



**PURABI GENERAL  
INSURANCE CO. LTD.**

# **ANNUAL REPORT 2022**



*We remember Our  
Legendary Dreamer*



**ALHAJ MOCKBUL HOSSAIN**  
(1950-2020)

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Ex Member of Parliament & CIP  
Former Advisor, Bangladesh Awami League  
Founder & Former Chairman of  
Puabi General Insurance Company Limited.



**CELEBRATING**

**36**

**YEARS...**

# Welcome!

To all our respected clients & readers  
to Annual Report 2022.

Although insurance sector faced a significant adversity in the past few years of COVID-19 but despite these difficulties, we have been maintained our business flow accordingly and we have been able to pay satisfactory dividends to our esteemed shareholders in this pandemic period. In the midst of a hundred adversities, PGIC will go a long way with success with your prayers. You will stay with PGIC family Insha'Allah.

—Mojibul Islam-Chairman.



35<sup>th</sup> Annual  
General Meeting



Sunday  
September 03, 2023 at 11:00 a.m.





# ACHIEVEMENT OF BANGLADESH

Reserve  
**\$30.36**  
billion

GDP Growth  
**7.25%**

Per Capital Income  
**\$2824**

Literacy Rate  
**76.40%**

Average Life Time  
**74 Years**

Remittance Income  
**\$44.35**  
billion

Largest Economy  
Country in the world  
**35<sup>th</sup>**

Metro Rail  
**33,472**  
BDT Cr



Insurance Company  
**81**

Padma Bridge  
**30,193**  
BDT Cr



Non-life Insurance  
**46**

Karnaphuli Tunnel  
**10,374**  
BDT Cr



# COMPANY'S HIGHLIGHTS 2022

## Gross Premium Income



183.46 million

## Underwriting Profit



30.64 million

## Profit Before Tax



125.11 million

## Profit After Tax



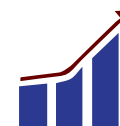
83.71 million

## Earnings Per Share (EPS)



1.44

## NAV



794.81 million

## Total Assets



1396.01

## Claim Settlement Ratio



68.85%

## Dividend



7% Cash & 3% Stock

## NAVPS



13.69

## NOCFPS



3.67

## FDR



880 million

## NET PROFIT MARGIN



45.63%

## INVESTMENT INCOME



103.76 million

## CREDIT RATING



AA-

# THE BRIEF **HISTORY** OF PURABI INSURANCE

Purabi General Insurance Company Limited is one of the First-Generation Non-Life Insurance Company of Bangladesh, which incorporation in 29th June 1988. It has great reputation and well known to insurance industry.

We provide excellent and consistent quality service in each and every sector of its operations to the clients and make the client satisfaction. Our moto is Economic Development through Risk Minimization and Efficient Customer Services.

We Source our business from renowned group of companies and banks. We continue to deliver improved service taking due cares of the compliance requirements. Our credit rating status is "AA-" which reflects the high claims paying ability of the company with rated by AlphaRating.



# STRATEGY AND FUTURE **DIRECTION**

The insurance market and customer demand will continue to change and grow, respectively, due to which some difficult to avoid trends are emerging in the industry. Because of today's highly competitive business world, all major industries and markets are experiencing several minor to major changes. We are choosing to welcome these trends and perform better than the others. However, increased customer satisfaction can only be achieved when trends are adopted wisely, and technology is used efficiently.



# CONTENTS

## Chapter-I: Corporate Overview

Letter of transmittal_____	011
Notice of the 35th AGM_____	012
Digitalization of AGM_____	013
Snapshot of last AGM_____	014
Vision, Mission_____	015
Our core values & Ethical Principles_____	016
Overall Strategic object & our goal_____	017
Profile of the Company_____	018
Corporate Information_____	019
Corporate Culture_____	020
Our business model_____	021
Value Chain management_____	023
World & Bangladesh Economic Overview_____	024
Our Products & Service_____	028
Financial indicators preceding last 5 years_____	030
Graphical & Pictural data_____	031
Corporate organogram_____	034
Bancassurance_____	035

## Chapter-II: Our Think-Tank

Composition of Board and its Committee_____	037
Board of directors at a glance_____	038
Management Team composition_____	043
Photo of Management team_____	044
Milestone_____	045
Credit Rating_____	046
BAPLC Certificate_____	047
Certificates_____	048

## Chapter-III:

### Our Review of Chairman, Directors, CEO & CFO

Chairman's Message to Shareholders_____	050
Report by Chief Executive Officer (CEO)_____	054
Director's report to the shareholders_____	058
Key operating & Financial highlights_____	064
Meeting attended by the director's_____	065
Patten of shareholding_____	066
Shareholding position of the Directors_____	067
Range of Shareholding number_____	068
CFO's Report to Shareholders_____	069
Dividend & AGM History_____	072
Our financial performance in 2022_____	073
Management discussion & analysis_____	075
Declaration by CEO & CFO_____	077

## Chapter-V:

### Risk Management & Control discussion

Brief summary of business & other risk and managing_____	115
PESTEL Analysis_____	118
SWORT Analysis_____	119
Future prospect_____	120
Future Strategy_____	121

## Chapter-VII:

### Financial Statement

Independent auditors report to the shareholders of purabi general Insurance company limited and Financial Statements_____	145
Notes to the Financial Statements_____	162
Form "AA" Classified Summary of Assets_____	175
Directors Certificate_____	176
Some Of Our Valuable Clients_____	177
List Of Acronyms_____	178
Proxy Form & Attendance Slip_____	183

## Chapter-IV:

### Information about Corporate Governance

Report of Corporate compliance_____	079
Report on the activities of audit committee_____	086
Report on the activities of NRC_____	089
Certificate of Compliance on the Corporate Governance_____	091
Status of Compliance on the Corporate Governance Code_____	092
Code of conduct_____	100
Going Concern Report_____	107
Communication to shareholders & stakeholders_____	107
Dividend distribution compliance report_____	108
Statement of internal control_____	110

## Chapter-VI:

### Stakeholders Information

Photo of Events & its highlights_____	125
The history of rising Share Capital_____	130
Financial Calender_____	131
Dividend distribution policy_____	132
Information of Unclaimed dividend_____	137
Redressal of investors complaints_____	138
Redressal of client complaints_____	138
Graphical prevention (Financial data)_____	139
AGM Information_____	143



# CHAPTER-I: CORPORATE OVERVIEW





# Letter of Transmittal

To

**All Shareholders;**

*Bangladesh Securities and Exchanges Commission (BSEC);*

*Registrar of Joint Stock Companies & Firms (RJSC);*

*Dhaka Stock Exchange Limited (DSE);*

*Insurance Development and Regulatory Authority (IDRA);*

**Subject: Annual Report for the year ended 31st December 2022.**

Dear Sir/Madam (s),

We are pleased to present the Annual Report -2022 of Purabi General Insurance Company Limited together with the Audited Financial Statements for the year ended December 31, 2022 which comprise Financial Position, Profit or Loss Accounts, Statement of Cash Flows, Statement of Changes in Shareholders' Equity, and notes to the Financial Statement for the year ended December 31, 2022 for your record/necessary action.

Information given in our Annual Report-2022 is complete, accurate and in line with Bangladesh Accounting Standard (BAS), International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), Bangladesh Securities and Exchange Commission (BSEC) and Insurance Development and Regulatory Authority (IDRA). We hope that the report will be of use to you today and tomorrow.

Best regards,

Yours sincerely



**(Sohag Talukder)**

Company secretary

# Notice of the 35<sup>th</sup> Annual General Meeting (AGM)

Notice is hereby given that the 35th Annual General Meeting (AGM) of the Shareholders of Purabi General Insurance Company Limited will be held on Sunday, September 03, 2023 at 11:00 a.m. The AGM will be held virtually by using Digital Platform through the link <https://purabigen2023.digitalagmbd.net> to transact the following businesses:

## AGENDA

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st December 2022 and the Directors Report and the Auditors report thereon.
2. To approve Dividend for the year ended 31st December 2022 as recommended by the Board of Directors.
3. To elect Directors in terms of the relevant provision of Articles of Association.
4. To appoint the Statutory Auditors for the year 2023 and to fix their remuneration.
5. To appoint Compliance Auditors for the year 2023 and to fix their remuneration.
6. To approve appointment of new independent Director.

By order of the Board of Directors



(Sohag Talkder)

Company Secretary

Dated: August 13, 2023

### Notes:

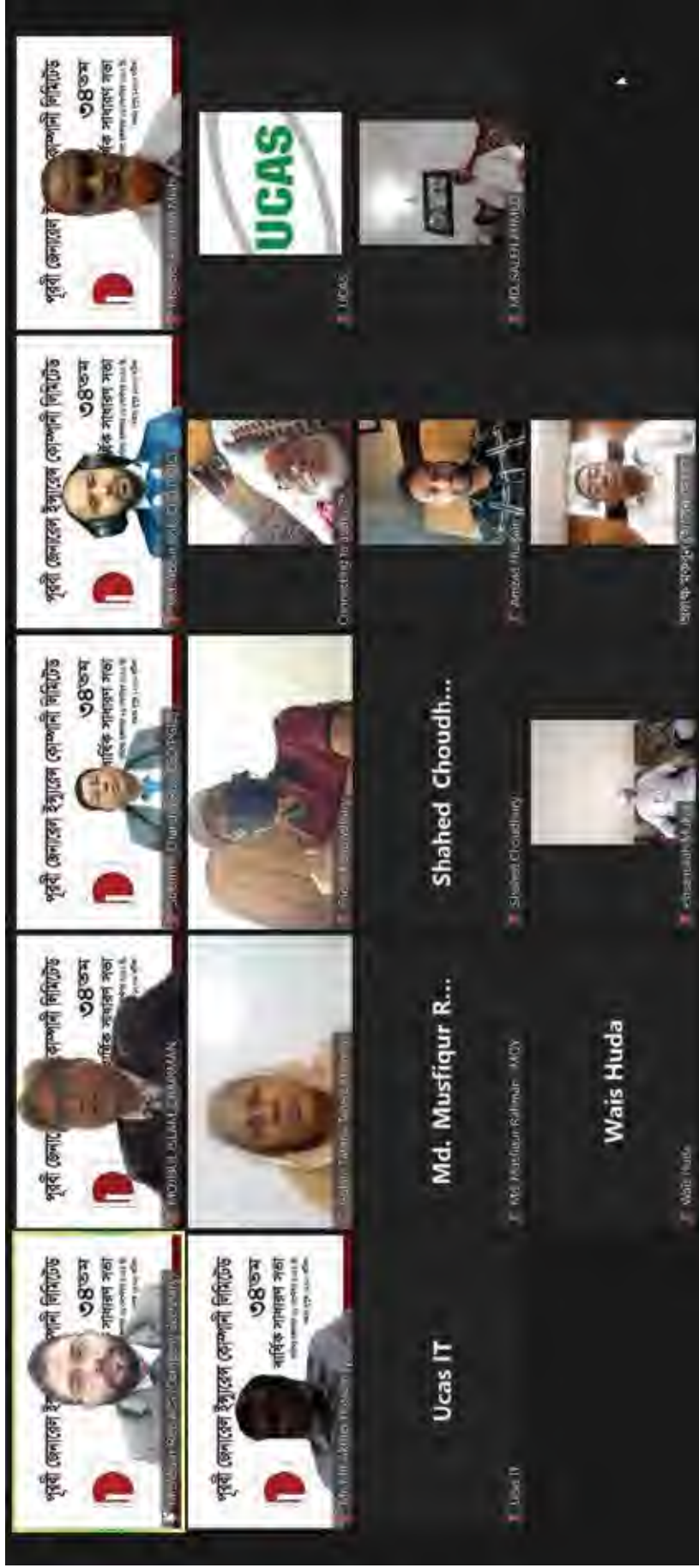
1. Monday, 10th July 2023 was the "Record Date" for entitlement of 7% Cash Dividend and 06 August 2023 was the record date for 3% stock dividend for the year 2022. The Shareholders, whose names will appear in the Depository (CDBL) Register on that date, shall be entitled to participate in the 35th AGM through digital platform.
2. Pursuant to the Bangladesh Securities and Exchange Commission's (BSEC) Directive No, SEC/SRMIC/94-231/91 dated March 31, 2021, the AGM will be held through digital platform.
3. 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 2022 will be sent to the email addresses of the Members available in their BO Accounts maintained with the Depository. The Soft copy of the Annual Report 2022 will also be available in the company website at [www.purabiinsurance.org](http://www.purabiinsurance.org).
4. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote instead, duly filled Proxy Form must be sent through email to the Share Dept at least 72 hours before commencement of the AGM at Email: [purabiinsurance.sharedept@gmail.com](mailto:purabiinsurance.sharedept@gmail.com) or [cs@purabiinsurance.org](mailto:cs@purabiinsurance.org)
5. If, needed, Shareholders can cast their vote through online (real time) or e-voting starting from 24 hours before the AGM and voting option will remain open till the closure of AGM.
6. Shareholders are requested to join the virtual AGM through the link <https://purabigen2023.digitalagmbd.net> for any IT related guidance and help with login process. The respected members may contact at +8801717-466920.
7. The shareholders will be able to submit their question/comments electronically before 24 (twenty-four) hours of commencement of the AGM through the AGM link & also can email to [cs@purabiinsurance.org](mailto:cs@purabiinsurance.org), for logging into the AGM link, the Members need to put their 16-digit Beneficiary Owners (BO) Account Number.



## Digitalization of **AGM**

The entire world has undergone a massive change due to COVID-19 pandemic; many things have been digitalization in this change. Due to COVID-19 we have been face travel restrictions, geographical constraints, and physical distancing rules have made these challenges even more acute. In addition, the need to remain compliant is still very much a requirement for companies. Technology has come to the rescue and there has been a marked shift to digital across the board. Purabi General Insurance Company Limited holds its Annual General Meeting (AGM) through a virtual platform. A Virtual AGM platform enables companies to hold an AGM just like a physical meeting but with the added advantage that shareholders can easily participate remotely, from any location. This is particularly relevant for companies like Purabi General Insurance Company Limited with large numbers and mass shareholders. Such Virtual AGM platforms include full proxy and electronic voting features, enabling companies to conduct their AGM in strict compliance with regulatory requirements. Any questions that shareholders wish to raise to the Board can be posted via the virtual platform, both prior to and during the AGM itself, and displayed on screen during the broadcast. All resolutions are put to the vote via e-polling with shareholders casting their individual ballots in real-time over the virtual platform, all in compliance with regulatory requirements. The votes are received electronically and the results are computed for verification by the share position based on record date and Independent Scrutinizer. Voting results are then updated live on-screen. Purabi General Insurance Company Limited shift to digital meeting increases shareholders' engagement. Purabi General Insurance Company Limited is now in digital in its all operations.

# Snapshot of Last AGM

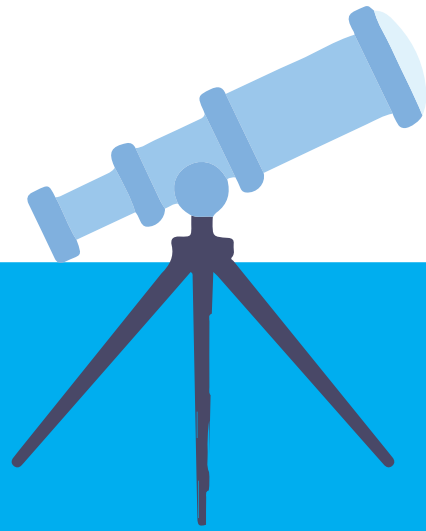


34th Annual General Meeting (AGM) for the year ended 31st December 2021 held on 06 September 2022. The Chairman, Vice-Chairman, Directors, Chief Executive Officer (CEO), Company Secretary, Chief Financial Officer (CFO) (CC) and other relevant person were present in the AGM.



## Our Mission

- ✓ To provide insurance coverage at the most competitive premium rates ensuring maximum security.
- ✓ To settle insurance claims promptly. PGIC believes in the quality of the deals rather than the quantity of it.
- ✓ With our knowledge and expertise, it is our commitment to the insuring community to deliver them the highest standard of security and professionalism.

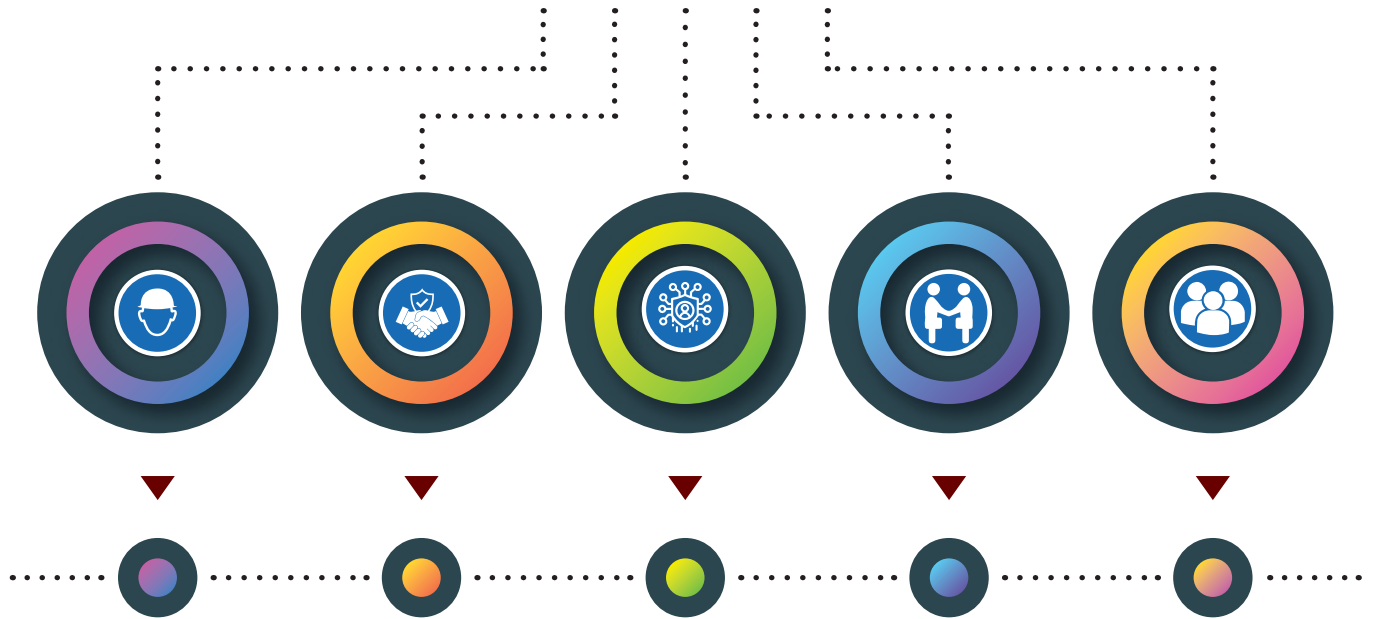


## Our Vision

is to serve our respected Policy holder (Insured) with best care and provide the best solution in his required and building us for reliability, professionalism and the highest standards of customer satisfaction.



# CORE VALUES



## **SAFETY**

We work safely  
And leave  
safely every  
Day whilst  
taking  
Responsibility  
for the  
Safety of other

## **TRUST**

We act with  
credibility,  
Professionalism  
and integrity in  
all that we do

## **ACCOUNTABILITY**

We take  
responsibility  
for our actions,  
and operate in an  
open straightforward  
manner whilst  
maintaining a  
sustainable  
environment

## **RESPECT**

We recognize each  
Other's differences  
and show  
consideration  
For one another  
And the  
environment  
We live in

## **TEAM**

We combine  
individual  
strengths  
to develop  
Exceptional  
results

## ETHICAL PRINCIPAL

Loyalty, responsibility, accountability, ethics and respect are central to Purabi Insurance's core values and leadership attributes. By being genuinely ethical in all matter that we perform, Purabi insurance can attract and retain the best employees and ensure its position as the insurer of first choice in Bangladesh. Operating in an ethical manner is essential to our success.

The customers, regulators and other

stakeholders all rely on us to be transparent, prudent, accountable and fair. We must therefore behave ethically in communities where we operate in order to maintain the confidence of our customers and other stakeholders and ultimately to keep their business. We can install this trust and confidence with ever business action and decision we make.



Our goal is to be the top insurer in the Non-life insurance sector of the Country.

To achieve the goal, we aim at:

- ✓ Maximizing Insurance Coverage at a Minimum Cost.
- ✓ Assessing and managing our business risk carefully.
- ✓ Establishing a long term relationship with our clients and business partners built on our personalized service, professional and trust.
- ✓ Maintaining strong relationship with a wide variety of partners, like re-insurers, insurance brokers and so on.
- ✓ Responding quickly to new opportunities.





# Profile of the Company

Purabi General Insurance Company Limited is the leading first-generation private sector non-life insurance Company. It was incorporated in 29th June 1988 as a public Limited Company under the Company Act, 1913 (Present 1994) and listed with Dhaka Stock Exchange Limited in 4th August 1995. The Company transacts all classes of non-life insurance business in Bangladesh. Purabi General Insurance Company Limited always works hard for its clients to deliver new products and service while maintaining a commitment to safety, security and sustainability.

Purabi General Insurance Company Limited is a first (1st) generation private sector non-life insurance Company which has established itself as one of the leading non-life insurance companies in Bangladesh with its dynamic leadership in Management with specialized and significant expertise in serving unparalleled insurance services for traditional and non-traditional risk underwriting. With a portfolio of broad range of products, Purabi General Insurance Company Limited always works hard for the clients to deliver innovative products and services while maintaining a commitment to safety, security and sustainability.

For us, our beliefs remain to be customer-centricity, as we remain with them. Always.

At Purabi General Insurance Company Limited, our customers are at the forefront of our service delivery, and we take utmost care to adhere to the highest principles and standards of integrity and trustworthiness, while rendering our unique service excellence.

Purabi General Insurance Company Limited was incorporated in Bangladesh as a Public Limited Company on 29th June 1988 under the Companies Act, 1913 and licensed under the Insurance Act, 1938 in order to run all types of general insurance business other than life insurance business. PGICL obtained certificate of commencement of business 29th June 1988. PGICL got registration from Controller of Insurance on 3rd November 1988. Presently the Company has been operating the business through numerous branches. The branches are located in different strategically important areas of the Country.

Purabi General Insurance Company Limited is a fastest growing general Insurance in the private Insurance sector of Bangladesh. The authorized capital of the Company is Tk. 1,000 million and Paid-up Capital is Tk. 580.70 million in the year 2022.

The future plans of Prubi Insurance encompass not only development of new products and services, but also marketing activities aimed at tapping the hitherto untapped segments of the market. The company is fully aware of its social responsibilities and would like to aim its future development activities in the direction which bring insurance services and benefits to the reach of the common people of Bangladesh.

Purabi General Insurance Company Limited received "AA-" Surveillance Rating (Stable Outlook) from AlphaRating based on its sound financial performance and claim paying ability.

# Corporate Information

## Corporate Head office

Purabi General Insurance Company Limited  
Sandhani Life Tower (2nd Floor),  
34, Banglamotor, Dhaka-1000.  
Hotline: 01714-044146  
Email: info@purabiinsurance.org  
Website: www.purabiinsurance.org

Date of Incorporation: <b>29th June 1988.</b>	Type of Organization: <b>Non-life Insurance Company</b>
Authorized Capital: <b>Tk. 1,000 million</b>	Paid-Up-Capital: <b>Tk. 580.70 million</b>
Company Registration Number: <b>C-17624(424)/88</b>	Number of Directors: <b>11 (Eleven)</b>
Business Motto: <b>Economic Development through Risk Minimization and efficient Client Service.</b>	Nature of Business: <b>Fire, Marine, Motor, Miscellaneous Insurance etc.</b>
Compliance Auditor: <b>Molla Quadir Yusuf &amp; Co.</b>	Statutory Auditor: <b>Khan Wahab Shafique Rahman &amp; Co.</b>
Web Presence: <b>www.purabiinsurance.org.</b>	E-mail: <b>info@purabiinsurance.org cs@purabiinsurance.org purabiinsurance@gmail.com</b>
Tax identification Number (TIN): <b>646842820482</b>	Business identification Number (BIN): <b>002035112-0202</b>
Listing in Dhaka Stock Exchange: <b>04th August, 1995.</b>	Credit Rating from Alpha: <b>AA- (AA Minus).</b>
Number of Shareholders: <b>7,125 Shareholders as on 31.12.2022.</b>	Company Secretary: <b>Mr. Sohag Talukder</b>
Tax advisor: <b>Mr. Dipak Kumar Sarker, Advocate</b>	Legal advisor: <b>Mr. Mir Mohammad Abul Kashem Advocate</b>

# Corporate Culture

In keeping with our Vision and Mission to “make a positive difference” in the lives of our employees, Reliance Insurance has cultivated a unique corporate culture. In this culture, challenging work, open communications both upwards and downwards, accessibility to leadership including encouraging bottom up rather than ‘top down’ approach, mutual respect, trust, and concern for co-worker and

community well-being and development are melded together to create a workplace with a family-like feel which is productive, personally fulfilling, and professionally satisfying. The following amenities, policies, practices, benefits, beliefs, and behaviors contribute to creating and maintaining the Reliance corporate culture.



## OFFICE BUILDING AMENITIES

- Architecturally aesthetic and modern office building situated at a prime location the city having convenient access to public transportation
- Parking facilities on a spacious lot.
- Secured building with round the clock security service
- Comfortable indoor dining facilities for employee.

## PEOPLE MANAGEMENT PHILOSOPHY

- Attract and partner with qualified employees whose education, experience, and desire to grow and success will contribute to the accomplishment of Company goals.
- Blend the experience and knowledge of flexible long-term employee with the energy and fresh perspectives of new employees from other organizational experiences to create a versatile workforce capable of responding to the challenges and increasing demands of today's business environment.
- Train and develop employees for current jobs, future opportunities, and the continuing viability of the organization through insurance education technical and management skills training, educational assistance, promotion from within and strategic succession planning.

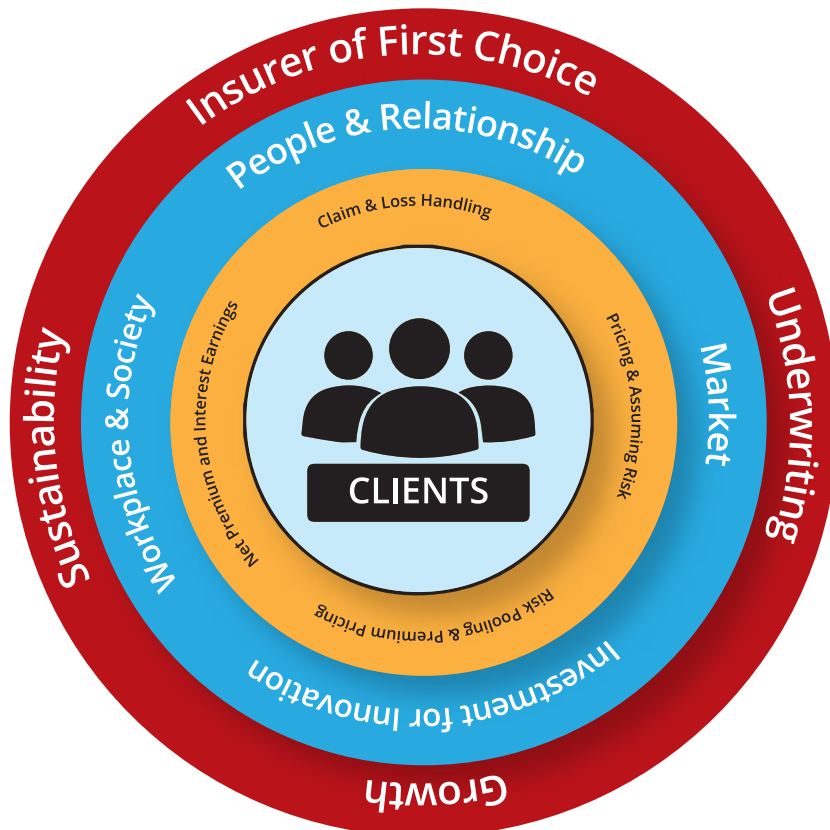
## OTHER AMENITIES PERKS AND BENEFITS

- Tuition assistance for approved job-related degree programs or certifications.
- Attractive car scheme proposal for executive level employees gives a new dimension to boost up the morality of employees.
- Monthly update meeting among head of Division brings more paces to draw the finish line of all activities.
- Annual salary increases considerations and bonus eligibility at all levels.
- Competitive employee benefits program with hospitalization subsidy and life insurance coverages.
- A prevailing norm of considerate respectful, cooperative, and friendly behavior among employees and management.

# OUR BUSINESS MODEL

Purabi General Insurance Limited bases its business model around assumption and diversification of risk. The essential insurance model involves pooling risk from individual payers and redistributing it across a larger portfolio. We generate revenue by charging

premiums against insurance policy coverage, and then subsequently reinvesting the premiums to “float” into other, interest-generating assets. Like all business models, we try to evaluate market effectively and minimize administrative costs.



## CLIENTS:

We place our clients at the heart of our business. With that in mind, we provide several insurance products that can be a complete solution for enterprise to enjoy a relative risk-free corporate life. When it comes to client satisfaction, we work to do more than just selling product to them because we know, with great client satisfaction company gets new business and potential referrals, which enhances the image of our Company. Needless to say, happy clients are essential to business.

## PRICING AND ASSUMING RISK:

Our revenue model starts with the pricing of risk and the sale of an insurance policy. The insurance policy's benefit amount represents the indemnity amount that we are willing to pay should a specified loss occur. Without good underwriting, the insurance company would have to charge some customers too much and others too little for assuming risk. These likely prices out the least risky customers, eventually causing rates to rise even further. This is where insurance underwriting is critical and our underwriter shows

something special about their efficiency by offering a great and competitive rate abiding by insurance laws and regulations. And thus, pricing the risk effectively, we bring in more revenue in premiums than it spends on conditional payouts.

### **RISK POOLING AND PREMIUM PRICING:**

Our willingness to accept a risk comes at a price to the policy owner. This price is the premium amount and is based on the common occurrence of risk, as distributed among a large number of people. This process is known as risk pooling and is performed by underwriters of our company. The risk pools determine the likelihood of a loss occurring for a class and the price for that risk, which becomes the premium rate.

### **MARKET BRAND:**

We have a successful brand marketing strategy based on sound clients' insights. Our business portfolio consists of a good number of non-life insurance policies designed to meet a broad array of clients' safety around the country with the idea of delivering today and investing for tomorrow.

### **NET PREMIUMS AND INTEREST EARNINGS:**

When the premium is paid, we net out its expenses associated with keeping the coverage in force. This includes commissions paid to agents and brokers of the company. It also includes the administrative and operational costs of the insurer such as overhead, salaries and other business-related expenses. The net amount of the premium represents the revenue

amount that could hold onto the money in cash or place it into a savings account, but that is not an efficient task. At the very least, those savings are going to be exposed to inflation risk. We find safe, short as well as long-term assets to invest these funds. This generates additional interest revenue for the company while it waits for possible payouts. Common instruments include FDRs, high-grade corporate bonds and interest-bearing cash equivalents

### **CLAIMS AND LOSS HANDLING:**

Our real strength lies in prompt settlement of claim. When a customer files a claim, we process it, check it for accuracy and submit payment within shortest possible of time. This adjusting process is necessary to filter out fraudulent claims and minimize risk of loss to the company

### **Investment for Innovation:**

We make significant investments in human capital in terms of spending resources on employee training at home and abroad. Our MSD (Marketing Service Department) develop new products and services by incorporating the feedback of clients to meet their changing needs.

# VALUE CHAIN MANAGEMENT



**EFFECTIVE PREMIUM:** We determine the appropriate insurance premiums in consideration with customer segments distribution costs, etc. and strong insights into clients needs through ongoing stakeholder consultations.

**SERVICE:** We ensure excellent customer outreach initiatives that enable us to optimally position our products and service supported by ongoing training and robust backend and frontend technological support.

**SIGNIFICANT UNDERWRITING:** We have efficient ability in risk appraisal and evaluation of insurable loss exposures of potential clients and strong ability to classify potential risks and advise to underwrite minimum risk at the lowest rate.

**CLAIMS MANAGEMENT:** It is our obligations and our teams have been engaged to ensure the quickest possible disbursement of claims once they meet our process controls.

**CLIENTS SATISFACTION:** We believed that clients satisfaction philosophy is amongst our greatest assets. Our clients are special so that we draw on our expertise and empathy to give them the best possible outcomes.

**PROPER REINSURANCE:** We built strong relationships with brokers and intermediaries and expand of distribution channel intimating with local needs and requirements



# World & Bangladesh's ECONOMIC OVERVIEW

## Global Economy

The global economic growth in 2023 remains highly uncertain due to the impact of the COVID-19 pandemic over the past three years and the growing adverse effects of the ongoing Russia's war in Ukraine. In the World Economic Outlook (WEO) April 2023 International Monetary Fund (IMF) has expected the global economy to slow down from 3.4 percent in 2022 to 2.8 percent in 2023 and rebound to 3.0 percent in 2024. This projection is 0.1 percentage point lower than in the January 2023 WEO update. The slowdown of economic activity is observed due to spikes in commodity prices and supply chain disruption driven by the effects of war. Sluggish growth rates between advanced economies and emerging market and developing economies will be divergent. Growth in advanced economies is expected to decline from 2.7 percent in 2022 to 1.3 percent in 2023 and rebound 1.4 percent in 2024. In emerging market and developing economies, however, growth is expected to drop from 4.0 percent in 2022 to 3.9 percent in 2023 and rebound to 4.2 percent in 2024.

## Global Inflation

At the beginning of 2021, global inflation reached its highest level in the last few decades. The inflation rates in the United States and some emerging and developing economies continue to rise. In most cases, inflation in these countries is extreme due to demand-supply mismatch and increase in commodity prices during the period of pandemic. The Russia-Ukraine war has fueled global inflation. Central bank policies in many countries around the world, including the US Federal Reserve (Fed), have increased interest rates several times to control inflation. This move by the Fed caused the US dollar to appreciate. As a result, the negative impact on the current account balance of various countries continues to increase causing in the increase of the inflationary pressures in import-dependent economies. The global inflation rates have been declining since mid-2022. Commodity prices including energy are decreasing. Central banks initiative on increasing interest rate has contributed to lower inflation. Global inflation is estimated at 8.8 percent in 2022 (annual average), which will decrease to 6.6 percent in 2023 and 4.5 percent in 2024. However, this rate of inflation is higher than the pre-pandemic inflation rate.



## Bangladesh Perspective

Bangladesh's economy has recovered from the economic damage caused by the impact of COVID-19 and the ongoing Russia-Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth. Bangladesh's economic growth in the pre-COVID-19 fiscal year (FY 2018-19) was 7.88 percent. During the COVID-19 period, this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. According to the provisional estimates of Bangladesh Bureau of Statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23. As per provisional estimate of BBS, per capita GDP and per capita national income stood at US\$ 2,657 and US\$ 2,765 respectively in FY 2022-23 compared to US\$ 2,687 and US\$ 2,793 respectively in the previous fiscal year. The per capita national income in dollar terms has declined slightly in FY 2022-23 due to the appreciation of US dollar. However, the per capita national income in terms of Taka increased by about 30

thousand and stood at Tk. 2,70,414. Provisionally, the consumption expenditure as a percentage of GDP in FY 2022-23 decreased to 73.98 percent from 74.78 percent of the previous fiscal year. At the same time, total investment reached to 31.25 percent of GDP, with public investment and private investment accounting for 7.61 percent and 23.64 percent of GDP respectively. The Medium-Term Macroeconomic Framework (MTMF) envisaged the GDP growth to pick up to 8.0 percent in FY 2025-26.

While economic recovery efforts have been strong in response to the impact of COVID-19, there has been a mismatch between global demand and supply due to supply chain issues. As a result, since the beginning of 2021, an increase in the prices of all types of products including energy have been observed in the world market and it has accelerated due to the ongoing Russia-Ukraine war. As a result, like other countries of the world, the upward trend of the price level is being observed in Bangladesh. The average inflation rate in FY 2021-22 stood at 6.15 percent, which is 0.59



percentage point higher than in FY 2020-21. Of this, food inflation is 6.05 percent and non-food inflation is 6.31 percent. On a point-to-point basis, inflation stood at 9.24 percent in April 2023, as against 6.29 percent in April 2022. In order to keep inflation at a tolerable level, the government has taken various measures under fiscal and monetary policy. The coverage of the OMS has increased and 'Family Cards' have been issued to nearly 1 crore poor people so that they can buy essential commodities at low cost. Besides, reduction of duty on import of essential goods and increase of central bank policy interest rate etc. are significant.

In FY 2022-23, both stock markets, Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange (CSE), noticed some volatility. However, the market capitalisation of all securities increased significantly in both the markets. Compared to June 30, 2022, the market capitalisation of DSE and CSE increased by 47.36 percent and 67.15 percent respectively compared to the end of trading on February 28, 2023. During the same period, the DSE Broad Index (DSEX) and CSE Overall Price Index decreased slightly by 2.51 percent and 2.14 percent respectively.

The IMF's World Economic Outlook January 2023 has projected that the world trade volume of goods and services to slow down from 5.4 percent in 2022 to 2.4 percent in 2023 before rising to 3.4 percent in 2024. However, Bangladesh's export growth is on a positive trend. It is noteworthy that exports increased by 8.07 percent to US\$ 41,721.62 million during July-March FY 2022-23 compared to the same period of previous fiscal years. On the other hand, import payments (c&f) stood at US\$ 52,713.10 million in July-February of FY 2022-23 which was significantly (10.31%) lower than the import payments of the same period of the preceding year. The growth of exports and imports during FY 2021-22 were 34.38 percent and 35.93 percent respectively compared to the previous fiscal year. Besides, total receipts of remittances increased by 2.37 percent to

US\$ 17,718.55 million during July-April of FY 2022-23 against the decrease of 16.24 percent during July-April of FY 2021-22.

