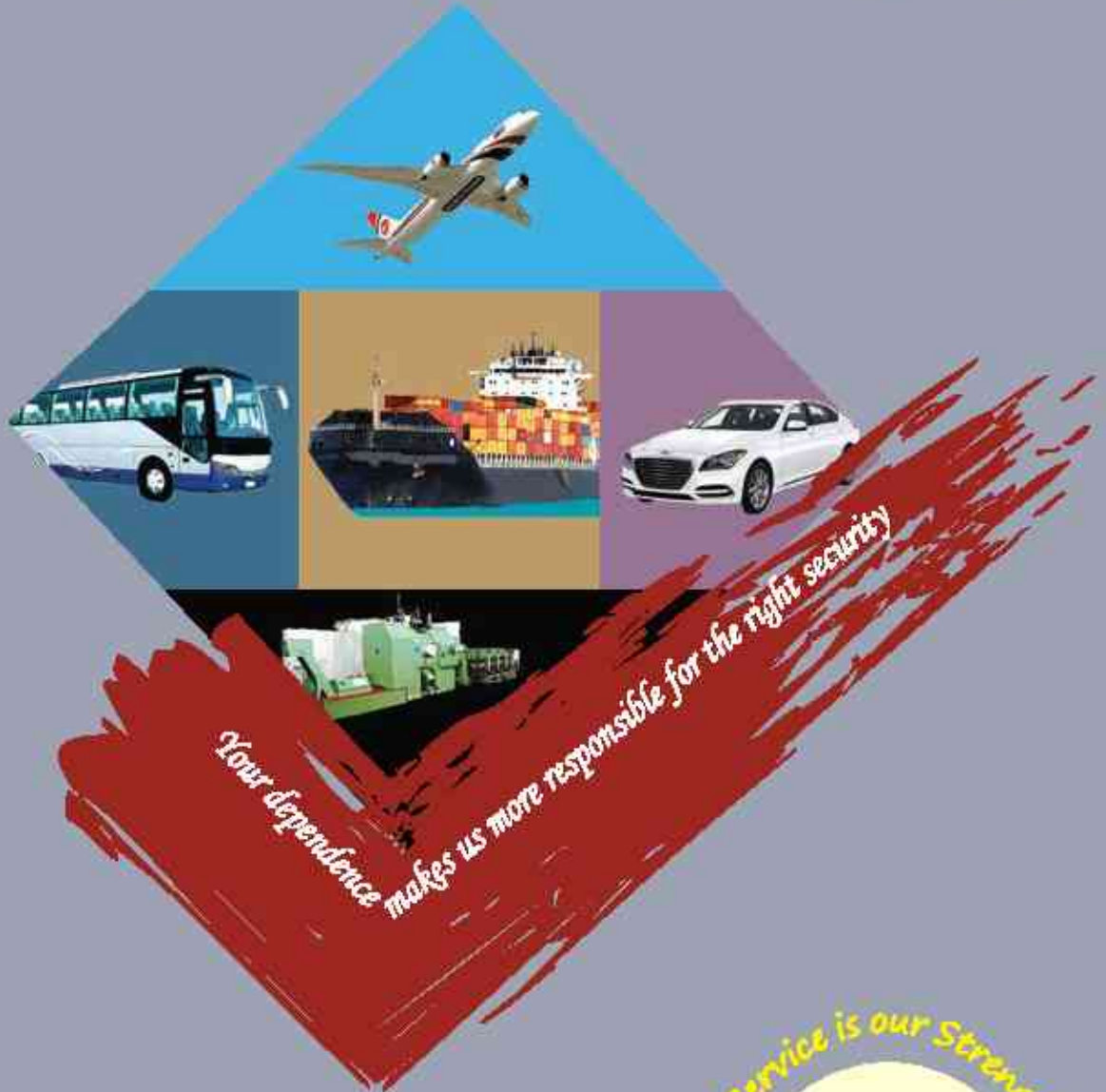


Annual Report 2019



Service is our Strength

Glorious 35 years



1st Private Sector Non Life Insurance Company in Bangladesh

বাংলাদেশ জেনারেল ইনসিওরেন্স কোং লিঃ
BGIC Bangladesh General Insurance Company Ltd.



Service is Our Strength

In July 1985 a group of eminent business persons joined together and entered the insurance market with the first private sector insurance company in Bangladesh, a sector which since the country's independence was totally administered by the Government.

Though insurance in the private sector was opened by an amendment in 1984 to the insurance Corporations Act 1973, the future was uncertain and filled with many pitfalls. However the members of the board under the leadership of Mr. M.A. Samad strongly felt that if the insurance market could be given better client service than that provided by the public sector, business could take off and BGIC would be the pioneer to give rise and growth of a new private sector industry in Bangladesh.

It was on this philosophy and faith that the board adopted the slogan "**Service is Our Strength**" to serve the nation and policy holders.

BGIC as the first insurance company not only had to prove itself as a successful business venture to encourage others to follow but more importantly to setup the ethical and moral compliance standard to ensure and keep alive the confidence and trust of the policy holders.

Life is a journey through risks and uncertainty. At any second an accident or mishap may happen bringing far reaching disequilibrium in our lives. Insurance cannot stop such incidents from happening but the holder of such an instrument can be protected with financial relief should such misfortune come to pass. The famous German dramatist Bertolt Brecht so said "*when praying does no good, insurance does help*".

It therefore is that spirit of helping people and to stand by their side in times of distress that BGIC started the insurance journey strongly believing in- "**Service is Our Strength**".



1st Private Sector Non Life Insurance Company in Bangladesh

বাংলাদেশ জেনারেল ইনসিওরেন্স কোং লিড
Bangladesh General Insurance Company Ltd.

Published by

Bangladesh General Insurance Company Ltd.

Registered Office

Bangladesh General Insurance Company Ltd.

42, Dilkusha C/A Motijheel
Dhaka-1000, Bangladesh
Phone : 9550379, 9564731
PABX : 9555073-4, 9563056-8, 9566125
Fax : +88-02-9564212
Cable : BGIC, G.P.O. Box No. 3519

Corporate Website
www.bgicinsure.com

Email
bgicinsurance@yahoo.com
bgicinsurance@gmail.com

Editorial Adviser

Mr. Ahmed Saifuddin Chowdhury
Managing Director & CEO, BGIC

Compiled and Edited by

Mr. Saifuddin Ahmed
General Manager &
Company Secretary, BGIC

Auditor

Mahfel Huq & Co.
Chartered Accountants

Corporate Governance Compliance Auditor

Ahmed Zaker & Co.
Chartered Accountants

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Usha Art Press
e-mail: ushaartpress@gmail.com

Letter of Transmittal

All Shareholders of Bangladesh General Insurance Company Ltd.
Insurance Development & Regulatory Authority (IDRA)
Bangladesh Securities and Exchange Commission (BSEC)
Registrar of Joint Stock Companies and Firms
Dhaka Stock Exchange Limited (DSE)
Chittagong Stock Exchange Limited (CSE)

Annual Report of Bangladesh General Insurance Company Ltd for the Year -2019

Dear Sir(s):

Thank you for supporting us in the preceding years.

It is our immense pleasure to lay before you the Company's Annual Report-2019 along with the Audited Financial Statements as at and for the year ended 31st December, 2019. Annual Report-2019 of the Company comprises Balance Sheet, Profit and Loss Accounts, Revenue Accounts, Form XL, Statement of Changes in Equity, Cash Flow Statement, along with Notes to the Accounts.

Information given in our Annual Report-2019 is complete, full and in line with International Accounting Standard (IAS). We hope that the report will be of use to you today and tomorrow.

Best regards,

Yours sincerely,



Saifuddin Ahmed
Company Secretary



বাংলাদেশ জেনারেল ইন্স্যুরেন্স কোং লিমিটেড
Bangladesh General Insurance Company Ltd.

Head Office: 42, Dilkusha Commercial Area, Dhaka-1000

Phone: 9550379, 9584731, 513894(Direct), FAX: 95550734, 95830588, 9588125, Fax: 884724584212, 7121235

Email: bgcinsurance.yahoo.com, bgic.citechnet, info.bgcinsure.com, Web: www.bgcinsure.com

৩৫তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

এতদ্বারা বাংলাদেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড (বিজিআইসি)-এর সম্মানিত শেয়ারহোল্ডারদের জ্ঞাতার্থে জানানো যাচ্ছে যে, কোম্পানীর ৩৫তম বার্ষিক সাধারণ সভা আগামী ১৫ বৈশাখ, ১৪২৭ মোতাবেক ২৮ এপ্রিল, ২০২০ মঙ্গলবার বেলা ১১.৩০ ঘটিকার ইন্সটান গার্ডেন রোড, ঢাকায় অবস্থিত ঢাকা শেডিক্স ক্লাবে নিম্নলিখিত কার্যবলী বিবেচনা ও সম্পাদনকল্পে অনুষ্ঠিত হইবেঃ

- ১। ২০১৯ সালের ৩১ ডিসেম্বর তারিখে সমাপ্ত বছরের কার্যক্রমের ওপর কোম্পানীর চেয়ারম্যান ও পরিচালকবৃন্দের প্রতিবেদন, উক্ত বছরের মিরীক্ষকদের প্রতিবেদন এবং মিরীক্ষিত হিসাব গ্রহণ, বিবেচনা ও অনুমোদন এবং পরিচালকমণ্ডলীর সুপারিশ অনুযায়ী ২০১৯ সালের লভ্যাংশ হিসেবে নগদ ১১% প্রত্যাব অনুমোদন।
- ২। কোম্পানীর আর্টিকেলস অব অ্যাসোসিয়েশনের ৯৬ ও ৯৭ ধারা অনুযায়ী স্পলর শেয়ারহোল্ডারদের মধ্য হতে ১ জন পরিচালক নির্বাচন এবং পাবলিক সাবক্রিপশন শেয়ারহোল্ডারদের মধ্য হতে ১ জন পরিচালক নির্বাচন।
- ৩। ২০২০ সালের জন্য মিরীক্ষক নিয়োগ ও তাঁহাদের পারিষ্রমিক নির্ধারণ।

বিজিআইসি'র শেয়ারহোল্ডারদেরকে উক্ত বার্ষিক সভার উপস্থিত থাকার অনুরোধ জানানো যাইতেছে।

বিজিআইসি

রেজিটার্ড অফিস:

৪২, দিলকুশা বা/এ, ঢাকা-১০০০

১৯ মার্চ, ২০২০

পরিচালকমণ্ডলীর নির্দেশক্রমে

স্ব/-

সাইফুদ্দিন আহমেদ

জেনারেল ম্যানেজার

এবং

কোম্পানী সচিব

বিশেষ স্কটন্য :

ক) বার্ষিক সাধারণ সভায় উপস্থিত থাকিয়া ভোটারদের যোগ্য কোন সদস্য তাহার স্থলে কোম্পানীর অন্য যে কোন সদস্যকে প্রকৃতি নিয়োগ করিতে পারিবেন।

খ) রেকর্ড জেট ৪ ১৩ এপ্রিল, ২০২০ইং।

গ) কেবলমাত্র শেয়ারহোল্ডার অথবা তাহার প্রকৃতির অন্য সাধারণ সভায় প্রবেশাধিকার সংরক্ষিত থাকিবে। কোন অতিথি বা পিতৃ সভায় প্রবেশ করিতে পারিবেন না।



বাংলাদেশ জেনারেল ইনশুরেন্স কোং লিমিটেড
BGIC Bangladesh General Insurance Company Ltd.

Head Office: 42, Dilkusha Commercial Area, Dhaka-1000

Phone: 9550379, 9564731, 513694(Direct), PABX: 95550734, 95630568, 9566125, Fax: 884724564212, 7121235

Email: bgicinsurance.yahoo.com, bgic.citechonet, info.bgicinsure.com, Web: www.bgicinsure.com

Notice of the 35th Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting of the Shareholders of Bangladesh General Insurance Company Limited (BGIC) will be held on Thursday, the 28th April, 2020 at 11.30 A.M at the Dhaka Ladies Club, Eskaton Garden Road, Dhaka to transact the following business:

1. To receive and adopt the Chairman and Directors' Report, Audited Accounts for the year ended 31 December, 2019 and Auditor's Report thereon and also to approve 11% Cash Dividend for the year 2019 as recommended by the Board of Directors.
2. To elect one Director from Sponsor shareholders and to elect one Director from public subscription shareholders as per company's Articles of Association 96 and 97.
3. To appoint Auditors of the Company for the year 2020 and to fix their remunerations.

