

ANNUAL REPORT 2023



ଫେଡ଼ରାଲ ଇନ୍ସୁରାନ୍ସ କମ୍ପାନୀ ଲିମିଟେଡ୍
FEDERAL INSURANCE COMPANY LTD



ফেডারেল ইন্স্যুরেন্স কোম্পানি লিমিটেড
FEDERAL INSURANCE COMPANY LTD

Registered Office

Navana D.H Tower (6th Floor), 6 Panthapath, Dhaka-1215, Bangladesh, G.P.O Box No. 4094
Tel : 02 223374054-55, 02 223374064-66, 02 223374068-69, Fax: 02 223374062

Auditors

G. Kibria & Co. Chartered Accountants
House # 51, Road # 14, Block # G, Niketon, Gulshan-1, Dhaka-1212

Bangladesh Achieved During The Year - 2023



\$ 2,621

Per Capita Income



6.03%

GDP Growth



\$ 22.00

Reserve Billion
(December, 2023)



73.57 Years

Average Lifetime



1.33

Population Growth Rate



33

Infant Mortality



98.5%

Primary Education
abcd



2

Life and Non-life
Insurers (Public)



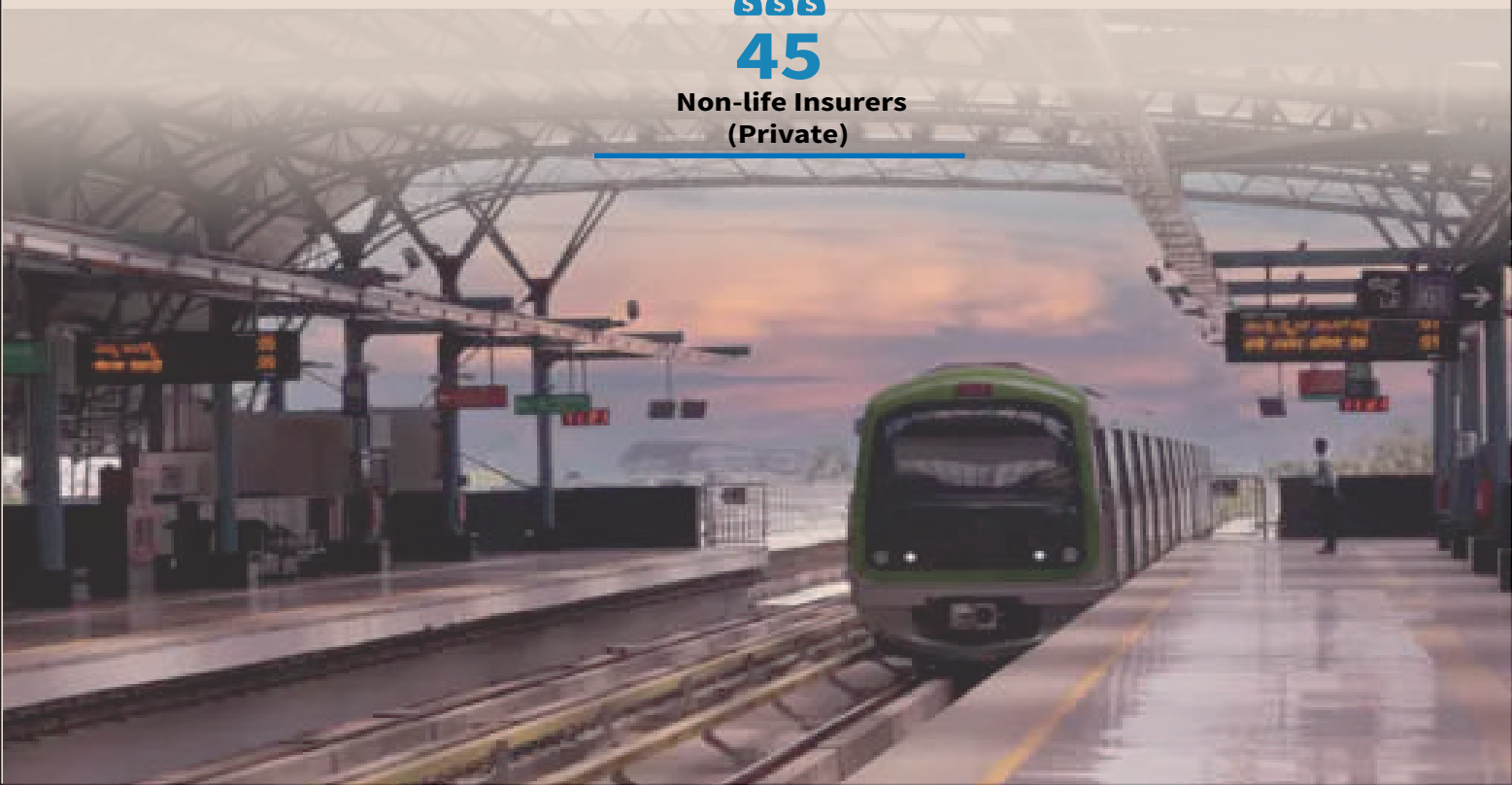
35

Life Insurers
(Private)



45

Non-life Insurers
(Private)



Credit Ratings

AA+

1

Gross Premium Income
Tk. 664.68 Million

2

Net Premium
Tk. 333.55 Million

3

Net Claims
Tk. 103.96 Million

4

Underwriting Profit
Tk. 147.47 Million

5

Profit before Tax
Tk. 113.94 Million

6

Profit After Tax
Tk. 68.20 Million

7

Total Assets
Tk. 1,489.54 Million

8

Earnings per Share (EPS)
Tk. 0.96

9

**Net Operating Cash
Flows per share**
Tk. 0.93

10

Rate of Dividend
Tk. 10%



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LETTER OF TRANSMITTAL

All Shareholders,
Bangladesh Securities & Exchange Commission (BSEC)
Insurance Development and Regulatory Authority (IDRA)
Registrar of Joint Stock Companies & Firms (RJSC)
Dhaka Stock Exchange PLC (DSE) and
Chittagong Stock Exchange PLC (CSE)

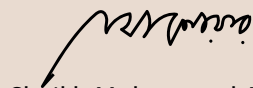
Sub: - Annual Report for the year ended December 31, 2023.

Dear Sir(s)

A copy of the Annual Report along with the Audited Financial Statements including the Financial Position, Income Statement, Changes in Shareholders' Equity and Statement of Cash Flows for the year ended December 31, 2023 together with notes thereon of Federal Insurance Company Limited is being enclosed herewith for kind information, record and necessary action.

With thanks & regards

Sincerely yours,



Sheikh Mohammad Anwar Uddin
Company Secretary



ফেডারেল ইনস্যুরেন্স কোঃ লিঃ FEDERAL INSURANCE COMPANY LTD

রেজিস্টার্ড অফিস: নাভানা ডিএইচ টাওয়ার (৭ম তলা), ৬ পাহুপথ, ঢাকা-১২১৫

FICL/HO/CS-04/2024/1695

28 April, 2024

Notice of the 36th Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting (AGM) of the Shareholders of Federal Insurance Company Limited will be held on Wednesday, August 14, 2024 at 11:00 a.m. by using hybrid system: i.e. combination of physical presence at Muktijuddho Srmiti Milonayaton (1st Floor) IDEB Bhaban, 160/A Kakrail, VIP Road, Dhaka-1000 and using Digital Platform link <http://agm36.federalinsubd.com> to transact the following businesses.

Agenda:

A. Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st December 2023 and the Directors Report and the Auditors report thereon.
2. To approve Dividend for the year ended 31st December 2023.
3. To elect Directors in terms of the relevant provision of Articles of Association.
4. To approve the Re-Appointment of Independent Director.
5. To appoint the Statutory Auditors for the year 2024 and to fix their remuneration.
6. To appoint Compliance Auditors for the year 2024 in order to issue the Certificate on Compliance of Corporate governance.

B. Special Business:

1. To Change the registered name of the Company to **'Federal Insurance PLC'** from **'Federal Insurance Company Limited'**

The following special resolution is proposed to be passed with or without modification to adopt the change of the registered name of the Company to **'Federal Insurance PLC'** from **'Federal Insurance Company Limited'** in accordance with the Companies Act, 1994 (amended in 2020) and to amend the relevant Clauses of the Memorandum & Articles of Association of the Company.

“Resolved that the proposal for changing the registered name of the Company to **'Federal Insurance PLC'** from **'Federal Insurance Company Limited'** in accordance with the Company Act. 1994(amended in 2020) and amendment in the relevant Clauses of the Memorandum & Articles of Association of the Company be and is hereby approved subject to approval of the Regulatory Authorities.”

By the order of the Board of Directors

Sheikh Mohammad Anwar Uddin
Company Secretary

Notes:-

- * 10th June, 2024 shall be considered as the 'Record Date' for entitlement of cash dividend.
- * Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Letter No. BSEC/ICAD/SRIC/2024/318/09 dated January 16, 2024; the AGM will be held Hybrid System.
- * Valued shareholders are requested to update their E-mails, addresses and the bank account information (if required) in their respective BO/Folio accounts before 10th June, 2024.
- * Shareholders bearing BO numbers are advised to update their BO Account information by inserting 12 digit e-TIN number through Depository Participants (DP) and Shareholders bearing Folio numbers are requested to submit their 12 digits e Tin to the Share Department of the Company by 12th June, 2024
- * As per Bangladesh Securities and Exchange Commission Notification no. SEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018 the Soft Copy of the Annual Report 2023 will be sent to the email addresses of the Members available in their BO Accounts maintained with the Depository and will also be available in the company website at www.federalinsubd.com.
- * A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote instead, duly filled signed and stamped Proxy Form must be sent through email to the Share Department at least 72 hours before commencement of the AGM at share@federalinsubd.com.
- * Shareholders are requested to check and update their BOID's Bank A/c details along with Routing Number to get Dividend online through BEFTN System.
- * Depository Participants (DP)/Stock Brokers are requested to send the list of Margin Account Holders based on Record Date, if any, within 20th June, 2024 to the Company's Registered Office and Email-share@federalinsubd.com.

COMPANY'S INFORMATION

Federal Insurance Company Limited (FICL), was established in 1987. Federal Insurance Company Limited is one of the leading non-life insurance companies in Bangladesh with specialized and significant expertise both in traditional and non-traditional insurance businesses ethically with its dynamic leadership in management.

Federal Insurance Company Limited has an authorized capital of Tk 1000 million, of which Tk 710.39 million has been fully subscribed and paid up by its shareholders.

Considering FICL's sound financial performance, high solvency margin, excellent liquidity, prudent underwriting, diversified ownership model, below strongest claim paying capability, strong protection factors, the Company has been awarded 'AA+' Credit Rating by National Credit Rating Ltd. (NCR), one of the accredited Credit Rating Agencies of Bangladesh.

FICL's products include Fire, Marine Cargo, Marine Hull, Engineering, Overseas Medclaim & Holiday, Motor, Various Liability, Aviation Hull & Liability and Miscellaneous Insurances.

Federal Insurance deems claims settlement to be the greatest way to achieve customer satisfaction which ultimately results in the increased acquisition of the business. To ensure swiftness in settling claims, Federal Insurance Company has made use of information technology, skilled surveyors and qualified loss adjusters.

Federal Insurance always works hard for all clients to deliver innovative products and services while maintaining a commitment to safety, security and sustainability.

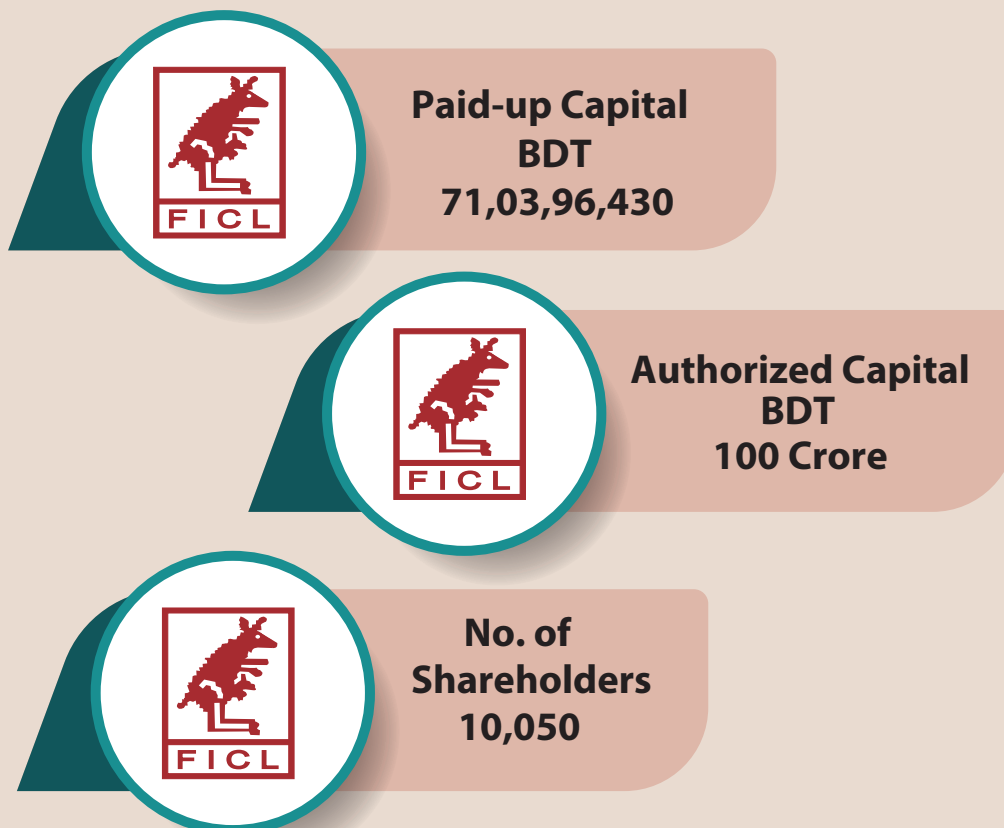
1. GENERAL INFORMATION ABOUT FICL

| | |
|---|--|
|  Registered Office Navana D.H Tower (6th Floor) 6 Panthapath, Dhaka - 1215 Bangladesh, |  Company Contact: Sheikh Mohammad Anwar Uddin Company Secretary |
|  Company website: www.federalinsubd.com |  Share Department: share@federalinsubd.com |
|  Telephone: 02-223374054-55 02-223374068-69 |  Hotline: 01887052222 |
|  Fax: 88-02-223374062 |  Email: headoffice@federalinsubd.com |

LEGAL INFORMATION



SHARE CAPITAL

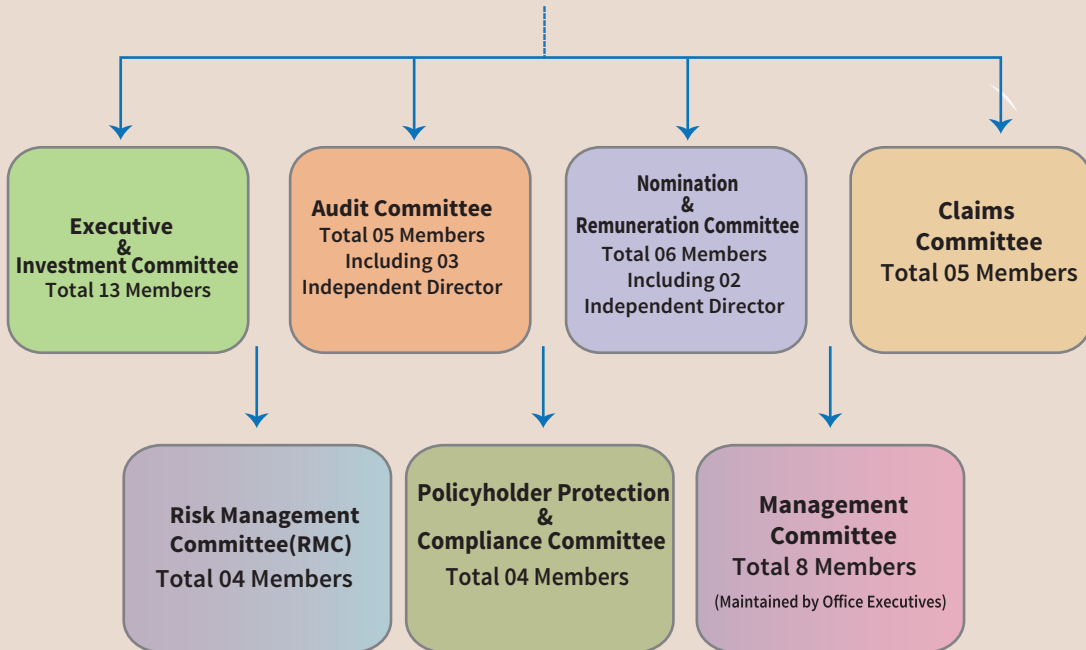


BOARD & COMMITTEES

The Board of Directors

Total 19 members
 04 Independent Directors
 All are non-Executive Directors

Sub Committees of the Board & Management



OTHER'S INFORMATION

| | | |
|--|----------------------------------|--|
| | Statutory Auditor | M/s. G. Kabria & Co. Chartered Accountants |
| | Compliance Auditor (BSEC) | M/s. Shafiq Basak & Co. Chartered Accountants |
| | Compliance Auditor (IDRA) | M/s. Jasmin & Associates Chartered Secretaries |
| | Independent Scrutinizer | M/s. Jasmin & Associates Chartered Secretaries |



VISION

To be an insurer of World Standard and the most preferred choice for clientele at the domestic and global level.

MISSION

Our Mission is to keep the customer satisfaction as focal point of all our operations, adopt the best international practices in underwriting, claims and customer service, be the most innovative in product development, establish presence all over Bangladesh, ensure sustained value addition to all stakeholders and to uphold Corporate Value & Corporate Governance.



GOALS

- Provide financial protection and risk management solutions.
- Ensure financial stability and security for policyholders.
- Promote fair and equitable treatment in claims processing.
- Foster innovation in insurance products and services.
- Maintain compliance with regulatory requirements and enhance customer satisfaction.

Our Products



Fire Insurance

- 🔥 Fire and Allied Perils Insurance
- 🔥 Household Insurance
- 🔥 Hotel Owners All Risks Insurance
- 🔥 Insurance of Consequential Loss Due to fire & Allied Perils
- 🔥 Industrial All Risks Insurance
- 🔥 Operational Package Insurance (Power Plant)



Marine Insurance

- 🌐 Marine Cargo Insurance
- 🌐 Marine Hull Insurance
- 🌐 Marine Freight Insurance



Motor Insurance

- 🚗 Comprehensive Insurance
- 🚗 Trade Policy Insurance



Engineering Insurance

- ⚙️ Contractors All Risks Insurance (CAR)
- ⚙️ Erection All Risks Insurance (EAR)
- ⚙️ Machinery Loss of profit Insurance (BI MB)
- ⚙️ Deterioration of Stock Insurance (DOS)
- ⚙️ Power Plant Insurance
- ⚙️ Lift, Escalator and Hoisting Equipment Insurance
- ⚙️ Contractors Plant & Machinery Insurance (CPM)
- ⚙️ Machinery Insurance (MB)
- ⚙️ Electronic Equipment Insurance (EE)
- ⚙️ Boiler and pressure Vessels Insurance



Aviation Insurance

- ✈️ Hull Insurance & Liability Insurance
- ✈️ Crew Personal Accident Insurance
- ✈️ War Insurance
- ✈️ Deductible Insurance
- ✈️ Loss of License Insurance
- ✈️ Accident Insurance



Miscellaneous Insurance

- 👜 All Risks Insurance
- 👜 Cash / Property in Premises / Money Insurance
- 👜 Cash in Transit Insurance
- 👜 Cash in ATM Insurance
- 👜 Burglary Insurance
- 👜 General / Public Liability Insurance
- 👜 Comprehensive General Liability Insurance
- 👜 Employers Liability Insurance
- 👜 Products Liability Insurance
- 👜 Professional Indemnity Insurance
- 👜 Personal Accident Insurance
- 👜 People's Personal Accident Insurance
- 👜 Overseas Medclaim Insurance
- 👜 Cellular Mobile Phone Insurance
- 👜 Fidelity Guarantee Insurance
- 👜 Rubber Plantation Insurance
- 👜 Lockers Insurance
- 👜 Air Travel Insurance
- 👜 Credit Card Holder Insurance
- 👜 Safe Deposit box (Bank Lockers)
- 👜 Bangabandhu Surokkha Bima
- 👜 Bangabandhu Sportsmen's Comprehensive Insurance Policy
- 👜 Cattle Insurance
- 👜 NIBEDITA

CORPORATE MANAGEMENT

Board of Directors

Chairman

Mr. Enamul Hoq

Vice Chairman

Mr. Elias Siddiquee

Directors

Mr. Md. Abdul Khaleque

Mr. Sabirul Hoque

Mr. Jainul Abedin Jamal

Ms. Khadizatul Anwar, MP

Mrs. Mamtaj Begum

Mr. Morshedul Shafi

Mr. Tahreer Nawaz

Mr. Towhidul Alam

Mr. Towfiqul Islam Chowdhury

Mr. AKM Ziauddin Chowdhury

Directors from Public Subscribers

Mrs. Hasina Banu

Mr. Abrarul Haque

Mr. Faraaz Karim Chowdhury

Mr. Jia Uddin

Independent Directors

Mr. Safar Raj Hossain

Mr. Md. Rafiqul Islam

Mr. Md. Mahfuzur Rahman

Managing Director & CEO

Mr. AMM Mohiuddin Chowdhury

Company Secretary

Sheikh Mohammad Anwar Uddin

Chief Financial Officer

Mr. Masud Hossain

Head of Internal Audit and Compliance

Mr. Mohamud Tazul Islam

Executives

as at 01.07.2024

Managing Director & CEO

Mr. A M M Mohiuddin Chowdhury Head Office, Dhaka

Additional Managing Director

Mr. Md. Mahabubul Alam Agrabad Branch, Chattogram
Mr. Mujibul Wadud Chowdhury Khatungonj Branch, Chattogram
Mr. Kazi Arifur Rahman Ramna Branch, Dhaka
Mr. Md. Firoz Alam Khan Motijheel Branch, Dhaka

Deputy Managing Director

Mr. Abu Sufian Md. Kamal Naser Adamjee Court Branch, Dhaka
Mr. Mohammad Jashim Uddin Laldighi Branch, Chattogram
Mr. Md. Zakir Hossain Head of Marketing, Head Office, Dhaka
Mr. Jafar Ahmed Dewanhat Branch, Chattogram
Mr. A K M Showkat Hasan Khan Agrabad Branch, Chattogram
Mr. Mohammad Fakhruzzaman Farmgate Branch, Dhaka
Mr. Md. Mourshed Elephant Road Branch, Dhaka
Mr. Md. Sazeed Hossain Khatungonj Branch, Chattogram

Assistant Managing Director

Mr. Kutubuddin Ahmed Chowdhury Laldighi Branch, Chattogram
Mr. Md. Noor E Alam Mogbazar Branch, Dhaka
Mr. Md. Atiqur Rahman Head Office, Dhaka
Mr. Adv. Abul Kalam Shikder Azad Uttara Branch, Dhaka
Mr. Md. Mohibullah Claims & Re-Insurance Dept., Head Office, Dhaka

Senior Executive Vice President

Mr. A K M Sharfuiddin Chowdhury Adamjee Court Branch, Dhaka
Mr. Sheikh Mohammad Anwar Uddin Company Secretary, Head Office, Dhaka
Mr. Kazi Md. Nazrul Ramna Branch, Dhaka
Mr. Md. Siddiqur Rahman Jubilee Road Branch, Chattogram
Mr. Tarafder Md. Ruhul Quddus Head Office, Dhaka
Mr. Md. Billal Hoshen Tongi Branch, Gazipur

Executive Vice President

Mr. Masud Hossain Chief Financial Officer, Head Office, Dhaka
Mr. Md. Monjurul Alam Bogura Branch, Bogura
Mr. Md. Muksedur Rahman Imamgonj Branch, Dhaka
Mr. Md. Abul Kalam Azad Kushtia Branch, Kushtia
Mr. S M Md. Azimuddoula Khan Sylhet Branch, Sylhet
Mr. Md. Hefazul Islam Chapai Nawabganj Branch, Chapai Nawabganj
Mr. Md. Mahmudul Hasan Dilkusha Branch, Dhaka
Mr. M M Sarwar Hossain Khulna Branch, Khulna

Senior Vice President

Mr. Md. Mamunur Rashid Joypurhat Branch, Joypurhat
Mr. Md. Safayat Alam Narayanganj Branch, Narayanganj
Mr. Md. Abu Jafar Underwriting Deptt., Head Office, Dhaka
Mr. Shazzad Hossain Chowdhury Claims Deptt., Head Office, Dhaka



Message from the Chairman

Bismillahir Rahmanir Rahim,
Assalamu Alaikum,
Dear Shareholders,

It is with great pleasure, I welcome you at the 36th Annual General Meeting of Federal Insurance Company Limited and present to you the Annual Report of 2023. It is an honor to address you today with aspirations marked with challenges and opportunities, I feel proud to report, Federal Insurance has remained committed to excellence, innovation, and customer-centric service.

On behalf of the Board of Directors, I express my heartfelt thanks and gratitude to you all for your continued support and co-operation. I would like to mention here that your confidence and trust on us have helped Federal Insurance Company Limited to become a dependable insurance company in the country.

Geopolitical conflicts, rising inflation, interest rate pressure, climate change, and unpredictable market disruptions have significantly influenced the operating environment in which we operate. These multifarious challenges have unveiled the importance of adaptability, agility, and foresight in navigating through uncertainties.

Despite the prevailing geopolitical tensions and economic uncertainties, Federal Insurance has been delivering value to our stakeholders with upholding the highest standards of integrity and professionalism.

Our focus on maintaining a balanced and resilient investment portfolio has positioned us well to navigate through volatile market conditions and deliver sustainable long-term returns to our shareholders.

Climate change represents one of the most significant challenges of our time, with far-reaching implications for the insurance industry and society as a whole. Federal Insurance is committed to addressing the risks associated with climate change through proactive risk assessment, product innovation, and stakeholder engagement. We recognize the importance of integrating environmental, social, and governance (ESG) considerations into our business practices to mitigate climate-related risks and contribute to a more sustainable future.

Furthermore, the COVID-19 pandemic has underscored the importance of digitalization and agility in responding to evolving customer needs and market dynamics. We have accelerated our digital transformation initiatives to enhance operational efficiency, improve customer engagement, and capitalize on emerging opportunities in the digital ecosystem.

The year 2023 was a good year for the non-life insurance industry in Bangladesh in general. In the January to September period, the overall general insurance business grew around 20% over the last year. Usually, general insurers provide services to their clients in fire, marine, engineering, motor, aviation insurance, overseas mediclaim, and miscellaneous areas. The Insurance Development and Regulatory Authority (IDRA) has introduced several reforms during this financial year, to expand the insurance market and increase insurance penetration, encouraging rollout of innovative and customized products, modification in the sandbox, endorsement of Bancassurance and issued Corporate Governance Guideline for Insurance companies. These initiatives are truly transformative and will certainly help to improve insurance penetration, thus benefitting the entire insurance world.

We believe that our skilled manpower is dedicated to responding to customers' requirements with utmost sincerity, transparency and efficiency. Therefore, fostering appropriate human resources remains one of our key priorities to be able to serve customers in a better way and establish a competitive edge over our competitors. We used equal attention in launching our latest IT infrastructure and stretched network coverage to its optimum capacity.

During the year in report, despite of various headwinds, our company has earned gross premium income BDT 664.68 million (BDT 678.05 million in 2022) and net premium income BDT 333.55 million (BDT 372.20 million in 2022). Net claims remained manageable at BDT 103.96 million during the year (BDT 91.60 million in 2022) that drove our underwriting profit to BDT 147.47 million (BDT 141.25 million in 2022). Furthermore, a reasonable investment income of BDT 31.68 million (BDT 25.91 million in 2022). Our profit after tax BDT 68.19 million (BDT 73.48 million in 2022).

Looking ahead, we remain cautiously optimistic about the prospects for Federal Insurance amidst ongoing uncertainties and challenges. Guided by our core values of integrity, transparency, and customer-centricity, we are confident in our ability to navigate through turbulent situations and emerge stronger and more resilient.

In conclusion, I would like to express my sincere gratitude to our esteemed shareholders, valued customers, dedicated employees, and Insurance Development and Regulatory Authority (IDRA), Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Bangladesh Insurance Association (BIA), Registrar of Joint Stock Companies and Firms, the DSE & CSE, CDBL and other stakeholders for their unwavering support and trust in Federal Insurance. Together, we will continue to overcome challenges, seize opportunities, and create sustainable value for all our stakeholders.

May Almighty Bless us always.

Warm Regards,



Enamul Hoq
Chairman



Message from the Chief Executive Officer

Bismillahir Rahmanir Rahim

Dear Valued Stakeholders,

Assalamu Alaikum,

On behalf of the Management Team, I am honored to present to you the Annual Report for Federal Insurance Company Limited for the year 2023. I would like to express our deepest appreciation and grateful acknowledgement for your uninterrupted and praiseworthy support and co-operation for Federal Insurance Company Ltd. As we reflect on the past year, it is with great pride that I share our achievements, challenges, and strategic advancements that have collectively shaped our journey.

Performance and Growth:

In 2023, Federal Insurance Company Limited has made significant strides in fortifying our market position and expanding our service offerings. Despite the global economic volatility and challenges posed by the lingering effects of the pandemic, we have demonstrated resilience and adaptability. Our underwriting income grew by 4.39%, reflecting our strong underwriting discipline and strategic market expansion efforts.

Customer-Centric Initiatives:

Our unwavering commitment to our customers has been the cornerstone of our success. This year, we introduced several customer-centric initiatives for our policyholders. It is also pleasing that Federal Insurance made good progress on reducing its environmental footprint through many efforts such as reducing paper and energy consumption, improving social and community wellbeing, while also being able to offer customers more innovative and sustainable products and services. Our focus on innovation and technology has enabled us to offer seamless and personalized services, reinforcing our reputation as a trusted insurance partner. Ultimately, ensuring a better future for all our stakeholders.

Sustainability and Social Responsibility:

Sustainability remains at the heart of our operations. We have undertaken numerous initiatives aimed at promoting environmental stewardship and community development. Our corporate social responsibility programs have focused on education, healthcare, and disaster relief, making a positive impact on the communities we serve. In alignment with Bangladesh's Vision 2041, we are committed to contributing to the nation's sustainable development goals.

Operational Excellence:

Efficiency and operational excellence have been pivotal in driving our performance. We have invested in advanced technologies and streamlined processes to enhance our service delivery and operational efficiency. Our efforts in risk management, governance, and compliance have fortified our operational framework, ensuring robustness and reliability in our service offerings.

Technology & Human Capital Development:

Being financial service providers, we invest in human capital development in addition to our investment in IT sector. ICT investment can provide us advantages for certain period of time, and it cannot easily be imitated. But our competency in human resource development which provides us with real competitive advantages over the year. Thus we arrange congenial environment to our staff for ensuring self-motivation by discharging responsibilities in most professional manner. By creating satisfactory employment at Federal Insurance Company, we contribute to an economic impact in the country's employment indicator.

Prompt Settlement of Claims:

Ensuring customer services, particularly at the time of claims settlement, Federal Insurance aims at becoming the forerunner since claims are the only event when the customers are in distress and they need mental and financial supports and, in such a situation, insurance should be standing beside the customers. We embed this into our practices.

Future Outlook:

Looking ahead, we remain optimistic about the future. The insurance industry in Bangladesh is poised for significant growth, and we are well-positioned to capitalize on emerging opportunities. Our strategic focus will be on expanding our product portfolio, deepening customer relationships, and leveraging technology to drive innovation. We will continue to build on our strengths, foster a culture of excellence, and deliver sustainable value to our stakeholders.

Compliance to IDRA's Regulations :

Compliance to regulations introduced by "Insurance Development and Regulatory Authority (IDRA)" is our top priority. It is our core strengthen area which facilitates good corporate governance in adequate service levels for sustainability. We have to abide by all regulatory changes made by Bangladesh Securities and Exchange Commission and Bangladesh Banks, Bangladesh Insurance Association, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC., CDBL and Bangladesh Association of Publicly Listed Companies. We believe that adherence to business ethics and complaint to regulations would pay us in the long run to this edge, we have committed towards self-regulation, which is the heart of a complaint company.

Gratitude:

It is my pleasure to express my sincere thanks to our shareholders, stakeholders and my fellow colleagues for their dedication and commitment throughout the year. I also believe that all you will extend whole-hearted support as well as co-operation to uphold the images of Federal Insurance Company as one of top insurer in the country.

Finally, my special thanks go to our Honorable Chairman and the members of the board of Director for their proper guidance and patronization and I also thanks to the prudent management team of FICL for their commitment in expediting and implementing our strategies, over and above, building the company in a tougher time.

I believe in combined efforts of all stakeholders will bring a better tomorrow for all of us.

Thanks to all,

Sincerely,



AMM Mohiuddin Chowdhury

Chief Executive Officer



Mr. Enamul Hoq
Chairman

BRIEF PROFILE OF DIRECTORS

Senate Member of Chittagong University. Having topped in BA (Honours) & MA (English) Exams he started his career in 1970 as a Lecturer in English at Chittagong College. He was qualified in Bangladesh Civil Service in 1977. Mr. Hoq joined business in early 1978. He is the Chairman of Eden Multicare Hospital Ltd. and Paradise Corporation (Pvt.) Ltd. He is Vice Chairman of Sinobangla Industries Ltd. (Joint venture with China), director of Central Hospital Ltd. He is also advisor of Dutch-Bangla Pack Ltd.(Joint venture with the Netherlands). He is a life time member of Bangla Academy. Besides this he is associated with many social organizations. His thirst for learning combined with his intelligence has amazingly created his forward-looking and visionary enterprises. As a result, he tremendously succeeded in gaining respect of his peers and in building trust and confidence of his business partners and clients. He visited many countries of the world among which his visits to the USA & Germany with members of his family were on official invitation.

BRIEF PROFILE OF DIRECTORS



Mr. Elias Siddiquee
Vice Chairman

Mr. Elias Siddiquee is a successful renowned businessman. He was born in a respectable muslim family of Chattogram. He is the Chairman of Pubali Engineering and Construction Company Ltd. and Pubali Equipment & Machinery Trading L.L.C., Vice Chairman & Life Member of Bashundhra Eye Hospital & Research Institute associated with Vision Care Foundation, Managing Director of Pubali Engineering & Technology Ltd. He is a Director of Central Hospitals Ltd. He is the founder of many educational institutions. He is associated with a lot of social organizations. He is widely travelled person and visited many countries in connection with business and professional purpose.

Renowned businessman Mr. Jainul Abedin Jamal was born in a respectable Muslim family of Chattogram. He is a famous personality for his versatile business enterprises. He is the Chairman of three prestigious organizations i.e. Chittagong Builders & Machinery Ltd., Sifang Securities Ltd. and Merchant Securities Ltd. He is a Vice Chairman of ASM Chemical Industries Ltd. He is also Director of Central Hospitals Ltd., Eden Multi-care Hospital Ltd. and Universal Health Services & Research Ltd. He has visited many countries of the world in connection of business and thus gained vast experience and knowledge of Modern Methods, Technology, Production and marketing & Management Techniques. He is associated with many educational institutions and social organisations.



Mr. Jainul Abedin Jamal
Chairman
Executive & Investment Committee

BRIEF PROFILE OF DIRECTORS



Mr. Sabirul Hoque
Chairman, Claims Committee

Sponsor Shareholder Director of Federal Insurance Company Ltd. Mr. Sabirul Hoque is a renowned businessman of the country. He is the Managing Director of Shapla Ship Breakers Ltd. and Director of Dada Salt Factory Ltd, Noor Oil & Food Products Ltd. & Arafat Ltd. and Proprietor of S.H Trading Corporation. He is the member of Chittagong Club Ltd. He has visited many countries for the professional and personal purpose. He was founder Principal & former Chairman of Governing Bodies of Boalkhali Haji Nurul Hoque Women Degree College. He is associated with many educational institutions and social organisations.

Mr. Safar Raj Hossain is appointed to the Board of Directors of Federal Insurance Company Limited as an Independent Director in 2020 and he is now the Chairman of Audit Committee. He has completed B.Sc (Honours), M.Sc & L.LB from University of Rajshahi & Master in Public Administration (MPA) from Harvard University, USA. He was Secretary of three different Ministries i.e. Ministry of Establishment, Ministry of Home Affairs and Ministry LGRD & Cooperatives. He has received training on many different subjects at home and abroad. He deals with financial institutions, Government Regulatory Bodies, International vendor's legal bodies, and other concern departments as a part of corporate management policy. After retirement, he was Chairman of Board of Directors of DESCO (Dhaka Electric Supply Company). After retiring from Government service as Secretary, he has worked as a consultant with the World Bank, ADB and USAID. He is life member of American Alumnae Association, Bangladesh and Bangla Academy. He has visited many countries for professional purpose. He was an Independent Director of Sinobangla Industries Ltd also.



Mr. Safar Raj Hossain
Chairman, Audit Committee
(Independent Director)

BRIEF PROFILE OF DIRECTORS



Mr. Md. Rafiqul Islam
Chairman, NRC
(Independent Director)

Mr. Md. Rafiqul Islam was born on January 17, 1949 in a respectable Muslim family of Naogaon. He was a Secretary to the Govt. in the Ministry of Shipping in February 2005. He was engaged in formulation, implementation and monitoring the policies and development programs regarding inland water transportation, Port and Maritime transport system. He was Secretary in-charge in the Ministry of Primary and Mass Education of the Government of People's Republic of Bangladesh. During his 30 years long career in the Government Service he served in different positions in Ministry of Education, Ministry of Primary and Mass Education, Ministry of Establishment, Ministry of Health and Family Welfare,

Ministry of Water Resources and Ministry of Communication. He achieved diversified experience during his career in the Government Service.

Mr. Islam passed M.A (Economics) in 1970 from the University of Chittagong. He also completed Post-Graduation Diploma in Personnel Management, in 1995, from the University of Manchester and Certificate Courses in Health Economics, from the University of York, UK, Certificate Course on Project Management, AIT Bangkok, and Human Resource Management in Public Sector, Institute of Public Administration, and Malaysia etc.

He started his Profession in the year 1974 in Bangladesh Civil Service (Administration). During his service, he participated in various local and international training, seminar, workshop, meeting and conferences. Among those notables are (a) Seminar on Education and Training of Rural Youth, Japan, (b) Ministerial Conference on Industry-Institution Linkage, South Korean National University, (c) Asia-Pacific Leadership Forum workshop, Sri Lanka, (d) Regional Study Visit program on Primary Education, China, (e) Environmental Education Processes in Formal Education, Sweden & India (f) Tripartite Intercessional meeting of World Maritime Convergence, Switzerland etc.

Mr. Rafiqul Islam was a Governor of the World Maritime University, Malmo, Sweden during 2005-2006. He represented Bangladesh in International Maritime Organization(IMO) general assembly and as member of the executive council. He was member in Senate and Syndicate of Rajshahi University, Syndicate Member of National University. He was also Independent Director of Federal Insurance Company Ltd., Sinobangla Industries Ltd. and Jamuna Bank Ltd.

BRIEF PROFILE OF DIRECTORS



Mr. Md. Mahfuzur Rahman
Chairman, RMC
(Independent Director)

Former Senior Secretary Mr. Md. Mahfuzur Rahman, born in 1959, did BSS (Hons) & MSS in Economics from Dhaka University. He started his career as Assistance Commissioner in field administration of GOB and over the time he served as Deputy Commissioner Kishoregonj & Jashore district and Divisional Commissioner, Dhaka Division. He also discharges his duties as Director General, Directorate of Relief and Rehabilitations & Director General, Land Record and Surveys and Executive Director Bangladesh Computer Council. He performs his duty as Secretary, Bangladesh Parliament Secretariat. He retired in 2018 as Chairman Land reforms Board (Senior Secretary) and joined Federal Insurance Company Ltd. as an Independent Director in 2023. He also Independent Director of Sinobangla Industries Ltd. and Executive Director of Anjuman Mufidul Islam.

Renowned Businessman Md. Abdul Khaleque is a sponsor Director of the Federal Insurance Company Ltd. He is Chairman of RNSCO Merchandizing Ltd. and also Chairman of Chittagong Trade Agency Ltd. He was a sponsor Director of former AL-Baraka Bank Ltd. (now ICB Islami Bank Ltd.) He started his business career after completion of his B.A. (Hons) and M.A. degree from the University of Chittagong. He visited many countries of the world for business purpose. He is associated with many educational institutions and social organizations.



Mr. Md. Abdul Khaleque
Director

BRIEF PROFILE OF DIRECTORS



Ms. Khadizatul Anwar, MP
Director

Ms. Khadizatul Anwar, MP was born in a famous political family in Chattogram. Presently she is a Member of Parliament & Member of Standing Committee on (i) Estimated Accounts and (ii) The Ministry of Jute & Textiles, Bangladesh National Parliament. After completion of MBA degree, she joined her family business and become a successful entrepreneur. She is the Director of Golden Inn Chattogram Ltd. and played important roles with a rich and diverse corporate experience. She brings valuable insights to Federal Insurance Company Limited which has helped enhance the quality of the business. She has also played a vital role in initiating various social activities and has contributed to enhancing the quality of service of her countrymen. She is the Chairman of Alhaj Rafiqul Anwar Morsheda Akter Trust & Trustees Board Member of International Islamic University, Chattogram and Life Member of (a) Maa O Shishu Hospital, Chattogram, (b) Chittagong Diabetic Hospital, (c) Chittagong Club Ltd. She is the Organizational Secretary of Chattogram North District Awami League. As a sports lover, she is a Director of Abahoni Ltd. (Chattogram), her father Alhaj Rafiqul Anwar (Ex-MP) was the Chairman & Director of Abahoni Ltd. (Chattogram).

Mr. Morshedul Shafi was born in a respectable Muslim family of Chattogram. He completed his Masters of International Business from UK. Just after completion of his education he joined his family business. He is sponsor Director of Independent University of Bangladesh (Chattogram branch), Director of Chittagong International School (CIS), Managing Director of J S International Corporation Ltd. and Proprietor of Confidence Trade International & Lifestyle Curtain and Sofa Fabrics. He is also the chairman of Managing Committee of Arfa-Karim High School, Patiya, Chattogram. He has visited many countries of the world in connection of business and thus gained vast experience and knowledge of Modern Methods, Technology, Production and Marketing & Management Techniques. He is associated actively with good number of socio-cultural organizations.



Mr. Morshedul Shafi
Director

BRIEF PROFILE OF DIRECTORS



Mrs. Mamtaj Begum
Director

Mrs. Mamtaj Begum was born in a reputable Muslim family of Chottogram. She is a renowned entrepreneur. After completing education, she started business. She has been engaged in family business for a long time. Presently she is the managing director of Impel Shares and Securities Limited, a corporate member of Chittagong Exchange Limited. She is associated with many social and cultural organizations and involved in various social activities in the country.

Mr. Tahreer Nawaz was born in a respectable Muslim family in Dhaka. He obtained graduation in Mechanical Engineering from BUET. Afterward complete his MBA from IBA, University of Dhaka; he has been engaged in family business for a long time. Presently he is the Director & CEO of Merchant Autos Ltd. one of the largest European and Japanese car importer in Bangladesh, Proprietor of Chittagong Corporation. His wisdom helps Company to formulate policy & to set strategic planning and direction for its activates. Involved to set business planning, financial planning, marketing policy, procurement policy, operational policy, expansion/future business policy and other business affairs of the Company. He is associated with many social and cultural organizations and involved in various social activities in the country.



Mr. Tahreer Nawaz
Director

BRIEF PROFILE OF DIRECTORS



Mr. Towhidul Alam
Director

Mr. Towhidul Alam Managing Director of ATR Food Processing Ltd and Director of Chittagong Padding Mills Ltd. & ATR Agro Products Ltd. He is specializing in food processing and experience in all stages of the product development cycle. Well-versed in project management, he is able to solve complicated problem. He has innovative idea for product design and marketing. He obtained BBA major in Marketing from University of Windsor, Canada. He is associated with many social and cultural organizations.

Mr. Towfiqul Islam Chowdhury was born in a respectable Muslim family of Chittagong. He obtained graduation from Independent university Bangladesh. Afterward complete his MBA from East delta University; Mr.Towfiq is one of the director of Federal Insurance Company Ltd., Apart from that he involve in Export-Import and Real Estate Business. Mr.Towfiq is also involved with various Socio-Cultural, and sports activities.



Mr. Towfiqul Islam Chowdhury
Director

BRIEF PROFILE OF DIRECTORS



A K M Ziauddin Chowdhury
Director

Mr. A.K.M. Ziauddin Chowdhury was born in a renowned Muslim family of Chattogram. He had been a student of Aga Khan School, Dhaka and passed "O" Level and "A" Level under the Examination Board of the British Council, Cambridge and obtained distinction. Mr. Ziauddin has been admitted to York University, Toronto , Canada for higher studies. Having good physic he has interest in sports and regularly participating in different games especially football. He has keen interest in travelling and has visited India, Bangkok, Malaysia, Bhutan and Singapore.

Mrs. Hasina Banu was born in a respectable Muslim family of Chattogram City. She associated herself with their family business and built up a reputation as an efficient business entrepreneur and achieved remarkable success in business. She is one of the shareholders Director of Eden Multi-care Hospital. She has deep affinity and also attachment with socio-cultural organizations and activities. Now she is the Vice President of Dhaka Divisional Women Sports Association.



Mrs. Hasina Banu
Director

BRIEF PROFILE OF DIRECTORS



Mr. Abrarul Haque
Director

Mr. Abrarul Haque is a Shareholder directors of Federal Insurance Company Ltd. Just after completion of MBA from NUIST, China, he started his business career and became successful businessman and entrepreneur. He is the Director of Arafat Ltd., proprietor of BD Portland Corporation and S.H Trading Corporation. He has participated actively in a good number of prestigious Training, Workshop and seminar both at home and abroad. He obtained the opportunity to equip himself by working closely in all important section of general insurance that has enabled him for gathering versatile knowledge and experience to add this profession. He is also actively involved with social organizations of the country.

An active social worker, Mr Faraaz Karim Chowdhury obtained his BA in International Politics from Kings College London in 2013, and an MA in Political Science from The University of Manchester in 2015. He is the Managing Director of DFN Associates Ltd, FAV Diesel Sales and Service Ltd and Maximum Support Ltd which represents various multinational companies in Bangladesh. He is a shareholder director of Fazle Securities Ltd, Fazle Shipping Ltd and New Era Fashions MFRS. (BD) Ltd. Mr Chowdhury has attended the Inter Parliamentary Union session hosted in Geneva thrice as a visitor from Bangladesh Parliament. He is a life time donor member of Chittagong Press Club.



Mr. Faraaz Karim Chowdhury
Director

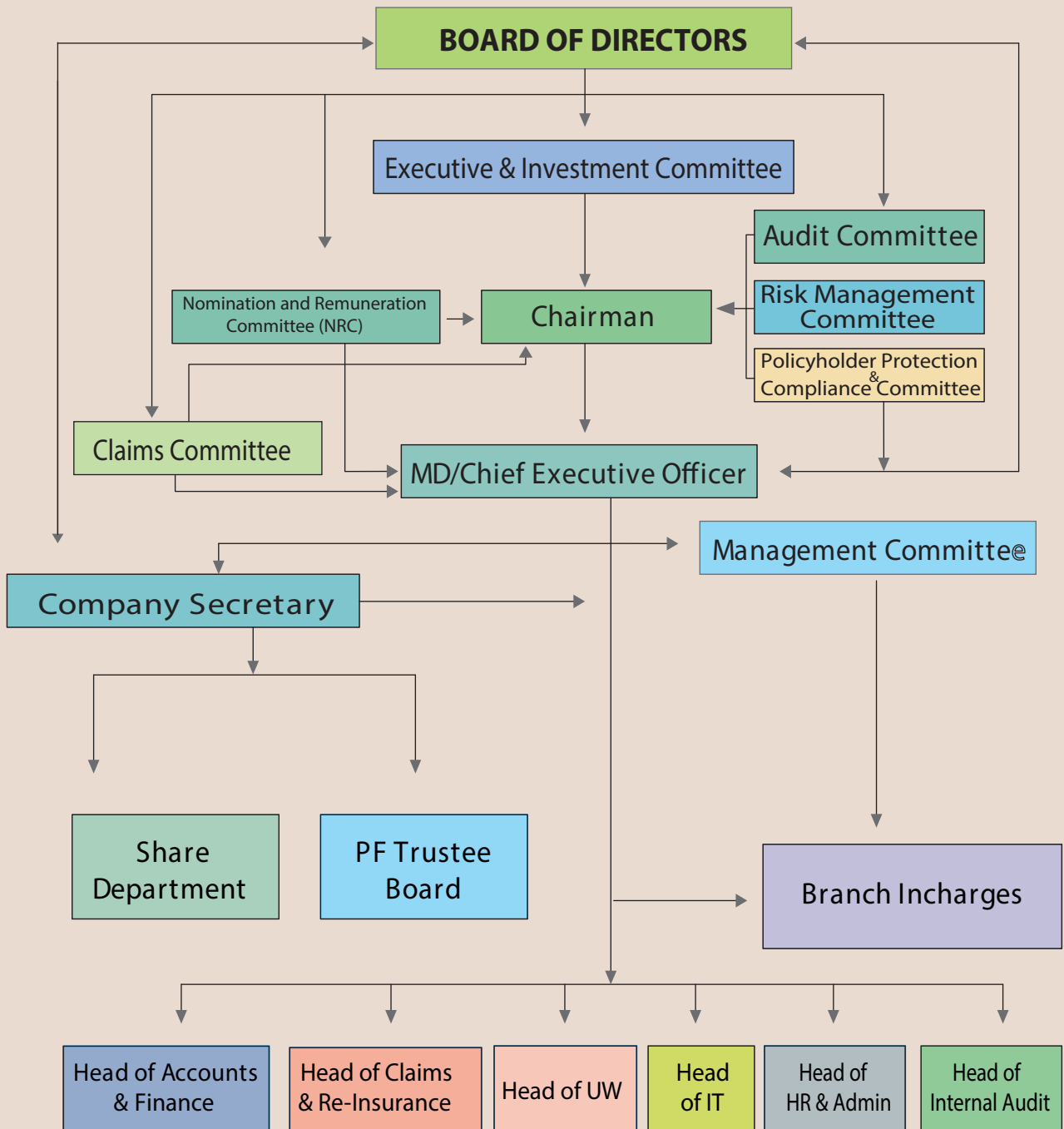


Mr. Jia Uddin
Director

BRIEF PROFILE OF DIRECTORS

Mr. Jia Uddin has completed his post graduation in International Business Management. He is the general manager at Impel Shares and Securities Limited. Mr. Jia Uddin has the power to resolve product and service complaints and determine the cause of the problem and explain the best solution to the problem. He conducted studies on financial sources, stocks and bond reports, corporate annual reports, economic reports, and other materials to extrapolate investment trends. He is associated with many social and cultural organizations.

