for the last two years and have ultimately ushered into that era. This is necessary for the economy to flourish in a free and fair manner with participation from all concerned. Real progress would, however, depend on the policies of the Government and their implementation and surrounding world economy in this globalized world.

World economy has, however, taken a big down turn following sub-prime mortgage debacle in the housing finance in the developed countries specially in the US. Although Bangladesh economy is not much exposed to the world economy and as such does not face the consequence immediately and directly, but we cannot avoid its ultimate effect. Our exports earning, 75% of which comes from the Garments Sector, are coming from the rich countries. Jolt in the economy of the developed countries would not only affect the volume but also the price of our exports. Besides, manpower remittance from the affluent countries would also bear the brunt of recession in the developed economy. GDP growth which was aimed at 6.5% to 7% in Bangladesh has already been reduced to below 6% in the current year and expects further fall in the year 2009/2010. Industrial production in the current fiscal year is showing downward trend already.



However, Agricultural sector, which is the backbone of our country is showing tremendous growth with the introduction of hybrid variety of paddy and bringing in more acreage under the hybrid variety of paddy cultivation and supported by the long spell of good weather. There would be bumper paddy crop in the current year, making rice available for export. Diversion in many other fields of vegetable, corn, potatoes, + including growing of strawberry in the country, agriculture, given due impetus by the Government in matter of seeds, fertilizer and irrigation would help the economy to develop in a sustainable manner. It is indeed a good sign that the per-capita income has grown upto 690 US\$ as per BB's report. It is equally encouraging that Bangladesh has entered into the arena of building and exporting ships to the developed world.

Our company's performance has also been good with 22% increase in gross premium income. Major contributor to the growth is the Motor Insurance Sector. The Board has given directives to the management to give vigorous drive into this market. The Board has also stressed upon mobilization of resources and manpower for development of health insurance and crop insurance. Equal stress has been given for development of e-governance and penetration into the populace with small business like PPA policy and universal coverage of SME sector. A summarized position of company's operation in the year 2008 will help appreciate the performance of the company during the year under review:

**Taka in million**

	2008	2007	(+ Increase %) (- Decrease %)
Gross premium	979	803	+22%
Retained Premium(RP)	412	342	+21%
Claims – retained portion	49 - 12% of RP	58 - 17% of RP	- 15%
Underwriting Profit	99 - 22% of RP	78 - 23% of RP	+ 27%
Capital	337	250	+ 35%

As you know that new Insurance Law is in the offing. Hopefully, there would be change both in depth and dimension. Hope this would usher in a better control and sound practice in this sector.

We have consistently maintained our dividend policy. Board has recommended to you stock dividend at the rate of 15% and cash dividend at the rate of 20% and thus the paid up capital of the company would rise to Tk. 388 million. I hope this would meet your approval.

Finally, I want to assure you that the Board is quite conscious of the responsibility you have reposed on it and will extend continued endeavor to take the company to a newer heights with asset backed growth.

Thanking you for attending the AGM and listening to my speech. Allah Hafez.

Abdul Awal Minto  
Chairman



## Directors' Report-2008

Dear Shareholders

Assalamu Alaikum,

With pleasure we welcome you all to the 23rd Annual General Meeting of Pragati Insurance Limited. On behalf of the Board of Directors of the company I am pleased to present the annual report along with the audited financial statements for the year ended 31st December 2008. The year ended with significant change in business performance, improved financial performance, strengthened capital base and significant client confidence.

### Operational Results:

Consolidated operational results during 2008 compared with the performance of 2007 are summarized below:

Figure in Million

Particulars	2008	2007	% change
Gross Premium	979	803	+ 22%
Net Claim	49	58	- (16%)
Underwriting profit	99	78	+ 27%
Net profit	199	177	+ 12%

### Gross Premium Income

Gross premium income of Tk. 979 million was 22% higher than Tk. 803 million earned in 2007. Department wise performance is produced below for your information and consideration.



## পরিচালকমন্ডলীর প্রতিবেদন- ২০০৮

প্রিয় শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম,

প্রগতি ইন্স্যুরেন্স লি: এর ২৩তম বার্ষিক সাধারণ সভায় সন্মানিত শেয়ারহোল্ডারদের স্বাগত জানাতে পেরে আমরা আনন্দিত। কোম্পানীর পরিচালনা পর্যদের পক্ষ থেকে নিরীক্ষিত আর্থিক প্রতিবেদন সহ ২০০৮ সালের বার্ষিক প্রতিবেদন আপনাদের সম্মুখে পেশ করতে পেরে আমি আনন্দিত। ২০০৮ সাল আমাদের জন্য অত্যন্ত গুরুত্বপূর্ণ একটি বছর ছিল। এই বছরে কোম্পানী ব্যবসা ক্ষেত্রে, আর্থিক ব্যবস্থাপনায়, মূলধন সুদৃঢ়করণ এবং গ্রাহক সেবায় আস্থা অর্জনে অধিকতর অবদান রেখেছে।

### অর্জিত ফলাফল:

২০০৮ সালে অর্জিত ফলাফলের একটি সারাংশ এবং ২০০৭ সালের অর্জিত ফলাফল নিম্নে প্রদান করা হোল:-

মিলিয়ন টাকায়

	২০০৮	২০০৭	% (তারতম্য)
গ্রস প্রিমিয়াম	৯৭৯	৮০৩	+ ২২%
নেট প্রিমিয়াম	৪৯	৫৮	- (১৬%)
অবলেন্সন মুনাফা	৯৯	৭৮	+ ২৭%
নেট মুনাফা	১৯৯	১৭৭	+ ১২%

### গ্রস প্রিমিয়াম আয়:

২০০৮ সালে গ্রস প্রিমিয়াম আয় হয়েছে ৯৭৯ মিলিয়ন টাকা যা ২০০৭ সালের আয় ৮০৩ মিলিয়ন টাকা হতে ২২% অধিক। বিভাগওয়ারী সম্পাদিত কার্যক্রম আপনাদের অবগতির জন্য নিম্নে বর্ণনা করা হলো।





### Fire Insurance:

The Company earned gross fire insurance premium of Tk.481million as against Tk. 417 million in the year 2007 which was 15% more than the premium income of last year. After adjustment of re-insurance premium and providing for claims, the company earned underwriting profit of Tk. 16 million against Tk. 12 million in 2007.

### Marine Insurance:

In this department which includes hull also, gross premium recorded was Tk. 293 million against Tk. 232 million in the year 2007. This was 27% higher than last year. After adjusting re-insurance premium and providing for claims, the company earned underwriting profit of Tk. 51 million against Tk. 54 million in the year 2007.

### Miscellaneous Insurance:

Gross premium of Tk. 205 million (both in Motor and Miscellaneous department) against Tk. 154 million in the year 2007 was 33% higher than last year. After adjusting re-insurance premium and providing for claims, the company earned underwriting profit of Tk. 32 million against Tk. 13 million in 2007.

### Claims:

It is our pleasure to inform you that since inception Pragati acquired good name for expeditious settlement of claims. This is our motto. A good and efficient team is working to look after the claims department. This year we have efficiently settled gross claims of Tk.396 million. After re-insurance recovery, net claim charged to this year's account stood at 49 million against 58 million in 2007.

### Investment Operation:

It is quite common with insurance companies specially the non-life ones that as the company grow old, its underwriting income would deplete and investment income would replace the diminishing income from insurance business. Keeping this in view Pragati Insurance Ltd. invested its fund in the profitable scrips to maximize its income.

### অগ্নি বীমা:

২০০৮ সালে কোম্পানী অগ্নি বীমা খাতে গ্রস প্রিমিয়াম আয় করেছে ৪৮১ মিলিয়ন টাকা যা গত বছরের তুলনায় ১৫% অধিক। ২০০৭ সালে এই খাতে আয় ছিল ৪১৭ মিলিয়ন টাকা। রি-ইন্স্যুরেন্স এবং বীমা দাবী মিটিয়ে সমন্বয় করার পর ২০০৮ সালে অবলেনন মুনাফার পরিমাণ দাঁড়িয়েছে ১৬ মিলিয়ন টাকা। ২০০৭ সালে এর পরিমাণ ছিল ১২ মিলিয়ন টাকা।

### মেরিন বীমা:

মেরিন বীমা বিভাগে গ্রস প্রিমিয়াম অর্জিত হয়েছে ২৯৩ মিলিয়ন টাকা। গত বছরের তুলনায় এটা ২৭% অধিক। ২০০৭ সালে এই বিভাগের আয় ছিল ২৩২ মিলিয়ন টাকা। রি-ইন্স্যুরেন্স এবং বীমা দাবী মিটিয়ে এই বিভাগে অবলেনন মুনাফার পরিমাণ হচ্ছে ৫১ মিলিয়ন টাকা যা গত বছর ছিল ৫৪ মিলিয়ন টাকা।

### বিবিধ বীমা:

মটর এবং অন্যান্য খাতে ২০০৮ সালের গ্রস প্রিমিয়াম আয় হয়েছে ২০৫ মিলিয়ন টাকা যা গত বছরের তুলনায় ৩৩% অধিক। ২০০৭ সালে এই খাতে আয় ছিল ১৫৪ মিলিয়ন টাকা। রি-ইন্স্যুরেন্স এবং বীমা দাবী মিটানোর পর ২০০৮ সালের এই খাতে অবলেনন মুনাফার পরিমাণ হচ্ছে ৩২ মিলিয়ন টাকা যা গত বছরে ছিল ১৩ মিলিয়ন টাকা।

### বীমা দাবী:

যথাসম্ভব অল্প সময়ের মধ্যে বীমা দাবী পরিশোধের ক্ষেত্রে জন্মলগ্ন থেকেই প্রগতির সুনাম রয়েছে। একটি সুদক্ষ টিম এই কাজে নিয়োজিত। ২০০৮ সালে আমরা ৩৯৬ মিলিয়ন টাকার গ্রস বীমা দাবী পরিশোধ করেছি। রি-ইন্স্যুরেন্স রিকভারীর পর এই বছরের নীট দাবী পরিশোধের পরিমাণ ৪৯ মিলিয়ন টাকা। ২০০৭ সালে এর পরিমাণ ছিল ৫৮ মিলিয়ন টাকা।

### বিনিয়োগ কার্যক্রম:

সাধারণ বীমা কোম্পানীর ক্ষেত্রে এটা খুব স্বাভাবিক যে পুরাতন কোম্পানীর অবলেনন মুনাফা ক্রমান্বয়ে হ্রাস পাওয়ার প্রবণতা স্বাভাবিক। তাই অবলেনন মুনাফা হ্রাস পাবার লক্ষণ পরিলক্ষিত হবার সাথে সাথে কোম্পানীকে অবলেনন ঘাটতি পুষিয়ে নিতে বিনিয়োগ কার্যক্রম বৃদ্ধি করতে হয়।

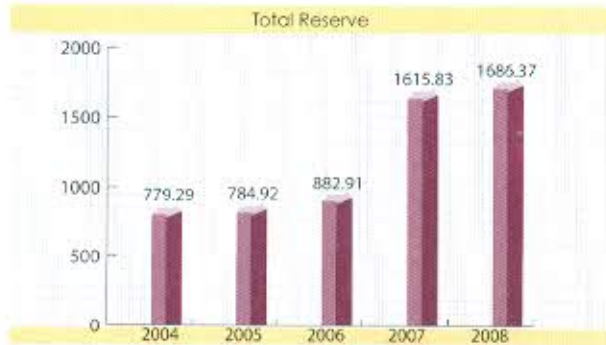




In the year 2008 there was lack luster behavior in the stock market at the fag end of the year. Even though we have earned profit of Tk. 70 million from stock market operation, it fell short of our expectation. During the year under report the company earned an amount of Tk. 126 million from sources other than insurance compared to Tk. 121 million in the previous year.