All Shareholders of BGIC are, therefore, requested to make it convenient to kindly attend the Annual General Meeting accordingly.

BGIC

Register Office:

42, Dilkusha C/A, Dhaka-1000.

19 March, 2020

By order of the Board of Directors

sd/-

Safuddin Ahmed

General Manager

&

Company Secretary

Notes:

- a) A member of the company entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote in his/her stead.
- b) 13 April, 2020 is scheduled as Record date.
- c) Entry to the Annual General Meeting is reserved only for shareholders or their proxy. No Guests and Children shall be allowed entrance in the meeting.



বাংলাদেশ জেনারেল ইনশুরেন্স কোং লিমিটেড
Bangladesh General Insurance Company Ltd.

Head Office: 42, Dilkusha Commercial Area, Dhaka-1000

Phone: 9550379, 9564731, 513604(Direct), PABX: 95550734, 95630668, 9566125, Fax: 884724564212, 7121235

Email: bgicinsurance@yahoo.com, bgicinsurance@gmail.com, Info.bgicinsure.com, Web: www.bgicinsure.com

Revised Notice of The 35th Annual General Meeting (Virtual) through Digital Platform

Notice is hereby given that the 35th Annual General Meeting (AGM) of Bangladesh General Insurance Company Limited will be held virtually by using Digital Platform through the following link <https://bgic.azurewebsites.net/login> on Wednesday 15 July, 2020 at 11:30 a.m. to transact the following business:

AGENDA

1. To receive consider and adopt the Directors Report and Audited Financial Statements for the year ended 31st December 2019 together with the Auditor's Report thereon.
2. To declare dividend for the year ended 31st December 2019 as recommended by the Board of Directors.
3. To elect / re-elect Directors.
4. To approve the Appointment of Public Director.
5. To confirm renewal of tenure of chief executive officer of the company.
6. To appoint/reappoint statutory auditor and fix their remuneration.
7. To appoint compliance auditor for the year 2020.

BGIC

Registrar Office:

42, Dilkusha C/A, Dhaka-1000.

16 April, 2019

By order of the Board of Directors

Salfuddin Ahmad
Company Secretary

Notes:

- a) The members whose names appear in the members register of the company as on the Record Date i.e. 2nd July 2020 are eligible to participate the meeting and receive dividend.
- b) Pursuant to the Bangladesh Securities and Exchange commission order no. SEC/ SRMIC/ 04-231/932 to date 24th March 2020 the AGM will be virtual meeting of the members which will be conducted via live webcast by using digital platform. In this connection Meeting link will be available on the company's website at www.bgicinsure.com 24 hours before of the AGM.
- c) For login to the system, the members need to put their 16 Digit Beneficial Owners (BO ID)/Folio number and Password is treated as his/ her number of shares held on Record Date by visiting the Meeting link <https://bgic.azurewebsites.net/login>. The members will be able to submit their questions/comments electronically before commencement of the AGM and during the AGM.
- d) The members are encouraged to login to the system prior to the meeting at 11:30 a.m. on Wednesday 15 July, 2020. The Webcast will start 11:30 a.m. Members may contact mobile number+8801911171603 for any IT related guidance In accessing the virtual meeting and mobile number+8801715416893 for share related issue.
- e) Pursuant to the Bangladesh Securities and Exchange commission BSEC Notification No.BSEC/CMRRCD/2006-158/206/ Admin/81 dated 20th June, 2018, the soft copy of the Annual Report 2019 has already been sent to the email address of the members available in the Beneficial Owners (BO) accounts maintained with the depository. These are also available in the company's website at www.bgicinsure.com.
- f) A member eligible to attend the Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. The proxy form duly filled signed and stamped at BDT 20 must be sent through email to Bangladesh General Insurance Company Limited Share Department at bgicinsurance@gmail.com no later than 72 hours before commencement of the AGM.

VIRTUAL AGM ATTENDANCE PROCEDURE

Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/04-231/932 dated 24 March 2020 and considering the health & safety of all the shareholders/members, staffs and others who plan to attend the AGM, Bangladesh General Insurance Company Ltd. convened its 35th AGM using the digital platform on Wednesday, 15 July 2020 at 11.30 a.m.

The digital platform is expected to make sure shareholder's /member's attendance & take part from any place around the world and increase engagement, regardless of their number of shares, resources, or physical location.



Login Procedure

Step - 1

Please check whether you are a shareholder, member of Bangladesh General Insurance Company Ltd. as on the "Record Date" i.e. 2 June 2020.

Step-2

Please visit <http://bgic.azurewebsites.net/login> from your laptop, desktop, tablet and smartphone.

Step - 3

Please put your 16-digit BO ID/Folio number as user name and give number of shares hold as on Record Date as Password.

Step - 4

Click on Video link to watch AGM.

Step - 5

Write your Text Message or Voice Message and press send.

BGIC*Glorious 35 years*

Highlights Financial Performance 2019 at a Glance

Divident**11% Cash**

(2018: 10% cash)

Earnings Per Share**₹ 1.08**

(2018: ₹ 1.04)

**Net Asset Value
(per share)****₹ 18.65**

(2018: ₹ 19.63)

**Gross Written Premium
(total revenue income)****₹ 705.76m**

(2018: ₹ 627.64m)

Net Claims Settled**₹ 79.11m**

(2018: ₹ 112.76m)

Return on Equity (RoE)**₹ 1007.50m**

(2018: ₹ 1060.45m)

Profit after Tax**₹ 61.95m**

(2018: ₹ 57.52m)

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Message from

The Chairman-2019

In the name of Allah The Almighty

My Dear Fellow Shareholders,

It is with great pleasure that on behalf of the Board of Directors of Bangladesh General Insurance company and on my own personal behalf, I welcome you to this BGIC family gathering on the 35th Annual General Meeting (AGM) of the company. I do hope that all of you have kept well during the COVID-19 outbreak and I pray to Almighty Allah for showering His blessing and also to protect all of us from this pandemic situation.

Fellow Shareholders,

The Board Directors at BGIC strongly believe that every business organization should be managed by professionals and technocrats of the related industry. We therefore all along in our collective wisdom had delegated and depended upon the Managing Director and his team to deliver us a good closing, every year. Having reviewed the annual report 2018 and fully understanding the difficulty of doing business under unhealthy competition prevailing in the market, I am presenting you the annual report along with the balance sheet for the year ending December 2018.

Fellow Shareholders,

It is routine for the Chairman of the meeting to highlight and share some salient features of the annual report and identify indicators of growth or otherwise and in our collective wisdom help plan and strategize for 2020.

The gross premium income has risen to Tk 70,57,56,086/- in 2019 as opposed to Tk 62,76,35,347/- in 2018. This indicates a growth of 12.45%. On the underwriting front we have been able to make an underwriting profit of Tk 3,72,04,120/- in 2019 as opposed to Tk 2,82,61,644/- in 2018. Income from investment has been Tk 9,39,06,127/- in 2019 as against Tk 8,46,06,834/- in 2018. The underwriting result along with income from investment even in this tight insurance & investment market has produced a pre-tax profit of Tk 10,74,52,382/- in 2019 as against Tk 9,35,65,928/- in 2018. Total reserve has been Tk 34,36,33,190/- in 2019 from Tk 35,36,80,369/- in 2018. Assets has been Tk 165,57,07,881/- in 2019 in comparison to Tk 166,50,98,478/- in 2018.

Though the board and myself are pleased to see the improvements as shown and congratulate Mr. Ahmed

Saifuddin Chowdhury and his team for holding steady the flag of BGIC through 2019, we feel that an aggressive marketing and management strategy should be adopted to reach a greater volume of turnover in 2020. With gratitude to the Almighty and in view of the profit earned I confirm on behalf of the Board a Cash dividend of 11% on the paid up capital of Tk.54,02,72,550.

My Dear Shareholders,

Before I conclude, I would like to take a moment to remember Late M.A.Samad who initiated and set into motion BGIC, the first private sector insurance company in Bangladesh. What began in 1985 as a lone insurance company in Bangladesh has now turned into a major industry with a total national premium income of over 10,000 crore between life and non life.

May Allah rest his soul in peace and shower His blessing unto you all.



Towhid Samad
Chairman



Assurance to the Shareholders from the Managing Director & CEO

I begin my message with a sense of gratitude and pride about Bangladesh General Insurance Co. Ltd. that has grown stronger ever over the course of time. It is indeed a proud moment for me to present you the Audited Financial Statements of Bangladesh General Insurance Co. Ltd. for the year 2019. On behalf of the Board of Directors and everyone from Bangladesh General Insurance Co. Ltd., I welcome you all in the 35th Annual General Meeting.

I take the opportunity to be present amongst you and assure that despite lot of problems and tough competitions in the Insurance arena our endeavor goes on in successfully carrying out our responsibilities and thereby achieving the desired goals. I, as the Executive Management Team Leader, feel proud to have successfully organized a group of men and women in our different branches of

disciplines in order that our performances excel over our peers in the stock exchange and the market. I reassure you that we shall always stand by you and protect your interests. In this highly inflationary market where expenses are gradually increasing every year I have been trying to limit the management expenses as far as possible while rendering prompt quality services through sound underwriting, balanced reinsurance and quickest settlement claims to our valued customers. This has been possible due to our prudent business policy effectively materialized with the help of our long experienced highly qualified and professional people in the BGIC family.

As has always been, I am extremely grateful to our valued clients and shareholders for their continued support in materializing our objects in furtherance of BGIC's name of fame.

Chairman and Directors' Report

Chairman and Directors' Report on the Activities of Bangladesh General Insurance Company Limited During the Year Ended 31st December, 2019

In the name of Almighty Allah

Honorable Shareholders,

On behalf of the Board of Directors of Bangladesh General Insurance Company Limited and on my own Personal behalf I have pleasure in welcoming you all to this humble gathering on the 35th Annual General Meeting of Bangladesh General Insurance Co. Ltd. I also take the Liberty in offering my utmost thanks and gratitude to the Almighty for granting us lease of life to see each other again on this auspicious occasion. Before endeavoring on to the subject, may I, along with you all take this opportunity in remembering our Late Mohammad Azizus Samad the Founder of BGIC who dedicated his life in the creation of this famous institution to which all of us belong. I also wish you all long life, peace, prosperity and happiness.

Dear Shareholders,

As a shareholder investor like you and not being an insurance professional, I have all through been trying to preserve and protect your interest and the professionals in the Company, to achieve the desired goal which has been the main objective of the board. I am pleased to tell you that our Managing Director & CEO Mr. Ahmed Salfuddin Chowdhury along with his team of insurance professionals has continuously been proving his worth in cherishing the desired objective of Bangladesh General Insurance Company Limited. May I however request you to recall, that in the last Annual General Meeting of 2019, I indicated you about the global recession and economic depression to which we might be subjected to and I am proud to tell you that our professional team of BGIC under the leadership of the Managing Director has been able to overcome and still continuing to meet the effect of recession by minimizing the adversities as far as possible on BGIC. During the year 2019 this team has again worked hard and I believe that the Annual Report and the Audited Accounts of 2019 as presented does reflect a rational and healthy success of the management of BGIC and its talented, energetic and devoted employees.