STRUCTURE OF THE COMPANY



The Board of Directors and It's Sub-Committee

Board of Directors:

The Board of Federal Insurance Company Ltd. was constituted by 20 members. Out of which 12 from Sponsor Group, 4 from Independent Directors (Mr. Muhammad Nazrul Islam, Independent Director was resigned on 31.10.2023) and 4 from Public Shareholders. Meetings of the Board of Directors are held regularly. During the year 2023, 4 (four) meetings of the Board of Directors were held. A summary of attendance in the meetings during 2023 is given below:

| Sl. No. | Name | Designation | No. of Meetings held whilst a board member | Meeting Attended |
|---------|------------------------------|---|--|------------------|
| 01. | Mr. Enamul Hoq | Chairman | 4 | 4 |
| 02. | Mr. Elias Siddiquee | Vice Chairman | 4 | 4 |
| 03. | Mr. Jainul Abedin Jamal | Chairman, Executive & Investment Committee | 4 | 4 |
| 04. | Mr. Sabirul Hoque | Chairman, Claims Committee | 4 | 4 |
| 05. | Mr. Safar Raj Hossain | Chairman, Audit Committee (Independent Director) | 4 | 4 |
| 06. | Mr. Muhammad Nazrul Islam | Chairman, NRC (Independent Director) (Resigned on 31.10.2023) | 4 | 4 |
| 07. | Mr. Md. Rafiqul Islam | Chairman, NRC from (01.11.2024) (Independent Director) | 4 | 4 |
| 08. | Mr. Md. Mahfuzur Rahman | Independent Director Chairman, RMC | 4 | 4 |
| 09. | Mr. Md. Abdul Khaleque | Director | 4 | 4 |
| 10. | Ms. Khadizatul Anwar, MP | Director | 4 | 4 |
| 11. | Ms. Mamtaz Begum | Director | 4 | 4 |
| 12. | Mr. Morshedul Shafi | Director | 4 | 4 |
| 13. | Mr. Tahreer Nawaz | Director | 4 | 4 |
| 14. | Mr. Towfiqul Islam Chowdhury | Director | 4 | 4 |
| 15. | Mr. Towhidul Alam | Director | 4 | 4 |
| 16. | Mr. A K M Ziauddin Chowdhury | Director | 4 | 4 |
| 17. | Mrs. Hasina Banu | Director | 4 | 4 |
| 18. | Mr. Jia Uddin | Director | 4 | 4 |
| 19. | Mr. Abrarul Hoque | Director | 4 | 4 |
| 20. | Mr. Faraaz Karim Chowdhury | Director | 4 | 4 |

Executive & Investment Committee (EIC)

| Sl. No. | Name | Position in the Committee | Designation |
|---------|------------------------------|---------------------------|---------------------------------------|
| 01. | Mr. Jainul Abedin Jamal | Chairman | Director |
| 02. | Mr. Enamul Hoq | Member | Chairman (Board of Directors) |
| 03. | Mr. Elais Siddiquee | Member | Vice -Chairman (Board of Directors) |
| 04. | Mr. Sabirul Hoque | Member | Director (Chairman, Claims Committee) |
| 05. | Mr. Md. Abdul Khaleque | Member | Director |
| 06. | Mr. Morshedul Shafi | Member | Director |
| 07. | Mr. Towfiqul Islam Chowdhury | Member | Director |
| 08. | Mr. Towhidul Alam | Member | Director |
| 09. | Mrs. Khadizatul Anwar, MP | Member | Director |
| 10. | Mr. Tahreer Nawaz | Member | Director |
| 11. | Mr. AKM Ziauddin Chowdhury | Member | Director |
| 12. | Mr. Jia Uddin | Member | Director |
| 13. | Mr. Faraaz Karim Chowdhury | Member | Director |

Audit Committee:

| Sl. No. | Name | Position in the Committee | Designation |
|---------|-------------------------|---------------------------|--|
| 01. | Mr. Safar Raj Hossain | Chairman | Independent Director (Former Secretary) |
| 02. | Mr. Jainul Abedin Jamal | Member | Director (Chairman, EIC) |
| 03. | Mr. Morshedul Shafi | Member | Director |
| 04. | Mr. Md. Rafiqul Islam | Member | Independent Director (Former Secretary) |
| 05. | Mr. Md. Mahfuzur Rahman | Member | Independent Director (Former Senior Secretary) Chairman, RMC |

Claims Committee:

| Sl. No. | Name | Position in the Committee | Status in the Board |
|---------|------------------------------|---------------------------|---------------------|
| 01. | Mr. Sabirul Hoque | Chairman | Director |
| 02. | Mr. Md. Abdul Khaleque | Member | Director |
| 03. | Mr. Towfiqul Islam Chowdhury | Member | Director |
| 04. | Mr. Towhidul Alam | Member | Director |
| 05. | Mrs. Hasina Banu | Member | Director |
| 06. | Ms. Mamtaj Begum | Member | Director |

Nomination and Remuneration Committee (NRC):

| Sl. No. | Name | Position in the Committee | Status in the Board |
|---------|---------------------------|---------------------------|--|
| 01. | Mr. Md. Rafiqul Islam | Chairman | Independent Director (Former Secretary) |
| 02. | Mr. Enamul Hoq | Member | Chairman (Board of Director) |
| 03. | Mr. Safar Raj Hossain | Member | Independent Director (Former Secretary) (Chairman, Audit Committee) |
| 04. | Mrs. Khadizatul Anwar, MP | Member | Director |
| 05. | Mrs. Mamtaj Begum | Member | Director |
| 06. | Mr. Abrarul Hoque | Member | Director |

Risk Management Committee (RMC):

| Sl.No. | Name | Position in the Committee | Status in the Board |
|--------|----------------------------|---------------------------|--|
| 01. | Mr. Md. Mahfuzur Rahman | Chairman | Independent Director (Former Senior Secretary) |
| 02. | Mr. Tahreer Nawaz | Member | Director |
| 03. | Mrs. Hasina Banu | Member | Director |
| 04. | Mr. Faraaz Karim Chowdhury | Member | Director |

Policyholder Protection & Compliance Committee (PPCC):

| Sl. No. | Name | Position in the Committee | Status in the Board |
|---------|----------------------------|---------------------------|---------------------|
| 01. | Mr. Elias Siddiquee | Chairman | Vice -Chairman |
| 02. | Mr. AKM Ziauddin Chowdhury | Member | Director |
| 03. | Mr. Abrarul Hoque | Member | Director |
| 04. | Mr. Jia Uddin | Member | Director |

Management Committee:

| Sl. No. | Name | Designation | Position in the Committee |
|---------|-----------------------------|---|---------------------------|
| 01. | Mr. AMM Mohiuddin Chowdhury | Managing Director & CEO | Chairman |
| 02. | Mr. Md. Zakir Hossain | Deputy Managing Director(Head of Marketing) | Member |
| 03. | Mr. Md. Mohibullah | Assistant Managing Director (Head of RI & Claims) | Member |
| 04. | Sheikh Mohammad Anwar Uddin | SEVP & Company Secretary | Member-Secretary |
| 05. | Mr. Md. Masud Hossain | EVP & CFO | Member |
| 06. | Mr. Abu Jafar | SVP (Head of Underwriting) | Member |
| 07. | Mr. Md. Mazaharul Islam | VP (Head of HR & Admin) | Member |
| 08. | Mr. Mohammad Tazul Islam | VP & HIAC | Member |

Purchase Committee:

| Sl. No. | Name | Designation | Position in the Committee |
|---------|--------------------------|---|---------------------------|
| 01. | Mr. Md. Mohibullah | Assistant Managing Director (Head of RI & Claims) | Chairman |
| 02. | Mr. Md. Mazaharul Islam | VP (Head of HR & Admin) | Member |
| 03. | Mr. Mohammad Tazul Islam | VP & HIAC | Member |
| 04. | Mr. Sirajul Islam | Manager (F&A) | Member |

পরিচালকমন্ডলীর প্রতিবেদন

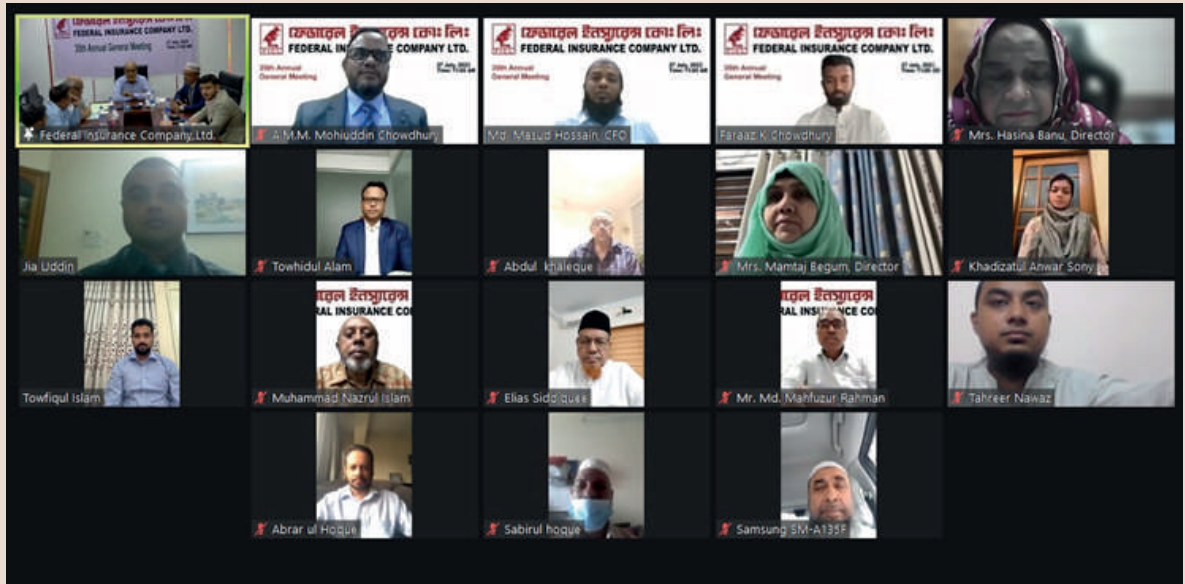
৩১ ডিসেম্বর ২০২৩ তারিখে সমাপ্ত বছরে

বিস্মিল্লাহির রহমানির রহিম,
সম্মানিত শেয়ারহোল্ডারবৃন্দ,
আসসালামু আলাইকুম,

ফেডারেল ইনস্যুরেন্স কোম্পানী লি: এর ৩৬ বার্ষিক সাধারণ সভায় আপনাদের সকলকে আন্তরিক শুভেচ্ছা ও স্বাগতম জানাচ্ছি। আপনারা জানেন যে রাশিয়া-ইউক্রেন যুদ্ধ ও ইসরাইল-ফিলিস্তিন যুদ্ধ তৎসংশ্লিষ্ট উত্তেজনার কারণে পৃথিবীর সকল দেশ, অঞ্চল এক দুর্যোগকালীন সময় অতিক্রম করছে। বাংলাদেশ সরকারের স্বাস্থ্য বিধি মেনে এবং বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী এ বছর হাইব্রিড বার্ষিক সাধারণ সভা ২০২৩ এর আয়োজন করা হয়েছে। এ মহতী অনুষ্ঠানে সংযুক্ত হওয়ায় আপনাদের প্রতি রইল আন্তরিক অভিনন্দন। পরিচালকমন্ডলীর পক্ষ থেকে ৩১ ডিসেম্বর ২০২৩ তারিখে সমাপ্ত বছরের কর্মকান্ড, নিরীক্ষিত হিসাব ও অর্থনৈতিক তথ্যাবলীযুক্ত কোম্পানীর বার্ষিক প্রতিবেদন আপনাদের বিবেচনা এবং অনুমোদনের জন্য উপস্থাপন করার সুযোগ পেয়ে আমি আনন্দিত বোধ করছি। কোম্পানী আইন ১৯৯৪ এর ধারা-১৮৪ ও বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশন ও অন্যান্য সংশ্লিষ্ট আইনের বিধি, নোটিফিকেশন মোতাবেক কোম্পানীর পরিচালক পরিষদ তাদের প্রতিবেদনে স্বচ্ছতা, জবাবদিহিতা ও সুশাসনের দিকে নজর রেখে সংযুক্তি ও ব্যাখ্যার মাধ্যমে ব্যবসায়িক কর্মকান্ড ও সাফল্য তুলে ধরার চেষ্টা করেছেন। আশা করি আপনাদের অব্যাহত সক্রিয় সমর্থন ও সহযোগিতায় কোম্পানী উত্তরোত্তর শক্তিশালী প্রতিষ্ঠান হিসাবে বিকশিত হবে।

Bismillahir Rahmanir Rahim,
Dear Shareholders,
Assalamu Alaikum,

Greetings and welcome to the 36th Annual General Meeting of Federal Insurance Co. Ltd. You know that all the countries and regions of the world are going through a crisis period due to Russia-Ukraine war and Israel-Palestine war. The Hybrid Annual General Meeting 2023 has been organized this year in compliance with the health regulations of the Government of Bangladesh and as per the directives of the Bangladesh Securities and Exchange Commission. Heartiest congratulations to you for joining this great event. On behalf of the Board of Directors, I am pleased to have the opportunity to present for your consideration and approval the Annual Report of the Company containing the operations, audited accounts and financial information for the year ended 31st December 2023. In accordance with Section-184 of the Companies Act 1994 and Bangladesh Securities and Exchange Commission and other related laws, the board of directors of the company has tried to highlight the business activities and success through attachment and explanation with an eye on transparency, accountability and good governance in their reports. We hope that with your continuous a support and co-operation, the company will continue to develop as a strong organization.





কোম্পানী সম্পর্কিত তথ্য :

১৯৮৭ সনের ১১ নভেম্বর ফেডারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড ৩.০০ কোটি টাকা পরিশোধিত মূলধন নিয়ে নিবন্ধিত হয়। একই সনের ১৭ নভেম্বর বীমা অধিদপ্তর থেকে সাধারণ বীমা ব্যবসার রেজিস্ট্রেশন সার্টিফিকেট প্রাপ্ত হয় এবং ২০ নভেম্বর আনুষ্ঠানিক কার্যক্রম শুরু করে। ১৯৯৫ সনে পাবলিক ইস্যুর মাধ্যমে পরিশোধিত মূলধন ৬.০০ কোটি টাকায় এবং পরবর্তিতে মূলধন আরও বৃদ্ধির লক্ষ্যে ক্রমান্বয়ে বোনাস, রাইটস শেয়ার ইস্যুর মাধ্যমে কোম্পানীর পরিশোধিত মূলধন ৭১.০৪ কোটি টাকায় উন্নীত করা হয়। সংশ্লিষ্ট সকলের পৃষ্ঠপোষকতা, আন্তরিক সহযোগিতা এবং কোম্পানীর সকল কর্মকর্তা-কর্মচারীর সম্মিলিত প্রচেষ্টায় দীর্ঘ ৩৭ বছরে কোম্পানী বিভিন্ন সময়ে নানা প্রতিকূল অবস্থা, অস্থিরতা, প্রাকৃতিক দুর্যোগ প্রভৃতি কারণে এবং বিপুল পরিমাণ অংকের বীমা দাবী পরিশোধ সত্ত্বেও ধাপে ধাপে অগ্রগতির দিকে এগিয়ে যাচ্ছে। আন্তরিকভাবেই বিশ্বাস করি মহান আল্লাহ্‌তায়ালার অশেষ রহমতে এবং আপনাদের সবার আন্তরিক সহযোগিতায় আমরা কাঙ্ক্ষিত লক্ষ্যে পৌঁছবোই।

ব্যবসার পরিবেশ ও ভবিষ্যত প্রত্যাশা :

২০২২ সনে ইউক্রেন-রাশিয়া যুদ্ধ, কোভিড-১৯ মহামারী আবারও জাপান কোরিয়াসহ কিছু দেশে বিস্তার লাভ করে, যা বিশ্বব্যাপী যথেষ্ট উদ্বেগের কারণ হয়েছিল। কোভিড-১৯ এর এর নতুন ঢেউ সত্ত্বেও সরকার কর্তৃক গৃহীত ছোট ও মধ্যম ধরণের অর্থনৈতিক পুনরুদ্ধার পরিকল্পনার সঠিক বাস্তবায়নের কারণে বাংলাদেশের অর্থনীতি প্রত্যাশার চেয়েও দ্রুতগতিতে পুনঃগঠিত হয়েছে। ব্যাপক প্রবাসী আয় প্রবাহ, রপ্তানি চাহিদা পুনরুদ্ধার এবং সরকারী বিনিয়োগ এর কারণে দেশের জিডিপি ২০২২ সনে ৭.১০ শতাংশ হারে বৃদ্ধি পেয়েছে। ২০২২ সনের শেষ দিকে বৈশ্বিক মন্দার প্রভাব দেশের অর্থনীতিতে ধাক্কা লাগে,

Company Related Information:

Federal Insurance Co. Ltd. was registered on 11 November 1987 with a paid up capital of Tk 3.00 crores. On November 17 of the same year, the General Insurance Business Registration Certificate was obtained from the Department of Insurance and started official operations on November 20. In 1995, the paid-up capital was raised to Tk 6.00 crore through public issue and subsequently the company's paid-up capital was raised to Tk 71.04 crore through the issue of bonus, rights shares gradually to further increase the capital. With the patronage, sincere co-operation and joint efforts of all the officers and employees of the company, this company has been progressing step by step in spite of various adverse conditions, instability, natural disasters etc. We sincerely believe that with the infinite mercy of Almighty Allah and the sincere co-operation of all of you, we will reach the desired goal.

Business Environment and Future Expectations:

In 2022, the Ukraine-Russia war, covid-19 epidemic again spread in some countries including Japan and Korea, which caused considerable concern worldwide. Despite the new wave of Covid-19, the economy of Bangladesh has been restructured faster than expected due to the proper implementation of the small and medium economic recovery plan adopted by the government. The country's GDP grew by 7.10 percent in 2022 due to large expatriate income inflows, recovery in export demand and government investment. In late 2022,

ফলে বিলাসী পণ্য আমদানীতে বিধি-নিষেধ আরোপ করে যার ফলে আগামী বছরগুলি দেশের জিডিপি প্রবৃদ্ধি কমতে পারে। ২০২৩ সনে জিডিপি ৬.০৩% অর্জিত হয়েছে এবং ২০২৪ সনে ৫.৭% হতে পারে বলে আশা করা যাচ্ছে। বছর শেষে বৈদেশিক মুদ্রার রিজার্ভ কমে দাড়ায় ২৪.৩ বিলিয়ন যা ২০২১ সনে বৈদেশিক মুদ্রার রিজার্ভ সর্বোচ্চ ৪৬.৩৯ বিলিয়ন মার্কিন ডলার ছিল। খাদ্য ও অন্যান্য পণ্যের মূল্য বৃদ্ধির কারণে ২০২৩ সনে মুদ্রাস্ফীতির হার ৯.৪১ শতাংশে বৃদ্ধি পেয়েছে যা বিগত কয়েক বছর যাবৎ প্রায় ৫.৬০ শতাংশে স্থির ছিল।

বাংলাদেশে নন-লাইফ বীমা ব্যবসায়ের ইতিহাস অতি প্রাচীন। বর্তমানে সরকারী সাধারণ বীমা কর্পোরেশনসহ নন-লাইফ বীমা কোম্পানীর সংখ্যা ৪৭টি। বিগত বছরগুলোতে বাংলাদেশের বীমা শিল্পের উন্নয়নের হার ৫% যা মোট জিডিপির ০.৫৯% মাত্র। স্বল্প বিনিয়োগ ও অর্থনৈতিক কর্মকাণ্ডের ধীরগতি, অধিক করহার, বীমা সম্পর্কে মানুষের পর্যাপ্ত ধারণার অভাব ও ব্যবসা সম্প্রসারণের নিম্নগামী ধারা এই ব্যবসায়ের উন্নতির পথকে রোধ করে রেখেছে। আশার কথা হচ্ছে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক গৃহীত পদক্ষেপসমূহকে আমরা স্বাগত জানাই এবং আশা করি বীমা শিল্পের স্থিতিশীল ও টেকসই উন্নয়নের জন্য আইডিআরএ কর্তৃক ঘোষিত জাতীয় বীমা নীতিমালায় অন্তর্ভুক্ত বিষয়সমূহ বাস্তবায়ন এ প্রচেষ্টা অব্যাহত থাকবে। কাজের স্বচ্ছতা ও জবাবদিহিতা নিশ্চিতকরণ এবং কার্যক্রম পরিচালনায় নিয়ন্ত্রণ প্রতিষ্ঠা করতে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ বীমা কোম্পানীসমূহকে সময়োপযোগী ডিজিটালাইজেশন করার উদ্যোগ গ্রহণ করেছে। আমরা এ উদ্যোগকে স্বাগত জানাই এবং আশা করি সকল বীমা কোম্পানীর জন্য সুষ্ঠু ব্যবসায়িক পরিবেশ নিশ্চিতকল্পে ও এখাতে শৃংখলা ফিরিয়ে আনতে কর্তৃপক্ষ সফল হবে।

the effects of the financial recession hit the country's economy, leading to restrictions on the import of luxury goods, which could reduce the country's GDP growth in the coming years. GDP is expected to reach 6.03% in 2023 and 5.7% in 2024. At the end of the year, foreign exchange reserves decreased to 24.3 billion, which in 2021 was the highest foreign exchange reserve of 46.39 billion mark dollars. The inflation rate has increased to 9.41 percent in 2023 due to increase in prices of food and other commodities, which has been stable at around 5.60 percent for the past few years.

The history of non-life insurance business in Bangladesh is very old. At present there are 47 non-life insurance companies including the Government Shadaron Bima Corporation. In the past years, the development rate of the insurance industry in Bangladesh is 5% which is only 0.59% of the total GDP. Slowness of small investment and economic activity, high tax rate, lack of adequate awareness of people about insurance and downward trend of business expansion are blocking the way of growth of this business. Hopefully, we welcome the steps taken by the Insurance Development and Regulatory Authority and hope that efforts will continue to implement the issues contained in the National Insurance Policy announced by IDRA for stable and sustainable development of the insurance industry. The Insurance Development and Regulatory Authority has taken initiatives for timely digitalization of insurance companies to ensure transparency and accountability and establish control over operations. We welcome this initiative and hope that the authorities will succeed in ensuring a fair business environment for all insurance companies and bring order to it.



ব্যবসা পর্যালোচনা :

নন-লাইফ বীমা ব্যবসা নির্ভর করে দেশের অর্থনৈতিক অবস্থা, শিল্প-কারখানার উন্নয়ন, ব্যবসা-বাণিজ্যের প্রসার এবং আমানত ও বিনিয়োগ বৃদ্ধির উপর। এছাড়াও অর্থনৈতিক স্থিতিশীলতাও জীবনযাত্রার মানোন্নয়নে ও কোন কোন ক্ষেত্রে সহযোগি হয়। বীমা শিল্পের উন্নয়নের জন্য কিছু প্রতিবন্ধকতা এ শিল্পের উজ্জ্বল ভবিষ্যত পূর্ববর্তী বছর থেকে নিস্শঙ্কিত করে রেখেছে। তবে আশার কথা এই যে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ এই শিল্পের উন্নয়নে বেশ কিছু বাদবমুখী পরিকল্পনা ও কঠোর পদক্ষেপ গ্রহণ করেছে। এই ব্যাপারে বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন ও বীমা কোম্পানীগুলি সার্বিক সহায়তা দিয়ে যাচ্ছে। ইতিমধ্যে পরিকল্পনাগুলি বাস্তবায়ন শুরু হওয়ার ফলে বীমা শিল্পে ইতিবাচক পরিবর্তন লক্ষ্য করা যাচ্ছে। আপনাদের কোম্পানী ২০২৩ সনে মোট প্রিমিয়াম আয় করেছে ৬৬৪.৬৯ মিলিয়ন যা ২০২২ সনে ছিল ৬৭৮.০৪ মিলিয়ন। গত বছরের তুলনায় প্রিমিয়াম কিছুটা হ্রাস পেয়েছে। অবলিখন মুনাফা ২০২৩ সনে কিছুটা বৃদ্ধি পেয়ে ১৪৭.৪৭ মিলিয়ন টাকা অর্জন করেছে, যা ২০২২ সনে ছিল ১৪১.২৫ মিলিয়ন টাকা।

অগ্নি বীমা ব্যবসা :

কোম্পানী ২০২৩ সনে অগ্নি বীমা ব্যবসা থেকে মোট প্রিমিয়াম আয় করেছে ২৭৬.৮৮ মিলিয়ন যা ২০২২ সনে ছিল ২৭৬.৮৯ মিলিয়ন। পুনঃ বীমা প্রিমিয়াম প্রদানের পর কোম্পানী ২০২২ সনে নীট প্রিমিয়াম আয় করেছে ১৩২.৫০ মিলিয়ন টাকা। অগ্নি বীমাতে ২০২৩ সনে অবলিখন মুনাফা হয়েছে ২৭.৭৭ মিলিয়ন টাকা, ২০২২ সনের তুলনায় এ বছর অবলিখন মুনাফা ৪১.৪৭% বৃদ্ধি পেয়েছে।

নৌ কার্গো ও নৌ হাল বীমা ব্যবসা :

নৌ কার্গো ও হাল ব্যবসা থেকে কোম্পানীর মোট প্রিমিয়াম আয় করেছে ২৬২.৮৪ মিলিয়ন টাকা যা ২০২২ সনে ছিল ২৫৬.৮০ মিলিয়ন টাকা। পুনঃ বীমা প্রিমিয়াম প্রদানের পর নৌ কার্গো ও হাল বীমা থেকে ২০২৩ সনের নীট প্রিমিয়াম আয় হয়েছে ১৯০.৭৫ মিলিয়ন টাকা। নীট বীমা দাবী পরিশোধের পর এ বছর অবলিখন মুনাফা হয়েছে ১১৯.৬০ মিলিয়ন টাকা, গত বছর ছিল ১১৩.৯০ মিলিয়ন টাকা। ২০২২ সনের তুলনায় এ বছর অবলিখন মুনাফা ৫% বৃদ্ধি পেয়েছে।

মটর ও বিবিধ বীমা ব্যবসা :

কোম্পানী মটর বীমা থেকে ২০২৩ সনে ৪২.৪৯ মিলিয়ন টাকা মোট প্রিমিয়াম আয় করেছে। পুনঃ বীমা প্রিমিয়াম প্রদানের পর মটর বীমা ব্যবসায় নীট প্রিমিয়াম আয় হয়েছে ৪০.৭৮ মিলিয়ন টাকা। নীট বীমা দাবী পরিশোধের পর এ বছর অবলিখন মুনাফা হয়েছে ২০.১০ মিলিয়ন টাকা। গত বছরের তুলনায় মটর বীমা মুনাফা বৃদ্ধি পেয়েছে। বিবিধ বীমা ব্যবসা থেকে ২০২৩ সনে মোট প্রিমিয়াম আয় হয়েছে ৮২.৪৫ মিলিয়ন টাকা। ২০২২ সনে ছিল ৮৯.৯১ মিলিয়ন টাকা।

Business Review:

Non-life insurance business depends on the economic condition of the country, development of industry, expansion of trade and growth of deposits and investments. Also, economic stability also helps in improving the quality of life in some areas. Certain obstacles to the development of the insurance industry have kept the bright future of the industry down from previous years. But it is hopeful that the Insurance Development and Regulatory Authority has taken some realistic plans and drastic steps to develop this industry. Bangladesh Insurance Association and insurance companies are providing full support in this regard. Positive changes are being noticed in the insurance industry as the plans have already started to be implemented. Our company earned a total premium income of Tk. 664.69 million in 2023 which was 678.04 million in 2022. The premium has decreased slightly compared to last year. Underwriting profit increased marginally to Tk. 147.47 million in 2023 from Tk. 141.25 million in 2022.

Fire Insurance Business:

The company recorded a total premium income from fire insurance business of Tk. 276.88 million in 2023 as against Tk. 276.89 million in 2022. After paying reinsurance premiums, the company earned a net premium income of Tk 132.50 million in 2022. In fire insurance, the underwriting profit in 2023 was Tk. 27.77 million, compared to 2022, the underwriting profit increased by 41.47% this year.

Marine Cargo and Marine Hull Insurance Business:

Total premium income of the company from marine cargo and hull business in Tk. 262.84 million in 2023 which was Tk. 256.80 million in 2022. After payment of re-insurance premium, net premium income of 2023 from marine cargo and hull insurance is Tk. 190.75 million. This year's Underwriting profit after net insurance claim payment has been Tk. 119.60 million, last year it was Tk. 113.90 million. Over 2022, underwriting profit increased by 5% this year.

Motor and Miscellaneous Insurance Business:

The company earned a total premium income of Tk. 42.49 million in 2023 from motor insurance. After payment of reinsurance premiums, the net premium income of the motor insurance business was Tk. 40.78 million. After paying net insurance claims, the underwriting profit this year is Tk. 20.10 million. Motor insurance profit increased compared to last year. The total premium income in 2023 from miscellaneous insurance business is Tk 82.45 million. In 2022 it was Tk. 89.91 million.

ক্রেডিট রেটিং :

২০০৭ সনে প্রধান বীমা নিয়ন্ত্রক কর্তৃক ক্রেডিট রেটিং বাধ্যতামূলক করার পর আমরা সন্তোষজনক রেটিং অর্জন করে আসছি। ২০২২ সনের বার্ষিক প্রতিবেদনের উপর ভিত্তি করে ন্যাশনাল ক্রেডিট রেটিংস লিমিটেড (NCR) কোম্পানীর ব্যবসায়ের প্রবৃদ্ধি, বীমা দাবী পরিশোধের আর্থিক সক্ষমতা, বিচক্ষণ আর্থিক ব্যবস্থাপনা, স্বচ্ছলতা, বিনিয়োগ, তারল্য, আইটি ব্যবস্থাপনা ইত্যাদি বিবেচনা করে গত বছরের ক্রেডিট রেটিং এএ+ করেছিল। এ বছর ও ২০২৩ সনের বার্ষিক প্রতিবেদনের উপর ভিত্তি করে 'এএ+' ক্যাটাগরীতে রেটিং করেছে।

মানব সম্পদ :

আমরা বিশ্বাস করি ব্যবহারিক দক্ষতা ও গুনাবলী হচ্ছে গুণগত মানসম্পন্ন কাজের অন্যতম শর্ত। শুধুমাত্র শিক্ষাগত যোগ্যতা দ্বারা ভাল কাজ পাওয়া যায় না। ভাল কাজের জন্য শিক্ষাগত যোগ্যতার সাথে পেশাগত শিক্ষা ও ব্যবহারিক প্রশিক্ষণ অত্যন্ত গুরুত্বপূর্ণ। এই লক্ষ্যে ফেডারেল ইনস্যুরেন্স তার কর্মীদের "কর্মকালীন প্রশিক্ষণ" এর উপর গুরুত্ব আরোপ করে। আমাদের কর্মীদের গুণগত মান উন্নয়ন ও পেশাগত দক্ষতা অর্জনের জন্য বিভিন্ন প্রশিক্ষণ কেন্দ্রে পাঠানো হয় যাতে করে তারা ভবিষ্যতে দক্ষতার সাথে কোম্পানীর কার্যাবলী সম্পাদন করতে পারে।

শাখা নেটওয়ার্ক :

আমরা সারা দেশব্যাপী সর্বমোট ৩০টি শাখার মাধ্যমে ব্যবসা পরিচালনা করছি। উপযুক্ত ভালো স্থানে আরো নতুন শাখা খোলার জন্য চেষ্টা চালাচ্ছি। নতুন শাখা খোলার মাধ্যমে বাজারে আমাদের সক্রিয় উপস্থিতি যাতে আমাদের বীমা সেবা জনগণের জন্য সহজলভ্য হয়।

অফিস স্পেস ক্রয় :

পরিচালক পরিষদের ২৮/০৭/২০২২ তারিখের সভার সিদ্ধান্ত অনুযায়ী ৬৯/১ পান্থপথ, ধানমন্ডি, ঢাকাস্থ ১৬ (ষোল) তলা বিশিষ্ট 'সুবাস্তু টাওয়ার' নামীয় ইমারতের নীচ তলায় একটি কার পার্কিংসহ ৪র্থ তলার ২,১৫০ (দুই হাজার একশত পঞ্চাশ) বর্গফুট বিশিষ্ট টাইপ "এ-৩" নং ফ্ল্যাট ও উহার যাবতীয় কমন ব্যবহারের সুযোগ সুবিধাদিসহ ফ্লোর স্পেসটি প্রতি বর্গফুট টা: ১১,০০০/- এবং পার্কিং ও ইউটিলিটি বাবদ টা: ৩,৫০,০০০/- সর্বমোট টা: ২,৪০,০০,০০০/- (টাকা দুই কোটি চল্লিশ লাখ) মাত্র এবং রেজিস্ট্রেশন বাবদ টা: ৪২,৯৮,২২৩/- সহ মোট টা: ২,৮২,৯৮,২২৩/- (টাকা দুই কোটি বিরাশি লাখ আটানব্বই হাজার দুইশো তেইশ) মাত্র ক্রয়ের আনুষ্ঠানিকতা সম্পন্ন হয়েছে। প্রস্তাবিত অফিস স্পেসটিতে প্রধান কার্যালয়ের দুটি বিভাগ যথা হেড অফিস সেলিং বুথ ও শেয়ার বিভাগ ছাড়াও মার্কেটিং বিভাগের উর্ধ্বতন কর্মকর্তাদের চেম্বার এবং কেন্দ্রীয় স্টোর বিভাগ এর কার্যক্রম পরিচালিত হচ্ছে।

Credit Rating:

We have been achieving satisfactory ratings since credit rating was made mandatory by the Chief Insurance Regulator in 2007. Based on the Annual Report of 2022 considering the company's business growth, financial ability to pay insurance claims, prudent financial management, solvency, investment, liquidity, IT management etc, the National Credit Ratings Limited (NCR) has rated us AA+. In Consideration of Annual Report 2023 and other relevant performance NCR has also rated the company AA+ for this year.

Human resources:

We believe practical skills and qualities are one of the prerequisites for quality work. Good job is not found by educational qualification. Vocational education and practical training along with academic qualification are very important for good job. For this, Federal Insurance emphasizes "on-the-job training" of its employees. Our employees are sent to various training centers to improve their quality and acquire professional skills so that they can efficiently perform the functions of the company in the future.

Branch Network:

We are operating the business through 30 branches across the country. We are trying to open new branches in suitable locations of the country. Our active presence in the market by opening new branches to make our insurance services accessible to the masses.

Purchase of office space:

As per the decision of the Board of Directors meeting held on 28/07/2022, 2,150 (two thousand one hundred and fifty) square feet of 4th floor with a car parking on the ground floor of the 16 (sixteen) storeyed building named 'Suvastu Tower' at 69/1 Panthapath, Dhanmondi, Dhaka. Flat No. "A-3" along with all its common use facilities floor space per square feet Tk. 11,000/- and for parking and utilities: 3,50,000/- Total Tk. 2,40,00,000/- (Taka two crore forty lacs) only and for registration Tk. 42,98,223/- including a total amount of Tk. 2,82,98,223/- (Taka two crore eighty two lac ninety eight thousand two hundred twenty three) only purchase formalities has been completed. Currently in this office space, two departments of the head office named head office selling booth and share department, apart from the senior officers' chamber of the marketing department and the activities of the central store department are being managed.



নিরীক্ষা প্রতিবেদন এবং আর্থিক বিবরণীর উপর পরিচালকমণ্ডলীর প্রতিবেদন :

সম্মানিত শেয়ারহোল্ডারবৃন্দ আপনাদের অবগতির জন্য জানান যাচ্ছে যে,

(ক) কোম্পানীর আর্থিক বিবরণীসমূহ এবং সংযুক্ত টিকাসমূহ কোম্পানী আইন ১৯৯৪, বীমা আইন ২০১০, কিছু কিছু ক্ষেত্রে বীমা আইন ১৯৩৮, বীমা বিধিমালা-১৯৫৮ এবং বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশন আইন ১৯৮৭ অনুযায়ী প্রণীত হয়েছে। এ বিবরণীসমূহ কোম্পানীর আর্থিক অবস্থা, সমাপ্ত বছরের কার্যক্রমের ফলাফল এবং নগদ অর্থ প্রবাহের প্রকৃত চিত্র প্রতিফলন করে।

(খ) নিরীক্ষা প্রতিবেদনে উপস্থাপিত কিছু সংখ্যক পরামর্শের প্রেক্ষিতে আমাদের বক্তব্য নিম্নরূপ:

(১) কোম্পানীর কর্মকর্তা/কর্মচারীদের অবসর/পদত্যাগের পর কোম্পানী চাকুরী বিধি অনুযায়ী প্রাপ্য গ্রাচুইটি ও অন্যান্য সুযোগ সুবিধাদি পরিশোধ করে আসছে। এই খাতে বর্তমান বৎসরেও প্রভিশন করা হয়েছে এবং পরবর্তীতে অতিরিক্ত প্রয়োজনীয় প্রভিশন করা হবে। কোম্পানী অতিরিক্ত বোর্ড অফ ট্রাস্টি গঠন ও জাতীয় রাজস্ব বোর্ডের অনুমোদন কল্পে প্রয়োজনীয় পদক্ষেপ গ্রহণ করবে।

(২) কোম্পানী প্রতি বছর আয়কর অধ্যাদেশ ১৯৮৪ অনুযায়ী আয়কর প্রভিশন করে এবং নিয়মানুযায়ী কোম্পানীর আয়কর রিটার্ন জমা দেওয়া হয়। আয়কর এসেসম্যান্ট জটিল বিষয় হওয়ায় এবং আইনি প্রক্রিয়ার কারণে এখনো চূড়ান্ত আয়কর নির্ধারণ করা হয়নি। তবে এই বিষয়টি অতিসত্বর সমাধা করার লক্ষ্যে আমাদের প্রচেষ্টা অব্যাহত রয়েছে।

(৩) 'এজেন্ট ব্যালেন্স' খাত হতে আদায়যোগ্য পরিমাণ আদায়ের জন্য আমাদের প্রচেষ্টা অব্যাহত রয়েছে এবং অনাদায়ী পরিমাণ নিরীক্ষকের পরামর্শ অনুযায়ী এ বছর রাইট অফ করা হয়েছে এবং পরবর্তী বছরগুলোতে পর্যায়ক্রমে রাইট অফ করা হবে।

Audit Report and Report of the Board of Directors on Financial Statements:

Respected shareholders hereby inform you that,

(a) The Company's financial statements and accompanying notes have been prepared in accordance with the Companies Act, 1994, the Insurance Act, 2010, in some cases the Insurance Act, 1938, the Insurance Rules—1958 and the Bangladesh Securities and Exchange Commission Act, 1987. These statements reflect the true picture of the company's financial position, results of operations and cash flows for the year ended.

(b) In view of some of the recommendations presented in the audit report, our comments are as follows:

(1) After the retirement/resignation of the officers/employees of the company, the company has been paying the gratuity and other benefits due as per the employment rules. Provisions have been made in this sector in the current year as well and necessary provisions will be made soon thereafter. The company will immediately take necessary steps for formation of Board of Trustees and approval of National Board of Revenue.

(2) The company makes provision for income tax in accordance with the Income Tax Ordinance 1984 every year and the income tax return of the company is submitted in accordance with the rules. Due to the complex nature of income tax assessment and due to legal process, the final income tax has not yet been determined. However, our efforts to resolve this issue are continuing.

(3) Our efforts to recover the amount recoverable from the 'Agent Balance' sector are continuing and the unpaid amount has been written off this year as per the auditor's advice and will be written off periodically in subsequent years.



এমফাসিস অব ম্যাটার্স :

(১) কোম্পানী শ্রম আইন ২০১০ (সংশোধনী ২০১৩) এর ধারা ২৩৪ অনুযায়ী মুনাফা হতে শ্রমিকদের ৫% অংশ প্রভিশন করে থাকে। বাংলাদেশ ইনস্যুরেন্স এসোসিয়েশন এর পত্র নং বিআইএ-(৫৮)/২০২০-১০০ তারিখ ১৯ মার্চ ২০২০ এর মাধ্যমে সচিব অর্থ মন্ত্রণালয় বরাবর প্রেরিত পত্রের নির্দেশনা না পাওয়ায় উক্ত তহবিল বিতরণ করা হয়নি এবং কোন ফান্ড গঠন করা হয়নি। রেগুলেটরীর নির্দেশনা অনুযায়ী ফান্ড গঠন করা হবে।

(২) বিগত বছরের নিরীক্ষিত আর্থিক বিবরণীর উপর ভিত্তি করে বর্তমান বছরে আয়কর ভিত্তিক অবচয় নির্ধারণ করে Deffered Tax গননা করা হয়েছে।

(৩) কোম্পানী ইতিমধ্যে কর্মকর্তা-কর্মচারীদের নিকট থেকে কর্তনকৃত আয়কর বাবদ টা: ১০,০০,০০০/- (টাকা দশ লাখ) মাত্র সরকারী কোষাগারে জমা প্রদান করেছে।

(৪) ২০১৯ সনের অদাবীকৃত লভ্যাংশ ইতিমধ্যে শেয়ারহোল্ডারদের মধ্যে বিতরণ করা হয়েছে এবং অবশিষ্ট অংশ ক্যাপিটাল মার্কেট স্ট্যাভিলাইজেশন ফান্ডে হস্তান্তর করা হয়েছে।

(গ) কোম্পানীর প্রয়োজনীয় হিসাব বহিসমূহ সঠিকভাবে তৈরী করা হয়েছে।

(ঘ) আর্থিক বিবরণীসমূহ তৈরীতে সঠিক হিসাব নীতিমালাসমূহ যথাযথভাবে অনুসরণ করা হয়েছে। ব্যত্যয়সমূহ প্রকাশ করা হয়েছে। হিসাবের অনুমানসমূহ যুক্তিসঙ্গত এবং যথাযথভাবে করা হয়েছে।

(ঙ) আন্তর্জাতিক হিসাবমানসমূহ যা বাংলাদেশে প্রযোজ্য সে অনুযায়ী আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়েছে।

(চ) অভ্যন্তরীণ নিয়ন্ত্রন ব্যবস্থা স্বচ্ছভাবে প্রণীত। যার প্রয়োগ এবং পর্যবেক্ষন সুন্দরভাবে পালন করা হচ্ছে।

(ছ) চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতায় কোন প্রকারের সন্দেহের অবকাশ নেই।

Emphasis of Matters:

(1) Company provides 5% share of profit to workers as per Section 234 of Labor Act 2010 (Amendment 2013). Bangladesh Insurance Association's letter No. BIA-(58)/2020-100 dated 19 March 2020 letter sent to the Ministry of Finance, has not received any instructions of the yet. The said fund has not been distributed and no Trustee Board has been formed. The Trustee Board will be constituted as per the regulatory directives.

2) Based on the audited financial statements of the previous year, the current year income tax based depreciation has been calculated.

3) The Company has already deposited Tk.10,00,000 (Taka ten lac) only to the Government Treasury in respect of Income Tax deducted from the employees.

4) The unclaimed dividend for the year 2019 has already been distributed to the shareholders and the balance has been transferred to the Capital Market Stabilization Fund.

(c) Necessary accounts of the company are properly prepared.

(d) Sound accounting principles have been duly followed in preparing the financial statements. Spends are disclosed. The accounting assumptions are reasonable and appropriate.

(e) The financial statements have been prepared in accordance with International Accounting Standards applicable to Bangladesh.

(f) Internal control system is designed transparently. The implementation and monitoring of which is being well observed.

(g) There is no room for doubt as to the ability of the company as a going concern.

(জ) নিয়ন্ত্রণকারী শেয়ারহোল্ডারগণ কর্তৃক প্রত্যক্ষ বা পরোক্ষ ভাবে গৃহীত বিনিয়োগ স্বার্থ পরিপন্থী সিদ্ধান্ত থেকে ক্ষুদ্র বিনিয়োগকারীগণ সুরক্ষিত।

(ঝ) অন্তর্বর্তীকালীন লভ্যাংশ হিসেবে কোন প্রকার বোনাস শেয়ার বা স্টক ডিভিডেন্ড প্রদান করা হয়নি।

(ঞ) প্রতিবেদনকালীন সময়ে কোন অস্বাভাবিক কার্যক্রম সংগঠিত হয়নি।

(ট) গত বছরের কার্যক্রমের তুলনায় গুরুত্বপূর্ণ কোন বিচ্যুতি নাই।

বোর্ড সভার উপস্থিতি :

বোর্ড সভার সংখ্যা এবং পরিচালকদের উপস্থিতি কর্পোরেট গভর্ন্যান্স এর সংযুক্তির সাথে দেখানো হলো। বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষের নির্দেশনা অনুযায়ী সভায় উপস্থিতির জন্য সকল পরিচালকগণ আট হাজার টাকা করে ফি পেয়ে থাকেন। নিরপেক্ষ পরিচালকসহ পরিচালকবৃন্দের বোর্ড সভায় উপস্থিতির ফি অডিট রিপোর্টের নোট নং ৪২.০০ এ দেওয়া হয়েছে।

শেয়ারহোল্ডিং ধরণ :

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর নিরীক্ষা ১.৫ (XXIII) অনুযায়ী কোম্পানীর শেয়ার হোল্ডিং এর ধরন সংযুক্তি হিসাবে দেয়া হলো।

আর্থিক তথ্যসমূহ :

কোম্পানীর বিগত ৫ বছরের গুরুত্বপূর্ণ আর্থিক ও অন্যান্য তথ্যসমূহ বার্ষিক প্রতিবেদনে দেখানো হয়েছে।

পরিচালকদের সংক্ষিপ্ত পরিচিতি :

কোম্পানীর পরিচালকদের সংক্ষিপ্ত পরিচিতি বার্ষিক প্রতিবেদনে সংযুক্ত করা হয়েছে।

সম্পর্কিত পক্ষসমূহের লেনদেন:

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর নিরীক্ষা ১.৫ (VI) অনুযায়ী সম্পর্কিত পক্ষসমূহের লেনদেন অডিট রিপোর্টের নোট নং ৩৮.০০ এ উল্লেখিত রয়েছে।

মুখ্য নির্বাহী কর্মকর্তা কর্তৃক স্বাক্ষরিত ব্যবস্থাপনা সংক্রান্ত

প্রতিবেদন :

মুখ্য নির্বাহী কর্মকর্তা কর্তৃক স্বাক্ষরিত ব্যবস্থাপনা সংক্রান্ত প্রতিবেদন বার্ষিক প্রতিবেদনে এ উপস্থাপন করা হয়েছে।

(h) Small investors are protected from adverse investment decisions taken directly or indirectly by controlling shareholders.

(j) No bonus share or stock dividend has been paid as interim dividend.

(j) No unusual activities were organized during the reporting period.

(k) No material deviation from last year's activities.