#### Sector-wise Economic Progress

In response to the effects of the global COVID-19, and the ongoing Russia-Ukraine war, the Government has adopted short, medium, and long-term action plans to maintain food security for the people of the country by continuing the expansion in agricultural productivity.

The target of food production in FY 2022-23, is 484.98 lakh metric tonne (MT). In FY 2021-22 total food production was 458.96 lakh MT. In FY 2021-22, the amount of food grains distributed to the public sector was 30.77 lakh MT. In the current FY 2022-23, till February 2023, the quantity of food grains distribution was 19.36 lakh MT. The amount of subsidy in agriculture has increased to Tk. 16,000 crore. Up to February 2023, Tk. 12,660.78 crore has released to provide subsidy on fertiliser and other agricultural activities. The disbursement of agricultural credit is gradually increasing. In FY 2021-22, the amount of credit disbursed to the agricultural sector was 28,834.21 crore. In the current FY 2022-23, the target of disbursement of credit to the agricultural sector is Tk. 30,911.00 crore. Of this, Tk. 21,066.51 crore has been disbursed up to February 2023, which is 68.15 percent of the target. The production of fish in FY 2021-22 stood at 47.59 lakh MT. In the previous fiscal year, fish production was 46.21 lakh MT. In the current fiscal year FY 2022-23, the target of fish production has been set at 47.81 lakh MT.

The installed capacity of power generation of the country reached to 26,700 megawatts, including captive and renewable energy (up to January 2023). The maximum generation so far was 14,782 MW on 16 April, 2022. Per capita generation including captive and renewable energy has reached to 609 kWh in FY 2021-22. Construction of Rooppur nuclear power plant

with 2400 MW capacity in 2 units is in progress to meet the growing electricity demand of the country. The target is to complete construction of the 1st (1,200 MW) and 2nd (1,200 MW) units by 2024 and 2025 respectively. On the other hand, total number of transmission lines has been increased to 14,547 circuit kilometers in total till January 2023. The Government has taken a number of steps to improve the distribution system. As a result, the power distribution line has now been stood at 6,29,000 km and the number of subscribers has been increased to 44.5 million up to January 2023.

Natural gas met almost 59 percent of the country's total commercial use of energy. Up to December, 2022, 28 gas fields have been discovered in the country.

According to the latest estimate, total Gas Initial in Place (GIIP) is 40.23 trillion cubic feet (TCF), out of which 28.62 TCF is recoverable (proven and probable). From 1960 to December 2022, total 19.94 TCF gas was produced leaving 8.68 TCF recoverable. At present, the fuel oil storage capacity of the country is about 13.69 lakh metric tonnes. The government has set up two floating LNG terminals in the Bay of Bengal near Maheshkhali in Cox's Bazar to import liquefied natural gas (LNG) to meet the growing energy demand of the country.



# OUR PRODUCTS AND SERVICE

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## FIRE INSURANCE (We Care yours Assets)

- ◉ Fire & Allied Perils Insurance
  - ◉ Industrial All Risk Insurance (IAR)
  - ◉ Insurance Interruption Due to Fire & Allied Perils/Business Interruption Due to Fire & Allied Perils
- 

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## MARINE INSURANCE (Be Safe in the SEA)

- ◉ Marine Cargo Insurance
  - ◉ Marine Hull
  - ◉ Marine Freight
- 



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## MOTOR INSURANCE (Safe in the Highway)

- ◉ Comprehensive Insurance



## ENGINEERING INSURANCE (Be Safe the Construction)

- ◉ Contractor's All Risk Insurance (CAR)
- ◉ Erection All Risk Insurance (EAR)
- ◉ Machinery Insurance (MB)
- ◉ Deterioration of Stock Insurance (DOS)
- ◉ Electronic Equipment Insurance (EEI)
- ◉ Boiler & Pressure Vessels Insurance (BPV)
- ◉ Contractors Plant & Machinery (CPM)

## HEALTH INSURANCE

- ◉ Overseas Medclaim Insurance
- ◉ Comprehensive Travel Insurance
- ◉ Personal Accident Insurance
- ◉ Peoples Personal Accident Insurance



## MISCELLANEOUS INSURANCE

- ◉ Burglary & Housebreaking Insurance
- ◉ All Risk Insurance
- ◉ General/Public Liability Insurance (Credit Card & Loan)
- ◉ Product Liability Insurance
- ◉ Fidelity Guarantee Insurance (FG)
- ◉ Workmen's Compensation Insurance (WC)
- ◉ Money Insurance
- ◉ Cash-In-Transit Insurance (CIT)
- ◉ Cash-In-Safe Insurance (CIS)
- ◉ Cash-On-Counter Insurance (COC)
- ◉ Cash-In-ATM Booth Insurance
- ◉ Hajj & Umrah Insurance





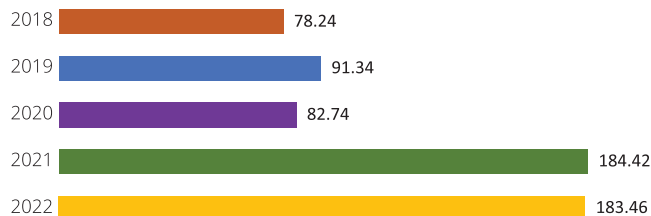
# FINANCIAL INDICATORS

Preceding Last 5 Years

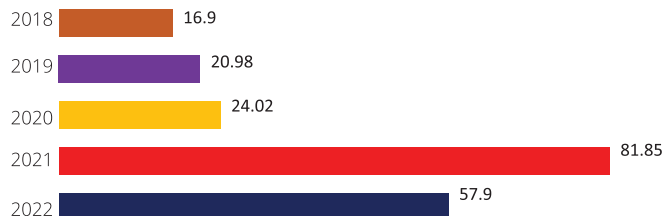
Particulars	Figures in BDT million				
	2022	2021	2020	2019	2018
Gross Premium Income	183.46	184.42	82.74	91.34	78.24
Net Premium Income	57.90	81.85	24.02	20.98	16.90
Net Claims	5.21	0.90	0.59	0.85	1.15
Underwriting Profit	30.64	39.31	15.83	7.59	4.88
Investment Income	103.76	81.34	89.28	80.39	81.21
Profit before Tax	125.11	115.29	99.73	84.84	83.31
Profit after Tax	83.71	79.72	63.97	55.66	58.23
Paid up Capital	580.70	580.70	553.05	553.05	553.05
Share Holder's Equity	794.81	776.38	723.90	706.62	717.03
Total Liabilities	601.21	472.49	363.96	356.98	299.83
Total Reserves	38.54	39.96	31.37	20.36	17.97
Total Assets	1396.01	1248.86	1087.86	1070.43	1021.84
Total Investment	961.10	758.56	712.47	657.77	646.58
Fixed Assets	5.31	2.76	1.77	62.96	61.53
Earnings per Share (EPS) Taka	1.44	1.37	1.16	1.01	1.05
Net Profit Margin	45.63%	43.23%	77.32%	60.94%	74.42%
P/E Ratio (Times)	19.51	30.15	28.36	17.23	12.29
Net Assets Value per Share (NAVPS)	13.69	13.37	13.09	12.90	13.05
Market Value Per Share (Taka)	28.10	41.30	32.90	17.40	12.90
Required Solvency Margin	35.07	44.91	15.53	16.83	14.64
Available Solvency Margin	476.66	460.25	442.24	446.35	460.50
Solvency Margin (Times)	13.59	10.25	28.98	26.52	31.46
% Of Dividend Paid (Cash)	7%	10%	5%	10%	12%
% Of Dividend Paid (Stock)	3%	-	5%	-	-

# GRAPHICAL AND PICTORIAL DATA

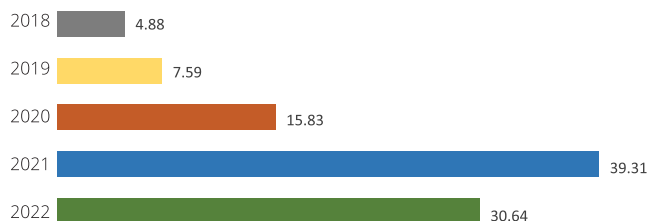
Gross Premium Income BDT in mn



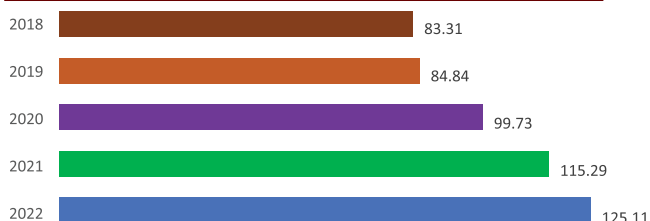
Net Premium BDT in mn



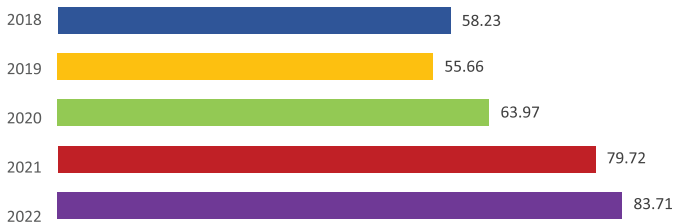
Underwriting Profit BDT in mn



Net Profit before Tax BDT in mn



Net Profit after Tax BDT in mn



Total Assets BDT in mn



Investment Income BDT in mn



FDR BDT in mn



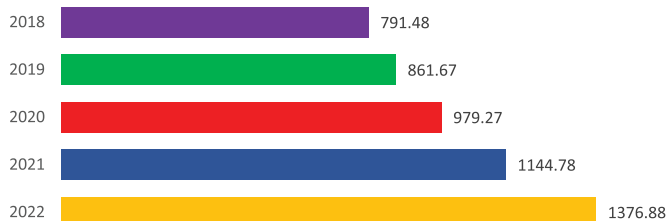


# GRAPHICAL AND PICTORIAL DATA

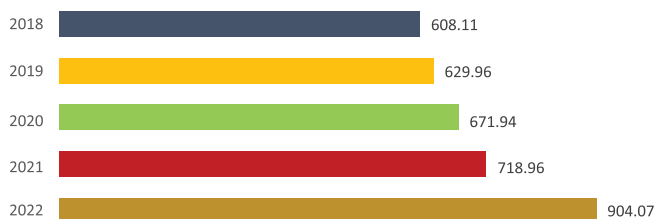
Total Investments BDT in mn



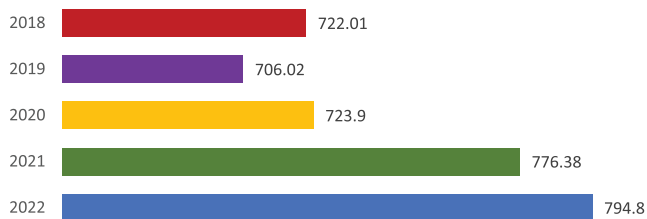
Current Assets BDT in mn



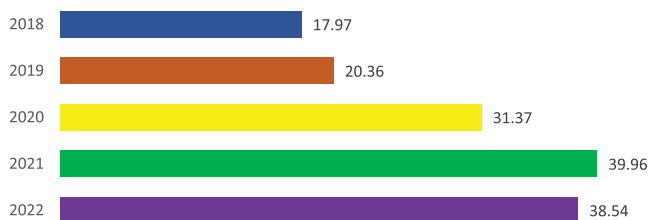
Cash & Cash Equivalents BDT in mn



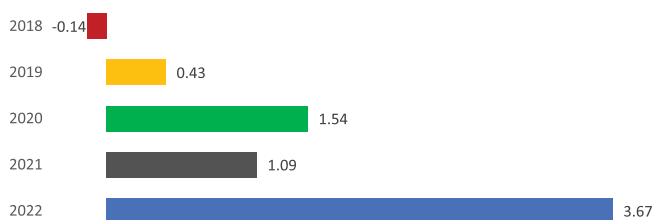
Net Assets Value BDT in mn



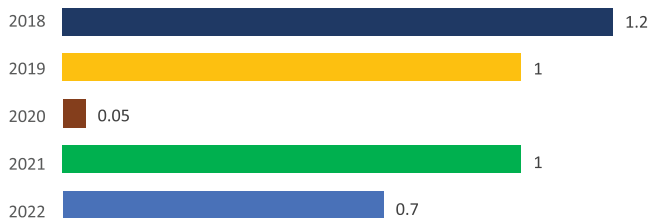
Total Reserve BDT in mn



Net Operating cash flow per share BDT in TK



Dividend per share (Cash) BDT in TK



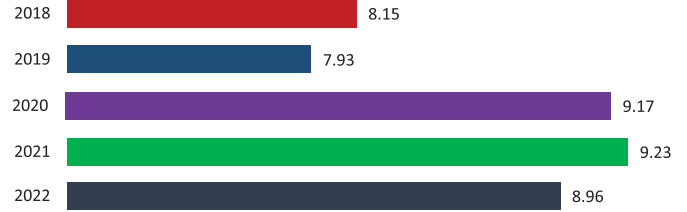
Earnings per share BDT in TK



### Return on Equity in %



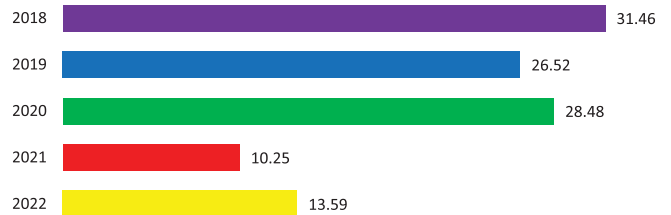
### Return on Asset in %



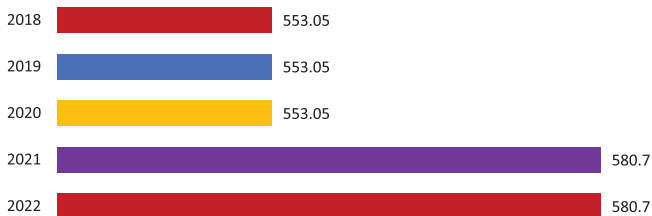
### Claims settlement ratio in %



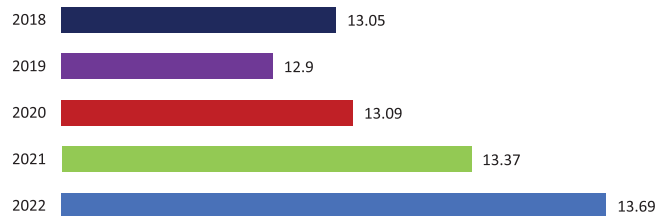
### Solvency ratio in %



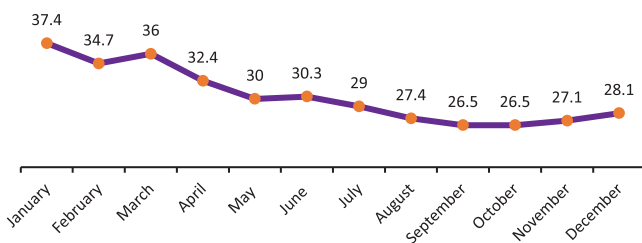
### Paid up Capital BDT in mn



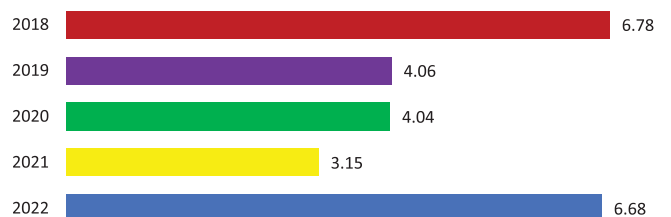
### Net assets value per share BDT in TK



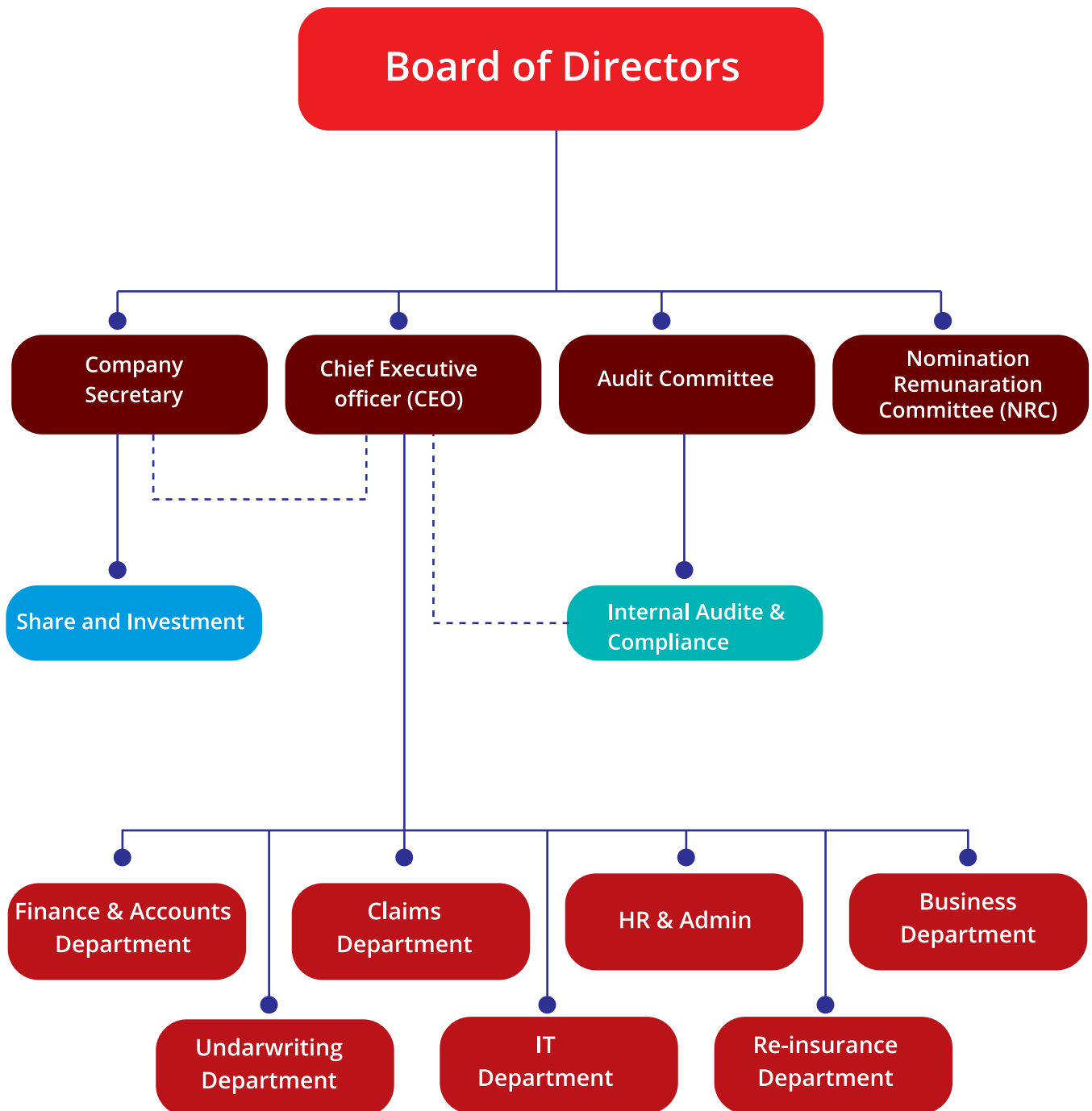
### Stock performance 2022



### Claims ratio in %



# Corporate Organogram



# BANCASSURANCE

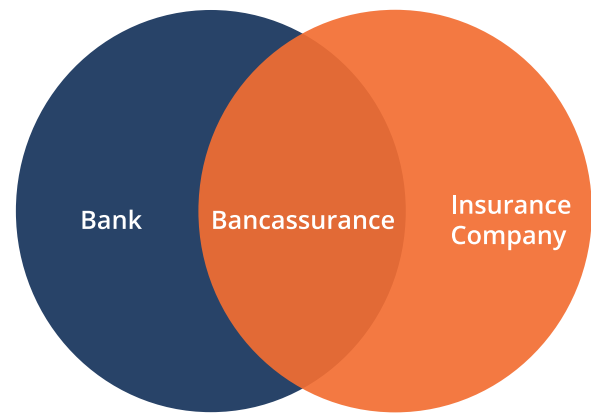
## New Concept of Insurance

Bancassurance is an arrangement between a bank and an insurance company allowing the insurance company to sell its products to the bank's client base. This partnership arrangement can be profitable for both companies. Banks earn additional revenue by selling insurance products and insurance companies expand their customer bases without increasing their sales force.

Bancassurance provides a new way of gaining revenue for banks and insurance companies by working together with similar aims. There is a huge untapped market as currently less than 1% of the total population have insurance. Bancassurance would help many more people to have access to insurance by taking advantage of the nationwide reach of banks' branch networks to avail insurance products. In other words, all the potential clients of banks are the target group of Bancassurance and insurance products can be offered to the customer who has a bank account or eligible to have a bank account.

The concept of bancassurance is relatively new in Bangladesh and has been introduced by private commercial banks. In May 2022 the Central Bank finalized guidelines for local banks to provide this service. It will provide new business opportunities to the stagnant local insurance industry and boost revenue of the banks from the partnership. It is expected that the insurance penetration that remained below 0.05 per cent of the GDP will dramatically improve after launching the bancassurance.

As per guideline, the banks will apply for a corporate agent license to IDRA upon receiving approval from the BB and then notify the central bank accordingly with a copy of the license as soon as it is received from IDRA. In approving bancassurance, the bank shall meet the following criteria: a) capital to risk-weighted asset ratio (CRAR) with capital conservation buffer (CCB) not to be less than 12.5 per cent; b) shall meet the credit rating not less than Bangladesh Bank (BB) rating grade 2 defined at the Guidelines on Risk-Based Capital Adequacy [Revised Regulatory Capital Framework for banks in line with Basel III]; c) shall meet the minimum CAMELS rating of 2 of Bangladesh Bank; d) the level of net non-performing loans (NPL) shall not be more than 5 per cent; e) shall have a positive net profit for the last three consecutive years; and f) shall have a viable bancassurance business plan and review mechanism. A bank will not be allowed to sign



agreements with more than three life insurance and three non-life insurance companies at the same time, according to the guidelines. The banks will require establishing a separate and dedicated department or wing to procure the business through the model, under which bank customers will be the clients of the insurance products.

## Advantages of Bancassurance

**To Banking Institutions:** diversification of product and customer portfolio, improved profitability and non-interest fee income, customer loyalty and retention, cost-effective use of existing resources, increased customer lifetime value etc.

**To Customers:** One stop-shop for all financial needs, improved application and policy processing time, ease of renewals, trust in insurance products and services, customized product and expert advice etc.

**To Insurance Companies:** High market penetration rate, relevant offer generation and customer engagement, increased operational efficiency and reduced costs, high service and product responsiveness, increased premium turnover.

## Disadvantages of Bancassurance

- Association and dependence may cause conflict of interest between the partners leading to new operational and performance risk.
- The conflict of interest between bank products and insurance products and their policies could confuse the customers regarding where to make the investment.
- For such synergy to work, it requires intensive planning and monitoring which could a lot to the participating company.
- This requires huge initial investment and trained employees.

# CHAPTER-II: OUR THINK-TANK



## COMPOSITION OF BOARD AND ITS COMMITTEES

The Board of Purabi General Insurance Company Limited comprises of members from diverse professional and education background, having adequate knowledge and experiences in finance, accounting and business growth and administration. Currently, the Board of Purabi General Insurance Company Limited has been formed with 11 (Eleven) Non-Executive Directors. The directors are:

- a) 5 (Five) Sponsor Director
- b) 3 (Three) Shareholder Director
- c) 3 (Three) Independent Director

The Board Chaired by Mr. Mujibul Islam. He is a prominent entrepreneur and success driven figure in business community of Bangladesh and also reputed industrialist and eminent business personality.

Chairman	Mr. Mujibul Islam	Shareholder Director
Vice-Chairman	Mrs. Golam Fatema Tahera Khanam	Shareholder Director (Representative of Sandhani Life Insurance Co. Ltd.)
Directors	Mr. Faisal Kabir Chowdhury	Sponsor Director
	Mr. Khalid Hossain	Sponsor Director
	Mrs. Naziba Begum	Sponsor Director
	Mr. Mohammad Iqbal	Sponsor Director
	Mr. Nazrul Islam Chowdhury	Sponsor Director
	Col. Saleh Ahmed (Retd.)	Shareholder Director (Representative of Mona F.C.S. Ltd.)
	Mr. Amzad Hussain, CIP	Independent Directors
	Dr. Md. Mizanoor Rahman	Independent Directors
	Mr. Abu Zayed Mohammad	Independent Directors

### Audit Committee

The Audit Committee consists of 3 (Three) Non-Executive Directors. The Directors are:

Name of member	Position in the Board	Position in the Audit Committee
Dr. Md. Mizanoor Rahman	Independent Directors	Chairman
Col. Saleh Ahmed (Retd.)	Director	Member
Mr. Abu Zayed Mohammad	Independent Directors	Member

### Nomination and remuneration committee (NRC)

The Nomination and remuneration committee (NRC) consists of 3 (Three) Non-Executive Directors. The Directors are:

Name of member	Position in the Board	Position in the NRC
Mr. Amzad Hussain, CIP	Independent Directors	Chairman
Mrs. Golam Fatema Tahera Khanam	Vice-Chairman	Member
Col. Saleh Ahmed (Retd.)	Director	Member





**MR. MOJIBUL ISLAM**

**CHAIRMAN**



**MRS. GOLAM FATEMA TAHERA KHANAM**

**VICE-CHAIRMAN**

# Directors



**Mr. Faisal Kabir Chowdhury**  
Sponsor Director



**Mr. Khalid Hossain**  
Sponsor Director



**Mrs. Naziba Begum**  
Sponsor Director



**Mr. Mohammad Iqbal**  
Sponsor Director



**Mr. Nazrul Islam Chowdhury, MP**  
Sponsor Director



**Col. Saleh Ahmed (Retd.)**  
Director



**Mr. Amzad Hussain, CIP**  
Independent Director



**Dr. Md. Mizanoor Rahman**  
Independent Director



**Mr. Abu Jahed Mohammad**  
Independent Director

# MANAGEMENT TEAM COMPOSITION

Name	Designation
Mr. Sukumar Chandra Roy	Chief Executive Officer (CEO)
Mr. Riazul Islam Chowdhury	Senior Executive Vice President & Head of Business
Mr. Sohag Talukder	Company Secretary
Md. Abdur Rob	Chief Financial Officer (CFO) CC
Md. Quayoom Reza	Head of Underwriting, Re-insurance & Claims
Md. Fazlul Hoq Khan	Head of Share Department
Mrs. Nafisatul Kobra	Head of HR & Admin
Md. Shariful Islam	Head of IT



# MANAGEMENT TEAM



**Mr. Sukumar Chandra Roy**  
Chief Executive Officer (CEO)



**Mr. Riazul Islam Chowdhury**  
Senior Executive Vice President &  
Head of Business



**Mr. Sohag Talukder**  
Company Secretary



**Md. Abdur Rob**  
Chief Financial Officer (CFO) CC



**Md. Quayoom Reza**  
Head of Underwriting,  
Re-insurance & Claims



**Md. Fazlul Hoq Khan**  
Head of Share Department



**Mrs. Nafisatul Kobra**  
Head of HR & Admin



**Md. Shariful Islam**  
Head of IT

# Corporate Timeline

## 1988:

- Date of incorporation: 29th June 1988.
- Commencement of Business: 29th June 1988.
- License issued by the Chief Controller of Insurance Government of the Peoples Republic of Bangladesh: 3rd November 1988.
- Date of Business Operation: 29th June 1988.

## 1995:

- Issued IPO
- Listed with Dhaka Stock Exchange: 4th August 1995
- Trading of Share in Dhaka Stock Exchange Ltd.: 5th August 1995
- First Authorise Capital: 200 million

## 1998:

- First Dividend declared in the AGM @ 5% Cash.

## 2008:

- Issuance of first Bonus Share 10% Stock For the year 2008 (Only for Public Shareholders)
- Completion of 20 Years of Service: 29th June 2008.

## 2011:

- Face value & market lot change 16th January 2011
- Authorise Capital change to 500 million

## 2013:

- Right share issued on in the ratio of 2R:1
- Subscription opened: March 10, 2013
- Subscription closed: March 25, 2013
- Record date was: February 14, 2013

## 2017:

- Authorise Capital Change to 1000 million

## 2019:

- Shifting Registered Office on 01-01-2019 from 16 Motijheel, Dhaka-1000 to 34 Bangla motor, Sandhani Life Tower (2nd floor) Dhaka-1000.

## 2023:

- Credit Rating Agency AlphaRating give a Credit Rating 'AA-' on 14 August 2023.

14 August, 2023

**Chief Executive Officer**  
**Purabi General Insurance Company Limited**  
**Sandhani Life Tower (2<sup>nd</sup> Floor), 34 Banglamotor Dhaka- 1000.**

**Subject: Credit Rating of Purabi General Insurance Company Limited**

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating), vide credit rating Agreement No. 3064 has assigned the following rating to **Purabi General Insurance Company Limited**

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
14 August, 2023	13 August, 2024	4 <sup>th</sup> Surveillance	AA-	ST-2	Stable

The long term and short-term rating is valid up to the earlier of 13 August, 2024 or the limit expiry date of respective credit facility. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to **Purabi General Insurance Company Limited**, hereby solemnly declare that:

- (i) We, Alpha Credit Rating Limited as well as the analyst of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope the rating will serve the intended purpose of your organization.

With kind regards,

  
**Tanzina Khaled**  
Chief Rating Officer

**This letter is integral part of the credit rating report**



# CERTIFICATES





The Certificate from Insurance Development and regulatory Authority (IDRA)



The Certificate from Bangladesh Insurance Association (BIA)



The Certificate from Registrar of joint stock Companies (RJSC)



The Certificate from Registrar of joint stock Companies (RJSC)

# CHAPTER-III: REVIEW OF CHAIRMAN DIRECTORS, CEO & CFO





# CHAIRMAN'S MESSAGE

TO SHAREHOLDERS





Inspite of the hurdles, Purabi General Insurance Company Limited is your trusted partner of general insurance in Bangladesh. Amongst the backdrop of the continuing challenges, we doubled down on our efforts to grow sustainable value for our customers, our employee and you, our shareholders and investors. Hence, most of our financial performance indicators remained stale with a positive uptick.

--Mr. Mojibul Islam-Chairman



**DEAR SHAREHOLDERS,**

**Assalamu Aalaikum,**

I am thankful to Almighty Allah,

It is with great pleasure I welcome you all to the 35th Annual General Meeting (AGM) of Purabi General Insurance Company Limited.

Thank you for joining us. I hope that you and your family members are all safe and keeping well. It is my pleasure to place before you the Financial Statements of 2022 of the company along with its performance. I would like to start with a brief overview of the performance and strategy of our company. In 2022 Purabi General Insurance Company Limited stepped into the 36th year of the Company's business operation with its commitment to maintaining superior corporate governance and balancing of growth, profitability and risk.

#### **ERA AFTER COVID-19**

The pandemic caused commercial disruptions and affected business, both large and small. However, our sustained efforts in innovation and digital transformation allowed us to stay on top of evolving client needs and company strategies. Our digitization solutions offer five broad benefits, including greater customer centricity, efficiency, customization, scalability, and agility. Our modern IT infrastructure supports our vision in innovation-led growth and raises the standard for customer service excellence.

We are leveraging technology in the path towards Ensure Tech for consumer empowerment and convenience and to enhance our countrywide market share, which is an imperative for our sustainable growth agenda. Technology is also assisting us in gaining valuable agent and consumer insights and customer our product knowledge, while sharpening our understanding of consumer requirements. Additionally, we are focusing on utilizing technology to provide consumers with personalised services, thus ensuring that we remain their partner of choice when they choose an insurance product from us or for business retention. It is extremely gratifying to report that our efforts in the areas of innovation, customer service and investor relations were recognised with a number of prestigious industry awards.

## **PURABI BUSINESS AND BANGLADESH ECONOMY**

During the year under review, the overall economy was not favorable for the business. Due to post-Covid worldwide recession and Ukraine-Russia war, Bangladesh had to face huge crises in foreign exchange mainly due to shortage of inward remittance and desired export and continuation of payment against foreign commitment, maintenance of USD quota for individual travelers and import of essential goods and raw materials to factory. However, the central bank drastically controlled the outgo of USD limiting letters of credit in the second half of the year which heavily disrupted the normal marine cargo insurance business in the insurance sector of Bangladesh.

In spite of the hurdles, Purabi General Insurance Company Limited was able to sustain their positive trend of growth in business, with the unwavering dedication of the staff members.

## **ROLE OF GENERAL INSURANCE IN CRISIS MOMENT**

As the COVID challenges have revealed, health and financial stability are vital in the lives of people, and the role of general insurance in society is critical as a risk control tool. The function of general insurance amid the pandemic came to the fore and was evident as insurance claims were paid commercial and other insurance claims. During the year, Purabi General Insurance itself settled claims of Tk 6.23 Million, vs. Taka 5.05 Million in the prior year.

Despite the operational and financial position hurdles brought by the crisis, Bangladesh's insurance industry was quick to adapt to the evolving situation. General insurers increasingly embraced digitalisation across the value chain, modernising distribution channels, innovating product portfolios and focusing on prudent cash discipline to deliver improved business resilience and agility through better risk outcomes.

The outbreak also disrupted our way of life and caused increased levels of anxiety in employees. We therefore organised many employee-centric initiatives to ensure their safety and wellness. Employee engagement in these trying times was another key initiative and we utilised our engagement framework to remain in

continuous touch with our people. We utilised the situation to build stronger bonds with our teams, helping each other out and being there for one another. This also helped in creating a more cohesive unit bound by solidarity, camaraderie and team spirit.

## **IDRA RELATED ISSUES**

In the mid of the year under review, Insurance Development and Regulatory Authority (IDRA) got its new Chairman Mr. Mohammad Jainul Bari, a former Secretary to the Government of Bangladesh. A couple of new members for both life and non-life, also joined to complete the Authority in full numbers. Purabi General Insurance Company Limited congratulated the new Chairman and the new members and wished that IDRA with its full team would be more effervescent with the dynamic leadership of the reconstituted Authority to increase the contribution towards the GDP from insurance sector.

Conceived in prudent underwriting, Purabi General Insurance Company Limited follows all applicable Rules, Regulations and Orders of IDRA meticulously. Purabi General Insurance Company Limited has been sending information about policies to the Unified Messaging Platform (UMP) regularly at the end of every day's business.

## **CAPITAL MARKET STABILIZATION FUND (CMSF)**

With a view to making the securities market lively in the interest of the general investors, the BSEC constituted the Capital Market Stabilization Fund (CMSF) with the unclaimed or undistributed or unsettled cash or stock dividend or non-refunded public subscription money or un-allotted rights shares from the issuer of listed securities lying with them for more than three years. Purabi General Insurance Company Limited, being a listed issuer, has transferred the amount of TK 1,01,86,955.90 for the year 2018 as unclaimed dividend to the said Fund in compliance with the rules of the Fund.

## **FUTURE OUTLOOK**

It is apparent that the economic condition would not go well in Bangladesh like the world economy at large in the year 2023. The International Monetary Fund (IMF)

has lowered the projection of gross domestic products growth for Bangladesh to 6% for the first half year of 2023. The inflation rate is higher than it was expected. Recent declaration of 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 ensuing crisis. Purabi Insurance Limited with its prudent insurance services, will remain committed to overcome any challenges of the future and to be in momentum for prudential business growth in 2023.

## CONCLUSION

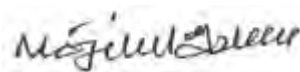
In closing, I extend my gratitude to my fellow Board members who continue to provide steady guidance and oversight at a time when the company has been navigating a difficult operating environment full of uncertainty.

Most developed economies are facing the prospect of outright recession, together with a mix of rising inflation and interest rates, and the Russian-Ukrainian war-induced energy crisis. It is, therefore necessary that the Bangladeshi economy, whilst having to deal with a

myriad domestic as well as global headwinds, take action in the implementation of policy and foster growth and employment. The IMF bailout package of 4.5 billion US dollars will go a long way to preserve macroeconomic stability and support strong, inclusive and environment-compatible growth, while protecting the vulnerable sections of the population.

I would like to acknowledge the immense efforts by the Purabi General Insurance Company Limited leadership team, which has been instrumental in delivering the company's recovery in earnings and superior returns to shareholders. Finally, I thank each and every employee for their unstinting commitment, diligence hard work, our customers for continuing to trust us with their insurance needs, and our shareholders for their investment in our company, which is a manifestation of their trust and faith reposed in us.

**Thanks to all again**



**MOJIBUL ISLAM**

Chairman



# REPORT BY CHIEF EXECUTIVE OFFICER





In spite of the slowdown of economic activities in the post covid-19 scenario and war-stricken world, I strived for maintaining the status quo adhering to our core competencies i.e. focusing customers, ethical practices and above all professionalism, And having acted accordingly we have been able to maintain our business continuity, what we have been able to do because of our determination and consistency.

--Sukumar Chandra Roy  
Chief Executive Officer



## Dear Honourable Shareholders, Members Of The Board Of Directors and Guests.

Assalamu Alaikum,

Another successful but rushing year is 2022 amid stiff pressure from the market dynamics whether it be financial or regulatory on the face of hard reinsurance market worldwide due to major catastrophic losses in the North American region. In spite of the slowdown of economic activities in the post covid-19 scenario and war-stricken world, I strived for maintaining the status quo adhering to our core competencies i.e. focusing customers, ethical practices and above all professionalism, And having acted accordingly we have been able to maintain our business continuity, what we have been able to do because of our determination and consistency.