বাংলাদেশ জেনারেল ইনশুরেন্স কোম্পানী লিমিটেড-এর
২০১৯ সালের ৩১শে ডিসেম্বর তারিখে সমাপ্ত বছরে কোম্পানীর
কার্যক্রমের উপর চেয়ারম্যান ও পরিচালক মণ্ডলীর প্রতিবেদন

সর্বশক্তিমান আল্লাহর নামে

সম্মানিত শেয়ার হোল্ডারগণ,

আমার সালাম ও আন্তরিক অভ্যর্থনা জানবেন। বাংলাদেশ জেনারেল ইনশুরেন্স কোম্পানী লিমিটেড-এর পরিচালনা পর্ষদ ও আমার নিজের পক্ষ থেকে কোম্পানীর ৩৫তম বার্ষিক সাধারণ সভায় এই অনাড়ম্বর সমাবেশে আমি আপনাদেরকে স্বাগত জানাচ্ছি। এই সুযোগে আমি সর্বশক্তিমানের নিকট পরম কৃতজ্ঞতা জানাই এজন্য যে, তিনি আমাদেরকে এরূপ মহত সভায় পুনর্বার পরস্পরের সাথে মিলিত হবার সুযোগ করে দিয়েছেন। আজকের নির্ধারিত বিষয়ে আলোচনার খাবার অংশে আমি আপনাদের সঙ্গে এই মহতী প্রতিষ্ঠান বিজিআইসি'র প্রতিষ্ঠাতা প্রয়াত মোহাম্মদ আজিজুস সামাদ, যিনি এই প্রতিষ্ঠান সৃষ্টির জন্য গোশাত পরিশ্রম করেছেন এবং আমরা সকলে যার অংশীদার, সেই প্রয়াত এম এ সামাদকে সশ্রদ্ধচিত্তে স্মরণ করি এবং তার রুহের মাগফেরাত কামনা করি।

দেয়ার শেয়ার হোল্ডারগণ,

আপনারা জানেন, আপনাদেরই মত একজন বিনিয়োগকারী হিসেবে আমি সর্বদাই আপনাদের স্বার্থ সংরক্ষণের জন্য চেষ্টা করে আসছি। আমি আশঙ্কিত হলে আপনাদের জানাচ্ছি যে, আমাদের ম্যানেজিং ডাইরেক্টর এবং প্রধান নির্বাহী কর্মকর্তা জনাব আহমেদ সাইফুদ্দিন চৌধুরীর নেতৃত্বে কোম্পানীর পেশাজীবীদের ঐকান্তিক প্রচেষ্টায় আমরা আমাদের অসীম লক্ষ্যমাত্রায় সৌহার্দ্য পেয়েছি, যা আমাদের বোর্ডের প্রধান উদ্দেশ্য ছিল। আপনাদের ভালই জানা আছে যে, এটা অর্জন করতে বীমা ব্যবসার ক্ষেত্রে বর্তমানে যে সকল বাধা-বিশৃঙ্খিত আছে তা অতিক্রম করেই আমাদেরকে এগিয়ে যেতে হয়েছে। আমরা বিশ্বাস করি যে, বার্ষিক প্রতিবেদনে এবং নিরীক্ষিত হিসাব ২০১৯-এ যা প্রতিকল্পিত হয়েছে তাতে বিজিআইসি'র সঠিক ও দক্ষ ব্যবস্থাপনা ও মার্কেটিং টিমের সাফল্যই প্রমাণ করে।

স্বল্প মহিলা ও মহোদয়গণ,

আপনাদের সহজ অনুশ্রমের জন্য বার্ষিক প্রতিবেদন থেকে কিছু উল্লেখযোগ্য তথ্য তুলে ধরার চেষ্টা করা হলো। ২০১৮ সালের ৮ ৬২,৭৬,৩৫,৩৪৭/= এস প্রিমিয়াম আয়ের বিপরীতে ২০১৯ সালে এস প্রিমিয়াম আয় হয়েছে ৮ ৭০,৫৭,৫৬,০৮৬/= টাকা। প্রযুক্তি ঘটেছে ১২.৪৫%। ২০১৮ সালের ৮ ২,৮২,৬১,৬৪৪/= টাকার

Ladies and Gentlemen,

Let me highlight a few salient features from the Annual Report as presented. The gross premium income has risen to Tk 70,57,56,086/- in 2019 as opposed to Tk 62,76,35,347/- in 2018. This indicates a growth of 12.45%. On the underwriting front we have been able to make an underwriting profit of Tk 3,72,04,120/- in 2019 as opposed to Tk 2,82,61,644/- in 2018. Income from investment has been Tk 9,39,08,127/- in 2019 as against Tk 8,46,08,834/- in 2018. The underwriting result along with income from investment even in this tight insurance & investment market has produced a pre-tax profit of Tk 10,74,52,382/- in 2019 as against Tk 9,35,65,928/- in 2018. Total reserve has been Tk 34,36,33,190/- in 2019 from Tk 35,36,80,369/- in 2018. Assets has been Tk 165,57,07,881/- in 2019 in comparison to Tk 166,50,98,478/- in 2018. In view of the profit that has been earned by the company the Board after due consideration has decided to recommend and declare Cash Dividend of 11% in 2019 which in monetary terms would amount to Tk 5,94,29,881/- . Please bear in mind that dividend is now being calculated on an paid-up capital of Tk 54,02,72,550/-.

Directors

As per Articles 96 and 97 of the Articles of Association of the Company, the following one Director from sponsor shareholders is to retire from office at the 35th Annual General Meeting. However, he is eligible for re-election and has expressed his intention to be re-elected.

He is: Mr. Towhid Samad

As per above Articles Mr. Md. Shakil Rizvi, the public shareholder director, shall also have to retire from office at this 35th Annual General Meeting and being eligible has offered himself for re-election.

Auditors

M/s. MAHFEL HUQ & CO., Chartered Accountants were appointed as Auditors of the Company in our 34th Annual General Meeting for the year 2019 and they have since submitted their audited report.

Before concluding I would like to reiterate the high level of ethical and professional standards that the management and marketing departments of BGIC have continuously been upholding even at this disarrayed insurance market. I have all the reasons to believe that the growth of BGIC will be much more prominent in 2020. I thank the Board for the understanding and support given to uphold this objective. I also strongly believe that each shareholder of BGIC is a pillar of this organisation and shares the same ethical and professional values.

I wish you all continued good health and happiness and may the Almighty shower His blessings unto all of us.

Amin.

Dhaka
19th March, 2020


Towhid Samad
Chairman

বিশ্রীতে ২০১৯ সালে অবলিখন মূল্যকা হয়েছে ৯ ৩,৭২,০৪,১২০/= টাকা। ২০১৮ সালের বিনিয়োগ আয় ৮ ৮,৪৬,০৬,৮৩৪/= টাকার স্থলে ২০১৯ সালে হয়েছে ৯ ৯,৩৯,০৬,১২৭/= কর্টন প্রতিবেশীতামূলক বীমা ও বিনিয়োগ বাজারে অবলিখন ও বিনিয়োগ খাতে করপূর্ব লাভ হয়েছে ২০১৮ সালের ৮ ২,৩৫,৬৫,৯২৮/= টাকার বিশ্রীতে ২০১৯ সালে ৯ ১০,৭৪,৫২,৩৮২/= টাকা। মোট নিজার্ভ দাঁড়িয়েছে ২০১৮ সালের ৩৫,৩৬,৮০,৩৬৯/= টাকার বিশ্রীতে ২০১৯ সালে ৯ ৩৪,৩৬,৩৩,১৯০/= টাকা মোট সম্পদ দাঁড়িয়েছে ২০১৮ সালের ১৬৬,৫০,৯৮,৪৭৮/= টাকার স্থলে ২০১৯ সালে ৯ ১৬৫,৫৭,০৭,৮৮১/= টাকা। কোম্পানী যে মূল্যকা অর্জন করেছে সে আলোকে পরিচালনা পর্ষদ বর্ষব্যব বিবেচনা পূর্বক ২০১৯ সালে ১১% লগন ডিভিডেন্ড সুপারিশ করেছে যা টাকার অংকে দাঁড়ায় ৯ ৫,৯৪,২৯,৯৮১/= টাকা। অনুমোদ করে মনে রাখবেন, এখন ডিভিডেন্ডের হিসাব হয়েছে ৯ ৫৪,০২,৭২,৫৫০/= টাকার মূলধনের উপর।

পরিচালকবৃন্দ,

আর্টিকেলস অব এসোসিয়েশনের ৯৬ ও ৯৭ ধারা অনুযায়ী নিম্নোক্ত ১ জন উদ্যোক্তা পরিচালক ৩৫তম বার্ষিক সাধারণ সভার অবসরে যাবেন, যদিও তিনি পুনরায় নির্বাচনের যোগ্য এবং তিনি পুনর্নির্বাচিত হওয়ার আকাঙ্ক্ষা ব্যক্ত করেছেন।

তিনি হচ্ছেন: জনাব তওহিদ সামাদ

উল্লেখিত ধারা অনুযায়ী পাবলিক শেয়ার হোল্ডার জনাব মো. শাকিল রিজভী ৩৫তম সাধারণ সভার অবসরে অংশ নিবেন, তিনি পুনরায় নির্বাচনের যোগ্য এবং তিনি পুনর্নির্বাচিত হওয়ার আকাঙ্ক্ষা ব্যক্ত করেছেন।

অডিটর

চার্টার্ড একাউন্টেন্টস প্রতিষ্ঠান মেসার্স মাহফেল হুক এ্যান্ড কোং বিগত ৩৫তম বার্ষিক সাধারণ সভায় ২০১৯ সালের জন্য কোম্পানীর অডিটর হিসেবে নিয়োগ লাভ করেন এবং তারা বর্ষা নিয়মে মিরীকা কার্ভ সম্পাদন করে প্রতিবেদন দাখিল করেছেন।

বিজিআইসি'র ব্যবস্থাপনা কর্তৃপক্ষ ও মার্কেটিং বিভাগমুহুহ তাদের নিজস্ব মান বজায় রাখার জন্য নিয়ত যে প্রতিটা অব্যাহত রেখেছেন, আমার বক্তব্য শেষ করার আগে আমি তা পুনর্ব্যক্ত করতে চাই। সন্দেহ করলেই আমি আমার নিজস্ব অভিজ্ঞার এই মর্মে ব্যক্ত করতে পারি যে, ২০২০ সালে বিজিআইসি তার স্বাভাবিক আয়ও সমুখে এগিয়ে নিয়ে যেতে সক্ষম হবে। এই লক্ষ্য অর্জনে বিজিআইসি'র বোর্ড অর্ন্তিতে যে সমর্থন দিয়ে গেছে সে জন্য আমি বোর্ডকে আন্তরিক মোবারকবাদ জানাই। আমি আরও বিশ্বাস করি যে, বিজিআইসি'র প্রতিটি শেয়ারহোল্ডার এক-একটি আলোকসজ্জা এবং তারা সকলেই নৈতিক আলো ও শেখাসারী মূল্যবোধের দাবিদার।

আমি আপনাদের নিরবচ্ছিন্ন সুখ-সমৃদ্ধি এবং সু-খ্যাতি কামনা করি। পরম সৃষ্টিকর্তা আমাদের সকলের উপর তার অশেষ রহমত বর্ষণ করুন।

আমিন।

সকল
১৯ মার্চ, ২০২০


তওহিদ সামাদ
সেয়ারম্যান



BGIC Story

Remembering the Man- M. A. Samad



After graduating with distinction from the renowned Presidency College, Kolkata, Mr. M. A. Samad started his carrier as a Bangla news editor and broadcaster at All India Radio Delhi with the Author & Scholar Nirad. K. Chowdhury as his teacher and guide. After partition of India, he moved to Dhaka and joined Radio Pakistan at Nazimuddin Road Old Dhaka as the Bangla News Editor. However on the continuous pressure of the top management to "~~urduize~~" Bangla words, at some point Mr. Samad informed students at the Salimullah Muslim Hall about his willfully edited news with ~~urduized~~ Bangla that would be broadcast by Mr. Fateh Lohani in the evening. Needless to mention a huge agitation by the hall students followed the news and the order to ~~urduize~~ Bangla was withdrawn. This agitation was a precursor to the 21st February language movement. Mr. Samad was however constrained to resign from Radio Pakistan.

As a follow up, around mid 1949 Mr. Samad along with his wife Fawzia Begam publishing the first Bangla magazine of the time for children titled "MINAR." The magazine was a huge success with articles and stories contributed by many eminent and many to achieve great imminence in time. Among the contributors, Dr. Muhammad Shahidullah, Dr. Muhammad Kudrat-A-Khuda, Sree Annada Shankar Ray, Dr. Syed Muztaba Ali, Principal Ibrahim Khan, Kobi Jashimuddin, Shilpacharya Jaynul Abedin, Syed Waliullah, Kobi Kader Newaz, Syed Ali Ahsan, Shawkat Osman, Syed Abdus Sultan, M. A. Azam, Begum Sufia Kamal, Kobi Ahsan Habib, Muhammad Wazed Ali, Muhammad Mudabber, Kamrul Hasan, Dr. Abdullah Al-Muti Sharfuddin, Habibur Rahman, Fateh Lohani, Abdul Ahad, Nazir Ahmed, Rokonzaman Khan (Dada Bhai), Abu Zafar Obaldullah, S. M. Ali, Muhammad Maksud Ali, A.S. Mahmud, Mahbub Anam, Ziaul Haque (Tulu), Dr. Mostafa Nurul Islam, Dr. Ashraf Siddiquee, Enayet Ullah Khan, Nurul Hussain Khan, Enam Ahmed Chowdhury, Faruque Chowdhury, Rabeya

Khatun, Dilara Hashem, Salma Chowdhury, Muhammad Abdul Haque, Lt. Col. Dr. A. Rahman and Mufazzal Hossain are all pillars of wisdom and knowledge. The legacy such scholars have left behind in their writings for children are a treasure for every generation to read and enjoy ~~a treasure~~ that has enriched our language and still lives on in the pages of MINAR.