Board Meeting Attendance:

The number of board meetings and directors' attendance is shown in the Annex to Corporate Governance. As per the instructions of the Insurance Development and Regulatory Authority, all the directors get a fee of eight thousand taka for attending the meeting. Board meeting attendance fees of Directors including Independent Directors are given in Note No. 42.00 of the Audit Report.

Type of Shareholding:

As per BSEC Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 Audit 1.5 (XXIII) the nature of share holding of the company is given as annexure.

Financial Information:

The Annual report shows the important financial and other information of the company for the last 5 years.

Brief Introduction of Directors:

Brief introductions of the company's directors are attached to the annual report.

Related Party Transactions:

As per BSEC Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 Audit 1.5 (VI) of Related Party Transactions is mentioned in Note No. 38.00 of Audit Report.

Management Report signed by the Chief Executive Officer:

A management report signed by the Chief Executive Officer is presented in the annual report.



মূখ্য নির্বাহী কর্মকর্তা ও প্রধান হিসাবরক্ষণ কর্মকর্তার প্রতিবেদন :

মূখ্য নির্বাহী কর্মকর্তা ও প্রধান হিসাবরক্ষণ কর্মকর্তা কর্তৃক স্বাক্ষরিত ব্যবস্থাপনা সংক্রান্ত প্রতিবেদন বার্ষিক প্রতিবেদনে উপস্থাপন করা হয়েছে।

নিরীক্ষা কমিটির কার্যক্রমের উপর প্রতিবেদন :

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর নিরীক্ষা ১.৫ (VII) অনুযায়ী কোম্পানীর নিরীক্ষা কমিটির কার্যক্রমের উপর নিরীক্ষা কমিটির চেয়ারম্যান এর প্রতিবেদন সংযুক্ত করা হলো।

নমিনেশন এন্ড রিমিউনারেশন কমিটি (এনআরসি) :

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর নিরীক্ষা ১.৬ অনুযায়ী নমিনেশন এন্ড রিমিউনারেশন কমিটি গঠন করা হয়। কোম্পানীর পরিচালক পরিষদের ২ জন নিরপেক্ষ পরিচালক এবং ৪ জন উদ্যোক্তা/শেয়ারহোল্ডার পরিচালক এর সমন্বয়ে পরিচালক পরিষদের নমিনেশন এন্ড রিমিউনারেশন কমিটি গঠন করা হয়।

এনআরসি পরিচালক পরিষদের সদস্য ও উর্দ্ধতন কর্মকর্তাদের যোগ্যতা, অভিজ্ঞতা, স্বতন্ত্রতা বিচারের সুপারিশ নীতি ও তাঁদের কার্য পরিধি এবং পরিতোষক নির্ধারণ করতে বোর্ডকে সহযোগিতা করে। ২০২৩ সনে এনআরসির ১টি সভা অনুষ্ঠিত হয়।

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ গত ১৯/১০/২০২৩ তারিখে বীমাকারীর কার্যক্রমের স্বচ্ছতা ও জবাবদিহিতা, পেশাদারিত্ব ও আর্থিক শৃঙ্খলা বৃদ্ধি নিশ্চিতকল্পে “বীমাকারীর কর্পোরেট গভর্ন্যান্স গাইডলাইন” জারি করেন। উক্ত গাইডলাইন অনুযায়ী পরিচালক পরিষদের সাব-কমিটি হিসেবে অডিট কমিটি, মনোনয়ন এবং সম্মানী/পারিশ্রমিক কমিটি, বিনিয়োগ কমিটি, ঝুঁকি ব্যবস্থাপনা কমিটি এবং গ্রাহক সুরক্ষা ও অভিযোগ প্রতিকার কমিটি থাকতে হবে। গত ২৯/১০/২০২৩ তারিখে অনুষ্ঠিত পরিচালক পরিষদের সভায় উপরোক্ত কমিটিসমূহ গঠন/পুনঃগঠন করা হয়েছে।

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর নিরীক্ষা ৯ (৩) অনুযায়ী কোম্পানীর কর্পোরেট গভর্নেন্স পরিপালনের সনদ প্রতিবেদন সংযুক্ত করা হলো।

Report of the Chief Executive Officer and Chief Financial Officer:

A management report signed by the Chief Executive Officer and Chief Financial Officer is presented in the Annual Report.

Report on Audit Committee activities:

According to Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 Audit 1.5 (VII) the report of the Chairman of the Audit Committee on the activities of the Audit Committee of the Company is attached.

Nomination and Remuneration Committee (NRC):

Nomination and Remuneration Committee is constituted as per audit 1.6 of Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018. The Nomination and Remuneration Committee of the Board of Directors is constituted with 2 independent directors and 4 sponsor/shareholder directors of the company's board of directors. The NRC assists the Board in determining the qualifications, experience, individuality of the members of the Board of Directors and senior officers, recommending policy and determining their scope of work and remuneration. One (1) meeting of NRC was held in 2023.

The Insurance Development and Regulatory Authority issued the “Corporate Governance Guidelines of Insurers” on 19/10/2023 to ensure transparency and accountability, professionalism and financial discipline in the operations of insurers. According to the guidelines, the Board of Directors should have Audit Committee, Nomination and Remuneration Committee, Investment Committee, Risk Management Committee and Policyholder protection & Compliance committee as sub-committees. According to Bangladesh Securities and Exchange Commission Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 audit 9 (o) of the company's corporate governance compliance certificate report is attached.



সামাজিক দায়বদ্ধতা (কর্পোরেট সোস্যাল রেসপনসিবিলিটি) :

ফেডারেল ইনস্যুরেন্স কোম্পানী লিমিটেড কর্পোরেট সোস্যাল রেসপনসিবিলিটি (সিএসআর) বা সামাজিক দায়বদ্ধতা এর আওতা সীমিত পরিসরে অব্যাহত রেখেছে। পরিচালকমন্ডলীর সিদ্ধান্তক্রমে কোম্পানীর আর্থিকভাবে অসচ্ছল স্টাফ বা অন্যান্য ছাত্রদের শিক্ষাবৃত্তি প্রদানের ব্যবস্থা গ্রহন করেছে। এ ব্যাপারে একটি নীতিমালা প্রনয়নের মাধ্যমে কর্মকান্ড শুরু হয়েছে।

* বিগত বছরে বিভিন্ন মন্ত্রণালয় কর্তৃক বিশেষ বিশেষ দিবস পালন উপলক্ষ্যে প্রচারে আর্থিকভাবে সহযোগিতা করেছে।

* জাতির জনক বঙ্গবন্ধু শেখ মুজিবুর রহমানের বীমা শিল্পে যোগদান উপলক্ষ্যে গণপ্রজাতন্ত্রী বাংলাদেশ সরকার ১লা মার্চ কে জাতীয় বীমা দিবস ঘোষণা করেছেন। জাতীয় বীমা দিবস কে সাফল্যমন্ডিত করার লক্ষ্যে কোম্পানীর প্রধান কার্যালয়সহ শাখা অফিস সমূহে ব্যানার ও ঢাকা শহরের গুরুত্ব সড়কে ও সড়কদ্বীপে ফেস্টুন টাঙ্গানো হয়েছে এবং বিভিন্ন পত্রিকা/স্মরণিকায় বিজ্ঞাপন প্রচার করা হয়েছে।

* বিভিন্ন শিল্প, সংস্কৃতি বিষয়ক অনুষ্ঠানে অথবা প্রকাশনায় আর্থিকভাবে অথবা বিজ্ঞাপন দিয়ে সহযোগিতা করেছে।

* বিভিন্ন শিক্ষা প্রতিষ্ঠানে আর্থিক সহযোগিতা প্রদান করা হয়েছে।

মুনাফা ও লভ্যাংশ :

২০২৩ সনে ইউক্রেন-রাশিয়া যুদ্ধ কারণে অর্থনৈতিক সংকট তৈরী, ডলারের উচ্চমূল্য ও নানাবিধ বিধি নিষেধের কারণে আমদানী-রপ্তানী হ্রাস এবং মহামারী কোভিড-১৯ এর প্রভাব পুরাপুরি শেষ না হওয়ায় বিশ্বব্যাপী ব্যবসা-বাণিজ্য হ্রাস পেয়েছে। তার প্রভাব আমাদের কোম্পানীতেও পড়েছে। আপনারা শুনে সুখী হবেন যে নানাবিধ প্রতিকূলতা সত্ত্বেও কোম্পানীর প্রিমিয়াম আয় বৃদ্ধি পেয়েছে। পূর্বের ন্যায় ২০২৩ সনেও বিপুল পরিমাণ বীমা দাবী পরিশোধ সত্ত্বেও বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষের কার্যকরী কিছু নির্দেশনার কারণে কোম্পানীর মুনাফা স্থিতিশীল পর্যায়ে রয়েছে। তবে কোম্পানীর তারল্যে বেশ প্রভাব পড়েছে এবং কোম্পানী ২০২৩ সনে ১১৯.৬৪ মিলিয়ন টাকা করপূর্ব নীট মুনাফা করতে সক্ষম হয়েছে। মুনাফা থেকে ৪৭.৪৭ মিলিয়ন টাকা আয়কর প্রদান করা হয়েছে এবং ২.০০ মিলিয়ন টাকা ব্যতিক্রমধর্মী ক্ষতির জন্য রিজার্ভ করা হয়েছে। কোম্পানীর মুনাফা হওয়ায় লভ্যাংশ প্রদানের ধারাবাহিকতা বজায় রাখার স্বার্থে সকল শেয়ারহোল্ডারকে পরিশোধিত মূলধনের উপর ১০% নগদ ডিভিডেন্ড প্রদানের জন্য পরিচালক পরিষদ সুপারিশ করেছেন।

Corporate Social Responsibility (CSR):

Federal Insurance Company Ltd. has continued to embrace Corporate Social Responsibility (CSR) to a limited extent. According to the decision of the board of directors, the company has taken measures to provide scholarships to financially indigent staff or other students. Actions have been initiated by formulating a policy in this regard.

• Financial assistance has been provided by various Ministries in previous years in the campaign on the occasion of the observance of special days.

• The Government of the People's Republic of Bangladesh has declared March 1 as National Insurance Day to mark the joining of the insurance industry by Father of the Nation Bangabandhu Sheikh Mujibur Rahman. In order to make the National Insurance Day a success, banners and festoons have been hung at the main office and branch offices of the company and festoons on important roads in Dhaka city and advertisements have been published in various newspapers/souvenirs.

• Contributed financially or through advertising to various arts, cultural events or publications.

• Financial assistance has been provided to various educational institutions.

Profit and Dividend:

In 2023, the economic crisis caused by Ukraine-Russia war, high value of the dollar and the reduction of imports and exports due to various restrictions, and the impact of the pandemic Covid-19, has reduced the global trade. It has also affected our company. You will be happy to hear that the premium income of the company has increased despite various headwinds. As before, in 2023 even in spite of paying huge amount of insurance claims, the profit of the company is at a stable level due to some effective guidelines of the insurance development and regulatory authorities. However, the liquidity of the company has been significantly affected and the company has managed to make a net profit before tax of Tk 119.64 million in 2023. Income tax provision of Tk.47.47 million has been made from profit and Tk.2.00 million has been reserved for exceptional losses. The board of directors has recommended to all the shareholders to pay 10% cash dividend on the paid up capital.

ব্যালেন্স শীট তারিখের পরবর্তী বিষয়াদি :

চলমান ইউক্রেন-রাশিয়া যুদ্ধের কারণে বিশ্বব্যাপী অর্থনৈতিক অনিশ্চয়তা, ডলার সংকটের কারণে আমদানী-রপ্তানি হ্রাস পেয়েছে। আশার কথা হলো মোট জনসংখ্যার ৮০ শতাংশের বেশী মানুষকে টিকার আওতায় আনার কারণে বাংলাদেশে এখন কোভিড-১৯ মহামারীর ঝুঁকি কমে যাওয়ার কারণে এ সংক্রান্ত নিয়ন্ত্রণমূলক বিধিনিষেধসমূহ তুলে নেওয়া হয়েছে। এর পরিপ্রেক্ষিতে অর্থনীতি গতি লাভ করবে এবং ক্রমাগত গতানুগতিক ধারায় ফিরে এই আশাবাদ ব্যক্ত করা যাচ্ছে। অর্থনীতির প্রধান চালিকা শক্তিসমূহ যথা তৈরি পোশাক খাতের রপ্তানি চাহিদা বৃদ্ধি, প্রবাসী আয় প্রবাহ, অবকাঠামো প্রকল্পে সরকারী বিনিয়োগ ২০২৩ সাল থেকে গতি ফিরিয়ে আনতে ও উচ্চহারে প্রবৃদ্ধি পেতে সহায়তা করবে বলে আশা করা যাচ্ছে।

আগামীতে বীমা কোম্পানীগুলোর প্রতিযোগিতা তীব্রতর হবে এতে কোন সন্দেহ নেই। প্রকৃতপক্ষে সুষ্ঠু প্রতিযোগিতা শিল্প বিকাশে সহায়ক। তবে আমাদের পূর্ব অভিজ্ঞতা থেকে বলা যায়, বীমা শিল্পের প্রতিযোগিতা আমাদের দেশে কাজিত পরিবেশ এবং নিয়মকানুনের মধ্যে সীমাবদ্ধ থাকছে না। এই প্রতিযোগিতার ক্ষেত্রে সুষ্ঠুতা এবং আইনানুগতা নিশ্চিত করা না গেলে বীমা শিল্পের ভবিষ্যত সংকটাপন্ন হয়ে পড়ার সম্ভাবনা আছে। সব কিছু বিবেচনায় রেখেই এই শিল্পের সুষ্ঠু বিকাশে সহযোগিতা এবং সম্মানিত শেয়ারহোল্ডারবৃন্দের স্বার্থ সংরক্ষণ করে উচ্চতর সেবা ও নৈতিকতার মাধ্যমে লাভজনকভাবে কোম্পানীকে এগিয়ে নিয়ে যাওয়ার সংকল্পে আমরা বদ্ধপরিকর।

উল্লেখ্য, ৩১ ডিসেম্বর ২০২৩ তারিখে প্রস্তুতকৃত ব্যালেন্স শীট এর পরবর্তী সময়ে কোম্পানীর প্রিমিয়াম আয়ের ধারা প্রায় একই আছে। বড় ধরনের কোন বিপর্যয় না হলে আগামীতে মুনাফা বৃদ্ধি আশা করা অত্যন্ত সংগত।

উদ্যোক্তা পরিচালকদের অবসরগ্রহণ এবং পুণঃ নির্বাচন :

কোম্পানীর আর্টিকেলস অব এসোসিয়েশন এর ১১৪ নং আর্টিকেল অনুযায়ী নিম্নলিখিত উদ্যোক্তা পরিচালকগণ অবসর গ্রহণ করেন :

- ১। জনাব এনামুল হক (মেসার্স প্যারাডাইস কর্পোরেশন (গ্রাঃ) লিঃ এর প্রতিনিধি)
- ২। জনাব মোঃ আবদুল খালেক
- ৩। জনাব মোরশেদুল শফি (মেসার্স জে এস ইন্টারন্যাশনাল কর্পোরেশন লিঃ এর প্রতিনিধি)
- ৪। জনাব তাহরির নাওয়াজ

কোম্পানীর আর্টিকেলস অব এসোসিয়েশন এর ১১৬ নং আর্টিকেল অনুযায়ী উদ্যোক্তা পরিচালকগণ পুনরায় নির্বাচনের যোগ্য এবং তাঁরা সকলে পুণঃ নির্বাচনের জন্য আগ্রহ প্রকাশ করেছেন।

পাবলিক শেয়ারহোল্ডার থেকে পরিচালক নির্বাচন :

কোম্পানীর আর্টিকেলস অব এসোসিয়েশন এর ১১৪ নং আর্টিকেল অনুযায়ী পাবলিক শেয়ারহোল্ডার পরিচালক (গ্রুপ-বি) এর মধ্যে জনাব জিয়া উদ্দিন অবসর গ্রহণ করেন।

Matters after the balance sheet:

Global economic uncertainty due to the ongoing Ukraine-Russia war, the dollar crisis has reduced imports and exports. Hopefully, with more than 80 percent of the population being vaccinated, regulatory restrictions have now been lifted as the risk of a covid-19 pandemic is reduced in Bangladesh. In view of this, this optimism is being expressed that the economy will gain momentum and gradually return to the traditional trend.

The main driving forces of the economy namely increasing export demand in the ready-made garment sector, expatriate income inflows, government investment in infrastructure projects are expected to help restore momentum and achieve higher growth from 2023 onwards.

There is no doubt that the competition of insurance companies will intensify in the future. Indeed, fair competition is conducive to industrial growth. But from our previous experience, the competition in the insurance industry is not limited to the desired environment and regulations in our country. If the fairness and legality of this competition is not ensured, the future of the insurance industry is likely to be in jeopardy. Keeping everything in mind, we are determined to profitably advance the company through superior service and ethics while contributing to the fair development of this industry and safeguarding the interests of our valued shareholders.

It may be noted that the company's premium income trend is almost the same after the balance sheet prepared on December 31, 2023. Barring a major catastrophe, it is highly consistent to expect future profit growth.

Retirement and Re-election of Sponsor Directors:

As per Article No. 114 of the Company's Articles of Association, the following Directors retire:

1. Mr. Enamul Hoq (Representative of M/s Paradise Corporation (pvt) Ltd.)
2. Mr. Md. Abdul Khaleque
3. Mr. Morshedul Shafi (Representative of M/s JS International Corporation Ltd.)
4. Mr. Tahreer Nawaz

As per Article No. 116 of the Company's Articles of Association, the sponsor directors are eligible for re-election and all have expressed interest for re-election.

Election of directors from public shareholders:

According to Article No. 114 of the Company's Articles of Association, Mr. Jia Uddin retired as a Public Shareholder Director (Group-B).

নিরপেক্ষ পরিচালক :

কোম্পানীর নিরপেক্ষ পরিচালক জনাব মোঃ রফিকুল ইসলাম গত ০৮.০৬.২০২১ তারিখে নিয়োগ প্রাপ্ত হন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নোটিফিকেশন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ তারিখ ০৩.০৬.২০১৮ এর ১(২) (ই) অনুযায়ী তিনি অবসর গ্রহণ করেন। উপরোক্ত নোটিফিকেশন অনুযায়ী তিনি পরবর্তী মেয়াদের জন্য পুনরায় নির্বাচিত হওয়ার যোগ্য। কোম্পানীর পরিচালক পরিষদ গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের সাবেক সচিব জনাব মোঃ রফিকুল ইসলামকে পরবর্তী এক মেয়াদের জন্য (তিন বছর) গত ২৮/০৪/২০২৪ তারিখের সভায় পুনঃনিয়োগ দিয়েছেন যা ০৮.০৬.২০২৪ তারিখ থেকে কার্যকর হবে। পরিচালক পরিষদ কর্তৃক নিয়োগকৃত নিরপেক্ষ পরিচালক জনাব মোঃ রফিকুল ইসলামকে পরবর্তী এক মেয়াদের জন্য (তিন বছর) কোম্পানীর পরিচালক পরিষদের সদস্য হিসেবে অনুমোদনের সুপারিশ করেছেন।

অডিটর নিয়োগ :

(ক) কোম্পানীর ৩৫ বার্ষিক সাধারণ সভায় চার্টার্ড একাউন্টেন্টস মেসার্স জি. কিবরিয়া এন্ড কোং, চার্টার্ড একাউন্টেন্টস, কে অডিটর নিয়োগ করা হয়। তাঁরা ২০২৪ সনের জন্য পুণঃ নিয়োগ যোগ্য। তাঁরা ২০২৪ সনের অডিটর হিসেবে দায়িত্বে নিযুক্ত থাকার আশ্রয় প্রকাশ করেছেন।

(খ) কোম্পানীর ৩৫ বার্ষিক সাধারণ সভায় চার্টার্ড একাউন্টেন্টস মেসার্স শফিক বসাক এন্ড কোং, চার্টার্ড একাউন্টেন্টস, কে কোম্পানীর কর্পোরেট গভর্ন্যান্স কমপ্লায়েন্স কোড নিরীক্ষক নিয়োগ করা হয়। তাঁরা এ দায়িত্বে নিযুক্ত থাকার আশ্রয় প্রকাশ করেছেন। পুণঃ নিয়োগের যোগ্য বিধায় ২০২৪ সনের জন্য তাঁরা পুনঃ নিয়োগের প্রস্তাব দিয়েছেন।

(গ) বীমাকারীর কর্পোরেট গভর্ন্যান্স গাইডলাইন-২০২৩ এর ধারা ১৯ এর ৩ অনুযায়ী কোম্পানীর ২০২৪ সনের জন্য চার্টার্ড সেক্রেটারীস মেসার্স জেসমিন এন্ড এসোসিয়েটস, চার্টার্ড সেক্রেটারীস কে বীমাকারীর কর্পোরেট গভর্ন্যান্স এর শর্তাবলী প্রতিপালন বিষয়ে নিরীক্ষক নিয়োগের জন্য পরিচালক পরিষদ সুপারিশ করেছেন।

কর্পোরেট গভর্ন্যান্স

ফেডারেল ইন্স্যুরেন্স কর্পোরেট গভর্ন্যান্স ব্যাপারে অত্যন্ত সজাগ ও যত্নশীল। কর্পোরেট গভর্ন্যান্স পরিচালন এখন সময়ের দাবী। এরমধ্যে দায়বদ্ধতা, তথ্য প্রকাশ, স্বচ্ছতা, ন্যায়বিচার সঠিকতা অন্তর্ভুক্ত।

Independent Director:

Independent director of the company Mr. Md. Rafiqul Islam was appointed on 08.06.2021. He retired as per Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03.06.2018 1(2) (e). He is eligible for re-election for the next term as per above notification. The Board of Directors of the Company has re-appointed Mr. Md. Rafiqul Islam, former Secretary to the Government of the People's Republic of Bangladesh, for a further term (three years) in the last meeting dated 28/04/2024 with effect from 08.06.2024. The independent director appointed by the Board of Directors has recommended the approval of Mr. Md. Rafiqul Islam as a member of the Board of Directors of the company for a further term (three years).

Appointment of Auditor:

(a) In the 35th Annual General Meeting of the Company, Chartered Accountants Ms. G. Kibria & Co., Chartered Accountants, were appointed auditors. They are eligible for re-appointment for the year 2024. They have expressed their interest to be appointed as auditors for the year 2024.

(b) Chartered Accountants Ms. Shafiq Basak & Co., Chartered Accountants, were appointed auditors of the Company's Corporate Governance Compliance Code at the 35th Annual General Meeting of the Company. They have expressed interest in being employed in this role. They offered re-appointment for the year 2024 as eligible for re-appointment.

(c) The Board of Directors has recommended the appointment of the Chartered Secretaries M/s Jasmin & Associates, Chartered Secretaries for the year 2024 of the Company as per Section 19-3 of the Insurer's Corporate Governance Guidelines - 2023 for the appointment of auditors for compliance with the terms of the Insurer's Corporate Governance Guideline.

Corporate Governance:

Federal Insurance is very vigilant and careful about corporate governance. Corporate governance management is the need of the hour. These include accountability, disclosure, transparency, justice and

আমরা সর্বদা কর্পোরেট সুশাসনের এই বৈশিষ্ট্যগুলি ধারণ করি এবং আমাদের প্রতিযোগি, গ্রাহক ও নীতিনির্ধারকদের নিকট অনুরূপ প্রত্যাশা করি। বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশনের ৩ জুন ২০১৮ তারিখের প্রজ্ঞাপন নং বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ এর সুপারিশসমূহ কোম্পানীতে কার্যকর করা হচ্ছে/রয়েছে। উপরিলিখিত প্রজ্ঞাপনের ৯ নং ধারা অনুযায়ী কোম্পানীর কমপ্লায়েন্স এর বিবরণী এবং চার্টার্ড একাউন্টেন্টস এর রিপোর্ট এতদসঙ্গে সংযুক্ত করা হল।

উপসংহার :

ফেডারেল ইনস্যুরেন্স কোম্পানীকে অব্যাহত সমর্থন এবং সহযোগিতার জন্য গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, অর্থ মন্ত্রণালয়, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, সেন্ট্রাল রেটিং কমিটি, বাংলাদেশ সিকিউরিটিজ এণ্ড এক্সচেঞ্জ কমিশন, রেজিস্ট্রার অফ জয়েন্ট স্টক কোম্পানিজ এণ্ড ফার্মস, বাংলাদেশ ইনস্যুরেন্স এসোসিয়েশন, বাংলাদেশ ইনস্যুরেন্স একাডেমি, ঢাকা স্টক এক্সচেঞ্জ পিএলসি এবং চট্টগ্রাম স্টক এক্সচেঞ্জ পিএলসি, বাংলাদেশ এসোসিয়েশন অব পাবলিকলী লিস্টেড কোম্পানীজসহ সংশ্লিষ্ট সকল আর্থিক প্রতিষ্ঠান এবং কর্তৃপক্ষ সমূহকে পরিচালক পরিষদ আন্তরিক কৃতজ্ঞতা এবং ধন্যবাদ জানাচ্ছে।

পরিচালক পরিষদ দেশের একমাত্র পুণঃবীমা প্রতিষ্ঠান সাধারণ বীমা কর্পোরেশনকে তাদের পরামর্শ সহযোগিতা এবং সমর্থনের জন্য কৃতজ্ঞতা প্রকাশ করছে।

পরিচালক পরিষদ কোম্পানীর সকল শুভাকাঙ্ক্ষী, বীমা গ্রহীতা, বাংলাদেশ ব্যাংক এবং বাণিজ্যিক ব্যাংক থেকে প্রাপ্ত সহযোগিতা, পৃষ্ঠপোষকতা এবং উৎসাহ কৃতজ্ঞতার সাথে রেকর্ডভুক্ত করছে এবং কোম্পানীর সম্মানিত বীমা গ্রহীতাকে উচ্চমান সেবা প্রদান অব্যাহত রাখার অঙ্গীকার ব্যক্ত করছে।

পরিচালক পরিষদ কোম্পানীর ব্যবস্থাপনা পরিচালক ও মুখ্য নির্বাহী কর্মকর্তা এবং কোম্পানীর সকল উর্দ্ধতন কর্মকর্তাসহ সর্বস্তরের কর্মকর্তা ও কর্মচারীদেরকেও তাদের উৎকর্ষিত সেবার জন্য ধন্যবাদ জানাচ্ছে।

fairness. We always uphold these characteristics of good corporate governance and expect the same from our competitors, customers and policy makers. The recommendations of Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 are/are being implemented in the company. The statement of compliance of the company and the report of the chartered accountants as per clause 9 of the above notification are enclosed herewith.

Conclusion:

The Board of Directors expresses its sincere gratitude and thanks to the Government of the People's Republic of Bangladesh, Ministry of Finance, Insurance Development and Regulatory Authority, Central Rating Committee, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Bangladesh Insurance Academy, Dhaka Stock Exchange PLC, and Chittagong Stock Exchange PLC., Bangladesh Association of Publicly Listed Companies the financial institutions and authorities and all concerned for their continued support and co-operation to Federal Insurance Company.

The Board of Directors is grateful to Shadaron Bima Corporation, the only reinsurer in the country, for their advice, co-operation and support.

The Board of Directors gratefully records the cooperation, patronage and encouragement received from all the well-wishers of the Company, Policyholders, Bangladesh Bank and Commercial Banks and pledges to continue providing high quality services to the esteemed policyholders of the Company.

The Board of Directors would also like to thank the Managing Director and Chief Executive Officer of the Company and all the senior officers of the Company for their excellent service.

পরিশেষে ফেডারেল ইনস্যুরেন্স কোম্পানী লিমিটেড এর উত্তরোত্তর উন্নতির জন্য নির্বাহী কমিটিসহ কোম্পানীর বিভিন্ন কমিটির সম্মানিত চেয়ারম্যানবৃন্দ, কোম্পানীর ভাইস-চেয়ারম্যান এবং পরিচালকমণ্ডলী এর নিরলস শ্রম এবং কোম্পানীর শেয়ারহোল্ডারবৃন্দের অব্যাহত সমর্থন, অকৃত্রিম সহযোগিতা এবং মূল্যবান পরামর্শ কোম্পানী কৃতজ্ঞতার সাথে স্মরণ করছে এবং ভবিষ্যতেও অনুরূপ সমর্থন-সহযোগিতা কামনা করছে।

সর্বোপরি, সকল কার্যক্রম সঠিকভাবে সম্পাদিত হওয়ায় মহান আল্লাহ তাঁলার নিকট কোম্পানী শুকরিয়া আদায় করছে এবং ভবিষ্যত কার্যাবলী সুষ্ঠু ও সফলভাবে পরিচালনার জন্য তাঁর সাহায্য প্রার্থনা করছে।

আপনাদের সুস্বাস্থ্য ও মঙ্গল কামনায়।

আল্লাহ হাফেজ।

পরিচালক পরিষদের পক্ষে



এনামুল হক
চেয়ারম্যান

Finally, the Company gratefully recalls the continuous support, genuine co-operation and valuable advice of the honorable Vice-Chairman and the Board of Directors of the Company along with the Sub Committee for the future development of Federal Insurance Company Limited and the continuous support of the Company's shareholders and seeking similar support in future.

Above all, the company is grateful to Almighty Allah for all the activities are done properly and seeks help for the smooth and successful conduct of the future activities.

Wishing all of you good health and good luck.

Allah Hafez.

On behalf of the Board of Directors



Enamul Hoq
Chairman

National Credit Ratings Ltd. (NCR) confirmed “Below Strongest Credit Quality” i.e., AA+ (pronounced as double A Plus) for the year 2023-2024 based on the financial and other relevant qualitative and quantitative information.

Credit Rating in this category is a below strongest claim paying ability where protection factors for the insureds, investors and stakeholders are recognized and established. In addition, this rating reflects an excellent financial and underwriting performance, sound liquidity, good fixed assets, efficient investment, experienced board members and a prudent management team of the Company.

The rating, as mentioned earlier from 2021 to 2023 confirmed that the Company operates its financial activities in a very professional, transparent and ethical manner which results in the steady growth of its business and goodwill.

Last three years’ rating at a glance:

2022-2023 AA+ (Double A Plus) CPA Rating by NCR

2022 AA (double A) CPA Rating by CRISL

2021 AA- (double A minus) CPA Rating by CRISL

CREDIT RATING REPORT on FEDERAL INSURANCE COMPANY LTD.



National Credit Ratings Ltd.

Reference: Agreement No.: NCRL/2023/572

| | |
|---------------------------------|----------------------------|
| Declaration Date | 25.06.2024 |
| Long Term Entity Rating | AA+ (Double A Plus) |
| Short Term Entity Rating | ST-2 |
| Outlook | Stable |
| Expiry Date | 24.06.2025 |

Rating Basis

Ratings are based on **Audited** Financial Statements up to **December 31, 2023** along with the other relevant Quantitative as well as Qualitative information provided by the Client & Bank up to the Date of Rating Declaration. NCR has followed Non-life Insurance Rating Methodology of NCR published in our website.

Rating Definition

“**AA+ (Double A Plus)**” rating indicates Insurance companies under this category have a **Below Strongest Credit Quality**.

“**ST-2**” rating indicates **Above Average Ability to Meet Short Term Financial Commitments**.

Definition of Outlook

“**Stable**” indicates that rating may remain unchanged as existing fundamentals may remain unchanged in near future.

Mohammad Ishraqul Alam
Chief Executive Officer - CEO
National Credit Ratings Ltd.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2024/163

Date of issue : March 6, 2024



Renewed Certificate

This is to certify that

FEDERAL INSURANCE COMPANY LIMITED

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2024.




Secretary General

INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY



IDRA
B A N G L A D E S H

নিবন্ধন নবায়ন সনদ
(প্রবিধান ৭(৩) দ্রষ্টব্য)

নিবন্ধন নম্বর : সিআর-১/৮৭ (বীমা অধিদপ্তর)

নিবন্ধন নবায়নের তারিখ : ০১ জানুয়ারি, ২০২৪

বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) এর ধারা ১১ মোতাবেক ০১ জানুয়ারি, ২০২৪ তারিখ হতে ৩১ ডিসেম্বর, ২০২৪ সাল পর্যন্ত ফেডারেল ইন্স্যুরেন্স কোম্পানি লিমিটেড এর নিবন্ধন নবায়ন এতদ্বারা নবায়ন করা হলো।

ইস্যুর তারিখঃ ০২-০৫-২০২৪



চেয়ারম্যান

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ





বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন Bangladesh Insurance Association

সূত্র : বিআইএ-১(৩৪)/২০২৩- ৩০২(০৭)


তারিখ : নভেম্বর ১৫, ২০২৩

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্য পদ হালনাগাদ-এর জন্য প্রত্যয়নপত্র

এতদ্বারা প্রত্যয়ন করা যাচ্ছে যে, ফেডারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর সদস্য।

এই প্রত্যয়নপত্র ২০২৪ সালের জন্য লাইফ/নন-লাইফ বীমা ব্যবসা করার নিমিত্তে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ-এর নিকট থেকে নিবন্ধন নবায়নের জন্য হালনাগাদ সনদ।

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর পক্ষে


(নিশিথ কুমার সরকার)
সেক্রেটারী জেনারেল

মুখ্য নির্বাহী কর্মকর্তা
ফেডারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড
নাভানা ডি এইচ টাওয়ার (৭ম তলা)
৬ পাহুপথ, কাওরান বাজার
ঢাকা।

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শফিক বসাক এন্ড কোং SHAFIQ BASAK & CO. CHARTERED ACCOUNTANTS

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CERTIFICATE OF COMPLIANCE ON CONDITIONS OF THE CORPORATE GOVERNANCE GUIDELINES

To The Shareholders of

Federal Insurance Company Limited

[As required under the Bangladesh Securities and Exchange Commission (BSEC)]

We have examined the compliance status to the Corporate Governance Code by **Federal Insurance Company Limited** for the year ended on 31 December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October 2023 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our Examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission except condition no. 1(2) (a);
- The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The governance of the company is satisfactory.

Place: Dhaka
June 23, 2024


Md. Shafiqul Islam, FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants



INDEPENDENT MEMBER OF
ABACUS
WORLDWIDE

DHAKA OFFICE - (2): House - 42 (1st Floor), Road - 01, Block - A, Niketan, Gulshan - 01, Dhaka.
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Status of Compliance

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRCD/ 2006-158/207/Admin/80, dated 03 June 2018 and BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October 2023 issued under section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No. 9.00)

| Condition No. | Title | Compliance status (Put ✓ in the appropriate column) | | Remarks (in any) |
|------------------------------|--|--|--------------|---|
| | | Complied | Not complied | |
| Board of Directors | | | | |
| 1(1) | Board Size: The number of the board member shall not be less than 05 (Five) and more than 20 (Twenty) | ✓ | | FICL Board is comprised of 19 Directors. |
| 1(2) (a) | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); | | ✓ | As per Section 76 of Insurance Act 2010, the maximum number of Directors of that company shall, notwithstanding anything contained in the memorandum of association or articles of association of the company, not exceed 20 (twenty) and in that case 12 (twelve) shall be sponsor Directors, 6(six) shall be Directors holding public share and 2 (two) shall be independent Directors. |
| Independent Directors | | | | |
| 1(2)(b)(i) | Independent Director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up. | ✓ | | The independent directors have declared their compliances. |
| 1(2)(b)(ii) | Independent Director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company; | ✓ | | |
| 1(2)(b)(iii) | Who has not been an executive of the company in immediately preceding 2 (two) financial years | ✓ | | |
| 1(2)(b)(iv) | Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies | ✓ | | |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange? | ✓ | | |
| 1(2)(b)(vi) | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | ✓ | | |
| 1(2)(b)(vii) | Independent Director is not a partner or an executive or was not a Partner or and executive during the preceding 3(three) years of the concerned company's statutory audit firm | ✓ | | |
| 1(2)(b)(viii) | Independent Director shall not be an independent director in more than 5 (Five) listed companies | ✓ | | |
| 1(2)(b)(ix) | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non payment of any loan or advance or obligation to a bank or a financial institution; and | ✓ | | |
| 1(2)(b)(x) | Independent Director has not been convicted for a criminal offence involving moral turpitude | ✓ | | |



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| 1(2)(c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company | √ | | |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90(ninety) days | √ | | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) tenure only. | √ | | |
| Qualification of Independent Director | | | | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory and corporate laws and can make meaningful contribution to business. | √ | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or | Not Applicable | | No such cases |
| 1(3)(b)(ii) | Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of tk. 100.00 million or of a listed company; or | √ | | |
| 1(3)(b)(iii) | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or | √ | | |
| 1(3)(b)(iv) | University Teacher who has educational background in economics or commerce or business studies or law; or | Not Applicable | | No such cases |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost & Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | Not Applicable | | No such cases |
| 1(3)(c) | The Independent director shall have a at least 10 (Ten) years of experience in any field mentioned in clause (b); | Not Applicable | | No situations occurred. |
| 1(3)(d) | In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission. | √ | | |
| 1(4)(a) | The position of the Chairperson of the board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | √ | | |
| 1(4)(b) | The Managing Director (MD) and /or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | √ | | |
| 1(4)(c) | The Chairperson of the board shall be elected from among the non – executive directors of the company; | √ | | |
| 1(4)(d) | The board shall clearly define respective roles & responsibilities of the Chairperson and the Managing Director and/ or Chief Executive Officer ; | √ | | |



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| 1(4)(e) | In the absence of the Chairperson of the board, the remaining members may elect one of themselves from executive directors as Chairperson for that particular. Boards Meeting; the Reason of absence of the regular Chairperson shall be duly recorded in the minutes. | Not Applicable | No such cases |
| The Directors' Report to Shareholders | | | |
| 1(5)(i) | An Industry outlook and possible future developments in the industry; | √ | |
| 1(5)(ii) | The segment-wise or product-wise performance; | √ | |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | √ | |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin | Not Applicable | No such cases |
| 1(5)(v) | Discussion on Continuity of any Extra-Ordinary gain or loss | Not Applicable | No extra ordinary gain/loss |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | √ | |
| 1(5)(vii) | Utilization of proceeds from public issues, rights issues and/or through any others instruments. | Not Applicable | No such cases |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc. | Not Applicable | No such cases |
| 1(5)(ix) | If significant variance occurs between Quarterly financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report. | Not Applicable | No significant variance occurred |
| 1(5)(x) | Remuneration to directors including independent directors | √ | |
| 1(5)(xi) | The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity | √ | |
| 1(5)(xii) | Proper books of account of the issuer company have been maintained | √ | |
| 1(5)(xiii) | Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment | √ | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | √ | |
| 1(5)(xv) | The system of internal control is sound in design and has been effectively implemented and monitored. | √ | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | √ | |
| 1(5)(xvii) | There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed; | √ | |
| 1(5)(xviii) | Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained. | √ | |
| 1(5)(xix) | Key operating and financial data of at least preceding 5(five) years shall be summarized | √ | |
| 1(5)(xx) | If the issuer company has not declared dividend (cash or stock) for the year | Not Applicable | Board has recommended 10% cash dividend for the year. |
| 1(5)(xxi) | Board's statement of the effect that no bonus share or stock | Not | Board has recommended |



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| | dividend has been or shall be or declared as interim dividend; | Applicable | 10% cash dividend for the year. |
| 1(5)(xxii) | The number of Board meetings held during the year and attendance by each director shall be disclosed. | √ | |
| 1(5)(xxiii)(a) | Parent/Subsidiary/Associated Companies and other related parties(name wise details) | Not Applicable | The company has no Parent/ Subsidiary/ Associated companies |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details) | √ | In the Annual Report |
| 1(5)(xxiii)(c) | Executives; and | √ | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name wise details) | √ | |
| 1(5)(xxiv)(a) | A brief resume of the director | √ | In the Annual Report |
| 1(5)(xxiv)(b) | Nature of his/her expertise in specific functional areas | √ | |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and the membership of committees of the board. | √ | |
| 1(5)(xxv)(a) | Accounting Policies and estimation for preparation of financial statements; | √ | |
| 1(5)(xxv)(b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | √ | No changes occurred |
| 1(5)(xxv)(c) | Comparative analysis (Including effects of inflation) of financial performance or results and financial position as well as Cash flows for current financial years with immediate preceding Five years explaining reasons thereof; | √ | |
| 1(5)(xxv)(d) | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | √ | |
| 1(5)(xxv)(e) | Briefly explain the financial and economic scenario of the country and the globe; | √ | |
| 1(5)(xxv)(f) | Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | √ | |
| 1(5)(xxv)(g) | Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e. , actual position shall be explained to the shareholders in the next AGM ; | √ | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the board as required under condition no.3(3) shall be disclosed as per annexure -A; | √ | |
| 1(5)(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per annexure-B and Annexure - C; | √ | |
| 1(5)(xxviii) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality. | √ | |
| 1(6) | The company shall conduct its board meeting and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this code. | √ | |
| 1(7)(a) | The board shall lay down a code of conduct, based on the recommendation of the Nomination & Remuneration committee (NRC) at Condition No-6, For the Chairperson of the board , other board members and chief executive officer of the company; | √ | |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent | √ | |



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| | conduct and behavior; confidentiality; conflict of interest ; compliance with laws, rules and regulations ; prohibition of insider trading; relationship with environment , employee, customers and suppliers ; and independency. | | | |
| | Governance of Board of Directors of Subsidiary Company | | | |
| 2 (a) | Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the compositions of the Board of Directors of the subsidiary company | Not Applicable | | The company has no Subsidiary companies. |
| 2 (b) | At least 1(one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company | Not Applicable | | The company has no Subsidiary companies. |
| 2 (c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company | Not Applicable | | The company has no Subsidiary companies. |
| 2 (d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also | Not Applicable | | The company has no Subsidiary companies. |
| 2 (e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company | Not Applicable | | The company has no Subsidiary companies. |
| | Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS). | | | |
| 3(1)(a) | The board shall appoint a Managing Director (MD) or Chief Executive officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and Head of internal Audit and Compliance (HIAC) | √ | | |
| 3(1)(b) | The Position of the Managing Director (MD) or Chief Executive officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals' | √ | | |
| 3(1)(c) | The MD and CEO , CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately; | √ | | |
| 3(1)(d) | The board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | √ | | |
| 3(1)(e) | The MD or CEO , CS,CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the commission and stocks Exchange(s) | √ | | No such event occurred |
| 3(2) | The MD or CEO, CS, CFO and HIAC of the company shall attend the meeting of the board. Provided that the CS, CFO and/ or the HIAC shall not attend such part of a meeting of the board which involves consideration of an agenda item relating to their personal matters. | √ | | |
| 3(3) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | √ | | |
| 3(3)(a)(i) | These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | √ | | |
| 3(3)(a)(ii) | These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting | √ | | |



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| | standards and applicable laws; | | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's board or its members. | √ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the annual report. | √ | | |
| Board of Directors' Committee | | | | |
| 4(i) | Audit Committee ; and | √ | | |
| 4(ii) | Nomination and Remuneration committee. | √ | | |
| Audit Committee | | | | |
| 5(1)(a) | The company shall have an Audit Committee as a sub-committee of the Board | √ | | |
| 5(1)(b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business | √ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board, the duties of the Audit Committee shall be clearly set forth in writing | √ | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members | √ | | |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director; | √ | | |
| 5(2)(c) | All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience. | √ | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | Not Applicable | | No such situation occurred |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee | √ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constituted without at least 1(one) independent director | √ | | |
| 5(3)(a) | The Board of Directors shall select 1(one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director. | √ | | |
| 5(3)(b) | In the absence of the chairpersons of the audit committee , the remaining members may elect on of themselves as chairpersons for that particulars meeting , in that case there shall be no problem of constituting a quorum as required under condition No-5(4)(b) and the reason of absence the regular chairperson shall be duly recorded in the minutes. | √ | | |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM) | √ | | |
| 5(4)(a) | The Audit committee shall conduct at least its four meetings in a financial year | √ | | |
| 5(4)(b) | The quorum of the meeting of the audit committee shall be constituted in presence of either two members or two-third of the members of the audit committee, whichever is higher, where | √ | | |



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| | presence of an independent director is a must. | | | |
| 5(5) | The Audit Committee shall: | | | |
| 5(5)(a) | Oversee the Financial reporting process | √ | | |
| 5(5)(b) | Monitor choice of accounting policies and principles | √ | | |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the internal audit and compliance plan and review of the internal audit and compliance report; | √ | | |
| 5(5)(d) | Oversee hiring and performance of external auditors | √ | | |
| 5(5)(e) | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the board for approval or adoption. | √ | | |
| 5(5)(f) | Review along with the management, the annual financial statements before submission to the board for approval | √ | | |
| 5(5)(g) | Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval | √ | | |
| 5(5)(h) | Review the adequacy of internal audit function | √ | | |
| 5(5)(i) | Review the Management's Discussion and Analysis before disclosing in the Annual Report; | √ | | |
| 5(5)(j) | Review statement of all related party transactions submitted by the management | √ | | No such situation occurred. |
| 5(5)(k) | Review Management Letters/Letter of Internal Control weakness issued by statutory auditors. | √ | | No management letter was issued by external auditors. |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | √ | | |
| 5(5)(m) | Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: | Not Applicable | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | √ | | |
| 5(6)(a)(ii)(a) | Report on conflicts of interests; | √ | | |
| 5(6)(a)(ii)(b) | Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | Not Applicable | | No such situation occurred. |
| 5(6)(a)(ii)(c) | Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | Not Applicable | | No such situation occurred. |
| 5(6)(a)(ii)(d) | Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | Not Applicable | | No such situation occurred. |
| 5(6)(b) | Reporting to the Authorities :If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | Not Applicable | | No such situation occurred. |
| 5(7) | Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | √ | | |



| Nomination and Remuneration Committee (NRC) | | | |
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| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | √ | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | √ | |
| 6(1)(c) | The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b). | √ | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | √ | |
| 6(2)(b) | At least 02 (two) members of the Committee shall be non-executive directors; | √ | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | √ | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | √ | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | Not Applicable | No such situation occurred. |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | √ | |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | √ | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | √ | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | √ | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | √ | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | Not Applicable | No such situation occurred. |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | √ | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | √ | 1 (one) NRC meeting during the year. |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | √ | No such event occurred |



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| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h); | √ | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | √ | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | √ | | |
| 6(5)(b)(i)(a) | The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | √ | | |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | √ | | |
| 6(5)(b)(i)(c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | √ | | |
| 6(5)(b)(ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | √ | | |
| 6(5)(b)(iii) | Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | √ | | |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of independent directors and the Board; | √ | | |
| 6(5)(b)(v) | Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | √ | | |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the company's human resources and training policies; | √ | | |
| 6(5)(c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | √ | | |
| External or Statutory Auditors | | | | |
| 7(1)(i) | Appraisal or valuation services or fairness opinions; | √ | | |
| 7(1)(ii) | Financial information systems design and implementation; | √ | | |
| 7(1)(iii) | Book-keeping or other services related to the accounting records or financial statements; | √ | | |
| 7(1)(iv) | Broker-dealer services; | √ | | |
| 7(1)(v) | Actuarial services; | √ | | |
| 7(1)(vi) | Internal audit services or special audit services; | √ | | |
| 7(1)(vii) | Any service that the Audit Committee determines; | √ | | |
| 7(1)(viii) | Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | √ | | |
| 7(1)(ix) | Any other service that creates conflict of interest. | √ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company; | √ | | Auditors Declaration |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | √ | | |
| Maintaining a website by the Company | | | | |



| | | | | |
|---|---|---|--|---------------------------|
| 8(1) | The company shall have an official website linked with the website of the stock exchange. | √ | | |
| 8(2) | The company shall keep the website functional from the date of listing. | √ | | |
| 8(3) | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | √ | | |
| Reporting and Compliance of Corporate Governance | | | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | √ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | √ | | |
| 9(3) | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | √ | | Compliance will continue. |



