



## Independent Auditor's Report to the Shareholders of PIL

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Pragati Insurance Limited** (the “company”), which comprise the Statement of Financial Position as at 31 December 2024, the Statement of Profit or Loss and Other Comprehensive Income, Consolidated Revenue Accounts, Related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Financial Position of the company as at 31<sup>st</sup> December 2024, and of its Financial performance and its Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the company Act 1994, the Insurance Act 2010, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) by Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S.L.	Key Audit Report	How our audit addressed the key audit matter
1.	<p>Premium Income</p> <p>Premium income is the most financially significant item in the statement of profit and loss account. However, the company has reported gross premium income of Taka 2,503,645,915 where net premium income 1,298,497,125 for the year ended 31 December 2024.</p> <p>The Gross general insurance premium comprises the total premium received during the accounting period for which insurance policy has been issued by contracts with Pragati Insurance Limited. Because of the method of recognition of premium income &amp; due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p>	<p>Our procedures included obtaining an understanding of management’s premium income recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue recognition policy as disclosed in Note- 2.10 of the financial statements.</p> <p>In addition, we assessed whether the disclosed revenue recognition policy was in accordance with relevant Insurance Act &amp; Insurance Rules 1958.</p> <p>For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• We conducted analytical procedures &amp; recalculation of premium income.</li> <li>• On a sample basis, we reviewed policy to ensure the appropriate policy stamp was affixed to the contract and amount for deposit premium along with amount for policy stamp &amp; VAT has been reflected in the premium register.</li> <li>• We ensured that premium income was being deposited in the designated bank account on a sample basis.</li> <li>• We carried out on a sample basis if appropriate re-insurance has been done on treaty basis and moreover, appropriate re-insurance premium was deducted from the gross premium.</li> <li>• We tested on a sample basis that appropriate VAT was collected &amp; deposited through Treasury Chalan to Bank.</li> </ul>

S.L.	Key Audit Report	How our audit addressed the key audit matter
		<ul style="list-style-type: none"> <li>• We conducted substantive testing of premium income recorded over the year using sampling techniques by examining the relevant supporting documents including policy, premium register, bank reconciliation report, bank statement and also, we confirmed selected customers' outstanding premium at the financial position date, selected on a sample basis by considering the amount outstanding with those customers.</li> <li>• We specifically put emphasis on those transactions occurring close before or after the financial position date to obtain sufficient evidence over the accuracy of cut-off to ensure unearned premium income has not been included in the premium income.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>
2.	<p><b>Property, Plant &amp; Equipment</b></p> <p>The carrying value of property, plant &amp; equipment amounts to Taka 2,234,751,194 as on 31 December 2024 which represents a significant amount against financial statement of the company. However, there is a risk of:</p> <ul style="list-style-type: none"> <li>• determining which costs meet the criteria for capitalization;</li> <li>• determining the date on which the assets are recognized to property, plant and equipment and depreciation commences;</li> <li>• the estimation of economic useful lives and residual values assigned to Fixed asset. We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgement involved and because of its significance to the financial statements.</li> </ul> <p>See note no 2.14, 3, 4, 5, 6 &amp; annexure-A to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant &amp; equipment included the following:</p> <p>Our audit procedures included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> <li>• Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values;</li> <li>• Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization.</li> <li>• Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment.</li> </ul>

S.L.	Key Audit Report	How our audit addressed the key audit matter
		<ul style="list-style-type: none"> <li>• Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents.</li> <li>• We reviewed minutes of board meetings for approval of the total capitalization cost.</li> <li>• We assessed the company's capitalizations policy for compliance with IAS 16 and tested the expenditure capitalized against the capitalizations policy.</li> <li>• We traced payments to supporting documents.</li> <li>• We assessed the adequacy of the disclosures of the financial statements.</li> </ul>
3.	<p><b>Deferred Tax Liability</b></p> <p>Company reported net deferred tax liability for an amount of Taka 41,972,381 as at 31 December 2024. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 2.08 (ii) &amp; 21 to the financial statements</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</li> <li>• We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</li> <li>• We tested the mathematical accuracy in calculation of deferred tax.</li> <li>• We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</li> <li>• We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</li> <li>• We reviewed evaluation of tax implications, reasonableness of estimations and calculations determined by management.</li> <li>• We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.</li> </ul>

S.L.	Key Audit Report	How our audit addressed the key audit matter
4.	<p>Estimated liabilities in respect of outstanding claims</p> <p>Pragati Insurance Limited has represented the amount related with the claim due or intimated from the insured which involves management judgement &amp; risk of over &amp; understatement of the value.</p> <p>At year end 31 December 2024, the company reported total balance under the head of Estimated liabilities in respect of outstanding claims of Taka 251,787,737.</p> <p>See note no. 22 of the financial statements.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> <li>• Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li> <li>• Obtained a sample of claimed policy copy and cross check it with claim.</li> <li>• Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</li> <li>• Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li> <li>• Reviewed the claim committee meeting minutes about decision for impending claims.</li> <li>• Tested a sample of claims payments with intimation letter, survey report, bank statement, claim provisional register and general ledger.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>

### Information Other than the Financial Statement and Auditors' Report Thereon

The management is responsible for the other information. The other information comprises all of the information in the annual report but does not include the financial statements and our auditors' report thereon.

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

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

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

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

The management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994,

the Insurance Act, 2010, the Insurance Rules, 1958, the Securities and Exchange Rules, 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Insurance Act 2010, The Insurance Rules 1958, the Bangladesh Securities and Exchange Rules 2020 & relevant notifications issued by Bangladesh Securities & Exchange Commission and Insurance Development Regulatory Authority, 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, records and other statutory books as required by law have been kept by the company so far as it appeared from our examination of those books;
- (iii) the company management has followed relevant provisions of laws and rules in managing the affairs of the company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- (iv) as per section 63 (2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related revenue accounts.
- (v) we report that to the best of our information and as shown by its books, the company during the year under report has not paid any person, any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- (vi) the statement of financial position (balance sheet), Statement of Profit or Loss and Other Comprehensive Income, Consolidated Revenue Account, the Related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (vii) the expenditure incurred was for the purpose of the company's business.

**Place: Dhaka**  
**Date: 17 April 2025**  
DVC: 2504221546AS585310



**Abu Nasser, FCA**  
**Enrolment No. 1546**  
Partner  
**Islam Quazi Shafique & Co.**  
Chartered Accountants

**PRAGATI INSURANCE LIMITED**  
**Statement of Financial Position**  
As at 31 December 2024

Particulars	Notes	Amount in Taka	
		31.12.2024	31.12.2023
<b>Property &amp; Assets</b>			
<b>Non - Current Assets</b>		<b>3,352,872,577</b>	<b>3,236,042,648</b>
Office Building	3.00	1,145,365,081	1,168,739,879
Panthapath building	4.00	87,139,072	49,836,768
Freehold Land	5.00	887,627,023	887,627,023
Other Fixed Assets	6.00	114,620,018	120,334,688
Right of use (ROU) Assets	7.00	19,363,808	33,216,837
Investment	8.00	1,098,757,575	976,287,453
		<b>2,642,289,554</b>	<b>3,104,858,524</b>
<b>Current Assets</b>			
Inventory (Printing Material)		2,082,583	2,356,809
Receivables from other persons or bodies	9.00	63,751,591	220,380,643
Interest, Dividend & Rent Receivable	10.00	1,366,379	2,597,873
Sundry Debtors	11.00	158,074,891	137,294,717
Premium Control Account	12.00	17,162,083	16,530,321
Advance Payment of Tax	13.00	477,719,411	640,051,509
Cash and cash equivalent	14.00	1,922,132,617	2,085,646,652
		<b>5,995,162,132</b>	<b>6,340,901,171</b>
<b>Shareholder's Equity and Liabilities</b>			
<b>Shareholder's Equity</b>		<b>4,243,436,018</b>	<b>4,061,184,973</b>
Issued, Subscribed & Paid-up capital	15.00	736,907,350	688,698,450
Reserve and surplus	16.00	3,227,881,510	3,143,240,454
Retained Earnings:	17.00	278,647,158	229,246,069
		<b>1,751,726,114</b>	<b>2,279,716,198</b>
<b>Liabilities and provisions</b>			
Balance of fund & account	18.00	543,270,755	509,057,036
Premium Deposit	19.00	7,930,303	7,530,750
Lease Liability	20.00	21,457,862	34,205,088
Deferred Tax Liability	21.00	41,972,381	49,351,953
Estimated liabilities in respect of outstanding claims	22.00	251,787,737	118,706,273
Amount due to other persons or bodies	23.00	175,783,686	515,058,341
Loan from Bank	24.00	64,162	142,086,199
Un-Paid Dividend	25.00	22,224,940	25,551,333
Sundry Creditors	26.00	161,819,431	125,845,768
Provision for Income Tax	27.00	506,552,603	740,681,660
Other Liabilities	28.00	18,862,253	11,641,796
		<b>5,995,162,132</b>	<b>6,340,901,171</b>
<b>Total Shareholder's Equity and Liabilities</b>		<b>5,995,162,132</b>	<b>6,340,901,171</b>
<b>Net Asset Value Per Share of Tk. 10 each</b>	34.00	<b>57.58</b>	<b>55.11</b>

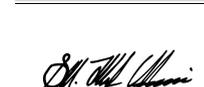
  
Mohammad Jafar Ali, FCS  
Company Secretary

  
Amar Krishna Shil, FCA  
Chief Financial Officer

  
Syed Sehab-Ullah Al-Manjur, ACII (UK)  
Chief Executive Officer

  
Muhammad Jamaluddin  
Independent Director

  
Tajwar M. Awal  
Director

  
Syed M. Altaf Hussain  
Chairman

Signed in terms of our separate report of even date annexed.