The generation of gross premium income of BDT 183.46 million with an upward trend in the underwriting profit has been a milestone considering the changing circumstances in the business environment. Fire portfolio being the premier, our marine hull portfolio experiences a growth is increase from previous year. Our path throughout the year was scarcely smooth mainly because of strong external forces such as US dollar austerity practices of the central bank, compliance to the regulatory reforms and limited foreign direct investment.

### THE KEY POINTS FROM THE GLOBAL INSURANCE MARKET

For the year 2022 Swiss Re estimated strong 6.1% nominal growth in total premiums (non-life and life) attaining the \$7 trillion global target. However, these times are difficult for the insurance companies, so they will need to stay abreast of tackling inflation and utilizing economic growth. The insurance industry faces pressure from high inflation this year, but higher interest rates will be a silver lining from 2023, reports Swiss Re. Insurers are increasingly dependent on emerging technologies and data sources to drive efficiency, enhance cybersecurity, and expand



capabilities across the organization, according to Deloitte.com

## OUR ACHIVEMENT

I take opportunity to thank all the team members and members of the Board, especially the Chairman to encourage us always for promoting business, without which our Company could not be able to reach the bright position as noted below:

### FINANCIAL INDICATORS

Indicators	2022	2021	Movement	Trend
Gross Premium	183.46	184.42	-0.52%	↓
Net Premium	57.90	81.85	-29.26%	↓
Underwriting profit	30.64	39.31	-22.05%	↓
Investment income	103.76	81.34	27.56%	↑
Profit before tax	125.11	115.28	8.53%	↑
Profit after tax	83.71	79.72	5%	↑
Dividend	7% C & 3% B	10% C	-	-

Despite the positive long-term outlook of insurance in Bangladesh, the year under assessment was a challenging one for the general insurers of the country. For instance, on the non-health product pool, the pandemic has created disorder on small and medium-sized enterprises, drastically reducing their business and diminishing their viability. This has caused the SME sector to reconsider their insurance coverage in order to effectively minimise business and personnel risks in the future.

## DIGITIZATION AT THE CORE OF OUR OPERATION

Digital marketing in insurance is the process of engaging with the prospects to create awareness and drive action. It is a fluid and ever-changing field as new technologies continue to emerge, so it is important for those in the insurance industry to stay up-to-date on how consumers are responding to these changes.

The focusing on the digital technologies is no more an option for our insurers, it's a survival issue. For achieving enhanced insurance penetration rate in Bangladesh, Purabi has put its best efforts in making use of digital blessing and proudly contributed to the making of 'Digital Bangladesh'.

## PROMPT SETTLEMENT OF VALID CLAIMS

Ensuring customers services, particularly at the time of claims settlement, Purabi insurance aims at becoming the forerunner since claims is the only event when the customers are at distress and they need mental and financial supports, and in such situation, insurers should be standing beside the customers. We embed this into our practices. Our claims paying percentage was 68.85% in 2022.

## HUMAN CAPITALIZATION – ONE OF THE TOP MOST PRIORITY

Being financial service providers, we invest in human capital development in addition to our investment in information technology. Our philosophy is that ICT investment can provide us advantage for a certain period of time, and it can easily be imitated. But it is human capital development, which provides us with real competitive advantages over the year.

Thus, we arrange congenial environment to our staff members for ensuring self-motivation in discharging responsibilities in most professional manner. In addition to offering internal training at our training institute we engage our employees' training offered by local and international training institutes. We arranged 'In-house Zoom-Based Training Courses every 04 months for revisiting our practices for better performance.

## INSURANCE AND OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

The demand for insurance was born out of a desire to safeguard one's assets against the possibility of loss due to calamity. Sustainable, resilient and inclusive development is the bedrock of the safety of people and their possessions.

The pandemic is a prime example of how sudden economic shocks can halt development efforts. It has been estimated that 119-124 million 'new poor' have been created in 2020 as a result of COVID-19, according to the World Bank. Nonetheless, nations with more

robust safety nets are doing better.

SDGs such as no poverty, reduced inequalities, zero hunger, good health and well-being, gender equality, decent work and economic growth, industry innovation and infrastructure, climate change, and partnerships for goals all benefit from insurance as a risk protection mechanism. Five of the SDGs benefit from insurance in an indirect way, including quality education; industry, innovation, and infrastructure; reduced inequalities; partnerships for the goals; and sustainable cities and communities.

With the 2030 Agenda and the SDGs on the horizon, the insurance sector, one of the world's major financiers, has the opportunity to contribute to sustainable development. The industry acts as a risk underwriter, investor and corporate citizen, depending on the situation, and at Purabi General Insurance we are all of this and more.

We have always held the opinion that companies that effectively handle environmental, social, and governance (ESG) challenges are

### **CONTRIBUTION TO THE GDP GROWTH THROUGH INSURANCE BUSINESS.**

The Insurance industry is contributing to the GDP growth by insurance business. The insurance industry of Bangladesh is lagging far behind in contributing to the GDP of Bangladesh. But there are ample opportunities to increase this contribution to bring it to a considerable percentage. The government may take few strong decisions for increasing the scope of insurance industry making mandatory of some insurance coverage, such as Health Insurance, Hajj &

Umrah insurance etc and making mandatory of taking policy from the local insurers regarding the capital machineries used in the projects under Public Private Partnership (PPP) and also obtaining Personal Accident policy for the workers working those projects.

In conclusion, it is my sincere belief that our nation and the global economy stand at stable position. In the coming year, with the best wishes from all of you, and sincere efforts put in by our colleagues, we expects to do better than before.

Purabi General insurance Company Limited will execute long-term strategy successfully and meet our goals with the continuous dedication and commitment of Purabi Family together for future affluence successfully.

I am expressing my heartiest gratitude towards our respected business partner clients, the regulatory authority (IDRA), other regulatory bodies and the Purabi family.

Finally, I would like to convey my thanks to all of our stakeholders and colleagues for their whole-hearted support, and my sincere gratitude to Board of Directors for sharing their insights and wisdom and also thanks to all Executives of the Management team for expediting and implementing our strategy to build-up the Company in a distinctive position. Relying upon these loving commitments from all corners, I firmly believe Purabi shall be the Insurer of Choice in Bangladesh. Thanking you.



**Sukumar Chandra Roy**  
Chief Executive Officer

# Directors' Report To the Shareholders

Bismillahir Rahmanir Rahim  
Ladies and Gentlemen,

## **Assalamu Alaikum,**

The Board of Directors of your company Purabi Insurance Company Limited welcome you to the 35th Annual General Meeting and would like to thank you for your continued patronage and support over the 36 years. We are very delighted to present before you the Annual Report along with the Audited Financial Statements for the year ended 31st December 2022 and the Auditor's Report thereon for kind consideration and adoption.

This report of the Directors has made relevant disclosures and explanations pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31st December 2022.

In fact, the year 2022 is very significant in the life of the Company in terms of performance and achievements not only within the industry but also in the entire economy.

## **GLOBAL ECONOMY**

The world economy, as envisaged by Swiss Re in its Sigma 6/2022, has been facing a complex situation owing to the war in Ukraine, zero-Covid policy in China, energy shortages in Europe, protectionism in the United States, and skyrocketing debt burden in developing countries. The new wave of Covid-19 in North-East Asia, particularly in China, Japan, South Korea, Taiwan, and Russia, is also a great concern for the world economy.

A new, higher interest rate era is emerging from the economic stresses of the inflation shock and war in

Ukraine. Though economic growth has been relatively resilient this year, global GDP is expected to grow by just 1.7% in real terms in 2023 as inflationary recessions approach major economies such as the US and Europe.

It is continued to view inflation as the number one macro risk, and it is expected to stay sticky, even if inflation declines rapidly next year. It brings downside risks to growth from higher central bank interest rates. In advanced markets it is forecasted that real GDP growth of just 5.30% in 2023, the lowest since the 1980s outside of the global financial and COVID-19 crises. In emerging markets, it is anticipated that substantially lower growth rates than pre-pandemic that will likely feel similar to downturn.

East Asia's growth forecasts are revised down to 2.9% in 2022—due to the mobility restrictions in the People's Republic of China plus deep contraction in Hong Kong, China—and down to 4.0% in 2023. The 2022 forecast for Southeast Asia is upgraded from 5.1% to 5.5% on robust consumption and tourism recovery in Malaysia, the Philippines, Thailand, and Vietnam. The 2023 forecast is revised down to 4.7% as global demand weakens. The South Asian forecast for 2022 is maintained at 6.5% but revised down marginally for 2023 from 6.5% to 6.3% following flooding in Pakistan and a slowdown in Bangladesh.

## **GLOBAL INSURANCE PERSPECTIVE**

According to Swiss Re Institute report sigma No. 4/2022, for insurers, the main inflation impact will show in rising claims costs, more in non-life than life insurance in which policy benefits are defined at inception. Motor

and liability lines of business will likely be most immediately impacted. Accident, and motor and general liability will also be impacted, with inflation feeding into bodily injury claims.

Swiss Re estimates strong 6.1% nominal growth in total premiums (non-life and life) in 2022. Nevertheless, in nominal terms we expect total premiums volumes will exceed the USD 7 trillion mark for the first time ever this year. Swiss Re bases its estimation on strong market recovery from pandemic-induced lows, continued rate hardening in non-life, and stronger premium growth in emerging markets in particular.

For non-life insurance, Swiss Re expects inflation of exposure values and rate hardening will boost global premium growth. Commercial lines (including workers' compensation) will continue to expand more than personal lines (including health). It estimates a 1.1% increase in commercial premiums in 2022, and a 3.1% gain in 2023, supported by rate hardening. Personal lines insurance premiums will expand by an estimated 0.5% in 2022, mainly on account of stagnation in advanced markets.

### **BANGLADESH PERSPECTIVE**

According to IMF Bangladesh's robust economic recovery from the COVID-19 pandemic was interrupted by Russia's war in Ukraine. Rising global commodity prices, supply disruptions, and slowdown in external demand have led to a sharp widening of the current account deficit, depreciation of the Taka, and the rapid decline of foreign exchange reserves. The resulting high inflation, slow growth, and stringent measures to compress demand are disproportionately impacting the poor. Heightened global uncertainties will keep the balance of payments (BoP) under pressure for some time.

As per Bangladesh Bank (BB) review, the domestic price level is likely to ease in the near future due to the recent declining global price level trend in almost all commodities, weathered by better yields of Aman and Boro paddies in the next two seasons. The exchange

rate pressure is expected to be normalized within the next few months, supported by the necessary policy measures taken by Government and BB to curb the excessive import demand while enhancing the export receipts and inward remittances.

### **INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT**

The insurance industry of Bangladesh is highly competitive. Key factors affecting the performance of the industry during the review period included fierce competition in the non-life segment, the rising market shares of private insurance companies, and the increasing level of risk being retained by insurers. The insurance regulatory reform is not just an aid for a catastrophic outcome; it can also be a driver of exponential economic growth. By streamlining the regulatory infrastructure in terms of data warehousing, governance, systems, resources, and processes in adjustment with international insurance standards such as the International Association of Insurance Supervisors (IAIS); Bangladesh can exhibit a reliable and well-balanced insurance platform. In short, rehabilitation of insurance regulations promulgated by IDRA could result in multifold positive impacts on the economy of Bangladesh.

### **RISK AND CONCERN**

Both life and non-life Insurance Business involves assumption of risk many types-Physical as well as moral. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters. The key to proper management of insurance business risks to ensure proper management of insurance business risks is to make sure proper selection of risks as well as of the client through a vetting process known as underwriting. Non-life insurance business also closely follows the country's economic development and any slowdown in the economic activities also has adverse impact on the insurance industry's growth. Purabi, being aware of these business risks practices the following to protect its interests; (a) selection of risks which have the

potential of making underwriting profit. (b) Diversification into many segments of business-product wise, as well as client wise so that the company is not over reliant on any particular segment (c) the company arranges adequate reinsurance back up of risks assumed by it with good quality securities. (d) The company maintains a conservative reserving policy and its various technical reserves have been created to adequately cater to unforeseen developments in the future.

### **EXTRA ORDINARY ACTIVITIES & THEIR IMPLICATION**

The activities of PGICL has a steadily growth from the beginning. No extra ordinary activities occurred during the year and have no implications in the financial statements.

### **INSURANCE DEVELOPMENT & REGULATORY AUTHORITY (IDRA)**

The Insurance Industry started reforming repealing the age-old Insurance Act, 1938 and replacing it by Insurance Development and Regulatory Authority Act, 2010 and Insurance Act, 2010. The related reforms have yet to be completed formulating the required regulations as quick as possible to apply the provisions of Insurance Act, 2010 smoothly. In the mid of the year 2022, Insurance Development and Regulatory Authority (IDRA), got Mr. Mohammad Jainul Bari, an ex-Secretary to the Government of Bangladesh as its new Chairman. Two new members from the insurance sector, one from life and the other from non-life, also joined the Authority. The Board of Directors of the company congratulated the new Chairman and the new members and extend greetings to the existing members and wished that IDRA with its reconstituted full team would be more vibrant to increase the penetration to the GDP from insurance sector.

### **VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS**

Statement of Quarterly Financial Statement is given separately. There were some variances in the financial

results from quarter to quarter. But they are not very significant or material in nature.

### **CORPORATE AND FINANCIAL REPORTING FRAMEWORK:**

The Directors of Purabi Insurance, in conformance with the BSEC Notification No. SEC/CMRRC/2006-158/207/Admin/80 dated 3 June 2018, confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of GDIC make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books and accounts of the Company have been maintained.
- Appropriate accounting policies, including International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)/as applicable/ adopted in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.
- Accounting estimates are based on reasonable and prudent judgment.
- Internal control processes have been properly designed and effectively implemented and monitored.
- No significant doubt exists upon the Company's ability to continue as a going concern.
- Comparative analysis of significant deviations has been highlighted and reasons have been explained in the sections above.

### **KEY OPERATIONAL AND FINANCIAL INFORMATION**

Key operational and financial information over the last five years, as per the requirements of No. SEC/CMRRC/2006-158/207/Admin/80 dated 3 June 2018, has been presented on page no. 64 "Key Operating & Financial Highlights (last 5 years)

### **DIVIDEND**

Proposed Annual Dividend- The Board Director in its 187th Board meeting has proposed 7%Cash and 3% Stock Dividend for the year 2022.



Interim Dividend- No cash or bonus share dividend was declared as interim dividend during 2022.

## **BOARD MEETINGS & ATTENDANCE BY THE DIRECTORS**

During the year 2022, a total of 04 meetings of the Board were held. Attendance by the Directors and remuneration to the Directors has been summarized in page 65.

### **PATTERN OF SHARHOLDING:**

PGIC shareholding pattern as on December 31, 2022, is disclosed as per the new CGC of BSEC in Annexure-I of this annual report on page no. 66 .

## **DIRECTORS**

Related entities with the Directors

The names of the companies in which the directors hold directorship and membership of committees of the board are included in the note Related Party Transactions of the financial statements.

## **Retirement and re-election**

As per Articles 102 and 103 of Articles of Association of the company pursuant to Regulation 80 of Schedule-I of the Companies Act 1994, considering the longest tenure on the Board of PGIC, the directors listed below shall retire from the Board at the 35th Annual General Meeting and they shall be eligible for re-election:

	<b>Name</b>	<b>Status</b>
01	Mr. Faisal Kabir Chowdhury	Sponsor Director
02	Mr. Nazrul Islam Chowdhury, MP	Sponsor Director

## **CEO AND CFO's DECLARATION CERTIFICATE:**

The CEO and Financial Controller/ CFO's declaration to the Board is appended on page no. 77 this Annual Report.

## **MANAGEMENT DISCUSSION & ANALYSIS:**

A more detailed discussion and analysis of the financials, as delivered by the Managing Director CEO, is

appended on page no 75 Report by our Managing Director and CEO.

## **HUMAN CAPITAL MANAGEMENT**

It has been an important practice in Purabi General Insurance Company Limited to always accentuate on professionalism and development of appropriate human resource management policies to enhance the quality of its employees, and to ensure their optimum contribution towards the achievement of its goals. The Company believes that its Human Resources (HR) gives it a significant competitive edge in terms of knowledge and experience. It has continued its policy of recruiting the best people and implementing programs to develop and retain high quality human resources in its various divisions/ departments. In line with this Policy, the need-based internal and external training at both home and abroad, is regularly and systematically arranged. The Company also ensures attractive compensation packages and rewards including employee's safety and health including the family members to some extent to assure their retention and provide job satisfaction.

## **CORPORATE GOVERNANCE**

Publicly listed entities witnessed exponential increase in corporate governance awareness in recent years due to increased legislative and regulatory activities as well as evolving best practice recommendations.

As a leading insurance company in Bangladesh led by professional people, Purabi General Insurance Company Limited is committed to adopt the highest governance standard and adjusting them as required in protecting the interest of shareholders and policyholders.

Good corporate governance system is vital for efficient and effective business operation to achieve the set goals. In line with the best practice, the corporate governance systems and practices in Purabi are designed to ensure adequate internal control, transparency and accountability in the day-to-day operational process. The Board of Directors always puts emphasis on the point that the company conducts itself



as a good corporate entity and comply with corporate behavior and guidelines as well as trustworthiness to rules and regulations. It also ensures that duties and responsibilities are appropriately segregated between the Board and the Management to provide sufficient check and balance and flexibility for smooth business operations. The Board provides leadership and direction to the Management, approves strategic decision, makes major policies and oversees Management role to attain predetermined goals and objective of the company.

## CREDIT RATING

AlphaCredit Rating has reaffirmed the Claim Paying Ability (CPA) Rating of the Company “AA-” valid up to August 13, 2024 based on the financials up to June 30, 2023 and other relevant qualitative and quantitative information up to the date of reporting on August 14, 2023. The reaffirmation effectively reflects Company's excellence in prudent underwriting and financial performance, substantial market shares and franchise value, good solvency, state-of-the-art-IT infrastructure, quality reinsurance arrangement with Sadharan Bima Corporation (SBC) and with top rated foreign reinsurers, significant business exposure from multinational clients.

	<b>Claim Paying Ability</b>
<b>Credit Rating</b>	AA-
<b>Outlook</b>	Stable
<b>Date of Rating: August 14, 2023</b>	<b>Valid up to: August 13, 2024</b>

## AUDITORS REPORT

### An Emphasis of Matter:

We understand that the content of the Emphasize of matter paragraph in the auditor's report does not have any reservation, qualification or adverse remarks. It only refers to a note which is a part of the IFRS based financial statements of the company which clarifies the reason behind not maintaining WPPF provision for the company. Section 234 of chapter 15 of Bangladesh Labor Act 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and

Welfare Fund. However, Bank and Financial Institutions Division, on behalf of the financial institution sector, requested clarification from the Labor Ministry regarding the applicability of the provisions for the sector. Also, Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for clarification on the applicability of WPPF on Insurance Companies. As no decision has been yet concluded on such communications and its rest upon Bangladesh Insurance Association, thus Purbai insurance did not provide for the said provision.

### A. Statutory Auditors

In accordance with the notification no. 2 (2), issued by BSEC on 20 June 2018, existing statutory Auditors M/s. Khan Wahab Shafique Rahman & Co, Chartered Accountants, have completed their consecutive First year of service as the statutory auditors and being eligible they offer for re-appointment for the year 2023. A resolution will be placed for approval of the re-appointment of M/s. Khan Wahab Shafique Rahman & Co, Chartered Accountants in the meeting as per recommendation by the Board of Directors.

### B. Compliance Auditors

The company shall obtain a certificate from a practicing Professional Accountant or Secretary other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission who will provide the certificate on compliance of the Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. M/s. Mollah Quadir Yusuf & Co., Chartered Accountants completed their audit of the same for the year 2022 and being eligible they offer for re-appointment for the year 2023. A resolution will also be placed for approval of the re-appointment of M/s. Mollah Quadir Yusuf & Co., Chartered Accountants in the meeting as per recommendation by the Board of Directors.

## ACKNOWLEDGEMENT


We always remember the sincere gratitude our clients and shareholders for their tremendous support and trust reposed on us. We would extend our sincere thanks to Banks and financial institutions with whom we have extensive daily dealings; along with the regulators, Dhaka stock Exchange Ltd, BAPLC, NBR, FRC, BSEC, IDRA, Sadharan Bima Corporation, related Government bodies and stakeholders for their persistent co-operation and support.

I would like to extend my wholehearted thanks to the honourable members of the Board for their continuous co-operation and valuable advices to administer the affairs of the company smoothly and also to the different Sub-Committees of the Board for performing their defined roles.

On behalf of the Board of Directors, I would like to take the opportunity to express our sincere thanks to the Chief Consultant, the Chief Executive Officer and members of the staff of the company both at Head Office and at the branches for their praiseworthy and performance in adhering to company's vision. I am very much confident and hopeful that they will continue to be steadfast in the face of adversity and achieve better results in the years to come.

Thank you all.

For and on behalf of the Board of Directors



**Mojibul Islam**

Chairman

# Key operating & Financial highlights

Particulars	2022	2021	2020	2019	2018
<b>Operational result</b>					
Gross premium	183.46	184.42	82.74	91.34	78.24
Net premium	57.90	81.85	24.02	20.98	
Underwriting profit	30.64	39.31	15.53	7.59	4.88
Profit before tax	125.11	115.29	99.73	84.84	83.31
Profit after tax	83.71	79.72	63.97	55.66	58.23
Income from investment	103.76	81.34	89.28	80.39	81.21
Cash flow from operating activities	213.12	63.61	85.06	23.61	(7.65)
Net operating cash flow per share (NOCFPS)	3.67	1.09	1.54	0.43	(0.14)
<b>Financial Position</b>					
Total assets	1396.01	1248.86	1087.86	1070.43	1021.84
Total liabilities	601.21	472.49	363.96	356.98	299.83
Current assets	1377.38	1144.78	979.27	861.66	791.48
Current liabilities	577.57	439.72	354.33	317.50	236.50
Investments (Share & GTB)	936.28	730.77	691.42	657	646.58
Fixed deposit with bank & NBFI	880	700	659.53	624.40	604.40
Net assets value	794.80	776.38	723.90	706.02	722.01
<b>Financial ratio</b>					
Dividend in stock	3%	-	5%	-	-
Dividend in Cash	7%	10%	5%	10%	12%
Earnings per share (EPS)	1.44	1.37	1.16	1.01	1.05
Cash ratio	1.67	1.73	2.01	2.07	2.74
Debt equity ratio	0.30	0.17	0.13	0.11	0.06
Return on investment (ROI)	0.12	0.11	0.13	0.13	0.13
Return on equity	10.53	10.27	8.84	11.04	10.70
Return on assets ratio	8.96	9.23	9.17	7.93	8.15
Claims settlement ratio	68.85%	82.86%	100%	94.74%	100%
Solvency ratio	13.59	10.25	28.48	26.52	31.46
Underwriting profit ratio	52.91	48.03	65.90	36.18	28.88
Combine ratio	109.30	44.32	83.19	120.76	146.69
<b>Equity statistics</b>					
Authorize Capital	1000	1000	1000	1000	1000
Paid-up capital	580.70	580.70	553.05	553.05	555.05
Shareholders' equity	794.81	776.38	723.90	706.62	717.03
Market value per share (31 Dce.)	28.10	41.30	32.90	17.40	12.90
Net assets value per share	13.69	13.37	13.09	12.90	13.05

\*Taka is in million except ratio & per share item

# Meeting attended by the directors

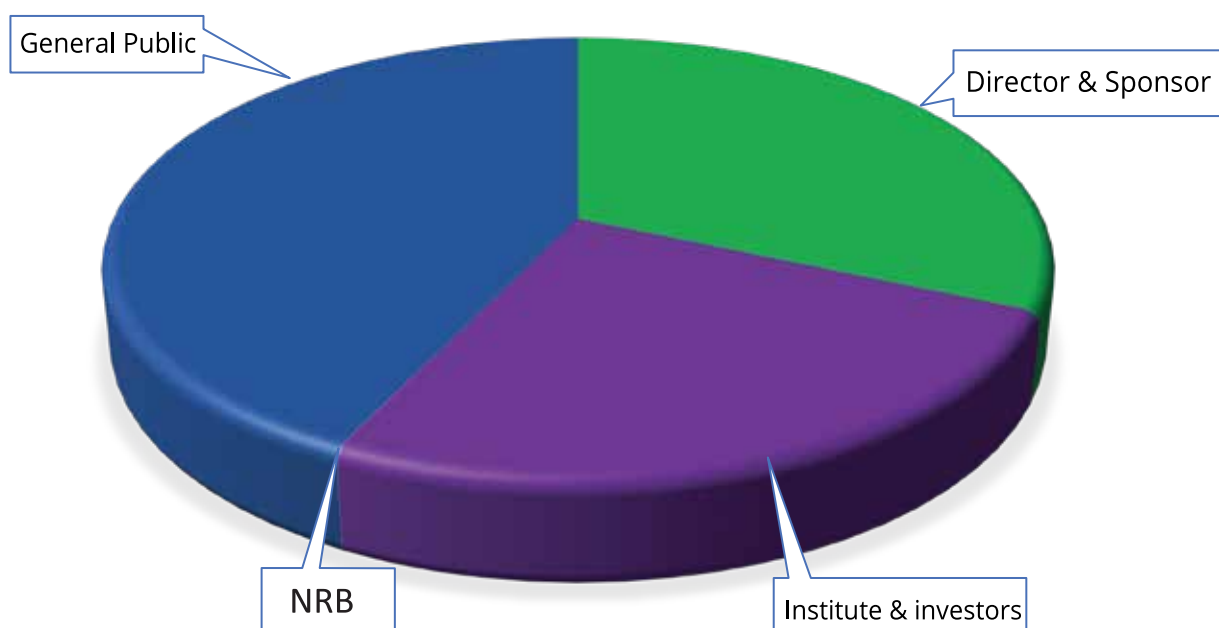
Name of directors	Status in the Board	Board of Directors Meeting			Audit Committee Meeting			Nomination and Remuneration Committee (NRC) Meeting			Remark
		Total Meetings held in 2022	Meetings Attended	%	Total Meetings held in 2022	Meetings Attended	%	Total Meetings held in 2022	Meetings Attended	%	
Mr. Mojibul Islam	Chairman	04	04	100							
Mrs. Golam Fatema Tahera Khanam	Nominated Director	04	04	100				02	02	100	
Mr. Faisal Kabir Chowdhury	Sponsor Director	04	04	100							
Mr. Khalid Hossain	Sponsor Director	04	04	100							
Mrs. Naziba Begum	Sponsor Director	04	04	100							
Mr. Mohammad Iqbal	Sponsor Director	04	04	100							
Mr. Nazrul Islam Chowdhury	Sponsor Director	04	04	100							
Col. Saleh Ahmed (Retd.)	Nominated Director	04	04	100	04	04	100	02	02	100	
Mr. Amzad Hussain, CIP	Independent Director	04	02	50				02	02	100	
A.F.M. Rezaul Hasan	Independent Director	04	02	50	04	02	50				He is no longer an ID as the term has expired
Mojibor Rahman Miah	Independent Director	04	02	50	04	02	50				He is no longer an ID as the term has expired
Col. Wais Huda (Ret.)	Independent Director	04	02	50							He is no longer an ID as the term has expired
Mr. Shaheduzzaman Choudhury, FCA	Independent Director	04	01	25	04	02	50				BSEC not approved his appointment
Mr. Mir Akhter Hossain	Independent Director	04	01	25	04	02	50				BSEC not approved his appointment
Mr. Abu Zayed Mohammad	Independent Director										Newly appointed on 28.12.2022
Dr. Md. Mizanoor Rahman	Independent Director										Newly appointed on 28.12.2022

\*ID means Independent Director

# Patten of Shareholding

## As on December 31, 2022

Group Name	Number of Shareholders	Number of Share	Percentage (%)
Director & Sponsor	16	1,83,40,646	31.5835
Government	-	-	-
Institute and all investors	157	1,48,42,857	25.5601
Non-Resident Bangladesh (NRB)	03	10,967	0.0189
General Public	6949	2,48,75,924.90	42.8375
	7125	5,80,70,394.90	100



## Shareholding position of the Directors and Sponsor as on 31st December 2022.

Directors & Sponsor	Position	Shareholding Status	Percentage (%)
Mr. Mojibul Islam	Chairman	1,161,539	2.00
Mrs. Golam Fatema Tahera Khanam (Nominated by Sandhani Life Insurance Com. Ltd.)	Vice-Chairman	2,844,627	4.90
Mr. Faisal Kabir Chowdhury	Sponsor Director	1,645,283	2.83
Mr. Md. Khalid Hossain	Sponsor Director	1,334,904	2.30
Mrs. Naziba Begum	Sponsor Director	1,642,160	2.83
Mr. Mohammad Iqbal	Sponsor Director	821,260	1.41
Mr. Md. Nazrul Islam Chowdhury	Sponsor Director	1,161,430	2.00
Mrs. Golam Fatema Tahera Khanam	Vice Chairman	32,904	0.06
Col. Saleh Ahmed (Retd.) (Nominated by Mona FCS Ltd.)	Director	1,304,608	2.25
Mr. Abdullah-Al-Haroon Chowdhury <b>(Deceased)</b>	Sponsor	53,898	0.09
Mr. Md. Badruddoza <b>(Deceased)</b>	Sponsor	2,47,824	0.43
Mr. M.A Salam <b>(Deceased)</b>	Sponsor	364,201	0.63
Mr. Rafiqul Islam	Sponsor	1,916,339	3.30
Mrs. Rokeya Begum	Sponsor	1,571,562	2.71
Mrs. Fatema Khatun	Sponsor	1,873,906	3.23
Mr. Md. Aminul Islam <b>(Deceased)</b>	Sponsor	364,201	0.63
Total			31.58



## Range of Shareholding number as on 31st December 2022

Share Holding Rane	Number of Share holders	Number of Share	Percentage (%)
1 to 500	2788	528132.9	0.91
501 to 1000	1014	829936	1.43
1001 to 5000	2033	5162556	8.89
5001 to 10,000	594	4409277	7.59
10001 to 20,000	353	5139521	8.85
20,001 to 30,000	125	3063054	5.27
30,001 to 40,000	61	2108605	3.63
40,001 to 50,000	46	2169656	3.74
50,001 to and above	111	34659657	59.69
	<b>7125</b>	<b>58070394.9</b>	<b>100</b>

# CFO'S REPORT TO SHAREHOLDERS



//

Purabi General Insurance Company Limited is dedicated to producing long-term value for all stakeholders by establishing a sustainable business that delivers consistent performance and robust execution. A crucial strategy pillar is a focus on profitable market share expansion. We generated strong results across key financial indicators during the year 2022, thus assisting us in meeting our stated financial goals.

//

## Dear Respected Shareholders,

In difficult circumstances, we think that people want a partner who can offer them with all the necessary guidance and support - through thick and thin. Purabi General Insurance is dedicated to our mission because it provides us with clarity and direction in all we do. Our mission enables us to make a clear guarantee to our policy holders, particularly in difficult times when they need stability and assurance. We assist them overcome their anxieties and give them the strength to face the future by providing them with

devoted personnel, insurance expertise, and access to information. We truly provide optimism for the future.

We are actuaries and advisers with longstanding expertise and are committed to insurance involvement. We are devoted to the future of our customers and the company and hence our shareholders. We endeavour to carry out our duties with zeal and passion and benefit all those who are associated with our business.

Our solid financial position has been created over time

with innovative products, a strong team of people, a wide product offering for retail and institutional clients, and sound risk management techniques. On a continual basis we track and monitor important performance criteria, such as liquidity and asset-liability situations. Over time, we have used our financial resources to invest in our brand and technology,

laying the groundwork for increased value enhancement for our shareholders. In line with our emphasis on benefitting our shareholders on account of a sound business performance for the year 2022, we have declared 7% cash and 3% Stock dividend for the year and will continue to link our business strategy with dividend pay-out, thus creating opportunity for value enhancement in the hands of our shareholders.

In 2022, keep sustainable growth in all of our key financial metrics. Our diversification is a key competitive advantage for the company, and the execution of our strategic priorities has driven broad-based growth across our portfolio mix and distribution channels. We also continued to accelerate the use of technology throughout our business to provide uninterrupted service to our customers, agents and partners even as the COVID-19 pandemic and later the war in Ukraine continued to impact the region throughout the year.

PGIC will continue to pursue growth prospects, particularly to enhance the market penetration rate of retail insurance, which is now rather low in the country and is ripe for future growth. Consistent with a

<b>Total Premium</b> Tk.million 2022: 183.46 2021: 184.42	<b>Solvency Ratio</b> 2022: 13.59 2021: 10.25	<b>Underwriting Profit</b> Tk.million 2022: 30.64 2021: 39.31
<b>Total Investment</b> Tk. million 2022: 961.10 2021: 758.56	<b>Investment Profit</b> Tk. million 2022: 103.76 2021: 81.34	<b>FDR</b> Tk. million 2022: 880 2021: 700
<b>Profit after tax</b> Tk. million 2022: 83.71 2021: 79.72	<b>Total Reserves</b> Tk. million 2022: 38.54 2021: 39.96	<b>Dividend (Cash)</b> Tk. million 2022: 40.64 2021: 58.07

developing digital economy and sustainability trends, we are continually improving our products and services to satisfy the varying demands of our clients. In addition, we seek to optimise margins by refocusing on profitable business divisions and achieving technical excellence in underwriting, pricing, and claims management. Concurrently, CGI is digitalising an increasing number of its procedures to ensure scalability as the business

expands and to improve the client experience.

The residual economic effects of COVID-19 and socio-political variability will continue to impose a low-growth environment, and it remains to be seen how quickly the economy will recover as we enter the pandemic phase of disease control. Challenges abound, such as high inflation,

Solvency margin was at 13.59% as of December 31,

2022, reflecting our company's strong financial capability to settle claims and meet obligations. This high ratio means the company is financially sound and has enough capital to pay all valid claims. Furthermore, our solvency ratio stands well when compared to the other players in the industry.

rising interest rates, slowing economic recovery, variability in morbidity and other risk assumption, and public unrest that are all contributing to macroeconomic issues and point to a difficult period ahead. However, we are confident of our resilience against any extraneous shocks and believe we can crest over any difficulty through our unique advantages that we have built over time. We have a challenger mindset and are focused on creating value for our customers while taking our belief in insurance involvement far and wide. We are devoted to offer the assurance of insurance.

Though the times ahead may be challenging, our resolve is greater to continue to remain on the path of sustainable value creation for our shareholders and investors.

Best regards,



**Md. Abdur Rob**

Chief Financial Officer (C.C.)

# Dividend & AGM History

Year	AGM	Cash Dividend	Stock Dividend	Remark
1988	1 <sup>st</sup>	-	-	-
1989	2 <sup>nd</sup>	-	-	-
1990	3 <sup>rd</sup>	-	-	-
1991	4 <sup>th</sup>	-	-	-
1992	5 <sup>th</sup>	-	-	-
1993	6 <sup>th</sup>	-	-	-
1994	7 <sup>th</sup>	-	-	-
1995	8 <sup>th</sup>	-	-	-
1996	9 <sup>th</sup>	-	-	-
1997	10 <sup>th</sup>	-	-	-
1998	11 <sup>th</sup>	5%		-
1999	12 <sup>th</sup>	10%		Only for Public Shareholders
2000	13 <sup>th</sup>	12%		Only for Public Shareholders
2001	14 <sup>th</sup>	12%		Only for Public Shareholders
2002	15 <sup>th</sup>	10%		Only for Public Shareholders
2003	16 <sup>th</sup>	10%		Only for Public Shareholders
2004	17 <sup>th</sup>	10%		Only for Public Shareholders
2005	18 <sup>th</sup>	10%		Only for Public Shareholders
2006	19 <sup>th</sup>	10%		Only for Public Shareholders
2007	20 <sup>th</sup>	-	-	No Dividend Declard
2008	21 <sup>th</sup>		10%	-
2009	22 <sup>th</sup>		10%	-
2010	23 <sup>th</sup>		15%	-
2011	24 <sup>th</sup>		10%	-
2012	25 <sup>th</sup>		10%	-
2013	26 <sup>th</sup>		15%	-
2014	27 <sup>th</sup>		15%	-
2015	28 <sup>th</sup>		12%	-
2016	29 <sup>th</sup>		10%	-
2017	30 <sup>th</sup>		12%	-
2018	31 <sup>th</sup>	12%		-
2019	32 <sup>th</sup>	10%		-
2020	33 <sup>th</sup>	5%	5%	-
2021	34 <sup>th</sup>	10%		-
2022	35 <sup>th</sup>	7%	3%	Proposed by Board of Directors

## Our Financial performance in 2022

**183.46 million**

Gross Premium

**103.76 million**

Investment Income

Gross premium income	2022	2021	2020
	183.46	184.42	82.74

Net profit after tax	2022	2021	2020
	83.71	79.72	63.97

Earnings Per Share	2022	2021	2020
	1.44	1.37	1.16

Underwriting Profite	2022	2021	2020
	30.64	39.31	15.83



**68.85%**

Claims settlement ratio

**6.23 million**

Claims settled

Claims settlement ratio (%)	2022	2021	2020
	68.85%	82.86%	100%

Current ratio (Times)	2022	2021	2020
	2.38	2.60	2.76

Return on Equity	2022	2021	2020
	10.53	10.27	8.84

Net Asset Value per Share	2022	2021	2020
	13.69	13.37	13.09

# Management Discussion & Analysis

As per condition no 1(5)(XXV) of the corporate Governance Code 2018 issued by BSEC, the Management Discussion and Analysis are as follows:

Bismillahir Rahmanir Rahim  
Assalamu Alaikum,

It's a matter of great honor and privilege in welcoming you to our 35th Annual General Meeting ceremony today. This auspicious ceremony provides us an opportunity to share detail information regarding the operational performance of Purabi General Insurance Company Limited with different authorities like Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Central Depository Bangladesh Ltd. our Auditors, Customers and your kind selves.