THE PATTERN OF SHAREHOLDING

as on 31 December 2023

- i) Parent/Subsidiary/Associated Companies and other related parties: Nil
 ii) Directors/Chief Executive Officer/Company Secretary/Chief Financial Officer/ Head of Internal Audit.
 a) Directors

| Sl. | Name of Directors | Share hold | Percentage of Share | Name of the Spouse | Share hold |
|-----|--|------------|---------------------|--|------------|
| 01. | Mr. Enamul Hoq (Representative of M/s. Paradise Corporation (Pvt.) Ltd. | 17,70,948 | 2.49% | Ms. Hasina Banu | 14,40,316 |
| 02. | Mr. Elias Siddiquee | 17,70,888 | 2.49% | Ms. Hamida Siddiquee | 64 |
| 03. | Mr. Md.Abdul Khaleque | 14,20,985 | 2.00% | Ms. Rokshana Yesmin | 2,86,298 |
| 04. | Mr. Sabirul Hoque | 14,31,451 | 2.02% | Ms. Khaleda Hoque | - |
| 05. | Mr. Safar Raj Hossain Independent Director | - | - | Ms. Shefali Hossain | - |
| 06. | Mr. Jainul Abedin Jamal | 17,70,888 | 2.49% | Ms. Asma Begum | - |
| 07. | Ms. Khadizatul Anwar, MP | 14,21,451 | 2.00% | Mr. S M Pervez Alam | - |
| 08. | Ms. Mamtaz Begum | 20,63,600 | 2.91% | Mr. Jashim Uddin | - |
| 09. | Mr. Mourshedul Shafi (Representative of M/s. J S International Ltd.) | 17,23,150 | 2.42% | Mrs. Fazila Afrin Deeba | - |
| 10. | Mr. Tahreer Nawaz | 15,81,900 | 2.23% | Mahmudah Arefin Mumu | - |
| 11. | Mr. Towhidul Alam | 14,22,142 | 2.00% | Ms. Sharina Hossain | - |
| 12. | Mr. Towfiqul Islam Chowdhury | 14,22,142 | 2.00% | Mrs. Jannatul Farhan | - |
| 13. | Mr. A K M Ziauddin Chowdhury | 14,35,385 | 2.02% | N/A | - |
| 14. | Mr. Md. Rafiqul Islam Independent Director | - | - | Ms. Habiba Rafiq | - |
| 15. | Mr. Md. Mahfuzur Rahman Independent Director | - | - | Sayedra Ziaun Nahar Lipi | - |
| 16. | Ms. Hasina Banu Public Shareholder Director | 14,40,316 | 2.03% | Mr. Enamul Hoq (Representative of M/s. Paradise Corporation (Pvt.) Ltd. | 17,70,948 |
| 17. | Mr. Abrarul Hoque Public Shareholder Director | 14,22,750 | 2.00% | Ms. Tasnuva Zahid | - |
| 18. | Mr. Faraaz Karim Chowdhury Public Shareholder Director | 15,75,000 | 2.22% | Ms. Afifa Salwa Suchi | - |
| 19. | Mr. Jia Uddin Public Shareholder Director | 14,89,070 | 2.10% | Ms. Nurjahan Begum | - |

Shareholding of CEO, CFO, CS and Head of Internal Audit & Compliance

| Sl. | Name | Share hold | Name of the Spouse | Share hold |
|-----|--|------------|-----------------------------|------------|
| 01. | CEO-Mr. AMM Mohiuddin Chowdhury | - | Ms. Yasmin Akhter Chowdhury | - |
| 02. | CS-Sheikh Mohammad Anwar Uddin | 200 | Ms. Naznin Anwar | - |
| 02. | CFO-Mr. Masud Hossain | - | Ms. Tuhina Aktar | - |
| 04. | Head of Internal Audit and Compliance Mr. Mohammad Tazul Islam | - | Ms. Kohinoor Akther | - |

b) Executives (Top 5 salaried employees, other than the Directors, CEO, CS, CFO and HIAC)

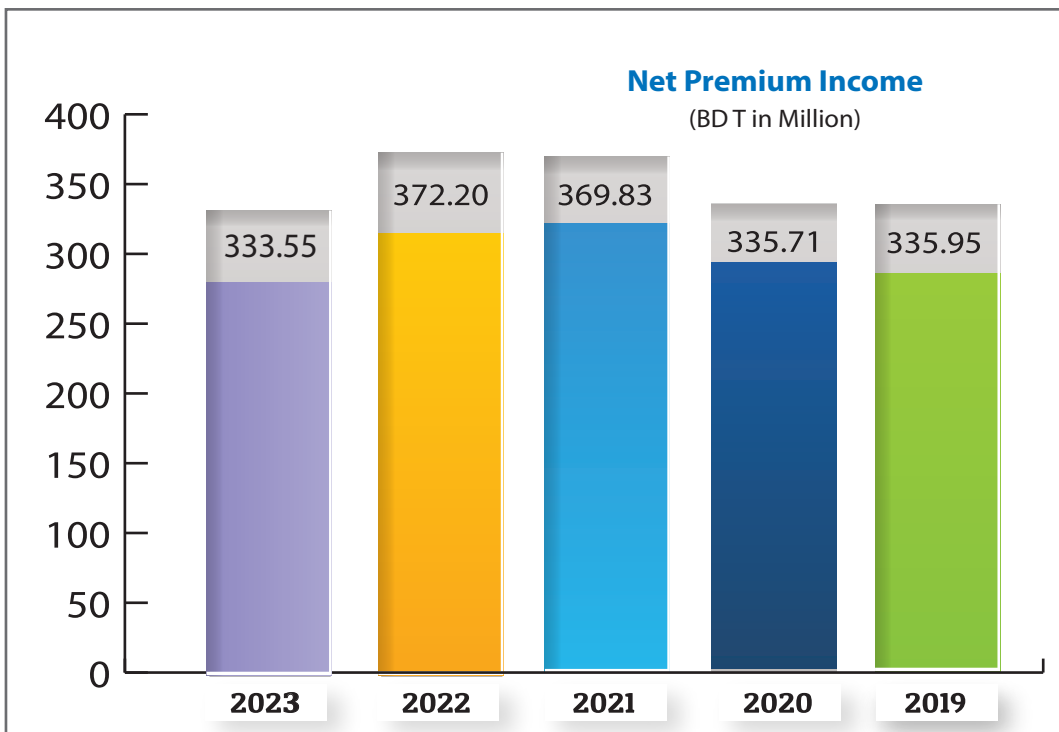
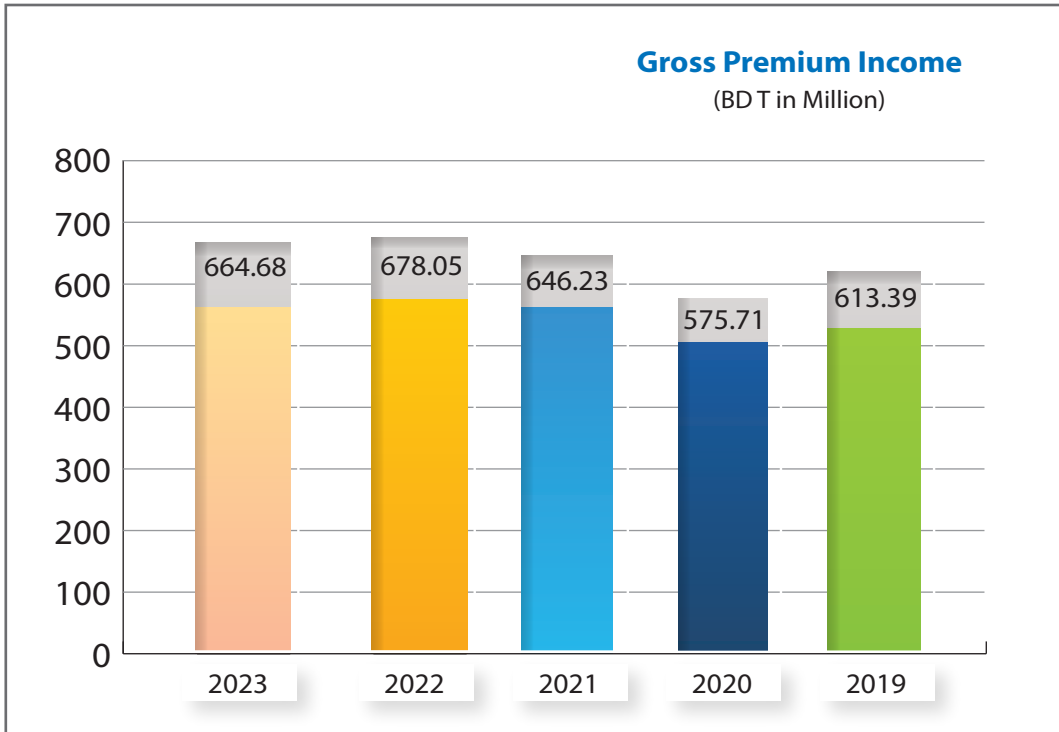
| Sl. | Name | Designation | Share hold |
|-----|-----------------------------|-------------|------------|
| 01. | Mr. Mujibul Wadud Chowdhury | Adl. MD | - |
| 02. | Mr. Md. Mahabubul Alam | Adl. MD | - |
| 03. | Mr. Kazi Arifur Rahman | Adl. MD | - |
| 04. | Mr. Md. Zakir Hossain | DMD | - |
| 05. | Mr. Jafar Ahmed | DMD | - |

5 (Five) Years at a Glance

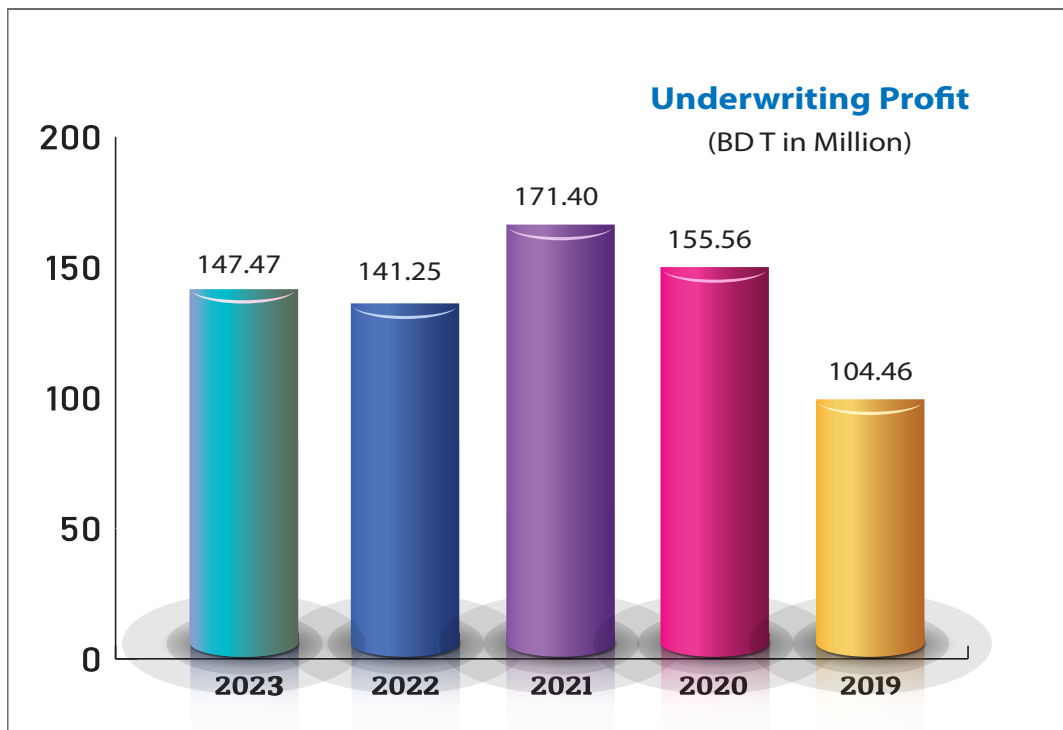
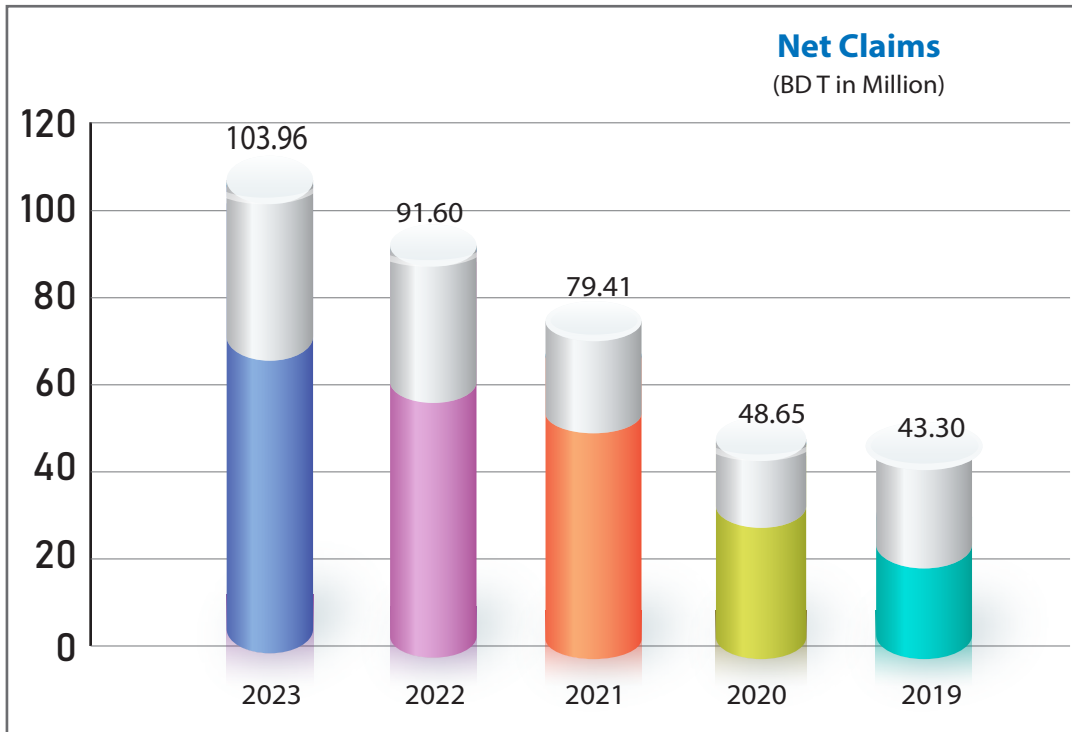
Figures in Million Taka

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|----------------------|----------|----------|----------|----------|----------|
| Gross Premium Income | 664.68 | 678.05 | 646.23 | 575.71 | 613.39 |
| Net Premium | 333.55 | 372.20 | 369.83 | 335.71 | 335.95 |
| Net Claims | 103.96 | 91.60 | 79.41 | 48.65 | 43.30 |
| Underwriting Profit | 147.47 | 141.25 | 171.40 | 155.56 | 104.46 |
| Investment Income | 31.68 | 25.91 | 23.52 | 26.78 | 18.68 |
| Profit Before Tax | 113.94 | 112.21 | 140.06 | 128.21 | 64.14 |
| Rate of Dividend | 10% | 10% | 10% | 10% | 5% |
| Shareholders' Equity | 918.51 | 921.14 | 918.66 | 838.99 | 782.79 |
| Total Assets | 1,489.54 | 1,471.02 | 1,616.46 | 1,499.41 | 1,385.30 |
| No. of Branches | 30 | 30 | 30 | 30 | 29 |
| No. of Employees | 466 | 464 | 431 | 459 | 511 |
| No. of Shareholders | 10,050 | 11,208 | 12,128 | 9,879 | 9,031 |

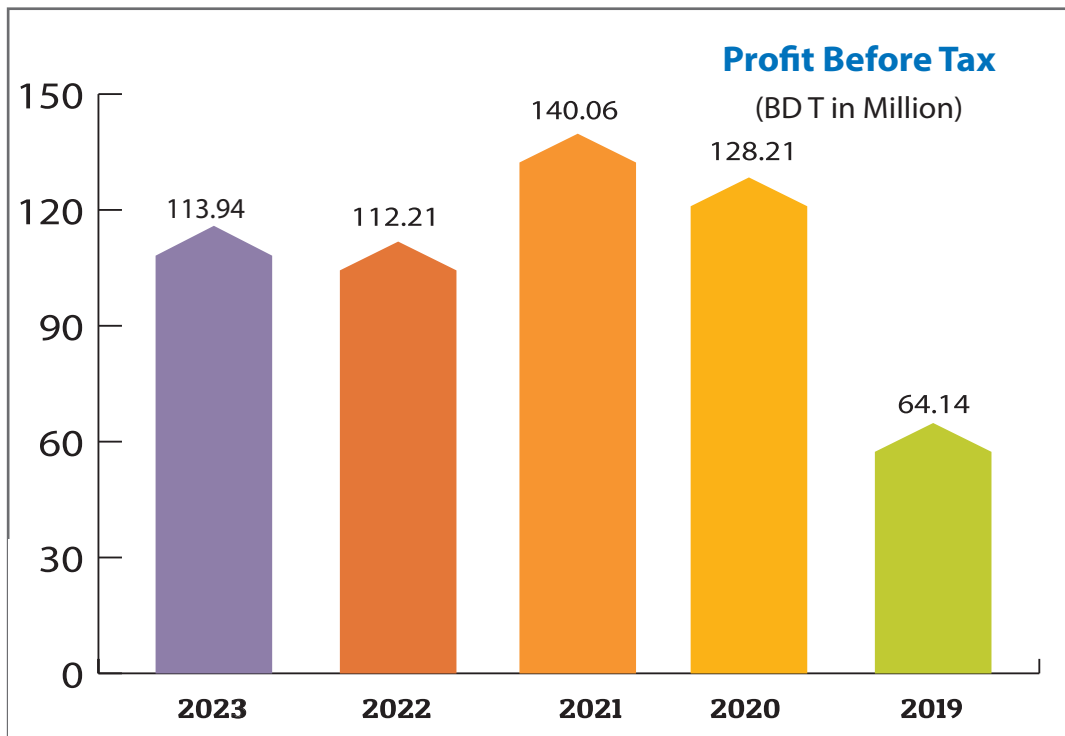
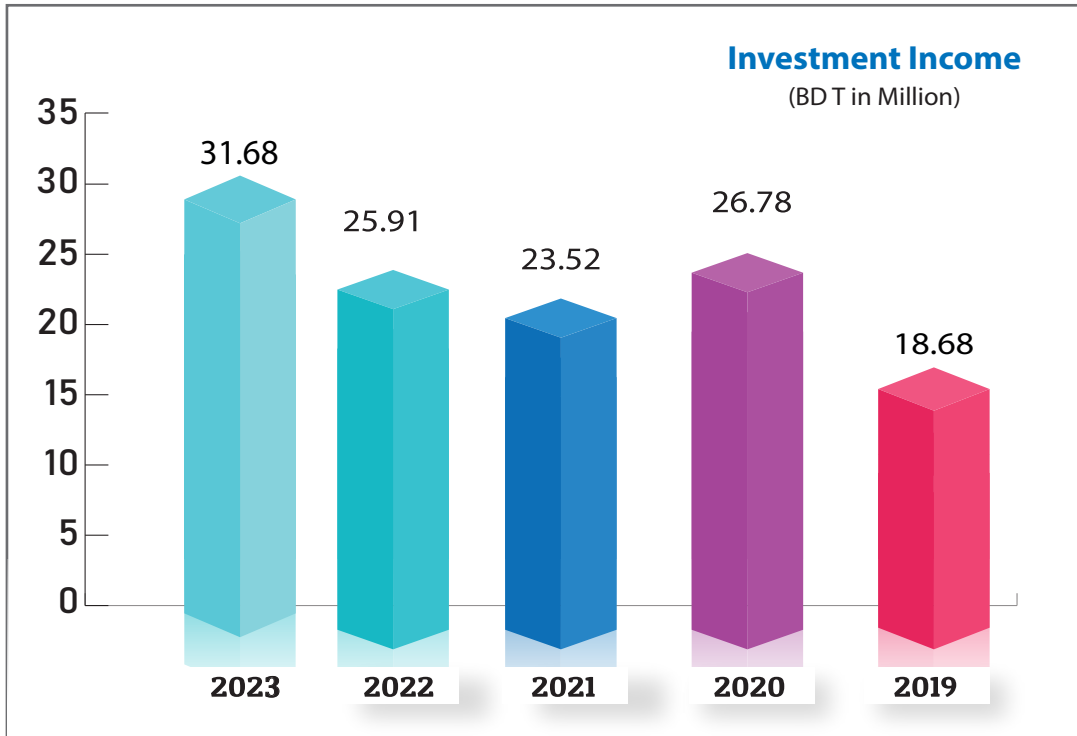
GRAPHICAL PRESENTATION



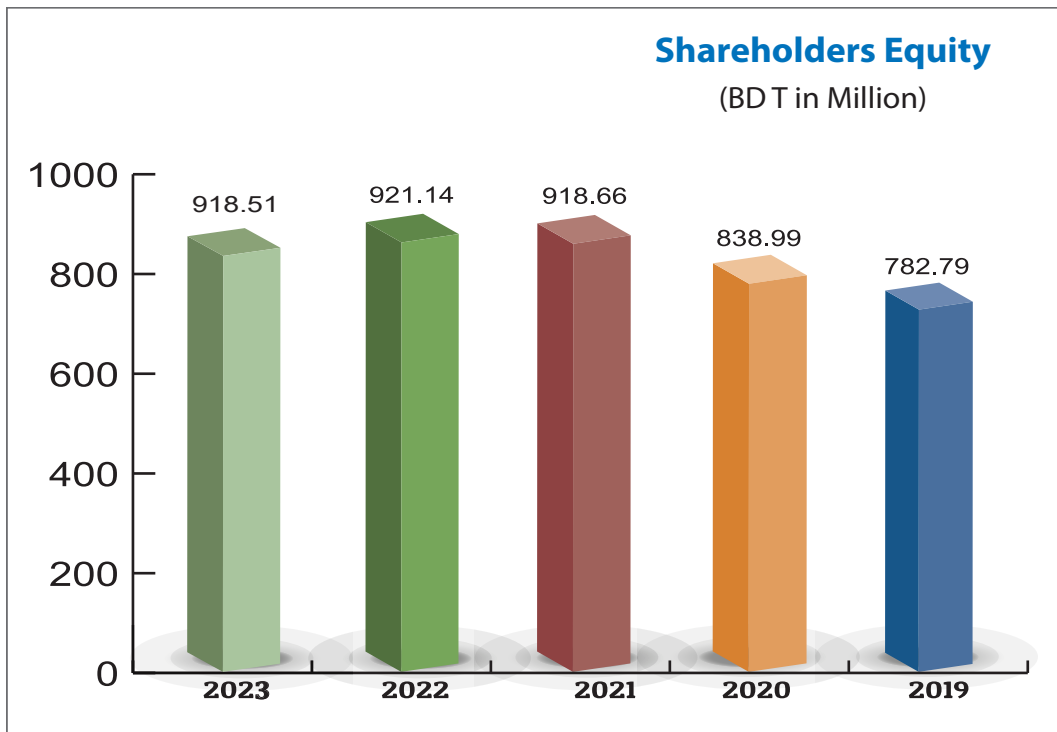
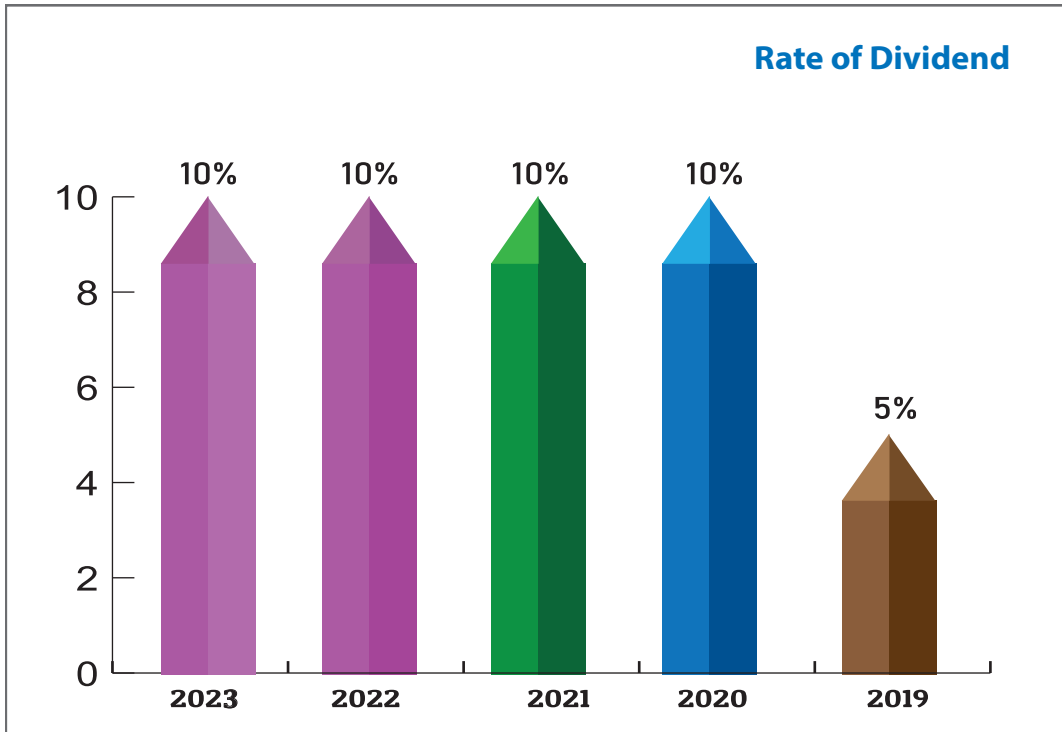
GRAPHICAL PRESENTATION



GRAPHICAL PRESENTATION



GRAPHICAL PRESENTATION



REPORT OF THE AUDIT COMMITTEE - 2023

In accordance with the best practices of corporate governance issued by Bangladesh Securities and Exchange Commission and Insurance Development and Regulatory Authority, The Audit Committee of the Federal Insurance Company Ltd. comprises of five Directors nominated by the Board of Directors. It operates according to the Terms of Reference approved by the Board and in compliance with the relevant provisions of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

The members of the Committee are as follows:

| Sl No. | Name | Designation |
|--------|---|-------------|
| 01. | Mr. Safar Raj Hossain, Independent Director (Former Secretary) | Chairman |
| 02. | Mr. Jainul Abedin Jamal, Chairman, Executive & Investment Committee | Member |
| 03. | Mr. Md. Rafiqul Islam, Chairman, NRC, , Independent Director (Former Secretary) | Member |
| 04. | Mr. Md.Mahfuzur Rahman, Chairman, RMC, Independent Director (Former Senior Secretary) | Member |
| 05. | Mr. Morshedul Shafi, Director | Member |

Audit Committee have held 4(four) meetings during the year 2023. The committee consulted the Managing Director & Chief Executive Officer, Deputy Managing Director & Chief Financial Officer, Head of Internal Audit and Compliance, relevant heads of departments and branch managers as and when required. Secretary of the Board also performed as the Secretary to the Audit Committee and attended the Committee meetings. The proceeding of the committees' meeting is regularly reported to the Board of Directors.

Purpose of the Audit Committee:

The role of the Committee is to co-operate with the Board in discharging responsibilities for financial as well as business discipline, financial reporting, corporate governance and internal control. The key responsibilities of Audit Committee are as under:

1. Review the effectiveness of internal audit function;
2. Review the findings and recommendations made by the Internal auditors;
3. Review the annual, half yearly and quarterly Financial Statements;
4. Review the auditing performance of external auditors and their audit reports;
5. Other matters as per terms of reference of the audit committee.

Tasks Performed by the Audit Committee in 2023

- Approved the audit plan for the year 2024 and gave direction to the internal auditors where appropriate for carrying out in depth audit function to ensure that the company or its assets are not exposed to under risk;
- Reviewed the integrity of the financial statements of the company ensuring that these reflect a true and fair view of the company's state of affairs for the year ended 31st December 2023;
- Reviewed the internal auditors' report and gave necessary suggestions where needed. Internal Auditors were also advised to carry out audit of all the branches in each year. Branch audit reports were required to ensure their effectiveness and suggest appropriate information where required;
- Reviewed quarterly & half yearly financial statements of the company to evaluate the performance.

Pursuant to condition # 5 (7) of the Corporate Governance Code issued by BSEC, the Audit Committee reviewed the Internal Control System and Financial Statements. The Committee did not find any material defect to inform the Board of Directors as well as shareholders.

The Audit Committee would like to express their sincere gratitude to all concerned for their support in the discharge of responsibilities of the committee.



Safar Raj Hossain

Chairman, Audit Committee

REPORT OF THE NOMINATION AND REMUNERTION COMMITTEE (NRC) - 2023

The NRC (Nomination and Remuneration Committee) of Federal Insurance Company Limited (FICL) focuses on governance practices, strategic human resource policies, and compliance with regulatory standards. The NRC Charter, which was developed primarily in accordance with the CG guidelines of BSEC, IDRA and also includes other international best practices, details the duties that the Board of Directors assigned to the committee in accordance with the NRC Charter. The committee, chaired by Mr. Md. Rafiqul Islam, plays a crucial role in ensuring that the company adheres to best practices in corporate governance, which includes the selection and evaluation of board members and key executives, as well as the development of remuneration policies that align with company goals and stakeholder interests.

Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee (NRC) of Federal Insurance Company Limited has been formed pursuant to the BSEC's Corporate Governance Code- 2018 and IDRA's Corporate Governance Guideline-2023. The current NRC was last constituted on 23 October 2023 and the present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|---------------------------|---------------------------|--|
| Mr. Md. Rafiqul Islam | Chairman | Independent Director (Former Secretary) |
| Mr. Enamul Hoq | Member | Chairman (Board of Directors) |
| Mr. Safar Raj Hossian | Member | Independent Director (Former Secretary) (Chairman, Audit Committee) |
| Mrs. Khadizatul Anwar, MP | Member | Director |
| Mrs. Mamtaj Begum | Member | Director |
| Mr. Abrarul Hoque | Member | Director |

Roles and Responsibilities:

The Nomination and Remuneration Committee (NRC) plays a critical role in corporate governance, focusing on the nomination of board members and the establishment of remuneration policies. Here are the key roles and responsibilities of the NRC:

a) Board Composition and Nomination:

- i. Identify and Recommend Candidates: The NRC identifies suitable candidates for board membership and recommends them to the board. This involves assessing the skills, knowledge, and experience required for the board to effectively oversee the company.
- ii. Succession Planning: The committee ensures there is a robust succession plan in place for the board and senior management to maintain continuity in leadership and management.

b) Performance Evaluation:

- i) **Board and Director Evaluation:** The NRC is responsible for developing and implementing procedures for evaluating the performance of the board as a whole, its committees, and individual directors.
- ii) **Feedback Mechanisms:** It establishes mechanisms for providing constructive feedback to directors and addressing any areas for improvement.

c) Remuneration Policies:

- i) **Developing Remuneration Framework:** The NRC develops and oversees the implementation of policies related to the remuneration of directors, key management personnel, and other employees. This includes setting up compensation structures that are fair, competitive, and aligned with the company's strategic goals.
- ii) **Performance-Linked Incentives:** It ensures that remuneration packages include performance-linked incentives to align the interests of directors and management with those of the shareholders.

d) Compliance and Governance:

- i) **Regulatory Compliance:** The committee ensures that the company complies with relevant laws, regulations, and best practices related to corporate governance and remuneration.
- ii) **Policy Review:** It regularly reviews and updates policies to reflect changes in regulations and best practices, ensuring the company's governance framework remains robust and effective.

e) Advisory Role:

Advising the Board: The NRC provides advice to the board on various matters related to its roles and responsibilities, including governance policies, board composition, and remuneration strategies.

f) Training and Development:

Director Induction and Training: The committee oversees the induction process for new directors and ensures ongoing training and development opportunities are available to board members to enhance their skills and knowledge.

Nomination and Remuneration Policy/ Criteria:

The objective of the remuneration policy is to enable the company to attract, motivate, and retain qualified industry professionals for the board, management and other executive levels in order to achieve the company's strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behavior that is focused on long term value creation, while adopting the highest standards of good corporate governance.

The policy is built on the following principles:

a) The Nomination Criteria:

- The company policies as well as guidelines and applicable laws/ regulations for the company;
- A prescribed selection process that is transparent in all respects;
- Follow a process that is compatible with the recognized standards and the best practices;
- Distinguish the core competencies of the respective personnel for the different levels of ground, expertise, ethnicity and nationality.

B) Recruitment and Selection Standards:

The recruitment and selection of directors and top-level executives of the company are made according to the following core guiding principles:

Directors and Top-Level Executives:

- At first, identifying the company's needs for employees at different levels and determine their selection, transfer, or replacement and promotion criteria;
- Then, identifying persons who are qualified to become directors and who may be appointed in the top-level executive position in accordance with the criteria laid down and recommend their appointment and removal to the board of directors;
- The board of directors appoint directors' and top-level executives, upon nomination recommendation of the NRC.

Independent Director:

- ▶ The independent directors shall be knowledgeable individuals with integrity who are able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business;
- ▶ The independent directors should have competence of the relevant sector in which company operates and should have the qualifications as required by the code of BSEC;
- ▶ The board of directors appoint independent director upon nomination and recommendation of the NRC accordingly, take the consent of the BSEC which is then approved by shareholders at the annual general meeting of the company.

C) Remuneration Criteria:

The key features of the remuneration criteria recommended by the NRC are as follows:

The structure, scale, and composition of remuneration/honorarium are reasonably considered based on the company's policies and guidelines set by the board of directors to attract, retain, and motivate the top level executives to run the company efficiently and successfully;

- The context of packages, including remunerations/benefits are categorically laid down which meets the appropriate performance benchmarks as per the company policies and guidelines ratified by the board as and when required.;
- The remuneration to directors, top-level executives involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- The NRC will recommend the board meeting attendance fees, honorarium including incidental expenses, if any; and
- No member of NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than board meetings and board's sub-committee meetings' attendance fees from the company.

D) Evaluation Criteria:

Board of Directors/ Top-Level Executives:

The respective authority of the directors and top-level executives sets the performance measurement criteria based on the respective role profile and responsibilities through the company's annual appraisal policy/process at a certain time of each calendar year.

Independent Director:

The evaluation of the performance of the independent directors is to be carried out according to the criteria of attendance and participation in the board meetings and committee meetings and contribution to the improvement of the corporate governance practices of the company.

Activity of Nomination and Remuneration Committee during the year:

In 2023, One NRC meeting held. The NRC noted the nomination and remuneration governance ensuring the standards and compliance accordingly.

Reporting by the NRC to the Board:

The NRC regularly reports on its work to the Board and the report includes a summary of the matters addressed in the meeting. The NRC expressing its view to the Board that the nomination, retirement, re-election & remuneration of directors & top level executives are adequate for presetting true and fair view of the Administration & HR department and also expressed that the internal control of the company is quite well.

These roles and responsibilities ensure that the NRC contributes significantly to the effective governance and strategic direction of the company, aligning the interests of the board and management with those of the shareholders and other stakeholders.



Md. Rafiqul Islam
Chairman
Nomination & Remuneration Committee

BRIEF MANAGEMENT'S DISCUSSION AND ANALYSIS

As per condition No.1(5)(xxv) of the Corporate Governance Codes-2018 issued by Bangladesh Securities and Exchange Commission, the **Management's Discussion & Analysis** are presented.

Accounting policies and estimation for preparation of financial statements

The financial statements have been prepared under the (International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 2020, and other applicable laws and regulations in Bangladesh. In addition, cash flows from operating activities are prepared under the direct method prescribed by the Securities and Exchange Rules, 2020.

The financial statements have been prepared on a historical cost basis, except for debt and equity financial assets and contingent considerations that have been measured at fair value. The financial statements provide comparative information in respect of the previous period.

In January 2018, the Institute of Chartered Accountants of Bangladesh (ICAB) adopted International Financial Reporting Standards issued by the International Accounting Standards Board as IFRSs. As the ICAB Previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not impact the company's financial statement going forward. The details of the significant accounting policies are available in a Note of the financial statements.

Change in accounting policies and estimations

In 2023, there was no significant change in accounting policies and estimations except for some amendments and interpretations applied. However, this does not have any material impact on the Company's financial statements.

In addition, the Company has not adopted any standards, interpretations, or amendments that have been issued early, even those that are not yet effective.

Comparative analysis of financial performance and financial positions as well as cash flows for current financial year with immediate preceding five years.

Major areas of financial performances and financial positions as well as cash flows of current year with immediate preceding five years are as follows:

Figures in millions except ratios and percentage

| Particulars | 2023 | | 2022 | | 2021 | | 2020 | | 2019 | | 2018 | |
|---|--------------|------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
| | Amount (Tk.) | Growth (%) | Amount (Tk.) | Growth (%) | Amount (Tk.) | Growth (%) | Amount (Tk.) | Growth (%) | Amount (Tk.) | Growth (%) | Amount (Tk.) | Growth (%) |
| Underwriting Profit | 147.47 | 4.39 | 141.26 | (17.58) | 171.40 | 10.18 | 155.56 | 48.91 | 104.46 | 16.90 | 89.36 | (2.70) |
| Net profit after tax | 68.19 | (7.19) | 73.48 | (23.74) | 96.36 | 7.07 | 90.00 | 97.67 | 45.53 | 35.10 | 33.70 | (5.87) |
| Net assets value per share (NAVPS) | 12.93 | (3.08) | 12.97 | 0.30 | 12.93 | 4.27 | 12.40 | 7.17 | 11.57 | 5.86 | 10.93 | (4.96) |
| Earnings per share (EPS) | 0.96 | (3.67) | 1.03 | (24.26) | 1.36 | 7.09 | 1.27 | 98.50 | 0.67 | 34.00 | 0.50 | (13.79) |
| Net Operating cash flows per share (NOCFPS) | 0.93 | (43.63) | 1.65 | (39.11) | 2.71 | (31.3) | 3.95 | 170.55 | 1.46 | 43.14 | 1.02 | 153.68 |

Dividend

Given the performance of the Company, the Board of Directors has recommended a 10% cash dividend for the year ended 31st December 2023, to be approved in the ensuing 36th Annual General Meeting.

Comparison of financial performances and financial position as well as cash flows with peer industry scenario

Major areas of financial performance and financial position as well as cash flows with peer industry scenario for the year 2023 are as follows:

| Particulars | Federal Insurance Co. Ltd. | Central Insurance Co. Ltd. | City Gen InCo. Ltd. | Eastland Insurance Co. Ltd. | Reliance Insurance Ltd. |
|-------------------------------------|----------------------------|----------------------------|---------------------|-----------------------------|-------------------------|
| Gross Premium | 664.68 | 558.58 | 820.92 | 1,028.76 | 3,902.39 |
| Net Premium | 393.55 | 378.72 | 516.49 | 326.08 | 1,338.64 |
| Underwriting Profit | 147.47 | 101.77 | 216.46 | 156.98 | 644.97 |
| Investment & Others Income | 31.68 | 83.62 | 99.31 | 12.44 | 414.54 |
| Net Profit before tax | 113.94 | 145.36 | 300.42 | 100.03 | 1,006.60 |
| Net Profit after Tax | 68.19 | 105.03 | 205.64 | 95.97 | 690.18 |
| Paid-up capital | 710.39 | 531.49 | 681.66 | 838.81 | 1,051.61 |
| Shareholder's equity | 9183.51 | 2,656.51 | 1,390.90 | 1,817.36 | 7,030.36 |
| Total assets | 1,489.54 | 3,789.52 | 2,135.94 | 2,565.03 | 12,527.64 |
| NAVPS (Taka per share) | 12.93 | 49.99 | 20.40 | 21.67 | 66.85 |
| Earnings per Share (Taka per share) | 0.96 | 1.98 | 3.02 | 1.14 | 6.56 |
| NOCFPS (Taka per share) | 0.93 | 2.20 | 2.53 | 0.83 | 4.84 |

Source: Published Annual Report of 2023

Economic and Financial Scenario

Global:

The global economy is experiencing a number of turbulent challenges. Inflation is higher than seen several decades, tightening financial conditions in most regions, Russian's invasion of Ukraine, and the lingering Covid-19 pandemic all weigh heavily on the outlook. Normalization of monetary and fiscal policies that delivered unprecedented support during the pandemic is cooling demand as policymakers' aim is to lower inflation back to target. But the uptrend in economies growth is totally decline. The global economy's future health rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions, for example, in China.

Global economic activity is still decelerating as a result of monetary policy tightening to contain inflation, less favorable financial conditions from the Russian invasion of Ukraine. Global growth is projected to stay at 3.1 percent in 2024 and rise to 3.2 percent in 2025.

Bangladesh:

It is apparent that the economic condition would not go well in Bangladesh like the world economy at large in the year 2024. The International Monetary Fund (IMF) has lowered the projection of gross domestic products growth for Bangladesh to 5.8% for the first half year of 2024. The inflation rate is quite higher than it was expected. Recent declaration the price hike of both electricity and gas for the industries would impact further on inflation. The essential commodity prices have already gone up beyond the earning capacity of general people to expense for services like insurance in Bangladesh.

The ongoing dollar shortage in the banking sector is posing a threat to local textile millers and spinners as they have difficulties in opening letter of credit to import raw materials and cotton to feed the country's readymade garment industry. However, we do believe that Bangladesh will definitely be able to tide over the difficulties posed by the ensuring crisis.

Financial Overview

Banking sector has a large amount of nonperforming loan or loan default which remains a pervading concern. Tight monetary measures initiated by Bangladesh Bank will undermine private investment which in turn will affect growth adversely.

Risk and Concerns

Our business is subjected to operational risks such as direct and indirect loss resulting from human errors, failure of internal and external system since we are involved in a large number of complex transactions with clients, brokers and reinsurers. The Company has exposure to the Underwriting Risk, Market Risk and Operational Risk inherently in the industry. The main risk relating to the financial statements that facing the Company and it's management are as

Follows:

Underwriting risk: Underwriting risk refers to the process to assess the eligibility of a customers to receive their products risk. It involves measuring risk exposure and determining the premium that needs to be charged to insure that risk. The Company, in case of underwriting, evaluates the risk and exposures of the prospective clients, and decides how much coverage the client should receive, how much they should pay for it, or whether to even accept the risk and insure them.

Market Risk:

Market risk is the risk to an institution's financial condition resulting from adverse movements in risk factors like volatility of interest rates, equities and currency risk. The Company is exposed to market risk because of positions held in its trading portfolios and its non-trading businesses. Interest rate risk arises from the Company's funds activities due to mismatches between the future yield and funding cost.

Equity positions can result in changes in the Company's non-trading income and reserves arising from changes in equity prices/income. The type, nature and amount of equity exposure held by the company is not significant. The market value of the equity assets held by the Company at the balance sheet date is much higher than cost price.

Currency risk is a form of risk that arises from the change in price of one currency against another. The Company is aware of the currency risk factors as and when making payment(s) to re-insurer.

Operational Risk:

Operational risk arises from inadequate process, misuse of process from human or system errors or from external factors. The management Committee is responsible for identifying operational risks and to take positive steps to mitigate those risks. The Committee evaluates operational processes in terms of efficiency and adequacy of the process to ensure adequate control over the matter to prevent misuse, "Maker and checker" concept is implemented in every step of operational processes. Also appropriate training programs are arranged regularly to reduce human errors.

Liquidity Risk:

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due. The Company ensures regarding liquidity risk that can at all times its obligations as they fall due, focuses on overall balance sheet structure and the control, within prudent limits, of risk arising from exposure to the mismatch of maturities across the balance sheet and from undrawn commitments and other contingent obligations. A contingency plan is taking such place for managing extreme situation.

Future Plan:

The Company maintains a periodic action plans along with mid-term and long-term strategies to focus the sustainability of its performance and financial position.

It is expected that current initiatives of Insurance Development and Regulatory Authority (IDRA), the industry regulator, will be increasingly effective in removing anomalies and ensuring to create a level playing field for all Non-Life insurance companies which will open up opportunities for compliant companies like FICL.

Motor business has been affected badly because of a recent Government decision to withdraw its mandatory third party motor insurance requirement. So we give our special focus to cover up on Marine Cargo & Hall, Health insurance and Property all risk insurance.

We definitely believe that Federal Insurance Company, with its world class insurance services, will remain committed to overcome the challenges of the future and keep up its momentum for prudential business growth in years to come. The Government has been trying its best with taking appropriate steps to revive and rebuild the economy under the most challenging situations. Similarly, we are directing all our efforts in gearing up our business activates to the full potential, thereby recouping businesses which we lost during Covid-19 pandemic periods. We are confident and looking forward to the successful business operation of our company in FY 2024 In sha Allah.

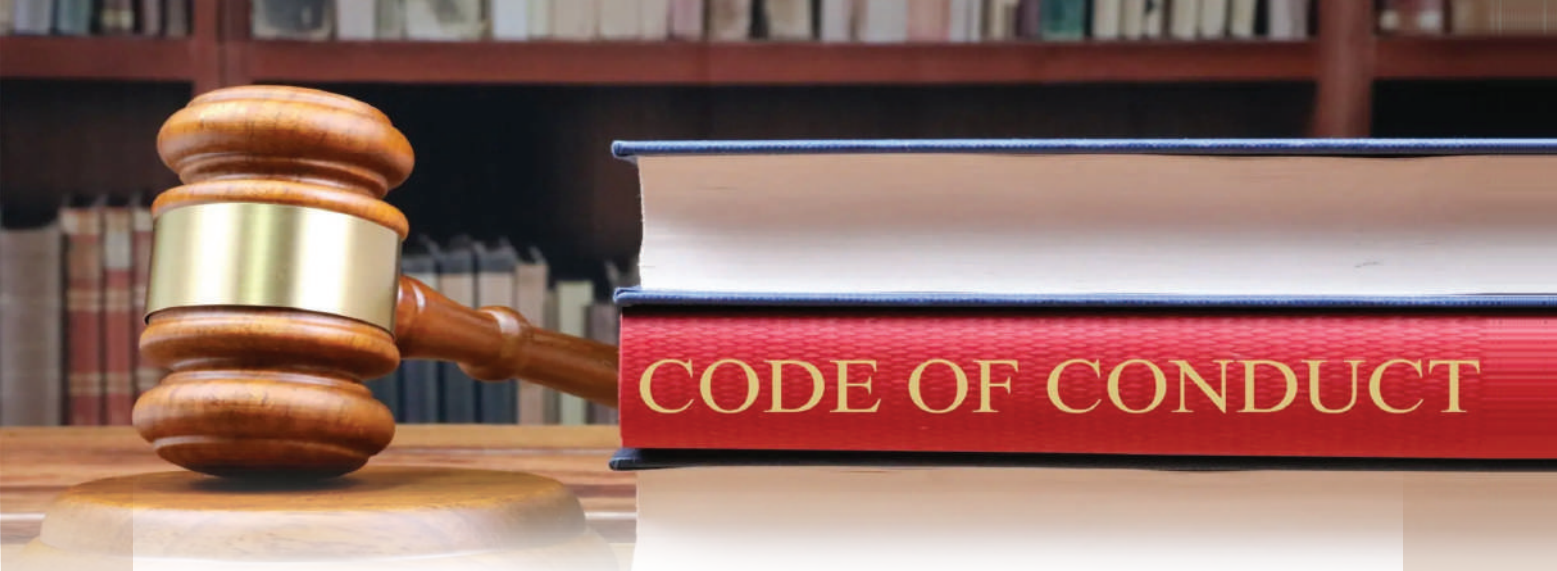
Technology & Human Capital Development:

Being financial service providers, we invest in human capital development in addition to our investment in IT sector. ICT investment can provide us advantages for certain period of time, and it cannot easily be imitated. But our competency in human resource development which provides us with real competitive advantages over the year. Thus we arrange congenial environment to our staff for ensuring self-motivation by discharging responsibilities in most professional manner. By creating satisfactory employment at Federal Insurance Company, we contribute to an economic impact in the country's employment indicator.

The management team is set try its best and work hard with these guidelines and strategies in view, to increase FICL's business portfolio significantly in the coming year.



A M M Mohiuddin Chowdhury
Chief Executive Officer



1.0 Preamble

The code of conduct sets the principles for the stakeholders. Members of the Board of Directors and its committees, employees of all levels. The principle objective of this set of code of conduct is to protect the interests of customers, owners and employees, stakeholders of all types of companies.

This guidelines intended to comply compulsorily by company. The ultimate and firm objective is to ensure integrity high ethical standards, due skill, care and diligence in all of their business and allied activities, including the stakeholders. The companies must take reasonable care and measures to organize, manage and control their dealings and affairs responsibly and effectively, with adequate risk management systems and financial resources.

2.0 Introduction

Persons working in the company, including their affiliates in research and development, and training in the country as owner, director, employee, advisor/consultant, contractor/supplier or in any other form of stakeholder under legal or institutional provisions/arrangements must act with integrity i.e. in an honest, fair and legitimate manner Their activities must fully be customer service oriented and clearly be motivated by integrity and ethics, of course, in full conformity with the legal and regulatory requirements.

All Members of the Board of Directors and its committees, employees of all levels and categories of companies are expected to display the highest standards of professionalism and commitment to ethics and integrity in all of their conducts. It is also strongly expected that they all in every act and at all times would pay due respect, care and consideration to others and putting the public interest first.

Directors of Board, members of different Committees of the Board and Management of the companies are individually and collectively remain committed and responsible to excel the practice of corporate governance principles in their institutions and activities by placing due attention and weights on the compliance of best ethical standards and integrity as recommended by the regulators for enhancing their internal and external credibility and establishing transparency.

3.0 Code of Conduct for Employees

Company will have to maintain a pleasant working environment in their organization in terms of presence of well set and well defined compensation package, clearly set goal orientation, as well as performance-led job description for employees of all levels the employer must ensure the scope for both professional and career development of the employees. Such an environment with well designed strategic and logistic support would reinforce the satisfaction of the employees, which will ultimately make them loyal to the organization and its culture.

Working environment as well as procedures in the Companies must be well designed and well maintained so as to make it reasonably and promptly responsive to the customer needs, along with compliance of legal and regulatory requirements. Hence, the employees should therefore be made well-trained and well-mannered in order for discharging their jobs efficiently, which will eventually enhance the goodwill of the institution and thereby, expand the customer base and market share. Importantly to motivate the employees towards the goals of the organization and enable them to perform to the best of their levels, responsibilities be clearly defined and carefully be allocated along with requirements and procedures for accountability and performance reporting and evaluation.