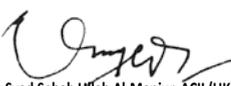
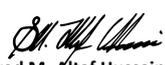
  
Abu Nasser FCA  
Enrolment No. 1546  
Partner,  
Islam Quazi Shafique & Co.  
Chartered Accountants

Place: Dhaka  
Date: 17 April 2025  
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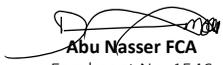
**PRAGATI INSURANCE LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 31 December 2024**

Particulars	Notes	Amount in Taka	
		31.12.2024	31.12.2023
<b>Profit transferred from :</b>			
Fire revenue account	Console Revenue	(63,160,839)	(77,366,415)
Marine revenue account		305,932,720	302,270,069
Misc. revenue account		124,215,702	116,148,875
		<b>366,987,583</b>	<b>341,052,528</b>
Other income	29	284,547,239	247,435,929
		<b>651,534,822</b>	<b>588,488,458</b>
<b>Expenses of Management(not applicable to any fund or account)</b>			
Director Fees & Expenses		3,815,934	3,127,850
Registration Renewal Fee	30	2,759,620	2,962,197
Audit Fees	32	1,057,125	616,450
Other expense	33	24,698,821	24,308,007
Depreciation on Lease assets		14,510,546	12,504,535
Overdraft interest		5,559,706	6,595,185
Lease interest		4,403,666	2,260,406
Depreciation		43,966,241	38,170,019
		<b>100,771,659</b>	<b>90,544,650</b>
<b>Profit before tax</b>		<b>550,763,163</b>	<b>497,943,808</b>
<b>Income tax expense:</b>			
Current tax expense		144,798,150	128,983,416
Deferred tax (income)/expense		(7,379,572)	(502,943)
		<b>137,418,578</b>	<b>128,480,473</b>
<b>Net Profit</b>		<b>413,344,585</b>	<b>369,463,334</b>
Other comprehensive income			
Gain /(loss) from fair value changes of investment in securities		(93,353,850)	(14,705,301)
<b>Total Profit or Loss and Other Comprehensive Income</b>		<b>319,990,735</b>	<b>354,758,033</b>
<b>Earning Per Share of Tk. 10 each</b>	35	<b>5.61</b>	<b>5.01</b>

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

 **Mohammad Jafar Ali, FCS**  
Company Secretary
  **Amar Krishna Shil, FCA**  
Chief Financial Officer
  **Syed Sehab Ullah Al-Manjur, ACII (UK)**  
Chief Executive Officer
  **Muhammad Jamaluddin**  
Independent Director
  **Tajwar M. Awal**  
Director
  **Syed M. Ataf Hussain**  
Chairman

Signed in terms of our separate report of even date annexed.

 **Abu Nasser FCA**  
Enrolment No. 1546  
Partner,  
**Islam Quazi Shafique & Co.**  
Chartered Accountants

**Place: Dhaka**  
Date: 17 April 2025  
DVC: 2504221546AS585310

## PRAGATI INSURANCE LIMITED

### Consolidated Revenue Account

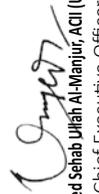
For the year ended 31 December 2024

Particular	FIRE	Marine	Marine Hull	Motor	MISC	2024	2023
<b>Balance of Account at the beginning of the year :</b>							
Reserve for unexpired risk	126,628,335	231,837,875	44,413,006	46,994,140	59,183,680	509,057,036	573,983,208
Premium, Less Re-insurance	373,585,925	593,413,462	39,786,508	140,305,163	151,406,067	1,298,497,125	1,206,023,082
Commission on Re-Insurance ceded	155,161,443	15,941,781	3,889,531	-	4,969,425	179,962,180	179,753,289
<b>Total</b>	<b>655,375,703</b>	<b>841,193,118</b>	<b>88,089,045</b>	<b>187,299,303</b>	<b>215,559,172</b>	<b>1,987,516,341</b>	<b>1,959,759,579</b>
<b>Claim under policies less Re-insurance :</b>							
Claim paid during the year	62,733,465	65,109,267	56,616	12,951,558	15,855,005	156,705,911	407,163,660
Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	220,397,350	9,909,902	2,286,556	8,892,048	10,301,881	251,787,737	118,706,273
Less: Outstanding Claim at the end of the previous year	283,130,815	75,019,169	2,343,172	21,843,606	26,156,886	408,493,648	525,869,933
Expenses for management	59,130,583	37,556,735	2,066,695	9,582,090	10,370,170	118,706,273	147,335,311
	224,000,232	37,462,434	276,477	12,261,516	15,786,716	289,787,375	378,534,622
<b>Commission</b>	192,080,075	160,797,033	10,405,406	30,794,321	41,422,930	435,499,764	407,237,369
Profit transfer to Profit & Loss Account	153,021,865	128,871,134	8,385,068	25,668,039	36,024,760	351,970,865	323,878,024
	(63,160,839)	276,697,133	29,235,587	62,453,362	61,762,340	366,987,583	341,052,528
<b>Balance on Account at the end of the year as shown in statement of financial position :</b>							
Reserve for unexpired risks being 40% of Fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull Premium income of the year.	149,434,370	237,365,385	39,786,508	56,122,065	60,562,427	543,270,755	509,057,036
<b>Total</b>	<b>655,375,703</b>	<b>841,193,118</b>	<b>88,089,045</b>	<b>187,299,303</b>	<b>215,559,172</b>	<b>1,987,516,341</b>	<b>1,959,759,579</b>

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

  
**Mohammad Jafar Ali, FCS**  
 Company Secretary

  
**Amar krishna Shil, FCA**  
 Chief Financial Officer

  
**Syed Sahab Ullah Al-Manjur, ACII (UK)**  
 Chief Executive Officer

  
**Muhammad Jamaluddin**  
 Independent Director

  
**Tajwar M. Awal**  
 Director

  
**Syed M. Akaf Hussain**  
 Chairman

Signed in terms of our separate report of even date annexed.

**Abu Nasser FCA**  
 Enrollment No. 1546  
 Partner,  
**Islam Quazi Shafique & Co.**  
 Chartered Accountants

**Place: Dhaka**  
 Date: 17 April 2025  
 DVC: 2504221546A55853 10

**PRAGATI INSURANCE LIMITED**  
**Fire Insurance Revenue Account**  
**For the year ended 31 December 2024**

Particulars	Amount in Taka	
	31.12.2024	31.12.2023
Balance of account at the beginning of the year :		
Reserve for unexpired risk	126,628,335	101,876,581
Premium less : Re-Insurance	373,585,925	316,570,838
Commission on Re-insurance ceded	155,161,443	107,052,104
	<b>655,375,703</b>	<b>525,499,523</b>
Claims under policies		
Less : Re-insurance : Paid during the year	62,733,465	275,503,663
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	220,397,350	59,130,583
	283,130,815	334,634,246
Less : Outstanding claims at the end of the previous year	(59,130,583)	(101,183,198)
	224,000,232	233,451,048
Expenses of management	192,080,075	106,896,358
Commission	153,021,865	135,890,197
Profit transferred to Statement of Profit or Loss	(63,160,839)	(77,366,415)
Balance of account at the end of the year as shown in statement of financial position :		
Reserve for unexpired risks, being 40% of the fire premium income of the year	149,434,370	126,628,335
	<b>655,375,703</b>	<b>525,499,523</b>

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

  
Mohammad Jafar Ali, FCS  
Company Secretary

  
Amar Krishna Shil, FCA  
Chief Financial Officer

  
Syed Sehab-Ullah Al-Manjur, ACII (UK)  
Chief Executive Officer

  
Muhammad Jamaluddin  
Independent Director

  
Tajwar M. Awal  
Director

  
Syed M. Altaf Hussain  
Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: 17 April 2025  
DVC: 2504221546AS585310

  
Abu Nasser FCA  
Enrolment No. 1546  
Partner,  
Islam Quazi Shafique & Co.  
Chartered Accountants

## PRAGATI INSURANCE LIMITED

### Marine Insurance Revenue Account

For the year ended 31 December 2024

Particulars	Amount in Taka	
	31.12.2024	31.12.2023
Balance of Account at the beginning of the year :		
Reserve for unexpired risk	231,837,875	317,319,304
Premium Less : Re-Insurance	593,413,462	624,007,694
Commission on Re-Insurance Ceded	15,941,781	68,519,803
	<b>841,193,118</b>	<b>1,009,846,801</b>
Claims under Policies		
Less : Re-Insurance: Paid during the year	65,109,267	81,067,647
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	9,909,902	39,623,430
	<b>75,019,169</b>	<b>120,691,077</b>
Less : Outstanding Claims at the end of the previous year	37,556,735	33,701,304
	<b>37,462,434</b>	<b>86,989,773</b>
Expenses of Management	160,797,033	210,708,448
Commission	128,871,134	133,627,630
Profit transferred to Statement of Profit or Loss	276,697,133	302,270,069
Balance of Account at the end of the year as shown in statement of financial position:		
Reserve for unexpired risks being 40% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	237,365,385	276,250,881
	<b>841,193,118</b>	<b>1,009,846,801</b>

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

  
**Mohammad Jafar Ali, FCS**  
Company Secretary

  
**Amar Krishna Shil, FCA**  
Chief Financial Officer

  
**Syed Saib Ullah Al-Manjur, ACII (UK)**  
Chief Executive Officer

  
**Muhammad Jamaluddin**  
Independent Director

  
**Tajwar M. Awal**  
Director

  
**Syed M. Akaf Hussain**  
Chairman

Signed in terms of our separate report of even date annexed.