But destiny had written insurance to be his carrier. Guided by his elder brother M. M. Samad, a long eventful insurance carrier began from 1951 with Prudential Assurance Company followed by Central, Great Eastern and Federal Life till before the birth of Bangladesh. During the liberation war for independence Mr. Samad's house in Road 4 Dhanmandi was the recipient and store place of the first consignment of arms brought in mid April 1971 and was the meeting place and sanctuary for many freedom fighters.

After independence in 1971, Mr. Samad was deeply involved in the re-construction of the nationalized life insurance industry. He held office as Chairman of Surma Life Insurance Corporation, Founder Director of Bangladesh Insurance Academy and then as Managing Director of Jiban Bima Corporation from which he retired in 1984.

On retirement he did not fade away but strongly emphasized and mobilized to allow insurance in the private sector which ultimately came to pass in 1984 and BGIC was established as the first private sector insurance company in Bangladesh in July 1985. The rest is history- *private sector insurance industry was born.*

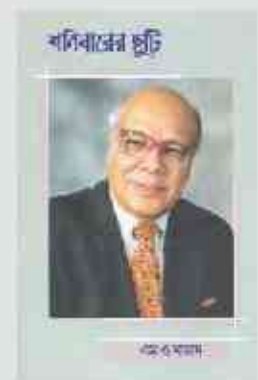
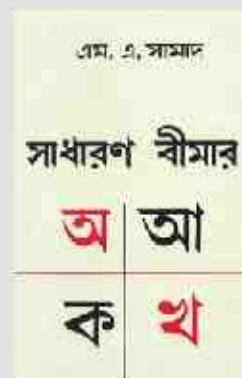
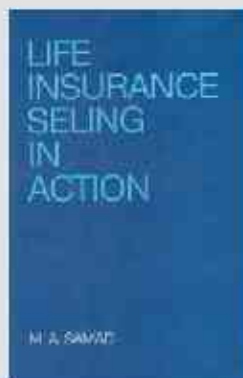
A family of all private sector insurance also soon took shape as *Bangladesh Insurance Association* of which Mr. M. A. Samad served as the Chairman in 1999.

Side by side as an insurance salesman Mr. Samad was also an insurance scholar. He has written four books on Life and Non-Life Insurance which have been recognized as valuable text books in the insurance world. His book of short stories titled "Shonibarayar Chooti" had gained a huge readership.

Life Insurance Marketing and Research Association (LIMRA) U.S.A. on one of his books wrote, "We at LIMRA are a bit in awe that one man could take on the monumental task of compiling such a thorough text encompassing the entire field of life insurance selling. In the face of the dedication and knowledge that you display in the text, we feel to be out of our area of expertise in attempting to edit the manuscript."

Mr. M. A. Samad is no more but he lives in the heart of all insurance professionals. For his dedicated service to the insurance industry he was bestowed posthumously the life time achievement award by the English Daily- The Daily Star. His vision and mission can briefly be summarized in his own words as follows...

"Besides its (insurance) traditional role of providing the much needed financial security of life and property against future hazards, insurance particularly life insurance, is by far the most effective means of mobilizing the scattered and small savings for eventual channelizing of the same into our national development efforts"



His

Gift to

the Industry

&

Readers

Mission, Vision & Objectives



Mission

To continuously innovate and diversify products tailored to meet the specific need of the policyholder.



Vision

BGIC has one single vision—to make non-life insurance accessible and affordable to everyone in Bangladesh.



Objectives

- To ensure the highest ethical and moral standard and to combine total governance compliance in the conduct of business.
- To campaign and spread the necessity and benefits of insurance coverage throughout the nation.
- With the belief that "service is our strength" we can and shall achieve our vision, mission and objectives.



BGIC
Timeline

Promoters Application to Ministry of Commerce	8th June 1984
Incorporation	1st November 1984
1st Application to the Controller of Insurance for Registration Permission	5th November 1984
Grant Permission for Registration to Carry out the Non-Life Insurance Business	18th February 1985
Obtained Certificate for Commencement of Business	29th July 1985
Registered with the Department of Insurance	29th July 1985
Launching Ceremony	25th September 1985
Authorized Capital	1000 Million
Issued, Subscribed and Paid up Capital	540 Million
Prospectus Issued for Flotation of Public Shares	17th May 1989
Subscription Opened	3rd June 1989
Subscription Closed	17th June 1989
Amount of Public Subscription	30.00 Million
First Trading of Shares on Dhaka Stock Exchange Floor	5th November 1989
Listing in Dhaka Stock Exchange	5th November 1989
First A.G.M. of Public Shareholders	16th June 1990
Listing in Chittagong Stock Exchange	18th February 1996
Purchase of Commercial Plot at Topkhana, Dhaka	12th February 1998
Demate Agreement with CDBL	5th April 2004
First Trading of Electronic Share Under CDBL System	24th October 2004
Right Share Issued	10th August 2005
2nd Right Share Issued	1st November 2009

BGIC Timeline

● 1984

8th June 1984
Date of Promoters
Application to
Ministry of Commerce

1st November 1984
Date of Incorporation

5th November 1984
Date of 1st Application
to the Controller of
Insurance for Registration

Authorized Capital

1000 Million

**Issued, Subscribed
and Paid up Capital**

540 Million

● 1996

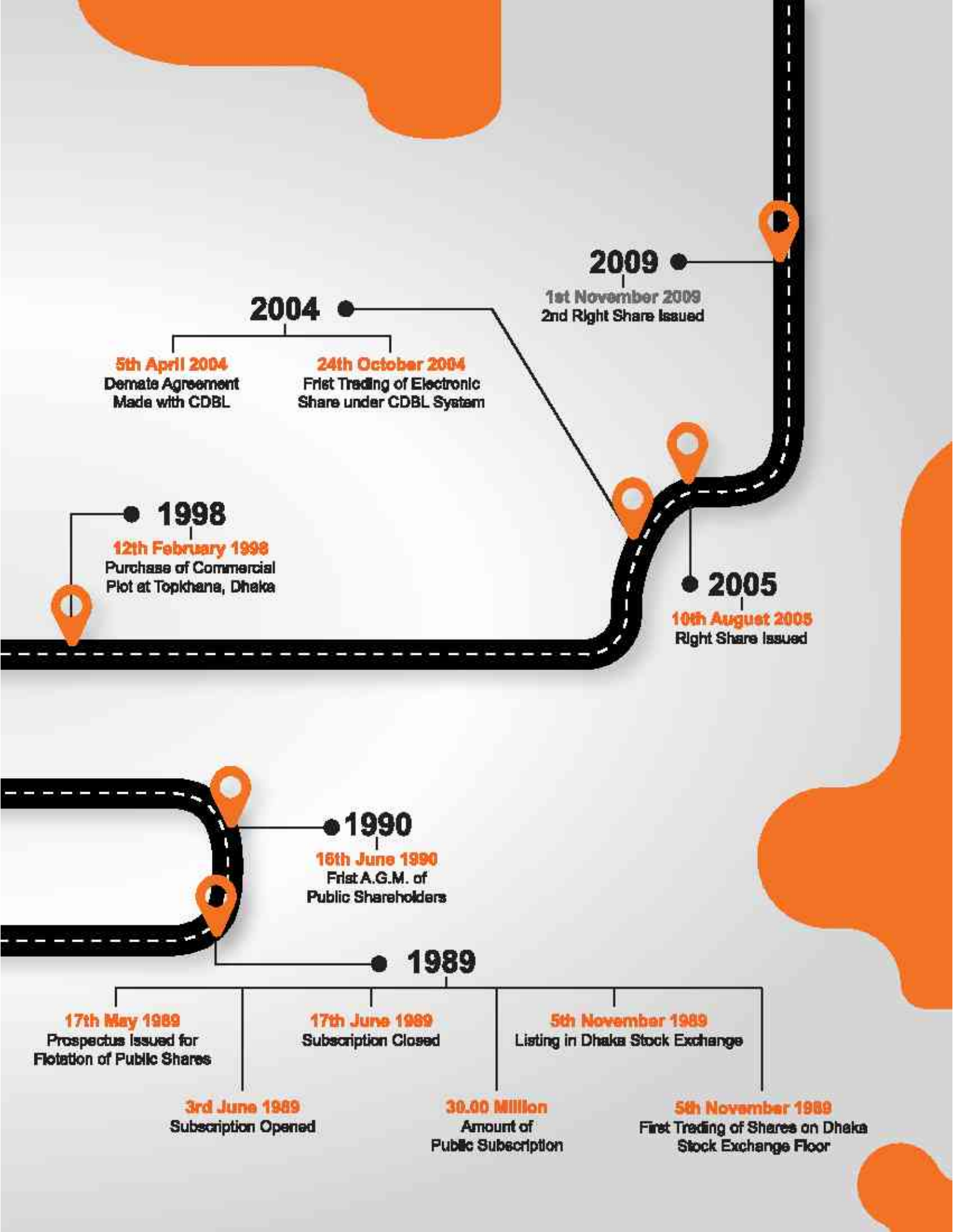
18th February 1996
Listing in Chittagong
Stock Exchange

● 1985

29th July 1985
Obtained Certificate
for Commencement
of Business

29th July 1985
Registered with the
Department of Insurance

25th September 1985
Opening Ceremony



5th April 2004
Demate Agreement
Made with CDBL

24th October 2004
Frist Trading of Electronic
Share under CDBL System

1998
12th February 1998
Purchase of Commercial
Plot at Topkhana, Dhaka

2009
1st November 2009
2nd Right Share Issued

2005
10th August 2005
Right Share Issued

1990
16th June 1990
Frist A.G.M. of
Public Shareholders

17th May 1989
Prospectus Issued for
Flotation of Public Shares

3rd June 1989
Subscription Opened

17th June 1989
Subscription Closed

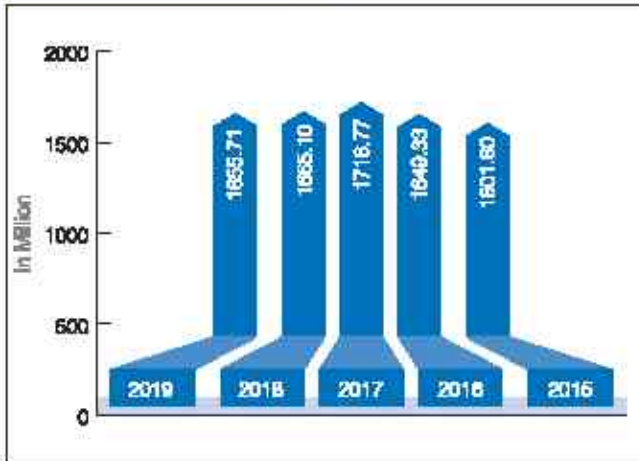
30.00 Million
Amount of
Public Subscription

5th November 1989
Listing in Dhaka Stock Exchange

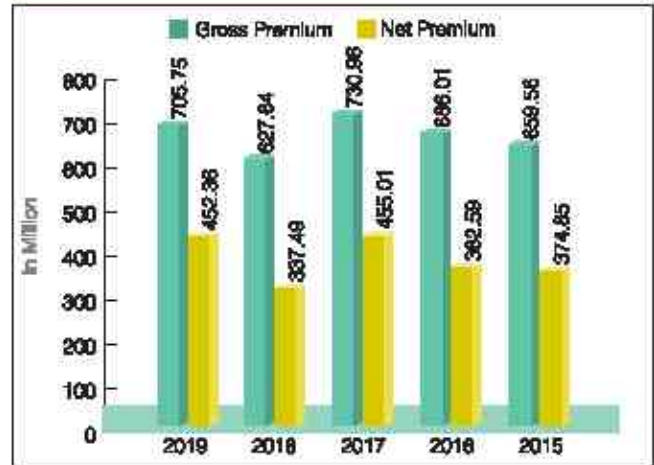
5th November 1989
Frist Trading of Shares on Dhaka
Stock Exchange Floor