3.1 Transfer-Joining Time:

An employee on transfer from one station to another within the same city shall join the new assignment immediately in case of inter-district transfers, joining time shall be 5 (five) working days from the date of release from the present place of posting excluding holidays, if any.

3.2 Maintenance of Secrecy:

An employee shall maintain the strictest secrecy regarding the FICL's affairs and the affairs of its constituents and shall not communicate directly or indirectly to the press or public any document or information which has come into his possession and information in the course of his official duties or has been prepared or collected by him in the course of his duties, whether from official sources or otherwise, unless compelled to do so by judicial authority or instructed to do so by the competent authority in the discharge of his duties.

3.3 Absence from Duties:

An employee shall not absent himself from his duties without having first obtained the permission of the competent authority or of the In-charge of his/her office or Branch, as the case may be, nor shall absent himself/herself in case of sickness or accident without submitting a satisfactory medical certificate. No employee shall leave station or stay out of station (his/her place of posting) overnight without obtaining prior sanction of the competent authority.

An employee may, however, avail casual leave on any day, but the concerned employee has to give proper intimation to the competent authority.

3.4 Outside Employment:

No employee shall accept any outside employment or office, whether stipendiary or honorary or engage in any business or trade. No employee shall act as the agent of any insurance company or business house directly or indirectly.

3.5 Evidence before Public Committee:

An employee may not give evidence before a public committee without prior sanction of the Head Office. This rule will not apply to evidence given before official committee appointed by the Company.

3.6 Borrowings:

No employee shall borrow money from any customer of the Company or from person(s) likely to have dealings with the Company.

3.7 Some specific compliance guidance

- a. At all times the stakeholders shall act in a professional and ethical way and uphold the highest standards of honesty, trust, fairness, integrity and diligence;
- b. Every stakeholder shall consider the risks and implications of their actions and in principle, should feel accountable for them, and for the potential adverse impacts;

- c. All in the company/organization shall take firm promise to comply with all current regulatory and legal requirements, and adopt endeavor to follow best industry practices;
- d. All information be used and handled with best care and due diligence be applied to ensure highest confidentiality and preserving sensitivity;
- e. Prevent and avoid potential conflict of interest that may arise and influence one whilst he/she performs;
- f. Serve customers, colleagues and counterparties with due care. Respect their desires and serve them with responsibility if they asked for, or help them voluntarily;
- g. Set the service standard for the organization that reflects professionalism that also expresses values and attitudes, as well as positive behaviors;
- h. Train and encourage the staff/officials to act with complete integrity towards customers, colleagues, counterparties and others with whom they may come into contact

3.8 Serving Customers and the Stakeholders

For ensuring standardized services and ethical business development, company should identify their existing and potential users, side by side with the selection of service providers at various levels.

3.9 Encouraging people for knowledge and skill enhancement

- a. Providing opportunities for professional development, and
- b. Evaluating performance objectively.

3.10 Delivering to Partners

- a. Adherence to good corporate governance practices,
- b. Protecting intellectual property,
- c. Protecting reputation of Company, and
- d. Strengthening competitive behavior

3.11 Being Proactive

- a. Anticipating and embracing changes,
- b. Encouraging and rewarding innovation responsibly, and
- c. Maintaining and sharing accurate and useful information.

3.12 Working in Teams

- a. Remain individually and make others accountable for every action;
- b. Refrain from favoritism and bias;
- c. Extract value from different perspectives;
- d. Work jointly and collectively; and
- e. Acknowledge and appreciate value for both individual and team contributions.

3.13 Respecting Each Other and reciprocity

- a. Recognize and respect human dignity;
- b. Provide/establish a working environment free of harassment and intimidation;
- c. Comply with social and occupational health & safety regulations, and
- d. Protect organization from damage/loss of physical assets.

4.0 Responsibility

4.1 Responsibility to Shareholders

- a. Company should preserve the lawful benefits and interests of their shareholders;
- b. Should make utmost endeavor to maximize profit and increase payout ratio for the stakeholders, and
- c. Should make best effort to maximize company profit and manage the same ethically and properly

4.2 Responsibility to Customers

To satisfy the customers-needs efficiently, the Company require to

- a. Understand and honor the customer needs, as well as serve them indifferently, promptly and honestly,
- b. Ensure complete secrecy of customers' affairs/account information at all times unless asked by any competent court or any other lawful authority;
- c. Provide customers with requested account statement accurately and promptly;
- d. Keep the customers updated regarding any suspicious operations in his account,
- e. Exercise due diligence in the operation of customer accounts, and

4.3 Responsibility to Community/Society

All financial activities of Company must comply with the recognized/established legal, regulatory as well as social/community norms, customs and values.

5.0 Information of Company

5.1 Information of Government Agencies'

Any information of govt. agencies like IDRA, BSEC, ACC, NBR, BB etc shall not be disclosed without prior approval of competent authority.

5.2 Employee Information

An employee shall keep all information of the organization, either current or old, secret and confidential.

6.0 Use of Position

The officials in all positions of the Company shall have to abide by their respective Code of conduct for the sake of both institutional and national integrity it is expected that an official shall use his/her position and delegated power to do his/her jobs appropriately Any deviations of this shall be treated as abuse of position and power. Generally such deviations are found out for following two reasons:

6.1 Private Gain:

An employee is supposed to exercise his/her power attributed to his/her position for the benefit of the institution as well as the country. But it becomes injurious and illegal if the exercise of his/her power relating to his/her position is led towards personal benefit. It is tantamount to corruption or misuse of power and position and it is quite contradictory to national integrity. Therefore, the use of position of an employee in any institution for any private gain is strictly prohibited.

6.2 Endorsement:

The endorsement of one's position is also similar to the abuse of position. Sometimes, dignitaries may not directly take any benefit by using their power and position. However, they may pave the path for benefits for other persons by making such unlawful use and authorization of position and power.

The aim of a dignitary should be serving the people or nation without bias. If any activity makes his/her own people benefited unusually and thereby frustrates the others, it shall be treated as partiality and nepotism. So, a dignitary shall not be involved in such activities.

7.0 Conflicts of Interest

7.1 The conflict of interest is often a very strong hurdle on the way of implementation of national integrity strategy. When an employee thinks of his/her personal interest from his/her official position, a question of conflict of interest arises. The statute allows him/her to serve his/her own gain, or interest at the cost of employing Institution or the state. It is a statutory as well as an ethical obligation for an employee to keep himself/herself away the personal interest. The apparent causes or reasons behind such a conflicting situation may include the followings

- a. Dissatisfaction with salary and remunerations;
- b. Unpleasant working environment;
- c. Lack of opportunities for promotion, or deprivation from promotion;
- d. Undue influence and/or pressure from others;
- e. Gift to or from colleagues and employer and
- f. Lack of job security.

7.2 Whatsoever the circumstances, the employees must avoid the conflict of interest as long as they hold positions in the organization. Availing any kind of undue or illegal benefit/facilities irrespective of forms, shall be treated as deviation from the required standard of services. So, to keep the employees refrained from such a trap of conflict of interest, employers might administer the employee affairs legally & ethically, and compensate them reasonably. An employee shall have to refrain from doing the following:

- a. Performing his duties with a view to preserve/protect his own benefits at the cost of his employer.
- b. Involving in any kind of financial activities relating to his personal gain.
- c. Giving any advice, consultancy, direction or suggestion to anybody or to any institution that may cause for losses to his employer;
- d. Any practice/exercise that may benefit him at the cost of institution's assets either monetary or non-monetary;
- e. Doing anything that may damage the goodwill, image and reputation of the institution;
- f. Doing anything that may hamper the secrecy and privacy of any affairs/information of the company;
- g. Receiving any gift (in cash or kind) from those who are directly benefited or assisted by his office or by his power and position.

8. Private Trade or Employment

8.1 Teaching, Speaking & Writing

Employee considering authorship or publication of a book, article etc and speaking in front of the media which is not commissioned by the organization but which could in any way be connected with their work or employment at the organization should seek guidance from the management through HR before entering into any commitment. Any publication or public speaking of an employee should not tarnish the image of the organization vis-à-vis regulatory bodies of the country.

8.2 External Pressure/Approach to Member of Parliament, Political Leader, Board Members etc.

No employee shall, directly or indirectly, approach any member of Parliament or use any political or other type of influence or attempt to bring any influence of the Board of Directors of his/her organization for his/her employment, increment, promotion, transfer or any other personal gain.

9. Acceptance of Gifts

- i. No employee of the company, without prior permission of the competent authority, accepts by him/herself, or permit any of his/her family member to accept any gift from any person that make him/her obligated in official position to the gift providers. If anyone sends gift items via postal or courier services, may be received but will immediately be handed over to the higher authority for disposal.
- ii. If any question arises whether the receipt of a gift places a Company employee under any form of official obligation to the donor, the authority will take action against such activity.

10. Accuracy of Records and Reporting

Organization's books, records, accounts and reports shall accurately reflect its transactions and must be subject to an adequate system of internal controls and disclosure controls to promote the highest degree of integrity. An employee shall ensure that records, data and information owned, collected, used and managed by him/her for the organization are accurate and complete. Records shall be maintained as per the policy of the organization in sufficient details so that these may reflect accurately the Organization's transactions.

11. Fraud, Theft or Illegal Activities

Employees shall be vigilant about the frauds, theft or illegal activities and shall not engage in such activities at any cost. If any such activity comes into any employee's notice he/she shall immediately report the same to his/her immediate superior/s or management to protect the interest of the organization. He/she shall act as a whistle blower thereby.

12. Team Work

Teamwork and co-operation is an important aspect of the work ethics in the organization. An organization shall leverage on the dynamics of collective skills, knowledge and experience to achieve the best for the stakeholders. An organization shall admit its employees as human capital and shall recognize the pivotal role that meritocracy plays in setting rewards and penalties for safeguarding the interests of its employees. It respects the incidence of conflicts arising in the workplace and seeks amicable resolution of contentious issues in a manner that is constructive, open, honest and ultimately beneficial to all parties involved.

13. Employees' Grievance

If employees have a grievance, they should try to resolve this informally first. But, if the complainant feels unable to tackle the complaint informally and cannot reach a satisfactory conclusion through the informal process, he/she may pursue a formal grievance mitigation application.

14. Compliance with Laws, Rules and Regulations

Employees of the companies are expected to comply with the laws, rules and regulations governing the Organization's business vis-à-vis regulatory bodies. No individual is expected to know the details of all applicable laws, rules and regulations, but individuals shall be knowledgeable about specific laws, rules and regulations that apply to their areas of duties and responsibility.

15. Fair & Equal Employment Opportunity

An organization is committed to provide equal opportunity in employment on the basis of individual merit and personal qualifications to employees and applicants for employment. Every individual has the right to work in a professional atmosphere that promotes equal and legal employment opportunities and where discriminatory practices, including harassment are prohibited.

16. Harassment

- i. The Organization is committed to provide a work environment where all employees can work free from harassment on ground of religion, age, gender, family background, ethnicity, personal appearance etc. The organization shall not tolerate any type of harassment by directors, employees, supervisors or others.
- ii. Harassment towards female colleagues may include making derogatory or provocative comments, physical violence, inappropriate jokes, and unwanted physical contact, use of epithet, comments or innuendo, obscene or harassing telephone calls, inappropriate content exchange through e-mails, letters, SMS, notes or any other forms of communication.

17. Zero Tolerance to Violence Whistle Blower in the Workplace

Company shall prohibit any acts of violence or threats of violence by any employee against any other person at any time. The organization has to bear zero tolerance for violence against any member of the workforce or its property.

18. Transparency and Accuracy of Financial, Tax and other Reporting

Company shall ensure that their reports and communication is true, complete and accurate and shall not be misleading. They shall maintain transparency in their business operations and dealings with clients, stakeholders and regulators.

19. Responsibilities of Ethics Committee to Uphold the Code of conduct

- i. Company shall be responsible for the development of their own Code of conduct in line with this Common Code of conduct developed for all insurance companies. They will make formal circulation of the same within 60 days and adopt the steps and procedures outlined in the policy. The Board of Directors as well as the management of the organization shall be responsible for proper implementation of the Code of conduct.
- ii. The members of the Ethics Committee in their corporate capacity have a responsibility to promote the code of conduct effectively and lead by example in embedding the code in their everyday work. Any instance of breach of code of conduct shall be dealt with appropriate disciplinary procedure. Ethics committee shall have an annual work plan and periodically monitor their progress against the work plan.

20. Compliance with the Code of Conduct

- i. All new employees joining to the company as well as existing employees are required to commit to the code of conduct and duly sign a statement of compliance attesting the same.
- ii. At all times employees shall act in a professional and ethical way and uphold the highest standards of honesty, trust, fairness, integrity and diligence:
 - a. Consider and value the risks and implications of each employee's actions, make them accountable for works to be performed, and for the impact their actions may have on others;
 - b. Keep scope to adopt/incorporate with future changes in this code of conduct and in or any part/paragraph/point of this code of conduct;
 - c. Make information reliable and appropriate, and use them with confidentiality and sensitivity;
 - d. Be alert to and manage potential conflicts of interest which may arise whilst performing their role, motivate them not act for personal gain or advantage;
 - e. Treat all customers, colleagues and counterparties with respect and take responsibility for the advice and services provided to them;
 - f. Senior staffs should lead by example and act as positive role models to others; and
 - g. Continuously develop and maintain technical and professional skill and knowledge and competence of the work force; and
 - h. Uphold the name and reputation of companies and the profession.

If anyone tries to violate this code of conduct, the competent authority will take necessary steps against him/her.

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

The Nomination and Remuneration Policy ('the Policy') for members of the Board of Directors and Top Level Executives of the Company is designed to attract, motivate and retain leadership of members in a competitive market. The Policy reflects the company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

OBJECTIVES OF THE POLICY

In line with the requirement clause 6 of BSEC's Corporate Governance code-2018, the objectives of the policy are as under:

- ▶ To formulate the criteria for determining qualifications, competencies, positive attributes and independence for nomination/appointment of directors;
- ▶ To formulate the criteria for evaluation of Independent Directors;
- ▶ To lay down the criteria for identifying people who can be appointed in top level executive position and recommend their appointment and removal.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee shall be composed at least 4 (four) members. The Board of Directors shall appoint members of the Committee one of whom should be an Independent Director. The Chief Executive Officer (CEO) shall be appointed as a non-voting member of the Committee. The Committee shall conduct at least 1 (one) meeting in a financial year.

The Chairman of the Committee shall be an Independent Director.

The members shall be appointed at the first Board meeting held after the Annual General meeting.

GUIDING PRINCIPLES

Policy for Nomination/appointment and Remuneration of Directors-

The selection criteria for the appointment and re-appointment of directors will normally be based on an analysis of the composition of the existing Board, its skill and experience. Factors to be considered when appointing a director for Board are:

- The skill, experience, expertise and personal qualities that will best complement Board effectiveness;
- The capability of the candidate to devote the necessary time and committee to the role. This involves a consideration of matters such as other Board or executive appointments;
- Potential conflicts of interest, and independence in accordance with BSEC's Corporate Governance Code-2018, as specified and applicable from time to time;
- Any benefits to be allowed to Directors as per Insurance act, rules and regulations published by the regulators from time to time.

Policy for evaluation of Independent Director-

The Performance evaluation of Independent Director shall be done by the Board, excluding the Director being evaluated, on the basis of contributions made to the Board deliberations in the board meetings.

Policy for appointment, remuneration and removal of Top Level Executive of the Company-

The NRC shall recommend the appointment, remuneration and removal of Chief Executive Officer (CEO) to be confirmed by the Board in Compliance with Bima Company (CEO appointment and Removal) Rules 2012.

The NRC shall confirm the appointment, remuneration and removal of Vice President and above taking into consideration the prevailing employment policies of the Company.

DISCLOSURE OF THE POLICY

The policy shall be disclosed in the Annual Report of the Company.

AMENDMENTS OF THE POLICY

Any amendment or modification to the Nomination and Remuneration Policy ("the Policy") shall be approved by the Board on the recommendation of the NRC.

STATEMENT OF CORPORATE GOVERNANCE

Federal Insurance Company Limited (FICL) is a leading insurance provider in Bangladesh, offering a range of insurance products to its customers. Ensuring robust corporate governance is essential for maintaining the trust of stakeholders, including policyholders, shareholders, regulators, and employees. This report outlines the corporate governance framework, practices, and policies implemented by FICL to ensure transparency, accountability, and integrity in its operations.

Corporate governance is the system by which companies are directed and controlled in the best interest of all the stakeholders, thereby ensuring greater transparency and better & timely financial reporting. Other words, corporate Governance is the framework of business principles, structures and controls within which the company, its management, directors and shareholders operate. Corporate governance is often a unique framework built around the organization's mission and values. Large corporations and publicly listed companies often use corporate governance to create internal business policies due to the layers of management involved in the company. Its aim is to ensure:

- Accountability
- Transparency of responsibility
- Effective relationship between shareholders and board of directors
- The containment of risk within the company's risk capacity

The Board of Directors of the FICL set proper governance policy, which includes setting out Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to the shareholders on their stewardship.

Federal Insurance endeavors to ensure benchmark corporate governance processes and practices. The Company has a strong legacy of following fair, transparent and ethical governance practices.

- Good governance results in better business results
- Good governance converts plans into performance
- Good governance maximizes shareholder value

At Federal Insurance, good governance practices form part of business strategy, focusing on long-term value creation and protecting stakeholders' interests by applying due care and diligence in business decisions. Shareholder value as an objective is embedded into all aspects of corporate governance. Therefore, our corporate governance is a set of principles that ensures we are governed in the best interest of all the stakeholders—the shareholders, society, employees, and the government.

At Federal Insurance, our business is driven by strong ethics and sound corporate governance. Our corporate governance philosophy stems from our value of openness and transparency, which is fundamental to our decision making process and one of our core management beliefs. Our corporate governance is further strengthened by adopting a uniform Code of Conduct for the Board members and senior management, the Board processes, the Rules on Prevention of Insider Dealing and transparent disclosures.

This statement presents the Company's governance framework and the structures and processes that strive to ensure a continued commitment to sound governance.

Corporate Governance Framework

A high level of ethics, compliance, and governance culture is fundamental to the effective delivery of our business and ensures long-term business growth. Our governance principles are:

- Adherence to the letter and spirit of the law
- Complete transparency in our operations
- Pro-active communication with our stakeholders

We have a tri-faceted governance framework which is as follows:

Governance by Shareholders

Shareholders appoint and authorize the Board of Directors, approve the audited financial accounts and appointment of statutory auditors and hold the Board accountable for their oversight and business conduct.

Governance by Board & Sub-Committees

The Board and its Committees take up specific responsibilities as per the law and their charters to determine the right level of delegation, control measures, approve strategies, investments and targets for the business. In addition, the Board exercises oversight over the executive management to ensure that they fulfill their duties by the recommendations and targets set by the Board.

Governance by Management Team

The Executive Leadership Team or Management Team of the Company leads the day-to-day affairs and management of the business with full compliance with the laws of the land, the mandates of the board, and adherence to the Company's Code of Conduct.

The governance framework aims to deliver management effectiveness, reduce risk, and promote the best corporate culture. Dedicated towards standing true to the highest level of integrity and exemplifying the highest standard of business conduct, good Corporate Governance is the underlying force for the Company, driving sustainable and responsible business operations with transparency, accountability and compliance.

Statutory Adherence

The legal and regulatory standards underlying this framework are the Companies Act 1994, Insurance Act 2010, Insurance Rules 1958, the Listing Regulations of the Dhaka and Chittagong Stock Exchanges, Notification on Corporate Governance of the Bangladesh Securities and Exchange Commission (BSEC), Corporate Governance Code, 2018 and other applicable laws of the land. Apart from this, there is a robust set of internal controls, risk management processes and Code of Conduct further strengthening the Company's corporate governance. There is also a robust process of compliance management where compliance is recorded, audited and certified at the granular level to ensure complete adherence to the laws of the land.

Corporate Governance Framework

The management is always aware to ensure a continued commitment for getting the essence of sound corporate governance. Corporate Governance framework has been developed and enhanced based on the basic principles and best practices outlined in the following:

- The Companies Act 1994
- Insurance Act -2010 and Insurance Rules -1958
- Corporate Governance Code of BSEC-2018(the Code/ CGC)
- IDRA Corporate Governance Guideline-2023 by IDRA
- Listing Regulations of exchanges -2015
- BSEC Rules 1969 and 1987
- Other applicable rules and regulations issued by BSEC, DSE and CSE
- applicable rules and regulations issued by IDRA
- applicable rules and regulations issued by Bangladesh Bank
- Laws of the land and
- Local and global best practices.
- IAS and IFRS
- Bangladesh Secretarial Standards issued by ICSB
- Articles of Association of FICL
- Standards of Business Conduct,
- Policies and Guidelines of the Company
- Policies of Risk Management and Internal Control of the Company
- Policies of Delegated Authorities of the Company

The Board and management had always been fully adhered to the corporate governance principles and best practices. The Board also believes that sound corporate governance framework and practices may work positively in establishing company reputation which is a valuable asset for the company. As a result, adherence to sound corporate governance gets significant priority at all times both in and out the Boardroom. The Board reviews the standards of business conduct, and Terms of Reference (ToR) from time to time for applying the highest standards of governance, embracing best corporate practices.

Board of Directors

The Board of Directors is the apex authority of the Company, responsible for policy formulation, approving the business plan, and business sustainability facilitating high-performance culture, providing guidance, and supporting the management to run the organization effectively within the framework of internal controls ensuring the interests of stakeholders.

In fostering a responsible culture, the Company's Board ensures that it adopts practices and policies by the principles and recommendations of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission and the Company's governing regulations. A highly experienced Secretary performs the function of Company Secretary to assist the board.

Size of the Board

The Board is committed to promoting long-term value creation and is accountable to shareholders for the performance of FICL. The Board of Directors of the Company comprises 19 (Nineteen) members including 03 (Three) Independent Directors. All of three Independent Directors are former secretary of Government of Bangladesh. All of the Directors are Non-Executive Directors.

All Directors have sound knowledge about general insurance, insurance industry, managerial expertise, and sound academic and professional knowledge. They are well conversant with corporate governance. Directors are appointed / approved (if appointed by the Board) by the Shareholders in the Annual General Meetings and are accountable to the Shareholders.

Composition of the Board

Policy on Appointment of Directors

All the Directors of Company bear the qualification as per Companies act-1994, the Insurance Act- 2010, BSEC Notifications; Memorandum of Association of the Company and others related laws of the land. All the Directors of the Company have been appointed by the Board and subsequently approved by the General Body of the Shareholders as prescribed by the laws. Each Sponsor and Public Shareholder Director holds minimum 2% shares of the total paid-up Capital of the Company and the Board all time holds minimum 30% of the same as per prescription of the BSEC. Twelve (12) Directors are representing Sponsor Shareholders as allowed by the Insurance Act-2010(Section-76). Four (04) Directors are representing Public Shareholders. They are elected from 'Public Shareholders' are appointed as prescribed by the Insurance Act-2010 (Section-76). However, the Independent Directors are not holding any shares of the Company.

One Chairman and One Vice-Chairman is elected among the board members as prescribed in section 79 of the Insurance Act-2010.

BSEC Notification regarding CGC-2018 has been strictly maintained and followed by the Company to appoint Board of Directors. All the Directors, except Independent Director, hold at least 2% shares of the Company before accommodated on the Board. As per Company Law of the land, 1/3 of the Directors are fall retirements in ration; at least one-third directors, accepting the Independent Directors, of total number of directors on the Board of directors of FICL shall be liable to retirement by rotation and be eligible for appointed by the general body of the Company.

Criteria for Appointment of Independent Directors:

With a view to having true independence, the Board has decided that its Independent Directors do not hold any Share of the Company, not associate with the promoters/ sponsors of the Company or any of its directors. The Company also strictly adheres to follow others conditions prescribed in Corporate Governance Code-2018 and other notifications issued by the Commission from time to time in this connection.

Appointment of the Chief Executive Officer (CEO):

As per law, The Chief Executive Officer (CEO) of the Company is appointed for the period of three (3) years subject to approval from IDRA. The office of CEO is not subject to retirement by rotation and may be extended for further three years by IDRA.

Code of Conduct for the Board of Directors

The Company has a written Code of Conduct of the Board of Directors. It is shown in separate Chapter of this Annual Report.

Director Election and Board Renewal

The Board, in consultation with the Nomination Committee, regularly reviews its succession plans. Directors are generally elected for a three-year term. Retiring directors are not automatically re-appointed. Public shareholder Directors are always elected as per Memorandum of Association, Insurance Act -2010, Insurance Rules -1958 and Regulation of IDRA for the same thereof.

Chairman

The Board of Directors elects the Chairman of the Company, who will lead the Company according to the article of the Company. All meetings of the Company and the Board are presided over by the Chairman. Mr. Enamul Hoq is the Chairman of Federal Insurance Company Limited. He is a Non-executive Director, the Board considers that the Chairman works independently. The Chairman serves as the primary link between the Board and Management, and works with the CEO and Company Secretary to set the agenda of the Board Meeting. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

Roles and Responsibilities of the Chairman:

The primary role of the Chairman is to ensure that the Board is effective in its task of setting and implementing the Company's direction and policy. The principal structures of the role of the Chairman comprise the following:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board;
- Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and
- Supporting the Managing Director & CEO.

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director & CEO in strategy formulation and more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal conduit for communication and issues relating to business strategy, plan acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director & CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all members of the Board.

The Vice Chairman

Mr. Elias Siddiquee is elected as the Vice-Chairman of the Company by the board members as prescribed in section 79 of the Insurance Act-2010.

The role and responsibilities of the Board

The Board of Directors is appointed to act on behalf of the shareholders to run the day-to-day affairs of the business. The board is directly accountable to the shareholders and each year the company will hold an annual general meeting (AGM) at which the directors need to provide a report to shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board. The objects of the company are defined in the Memorandum of Association and regulations are laid out in the Articles of Association. The board of directors' key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. In addition to business and financial issues, the board of directors must deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

Committee(s)

To effectively dispense its obligations, the Board has constituted various committees that are listed below. Each committee has its terms of reference as a charter:

Executive & Investment Committee:

Executive & Investment Committee of the Company act as a liaison for the board, it makes decisions on the board's behalf and it functions as a collaboration outlet. The present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|------------------------------|---------------------------|---------------------------------------|
| Mr. Jainul Abedin Jamal | Chairman | Director (Chairman, EIC) |
| Mr. Enamul Hoq | Member | Chairman (Board of Directors) |
| Mr. Elais Siddiquee | Member | Vice-Chairman (Board of Directors) |
| Mr. Sabirul Hoque | Member | Director (Chairman, Claims Committee) |
| Mr. Md. Abdul Khaleque | Member | Director |
| Mr. Morshedul Shafi | Member | Director |
| Mr. Towfiqul Islam Chowdhury | Member | Director |
| Mr. Towhidul Alam | Member | Director |
| Mrs. Khadizatul Anwar, MP | Member | Director |
| Mr. Tahreer Nawaz | Member | Director |
| Mr. AKM Ziauddin Chowdhury | Member | Director |
| Mr. Jia Uddin | Member | Director |
| Mr. Faraaz Karim Chowdhury | Member | Director |

Audit Committee (AC):

The Audit Committee was established as a sub-committee of the Board and has jurisdiction over FICL. The Audit Committee assists the Board. The audit committee is comprised of 5 (five) members of the Board including three (3) Independent Director. The present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|-------------------------|---------------------------|--|
| Mr. Safar Raj Hossian | Chairman | Independent Director (Former Secretary) |
| Mr. Jainul Abedin Jamal | Member | Director (Chairman, EIC) |
| Mr. Morshedul Shafi | Member | Director |
| Mr. Md. Rafiqul Islam | Member | Independent Director (Former Secretary) (Chairman, NRC) |
| Mr. Md. Mahfuzur Rahman | Member | Independent Director (Former Senior Secretary) (Chairman, RMC) |

The committee does the following activities:

- Review the effectiveness of internal audit function
- Review the findings and recommendations made by internal auditors;
- Review the annual, half yearly and quarterly Financial Statements;
- Review the auditing performance of external auditors and their audit reports;
- Other matters as per terms of reference of the audit committee.

Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee (NRC) was established as a sub-committee of the Board. The NRC assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives as well as a policy for formal process of considering remuneration of directors, top level executives. The Terms of Reference (TOR) of the NRC clearly sets forth in writing covering the areas stated at the condition No. 6(5) (b) i.e., Role of the NRC as prescribed in the Corporate Governance Code-2018. The current NRC was last constituted on 23 October 2023 and the present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|---------------------------|---------------------------|---|
| Mr. Md. Rafiqul Islam | Chairman | Independent Director (Former Secretary) |
| Mr. Enamul Hoq | Member | Chairman (Board of Directors) |
| Mr. Safar Raj Hossian | Member | Independent Director (Former Secretary) (Chairman, Audit Committee) |
| Mrs. Khadizatul Anwar, MP | Member | Director |
| Mrs. Mamtaj Begum | Member | Director |
| Mr. Abrarul Hoque | Member | Director |

The nomination and remuneration policy and the evaluation criteria of the committee are adopted by the Committee are shown in a separate chapter in this Annual Report. The committee does the following activities:

- Reviewed the selection criteria, remuneration and performance of top level executive position, officers and staffs of the company, placed at different levels;
- Reviewed the company's human resources policy;
- Overseen other issues within the Code of Conduct of the NRC;
- Review and approve policies on Board diversity and effectiveness.

Risk Management Committee (RMC):

As per Insurers Corporate Governance Guideline-2023 issued by Insurance Development and Regulatory Authority (IDRA), a Risk Management Committee (RMC) is formed. The Committee is comprised of 4 (Four) members of the Board including an Independent Director. The present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|----------------------------|----------------------------------|--|
| Mr. Md. Mahfuzur Rahman | Chairman | Independent Director (Former Senior Secretary) |
| Mr. Tahreer Nawaz | Member | Director |
| Mrs. Hasina Banu | Member | Director |
| Mr. Faraaz Karim Chowdhury | Member | Director |

Policyholder Protection & Compliance Committee (PPCC):

As per Insurers Corporate Governance Guideline-2023 issued by Insurance Development and Regulatory Authority (IDRA), a Policyholder Protection & Compliance Committee (PPCC) is formed. The Committee is comprised of 4 (Four) members of the Board. The present members of the Committee are:

| Name | Position in the Committee | Status in the Board |
|----------------------------|----------------------------------|----------------------------|
| Mr. Elias Siddiquee | Chairman | Vice-Chairman |
| Mr. AKM Ziauddin Chowdhury | Member | Director |
| Mr. Abrarul Hoque | Member | Director |
| Mr. Jia Uddin | Member | Director |

Management Team

The senior management plays a significant role in managing the business as per the norms of corporate governance, the Company's Code of Conduct and ensures that adequate internal controls are in place and supported through a strong internal control framework. In addition to the legal framework guiding the discharge of functions of the management team, the values underlie and function as the organization's moral compass. The implementation of the Board's plans, strategies and policies is carried out by the management team led by the CEO. The present members of the Management Committee are:

| Sl. No. | Name | Designation | Position in the Committee |
|---------|-----------------------------|---|---------------------------|
| 01. | Mr. AMM Mohiuddin Chowdhury | Managing Director & CEO | Chairman |
| 02. | Mr. Md. Zakir Hossain | Deputy Managing Director(Head of Marketing) | Member |
| 03. | Mr. Md. Mohibullah | Assistant Managing Director (Head of RI & Claims) | Member |
| 04. | Sheikh Mohammad Anwar Uddin | SEVP & Company Secretary | Member-Secretary |
| 05. | Mr. Md. Masud Hossain | EVP & CFO | Member |
| 06. | Mr. Abu Jafar | SVP (Head of Underwriting) | Member |
| 07. | Mr. Md. Mazaharul Islam | VP (Head of HR & Admin) | Member |
| 08. | Mr. Mohammad Tazul Islam | VP & HIAC | Member |

The management team reports to the Board and has the responsibility of implementing the policies and decision of the Board, overseeing the day-to-day business operations, and developing, coordinating, and implementing business and corporate strategies. The management team is accountable to the board to achieve the business performance as per the annual operating plan approved by the Board and deliver maximum return for all stakeholders.

- Management Committee does the following activities:
- Setting the strategic direction to guide and direct the activities of the organization
- Ensuring the effective management of the organization and its activities
- Monitoring the activities of the organization to ensure they are in keeping with the founding principles, objects and values

Chief Executive Officer

The Chief Executive Officer (“CEO”) is responsible for leading the development and execution of the Company’s long-term strategy to create shareholder value. The CEO’s leadership role also entails being ultimately responsible for all day-to-day management decisions and implementing the Company’s long and short-term plans. The CEO acts as a direct liaison between the Board and management of the Company and communicates to the Board on behalf of management. The CEO also speaks on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public.

Sections in the Companies Act-1994 for the Managing Director, Sections in the Insurance Act-2010 for the CEO, The Regulation for CEO by the IDRA, the Articles of Association of the Company and the Board Terms of Reference recognize the role and position of the Chief Executive Officer of the Company and the duties and obligations of the role. They empower the Board to entrust such responsibilities on the CEO who is the senior most executive officer of the Company.

The CEO reports to the Chairman of the Board of Directors on all matters pertaining to the day-to- day management of the Company’s business, its direction and operations in accordance with the policies and objectives set by the Board.

The CEO and FICL have written agreements setting out her employment terms. For other Top Executives, the agreements (read appointment letter) are between FICL and the Executives personally. The Board assesses each executive's performance on an annual basis. The process for evaluating Executive performance and remuneration is set out in Performance Evaluation Criteria.

Roles and Responsibilities

- The Managing Director is responsible for driving business operations and entrusted with the responsibility of developing and executing the Company's long-term strategies with a view to creating sustainable shareholder value.
- The Managing Directors leadership role entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long- and short-term plans.
- The Managing Director acts as a direct liaison between the Board and the management of the Company, and communicates to the Board on behalf of the management.
- The Managing Director also engages on behalf of the Company with shareholders, employees, other stakeholders and the public at large.
- Oversees fundraising planning and implementation, including identifying resource requirements, researching funding sources, establishing strategies to approach funders, submitting proposals and administrating fundraising records and documentation.
- The CEO has to maintain the proper liaison with the authorities like, IDRA, BSEC, DSE, CSE, Bangladesh Bank, NBR and other Authorities. The CEO must be able to maintain their laws, rules, regulations, circulars and other orders.

Appointment of CFO, CS, HIAC, Chief Investment Officer and Chief Risk Officer:

The Company has appointed Mr. Masud Hossain as Chief Financial Officer, Sheikh Mohammad Anwar Uddin as Company Secretary and Mr. Md. Tazul Islam as Head of Internal Audit of the company as per requirement of the Corporate Governance Code-2018 issued by Bangladesh Securities and Exchange Commission (BSEC).

Besides, the Company has appointed Mr. Masud Hossain as the Chief Investment Officer of FICL and Mr. Md. Abu Jafar, Head of Underwriting & BCD as the Chief Risk Officer of FICL as per requirement of the Insurer's Corporate Governance Guideline-2023 issued by IDRA.

Role of the Company Secretary

The Company Secretary is responsible for ensuring proper information flow within the Board and its Committees and between the Senior Management and Non-executive Directors. He is also responsible for advising the Board through the Chairman on all governance matters. He fulfills the regulatory requirements of the Company. He keeps the records of compliance status imposed by the BSEC and IDRA. First one has been shown in the compliance report on BSEC Corporate Governance Code. The authority of both the appointment and removal of the Company Secretary is vested on the Board as a whole.

Company Secretary- Bridge between Board and Management

The primary link between the Board and the Management is served by the Company Secretary (CS). The CS is responsible for ensuring that good governance standards are implemented by the Company at all times. CS, sets the agenda for board meetings and ensures that the board works effectively.

Every member of the Board has access to the CS's advice or services about Board processes and any clarification on applicable rules and regulations. CS covers a multitude of tasks and responsibilities acting as a mediator and providing advice on economic and social sustainability matters as well. He is also acting as bridge between the regulators/stakeholders and the Company.

Role of the Head of Audit & Internal Control

The Head of Audit & Internal Control is responsible for reporting to the Board Audit Committee regarding any deviation from standard accounting and internal control system of the Company. He is also responsible for ensuring regulatory compliance of the Company. The authority of the appointment of the Head of Audit and Internal Control is vested on the Board.

Communication with Shareholders

The Company provides a balanced level of communication between the Company and its Stakeholders. The Company has a Board and Share Department to communicate with the Stakeholders. Shareholders may communicate with this Department at any time for any sort of information and query. The Company disseminates its all-Price Sensitive Information (PSI) within 2 hours of the decision to the BSEC and the Stock Exchanges under the signature of Chairman and Managing Director or Company Secretary through fax/e-mail and by special messenger, and through courier services in special cases and immediately publishes the same in 2 newspapers (one Bengali & one English) and one online portal. The shareholders are provided routine services by the Company Secretary in the matters of CDBL RT-14, reporting to IDRA, BSEC, DSE and CSE, payment of dividend, reissue of dividend warrant when warrants expire in the hand of shareholders, issue of certificates on tax deduction from dividend etc.

Financial Reporting and Transparency

Financial Statements have been prepared in line with the International Accounting Standards, Securities of Exchange Rules-1987 and relevant Rules and Regulation as applicable in Bangladesh. The Company keeps constant supervision on submission of Quarterly, half yearly and annual financial statements with comprehensive details to the respective authorities.

As per BSEC Corporate Governance Code dated 3 June 2018 and International Accounting Standard (IAS 34) the interim financial reports are intended to provide an update on the quarterly financial statements audited or unaudited.

Disclosure on Auditors' Engagements: as per CGC, Clause-7

G. Kibria & Co., Chartered Accountants is the external/ statutory auditor of the Company for the year 2023. They carry out systematic examination of books and records of the Company and ascertain, verify and report upon the facts regarding the financial operation and the results of the Company. To comply with the corporate governance properly; the Company did not engage its statutory auditors to perform the following services:

- Appraisal or valuation services or fairness opinion
- Financial Information System design and implementation
- Bookkeeping or other service related to the accounting records or financial statements
- Broker-dealer services
- Internal Audit Services
- Any other service that the Audit Committee determines
- Tax Consultancy

- No partner or employees of the external audit firms shall possess any share of the Company; they audit at least during the tenure of the audit assignment of the Company.
- Certification services on compliance of corporate governance. External/Statutory auditors are appointed by the shareholders in the Annual General Meeting and fix their remuneration thereof.

M/s. Shafiq Basak & Co., Chartered Secretaries & Management Consultants is the Compliance auditors of the Company for the year 2023. As per BSEC notification they are not engaged in other services related with the Company including Scrutinizer of the Annual General Meeting.

Shareholder Meetings

The Company values and places great emphasis on shareholder meetings. The Annual General Meetings allow the Board and management to connect with shareholders and get their feedback on the performance and governance of the business. The Company ensures timely and adequate notices and disclosures for all shareholder meetings.

Our Corporate Responsibility Principles

- ▶ Commitment to conduct business in an honest, ethical and lawful manner. A Code of Conduct guides ethical decisions for all members of the Board, which dictates our ethical behavior and manifests our value system that promotes business transparency and builds shareholder trust.
- ▶ Commitment to protect the health and safety of our members, the environment, and our communities.
- ▶ Commitment to provide a workplace where all employees can fulfill their potential based on merit and ability.
- ▶ To transform sustainably the lives of all those we touch by nurturing and empowering them to maximize their true potential, this is reflected in our commitment to sustainable development and to constantly add value for our shareholders, employees, and society.
- ▶ Create value for our stakeholders while continually improving our performance as a good corporate citizen with active engagement in CSR activities.

Financial Reporting

The pillar of a successful information structure crucial for any organization is its financial reporting system. The Company has a robust financial reporting procedure with all financial statements made by International/Bangladesh Financial Reporting Standards (IFRS/ BFRS), Companies Act, 1994, Securities and Exchange Rules, 1987, and other applicable financial legislation. Financial data is captured from the financial reports segment of the enterprise resource planning system. Financial statements are reviewed by the CFO, CEO and Audit Committee regularly. In addition, external auditors examine the financial reports by local financial reporting policies and Company procedures. Upon completion of internal scrutiny, financial statements are placed before the Board for final review and approval.

Statutory Audit

Based on the Audit Committee's suggestions, the Board endorses the appointment of an auditor upon shareholders' approval at the Annual General Meeting. The appointment of the statutory auditor is regulated by the Companies Act, 1994, Securities & Exchange Rules, 1987, and BSEC Codes of Governance, 2018. Shareholders not only approve the appointment of the statutory auditor but also fix their remuneration. As per the BSEC order, a statutory auditor

cannot remain in office for three consecutive years. Therefore, FICL maintains the complete independence of the statutory auditor. Before submitting the financial statements to the Board for approval, the Audit Committee meets with the statutory auditor to ensure the statutory auditor's independence.

Further, to ensure adequate regulatory alignment, a Compliance Certificate is obtained from a licensed practicing professional who certifies based on his audit that the Company has duly complied with all the regulatory requirements, as stipulated in the CG Code of Bangladesh Securities and Exchange Commission (BSEC). Such a report is presented to the shareholders and forms a part of the Company's Annual Report. The appointment of the compliance auditor is also subject to the approval of shareholders at the Annual General Meeting.

Transparent Disclosures

Financial statements are prepared following the various applicable laws and regulations, some of which include:

- International/Bangladesh Financial Reporting Standards (I/BFRS)
- Companies Act, 1994
- Securities and Exchange Rules, 1987
- BSEC directives (issued from time to time)

The management is responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error. Accounting estimates are made which are rational as per circumstances, with use of correct accounting policies and interpretations. The reports are then reviewed accordingly by respective authorities on a regular basis. The external auditor attends the Audit Committee meetings to review the quarterly financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Company policies. The Board reviews the financial statements of the Company at the end of every quarter. The quarterly financial statements, along with the notes, are published in two leading daily newspapers, as well as on the Company's website. Furthermore, half-yearly and annual financial statements are also dispatched to all shareholders on a timely basis. Directors prepare the Directors Report, which is an essential part of the Annual Report, as it discloses the financial performance as well as non-financial information regarding the Company's growth, productivity, responsibilities and other information, in compliance with BSEC notification. The Company also abides by the applicable regulations in respect to price sensitive information (PSI).

Well-Defined Shareholders' Rights

For managing successful and productive relationships with shareholders, it is imperative to reinforce the importance of maintaining transparency and accountability. The Board ensures through the Company Secretary that shareholders of the Company are treated justly and honorably, and their rights are firmly protected. The Company Secretary is the bridge between shareholders and the Company's Board of Directors, delivering services to its valued shareholders and conforming to applicable laws and Articles of Association of the Company to safeguard the well-defined rights of shareholders. Shareholders are routinely informed on all material developments on all significant issues and changes in business, catering to the continuous requirement of disclosures so that shareholders can make informed decisions.

Conclusion

Federal Insurance Company Limited is committed to maintaining high standards of corporate governance. Through its robust governance framework, ethical practices, transparency, and regulatory compliance, FICL ensures that it operates in the best interests of its stakeholders. Continuous improvement in governance practices remains a priority for the company to sustain its growth and reputation in the insurance industry.

Yours Faithfully,



Sheikh Mohammad Anwar Uddin

Company Secretary

DIVIDEND DISTRIBUTION POLICY

1. Introduction and Objective

This Policy has been framed in accordance with Bangladesh Securities and Exchange Commission (BSEC) directive no-BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and amendments thereto. The Board will have the flexibility to determine the level of dividend based on the considerations laid Out in the policy.

The objective of this policy it to set out the principles and criteria to be considered by Board of Directors before distributing dividend to the shareholders of Federal Insurance Company Limited (FICL or the Company) for a financial year.

2. Criteria and Approval for Dividend distribution

i. Statutory and Regulatory requirements

The Company shall declare and distribute dividend only after ensuring compliance with the provisions of Companies Act,1994,the Insurance Act 2010.Income Tax Ordinance 1984 and amendments thereto, Dhaka /Chittagong Stock Exchange (Listing) Regulation 2015 and other relevant regulations made by BSEC and amendments thereto, and guidelines provided in the Articles of Association (AoA) of the Company.

ii. Financial Criteria:

- a) Profit earned during the financial year;
- b) Accumulated reserves;
- c) Investment required for the Company;
- d) Expected future capital/liquidity requirements;
- e) Target solvency requirements;
- f) Interim dividend paid, if any; and
- g) Other factors and/or material events which the Board may consider.

iii. The decision regarding dividend shall be taken only by the Board at its Meeting and not by a Committee of the Board or by way of a Resolution passed by circulation, Final dividend shall be paid Only after approval at an Annual General Meeting (AGM) of the Company. Shareholder approval is not required for payment of interim dividend.

3. Category and types of Dividends

Articles of Association of the Company provides two forms of Dividend –Final & Interim:

i. Final Dividend : The Board of Directors shall have the power to recommend final dividend to the Shareholders for their approval at the General Meeting of the Company.

ii. Interim Dividend: The Board of Directors may declare interim dividend during any financial at any time during the period before closure of financial year as in their judgment the Position of the Company justifies. Provided that no bonus/stock share will be declared as interim dividend. The Company shall declare two types of dividend-

- i. Cash Dividend
- ii. Stock Dividend/Bonus shares

4. Process for declaration and distribution of Dividend

The Board of Directors recommend/declare and distribute dividend as per the provisions of Companies Act, 1994 Articles of Association of the Company and BSEC's guidelines/notifications.

- (i) Interim dividend will be paid off to the entitled shareholders within 30 days of record date.
- (ii) Final dividend will be paid within 30 days approval of shareholders at the Annual General Meeting.
- (iii) The Company shall ensure that the amount of cash dividend shall be deposited in scheduled bank in a

Separate account within stipulated time specified by the regulators and pay directly to the bank or account of entitled shareholder as available in BO account maintained with Depository Participant (DP) Provided by shareholder in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN). In case of margin loan, cash dividend will be pay off to Consolidated Customers Bank account (CCBA) as provided by the merchant banker or portfolio manager within stipulated time prescribed by the Company.

(iv) Undistributed/ unclaimed cash dividend shall be deposited in a scheduled bank in separate account and dividend including interest thereon for a period of 3 years from the date of declaration or approval Shall be transferred to the fund as directed or prescribed by BSEC.

(v) The Company shall credit stock dividend or bonus shares directly to the BO account or issuer bonus Share certificate of the entitled shareholder, as applicable, within 30 days declaration or approval, as the case may be, subject to clearance of the Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd and Central Depository Bangladesh Ltd.(CDBL)

(vi) Undistributed bonus shares shall be held in a Suspense BO account under Block Module with CDBL and Unclaimed bonus shares for a period of 3 years from the date of declaration or approval shall be Transferred in dematerialised form to the BO account as directed or prescribed by BSEC.

5. Circumstances under which the shareholders may or may not expect Dividend

The Board of the Company may vary the level of dividend or not recommend any dividend based on regulatory eligibility criteria or restriction placed on the Company for recommending dividend. The Board may recommend lower dividend or not recommend any dividend based on capital and solvency position, need to conserve capital or funds required for contingencies or unforeseen future events. The Board may recommend higher dividends, subject to applicable regulations, if the capital and solvency margins support a higher distribution to shareholders.

6. Review and Modifications

The Board shall review this policy on annual basis or as and when required by the law. The board is authorized to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 1994 and BSEC's Regulations/Notification or Guidelines etc.

7. Limitation and Amendments

In the event of any conflict between the provisions of this Policy and of the Companies Act'1994 or Listing Regulations or BSEC's guidelines or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, or rules shall prevail over this Policy. Any subsequent amendment/modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

8. Disclosure

The Company shall make appropriate disclosures as required under the BSEC,s guideline/directive dated 14 January 2021.

PRINCIPLES ON DISCLOSURE OF MATERIAL INFORMATION(MI) AND PRICE SENSITIVE INFORMATION(PSI)

PREAMBLE:

Federal Insurance Company Limited (hereinafter referred to as “FICL”) is committed to providing timely, orderly, consistent, and balanced disclosure of all material information about its business and financial results on a non-selective basis consistent with legal and regulatory requirements. FICL believes that transparency and accountability are fundamental to fulfilling its vision and to strengthening public trust in its stakeholders. This Principle reaffirms and reflects the FICL's commitment to transparency and the promotion of good governance.

Likewise, FICL commits to compliance with applicable securities laws and regulations to provide fair disclosure of material information to the public marketplace while simultaneously undertaking not to disclose any information relating to the business or affairs of its customers. The board of directors of FICL has adopted a policy named “principles of disclosure of material information and price sensitive information” (hereinafter referred to as “the principles”) in line with the Bangladesh Securities and Exchange Commission (insider trading prohibition) rules, 2022 i.e. BSEC/CMRRCD/2021-396/52/admin/140, gazette notification dated 30 January 2023.

This Principle shall be called “Principles on Disclosure of Material Information and Price Sensitive Information”. This Principle will address all disclosures that may be made by FICL, whether it relates to information of FICL itself or its customers.