**Abu Nasser FCA**  
Enrolment No. 1546  
Partner,  
**Islam Quazi Shafique & Co.**  
Chartered Accountants

Islam Quazi Shafique & Co.  
Chartered Accountants

**Place: Dhaka**

Date: 17 April 2025

DVC: 2504221546ASS585310

**PRAGATI INSURANCE LIMITED**  
**Miscellaneous & Motor Insurance Revenue Account**  
 For the year ended 31 December 2024

Particulars	Motor	Misc	Amount in Taka	
			31.12.2024	31.12.2023
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	46,994,140	59,183,680	106,177,820	154,787,323
Premium Less : Re-Insurance	140,305,163	151,406,067	291,711,230	265,444,550
Commission on Re-Insurance Ceded	-	4,969,425	4,969,425	4,181,382
	<b>187,299,303</b>	<b>215,559,172</b>	<b>402,858,475</b>	<b>424,413,255</b>
Claims under Policies				
Less : Re-Insurance: Paid during the year	12951558	15,855,005	28,806,563	50,592,350
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	8,892,048	10,301,881	19,193,929	19,952,260
	<b>21,843,606</b>	<b>26,156,886</b>	<b>48,000,492</b>	<b>70,544,610</b>
Less : Outstanding Claims at the end of the previous year	9,582,090	10,370,170	19,952,260	12,450,809
	<b>12,261,516</b>	<b>15,786,716</b>	<b>28,048,232</b>	<b>58,093,801</b>
Expenses of Management	30,794,321	41,422,930	72,217,250	89,632,563
Commission	25,668,039	36,024,760	61,692,799	54,360,196
Profit transferred to Statement of Profit or Loss	62,453,362	61,762,340	124,215,702	116,148,875
Balance of Account at the end of the year as shown in statement of Financial Position:				
Reserve for unexpired risks being 40% of the Motor Premium income 40% of the Miscellaneous Premium Income of the year	56,122,065	60,562,427	116,684,492	106,177,820
	<b>187,299,303</b>	<b>215,559,172</b>	<b>402,858,475</b>	<b>424,413,255</b>

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

  
**Mohammad Jafar Ali, FCS**  
 Company Secretary

  
**Amar Krishna Shil, FCA**  
 Chief Financial Officer

  
**Syed Saleh Ullah Al-Manjur, ACI (UK)**  
 Chief Executive Officer

  
**Muhammad Jamaluddin**  
 Independent Director

  
**Tajwar M. Awal**  
 Director

  
**Syed M. Akraf Hussain**  
 Chairman

Signed in terms of our separate report of even date annexed.



**Abu Nasser FCA**  
 Enrolment No. 1546  
 Partner,  
**Islam Quazi Shafique & Co.**  
 Chartered Accountants

Islam Quazi Shafique & Co.  
 Chartered Accountants

**Place: Dhaka**  
 Date: 17 April 2025  
 DVC: 2504221546ASS5853 10

**PRAGATI INSURANCE LIMITED**  
**Statement of Changes of Shareholders Equity**  
For the year ended 31 December 2024

Particulars	Share capital		Reserve for exceptional losses	Contingency Reserve for Insurance Guarantees		Asset Revaluation Surplus		Investment Fluctuation Reserve (Fair Value Changes)		General Reserve		Retained Earnings		Total equity	
	Taka	Taka		Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
<b>Balance at 1 January 2024</b>	688,698,450	1,370,339,804	169,113,501	1,351,888,108	158,686,509	93,212,532	229,246,069	4,061,184,973							
Dividend paid (shares)	48,208,900	-	-	-	-	-	(48,208,900)	(137,739,690)							
Dividend paid (cash)	-	-	-	-	-	-	-	413,344,585							
Net profit during the year	-	129,849,713	20,667,229	-	-	-	(129,849,713)	(20,667,229)							
Reserve for exceptional losses for the year	-	-	-	-	-	-	-	(41,334,458)							
Transferred to Contingency reserve	-	-	-	-	-	-	-	13,856,494							
Transferred to General reserve	-	-	-	(13,856,494)	-	-	-	-							
Depreciation on Revalued Assets	-	-	-	-	-	-	-	-							
Fair value changes during the year	-	-	-	-	(93,353,850)	-	-	-							
<b>Balance at 31 December 2024</b>	<b>736,907,350</b>	<b>1,500,189,517</b>	<b>189,780,730</b>	<b>1,338,031,613</b>	<b>65,332,659</b>	<b>134,546,991</b>	<b>278,647,158</b>	<b>4,243,436,018</b>							

**Statement of Changes of Shareholders Equity**  
For the year ended 31 December 2023

<b>Balance at 1 January 2023</b>	655,903,290	1,249,737,496	150,640,334	1,366,949,514	173,391,810	56,266,199	217,514,123	3,870,402,767							
Dividend paid (shares)	32,795,160	-	-	-	-	-	(32,795,160)	(163,975,827)							
Dividend paid (cash)	-	-	-	-	-	-	-	369,463,334							
Net profit during the year	-	120,602,308	-	-	-	-	-	(120,602,308)							
Reserve for exceptional losses for the year	-	-	-	-	-	-	-	(18,473,167)							
Transferred to Contingency reserve	-	-	18,473,167	-	-	-	-	36,946,333							
Transferred to General reserve	-	-	-	(15,061,407)	-	-	-	15,061,407							
Depreciation on Revalued Assets	-	-	-	-	-	-	-	-							
Fair value changes during the year	-	-	-	-	(14,705,301)	-	-	-							
<b>Balance at 31 December 2023</b>	<b>688,698,450</b>	<b>1,370,339,804</b>	<b>169,113,501</b>	<b>1,351,888,108</b>	<b>158,686,509</b>	<b>93,212,532</b>	<b>229,246,069</b>	<b>4,061,184,973</b>							

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

Islam Quazi Shafique & Co.  
Chartered Accountants

 <b>Mohammad Jafar Ali, FCS</b> Company Secretary	 <b>Amar Krishna Shil, FCA</b> Chief Financial Officer	 <b>Syed Sahab Ullah Al-Manjur, ACII (UK)</b> Chief Executive Officer	 <b>Muhammad Jamaluddin</b> Independent Director
 <b>Tajwar M. Awal</b> Director	 <b>Syed M. Akraf Hussain</b> Chairman		

Signed in terms of our separate report of even date annexed.

**Abu Nasser FCA**  
Enrolment No. 1546  
Partner,  
**Islam Quazi Shafique & Co.**  
Chartered Accountants

**Place: Dhaka**

Date: 17 April 2025

DVC: 2504221546A5585310

**PRAGATI INSURANCE LIMITED**  
**Statement of Cash Flows**  
For the year ended 31 December 2024

Particulars	Notes	Amount in Taka	
		31.12.2024	31.12.2023
<b>A. Cash Flow from operating Activities</b>			
Collection from Premium & Other income		2,615,580,460	2,499,998,676
Payment for Expenses of Management, Re-insurance, Claim and Commission etc.		(1,937,579,871)	(2,137,239,721)
Interest Paid		(5,559,706)	(6,595,185)
VAT and Tax paid to government Treasures		(425,806,159)	(345,658,011)
<b>Net Cash Flow From Operating Activities</b>	<b>36.01</b>	<b>246,634,724</b>	<b>10,505,759</b>
<b>B. Cash Flow from Investing Activities</b>			
Interest & other Income		861,109	390,439
Dividend Income		24,075,867	24,796,372
Rental Income		72,050,345	67,858,952
Purchase of Fixed Assets		(14,876,773)	(51,207,502)
Bangladesh Government Treasure Bond		(200,772,283)	-
Net Fund adjustment with Brokers house		(15,051,690)	(25,097,292)
<b>Net Cash Flow From Investing Activities</b>		<b>(133,713,424)</b>	<b>16,740,969</b>
<b>C. Cash Flow from Financing Activities</b>			
Increase/(Decrease) of bank Overdraft		(142,022,037)	142,063,113
Dividend Paid		(134,413,297)	(158,530,162)
<b>Net Cash Flow From Financing Activities</b>		<b>(276,435,334)</b>	<b>(16,467,049)</b>
<b>Increase/Decrease in Cash Flow(A+B+C)</b>		<b>(163,514,034)</b>	<b>10,779,678</b>
Opening Cash and Cash equivalent		2,085,646,652	2,074,866,974
Closing Cash and Cash equivalent		1,922,132,617	2,085,646,652
<b>Net operating cash flow per share of Tk. 10 each</b>		<b>3.35</b>	<b>0.14</b>

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

  
Mohammad Jafar Ali, FCS  
Company Secretary

  
Amar Krishna Shil, FCA  
Chief Financial Officer

  
Syed Sehab-Ullah Al-Manjur, ACII (UK)  
Chief Executive Officer

  
Muhammad Jamaluddin  
Independent Director

  
Tajwar M. Awal  
Director

  
Syed M. Ataf Hussain  
Chairman

Signed in terms of our separate report of even date annexed.

  
Abu Nasser FCA  
Enrolment No. 1546  
Partner,  
Islam Quazi Shafique & Co.  
Chartered Accountants

Place: Dhaka  
Date: 17 April 2025  
DVC: 2504221546AS585310

**PRAGATI INSURANCE LIMITED**  
**Notes to the Financial Statements**  
As at December 31, 2024

**1.00 General Information**

**1.01 Legal form of the Company**

The Company was incorporated as a public company limited by shares on 27 January 1986 and obtained the Certificate of incorporation no. C-15249/815 of Business from the Registrar of Joint Stock Companies, Bangladesh with effect from 27 January 1986. The Company is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

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

**1.02 Principal activities and nature of operations**

The primary objectives of the company are to carry on all kinds of non life insurance business . The company's non life insurance products includes fire and allied perils insurance, marine cargo and hull insurance, aviation insurance, automobile insurance and miscellaneous insurance. Non-life healthcare contracts provide medical cover to policyholders. Revenue under above activities is derived primarily from insurance premiums.

**1.03 Reporting period**

The financial statements of the Company consistently cover one calendar year starting from 1st January to 31st December.

**1.04 Date of Financial Statements authorized for issue**

Financial Statements of the Company for the year ended December 31, 2024 were authorized for issue on April 17, 2025 in accordance with a resolution of the Board of Directors.

**1.05 Structure, content and presentation of financial statements**

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

- i) Statement of Financial Position as at 31 December 2024;
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2024;
- iii) Statement of Changes of Shareholders Equity for the year ended 31 December 2024;
- iv) Statement of cash flows for the year ended 31 December 2024;
- v) Consolidated all Business Revenue Account for the year ended 31 December 2024;
- vi) Fire Insurance Revenue Account for the year ended 31 December 2024;
- vii) Marine Insurance Revenue Account for the year ended 31 December 2024;
- viii) Motor Insurance Revenue Account for the year ended 31 December 2024;
- ix) Miscellaneous Insurance Revenue Account for the year ended 31 December 2024; and
- x) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2024.

**2.00 Summary of significant accounting and related policies**

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

**2.01 Basis of preparation**

The financial statements of the Company have been prepared under historical cost convention in a going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles and practice in Bangladesh except property, plant & equipment. Disclosure of financial information as required by Insurance Act 2010 have been complied with while preparing statement of financial position, statement of profit or loss and other comprehensive income and revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Companies Act 1994. In addition, the Bangladesh Securities and Exchange Commission Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) have also been complied with.