Purabi Insurance Progress:

The Company achieved a reasonable progress in 2022 despite challenges in the Insurance sector continued to experience prolonged slowdown in growth. Congealing our position as one of the leading Insurance Company in Bangladesh, I am pleased to present a comparable overcome growth.

## Business Strategy:

Our strategy of diversifying the business conglomerate and sustained focus on collection our low-cost premium, has helped us deliver steady performance during the year, In 2022. we made great steps to focus on improving our capabilities across the businesses and enhancing our core business and services for our valuable clients.

## Accounting Policies and Estimation for Preparation of Financial Statements:

Annual Financial Statements comprising with the Financial Position as at 31, December 2022 and the Statement of Profit or loss and other Comprehensive income, Profit or Loss Appropriation, Consolidated & specific class of business revenue accounts, statement of cash flows, statement of changes in equity for the year along with the notes to the financial statements including a summary of significant accounting policies

Particulars	2022	2021	2020	2019	2018
Gross Premium	183.46	184.42	82.74	91.34	78.24
Net Premium	57.90	81.85	24.02	20.98	16.90
Underwriting Profit	30.64	39.31	15.83	7.59	4.88
Investment Income	103.76	81.34	89.28	80.39	81.21
Profit before Tax	125.11	115.29	99.73	84.84	83.31
Profit after Tax	83.71	79.72	63.97	55.66	58.23
EPS	1.44	1.37	1.16	1.01	1.05
Total Assets	1396.01	1248.86	1087.86	1070.43	1021.84
Total Liabilities	601.21	472.49	363.96	356.98	299.83
Total Reserves	38.54	39.96	31.37	20.36	17.96
% Of Dividend Paid (Cash)	7%	10%	5%	10%	12%
% Of Dividend Paid (Stock)	3%	-	5%	-	-

and other explanatory notes are prepared with true and fair view in accordance with the international accounting standards (IAS)/International financial reporting standards (IFRS).

#### **Changing in Accounting Policies and Estimation:**

The Company has been following consistent policies and estimation in preparing its financial statements. There has been no change to the accounting policies adopted by the company during the year 2022

#### **Risk relating to the financial Statements and mitigation plan:**

The vital factors ensuring sound health of an insurance industry are identifying, measuring, monitoring and controlling various types of risks. In addition to the traditional risks faced by the Insurance Company in financial and market risks, various operational risks are created due to increasing use of automated technology; necessity of reducing earnings volatility and achieving cost efficiencies; increasing focus by regulators on legal, fraud, and compliance issues; Knowledge gap and lack of supervision etc.

In order to face the ongoing challenges of increased competition and expansion of diversified business of PGICL, it has undertaken some principals on risk management. The risk mitigation areas are liquidity risk, Market risk, operational risk, Strategic risk, Anti money Laundering (AML) risk, Environmental risk etc. For Mitigation all risk, the company maximizes the wealth at financial statement, risk identification and mitigation process are elaborately discussed in financial statements.

#### **Future business plan:**

Purabi Insurance General Company Limited perform a wide range of activities such as service designing, preparing contract and policy, marketing and selling, underwriting, rating, reinsurance and other services and claim settlement. To intensify the business, PGICL is developing new Insurance products; Service

diversification pricing policy; monitoring; legal reforms; reducing excessive management expense; reinsurance etc.

#### **Human Capital:**

Human Resource department has the responsibility of energizing, developing, retaining and attracting talented and ensures the right persons in right place. Human capital mission in Purabi Insurance aims to be a leader in providing quality and value-added Insurance services. The Company is leaves in certain core values as practiced by all employees to meet the mission and the broader vision of the organization. We continued to invest in people to enhance and upgrade their skill sets through various training programs at different institutions.

#### **Acknowledgements:**

In this occasion, we express our profound gratitude to the Chairman and the directors of the Board for the efforts they undertook to guide, advice and directives to help us in building quality assets and to attain the goals of organization ensuring rewards for internal and external stakeholders. We would like to thank the Management team, Executive officers and staff members for their hard work and assiduous efforts to achieve the goals of our organization. I take this opportunity to thank our entire customer for their cooperation and support over the years for their enthusiasm and thanks to all the regulators for their continuous help and assistance, valuable guidelines and co-operation provided to the Company from time to time.

Thanks to all



**Sukurmar Chandra Roy**

Chief Executive Officer (CEO)

# Declaration by CEO & CFO

Annexure-A

[As per condition No. 1(5) (xxvi) of the Corporate Governance Code, 2018]

Date: August 13, 2023

The Board of Directors

Purabi General Insurance Company Limited  
Sandhani Life Tower (2nd Floor),  
34, Banglamotor, Dhaka-1000.

**Subject: Declaration on Financial Statements for the year ended on 31st December 2022.**

Dear Sirs,

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

(1) The Financial Statements of Purabi Insurance Company Limited for the year ended on 31st December 2022 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:

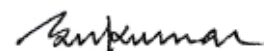
I. We have reviewed the financial statements for the year ended on 31st December 2022 and that to the best of our knowledge and belief:

(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.



Sukumar Chandra Roy  
Chief Executive Officer (CEO)



Md. Abdur Rob  
Chief Financial Officer (C.C)

# CHAPTER-IV: INFORMATION ABOUT CORPORATE GOVERNANCE



# Report of Corporate Governance

Purabi General Insurance Company Limited comprises carefully at corporate governance considered rules and practices by which the Board of Directors and the Management ensures accountability, fairness and transparency in the company's relationship with all its stakeholders. The aim of the Board to ensure the interest of shareholder either he/she is minority or majority with attaining the businesses sustainability.

## **Board of Directors**

### **Board's Size**

The number of the Board Members of Purabi Insurance Company Limited consisted on 11 (eleven) including three Independent Directors.

### **Policy on appointment of Directors**

BSEC notification regarding Code of Corporate Governance and Company Act are strictly followed to appoint the Board of Directors of PGICL. In order to be a member of the Board, a director other than a nominated, independent and alternate Director, must maintain at least two percent shares of the company. According to the provision of Companies Act, 1994, at least one-third of the Directors retired by rotation in every AGM. The term of an Independent Director is three years and may be lengthened by another three years. With regards to nomination, removal and casual vacancy of the directors, PGICL follows all relevant rules and regulations. The Managing Director & CEO is appointed for a minimum period of three years subject to approval of IDRA. The office of the Managing Director & CEO is not subject to retirement and may be extend for further three years with evaluating performance.

### **Composition of the Board of Directors; Non-executive Directors and Independent Directors.**

All the directors of the Board are non-executive

directors and at least one-fifth is Independent. Currently, there are three independent directors appointed by the Board subject to the approval of the shareholders in the Annual General Meeting (AGM).

### **Independent Director**

As per the BSEC guidelines on Corporate Governance at least one fifth (1/5) of the total Directors should be independent Directors. Therefore, in compliance with BSEC Notification, Board of Directors of PGICL nominated two independent directors so that the Board contains core skills considered appropriate in the framework of the Company.

### **Criteria for Appointment/Independency of Independent Directors.**

The purpose of true independence, the Board decided that its Independent Director do not hold any share of the Company; not associated with the Company's Promoters or Directors or Shareholders who maintains one percent or more of the total paid-up share of the Company; not related with the existing Directors or families; does not have any other relationship, not a member, Director or officer of any Stock Exchange and who is not a shareholder, Director or officer of any stock exchange or an intermediary of the Capital market.

### **Role and Responsibilities of the Board**

The Board's responsibilities are to reviewing and approving the strategies and business plans for the various operating divisions against their respective business targets; prescribing the minimum standards and establishing policies on the management of insurance risks and other key areas of the operations' ensuring that the operating infrastructure, systems of control, systems for risk identification and management, financial and operational controls, are in



place and properly implemented; reviewing the adequacy and integrity of the Company's internal control systems, But not limited the above mentioned the subject matter.

### **Code of Conduct for the Board of Directors**

Code of Conduct for all the members of the Board of Directors are: -

- Issue Policy and guideline to the management within the company policy-framework.
- Board will not interfere in the day-to-day functions.
- Respect conflict of interest
- Compliant to all relevant laws and rules
- Respect to the confidentiality principle.
- Maintain fair dealing and avoid insider trading
- Recognize & reward real performance.
- Uphold greater interest of the company.
- Encourage CSR activities.

### **Rights of Directors**

Directors have the right of access to relevant information and confidentiality according to Board's Code of Conduct.

### **Chairman of the Board**

Mojibul Islam was elected as the Chairman of the Company by the Board of Directors in its 184th Board Meeting held on 28th July, 2022 for 2 (two) years. The Chairman of the Company is a non-executive Director.

### **Role and Responsibilities of the Chairman**

As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the Jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the company. The Chairman may conduct on-site inspection of any branch or insurance activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to PGICL's operation or ask for investigation into any such affairs; he may submit such

information or investigation report to the meeting of the Board or the Sub-Committee of the Board and if deemed necessary, with the approval of the Board, he shall take necessary action thereon in accordance with the set rules through the CEO. Besides this, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Company.

### **Non-executive Director's Independence**

All the Directors except the Managing Director & CEO are non-executive Directors in the Board. None of the Directors takes part in the day to day affairs of the Company. They attend only the Board Meeting, Audit Committee meeting and Nomination & Remuneration Committee Meeting to discuss the agenda reserved for the Board and Committees.

### **Training Policy of Board of Directors**

The Board encouraged the training on the Corporate Governance and other Rules, Regulations and Circular of IDRA and BSEC. To organize the training of Directors as a part of accessing the Board performance. Purabi Insurance is fully committed to maintain highest standards of Corporate Governance & professionalism in driving the progress on the principles of transparency and accountability.

### **Evaluation/Appraisal of the Board's performance & Effectiveness**

At AGM shareholders critically appraise the performance of the Board and evaluate financial position and performance of the Company, its adequacy and effectiveness of internal control system and overall governance mechanism. The shareholders also ask questions and make queries to the BOD during AGM and the Chairman of BOD gives a patient hearing and responds to all their queries. The performance of the Board is appraised based on certain parameters such as shareholder return, share price, return on capital employed, earnings per share etc. of the company. The attendance of Directors and their active

participation in the meeting on various agenda is ensured in every Board meeting. In a short form, Purabi Insurance appraised the Board's performance & effectiveness by analyzing the execution of the business and proposals sanctioned by it.

### **Evaluation of the Managing Director and CEO by the Board**

The Managing Director and CEO is evaluated on an annual basis and is also given KPI's for the certain period and the Board has the capability to evaluate the CEO whenever it wishes so. All CEOs are evaluated after their term, and on the basis of their evaluation, reappointment for another term is considered by the Board. A few mentionable KPIs for the CEO are to meet the annual budgetary targets of the company which was approved by the Board, maximize shareholders value through desired ROA, ROI, ROE and EPS as per expectation of the Board, sustainable growth on investment and revenue for the company, gradually reducing the claim settlement and improvement in the score for credit rating.

### **Roles and responsibilities of the CEO**

In terms of the financial, business and administrative authorities vested upon him by the board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plans, efficient implementation thereof and prudent administrative and financial management. The CEO shall ensure compliance of the Insurance Act, 2010, and other relevant laws and regulations in discharge of routine functions of the company.

### **Governance of Board of Directors of Subsidiary Company**

Purabi Insurance Company Limited has no Subsidiary Company and also it is not the holding company of any other business.

### **Top Four Executive**

Managing Directors and CEO, Company Secretary, Chief

Financial Officer and Head of Internal Audit & Compliance is appointed by the Board who are different individuals and don't hold any executive positions in any other company at the same time. They are not removed from their position without approval of the Board. The Board clearly defined respective roles, responsibilities and duties of the CFO, HIAC and CS.

### **Duties and responsibilities of Chief Financial Officer (CFO)**

- ✓ To develop and implement standard financial reporting practices.
- ✓ To supervise and ensure proper record keeping and reporting, smooth functioning of finance and accounts department.
- ✓ He /She shall remain responsible for the efficient and effective fund management of the company and shall take appropriate steps to prohibit minimize and probable misuse of fund.
- ✓ To ensure maintenance of proper books of accounts and timely submission of financial administrative and other information to the IDRA and other regulatory authorities.
- ✓ Synchronization of management reporting system and to bring harmonization of intra-departmental functions.
- ✓ To authorize all receipts & payment.
- ✓ To present realistic budget including the fixation of half-yearly and/or yearly business target.
- ✓ He/She shall have to oversee the external audit reports before finalization.
- ✓ To ensure departmental co-ordination and functioning.
- ✓ He/She shall remain responsible for preparation and presentation of all periodical and annual financial statements of the company applying latest developments of international accounting standard and practices as incorporated in Bangladesh.
- ✓ The CFO shall oversee the income tax; value added tax and related matters of the company.
- ✓ He/She will serve the company with integrity, sincerity

and professional competence at a high level and will remain respectful to the confidentiality of information.

### **Roles & Responsibilities of the Head of Internal Audit & Compliance**

- The HIAC will be appointed by the Board of Directors.
- The HIAC team shall be directly under the supervision of Audit Committee and shall act and discharge his duties and responsibilities under the direction of Audit Committee and report directly to the Committee.
- The Audit team will function as per guidelines mentioned in the Audit Manual which may be changed, modified, amended, extended as and when required.
- The HIAC shall ensure timely completion of audits, finalization of reports and prompt submission of the same to the Audit Committee.
- Audit Committee/Board may change the members of this Audit Team including the HIAC as and when they think it necessary to the changing circumstances and in the greater interest of the company.

### **Roles & Responsibilities of the Company Secretary**

The Company Secretary Shall-

- ❖ Look after all the affairs related to the Board of Directors.
- ❖ Ensure supply of all papers, documents to the Board as required.
- ❖ Ensure supply of information, reports, dates, etc. in the way Board wants and decides.
- ❖ Call meetings of the Board and its Committees; shall also finalize the agenda of the meeting in consultation with the Chairman and Managing Director & CEO.
- ❖ Prepare report(s) to the Board and its Committee meetings, the status report of implementation of the decision of the Board by the management.
- ❖ Entitle to a copy of the progress report, monthly statement and any other reports, statement, circular received in the Head office from various sources, including the Branches of the company or given by the Head Office to the Branches and other organization.
- ❖ Organize and follow the procedure of AGM/EGM as per decision of the Board.
- ❖ Communicated with to BSEC, DSE, CSE, RJSC and

IDRA as per rules.

- ❖ Follow and maintain required compliance of BSEC and other regulatory agencies.
- ❖ Have the power to request for any papers, statement and documents from all departments and Branch Managers, which may be required in connection with any agenda for discussion on it and or taking decision on any matter by the Board.

### **Meetings of the Board of Directors**

The Board meets as required to discuss business strategy, financial performance, matters pertaining to compliance and governance as the Board reviews, amongst others, the financial performance of the company. In addition, Special Board meetings are held, when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. Meeting papers on the proposals and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals. There are four (04) Board Meetings were held during the year 2022.

### **Attendance of CFO, HIAC and CS in Board Meeting**

Chief Financial Officer (CFO), Head of Internal Audit & Compliance (HIAC) and the Company Secretary (CS) of the Company attend the meetings of the Board of Directors. Provided that the Chief Financial Officer, Head of Internal Audit & Compliance and the Company Secretary do not attend such part of a meeting which involves consideration of an agenda item relating to their personal matters.

### **Bangladesh Secretarial Standard (BSS)**

The Company has conducted its Board meetings and record the minutes of the meeting as well as keep required books and records in line with the provisions of the Bangladesh Secretarial standard (BSS)

### **Audit Committee**

The committee is empowered, among other things, to examine any matter relating to the financial affairs of the Company and to review all audit and inspection

reports, internal control systems and procedures, accounting policies and adherence to compliance requirements, among there's.

#### **Chairman is an independent Non-Executive Director**

Mr. Amzad Hussain, the Chairman of the Audit Committee is an independent non-executive, Director, who is not involved in the day to day operations of the Company. He is an experienced individual and qualified to be the Chairman of the Audit Committee.

#### **Appointment of members and composition of the Audit Committee.**

PGICL's Audit Committee is a sub-committee of the Board. Composition of the Audit Committee consisting of an Independent Director and Non-Executive Directors in compliance with the Corporate Governance Guidelines of BSEC, the Committee consists of 03 (three) non-executive members of the Board including two (02) Independent Director one of them who is the Chairman of the Committee.

#### **Qualification of members including the Chairman**

Dr. Mizanoor Rahman, One of the Independent Directors, is the Chairman of the Audit Committee, Possessing of vast experience. Among others two members, also possessing significant experience in finance, accounting and audit. All the members of the committee are financially literate as defined by the revised corporate governance guidelines.

#### **Head of Internal Audit and Compliance's access in the Audit Committee.**

The Head of Internal Audit and Compliance always has access to the Audit committee and can raise his concern whenever required.

#### **Terms of reference of Audit Committee**

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.

#### **The Audit Committee Shall-**

- i. Oversee the financial reporting process;
- ii. Monitor choice of accounting policies and principles;
- iii. 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;
- iv. Oversee hiring and performance of external auditors;
- v. Hold meeting with the external of statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption.
- vi. Review along with the management, the annual financial statements before submission to the Board for approval.
- vii. Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.
- viii. Review the adequacy of internal audit function;
- ix. Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- x. Review statement of all related party transactions submitted by the management;
- xi. Review Management letters or letter of internal Control weakness issued by statutory auditors and
- xii. 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.

#### **Immediate reporting to the Board of Directors**

No such issues arose at PGICL during the year 2022 to report the Board of Directors immediately.

#### **Immediate reporting to the Bangladesh Securities and Exchange Commission.**

No such circumstances arose during the year 2022 to report the BSEC immediately.

#### **Quorum of the Audit Committee Meetings**

The number of Directors required to constitute a quorum is determined by the Board including one Independent Director. The Quorum of the Meeting must be filled until and unless the Independent Director attends the meeting. The Company Secretary, Sohag Talukder act as the secretary of the Committee.

## Holding of the Audit Committee Meeting During 2022

As per the terms of Reference, the Audit Committee is required to hold at least four (4) meetings in a year. During the year ended 31st December 2022, the Committee held four (4) meetings.

## Audit Department

The audit department of PGICL is independent from the internal control process in order to avoid any conflict of interest and it is given appropriate standing within the company to carry out its assignments. The management of PGICL ensures that the internal audit staff performs their duties with objectivity and impartiality.

## Nomination & Remuneration Committee

PGICL has formed a Nomination & Remuneration Committee as a sub-committee of the Board. It has been constituted by 3 (three) members including an independent director, Mr. Amzad Hussain CIP who is the Chairperson of the Committee. All members of the Committee are non-executive directors and appointed by the Board. Mr. Sohag Talukder (Company Secretary) acts as the Secretary of the Committee.

## Terms of Reference of NRC

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
  - a) the level and compositions of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
  - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - 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.
2. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.

3. 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.

4. Formulating the criteria for evaluation of performance of independent directors and the Board.

5. Identifying the company's needs for employees at different levels and determine their selection transfer or replacement and promotion criteria; and

6. Developing, recommending and reviewing annually the company's human resources and training policies.

## Quorum of the NRC Meeting

The number of Directors required to constitute quorum is determined by the Board in presences of either two members or two third of the members of the committee whichever is higher, where presence of an Independent Director is must.

## Holding of the NRC Meeting During 2022

As per the terms of Reference, the Nomination & Remuneration Committee is required to hold at least one (1) meeting in a year. During the year ended 2022, the Committee held one (2) meeting.

## External or Statutory Auditors

Purabi Insurance Company Limited was not engaged or received any services mentioned in section (7) of CG from external auditors, M/S Khan Wahab Shafique Rahman & Co. Chartered Accountants, other than statutory audit No partner or employees of the external audit firms was possessing any share of the company during the tenure of their audit assignment.

Existing auditor's M/S Khan Wahab Shafique Rahman & Co. Chartered Accountants, have conducted the audit works for the year 2022. So, they are eligible to reappoint as external auditors for the year 2023. M/S Khan Wahab Shafique Rahman & Co. Chartered Accountants, expressed their willingness as external auditor for the year-2023. The Board of Directors of PGICL has recommended M/S Khan Wahab Shafique



Rahman & Co. Chartered Accountants, as the Company's Auditor for the year 2023, prior approval the Annual General Meeting.

#### **Audit Option**

The audit committee on the Financial Statement for the year 2022 of Puabi General Insurance Company Limited is an unqualified opinion. The reference page no 145 of Annual Report 2022.

#### **Maintaining a website**

The company has an official website linked with the website of the exchanges. The company made available the detailed disclosures on its website as required under the listing regulations of the stock exchanges.

#### **Reporting and Compliance of Corporate Governance**

The company obtained a certificate from a practicing Professional Chartered Accountants, Mollah Quadir Yusuf & Co. regarding compliance of conditions of Corporate Governance Code of the Commission Mollah Quadir Yusuf & Co. Expressed their interest as Professionals of Compliance Certificate of Purabi Insurance Company Limited for the year-2023. The 187th Board Meeting held on 29 May, 2023 recommended their appointment and placed the matter 35th AGM for shareholders' approval.



# Report on the activities of audit committee

The Audit Committee of Purabi General Insurance Company Limited comprises 3 (three) Directors nominated by the Board of Directors as mentioned below. The Chief of Internal Audit & Compliance Department has direct access to the Committee and the Committee reports directly to the Board. It operates according to the Terms of Reference as approved by the Board and in compliance with Section 3 of the Securities and Exchange Commission Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018.

Members of Audit Committee:

Dr. Md. Mizanoor Rahman	Chairman
Col. Saleh Ahmed (Retd.)	Member
Mr. Abu Zayed Mohammad	Member

During the year under review i.e. 2022, four (4) meetings of the Audit Committee were held to carry out the following tasks:

**a) Audit Committee's review statement in ensuring internal controls are well adopted, properly managed and satisfactorily monitored.**

Purabi Insurance Company Limited (PGICL) has well defined internal control as a process to provide reason-able assurance that PGICL's goals are achieved in terms of appropriate and effective business activities, reliable financial reporting and compliance with applicable legislation and regulations. This is an important way the Audit Committee helps management achieve this goal is to establish and follow appropriate policies and procedures on internal control.

A successful internal control environment, which comprises of the five factors. i.e. Integrity and ethical value; Competence of the entity's people;

Management's philosophy and operating style; Authority and responsibility; and Direction provided by the Board of directors, requires careful consideration and evaluation of these factors. Management's goal is to increase awareness among the employees and understanding of why the PGICL needs them and how to use them. The Audit Committee always emphasizes on these facts and ensures that management takes all steps to safeguard that employee are aware of the processes of internal control.

The Committee guides Management on issues of internal control frequently and also gives many decisions regarding critical issues. The Audit Committee has held 04 meetings throughout the year and has been working closely with the organization and is sufficiently content with the way that internal control is being managed by the PGICL.

**b) Audit Committees' Role in ensuring compliance with the law and regulations**

Management, the Board, and the audit Committee all play important roles in an organization's attitude at the top. Based on board expectations, executive management establishes the attitude. It is the audit committee's responsibility to monitor that attitude as well as oversee the organization's ethical environment and compliance with laws and regulations.

The Audit Committee has been playing an essential role in ensuring that the PGICL is following laws and regulations from all authorities. The Committee takes quite a few measures for compliance which are as follows:

- A. Review the findings of any auditor observations, and any examinations by regulatory authorities.
- B. Review the effectiveness of the control system for monitoring compliance with laws and regulations and

the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

C. Launch measures for:

I. The receipt, retention and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters; and

II. The confidential, unfamiliar submission by employees of the organization of concerns regarding questionable accounting or auditing matters.

D. Review for establishing the process for communicating the code of conduct to the employees, and for monitoring compliance therewith.

E. Obtain regular updates from management and company legal advice regarding compliance matters.

The Audit Committee administers and assures the Board that the company adheres to all the applicable laws, rules and regulations of various regulatory authorities.

c) Audit committee's involvement in the review of the external Audit Function.

The Committee also focuses on the financial management and reporting of the company. The Committee provides a high level of specific expertise in this important area of PGICL. Financial management and reporting determine the credit worthiness to outsiders and growth targets and successes to insiders. They are the key determinants in establishing the market value of PGICL.

The Committee has taken up the following responsibilities regarding the evaluation of external audit function.

a) Evaluate the external auditor's proposed audit scope and approach, including coordination of audit effort with internal auditing.

b) Evaluate the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors. In performing this evaluation, the committee will:

I. At least annually, obtain and review a report by the

independent auditor describing the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review.

II. Consider the opinions of management and internal audit.

III. Review and evaluate the findings and recommendations of the independent auditor.

IV. Present its conclusions with respect to the external auditor to the Board.

c) Present its conclusions with respect to the independent auditor to the Board.

d) Meet separately, on a regular basis, with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Throughout the year, the Audit Committee has competently fulfilled its roles towards the PGICL. The Committee has been extensively involved in the evaluation of the external audit function, and carried out its role competently.

#### **d) Statement of Audit Committee's Involvement in the review of the Annual and Interim Financial Releases.**

The annual and interim financial release of the Company contains sensitive financial information, which needs to be addressed cautiously. The Audit Committee always is actively involved in reviewing these releases and always has recommendations to management on ways to improve these financials. The Committee reviews and discusses with management all significant correcting adjustments (whether or not made) to ensure that all material adjustments are properly reflected in the financial reports.

The Audit Committee assumes the following responsibilities with regards to annual and interim financial statements:

- ◆ Understand management's responsibilities and representations with regards to annual and interim financial statements.

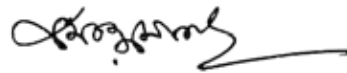
- ◆ Understand and assess the appropriateness of management's selection of accounting principles and the most critical accounting policies.

- ◆ Understand the management’s judgments and accounting estimates applied in financial reporting.
- ◆ Confer with both management and the external auditors about the financial statements.
- ◆ Assess whether financial statement are complete and fairly presented, in all material aspect, the financial position of the company and that disclosures are clear and transparent.
- ◆ Review earnings releases, financial statements and other information presented within the financial statements prior to release.

The Audit Committee assures itself that the external auditors are satisfied that the accounting estimates and judgments made by management, and that management’s selection of accounting principles reflect an appropriate application of IAS and IFRS. The Audit Committee of PGICL has always been substantially involved in the review of the financial statements and has provided recommendations whenever needed. The committee has duly carried out its responsibilities throughout the year 2022.

### Reporting to the Board of Directors

- A. No conflict of interest arisen during the year;
- B. No suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;
- C. No suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and
- D. Not any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.



Dr. Md. Mizanoor Rahman  
Chairman  
Audit Committee

# Report on the activities of Nomination and Remuneration Committee (NRC)

The Board of Directors of Purabi General Insurance Company Limited has duly constituted a nomination and Remuneration Committee (NRC), as per the requirements of the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). Composition of NRC is as following:

Mr. Amzad Hussain CIP	Chairman
Mrs. Golam Fatema Tahera Khanam	Member
Col. Saleh Ahmed (Retd.)	Member

The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experience and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for formal and continued process of considering remuneration/honorarium of Directors and top-level executives.

## **Nomination and Remuneration policies/Criteria:**

The nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the Company, is followed by the Company. The broad criteria in this respect for the Directors and Top-Level Executives of the Company are as follows:

### **a) The Nomination Criteria**

- i. The Company policies as well as guidelines and applicable laws/regulations for the Company;
- ii. A prescribed selection process that is transparent in all respect;
- iii. Following a process which is compatible to the recognized standards and the best practices.
- iv. Distinguishing the core competencies of the respective personnel for the different level of

management and employees of the Company.

- v. Follow diversity in age, maturity, gender, experience, qualification, educational background, 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:**

- i. At first, identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.
- ii. Then, 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 as well;
- iii. The Board of Directors appoints Directors and Top-Level Executive, upon nomination and recommendation of the NRC.

#### **Independent Director:**

- i. The Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the businesses.
- ii. The Independent Director should have competence of the relevant sector in which Company operates and necessarily should have the qualifications as required by the Code of BSEC.
- iii. The Board of Directors appoints Independent Directors upon nomination and recommendation of the NRC, 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:

a) 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.

b) The context of packages, including remuneration /benefits is categorically laid down which meets the appropriate performance benchmarks as per the Company Policies and Guidelines ratified by the Board as and when required;

c) The 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.

d) The NRC will recommend the Board meeting attendance fees, honorarium including incidental expenses. if any; and

e) No member of the NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meeting and Board's sub-committee meetings attendance fees from the Company.

### d) Evaluation Criteria

Board of Directors/Top level Executives

The respective line 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 performance of the Independent Directors (IDS) is to be carried out according to the criteria of attendance and participation at the Board meetings and committee meetings; 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 2022.

Mr. Sohag Talukder acts as the Secretary of NRC In 2022. The newly formed NRC noted the nomination and remuneration governance ensuring the standards and compliance accordingly. Two meetings held during the year 2022 and the activities of the NRC during the year were as follows:

- I. Review of the earlier meeting decisions of the Nomination and Remuneration Committee
- II. Review and recommended to the appointment of new Independent Directors.
- III. Formulate the criteria for determining qualifications, positive attributes and independence of the Directors and top-level executives;
- IV. Formulate the criteria for evaluation of performance of Independent Directors and the Board.
- V. Developing, recommending and reviewing annually the company's human resources and training policies.
- VI. Review and recommended to the appointment of Statutory Auditors and Compliance Auditor for the year 2022.

The Chairman of Nomination and Remuneration Committee on behalf of all the members of the Committee extends gratitude to all the Stakeholders, Management Team and especially the Board of Directors of Purabi General Insurance Company Limited for their continued support during the year 2022 and expresses optimism for cooperation in the coming years.



Mr. Amzad Hussain, CIP

Chairman

Nomination and Remuneration Committee (NRC)





**Report to the Shareholders of  
Purabi General Insurance Company Limited  
On compliance on the Corporate Governance Code**

**Certificate as per condition No. 1(5) (xxvii) of  
Corporate Governance Code of BSEC vide notification No.  
BSEC/CMRRCD/2006/158/207/Admin/80 dated June 03, 2018.**

We have examined the compliance status to the Corporate Governance Code by **Purabi General Insurance Company Limited** for the year ended on **December 31, 2022**. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 of the Bangladesh Securities and Exchange Commission.

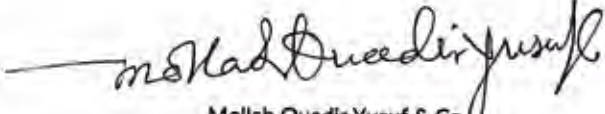
Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the 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;
- 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.

Dated, Dhaka  
June 14, 2023

  
Mollah Quadir Yusuf & Co.  
Chartered Accountants





# Status of Compliance on the Corporate Governance Code (CGC) 2018

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Contition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
<b>1</b>	<b>BOARD OF DIRECTORS:</b>			
1(1)	Board's size: shall not be less than 5 (five) and more than 20 (twenty).	✓		Eleven(11) Directors
<b>1(2)</b>	<b>Independent directors</b>			
1 (2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board	✓		Three (03) Independent Directors
1(2)(b) (i)	Holds less than one percent (1%) shares of the total paid-up shares of the company.	✓		
1(2)(b) (ii)	Not connected with the company's any sponsor or director or nominated director or shareholder who holds one ercent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship	✓		
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 or associated companies	✓		
1(2)(b) (v)	Is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1(2)(b) (vi)	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)	Is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm	✓		
1(2)(b)(viii)	Shall not be an independent director in more than 5 (five) listed companies	✓		
1(2)(b) (ix)	Has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1(2)(b) (x)	Has not been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days			No such event occurred
1(2)(e)	The office tenure shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. Reappointment for Independent director after completion of six years after a gap of 3 years. It is not be noted that any partial term of tenure shall be deemed to be a full tenure.	✓		
<b>1(3)</b>	<b>Qualification of Independent Director (ID)</b>			
1(3)(a)	Shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business	✓		

<b>1(3)(b)</b>	<b>Independent director shall have following qualifications:</b>			
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 business association; or	√		
1(3)(b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	√		
1(3)(b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale; or	√		
1(3)(b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√		
1(3)(b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of corporate management/ Professional experiences	√		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			No such event occurred
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non- executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes			No such event occurred
<b>1(5)</b>	<b>The Directors' Report to Shareholders: shall include the following additional statements:-</b>			
1(5)(i)	Industry outlook and possible future developments in the industry	√		
1(5)(ii)	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	√		
1(5)(v)	Discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such event occurred
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 raised through public issues, rights issues and/or any other instruments			N/A
1(5)(viii)	Explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements			N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress			N/A
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained			N/A
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			Dividend has been declared
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	√		
1(5)(xxiii)	<b>A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by</b>			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)			N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		
1(5)(xxiii)(c)	Executives	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		
1(5)(xxiv)	<b>In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders</b>			
1(5)(xxiv)(a)	A brief resume of the director	√		
1(5)(xxiv)(b)	Nature of his or 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)	<b>A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on</b>			
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 such event 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 year 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)	Risk and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
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	√		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions shall be disclosed	√		
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
1(6)	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company	√		
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 conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company.</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company			N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			N/A
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
<b>3(1)</b>	<b>Appointment</b>			
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 a Head of Internal Audit and Compliance (HIAC)	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	√		

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 stock exchange(s)	√		
<b>3(2)</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board unless the agenda are not related to their personal matters.	√		
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	√		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or 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.	√		
<b>4</b>	<b>Board of Directors' Committee.</b>			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
<b>5</b>	<b>Audit Committee</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors.</b>			
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	√		
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
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)	The Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	√		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such event occurred

5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
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 presence of an independent director is a must.	√		
<b>5(5)</b>	<b>Role of Audit Committee</b>			
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, including Internal Audit, review of the Internal Audit and Compliance Report	√		
5(5)(d)	Oversee hiring and performance of external auditors;	√		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
5(5)(h)	Review the adequacy of internal audit function;	√		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	Review statement of all related party transactions submitted by the management;	√		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors.	√		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO), management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing ), on a quarterly basis. Also on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.			N/A
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	Audit Committee shall report on its activities to the Board of Directors.	√		
5(6)(a)(ii)	<b>Audit Committee shall immediately report to the Board on the following findings, if any:-</b>			
5(6)(a)(ii)(a)	Report on conflict of interest ;			No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			No such event occurred
5(6)(a)(ii)(d)	any other matter which shall be disclosed to the Board immediately;			No such event occurred
<b>5(6)(b)</b>	<b>Reporting to the Authorities</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			No such event occurred



5(7)	<b>Reporting to the Shareholders and General Investors</b>			
	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.	√		
6	<b>Nomination and Remuneration Committee (NRC)</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
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)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		
6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of vacancy in the Committee , the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy ;	√		
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, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
6(3)	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM)	√		
6(4)	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		Two meeting held
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must	√		
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)	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	√		

6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		
6(5)(b)(i)(a)	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	√		
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	√		
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	√		
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)	Disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
<b>7</b>	<b>External or Statutory Auditors.</b>			
<b>7(1)</b>	<b>The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-</b>	√		
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 other service that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance	√		
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;	√		
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.	√		
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		<a href="http://www.purabhiinsurance.org">www.purabhiinsurance.org</a>
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	√		
<b>9</b>	<b>Reporting and Compliance of Corporate Governance</b>			
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.	√		

# Code of Conduct

## Code of Conduct for the Chairman, others Board members and Chief Executive Officer

### 1. Overview

#### Prelude:

The Board of Directors (hereinafter referred to as Board) of the Purabi General Insurance Company Limited (hereinafter referred to as "the Company") has been lay down and adopted the following Code of Conduct (hereinafter referred to as "the Code") for the Chairperson, other Board members and Chief Executive Officer/Managing Director in order to enhance corporate governance in the interest of investors and the capital market. The subject Code complies with the requirements of the Bangladesh Securities and Exchange Commission (As per Condition no. 1. (7) Corporate Governance Code, 2018).

This Code is aimed to focus Board Members on areas of prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; independency and provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, nurture a culture of honesty and accountability, deter wrongdoing and promote fair and accurate disclosure and financial reporting.

This Code is intended to establish an agreed set of ethical principles; promote and maintain confidence and trust and provide entrepreneurial leadership to the Company within a framework of prudent and effective controls which enable risk to be assessed and managed.

This Code of Conduct attempts to set forth the guiding principles on which the Company and its Board shall operate and conduct themselves with multitudinous

stakeholders, government and regulatory bodies, media and anyone else with whom it is connected.

This Code is intended to serve as a source of guiding principles to ensure that Purabi Insurance Company Ltd.' Board Members strive to foster Purabi General Insurance Company Ltd.'s Mission and Core Values in an ethical manner.

#### Definitions:

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

**"Board / Directors"** shall mean the Board of Directors of the Company.

**"Company"** shall mean Purabi General Insurance Company Limited (PGICL)

**"Conflict of interest"** means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.

**"Executive Directors / Whole time Directors"** shall mean and include Company's Managing Director and Directors who are in whole time employment of the Company.

**"Independent Directors"** shall mean an Independent Director as per the Condition 1 (2)(3) of the Corporate Governance Code, dated 3 June, 2018 which is issued by Bangladesh Securities and Exchange Commission (as amended from time to time) and any other applicable laws in Bangladesh which was issued, issue, to be issued from time to time.

**"Non - Executive Directors"** shall mean the Directors who are not in whole time employment of the Company.

**Purpose of this Code:**

The purpose of this Code is to set out standards of

conduct for Directors and take all reasonable steps:

- ❖ To ensure that high standards of corporate and individual behavior are observed by the Directors in the context of their roles as Directors.
- ❖ To assisting the Directors in complying with their duties to the Company.
- ❖ The purpose of this code is to recognize and emphasize determine the Company's strategic objectives, ensure that the necessary financial and human resources and review management performance and determine the Company's values and standards and ensure that its obligations to its shareholders and others.
- ❖ To focus the Board and each Director on areas of ethical risk, to provide guidance to Directors to help them recognize and deal with ethical issues; and
- ❖ To provide mechanisms to report unethical conduct and to help adoptive a culture of honesty and accountability.