OBJECTIVE:

The purpose of the policy is to disclose Price Sensitive Information (PSI) and materials information based on specified criteria as defined in the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022, So FICL disclose the materials information and PSI as well as published the information on its website timely. The main aims of the policy are to providing equivalent entrance to vital disclosures to regulators or investors which may affect their investment decisions, and in formulating the principles of materiality based on which the bank shall make disclosures of events or information. Another purpose of this policy is to protect shareholders rights, fluctuation of capital market and insider trading.

DEFINITIONS:

All words/terms in the Principles shall have the same meaning as assigned to them under the Bangladesh Securities and Exchange Commission (Prohibition of Insider Trading) Rules, 2022 (“the Rules”). Material Information and Price-Sensitive Information for Which the Company will Disclose:

Price Sensitive Information (PSI):

The following matter shall consider as price sensitive information, namely:-

1. Information related to change in financial position, financial performance or any basic information and any significant change in the value of assets. (e.g. EPS, NOCFPS, NAV etc.)
2. Information relating to dividend and corporate declarations.
3. Information relating to change in corporate structure; namely- Merger, Amalgamation, Demerger, re-structure, acquisition, disposal, conversion or transfer, winding up and transformation etc.
4. Information regarding changes in capital structure.
5. Information related to business expansion, any change in operations, etc.
6. Information related to fund management, and structural change thereof.
7. Any information published by the BSEC in its official gazette, defined as PSI.
8. Any other rules or regulations or orders or instructions or circular/notification prescribed as price sensitive information made or approved or issued by the Commission.

Material Information (MI)

The following information shall be considered as material information:

1. Factors changing of financial statements/status:
 - * Any significant change of assets and liabilities, profits or losses, cash flow, receivables, significant change of assets and liabilities, significant changes of revaluation of assets related information statements or comments.
 - * The following Comparative statements in the financial statement: Earnings per share (EPS), Net operating cash flow per share (NOCFPS) & Net assets value per share.
 - * Any Changes value or composition of assets of the FICL.
 - * Any change related to change of accounting policies.
2. Corporate announcements relating information, such as:
 - * Dividends related any change.
 - * Any decision related to the rights to the security-holders, declaration, or issue of bonus or similar benefits.
 - * Corporate declaration relating to the receivables of investors; and
 - * Changes in dividend distribution policy.
3. Information regarding changes in corporate structure:
 - * Acquisition or disposal of any assets of 5% or more of the existing assets;
 - * Information of any merger with another Company's or acquisition of shares, etc,
 - * Changes of corporate activities through capital reorganization or merger or demerger,
 - * Proposal to take over the authority of a company or acquisition of internal service,
 - * Change of ownership which may affect the control of the company.
 - * Change of Company name or address etc.

4. Information change regarding the Capital structure:

- * Any changing of capital structure of Company including private or public or rights offer,
- * Methodical repurchase or redemption of securities or units of the Fund.
- * Any decision relating to consolidation of any shares, exchange/transfer of shares, conversion of any security into equity security or conversion of debentures into shares.
- * Muscular change of rights of security-holder of FICL.

5. Information related to business expansion, change in activities, such as-

- * Significant change in agreement, service or business, production or establishment structure.
- * Significant development or change of technology or service system and inauguration of new business.
- * Substantial investment of capital or change of objective.
- * Change, resignation or termination of Managing Director/Chief Executive Officer (CEO), CFO, Company Secretary and Board of Directors.
- * Change in statutory Auditor, Corporate Governance Compliance Auditor or Credit Rating Company.
- * Stating of any legal proceedings, developments in regulatory affairs or any significant court order.
- * Change of category of listed security,
- * Any management contract, investor relations agreement, service agreement, or related party transaction which can significantly influence the financial statements,
- * Decision/resolution related to the purchase or sale of any fixed asset, or BMRE or establishment of new unit.
- * Significant intercompany transaction, advances or loans given to or taken from subsidiary or sister concern or directors.

6. Information related to debt/credit management, such as:-

- * Borrowing or repayment of debt worth 25% or more of paid up capital or net asset value, whichever is higher
- * Encumbrance or discharge of significant assets,
- * Defaulting on any debt for more than 06 (six) months,
- * Notable loan agreement or foreign investment agreement, etc.

7. Others:-

- * Signing of any important agreement/ amendment or cancellation of agreement (s) that was (were) signed in previous years.
- * Any event(s) that hamper(s) the reputation, loss/damage of any notable assets of FICL.
- * Cancellation of any project or any material change/amendment of the project.
- * Qualified Opinion submitted by the auditor, etc.

Disclosure on the website:

The Company (FICL) shall disclose on its website all such events/information which has been disseminated to the BSEC and Stock Exchange(s) under this policy and such disclosures shall be hosted on the website of the Federal Insurance Company Limited within that time.

Amendment or Review:

The Board of Directors shall have the rights to approve the amendments and authorize the management to clarify any doubts or rectify any anomalies that may exist in connection with the effective execution of the principles.

28 April 2024

Board of Directors

Federal Insurance Company Ltd.

Navana DH Tower (6th Floor)

6 Panthapath, Dhaka-1215

Sub: Declaration on Financial Statements for the year ended on 31 December 2023.

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Federal Insurance Company Limited for the year ended on 31 December 2023 have been prepared in Compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed ;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

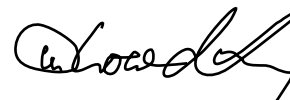
- (i) We have reviewed the financial statements for the year ended on 31 December 2023 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Masud Hossain

Chief Financial Officer (CFO)



AMM Mohiuddin Chowdhury

Chief Executive Officer (CEO)

Directors' Certificate

As per regulations contained in the Insurance Act 2010, we the directors of Federal Insurance Company Ltd. Certify that :

1. The value of investment in shares and debentures have been taken at Market value.
2. The values of all assets as shown in the Financial Position and as classified summary on Form AA annexed have been duly reviewed as on 31st December 2023 and in our belief, the said assets have been set forth in the Financial Position at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.
3. All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine Motor and Miscellaneous Insurance business have been duly debited to the related Revenue Accounts and Statement of Comprehensive Income as expenses.



Tahreer Nawaz
Director



Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee



Enamul Hoq
Chairman, Board of Directors



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



member
an association of
legally independent
accounting firms
partnering for success

**Independent Auditor's Report
To the Shareholders of FEDERAL INSURANCE COMPANY LTD.
Report on the Audit of the Financial Statements**

Qualified Opinion

We have audited the financial statements of FEDERAL INSURANCE COMPANY LTD. (the Company), which comprise the Statement of Financial Position as at 31 December 2023, the Statement of profit or loss and other Comprehensive Income, Profit or Loss Appropriation, Consolidated & Specific Class of Business Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the matters discussed in the Basis for Qualified Opinion section of this report, the accompanying financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. The Company not yet establish the Gratuity Fund and recognize the fund to the National Board of Revenue. Currently the Company is paying the gratuity benefit to employees on cash basis. For the absence of establishment of fund, liability and the employee benefit expense for gratuity for the year may be understated materially and also this is violation of labour Act 2006.
2. As disclosed in the note # 11.02.01 of the financial statements regarding "Provision for Income Tax" for BDT 276,629,832 and as disclosed in the note# 20.01 of the financial statements regarding "Advance against Income Tax" worth BDT 41,522,716. The company was unable to provide any assessment copy for any year. So we were unable to verify whether any additional income tax demanded by the tax authority and or whether any additional income tax provision should be kept by the company. Additionally, we were also unable to verify whether the disclosed advance income tax amount is adjustable or recoverable from the tax authority and or whether any adjustment should be made by the company. As a result, the financial statement may be misstated materially by these amount.
3. The Company has the long outstanding and uncollectable agent balance worth BDT 117,752,865 under Advance against Others (under note 20.02 of the financial statements). Thus, this advance has remained uncollectable for several years we have concluded this asset is materially over-stated and should be written off.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' 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) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Head Office : Sadharan Bima Sadhan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka-1000, Bangladesh

Branch Office: House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

E-mail: gkibria@gkibriaandco.com, kibria03@hotmail.com, Web: <http://gkibriaandco.com>

Tel: +02-223-355-324, +24-4881-2331, +02-4881-2332



Emphasis of Matter

1. As disclosed in the note # 11.01 of the financial statements regarding "Provision for WPPF" worth BDT 25,058,596. the management has disclosed the basis of the provision kept and non- payment to beneficiaries by the company. Our opinion is not modified on this regard.
2. As disclosed in the note # 17.00 of the financial statements regarding "Deferred tax assets" for BDT 5,011,540. the management has disclosed the basis of the calculation. Our opinion is not modified on this regard.
3. As disclosed in the note # 11.02 of the financial statements regarding "Income Tax Employee" worth BDT 8,162,559 the management has disclosed the subsequent position of the payables. Our opinion is not modified on this regard.
4. As disclosed in the note # 12.00 of the financial statements regarding "Unclaimed Dividend Account" worth 7,687,057. the management has disclosed the subsequent position of the "Unclaimed Dividend Account". Our opinion is not modified on this regard.
5. We draw attention to the 2.04 regarding the implication of the IFRS 17 Insurance Contracts in the preparation of financial statements of the company. Our opinion is not modified in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate 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.

| Key Audit Matter | How our audit addressed the key audit matters |
|---|--|
| Premium Income | |
| <p>Premium income is the most significant item in the statement of profit and loss & profit and loss appropriation account. The Company has reported gross premium of Taka 664,689,521 for the year ended 31 December 2023 (Taka 678,049,525 for the year ended 31 December 2022).</p> <p>Gross insurance premium comprises the total premium received during the accounting period for the entire period of coverage for which insurance policy has been issued by contracts with Federal Insurance Company Ltd. .</p> <p>Given the important nature, connections to other items on the financial statements, the sensitivity of the item and the importance to key stakeholder's of the Company, we believe this area possess high level of risk.</p> | <p>The procedures that were performed in order to mitigate this risk are listed below:</p> <ul style="list-style-type: none"> ▶ Carried out analytical procedures and recalculated premium for the period. ▶ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income reported in the year. ▶ On a sample basis, reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ▶ Tested on a sample basis that the premium has been deposited in the designated bank account. For each sample, we also tested whether appropriate VAT was collected and deposited to bank. ▶ For a sample of insurance contracts, tested to see if appropriate levels of re-insurance was done and whether the re-insurance was deducted from the gross premium. ▶ Applying judgment, assessed whether there is any impairment of the re-insurer. ▶ Assessed the appropriateness, presentation and disclosure against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules 1958 and other applicable rules and regulations and regulatory guidelines. |
| Details of Premium Income have been included in Annexure-B to the financial statements. | |

| Key Audit Matter | How our audit addressed the key audit matters |
|---|--|
| Implementation of IFRS 16 Leases | |
| <p>With reference to the financial statements, IFRS 16 Leases becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing International Accounting Standard 17 Leases. Federal Insurance Company Ltd. has implemented the modified retrospective approach for the transition accounting. The Company reported a Right of Use Asset and Lease Liability worth BDT 7,018,641 and Lease Liability worth BDT 5,951,938 on the Statement of Financial Position.</p> | <p>We obtained an understanding of the management's process for implementing IFRS 16 Leases, including financial controls designed by the management to mitigate the risks assessed by us independently. We tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> ▶ Obtained and read the accounting policy for compliance with IFRS 16 Leases; ▶ Obtained listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS 16 Leases. In respect of the contracts selected for testing; ▶ Obtained and assess the borrowing rates; ▶ Tested the assumptions used in the calculation model for the sample contracts selected for testing; ▶ Assessed the disclosures within the financial statements. |
| Details of IFRS 16 Leases have been included in Note 8.00 and' Annexur.e-C to the financial statements. | |

| Key Audit Matter | How our audit addressed the key audit matters |
|---|--|
| ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED AND CLAIM PAYMENT | |
| <p>This amount represents the claim due or intimated from the insured and involves significant judgment and risk of understatement. As at December 31, 2023, the reported balance under the head of estimated liability in respect of outstanding claims whether due or intimated was Taka 45,346,259 and Claims paid in the year ended December 31, 2023 was Taka 217,968,655 (outstanding claims as at December 31, 2022 was Taka 50,349,830 and claims paid for the year ended December 31, 2022 was Taka 167,808,599).</p> <p>This provision has a direct impact on the profitability and liquidity of the Company which makes it an important item for key stakeholders. Considering its impact on multiple line items on the financial statements, its sensitivity and importance to key stakeholders, we believe this area possesses high level of risk.</p> | <p>The procedures that were performed in order to mitigate this risk are listed below:</p> <ul style="list-style-type: none"> ▶ Obtained an understanding of the internal controls around this financial statement line item. This allowed us to gain a better understanding of the process as well as design better substantive procedures. ▶ Obtained samples of claimed policies and cross checked with claim. ▶ For samples selected, obtained copies of survey reports and cross checked with respective ledgers. ▶ Reviewed the claim committee meeting minutes about decision about impending claims ▶ Tested sample of claim payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ▶ Assessed the appropriateness, presentation and disclosure against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules 1958 and other applicable rules and regulations and regulatory guidelines. |
| Details of Estimated Liability have been included in Note 9.00 to the financial statements. | |

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;

- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by thereport are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

Place: Dhaka
Date: May 12, 2024


A.K. Gulam Kibria, FCA (#392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051


Federal Insurance Company Ltd.

Statement of Financial Position

As at December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|----------------------|----------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| EQUITY AND LIABILITIES | | | |
| Share Capital: | | | |
| Authorized share capital | | | |
| 100,000,000 ordinary shares of Tk. 10 each | 4.01 | 1,000,000,000 | 1,000,000,000 |
| Issued, Subscribed and Paid up capital: | | | |
| 71,039,643 ordinary shares of Tk. 10 each | 4.02 | 710,396,430 | 710,396,430 |
| Reserve and Contingency Account: | | | |
| Reserve for exceptional losses | 5.01 | 117,674,368 | 115,674,368 |
| Revaluation reserve | 5.02 | 17,962,719 | 18,880,088 |
| Profit or Loss Appropriation Account balance | | 72,317,990 | 76,192,577 |
| Total shareholders' equity | | 918,351,507 | 921,143,463 |
| Balance of Funds and Accounts | | | |
| 6.00 | | 149,356,688 | 151,909,291 |
| Fire insurance business | | 53,001,341 | 45,229,199 |
| Marine cargo insurance business | | 61,853,937 | 67,825,382 |
| Marine hull insurance business | | 6,122,739 | 4,613,913 |
| Motor insurance business | | 16,313,532 | 20,392,018 |
| Miscellaneous insurance business | | 12,065,139 | 13,848,779 |
| Liabilities and Provisions | | 421,836,575 | 397,974,888 |
| 7.00 | | 10,000,000 | 7,000,000 |
| 8.00 | | 5,951,938 | 8,350,743 |
| 9.00 | | 45,346,259 | 50,349,830 |
| 10.00 | | 1,992,754 | 1,992,754 |
| 11.00 | | 341,530,909 | 306,711,960 |
| 12.00 | | 7,687,057 | 5,295,778 |
| 13.00 | | 9,327,657 | 18,273,823 |
| Total equity and liabilities | | 1,489,544,769 | 1,471,027,642 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.


Masud Hossain
Chief Financial Officer


AMM Mohiuddin Chowdhury
Chief Executive Officer


Tahreer Nawaz
Director

As per our annexed report of same date


Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee


Enamul Hoq
Chairman Board of Directors


A.K. Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Financial Position
As at December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|--------------|----------------------|----------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| PROPERTY AND ASSETS | | | |
| Investment: | | 106,824,424 | 107,251,158 |
| Statutory Deposit with Bangladesh Bank (Government Treasury Bond) | 14.00 | 75,300,000 | 73,800,000 |
| Share with Listed Companies | 15.00 | 22,754,989 | 22,993,412 |
| Interest, Dividends & Rents accruing but not due | 16.00 | 8,769,435 | 10,457,746 |
| Other Assets: | | 913,309,533 | 866,952,441 |
| Deferred tax assets/ (liabilities) | 17.00 | 5,011,540 | 3,284,238 |
| Outstanding Premium | 18.00 | 27,024,169 | 29,071,090 |
| Amount due from other persons or bodies carrying on insurance business | 19.00 | 411,458,604 | 371,617,321 |
| Sundry Debtors (including advances, deposits and pre-payments) | 20.00 | 292,508,827 | 273,870,296 |
| Property, Plant and Equipment | 21.00 | 175,563,385 | 187,357,434 |
| Intangible Asset | 21.01 | 1,516,979 | 1,526,032 |
| Library Account | | 226,030 | 226,030 |
| Cash and cash equivalents | 22.00 | 467,871,314 | 495,128,468 |
| On Current, FDR and SND Account with Banks | | 466,363,622 | 493,074,634 |
| Cash in Hand | | 1,507,692 | 2,053,834 |
| Stock of stationery | 23.00 | 1,539,497 | 1,695,575 |
| Total Property & Assets | | 1,489,544,769 | 1,471,027,642 |
| Net Assets Value (NAV) | | 918,351,507 | 921,143,463 |
| Net Assets Value per Share (NAV) | 35.00 | 12.93 | 12.97 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
Chief Financial Officer



AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director

As per our annexed report of same date



Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee



Enamul Hoq
Chairman Board of Directors



A.K. Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Profit or Loss and Other Comprehensive Income
For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|--------------|--------------------|--------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Operating profit/(loss) transferred from: | | 147,476,454 | 141,257,582 |
| Fire Insurance Business | | 27,775,269 | 19,594,902 |
| Marine Cargo Insurance Business | | 126,468,619 | 113,194,859 |
| Marine Hull Insurance Revenue Account | | (6,861,132) | 711,675 |
| Motor Insurance Business | | 20,101,897 | 5,896,013 |
| Miscellaneous Accident Insurance Business | | (20,008,199) | 1,860,134 |
| Non-operating income: | | 31,687,278 | 30,065,473 |
| Interest, Dividends & Rent | 24.00 | 30,587,721 | 24,709,028 |
| Miscellaneous Income | 25.00 | 689,793 | 1,203,612 |
| Profit on Sale of Assets | 26.00 | - | - |
| Profit on Sale of Share | 27.00 | 79,166 | 5,139,253 |
| Unrealised gain/(loss) on investment in shares | | 330,597 | (986,421) |
| Total income | | 179,163,732 | 171,323,054 |
| Less: Expenses of management | | 59,520,774 | 53,500,793 |
| Expenses of Management (Not Applicable to any Particular Fund or Account) | 28.00 | 29,705,623 | 21,997,136 |
| Directors' Fee | | 1,577,600 | 1,942,400 |
| Audit Fees | 29.00 | 322,000 | 419,750 |
| Statutory Fees for Business License and Annual Registration | 30.00 | 805,128 | 743,169 |
| Legal Expenses | | 16,250 | 241,747 |
| Subscriptions and Other Fees | | 1,124,396 | 1,958,424 |
| Depreciation | | 20,969,777 | 22,950,918 |
| Loss allowance for expected credit losses | | 5,000,000 | 3,000,000 |
| Professional Fee | | - | 247,250 |
| Net Profit before tax & WPPF | | 119,642,958 | 117,822,261 |
| Expenses for WPPF | | 5,697,284 | 5,610,584 |
| Net Profit before tax after WPPF | | 113,945,674 | 112,211,677 |
| Tax Expenses | | 45,746,270 | 38,735,766 |
| Provision for tax | 11.02 | 47,473,571 | 39,661,451 |
| Deferred tax expenses/(income) for the year | 17.00 | (1,727,301) | (925,684) |
| Profit after tax transferred to profit & loss appropriation account | | 68,199,404 | 73,475,911 |
| Total | | 179,163,732 | 171,323,054 |
| Earnings per share (EPS) | 36.00 | 0.96 | 1.03 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
Chief Financial Officer



AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director

As per our annexed report of same date



Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee



Enamul Hoq
Chairman Board of Directors



A.K. Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Profit or Loss Appropriation Account
For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|---|-------|--------------------|--------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance brought forward from previous year | | 76,192,577 | 85,739,835 |
| Adjustment of depreciation on revalued assets | | 965,651 | 1,016,475 |
| Balance for the year brought forward from Profit and Loss Account | | 68,199,404 | 73,475,911 |
| Total Profit | | 145,357,633 | 160,232,221 |
| Appropriation: | | | |
| Reserve for exceptional losses | | 2,000,000 | 13,000,000 |
| Dividend Paid For The Year 2022 | | 71,039,643 | 71,039,643 |
| Balance at the end of the year transferred to the Statement of Financial Position | | 72,317,990 | 76,192,577 |
| Total | | 145,357,633 | 160,232,221 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
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AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director

As per our annexed report of same date



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Enamul Hoq
Chairman Board of Directors




A.K. Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.
Statement of Fire Insurance Revenue Account
For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|--------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance of account at beginning of the year: | | | |
| Reserve for Unexpired Risks | | 45,229,199 | 34,022,841 |
| Premium Less Re-insurances | | 132,503,353 | 113,072,997 |
| Commission on Re-insurances Ceded | | 46,945,287 | 52,535,540 |
| Total: | | 224,677,839 | 199,631,378 |
| Claims under Policies less Reinsurances: | | | |
| Claim paid during the year | 31.00 | 45,899,503 | 49,057,831 |
| Total Estimated Liabilities in Respect of Outstanding Claims at the end of the year whether due or Intimated | 9.00 | 30,266,257 | 34,327,638 |
| | | 76,165,760 | 83,385,468 |
| Less: Outstanding at the end of previous year Estimated Liabilities. | | 34,327,638 | 33,403,911 |
| Total Claims under Policies less Reinsurances: | | 41,838,122 | 49,981,557 |
| Expenses of Management (Details in Annexure-B) | 32.00 | 62,683,475 | 45,420,181 |
| Agency Commission (Details in Annexure-B) | 33.00 | 39,379,631 | 39,405,539 |
| Profit/(Loss) Transferred to Profit and Loss Account | | 27,775,269 | 19,594,902 |
| Balance of account at the end of year as shown in the Balance Sheet: | | | |
| Reserve for Unexpired Risks | 6.00 | 53,001,341 | 45,229,199 |
| Total: | | 224,677,839 | 199,631,378 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.


Masud Hossain
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Chief Executive Officer


Tahreer Nawaz
Director

As per our annexed report of same date


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Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Marine Cargo Insurance Revenue Account
For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|--------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance of account at beginning of the year: | | | |
| Reserve for Unexpired Risks | | 67,825,382 | 75,041,056 |
| Premium Less Re-insurances | | 184,634,842 | 169,563,456 |
| Commission on Re-insurances Ceded | | 13,183,368 | 18,069,032 |
| Total: | | 265,643,592 | 262,673,544 |
| Claims under Policies less Reinsurances: | | | |
| Claim paid during the year | 31.00 | (1,853,766) | 14,582,870 |
| Total Estimated Liabilities in Respect of Outstanding Claims at the end of the year whether due or Intimated | 9.00 | 3,060,369 | 3,807,272 |
| | | 1,206,603 | 18,390,142 |
| Less: Outstanding at the end of previous year Estimated Liabilities | | 3,807,272 | 8,284,029 |
| Total Claims under Policies less Reinsurances: | | (2,600,669) | 10,106,114 |
| Expenses of Management (Details in Annexure-B) | 32.00 | 49,462,987 | 41,033,542 |
| Agency Commission (Details in Annexure-B) | 33.00 | 30,458,719 | 30,513,648 |
| Profit/(Loss) Transferred to Profit and Loss A/C | | 126,468,619 | 113,194,859 |
| Balance of account at the end of year as shown in the Balance Sheet: | | | |
| Reserve for Unexpired Risks | 6.00 | 61,853,937 | 67,825,382 |
| Total: | | 265,643,592 | 262,673,544 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
Chief Financial Officer



AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director

As per our annexed report of same date



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Enamul Hoq
Chairman Board of Directors



A.K. Gulam Kibria, FCA (#0392)
Engagement Partner
G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Motor Insurance Revenue Account

For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|-------------------|-------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance of account at beginning of the year: | | | |
| Reserve for Unexpired Risks | | 20,392,018 | 22,612,678 |
| Premium Less Re-insurances | | 40,783,829 | 50,980,046 |
| Commission on Re-insurances Ceded | | 201,837 | 587,250 |
| Total: | | 61,377,685 | 74,179,974 |
| Claims under Policies less Reinsurances: | | | |
| Claim paid during the year | 31.00 | 7,906,113 | 11,974,116 |
| Total Estimated Liabilities in Respect of Outstanding Claims at the end of the year whether due or Intimated | 9.00 | 2,630,206 | 1,973,217 |
| | | 10,536,320 | 13,947,333 |
| Less: Outstanding at the end of previous year Estimated Liabilities | | 1,973,217 | 1,588,662 |
| Total Claims under Policies less Reinsurances: | | 8,563,102 | 12,358,671 |
| Expenses of Management (Details in Annexure-B) | 32.00 | 10,383,603 | 27,752,538 |
| Agency Commission (Details in Annexure-B) | 33.00 | 6,015,551 | 7,780,734 |
| Profit/(Loss) Transferred to Profit and Loss Account | | 20,101,897 | 5,896,013 |
| Balance of account at the end of year as shown in the Balance Sheet: | | | |
| Reserve for Unexpired Risks | 6.00 | 16,313,532 | 20,392,018 |
| Total: | | 61,377,685 | 74,179,974 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
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Chief Executive Officer



Tahreer Nawaz
Director

As per our annexed report of same date



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Enamul Hoq
Chairman Board of Directors



A.K. Gulam Kibria, FCA (#0392)
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G. KIBRIA & CO.
Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Marine Hull Insurance Revenue Account
For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|-------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance of account at beginning of the year: | | | |
| Reserve for Unexpired Risks | | 4,613,913 | 4,108,550 |
| Premium Less Re-insurances | | 6,122,739 | 4,613,913 |
| Commission on Re-insurances Ceded | | 4,990,060 | 4,219,313 |
| Total: | | 15,726,712 | 12,941,777 |
| Claims under Policies less Reinsurances: | | | |
| Claim paid during the year | 31.00 | 5,222,816 | 44 |
| Total Estimated Liabilities in Respect of Outstanding Claims at the end of the year whether due or Intimated | 9.00 | 9,051,976 | 5,007,868 |
| | | 14,274,793 | 5,007,912 |
| Less: Outstanding at the end of previous year Estimated Liabilities | | 5,007,868 | 3,807,260 |
| Total Claims under Policies less Reinsurances: | | 9,266,925 | 1,200,652 |
| Expenses of Management (Details in Annexure-B) | 32.00 | 3,564,406 | 2,291,828 |
| Agency Commission (Details in Annexure-B) | 33.00 | 3,633,774 | 4,123,709 |
| Profit/(Loss) Transferred to Profit and Loss Account | | (6,861,132) | 711,675 |
| Balance of account at the end of year as shown in the Balance Sheet: | | | |
| Reserve for Unexpired Risks | 6.00 | 6,122,739 | 4,613,913 |
| Total: | | 15,726,712 | 12,941,777 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
Chief Financial Officer



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Chief Executive Officer



Tahreer Nawaz
Director

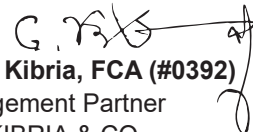
As per our annexed report of same date



Jainul Abedin Jamal
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&
Investment Committee



Enamul Hoq
Chairman Board of Directors



A.K. Gulam Kibria, FCA (#0392)
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Chartered Accountants
DVC: 2405120392AS267051

Place: Dhaka
Date: 28.04.2024

Federal Insurance Company Ltd.

Statement of Miscellaneous Insurance Revenue Account

For the year ended on December 31, 2023

| Particulars | Notes | Amount in Taka | |
|--|-------|---------------------|-------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| Balance of account at beginning of the year: | | | |
| Reserve for Unexpired Risks | | 13,848,779 | 14,858,729 |
| Premium Less Re-insurances | | 29,505,525 | 33,972,353 |
| Commission on Re-insurances Ceded | | 5,144,888 | 5,075,624 |
| Total: | | 48,499,191 | 53,906,706 |
| Claims under Policies less Reinsurances: | | | |
| Claim paid during the year | 31.00 | 46,782,068 | 15,980,208 |
| Total Estimated Liabilities in Respect of Outstanding Claims at the end of the year whether due or Intimated | 9.00 | 337,451 | 5,233,835 |
| | | 47,119,519 | 21,214,044 |
| Less: Outstanding at the end of previous year Estimated Liabilities | | 5,233,835 | 5,963,473 |
| Total Claims under Policies less Reinsurances: | | 41,885,683 | 15,250,571 |
| Expenses of Management (Details in Annexure-B) | 32.00 | 9,716,591 | 17,396,249 |
| Commission on Re-Insurance Accepted (Details in Annexure-B) | | 5,213 | 15,658 |
| Agency Commission (Details in Annexure-B) | 33.00 | 4,834,765 | 5,535,316 |
| Profit/(Loss) Transferred to Profit and Loss Account | | (20,008,199) | 1,860,134 |
| Balance of account at the end of year as shown in the Balance Sheet: | | | |
| Reserve for Unexpired Risks | 6.00 | 12,065,139 | 13,848,779 |
| Total: | | 48,499,191 | 53,906,706 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.



Masud Hossain
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AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director

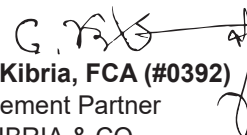
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DVC: 2405120392AS267051


Place: Dhaka
Date: 28.04.2024

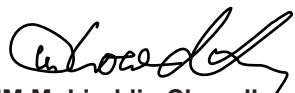
Federal Insurance Company Ltd.

Statement of Cash Flows
For the year ended on December 31, 2023


| Particulars | Notes | Amount in Taka | |
|---|--------------|---------------------|----------------------|
| | | Dec. 31, 2023 | Dec. 31, 2022 |
| A. Cash flows from operating activities: | | | |
| Collection from Premium and Other Receipts | | 490,082,310 | 482,754,996 |
| Payment of Mgt. Expenses, reinsurance, claims and Others | | (382,481,486) | (334,814,006) |
| Income tax paid & or deducted at source | | (41,522,716) | (30,418,227) |
| Net cash flows from operating activities | | 66,078,108 | 117,522,764 |
| B. Cash flows from investing activities: | | | |
| Investment in Govt. Treasury Bond | | (1,500,000) | (13,700,000) |
| Payment of acquisition of property, plant and equipment | | (6,457,169) | (11,738,893) |
| Advance against Floor Purchase | | (12,000,000) | (12,000,000) |
| Sale of investment in shares | | 648,186 | 23,832,740 |
| Proceeds from sale of property, plant and equipment | | 56,810 | 32,380 |
| Net cash flows from investing activities | | (19,252,173) | (13,573,773) |
| C. Cash flows from financing activities: | | | |
| Payment for Operating Lease | | (5,434,725) | (6,832,902) |
| Dividend Paid | | (68,648,364) | (69,617,327) |
| Changes in Bank Loan | | - | (25,000,000) |
| Net cash flows from financing activities | | (74,083,089) | (101,450,229) |
| Increase/(Decrease) in cash and bank balance (A+B+C) | | (27,257,154) | 2,498,762 |
| Cash and cash equivalents at 01.01.2022 | | 495,128,468 | 492,629,706 |
| Cash and cash equivalents at 31.12.2023 | | 467,871,314 | 495,128,468 |
| Net Operating Cash Flows per Share | 37.00 | 0.93 | 1.65 |

The accompanying notes 1 to 44 and Annexure-A to E form an integral part of the financial statements.


Masud Hossain
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Director


Jainul Abedin Jamal
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&
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As per our annexed report of same date


Enamul Hoq
Chairman Board of Directors


Place: Dhaka
Date: 28.04.2024


Federal Insurance Company Ltd.

Statement of Changes in Equity
For the year ended on December 31, 2023

| Particulars | Share Capital | Reserve for Exceptional Losses | Fair Value Change Account | Revaluation Reserve | Retained Earnings | Total |
|---|--------------------|--------------------------------|---------------------------|---------------------|-------------------|---------------------|
| Balance as on 01.01.2023 | 710,396,430 | 115,674,368 | - | 18,880,088 | 76,192,577 | 921,143,463 |
| Net Profit after Taxes | | | | | 68,199,404 | 68,199,404 |
| Transfer to Reserve for Exceptional Losses | | 2,000,000 | | | (2,000,000) | - |
| Addition to Revalued Building (Dilkusha) | | | | | | - |
| Adjustment of depreciation on revalued assets | | | | (917,369) | 965,651 | 48,283 |
| Cash Dividend 10% for Shareholder for the year 2022 | | | | | (71,039,643) | (71,039,643) |
| Balance as on 31.12.2023 | 710,396,430 | 117,674,368 | - | 17,962,719 | 72,317,990 | 918,351,507 |

| Particulars | Share Capital | Reserve for Exceptional Losses | Fair Value Change Account | Revaluation Reserve | Retained Earnings | Total |
|---|--------------------|--------------------------------|---------------------------|---------------------|-------------------|---------------------|
| Balance as on 01.01.2022 | 710,396,430 | 102,674,368 | - | 19,845,739 | 85,739,835 | 918,656,372 |
| Net Profit after Taxes | | | | | 73,475,911 | 73,475,911 |
| Transfer to Reserve for Exceptional Losses | | 13,000,000 | | | (13,000,000) | - |
| Addition to Revalued Building (Dilkusha) | | | | - | - | - |
| Adjustment of depreciation on revalued asset | | | | (965,651) | 1,016,475 | 50,824 |
| Cash Dividend 10% for Shareholder for the year 2021 | | | | | (71,039,643) | (71,039,643) |
| Balance as on 31.12.2022 | 710,396,430 | 115,674,368 | - | 18,880,088 | 76,192,577 | 921,143,463 |



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As per our annexed report of same date

Place: Dhaka
Date: 28.04.2024


Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee


Enamul Hoq
Chairman Board of Directors

Federal Insurance Company Ltd.

Notes to the Financial Statements

As at and for the year ended on December 31, 2023

1.00 BACKGROUND OF THE COMPANY:

1.01 Legal form of the Company:

Federal Insurance Company Limited (the Company) was incorporated on 11 November 1987 under the Companies Act 1913 vide registration No. C-16853 (839)/87 with the object of carrying on in and outside Bangladesh all kinds of Insurance Business other than Life Insurance Business and obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies and Firms, Bangladesh on the same date. However, the Certificate of Commencement of Insurance Business from the Controller of Insurance, Government of Bangladesh was obtained on 17 November 1987. In 1995, the Company issued public portion of shares and was listed with Dhaka Stock Exchange from 26 June 1995. The Company was also listed with Chittagong Stock Exchange from 20 November 1995.

1.02 Address of Registered Office and Principal Place of Business:

The registered office of the Company is located on 6th floor of Navana D.H Tower, 6 Panthapath, Dhaka-1215, Bangladesh and the operational head quarter is located at the same address.

2.00 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Preparation and Presentation of the Financial Statements:

The Financial Statements have been prepared in accordance with International Accounting Standards (IAS), International Financial Reporting Standard (IFRS) and relevant schedule of the Companies Act, 1994, the Securities & Exchange Ordinance, 1969 and Securities & Exchange Rules, 2020 as amended and relevant circular & directives of Securities and Exchange Commission following Generally Accepted Accounting Principles (GAAP) applicable in Bangladesh.

The elements of financial statements have been measured on "Historical Cost" basis, which is one of the most commonly adopted bases as provided in the "Frame work for the preparation and presentation of financial statement" issued by the International Accounting Standards Board (IASB) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

The Statement of Financial Position (Balance Sheet) has been prepared in accordance with the regulations contained in Part I of the First Schedule and as per Form 'A' as set forth in Part II of that Schedule and the Revenue Account of Fire insurance, Marine cargo insurance, Marine hull insurance, Motor insurance, Miscellaneous insurance business has been prepared in accordance with the regulations as contained in Part I of the Third Schedule and as per Form 'D' as set forth in Part II of that Schedule of the Insurance Act, 1938 as amended in the Insurance Act, 2010.

2.02 Authorization for Issue:

These financial statements for the year ended December 31, 2023 were authorized for issue by the Board of Directors of the Company on 28 April, 2024.

2.03 Specific Accounting Policies Selected and Applied for Significant Transactions and Events:

2.3.1 Use of Estimates in Preparation of Financial Statements:

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the year reported. Actual results could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, liability for outstanding claims whether due or intimated, taxes, etc.

2.3.2 Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements:

The preparation of financial statements in conformity with the International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and expenses during the period reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long-term contracts, provision for doubtful accounts, depreciation and amortizations, employees' benefit plans, taxes, reserves and contingencies.

2.3.3 Revenue Recognition:

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 reinsurances premium due to Sadharan Bima Corporation, the amount of reinsurances commission earned and the amount of claims less reinsurances recovery during the year have been duly accounted for in the books of account of the Company and while preparing the final statements, the effect of reinsurances account and the reinsurances 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 result for the year.

2.3.4 Estimation and Payment of Claims:

Claim is shown as liability when loss is incurred and paid to the parties following proper procedures.

2.3.5 Provision for Unexpired Risks:

Before arriving at the surplus of each class of business necessary provision for unexpired risks has been made @ 40% on all business except on marine hull & aviation business for which provision was made @ 100% of Gross net premium for the year as per Insurance Act 2010.

2.3.6 Interest Income and Payment:

Interest earned on statutory investments lying with Bangladesh Bank in the form of treasury bond has been accounted for at the prescribed rate. Besides, all other interests are credited to profit and loss account when earned, interest on bank overdraft is charged to profit and loss account on accrual basis. Interest income on investments is recognized on accrual basis using effective interest rate as per IFRS-15 "Revenue from Contract with Customers."

2.3.7 Premium Deposit Account:

Premium deposit account represents amount of premium deposited with the Company against Cover Notes for which no policy has been issued up to the end of the year. Premium deposit has been arrived at after deducting Unrealised premium at year end.

2.3.8 Amount Due to and Due from Other Persons or Bodies Carrying on Insurance Business:

Amount due to and due from other persons or bodies carrying on insurance business is accounted for on the basis of reinsurances and coinsurance premium and claim payable and receivable at the year end.

2.3.9 Depreciation:

Depreciation on fixed assets has been calculated at cost less accumulated depreciation on reducing balance method in accordance with IAS 16 Property, Plant and Equipment. Cost represents cost of acquisition and include purchase price and other directly attributable costs of bringing the assets to working conditions for its intended use, but do not include any capitalized borrowing cost. Depreciation is charged for the addition made during the year on the date of acquisition. Expenses of maintenance and repairs are expensed, major replacements, renewals and betterments are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation, and any gain or loss on such disposal is reflected in operations for the year.

The annual depreciation rates applicable to the principal categories of fixed assets are:

| Particulars | Rate | Particulars | Rate |
|---------------------------|------|------------------------|------|
| Furniture and Fixtures | 10% | Electric Fan | 15% |
| Office Equipment | 15% | Motorcycle | 20% |
| Air Conditioner | 20% | Office Decoration | 10% |
| Motor Vehicle | 20% | Telephone Installation | 15% |
| Motor Vehicle (Leasehold) | 20% | Software Installation | 15% |
| Bicycle | 20% | Building | 5% |

Depreciation is charged to the Statements of Profit or Loss and Other Comprehensive Income consistently.

2.3.9.1 Leases

The Company applied IFRS 16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16 supersedes IAS 17 Lease, the Company has made recognition, measurement and disclosure in the financial statements-2023 as per IFRS 16.

2.3.9.2 Right-of-use assets (ROU)

The Company recognizes the right-of-use assets (ROU) at the commencement date of the lease. ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term. The Company assessed all lease contracts live in 2021 and recognized as ROU of assets of all leases. As leases under IFRS 16 first time adopted by the Company, the Company has followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. Therefore, the Company considered a cut-off date beginning of the year 2019 and reassessed unadjusted advance payment and remaining lease period of each contract, and recognized those in the financial statements for the year ended 31 December 2023 without giving retrospective impact in earlier presentation.

2.3.9.3 Lease liabilities

At the commencement of the lease, the Company recognizes lease liabilities measured at the present value of lease payments initial payment, and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the Company and payment of penalties for terminating the lease to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for terminating the lease term).

2.3.10 Stock of Stationery:

Stock of stationery has been valued at cost.

2.3.11 Outstanding Premium:

The outstanding premium appearing in the financial statements represents only the amount which is expected to be realized in subsequent years.

2.3.12 Management Expenses:

Management expenses have been allocated to the respective class of business on the basis of proportionate of gross net premium earned.

2.3.13 Employee Benefit Plans:

2.3.13.1 Provident Fund:

The Company operates a contributory provident fund for its permanent employees, provision for which is being made annually as per P.F. rules. The fund is approved by the National Board of Revenue, administered by a Board of Trustees and is funded by contribution partly from employees and partly from the Company at predetermined rates. These contributions are invested separately from the Company's assets. However, during the year, the management of the Company decided not to contribute to the PF Account.

The permanent employees of Company are covered under a Group Insurance Scheme, premium for which is charged to profit and loss account.

2.3.13.2 Gratuity Fund:

Employees are entitled to an unfunded gratuity benefit after completion of minimum 15 years of service in the Company. The gratuity is calculated on the basis of last basic pay and is payable at the rate of one month's basic pay for every completed year of service. Provision is made for such gratuity scheme.

2.3.13.3 Worker Profit Participation Fund (WPPF)

In the year 2013, an amendment has been made in section-232 of Labour Law-2006. Due to the amendment, the Company requires to maintain Workers Profit Participation Fund (WPPF). However, the company did not make provision for the years 2013 to 2019, amounting to Tk. 29,402,593 . The company will make provision in forthcoming years in this regard.

2.3.14 Cash and Cash Equivalents:

As per IAS 7 "Cash Flow Statement", cash comprises cash in hand and bank deposits and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. IAS 1 Presentation of Financial Statements provides that cash and cash equivalents are not restricted in use considering the provision of IAS 7 and IAS 1, cash in hand and bank deposits which were held and available for use of the Company without any restriction except some FDR, which were placed as security against bank overdraft have been considered as cash equivalent.

2.3.15 Statement of Cash Flows:

Cash Flow Statement is prepared in accordance with IAS-7 and Cash Flow from operating activities have been presented under direct method as outlined in the Part-III of Securities and Exchange Rules, 1987 as amended which was added by the notification no SEC/Section 7/SER/03/132 dated 29.12.97 of SEC.

2.3.16 Value of Assets:

The value of all assets at 31 December 2023 as shown in the Statement of Financial Position and the Classified Summary of Assets on Form AA annexed have been reviewed by the Directors and the said assets have been set forth in the Statement of Financial Position at amounts not exceeding their realizable or market value.

2.3.17 Investment in Shares:

Investments are stated in these financial statements at their market value as per IFRS 09 "Financial Instruments: Recognition and Measurement". Interest on investment on Treasury bond is accounted for as income on accrual basis and income on investment in shares is considered only on their receipt. Any shortfall in the market value of shares on the Statement of Financial Position date over the cost price is provided for in the financial statements and transferred to Profit or Loss and Other Comprehensive Income.

2.3.18 Earnings per Share (EPS):

The Company calculates earnings per share (EPS) in accordance with IAS 33 "Earnings per Share" which is shown on the face of Statement of Comprehensive Income. This is calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year. Weighted average number means the number of ordinary share outstanding during the year.

2.3.19 Basic Earnings:

This represents earning for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extraordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

2.3.20 Statement of Changes in Equity:

The Statement of Changes in Equity is prepared in accordance with IAS-1: "Presentation of Financial Statements".

2.3.21 Income Tax:

Income tax expenses comprise current and deferred taxes. Income tax expenses are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

2.3.21.1 Current Tax:

Current tax is the expected tax payable on the taxable income for the period, using the tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The tax rate used for the reporting period is @37.5% as prescribed in the Finance Act 2023.

2.3.21.2 Deferred Tax:

Deferred tax is recognised as per IAS 12 on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilised. Adequate provision has been made for deferred tax to profit or loss and other comprehensive income.

2.3.22 Disclosure of departure from few requirements of IAS/IFRS due to mandatory compliance of Insurance Act's requirements.

- 2.3.22.1** The Federal Insurance Company Ltd. (FICL) management has followed the principles of IAS and IFRS consistently in preparation of the financial statements to the extent as applicable to the FICL. Some requirements of Insurance Act 1938 as amended in 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the FICL has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of IDRA, Bangladesh which are disclosed below along with financial impact where applicable.
- 2.3.22.2** As per Insurance Act 1938 as amended in 2010 investments in quoted shares are revalued at the year end at market price and as per book value of last audited Statement of Financial Position, respectively. Provisions has been made by netting off any Unrealised gain/(loss) arising at the Statement of Financial Position date. However, as per requirements of IFRS 09 investment in shares falls either under "at fair value through profit and loss account" or under "available for sale" where any change in the fair value at the year end is taken to profit and loss account or other comprehensive income, respectively.
- 2.3.22.3** General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 as amended in 2010. However, such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the FICL has recognized provision of Tk.149,356,688 as balance of fund and liabilities in the Statement of Financial Position under liabilities.
- 2.3.22.4** Insurance Act 1938 as amended in 2010 has issued templates for financial statements which will strictly be followed by all general and life insurance Companies. The templates of financial statements issued by Insurance Act do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income (SCI) statement. As such the FICL does not prepare the Other Comprehensive Income statement. However, the FICL does not have any elements of OCI to be presented.
- 2.3.22.5** As per IDRA guidelines financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 09. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

2.04 IFRS 17 Insurance Contracts:

Insurance industry in Bangladesh is highly regulated by the IDRA and others regulatory bodies. However, as of now, none of these regulators have initiated any action plan regarding the adoption of this IFRS in Bangladesh. Management is currently assessing the future adoption of this IFRS.

3.00 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:

3.01 Responsibility for Preparation and Presentation of Financial Statements:

The Board of Directors is responsible for the preparation and presentation of financial statements under the Section 183 of Companies Act, 1994 and as per the provision of International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) the "Frame Work for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards Board (IASB).

3.02 Components of Financial Statements:

According to the International Accounting Standards (IAS-1) "Preparation of Financial Statements", Insurance Act, 1938, as amended the Insurance Act, 2010 and rules and regulations of Securities and Exchange Commission, the complete set of Financial Statements includes the following components:

- a. Statement of Financial Position as at December 31, 2023
- b. Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2023
- c. Statement of Related Revenue Accounts for the year ended December 31, 2023
- d. Statement of Cash Flows for the year ended December 31, 2023
- e. Classified Summary of the Assets (Form "AA") in Bangladesh as at December 31, 2023
- f. Statement of Changes in Equity for the year ended December 31, 2023
- g. Accounting policies and notes to the Financial Statements as at and for the year ended December 31, 2023

3.03 Compliance with Local Laws:

The financial statements have been prepared in accordance with the requirements of the Insurance Act, 1938 as amended the Insurance Act, 2010 and Insurance Rules 1958 and Compliance with requirement of the Securities and Exchange Rules 2020 along with Circulars & Directives, Companies Act, 1994 and other relevant local laws and rules.

3.04 Compliance with International Accounting Standards (IAS):

The financial statements have been prepared in compliance with requirements of IAS and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

3.05 Reporting Period:

Financial Statements of the Company cover 1(one) Calendar year from January 01, 2023 to December 31, 2023.

3.06 Reporting Currency and Level of Precision:

The figures in the financial statements represent Bangladeshi Taka currency, which have been rounded off to the nearest taka except where indicate otherwise.

3.07 Comparative Information:

Comparative information has been disclosed in respect of the year ended December 31, 2022 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

3.08 Financial risk management (IFRS 7)

3.8.1 Introduction

The Company's activities expose it to a variety of financial risks: credit risk, market risk, and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Financial risk management is carried out by Accounts and Finance Department under policies approved by Board of Directors Accounts and Finance Department identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units.

This note presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

3.8.2 Carrying amounts of financial instruments by category

The following table shows the carrying amounts of financial instruments by category at the end of December:

| Particulars | Maturity analysis | | | | Total |
|--|--------------------|--------------------|--------------------|--------------------|----------------------|
| | Current | >30 days | >90 days | >1 year | |
| Cash and cash equivalents, receivables and Advances, Deposits & Prepayments | | | | | |
| Cash and cash equivalents | 467,871,314 | | | | 467,871,314 |
| Trade and other receivable | | 82,291,721 | 123,437,581 | 205,729,302 | 411,458,604 |
| Advances, Deposits and Prepayments | | 73,377,207 | 102,728,089 | 158,494,767 | 293,508,827 |
| Non-current financial assets | | | | 98,054,989 | 98,054,989 |
| Balance at December 31, 2023 | 467,871,314 | 155,668,928 | 226,165,671 | 462,279,058 | 1,270,893,734 |
| Financial liabilities measured at amortized cost | | | | | |
| Trade and Other Payable | | 398,551 | 597,826 | 996,377 | 1,992,754 |
| Loan and Advance | | | - | - | - |
| Liability for expenses | | 10,856,966 | 1,550,995 | 3,101,990 | 15,509,952 |
| Balance at December 31, 2023 | - | 11,255,517 | 2,148,821 | 4,098,367 | 17,502,706 |

3.8.3 Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from cash and cash equivalents, time deposits, and trade accounts receivable.