**2.03 Going Concern**

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

**2.05 Use of accounting estimates and judgments**

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

**2.06 Operation**

During the year, the gross premium earned by the company amount to Tk. 2,503,645,915 including public sector business of Tk.101,002,738. After ceding for re-insurance premium the net premium for the year amount to Tk. 1,298,497,125 and after charging direct expenses therefrom the net Underwriting profit stood at Tk. 366,987,583 as against Tk. 341,052,528 of previous year.

**2.07 Public Sector Business**

Public Sector Business up to June 2024 has been accounted for on the basis of statement received from Sadharan Bima Corporation.

**2.08 Taxation**

Income tax on earnings for the year comprises current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the statement of profit or loss and other comprehensive income statements as tax expense.

**i. current Tax**

Provision for income tax has been made @ 37.5% as per Finance Act 2023 of the profit made by the company considering taxable add-back of income and disallowance of expenditure.

**ii. Deferred Tax**

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

## **2.10 Revenue Recognition**

### **i. Premium Income:**

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

### **ii. Re-insurance commission**

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

### **iii. Interest on Statutory and other Investments**

Interest on debentures, Bangladesh Government Treasury Bond and FDRs are recognized on accrual basis. Interest on STD account recognized as other income.

### **iv. Gain and Loss on Shares and Debentures**

Gain and loss on sale of shares and dividend income earned during the year have been shown in the Statement of Profit or Loss and Other Comprehensive income 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.

### **v. Dividend Income:**

Dividend are recognized in profit or loss only when the company's right to receipts payment of the dividend is established.

### **vi. Other Income:**

Any other income is recognised on accrual basis.

## **2.11 Benefits, claims and expenses recognition**

### **i. Gross benefits and claims**

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

### **ii. Reinsurance claims**

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

## **2.12 Management Expenses**

Management expenses as charged to Revenue Accounts amounting to Tk.435,499,764 represents approximately 17.39% of gross premium of Tk.2,503,645,915. The expenses have been apportioned @ 44.11% to Fire, 39.31% to Marine and 16.58% to Motor & miscellaneous business as per management decision.

### 2.13 Provision for Unexpired Risks

Before arriving at the surplus of each class of business necessary provision for unexpired risks have been created at the rate of 40% on all business except on Marine Hull business for which the provision was made @ 100% of the total premium for the year 2024.

### 2.14 Property, plant and equipment

#### 2.14.01 Recognition and measurement

Property, plant and equipment are recognized if there is a possibility that future economic benefits associated with the property will flow into the organization and the cost of resources can be reliably measured. Items of property, plants and equipment are measured at cost less accumulated depreciation.

#### 2.14.02 Revaluations

Revaluation on freehold land and building is performed by Qualified Professional in 2011. The frequency of revaluations depends upon the movements in the fair values of the items of property, plant and equipment being revalued. The revaluation surplus is recognized in the net carrying amount of the assets and is transferred to revaluation reserve after restating the asset at the revalued amount. Any revaluation gain is directly recognized in the Statement of Other Comprehensive Income but if any revaluation loss arises which has been previously recognized in the revaluation reserve is debited to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

#### 2.14.03 Depreciation on Fixed Assets

Depreciation is calculated on Diminishing Balance to write off the Assets over their expected useful lives where as previous year was straight line method .Depreciation on additions made during the year when the assets is available for use .Depreciation on disposal of assets is made up to the month prior to the month of disposal .Gains and losses on disposal of fixed Assets are included in current year's income and expense respectively.Major repairs and renewals are capitalized in the year in which these are incurred . As a Result of the uncertainties inherent in business activities ,many items in financial statements cannot be measured with precision but can only be estimated .Estimation involves judgements based on the latest available, reliable information.For example ,estimates were made on the useful lives of the future economics benefits embodied in,depreciation assets .During the year 2025,useful lives of fixed assets have been revised as under:

<u>Category of Assets</u>	<u>Rate of Depreciation</u>
Building	2%
Furniture	10%
Fixtures	15%
Motor Vehicles	20%
Office & Electrical Equipment	15%
Miscellaneous Items	20%

### 2.15 Employees' Benefit Scheme

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

#### i. Gratuity Fund

The company has a funded Gratuity scheme for all eligible employees who completed minimum 5 years of confirmed service with the company. The scheme is approved by the National Board of Revenue (NBR) and administrated by a duly constituted Board of Trustees.

#### ii. Contributory Provident Fund

The company has a contributory provident Fund for its regular employee. The fund is approved by The National Board of Revenue and managed by a duly constituted Board of Trustees.

### **iii. Other Benefits**

The company also provides other benefits to its employees like group insurance scheme, Incentive bonus, House building loan etc.

### **iv. Workers' Profit Participation Fund (WPPF):**

As per the Bangladesh Labour Act, 2006 an employer is required to pay 5% of its net profit to the (1) Worker Participation Fund (2) Worker Welfare Fund and (3) Labour Trust Foundation Fund for further appropriate disbursement to the beneficiaries as defined under the Act. There is significant ambiguity around the inclusion of Bank, Financial Institutions and Insurance Companies within the scope of chapter XV: Workers Profit Participation Fund (WPPF) under the Labour Act 2006 as amendment in 2013. As such the Bank and Financial Institution Division, Ministry of Finance Government of the People Republic of Bangladesh vide its letter dated February 14, 2017 requested the Ministry of Labour and Employment not to apply chapter XV: Workers Profit Participation Fund (WPPF) under the Labour Act 2006 as amended is 2013 for bank and financial institution which was endorsed by the Bangladesh Insurance Association to all insurance companies operating in Bangladesh. On the basis of the facts as started above the management of the company believes that the possibility of a legal obligation to pay for Workers' Profit Participation Fund is bleak at the present stage. Therefore, in consistent with the widely accepted industry practice no provision for workers participation fund has been made by the company in the reporting period for the WPPF.

### **2.16 Interest Expense**

The Company has incurred interest and related expenses on account of overdraft, leases and short term loan. Interest expenses are recognized on accrual basis.

### **2.17 Earnings per share**

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of statement of profit or loss and other comprehensive income .

Basic earnings per shares have been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding for the year

### **2.18 Accounting for changes in accounting estimates**

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

### **2.19 Contingent liability and contingent assets**

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

### **2.20 Related Party Disclosures**

Pragati Insurance in normal course of business carried out a number of transactions with other entities that fall within the definition of related parties contained in Bangladesh Accounting Standard 24: 'Related Parties Disclosers'. All transactions involving related parties arising the normal course of business and on a arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details transactions with related parties and balances with them as at December 31,2024 were as follows:

Sl. No.	Name of the Client	Relationship	Nature of Business	Net Premium Jan. to Dec.- 2024	Claim paid Jan. to Dec. 2024
01	W & W Grains Corporation	Common Director	Insurance	2,072,093	-
02	Multimode Group	Common Director	Insurance	10,477,271	13,455,290
03	Abdul Monem Ltd.	Common Director	Insurance	17,811,810	-
04	KDS Group	Common Director	Insurance	58,428,884	364,825
05	Mc-Donald Group	Common Director	Insurance	-	-
06	Prostar Group	Common Director	Insurance	2,034,920	-
07	Armana Group	Common Director	Insurance	29,707,154	76,050
08	Chowdhury Group	Common Director	Insurance	-	-
09	Concord Pragatee Consortium	Common Director	Insurance	1,163,875	-
10	MKR Group	Common Director	Insurance	310,296	-
<b>Total</b>				<b>122,006,303</b>	<b>13,896,165</b>

### 2.21 Consistency of Presentation

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

### 2.22 Reporting Currency

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

### 2.23 General

i. Figures appearing in these financial statements have been rounded off to the nearest BDT .

ii. Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current year's presentation.

### 2.24 Status of Compliance of Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards

In preparing financial statements, we applied following IAS and IFRS:

Name of the IAS	IAS No.	Status of application
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statements Cash flow	7	Applied
Accounting Policies, Changes in Accounting estimates and errors 8	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant & Equipments	16	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants and Discloser of Govt. Assistants	20	N/A

Name of the IAS	IAS No.	Status of application
The effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Financial Reporting in Hyperinflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition & Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status of application
First Adoption of IFRSs	1	N/A
Share based payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	Applied
Non- Current assets Held for Sales and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosure	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidate Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferred Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Lease	16	Applied

## 2.25 Valuation of Assets

The value of all assets at 31 December 2024 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 Statement of financial position at amounts at their respective book values which in the aggregate do not exceed their aggregate market value.

		Amount in Taka	
		31.12.2024	31.12.2023
<b>3.00</b>	<b>Head office Building:</b>		
	Owner occupied property (IAS 16) 3.01	139,031,339	141,868,714
	Building as investment property (IAS 40) 3.02	1,006,333,742	1,026,871,165
	Electrical Equipment 3.03	-	-
	<b>Balance at the year end</b>	<b>1,145,365,081</b>	<b>1,168,739,879</b>
<b>3.01</b>	<b>Building space for owner occupied (IAS 16):</b>		
	<b>Balance at the beginning of the year</b>	197,039,880	197,039,880
	Addition during the year	-	-
	<b>Balance at the year end</b>	<b>197,039,880</b>	<b>197,039,880</b>
	<b>Accumulated Depreciation:</b>		
	Balance at the beginning of the year	55,171,166	51,230,369
	Addition during the year	2,837,374	3,940,798
	<b>Balance at the year end</b>	<b>58,008,541</b>	<b>55,171,166</b>
	<b>Carrying Amount</b>	<b>139,031,339</b>	<b>141,868,714</b>
<b>3.02</b>	<b>Building as investment property (IAS, 40)</b>		
	<b>Balance at the beginning of the year</b>	1,116,164,310	1,116,164,310
	Addition during the year	-	-
	Sales/ Adjustment during the year	-	-
	<b>Balance at the year end</b>	<b>1,116,164,310</b>	<b>1,116,164,310</b>
	<b>Accumulated Depreciation:</b>		
	Balance at the beginning of the year	89,293,145	66,969,859
	Addition during the year	20,537,423	22,323,286
	Sales/ Adjustment during the year	-	-
	<b>Balance at the year end</b>	<b>109,830,568</b>	<b>89,293,144.80</b>
	<b>Carrying Amount</b>	<b>1,006,333,742</b>	<b>1,026,871,165</b>
<b>3.03</b>	<b>Electrical Equipment:</b>		
	<b>Balance at the beginning of the year</b>	21,237,336	21,237,336
	Addition during the year	-	-
	Sales/ Adjustment during the year for power substation	-	-
	<b>Balance at the year end</b>	<b>21,237,336</b>	<b>21,237,336</b>
	<b>Accumulated Depreciation:</b>		
	Balance at the beginning of the year	21,237,336	21,237,336
	Addition during the year	-	-
	Sales/ Adjustment during the year for power substation	-	-
	<b>Balance at the year end</b>	<b>21,237,336</b>	<b>21,237,336</b>
	<b>Carrying Amount</b>	<b>-</b>	<b>-</b>