#### Reserve:

Company's strength can be measured by the continuous growth of reserves and shareholders equity. Pragati Insurance Ltd. has been building up reserves and shareholders equity every year. Reserves stood at 1,686 million against Tk. 1,616 million in the previous year and total shareholders equity was Tk. 2,024 million against Tk. 1,866 million in 2007. Considering the above figures you can be proud of your company's strength.



#### Contribution to National Exchequer:

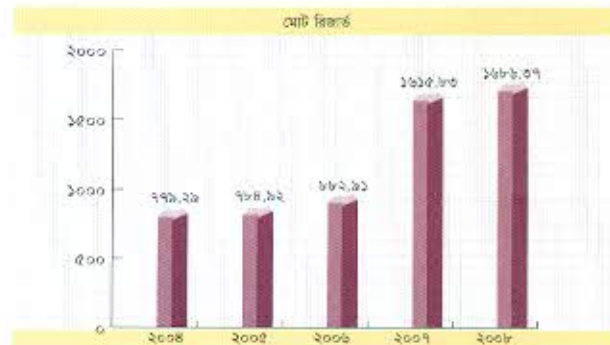
Since company's commencement in the year 1986, Pragati Insurance Ltd. has been regular in making payment to the national exchequer in the form of tax and VAT. During the year under report the company has deposited Tk.153 million to the Government Exchequer as corporate income tax, stamp and VAT.

তাই আয় বৃদ্ধির লক্ষ্যে প্রগতি ইন্স্যুরেন্স ভাল ভাল কোম্পানীর শেয়ারে মূলধন বিনিয়োগ করে। ২০০৮ সালে পুঁজিবাজারের অনিশ্চয়তা সত্ত্বেও বিনিয়োগ থেকে ২০০৮ সালে ৭০ মিলিয়ন টাকা মুনাফা অর্জন করেছে।

আলোচ্য বছরে প্রগতি ১২৬ মিলিয়ন টাকা বিভিন্ন খাত হতে আয় করে। ২০০৭ সালে এর পরিমান ছিল ১২১ মিলিয়ন টাকা।

#### রিজার্ভ:

প্রগতি রিজার্ভ এবং শেয়ারহোল্ডারদের ইকুইটি বৃদ্ধির ধারাবাহিকতা কোম্পানীর অব্যাহত অগ্রগতির পরিচায়ক। প্রতি বছরই প্রগতি তার রিজার্ভ এবং শেয়ারহোল্ডারদের ইকুইটি বৃদ্ধি করে যাচ্ছে। ২০০৮ সালে রিজার্ভের পরিমান ১৬৮৬ মিলিয়ন টাকা। ২০০৭ সালে এর পরিমান ছিল ১৬১৬ মিলিয়ন টাকা। শেয়ারহোল্ডারদের মোট ইকুইটির পরিমান দাঁড়িয়েছে ২০২৪ মিলিয়ন টাকায় যা গত বছরে ছিল ১৮৬৬ মিলিয়ন টাকা। এর থেকেই কোম্পানীর স্বাস্থ্য আঁচ করা যাবে। এটা আমাদের সকলের জন্য গর্বের বিষয়।



#### জাতীয় রাজস্ব প্রগতির অবদান:

১৯৮৬ সালে কোম্পানীর জন্মলগ্ন থেকে প্রগতি জাতীয় কোষাগারে অবদানের ক্ষেত্রে মূখ্য ভূমিকা পালন করে আসছে। আলোচ্য বছরে কর্পোরেট ইনকাম ট্যাক্স, স্ট্যাম্প ডিউটি এবং ভ্যাট হিসাবে প্রগতি জাতীয় কোষাগারে মোট ১৫৩ মিলিয়ন টাকা প্রদান করেছে।



### Income Distribution:

After providing for claims, expenditure and building unexpired risks reserves, net profit before tax stood at Tk. 199 million against Tk. 177 million in 2007 which is 12% higher than last year. The net profit before tax together with TK. 1.41 million brought forward from previous year is proposed to be appropriated as below:

Reserve for exceptional losses (10% of net premium)	41.28 million
Provision for income tax	37.50 million
Provision for deferred tax	3.39 million
Balance available for distribution	118.07 million

The Board of Directors of Pragati Insurance Ltd. always pays deep attention and respect to its shareholders and wish to maximize their return on investment. Keeping continuity of past practice, the Board has recommended 35% dividend (20% cash and 15% stock) to the shareholders of the company for the year 2008.

### Credit Rating:

Credit rating agency of Bangladesh Ltd (CRAB) rated Pragati Insurance Ltd. AA2 in the long term and conformed ST1 rating in the short term for the year 2008.

The rating agency certified that your company has the following rating strengths:

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

### আয় বন্টন:

বীমাদাবী, বিল্ডিং রিজার্ভ এবং অন্যান্য ব্যয় সংরক্ষণের পর ২০০৮ সালে করপূর্ববর্তী নীট মুনাফা হয়েছে ১৯৯ মিলিয়ন টাকা যা গত বছরের তুলনায় ১২% অধিক। ২০০৭ সালে এর পরিমাণ ছিল ১৭৭ মিলিয়ন টাকা। আলোচ্য বছরের কর পূর্ববর্তী নীট মুনাফার সাথে ২০০৭ সালে সংরক্ষিত ১.৪১ মিলিয়ন টাকা যোগ করে নিনাহারে আয় বন্টনের প্রস্তাব করা হয়েছে:

অস্থাবরিক ক্ষতির জন্য (নীট প্রিমিয়ামের ১০%)	৪১.২৮ মি:
আয়কর বাবদ	৩৭.৫০ মি:
পরিশোধযোগ্য ট্যাক্স	৩.৩৯ মি:
বিতরণযোগ্য টাকার পরিমাণ	১১৮.০৭ মি:

প্রগতি ইন্স্যুরেন্সের পরিচালনা পর্ষদ কোম্পানীর শেয়ারহোল্ডারদের প্রতি সর্বদাই শ্রদ্ধাশীল এবং তারা যাতে তাদের বিনিয়োগের সর্বোচ্চ মুনাফা লাভ করতে পারে সেদিকে সুদৃষ্টি দিচ্ছে। এই ধারাবাহিকতা বজায় রেখে পরিচালনা পর্ষদ ২০০৮ সালের মুনাফা থেকে শেয়ারহোল্ডারদের জন্য ২০% ক্যাশ ডিভিডেন্ড এবং ১৫% বোনাস শেয়ার অর্থাৎ মোট ৩৫% ডিভিডেন্ড প্রদানের সুপারিশ করেছেন।

### ক্রেডিট রেটিং:

ক্রেডিট রেটিং এজেন্সী অব বাংলাদেশ (উইই) মূল্যায়নে ২০০৮ সালে প্রগতি ইন্স্যুরেন্সের রেটিং হচ্ছে:

Logn term AA2  
Short term ST1

CRAB তাদের মূল্যায়নে বলেছে যে প্রগতি ইন্স্যুরেন্সের লি: এর রয়েছে:

- বীমা ব্যবসা ক্ষেত্রে বড় একটি অংশ;
- দৃঢ় আর্থিক ব্যবস্থাপনা এবং মুনাফা;
- বীমা দাবী পরিশোধের ক্ষমতা;
- বীমা দাবী পরিশোধের ক্ষমতা;
- Strong franchise Value
- অবলম্বন ক্ষেত্রে যোগ্য এবং বিশেষজ্ঞ টিম,
- সুদৃঢ় রিজার্ভ কাঠামো,
- SEC এবং CCI বিধি অনুযায়ী কর্পোরেট গভর্নেন্স প্রবর্তনের যোগ্যতা;





### International Recognition:

Pragati Insurance Ltd. received International Star Award recognition in the platinum category in recognition for its quality of services. Award was received by the Chairman and Managing Director in Paris along with 50 other recipients of different nationalities.

### Board of Directors:

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

- 1 Al-Haj Khalilur Rahman
- 2 Mr.Khan Mohd. Ameer
- 3 Syed M.Altaf Hussain
- 4 Mr.Md Sarwar Kamal

Besides, following 2(Two) directors from Group-B shareholders retire today at the 23rd AGM of the company .Being eligible, they have offered themselves for re-election.

1. Mr. Mohammed A.Malek
2. Mr. Tabith Mohd.Awal.

### আন্তর্জাতিক স্বীকৃতি:

সেবার উন্নত মানের বিবেচনায় প্রগতি ইন্স্যুরেন্স লি: ২০০৮ সালেও "International Star Award in Platinum Category" নামক পুরস্কার লাভ করেছে। প্যারিসে প্রদত্ত এই বিরল পুরস্কার প্রগতি ইন্স্যুরেন্সের পাঞ্চে চেয়ারম্যান ও ব্যবস্থাপনা পরিচালক গ্রহন করেন। উল্লেখ্য যে পৃথিবীর ৫০টি দেশের প্রতিনিধিগণ বিভিন্নক্ষেত্রে এই পুরস্কার গ্রহন করেন।

### পরিচালকমন্ডলী:

কোম্পানীর আর্টিকেলস অব এসোসিয়েশনের ১০৫ এবং ১০৭ ধারা অনুযায়ী "এ" গ্রুপের নিম্নলিখিত উদ্যোক্তা পরিচালকবৃন্দ অবসর গ্রহন করবেন এবং যোগ্য বিধায় প্রত্যেকেই পুনঃনির্বাচনের ইচ্ছা প্রকাশ করেছেন:

১. আলহাজ্ব খলিলুর রহমান
২. জনাব খান মোহাম্মদ আমীর
৩. সৈয়দ এম আলতাফ হুসাইন
৪. জনাব সারোয়ার কামাল

এতদ্ব্যতীত "বি" গ্রুপ শেয়ারহোল্ডারদের মধ্য থেকে নিচেবর্ণিত ২ জন পরিচালক ২৩তম বার্ষিক সাধারণ সভায় অবসর গ্রহন করবেন। নির্দিষ্ট সময়ের মধ্যে অন্য কেহ নমিনেশন পত্র দাখিল না করায় এবং অবসরগ্রহনকারী ২ জন নির্বাচন করার ইচ্ছা প্রকাশ করায় তারা নির্বাচিত বলে গণ্য হবেন:

১. জনাব মোহাম্মদ এ মালেক
২. জনাব তাবিদ মোহাম্মদ আউয়াল





#### **Audit Committee:**

In compliance with the directive of the SEC Audit Committee was setup in 2007. During the year under report the committee held 5 meetings. The Audit Committee examined and scrutinized the audited balance sheet along with financial statements and reports for the year 2008. The Committee made its recommendation to the Board for acceptance of the audit report, annual accounts submitted by the auditors M/s. Hoda Vasi Chowdhury & Company.

#### **Auditors:**

In compliance with Article 149 of the Article of Association of the company, the auditors M/s. Hoda Vasi Chowdhury & Company, Chartered Accountants are to retire as auditors of the company. M/s. Hoda Vasi Chowdhury & Company have indicated their willingness in writing for re-appointment as auditors. As per SEC's directives existing auditors may continue to be the auditors of the company for three years. Accordingly Board recommends re-appointment of M/s. Hoda Vasi Chowdhury & Company, as auditors of the company for the year 2009 and fix their remuneration.