The Nomination and Remuneration Committee shall oversee compliance with this Code and Director Disclosure of interests, provides advisory guidance, and investigates potential breaches. This Code is neither all-inclusive nor exhaustive.

#### **Applicability:**

This Code shall be applicable and obligatory to the Board of Directors of the Company.

The Directors should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company other regulatory requirements as and when necessary.

## **2. Principles of the Code:**

The Board of Directors of the Company shall act within the authority conferred upon them, in the best interests of the Company and observe the following:

### **Prudent Conduct and Behavior:**

- ❖ The Board of Directors shall act honestly, ethically, in good faith and in the best interest of the Company and to fulfill their fiduciary obligations.
- ❖ Whilst carrying out the duties, the Board of Directors shall ensure that it is executed in terms of the

authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors or Committee of Directors of the Company, from time to time.

- ❖ The Board of Directors shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.

- ❖ The Board of Directors shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position. The Board of Directors shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.

- ❖ The Board of Directors shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.

- ❖ The Board of Directors shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of its business except accepting a gift or entertainment if warranted by the accepted ethical customs and practices.

- ❖ The Board of Directors shall maintain confidentiality of the information that is entrusted upon them for carrying on their respective responsibilities and duties and shall not use the same for personal benefits or gains.

- ❖ The Board of Directors shall use the Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for any personal benefits or gains

### **Confidentiality:**

- ❖ Directors shall maintain, at all times, the confidentiality of all confidential information and

records of the Company and must not make use of or reveal such information or records except in the course of performance of their duties or unless the documents or information become a matter of general public knowledge.

- ❖ Directors shall not use confidential information obtained through their association with the Company to further their private interests or the private interests of their friends or relatives.

- ❖ Board Members should maintain the confidentiality of information entrusted to them by Purabi General Insurance Company Ltd. and any other confidential information about Purabi General Insurance Company Ltd., its business, customers or suppliers, which comes to them, from whatever source, except when disclosure is authorized or legally mandated.

- ❖ Directors shall maintain Purabi General Insurance Company Ltd.'s information confidentiality, both during and after their tenure, and it is the responsibility of each Director to know what information is confidential shall obtain clarification if there in any doubt.

- ❖ No Director shall use information obtain as a result of the Director's service on the Purabi General Insurance Company Ltd.'s Board for personal benefit, or for any purpose other than discharging his/her duties as a Director.

- ❖ A Director shall never advance his/her private interests, or those of any other person or entity, using confidential information, including but not limited to, in respect of the assessment of any property or other activities by Purabi General Insurance Company Ltd.

- ❖ Each Director shall avoid any activity that may create an appearance that the Director has benefited from confidential information received during the course of one's duties as a Director.

- ❖ The provisions of this Paragraph shall continue to apply to bind each Director without limitation, after the Director's term of service has expired Board or within PGICL including information that is not available to the

public, or any information that could result in harm to Purabi General Insurance Company Ltd. Or could give the person to whom it is disclosed an advantage if it were disclosed.

#### Conflict of Interest:

- ❖ The Director shall, at all times, and under all circumstances, seek to avoid, and shall be seen to be free of, any interest or any business or other relationship that could be seen to undermine the Director's ability to fulfill the foregoing fiduciary duty.

- ❖ The Board of Directors shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing the personal interest involved.

- ❖ The Board of Directors shall not take up any position or engagement that may be prejudicial to the interest of the Company.

- ❖ A material conflict of interest may arise for a Director of Purabi General Insurance Company Ltd. In a variety of circumstances. The following examples are non-exhaustive and are provided for illustrative purposes.

- a. There is a significant divergence of interests among Directors and stakeholders associated with their appointment, or their interests are not completely aligned;
- b. An arrangement, assessment, contract, decision, investment, procurement, program, project, situation or transaction involving Purabi General Insurance Company Ltd. and a stakeholder with which the Director is associated;
- c. A Director cannot be considered impartial in connection with an arrangement, assessment, contract, decision, investment, procurement, program, project, situation or transaction of PGICL.
- d. A personal, political, religious or moral belief or activity of the Director that conflicts with the interests



of Company or the Director's ability to discharge his or her duties;

❖ **Directors shall at all times:**

- a. Seek to avoid, and if this is not possible, promptly disclose and report fully, any real or perceived conflict of interest of the above nature, without limitation to the nomination and remuneration committee.
- b. Not seek to influence the foregoing conflict of interest;
- c. Absent themselves from the discussion pertaining to the foregoing conflict of interest; and
- d. Cooperate fully in the information pertaining to and the management of the foregoing conflict of interest in accordance with the Corporate By-law with respect to conflict of interest and the provisions within this Code.

❖ Each Director must immediately take steps to resolve a real or perceived conflict of interest both prior to serving on the Board, and annually during the director's term of office. Each Director shall disclose to the Nomination and Remuneration Committee financial interests and any potential or actual conflict of interest as soon as it arises or appears likely to arise.

**Compliance with laws, rules and regulations:**

❖ The Board of Directors shall ensure compliance of various legal/regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.

❖ The Board of Directors shall report concerns about unethical behavior, actual or suspected instances of fraud, misconduct or irregularity or failure of internal control system, likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal/regulatory requirements as per the Whistle-blower Policy of the Company.

❖ The Board of Directors shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter-alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.

❖ **Each Director shall:**

- a. Comply with the letter and spirit of all laws, rules and regulations;
- b. Comply with all governance policies and procedures concerning the personal and professional conduct of the Directors of Purabi General Insurance Company Limited. And
- c. Display the highest ethical standards in the Directors' business, personal and Professional dealings and reputation.

**Prohibition of Insider Trading:**

❖ Directors shall comply with the code of conduct from prevention of insider trading of the Company.

❖ Directors shall not derive benefit or assist others to derive benefit by giving investment advice on the basis of the access to and possession of insider/ Price sensitive information about the company which is not publicly domain.

❖ A Director shall be fiduciary towards the company. This means that he/she is in a position of trust and must at all times act honestly and in good faith for the company as a whole

❖ Any transaction falling under the definition of related party transactions as per the provision of the Companies Act, 1994 (as amended time to time) and other applicable Laws and as detailed in the Related Party Transaction Policy of the Company must be entered into by the Director only after obtaining prior approval of the Board or any committee thereof.



- ❖ Transportation, accommodation, hospitality and Director Education and training session fees and expenses incurred by Directors in the attendance at Purabi General Insurance Company Ltd. Board, Committee, Annual and Special meetings shall be paid by PGICL, on the basis of the Board Remuneration and Expense Policy approved by the Board in this respect.

### Relation with environment, employees, customers and suppliers;

#### Relation with Environment:

- ❖ The Directors of the company shall be responsible for maintaining an ecologically friendly environment for the sustainability development.
- ❖ The Directors shall be take steps to wastage reduce carbon emissions and responsible for waste management and monitor that are discharged in proper place.
- ❖ Directors shall be responsible for chemical management as well. They shall give importance in renewable energy like solar energy in production as well as ensure -greeneries. Maintenance of Effluent Treatment plant (ETP) and Water Treatment Plant (WTP) in proper ways.
- ❖ Directors of the company comply with rules and regulations regarding environment imposed by Government as well as buyer.

#### Relation with Employees:

- ❖ Directors shall not discriminate against or exert authority or undue influence over to Purabi General Insurance Company Ltd. Staffs due to their position as a director.
- ❖ Each Director shall refrain from exerting any pressure on any PGICL staffs that might result in any infringement, favored or unequal application of rules, regulations, policies or procedure particularly management in respect of the of Purabi General Insurance Company Ltd.'s assets, property assessment, human resources, or financial transactions. Requests for corporate staff involvement made by any Purabi General Insurance Company Ltd. Stakeholder,

inadvertently or inappropriately made to a Director, shall be promptly referred to members of the remuneration and nomination committee and the stakeholders shall be communicated to accordingly with a copy to nomination and remuneration committee.

- ❖ Directors shall refer any question or issue raised by member or other stakeholders to the Nomination and Remuneration Committee. A Director shall never intervene personally or express a position that might limit PGICL's staffs. However, the Chairman of the Nomination and Remuneration Committee may task one or more Directors to respond directly to certain political inquiries; this would be done in consultation with the Chairman and Managing Director.

#### Relation with Customers:

Each Director shall work hard to provide his/her best possible service to customer. They shall be committed to customer satisfaction through comprehensive strategies and efforts that aim to improve customer relations process. The core principals regarding relationship with customers are given below:

#### ❖ Accessibility:

Variety of communication means provided by the Company, customers are able to access us easily in order to share their complaints, information, demands, suggestions or satisfaction levels with us.

#### ❖ Availability of information:

Customers are also able to receive any information they request in the shortest time and in the fastest manner possible.

#### ❖ Fast Feedback:

Responding promptly to all customer requests is of great importance to in favor of Company.

#### ❖ Solution emphasis:

Fast and effective solutions are tailored to customer needs.

#### ❖ Objectivity:

In addition to assessing and handling all customer

requests objectively, we also believe that, Objectivity is essential when seeking solutions.

❖ **Confidentiality:**

Use of any personal information obtained through customer requests are restricted by law and bound to the principle of confidentiality.

❖ **customer Focus:**

A customer-oriented policy is used to provide customers with the best service and to ensure that customer expectations are fully satisfied.

❖ **Initiative Taking:**

Employees are encouraged to take initiative and to make necessary decisions when required in order to meet customer needs in the shortest possible time and to maintain maximum levels of customer satisfaction.

❖ **Customer engagement:**

Customers are kept informed of the assessment and solution- seeking efforts in the management of their requests and are able to be actively engaged in the process.

❖ **Accountability:**

Assessment, solution-seeking efforts, status codes, and results of customer requests are reported and monitored.

❖ **Internal information exchange:**

Customer relations activities are shared and monitored within the Company.

❖ **Continuous improvement:**

Customer suggestions and ideas are carefully assessed and used as a source for continuous improvement efforts.

❖ **Competence:**

Customer demands are answered by our qualified employees in a professional manner.

**Relation with Suppliers:**

Each Director shall never accept cash payments, gifts, gratuities, honors, awards, privileges or other personal rewards from nor offer the forgoing to any third party,

including but not limited to potential or actual customers and suppliers or any representative or any other person or entity outside of PGICL that may be or may appear in any way to be connected with the Directors responsibilities to PGICL.

**Independency of Directors:**

The Board of Directors shall be always independent regarding their opinion in formal and informal meeting. When an issue arises, the Board of Directors will discuss all the pros and cons of the issue. But a director cannot take decision by his own will. The Board will determine collectively how much power will be delegated to a director. No Director or anyone shall not force any independent Director regarding any undue issues. Directors of the company cannot take decisions alone.

**3. Duties of the Directors of the Company:**

Specifies certain duties and responsibilities of the Directors of the Company outlined below:

❖ The Directors shall devote sufficient time and attention to professional obligations for informed and balanced decision making.

❖ The Directors shall act in accordance with the Articles of Association of the company and in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, and the community and for the protection of environment.

❖ The Directors shall have a clear understanding of the aims and objectives, capabilities and capacity and various policies of the Company.

❖ The Directors shall exercise their duties with due and reasonable care, skill and diligence.

❖ The Directors shall be required to intimate the change in the directorships held within specific time.

❖ The Directors shall bring an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct and an objective view in the evaluation of the performance of the Board and the Management.

❖ The Directors shall ensure that the integrity of

financial information and that financial control and the systems of risk management are robust and defensible.

- ❖ The Directors shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice.

- ❖ The Directors shall strive to attend and participate constructively & actively, in all general meetings, meetings of the Board and its committees of which they are Chairman or member.

- ❖ The Directors shall not assign his office of director of the company to another person.

- ❖ The Directors shall ensure that adequate deliberations are held before approving related party transactions and shall assure themselves that the same are in the best interest of the company.

#### **4. Expectations of Directors.**

- ❖ Each Director shall vote on all motions put before the Board unless a conflict of interest has been declared.

- ❖ Each Director is expected to: attend all scheduled meetings; be fully prepared to participate; listen to the opinions of others with respect encourage robust discussion and constructive dissent; and share the workload.

- ❖ Directors shall act with professional integrity and honesty in their dealings with PGICL, including proper use and treatment of PGICL's resources and information and shall comply with the provisions of the Board Remuneration and Expense Policy.

- ❖ The Nomination and Remuneration committee will review and make recommendation respecting any changes of Board of director's code of conduct as and when required.

#### **5. Compliance officer:**

The Company Secretary will be the Compliance officer for the purposes of the Code, who will be available to Directors to answer questions arising out of the Code.

#### **6. Review:**

Directors shall affirm compliance with the Code as and when required as may be determined in this regard.

#### **7. Amendment to the Code:**

The provisions of this Code can be amended or modified by the Board of Directors from time to time and any waiver of any provision of this Code for a Director must be placed for approval before the Company's Committee and as suggested by Nomination and Remuneration Committee.

#### **8. Violations of the Code:**

It is ethical responsibility of Directors to abide by and enforce the Code. Any perceived violation of the Code by any Director should be reported in writing (by any employee / party affected adversely) to the Chairman of the Nomination and Remuneration Committee in a closed cover addressed to the Compliance Officer. The Board shall take appropriate action against Directors and the Nomination and Remuneration Committee of the Board shall take appropriate disciplinary action against Senior Management, who is found to have violated the Code. The Board / Nomination and Remuneration Committee shall consider various factors such as nature and gravity of the violation and take appropriate action against individuals who violate the provisions of Code of Conduct of the Company.

#### **9. Publication of the Code:**

This Code and any amendments thereto shall be published / posted on the website of the Company i.e. [www.purabiinsurance.org](http://www.purabiinsurance.org)

## Going Concern Report

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the enterprise has neither the intention nor the need to liquidate or curtail materially the scale of its operations; if such an intention or need exists, the financial statement may have to be prepared on a different basis and, if so, the basis used is disclosed. On the other hand, Listed Companies are required by BSEC to report on its ability to continue as going concern. The Board of Directors of Purabi Insurance Company Limited has made annual assessment about whether there exist material uncertainties which may cast significant doubt upon the Company's ability to continue as going concern. The director's assessment of whether the company is a going concern involves making appropriate inquiries including review of budget, forecast, assumptions and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to company's ability to continue as a going concern for the foreseeable future.

## Communication to Shareholders & Stakeholders

Purabi General Insurance Company Limited is committed to provide a high standard of communication to its shareholders and other investors so that they can have all information reasonably required making informed assessments of the company's value and prospects. Some information needs to be communicated immediately in the form of price sensitive information, for which suitable procedures are in place.

Directors of the Company normally attend the Annual General Meeting and shareholders are invited to ask questions during the meeting and to meet Directors after the formal proceedings have been concluded. The Directors appreciate the importance of general shareholders of the Company and use the Company's Annual General Meeting (AGM) as further opportunities to communicate with them.

It is the company's policy to give the shareholders the opportunity at Annual General Meeting to ask questions about its activities and prospects. The Board also so arranges those shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered.

The Company also maintains a corporate website [www.purabiinsurance.org](http://www.purabiinsurance.org) containing a wide range of information of the Company. The website is updated on regular basis.

# DIVIDEND DISTRIBUTION COMPLIANCE REPORT

Dividend Distribution Compliance Report for the year ended 31 December 2021				
Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, Dated: 14/01/2021				
1	Name of the Issuer/Securities/Mutual Fund	<b>Purabi General Insurance Company Limited</b>		
2	Particulars of Issuer DP	294		
3	Type of Dividend (Annual Interim)	a) Annual <input checked="" type="checkbox"/> b) Interim		
	(Put tick mark (a) on the recommended option)			
4	Whether audited or not for Interim Dividend	a) Audited <input checked="" type="checkbox"/> b) Unaudited		
	(Put tick mark (a) on the recommended option)			
5	Date of recommendation of Dividend by the Board of Directors/Trustee: (Enclose copy of PSI)	14 June, 2022		
6	Whether Dividend recommended other than directors or sponsors or any other classes	a) Yes b) No <input checked="" type="checkbox"/>		
	(Put tick mark (a) on the recommended option)			
7	Record date for entitlement	25 July 2022		
8	Rate of Dividend recommended by the Board of Directors/Trustee	10% Cash Dividend		
9	Dividend recommended -Type	a) Cash <input checked="" type="checkbox"/> b) Stock		
	(Put tick mark (a) on the recommended option)			
10	Securities/mutual fund traded under which categories	a) A <input checked="" type="checkbox"/> b) B c) G d) N e) Z		
	(Put tick mark (a) on the recommended option)			
11	Date of transfer to a separate bank account (Pls. mention bank details) or provisional credit of shares/units by CDBL	07/07/2022 at Bank A/C No. 11231350000052, Modhumoti Bank Ltd., Banglamotor Branch, Dhaka.		
12	Date of approval of Dividend at AGM	06 September, 2022		
13	Rate of Dividend approved at AGM- details at Annexure, (if any change)	10% Cash Dividend		
14	Date of commencement of disbursement of Cash and Stock Dividend	18 September, 2022		
15	Mode of disbursement of Cash Dividend	a) BEFTN <input checked="" type="checkbox"/> b) Bank Transfer <input checked="" type="checkbox"/> c) MFS		
	(Put tick mark (a) on the recommended option)	d) Dividend Warrant <input checked="" type="checkbox"/> e) Any other mode		
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose Bank statements and Corporate Action Processing Report (DP 70)]	26 September, 2022		
17	Paid-up-capital of the issuer- before corporate action/entitlement	Tk. 58,07,03,949.00		
18	Numbers of securities/shares outstanding-before corporate action/entitlement:	5,80,70,394 Shares		
19	Total cash in taka or stock (nos. shares) dividend as per corporate declaration	Tk. 4,97,08,499.95 After Tax deduction.		
20	Distribution/Disbursement details or Cash & Stock Dividend:	<b>Cash (TK)</b>	<b>Stock (nos)</b>	<b>Annexures</b>
	<b>A. Mode or Dividend payment/credit for the concerned year: 2021</b>			
	a) through BEFTN or directly credited to respective BO	4,75,39,741.15		
	b) through Bank Transfer other than entitled BO-Margin loan	N/A		
	c) through Bank Transfer	7,72,479.35		
	d) through Mobile Financial Service (MFS)	N/A		
	e) through any other mode as approved by Bangladesh Bank	N/A		
	f) through transfer to Suspense Account for dematerialized Shares (BO wise detailed with reason should be maintained and submitted)			
	g) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities	13,96,279.45		
21	<b>Total Dividend paid /credited for the concerned year 2021</b>	4,97,08,499.95		
22	<b>Total unpaid/un distributed Dividend /accrued during the period (20-21)</b>	-		

23	<b>Total unpaid/undistributed Dividend /accrued as on 1st day of accounting year (as per Audited Accounts) 01.01.2022</b>	Tk. 3,66,18,807.00		
24	Transfer to Suspense Account for Demate Shares or any other reasons during the concerned year			
	<b>A. Mode of Dividend Receipts/ payment/credit for the previous years:</b>			
	a) through BEFTN or directly credited to respective BO	N/A		
	b) through Bank Transfer	N/A		
	c) through Mobile Financial Service (MFS)	N/A		
	d) through any other mode as approved by Bangladesh Bank	N/A		
	e) through transfer to/from Suspense Account for Demate Shares or any other reasons	N/A		
	f) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units	N/A		
	g) transfer of cash or stocks to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities	N/A		
25	<b>Total Dividend paid/credited for previous years:</b>	1,82,25,929.58		
26	<b>Total unpaid/undistributed Dividend for previous years (23+24-25) Taka/Nos</b>	1,83,92,877.42		
27	<b>Grand Total of unpaid/undistributed Dividend (22+26)</b>	1,83,92,877.42		
	<b>Aging of grand Total of unpaid /undistributed Dividend for previous years:</b>			
	<b>More than 3 years; balance</b>	N/A		
	<b>More than 4 years; balance (For the year .....)</b>	N/A		
28	<b>More than 5 years &amp; above; balance</b>	N/A		
	<b>Total of unpaid/undistributed Dividend for previous years</b>	1,83,92,877.42		
	<b>(Supporting bank statements and balances of securities with the Depository)</b>			
<b>Note: Issuer shall maintain BO wise detailed information for all transfers/credit to suspended Accounts</b>				
<b>With reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.</b>				



# Statement of internal Control

## Information on Company's Internal Controls:

Internal Control is a system consists of all the policies and procedures (Internal Controls) adopted by the Audit Committee, by the management of Purabi Insurance to assist in achieving management's objective of ensuring, as far as practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The internal control system extends beyond these matters which relate directly to the functions of the accounting system.

Internal Control is a continuous set of process carried out by the Board of Directors, the Audit Committee, management and all personnel, designed to provide reasonable assurance of:

- Effectiveness and efficiency of operations
  - Reliability of financial and non-financial information.
  - An adequate control of risks.
  - A prudent approach to business
- Compliance with Laws and Regulations, and internal policies and procedures

Internal control should strengthen the internal operating environment of the Company, thereby increasing its capability to deal with external and internal events and uncover possible flaws and deficiencies in process and structures.

The Auditor should obtain the understanding of the accounting and internal control systems sufficient to plan the audit and develop the effective audit approach. The auditor should use professional judgment to assess audit risk and to design audit procedures to ensure it is reduced to an acceptably low level.

Audit risk has mainly three components: (a) Inherent Risk (b) Control Risk (c) Detection Risk.

### INTERNAL CONTROL PRINCIPLES

The following principles will be applicable to insurance undertakings' internal control:

#### A. CONTROL CULTURE

The Board of Directors is responsible for promoting a high level of integrity and for establishing a culture within the Company that emphasizes and demonstrate to all levels of personnel the importance of internal control. Management is responsible for the implementation of the internal control culture and principles. All personnel need to understand their role in the internal control process and be fully engaged in the process.

- A good Internal Control Culture helps mitigate reputation risks. Reputation is the resulting image of the Company, and relies on aspects such as relationship with customers, quality of services and products, transparency, as well as profit to shareholders
- All personnel within the Company have an Internal Control responsibility. It is therefore essential that all of them understand the importance of internal control and engage actively in the process according to their responsibilities and specific duties. Written codes of conduct should be drawn up. Responsibilities, accountability, procedures, information and reporting channels amongst others should be documented as appropriate.
- Competence should reflect the knowledge and skills needed to accomplish different tasks. The Audit Committee or the Management should specify the competence levels, knowledge and skills for particular jobs.

#### B. RISK ASSESSMENT

In establishing and maintaining an effective system of internal control an insurance undertaking should

regularly assess both the internal and external risks that it faces. Assessment should include the identification and analysis (using quantitative and/ or qualitative tools) of all the significant risks that Purabi Insurance is exposed to, and act accordingly.

- The Company's risk assessment activities should be proportionate to the size and complexity of its business. The Company's approach to risk assessment should also be influenced by the nature of the risks that it faces
- The Company should assess:
  - a) the risks that it is in the business of taking, for example, underwriting risks, provisioning risk and market risk.
  - b) Any other relevant risks that it is not in the business of taking, but which are a by product of its business activities. For example, internal governance, and control risk, business continuity risk, people risk.
  - c) The business opportunities underlying the different risks.
- The Company should plan and document its risk assessment objectives, as well as the assumptions and methodologies that it intends to use when assessing its risks.
- Attention should be paid to the different importance and incidence of risks for different products.
- The level of risk tolerance should be established by the Audit Committee / or Management of the Company, and reviewed on a periodical basis, at least annually.
- Risk assessment should be on-going, with processes such as risk identification and analysis repeated as necessary. In addition, the whole assessment process should be benchmarked within the Company, and reviewed periodically, as new risks appear, and existing ones may change
- The Company should create an appropriate culture and controls to support its risk assessment activities. This culture should encourage staff from all parts of the Company to contribute to the identification and analysis of risk.

## C. CONTROL ACTIVITIES AND SEGREGATION OF DUTIES

An adequate Internal Control system requires the implementation of effective and efficient control activities at all levels of the Company. They should be implemented by the management in line with the goals and strategies set up by the Board of Directors, should involve all personnel. As an integrated part of daily business, these activities should be reviewed and recorded on an on-going basis. Efficient Internal Control system of Purabi demands an appropriate segregation of duties and clear lines of responsibilities, both at individual level and between functions.

- Control activities should be linked to the risk assessment process, as long as they tackle those risks previously identified and analyzed by the insurance undertakings. They should address efficiently the process of defining adequate limits for exposure to risk as well as policies and procedures aiming to adjust business activities to the strategic decisions the risk profile.
- Control activities should be carried out through all levels of the Company enhancing transparency of every business activity and involving the Board of Directors, the management and all other personnel of the Company in those activities.
- Control activities consist of a variety of procedures and policies. Specific control activities should be defined and implemented for the main activities within the Company, including the following:
  1. **Underwriting Policy-** Control activities should ensure that underwriting activities are in line with strategic goals and internal risk tolerance policies, ensuring that the product design is accompanied by a technical analysis of the risk profile, in order to ensure correct premium pricing.
  2. **Disribution Channels-** There should be clear rules for all distribution channels, with defined responsibilities for the supervision of both internal and external persons involved in distribution.

**3. Claims Management-** The processing and follow up of claims, as well as their amount and frequency should be accurately documented. This should be done both for each claim and for every Branch the underwriting is authorized to operate.

**4. Investment Policy-** including control of operations with derivatives and safeguarding of assets. Insurance undertakings should define an investment policy in accordance with their commitments. A continuous follow-up of its content, the investment policy, and the degree of compliance with it should be done within the Company. Special attention should be paid to financial derivatives through the establishment of detailed internal rules which should be closely observed. Such rules should be determined the maximum acceptable risk exposure.

**5. Fulfillment of the solvency requirement-** Analysis of the solvency implications of the business written, to ensure that there are sufficient economic resources to absorb losses that may occur from technical or other risks.

**6. Accounting Policy-** Control activities must ensure that accounts give a true and fair view of a company's assets and liabilities, its financial position, and whether it is compliant with applicable laws and regulations e.g. Internal Control systems should foresee the reconciliation of accounts.

**7. Protection of the Insured/Assured-** The Company should implement effective systems to deal with policyholders' claims and complaints.

**8. Control of the Reinsurance Program and other risk transfer instruments-** A good reinsurance program should be seen as an essential mechanism for the undertakings to lessen their exposures. Thus, effective protection depends on the sufficiency and adequacy of the reinsurance program, as well as on the quality and solvency of the reinsurers.

**9. Information systems-** Control activities must ensure that accurate information is provided on a timely basis. Information systems should allow the recording of all transactions made by the Company.

**10. Anti-money Laundering Procedures-** Control activities must ensure that adequate measures are taken to investigate suspicious transactions.

#### **D. INFORMATION & COMMUNICATION**

Insurance Undertakings should have reliable information at all levels within their organization, in order to define, achieve and review the objectives set by the Board of Directors, through effective decision-making processes. Internal Control system should be internal as well as external, and may include both formal and informal paths.

- Insurance Undertakings should have both financial and non-financial information relating to the past and current situation of the Company, obtained both internal and on external bases. The same rule of thumb should apply to operational data, for example data on compliance with external regulations and internal procedures.

- Information should have at least the following characteristics and information gathering controls should reflect these:

1. Accurate: information should be contrasted and verified upon being obtained and prior to use.

2. Complete: information should cover all relevant aspects of the undertaking on quantitative and qualitative terms, as well as indicators which only have a direct and indirect impact on the business plan.

3. Timely: information should be available on a timely basis, so as to facilitate effective decision making thereby enabling the undertaking to anticipate and react to future events.

4. Consistent: information should be recorded using models which allow for information to be compared both horizontally and vertically.

5. Transparent: information should be presented in a manner which is easy to interpret, ensuring that the key elements of the information are clear.

6. Relevant: All information used should related directly to the purpose for which is required, as well as being reviewed and improved continuously to ensure that it is consistent with the needs of the Company.

- Accounts department should be compliant with all the aforementioned characteristics for information as well as with their applicable legislation.

- Management should be responsible for ensuring all

employees are familiar with their roles, responsibilities and duties in relation to internal control, as well as the objectives of the undertaking. Employees should be aware of the importance of Internal Control in relation to their work as well as the Company's goals. They should know and understand the Company's strategic objectives and organizational plans. Guidance on technical and accounting information which may affect the performance of the job should be given.

## **E. INFORMATION AND COMMUNICATION TECHNOLOGIES**

Insurance Undertakings should implement Information and Communications Technology (ICT) systems appropriate to the activities they carry out, their strategies and needs. Security controls for the risks inherent in ICT should be established to effectively enhance management of these risks, allowing the Company to recognize both the potential benefits and the associated risks of such systems.

## **F. MONITORING**

Insurance Undertakings should implement appropriate systems to monitor their Internal Control's efficiency and effectiveness. Monitoring should be carried out on an on-going basis, complemented with separate evaluations.

As an integral part of an internal control system, and in keeping with the diversity and complexity of the insurance undertaking's activity, there should be an effective and comprehensive internal audit carried out by operationally independent, appropriately trained and competent staff.

The internal audit function should be conducted through a professional audit program designed to provide reasonable assurance that Internal Control objectives are met. An effective internal audit function should also comprise a follow-up process on audit findings in order to assure that they are being adequately dealt with adequately.

- The Internal Control system should be monitored in a continuous way in order to assure that, in the face of internal and external circumstances, compliance there with is maintained. Design of the Internal Control system should include embedded monitoring of operations and performances. Account's ability for the

monitoring processes should be clearly identified and stated.

- Apart from being part of the daily activities of the insurance undertakings, monitoring should also include periodic evaluations of the overall internal control system. Separate evaluations should help obtain an all-round perspective of the situation of the Company thus providing the Board and Management with important data for decision making.

- Monitoring should include procedures to detect gaps and problems. Further, these problems should be registered and documented.

- The internal audit function should have sufficient authority to carry out its responsibility, objectively and independently. To ensure appraisals are made without bias or influence, the internal audit should be independent of the day-to-day functioning of the insurance undertaking.

- Considering the importance of this function, the internal audit should be staffed with competent, qualified, well-trained and independent people who should have a clear understanding of their role and responsibilities.

- The internal audit function should conduct follow-up reviews in order to ensure that the necessary measures to address the deficiencies have been taken.

## **NEED FOR INTERNAL CONTROLS:**

From the insurance sector point of view, Internal Control should be seen as an opportunity for the Company to improve their performance, both from an internal and an external perspective.

- Internally, good Internal Control systems lead to improved recognition, assumption and prevention of risks, which is of prime importance in a sector with the particularities of Insurance, which is about findings business opportunities in risks. Also, competitiveness will be fostered by appropriate controls not only in the short but also in the long term. Finally, it will help reduce the impact of unexpected events, or even to avoid them altogether, for example by means of good early warnings or scenario testing.

- Externally, appropriate Internal Control systems will have a positive impact on policyholders, supervisors and shareholders.

# CHAPTER-V: RISK MANAGEMENT & CONTROL DISCUSSION





# Brief summary of Business & other risk and management such risk:

The vital factors ensuring sound health of an insurance company are identifying, measuring, monitoring and controlling various types of risks. Purabi General Insurance Company Limited (PGICL) is increasingly focusing on development of appropriate risk management framework for managing risks of the organization.

## Operational Risk Management

Operational risk focuses on how things are accomplished within an organization and not necessarily what is produced or inherent within an industry. These risks are often associated with active decisions relating to how the organization functions and what it prioritizes. While the risks are not guaranteed to result in failure, lower services, or higher management costs, they are seen as higher or lower depending on various internal management decisions.

## Mitigation of Operational Risk

- Purabi General Insurance Company assesses its operations and activities against a menu of potential operational risk vulnerabilities.
- Risk mapping identify the key steps in business processes, activities and organizational functions. Risk mapping can reveal individual risks, risk interdependencies, and areas of control or risk management weakness.
- Risk indicators are statistics and/or metrics, often financial, which can provide insight into risk position of insurance industry.
- The use of data on historical underwriting loss experience could provide meaningful information for assessing its exposure to operational risk and developing a policy to mitigate the risk.

## Liquidity Risk

Liquidity is the ability to meet expected and unexpected demands for cash. Specifically, it is a Company's ability

to meet the cash demands of its policy and contract holders without suffering any (or a very minimal) loss. The liquidity profile of a company is a function of both its assets and liabilities. Liquidity risk is inherent in the financial services industry and one must understand measure, monitor and manage this risk.

## Mitigation of Liquidity Risk

- I. Adhere to the lines of authority and responsibility that management has established for managing liquidity risk.
- II. Oversee the implementation and maintenance of management information and other systems that identify, measure, monitor and control the liquidity risk of PGICL; and
- III. Establish effective internal controls over the liquidity risk management process and ensure that the same is communicated to all officials.

## Market Risk

Market risk is the risk of losses in positions arising from movements in market prices. The most commonly used types of market risk are; Equity risk, Currency risk, Commodity risk, Margining risk, Shape risk, Holding period risk, Basis risk etc.

## Mitigation of Market Risk

- ◆ Implement the market risk management policies;
- ◆ Oversee the development, implementation and maintenance of an appropriate MIS that identify measure, monitor, and control market risk.
- ◆ Establish effective internal controls to monitor and control market risk.
- ◆ Establish and utilize a method for accurately measuring the market risk; and
- ◆ Monitor and control the nature, composition and quality of the company's securities portfolio and ensure that the securities portfolio is soundly and conservatively valued.



## Underwriting Risk

Underwriting risk refers to the potential loss to PGICL emanating from faulty underwriting. The same may affect the solvency and profitability of the company in an adverse manner. Underwriting is a critical risk mitigation mechanism adopted in the insurance industry. The process helps in deciding the appropriate premium for an insured. The underwriter needs to match the premium received with the claims paid with an eye on profitability. In the event of a dichotomy between the two, with the premium received not sufficient enough to cover the claims, the company is confronted with the probability of loss.

## Re-insurance Risk

Re-insurance risk refers to the inability of the ceding company or the primary insurer to obtain insurance from a reinsurer at the right time and at an appropriate cost. Insurers transfer a part of their portfolio to a reinsurer in exchange for a premium. However, the unavailability of reinsurance at the right time and cost has ramifications for the ceding company. A default on the part of the reinsurer can lead to adverse impacts on the profitability and solvency of the ceding insurer.

## Environmental & Social Risk

Environmental risk, however, presents many difficulties to the insurance industry, especially when the focus is on the so-called gradual pollution phenomena, which are characterized by: factual uncertainty and long terms effects. Environmental risk is a peculiar one, given that it includes components of both factual and legal uncertainty. Given the complexity of modern production technologies, problems of adverse selection could be widely present in environmental insurance settings, whenever the classification of every specific risk undertaken is not accurately performed by the insurer. Moral hazard phenomena are also seriously involved in this context. It is easy to understand how the industry could erroneously perceive the insurance coverage and the insurance premium.

## Mitigation of Environmental Risk

- ◆ At the time of Cover Noting, all environmental issues relevant to the proposed business activity has been determined.
- ◆ Once the environmental risk is identified, these are evaluated based on Guidelines of IDRA.
- ◆ After evaluation of the environmental risk, PGICL incorporate this business as a risk-associated zone.

## Strategic Risk

Strategic risk is the risk that failed business decisions may pose to a company. Strategic risk is often a major factor in determining a company's worth, particularly observable if the company experience a sharp decline in a short period of time.

## Mitigation of Strategic Risk

- ◆ Identify the risks categories such as Industry Technology, Brand, Competitors, Customers, and Project & Regulations etc.
- ◆ Mapping the risks to provide visual representation of associated risks across the categories and criteria.
- ◆ Quantifying the risks with a view to express those in monetary term.
- ◆ Prioritizing the risks as per their significance and impact.
- ◆ Developing proper risk mitigating action plan is crucial for minimizing potential losses.
- ◆ Monitoring the risks by assigned group and responsible parties.

## Compliance Risk

Compliance risk is exposure to legal penalties, financial forfeiture and material loss an organization faces when it fails to act in accordance with industry laws and regulations, internal policies or prescribed best practices. Compliance risk is also sometimes known as integrity risk.

## Mitigation of Compliance Risk.

- ◆ Establish and implement the compliance risk management framework based on criteria and

standards set by the authority.

- ◆ Ensures that employees at all levels fully understand their individual roles and responsibilities in implementing compliance risk management framework.
- ◆ Ensures ongoing compliance training that covers compliance requirements for all business lines at different regulatory.
- ◆ Submit compliance risk management report to the Audit Committee.

#### **Anti-Money Laundering (AML) Risk.**

Actions that show crime assets as income from a legitimate source to hide the illegal source of money are called money laundering, and with the development of technology, money laundering events are increasing. At this point, businesses need. Money laundering (AML) Risk Assessment, an analytical process applied to a business to measure the possibility of money laundering or terrorist financing.

#### **Mitigation of Anti Money Laundering (AML) Risk**

- ◆ Understanding the aspects of Money Laundering & Terrorist Financing risk, management exhibits strong commitment to compliance.
- ◆ The Authority approved an AML & CFT compliance program that includes adequate policies, procedures, controls, and information systems.

◆ In order to ensure AML compliance, PGICL construct Central Compliance Unit and arrange training for all the officials of PGICL.

◆ Purabi General Insurance Company Limited takes necessary steps immediately against suspicious activity or substantive violations of law.

◆ The Compliance and controls system of the company is promptly adapting the changes in international lists regarding AML & CFT issues.

#### **Information Technology Risk**

PGICL has an IT team, which has been formed to conducts IT audit in each branch on a periodic basis and provides suggestions to higher management. The team also assess the IT related risks faced by the company and suggest appropriate measures to mitigate risk.