Amount in Taka	
31.12.2024	31.12.2023

**4.00 Panthapath Building :**

Two Storied Commercial Building under construction at panthapath land

Opening Balance	49,836,768	49,836,768
Add: Addition during the year	37,302,304	
	<b>87,139,072</b>	<b>49,836,768</b>

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

**5.00 Freehold Land - Panthapath:**

Opening balance	887,627,023	887,627,023
Add.: Addition during the year	-	-
Closing Balance	<b>887,627,023</b>	<b>887,627,023</b>

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

**6.00 Other Fixed Assets :**

**Cost:**

**Balance at the beginning of the year**

	316,575,474	265,917,972
Addition during the year	14,876,773	51,207,502
Sales/ Adjustment during the year	(703,000)	(550,000)

**Balance at the year end**

**330,749,247**      **316,575,474**

**Accumulated Depreciation:**

Balance at the beginning of the year	196,240,786	184,884,850
Addition during the year	20,591,443	11,905,936
Sales/ Adjustment during the year	(703,000)	(550,000)

**Balance at the year end**

**216,129,229**      **196,240,786**

**Carrying Amount**

**114,620,018**      **120,334,688**

**7.00 Right of use (ROU) Assets:**

Opening Balance	33,216,837	40,758,999
Add: Addition during the year	657,517	4,962,372
Less: Accumulated Depreciation	14,510,546	12,504,535
Closing Balance	<b>19,363,808</b>	<b>33,216,837</b>

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

**8.00 Investment :**

Bangladesh Government Treasury Bond	8.01	558,693,059	357,920,776
Investment in Shares	8.02	535,934,426	614,236,586
Holiday Homes		4,130,090	4,130,090
		<b>1,098,757,575</b>	<b>976,287,453</b>

		Amount in Taka	
		31.12.2024	31.12.2023
<b>8.01</b>	<b>Bangladesh Government Treasury Bond :</b>		
	The amount represents 5 to 15 years Bangladesh Government Treasury Bond (BGTB) with a face value of TK. 558,693,059 held with Bangladesh Bank as statutory Deposit under Insurance Act ,2010.		
	Opening Balance	357,920,776	357,920,776
	Addition during the year	200,772,283	
	Less. Encashment during the year	-	-
	<b>Closing Balance</b>	<b>558,693,059</b>	<b>357,920,776</b>
<b>8.02</b>	<b>Investment in Shares :</b>		
	Values of Shares at cost	470,601,767	455,550,077
	Change in Fair value of shares through OCI, (5.7.10 IFRS 09) note 8.03	65,332,659	158,686,509
		<b>535,934,426</b>	<b>614,236,586</b>

Break up of Share as on December 31, 2024	No of shares	At cost	Market Value
ACME Pesticides Limited	13,380	136,800	172,602
National Bank Ltd.	2,335,856	32,565,438	11,445,694
Global Islami Bank PLC	364,522	3,309,330	1,786,158
Southeast Bank Ltd.	459,414	7,259,905	4,272,550
LafargeHolcim Bangladesh Limited	100,000	9,680,236	5,350,000
Heidelberg Cement Bangladesh Ltd.	5,000	1,213,129	1,107,500
Golden Son Ltd.	183,750	8,176,875	2,737,875
KDS Accessories Limited	40,295	1,969,569	1,378,089
Runner Automobiles PLC	7,566	540,439	197,473
S. S. Steel Limited	28,436	743,675	247,393
International Leasing & Financial Services Ltd.	93,933	2,746,601	347,552
LankaBangla Finance PLC	137,531	5,583,331	2,558,077
Olympic Industries Ltd.	100,200	24,381,664	15,831,600
British American Tobacco Bangladesh Company Limited	51,820	26,466,552	19,049,032
Shahjibazar Power Co. Ltd.	46,244	5,341,611	1,521,428
Titas Gas Transmission & Dist. Co. Ltd.	73,500	2,450,479	1,536,150
Delta Life Insurance Company Ltd.	60,711	11,646,384	4,844,738
Green Delta Mutual Fund	40,000	290,870	140,000
Reliance Insurance Ltd.	50,000	4,441,295	2,860,000
Desh General Insurance Company Limited	4,702	48,851	110,027
Islami Commercial Insurance Company	8,799	90,990	189,179
Meghna Insurance Ltd	3,985	42,850	111,182
Bangladesh Export Import Company Ltd.	123,318	18,577,235	13,577,312
ACI (Advanced Chemical Industries) Ltd.	6,037	1,370,148	842,765
Beximco Pharmaceuticals Ltd.	20,000	1,614,830	1,632,000
Square Pharmaceuticals PLC	116,060	25,892,609	25,266,262
Samorita Hospital Ltd.	304,078	16,554,081	15,781,648
Delta Speiner Ltd.	121,000	1,994,080	532,400
Dacca Dyeing and Manufacturing co.Ltd	310,000	4,049,478	3,999,000
Esquire Knit Composite PLC	20,890	940,050	407,355
Square Textiles PLC	40,028	2,709,996	1,977,383
Dulamia Cotton Spinning Mills Ltd.	100,000	7,308,008	8,200,000
Pragati Life Insurance Ltd.	658,260	41,066,730	86,100,408
Kay & Que (Bangladesh) Ltd.	103,162	8,327,896	22,602,794
National Housing Finance PLC	5,324,462	49,932,168	141,630,689
Familytex (BD) Limited	76,403	1,746,573	191,008
Unique Hotel & Resorts PLC	64,500	6,829,905	2,838,000
<b>Total</b>	<b>11,597,842</b>	<b>338,040,662</b>	<b>403,373,321</b>

				Amount in Taka	
				31.12.2024	31.12.2023
<b>Non- Tradable</b>					
Central Depository Bangladesh. Ltd	1,142,362	3,138,890	3,138,890		
Ind. & Infrastructure Dev. Finance Co.	13,380,903	31,183,820	31,183,820		
Jamuna Resort Ltd.	392,009	43,900,895	43,900,895		
United Hospital Ltd.	220,500	54,337,500	54,337,500		
<b>Non- Tradable</b>	<b>15,135,774</b>	<b>132,561,105</b>	<b>132,561,105</b>		
<b>Grand-Total</b>	<b>26,733,616</b>	<b>470,601,767</b>	<b>535,934,426</b>		

The company has made investment in capital market in a large portfolio and income generated from investment (realized gain and dividend received) is credited to Statement of Comprehensive Income. Unrealized capital gain if any is transferred to investment Fluctuation Fund. Investment in shares that do not have any quoted market price in the active market and whose fair value can not be measured reliably, are recognised at cost.

**8.03 Changes in fair value of the shares available for sale:**

Fair Value of the Investment	403,373,321	481,675,481
Less: Cost price of the investment	(338,040,662)	(322,988,972)
<b>Fair value reserve as at 31 December 2024</b>	<b>65,332,659</b>	<b>158,686,509</b>
Less: Fair value reserve as at 1 January 2024	158,686,509	173,391,810
Fair value adjustment for the year	<b>(93,353,850)</b>	<b>(14,705,301)</b>

**9.00 Amount due from other persons or bodies carrying on insurance business :**

Co-Insurance premium receivable	2,286,243	2,247,956
Co-Insurance claim receivable	430,857	2,770,783
Refund Co-Insurance premium receivable	41,001	343,006
Re insurance Receivable Overseas (Tk.321,691,659-Tk.260,698,169)	60,993,490	215,018,898
	<b>63,751,591</b>	<b>220,380,643</b>

**10.00 Dividend & Debenture Interest Receivable :**

Opening Balance	2,597,873	2,191,923
Addition during the year	19,443,794	19,837,098
	<b>22,041,668</b>	<b>22,029,021</b>
Less. Collection during the year	20,675,289	19,431,148
<b>Closing Balance</b>	<b>1,366,379</b>	<b>2,597,873</b>

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

Advance against Salary	15,127,414	16,364,908
Advance against Rent	14,790,453	20,349,862
Advance against Expenses	27,398,583	10,466,316
Jamuna Resort Ltd.	38,192,552	38,192,552
Security Deposits	2,862,820	2,362,820
Group Insurance	4,877,369	4,732,559
Advance against Insurance Management Software	54,825,700	44,825,700
	<b>158,074,891</b>	<b>137,294,717</b>

		Amount in Taka	
		31.12.2024	31.12.2023
<b>12.00</b>	<b>Premium Control Account:</b>		
	Fire	122,199	191,751
	Marine (Cargo & Hull)	16,782,488	15,811,252
	Motor	257,396	527,318
	Misc	-	-
		<b>17,162,083</b>	<b>16,530,321</b>
	Total amount of premium control account has been realised within February 2025.		
<b>13.00</b>	<b>Advance Payments of Tax :</b>		
	Opening balance	640,051,509	564,709,539
	Add: Advance Tax paid/deduction at source during the year	206,990,118	126,841,970
		847,041,627	691,551,509
	Less: Adjustment made during the year	369,322,216	51,500,000
	<b>Closing Balance</b>	<b>477,719,411</b>	<b>640,051,509</b>
<b>13.01</b>	<b>Advance Tax paid/deduction at source during the year:</b>		
	Deduction At Source from FDR Interest	28,421,205	23,114,232
	Deduction At Source from BGTB Interest	1,631,892	1,073,514
	Deduction At Source from STD Interest	1,176,384	707,040
	Deduction At Source from Dividend Income	4,905,348	4,959,274
	Deduction At Source from office Rent	4,310,164	3,491,657
	Tax against Motor Maintenance	2,535,000	1,202,406
	Advance Income Tax Paid	164,010,125	92,293,847
		<b>206,990,118</b>	<b>126,841,970</b>
<b>14.00</b>	<b>Cash and cash equivalent:</b>		
	<b>In hand</b>		
	Cash in hand (Head Office and Branch)	5,720,700	2,058,641
	Brokerage house ledger Balance	1,715,454	4,892,908
	Stamps in hand	796,800	1,014,000
		<b>8,232,954</b>	<b>7,965,549</b>
	<b>At banks</b>		
	Fixed deposits Receipts (FDR)	1,811,220,000	1,931,295,000
	Short term deposit (STD)& Current accounts	102,679,663	146,386,103
		<b>1,913,899,663</b>	<b>2,077,681,103</b>
		<b>1,922,132,617</b>	<b>2,085,646,652</b>
<b>15.00</b>	<b>Share capital:</b>		
	Authorized:		
	200,000,000 ordinary shares of Tk 10 each	<b>2,000,000,000</b>	<b>2,000,000,000</b>
	<b>Issued, subscribed and paid up:</b>		
	<b>73,690,735 ordinary Shares of Tk 10 each fully paid up</b>	<b>736,907,350</b>	<b>688,698,450</b>
	6,100,000 Ordinary shares of Tk.10 each fully paid up in cash	61,000,000	61,000,000