5 Years Performance

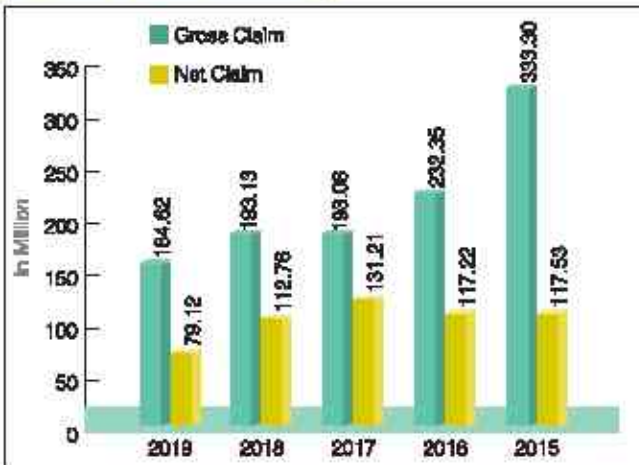
Total Assets



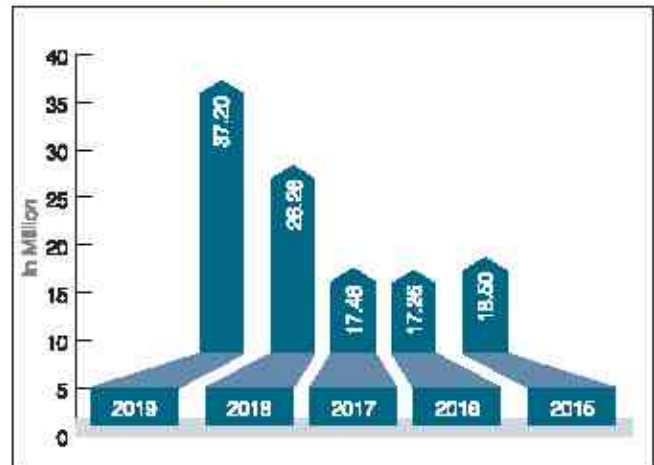
Premium Income



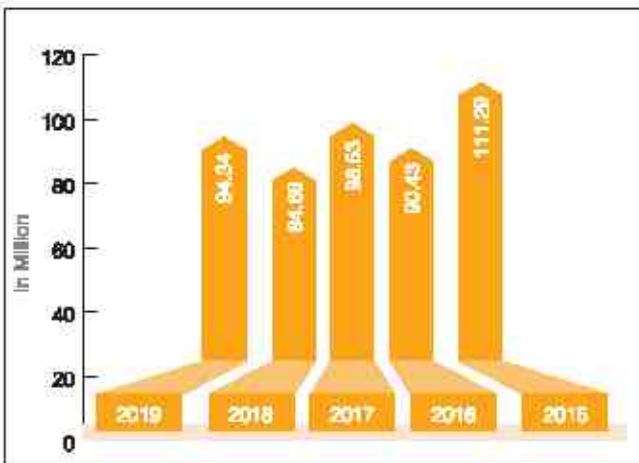
Claims Paid



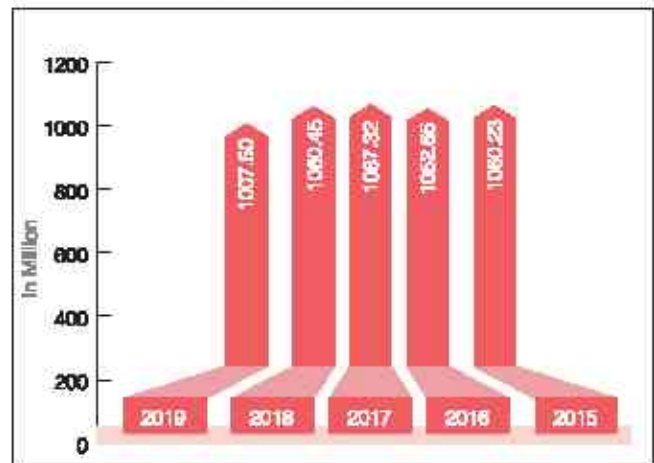
Underwriting Profit



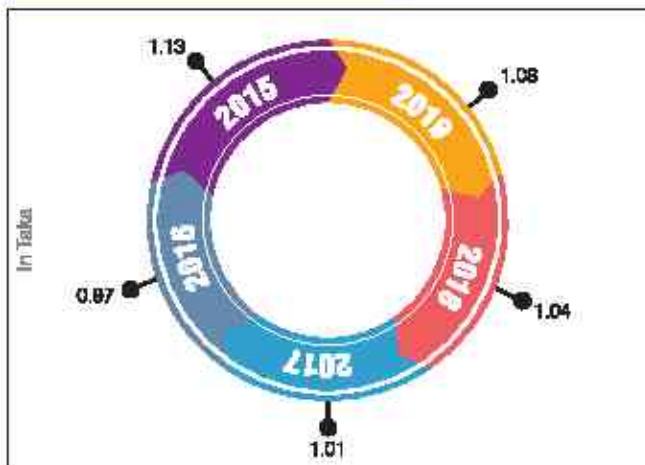
Investment & Other Income



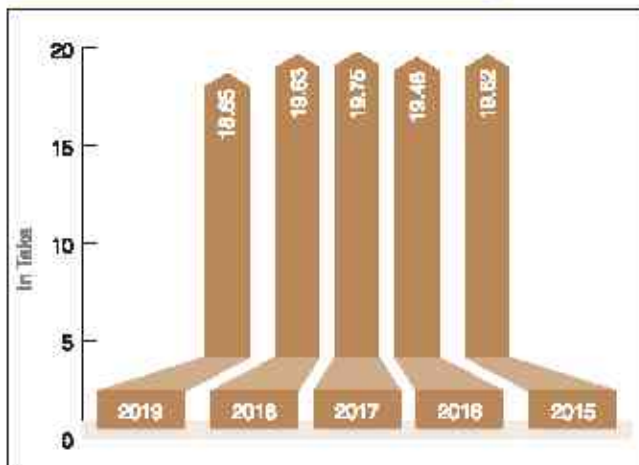
Shareholders Equity



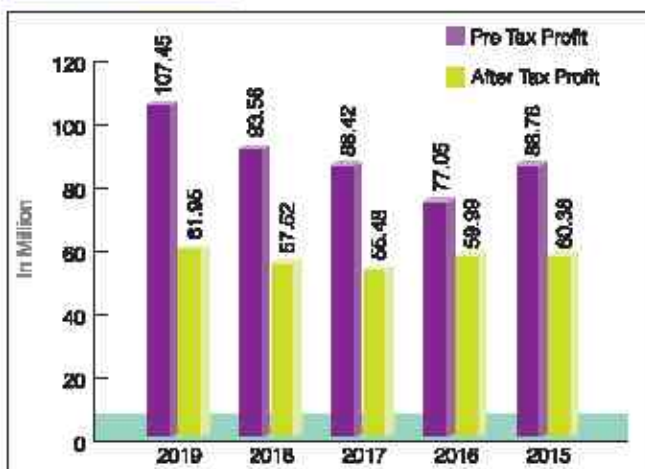
Earning Per Share



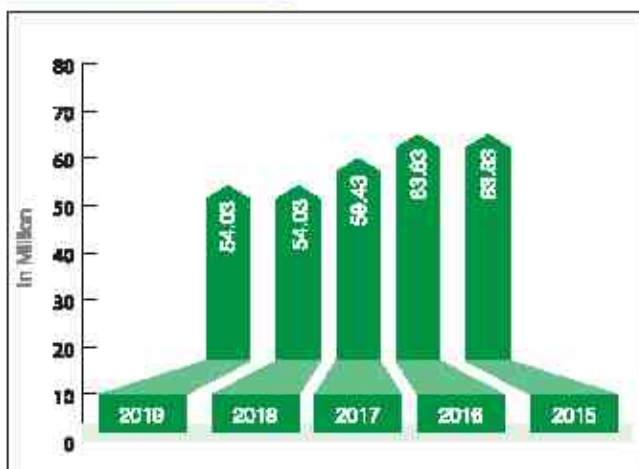
Net Assets Value Per Share



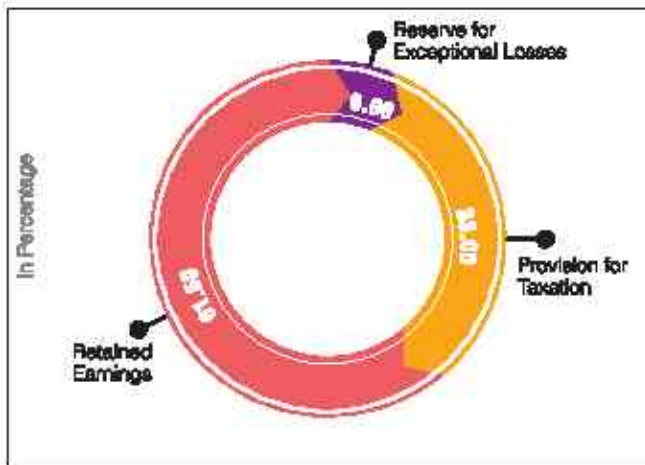
Profit



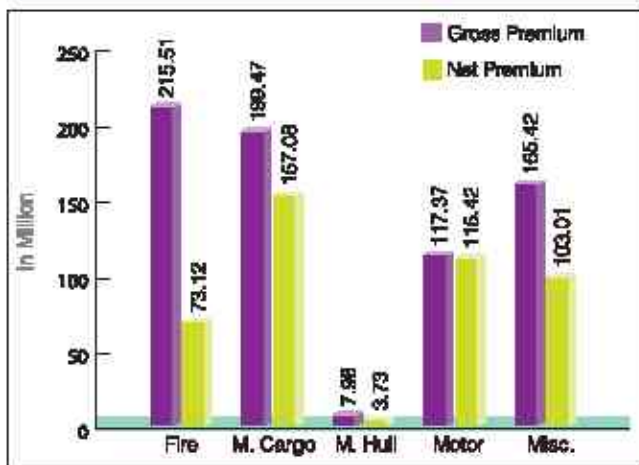
Dividend



Appropriation



Businesswise Premium Income



Awards and Recognitions

Recognitions

BGIC is among a very few Bangladeshi companies that have achieved an international recognition. The renowned international stock broker **'Smith New Court'** in its Investment Recommendations on BGIC, written and circulated globally, has, amongst other, identified BOW's superiority in the insurance industry in the field of:

- Steady Growth
- Efficient Settlement of Claims
- High Investment Yield
- Solid Financial Health, and
- Management

Further they have identified BGIC as a **"Clear Market Leader"** amongst private sector companies writing non-life business.

Awards



Founder of the BGIC, Late M. A. Samad is receiving the 'Successful Business Award 2003-04' from former Commerce Minister Mr. Air Vice Marshal (Retd) Altaf Hossain Chowdhury which was presented by Bureau of Business Research, Faculty of Commerce, University of Chittagong.



BGIC's Chairman, Mr. Towhid Samad is receiving the 'Life Time Contribution Award' from Mr. A. M. A Muhi, Finance Minister, on behalf of his late father M. A. Samad, sponsored by DHL and The Daily Star.



BGIC was awarded the 'Successful Business Award 2003-04' which was presented by Bureau of Business Research, Faculty of Commerce, University of Chittagong.



In the year 2004 BGIC was awarded 'The Best General Insurance Company' and has received FNS Business Award - 2004, which was presented by Financial News Services.



Mr. Ahmed Saifuddin Chowdhury, Managing Director & CEO of the BGIC (1st from the left) receives 'The Certificate of Merit' of 'The ICMA Best Corporate Award-2012', from former Commerce Minister Mr. G. M. Kader.



Mr. A. K. A. H Chaudhuri, Ex. Managing Director is receiving the 'ICMA Award - 2012', from former Commerce Minister Mr. G. M. Kader.



In the year 2013 BGIC was awarded the 'ICMA Best Corporate Award - 2012' and was presented the Certificate of Merit for its best Underwriting practice.



Mr. Ahmed Saifuddin Chowdhury, Managing Director & CEO of the BGIC has received 'The Best Company Secretary' award from "Bank Bima Authority Patrika" in the year 2011.



'Lifetime Contribution Award' was given to the late M. A. Samad, founder of the BGIC.



'Lifetime Contribution Award' sponsored by DHL and the Daily Star.



The IBA Alumni Association presented award to Late M. A. Samad, Founder of BGIC on his best Contribution in the field of 'Management in Insurance Education in the year - 1992'.