# PESTEL ANALYSIS

Internally and externally Purabi General Insurance Company Limited engages in a PESTEL study to determine what external factors may have an effect on our market and how these factors could affect our company. The acronym PESTEL stands for the political, Economic, Social, Technology, Environmental and Legal factors that may have an effect on our company.

Noticeably, the many PESTEL components are intertwined, with one factor having an effect on the other components. Therefore, we believe that it is of utmost importance to create a regulatory-compliant business that embraces the best standards of governance, as this will guarantee the company's long-term success.

## Political

- ◆ Proactive govt. policies to stabilize economy
- ◆ Lack of desired standards of policy consistency
- ◆ Predictable regulations
- ◆ Public sector investment in large infra projects

## Economic

- ◆ Post COVID-19 recovery and business resumption
- ◆ Negative effects of Russia Ukraine war
- ◆ Challenges on external trade front
- ◆ Volatility in currency exchange rates
- ◆ Rising interest rate regime with revision in policy rate
- ◆ Digital insurance and microinsurance

## Social

- ◆ Increased awareness around health and wellbeing
- ◆ Greater digital adoption reshaping customer behaviour
- ◆ Changing customer expectation
- ◆ Demand for Transparency

## Technological

- ◆ Depend on technology for business transformation
- ◆ Rising customer awareness on their rights
- ◆ Emergence of fin tech and digital first insurance companies
- ◆ Data security
- ◆ Digital Bangladesh fostering digital business

## Environment

- ◆ Increase focus on green products
- ◆ Institutional obligation for green society
- ◆ Growing occurrence of environmental disasters
- ◆ Climate change events

## Legal

- ◆ Abrupt changes in regulations
- ◆ Evolving compliance requirements
- ◆ Strigent laws regarding customer privacy and data protection
- ◆ Labour laws and human rights

# SWOT ANALYSIS

Strengths, Weaknesses, Opportunities, and Threats is the abbreviated form of the acronym "SWOT"

Strengths (S) & Weaknesses (W) are deemed to be internal variables and Opportunities (O) & Threats (T) are deemed external variables.

The benefits of conducting a SWOT analysis at PGIC

Use of SWOT analysis is critical to the process of formulating and executing our strategy. The following

are the primary advantages that it provides to the company: a source of information for strategic planning; the development of the organization's strengths; the correction of the organization's weakness; the maximization of response to opportunities; the elimination of threats to the company; and the determination of the company's core competencies.



Purabi General Insurance Company Limited is the First-Generation Insurance Companies in Bangladesh. It has great reputation and well known to insurance industry. It provides excellent and consistent quality service in each and every sector of its operations to the clients and makes the client satisfied.

The top management of Purabi Insurance is very experienced and well-known in the Insurance sector of Bangladesh. They are contributing heavily towards the growth and development of the company. The higher management formed by the experienced corporate personnel and professional staffs with sufficient employee.



Lack of implementation of the Company's diversified products and services.

The financial benefit of Purabi General Insurance is not high enough related with other Financial Institutions operating in Bangladesh.

Insurance awareness is poor and agents are not skilled enough.



Demand for insurance protection against crop loans, livestock loan, fisheries loans and equipment loans are increasing day by day. Various agricultural Insurance services are becoming common these days. Bangladesh is a Medium Income generation country and its economy is expanding rapidly, so the need of Insurance sector is growing up.



In a small economy, there are 46 existing general Insurance company in Bangladesh which are moderate day by day. In the past few years, a number of new general Insurance companies have entered into an already competitive market.

As a result, the threat of new entrants is reasonably high, with so many new companies entering the market.

Some insurance companies create harassment on the policyholders and the people of our country are not much motivated by the company to take insurance policy for safeguarding themselves against any kind of business risk.



# FUTURE PROSPECT

Bangladesh is one of the fastest growing developing countries. In last five years, the Country has steadily progressed in terms of its GDP rates due to development and growth of different product and service oriented industries contributing immensely to the growth of GDP. During this period, there were significant improvements in other sectors as well, such as: RMG, Power & Gas, Financial Institutions, Agriculture and information Technology. Moreover, foreign direct investment also increases which helped to create new job opportunities and contributed towards development of overall economy of the Country. Like other industries, insurance sector also developed contributing to economic growth and creation of employment opportunities for unemployed youth of the Country. At present, about 79 private insurance companies as well as two government insurance corporations are rendering insurance services and helping the Country to grow its economy. However, still insurance industry is still recognized as a neglected sector due to the nature of the market risk. Purabi General Insurance Company analyses the strategic position of this industry risk to apply diversified business plans.

Purabi General Insurance Company Limited, as a quality business entertainer, is trying to cover underwriting business by introducing newer insurance products including non-insurance related services to the financial sector. The Company is maintaining traditional and contemporary portfolio of products as per industry

needs and meeting opportunities as and when required.

Strategic planning of the Company is not only focused on product development but also heavily depends on developing its human Resources. On the job an off the job training to the employees and using motivational tools to improve their efficiency is no longer an old idea but a perpetual strategy of development. Purabi has a plan to hold in-house seminar and workshops for the compliance and challenges of the insurance sector in cooperation with other stakeholders. Therefore, we are trying to build relationship with escalating agent's i.e. Association, Forum, Ministry, Regulatory body and so on.

In conclusion, the management and the Board of Purabi General insurance Company believes in cooperation and proactive strategic planning. Therefore, Purabi is hopeful to actualize almost all its commitment to achieve its goal.



# FUTURE STRATEGY



Key challenges in 2022 include competition and thin profit margins. To effectively manage these challenges, we continue to invest in technological solutions and enhance backend operational efficiency. Our strategy for 2023 is designed to deliver sustainable, profitable growth in a changing and competitive business environment in order to maintain leading position in the industry. It builds on our strengths. It places customers and their needs at the center of our business. To take PGICL to the greater height, we are focusing more closely on the markets and customers'

segments where we have competitive edge, where we can offer superior value proposition to our customers. We continue to invest in our people and systems and processes to better understand our customers' needs, serve them in the way they require, increase Collaboration and improve efficiency. To act the honesty and integrity of the dealings a transparent rule is maintained in the Company.

## OUR PRINCIPLES



To act the honesty and integrity of the dealings a transparent rule is maintained in the Company. Put the customer at the center of all our actions. Utilize consumer insights, data and technology to Serve customers and generate growth and attractive economic returns. Execute well considered decisions with precision and speed. Execute well considered decisions with precision and speed. Focus relentlessly on those few things that provide the greatest impact. Be a learning organization that leverages successes, learns

from failures and continuously improves. Provide employees and agencies fulfilling work, personal growth and performance-based rewards. Take an enterprise view of our people and processes and work as a single team to advance all state rather than our individual interests.



# Responsibility to Staff

## **Responsibilities towards our people:**

We develop and retain competent human resources to use their talent and experience for our customers. Our people with diverse set of experiences and opinion help to achieve our goal by better understanding the needs of our customers.

## **Employee engagement:**

Every year, employee's are invited to participate in various discussions to identify how we are performing by comparing ourselves with other companies in non-life insurance industry in Bangladesh and also with other reputed organizations in different sectors. Our employee turnover rate was very low in 2022. This indicate that how committed our employees are, their desire and willingness to continue working with us. We provide information to our employees in variety of ways including our intranet site, email, text and print deliverables etc. as well as through individual teams.

## **Training and developing future leaders:**

We help our people to grow their career at Purabi General Insurance Company Limited by developing their individual capabilities through formal training, on the job experience and regular counseling with supervisor. We have established in-house training center where we arrange training session on regular interval. Also every year, we send quite a number of employees to outside training houses for advanced training. We conduct regular reviews on our employees to identify high potential future leaders and deploy them with different responsibilities.

## **Diverse workforce:**

Diverse workforce helps us to achieve our goal to meet the needs of our customers. In the year 2022 we have employed almost 83% male and almost 17% female employees. We have maternity policy that provides minimum 6 months maternity leave with all eligible benefits. We believe in treating all employees equally and offer equal opportunities in all aspects of

employment regardless of race, nationality, gender, age, sex and religion.

## **Rewarding people:**

We reward people based on their performance, potential and contribution to the company. Line managers are empowered to appraise employee performance and to make performance decisions with higher level approval. We offer competitive retirement and other benefit which vary conditions and practices with local markets.

## **Safety at workplace:**

We do our best to provide our employees a pleasant work place experience by promoting a culture where safety is an integral part of the company. We want everyone working with the company to return home safely every day. We have group insurance policy, hospitalization policy for our employees.

# Forward Looking Statement

Since its inception, Purabi is always looking forward to establishing its mission and vision. Therefore, forward looking statement and information is considered as one of the most important factors of Annual Report.

The forward-looking statement made based on our beliefs, assumptions and expectations of future performance, taking into account all information currently available to us. Actual results could differ materially from the forward-looking statements made during this presentation.

Although we believe that the expectations reflected in the forward-looking statements are reasonable based on the current market conditions, we can provide no assurance that our forward-looking statements will accurately reflect actual result.

We may acknowledge these statements by words such as look forward to, onward, advancing, frontward, accelerative, presumptions or words of similar meaning. These statements are based on the current activities and consequences of that future expectations and what strategies will be taken by the Management of Purabi through the guidelines of its Board of Directors.

Purabi's foot step is very optimistic. Although Purabi's turnover is not very big compared to other non-life insurance companies, however, Purabi is moving fast to accelerate its growth and turnover.

But if we look all the factors of Purabi's such as professionally qualified resources, Ethical business practices, innovative product design, good IT structures, quality service provided to its business partners and valued clients and excellent as well as prompt services

for claims settlement. In this area Purabi is different from other insurance companies. With these views, Purabi is continuously focusing to improve its standards.

Some of the factors that may affect the business environment including the following but not limited to:

- ◆ Changes in Economic and market conditions of Bangladesh as these may directly and indirectly impact the Company's insurance business procession.
- ◆ New regulatory circular from IDRA and policies from the government of Bangladesh.
- ◆ Increase of area of corporate tax and VAT which may impact on insurance services.
- ◆ Changes of political environment of the Country.
- ◆ Changes caused due to natural calamities like Flood, Cyclone etc.
- ◆ Changes of credit rating system of the non-life insurance companies.
- ◆ Implementation and up -gradation of latest information technology.
- ◆ Innovation and launching of new insurance products in the market.
- ◆ Fresh and young employee recruitment policy for the betterment of the Company.
- ◆ Changes in legal and Regulatory Framework of insurance business in Bangladesh.

# CHAPTER-VI: STAKEHOLDER INFORMATION



# PHOTO OF EVENTS & ITS HIGHLIGHTS



17 March-2022 Bangabandhu Sheikh Mujibur Rahman Birthday Anniversary Celebration



26 March-2023 Independence and national Day Celebration



1st March-2023 Bima Dibosh Celebration





Bima Mela 2022, was Organized by IDRA on November 24-25, 2022 at Bangabandhu Udyan (Bells park) in Barishal



Bima Mela 2022, was Organized by IDRA on November 24-25, 2022 at Bangabandhu Udyan (Bells park) in Barishal



15 August 2022, National Day of Mourning





3rd Death anniversary program of Our Legendary Dreamer Alhaj Mickbul Hossain.



3rd Death anniversary program of Our Legendary Dreamer Alhaj Mickbul Hossain.



Former Honorable Director Masudur Rahman Death Anniversary Program



## Claims payment to the Clients



Mr. Sukumar chandra Roy Chief Executive Officer (right), Mr. Rizaul Islam Chowdhury (1st from left) Head of Business & Md. Quayoom Reza (2nd from left) Head of Claim handing over the Marine claim cheque to the client.



Mr. Sukumar chandra Roy Chief Executive Officer (right) & Mr. Rizaul Islam Chowdhury (left) Head of Business, handing over the claim cheque to the client.



Mr. Rizaul Islam Chowdhury (left) Head of Business, handing over the Marine claim cheque to the client.



Mr. Sukumar chandra Roy Chief Executive Officer (2nd from left) & Former Company Secretary Mr. Abdur Rob, handing over the claim cheque to the client.



Mr. Rizaul Islam Chowdhury (2nd from left) Head of Business handing over the Marine claim cheque to the client.



Mr. Sukumar chandra Roy Chief Executive Officer (right) handing over the claim cheque to the client.



Md. Quayoom Reza (1st from left) Head of Claim handing over the Marine claim cheque to the client.



Mr. Rizaul Islam Chowdhury (2nd from right) Head of Business & Md. Quayoom Reza (1st from left) Head of Claim handing over the claim cheque to the client.



Mr. Rizaul Islam Chowdhury (midel) Head of Business & Md. Quayoom Reza (1st from left) Head of Claim handing over the Marine claim cheque to the client.



Mr. Rizaul Islam Chowdhury (midel) Head of Business & Other Officials handing over the Marine claim cheque to the client.



Mr. Rizaul Islam Chowdhury (left) Head of Business handing over the Marine claim cheque to the client.



Mr. Shariful Islam OMI (rigt) handing over the Marine claim cheque to the client.

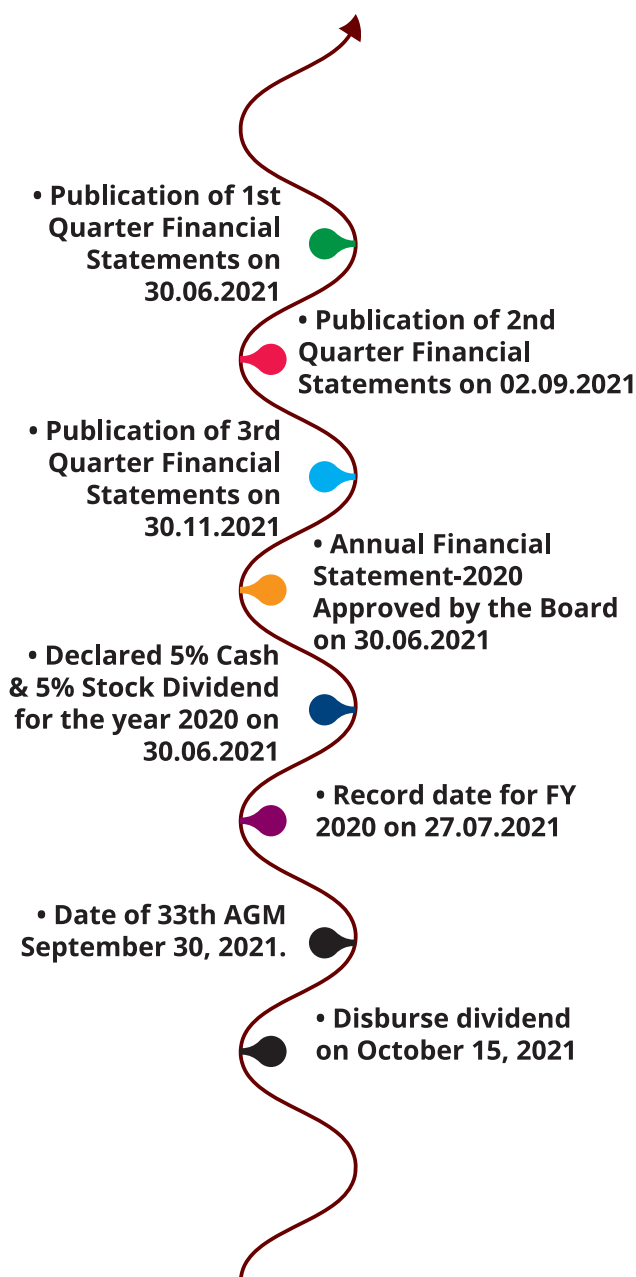
# The history of Rising Share Capital

Year	AGM	Dividend	Number of Share increase	Value of Share in Taka	Cumulative Number of Share	Cumulative Paid-up-Capital in Taka	Remark
1988	1 <sup>st</sup>	-	As per MOA & AOA	-	3,00,000	3,00,00,000	
1989	2 <sup>nd</sup>	-			3,00,000	3,00,00,000	
1990	3 <sup>rd</sup>	-			3,00,000	3,00,00,000	
1991	4 <sup>th</sup>	-			3,00,000	3,00,00,000	
1992	5 <sup>th</sup>	-			3,00,000	3,00,00,000	
1993	6 <sup>th</sup>	-			3,00,000	3,00,00,000	
1994	7 <sup>th</sup>	-			3,00,000	3,00,00,000	
1995	8 <sup>th</sup>	-			6,00,000	6,00,00,000	Issuing IPO
1996	9 <sup>th</sup>	-			6,00,000	6,00,00,000	
1997	10 <sup>th</sup>	-			6,00,000	6,00,00,000	
1998	11 <sup>th</sup>	5% C			6,00,000	6,00,00,000	
1999	12 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2000	13 <sup>th</sup>	12% C			6,00,000	6,00,00,000	
2001	14 <sup>th</sup>	12% C			6,00,000	6,00,00,000	
2002	15 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2003	16 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2004	17 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2005	18 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2006	19 <sup>th</sup>	10% C			6,00,000	6,00,00,000	
2007	20 <sup>th</sup>	NO Dividend			6,00,000	6,00,00,000	
2008	21 <sup>th</sup>	10% B			6,00,000	6,00,00,000	
2009	22 <sup>th</sup>	10% B	60,000	60,00,000	6,60,000	6,60,00,000	
2010	23 <sup>th</sup>	15% B	66,000	66,00,000	7,26,000	7,26,00,000	
2011	24 <sup>th</sup>	10% B	1,08,900	1,08,90,000	83,49,000	8,34,90,000	Face value & Market lot change 16.01.2011
2012	25 <sup>th</sup>	10% B	8,34,900	83,49,000	91,83,900	9,18,39,000	
2013	26 <sup>th</sup>	15% B	9,18,390	91,83,900	3,03,06,870	30,30,68,700	Right Issue: 2R:1
2014	27 <sup>th</sup>	15% B	45,46,030	4,54,60,300	3,48,52,900	34,85,29,000	
2015	28 <sup>th</sup>	12% B	52,27,935	5,22,79,350	4,00,80,835	40,08,08,350	
2016	29 <sup>th</sup>	10% B	48,09,700	4,80,97,000	4,48,90,535	44,89,05,350	
2017	30 <sup>th</sup>	12% B	44,89,053	4,48,90,530	4,93,79,588	49,37,95,880	
2018	31 <sup>th</sup>	12% C	59,25,550	5,92,55,500	5,53,05,138	55,30,51,380	
2019	32 <sup>th</sup>	10% C			5,53,05,138	55,30,51,380	
2020	33 <sup>th</sup>	5% C & 5% B			5,53,05,138	55,30,51,380	
2021	34 <sup>th</sup>	10% C	27,65,256.9	2,76,52,569	5,80,70,394.90	58,07,03,949	
2022	35 <sup>th</sup>	7% C & 3% B			5,80,70,394.90	58,07,03,949	



# Financial Calendar

2021



2022



# Dividend Distribution Policy

## Introduction of Policy:

The Board of Directors of Purabi General Insurance Company Limited has adopted this Dividend Distribution Policy in its 184th Board meeting held on July 28, 2022.

This Policy in accordance with the requirements prescribed under Directive No. BSEC/CMRRCD/2021-386/03, dated: January 14, 2021 of the Bangladesh Securities and Exchange Commission. The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to its shareholders. This Policy applies to payment of interim and final dividend by the Company to its shareholders.

As part of its responsibilities, the Company is required to disclose this Policy in its annual report as well as on its website.

## Concept of Dividend:

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business and used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these divergent needs. The dividend pay-out of a Company is driven by several factors.

In simple word, Dividend is a return on the investment made in the share capital of a company. In commercial usage, the term "Dividend" refers to the share of the profits of a company that is distributed amongst the entitled Members of the company. In other word, Dividend is a part

of the profit after tax distributed among the shareholders of the company.

A Dividend Distribution Policy is the policy that a company uses to structure its dividend payout to shareholders.

## Types of Dividend:

A dividend is the share of profits that is distributed to shareholders in the Company and the return that shareholders receive for their investment in the Company. The Company's management must use the profits to satisfy its various stakeholders, but equity shareholders are given first preference as they face the highest amount of risk in the Company. A few examples of dividends include:

### ❖ Cash Dividend

A dividend that is paid out in cash and will reduce the cash reserves of PGICL.

### ❖ Stock Dividend

A stock dividend is an increase in the number of shares of PGICL with the new shares being given to shareholders in lieu of cash dividend.

### ❖ Property Dividend

Property dividend refers to a dividend paid to investors in the form of assets and not cash or stock. In Bangladesh, payment of dividend through cash or bonus shares are only permissible.

## Forms of Dividend:

### ❖ Interim dividend

"Interim Dividend" means the Dividend declared by the Board of Directors at any time during a year before the closing of the year. In other word, interim dividend refers to the dividend that paid any time between two Annual General Meetings from any abnormal/ exceptional/

supersize profit of the company.

#### ❖ Final Dividend

A stock dividend is an increase in the number of shares of PGICL with the new shares being given to shareholders. In other word, final dividend refers to the dividend that usually paid annually on per share basis, being proposed by board of directors and approved by the members in the AGM.

#### ❖ Special Dividend

Property dividend refers to a dividend paid to investors in the form of assets and not cash or stock.

#### Per Share Basis

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value Taka 10.00 (ten) each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

#### Declaration of Dividend:

The Board reserves the right to declare interim dividend/ final recommend dividends to the shareholders during any financial year out of the surplus in the statement of profit and loss and/ or out of the profits of the financial year in which such interim dividend is sought to be declared, subject to the provisions of the Companies Act, 1994 and other applicable laws and conditions.

#### ❖ Annual Dividend

a) Dividend should be declared by the Members at an Annual General Meeting on the basis of recommendation of the Board.

b) The recommendation for Dividend should not be made by any Committee of the Board or by way of a 'Resolution by Circulation'.

c) Unless the Dividend has been recommended by the Board, the Members in General Meeting cannot on their own, declare any Dividend.

d) The Audit Committee should consider the financial statements before its submission to the Board.

e) Dividend should be recommended by the Board after

consideration and approval of the financial statements. All requisite approvals and clearances, where necessary as applicable, should be obtained before the declaration of Dividend.

f) Members may declare a lower rate of Dividend than what is recommended by the Board. The amount or rate of Dividend recommended by the Board cannot be increased by the Members.

g) Dividend should relate to a financial year.

h) No Dividend should be declared on equity shares for previous year(s) in respect of which annual financial statements have already been adopted at the respective Annual General Meeting(s).

#### ❖ Interim Dividend

a) Interim Dividend should be declared by the Board of Directors.

b) Declaration of Interim Dividend should not be made by any Committee of the Board or by way of a Resolution by Circulation.

c) Interim Dividend should be a part of the Final Dividend. The Audit Committee should review the periodic financial statements which should then be submitted to the Board.

d) Dividend, once declared, becomes a debt of the company and cannot be revoked in any way.

#### Entitlement to Dividend:

a) Only the Members of the Company are entitled to receive Dividend.

b) Dividend should be paid (i) in respect of shares held in electronic form, to those members whose names appear as Beneficial Owners (BO) in the statement(s) furnished by the Depository as on the record date; (ii) in respect of shares held in physical form, to those Shareholders whose names appear on the company's Register of Members after giving effect to all valid share transfers in physical form lodged with the company before the date of book closure; and (iii) in respect of share warrants, to the holders of such warrants.

c) Dividend should be paid to the Preference Shareholders before payment of Dividend to the Ordinary Shareholders.



d) Preference shares carry a preferential right as to Dividend in accordance with the terms of issue and the Articles. However, this right is subject to the availability of distributable profits.

e) In the case of Interim Dividend, while Preference Shareholders need not necessarily be paid Dividend before Interim Dividend is paid to Ordinary Shareholders, the Board should set aside such sum as would be necessary to pay Dividend to Preference Shareholders at the contracted rate.

#### **Procedures of Dividend Payment:**

a) Interim Dividend shall be paid within 30 (thirty) days of record date and Final or Annual Dividend within 30 (thirty) days of approval of Annual General Meeting (AGM), subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL).

b) The amount of Dividend after deducting tax at source, if applicable, should be deposited in a separate bank account within 10 (ten) days of declaration by the Board of Directors.

c) Cash dividend shall be paid directly to the bank account

- 
- through Bangladesh Electronic Funds Transfer Network (BEFTN), or
- through bank transfer or any electric payment system as recognized by the Bangladesh Bank (if not possible through BEFTN), or
- in case of margin loan and claimed by investment provider, through the Consolidated Customers' Bank Account (CCBA) of the stock broker, or
- to the separate bank account of the merchant banker or portfolio manager through BEFTN, or
- through the security custodian following Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI), or
- through issuance of Cash Dividend warrant in case of non-availability of information a mentioned above.
- intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or

email address as provided in the BO/Folio account relating to Cash Dividend and issuance a certificate of TDS.

d) The issuer shall credit Stock Dividend directly –

- to the BO account;
- to the Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares, or
- issue the bonus share certificate of the entitled shareholder in case of paper mode.

e) Payment of Dividend through Electronic Transfer should be made to the bank accounts of the Members concerned as per depository record / to the bank account given by the Members concerned.

f) The Cash Dividend Warrant should be sent to the registered address of the Member and, in the case of joint holders, to the registered address of the person named first in the register of members or to such person or to such address as the Member or the joint holders have directed in writing.

g) Initial validity of the Cash Dividend Warrant should be for 6 (six) months.

h) A Cash Dividend Warrant may be revalidated or a fresh instrument may be issued. The company should revalidate the Dividend Warrant or issue a fresh Dividend Warrant in lieu thereof upon receipt of a request for revalidation.

i) Particulars of every revalidated Dividend warrant should be entered in a Register of Revalidated Dividend Warrant indicating the name of the person to whom the Dividend Warrant is issued, the number and amount of the Dividend Warrant and the date of revalidation.

j) A duplicate Cash Dividend Warrant should be issued, in case the original instrument is not tendered to the company, only after obtaining requisite declaration from the Member.

k) In the case of defaced, torn or decrepit Dividend Warrants, a duplicate warrant may be issued on surrender to the company of such defaced, torn or decrepit warrant.

l) Particulars of every duplicate Dividend Warrant issued as aforesaid should be entered in a Register of Duplicate

Dividend Warrants, indicating the name of the person to whom the Dividend Warrant is issued.

m) The Cash Dividend Warrant must be accompanied by a statement in writing showing the amount of Dividend paid and the amount of tax deducted at source, if any.

#### **Operation of Suspense BO Account:**

Operation of suspense BO Account for undistributed or unclaimed stock dividend or bonus shares for ensuring the rightful ownership:

- ❖ The issuer shall send at least 3 (three) reminders to the entitled shareholder;
- ❖ The suspense BO Account shall be held under Block Module until transfer to the rightful ownership;
- ❖ All corporate benefit against these shares shall be credited to the Suspense BO Account;
- ❖ Upon rightful claims, credit the bonus shares to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Commission and the Exchange(s);
- ❖ Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim.

#### **Tax Matters:**

Stock dividend is tax exempted. In case of cash dividend, following is the current rate for deduction of tax at source on dividend income as per current Finance Act:

- If the shareholder is a company, either resident or non-resident Bangladeshi, at the rate applicable to the company i.e. 20%.
- If the shareholder is a resident or non-resident Bangladeshi person, other than company, at the rate of 10% where the person receiving such dividend furnishes his 12 (twelve) digit e-TIN to the payer or 15% if the person receiving such dividend fails to furnish his 12 (twelve) digit e-TIN to the payer.
- If the shareholder is a non-resident (other than

Bangladeshi) person, other than company, at the rate of 30%.

Tax matters may change any time as per Rules, Regulations, Notifications, Orders, Guidelines, etc. in force or to be enforced and issued or to be issued from time to time by Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and the Listing Regulations issued by the Stock Exchanges of Bangladesh.

#### **Unpaid/ Unclaimed/ Unsettled Dividend:**

a) **Financial Reporting & Disclosures:** after 1 (one) year:

The issuer shall –

- maintain detailed information as per BO account number wise or name wise or folio number wise of the shareholder or unit holder;
- shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/annually) as a separate line item 'Unclaimed Dividend Account';
- shall publish the year wise summary of its unpaid or unclaimed dividend in the website,
- if remains, shall unpaid or unclaimed cash dividend including accrued interest thereon to a separate bank account within 1 (one) year from the date of declaration or approval or record date, as the case may be.

b) **Financial Reporting & Disclosures:** after 3 (three) year:

If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (three) years from the date of declaration of approval or record date:

- shall be transferred by the issuer to the Fund (Capital Market Stabilization Fund) as directed or prescribed by the Commission;
- shall provide detailed information to the manager of the Fund during transfer of cash dividend;
- upon claims by entitled shareholders after transfer of such dividend to the Fund, shall recommend to the manager of the Fund to pay off such dividend from the

Fund within 15 (fifteen) days of receiving such claim;

➤ the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the Commission.

➤ The fund would be irrevocable fund and shall be operated by the board of trustee.

If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund as mentioned at clause (8) of BSEC Directive dated: January 14, 2021:

➤ the issuer shall provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission;

➤ upon claims after transfer of such dividend or bonus shares to the Fund, the issuer shall, within 15 (fifteen) days of receiving such claim recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund, and

➤ the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the Commission.

c) The company should maintain the details of unpaid or unclaimed dividend and reconcile the amounts thereof with the concerned bankers, periodically.

d) The amount of Dividend in respect of shares for which an instrument of transfer has been tendered to the company but which have not been registered for any valid reason should be transferred to Unclaimed Dividend Account.

e) If a Member authorizes the company in writing to pay the Dividend to the transferee specified in the instrument of transfer, the company should act upon such authorization. However, in the case of shares which have

not been transferred because the ownership thereof is in dispute, or where attachment / prohibitory orders have been passed by a court or statutory authority, Dividend should be held in abeyance by transferring to the Unclaimed Dividend Account.

f) The Financial Statements of the company should disclose the amount lying in the Unclaimed Dividend Account.

#### **Dividend Compliance Report:**

➤ The issuer shall submit a compliance report to the Commission and the exchange(s) in a specified format at Annexure-A in respect of the provisions of Clause (2), (3), (4) and (5) of BSEC Directive No. BSEC/CMRRCD/ 2021-386/03, dated: January 14, 2021, within 7 (seven) working days of completion of dividend distribution;

➤ Provided that the issuer shall publish the compliance report in its website.

➤ The issuer shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

#### **Disclosure:**

This Dividend distribution Policy shall be disclosure in the Annual Report of the Company and on the company's website [www.purabiinsurance.org](http://www.purabiinsurance.org). If the company proposes to declare dividend on the basis of any additional parameters apart from those mention in the policy or proposes to change the parameters contained in this policy.

#### **Effective Date:**

This policy has been approved by the Board of Directors of the Company at its meeting held on 28 July 2022 and shall be effective and applicable for dividend.

#### **Amendments/ Modifications:**

The Board may amend, abrogate, modify or revise any or all provision of this policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this policy.

# Information of Unclaimed dividend

As per Bangladesh Securities Exchange Commission (BSEC) Directive No BSEC/CMRRCD/2021-386/03, dated: January 14, 2021 and also BSEC, Capital Market Stabilization Fund (CMF) Rules, 2021, Unclaimed dividend of more than three (03) years from the date of declaration or approval or record date should be

transferred to Capital Market Stabilization Fund. Purabi Insurance has already transferred the unclaimed Cash and Stock dividend of the period from 1995-2017, 2018 to CMSF, details are as follow:

Unclaimed dividend as on 31 December 2022.

Sl. No.	Dividend Year	Dividend Declaration	Unpaid Stock Dividend	Unpaid/Undistributed Cash dividend
1	2018	12% Cash	-	1,21,57,242.98
2	2019	10% Cash	-	1,25,30,294.35
3	2020	5% Cash & 5% Stock	2,00,620 Shares	64,66,061.18
4	2021	10% Cash	-	56,18,218.10

Transferred information to Capital Market Stabilization Fund (CMF)

Year	Stock Dividend	Cash Dividend (Tk.)	Transfer Date to CMSF
2018	-	1,01,86,955.90	26.07.2023
1998-2017	-	15,24,470.00	30.05.2022
1998-2017	16,12,269 Shares	-	29.05.2022

# Redressal of investors Complaints

Investors' service is an important imperative for sustained business growth and all companies want to ensure that their investors receive exemplary service across different areas of operations of the Company. Purabi General Insurance Company Limited is no exception of this and is always committed to maintaining highest standard of conduct and professional behavior in dealing with its shareholders.

Share Department officials are always ready to help shareholders whenever in need of share related services like share transfer, transmission, dividend warrant issue, dividend warrant re-validation etc. Shareholders of the company are also free to raise their claim, if any, throughout the year. Shareholders get opportunity to speak on various issues relating to the operation of the Company at the Annual General Meeting which is held once a year, in which the Chairman/Chief Executive Officer of the Company with the help of CFO and Company Secretary respond to all queries raised by the shareholders instantaneously. Generally, shareholders raise issues relating to

utilization of Company's resources, yearly and quarterly accounts, business turnover and profitability, declaration of entitlements, issuance of share certificates, share transfer and transmission, changes of shareholders address, non-receipt of Annual Report, date and time of AGM, minutes of meetings of all AGM/EGM, implementation of decision of the AGM & EGM and so on. It is the responsibility of the Company Secretary to oversee that necessary actions are taken expeditiously so that these issues are resolved to the satisfaction of shareholders. And to do these PGICL follows the below principles:

- Complaints raised by investors are dealt with courtesy and on time.
- Investors are treated fairly at all times.
- Complete transparency is maintained with the complainants.
- Complaints are treated efficiently and fairly;
- To ensure all complaints are logged in defined manner and system.

# Redressal of Clients Complaints

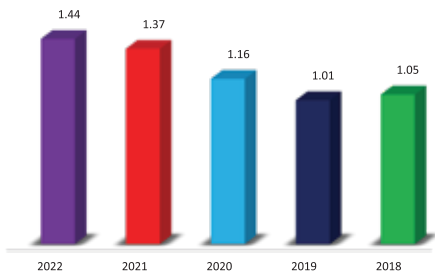
Insurance being a service industry, clients' satisfaction is of paramount importance in maintaining existing clientele base and tapping new business, thereby to achieve satisfactory business growth in the long run. Being fully aware of this, Purabi always attends to its clients' complaints – whether related to its services or claim settlement. Purabi encourages its clients to come forward with any complaint they may have and the top management is completely accessible to all of them.

Complaints can be lodged with the management in writing, over telephone, by e-mail or through the web site. During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients' views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers.