	Amount in Taka	
	31.12.2024	31.12.2023
1,220,000 Ordinary shares of Tk.10 each fully paid up as bonus share(20%) allotted in 1997	12,200,000	12,200,000
2,196,000 Ordinary shares of Tk.10 each fully paid up as bonus share(30%) allotted in 2002(out of general reserve as at 31st December 2001)	21,960,000	21,960,000
2,379,000 Ordinary shares of Tk.10 each fully paid up as bonus share(25%) allotted in 2003(out of general reserve as at 31st December 2002)	23,790,000	23,790,000
3,211,650 Ordinary shares of Tk.10 each fully paid up as bonus share(27%) allotted in 2004(out of Share Premium)	32,116,500	32,116,500
3,776,650 Ordinary shares of Tk.10 each fully paid up as bonus share(25%) allotted in 2005(out of Share Premium)	37,766,500	37,766,500
2,832,500 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2006(out of Share Premium & General reserve)	28,325,000	28,325,000
3,257,370 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2007(out of Share Premium & General reserve)	32,573,700	32,573,700
8,740,600 Ordinary shares of Tk.10 each fully paid up as bonus share(35%) allotted in 2008(out of net Profit)	87,406,000	87,406,000
50,570,600 Ordinary shares of Tk.10 each fully paid up as bonus share(15%) allotted in 2008(out of net Profit)	50,570,600	50,570,600
38,770,830 Ordinary Shares of Tk 10 each fully Paid up bonus share (10%) allotted in 2009 (Out of General Reserve and Dividend Equalisation Reserve)	38,770,700	38,770,700
42,647,900 Ordinary Shares of Tk 10 each fully Paid up bonus share (5%) allotted in 2010 (Out of Net Profit)	21,323,950	21,323,950
4,478,0295 Ordinary Shares of Tk 10 each fully Paid up bonus share (10%) allotted in 2011 (Out of Net Profit & General Reserve)	44,780,350	44,780,350
3,694,374 Ordinary shares of Tk.10 each fully paid up bonus share(7.5%) allotted in 2012 (out of Net profit & General reserve)	36,943,740	36,943,740
2,647,635 Ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2013 (out of Net profit & General reserve)	26,476,350	26,476,350
2,780016 Ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2016 (out of Net profit & General reserve)	27,800,160	27,800,160

	Amount in Taka	
	31.12.2024	31.12.2023
2,919,018 Ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2017 (out of Net profit)	29,190,180	29,190,180
4,290,956 Ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2018 (out of Net profit)	42,909,560	42,909,560
3,279,516 Ordinary shares of Tk.10 each fully paid up bonus share(5%) allotted in 2022 (out of Net profit)	32,795,160	32,795,160
4,820,890 Ordinary shares of Tk.10 each fully paid up bonus share(7%) allotted in 2023 (out of Net profit)	48,208,900	-
	<b>736,907,350</b>	<b>688,698,450</b>

Category of Shareholders	2024		2023	
	No. Of share	% of holding on paid up capital	No. Of share	% of holding on paid up capital
Group - A: Sponsors & Directors	29,465,765	39.99%	28,919,279	41.99%
Group-B: Institutions	16,012,998	21.73%	13,548,186	19.67%
Group-C: Public Shareholders	28,211,972	38.28%	26,402,381	38.34%
<b>Total</b>	<b>73,690,735</b>	<b>100.00%</b>	<b>68,869,846</b>	<b>100.00%</b>

Class of Interval	For the Year 2024			For the Year 2023		
	No. Of share	No. of share holders	% of holding on paid up capital	No. Of share	No. of share holders	% of holding on paid up capital
Less than 500	247,371	1,905	0.34	293,435	2136	0.43
500 to 5,000	2,621,460	1,449	3.56	3,028,994	1874	4.40
5,001 to 10,000	1,982,223	244	2.69	1,727,054	253	2.51
10,001 to 20,000	1,764,034	129	2.39	2,003,857	145	2.91
20,001 to 30,000	1,204,451	50	1.63	1,448,142	59	2.10
30,001 to 40,000	1,223,724	35	1.66	840,685	25	1.22
40,001 to 50,000	639,225	14	0.87	727,336	16	1.06
50,001 to above	64,008,247	117	86.86	58,800,343	111	85.37
<b>Total</b>	<b>73,690,735</b>	<b>3,943</b>	<b>100</b>	<b>68,869,846</b>	<b>4619</b>	<b>100</b>

**16.00 Reserve and surplus:**

Reserve for Exceptional Losses	16.01	1,500,189,517	1,370,339,804
Contingency Reserve	16.02	189,780,730	169,113,501
Asset Revaluation Surplus	16.03	1,338,031,613	1,351,888,107
General Reserve	16.04	134,546,991	93,212,532
Investment Fluctuation Reserve (Fair Value Changes)	8.03	65,332,659	158,686,509
		<b>3,227,881,510</b>	<b>3,143,240,454</b>

**16.01 Reserve for Exceptional Losses:**

		Amount in Taka	
		31.12.2024	31.12.2023
	Opening balance	1,370,339,804	1,249,737,496
	Add: Addition during the year	129,849,713	120,602,308
	<b>Closing Balance</b>	<b>1,500,189,517</b>	<b>1,370,339,804</b>
	These amount has been set aside from net profit with a view to meeting up unexpected loss that may be raised in future as per Income Tax Ordinance 2023. Current rate of the reserve is 10.00% of its net premium.		
<b>16.02</b>	<b>Contingency Reserve :</b>		
	Reserve for unexpired Guarantees	150,324,291	131,851,124
	Reserve against Tail ended insurance business	18,789,210	18,789,210
	Add: Addition during the year	20,667,229	18,473,167
		<b>189,780,730</b>	<b>169,113,501</b>
	Contingency Reserve for Insurance Guarantees & tail ended Insurance Business which can be merged with general reserve.		
<b>16.03</b>	<b>Asset Revaluation Surplus:</b>		
	Opening balance	1,351,888,107	1,366,949,514
	Less: Adjustment during the year	(13,856,494)	(15,061,407)
	<b>Closing Balance</b>	<b>1,338,031,613</b>	<b>1,351,888,107</b>
	The above revaluation reserve was created on revaluation of land and building by a professional valuer in the year 2011.		
<b>16.04</b>	<b>General Reserve:</b>		
	Opening balance	93,212,532	56,266,199
	Add: Addition during the year	41,334,458	36,946,333
	<b>Closing Balance</b>	<b>134,546,991</b>	<b>93,212,532</b>
<b>17.00</b>	<b>Retained Earnings:</b>		
	<b>Opening Balance</b>	229,246,069	217,514,123
	Dividend paid during the year (Cash, Stock)	(185,948,590)	(196,770,987)
	Net profit after Tax	413,344,585	369,463,334
	Appropriation for the period (exceptional loss)	(129,849,713)	(120,602,308)
	Appropriation for the period (General Reserve)	(41,334,458)	(36,946,333)
	Depreciation on revalued Assets	13,856,494	15,061,407
	Appropriation for the period (Contingency Reserve)	(20,667,229)	(18,473,167)
	<b>Closing Balance</b>	<b>278,647,158</b>	<b>229,246,069</b>
<b>18.00</b>	<b>Balance of fund &amp; account:</b>		
	Balance of fund & account as of following business		
	Fire Insurance Business	149,434,370	126,628,335
	Marine Insurance Business	277,151,893	276,250,881
	Misc. Insurance Business	116,684,492	106,177,820
		<b>543,270,755</b>	<b>509,057,036</b>

		Amount in Taka	
		31.12.2024	31.12.2023
<b>19.00 Premium deposits:</b>		<b>7,930,303</b>	<b>7,530,750</b>
	This represents premium received against cover notes which were not converted into policy within 31 December 2024 because of the period of nine months from the dates of issue of cover notes had not elapsed.		
<b>20.00 Lease Liability:</b>			
	Opening Balance	34,205,088	<b>42,193,099</b>
	Add: Addition during the year	657,517	4,962,372
	Less. Adjustment made during the year	(13,404,743)	(12,950,383)
	<b>Closing Balance</b>	<b>21,457,862</b>	<b>34,205,088</b>
<b>21.00 Deferred Tax liability:</b>			
	Opening Balance	49,351,953	49,854,896
	Add: Provided during the year (Note 31)	(7,379,572)	(502,943)
	<b>Closing Balance</b>	<b>41,972,381</b>	<b>49,351,953</b>
<b>22.00 Estimated liability in respect of outstanding claims :</b>			
	Fire	220,397,350	59,130,583
	Marine	12,196,457	39,623,430
	Motor	8,892,048	9,582,090
	Miscellaneous	10,301,881	10,370,170
		<b>251,787,737</b>	<b>118,706,273</b>
	All the claims of which the management is aware of as per intimation up to the year-end have been taken into consideration.		
<b>23.00 Amounts due to other persons or bodies :</b>			
	Co-insurers	5,625,184	2,999,525
	Sadharan Bima Corporation and others (Tk. 718,813,138-Tk. 548,654,636)	170,158,502	512,058,816
		<b>175,783,686</b>	<b>515,058,341</b>
<b>24.00 Loan from Bank for office Building (Secured):</b>		<b>64,162.24</b>	<b>142,086,199</b>
	Sonali Bank A/c # 08293 24.01	64,162	136,618,271
	Delta Brac Finance Company A/c # 17442 24.02	-	5,467,928
<b>24.01 Sonali Bank :</b>			
	Opening Balance	136,618,271	23,086
	Loan Taken during the year	-	220,000,000
	Interest charged during the year	5,338,194	6,595,185
		141,956,465	226,618,271
	Less. Re-payment during the year	141,892,303	90,000,000.00
	<b>Closing Balance</b>	<b>64,162</b>	<b>136,618,271</b>
	The secured overdraft loan bears 13% interest and is secured by lien of FDR.		
<b>24.02 Delta Brac Finance Company:</b>			
	Opening Balance	5,467,928	-
	Loan Taken during the year	-	6,467,928
	Interest charged during the year	221,512	
		5,689,440	6,467,928
	Less. Re-payment during the year	5,689,440	1,000,000
	<b>Closing Balance</b>	<b>-</b>	<b>5,467,928</b>
	The loan bears 12.5% interest with advance cheque till maturity.		
<b>25.00 Un-paid Dividend:</b>			