#### **অডিট কমিটি:**

সিকিউরিটিস এন্ড এক্সচেঞ্জ কমিশন এর নির্দেশনা অনুযায়ী গঠিত অডিট কমিটি ২০০৮ সালে মোট ৫টি সভা করেছে। এছাড়াও নিরীক্ষিত আর্থিক প্রতিবেদন সহ কোম্পানীর বার্ষিক প্রতিবেদন পর্যালোচনা করে উহা গ্রহণের সুপারিশসহ পরিচালনা পর্ষদের নিকট প্রেরণ করে।

#### **নিরীক্ষক:**

আর্টিকেলস অব এসোসিয়েশনের ১৪৯ ধারা অনুযায়ী কোম্পানীর নিরীক্ষক মেসার্স হোদা ভাসি চৌধুরী এন্ড কোং অবসর গ্রহণ করবেন। তারা প্রগতি ইন্স্যুরেন্স লিমিটেড এ অডিটর হিসাবে পুনঃ নিযুক্তির আশ্রয় প্রকাশ করে পত্র দিয়েছেন। সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর নিয়ম অনুযায়ী একটি কোম্পানীর নিরীক্ষক ৩ (তিন) বছর অডিটর হিসাবে নিয়োগ যোগ্য। আমরা ২০০৯ সালের জন্য মেসার্স হোদা ভাসি চৌধুরী এন্ড কোং কে অডিটর নিয়োগ এবং তাদের পারিতোষিক নির্ধারণের সুপারিশ জানাচ্ছি।





## 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 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 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 in operating result of the company.
- (viii) During the year ended December 31, 2008 the Board of Directors held 10(ten) meetings and the Directors serving on the Board attended in aggregate 76.50% of the total number of meetings.
- (ix) At December 31, 2008, the pattern of shareholding are given below:
  - (a) Shareholdings 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 spouse and minor children.



## Ownership Status

Sl.No	Name of Shareholding Directors	No.of shares	Spouse	Total	% of holdings
1	Mr. Abdul Awal Mintoo	27,637	59928	87,565	2.597
2	Al-Haj Khalilur Rahman	170,081	-	170,081	5.045
3	Mr. Abdul Monem	88,775	-	88,775	2.633
4	Mr. Mohd. A. Awal	86,402	30,004	116,406	3.453
5	Mr.Moazzam Hossain	52,871	36,844	89,715	2.661
6	Mrs. Nigar Jahan Chowdhury	82,902	-	82,902	2.459
7	Mr. Khan Mohd. Ameer	82,903	-	82,903	2.459
8	Mr. Md. Syedur Rahman Mintoo	62,212	11,804	74,016	2.195
9	Capt. Imam Anwar Hossain	86,572	-	86,572	2.568
10	Syed M. Altaf Hussain	118,515	12,827	131,342	3.896
11	Mr. Md. Sarwar Kamal	60,794	29,004	89,798	2.664
12	Mr. Mohd.A. Malek,	57,462	25,941	83,403	2.474
13	Mrs. Razia Sultana Shimul	69,535	-	69,535	2.063
14	Mr. Tabith Mohd. Awal	22,215	-	22,215	0.659
15	Mr. Ahamedul Hoque	776	-	776	0.023
16	Mr. A.S.M. Mainuddin Monem	6,839	-	6,839	0.203
17	Mr. Zakaria Taher	12,072	-	12,702	0.358
18.	Mr. A.K.M. Shamsuddin (Independent Director)	0	-	0	0
19	Mr. A.K.M. Rafiqul Islam, Managing Director	28,009	2,207	30,216	0.896
20	Mr. ABM Mir Hossain Additional Managing Director	5	773	778	0.023
21	Company Secretary	823	-	823	0.024
22	Chief Financial Officer	0	-	0	0
23	Head of Internal Audit	0	-	0	0

10% or above shareholdings of the company: Nil.



## Corporate Governance

Pragati Insurance Ltd. considers that it has implemented the requirements contained in Security and Exchange Commission notification no. SEC/CMRRCD/2006-158/Admin/02-08 dated 20th February, 2006. A corporate governance compliance report as per SEC check list is given below:

Condition No.	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not-Complied	
<b>1.</b>	<b>Board of Directors</b>			
1.1	Board's size	Yes		
1.2(i)	Number of Independent Director	Yes		
1.2(ii)	Appointment of Independent Director	Yes		
1.3	Chairman of the Board & CEO	Yes		
<b>1.4</b>	<b>The Directors report to the shareholder</b>			
1.4(a)	FS present fairly its state of affairs, results of its operation, cash flows and changes in equity	Yes		
1.4(b)	Proper books of accounts maintained	Yes		
1.4(c)	Appropriate accounting policies consistently applied in FS preparation and accounting estimates are based on reasonable and prudent judgment	Yes		
1.4(d)	IAS, as applicable in Bangladesh, followed in FS preparation & departure adequately disclosed	Yes		
1.4(e)	The system of internal control sound in designed and effectively implemented & monitored	Yes		
1.4(f)	No significant doubt upon its ability to continue as a going concern.	Yes		
1.4(g)	Significant deviations from last year in operating results	-		No such incidence
1.4(h)	Key operating & financial data of at least preceding three years	Yes		
1.4(i)	If the company has not declared dividend, reasons thereof	Yes		
1.4.(j)	Number of Board Meeting held & attendance	Yes		10 meetings with average 76.5% attendance
1.4(k)	Pattern of shareholding	Yes		





Condition No.	Title	Compliance Status		Explanation for Non-compliance with the condition
		Complied	Not-Complied	
<b>2.</b>	<b>Chief Financial Officer, Head of Internal Audit and Company secretary</b>			
2.1	Appointment of CFO, Head of Internal Audit & Company Secretary	Yes		
2.2	Requirement to attend Board meetings	Yes		
<b>3.0</b>	<b>Audit Committee</b>	Yes		
3.1 (i)	Composition of Audit Committee	Yes		5 members
3.1 (ii)	Appointment of Audit Committee	Yes		
3.1 (iii)	Service & tenure of Audit Committee	Yes		
3.2(i)	Selection of the Chairman of Audit Committee	Yes		
3.2(ii)	Qualification of the Chairman of Audit Committee	Yes		
3.3.1.(i)	Reporting of Audit Committee	Yes		
3.3.1 (ii) (a)	Report on conflicts of interest	-		No such incidence
3.3.1 (ii) (b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	-		No such incidence
3.3.1 (ii) (c)	Suspected infringement of laws	-		No such incidence
3.3.1 (ii) (d)	Any other matter	-		No such incidence
3.3.2	Reporting of the Authorities	Yes		
3.4	Reporting to the Shareholders & General Investors	Yes		
<b>4.</b>	<b>External/Statutory Auditor</b>			
4.00(i)	Appraisal or valuation service or fairness opinion	Yes		
4.00(ii)	Financial information systems design and implementation	Yes		
4.00 (iii)	Book Keeping or other services related to accounting records or financial statements	Yes		
4.00(iv)	Broker-dealer service	Yes		
4.00(v)	Actuarial service	Yes		
4.00(vi)	Internal audit services	Yes		
4.00(vii)	Any other services	Yes		
5.00	REPORTING THE COMPLIANCE IN THE DIRECTORS REPORT	Yes		



## Acknowledgement:

On behalf of The Board of Directors we express our heartfelt gratitude and deep appreciation to all of our shareholders and valued clients for their continued support and cooperation to the company. We are especially grateful to all banks, both in the private and public sector and the management of Square group, Beximco group, KDS group, Abdul Monem group, Hosaf group, Multimode group, Monno group, KAFCO, Grameen phone, AKTEL, Bata Shoes (Bangladesh) Ltd, Warid Telecom, Novartis Bangladesh, BOC Bangladesh, Hop Lun (BD) Ltd., Holcim Cement, Heidelberg Cement, Lafarge Cement, Emirates Cement, Glaxo Smithkline, Pro-star group, Chowdhury Apparels, McDonald (BD) Pvt. Ltd, Gonoshasthiya group, DHL World wide, NTV, RTV, American School, UAE Embassy, NASA Group, Younggone group, Pacific Jeans, HKD group, Alita group, Apex Weaving, Anima Dying, Thermax group, Dacca Dying, Dhakarea, MGH group, Jayson group, Shams group, NR group, Navana, Al-haj Karim Textile Ltd., Karim Jute Spinners Ltd., Jamuna group of Industries, Hotel Westin Dhaka, Hotel Radisson Dhaka, Bashundhara Group, Rankstel, Khulna power, Quality Feeds, United group, and Techna Textile for reposing their confidence in the company.

We also record our gratefulness to the Government of the People's Republic of Bangladesh, Chief Controller of Insurance, Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Sadharan Bima Corporation, General Insurance Corporation of India (GIC) for their support and assistance. The Board also expresses its appreciation to M/s. Hoda Vasi Chowdhury & Company, the auditors of the company.

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 executives, officers and employees with 3 (three) incentive Bonus.

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

Thank you all,

On behalf of the Board of Directors

  
Abdul Awal Mintoo  
Chairman.

## কৃতজ্ঞতা প্রকাশ:

পরিশেষে পরিচালকমন্ডলী কোম্পানীর কার্যক্রমে সহায়তা এবং সহযোগিতা প্রদানের জন্য সরকারী ও বেসরকারী ব্যাংক সমূহ, বিভিন্ন আর্থিক প্রতিষ্ঠান এবং ব্যক্তি মালিকাদ্বীন ব্যবসায়িক প্রতিষ্ঠানসমূহের প্রতি কৃতজ্ঞতা প্রকাশ করেছেন। কোম্পানীকে বর্তমান মর্যাদায় উন্নীতকরনে তাদের অবদান অপরিমিত। বিশেষভাবে স্বয়ার গ্রুপ, বেক্সিমকো গ্রুপ, কেডিএস গ্রুপ, আব্দুল মোনেম গ্রুপ, হোসাফ গ্রুপ, মালটিমোড গ্রুপ, মনু গ্রুপ, কর্নফুলী ফার্টাইলাইজার কোং লি: (কাফকো), গ্রামীন ফোন, এ্যাকটেল, বাটা শূ (বাংলাদেশ) লি: ওয়ারিদ টেলিকম, নোভারটিস (বাংলাদেশ) লি: বি.ও.সি বাংলাদেশ, হোপ লুন, হাইডেলবার্গ সিমেন্ট, হোলসিম সিমেন্ট, লাফার্জ, এমিরেটস সিমেন্ট, গ্ল্যাক্সো স্মিথক্লাইন, প্রো-স্টার গ্রুপ, চৌধুরী এ্যাপারেলস, ম্যাকডোনাল্ড (বাংলাদেশ) লি:, গনস্বাস্থ্য গ্রুপ, ডি.এইচ.এল ওয়ার্ল্ড ওয়াইড, এনটিভি, আরটিভি, আমেরিকান ইন্টারন্যাশনাল স্কুল, আরব এ্যামিরাত দুতাবাস, নাশা গ্রুপ, ইয়াংগোন গ্রুপ, প্যাসিফিক জিনস, এইচ কে ডি গ্রুপ, আলিটা গ্রুপ, এ্যাপেক্স উইভিং, অনলিমা ডাইং, থারমাক্স গ্রুপ, ঢাকা ডাইং, ডাকারিয়া, এম.জি.এইচ গ্রুপ, ওয়েস্টমন্ট পাওয়ার (বাংলাদেশ) লি:, জেসন গ্রুপ, শামস গ্রুপ, এন.আর.গ্রুপ, নাভানা, আলহাজ্ব করিম টেক্সটাইল, করিম জুট স্পিনার লি: যমুনা গ্রুপ অব ইন্ডাস্ট্রিজ, হোটেল ওয়েস্টইন, ঢাকা; হোটেল রেডিসন, ঢাকা, বসুন্ধরা গ্রুপ, র্যাংগস টেল, খুলনা পাওয়ার, কোয়ালিটি ফিডস, ইউনাইটেড গ্রুপ এবং টেকনো টেক্সটাইল লিমিটেড প্রগতি ইন্স্যুরেন্সের উপর যে আস্থা প্রদর্শন করেছেন তার জন্য পরিচালকমন্ডলী তাঁদের নিকট গভীরভাবে কৃতজ্ঞ।