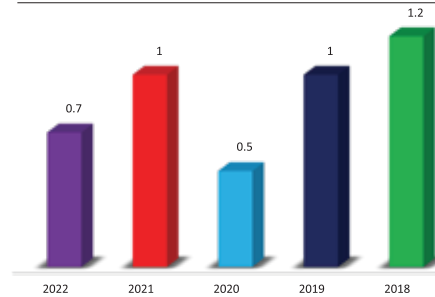


# Graphical Presentation (Financial data)

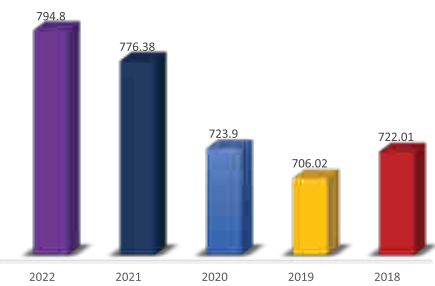
### Earnings Per Share



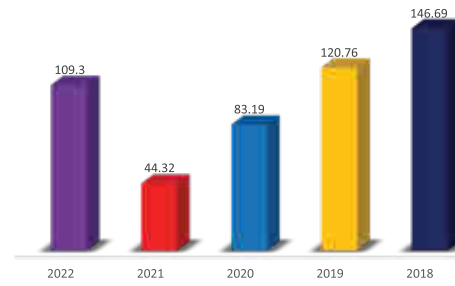
### Dividend Per Share (Cash)



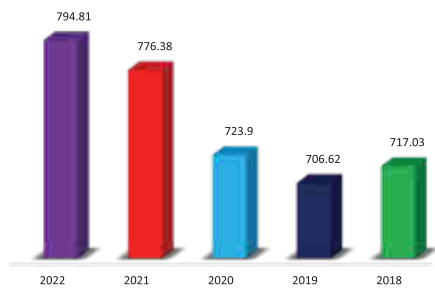
### Net Assets



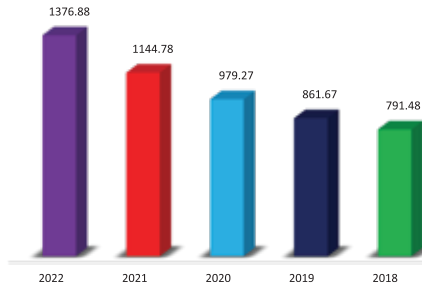
### Combine Ratio



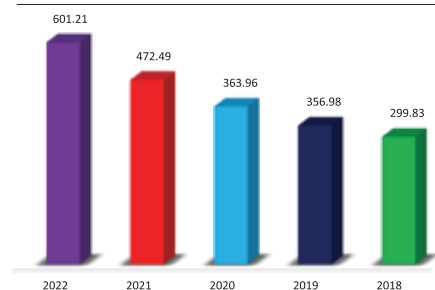
### Shareholders' equity



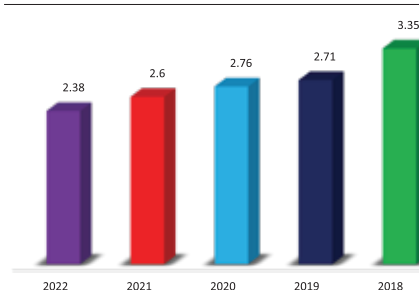
### Current assets



### Current Liabilities

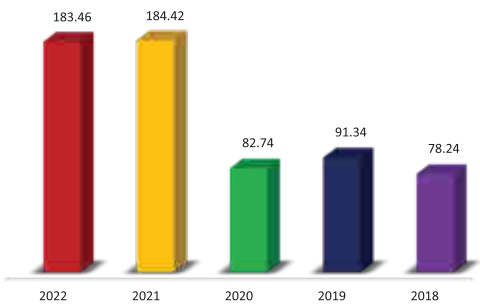


### Current ratio (Times)

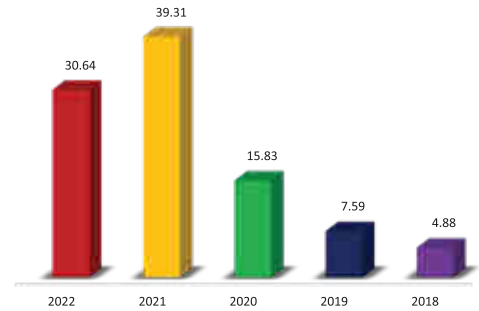


# Operating Performance

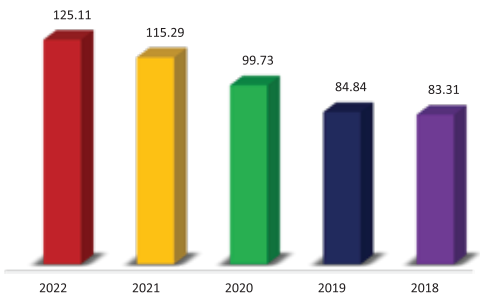
Gross premium



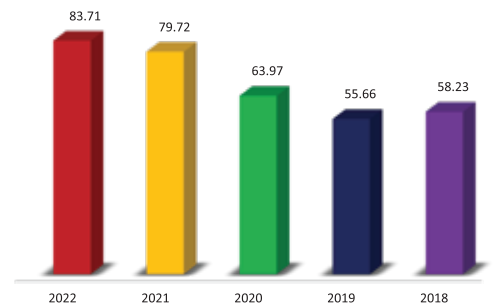
Underwriting profit



Net profit before tax

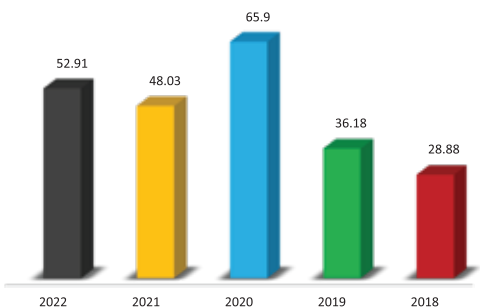


Net profit after tax

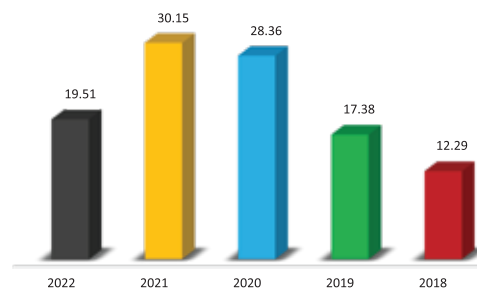


# Profitability, Dividends Performance & Liquidity Ratios

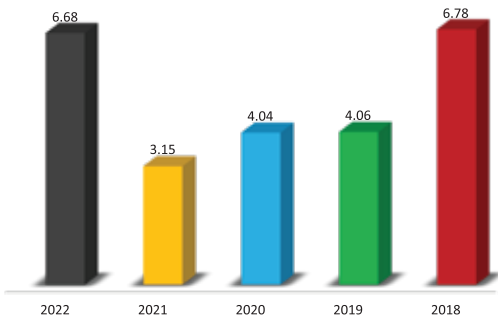
Underwriting Profit Ratio



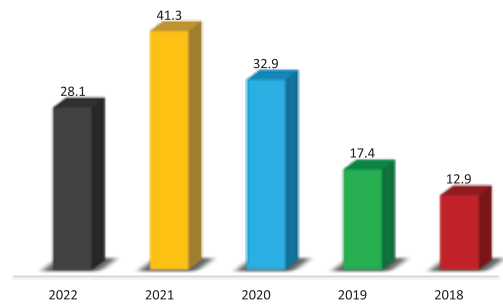
Price earnings ratio



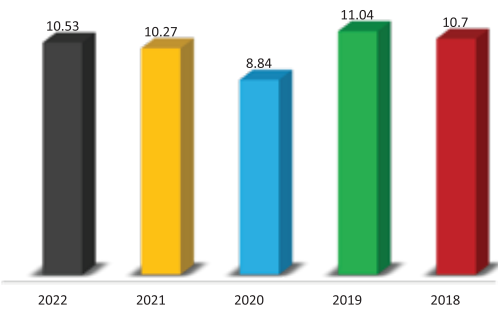
Claim ratio



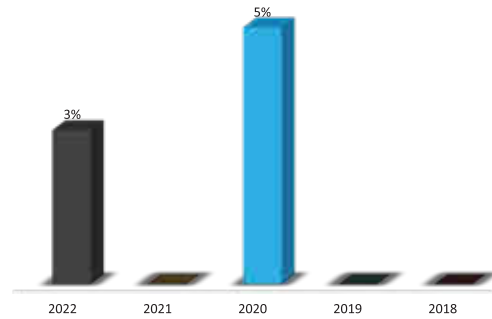
Market value Per Share



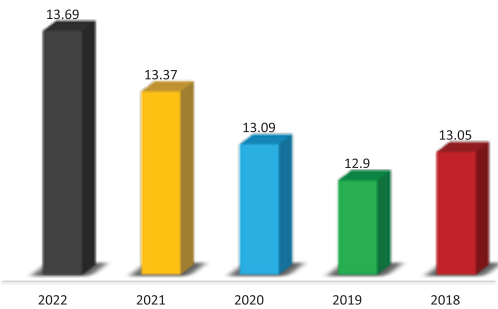
Return on Equity



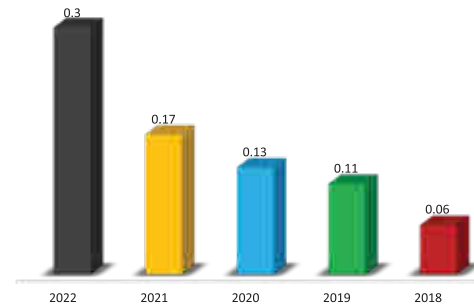
Dividend in percentage (Stock)



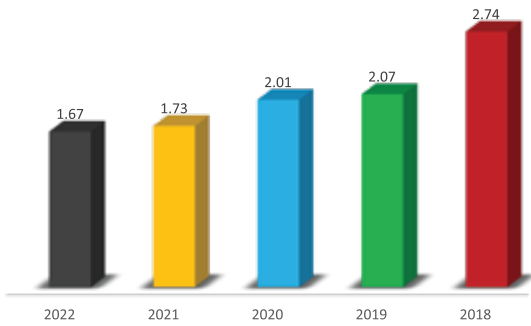
Net assets value per share



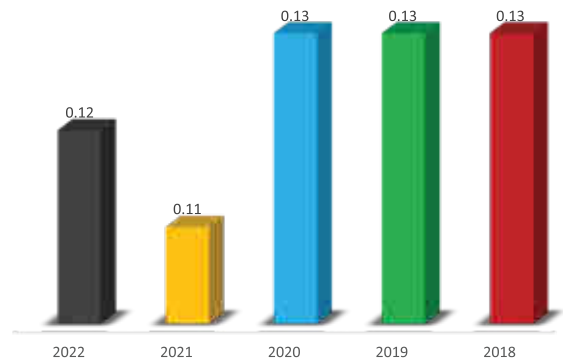
Debt equity ratio



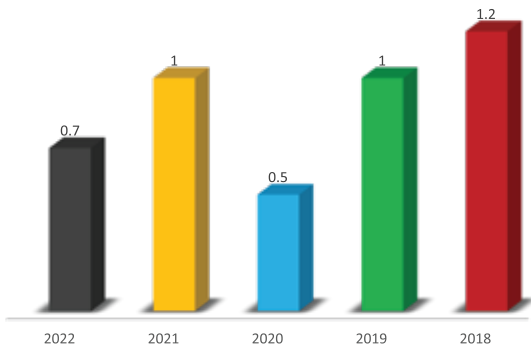
Cash ratio



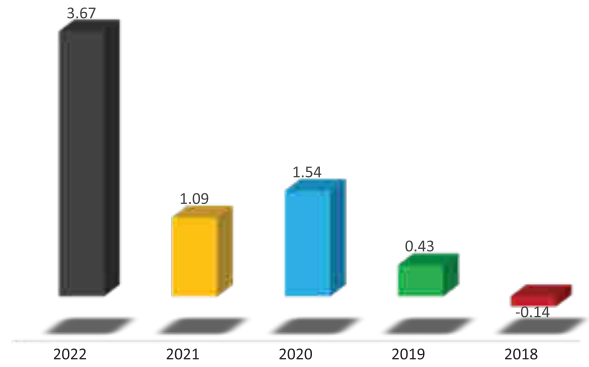
Return on investment



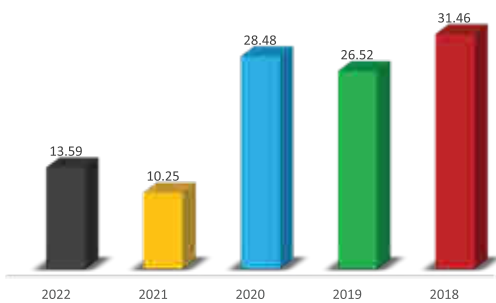
Dividend per Share (Cash)



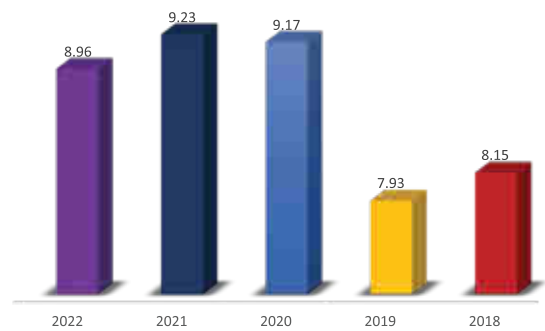
Net operating cash flow per share



Solvency ratio



Return on assets ratio



# AGM INFORMATION

## AGM INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022 TO OUR SHAREHOLDERS

Virtual AGM FOR THE YEAR ENDED 31 DECEMBER 2022 Throught Digital Platform

**Date:** 03 September 2023, Sunday

**Time:** 11:00 a.m.

**AGM link:** <https://purabigen2023.digitalagmbd.net>

**Record Date:** 10 July 2023 (Cash) & 06 August 2023 (Stock)

### HELPLINE

Investor Relation Dept.

Mobile: +8801717-466920

Email: [purabiinsurance.sharedept@gmail.com](mailto:purabiinsurance.sharedept@gmail.com) or  
[cs@purabiinsurance.org](mailto:cs@purabiinsurance.org)



**PURABI GENERAL  
INSURANCE CO. LTD.**



# CHAPTER-VII: FINANCIAL STATEMENT





**Independent Auditor's Report  
To the Shareholders  
of  
PURABI GENERAL INSURANCE COMPANY LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of PURABI GENERAL INSURANCE COMPANY LIMITED (the company), which comprise the Statement of Financial Position (Balance Sheet) as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income (Profit or Loss Account), Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2022, and 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 Opinion**

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.

**Key Audit Matters**

Key Audit matters are those matters that, in our professional judgment, were most significant in our audit of the financial statements for the year 2022. 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. For each matter below our description of how our audit addressed the matter is provided in that context.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk

of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address to matters below provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	Our response to the Key Audit Matters
<p><b>Premium Income</b></p> <p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk. For the year ended 2022, the reported total premium less re-insurance is BDT 57,902,199 (2021: BDT 81,846,669)</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> <li>➤ The design and operating effectiveness of key control around premium income recognition process.</li> <li>➤ Carried out analytical procedures and recalculated premium income for the period on sample basis.</li> <li>➤ Carried out cut-off testing (set by regulatory authority) to ensure unearned premium income has not been included in the premium income.</li> <li>➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been re flected in the premium register.</li> <li>➤ Ensured on a sample basis that the premium income was being deposited in the designated bank accounts.</li> <li>➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that reinsurance premium was properly calculated and it has been deducted from the gross premium.</li> </ul> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines issued by IDRA time to time.</p>

## Estimated liability in respect of outstanding claims whether due or intimated and claim payment

These accounts represent the claim due or intimated from the insured and involves significant management judgment and risk of understatement,

The claim payments to the policyholders in the various nature is very important in respect of the company whether these have been paid on time.

In extreme scenario this item may have going concern implications for the company .

Purabi General Insurance Company Limited liability in respect of outstanding claims whether due or intimated: 48,827,505 (Please see note no 6 to the financial statements.)

We tested the design and operating effectiveness of controls around the due and intimated claim recording process.

We also checked the claim paid by the company on the basis using the software, manual documents available with the company and also connected with the clients through telephone or physically.

We additionally carried out the following substantive testing around this item:

- Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.
- Obtained a sample of claimed policy copy and cross check it with claim also check the duration of claim payment complied with the relevant law of insurance.
- Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.
- Reviewed the claim committee meeting minutes regarding decision of pending claims.
- Tested a sample of claims payments with intimation letters, bank statements, claim payment register and general ledger.

## 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 if there is a material misstatement of this other information, we are required to report that fact.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Acts 1938 (as amended in 2010), Rules and regulations issued by the Insurance Development & Regulatory Authority (IDRA) 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 but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- 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 company's 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 1938 (as amended in 2010), we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of account records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches.
- c) As per section- 62(2) of the Insurance Act-1938 (as amended in 2010), we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related revenue and profit or loss accounts of the Company;
- d) As per regulation 11 of part 01 of the third schedule of the insurance Act, 1938 (amended in 2010), in our opinion to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad;
- e) The Financial Position (Balance Sheet), related Revenue Account and Statement of Changes in Equity and The Cash Flows Statement of the Company dealt with by the report agree with the books of accounts and returns;
- f) The expenditures incurred were solely for the purpose of the company's business; and
- g) The company has complied with relevant laws and regulations pertaining to reserves.

Place: Dhaka  
Dated: 29 May 2023



*Khan Wahab Shafique Rahman & Co.*

**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

Signed by: Md Abu Sina FCA

Senior Partner

Enrolment No.: 619

Firm's Registration No.: 11970 E.P.

DVC: 2305290619AS677095



**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER 2022**

PARTICULARS	NOTE	Amount in Taka	
		31.12.2022	31.12.2021
<b><u>CAPITAL &amp; LIABILITIES</u></b>			
SHARE CAPITAL	3	580,703,949	580,703,949
<b>RESERVE OR CONTINGENCY ACCOUNTS:</b>			
Reserve for Exceptional Losses	4	36,441,684	30,651,464
Reserve on gain for consideration of market value of shares (net of Deferred tax)		2,102,853	9,309,605
<b>BALANCE OF FUNDS AND ACCOUNTS:</b>		<b>23,184,483</b>	<b>32,760,448</b>
Fire Insurance Business		1,824,630	1,888,929
Marine Cargo Insurance Business		18,985,453	28,302,807
Marine Hull Insurance Business		39,340	36,300
Motor Insurance Business		1,631,088	1,983,731
Miscellaneous Insurance Business		703,972	548,681
PREMIUM DEPOSIT	5	36,068,431	9,831,784
ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED	6	48,827,505	47,483,505
AMOUNTS DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	7	136,749,135	97,603,182
SUNDRY CREDITORS	8	22,735,505	22,773,057
LOAN FROM BANK	9	79,695,300	46,546,307
UNCLAIMED DIVIDEND		31,153,598	30,693,751
DIVIDEND PAYABLE		5,615,740	9,426,639
LEASE LIABILITIES	9.1	587,982	-
PROVISION FOR TAXATION	10	216,591,041	175,367,041
PROFIT AND LOSS APPROPRIATION ACCOUNT		175,557,495	155,712,884
		<b>1,396,014,701</b>	<b>1,248,863,616</b>
<b><u>PROPERTY &amp; ASSETS</u></b>			
<b>INVESTMENT:</b>	11	<b>58,616,625</b>	<b>41,110,326</b>
Statutory Deposits		4,500,000	4,500,000
Shares (Market Price)		54,116,625	36,610,326
INTEREST, DIVIDENDS & RENT RECEIVABLES (accrued but not due)	12	12,294,647	65,969,114
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	13	136,753,732	156,805,970
ADVANCE, DEPOSITS, PRE-PAYMENTS & RECEIVABLE	14	277,039,651	262,177,355

PARTICULARS	NOTE	Amount in Taka	
		31.12.2022	31.12.2021
<b>CASH IN HAND &amp; AT BANK:</b>		<b>904,070,712</b>	<b>718,968,678</b>
Fixed Deposit with Banks		880,000,000	700,000,000
Short Terms Deposits with Banks		22,482,569	17,448,482
Current Account & Cash in Hand	15	1,588,143	1,520,196
<b>DEFERRED TAX ASSETS</b>	16	842,173	222,683
<b>OTHERS ACCOUNTS:</b>		<b>6,397,161</b>	<b>3,609,490</b>
Fixed Assets including right of use of assets (IFRS-16)	17	5,310,658	2,764,788
Stock of Stationery and Forms		418,252	350,552
Stamps in Hand		668,251	494,150
		<b>1,396,014,701</b>	<b>1,248,863,616</b>
<b>Net Assets Value per Share</b>	<b>25</b>	<b>13.69</b>	<b>13.37</b>


The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director


  
Chief Executive Officer (CEO)

  
Company Secretary

  
Chief Financial Officer (CFO) CC

This is the Statement of Financial Position referred to in our report of even date.

Place: Dhaka  
Dated: 29 May 2023

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC: 2305290619AS677095


## PURABI GENERAL INSURANCE COMPANY LIMITED

### PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Reserve for Exceptional Losses	5,790,220	8,184,667	Balance brought forward from last year	155,712,884	139,478,680
Provision for Taxation	41,224,000	35,401,421	Net profit for the year transferred from	125,110,486	115,289,587
Deferred Tax Expense	181,260	164,157	Statement of Profit or Loss & Comprehensive Income	(8,007,502)	447,159
Dividend	58,070,395	55,305,138	Gain on Consideration of Market Value of Shares	272,815,868	255,215,426
Reserve on gain for consideration of market value of shares	(8,007,502)	447,159			
Balance Transfer to Statement of Financial Position	175,557,495	155,712,884			
	<b>272,815,868</b>	<b>255,215,426</b>			

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
.....  
Director

  
Director

  
Director

  
Chief Executive Officer (CEO)

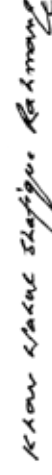
  
Company Secretary

  
Chief Financial Officer (CFO) CC

This is the Profit and loss appropriation account referred to in our report of even date.

Place: Dhaka

Dated: 29 May 2023



**Khan Wahab Shafique Rahman & Co.**

Chartered Accountants

Signed by: Md. Abu Sina FCA

Senior Partner

Enrolment No: 619

Firm's Registration No.: 11970 E.P.

DVC:2305290619AS677095

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
STATEMENT OF PROFIT OR LOSS AND ONTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
<b>EXPENSES OF MANAGEMENT:</b>			<b>INTEREST, DIVIDEND &amp; RENT:</b>		
(not applicable to any particular fund or account)			(not applicable to any particular fund or account)		
Meeting Expenses	50,750	12,500	Interest Received and Accrued	90,522,439	63,657,165
Director's Fees	323,400	202,400	Dividend Income	1,250,620	1,006,272
Audit Fees	167,250	367,250	Gain from Sale of shares of listed companies	11,991,441	16,677,246
Advertisement & Publicity	572,950	254,829	<b>PROFIT/(LOSS) TRANSFER FROM</b>		
Subscription & Donation	880,996	827,837	<b>REVENUE ACCOUNTS:</b>		
Legal Charges	440,010	329,890	Fire Revenue Account	3,229,073	4,865,805
Fee, Form & Renewal	378,511	922,230	Marine Cargo Revenue Account	26,241,699	29,940,083
Bank Interest and Charges	4,876,520	1,531,099	Marine Hull Revenue Account	(30,390)	(12,342)
Finance Cost (impact of IFRS-16)	93,373	11,685	Motor Revenue Account	768,449	4,283,338
Depreciation (FA & ROUA) (note # 17)	1,508,517	905,390	Miscellaneous Revenue Account	429,432	237,130
Balance for the year carried to Profit & Loss	125,110,486	115,289,587			
Appropriation Account	<b>134,402,763</b>	<b>120,654,697</b>		<b>134,402,763</b>	<b>120,654,697</b>

**Earning per Share (Note-25)**

1.44      1.37

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
**Chairman**

  
**Director**

  
**Director**

  
**Chief Executive Officer (CEO)**

  
**Company Secretary**

  
**Chief Financial Officer (CFO) CC**

This is the Statement of Profit or loss and other comprehensive income referred to in our report of even date.



**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

Place: Dhaka  
Dated: 29 May 2023

# PURABI GENERAL INSURANCE COMPANY LIMITED

CONSOLIDATED REVENUE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Claims under policies less Re-insurance paid during the year	3,865,507	2,581,195	Balance of Account at the beginning of the year:		
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	48,827,505	47,483,505	Reserved for Unexpired Risks	32,760,448	9,624,300
	52,693,012	50,064,700	Premium Less Re-insurance	57,902,199	81,846,669
Less: Outstanding claims at the end of the previous year whether due or intimated	47,483,505	49,161,852	Commission on Re-insurance Ceded	18,662,891	12,419,164
Agency Commission	<b>5,209,507</b>	<b>902,848</b>	Loss Transfer to Statement of Profit or Loss & other Comprehensive Income	-	12,342
Expenses of Management (Note-18)	17,194,937	5,637,013			
Insurance Stamp Expenses	33,080,644	25,262,572			
Profit Transfer to Statement of Profit or Loss & other Comprehensive Income	17,704	13,238			
Balance of account at the end of the year as shown in the Statement of Financial Position	30,638,263	39,326,356			
Reserve for Unexpired Risks being 40% of premium Income of the year	23,184,483	32,760,448			
	<b>109,325,538</b>	<b>103,902,475</b>		<b>109,325,538</b>	<b>103,902,475</b>


The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director

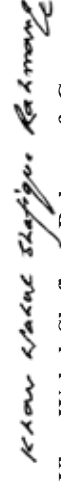
  
Chief Executive Officer (CEO)

  
Company Secretary

Chief Financial Officer (CFO) CC

This is the Consolidated Revenue Account referred to in our report of even date.

Place: Dhaka  
Dated: 29 May 2023

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

# PURABI GENERAL INSURANCE COMPANY LIMITED

FIRE INSURANCE REVENUE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Claims under policies less Re-insurance paid during the year	220,118	350,644	Balance of Account at the beginning of the year:		
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	40,424,370	40,424,370	Reserved for Unexpired Risks	1,888,929	1,369,767
	40,644,488	40,775,014	Premium Less Re-insurance	4,561,576	4,722,322
Less: Outstanding claims at the end of the previous year whether due or intimated	40,424,370	40,424,370	Commission on Re-insurance Ceded	3,766,757	3,342,988
Agency Commission	<b>220,118</b>	<b>350,644</b>			
Expenses of Management (Note-18)	1,811,899	266,616			
Insurance Stamp Expenses	3,129,809	2,060,944			
Profit Transfer to Statement of Profit or Loss & others	1,733	2,139			
Comprehensive Income	3,229,073	4,865,805			
Balance of account at the end of the year as shown in the Statement of Financial Position	1,824,630	1,888,929			
Reserve for Unexpired Risks being 40% of premium income of the year	<b>10,217,262</b>	<b>9,435,077</b>		<b>10,217,262</b>	<b>9,435,077</b>

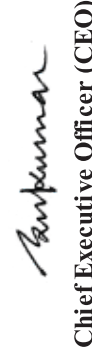
The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.23 and signed on its behalf by:

  
Chairman

  
Director

  
Director

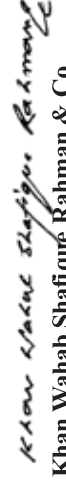
  
Chief Executive Officer (CEO)

  
Company Secretary

Chief Financial Officer (CFO) CC

Place: Dhaka  
Dated: 29 May 2023

This is the Fire insurance revenue account referred to in our report of even date.

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrollment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095



**PURABI GENERAL INSURANCE COMPANY LIMITED**  
MARINE CARGO INSURANCE REVENUE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Claims under policies less Re-insurance paid during the year	2,761,564	1,849,450	Balance of Account at the beginning of the year:		
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	2,755,157	2,075,762	Reserved for Unexpired Risks	28,302,807	4,942,847
Less: Outstanding claims at the end of the previous year whether due or intimated	5,516,721	3,925,212	Premium Less Re-insurance	47,463,633	70,757,017
Agency Commission	2,075,762	3,828,731	Commission on Re-insurance Ceded	10,759,101	4,797,837
Expenses of Management (Note-18)	<b>3,440,959</b>	<b>96,481</b>			
Profit Transfer to Statement of Profit or Loss & other Comprehensive Income	14,885,645	5,045,225			
Balance of account at the end of the year as shown in the Statement of Financial Position	22,971,785	17,113,105			
Reserve for Unexpired Risks being 40% of premium Income of the year	26,241,699	29,940,083			
	18,985,453	28,302,807			
	<b>86,525,541</b>	<b>80,497,701</b>		<b>86,525,541</b>	<b>80,497,701</b>


The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director


  
Chief Executive Officer (CEO)

  
Company Secretary

Chief Financial Officer (CFO) CC

This is the Marine cargo insurance revenue account referred to in our report of even date.

Place: Dhaka  
Dated: 29 May 2023

  
Khan Wahab Shafiqe Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
MARINE HULL INSURANCE REVENUE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2022

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Claims under policies less Re-insurance paid during the year	44	-	Balance of Account at the beginning of the year:	36,300	24,767
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	-	-	Reserved for Unexpired Risks Premium Less Re-insurance	39,340	36,300
Less: Outstanding claims at the end of the previous year whether due or intimated	44	-	Commission on Re-insurance Ceded	126,830	72,663
Agency Commission	-	-	Loss Transfer to Statement of Profit or Loss & other Comprehensive Income	-	12,342
Expenses of Management (Note-18)	193,476	109,772			
Profit Transfer to Statement of Profit or Loss & other Comprehensive Income	(30,390)	-			
Balance of account at the end of the year as shown in the Statement of Financial Position	39,340	36,300			
Reserve for Unexpired Risks being 100% of premium Income of the year	202,470	146,072		202,470	146,072

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director

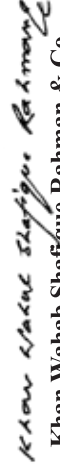
  
Chief Executive Officer (CEO)

  
Company Secretary

  
Chief Financial Officer (CFO) CC

This is the Marine hull insurance revenue account referred to in our report of even date.

Place: Dhaka  
Dated: 29 May 2023

  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**MOTOR INSURANCE REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

PARTICULARS	Amount in Taka		Amount in Taka	
	2022	2021	2022	2021
Claims under policies less Re-insurance paid during the year	790,435	327,431		
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,071,324	3,406,719	1,983,731	2,869,553
Less: Outstanding claims at the end of the previous year whether due or intimated	4,861,759	3,734,150	4,077,720	4,959,328
Agency Commission	3,406,719	3,332,097	175,291	431,764
Expenses of Management (Note-18)	<b>1,455,040</b>	<b>402,053</b>		
Insurance Stamp Expenses	352,077	263,816		
Profit Transfer to Statement of Profit or Loss & other Comprehensive Income	2,015,410	1,317,430		
Balance of account at the end of the year as shown in the Statement of Financial Position	14,678	10,277		
Reserve for Unexpired Risks being 40% of premium Income of the year	768,449	4,283,338		
	1,631,088	1,983,731		
	<b>6,236,742</b>	<b>8,260,645</b>	<b>6,236,742</b>	<b>8,260,645</b>

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
**Chairman**

  
**Company Secretary**

  
**Director**

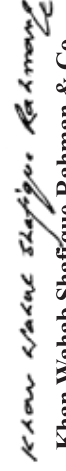
  
**Chief Financial Officer (CFO) CC**

  
**Director**

  
**Chief Executive Officer (CEO)**

This is the Motor insurance revenue account referred to in our report of even date.

**Place: Dhaka**  
**Dated: 29 May 2023**

  
**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**MISCELLANEOUS INSURANCE REVENUE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

PARTICULARS	Amount in Taka		PARTICULARS	Amount in Taka	
	2022	2021		2022	2021
Claims under policies less Re-insurance paid during the year	93,346	53,670	Balance of Account at the beginning of the year:	548,681	417,366
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	1,576,654	1,576,654	Reserved for Unexpired Risks Premium Less Re-insurance	1,759,930	1,371,702
Less: Outstanding claims at the end of the previous year whether due or intimated	1,670,000	1,630,324	Commission on Re-insurance Ceded	3,834,912	3,773,912
Agency Commission	1,576,654	1,576,654			
Expenses of Management (Note-18)	<b>93,346</b>	<b>53,670</b>			
Insurance Stamp Expenses	145,316	61,356			
Profit Transfer to Statement of Profit or Loss & other Comprehensive Income	4,770,164	4,661,321			
Balance of account at the end of the year as shown in the Statement of Financial Position	1,293	822			
Reserve for Unexpired Risks being 40% of premium Income of the year	429,432	237,130			
	703,972	548,681			
	<b>6,143,523</b>	<b>5,562,980</b>		<b>6,143,523</b>	<b>5,562,980</b>


The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by:

  
**Chairman**

  
**Director**

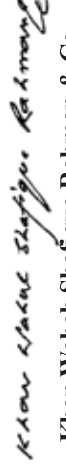
  
**Director**

  
**Chief Executive Officer (CEO)**

  
**Company Secretary**

  
**Chief Financial Officer (CFO) CC**

This is the Miscellaneous Insurance Revenue Account referred to in our report of even date.

  
**Khan Wahab Shaifque Rahman**  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC:2305290619AS677095

**Place: Dhaka**  
**Dated: 29 May 2023**

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

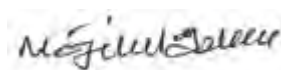
PARTICULARS	Share Capital	Reserve For Exceptional Losses	Reserve on Gain for Consideration of Market Value of Shares	Retained Earnings	Total at 2022
Balance as on 01-01-2022	580,703,949	30,651,464	9,309,605	155,712,884	776,377,902
Profit and Loss A/C during the year after appro.	-	-	-	19,844,611	19,844,611
Profit and Loss appropriation. A/C	-	5,790,220	(8,007,502)	-	(2,217,282)
Deferred Tax	-	-	800,750	-	800,750
<b>Balance as on 31-12-2022</b>	<b>580,703,949</b>	<b>36,441,684</b>	<b>2,102,853</b>	<b>175,557,495</b>	<b>794,805,981</b>

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

PARTICULARS	Share Capital	Reserve For Exceptional Losses	Reserve on Gain for Consideration of Market Value of Shares	Retained Earnings	Total at 2021
Balance as on 01-01-2021	553,051,380	22,466,797	8,907,162	139,478,680	723,904,019
Profit and Loss A/C during the year after appro.	27,652,569	-	-	16,234,204	43,886,773
Profit and Loss appropriation. A/C	-	8,184,667	447,159	-	8,631,826
Deferred Tax	-	-	(44,716)	-	(44,716)
<b>Balance as on 31-12-2021</b>	<b>580,703,949</b>	<b>30,651,464</b>	<b>9,309,605</b>	<b>155,712,884</b>	<b>776,377,902</b>

The accounting policies and others notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of directors on 29-05-2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director

  
Chief Executive Officer (CEO)

  
Company Secretary

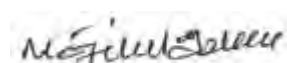
  
Chief Financial Officer (CFO) CC

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

PARTICULARS	NOTE	Amount in Taka	
		2022	2021
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		<b>213,123,259</b>	<b>63,612,325</b>
Collection from Premium & Other Income		331,369,077	135,125,194
Management Expenses, Commission, Re-insurance & Claims		(61,279,211)	(35,235,528)
Income Tax Paid		(46,926,416)	(30,544,709)
VAT Paid		(10,040,191)	(5,732,632)
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		<b>6,039,749</b>	<b>(6,131,703)</b>
Purchase of Fixed Assets		(2,647,778)	(1,897,329)
Advance Against Printing		(66,930)	-
Sale or Purchase of Shares of Listed companies		(11,268,713)	17,803,126
Advance for IPO Shares		-	(22,037,500)
IPO Refund money receipts		20,023,170	-
<b>C) CASH FLOW FROM FINANCIAL ACTIVITIES:</b>		<b>(34,060,974)</b>	<b>(10,452,188)</b>
Dividend Paid		(61,421,447)	(21,220,228)
Loan from Bank		28,272,473	12,391,594
Finance cost paid		(93,373)	-
Lease liabilities paid		(818,627)	(1,623,554)
<b>D) NET CASH INFLOWS/(OUTFLOWS) FOR THE YEAR (A+B+C)</b>		<b>185,102,034</b>	<b>47,028,434</b>
<b>E) OPENING CASH &amp; BANK BALANCE</b>		<b>718,968,678</b>	<b>671,940,244</b>
<b>F) CLOSING CASH &amp; BANK BALANCE</b>		<b>904,070,712</b>	<b>718,968,678</b>
<b>Net Operating Cash Flows per Share</b>	<b>25</b>	<b>3.67</b>	<b>1.09</b>

The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29.05.2023 and signed on its behalf by.

  
Chairman

  
Director

  
Director

  
Chief Executive Officer (CEO)

  
Company Secretary

  
Chief Financial Officer (CFO) CC



## **PURABI GENERAL INSURANCE COMPANY LIMITED.**

Notes to the Financial Statements  
AS AT 31ST DECEMBER 2022

### **FORMING AN INTERGRAL PART OF THE FINANCIAL STATEMENTS**

#### **1.0 LEGAL STATUS AND NATURE OF THE COMPANY DISCLOSURE UNDER BAS-1 "PRESENTATION OF FINANCIAL STATEMENTS"**

The company was incorporated on 29th June, 1988 under the Company's Act 1913 with the object of carrying in and outside Bangladesh all kind of insurance business other than life insurance and obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies, Bangladesh with effect from the same date. However, the Certificate of Commencement of insurance business from the Controller of Insurance, Government of the Peoples Republic of Bangladesh was obtained with effect from 3rd November, 1988. In 1995 the company issued public portion of shares and listed with the Dhaka Stock Exchange from 4th August, 1995.

##### **Address of Registered Office and Principal Place of Business:**

The registered office of the company is Sandhani Life Tower, 34 Bangla Motor, Dhaka-1000, Bangladesh and the address of Operational Headquarter is also Sandhani Life Tower, 34 Bangla Motor, Dhaka-1000, Bangladesh.

##### **Number of Employees:**

The number of employees at the year end was 60.

#### **2.0 SIGNIFICANT ACCOUNTING POLICIES DISCLOSURE UNDER BAS-1 "PRESENTATION OF FINANCIAL STATEMENTS"**

- 2.1 The financial statement of the company as made up to 31st December, each year have been measured on "Historical Cost Convention" on going concern basis and in accordance with The Companies Act 1994, The Insurance Act 2010, International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB).
- 2.2 The preparation of financial statement in conformity with the International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the ICAB requires management to make estimate and assumption that affects the reported amount of the assets.
- 2.3 Liabilities and revenue & expenses during the year reported are as per book. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation which has been provided on straight line method, liability for outstanding claims whether due or intimated, taxes etc.
- 2.4 The total amount of premium earned on various class of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of reinsurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance recovery during the year have been duly accounted for in the books of account of the company and while preparing the financial statement of accounts, the effect of re-insurance accepted and the re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting result of the year.
- 2.5 Claim has been shown as liability when loss incurred and paid to the parties following proper procedures.
- 2.6 Before arriving at the surplus to all class of business, necessary provisions for unexpired risks have been made @ 40% on all business except on Marine Hull business for which provision was made @ 100 % of net premium for the year as per Insurance Act, 2010.

- 2.7 Interest earned on statutory investment of Tk. 45 lac lying with Bangladesh Bank in the form of 10 years BGTB at the prescribed rate. Besides all other interest are credited to Comprehensive income account when accrued/earned.
- 2.8 Premium deposit account represents amount of premium deposit with the company against cover notes for which no policy has been issued up to the end of the year.
- 2.9 Amount due to and from other persons or bodies carrying on insurance business have been accounted for on the basis of re-insurance and co-insurance premium and claim pay able and receivable at the year end.
- 2.10 Depreciation of fixed assets has been calculated on straight line method at a rate varied from 10% to 20% which is in conformity with that of the previous year. Full year depreciation has been charged during the year. In case of new assets, depreciation of an asset begins when it is available for use, ie when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.
- 2.11 Stock of Stationery & Forms has been valued at cost.
- 2.12 The outstanding premium appearing in the accounts represents the amount realizable in Subsequent year and considered good.
- 2.13 Management expenses have been allocated to the respective business on the basis of proportion of net premium earned.
- 2.14 Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows". Cash Flows have been presented using direct method. Interest income from FDR has been presented under operating activities because insurance companies are to invest as per investment rules issued by Insurance Development & Regulatory Authority (IDRA).
- 2.15 The value of the assets at 31st December, 2022 as shown in the statement of financial position and in classified summary of assets on FORM-AA annexed have been reviewed by the director and the said assets have been set forth in the Statement of Financial Position at amount not exceeding their realizable or market value.
- 2.16 Investment in shares is stated at their market price of acquisition.
- 2.17 Employee Benefit:
- (a) WPPF:**  
As per law, the company will create a fund for workers as "Workers Profit Participation Fund (WPPF)".
- (b) Other Benefits:**  
The company will introduce other types of Employee Benefit Schemes like Group Insurance and Provident Fund for staff .
- 2.18 Earnings per Share (EPS):**
- i) The company calculates Earnings Per Share (EPS) in accordance with IAS-33 "Earnings Per Share" as adopted in Bangladesh.
- "ii) Basic earnings per shares is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary share outstanding during the year.
- 2.19 Taxation:**  
The Company is a "Publicly Traded Company" and as per the Income Tax Ordinance 1984 provision for taxation has been made @ 37.50% except capital gain on sale of shares of publicly traded company on which Tax has been provided @ 10% and dividend income.
- a) Provision for Taxation:** Provision for Taxation should be adjusted against Advance Income Tax.