			Amount in Taka	
			31.12.2024	31.12.2023
From Inception to 2020 have been transfer to CMSF Fund				
2020			-	8,834,398
2021			9,938,016	9,938,016
2022			6,654,531	6,778,919
2023			5,632,393	
			<b>22,224,940</b>	<b>25,551,333</b>
Capital Market Stabilization Fund (CMSF): Undistributed or unclaimed or unsettled cash dividend or non-refunded public subscription money transferred to the capital market stabilization Fund (CMSF) rule 2021 in pursuance of these rules or as per direction of the notification- BSEC/CMRRCD/2021-391/20/Admin/121. The company has been transferred the unclaimed dividend amount of Tk 8,834,398 which is more than a period of 3 (three) years ended.				
<b>26.00</b>	<b>Sundry creditors (including provision for expenses and taxes) :</b>			
	Payable against expenses		6,424,073	6,817,823
	Provident fund deduction		1,983,659	1,274,667
	Provident fund Loan		703,856	561,167
	Received against security		5,066,160	5,066,160
	Liability for Stamp		36,608,810	29,438,683
	Provision for Gratuity	26.01	55,793,158	55,793,158
	Hospitalization Insurance Claim		843,160	1,521,476
	Rent Received in Advance		54,396,555	25,372,634
			<b>161,819,431</b>	<b>125,845,768</b>
<b>26.01</b>	<b>Provision for Gratuity:</b>			
	Opening Balance		55,793,158	47,793,158
	Add. Provision made during the year		15,000,000	20,000,000
			70,793,158	67,793,158
	Less: Adjustment made during the year		15,000,000	12,000,000
	<b>Closing Balance</b>		<b>55,793,158</b>	<b>55,793,158</b>
<b>27.00</b>	<b>Provision for Income Tax :</b>			
	Opening Balance		740,681,660	667,553,335
	Add. Provision made during the year	27.01	137,418,578	128,983,416
			878,100,238	796,536,751
	Less: Adjustment made during the year		378,927,207	55,855,091
	<b>Closing Balance</b>		<b>506,552,603</b>	<b>740,681,660</b>
<b>27.01</b>	<b>Income Taxes:</b>			
	Current Tax		144,798,150	128,983,416
	Deferred Tax	31.00	(7,379,572)	(502,943)
	<b>Total</b>		<b>137,418,578</b>	<b>128,480,473</b>
	<b>Details</b>	<b>Income Amount</b>	<b>Rate %</b>	
	Dividend on shares	24,075,867	20.00%	4,815,173
	Exempted income from dividend	500,000	0.00%	-
	Gain on sales shares	1,253,195	10.00%	125,320
	Capital Gain (Sales of motor vehicles)	703,000	10.00%	70,300
	Reserve for exceptional loss	129,849,713	0.00%	-
	Income from house Rent	50,435,241	37.50%	18,913,216
	Exempted for Repair Maintance	21,615,103	0.00%	-
	Business Income	322,331,044	37.50%	120,874,141
		<b>550,763,163</b>		144,798,150
	<b>Say, Provision made during The year 2024</b>		<b>144,798,150</b>	<b>128,983,416</b>

		Amount in Taka	
		31.12.2024	31.12.2023
<b>28.00</b>	<b>Other Liability:</b>		
	Income tax deduction	28.01 348,109	265,166
	VAT payable	28.02 17,752,142	10,599,294
	Tax deduction against Bill	282,962	452,506
	VAT deduction against Bill	479,040	324,830
		<b>18,862,253</b>	<b>11,641,796</b>

**28.01 Income Tax deduction :**

Income Tax deduction at source amounting to Tk.348,109 including income tax deduction from salary during the year which has been deposited into Bangladesh Bank subsequently.

**28.02 VAT Payable :**

VAT payable as Tk.17,752,142 represent the Vat for the month of December 2024 which has been deposited into Bangladesh Bank subsequently.

		Amount in Taka	
		31.12.2024	31.12.2023
<b>29.00</b>	<b>Other income:</b>		
	<b>Interest on:</b>		
	Fixed deposit receipts (FDR)	148,701,171	128,412,727
	Bangladesh Govt. treasure Bond (BGTB)	32,637,835	21,470,280
	Short term deposit (STD) accounts	4,199,607	3,130,936
	House Building Loan Interest	110,337	283,230
		<b>185,648,950</b>	<b>153,297,173</b>
	Dividend received during the year	24,075,867	24,796,372
	Sundry Income	750,772	107,209
	Revert from provident Fund	29.01 65,110	72,044
	Profit on sale of shares	1,253,195	836,679
	Profit on sale of motor vehicle/Electric Equipment	703,000	467,500
	Building Rent	72,050,345	67,858,952
	<b>Total</b>	<b>284,547,239</b>	<b>247,435,929</b>

**29.01** As per gazette notification no. 179/FRC/FRM/2020/2 dated July 07,2020 of The Financial Reporting Council (FRC), in according to the rule of 2(8) of Financial Reporting Act 2015, But current year 2024 there are 65,110 forfeited funds that are returned to the company's account from the contributory provident fund.

**30.00 Registration Renewal Fee :**

<b>2,759,620</b>	<b>2,962,197</b>
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The balance represents the amount deposited to Bangladesh Bank against renewal of registration for carrying on fire, marine and miscellaneous insurance business as per Section- 3A of Insurance Act-2010. Such expense amounts to Tk. 2,759,620.

		Amount in Taka	
		31.12.2024	31.12.2023
<b>31.00</b>	<b>Deferred Tax:</b>		
	Opening Balance	49,351,953	49,854,896
	Add: Addition during the year	(7,379,572)	(502,943)
	<b>Closing Balance</b>	<b>41,972,381</b>	<b>49,351,953</b>
	Carrying amount of property , plant and equipment excluding land	1,259,985,100	1,296,133,697
	Tax base	1,148,058,749	1,164,528,489
	Taxable/deductible temporary difference	<b>111,926,351</b>	<b>131,605,208</b>
	Effective Tax Rate	37.50%	37.50%
	<b>Deferred Tax Liability</b>	<b>41,972,381</b>	<b>49,351,953</b>
<b>32.00</b>	<b>Audit Fees :</b>		
	Statutory audit fee	<b>1,057,125</b>	<b>616,450</b>
<b>33.00</b>	<b>Other Expenses:</b>		
	AGM Expenses	193,950	141,906
	Advertisement	8,752,249	7,052,212
	Donation	2,052,000	749,550
	Performance Bonus	13,257,072	15,926,295
	Subscription	443,550	438,044
		<b>24,698,821</b>	<b>24,308,007</b>
<b>34.00</b>	<b>Net Asset Value Per Share:</b>		
	Net Asset Value	4,243,436,018	4,061,184,973
	Number of Shares	73,690,735	73,689,043
	<b>Net Asset Value per share of Tk. 10 each</b>	<b>57.58</b>	<b>55.11</b>
	Net Asset Value Per Share was increased due to increase of Investment, Dividend & Interest Receivable and Cash equivalent etc.		
	<b>Total Asset-Current Liabilities</b>	<b>4,231,987,897</b>	<b>4,061,184,973</b>
	<b>Total Assets</b>	<b>5,995,162,132</b>	<b>6,340,901,171</b>
	<b>Current Liabilities</b>	<b>1,763,174,235</b>	<b>2,279,716,198</b>
<b>35.00</b>	<b>Earning Per Share:</b>		
	Profit after Tax	413,344,585	369,463,334
	Number of Share	73,690,735	73,689,043
	<b>Basic Earning Per Share per share of Tk. 10 each</b>	<b>5.61</b>	<b>5.01</b>
	Earning per share was increased due to increase of operating income and other income.		

Amount in Taka	
31.12.2024	31.12.2023

**36.00 Net Operating cash flows per share:**

Net operating cash flows per share (NOCFPS) has been calculated base on direct method as per IAS -7, total outstanding number of shares 73,690,735 during the year but previous year was same as outstanding number of shares 68,869,845 so there was a scope for dilution for weighted number of shares.

Net cash generated from operating activities	246,634,724	10,505,758
Outstanding number of shares	73,690,735	73,690,735
<b>Net Operating cash flows per share per share of Tk. 10 each :</b>	<b>3.35</b>	<b>0.14</b>

Net operating cash flow was increased due to increase of premium collection , less claim settlement, and others income etc.