BGIC was awarded 'Friend of Aikto Shishu - 2014' by Aikto Shishu on the occasion of Aikto Shishu on the occasion of Aikto Shishu 5 years of success.



Late M. A. Samad received 'Life Time Award' for his best contribution in the insurance industry. This was given by 'Pakihik Bank Elma Patrika'.



Founder of the BGIC, Late M. A. Samad was presented a crest when he was elected as a 'Councillor of the Dhaka Stock Exchange Ltd'.



BGIC's Founder, Late M. A. Samad was presented Medal by former Prime Minister Begum Khaleda Zia for his 'Contribution in the Private Sector Insurance Business'.



A Crest of 'Prime Financial First Unit Fund' was presented by Prime Finance & Investment Company Ltd. to BGIC as Trustee.



BGIC Founder, Late M. A. Samad was presented medal by 'Volley Ball Federation' on the occasion of their 100 Years Celebration. (Contental 1895-1995) Bangladesh.



Late M. A. Samad received the Award of 'Al-Amin Bangladesh Bismillah Sharak-2008' presented by Al-Amin Sangbadik Foundation for contribution in the field of insurance industry.



As a special guest, BGIC's Founder Late M. A. Samad was presented a Crest by the 'Bangladesh Kabaddi Federation'.



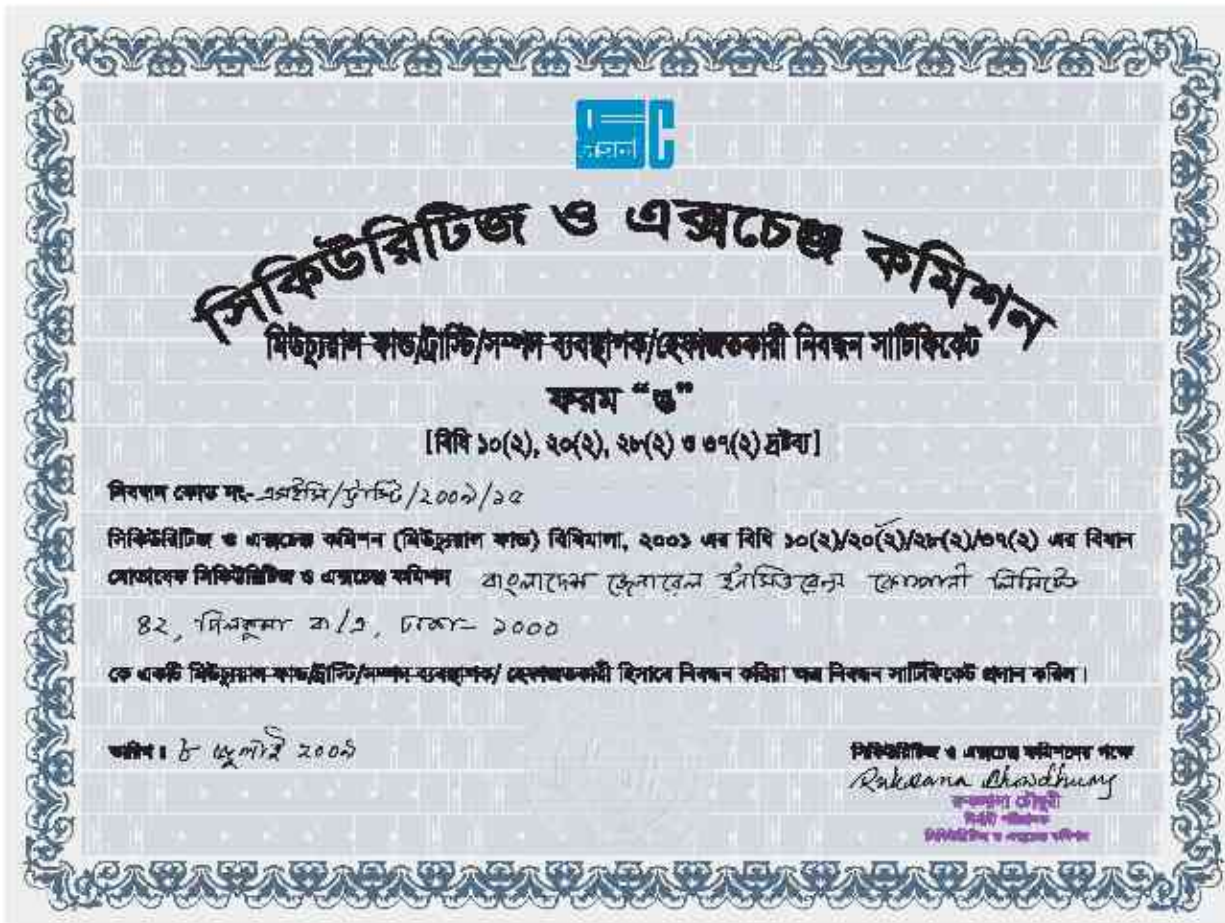
'Sheba Raha Parish' on education and employment Creation received by Ex. Md. Mr. A. K. A. H Chaudhuri, from Mymensing Sheba Niketon.



Founder Late M. A. Samad was Presented a Crest by 'Bangladesh Volleyball Federation'.



'Top 10 Companies DSE National Award' for the year 1992-93, was presented by 'Dhaka Stock Exchange Ltd'.



Board of Directors



Chairman
Mr. Towhid Samad

Chairman, Savar Textiles Ltd. Dhaka



Vice-Chairman
Mr. Salim Bhuiyan

Managing Director, Nationwide Co. Ltd. Dhaka



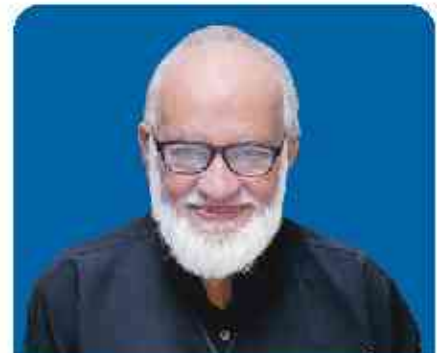
Public Director
Mr. Sahal Humayun

Managing Director
RIO Shipping Line Ltd. Dhaka



Public Director
Mr. Md. Shakil Rizvi

Managing Director
Shakil Rizvi Stock Ltd. Dhaka



Independent Director
Mr. Mustafa Zaman Abbesi

Senior Research Scholar & Convenor
Kazi Nazrul Islam & Abbasuddin Institute
Independent University Bangladesh (IUB)



Independent Director
Mr. Aftab Alam

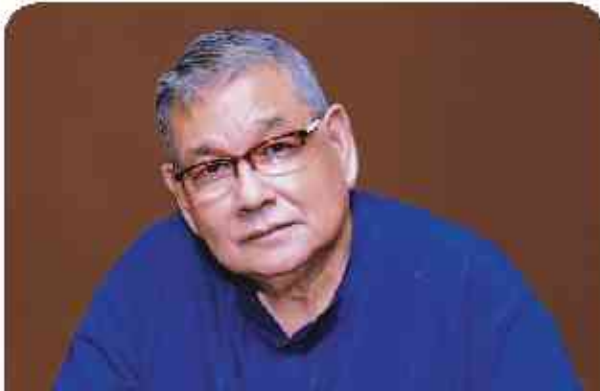
Managing Director
Colour Quest Ltd. Dhaka



Managing Director & CEO
Mr. Ahmed Saifuddin Chowdhury

BGIC Ltd.
Dhaka

Chairman



Mr. Towhid Samad

Mr. Towhid Samad is an Economics (Hons.) graduate of Dhaka University and a Masters (Econ) from Karachi University. He is the Sponsor Director of BGIC. Mr. Samad is the Founder Trustee of the Education Scientific Technology Cultural Development Foundation, which is the Founder of the Independent University Bangladesh and the Chittagong Independent University. At various times he has been elected as Chairman of the Foundation and that of Independent University Bangladesh at Dhaka. Currently he is the Chairman of Chittagong Independent University. Mr. Samad is an active member of various cultural and social organization including Dhaka Club of which he was elected and held the office of the President.

Vice-Chairman



Mr. Salim Bhulyan

Mr. Salim Bhulyan is an Honors Graduate in Sociology from Dhaka University. He is a Sponsor Director and Vice Chairman of BGIC. A prominent industrialist and businessman of the country widely associated with the various industries and multinational company. He is the Chairman/Managing Director of his group of company including New Crescent Motors Pvt. Ltd, Vantage Aviation Services Ltd, International Travel Corporation Limited, Nationwide Co. Ltd, Goodland Development Ltd and New Generation Telecom Ltd. He has participated in several international conference, seminar and higher management training programs.

Mr. Salim Bhulyan was elected to the office of the President of Dhaka Club and also as Director in the Bangladesh Cricket Control Board.

Senior Management



Mr. Ahmed Saifuddin Chowdhury Managing Director & CEO

Mr. Ahmed Saifuddin Chowdhury is the Managing Director and Chief Executive Officer of Bangladesh General Insurance Company Ltd, Which is the First General Insurance Company In the Private Sector In Bangladesh. He has been appointed as Managing Director and CEO on 1st August, 2013 by getting approval of IDRA. He is responsible for company strategy, team building and operations. He is known for his visionary leadership and exemplary integrity. Mr. Saifuddin Chowdhury, just immediately after completing his post graduation studies he started his career with BGIC since 1986 as a- junior officer. In the year 1987, he was transferred to BGIC's zonal office, Chattogram as a accounts in-charge. By dint of his merit, talent and efficiency, he has a deep understanding of the insurance business and experience on underwriting, accounts and finance, administration, branch control, re-Insurance, claim and marketing.

Mr. Saifuddin Chowdhury has a excellent social affiliation and has been a permanent member of Chittagong Club, Chittagong Metropolitan Shooting Club, Mainamoti Golf and Country Club, and Life Member of Chittagong Diabetic Association, Jalalabad Association, Chittagong Lions Foundation, Chittagong University Management Association, Chittagong Collage Ex. Student Association, Chittagong University Ex. Student Association batch '83. He is also a Chatered Member of Lions Club International District 315-84, Bangladesh.

He holds B.Com (Hons.), M.Com (Mgt.) from University of Chittagong and also completed Masters of Business Administration (MBA) from Southern University, Chittagong. He is also acting as the company secretary.



Mr. Anisuz Zaman Chowdhury Financial Consultant

Mr. Anisuz Zaman Chowdhury qualified as a Chartered Accountant from the Institute of Chartered Accountants In England and Wales In 1984, admitted as an ACA In 1965 and FCA in 1975. He has eerved a number of Internationally reputed Chartered Accountancy firms, The World Bank, Asian Development Bank, UNDP, IFAD and other International donors. He is widely experienced in investment and share market.



Mr. A.K. Azizul Haq Chaudhuri Adviser

In the field of management, particularly in its profession side, BGIC is enriched and proud to have Mr. A.K. Azizul Haq Chudhuri as its Adviser. Mr Chaudhuri is an MA in Economics, a Fellow by examination of the world famous Chartered Insurance Institute of London (FCII) and a Diploma holder In Office Management from Allied School of Accountancy and Management, Glasgow. He received 3 years advanced training on insurance and re-insurance In England and Germany under the Overseas Students Training Scholarship of the C.I.I of U.K. He is a widely recognized insurance expert at both home and abroad, a life time Fellow of the Federation of the Insurance Institute of India and an Overseas. Fellow of the Economic Development Institute of the World Bank, Washington. Mr. Chaudhuri was the Managing Director of Sadharan Bima Corporation and Director of Bangladesh Insurance Academy. He is a prolific writer and the author of two text books on insurance.



Mr. Kazi Mokaddas Masum Additional Managing Director (Marketing)

BGIC's Additional Managing Director (Marketing) Mr Kazi Mokaddas Masum joined the company as a junior development officer way back in 1988 around the same time when BGIC started operating as the first general Insurance company in the private sector. By dint of his own merit he has risen to such a coveted position of the company. He is an M. Sc. in Physics from Rajshahi University.