**b) Deferred Tax:** The management recognized deferred tax in accordance with the provision of IAS-12. The effect of prior year deferred tax adjustment upto 2022 has been shown through Changes in Equity as per IAS-12.

2.20 Components of the Financial Statement According to the International Accounting Standards (IAS)-1: "Presentation of Financial Statements" the complete set of Financial Statements includes the following components:

- i) Statement of Financial Position as at 31st December, 2022
- ii) Profit & Loss Appropriation Account for the year ended 31st December, 2022
- iii) Statement of Profit or loss and other Comprehensive Income for the year ended 31st December, 2022
- iv) Statement of Changes in Equity for the year ended 31st December, 2022
- v) Statement of Cash Flows for the year ended 31st December, 2022
- vi) Classified Summary of the Assets in Bangladesh, Form-"AA"
- vii) Accounting Policies and Explanatory Notes

**2.21 Going Concern:** As per IAS-1, a company is required to make assessment at the end of each year to make assessment of its capability to continue as going concern. Management of the company makes such assessment each year. The company has adequate resources to continue its operation for the foreseeable future and has wide coverage of its liabilities. For this reason, the directors continue to adopt going concern assumption while preparing the financial statements.

2.22 Figures of the previous year have been rearranged whenever considered necessary to conform to this year's presentation.

### 2.23 IFRS 16: Leases

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2022. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except some limited exception i.e. short-term lease, leases for low value items

Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses'.

As per the preliminary assessment of leases for 'office premises', the company has concluded that the potential impact of these lease items of branch offices in the Balance Sheet and Profit and Loss Account of the Company for the year 2022 is not considered to be material. Therefore, considering the above implementation issues the Company has only considered the lease of head office only and has done the related accounting entries in accordance with IFRS 16 considering incremental borrowing rate 7.5%.

Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
<b>3.00</b>	<b>SHARE CAPITAL:</b>		
	Authorized:		
	100,000,000 Ordinary Shares of Tk. 10/= each	<b>1,000,000,000</b>	<b>1,000,000,000</b>
	Issued, Subscribed & Paid up:		
	58,070,394.9 Ordinary Shares of Tk. 10/- each arrived at as follows:		
	Sponsors Contribution 31.58% of total paid up capital	183,406,460	183,366,120
	Public Issue to 68.42% of total paid up capital	397,297,489	397,337,829
		<b>580,703,949</b>	<b>580,703,949</b>

Break up of above is as follows:

Particulars	% of Share Holding		Share Amount	
	2022	2021	2022	2021
Sponsors	31.58	31.57	183,406,460	183,366,120
Financial Institution	25.56	9.54	148,428,570	55,407,680
General Public	42.86	58.89	248,868,919	341,930,149
	<b>100.00</b>	<b>100.00</b>	<b>580,703,949</b>	<b>580,703,949</b>

### 3.1 SCHEDULE OF DISTRIBUTION

Range of Holdings in Numbers of Shares	No. of share Holders	% of share Holders	No. of Shares	% of Share Capital	
				2022	2021
1 to 500 shares	2788	39.13	528,132.90	0.91	1.01
501 to 1,000 shares	1014	14.23	829,936.00	1.43	1.58
1,001 to 5,000 shares	2033	28.53	5,162,556.00	8.89	9.34
5,001 to 10,000 shares	594	8.34	4,409,277.00	7.59	7.88
10,001 to 20,000 shares	353	4.95	5,139,521.00	8.85	10.09
20,001 to 30,000 shares	125	1.75	3,063,054.00	5.27	5.90
30,001 to 40,000 shares	61	0.86	2,108,605.00	3.63	3.38
40,001 to 50,000 shares	46	0.65	2,169,656.00	3.74	3.76
50,001 to and above	111	1.56	34,659,657.00	59.69	57.06
	<b>7125</b>	<b>100.00</b>	<b>58,070,394.9</b>	<b>100.00</b>	<b>100.00</b>

### 4.0 RESERVE OR CONTINGENCY ACCOUNTS :

Reserve for Exceptional Losses:

Opening Balance		30,651,464	22,466,797
Add: Created during the year	(Note: 4.01)	5,790,220	8,184,667
Closing Balance		<b>36,441,684</b>	<b>30,651,464</b>

#### 4.01 Reserved for exceptional losses during the year:

10% of Net premium Tk. 57,902,199 that is Tk. 5,790,220.

### 5.0 PREMIUM DEPOSIT:

Premium Deposit		<b>36,068,431</b>	<b>9,831,784</b>
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This represents the amount of premium deposited with the company against the Cover Notes for which no policy has been issued up to the year end.

Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
<b>6.0</b>	<b>ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIM</b>		
	<b>WHETHER DUE OR INTIMATED:</b>		
	Fire Insurance Business	40,424,370	40,424,370
	Marine Cargo Insurance Business	2,755,157	2,075,762
	Motor Insurance Business	4,071,324	3,406,719
	Miscellaneous Insurance Business	1,576,654	1,576,654
	<b>Total</b>	<b>48,827,505</b>	<b>47,483,505</b>
<b>7.0</b>	<b>AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING</b>		
	<b>ON INSURANCE BUSINESS:</b>		
	Sadharan Bima Corporation (SBC)	136,419,956	97,274,003
	Co-Insurance	329,179	329,179
	<b>Total</b>	<b>136,749,135</b>	<b>97,603,182</b>

The balance of SBC and Co-Insurance represent the cumulative balance due to them.

#### **8.0 SUNDRY CREDITORS:**

Outstanding and Provision Expenses:

Outstanding Telephone Bill	2,048	2,048
Outstanding Audit Fees	1,319,500	1,269,500
Outstanding Office Rent	1,177,100	1,924,654
Outstanding Electric Bill	47,677	57,927
Outstanding Salary & Allowance	2,678,297	1,167,684
Provision for Shares Application Account	8,000	8,000
Provision for Share Issued Expenses	617,360	617,360
Provision for A.G.M. Expenses	95,750	66,480
Provision for 5% Govt. Tax on Insurance Premium	274,087	274,087
Provision for 15% Govt. VAT on Insurance Premium	303,875	1,441,738
Provision for Advertisement	5,200	5,200
Provision for Tax on Salary	180,148	172,814
Provision for Tax on Office Rent	38,254	67,504
Outstanding Postage & Telegram	-	361
Outstanding Washing Bill	6,000	6,000
Outstanding Printing	29,684	24,960
Outstanding for Newspaper Bill	260	210
Provision for Dividend distribution Tax	600,000	600,000
Outstanding Subscription	37,331	37,331
Provision for VAT Against Office Rent	740,875	819,625
Outstanding for VAT Against Printing Bill	52,549	52,549
Outstanding Tax on Legal Fee	54,103	48,103
Outstanding for Tax on Agent Commission	510,860	494,032
Liability for Tax on Dividend	781,781	781,781
Outstanding Water Bill	-	700
Liability for VAT Against Advertisement	62,012	62,012
Outstanding Levy	100,000	138,316
Provision for Insurance Stamp	6,011,686	6,512,345
Provision for Tax on Sales of Land	875,000	875,000
Outstanding Fee Form Renewal	156,000	158,500
Outstanding for Internet Bill	-	1,000
Outstanding Wages	52,000	83,000

Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
	Outstanding Tax on Printing Bill	17,950	17,950
	Outstanding for Agent Commission	1,673,282	2,897,818
	Outstanding for Fractional Shares	367,072	367,072
	Outstanding for Vat on Car Maintenance	10,407	10,407
	Outstanding for Survey Fee	8,020	8,020
	Outstanding for Vat on Survey Fee	10,763	10,763
	Outstanding for Electrical Maintenance	2,000	2,000
	Outstanding for Vat on Postage	989	844
	Outstanding for Vat on AGM	8,400	8,400
	Outstanding for Vat on free form renewal	15,000	15,000
	Outstanding for Vat on Legal Fee	3,750	3,750
	Outstanding for Tax on Free form renewal	44,583	44,583
	Outstanding for Tax on Advertisement	7,392	7,392
	Outstanding for Tax on AGM	2,100	2,100
	Outstanding for Tax on Survey Fee	2,030	2,030
	Outstanding for Tax on Audit Fee	1,500	1,500
	Outstanding Stationery	22,558	14,745
	Provision for software service charge	50,000	47,619
	Provision vat on software service charge		2,381
	Provision UMP service charge		7,819
	Outstanding for Tax on Internet Bill	2,478	-
	Outstanding for Tax on Director fee	7,200	-
	Outstanding for Vat on Director fee	7,200	-
	Outstanding Tax on Stationery	580	-
	Outstanding Vat on Stationery	1,451	-
	Outstanding Tax on Miscellaneous	7,279	-
	Outstanding Vat on Miscellaneous	38,415	-
	Outstanding Bonus	135,000	-
	Outstanding car allowance	558,842	-
	Refundable premium	2,911,827	1,530,043
	<b>Total</b>	<b>22,735,505</b>	<b>22,773,057</b>

#### 9.0 LOAN FROM BANK:

Opening Balance	46,546,307	32,623,614
Add: Loan From Bank	125,572,473	149,604,057
Add: Bank Charge	-	150,000
Add: Bank Interest	4,876,520	1,381,099
	<b>176,995,300</b>	<b>183,758,770</b>
Less: Adjustment/ Payment	97,300,000	137,212,463
Closing Balance	<b>79,695,300</b>	<b>46,546,307</b>

#### 9.1 LEASE LIABILITY:

Opening Balance	-	1,611,869
Addition during the year	1,406,609	-
Add: Finance Cost	-	11,685
Less: Payment/adjustments	818,627	1,623,554
Closing Balance	<b>587,982</b>	<b>-</b>

**Note:** The lease liability represents the payment to be made to land owner of office premises and this has been accounted for in compliance with IFRS-16.



Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
<b>10.0</b>	<b>PROVISION FOR TAXATION:</b>		
	Opening Balance	175,367,041	139,965,620
	Add: Provision made during the year (Note: 10.01)	41,224,000	35,401,421
		<u>216,591,041</u>	<u>175,367,041</u>
	Less: Adjustment	-	-
	Closing Balance	<u><b>216,591,041</b></u>	<u><b>175,367,041</b></u>

Provision for taxation will be adjusted after the completion of assessment of each individual year.

#### 10.01 CALCULATION OF CURRENT YEAR PROVISION FOR TAXATION :

<b>Net profit before Tax</b>	<b>125,110,486</b>	<b>115,289,587</b>
Less; Reserve for exceptional losses @10%	(5,790,220)	(8,184,667)
Less: Capital gain	(11,991,441)	(16,677,246)
Less: Stock dividend	(22,980)	(2,930)
Less: Cash dividend	<u>(1,227,632)</u>	<u>(1,003,329)</u>
	<u><b>106,078,213</b></u>	<u><b>89,421,415</b></u>
Calculation of Tax provision :		
01. Business & Others profit (106,078,211@37.50%)	39,779,330	33,533,031
02. Capital gain (11,991,441@10%)	1,199,144	1,667,725
03. Cash dividend (1,227,632@20%)	<u>245,526</u>	<u>200,666</u>
<b>Provision during the year</b>	<u><b>41,224,000</b></u>	<u><b>35,401,421</b></u>

## 11.0 INVESTMENT : As on 31.12.2022

This is made up as follows:

Sl. No.	Particulars	Amount in Taka 31.12.2022	31.12.2022 Market value	Profit/(Loss)	Amount in Taka 31.12.2021
<b>A</b>	<b>Statutory Deposit with Bangladesh Bank</b>	<b>4,500,000</b>	<b>4,500,000</b>		<b>4,500,000</b>
	Bangladesh Govt. Treasury Bond (BGTB)				
<b>B</b>	<b>Shares ( Cost &amp; Market Price):</b>	<b>51,780,121</b>	<b>54,116,625</b>	<b>2,336,504</b>	<b>36,610,326</b>
1	Marks Bangladesh Shilpa & Engineering Ltd. 1,846 Shares of Tk.200.00 each	369,200	369,200	-	369,200
2	Zeal Bangla Sugar Mill Ltd. 300 Shares of Tk.7.14 each (Approx.)	2,141	51,750	49,609	34,830
3	Sandhani Life Insurance Co. Ltd. 717,000 Shares of Tk.20.35934 each (Approx.)	14,597,644	19,287,300	4,689,656	23,560,459
4	Samorita Hospital Ltd. 60000 Shares of Tk.70.24359 each (Approx.)	4,214,616	4,194,000	(20,616)	5,343,586
5	Esquire Knit Composit Ltd. 46781 shares of Tk .41.86371 Each	2,051,988	1,613,945	(438,043)	1,462,335
6	Runner Automobiles Ltd. 33071 shares of Tk.66.55165 Each	2,200,930	1,600,636	(600,294)	1,696,542
7	South Bangla Agreeculture Commerce Bank Ltd. 56848 shares of Tk.10 each	568,480	602,589	34,109	830,862
8	Union Bank Ltd. 150000 shares of Tk.10 each	1,500,000	1,395,000	(105,000)	
9	BATBC 4602 shares of Tk.586.4920 each	2,699,036	2,387,057	(311,979)	
10	Squire pharma 5000 shares of Tk.217.55424 each	1,087,771	1,049,000	(38,771)	
11	UPGDCL 5000 shares of Tk.246.7676 each	1,233,838	1,168,500	(65,338)	
12	Marico 1300 shares of Tk.2430.72435 each	3,159,942	3,147,950	(11,992)	
13	RENATA 1712 shares of Tk.1251.9836 each	2,143,396	2,085,045	(58,351)	
14	BEXGSUKUK 1000 shares of Tk.87.67501 each	87,675	89,000	1,325	
15	IDLC 10000 shares of Tk.49.4988 each	494,988	465,000	(29,988)	
16	Navana Pharma 700 shares of Tk.34 each	23,800	54,810	31,010	
17	Asiatech Lab 95000 shares of Tk.50.00 each	4,750,000	4,750,000	-	
18	Global islami bank 826583 shares of Tk.10 each	8,265,830	7,439,247	(826,583)	
19	Beximco 5000 shares of Tk.127.9554 each	639,777	578,000	(61,777)	
20	IFAD Auto 4000 shares of Tk.47.3946 each	189,578	176,400	(13,178)	
21	ACME LAB 15000 shares of Tk.88.02261 each	1,320,339	1,275,000	(45,339)	
22	Islami Com. Insurance 8797 shares of Tk.10 each	87,970	247,196	159,226	
23	BSRM 1000 shares of Tk.91.182 each	91,182	90,000	(1,182)	
24	Bashundhara Papers Mills Ltd. 21,613 Shares of Tk.80 Each.	-	-	-	931,520
25	Coppertch Ind. Ltd. 6806 shares of Tk.10 each	-	-	-	228,682
26	Nial Co Alloys Ltd 41298 shares of Tk.10 each	-	-	-	412,980
27	Oxyza Agro 27244 shares of Tk.10 each	-	-	-	283,338
28	Master feed agrotech Ltd. 26649 Shares of Tk.10 Each.	-	-	-	255,830
29	Mastafa metal ind. Ltd. 26960 shares of Tk.10 each	-	-	-	288,472
30	Krishibid feed Ltd. 86526 shares of Tk.10 each	-	-	-	865,260
31	Union Insurance Co. Ltd. 4643 shares of Tk.10 each	-	-	-	46,430
	<b>Total</b>	<b>56,280,121</b>	<b>58,616,625</b>	<b>2,336,504</b>	<b>41,110,326</b>

Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
<b>12.0</b>	<b>INTEREST, DIVIDEND &amp; RENT RECEIVABLE:</b>		
	Interest Accrued on Fixed Deposits	12,155,259	65,829,726
	Interest Accrued on Statutory Deposits	139,388	139,388
	<b>Total</b>	<b>12,294,647</b>	<b>65,969,114</b>
<b>13.0</b>	<b>AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS:</b>		
	Sadharan Bima Corporation	133,981,345	155,707,462
	Co-Insurance	2,772,387	1,098,508
	<b>Total</b>	<b>136,753,732</b>	<b>156,805,970</b>
	This represents the amount receivable from Sadharan Bima Corporation against Public Sector business and premium receivable from Co-insurers.		
<b>14.0</b>	<b>ADVANCE, DEPOSITS, PRE-PAYMENTS &amp; RECEIVABLE:</b>		
	Advance Against Office Rent	180,000	180,000
	Advance Against Printing	86,930	20,000
	Advance Against Salary	444,000	444,000
	Advance Against Income Tax (Note-14.1)	200,965,577	154,039,161
	Other Advances	420,000	420,000
	Other Receivable	12,193	12,193
	Receivable against Right Shares	7,793,060	7,793,060
	Premium Against Bank Guarantee	65,608,519	75,702,069
	Advance Development Expenses	1,529,372	1,529,372
	Advance IPO Application	-	22,037,500
	<b>Total</b>	<b>277,039,651</b>	<b>262,177,355</b>
<b>14.01</b>	<b>ADVANCE AGAINST INCOME TAX:</b>		
	Opening Balance	154,039,161	123,494,452
	Addition during the year	46,926,416	30,544,709
		200,965,577	154,039,161
	Less: Adjustment	-	-
	Closing Balance	<b>200,965,577</b>	<b>154,039,161</b>
	This Balance will be adjusted against Provision for Taxation just after completion of assessment.		
<b>15.0</b>	<b>CASH AND BANK BALANCE:</b>		
	Cash at Bank in Current Accounts	240,140	227,834
	Cash in Hand	1,348,003	1,292,362
	<b>Total</b>	<b>1,588,143</b>	<b>1,520,196</b>
<b>16.0</b>	<b>CALCULATION OF DEFERRED TAX ASSETS :</b>		
<b>I</b>	<b>ITEMPORARY DEDUCTABLE DEFERENCE :-</b>		
	Accounts Base Written Down Value of Assets	4,748,015	2,764,788
	Tax Base Written Down Value of Assets	7,616,880	6,117,013
		<b>2,868,865</b>	<b>3,352,225</b>
	<b>Deferred Tax Asset as on 31.12.2022 (2,868,865@37.5%)</b>	1,075,824	1,257,084
	Deferred Tax Asset Recognised Previous year	1,257,084	1,421,241
	<b>Deferred Tax expense during the year,</b>	<b>181,260</b>	<b>164,157</b>
<b>II</b>	<b>Deferred Tax on fair value of market price on Investment in Shares :</b>		
	Reserve on gain for consideration of market value of Shares as on 31.12.2022	2,336,504	10,344,006
	So, Deferred Tax Liabilities during the year (2,336,504@10%)	<b>233,651</b>	<b>1,034,401</b>
	Total Deferred tax Asset as of 31.12.2022 (I-II)	<b>842,173</b>	<b>222,683</b>

**PURABI GENERAL INSURANCE COMPANY LIMITED**

**SCHEDULE OF FIXED ASSETS  
AS AT 31ST DECEMBER 2022**

**17.0 FIXED ASSETS (At Cost) :**

Particulars	COST						Rate %	DEPRECIATION			Written Down Value As on 31-12-2022	
	As on 01-01-2022	Addition 2022	Adjustment 2022	Total as on 31-12-2022	Chargable Amount			As on 01-01-2022	Charged 2022	Adjustment 2022		Total as on 31-12-2022
					01-01-2022	31-12-2022						
Furniture & Fixture	21,816,618	68,349	-	21,884,967	8,000	76,349	21,809,224	5,091		21,814,315	70,652	
Office Equipment	9,634,104	1,568,703	-	11,202,807	2,155,229	3,728,932	7,726,061	489,811		8,215,872	2,986,935	
Electrical Installation	2,852,165	-	-	2,852,165	5,200	5,200	2,850,566	780		2,851,346	819	
Air Conditioner	3,058,323	755,000	-	3,813,323	418,500	1,173,500	2,762,048	80,882		2,842,930	970,393	
Office Decoration	18,832,168	187,580	-	19,019,748	769,500	957,080	18,289,091	81,986		18,371,077	648,671	
Telephone Installation	1,662,518	68,146	-	1,730,664	10,740	78,886	1,654,118	6,001		1,660,119	70,545	
Books & Periodicals	168,304	-	-	168,304	-	-	168,304	-		168,304	-	
Vehicles	6,850,520	-	-	6,850,520	-	-	6,850,520	-		6,850,520	-	
<b>TOTAL 2022</b>	<b>64,874,720</b>	<b>2,647,778</b>	<b>-</b>	<b>67,522,498</b>	<b>3,367,169</b>	<b>6,019,947</b>	<b>62,109,932</b>	<b>664,551</b>	<b>-</b>	<b>62,774,483</b>	<b>4,748,015</b>	
Right of use Assets	1,406,609	-	-	1,406,609	-	1,406,609	-	843,966	-	843,966	562,643	
<b>Grand Total</b>	<b>66,281,329</b>	<b>2,647,778</b>	<b>-</b>	<b>68,929,107</b>	<b>3,367,169</b>	<b>7,426,556</b>	<b>62,109,932</b>	<b>1,508,517</b>	<b>-</b>	<b>63,618,449</b>	<b>5,310,658</b>	
<b>TOTAL 2021</b>	<b>64,525,552</b>	<b>1,897,329</b>	<b>-</b>	<b>66,422,881</b>	<b>2,094,105</b>	<b>3,986,434</b>	<b>62,752,703</b>	<b>905,390</b>	<b>-</b>	<b>63,658,093</b>	<b>2,764,788</b>	

**18.0 MANAGEMENT EXPENSES:**

Particulars	2022			2021
	Own	PSB	TOTAL TAKA	TOTAL TAKA
Fire Insurance Business	2,038,019	1,091,790	<b>3,129,809</b>	2,060,944
Marine Cargo Insurance Business	21,205,788	1,765,997	<b>22,971,785</b>	17,113,105
Marine Hull Insurance Business	17,576	175,900	<b>193,476</b>	109,772
Motor Insurance Business	1,821,842	193,568	<b>2,015,410</b>	1,317,430
Miscellaneous Insurance Business	786,301	3,983,863	<b>4,770,164</b>	4,661,321
<b>Total</b>	<b>25,869,526</b>	<b>7,211,118</b>	<b>33,080,644</b>	<b>25,262,572</b>

Sl. No.	Particulars	Amount in Taka	
		2022	2021

**19.0 OTHER RELEVANT INFORMATION (INCLUDING THE REQUIREMENTS UNDER SECURITIES EXCHANGES RULES 1987 AND COMPANIES ACT 1994)**

Opening Balance of Profit	<b>155,712,884</b>	<b>139,478,680</b>
Net Profit for the year	125,110,486	115,289,587
Gain on consideration of market value of shares of listed company	(8,007,502)	447,159
	<b>272,815,868</b>	<b>255,215,426</b>
Less:	<b>97,258,373</b>	<b>99,502,542</b>
Reserve for Exceptional Losses	5,790,220	8,184,667
Reserve on Gain for Consideration of Market Value of Shares	(8,007,502)	447,159
Provision for Taxation	41,224,000	35,401,421
Provision for Deferred Tax	181,260	164,157
Dividend	58,070,395	55,305,138
Closing Balance	<b>175,557,495</b>	<b>155,712,884</b>

**20.0 KEY MANAGEMENT PERSONAL COMPENSATION :**

I Director's Fees (Including VAT)	323,400	202,400
II Chief Executive Officer's Salary & Allowance (Including Bonus)	1,825,000	1,230,000
<b>Grand Total</b>	<b>2,148,400</b>	<b>1,432,400</b>

**21.0 CAPITAL EXPENDITURE COMMITMENT:**

- There was no capital expenditure commitments on 31st December, 2022.
- There was no material contingent liability as on 31st December, 2022 except Income Tax liability Assessment of which is yet to be completed.
- There was no claim against the company not acknowledged as debt as on 31st December 2022.

**22.0 CREDIT FACILITY:**

There was no credit facilities availed by the company under any contract as on 31st December, 2022.

**23.0 INSURANCE GUARANTEE:**

There was no Insurance Guarantee issued by the company during the year.

- There was 60 number of Employees out of which 60 number of employees have drawn salary over Tk. 3,000 per month and remaining 0 number of employee has drawn salary less than Tk. 3,000 per month.

Sl. No.	Particulars	Amount in Taka	
		31.12.2022	31.12.2021
<b>25.0</b>	<b>BASIC EARNINGS PER SHARE (EPS) DISCLOSURE UNDER BAS 33 "EARNING PER SHARE"</b>		
<b>I</b>	Earnings attributable to the Ordinary Shareholders (Net Profit after Tax)	83,705,226	79,724,009
<b>II</b>	Weighted average number of Ordinary Shares During the year	58,070,394.9	58,070,394.9
<b>III</b>	Basic EPS	<b>1.44</b>	<b>1.37</b>
<b>IV</b>	<b>Net Asset Value Per Share :</b>		
	<b>Net Asset Value</b>	794,805,981	776,377,902
	Weighted average number of Ordinary Shares During the year	58,070,394.9	58,070,394.9
	<b>NAV Per Share</b>	<b>13.69</b>	<b>13.37</b>
<b>V</b>	<b>Net Operating Cash Flow Per Share :</b>		
	<b>Net Operating Cash Flow</b>	213,123,259	63,612,325
	Weighted average number of Ordinary Shares During the year	58,070,394.9	58,070,394.9
	<b>Net Operating Cash Flow Per Share :</b>	<b>3.67</b>	<b>1.09</b>
<b>VI</b>	<b>Reconciliation of Cash flows from operating activities between direct and indirect method</b>		
	<b>Net Income before Tax</b>	125,110,486	115,289,587
	Add: Depreciation for the period being non-cash expense	1,508,517	905,390
	Add: Finance Cost ( Lease Properties)	93,373	11,685
	Less: Gain from Sale of Shares & Dividend	(12,014,421)	(16,680,176)
		<b>114,697,955</b>	<b>99,526,486</b>
	<b>Changes in Assets</b>		
	Interest, Dividends & Rent Receivables	53,674,467	(7,483,927)
	Amount Due from other persons or Bodies Carring on Insurance Business	20,052,238	(16,820,466)
	Advance, Deposit pre- payments and receivable	10,026,620	(36,558,031)
	Avance & Source Tax Paid	(46,926,416)	(30,544,709)
	Stock of Stationery & Forms	(67,700)	29,078
	Stmp in Hand	(174,101)	(450,280)
		<b>36,585,108</b>	<b>(91,828,335)</b>
	<b>Changes in Liabilities</b>		
	Balance of Funds & Accounts	(9,575,965)	23,136,148
	Premium Deposit	26,236,647	8,537,661
	Estimated Liabilities In Respect of Outstanding Claims Whether Due or Intimated	1,344,000	(1,678,347)
	Amount Due to other persons or Bodies Carring on Insurance Business	39,145,953	14,289,510
	Sundry Creditors	4,689,561	11,629,202
		<b>61,840,196</b>	<b>55,914,174</b>
	<b>Net Cash generated from Operating activities</b>	<b>213,123,259</b>	<b>63,612,325</b>



## 26.0 TRANSACTION WITH RELATED PARTIES :

The company in normal course of business has entered into transactions with other entities that fall within the definition of related party as contained in BAS-24 "Related Party Disclosures" The company opines that terms of related party transactions do not significantly differ from those that could have been obtained from third parties. Total transactions of the significant related party at the end of the year 2022 are as follow:

SL. No	Name of the Related Parties	Nature of Transaction	Amount (TK.) 2022	Amount (TK.) 2021
1	Samorita Hospital Ltd.	Insurance Business	282,900	226,200
2	Panna Textile Spinning Mills Ltd.	Insurance Business	-	34,619
3	Panna Spinning Mills Ltd.	Insurance Business	18,133	1,152,099
4	Sandhani Life Insurance Company Ltd.	Insurance Business	339,625	493,907
5	Shandhani Credit Co-Operative Society Ltd.	Insurance Business	22,311	219,000
6	City University	Insurance Business	-	83,461
7	Sandhani Life Finance Ltd.	Insurance Business	6,369	20,134

## 27.0 EVENTS AFTER THE REPORTING PERIOD:

The Board of Directors in its meeting held on 29.05.2023 recommended 7% cash & 3% stock dividend for the shareholders whose name will be appeared in the shareholders register at the record date which is subject to approval at the forthcoming Annual General Meeting. The proposed dividend is not recognized as a liability at the Statement of Financial Position date in accordance with IAS 10 "Event after the Statement of Financial Position date".

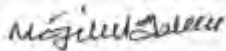
Except the facts stated above, no circumstances have arisen since the Statement of Financial Position date which would be required adjustment to or disclosure in the financial statement as note thereto.

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**FORM - "AA"**  
**CLASSIFIED SUMMARY OF THE ASSETS**  
**AS AT 31ST DECEMBER 2022**

Class of Assets	Book value 2022 (Tk.)	Book value 2021 (Tk.)	Remarks
Statutory Deposit with Bangladesh Bank			
Bangladesh Govt. Treasury Bond (BGTB)	4,500,000	4,500,000	Realizable Value
Investment in shares	54,116,625	36,610,326	Realizable Value
Fixed Deposit with Banks	880,000,000	700,000,000	Realizable Value
STD Account with Banks	22,482,569	17,448,482	Realizable Value
Cash in Hand & Current Account with Banks	1,588,143	1,520,196	Realizable Value
Interest, Dividend & Rent Receivable	12,294,647	65,969,114	Realizable Value
<b>Other Assets &amp; Specified below:</b>			
Advance, Deposits, Pre-payments & Receivable	277,039,651	262,177,355	Realizable Value
Fixed Assets	5,310,658	2,764,788	Written down Value
Stock of Stationary & Forms	418,252	350,552	At cost
Stamps in Hand	668,251	494,150	At cost
Deferred Tax Asset	842,173	222,683	Book Value
Amount due from other persons or bodies carrying-on insurance business	136,753,732	156,805,970	Realizable Value
<b>TOTAL :</b>	<b>1,396,014,701</b>	<b>1,248,863,616</b>	


The accounting policies and other notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 29-05-2023 and signed on its behalf by:

  
Chairman

  
Director

  
Director

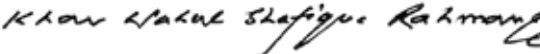
  
Chief Executive Officer (CEO)

  
Company Secretary

  
Chief Financial Officer(CFO) CC

This is the Classified Summary of the Assets referred to in our report of even date.

Place: Dhaka  
Dated: 29 May 2023

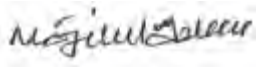


Khan Wahab Shafique Rahman & Co.  
Chartered Accountants  
Signed by: Md. Abu Sina FCA  
Senior Partner  
Enrolment No: 619  
Firm's Registration No.: 11970 E.P.  
DVC: 2305290619AS677095

**PURABI GENERAL INSURANCE COMPANY LIMITED**  
**DIRECTORS' CERTIFICATE**  
**AS AT 31ST DECEMBER 2022**

**As per Insurance Act, 2010, Section 63(2) of the said Act, We certify that:**

1. The values of all assets as shown in the Statement of Financial Position and as classified of Form-AA annexed have been duly reviewed as at 31st December, 2022 & in our belief, the said assets have been set-forth in the Statements of Financial Position at amount not exceeding their realizable or market value under the several heading as enumerated in the annexed form.
2. All expenses of management, wherever incurred and whether directly or indirectly in respect of Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous insurance business have been fully debited in the respective Revenue Account as expense.



**Chairman**



**Director**



**Director**



**Chief Executive Officer (CEO)**

# SOME OF OUR VALUABLE CLIENTS



# LIST OF ACRONYMS

• AVTS	Automatic Vehicle Tracking System	• IAIS	International Association of Insurance
• BAPLC	Bangladesh Association of Publicly Listed Companies	• ICP	Insurance Core Principles
• BB	Bangladesh Bank	• IDRA	Insurance Development and Regulatory
• BEFTN	Bangladesh Electronic Fund Transfer Network	• IFRS	International Financial Reporting Standard
• BFIU	Bangladesh Financial Intelligence Unit	• IM	Information Memorandum
• BIA	Bangladesh Insurance Academy	• IT	Information Technology
• BIA	Bangladesh Insurance Association	• ICAB	Institute of Chartered Accountants of Bangladesh
• BIDA	Bangladesh Investment Development Authority	• ICMAB	Institute of Cost & Management Accounts of Bangladesh
• BIF	Bangladesh Insurance Forum	• ICSB	Institute of Chartered Secretaries of Bangladesh
• BSEC	Bangladesh Securities and Exchange Commission	• IPO	Initial Public Offering
• BAS	Bangladesh Accounting Standard	• LCR	Liquidity Coverage Ratio
• BSA	Bangladesh Standard on Auditing	• MCR	Minimum Capital Requirement
• BSS	Bangladesh Secretarial Standard	• MOU	Memorandum of Understanding
• CG	Corporate Governance	• MIS	Management Information System
• CAMLCO	Chief Anti Money Laundering Officer	• NBFI	Non-Banking Financial Institutions
• CAR	Capital Adequacy Ratio	• NBR	National Board of Revenue
• CIB	Credit Information Bureau	• NIS	National Integrity and Strategy
• CDBL	Central Depository Bangladesh Limited	• NRB	Non-Resident Bangladeshi
• CRAB	Credit Rating Agency of Bangladesh Limited	• NRC	Nomination and Remuneration Committee
• CRC	1Central Rating Committee	• PICL	Peoples Insurance Company Limited
• CRISL	Credit Rating Information and Services	• PV	Present Value
• CSR	Corporate Social Responsibility	• ROA	Return on Assets
• DP	Depository Participants	• ROE	Return on Equity
• DSE	Dhaka Stock Exchange Limited	• ROI	Rate of Interest
• EPS	Earning Per Share	• RJSC	The Register of Joint Stock Companies and Firms
• ECRL	Emerging Credit Rating Limited	• SCB	Shippers Council of Bangladesh
• ERM	Enterprise Risk Management	• SOP	Standard Operating Procedure
• FLs	Financial Institutions	• SWOT	Strength Weakness Opportunity Threat
• FRC	Financial Reporting Council	• VAT	Value Added Tax
• FY	Financial Year		
• GRI	Global Reporting Initiative		
• HIAC	Head of Internal Audit & Compliance		





# আপনার সম্পদের সুরক্ষায়

পূরবী জেনারেল ইন্স্যুরেন্স কো: লি:

ফায়ার, মেরিন, মোটর, ইঞ্জিনিয়ারিংসহ অন্যান্য সকল ইন্স্যুরেন্স সেবা গ্রাহকের কাছে দ্রুততম সময়ে পৌঁছাতে আমরা বদ্ধপরিকর। তারই ধারাবাহিকতায় সাফল্যের ৩৬ বছরে পূরবী ইন্স্যুরেন্স।



**পূরবী জেনারেল ইন্স্যুরেন্স কোম্পানি লিমিটেড**

সম্বানী লাইফ টাওয়ার, (৩য় তলা), ৩৪ বাংলামটর, ঢাকা-১০০০।

হট-লাইন: ০১৭১৪-০৪৪১৪৬, ই-মেইল: [info@purabiinsurance.org](mailto:info@purabiinsurance.org)

ওয়েব: [www.purabiinsurance.org](http://www.purabiinsurance.org)





# NOTES

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# PURABI GENERAL INSURANCE COMPANY LIMITED

HEAD OFFICE: SANDHANI LIFE TOWER (2ND FLOOR)

RAJUK PLOT NO.-34, BANGLA MOTOR, DHAKA-100

## PROXY FORM

I/We.....

of.....

being shareholder(s) of Purabi General Insurance Company Limited and entitled to vote hereby appoint Mr./Mrs./Miss. .... as my/our proxy to attend and vote for me/us and on my/our behalf at the 35th Annual General Meeting of the Company to be held on 03-09-2023 and adjournment thereof and the poll that may be taken in consequence thereof.

As witness my/our hand this.....day of .....2023

Signature of Shareholder(s)

Folio/BO No. ....

No. of shares.....

Date .....

Signature of Proxy

Folio/BO No. ....

Signature of Witness

(Signature of shareholder(s) must be in accordance with specimen signature with the company)



# PURABI GENERAL INSURANCE COMPANY LIMITED

HEAD OFFICE: SANDHANI LIFE TOWER (2ND FLOOR)

RAJUK PLOT NO.-34, BANGLA MOTOR, DHAKA-100

## ATTENDANCE

I hereby record my presence at the 35th Annual General Meeting of Purabi General Insurance Company Limited at digital platform (as per Order no. BSEC's Order No. SEC/SRMIC/94-231/25 dated: 08 July 2020) on Tuesday, 06 September 2022 at 12:00 Noon.

Name of the Shareholder(s) (in Block Letter)													
No. of Shares													
Folio No.													
BO ID No.													
Name of the Proxy (if any)													

Signature of Shareholder

Date .....

### IMPORTANT

- Shareholders attending the meeting in person or by Proxy are requested to complete this attendance slip.
- Signature of Shareholder or Proxy should confirm to the specimen signature recorded with the company.
- The proxy form duly completed must be deposited at the Company's registered office not later than 48 hours before the time fixed for the 35th AGM





## **Purabi General Insurance Company Limited**

Head Office: Sandhani Life Tower (2nd Floor), 34 Bangla Motor, Dhaka-1000. 55168181-5 PABX  
Hotline: 01714-044146, E-mail: [info@purabiinsurance.org](mailto:info@purabiinsurance.org), Web : [www.purabiinsurance.org](http://www.purabiinsurance.org)