আমরা গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, প্রধান বীমা নিয়ন্ত্রক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ, সাধারণ বীমা কর্পোরেশন, জেনারেল ইন্স্যুরেন্স কোম্পানী অফ ইন্ডিয়া (GIC) এর নিকট সর্বধরনের সাহায্য সহযোগিতা পাওয়ার জন্য তাঁদের প্রতি আমাদের আন্তরিক কৃতজ্ঞতা জানাচ্ছি। পরিচালনা পর্ষদ কোম্পানীর অভ্যন্তরীণ হোদা ভাসি চৌধুরীকেও তাদের কার্যক্রমের জন্য ধন্যবাদ জানান।

পরিচালকমন্ডলী 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 সমুন্নত রাখবেন এবং কোম্পানীকে উত্তরোত্তর সমৃদ্ধির পথে নিয়ে যেতে অগ্রণী ভূমিকা পালন করবেন। পরিচালকমন্ডলী তাঁদের আন্তরিক এবং প্রশংসনীয় কর্মোদ্যমের জন্য সকল শ্রেনীর কর্মকর্তা ও কর্মচারীবৃন্দকে ৩টি উৎসাহ বোনাস প্রদানের সিদ্ধান্ত নিয়েছেন।

এতদ্ব্যতীত কোম্পানীর সন্মানিত শেয়ারহোল্ডার, গ্রাহকবৃন্দ, শুভানুধ্যায়ী এবং পৃষ্ঠপোষকবৃন্দ কোম্পানীর কার্যক্রমে যে সক্রিয় সাহায্য, সহমর্মিতা এবং আস্থা প্রদর্শন করেছেন তজন্য পরিচালকমন্ডলী তাঁদের জানাচ্ছেন হৃদয় দিয়ে ধন্যবাদ এবং কৃতজ্ঞতা।

পরিচালকমন্ডলীর পক্ষে

  
আব্দুল আউয়াল মিন্টু  
চেয়ারম্যান।



## 22nd AGM in Picture





## Value added Statement

For the year ended 31 December, 2008

### Value Added

(BDT Million)

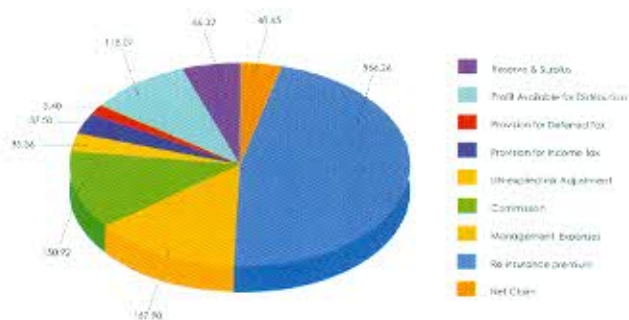
Gross premium	979.08
Commission on Re-insurance Ceded	89.72
Interest, Dividend & Other Income	125.58
Total	1194.38



### Application

(BDT Million)

Net Claim	48.65
Re-insurance Premium	566.26
Management Expenses	167.90
Commission	150.92
Un-expired Risk Adjustment	35.36
Provision for Income Tax	37.50
Provision for Deferred Tax	3.40
Profit Available for Distribution	118.07
Reserve & Surplus	66.32
Total	1,194.38





# **PRAGATI INSURANCE LIMITED**



**AUDIT REPORT AND STATEMENT OF ACCOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2008**





## AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRAGATI INSURANCE LIMITED

**W**e have audited the accompanying financial statements of Pragati Insurance Limited (PIL) which comprises the balance sheet as at 31 December 2008 and the related revenue accounts as well as the profit and loss account, profit and loss appropriation account and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Insurance Rules 1958, Insurance Act 1938, the Securities and Exchanges Rules 1987 and other applicable laws and regulations. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an 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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the Financial Statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 31 December 2008 and of the results of its operations and its cash flows for the period then ended and comply with the Companies Act 1994, the Insurance Rules 1958, Insurance Act 1938, the Securities and Exchanges 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 purpose 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 proper returns adequate for the purpose 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 purpose 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 and loss account of the company; and

(vi) as per Regulation-11 of Part-I 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.

Dhaka,  
Dated: 07 May, 2009

  
Hoda Vasi Chowdhury & Co.,  
Chartered Accountants



## Balance Sheet

As at 31 December, 2008

	Notes	2008 Taka	2007 Taka
<b>CAPITAL &amp; LIABILITIES</b>			
<b>Authorised Capital</b>			
5,000,000 Ordinary shares of Tk. 100 each		500,000,000	500,000,000
<b>Issued, Subscribed &amp; Paid-up Capital</b>			
3,371,377 Ordinary shares of Tk. 100 each	4	337,137,700	249,731,700
<b>Share Premium</b>			
		52,272	52,272
<b>Reserve or Contingency Account</b>			
Reserve for Exceptional Losses	5	1,686,369,690	1,615,835,851
Contingency Reserve for Insurance Guarantees and Tail ended Insurance Business	6	345,870,288	304,588,710
Revaluation Reserve	7	105,869,651	105,869,651
Capital Gain	7	966,734,687	966,734,687
General Reserve	8	91,658,690	91,658,690
Dividend Equalisation Reserve	8	20,666,028	20,666,028
Profit & Loss Appropriation Account	9	37,500,000	37,500,000
		118,070,346	88,818,085
<b>Balance of Fund &amp; Account</b>			
Fire Insurance Business		207,342,923	171,529,062
Marine Insurance Business		34,793,332	34,569,614
Misc. Insurance Business		82,940,909	76,419,629
		89,608,682	60,539,819
<b>Premium Deposit</b>			
	10	50,395,299	6,647,428
<b>Liabilities &amp; Provision</b>			
Estimated liabilities in respect of outstanding claims whether due or intimated	11	222,736,038	216,620,796
Amount due to other persons or bodies for carrying on insurance business	12	91,445,835	126,278,839
		131,290,203	90,341,957
<b>Loan from Bank for Building Project (Secured)</b>			
	13	-	3,712,639
<b>Sundry Creditors</b>			
	14	31,440,909	41,335,265
<b>Provision for Income Tax</b>			
	15	121,604,453	84,104,453
<b>Provision for Deferred Tax</b>			
		5,390,000	2,000,000
		<b>2,662,469,284</b>	<b>2,391,569,466</b>



A.K.M. Rafiqul Islam  
Managing Director  
Dated: Dhaka, 7 May, 2009



Capt. Imam Anowar Hossain  
Director



Md. Syedur Rahman Mintoo  
Director



## Balance Sheet

As at 31 December, 2008

	Notes	2008 Taka	2007 Taka
<b>PROPERTY &amp; ASSETS</b>			
<b>Investment</b>		361,649,099	242,582,307
National Investment Bond	16	4,500,000	4,500,000
Shares & Debentures (at the cost value)	17	357,149,099	238,082,307
<b>Outstanding Premium</b>	18	83,168,061	58,715,440
<b>Amount due from other persons or bodies carrying on insurance business</b>	19	217,049,617	150,181,263
<b>Interest, Dividend &amp; Rent Outstanding</b>	20	7,345,135	7,470,087
<b>Sundry Debtors</b>	21	26,655,049	26,848,445
<b>Advance Payment of Tax</b>	22	76,461,909	43,265,098
<b>Cash and Bank Balances</b>	23	532,125,502	510,338,206
Fixed Deposit Accounts		393,029,398	380,268,732
STD & Current Accounts		131,198,408	116,468,668
Cash, Cheque in hand & Stamp		7,897,696	13,600,806
<b>Other Accounts</b>		1,358,014,911	1,352,168,620
Land (freehold)	24	850,214,657	849,700,000
Holiday Homes	25	3,129,800	-
Fixed Assets (at cost less accumulated depreciation)	26	35,352,454	33,205,420
Joint Venture Building Project	27	468,824,500	468,824,500
Stock of Printing Materials		493,500	438,700
		<b>2,662,469,284</b>	<b>2,391,569,466</b>

Subject to our separate report of even date.



Abdul Awal Mintoo  
Chairman



Hoda Vasi Chowdhury & Co.  
Chartered Accountants





### Profit and Loss Account

For the year ended 31 December, 2008

	Notes	2008 Taka	2007 Taka
<b>Expenses of Management</b>			
(not applicable to any fund or account)			
Advertisement & Publicity		2,382,745	2,724,042
Directors Fee		905,250	597,125
Bonus		10,000,000	7,900,000
Registration Renewal Fee	30	3,042,169	2,444,008
Donation		-	2,000,000
Audit Fees(including fee for special audit)	31	500,000	358,000
Legal Expenses		333,750	152,000
Depreciation		8,835,273	6,348,300
Profit for the year transferred to Profit & Loss Appropriation Account		198,829,839	176,842,034
		<b>224,829,026</b>	<b>199,365,509</b>

### Profit and Loss Appropriation Account

For the year ended 31 December, 2008

Reserve for Exceptional Losses	41,281,578	34,197,717
Provision for Income Tax	37,500,000	33,000,000
Provision for Deferred Tax	3,390,000	2,000,000
General Reserve	-	20,000,000
Balance transferred to Balance Sheet	118,070,346	88,818,085
	<b>200,241,924</b>	<b>178,015,802</b>
Earning per share (EPS)	35.02	32.28



A.K.M. Rafiqul Islam  
Managing Director



Capt. Imam Anowar Hossain  
Director



Md. Syedur Rahman Mintoo  
Director



## Profit and Loss Account

For the year ended 31 December, 2008

	Notes	2008 Taka	2007 Taka
<b>Interest, Dividend and Rent</b>			
(Not applicable to any fund or account)	28	<b>49,468,161</b>	<b>41,137,382</b>
Interest received & accrued		44,509,329	36,213,444
Dividend and Debenture interest		4,958,832	4,923,938
<b>Profit transferred from :</b>		<b>99,241,010</b>	<b>77,901,624</b>
Fire Revenue Account		16,152,122	11,600,192
Marine Revenue Account		50,778,441	53,697,872
Misc. Revenue Account		32,310,447	12,603,560
<b>Other Income :</b>	29	<b>76,119,855</b>	<b>80,326,503</b>
Misc. receipt		719,699	799,262
Profit on sale of investment (shares)		69,837,087	73,943,622
Building rent		5,563,069	5,583,619
		<b>224,829,026</b>	<b>199,365,509</b>

## Profit and Loss Appropriation Account

For the year ended 31 December, 2008

Net profit for the year transferred from Profit and Loss Account		198,829,839	1,173,768
Balance brought forward from previous period	9	1,412,085	176,842,034
		<b>200,241,924</b>	<b>178,015,802</b>

  
 Abdul Awal Mintoo  
 Chairman

  
 Hoda Vasi Chowdhury & Co.  
 Chartered Accountants





## CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December, 2008

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Misc	Total 2008	2007
Claim under policies less Re-insurance :							
Claim Paid during the year	26,806,864	23,700,502	1,153,098	23,438,589	8,387,614	83,486,667	96,917,497
Add: Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	2,431,924	7,745,764	170,000	9,488,000	1,610,147	1,445,835	126,278,839
Less: Outstanding Claim at the end of the previous year	59,238,788	61,444,266	1,323,098	32,926,589	19,997,761	174,932,502	223,196,336
	40,065,669	48,659,653	607,500	17,338,503	19,607,514	126,278,839	164,774,321
	19,173,119	12,786,613	715,598	15,588,086	390,247	48,653,663	58,422,015
Expenses of Management	28,303,278	66,048,577	660,618	46,464,772	26,429,064	167,906,309	126,153,564
Commission Expenses	78,943,509	40,583,163	437,188	20,963,137	9,995,299	150,922,296	136,934,188
Profit transfer to Profit & Loss Account	16,152,122	50,700,913	77,528	15,633,049	16,677,399	99,241,010	77,901,224
Balance of 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,	34,793,332	81,070,848	1,870,061	57,119,329	32,489,354	207,342,923	171,529,062
TK,	177,345,359	251,190,114	3,760,993	155,768,372	85,981,362	674,066,200	570,940,052



## CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December, 2008

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Misc.	Total 2008	2007
Balance of Account at the beginning of the year :							
Reserve for Unexpired Risk	34,569,614	75,338,675	1,080,954	41,529,715	19,010,104	171,529,062	151,927,246
Premium Less: Re-insurance	69,586,663	162,141,696	1,870,061	114,238,657	64,978,707	412,815,784	341,977,169
Commission on Re-insurance Ceded	73,209,082	13,709,743	809,978	-	1,992,551	89,721,354	77,035,637
Tk.	177,365,359	251,190,114	3,760,993	155,768,372	85,981,362	674,066,200	570,940,052





### Fire Insurance Revenue Account

For the year ended 31 December, 2008

**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

**Expenses of Management**

**Commission Expenses**

**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

2008 Taka	2007 Taka
26,806,864	41,038,160
32,431,924	40,065,669
59,238,788	81,103,829
40,065,669	75,759,980
19,173,119	5,343,849
28,303,278	28,760,921
78,943,508	77,063,612
16,152,122	11,600,192
34,793,332	34,569,614
<b>177,365,359</b>	<b>157,338,188</b>

A.K.M. Rafiqul Islam  
Managing Director

Capt. Imam Anowar Hossain  
Director

Md. Syedur Rahman Mintoo  
Director



## Fire Insurance Revenue Account

For the year ended 31 December, 2008

Balance of account at the  
beginning of the year :  
Reserve for Unexpired Risk

Premium less : Re-Insurance

Commission on Re-insurance Ceded

2008 Taka	2007 Taka
34,569,614	26,645,983
69,586,663	69,139,228
73,209,082	61,552,977
<b>177,365,359</b>	<b>157,338,188</b>



Abdul Awal Minto  
Chairman



Hoda Vasi Chowdhury & Co.  
Chartered Accountants





## Marine Insurance Revenue Account

For the year ended 31 December, 2008

	Cargo	Hull	2008 Taka	2007 Taka
<b>Claims under Policies</b>				
<b>Less : Re-insurance:</b>				
Paid during the year	23,700,502	1,153,098	24,853,600	11,493,590
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	37,745,764	170,000	37,915,764	49,267,153
	61,446,266	1,323,098	62,769,364	60,760,743
Less : Outstanding claims at the end of the previous year	48,659,653	607,500	49,267,153	48,796,274
	12,786,613	715,598	13,502,211	11,964,469
<b>Expenses of Management</b>	66,048,577	660,618	66,709,195	63,478,934
<b>Commission Expenses</b>	40,583,163	437,188	41,020,351	32,492,051
<b>Profit transferred to Profit &amp; Loss Account</b>	50,700,913	77,528	50,778,441	53,697,872
<b>Balance of Account at the end of the year as shown in Balance Sheet :</b>				
Reserve for unexpired risks being 50% of the Marine Cargo premium income 100% of the Marine Hull premium income of the year	81,070,848	1,870,061	82,940,909	76,419,629
	<b>251,190,114</b>	<b>3,760,993</b>	<b>254,951,107</b>	<b>238,052,955</b>

A.K.M. Rafiqul Islam  
Managing Director

Capt. Imam Anowar Hossain  
Director

Md. Syedur Rahman Mintoo  
Director









## Miscellaneous Insurance Revenue Account

For the year ended 31 December, 2008

	Motor	Misc	2008 Taka	2007 Taka
Claims under policies less : Re-insurance: paid during the year	23,438,589	8,387,614	31,826,203	44,385,747
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9,488,000	11,610,147	21,098,147	36,946,017
	32,926,589	19,997,761	52,924,350	81,331,764
Less : Outstanding claims at the end of the previous year	17,338,503	19,607,514	36,946,017	40,218,067
	15,588,086	390,247	15,978,333	41,113,697
Expenses of Management	46,464,770	26,429,064	72,893,834	33,913,308
Commission Expenses	20,963,137	9,995,299	30,958,436	27,378,525
Profit transferred to Profit & Loss Account	15,633,049	16,677,399	32,310,448	12,603,560
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	57,119,329	32,489,354	89,608,683	60,539,819
	<b>155,768,371</b>	<b>85,981,363</b>	<b>241,749,734</b>	<b>175,548,909</b>

A.K.M. Rafiqul Islam  
Managing Director

Capt. Imam Anowar Hossain  
Director

Md. Syedur Rahman Mintoo  
Director









### Statement of Cash Flow

For the year ended 31 December, 2008

#### A. Cash Flow from Operating Activities

Collection from Premium & Other income  
Payment for Expenses of Management,  
Re-insurance, Claim and Commission etc.  
Tax paid/or deducted

#### Net cash flow from operating activities

#### B. Cash Flow from Investing Activities

Purchase of Fixed Assets  
Disposal of Fixed Assets  
Land & Holiday Homes  
Purchase of Share  
Sale of Share

#### Net cash flow from investing activities

#### C. Cash Flow from Financing Activities

Loan repayment to Bank  
Dividend paid

#### Net cash flow from financing activities

#### Increase/Decrease in Cash Flow(A+B+C)

Opening Cash in Hand & at Bank

#### Closing Cash in Hand & at Bank

2008 Taka	2007 Taka
621,140,406	867,354,421
(429,234,943)	(836,957,972)
(33,196,811)	(25,147,112)
<b>158,708,652</b>	<b>5,249,337</b>
(10,982,308)	(9,948,928)
484,840	1,463,222
(3,644,457)	
(544,830,013)	(526,933,087)
425,763,221	597,285,568
<b>(133,208,717)</b>	<b>61,866,775</b>
(3,712,639)	(4,714,610)
	(27,654,233)
<b>(3,712,639)</b>	<b>(32,368,843)</b>
<b>21,787,296</b>	<b>34,747,269</b>
510,338,206	475,590,937
<b>532,125,501</b>	<b>510,338,206</b>

A.K.M. Rafiqul Islam  
Managing Director

Capt. Imam Anowar Hossain  
Director

Md. Syedur Rahman Mintoo  
Director

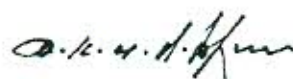
Abdul Awal Mintoo  
Chairman



## Statement of Changes of Shareholders Equity

For the year ended 31 December, 2008

Particulars	Share capital	Share Premium	Reserve for exceptional losses	Contingency Reserve for Insurance Guarantees	Revaluation Reserve	Capital Gain	General reserve	Dividend Equalisation Reserve	Profit & Loss appropriation	Total equity
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1 January 2008	249,731,700	52,272	304,588,710	105,869,651	966,734,687	91,658,690	20,666,028	37,500,000	88,818,085	1,865,619,823
Issue of share capital (Bonus share)	87,406,000	-	-	-	-	-	-	-	(87,406,000)	-
Balance at 1 January 2008 (Restated)	337,137,700	52,272	304,588,710	105,869,651	966,734,687	91,658,690	20,666,028	37,500,000	1,412,085	1,865,619,823
Issue of share capital (Bonus share)	-	-	-	-	-	-	-	-	-	-
Transferred to Reserve for exceptional losses	-	-	41,281,578	-	-	-	-	-	-	41,281,578
Transferred from General Reserve	-	-	-	-	-	-	-	-	-	-
Transferred to Profit & Loss Appropriation Account	-	-	-	-	-	-	-	-	116,658,261	116,658,261
Balance at 31 December 2008	337,137,700	52,272	345,870,288	105,869,651	966,734,687	91,658,690	20,666,028	37,500,000	118,070,346	2,023,559,662



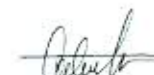
A.K.M. Rafiqul Islam  
Managing Director



Capt. Imam Anowar Hossain  
Director



Md. Syedur Rahman Mintoo  
Director



Abdul Awal Mintoo  
Chairman







## **NOTES ON ACCOUNTS**

For the year ended December 31, 2008

### **1.0 Background**

The Company was incorporated as a public company on 27 January 1986 and obtained the Certificate of Commencement 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.

### **2.0 Basis of Presenting Accounts and Significant Accounting Policies**

#### **2.1 Basis of Presenting Accounts**

a) These accounts have been prepared under Generally Accepted Accounting Principles (GAAP) on historical cost convention. These statements are also prepared in accordance with applicable Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh and where relevant with presentational requirement of the law.

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

#### **2.2 Significant Accounting Policies**

##### **a) Premium Income:**

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

##### **b) Interest on Statutory and other Investments :**

Interest is accrued on statutory investment of TK.45.00 Lac lying with Bangladesh Bank in the form of NIB. Along with the aforesaid interest, the interest received during the year from banks on STD account and FDR Accounts has been duly credited to the Profit and loss Account.





#### **c) Gain and Loss on Shares and Debentures :**

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

#### **d) Management Expenses**

Management expenses as charged to Revenue Accounts and amounting to Tk.167,906,307 represents approximately 17.15% of gross premium of Tk. 979,084,124. The expenses have been apportioned @ 16.86% to Fire, 39.73% to Marine and 43.41% to Miscellaneous business as per Management decision.

#### **e) 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 2008.

#### **f) Reserve for Exceptional Loss**

Reserve for Exceptional Losses as appropriated out of current year's profit before tax provision amounts to Tk.41,281,578 being 10% of the net premium earned during the year.

#### **g) 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:

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

No depreciation has been charged on joint venture building project of the company.





#### **h) Outstanding Premium :TK.83,168,061**

The outstanding premium appearing in the accounts was realized subsequently till March, 2009.

#### **i) Use of Estimate:**

Preparation of financial Statements in the conformity with International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities and disclosure of the contingent asset 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 reserve etc.

#### **j) Capital Gain**

The capital gain amounting to Tk. 91,658,690 represents the capital gain arising from the sale of land totaling 22.92 katha at Gulshan that was sold in 2006.

#### **k) Issue of Bonus Share**

The company has issued 874,060 bonus shares from net profit appropriation account to the share capital account during the year which was declared for the year 2007.

#### **l) Operation:**

During the year under audit, the gross premium earned by the company amounted to Tk. 979,084,124 including public sector business of Tk.26,503,850. After ceding for re-insurance premium the net premium for the year amounted to Tk. 412,815,784 and after charging direct expenses thereon the net Underwriting profit stood at Tk.99,241,010 as against Tk.77,901,624 of previous year.

#### **m) Public Sector Business**

Public Sector Business up to June 2008 has been accounted for on the basis of statement received from SBC.

#### **n) Taxation**

Provision for income tax has been made @45% as prescribed in finance ordinance 2008 of the profit made by the company considering taxable add-back of income and disallowance of expenditure.





#### **o) Deferred Tax:**

The company recognized deferred tax in accordance with the provision of BAS-12. Deferred tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. A temporary difference is the difference between the tax bases of an asset or liability and its carrying amount/ reported amount in the financial statement. Deferred tax assets or liability is the amount of income tax payable or recoverable in future period(s) recognized in the current period. The deferred tax assets/expenses do not create a legal Liability/recoverability to and from the income tax authority.

#### **p) Tax Assessment Position**

Income Tax Assessment of the Company has been completed upto Assessment year 2006-2007 (for 2005). Management has filed an appeal against the order of the Deputy Commissioner of Taxes for the year 2007-2008 (for 2006).