**36.01 Cash Flow from operating Activities:**

<b>Net profit during the year</b>	<b>550,763,163</b>	<b>497,943,808</b>
Adjustment:		
Depreciation	58,476,787	50,674,554
Interest Income	4,199,607	3,130,936
Profit on sales of fixed assets	703,000	467,500
Profit/Loss on sales share	1,253,195	836,679
<b>Changes in working capital:</b>		
Increase/ (decrease) the balance of fund	34,213,718	(64,926,171)
Increase/ (decrease) the premium deposit	399,553	600,001
Increase/ (decrease) of Outstanding claims	133,081,464	(28,629,038)
Increase/ (decrease) of sundry creditor except payable for fixed asset and tax payable	(421,747,662)	60,778,817
(Increase) / decrease of Advance, deposit & prepayment except AIT , Advance for fixed assets & collection control a/c	92,422,353	(382,422,988)
(Increase) / decrease of premium control account	(631,762)	(449,899)
(Increase) / decrease Stock of printing & stationery	274,226	(299,470)
(Increase) / decrease Insurance stamp in hand	217,200	(357,000)
Income tax paid	(206,990,118)	(126,841,970)
<b>Net cash generated from operating activities</b>	<b>246,634,724</b>	<b>10,505,758</b>

**37.00 Number of Employees :**

The number of permanent employees of the company drawing salaries below and above TK.10,000 P.M is as under

a) Salaries drawing above TK.10,000	550 Nos.
b) Salaries drawing Below TK.10,000	Nil

Amount in Taka	
31.12.2024	31.12.2023

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

Directors' Fees	2,862,400	2,526,400
Advisor's Salary	9,600,000	9,600,000
MD's Salary & Emoluments	7,200,000	5,780,000
Officers Salary	256,941,289	261,021,413
Meeting Fees	953,534	601,450
	<b>277,557,223</b>	<b>279,529,263</b>

**39.00 Event after reporting period:**

**39.01 Approval of Financial Statements**

The Board of Directors in its meeting held on April 17, 2025 approved the financial statement for the year 2024 and also authorised the same for issue.

**39.02 Recommendation of Dividend :**

The Board of Directors has recommended 20% Cash dividend and 7% Stock dividend for the year ended 2024 which is subject to approval of the shareholder in the coming Annual General Meeting.

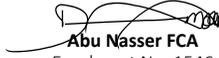
**39.03 Other Significant Events**

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

					
Mohammad Jafar Ali, FCS Company Secretary	Amar Krishna Shil, FCA Chief Financial Officer	Syed Sehab-Ullah Al-Manjur, ACII (UK) Chief Executive Officer	Muhammad Jamaluddin Independent Director	Tajwar M. Awal Director	Syed M. Ataf Hussain Chairman

Signed in terms of our separate report of even date annexed.

Place: Dhaka  
Date: 17 April 2025  
DVC: 2504221546AS585310

  
Abu Nasser FCA  
Enrolment No. 1546  
Partner,  
Islam Quazi Shafique & Co.  
Chartered Accountants

## PRAGATI INSURANCE LIMITED

### Fixed Assets (at cost less accumulated depreciation)

As on 30.06.2024

Annexure 'A'

Particulars	Cost			Rate	Depreciation			WDV as at 31 December 2024	WDV as at 31 December 2023
	Opening balance	Additions during the year	Disposal during the year		Closing balance	Charged during the year	Disposal		
Furniture & Fixture	34,090,832	125,231	-	10%	33,599,961	61,610	-	554,492	490,871
Fixture(Plastic Sign)	9,655,213	-	-	15%	7,157,453	374,664	-	2,123,096	2,497,760
Motor Vehicle	100,340,202	8,759,206	703,000	20%	44,849,526	12,709,376	703,000	51,540,505	55,490,676
Electrical Equipment	89,070,026	3,371,794	-	15%	79,764,703	1,901,568	-	10,775,550	9,305,323
Office Equipment	3,264,265	-	-	15%	3,249,072	2,279	-	12,914	15,193
Curtain & Carpets	746,776	-	-	20%	700,391	9,277	-	37,108	46,385
Bi-Cycle	23,175	-	-	20%	23,175	-	-	-	-
Telephone(Intercom)	835,557	-	-	20%	617,888	43,534	-	174,136	217,669
Office Decoration	78,549,428	2,620,542	-	10%	26,278,616	5,489,135	-	49,402,219	52,270,812
<b>TOTAL : A</b>	<b>316,575,474</b>	<b>14,876,773</b>	<b>703,000</b>		<b>196,240,785</b>	<b>20,591,443</b>	<b>703,000</b>	<b>114,620,018</b>	<b>120,334,689</b>
<b>Office Building:</b>									
Electrical Equipment	21,237,336	-	-	10%	21,237,336	-	-	-	-
Owner occupied	197,039,880	-	-	2%	55,171,166	2,837,374	-	139,031,339	141,868,714
Investment property	1,116,164,310	-	-	2%	89,293,145	20,537,423	-	1,006,333,742	1,026,871,165
<b>TOTAL : B</b>	<b>1,334,441,526</b>	<b>-</b>	<b>-</b>		<b>165,701,647</b>	<b>23,374,798</b>	<b>-</b>	<b>1,145,365,081</b>	<b>1,168,739,879</b>
<b>GRAND TOTAL (A+B)</b>	<b>1,651,017,000</b>	<b>14,876,773</b>	<b>703,000</b>		<b>361,942,432</b>	<b>43,966,241</b>	<b>703,000</b>	<b>1,259,985,099</b>	<b>1,289,074,568</b>
Revaluation reserve (Building)	753,070,343	-	-	2%	60,245,627	13,856,494	-	678,968,221	692,824,716
Right of use of Assets (ROU)	93,201,215	657,517	-	-	59,984,379	14,510,546	-	19,363,807	33,216,836
<b>TOTAL IN 2024</b>	<b>846,271,558</b>	<b>657,517</b>	<b>-</b>		<b>120,230,006</b>	<b>28,367,040</b>	<b>-</b>	<b>698,332,028</b>	<b>726,041,552</b>

## PRAGATI INSURANCE LIMITED

### Revenue Account

For the year ended 31 December 2024

1) Summarized position of net underwriting profit earned during the year 2024 is as follows.

Particular	FIRE	MARINE	MOTOR & MISC	2024	2023
	BDT	BDT	BDT	BDT	BDT
<b>Premium Income</b>					
A) Gross Premium	1,104,249,725	984,226,221	415,169,969	2,503,645,915	2,341,533,745
B) Re-insurance premium	730,663,800	351,026,251	123,458,739	1,205,148,790	1,135,510,663
<b>C) Net Premium (A-B)</b>	<b>373,585,925</b>	<b>633,199,970</b>	<b>291,711,230</b>	<b>1,298,497,125</b>	<b>1,206,023,082</b>
<b>Direct Expenses</b>					
D) Commission (Net of Re-insurance Accepted and Ceded)	(2,139,578)	117,424,889	56,723,374	172,008,685	144,124,735
E) Claim Settled & provide	224,000,232	37,738,910	28,048,232	289,787,375	378,534,622
F) Management Expenses	192,080,075	171,202,439	72,217,250	435,499,764	407,237,369
G) Allocation Of Management Expenses	44.11%	39.31%	16.58%	100.00%	100.00%
H) Total Direct Expenses (D+E+F)	413,940,729	326,366,239	156,988,856	897,295,823	929,896,725
I) Adjustment Fund Balance for Un-expired risk (Opening Balance Less closing Balance)	(22,806,035)	(901,012)	(10,506,672)	(34,213,718)	64,926,171
<b>Net Underwriting Profit (C-H+I)</b>	<b>(63,160,839)</b>	<b>305,932,720</b>	<b>124,215,702</b>	<b>366,987,583</b>	<b>341,052,528</b>
<b>Commission(Net)</b>					
Commission paid on Direct Business	153,021,865	137,256,201	61,692,799	351,970,865	323,878,024
Commission paid on Re-insurance Accepted					
	<b>153,021,865</b>	<b>137,256,201</b>	<b>61,692,799</b>	<b>351,970,865</b>	<b>323,878,024</b>
Less: Commission earned on re-insurance ceded	155,161,443	19,831,312	4,969,425	179,962,180	179,753,289
<b>Net Commission</b>	<b>(2,139,578)</b>	<b>117,424,889</b>	<b>56,723,374</b>	<b>172,008,685</b>	<b>144,124,735</b>
<b>Claim Settled</b>					
Gross Claim	367,121,874	90,518,640	61,348,547	518,989,061	901,450,275
less. Salvage received	-	-	-	-	1,400,000.00
	367,121,874	90,518,640	61,348,547	518,989,061	900,050,275
Less : Re-insurance claim Recovery	304,388,409	25,352,757	32,541,984	362,283,150	492,886,616
Paid During The Year	62,733,465	65,165,883	28,806,563	156,705,911	407,163,660
Add: Outstanding Claim at the end of the year whether due or Intimated (Company's Share)	220,397,350	12,196,457	19,193,929	251,787,737	118,706,273
	<b>283,130,815</b>	<b>77,362,340</b>	<b>48,000,492</b>	<b>408,493,648</b>	<b>525,869,933</b>
Less: Outstanding claim at the end of the previous Year	59,130,583	39,623,430	19,952,260	118,706,273	147,335,311
<b>Net Claim</b>	<b>224,000,232</b>	<b>37,738,910</b>	<b>28,048,232</b>	<b>289,787,375</b>	<b>378,534,622</b>

**FORM 'AA'**  
**CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER 2024**

Particulars	Amount in Taka	
	31.12.2024	31.12.2023
Bangladesh Government Treasury Bond	558,693,059	357,920,776
Shares - at cost	470,601,767	455,550,077
Fixed deposit, STD and current A/C with Banks	1,913,899,663	2,077,681,103
Cash in hand and Stamp in hand	8,232,954	7,965,549
Amount due from other persons or bodies carrying on insurance business	63,751,591	220,380,643
Accrued interest	1,366,379	2,597,873
Debtors (including advances, deposits and prepayments)	158,074,891	137,294,717
Stock of Printing material	2,082,583	2,356,809
Land	887,627,023	887,627,023
Holiday homes	4,130,090	4,130,090
Fixed Asset	114,620,018	120,334,688
Building	1,232,504,153	1,218,576,647
<b>Total</b>	<b>5,415,584,171</b>	<b>5,492,415,996</b>

  
Mohammad Jafar Ali, FCS  
Company Secretary

  
Amar Krishna Shil, FCA  
Chief Financial Officer

  
Syed Sehab-Ullah Al-Manjur, ACII (UK)  
Chief Executive Officer

  
Muhammad Jamaluddin  
Independent Director

  
Tajwar M. Awal  
Director

  
Syed M. Ataf Hussain  
Chairman

Signed in terms of our separate report of even date annexed.

  
Abu Nasser FCA  
Enrolment No. 1546  
Partner,  
Islam Quazi Shafique & Co.  
Chartered Accountants

Place: Dhaka  
Date: 17 April 2025  
DVC: 2504221546AS585310