Management Committee



Chairman
Mr. Ahmed Saifuddin Chowdhury

Managing Director & CEO



Member
Mr. Md. Imran Rouf

Additional Managing Director
Operation & Head of Dhaka Zonal Office



Member
Ms. Rashida Banu

Deputy Managing Director
Claims & Re-Insurance



Member
Mr. Chowdhury Md. Abu Sayead

Deputy Managing Director & CFO
Finance & Accounts



Member
Mr. Md. Manik Miah

Deputy Managing Director
Internal Audit & Compliance



Member
Mr. Tapan Mahmud

Deputy Managing Director
Development & PRO



Member
Mr. Adnan Alam

Sr. General Manager
Structural Investment



Member
Saifuddin Ahmed

General Manager &
Company Secretary

Audit Committee



Chairman
Mr. Mustafa Zaman Abbas
Independent Director



Member
Mr. Afrah Alam
Independent Director



Member
Mr. Sohail Hameed
Director



Investment Committee



Chairman
Mr. Ahsan Zaman Chowdhury, FCA
Financial Consultant



Member
Mr. Chowdhury Md. Abu Sayeed
Deputy Managing Director & C F O



Member
Mr. Debarshi Banik
Deputy General Manager
Structural Investment



Member
Mr. Adnan Alam
Sr. General Manager
Structural Investment

Profile of Head of Branches



Mr. Md. Imran Rauf

Dhaka Zonal Office
42, Dilkusha C/A, Dhaka
Tel: 02-9513994
Cell: 01818219762



Mr. A K M Sayedul Haque

Uttara Branch
House # 2A, Road # 2B, Sonargonj
Janapath, Sector # 11, Uttara, Dhaka-1230
Tel: 02-48861772 Cell: 01818-262108
Fax: 02-8891283
Email: bgicub@yahoo.com



Mr. Md. Nafizal Islam Sarder

Mohakhali Branch
94, Mohakhali C/A, Dhaka
Tel: 02-9886883, Cell: 01818-012416,
01714-131009
Email: bgicmb@gmail.com



Mr. Shah Ansuuddin Ahmed

Kewran Bazar Branch
BTMG Bhaban
7-9, Kewran Bazar, Dhaka-1215
Tel: 02-8189948, Cell: 01552-370816,
01746-771939
Email: bgicrb@gmail.com



Mr. S M Mahbub

Topkhana Road Branch
BGIC Tower
34, Topkhana Road Dhaka - 1000
Tel: 02-9814784, Cell: 01817-062478
Email: bgicrb@gmail.com



Mr. Md. Shah Akmal Uddin

Imanganj Branch
80, Biran Bosh Street (Chalk Maggotoll)
Imanganj, Dhaka.
Tel: 02-7318723, Cell: 01715-282416,
Fax: 02-7342487
Email: bgic.lmj888@yahoo.com



Mr. Md. Yusuf

Rampura Branch
372/1, East Rampura (2nd Floor)
Dhaka-1219
Cell: 01718-349899
Email: bgicrm40@gmail.com



Mr. Md. Ruhul Amin

Mirpur Branch
Sanghita Super Market (4th Floor)
Darusalam Road, Mirpur-1
Dhaka-1218.
Tel: 02-8032722, Cell: 01711-962388
Email: bgicmr@gmail.com



Mr. Saqeb Kumar Bhattacharjee

Hatibar Branch
Shodehpalli Building (4th Floor),
House No. 08, Lane No. 08, Road No. 02
Block-8, Housing Society, Chattogram.
Cell: 01717-182201



Mr. Selamat Ali Khan

Agrabad Zonal Office
Jiban Bima Bhaban, 66 Agrabad C/A,
Chattogram.
Tel: 031-714953, 031-721527
Cell: 01819-318592
Email: zsoagrabad@bgic.com



Mr. A.H.M Anwarul Aziz

Anderkilla Branch
277/290, K.B. Orshid Plaza
Anderkilla, Chattogram.
Tel: 031-616034, Cell: 01818-380438



Mr. Aziz Mohammad Razvi Huda Chow.

G.E.C. Mijar Branch
IFCO Complex (4th Floor)
1147/A, G.D.A. Avenue
East Naulrabad, Chattogram.
Cell : 01813-214487



Mr. Mohammed Ali Mamun

Sitakunda Branch
Sitakunda Shopping Center (2nd Fl.),
DT Road, Sitakunda Bazar, Sitakunda
Powershava, Sitakunda, Chattogram.
Tel: 030-2858016, Cell: 01711-345809



Mr. Md. Wasim Chowdhury

Sylhet Branch
Modhubon Super Market(3rd Floor)
Bander Bazar, Sylhet.
Tel: 0821-714613, Cell: 01711-337720



Mr. Md. Shamsuzzaman Wahid

Moulvibazar Branch
Three Star Plaza
189,Court Road(1st Floor)
Chowmohona Kulkarna Road
Moulvibazar
Tel: 0861-83826, Cell: 01711-887473



Mr. Harunur Rahim Raza

Habiganj Branch
Wahab Market(1st Fl.)
G/A Post Office Road, Sedar
Habiganj-3300
Contact: Cell: 01720-631531



Mr. M.A. Aziz

Bogura Branch
Jhewala Pakur Para
Bogura
Tel: 051-66480, Cell: 01711-801480



Mr. Md. Jahangir Alam

Rajshahi Branch
Shehab Bazar, Sarapatti, Rajshahi
Tel: 0721-774367
Cell: 01715-873437



Mr. Md. Al-Farabi

Rangpur Branch
22, Central Road
Rangpur.
Tel: 051-83726, Cell: 01716-897103



Mr. Md Hashem Ali

Naogaon Branch
Chaldev, Sedar Road
Naogaon.
Tel: 0741-82860, Cell: 01715-094819



Mr. Saim Rezaur Rahman

Dinajpur Branch
6 Lok Shaban, Murchi Para
Dinajpur.
Tel: 0531-83480, Cell: 01712228176



Mr. Md Zobair Rahman

Saidpur Branch
Amin Plaza Market
Shahid Dr. Zikrul Haque Sarak
Saidpur.
Tel: 05526-78822, Cell: 01712-037768,
Cell: 0155-9302160

**Mrs. Heralda Bagum**

Thakurgaon Branch
Word No. 09, Tatipara, Kallbari Sarak,
Thakurgaon.
Tel: 056161785, Cell: 01735-830085

**Mr. Md. Alauddin Prameaik**

Joypurhat Branch
Settar Market (2nd Floor)
Main Road
Joypurhat.
Tel: 057161304, Cell: 01716-369384

**Mr. Md. Enafel Mehedl Hossain**

Sirajganj Branch
Sheikh Din Mohammad Plaza (2nd Floor)
Bazar Station Road
Sirajganj.
Cell : 01712-312251, 01911-619888

**Mr. Bappy**

Chapal Nawabganj Branch
91, Islampur, Bara Indra (2nd Floor)
Goda Bari Road (Infront of DG Market),
Chapal Nawabganj.
Cell : 01751383373

**Mr. Md. Rashed**

Kushtha Branch
Lovely Tower (3rd Floor), 55/1
Siraj-ud-Daula Road
Kushtha.
Tel: 071-62077, Cell: 01711-894838

**Mr. Md. Asaduzzaman**

Jashore Branch
17 (New-308), Netaji Subas Chandra
Road (Barikhana)
Jashore.
Tel: 0421-88945, Cell: 01636-363858

**Mr. Md. Lutfur Rahman**

Beranapole Bazar Branch
Rehman Chamber (1st. Floor)
Beranapole Bazar Road
Beranapole.
Contact: Cell: 01816-867418,
01917-729688

**Mr. Md. Masir Uddin**

Pabna Branch
AJ Center (3rd Floor)
Sonapatti
Pabna.
Cell: 01712-477498

**Mr. Md. Delwar Hossain**

Khulna Branch
6, P.C. Roy Road
Khulna.
Tel: 041-724853, Cell: 01711-675006
Fax: 041-720126
Email: bgickin@gmail.com

**Mr. Md. Anwarul Haque**

Faridpur Branch
KMA Arkadia Market (2nd Floor) 63/118,
Mujib Sarak
Faridpur.
Tel: 063167300, Cell: 01718-588048

**Mr. S.M. Alauddin**

Barishal Branch
95, Sedar Road
Barishal.
Tel: 0431-85017, Cell: 01714672965,
01747-894212

**Mr. Md. Nalbulak Sk**

Mymensingh Branch
B.M.A. Bhaban
Abul Monwar Road
Mymensingh.
Tel: 091-67682, Cell: 01196-5151152,
01747-894212



Mr. Rokan Uddin Ahmed

Narayanganj Branch
19/2 S.M. Malah Road, Tan Bazar
Narayanganj.
Tel: 02-7632544, Cell: 01716275769
Email: bgic.ngonj@gmail.com



Mr. Md. Nazmul Hossain

Madhabul Branch
Madhabul Bazar
Madhabul.
Cell: 01714-264263, 01199-004389



Mr. Md Nurul Haque

Feni Branch
Trunk Road
Feni.
Tel: 0381-74767, Cell: 01711-672138



Mr. Md. Jahangir Alam Mirza

Cumilla Branch
Sunam Manalan (3rd Floor)
Nazrul Islam Road, Kundlpar
Cumilla.
Tel: 081-82859, Cell: 01711-113737



Mr. Md. Maktuzul Bari

Chandpur Mirzakh
Sheikh Mansion, Cumilla Road
Chandpur.
Tel: 0841-85835, Cell: 01731-180288



Mr. Md. Monir Uddin

Chowmahani Branch
Shamekay Market(2nd Floor)
Karimpur Road
Chowmahani.
Cell: 01718539886, 01818377986



Mr. Md. Latifur Rahman

Kulaura Branch
Shahid Plaza, Uttar Bazar
Kulaura.
Cell : 01712-857923



Mr. Md. Nazmul Karim Chowdhury

Brahmanbaria Branch
Slicker Plaza, 144 K Das Moor
New Cinema Hall Road
Brahmanbaria.
Cell : 01722-458011

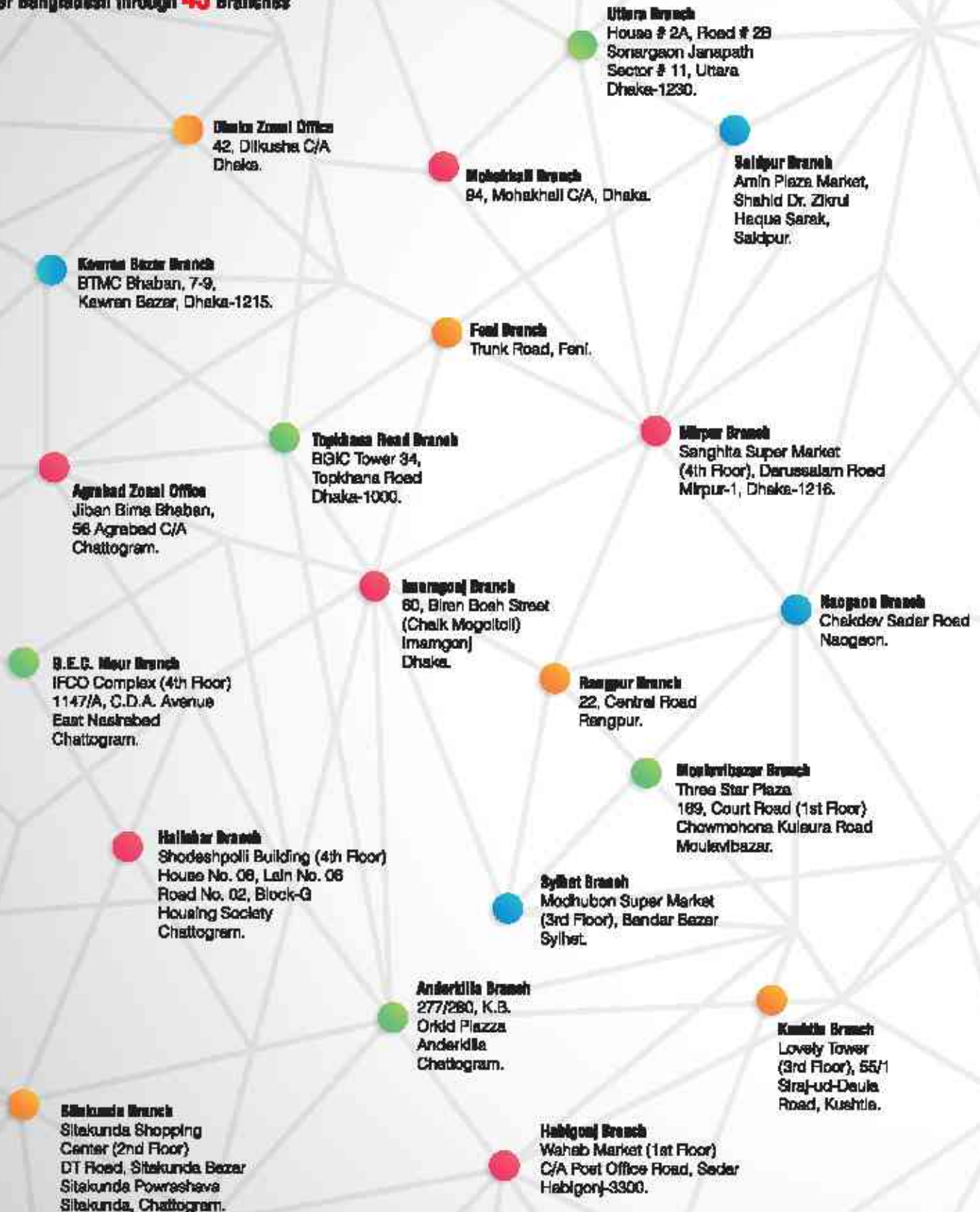


Mr. Md. Habibur Islam

Savar Branch
121, Bugunda Super Market (4th floor)
Ariha Road
Savar, Dhaka.
Cell: 01711435228

BGIC Networks

All over Bangladesh through **43** Branches



Madhabdi Branch
Madhubdi Bazar
Medhabdi.