#### **q) Basic Earning per share**

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year as per BAS-33.

#### **r) Gratuity Fund:**

Gratuity fund of Pragati Insurance Ltd. is registered with National Board of Revenue.

#### **s) Others:**

Figures have been rounded off to the nearest Taka and previous year's figures have been re-arranged for comparison purpose where felt necessary.

### **3. Valuation of Assets**

The value of all assets at 31 December 2008 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.





#### 4 Share Capital

Authorized:

5,000,000 ordinary shares of Tk 100 each

Issued, subscribed and paid up:

3,371,377 ordinary shares of Tk 100 each (For 2007 - 2,497,317 ordinary shares of Tk 100 each fully paid up)

610,000 Ordinary shares of Tk.100 each Fully paid up in cash

122,000 Ordinary shares of Tk.100 each Fully paid up as bonus share(20%) allotted in 1997

219,600 Ordinary shares of Tk.100 each Fully paid up as bonus share(30%) allotted in 2002(out of general reserve as at 31st december 2001)

237,900 Ordinary shares of Tk.100 each Fully paid up as bonus share(25%) allotted in 2003(out of general reserve as at 31st december 2002)

321,165 Ordinary shares of Tk.100 each Fully paid up as bonus share(27%) allotted in 2004(out of Share Premium)

377,665 Ordinary shares of Tk.100 each Fully paid up as bonus share(25%) allotted in 2005(out of Share Premium)

283,250 Ordinary shares of Tk.100 each Fully paid up as bonus share(15%) allotted in 2006(out of Share Premium & General reserve)

325,737 Ordinary shares of Tk.100 each Fully paid up as bonus share(15%) allotted in 2007(out of Share Premium & General reserve)

874,060 Ordinary shares of Tk.100 each Fully paid up as bonus share(35%) allotted in 2008(out of net Profit)

#### 5 Reserve for Exceptional Losses

Opening balance

Add: Addition during the year

#### 6 Contingency Reserve for Insurance Guarantees & Tail ended Insurance Business

Reserve for Unexpired Guarantees

Reserve against Tail-ended Insurance Businesses

	2008 Taka	2007 Taka
	500,000,000	500,000,000
	337,137,700	249,731,700
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(20%) allotted in 1997	12,200,000	12,200,000
219,600 Ordinary shares of Tk.100 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
237,900 Ordinary shares of Tk.100 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
321,165 Ordinary shares of Tk.100 each Fully paid up as bonus share(27%) allotted in 2004(out of Share Premium)	32,116,500	32,116,500
377,665 Ordinary shares of Tk.100 each Fully paid up as bonus share(25%) allotted in 2005(out of Share Premium)	37,766,500	37,766,500
283,250 Ordinary shares of Tk.100 each Fully paid up as bonus share(15%) allotted in 2006(out of Share Premium & General reserve)	28,325,000	28,325,000
325,737 Ordinary shares of Tk.100 each Fully paid up as bonus share(15%) allotted in 2007(out of Share Premium & General reserve)	32,573,700	32,573,700
874,060 Ordinary shares of Tk.100 each Fully paid up as bonus share(35%) allotted in 2008(out of net Profit)	87,406,000	
	337,137,700	249,731,700
Opening balance	304,588,710	270,390,993
Add: Addition during the year	41,281,578	34,197,717
	345,870,288	304,588,710
Reserve for Unexpired Guarantees	87,080,441	87,080,441
Reserve against Tail-ended Insurance Businesses	18,789,210	18,789,210
	105,869,651	105,869,651



#### 7 Revaluation Reserve

Opening balance	966,734,687	158,575,383
Add:Appreciated value of share	-	24,248,667
	966,734,687	182,824,050
Add:Appreciated value of land and building	-	786,603,400
	-	969,427,450
Less:Adjustment against decreased of market value of share	-	2,692,763

2008  
Taka

2007  
Taka

966,734,687  
-  
966,734,687  
-  
-  
966,734,687

158,575,383  
24,248,667  
182,824,050  
786,603,400  
969,427,450  
2,692,763  
966,734,687

#### 8 General Reserve

Opening balance	20,666,028	33,239,728
Add: Addition during the year	-	20,000,000
	20,666,028	53,239,728
Less: Adjustment against bonus share	-	32,573,700

20,666,028  
-  
20,666,028  
-  
20,666,028

33,239,728  
20,000,000  
53,239,728  
32,573,700  
20,666,028

#### 9 Balance of Profit & Loss Appropriation Account

Underwriting Profit as per Revenue Account	99,241,010	77,901,624
Interest Income & Dividend	49,468,161	41,137,382
Other Income(including gain on sale of shares)	76,119,855	80,326,503
	224,829,026	199,365,509
Less:Expenses of Management (not related to any fund or account)	25,999,187	22,523,475
Net profit for the year	198,829,839	176,842,034
less :Reserve for Exceptional Losses(10% of net premium) tax free	41,281,578	34,197,717
	157,548,261	142,644,317
Surplus brought forward:	88,818,085	33,747,468
Bonus share issue	(87,406,000)	(32,573,700)

99,241,010  
49,468,161  
76,119,855  
224,829,026  
25,999,187  
198,829,839  
41,281,578  
157,548,261  
88,818,085  
(87,406,000)  
158,960,346

77,901,624  
41,137,382  
80,326,503  
199,365,509  
22,523,475  
176,842,034  
34,197,717  
142,644,317  
33,747,468  
(32,573,700)  
143,818,085

#### Distribution

Tax Provision	37,500,000	33,000,000
Deffered Tax	3,390,000	2,000,000
General Reserve	-	20,000,000
Surplus carried forward	118,070,346	88,818,085

37,500,000  
3,390,000  
-  
118,070,346

33,000,000  
2,000,000  
20,000,000  
88,818,085

#### 10 Premium Deposits

Balance on this account represents premium received over the year against cover notes which were not converted into policies within 31 December 2008.

Deposit premium on Marine Cover Note	39,376,719	4,472,350
Stamp & VAT	11,018,579	2,175,078

39,376,719  
11,018,579  
50,395,298

4,472,350  
2,175,078  
6,647,428

#### 11 Estimated liability in respect of outstanding claims whether due or intimated

Fire	32,431,924	40,065,669
Marine	37,915,764	49,267,153
Motor	9,488,000	17,338,503
Miscellaneous	11,610,147	19,607,514

91,445,835

126,278,839

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

The following is the break-up of the balance due to Sadharan Bima Corporation on account of re-insurance arrangements and under co-insurance scheme for payment to other insurance companies.

	2008 Taka	2007 Taka
Re-insurers	74,134,692	53,274,651
Co-insurers	57,155,511	37,067,306
	<b>131,290,203</b>	<b>90,341,957</b>

## 13 Loan from Bank for Building Project (secured)

Opening balance	3,712,639	8,427,249
Loan taken during the year	-	78,500,000
Interest charged during the year	-	1,559,043
	3,712,639	88,486,292
Less: Adjusted/Re-payment during the year	3,712,639	84,773,653
	-	<b>3,712,639</b>

## 14 Sundry Creditors (including provision for expenses and taxes)

Share application money	14,000	14,000
Payable against expenses (14.1)	13,971,409	23,784,687
Providend fund deduction	549,554	923,436
Providend fund loan	13,727	417,482
Income tax deduction (14.2)	1,603,236	1,887,330
Received against security	4,280,000	4,280,000
Tax deduction against Bill	110,227	76,676
VAT deduction against Bill	177,874	116,182
Un-paid dividend (14.3)	1,980,115	4,628,318
Vat payable (14.4)	4,662,277	4,902,291
Hospitalization insurance claim	137,577	62,023
Salary payable	69,301	242,228
Advance rent received	3,871,000	-
Short & excess	612	612
	<b>31,440,909</b>	<b>41,335,265</b>

### 14.1 Payable Against Expenses

Company Contribution of PF	413,956	684,985
Incentive Bonus	10,000,000	8,997,648
Honorarium	1,627,000	1,627,000
Payable against Advertisement	328,953	2,000,000
A.K.Group	-	7,429,984
Dividend Tax	-	1,685,570
Audit Fee	1,601,500	1,359,500
	<b>13,971,409</b>	<b>23,784,687</b>



#### 14.2 Income Tax deduction

Income Tax deduction at source amounting to Tk.1,603,236 including income tax deduction from salary during the year and yet to be deposited to Bangladesh Bank.

#### 14.3 Unpaid Dividend

This represents the balance of unpaid dividend from year to year

#### 14.4 VAT payable

VAT payable as Tk.4,662,277 represents the VAT for the month of December 2008 which has been deposited into Bangladesh Bank subsequently.

#### 15 Provision for Income Tax

The amount includes Tk.3,7500,000 being income tax provision made for the accounting year ended on 31 December, 2008 (Assessment Year 2009-2010) in accordance with the best estimate of the management on lump sum basis, without considering the admissible and inadmissible expenses

	2008 Taka	2007 Taka
Opening Balance	84,104,453	51,737,505
Less: Paid/Adjustment during the year	-	633,052
	84,104,453	51,104,453
Add: Provision made during the year	37,500,000	33,000,000
	<b>121,604,453</b>	<b>84,104,453</b>

#### 16 National Investment Bond

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

#### 17 Shares and Debentures

Shares (17.1)	338,129,955	219,063,163
Debentures (17.2)	19,019,144	19,019,144
	<b>357,149,099</b>	<b>238,082,307</b>

##### 17.1 Shares

Opening balance	219,063,163	196,706,685
Add: Purchase during the year	544,830,013	526,933,088
	763,893,176	723,639,773
Less: Sale/redemption during the year	425,763,221	526,132,515
	338,129,955	197,507,258
Add: difference between market price and cost price of share	-	21,555,905
	<b>338,129,955</b>	<b>219,063,163</b>





#### 17.1.1 Break up of Shares and Debentures for 2008

	No. of Share	2008 Taka  At Cost	2007 Taka  Market Value
Rupali Bank Ltd.	555	692,253	437895
National Bank Ltd.	388	379,754	393432
Dhaka Bank Ltd.	11,700	5,746,918	4223700
IFIC Bank Ltd.	3,833	7,113,271	4557437
Prime Bank Ltd.	10,412	6,656,135	5622480
Southeast Bank Ltd.	23,750	9,854,671	7552500
One Bank Ltd.	12,587	5,627,000	4191471
Bank Asia Ltd.	4,037	1,614,699	1546171
Mutual Trust Bank Ltd.	4,304	1,593,716	1377280
Exim Bank Ltd.	1,900	745,576	615600
NCCBL	4,460	1,639,654	1632360
Pubali Bank Ltd.	1,095	672,342	557690
The City Bank	1,563	923,582	706476
AB Bank	21,215	30,322,418	17438730
BRAC Bank	3,950	3,610,422	3270600
Shahjalal Bank	4,850	1,530,590	1479250
Premier Bank	10,119	2,461,128	2560107
Trust Bank	19,620	11,047,676	8730900
First Security Bank	5,000	892,708	875000
Social Investment Bank	1,000	231,975	215000
ICB Islami Bank	1,103	1,270,513	1344557
Mercantile Bank	7,870	2,568,008	2557750
Atlas Bangladesh Ltd.	40,835	14,543,777	12168830
Eastern Cables	15,260	10,673,575	8713460
National Tubes Ltd.	2,170	4,664,797	3478510
Agni System	118,000	7,124,973	7316000
Jamuna Oil	4,900	1,398,690	700700
Meghna Petroleum	16,000	4,312,277	2176000
Power Grid	7,050	4,451,989	4089000
Tripti	20	880	
Reliance Insurance Ltd.	89	55,930	78943
United Insurance Ltd.	232	162,428	407,160
Delta Life	10	93,203	122,920
Eastland Insurance Ltd.	1,520	1,382,627	1,542,800
Mercantile Insurance	17,000	4,393,195	3,468,000
Meghna Life Insurance	50	89,254	101,650
Pragati Life Insurance	50	63,188	157,450