The credit risk with trade and other receivable (see note 19) is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are companied as follows (risk companies): governmental organizations, listed public limited companies, and other customers.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet. There are no commitments that could increase this exposure to more than the carrying amounts.

3.8.4 Market risks

Market risk is the risk that changes in market prices, foreign exchange rates, and other prices will affect the Company's result or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on risk.

3.8.5 Interest rate risk

At the reporting date, the Company had the interest-bearing financial instruments: cash and cash equivalents. All cash and cash equivalents mature or reprise in the short-term, no longer than three months.

3.8.6 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Accounts and Finance manages the Company's liquidity to ensure sufficient liquidity to meet all liabilities when due, under both normal and stressed conditions, without facing unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including interest payments:

| Particulars | Carrying amount | Contractual Cash flows | Between 1 and 90 days | Between 91 and 360 days | Between 1 and 2 years | Over 2 years |
|--------------------------------------|-------------------|------------------------|-----------------------|-------------------------|-----------------------|--------------|
| Non-derivative financial liabilities | | | | | | |
| Trade and Other Payable | 1,992,754 | - | 896,739 | 1,096,015 | - | - |
| Liability for expenses | 15,509,952 | - | 6,979,478 | 8,530,474 | - | - |
| Balance at December 31, 2023 | 17,502,706 | - | 7,876,218 | 9,626,488 | - | - |

4.00 SHARE CAPITAL

4.01 Authorized Capital

1,000,000,000 1,000,000,000

The authorized Capital of the Company is Tk. 1,000,000,000 divided into 100,000,000 ordinary shares of Tk. 10 each.

4.02 Issued, Subscribed, & Paid-up Capital

Ordinary shares 71,03,96,430.00 of Tk. 10 each fully paid up in cash.

| Particulars | 31/12/2023 | 31/12/2022 |
|---|--------------------|--------------------|
| Sponsors' Contribution of 2,47,94,180 Ordinary Share @ Tk.10 each | 247,941,800 | 247,941,800 |
| Public Issue of 4,62,45,463 Ordinary Shares @ Tk. 10 each | 462,454,630 | 462,454,630 |
| Total Taka: | 710,396,430 | 710,396,430 |

4.02.01 Distribution Schedule-Disclosures under the Listing Regulation of Stock Exchanges

The Distribution Schedule showing the number of shareholders and their shareholding percentage has been disclosed below as a requirement of the "Listing Regulations of Dhaka and Chittagong Stock Exchanges."

4.02.02 Sponsor Shareholders

| Range of holding in number of share | No. of shareholders | | % of total holders | | No. of shares | | % of share capital | |
|-------------------------------------|---------------------|-----------|--------------------|--------------|-------------------|-------------------|--------------------|--------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Below 500 | - | - | - | - | - | - | - | - |
| 500 to 5,000 | 1 | 1 | 2.50 | 2.50 | 4,781 | 4,781 | 0.01 | 0.01 |
| 5,001 to 10,000 | - | - | - | - | - | - | - | - |
| 10,001 to 20,000 | - | - | - | - | - | - | - | - |
| 20,001 to 30,000 | - | - | - | - | - | - | - | - |
| 30,001 to 40,000 | - | - | - | - | - | - | - | - |
| 40,001 to 50,000 | - | - | - | - | - | - | - | - |
| 50,001 to 100,000 | - | - | - | - | - | - | - | - |
| 1,00,001 and above | 19 | 19 | 47.50 | 47.50 | 24,789,399 | 24,789,399 | 34.89 | 34.89 |
| Sub- total | 20 | 20 | 50.00 | 50.00 | 24,794,180 | 24,794,180 | 34.90 | 34.90 |

4.02.03 PUBLIC SHAREHOLDERS

| a. Range of holding in number of share | No. of shareholders | | % of total holders | | No. of shares | | % of share capital | |
|--|---------------------|---------------|--------------------|---------------|-------------------|-------------------|--------------------|---------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Below 500 | 3,995 | 4,462 | 19.94 | 19.92 | 564,135 | 679,741 | 0.79 | 0.96 |
| 500 to 5,000 | 4,714 | 5,329 | 23.82 | 23.50 | 7,805,170 | 8,725,539 | 10.99 | 12.28 |
| 5,001 to 10,000 | 643 | 688 | 3.07 | 3.21 | 4,661,637 | 4,959,275 | 6.56 | 6.98 |
| 10,001 to 20,000 | 339 | 364 | 1.63 | 1.69 | 4,895,594 | 5,158,148 | 6.89 | 7.26 |
| 20,001 to 30,000 | 141 | 135 | 0.60 | 0.70 | 3,484,704 | 3,380,952 | 4.91 | 4.76 |
| 30,001 to 40,000 | 43 | 53 | 0.24 | 0.21 | 1,487,669 | 1,858,254 | 2.09 | 2.62 |
| 40,001 to 50,000 | 42 | 42 | 0.19 | 0.21 | 1,923,200 | 1,932,514 | 2.71 | 2.72 |
| 50,001 to 100,000 | 55 | 65 | 0.29 | 0.27 | 3,842,390 | 4,498,829 | 5.41 | 6.33 |
| 1,00,001 and above | 58 | 50 | 0.22 | 0.29 | 17,580,964 | 15,052,211 | 24.75 | 21.19 |
| Sub- total | 10,030 | 11,188 | 50.00 | 50.00 | 46,245,463 | 46,245,463 | 65.10 | 65.10 |
| Grand Total | 10,050 | 11,208 | 100.00 | 100.00 | 71,039,643 | 71,039,643 | 100.00 | 100.00 |

b. The share are listed in the Dhaka and Chittagong Stock Exchanges and quoted at Tk. 24.50 (in 2022 Tk. 24.80) per share and Tk. 25.90 (in 2022 Tk. 24.90) per share in the Dhaka and Chittagong Stock Exchange respectively on 28 December, 2023.

4.02.04 Summarized list of Shareholders as on December 31, 2023

| SL No. | Category | Total Shareholders | Total Shares | Percentage (%) |
|--------------|--------------------|--------------------|-------------------|----------------|
| 1 | Sponsors | 20 | 24,794,180 | 34.90 |
| 2 | Foreign Investors | - | - | - |
| 3 | Local Institutions | 66 | 812,248 | 1.14 |
| 4 | NRB | 6 | 16,405 | 0.02 |
| 5 | General Public | 9,958 | 45,416,810 | 63.93 |
| Total | | 10,050 | 71,039,643 | 100.00 |

Note: The sponsor shareholding is 34.90% against 60% as required by insurance act 2010 section 21(3) and schedule 1. On the other hand the sponsors and directors of the company are holding more than the 30% shares of the paid up capital required under gazette notification no. BSEC/CMRRCD/2009-193/217/Admin/90. Dated: 15 July 2019 of Bangladesh Securities and Exchange Commission.

4.02.05 List of Sponsor Portion Shareholders as on December 31, 2023

| SI. No. | Name of Shareholders | Number of Shares | Dec 31, 2023 | Dec 31, 2022 |
|---------------|---|-------------------|--------------------|--------------------|
| 01 | Mr. AKM Ziauddin Chowdhury | 1,435,385 | 14,353,850 | 14,353,850 |
| 02 | Mrs. Mamtaj Begum | 2,063,600 | 20,636,000 | 20,636,000 |
| 03 | Mr. Towhidul Alam | 1,422,142 | 14,221,420 | 14,221,420 |
| 04 | M/s. Urmee Enterprise | 1,723,145 | 17,231,450 | 17,231,450 |
| 05 | M/S. A. K. Khan & Co. Ltd. | 1,148,718 | 11,487,180 | 11,487,180 |
| 06 | Alhaj Md. Abdul Khaleque | 1,420,985 | 14,209,850 | 14,209,850 |
| 07 | Alhaj Sabirul Hoque | 1,431,451 | 14,314,510 | 14,314,510 |
| 08 | Ms. Khadizatul Anwar,MP | 1,421,451 | 14,214,510 | 14,214,510 |
| 09 | Mr. Tahreer Nawaz | 1,581,900 | 15,819,000 | 15,819,000 |
| 10 | Mr. Mohammad Abdus Salim Chowdhury | 138,888 | 1,388,880 | 1,388,880 |
| 11 | Mr. Towfiqul Islam Chowdhury | 1,422,142 | 14,221,420 | 14,221,420 |
| 12 | Mr. Jia Uddin | 1,489,070 | 14,890,700 | 14,890,700 |
| 13 | M/S J S International Corporation. Ltd. | 1,723,150 | 17,231,500 | 17,231,500 |
| 14 | Mr. NEO G Mendes | 151,861 | 1,518,610 | 1,518,610 |
| 15 | M/S Paradise Corporation (Pvt.) Ltd. | 1,770,948 | 17,709,480 | 17,709,480 |
| 16 | Mrs. Shamsun Nahar Ashraf | 4,781 | 47,810 | 47,810 |
| 17 | Alhaj Nurul Alam | 427,260 | 4,272,600 | 4,272,600 |
| 18 | M/S Elias Siddiquee | 1,770,888 | 17,708,880 | 17,708,880 |
| 19 | Alhaj Shafique Uddin | 475,527 | 4,755,270 | 4,755,270 |
| 20 | Mr. Jainul Abedin Jamal | 1,770,888 | 17,708,880 | 17,708,880 |
| Total: | | 24,794,180 | 247,941,800 | 247,941,800 |

Note: Certain Statutory compliances under Companies Act 1994 like maintenance of director/manager register, share register, and issuance of share certificate etc. are being formalized.

| Particulars | Amount In Taka | |
|--|--------------------|--------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 5.00 Reserve and Contingency Accounts | | |
| Reserve for Exceptional Losses 5.01 | 117,674,368 | 115,674,368 |
| Revaluation Reserve 5.02 | 17,962,719 | 18,880,087 |
| Total | 135,637,087 | 134,554,455 |
| 5.01 Reserve for Exceptional Losses | | |
| Opening balance as on January 01, 2023 | 115,674,368 | 102,674,368 |
| Add: Addition during the year | 2,000,000 | 13,000,000 |
| Closing balance as on December 31, 2023 | 117,674,368 | 115,674,368 |
| 5.02 Revaluation Reserve | | |
| Opening balance as on January 01, 2023 | 18,880,088 | 19,845,739 |
| Addition to Revalued Building (Dilkusha) | - | - |
| Restated opening balance | 18,880,088 | 19,845,739 |
| Less: Depreciation during the year | (917,369) | (965,651) |
| Closing balance as on December 31, 2023 | 17,962,719 | 18,880,088 |

The Company revalued its office space at 28 Dilkusha, Dhaka as on 31 December 2021 by MJ Abedin & CO, Chartered Accountants, a professional firm of valuers. The Board of Directors approved the revaluation report and accordingly, the effect of revaluation surplus amounting to BDT 17,104,429 was accounted for, as at 31 December 2021.

Valuation work has been carried out based on market value complying Bangladesh Securities Exchange Commission ("BSEC") notification No. SEC/CMRRCD/2009-193/150/Admin; dated 18 August 2013. The valuation has been undertaken in accordance with International Valuation Standard (IVS). Valuation of land was carried out using Market value/Fair value. Valuation of Building were carried out using Depreciated Replacement Cost (DRC) method.

6.00 Balance of Funds and Accounts

This represents reserve for unexpired risks provided from net premium income of the year at rates varying from 40% to 100% depending on different classes of business including public sector business as shown below:

| Particulars | Percentage | 31/12/2023 | 31/12/2022 |
|---------------|--------------|--------------------|--------------------|
| Fire | 40% | 53,001,341 | 45,229,199 |
| Marine Cargo | 40% | 61,853,937 | 67,825,382 |
| Marine Hull | 100% | 6,122,739 | 4,613,913 |
| Motor | 40% | 16,313,532 | 20,392,018 |
| Miscellaneous | 40%- 100% | 12,065,139 | 13,848,779 |
| Total | | 149,356,688 | 151,909,291 |

| Particulars | Amount In Taka | |
|--------------------------|-------------------|------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 7.00 Gratuity | | |
| Opening balance | 7,000,000 | 5,000,000 |
| Addition during the year | 9,018,335 | 5,057,667 |
| Payment during the year | (6,018,335) | (3,057,667) |
| Closing balance | 10,000,000 | 7,000,000 |

Note: The company made past service cost for defined employees benefit obligation (gratuity) Tk. 9,018,335/- during the year and the said cost stands at Tk. 44,634,544.

| | | |
|--|------------------|------------------|
| 8.00 Lease liabilities (Operating leases) | | |
| Opening balance as on January 01, 2023 | 8,350,743 | 10,438,783 |
| Addition during the year | 2,351,316 | 3,961,213 |
| Finance cost during the year | 684,604 | 783,649 |
| Payment during the year | (5,434,725) | (6,832,902) |
| Closing balance as on December 31, 2023 | 5,951,938 | 8,350,743 |

9.00 Estimated Liabilities in respect of Outstanding Claim whether due or Intimated

| Particulars | Private Sector ² | Public Sector ¹ | Dec 31, 2023 | Dec 31, 2022 |
|---------------|-----------------------------|----------------------------|-------------------|-------------------|
| Fire | 30,054,846 | 211,411 | 30,266,257 | 34,327,638 |
| Marine Cargo | 1,887,909 | 1,172,460 | 3,060,369 | 3,807,272 |
| Marine Hull | 9,000,000 | 51,976 | 9,051,976 | 5,007,868 |
| Motor | 2,171,222 | 458,984 | 2,630,206 | 1,973,217 |
| Miscellaneous | 118,798 | 218,653 | 337,451 | 5,233,835 |
| Total | 43,232,775 | 2,113,484 | 45,346,259 | 50,349,830 |

Note:-1 As per practice, estimated liability in respect of public sector outstanding claims has been provided @20% of net premium income earned on account of various insurance businesses from the said sector. An amount of Tk. 13,852,995 has subsequently been paid till 31 March 2024 in respect of private sector.

Note:-2 An inter pleader case against M/s. Dot Com Sweaters Ltd. claim Amounting Tk.20,280,000 has been instituted with the 4th joint district Dhaka. Suit Ref: 677/2017 FICL vs M/s. Dot Com Sweaters Ltd.

| Particulars | Amount in Taka | |
|-------------|----------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 |

10.00 Amount Due to Other Person or Bodies Carrying on Insurance Business

This represents balance of account with various Insurance Companies in respect of co-insurance / re-insurance transactions and amount payable to co-insurer/ re-insurer. The break up of the above amount is noted below:

| | | |
|---|------------------|------------------|
| Pragati Insurance Ltd. | 104,224 | 104,224 |
| Reliance Insurance Ltd. | 40,862 | 40,862 |
| Eastern Insurance Co.Ltd. | 95,049 | 95,049 |
| Karnofuli Insurance Co. Ltd. | 690,890 | 690,890 |
| Provati Insurance Co.Ltd. | 83,055 | 83,055 |
| Prime Insurance Co.Ltd. | 50,267 | 50,267 |
| Mercantile Insurance Co. Ltd. | 80,560 | 80,560 |
| Northern General Insurance Co.Ltd. | 207,473 | 207,473 |
| Asia Pacific General Insurance Co. Ltd. | 154,206 | 154,206 |
| Meghna General Insurance Co.Ltd. | 31,849 | 31,849 |
| Bangladesh National Insurance Co.Ltd. | 36,251 | 36,251 |
| Pioneer Insurance Company Ltd. | 177,425 | 177,425 |
| Standard Insurance Company Ltd. | 229,012 | 229,012 |
| Crystal Insurance Co.Ltd. | 8,672 | 8,672 |
| Global Insurance Co. Ltd. | 2,960 | 2,960 |
| Total | 1,992,754 | 1,992,754 |

Note: The above mentioned carry forward amounts is long pending issues and management is in process to settle this issues and will make necessary arrangement.

11.00 Sundry Creditors

| | | | |
|--|-------|--------------------|--------------------|
| Liability for Expenses | 11.01 | 28,603,809 | 23,477,358 |
| Provision for Income Tax and Other Payable | 11.02 | 300,174,464 | 267,010,712 |
| Premium Refundable | 11.03 | 1,582,201 | 1,972,139 |
| Employees Provident Fund | 11.04 | 11,170,435 | 14,251,751 |
| Total | | 341,530,909 | 306,711,960 |

11.01 Liability for Expenses

| | | |
|-------------------------------|-------------------|-------------------|
| Liability for Expenses | 380,022 | 950,855 |
| Provision for WPPF | 25,058,596 | 19,361,312 |
| Provision for incentive Bonus | 3,165,191 | 3,165,191 |
| Total | 28,603,809 | 23,477,358 |

Note: WPPF expenses made @5% on net profit before tax during the year as per sec-234 of Bangladesh Labour (amendment) Act-2013. Bangladesh Insurance Association given a prayer for waiver of the application of WPPF vide letter no. BIA-(58)/2020-100 Dated: March 19,2020 sent to secretary, Ministry of Finance. Payment from this fund without having any decision of Ministry of Finance against this prayer. Hence the company has not yet established Trustee Board to administer the fund.

| Particulars | Amount In Taka | |
|---|--------------------|--------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 11.02 Provision for Income Tax and Other Payable | | |
| Provision for Taxation 11.02 .01 | 276,629,831 | 229,156,260 |
| Value Added Tax(VAT) | 3,058,579 | 8,785,528 |
| Income Tax Employee | 8,162,559 | 7,032,311 |
| Income Tax Misc. | 301,716 | 1,772,666 |
| VAT at Source : Others | 3,508,442 | 5,529,240 |
| Share application account | 62,000 | 62,000 |
| Rights Share application Account | 113,610 | 113,610 |
| Liability for Other Finance | 8,337,726 | 14,559,097 |
| Total | 300,174,464 | 267,010,712 |

An amount of Tk. 7,50,802/- Income Tax Employees, Tk. 230,006/- VAT at Source: Others and Tk. 15,75,000/- Liabilities for Other Finance has been paid subsequently till 30 April 2024. However, the management has taken initiative to pay rest of the amount immediately after the reporting period.

11.02.01 Provision for Taxation

| | | |
|--|--------------------|--------------------|
| Opening balance as on January 01, 2023 | 229,156,260 | 362,876,099 |
| Add: Provision made during the year | 47,473,571 | 39,661,451 |
| | 276,629,831 | 402,537,550 |
| Less: Adjustment with Advance Income Tax | - | 173,381,290 |
| Closing balance as on December 31, 2023 | 276,629,831 | 229,156,260 |

The tax provision represents provision kept by the company in different years. In those years litigation is pending in different stages for dispute with National Board of Revenue (NBR) regarding computation of tax liability. The management believe that the verdict of those litigation will be favorable of the company, as a result no further provision is required.

11.03 Premium Refundable

| | | |
|---|------------------|------------------|
| Outstanding refund premium : Marine Cargo | 5,439 | 5,439 |
| Outstanding refund premium : Fire | 811,345 | 1,061,630 |
| Outstanding refund premium : Misc. Acc. | 417,904 | 566,084 |
| Outstanding refund premium : Motor | 347,512 | 338,985 |
| Total | 1,582,201 | 1,972,139 |

11.04 Employees Provident Fund

| | | |
|--|-------------------|-------------------|
| Up to 2022 (Company's Contribution and Interest) | 14,251,751 | 2,508,127 |
| Loan by the Company with Interest | 1,389,232 | 18,283,000 |
| Loan paid by the Company | (4,470,548) | (6,539,376) |
| Total | 11,170,435 | 14,251,751 |

Note: As per section-264(9) of labour Act-2006 if the employee and employer agreed upon the company may decided to not provide provident fund benefit to employees. As the permanent workers of the company are not interested to contribute to the provident fund. So the management has decided to discontinue the provident fund benefits and will take necessary action to dissolve the fund.

| Particulars | Amount In Taka | |
|--|-------------------|-------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 12.00 Unclaimed Dividend Account | | |
| Opening balance as on January 01, 2023 | 5,295,778 | 3,873,462 |
| Add: Addition During the year | 71,039,643 | 71,039,643 |
| | 76,335,421 | 74,913,105 |
| Less: Payment during the year | 68,648,364 | 69,617,327 |
| | 7,687,057 | 5,295,778 |
| Less: Capital Market Stabilization Fund (Up to 2019) | - | - |
| Closing balance as on December 31, 2023 | 7,687,057 | 5,295,778 |
| Unclaimed Dividend Year wise break-down: | | |
| Financial Year: 2019 | 1,624,753 | 1,624,753 |
| Financial Year: 2020 | 1,683,003 | 1,683,003 |
| Financial Year: 2021 | 1,970,185 | 1,988,022 |
| Financial Year: 2022 | 2,409,116 | - |
| | 7,687,057 | 5,1295,778 |

Note:1 Unclaimed Dividend for the year 2019, subsequently paid to Capital Market Stabilization Fund (CMSF) by amount of BDT 913,671 in the date of 25 May 2024 and for amount of BDT 711,082 the Company issued account payee cheque to two sponsor shareholders in the date of 25 May 2024.

Note:2 As per derocation of BSEC the company deposit the mentioned amount on September 28, 2021 for the purpose of transferring the amounts held against unclaimed or undistributed or unsettled dividend for more than 3 years in cash to the Capital Market Stabilization Fund (CMSF).

13.00 Premium Deposits

| | | |
|----------------------------------|------------------|-------------------|
| Premium deposits during the year | 9,327,657 | 18,273,823 |
|----------------------------------|------------------|-------------------|

Note: Premium deposit represents receipts in advance which cannot be appropriated towards premium before fulfillment of underwriting requirements and hence policies were not issued/adjusted within December 31, 2023

14.00 Statutory Deposit with Bangladesh Bank

The above amount represents the value of 10 (Ten) and 15 (Fifteen) years Bangladesh Govt. Treasury Bond at Cost kept with Mercantile Bank Limited according to the provision of section 23(8) of Insurance Act-2010 (The 1st Schedule item 2(8) as details below:

| | | |
|--------------------------------|-------------------|-------------------|
| Opening Balance | 73,800,000 | 60,100,000 |
| Add: Purchase during the year | 22,000,000 | 13,700,000 |
| Less: Maturity During the Year | (20,500,000) | - |
| Closing Balance | 75,300,000 | 73,800,000 |

Note: As per SRO no. 353-AIN/2019 Dated. November 11, 2019, Every non-life Insurance company should invest 7.5% of its assets to govt. treasury bond. The company invested Tk. 7,53,00,000.00 which is 7% (Approximately) of the assets. However, management have taken initiative to comply the said circular next year. Accordingly, the management sent an time extension request letter to IDRA.

15 Shares of Listed Companies:

The market price of investment in shares as per requirement of IAS-39 has been as under:

| SL. No. | Name of Companies | Number of Shares as at '01/01/2023 | Purchase during the year | Number of bonus Share Received | No of Share Sales during the year | Number of Shares as at '31/12/2023 | Purchase rate | Purchase Value as at 31/12/2023 | DSC Rate | Market Value as at 31/12/2023 | Profit/(Loss) | Market Value as at 31/12/2022 | Profit/(Loss) in 2023 |
|--------------|---------------------------------|------------------------------------|--------------------------|--------------------------------|-----------------------------------|------------------------------------|---------------|---------------------------------|----------|-------------------------------|---------------------|-------------------------------|-----------------------|
| 01 | Eastern Bank Ltd | 56,361 | - | 7,045.00 | - | 63,406.00 | 25.17 | 1,595,840 | 29.40 | 1,864,136.40 | 268,296.15 | 1,792,279.80 | 71,856.60 |
| 02 | Bahina food Corporation | 490 | - | - | - | 490.00 | 10.00 | 4,900 | 237.70 | 116,473.00 | 111,573.00 | 116,473.00 | - |
| 03 | Alltex industries Ltd | 6,996 | - | - | - | 6,996 | 8.58 | 60,000 | 17.50 | 122,430.00 | 62,430.00 | 165,105.60 | (42,675.60) |
| 04 | Mercantile Bank Ltd | 733 | - | 14.00 | - | 747.00 | 5.31 | 3,963 | 13.30 | 9,935.10 | 5,971.97 | 9,968.80 | (33.70) |
| 05 | Standard Bank Ltd | 2,004.3 | - | 501.00 | - | 20,544.00 | 4.01 | 82,334 | 8.60 | 176,678.40 | 94,344.21 | 176,378.40 | 300.00 |
| 06 | Nitro Insurance Co. Ltd | 1,334 | - | - | - | 1,334.00 | 3.77 | 5,025 | 37.70 | 50,291.80 | 45,266.89 | 55,627.80 | (5,336.00) |
| 07 | Shahjalil Islami Bank Ltd | 6,588 | - | 197.00 | - | 6,785.00 | 4.54 | 30,822 | 18.30 | 124,165.50 | 93,344.00 | 123,854.40 | 311.10 |
| 08 | Southeast Bank Ltd | 104,000 | - | 4,160.00 | - | 108,160.00 | 12.01 | 1,298,569 | 13.30 | 1,438,528.00 | 139,959.04 | 1,435,200.00 | 3,328.00 |
| 09 | One Bank Ltd | 19,740 | - | 987.00 | - | 20,727.00 | 9.44 | 195,578 | 9.50 | 196,906.50 | 1,328.60 | 201,348.00 | (4,441.50) |
| 10 | NCC Bank Ltd | 9,154 | - | 457.00 | - | 9,611.00 | 4.36 | 41,895 | 13.10 | 125,904.10 | 84,008.79 | 126,325.20 | (421.10) |
| 11 | ICB Islamic Bank Ltd | 14,600 | - | - | - | 14,600.00 | 10.00 | 146,000 | 5.40 | 78,840.00 | (67,160.00) | 78,840.00 | - |
| 12 | EXIM Bank Ltd | 102,500 | - | - | - | 102,500.00 | 11.29 | 1,157,379 | 10.40 | 1,066,000.00 | (91,378.75) | 1,066,000.00 | - |
| 13 | Makson Spinning Ltd | 3,492 | - | - | - | 3,492 | 57.04 | 199,200 | 22.30 | 77,871.60 | (121,328.49) | 77,871.60 | - |
| 14 | DBH Ltd | 7,738 | - | 154.00 | - | 7,892.00 | 59.08 | 466,229 | 56.70 | 447,476.40 | (18,752.88) | 447,256.40 | 220.00 |
| 15 | Uttara Bank Ltd | 4,837 | - | 677.00 | - | 5,514.00 | 25.66 | 141,494 | 22.30 | 122,962.20 | (18,532.00) | 112,702.10 | 10,260.10 |
| 16 | National Bank Ltd | 4,229 | - | - | - | 4,229.00 | 16.54 | 69,951 | 8.30 | 35,100.70 | (34,849.92) | 35,100.70 | - |
| 17 | Pubali Bank Ltd | 8,305 | - | - | - | 8,305.00 | 36.06 | 299,479 | 26.20 | 217,591.00 | (81,888.13) | 218,421.50 | (830.50) |
| 18 | Prime Bank Ltd | 14,520 | - | - | - | 14,520.00 | 33.22 | 482,399 | 21.00 | 304,920.00 | (177,479.41) | 278,784.00 | 26,136.00 |
| 19 | Prime Financial First Unit Fund | 16,063 | - | 2,446.00 | - | 18,509.00 | 54.03 | 1,000,000 | 100.00 | 1,850,900.00 | 850,900.00 | 1,606,300.00 | 244,600.00 |
| 20 | UCBL | 13,446 | - | 672.00 | - | 14,118.00 | 15.58 | 219,994 | 12.40 | 175,063.20 | (44,930.54) | 174,798.00 | 265.20 |
| 21 | Titas Gas | 5,250 | - | - | - | 5,250.00 | 87.87 | 461,295 | 40.90 | 214,725.00 | (246,569.93) | 214,725.00 | - |
| 22 | The AOM Laboratories Ltd | 150,000 | - | - | - | 150,000.00 | 53.42 | 8,013,045 | 85.00 | 12,750,000.00 | 4,736,955.00 | 12,750,000.00 | - |
| 23 | IDLC | 3,099 | - | - | - | 3,099.00 | 35.62 | 110,396 | 46.50 | 144,103.50 | 33,707.51 | 144,103.50 | - |
| 24 | ACME PL | 500 | - | - | - | 500.00 | 10.00 | 5,000 | 35.40 | 17,700.00 | 12,700.00 | 17,700.00 | - |
| 25 | SKICL | 6,994 | - | - | - | 6,900.00 | 10.00 | 940 | 52.60 | 4,944.40 | 4,004.40 | 5,414.40 | (470.00) |
| 26 | Meghma Insurance | 4,003 | - | - | - | 4,003.00 | 10.00 | 40,030 | 37.40 | 149,712.20 | 109,682.20 | 171,328.40 | (21,616.20) |
| 27 | BD Thai Food | 68 | - | - | - | 68.00 | 10.00 | 680 | 34.80 | 2,366.40 | 1,686.40 | 3,393.20 | (1,026.80) |
| 28 | Union Insurance Company Ltd | 4,643 | - | - | - | 4,600.00 | 10.00 | 430 | 56.10 | 2,412.30 | 1,982.30 | 1,603.90 | 808.40 |
| 29 | Premier Bank Ltd. | 55,000 | - | 4,125.00 | - | 59,125.00 | 14.01 | 828,300 | 13.20 | 780,950.00 | (47,849.86) | 731,500.00 | 48,950.00 |
| 30 | Union Bank Ltd. | 9,246 | - | 462.00 | - | 9,708.00 | 9.52 | 92,460 | 8.90 | 86,401.20 | (6,058.76) | 85,987.80 | 413.40 |
| Total | | 653,972 | - | 21,897.00 | 11,500.00 | 664,369.00 | | 17,053,627 | | 22,754,988.90 | 5,701,361.79 | 22,424,391.50 | 330,597.40 |

| Particulars | Notes | Amount in Taka | |
|-------------|-------|----------------|-----------|
| | | 31-Dec-23 | 31-Dec-22 |

16.00 Interest, Dividends & Rents Accruing But Not Due

| | | |
|--------------------------------------|------------------|-------------------|
| Interest on Government Treasury Bond | 984,084 | 1,193,460 |
| Interest On Fixed Deposit | 7,785,351 | 9,264,286 |
| Total | 8,769,435 | 10,457,746 |

Details of investment in FDR is shown in the Annexure - E

17.00 Deferred tax assets

| | | |
|-------------------------|------------------|------------------|
| Opening balance | 3,284,238 | 2,358,554 |
| Charged during the year | 1,727,301 | 925,684 |
| Closing balance | 5,011,540 | 3,284,238 |

The management of the company intended to consider deferred tax. In different years litigation is pending in different stages for dispute with National Board of Revenue (NBR) regarding computation of tax liability and tax base assets value. As a result the company unable to determine the actual tax base carrying amount of fixed assets. So the company calculated deferred tax based on the previous tax base carrying amount and considering depreciation rate as per 3rd Schedule of ITO 1984

i. Deferred tax on PPE

| | | |
|--|------------------|------------------|
| WDV of Accounting base | 133,593,350 | 141,275,221 |
| WDV of Tax base | 133,071,359 | 140,924,642 |
| Temporary Difference | (521,991) | (350,579) |
| Tax rate | 37.50% | 37.50% |
| Deferred tax (liability)/assets | (195,746) | (131,467) |

ii. Deferred tax on gratuity provision

| | | |
|---|-------------------|------------------|
| Opening Balance | 7,000,000 | 5,000,000 |
| Add: Provision during the year | 3,000,000 | 2,000,000 |
| Closing Balance | 10,000,000 | 7,000,000 |
| Deferred tax (liability)/asset @ 37.5% | 3,750,000 | 2,625,000 |

iii. Deferred tax on Unrealised gain on investment in shares

| | | |
|---|-----------------|---------------|
| Unrealised gain on investment in shares | 330,597 | (986,421) |
| Deferred tax (liability)/asset @ 10% | (33,060) | 98,642 |

iv. Deferred tax on Loss allowance for expected credit losses

| | | |
|---|------------------|------------------|
| Loss allowance for expected credit losses | 5,000,000 | 3,000,000 |
| Deferred tax (liability)/asset @ 37.5% | 1,875,000 | 1,125,000 |

v. Deferred tax on Revaluation reserve

| | | |
|----------------------------|------------------|------------------|
| Opening balance | (432,937) | (483,760) |
| Adjustment during the year | 48,283 | 50,824 |
| Closing balance | (384,654) | (432,937) |

18.00 Outstanding Premium

| Class | Up to 2020 | | | | | 2021 | | | | |
|---------------|-------------------|------------------|-----------|----------|-------------------|----------|----------|----------|------------|--|
| | Premium | VAT | Govt. Tax | S. Duty | Total Taka | Premium | VAT | S. Duty | Total Taka | |
| Fire | 4,203,981 | 529,389 | - | - | 4,733,370 | - | - | - | - | |
| Marine Cargo | 4,129,728 | 760,902 | - | - | 4,890,630 | - | - | - | - | |
| Marine Hull | - | - | - | - | - | - | - | - | - | |
| Motor | 15,044,569 | 2,355,600 | - | - | 17,400,169 | - | - | - | - | |
| Miscellaneous | - | - | - | - | - | - | - | - | - | |
| Total | 23,378,278 | 3,645,891 | - | - | 27,024,169 | - | - | - | - | |

| Class | 2022 | | | 2023 | | | Grand Total |
|---------------|---------|-----|---------|---------|-----|---------|-------------------|
| | Premium | VAT | S. Duty | Premium | VAT | S. Duty | |
| Fire | - | - | - | - | - | - | 4,733,370 |
| Marine Cargo | - | - | - | - | - | - | 4,890,630 |
| Marine Hull | - | - | - | - | - | - | - |
| Motor | - | - | - | - | - | - | 17,400,169 |
| Miscellaneous | - | - | - | - | - | - | - |
| | | | | | | | 27,024,169 |

Note: Amount taka 50,000/- has subsequently been realized till March 31, 2024 and Rest amount recoverability of this amount is doubtful. Also the Company is realizing the outstanding amount from service benefit of employees, engaged in procuring the business, at the time of retirement.

| Particulars | Amount in Taka | |
|-------------|----------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 |

19.00 Amount Due From Other Person or Bodies Carrying on Insurance Business

The above amount represents the total receivable from various persons or bodies carrying on insurance business as co-insurance as on 31st December, 2023. The details of which are given below:

| | | |
|--|--------------------|--------------------|
| Green Delta Insurance Co. Ltd. | 739,938 | 739,938 |
| Rupali Insurance Co.Ltd. | 480,318 | 480,318 |
| Central Insurance Co.Ltd. | 38,605 | 38,605 |
| Janata Insurance Co.Ltd. | 113,951 | 113,951 |
| Bangladesh General Insurance Co.Ltd. | 557,057 | 557,057 |
| Estland Insurance Co.Ltd. | 187,340 | 187,340 |
| Purabi General Insurance Co.Ltd. | 25,546 | 25,546 |
| Phoenix Insurance Co.Ltd. | 802,807 | 802,807 |
| Peoples Insurance Co.Ltd. | 372,038 | 372,038 |
| United Insurance Co.Ltd. | 51,090 | 51,090 |
| Bangladesh Co-operative Insurance Ltd. | 27,049 | 27,049 |
| The City General Insurance Co.Ltd. | 641,684 | 641,684 |
| Sonar bangla Insurance Co. Ltd. | 30,207 | 30,207 |
| Islami Insurance Company Ltd. | 43,966 | 43,966 |
| Express Insurance Co. Ltd. | 598,786 | 598,786 |
| Agrani Insurance Co. Ltd. | 48,159 | 48,159 |
| Takaful Insurance Co. Ltd. | 48,523 | 48,523 |
| Republic Insurance Co. Ltd. | 31,623 | 31,623 |
| Union Insurance Company Ltd. | 2,333,939 | 2,333,939 |
| Islami Commercial Insurance Company Ltd. | 631,878 | 631,878 |
| Sadharan Bima Corporation (SBC) | 403,654,101 | 358,729,074 |
| Total | 411,458,604 | 371,617,321 |

19.01 The balance of SBC represents the cumulative balance due to them as on December 31, 2023 on account of re-insurances business after adjusting commission and claims settled on their behalf.

The above mentioned amounts except for SBC is long pending issues and management is in process to settle this issues and will make necessary arrangement or take allowances for loss if applicable in subsequent years.

20.00 Advances & Deposits (Sundry debtors)

| | | | |
|----------------------------|-------|--------------------|--------------------|
| Advance Against Income Tax | 20.01 | 41,522,716 | - |
| Advance Against Others | 20.02 | 175,278,677 | 196,320,818 |
| Deposit and Prepayments | 20.03 | 75,707,434 | 77,549,478 |
| Total | | 292,508,827 | 273,870,296 |

20.01 Advance Against Income Tax

| | | | |
|-------------------------------------|----------|-------------------|--------------------|
| Advance Against Income Tax | 20.01.01 | 17,342,722 | 59,781,017 |
| Corporate Income Tax | 20.01.02 | 24,179,994 | 113,600,273 |
| Total | | 41,522,716 | 173,381,290 |
| Less: Adjustment with tax Liability | | - | 173,381,290 |
| | | 41,522,716 | - |

20.01.01 Advance Against Income Tax

| | | |
|---|-------------------|-------------------|
| Opening balance at January 01, 2023 | - | 37,551,250 |
| Add: Paid during the year | 17,342,722 | 22,229,767 |
| Closing balance at December 31, 2023 | 17,342,722 | 59,781,017 |

| Particulars | Amount in Taka | |
|-------------|----------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 |

20.01.02 Corporate Income Tax

| | | |
|---|-------------------|--------------------|
| Opening balance at January 01, 2023 | - | 105,411,813 |
| Add: Paid during the year | 24,179,994 | 8,188,460 |
| Closing balance at December 31, 2023 | 24,179,994 | 113,600,273 |

20.02 Advance Against Others:

| | | |
|---|--------------------|--------------------|
| Advance Against Salary | 6,447,358 | 7,956,650 |
| Advance Against office Rent | 772,946 | 238,620 |
| Advance Against Medical | 154,000 | 154,000 |
| Advance Against Claim Payment: Motor | 190,000 | 190,000 |
| Advance Against Building (Chandrashila Suvastu Tower) | 24,000,000 | 12,000,000 |
| Advance Against Professional Fee | 100,000 | - |
| Protested claim ² | - | 30,000,000 |
| Advance Against Claim Payment : Misc. | 5,109,500 | 5,859,500 |
| Agent Balance | 117,752,865 | 118,123,240 |
| Short Term Loan | 3,183,482 | 3,183,482 |
| House Building Loan | 313,585 | 313,585 |
| Motor Car Loan | 703,600 | 400 |
| Motor Cycle Loan | 61,769 | 61,769 |
| Collection Control Account | 17,989,571 | 18,739,571 |
| Contribution to BIA for Purchase of Land at Uttara | 1,000,000 | 1,000,000 |
| | 177,778,677 | 197,820,818 |
| Less: Loss allowance for expected credit losses | 2,500,000 | 1,500,000 |
| Total | 175,278,677 | 196,320,818 |

Note:-1 Advance against others consists of long aged advances amounting Tk. 140,851,936/- (Advance Against Claim Payment: Misc. amounting Tk. 5,109,500/-, Agent Balance amounting tk. 117,752,865/- and Collection Control Account amounting Tk. 17,989,571/-) which is doubtful of recovery. The company made loss allowance for this expected credit losses of Tk. 25,00,000 and balance of this expected credit loss is total Tk. 138,351,936. The company will make the loss for this expected credit loss within (5) five years commencing from 2023.

20.03 Deposit & Prepayments

| | | |
|---|-------------------|-------------------|
| Security Deposit | 291,895 | 291,895 |
| Lease Deposit | 1,009,160 | 1,009,160 |
| Merchant Securitax Ltd. | 712,970 | 55,013 |
| Prepaid expenses | 76,013,409 | 77,013,409 |
| Advance Against License Fee | 180,000 | 180,000 |
| | 78,207,434 | 78,549,478 |
| Less: Loss allowance for expected credit losses | 2,500,000 | 1,000,000 |
| Total | 75,707,434 | 77,549,478 |

Note: Deposit and Prepayments consists of long aged advances amounting Tk. 76,013,409 'which is doubtful of recovery. The company made loss allowance for this expected credit losses of Tk. 2,500,000 and balance of this expected credit loss Tk. 73,513,409. The company will make the loss for this expected credit loss within (5) five years commencing from 2023.

| Particulars | Amount in Taka | |
|--|--------------------|--------------------|
| | Dec 31, 2023 | Dec 31, 2022 |
| 21.00 Property, Plant and Equipment | | |
| A. Cost: | | |
| Opening Balance as at 01.01.2023 | 376,944,659 | 359,953,213 |
| Add: Addition during the year | 8,976,910 | 17,087,689 |
| Less: Disposal during the year | (171,646) | (96,243) |
| Closing balance as at 31.12.2023 | 385,749,923 | 376,944,659 |
| B. Depreciation | | |
| Opening Balance as at 01.01.2023 | 189,587,226 | 166,966,230 |
| Add: Depreciation Charged during the year | 20,714,149 | 22,684,859 |
| | 210,301,375 | 189,651,089 |
| Less: Adjustment during the year | (114,836) | (63,863) |
| Closing balance as 31.12.2023 | 210,186,539 | 189,587,226 |
| WDV (A-B) as at 31.12.2023 | 175,563,385 | 187,357,434 |
| (Details are shown in Annexure-C) | | |
| 21.01 Intangible Assets | | |
| A. Cost: | | |
| Opening Balance as at 01.01.2023 | 3,492,472 | 3,300,805 |
| Add: Addition during the year | 246,575 | 191,667 |
| Less: Adjustment for the year | - | - |
| Closing balance as at 31.12.2023 | 3,739,047 | 3,492,472 |
| B. Accumulated Depreciation | | |
| Opening Balance as at 01.01.2023 | 1,966,440 | 1,700,381 |
| Add: Amortisation during the year | 255,628 | 266,059 |
| | 2,222,068 | 1,966,440 |
| Less: Adjustment during the year | - | - |
| Closing balance as 31.12.2023 | 2,222,068 | 1,966,440 |
| WDV (A-B) as at 31.12.2023 | 1,516,979 | 1,526,032 |
| (Details are shown in Annexure-D) | | |
| 22.00 Cash and cash equivalents | | |
| Fixed Deposits (Annexure-E) | 391,189,585 | 460,061,043 |
| Current Account | (19,816,477) | (13,297,407) |
| Short-term Deposits | 94,990,514 | 46,310,998 |
| Sub Total | 466,363,622 | 493,074,634 |
| Cash in Hand | 723,692 | 1,840,234 |
| Stamp in Hand | 784,000 | 213,600 |
| | 467,871,314 | 495,128,468 |

The management through balance confirmation certificate has confirmed the balance of in hand as on December 31, 2023.

| Particulars | Amount in Taka | |
|-------------|----------------|--------------|
| | Dec 31, 2023 | Dec 31, 2022 |

22.01 Cash at Bank

| | | |
|---|--------|---------|
| Standard Bank Ltd., P.O. A/c. 33009114 (Dilkusha) | 674 | 1,025 |
| NRB Commercial Bank, Uttara A/C-333000114 | 13,776 | 4,757 |
| Islami Bank Bangladesh Ltd., Ambarkhana-100079300 | 1,665 | 1,035 |
| Social Islami Bank, Bogra Br., A/c. 330005431 | 480 | 1,435 |
| Pubali Bank Ltd., kawran Bazar Br.-1025682 | 4,818 | 3,045 |
| Uttara Bank Ltd. Fakirapool Br., A/C-212125 | 1,823 | 2,118 |
| Mercantile Bank Ltd. N.gonj Br. A/C-32009 | 0.60 | 80 |
| N.C.C. Bank Ltd., Agrabad Br.-021000207 | 2,059 | 2,542 |
| Uttara Bank, Elephant Road Branch CD-2200211140 | 1,419 | 2,043 |
| National Bank Ltd., Rangpur Br.-33028202 | 1,129 | 1,814 |
| Mercantile Bank Ltd., Kushtia Bazar Br., 8348 | 316 | 1,001 |
| Sonali Bank, DB Road Br.-33000451 | 1,662 | 1,810 |
| N.C.C. Bank Ltd., Jessore Br.-10006224 | 126 | 169 |
| N.C.C. Bank Ltd., Cumilla Br.-10015184 | 800 | 708 |
| Prime Bank Ltd., Motijheel Br.-90000495/24525 | 176 | 5,066 |
| Islami Bank(BD) Ltd., Nawabpur Br.-100175313 | 887 | 1,227 |
| BASIC Bank Ltd., Bangshal Br.-000488 | 30,152 | 4,397 |
| Bangladesh Commerce Bank, Jubilee Road Br.A/C-01921001693 | 541 | 3,061 |
| EXIM Bank Ltd., Khulna-24006 | 704 | 880 |
| Shahjalal Islami Bank Ltd., K. Gonj-2204 | 1,040 | 172,912 |
| Standerd Bank Limited, Topkahna Road Br.CD-33007874 | 569 | 409 |
| Prime Bank Ltd. New Easkaton Br. CD A/C- 16279 | 394 | 99 |
| Islami Bank (BD) Ltd., Chapai Nawabgonj, CD- 443004 | 982 | 929 |
| NCC Bank Ltd. Anderkilla Br. A/C- 17077 | 1,826 | 1,716 |
| NCC Bank Ltd. Mitford Br. A/C- 10025216 | 653 | 12,708 |
| Islami Bank (BD) Ltd., Dewanhat Br., CD A/C-123800 | 1,042 | 305 |
| Prime Bank Ltd. Joypurhat Br. CD A/C- 9053 | 1,874 | 2,973 |
| NCC Bank Ltd. Rajshahi Br. A/C- 15867 | 30 | 410 |
| NCC Bank Ltd. Foreign Exchange Br. CD A/C- 24653 | 1,349 | 2,442 |

| Particulars | Amount in Taka | |
|---|---------------------|---------------------|
| | Dec 31, 2023 | Dec 31, 2022 |
| NCC Bank Ltd. Tongi Br. A/C- 11775 | 1,460 | 1,460 |
| NCCBL, Panthapath Branch-210004419 | (1,232,786) | (1,605,727) |
| AL-Arafa Islami Bank Ltd., Motijheel Corp. Br. 20048338 | (19,511,899) | (15,189,832) |
| Mercantile Bank Ltd., Main Br., A/c.11100081917 | 25,796 | 2,699,871 |
| Sonali Bank Ltd. Karwan Bazar, CD-0117203000244 | 1,016,355 | 549,836 |
| Pubali Bank Ltd. Karwan Bazar, CD-0557102001816 | (188,369) | 13,873 |
| Total | (19,816,477) | (13,297,407) |

The above bank balances have been confirmed through bank statement after due reconciliation.

22.02 Short-term Deposits

| | | |
|---|-------------------|-------------------|
| Bank Asia Ltd. Tower Br. A/C-022 | 51,784 | 340,277 |
| N.C.C. Bank Ltd., Panthapath Br.-278 | 44,882,186 | 34,002,608 |
| Mercantile Bank Ltd., Main Br.-31000201/251 | 1,563,702 | 9,130 |
| Islami Bank (BD) Ltd. Karwan Bazar, A/C-900011912 | 4,569,415 | 4,041,779 |
| Prime Bank Ltd. Karwan Bazar, A/C-2113314012731 | 43,923,427 | 7,917,204 |
| Total | 94,990,514 | 46,310,998 |

23.00 Forms And Stationery in Hand

| | | |
|-------------------------------|------------------|------------------|
| Printing & Stationery in Hand | 1,539,497 | 1,695,575 |
| Total Taka | 1,539,497 | 1,695,575 |

23.1 Printing & Stationery in Hand

| | | |
|--------------------------------|------------------|------------------|
| Opening Balance | 1,695,575 | 2,015,500 |
| Add: Purchased during the year | 1,539,498 | 1,695,575 |
| | 3,235,072 | 3,711,075 |
| Less: Used during the year | (1,695,575) | (2,015,500) |
| Closing Balance | 1,539,497 | 1,695,575 |

The management through balance confirmation certificate has confirmed the forms and stationery balance in hand as on December 31, 2023.

| Particulars | Amount in Taka | |
|---|-------------------|-------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 24.00 Interest, Dividends & Rent | | |
| Interest on Fixed Deposit Receipt (FDR) | 23,231,112 | 19,061,037 |
| Interest on Government Treasury Bond | 7,172,389 | 5,270,310 |
| Interest on Bank & Others | 169,724 | 338,570 |
| Interest on House Building Loan | - | 12,423 |
| Interest on Advance Salary | 14,496 | 26,688 |
| Total Taka | 30,587,721 | 24,709,028 |
| 25.00 Miscellaneous Income | | |
| Dividend from Mercantile Bank Ltd. | 595 | 712 |
| Dividend from The ACME Laboratories Ltd. | 360,000 | 871,526 |
| Dividend from UCBL | 5,378 | 4,765 |
| Dividend from Uttara Bank Ltd. | 5,421 | 4,753 |
| Dividend from National Bank Ltd. | - | 3 |
| Dividend from Shahajalal Bank Ltd. | 6,336 | 5,035 |
| Dividend from Pubali Bank Ltd. | 8,501 | 8,344 |
| Dividend from Eastern Bank Ltd. | 56,365 | 50,111 |
| Dividend from NCC Bank Ltd. | 3,662 | 8,451 |
| Dividend from Standard Bank Ltd. | 4,009 | 4,670 |
| Dividend from Exim Bank Ltd. | 82,000 | 82,000 |
| Dividend from Prime Bank Ltd. | 20,328 | 20,328 |
| Dividend from Southeast Bank Ltd. | 49,920 | 67,079 |
| Dividend from IDLC Finance | - | 3,756 |
| Dividend from Premier Bank Ltd. | 55,000 | 50,000 |
| Dividend from Union Bank Ltd. | 3,883 | 3,698 |
| Dividend from Union Insurance Co. Ltd. | - | 1,857 |
| Dividend from MTBL | - | 8,048 |
| Dividend from NRB Bank Ltd. | - | 8,475 |
| Dividend from Nitol Insurance Co. Ltd. | 1,174 | - |
| Dividend from Meghna Insurance | 4,163 | - |
| Dividend from BD. Thai Food | 16 | - |
| Dividend from ACME PL | 200 | - |
| Dividend from Citi Bank N. A. | 13,334 | - |
| Dividend from SKIL | 6,714 | - |
| Dividend from Makson Spinning Mills Ltd. | 2,794 | - |
| Total | 689,793 | 1,203,612 |

Federal Insurance Company Limited.