		2008 Taka	2007 Taka
	No. of Share	At Cost	Market Value
BGIC	4,420	2,970,559	2,453,100
Phoenix Insurance	900	490,605	380,700
Ind. & Infrastructure Dev. Finance Co.	227,720	11,500,000	11,500,000
National Housing Ltd.	250,406	24,691,127	241,011,750
Central Depository System	2	2,000,000	2,000,000
1st ICB Mutual Fund	2	9,180	10,000
6th ICB Mutual Fund	2,210	1,617,244	1,138,150
7th ICB Mutual Fund	800	989,581	468,000
8th ICB Mutual Fund	50	53,661	23,800
ICB 1st NRB	4,200	1,793,073	1,171,800
ICB 2nd Bond	6,700	1,386,734	1,319,900
ICB Islami Fund	12,350	5,482,514	4,631,250
BD Finance	4,100	1,628,735	1,459,600
Uttara Finance	2,900	2,084,386	2,177,900
International Leasing	550	394,877	403,150
Peoples Leasing	1,400	484,566	467,600
BFIC	2,700	876,653	899,100
IBBL Bond	4,730	5,122,368	4,356,330
Confidence Cement Ltd.	5,760	2,287,344	1,831,680
Usmania Glass Ltd.	5,326	12,358,920	10,518,850
Lafarge Surma Cement Ltd.	1,949	982,224	999,837
Summit Power	2,900	2,196,865	2,801,400
United Hospital	220,500	54,337,500	54,337,500
S. Alam	3,050	1,037,110	1,027,850
Apex Adelchi	1,470	3,954,159	3,505,950
Singer BD Ltd.	225	450,167	445,950
Jamuna Resort	225,000	22,500,000	22,500,000
Beximco Pharma. Ltd.	7,460	610,247	1,253,280
Square Pharma. Ltd.	1,882	6,256,454	5,930,182
ACI Ltd.	1,150	648,239	599,150
ACI Formulation	7,000	1,374,170	1,365,000
Glaxo Smith Kline	2,600	879,775	858,000
Keya Cosmetics Ltd.	275	20,299	17,875
Keya Detergent Ltd.	17,800	443,220	943,400
Monna Fabrics Ltd.	32,000	2,097,960	2,208,000
Beximco Textile Mills Ltd.	6,769	89,301	138,216
Square Textile Ltd.	37,000	11,424,348	11,419,200
		<b>338,129,955</b>	<b>514,981,259</b>





### 17.2 Debentures

Bangladesh Export Import Company Ltd
Beximco Fisheries Ltd
Beximco Textile Ltd
Beximco Denims Ltd
Bangladesh Luggage Industries Ltd

2008 Taka	2007 Taka
1,660,000	1,660,000
1,161,194	1,161,194
2,091,750	2,091,750
9,606,200	9,606,200
4,500,000	4,500,000
<b>19,019,144</b>	<b>19,019,144</b>

### 18 Outstanding Premium

The balance represents as usual that portion of the outstanding premium which have been realized subsequently till 31st march, 2009

Fire	46,671,523	28,377,070
Marine	23,667,019	19,125,410
Motor	8,575,615	9,501,820
Miscellaneous	4,253,904	1,711,140
	<b>83,168,061</b>	<b>58,715,440</b>

### 19 Amount due from other persons or bodies carrying on insurance business

Co-Insurance premium receivable	67,100,176	34,189,701
Co-Insurance claim receivable(Fire)	8,121,085	7,734,566
Co-Insurance claim receivable(Marine)	5,107,214	4,984,216
Co-Insurance claim receivable(Motor)	1,382,208	1,187,439
Co-Insurance claim receivable(Misc.)	2,969,884	2,666,847
Refund Co-Insurance premium receivable( Fire)	777,030	777,030
Refund Co-Insurance premium receivable ( Marine)	295,949	295,949
Refund Co-Insurance premium receivable(Misc.)	2,696,343	2,696,343
Refund Co-Insurance premium receivable(Motor)	1,762	1,762
Sadharan Bima Corporation	128,597,965	95,647,411
	<b>217,049,617</b>	<b>150,181,263</b>

### 20 Interest, Dividend & Rent Outstanding

Dividend (20.1)	51,426	51,426
Debenture Interest (20.2)	7,293,709	7,418,661
	<b>7,345,135</b>	<b>7,470,087</b>

#### 20.1 Dividend

Metro Spinning Ltd.	510	510
Beximco Fisheries Ltd.	50,916	50,916
	<b>51,426</b>	<b>51,426</b>

#### 20.2 Debenture Interest

Bangladesh Export Import Company Ltd	296,658	421,610
Beximco Fisheries Ltd	490,329	490,329
Beximco Textile Ltd	1,069,612	1,069,612
Beximco Denims Ltd	4,912,110	4,912,110
Bangladesh Luggage Industries Ltd	525,000	525,000
	<b>7,293,709</b>	<b>7,418,661</b>





## 21 Sundry Debtors (including advances, deposits and prepayments and others)

Advance against salary	147,537	287,310
Advance against rent	4,908,744	5,988,423
Advance against expenses	370,005	-
Advance against share	1,665,000	-
House building loan	10,964,271	12,404,235
Jamuna Resort Ltd.	7,036,092	5,536,092
Security deposit	648,887	653,887
Group insurance	609,935	1,673,920
Receivable against building maintenance from Sanofi Aventis Bd Ltd.	304,578	304,578

2008  
Taka

2007  
Taka

147,537  
4,908,744  
370,005  
1,665,000  
10,964,271  
7,036,092  
648,887  
609,935  
304,578  
**26,655,049**

287,310  
5,988,423  
-  
-  
12,404,235  
5,536,092  
653,887  
1,673,920  
304,578  
**26,848,445**

## 22 Advance Payments of Tax

Opening balance	43,265,098	18,938,293
Add: Advance tax paid/deduction at source during the year (22.1)	33,196,811	24,326,805

43,265,098  
33,196,811  
**76,461,909**

18,938,293  
24,326,805  
**43,265,098**

### 22.1 Advance Tax paid/Deduction at source during the year

Deduction at Source from FDR interest	3,945,405	3,295,843
Deduction at Source from STD interest	661,379	350,817
Deduction at Source from dividend income	921,400	738,264
Deduction at Source from office rent	734,582	523,538
Advance paid	26,934,045	19,418,343

3,945,405  
661,379  
921,400  
734,582  
26,934,045  
**33,196,811**

3,295,843  
350,817  
738,264  
523,538  
19,418,343  
**24,326,805**

## 23 Cash and Bank Balances

### In hand

Cash	7,238,163	13,124,452
Stamps	659,533	476,354

7,238,163  
659,533  
**7,897,696**

13,124,452  
476,354  
**13,600,806**

### At banks

Fixed deposits (FDR)	393,029,398	380,268,732
Short term deposit (STD) & Current Accounts	131,198,408	116,468,668

393,029,398  
131,198,408  
**524,227,806**  
**532,125,502**

380,268,732  
116,468,668  
**496,737,400**  
**510,338,206**

## 24 Land

Opening balance	849,700,000	356,626,207
Add: Rate, legal & other expenses related to land at Panthapath, Kawran Bazar, Dhaka	514,657	493,073,793

849,700,000  
514,657  
**850,214,657**

356,626,207  
493,073,793  
**849,700,000**

## 25 Holiday Homes

Holiday Homes Building project near Jamuna River is yet to be registered in the name of the company and hence no depreciation has been charged so far. The value of such asset amounts to Tk .3,129,800.



## 26 Fixed Asset

Cost  
Accumulated Depreciation

2008 Taka	2007 Taka
101,311,143	91,141,635
65,958,688	57,936,215
<b>35,352,455</b>	<b>33,205,420</b>

## 27 Joint Venture Building Project

Joint Venture Building project is yet to be registered in the name of the company and hence no depreciation has been charged so far. The value of this project is Tk. 468,824,500.

## 28 Interest and Dividend Income

Fixed deposit receipts (FDR)  
Short term deposit (STD) accounts  
3-Years National Investment Bond

35,894,374	32,958,463
7,467,455	3,254,981
1,147,500	
44,509,329	36,213,444
4,958,832	4,923,938
<b>49,468,161</b>	<b>41,137,382</b>

Dividend received during the year

## 29 Other Income

Profit on sale of Investment  
Building Rent (29.1)  
Others (29.2)

69,837,087	73,943,622
5,563,069	5,583,619
719,699	799,262
<b>76,119,855</b>	<b>80,326,503</b>

### 29.1 Building Rent

The position has been arrived after adjustment of the interest and maintenance expenses including Municipal Tax, Insurance premium and other expenses.

### 29.2 Others

This represents the amount of sale of old asset, newspaper, trustee fee and miscellaneous income.

## 30 Registration Renewal Fee

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-1938. Such expense amounts to Tk. 3,042,169.

## 31 Audit Fees

Statutory audit fee  
Special audit fee

250,000	258,000
250,000	100,000
<b>500,000</b>	<b>358,000</b>

## 32 Earning Per Share

Profit after Tax  
Number of Share (For 2007 reported number of share is 2,497,317)  
Basic Earning Per Share

118,068,309	108818085
3,371,377	3,371,377
35.02	32.28

## 33 Post Balance Sheet Events

There were no other material events between the balance Sheet date and date of authorizing this accounts by the Board of Directors except 20 %and issuance of bonus shares @ 15% for existing 3,371,377 shares from current years profit, which will be given effect in due course. This decision was taken by the Board of Directors in the meeting held on 7th May, 2009.

## 34 No of Meeting

Board meeting  
Audit Committee meeting

10	7
5	-

## 35 Number of Employees

469	454
-----	-----



A.K.M. Rafiul Islam  
Managing Director



Capt. Imam Anwar Hossain  
Director



Md. Syedur Rahman Mintoo  
Director



Abdul Awal Mintoo  
Chairman



## Fixed Assets

(at cost less accumulated depreciation)

Particulars	Cost				Rate	Depreciation			WDV as at 31 December 2008	WDV as at 31 December 2007
	Opening balance	Additions during the year	Disposal during the year	Closing balance		Charged during the year	Disposal	Closing balance		
FURNITURE & FIXTURE	25,974,548	941,140		26,915,688	10%	1573,301		19,273,780	7,641,908	8,274,070
FIXTURE(PLASTIC SIGN)	1,262,032	96,600		1,358,632	15%	68,966		1,251,249	107,383	79,748
MOTOR VEHICLE	39,774,290	5,016,249	812,800	43,977,739	20%	5,093,505	812,800	24,287,015	19,600,724	19,767,980
ELECTRICAL EQUIPMENT	18,347,926	3,829,708		22,177,634	15%	1,616,336		17,287,902	4,890,132	2,676,761
OFFICE EQUIPMENT	2,881,215	67,450		2,948,665	15%	432,182		2,512,463	436,202	800,934
CURTAIN & CARPETS	579,018			579,018	20%			679,018		
BI-CYCLE	23,175			23,175	20%			23,175		
TELEPHONE(INTERCOM)	381,546			381,546	20%	27,079		381,546		27,079
OFFICE DECORATION	1,817,885	1,031,161		2,849,046	10%	23,904		282,941	2,386,105	1,578,848
<b>TOTAL : TAKA</b>	<b>91,141,635</b>	<b>10,982,308</b>	<b>812,800</b>	<b>101,311,143</b>		<b>8,835,273</b>	<b>812,800</b>	<b>65,958,688</b>	<b>35,352,454</b>	<b>24,931,349</b>





# FORM AA

Classified Summary Of Assets as at 31 December, 2008

	2008 Taka	2007 Taka
3 - Year National Investment Bond	4,500,000	4,500,000
Shares (at cost)	338,129,955	219,063,163
Debenture (at cost)	19,019,144	19,019,144
Fixed Deposit, STD and Current A/C with Banks	524,227,806	496,737,400
Cash in hand and Stamp in hand	7,897,695	13,600,806
Outstanding Premium and other dues	376,679,587	208,896,704
Accrued Interest	7,345,135	7,470,087
Debtors (including advances, deposits and prepayments)	26,655,049	70,113,543
Stock of Printing Material	493,500	438,700
Land	850,214,657	849,700,000
Holiday Homes	3,129,800	
Fixed Asset	35,352,454	91,141,635
Joint Venture Building Project	468,824,500	468,824,500
	<b>2,662,469,282</b>	<b>2,449,505,682</b>

A.K.M. Rafiqul Islam  
Managing Director

Capt. Imam Anowar Hossain  
Director

Md. Syedur Rahman Mintoo  
Director

Abdul Awol Mintoo  
Chairman





## Directors' Certificate

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 investment 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, 2008 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 heading as enumerated the annexed form.