Schedule of Profit/ Loss on sale of Fixed Assets

As at December 31, 2023

Note: 26

| Particulars of Fixed Assets | Year of Purchase | Cost | Depreciation up to 31.12.23 | WDV as on 31.12.23 | Sale Value | Profit/ Loss | Name of Party | Mode of Disposal |
|----------------------------------|------------------|----------------|-----------------------------|--------------------|---------------|--------------|--|-------------------|
| Air Conditioner and Refrigerator | 2018 | 94,604 | 63,604 | 31,000 | 31,000 | - | COOLTECH CORPORATION | By spot quotation |
| Office Decoration | 2013 | 28,106 | 18,306 | 9,800 | 9,800 | - | ABDUL ALIM | By spot quotation |
| Typewriter & Office Equipment | 2016 | 37,464 | 25,454 | 12,010 | 12,010 | - | M/S. TECHNO MART & MD. HAIDER ALI SHEIKH | By spot quotation |
| Furniture & Fixture | 2013 | 11,472 | 7,472 | 4,000 | 4,000 | - | MD. MUSA | By spot quotation |
| Total | | 171,646 | 114,836 | 56,810 | 56,810 | - | | |

Federal Insurance Company Limited.

Schedule of Profit/(Loss) in Share Sales

For The Year ended December 31, 2023

Note-27:

| SL. No. | Name of Companies | No of Share Sales during the year | Rate | Cost of Sales Value | Sales (Rate) | Sales Value | Commission | Net Sales Value | Profit/(Loss) |
|---------|--------------------------|-----------------------------------|-------|---------------------|--------------|-------------------|-----------------|-------------------|------------------|
| 01 | SKICL | 6,900.00 | 57.60 | 397,440.00 | 55.54 | 383,193.20 | 3,831.93 | 379,361.27 | (18,078.73) |
| 02 | Union Insurance Co. Ltd. | 4,600.00 | 37.30 | 171,580.00 | 59.03 | 271,540.20 | 2,715.40 | 268,824.80 | 97,244.80 |
| | Total= | 11,500.00 | | 569,020.00 | | 654,733.40 | 6,547.33 | 648,186.07 | 79,166.07 |

| Particulars | Amount in Taka | |
|-------------|----------------|---------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |

28.00 Expenses of Management Charged To Profit And Loss Account (Being Not Related To Any Particular Fund Or Account)

| | | |
|---------------------------------|-------------------|-------------------|
| Insurance premium paid | 622,458 | 891,373 |
| Bank charge | 1,056,964 | 408,955 |
| Board meeting expenses | 12,686 | 78,358 |
| Crockeries Account | 31,180 | 13,500 |
| Festival allowances | 10,824,014 | 9,818,146 |
| Advertisement and publicity | 5,651,300 | 2,568,381 |
| Travelling expenses | 535,282 | 641,515 |
| Bima Mela Expenses | - | 114,400 |
| Training expenses | 94,875 | 53,975 |
| Liencee fee | 49,912 | 119,628 |
| Annual general meeting expenses | 73,250 | 98,138 |
| Final settlement | 418,776 | 297,483 |
| Credit rating expenses | 161,250 | 322,500 |
| Gratuity Expenses | 9,018,335 | 5,057,667 |
| Group insurance Premium | 420,737 | 416,453 |
| Corporate Social Responsibility | 50,000 | 100,000 |
| Financial Expense | - | 164,951 |
| Finance cost (Lease and others) | 684,604 | 783,649 |
| Uniform & Liveries | - | 48,064 |
| Total | 29,705,623 | 21,997,136 |

29.00 Audit Fees

| | | |
|--------------------------------|----------------|----------------|
| Statutory Audit Fee | 207,000 | 207,000 |
| Provident Fund | 57,500 | 172,500 |
| Corporate Governance Audit Fee | 28,750 | 23,000 |
| Jesmin & Associate | 28,750 | 17,250 |
| Total | 322,000 | 419,750 |

30.00 Statutory fees for Insurance Business License and Annual Registration

| | | |
|---|----------------|----------------|
| Statutory fees for Insurance Business License and Annual Registration | 805,128 | 743,169 |
| Total | 805,128 | 743,169 |

30.01 The amount was paid as fees for renewal of registration for the year 2024 @ Tk. 1 per Tk.1,000 of gross premium of Tk. 67,80,49,525/- (Underwritten in 2022) with 15% VAT.

31.00 Claim Paid during the year

| Particulars | Fire | | Marine Cargo | | | Marine Hull | | | |
|----------------------|-------------------|----------------|-------------------|--------------------|----------------|--------------------|------------------|----------------|------------------|
| | Private | Public | Total | Private | Public | Total | Private | Public | Total |
| Paid during the year | 96,041,214 | 173,498 | 96,214,712 | 15,098,144 | 774,821 | 15,872,965 | 22,250,165 | 26,929,941 | 49,180,106 |
| Less: Recovery | 50,303,973 | 11,236 | 50,315,209 | 17,587,489 | 139,242 | 17,726,731 | 17,211,948 | 26,745,342 | 43,957,290 |
| Add: Due to Accepted | - | - | - | - | - | - | - | - | - |
| Total Amount | 45,737,241 | 162,262 | 45,899,503 | (2,489,345) | 635,579 | (1,853,766) | 5,038,217 | 184,599 | 5,222,816 |

| Particulars | Motor | | Miscellaneous | | | Grand Total |
|----------------------|------------------|----------------|------------------|-------------------|---------------|--------------------|
| | Private | Public | Total | Private | Public | |
| Paid during the year | 7,804,261 | 101,852 | 7,906,113 | 46,711,119 | 2,083,640 | 48,794,759 |
| Less: Recovery | - | - | - | - | 2,025,665 | 2,025,665 |
| Add: Due to Accepted | - | - | - | 12,973 | - | 12,973 |
| Total Amount | 7,804,261 | 101,852 | 7,906,113 | 46,724,092 | 57,975 | 46,782,068 |
| | | | | | | 217,968,655 |
| | | | | | | 114,024,894 |
| | | | | | | 12,973 |
| | | | | | | 103,956,734 |

| Particulars | Amount in Taka | |
|--|--------------------|--------------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |
| 32.00 Management Expenses Allocated to Revenue Accounts | | |
| Salary and Allowances | 106,077,782 | 108,373,611 |
| Entertainment and Office Tea | 500,834 | 538,367 |
| Office Contingence & General Charge | 652,481 | 525,313 |
| Printing Charge | 636,410 | 866,383 |
| Photostat Charges | 107,370 | 109,098 |
| Conveyance Charges | 648,659 | 876,677 |
| Rent, Rates and Taxes | 5,680,209 | 5,008,678 |
| Motor Car Allowance | 1,692,616 | 2,041,200 |
| Stationery Expenses | 584,372 | 529,353 |
| Postage and Telegram | 267,137 | 315,635 |
| Electrical Expenses | 274,755 | 150,192 |
| Wages | 921,688 | 904,833 |
| Telephone, Trunkcall and Telex | 1,448,237 | 1,148,375 |
| Car Maintenance : Fuel | 568,243 | 503,981 |
| Car Maintenance : Repairs | 472,843 | 232,381 |
| Car Maintenance : Others | 339,803 | 343,947 |
| Repairs Renewals & Maintenance | 398,553 | 362,464 |
| Revenue stamp Expenses | 259,040 | 332,770 |
| Papers and Periodicals | 100,493 | 91,621 |
| Service Charges | 287,438 | 161,758 |
| Pre-Underwriting Expenses | 449,689 | 341,724 |
| Medical Expenses | 87,365 | 28,238 |
| UMP Expenses | 373,268 | 419,247 |
| Management Expenses (SBC) | 7,803,278 | 7,260,007 |
| Electricity Charges | 1,498,269 | 980,032 |
| Insurance Policy Stamp Expenses : Fire | 3,572,443 | 1,325,383 |
| Insurance Policy Stamp Expenses : Misc.Accdt. | 77,670 | 13,843 |
| Insurance Policy Stamp Expenses : Motor | 30,118 | 109,228 |
| Total | 135,811,063 | 133,894,338 |

| Particulars | Amount in Taka | |
|-------------|----------------|---------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |

33.00 Agency Commission:

| | | |
|-------------------|------------|------------|
| Agency Commission | 84,322,438 | 87,358,945 |
|-------------------|------------|------------|

Agency commission paid on the premium earned during the year as per the insurance Act 2010.

34.00 Public Sector Business:

| | | |
|------------------------|-------------|------------|
| Public Sector Business | 103,391,851 | 96,148,241 |
|------------------------|-------------|------------|

As per government decision, public sector insurance business so long underwritten solely by Sadharan Bima Corporation (SBC), is being underwritten as from 01 April 1990 jointly by SBC and all (presently 46) private sector insurance companies in Bangladesh. Regarding coinsurance business 50% is underwritten by SBC and the balance equally by all the private sector insurance companies. Company's share of public sector business up to December, 2023 has been accounted for in the year in which the statement of account from SBC is received. During the year under audit, through operation of all the branches the gross net premium earned by the Company amounted to Tk. 664,689,521 including public sector business of Tk. 103,391,851.

35.00 Net Assets Value (NAV) Per Share

| | | |
|--|--------------|--------------|
| Net Assets | 918,351,507 | 921,143,463 |
| Weighted average number of ordinary shares outstanding during the year | 71,039,643 | 71,039,643 |
| Net Assets Value (NAV) Per Share | 12.93 | 12.97 |

36.00 Net Earnings Per Share (EPS)

| | | |
|--|-------------|-------------|
| Earning Attributable to the Ordinary Shareholders (Net profit after tax) | 68,199,404 | 73,475,911 |
| Weighted average number of ordinary shares outstanding during the year | 71,039,643 | 71,039,643 |
| Earnings Per Share (EPS) | 0.96 | 1.03 |

37.00 Net Operating Cash flows Per Share

| | | |
|--|-------------|-------------|
| Net Cash Flows from Operating Activities | 66,078,108 | 117,522,764 |
| Weighted average number of ordinary shares outstanding during the year | 71,039,643 | 71,039,643 |
| Net Operating Cash flows Per Share | 0.93 | 1.65 |

| Particulars | Amount in Taka | |
|-------------|----------------|---------------|
| | Dec. 31, 2023 | Dec. 31, 2022 |

37.01 Reconciliation statement of net Operating Cash Flow for the year 2023 making adjustment of non cash items for non-operating items and for the net changes in operating accruals.

A. Cash flow from operating activities :

| | | |
|---------------------------------------|--------------------|--------------------|
| Net profit | 113,945,674 | 112,211,677 |
| Add : Depreciation | 20,969,777 | 22,950,918 |
| Add : Finance cost of lease liability | 684,604 | 783,649 |
| (Profit)/Loss on sale of assets | - | - |
| | 135,600,055 | 135,946,244 |

Increase / (Decrease) in current liabilities :

| | | |
|---|-------------------|-------------------|
| Increase / (Decrease) Gratuity | 3,000,000 | 2,000,000 |
| Increase / (Decrease) Estimated liability in respect of outstanding claims whether due or intimated | (5,003,571) | (2,697,505) |
| Increase / (Decrease) Amount due to other persons or bodies carrying on insurance business | 0 | 122,676 |
| Increase / (Decrease) Sundry Creditors (Except provision for taxes), Unexpered Risk & Lease Liabilities | (15,983,708) | 12,343,526 |
| Increase / (Decrease) Premium Deposits | (8,946,165) | (1,564,103) |
| | 26,933,443 | 10,204,596 |

(Increase) / Decrease in current assets :

| | | |
|--|---------------------|---------------------|
| (Increase) / Decrease Interest, Dividends & Rents accruing but not due | 1,688,312 | (1,128,780) |
| (Increase) / Decrease of Outstanding premium | 2,046,921 | 1,330,980 |
| (Increase) / Decrease Amount due from other persons or bodies carrying on insurance business | (39,841,284) | (5,132,567) |
| (Increase) / Decrease Sundry Debtors -Except AIT & Advance for Floor purchase | 34,884,186 | 6,400,593 |
| (Increase) / Decrease Stock of stationery | 156,077 | 319,925 |
| | (1,065,788) | 1,790,151 |
| Income tax Paid | (41,522,716) | (30,418,227) |
| Net cash flow from operating activities | 66,078,108 | 117,522,764 |

Some Changes in cash flow statment as per IAS Presentation is curent year. Prior year figures were not re-arranged to match with the current year presentation.

38.00 RELATED PARTY DISCLOSURE

During the reporting year, the company has not carried on any transaction with related parties as per provisions of IAS 24- Related Party Disclosure.

39.00 Post Balance Sheet Event:

There was no other significant event that has occurred between the balance sheet date and the date when these financial statements are authorized for issue by the board of directors except recommendation of 10% cash dividend for shareholders in the 183th meeting of the board of directors of Company held on 28 April, 2024 subject to approval at the Annual General Meeting.

40.00 Credit Facility Available to the Company:

There was no credit facility available to the company under any contract at the balance sheet date other than trade credit available in the ordinary course of business.

41.00 Expenses Incurred in Foreign Currency:

The company has neither incurred any expenses nor earned any income in foreign currency on account of royalty, technical expert and professional advisory fee, etc., during the year of reporting apart from those out of reinsurances treaties.

42.00 Payments to Directors/Officers:

The aggregate amount paid/provided during the year in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 2020 are disclosed below:

| Particulars | 2023 | | 2022 | |
|----------------------------------|------------------|-------------------|------------------|-------------------|
| | Directors | Senior Executives | Directors | Senior Executives |
| Board Meeting Fees and Expenses | 1,577,600 | - | 1,942,400 | - |
| Basic Salary | | 26,158,050 | | 29,837,500 |
| Other Allowances | | 14,386,928 | | 16,882,500 |
| Total Taka: | 1,577,600 | 40,544,978 | 1,942,400 | 46,720,000 |
| Non Cash Benefits- Full Time Car | - | 18 nos | - | 20 nos |

43.00 Disclosure as per Schedule XI, Part II of the Companies ACT 1994.

The aggregate amount paid/provided during the year in respect of directors and officers of the Company as defined in the Securities and Exchange Rules, 2020 are disclosed below:

| Particulars | 2023 | 2022 |
|---|------------|------------|
| i) Number of employees drawing salary above Tk.3,000 per month | 466 | 464 |
| ii) Number of employees drawing salary up to Tk.3,000 per month | - | - |
| Total | 466 | 464 |

44.00 Name of Directors & their interest in the different entity (as on 31.12.2023)

| SL. No. | Name of Directors | Name of entity and position held | Remarks |
|---------|--|--|---------|
| 01. | Mr. Enamul Hoq Chairman (Representing M/s Paradise Corporation (Pvt.) Ltd.) | Senate Member University of Chittagong Chairman : a) Eden Multi-Care Hospital Ltd. b) Paradise Corporation (Pvt) Ltd. Vice Chairman: a) Sino-Bangla Industries Ltd. (Joint Venture with Chaina) Director a) Central Hospital Ltd. b) Central Physiotherapy & Rehabilitation Centre Ltd. Advisor a) Dutch Bangla Pack Ltd. (Joint Venture with Netherlands) | |
| 02. | Mr. Elias Siddiquee Vice Chairman | Chairman : a) Pubali Engineering and Construction Co. Ltd. b) Pubali Construction Equipment & Machinery Trading L.L.C Vice Chairman: a) Bashundhara Eye Hospital & Research Institute. Director : a) Central Hospital Ltd. Proprietor: a) Pubali International. | |

| | | | |
|-----|--|---|--|
| 03. | Alhaj Md. Abdul Khaleque Director | Chairman: a) RNSCO Merchandizing Ltd. b) Chittagong Agency Managing Partner: Chittagong Trade International | |
| 04. | Mr. Safar Raj Hossain Chairman Audit Committee (Independent Director) | N/A | |
| 05. | Mr. Sabirul Hoque Chairman Claims Committee | Director : a) Noor Oil & Food Products Ltd. b) Arafat Limited (Dada Pak Ltd.) Proprietor : a) S.H. Trading Corporation | |
| 06. | Mr. Md. Rafiqul Islam Chairman, NRC (Independent Director) | N/A | |
| 07 | Md. Mahfuzur Rahman, Chairman, RMC (Independent Director) | N/A | |
| 08. | Mr. Jainul Abedin Jamal Chairman, Executive & Investment Committee | Chairman: a) Chittagong Builders & Machinery Ltd. b) Sifang Securities Ltd. c) Merchant Securities Ltd. Vice Chairman: ASM Chemical Industries Ltd. Director: a) Eden Multicare Hospital Ltd. b) Universal Health Services & Research Ltd. | |
| 09. | Ms. Khadizatul Anwar, MP Director | Chairman: a) Alhaj Rafiqul Anwar Morsheda Akther Trust Director: a) Golden Inn Chattagram Ltd. | |
| 10. | Mrs. Mamtaj Begum Director | Managing Director : Impel Shares & Securities Ltd. | |
| 11. | Mr. Morshedul Shafi Director (Representing M/s J S International corp. Ltd.) | Managing Director: J S International Corporation Ltd. Proprietor: Shafi & Company | |
| 12. | Mr. Tahreer Nawaz Director | Director & CEO Merchant Autos Ltd. Proprietor: Chittagong Corporation | |
| 13 | Mr. Towfiqul Islam Chowdhury Director | Proprietor : Chowdhury Corporation | |

| | | | |
|----|---|---|--|
| 14 | Mr. Towhidul Alam Director | Managing Director: ATR Food Processing Ltd. Director: a) Chittagong Padding Mills Ltd. b) ATR Agro Products Ltd. | |
| 15 | Mr. AKM Ziauddin Chowdhury Director | N/A | |
| 16 | Mrs. Hasina Banu Director | Director: Eden Multi-Care Hospital | |
| 17 | Mr. Jia Uddin Director | General Manager: Impel Share & Securities Ltd. | |
| 18 | Mr. Abrarul Hoque Director | Director: Arafat Limited. Proprietor : a) BD Portland Corporation b) S H Trading Corporation | |
| 19 | Mr. Faraaz Karim Chowdhury Director | Managing Director: a) DFN Associates Ltd b) FAV Diesel Sales and Service Ltd c) Maximum Support Ltd. Director: a) Fazle Securities Ltd. b) New Era Fashion MFRS (BD) Ltd. | |

Federal Insurance Company Ltd.

Classified Summary of Assets as at December 31, 2023

FORM AA

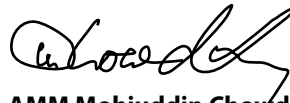
Annexure-A

| Particulars | Dec 31, 2023 | Dec 31, 2022 | |
|--|----------------------|----------------------|------------------|
| Statutory Investment in Treasury Bond | 75,300,000 | 73,800,000 | At Cost |
| Share with Listed Companies | 22,754,989 | 22,993,412 | Market Value |
| Agents Balance | 117,752,865 | 118,123,240 | Book Value |
| Outstanding Premium | 27,024,169 | 29,071,090 | ditto |
| Interest accrued but not due | 8,769,435 | 10,457,746 | Realizable Value |
| Deferred Tax Assets | 5,011,540 | 3,284,238 | |
| Cash on Fixed and Term deposit with Banks in Bangladesh | 391,189,585 | 460,061,043 | ditto |
| Cash on Current Account with Banks in Bangladesh | 75,174,037 | 33,013,591 | ditto |
| Cash in Hand, Stamps & Cash in Transit | 1,507,692 | 2,053,834 | ditto |
| Sundry debtors | 174,755,962 | 155,747,056 | ditto |
| Property, Plant and Equipment | 175,563,385 | 187,357,434 | WDV |
| Intangible Asset | 1,516,979 | 1,526,032 | |
| Library Account | 226,030 | 226,030 | Book Value |
| Stock of stationery and Other Printed Materials | 1,539,497 | 1,695,575 | ditto |
| Amount due from other persons or bodies carrying on insurance business | 411,458,604 | 371,617,321 | Realizable Value |
| Total Taka: | 1,489,544,769 | 1,471,027,642 | |

Note: Certificate under section 7 (a) of part of the first schedule to the Insurance Act, 1938 as amended. Certified that the value of all assets has been reviewed that the said costs have been set forth in the Balance Sheet at amounts not exceeding their realizable or market value.



Masud Hossain
Chief Financial Officer



AMM Mohiuddin Chowdhury
Chief Executive Officer



Tahreer Nawaz
Director



Jainul Abedin Jamal
Chairman, Executive
&
Investment Committee



Enamul Hoq
Chairman Board of Directors

Federal Insurance Company Limited

Head Office, Dhaka

SUMMARY OF UNDERWRITING RESULT-T-2023

Annexure-B

| PARTICULARS | FIRE | MARINE CARGO | MARINE HULL | MOTOR | MISC. ACCIDENT | TOTAL | 2022 |
|---|-----------------------|-----------------------|-----------------------|----------------------|------------------------|-----------------------|-----------------------|
| Gross Premium Income | 277,734,299.87 | 229,544,710.45 | 33,302,325.29 | 42,506,234.67 | 82,453,869.29 | 665,541,439.57 | 678,541,208.20 |
| Refund Allowed | (844,505.00) | - | - | (7,414.00) | - | (851,919.00) | (491,683.00) |
| Gross Net Premium Income | 276,889,794.87 | 229,544,710.45 | 33,302,325.29 | 42,498,820.67 | 82,453,869.29 | 664,689,520.57 | 678,049,525.20 |
| Premium On Re-Insurance Accepted | - | - | - | - | 14,893.88 | 14,893.88 | 44,725.90 |
| Premium On Re-Insurance Ceded | (144,386,442.09) | (44,909,868.06) | (27,179,586.04) | (1,714,991.40) | (52,963,238.30) | (271,154,125.89) | (305,891,486.07) |
| NET PREMIUM INCOME | 132,503,352.78 | 184,634,842.39 | 6,122,739.25 | 40,783,829.27 | 29,505,524.87 | 393,550,288.56 | 372,202,765.03 |
| Commission On Re Insurance Ceded | 46,945,287.27 | 13,183,367.62 | 4,990,059.73 | 201,837.00 | 5,144,888.01 | 70,465,439.63 | 80,486,758.70 |
| Commission On Re-Insurance Accepted | - | - | - | - | (5,212.86) | (5,212.86) | (15,657.58) |
| Last Years Unexpired Risks | 45,229,198.73 | 67,825,382.23 | 4,613,913.32 | 20,392,018.43 | 13,848,778.61 | 151,909,291.32 | 150,643,854.53 |
| LESS: | 224,677,838.78 | 265,643,592.24 | 15,726,712.30 | 61,377,684.70 | 48,493,978.63 | 615,919,806.65 | 603,317,720.68 |
| Net Claim | 41,838,122.00 | (2,600,669.47) | 9,266,924.91 | 8,563,102.36 | 41,885,683.40 | 98,953,163.20 | 88,897,564.55 |
| Management Expenses | 62,683,475.48 | 49,462,987.27 | 3,564,406.15 | 10,383,603.31 | 9,716,590.68 | 135,811,062.89 | 133,894,338.10 |
| Agency Commission | 39,379,630.50 | 30,458,718.60 | 3,633,773.55 | 6,015,550.50 | 4,834,765.20 | 84,322,438.35 | 87,358,945.05 |
| Reserve for Unexpired Risks for the year | 53,001,341.11 | 61,853,936.96 | 6,122,739.25 | 16,313,531.71 | 12,065,138.56 | 149,356,687.58 | 151,909,291.32 |
| | 196,902,569.09 | 139,174,973.36 | 22,587,843.86 | 41,275,787.88 | 68,502,177.83 | 468,443,352.02 | 462,060,139.02 |
| UNDERWRITING PROFIT/(LOSS) | 27,775,269.69 | 126,468,618.89 | (6,861,131.56) | 20,101,896.82 | (20,008,199.21) | 147,476,454.63 | 141,257,581.66 |

Federal Insurance Company Limited.

Schedule of Property, Plant and Equipment

As at December 31, 2023

Annexure-C

| SL# | PARTICULARS | COST | | | | DEPRECIATION | | | | WDV 31.12.2023 | WDV 31.12.2022 | |
|-----|--|-------------------------------------|--------------------------------|------------------------------------|-----------------------------------|--------------|-------------------------------------|-------------------------------|----------------------------------|--------------------|--------------------|--------------------------------------|
| | | Opening Balance on 01.01.2023 | Addition during the year | Disposal for during the year | Accumulated Cost 31.12.2023 | Rate | Opening Balance on 01.01.2023 | Charged during the year | Adjustment during the year | | | Accumulated Dep. on 31.12.2023 |
| 01 | Furniture & Fixture | 11,631,981 | 62,000 | 11,472 | 11,682,509 | 10% | 9,196,074 | 246,778 | 7,472 | 9,435,381 | 2,247,128 | 2,435,906 |
| 02 | Type writer and Office Equipment | 12,547,065 | 345,290 | 37,464 | 12,854,891 | 15% | 9,013,024 | 557,021 | 25,454 | 9,544,590 | 3,310,301 | 3,534,041 |
| 03 | Electric Fan | 778,625 | - | - | 778,625 | 15% | 619,225 | 23,910 | - | 643,135 | 135,490 | 159,400 |
| 04 | Air Conditioner and Refrigerator | 9,986,949 | 749,738 | 94,604 | 10,642,083 | 20% | 7,529,131 | 572,727 | 63,604 | 8,038,254 | 2,603,829 | 2,457,818 |
| 05 | Motor Vehicle Account | 68,134,166 | - | - | 68,134,166 | 20% | 43,144,371 | 4,997,959 | - | 48,142,330 | 19,991,836 | 24,989,795 |
| 06 | Motor Vehical Account (Leasehold) | 61,823,579 | - | - | 61,823,579 | 20% | 54,365,906 | 1,491,535 | - | 55,857,441 | 5,966,138 | 7,457,673 |
| 07 | Motor Cycle Account | 1,291,929 | 351,900 | - | 1,643,829 | 20% | 1,208,671 | 79,704 | - | 1,288,376 | 355,453 | 83,258 |
| 08 | Bicycle Account | 9,095 | - | - | 9,095 | 20% | 9,038 | 11 | - | 9,050 | 46 | 57 |
| 09 | Office Decoration | 26,912,698 | 4,649,533 | 28,106 | 31,534,125 | 10% | 15,148,963 | 1,478,411 | 18,306 | 16,609,058 | 14,925,067 | 11,763,745 |
| 10 | Telephone Installation | 5,530,227 | 52,133 | - | 5,582,360 | 15% | 5,197,250 | 51,820 | - | 5,249,069 | 333,291 | 332,977 |
| | Building (Dikusha) | 1,817,505 | - | - | 1,817,505 | 5% | 931,153 | 44,318 | - | 975,471 | 842,034 | 886,352 |
| 11 | Building (Head office) | 75,335,617 | - | - | 75,335,617 | 5% | 7,782,969 | 3,377,632 | - | 11,160,602 | 64,175,015 | 67,552,648 |
| | Building (Khatungoni) | 20,158,130 | - | - | 20,158,130 | 5% | 2,062,612 | 904,776 | - | 2,967,387 | 17,190,743 | 18,095,519 |
| | Land & Land Development (Head office) | 15,810,000 | - | - | 15,810,000 | 0% | - | - | - | - | 15,810,000 | 15,810,000 |
| 12 | Land & Land Development (Khatungoni) | 2,311,000 | - | - | 2,311,000 | 0% | - | - | - | - | 2,311,000 | 2,311,000 |
| | Sub Total | 314,078,567 | 6,210,594 | 171,646 | 320,117,515 | | 156,208,378 | 13,826,602 | 114,836 | 169,920,144 | 150,197,371 | 157,870,189 |
| 13 | Revaluation Building Account | 23,386,924 | - | - | 23,386,924 | 5% | 4,073,901 | 965,651 | - | 5,039,552 | 18,347,372 | 19,313,023 |
| | Sub Total | 23,386,924 | - | - | 23,386,924 | | 4,073,901 | 965,651 | - | 5,039,552 | 18,347,372 | 19,313,023 |
| 14 | Right to use asset | 39,479,169 | 2,766,316 | - | 42,245,485 | 15% | 29,304,948 | 5,921,896 | - | 35,226,844 | 7,018,641 | 10,174,221 |
| | Sub Total | 39,479,169 | 2,766,316 | - | 42,245,485 | | 29,304,948 | 5,921,896 | - | 35,226,844 | 7,018,641 | 10,174,221 |
| | Grand Total | 376,944,660 | 8,976,910 | 171,646 | 385,749,924 | | 189,587,227 | 20,714,149 | 114,836 | 210,186,540 | 175,563,384 | 187,357,433 |

Federal Insurance Company Limited.

Schedule of Intangible Assets

As at December 31, 2023

Annexure-D

| SL# | PARTICULARS | COST | | | | DEPRECIATION | | | | WDV 31.12.2023 | WDV 31.12.2022 |
|-----|-----------------------|-------------------------------------|--------------------------------|------------------------------------|-----------------------------------|--------------|-------------------------------------|-------------------------------|----------------------------------|-------------------|-------------------|
| | | Opening Balance on 01.01.2023 | Addition during the year | Disposal for during the year | Accumulated Cost 31.12.2023 | Rate | Opening Balance on 01.01.2023 | Charged during the year | Adjustment during the year | | |
| 01 | Software Installation | 3,492,472 | 246,575 | | 3,739,047 | 15% | 1,966,441 | 255,628 | | 2,222,069 | 1,526,031 |
| | Total | 3,492,472 | 246,575 | - | 3,739,047 | | 1,966,441 | 255,628 | - | 2,222,069 | 1,526,031 |

Federal Insurance Company Ltd.

Schedule of Property, Plant and Equipment

As at December 31, 2022

Annexure-C

| PARTICULARS | COST | | | | DEPRECIATION | | | | WDV 31.12.2022 | WDV 31.12.2021 | |
|---|-------------------------------|--------------------------|------------------------------|-----------------------------|--------------|-------------------------------|-------------------------|----------------------------|--------------------|--------------------|--------------------------------|
| | Opening Balance on 01.01.2022 | Addition during the year | Disposal for during the year | Accumulated Cost 31.12.2022 | Rate | Opening Balance on 01.01.2022 | Charged during the year | Adjustment during the year | | | Accumulated Dep. on 31.12.2022 |
| 01. Furniture & Fixture | 11,348,564 | 324,660 | 41,243 | 11,631,981 | 10% | 8,969,917 | 253,020 | 26,863 | 9,196,074 | 2,435,906 | 2,378,646 |
| 02. Type writer and Office Equipment | 11,917,979 | 629,086 | | 12,547,065 | 15% | 8,426,834 | 586,190 | - | 9,013,024 | 3,534,041 | 3,491,145 |
| 03. Electric Fan | 739,572 | 39,053 | | 778,625 | 15% | 594,128 | 25,097 | | 619,225 | 159,400 | 145,444 |
| 04. Air Conditioner and Refrigerator | 9,970,922 | 71,027 | 55,000 | 9,986,949 | 20% | 6,960,725 | 605,406 | 37,000 | 7,529,131 | 2,457,818 | 3,010,197 |
| 05. Motor Vehicle Account | 60,949,166 | 7,185,000 | | 68,134,166 | 20% | 37,505,204 | 5,639,167 | | 43,144,371 | 24,989,795 | 23,443,963 |
| 06. Motor Vehical Account (Leasehold) | 61,823,579 | | | 61,823,579 | 20% | 52,501,488 | 1,864,418 | | 54,365,906 | 7,457,673 | 9,322,091 |
| 07. Motor Cycle Account | 1,291,929 | | | 1,291,929 | 20% | 1,187,857 | 20,814 | | 1,208,671 | 83,258 | 104,072 |
| 08. Bicycle Account | 9,095 | | | 9,095 | 20% | 9,024 | 14 | | 9,038 | 57 | 72 |
| 09. Office Decoration | 23,622,348 | 3,290,350 | | 26,912,698 | 10% | 13,958,522 | 1,190,431 | | 15,148,953 | 11,763,745 | 9,663,826 |
| 10. Telephone Installation | 5,522,177 | 8,050 | | 5,530,227 | 15% | 5,139,472 | 57,778 | | 5,197,250 | 332,977 | 382,705 |
| 11. Building (Dilkusha) | 1,817,505 | | | 1,817,505 | 5% | 884,503 | 46,650 | | 931,153 | 886,352 | 933,002 |
| 12. Building (Head office) | 75,335,617 | | | 75,335,617 | 5% | 4,227,567 | 3,555,403 | | 7,782,969 | 67,552,648 | 71,108,050 |
| 13. Building (Khatungoni) | 20,158,130 | | | 20,158,130 | 5% | 1,110,216 | 952,396 | | 2,062,612 | 18,095,519 | 19,047,915 |
| 14. Land & Land Development (Head office) | 15,810,000 | | | 15,810,000 | 0% | - | - | | - | 15,810,000 | 15,810,000 |
| 15. Land & Land Development (Khatungoni) | 2,311,000 | | | 2,311,000 | 0% | - | - | | - | 2,311,000 | 2,311,000 |
| Sub Total | 302,627,583 | 11,547,226 | 96,243 | 314,078,567 | | 141,475,457 | 14,796,784 | 63,863 | 156,208,378 | 157,870,189 | 161,152,128 |
| Revaluation Building Account | 23,386,924 | | | 23,386,924 | 5% | 3,057,426 | 1,016,475 | | 4,073,901 | 19,313,023 | 20,329,498 |
| Sub Total | 23,386,924 | - | - | 23,386,924 | | 3,057,426 | 1,016,475 | - | 4,073,901 | 19,313,023 | 20,329,498 |
| Right to use asset | 33,938,706 | 5,540,463 | | 39,479,169 | 15% | 22,433,348 | 6,871,600 | | 29,304,948 | 10,174,221 | 11,505,358 |
| Sub Total | 33,938,706 | 5,540,463 | - | 39,479,169 | | 22,433,348 | 6,871,600 | - | 29,304,948 | 10,174,221 | 11,505,358 |
| Grand Total | 359,953,213 | 17,087,689 | 96,243 | 376,944,660 | | 166,966,231 | 22,684,859 | 63,863 | 189,587,227 | 187,357,433 | 192,986,984 |

Federal Insurance Company Ltd.

Schedule of Intangible Assets

As at December 31, 2022

Annexure-D

| PARTICULARS | COST | | | | DEPRECIATION | | | | WDV 31.12.2022 | WDV 31.12.2021 |
|-----------------------|-------------------------------------|--------------------------------|------------------------------------|-----------------------------------|--------------|-------------------------------------|-------------------------------|----------------------------------|-------------------|-------------------|
| | Opening Balance on 01.01.2022 | Addition during the year | Disposal for during the year | Accumulated Cost 31.12.2022 | Rate | Opening Balance on 01.01.2022 | Charged during the year | Adjustment during the year | | |
| Software Installation | 3,300,805 | 191,667 | - | 3,492,472 | 15% | 1,700,382 | 266,059 | - | 1,966,441 | 1,600,423 |
| Total | 3,300,805 | 191,667 | - | 3,492,472 | | 1,700,382 | 266,059 | - | 1,966,441 | 1,600,423 |

Federal Insurance Company Ltd.

Head Office: Navana DH Tower (6th Floor), 6 Panthapath, Dhaka-1215.

Statement of Bankwise FDR, Interest and Interest Accrue but not due during the year 2023

Annexure-E

| Sl. | Name | Pr. Amount | Interest | Income Tax | Ex. Duty | Adjust. | Net Interest | Encashment | Total Amount | Accrue Int. | T. Ac. Amount |
|-----|---------------------------------------|--------------------|-------------------|------------------|----------------|-----------------|-------------------|--------------------|--------------------|------------------|--------------------|
| 01 | A B Bank Ltd. | 16,533,285 | 992,628 | 184,840 | 21,680 | -20,415 | 765,692 | 7,518,361 | 9,780,617 | 111,083 | 9,891,700 |
| 02 | Agrani Bank Ltd. | 566,971 | 33,836 | 5,489 | - | - | 28,347 | 84,820 | 510,498 | 12,305 | 522,803 |
| 03 | Al Arafah Bank Ltd. | 22,314,683 | 693,123 | 186,593 | 21,800 | 28,589 | 513,320 | 5,149,863 | 17,678,141 | 341,524 | 18,019,664 |
| 04 | Bank Al-Falah Ltd. | 1,217,917 | 284 | 57 | 3,000 | -6,568 | -9,341 | 1,208,576 | - | - | - |
| 05 | Bank Asia Ltd. | 24,470,616 | 1,227,066 | 287,266 | 31,200 | -92,383 | 816,217 | 2,418,601 | 22,868,232 | 504,810 | 23,373,042 |
| 06 | Bangladesh Dev. Bank Ltd. | 3,162,041 | 205,899 | 41,180 | 1,200 | - | 163,518 | - | 3,325,559 | 63,538 | 3,389,097 |
| 07 | Basic Bank Ltd. | 7,585,508 | 484,112 | 96,938 | 14,550 | -35 | 372,589 | 2,558,698 | 5,399,399 | 90,644 | 5,490,043 |
| 08 | Bangladesh Commerce Bank Ltd. | 3,996,847 | 179,850 | 18,199 | 4,400 | 646 | 157,896 | - | 4,154,743 | 34,494 | 4,189,237 |
| 09 | Bangladesh Krishi Bank | 2,615,824 | 140,388 | 30,287 | 4,150 | 962 | 106,913 | - | 2,722,737 | 32,317 | 2,755,054 |
| 10 | Brac Bank Ltd. | 1,714,249 | 104,284 | 31,285 | - | - | 72,998 | - | 1,787,248 | 49,181 | 1,836,429 |
| 11 | Community Bank | 3,000,000 | - | - | - | - | - | - | 3,000,000 | 64,208 | 3,064,208 |
| 12 | Dhaka Bank Ltd. | 1,366,029 | 65,047 | 19,514 | 1,250 | -1,333 | 42,950 | - | 1,408,979 | 18,195 | 1,427,174 |
| 13 | Dutch bangla Bank Ltd. | 569,828 | 24,485 | 3,347 | - | -3,828 | 17,311 | 286,529 | 300,610 | 14,314 | 314,924 |
| 14 | Eastern Bank Ltd. | 5,412,290 | 162,369 | 16,237 | - | - | 146,132 | - | 5,558,422 | 133,631 | 5,692,052 |
| 15 | Exim Bank Ltd. | 18,408,463 | 1,039,403 | 225,213 | 27,350 | 1,256 | 788,095 | 3,082,891 | 16,113,667 | 495,908 | 16,609,575 |
| 16 | Farmers Bank Ltd. | 367,062 | 29,459 | 8,540 | 1,550 | 13,793 | 33,162 | 400,224 | - | - | - |
| 17 | First Security Islami Bank. | 6,915,845 | 414,046 | 117,518 | 6,800 | -12,017 | 277,710 | 141,554 | 7,052,001 | 166,693 | 7,218,695 |
| 18 | First Lease Finance & Investment Ltd. | 514,556 | - | - | - | -3,350 | -3,350 | 511,206 | - | - | - |
| 19 | Habib Bank Ltd. | 53,994 | - | - | - | - | - | - | 53,994 | 7 | 54,002 |
| 20 | ICB Islami Bank Ltd. | 1,198,154 | 12,135 | 3,646 | 1,360 | 283 | 7,412 | 251,155 | 954,411 | - | 954,411 |
| 21 | IFIC Bank Ltd. | 52,320,038 | 3,247,237 | 678,625 | 72,902 | -48,314 | 2,447,397 | 27,371,797 | 27,395,638 | 561,116 | 27,956,754 |
| 22 | International Financial Services Ltd. | 163,142 | 8,973 | 1,795 | - | - | 7,178 | - | 170,320 | 69 | 170,389 |
| 23 | IDLC | 6,054,383 | 408,671 | 81,734 | 3,150 | - | 323,787 | - | 6,378,170 | 3,211 | 6,381,380 |
| 24 | IPDC | 3,252,778 | 214,308 | 42,862 | 6,500 | 4,532 | 169,479 | 97,000 | 3,325,257 | 30,766 | 3,356,022 |
| 25 | Islami Bank Ltd. | 23,723,172 | 1,303,639 | 199,900 | 27,908 | 35,815 | 1,111,647 | 1,607,811 | 23,227,009 | 631,645 | 23,858,654 |
| 26 | Jamuna Bank Ltd. | 21,381,571 | 850,041 | 122,659 | 21,687 | -44,478 | 661,217 | 9,778,492 | 12,264,296 | 196,513 | 12,460,810 |
| 27 | Janata Bank Ltd. | 733,770 | 45,123 | 8,030 | 150 | - | 36,944 | - | 770,713 | 12,524 | 783,238 |
| 28 | Lanka Bangla Finance Ltd. | 1,508,028 | 101,375 | 26,512 | 3,150 | - | 71,713 | 1,306,828 | 272,913 | 848 | 273,761 |
| 29 | Mercantile Bank Ltd. | 17,037,355 | 703,048 | 105,280 | 10,869 | -38,260 | 548,639 | 3,749,524 | 13,836,470 | 210,786 | 14,047,256 |
| 30 | Mutual Trust Bank Ltd. | 8,066,649 | 268,194 | 74,902 | 10,850 | -110,105 | 72,337 | 4,594,986 | 3,544,000 | 63,813 | 3,607,813 |
| 31 | NCC Bank Ltd. | 12,871,441 | 796,656 | 105,867 | 13,800 | -33,505 | 643,485 | 2,802,402 | 10,712,523 | 173,176 | 10,885,699 |
| 32 | National Bank Ltd. | 9,978,666 | 513,068 | 106,040 | 7,550 | -6 | 399,472 | 68,651 | 10,309,486 | 213,932 | 10,523,418 |
| 33 | NRB Commerce Bank Ltd. | 24,619,893 | 1,547,761 | 376,229 | 33,650 | -37,171 | 1,100,711 | 9,861,517 | 15,859,087 | 146,144 | 16,005,231 |
| 34 | NRB Global Bank Ltd. | 7,910,300 | 478,632 | 95,726 | 22,500 | 66,907 | 427,313 | - | 8,337,613 | 139,843 | 8,477,456 |
| 35 | NRB Bank Ltd. | 1,049,500 | 59,959 | 13,547 | 6,000 | -500 | 39,912 | 1,089,412 | - | - | - |
| 36 | One Bank Ltd. | 16,842,035 | 909,466 | 91,561 | - | 1,000 | 818,905 | - | 17,660,940 | 224,616 | 17,885,556 |
| 37 | Premier Bank Ltd. | 24,785,512 | 1,418,278 | 379,208 | 22,550 | 123,372 | 1,139,893 | 2,945,611 | 22,979,793 | 387,848 | 23,367,642 |
| 38 | Prime Bank Ltd. | 7,586,139 | 235,325 | 41,280 | 6,450 | -11,870 | 175,725 | 4,253,930 | 3,507,934 | 39,204 | 3,547,137 |
| 39 | Pubali Bank Ltd. | 15,244,916 | 909,704 | 186,157 | 22,700 | -22,970 | 677,877 | 1,662,872 | 14,259,921 | 261,671 | 14,521,592 |
| 40 | Rajshahi Krishi Unn. Bank | 3,599,876 | 219,592 | 35,551 | 2,850 | 67,892 | 249,082 | 105,653 | 3,743,306 | 101,430 | 3,844,735 |
| 41 | Rupali Bank Ltd. | 1,826,217 | 50,418 | 8,100 | 600 | 2,953 | 44,671 | - | 1,870,888 | 17,172 | 1,888,061 |
| 42 | Shahjalal Islami Bank Ltd. | 6,769,079 | 266,998 | 42,112 | 15,000 | -115 | 209,771 | 2,121,749 | 4,857,100 | 121,290 | 4,978,390 |
| 43 | Social Islami Bank Ltd. | 19,211,841 | 1,128,661 | 225,364 | 30,920 | 31,805 | 904,182 | 3,134,971 | 16,981,051 | 433,169 | 17,414,220 |
| 44 | Sonali Bank Ltd. | 2,117,035 | 124,608 | 31,602 | 1,700 | 0 | 91,306 | 282,219 | 1,926,122 | 47,160 | 1,973,282 |
| 45 | Southeast Bank Ltd. | 10,908,590 | 469,041 | 110,651 | 20,100 | - | 338,290 | 1,653,694 | 9,593,186 | 196,229 | 9,789,415 |
| 46 | Standard Bank Ltd. | 34,291,213 | 1,138,343 | 284,463 | 30,600 | -115 | 823,165 | 14,631,251 | 20,483,128 | 519,242 | 21,002,370 |
| 47 | SBAC Bank Ltd. | 11,791,156 | 664,534 | 148,475 | 16,900 | 4,776 | 503,935 | 259,411 | 12,035,679 | 413,094 | 12,448,773 |
| 48 | The Trust Bank Ltd. | 1,936,425 | 58,697 | 17,095 | 6,450 | 629 | 35,781 | 421,206 | 1,551,000 | 11,617 | 1,562,617 |
| 49 | The City Bank Ltd. | 1,063,992 | 36,102 | 7,220 | - | - | 28,882 | - | 1,092,874 | 216 | 1,093,089 |
| 50 | Union Bank Ltd. | 5,684,500 | 340,890 | 51,134 | 12,000 | -3,000 | 274,757 | - | 5,959,257 | 229,230 | 6,188,486 |
| 51 | United Finance Ltd. | 1,136,349 | 72,438 | 14,488 | 3,000 | -21,923 | 33,027 | - | 1,169,376 | 533 | 1,169,910 |
| 52 | UCB Bank Ltd. | 7,635,415 | 216,402 | 38,295 | - | - | 178,107 | - | 7,813,522 | 160,564 | 7,974,086 |
| 53 | Uttara Bank Ltd. | 4,475,902 | 225,588 | 56,752 | 9,900 | -3,084 | 155,852 | - | 4,631,754 | 103,829 | 4,735,583 |
| | Total | 489,561,043 | 24,840,182 | 5,085,363 | 582,675 | -130,135 | 19,042,009 | 117,413,467 | 391,189,585 | 7,785,351 | 398,974,936 |

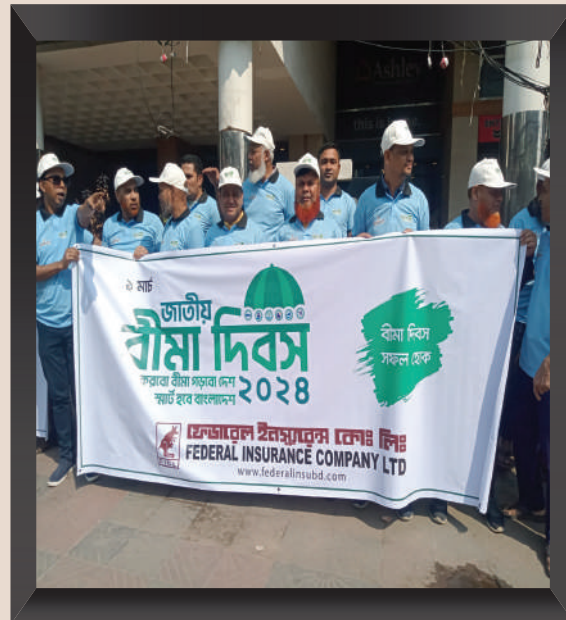
CELEBRATION of NATIONAL INSURANCE DAY-2024



CELEBRATION of NATIONAL INSURANCE DAY-2024



CELEBRATION of NATIONAL INSURANCE DAY-2024



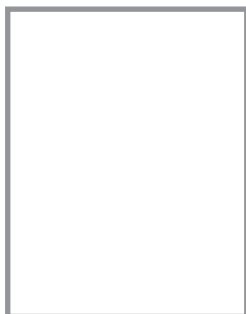
OUR BRANCH NETWORK



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LOCATION