All expences 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. Rafiqul Islam  
Managing Director



Capt. Imam Anowar Hossain  
Director



Md. Syedur Rahman Mintoo  
Director



Abdul Awal Mintoo  
Chairman



## List of Branches

### Dhaka Division:

Sl No.	Branch Office	Branch Manager	Telephone
1.	Dilkusha Branch, 76, Dilkusha C/A, Dhaka-1000.	Salim Sajjad Haque Asstt. Vice President.	Tel : 9551685, 9567861 Fax : 9567861, Res: 9338126 Mob: 01713067033
2.	Imamgonj Branch, 31, Mitford Road, Imamgonj, Dhaka-1000.	Nazrul Islam Talukder, Asstt. Vice President.	Tel : 7319818 Res : Mob: 01819-288291
3.	Elephant Road Branch, 299, New Elephant Road, Dhaka.	Sharif Mustaba, Executive Vice President.	Tel : 9661349 Fax : 8616023 Res: 8615028 Mob: 01819-238198
4	Motijheel Branch, Sena Kalyan Bhaban, Room No.1306(13th floor), 195, Motijheel C/A, Dhaka.	Ali Fathker (Kallol), Vice President.	Tel : 7115066 Fax : 9556415 Res : 8021464 Mob: 01713-002412
5	VIP Road Branch, Oriental Trade Centre, 69/1 (New) Purana Paltan Lane, Dhaka-1000.	Abdul Momen, Sr. Executive Vice President.	Tel : 8321796 Fax : 8316354 Res : 9123054 Mob: 01711565818
6	Biman Bhaban Branch, 100, Motijheel C/A, Dhaka-1000.	S.M.B. Shameem, Executive Vice President.	Tel : 7169618 Fax : 9570424 Res : Mob : 01911351699
7	Sadarghat Branch, 32-Ka, Liakat Avenue, Dholaikhal, Dhaka-1000.	Ahmed Faruk, Asstt.Vice President.	Tel : 7113066 Fax: Res: Mob: 01911389736
8	Malibagh Branch, Manhattan Tower, 83, Siddeshwari Circular Road, Malibagh, Dhaka-1217.	Md. Golam Faruque, Vice President.	Tel: 9351265 Fax: 8311078 Res: 9870658 Mob: 01711-566735
9	Tejgaon Branch, BSRS Bhaban, 14th Floor, 12, Kawran Bazar, Dhaka-1216.	Md. Abdul Alim Khan, Asstt.Vice President,	Tel: 8130173, 9117671 Fax: 8130173 Res: Mob:01711-696343
10	Hatkola Branch, Mamun Plaza (2nd Floor), 31, Shahid nazrul Islam Sarak,Hatkola, Dhaka-1203.	Fazlul Karim Alamgir, Executive Vice President.	Tel : 9559410 Fax : 9560214 Res: 9361749 Mob: 01818225291
11	Gulshan Branch House No.55, Road No.17, Kamal Atatürk Avenue, Banani, Dhaka-1213.	Bahauddin Ahmed, Asstt. Vice President.	Tel : 9886151 Fax: Res: 7281321. Mob: 01711696341
12	Mirpur Branch Central Plaza (3rd Floor), 231, Sen Para, Porabata, Rokeya Sarani, Mirpur-10, Dhaka-1213.	Md. Razzaqul Haider Chowdhury, Asstt. Vice President.	Tel: 8060587 Mob:01711841175 Fax: 8060587





13	Bangabandhu Avenue Branch 13, B.B. Avenue, Dhaka-1000.	Khandoker Zafor Sadeque, Executive Vice President.	Tel: 9566389 Res: 8610299 Fax: 9566911 Mob: 01726481116
14	Narayanganj Branch, 150, B. B. Sarak, Narayanganj.	Farid Ahmed, Vice President.	Tel: 7633646 Fax: Res: Mob:01711-561368
15	Savar Branch, Hasem Plaza (1st Floor), DEPZ Gate, Ganakbari, Savar, Dhaka.	Abdus Salam, Senior Vice President.	Tel : 7702262 Fax : Res: Mob: 01715013439
16	Tongi Branch, Jalil Market (2nd Floor) Tongi, Gazipur.	Ekramul Hoque, Assft. Vice President.	Tel: 9802786 Fax: Res: Mob:01199-838694, 01715-100924
17	Madhabdi Branch, School Super Market Complex (1st Floor), Shop No.19,31 & 32, Madhabdi, Narsingdi.	Farida Yesmin, Branch In-charge.	Tel: 06257978 Mob: 01711037419.
18	Narsingdi Branch, "H.M. Plaza", 20, West Kandapara, Sadar Road, Narsingdi.	Md. Jashim Uddin Bhuiyan, Branch In-charge.	Tel: 0628-63009 Mob: 01199071258 01817404102.
19	Faridpur Branch 169, Mujib Sarak, Faridpur.	Khandoker Zakir Hossain, Branch In-charge.	Tel: 62691 Res: 62848 Mob: 01715477641
20	Mymensingh Branch, 10, Durgabari Road, Mymensingh.	A.K.M. Kowsar Hossain, Branch In-charge.	Tel: 64062 Mob:01712-003899
21	Tangail Branch, Holding NHO.212 Victoria Road, Tangail.	Sakhawat Hossain, Branch In-charge.	Mob: 01716780366

#### Chittagong Division:

22	Khatunganj Branch 410-411, Khatunganj C/A, Chittagong.	Jamal Uddin Haider, Senior Vice President.	Tel: 637051, 6243316 Fax : 637051 Res: 717991 01711-797755.
23	Agrabad Branch Ayub Trade Center, 1269/B Sheikh Mujib Road, Agrabad C/A, Chittagong.	M. A. Hossain, Executive Vice President.	Tel: 713228 Fax : 713227 Res: 651697 Mob: 01711-749274
24	Jubilee Road Branch Pedrollo Plaza (3rd Floor) 5, Jubilee Road, Chittagong.	Md. Nazrul Islam, Executive Vice President.	Tel: 616847 Fax: 617844 Res: 620662 01711-749273
25	Cox's Bazar Branch Anamadia Mansion, Purba Bazar Ghata, Main Road, Cox's Bazar.	Zaber Hossain, Branch In-charge.	Tel: 64101 Res: 63468 Mob: 01818449970





26	Feni Branch, Sultan Mansion, Trunk Road, Feni.	Md. Azizul Hoque, Deputy Vice President.	Tel: 74313 Res: 0154633257 Mob: 01819638626
27	Comilla Branch, Comilla Co-operative Super Market (2nd Floor), Kandirpar, Main Road, Comilla.	M. Muzammel Hoque, Branch In-charge.	Tel: 76977, 64645 Res: 64645. Mob: 01711972062
28	Chandpur Branch, 136/2, Shahid Muktijudha Sarak, Chandpur.	Pradip Kumar Pal, Branch In-charge.	Tel: 63290 Mob: 01711-018087
29	Chowmuhani Branch Poura Super Market Chowmuhani Bazar, Chowmuhani.	Md. Belayet Hossain, Branch In-charge.	Tel: 52030 Mob: 01716390848

#### Rajshahi Division:

30	Rajshahi Branch Shaheb Bazar, Ghoramara, Rajshahi.	Abdur Rozzaque Sarder, Asstt. Vice President.	Tel: 775926 Mob: 01727301415
31	Bogra Branch, Thana Road, Bogra.	Md. Nazrul Islam, Branch In-charge.	Tel: 66189 Mob: 01717114681
32	Rangpur Branch, Baitus Syed Super Market, Central Road, Rangpur.	Md. A.A. Salimur Reza Talukder, Branch In-charge.	Tel: 62933 Mob: 01819688697
33	Pabna Branch S.M. Super Market (2nd Floor) Haji Mohd. Mohsin Road, Pabna.	A.H.M. Raihan, Branch In-charge.	Tel: 66541 Mob: 01712021653
34	Dinajpur Branch, Northern Plaza (2nd Floor), Holding No.74/69, Dinajpur Town, Dinajpur.	Farid Hossain Sarker, Branch In-charge.	Tel: 51105 Mob: 01712-138134

#### Khulna Division:

35	Khulna Branch, 25, Sir Iqbal Road, Khulna.	S. M. Murshed, Executive Vice President.	Tel: 723724 Fax: 720056 Res: 760207 Mob: 01711-321702
36	Jessore Branch Jess Tower (2nd Floor), M.K. Road, Jessore.	G.M. Saidur Rahman, Branch In-charge.	Tel: 68896 Res: 68897 Mob: 01711350349
37	Kushtia Branch, Lovely Tower, 6th Floor, 55/1, Sirajuddowla Road, Kushtia.	Md. Mahbubul Alam, Branch In-charge.	Tel: 62223 Mob: 018112171501

#### Barisal Division:

38	Barisal Branch 18, Hemayet Uddin Road, Barisal.	Amjad Hossain Talukder, Asstt. Vice President.	Tel: 64268 Mob: 01711185353
----	---	---	--------------------------------

#### Sylhet Division:

39	Sylhet Branch, Laldighirpar, Sylhet.	Ahmed Tazdiqui Mowla, Asstt. Vice President.	Tel: 715008 Res: 714009. Mob: 01711-388586
----	--	---	--





**Pragati Insurance Limited**

Pragati-RPR Centre, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

**Proxy Form**

I/We.....

of .....

being a member of Pragati Insurance Ltd. and entitled to vote, hereby appoint Mr./Mrs./Miss

.....of

.....as my/our Proxy to attend

and vote for me/us and on my/our behalf of the 23rd Annual General Meeting of the Company to be held on the  
21st June, 2009 or at any adjournment thereof.

Signed this .....day of .....2009

Signature of Proxy

Signature of Member

Folio No./Bo. No.....

No. of Shares held.....

Revenue  
Stamp  
Taka 10.00

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

A Proxy must be a member of the Company

Form of Proxy, duly stamped and signed must be deposited at the Company's Registered office not later than 72 hours before time appointed for the meeting. In default, forms of proxy will not be treated as valid.



**Pragati Insurance Limited**

Pragati-RPR Centre, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

I hereby record my attendance at the 23rd Annual General Meeting of Pragati Insurance Limited on the 21st June, 2009 at officer's Club, Baily Road, Dhaka.

Name of Member/Proxy

Folio No./B.O. No. ....

Signature of Shareholder/Proxy

N.B. Please complete the Attendance Slip and hand it over at the entrance of the meeting hall.