Bogura Branch
Jhawtola Pokur Per
Bogura.

Brahmanberia Branch
Sikder Plaza, 144 K Des Moor
New Cinema Hall Road
Brahmanberia.

Kulaura Branch
Shahid Plaza
Uttar Bazar
Kulaura.

Saver Branch
121, Sugonda Super Market
(4th Floor), Aricha Road,
Saver, Dhaka.

Rampura Branch
372/1, East Rampura
(2nd Floor),
Dhaka-1219.

Chandpur Branch
Sheikh Mansion
Cornilla Road
Chandpur.

Chowmohani Branch
Shamabay Market
(2nd Floor)
Karimpur Road
Chowmohani.

Pabna Branch
AU Center (3rd Floor)
Sonapatli, Pabna.

Joypurhat Branch
Settar Market (2nd Floor)
Main Road
Joypurhat.

Khalia Branch
8, P.C. Roy Road
Khalia.

Cumilla Branch
Sunay Mansion (3rd Floor)
Nazrul Islam Road
Kandirpar, Cumilla.

Chapal Nawabganj Branch
Gode Garl Road
(Infront of DC Market)
Chapal Nawabganj.

Narayanganj Branch
16/2 S.M.
Majid Road
Ten Bazar,
Narayanganj.

Jashore Branch
17 (New-398),
Netaji Suvea
Chandra Road
(Garikhana) Jashore.

Barishal Branch
95, Sader Road
Barishal.

Dhulapur Branch
6 Lok Bheben,
Munshi Para
Dhulapur.

Thakurgaon Branch
Word No. 06, Tatipara
Kalibari Sarak
Thakurgaon.

Sirajganj Branch
Sheikh Din Mohammed
Plaza (2nd Floor)
Bazar Station Road
Sirajganj.

Rajshahi Branch
Seheb Bazar
Sonapatli
Rajshahi.

Mymensingh Branch
B.M.A. Bhaban
Abul Monsur Road
Mymensingh.

Benapole Bazar Branch
Rahman Chamber (1st Floor)
Benapole Bazar Road
Benapole.

Faridpur Branch
Kms. Arkadiaz Market
(2nd Floor)
63/116, Mujib Sarak
Faridpur.

Credit Rating **A+**

Insurance' Financial Strength (IFS) Rating

Rating Agency: **Services Credit Rating ARGUS Ltd.**

Rating	2019	2018
Long Term	A+	A+
Short Term	ST-2	ST-2
Publishing Date	18 July 2019	15 July 2018

Denotes:

A+	Long Term: This category for an insurance company is considered to offer moderate degree of safety for timely repayment of financial obligations. This level of rating has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions compare to the higher-rated categories.
ST-2	Short Term: High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

- * This has been a year of progress towards our strategic targets, our customer focus remains integral.
- * BGIC posted gross premium of over BDT 705.76 million in a challenging environment.
- * Aims to maintain rating in the 'A' range from our rating agency.
- * The board considers that BGIC is currently strongly capitalized with a risk-based capital coverage ratio at the upper end of its risk-based capital coverage target range and on 'A+' rating with stable outlook from its credit rating agency.



***Audit
Certification
Reports and
Financial
Statement***

Audit Committee Report

On behalf of the Audit Committee, I am pleased to present its report for the year ended 31 December 2019. This year, we have split out reporting on the Audit Committee from the Corporate Governance Report; I trust that this will be helpful to shareholders and other stakeholders in understanding the work of the Audit Committee.

The Audit Committee is appointed by the Board of Directors, as recommended by Bangladesh Securities and Exchange Commission (BSEC) notification. The Audit Committee consists of three members, of which two are independent directors and one is public director. Meeting of the Committee were attended by the Managing Director & CEO, CFO and Internal Auditor of the company.

The terms of reference of Audit Committee has been set up by the Board of Directors in accordance with BSEC notification. The existing members of the committee are:

Mr. Mostafa Zaman Abbasi, Chairman

Mr. Aftab Alam, Member

Mr. Sohail Humayun, Member

Three (3) meetings of Audit Committee were held during the year under review. In all meeting internal auditor gave presentation to the committee which covered internal audit plan, number of audit carried out during the year, audit observations, audit recommendations and status of its implementation. Audit Committee also meet external auditor to discuss their observations on statutory audit and their recommendations for improvement.

Role of the Audit Committee

The Audit Committee is responsible for exercising the full powers and authority of the Board in accounting and financial reporting matters and any activity within its terms of reference. The committee reports to Board of Directors as per terms of reference, on the activities

assigned. The role of the committee includes:

- Monitor the integrity of the quarterly financial statements of the company and any formal announcements relating to the company's financial performance, reviewing significant financial reporting judgments contained in them;
- Review the effectiveness of the company's internal financial controls, internal control and risk management systems;
- Monitor and review the effectiveness of the company's internal audit function;
- Make recommendations to the Board, for it to put to the shareholders for their approval in general meetings, in relation to the appointment, reappointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements;
- Develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm and to report to the board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; and
- Establish and maintain procedures for processing complaints regarding accounting, internal controls or auditing matters and to review the company's procedures for the confidential anonymous submission by company employees of concerns regarding questionable accounting or auditing matters.

Meeting and Attendance

The Company will hold at least 3 meetings in a year. The quorum of the Audit Committee meeting shall not constitute without at least 1 independent director, and two members present. The audit committee may invite such other person (e.g., the Managing Director & CEO, CFO, internal auditor) to its meetings, as it deems necessary. The external auditor shall normally attend the meetings of the committee at which it communicates audit risks and planning and the full year results. Company Secretary shall act as the secretary of the committee.

Activities Carried out by the Audit Committee

Audit Committee acted as per guideline mentioned in the charter of the Committee. The Committee reviewed effectiveness of internal control and external audit procedures and reports thereon. The Audit Committee regularly updates the Board of Directors on their observations and status of control environment. The members of Audit Committee were appraised duly by:

Financial Reporting

The Committee reviewed the draft annual and interim management reports before recommending their publication to the Board. The Committee discussed with the Chief Executive, Chief Financial Officer and external auditor the significant accounting policies, internal controls, compliance of statutory provisions of law and other regulatory authorities, Compliance of Bangladesh Accounting Standards (BAS) and appropriateness of disclosure estimates and judgments applied in preparing these Financial Statements. The Committee also reviewed the draft interim management statements.

The CFO on financial performance of the company for the period under review. After due verification Audit Committee formed the opinion that adequate financial control and procedures are in place to provide reasonable assurance that the company's resources are safeguard and the financial position of the Company is well managed.

Internal Control and Risk Management

The Committee reviewed the risk management process and discussed the inherent risks faced by the business. Risk management activities take place throughout the organization to support the Committee in its corporate governance responsibilities, working with the business to proactively and effectively manage risk. This, together with the related controls

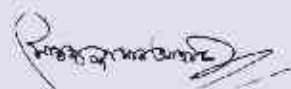
and assurance processes, is designed to identify, evaluate and manage risk and to ensure that the resultant residual risks meet the risk appetite of the Board. The Committee discussed with management how they would continue to deliver high-quality oversight and risk evaluation against the background of the current economic climate.

The committee has an ongoing process for reviewing the effectiveness of the system of internal controls and of the internal audit function. During 2019, it reviewed and approved the risk-based audit plan and the staffing levels in internal control to ensure it had sufficient resources to fulfill the agreed plan. It considered reports from the internal control team summarizing the audit findings and recommendations and describing actions taken by management to address any shortfalls. It reviewed the level and nature of outstanding audit weaknesses and invited management to the committee to further understand progress where it felt it was necessary.

Audit Committee Effectiveness

The committee prepares and reviews with the board an annual performance evaluation of the committee. The findings of the review ensure that the board is satisfied that the committee is operating effectively, and meeting all applicable legal and regulatory requirements.

On behalf of the Audit Committee



Mustafa Zaman Abbasi

Chairman, Audit Committee
19th March, 2020



Mahfel Huq & Co.

CHARTERED ACCOUNTANTS

The first registered accounting firm in independent Bangladesh



An Independent member firm of AGN International

BGIC Tower (4th Floor)
34, Topkhana Road
Dhaka-1000, Bangladesh
Tel : +88-02-9553143, 9581786
Fax : +88-02-9571005
E-mail : info@mahfelhuq.com
Web : www.mahfelhuq.com

Independent Auditor's Report

To the Shareholders of Bangladesh General Insurance Company Limited Report on the Audit of the Financial Statements

Opinion

We have audited financial statements of Bangladesh General Insurance Company Limited (the "Company"), which comprise the balance sheet as at 31 December 2019, the Profit and loss account (Statement of comprehensive income), Profit & 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.

In our opinion accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for 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 judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Premium Income	
Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.	With respect to Premium income in respect of various types of insurance we carried out the following procedures:

Risk	Our response to the risk
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Premium Income	
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<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. At year end the 2019, the total gross premium income of BDT 705,756,086 (2018: BDT 627,635,347).</p>	<ul style="list-style-type: none"> ▶ The design and operating effectiveness of key controls around premium income recognition process. Carried out analytical procedures and recalculated premium income for the period. ▶ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ▶ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ▶ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ▶ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ▶ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. ▶ 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.
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See from XL to the financial statements.

Addition of Property, Plant and Equipment	
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<p>The company made significant addition of property plant & equipment [BDT 7,260,926]. There is therefore a risk that the Assets and depreciation charge may be misstated.</p>	<p>Our audit procedures included, among others, considering the risks associated with addition of property, plant and equipment. The following different types testing were carried out:</p> <ul style="list-style-type: none"> ▶ Physical inspection of a sample of items. ▶ We tested sample of invoices and other appropriate documents to ascertain the appropriateness of the value of the assets. ▶ We cross matched the depreciation rate against company accounting policy and recalculated depreciation on the assets.
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See Schedule A to the financial statements

Emphasis of Matters

We draw attention to note 2.02 to the financial statements relation to "IFRS 16 : Leases" which was not adopted by the company and also we refer to the note 12.00 "Loans from Banks (SECURED)" where the company has taken loan against lien of FDRs. Our opinion is not modified in respect of these matters.

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 auditor's report thereon. The directors are responsible for the other information. The annual report is expected to be made available to us after the date of this auditor's report.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter of the board of directors of the company.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on other Legal and Regulatory Requirements

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

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
2. In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
3. The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
4. As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive income of the Company;

5. We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its businessre-insured abroad;
6. The statement of the financial position, statement of comprehensive income, profit & loss appropriation account, related revenue accounts, statement of changes in equity and statement of cash flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
7. The expenditure was incurred for the purpose of the Company's business.

Dated : Dhaka
19th March, 2020


Howlader Mahfel Huq, FCA
For and on behalf of **Mahfel Huq & Co.**
Chartered Accountants


Bangladesh General Insurance Company Ltd.
Balance Sheet
(Statement of Financial Position)
As at December 31, 2019

Capital and Liabilities	Notes	Amount in Taka	
		2019	2018
Share capital			
Authorized Share Capital	4.00	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	4.00	540,272,550	540,272,550
Share Premium	5.00	244,825,200	244,825,200
Reserve and Contingency Account:		160,452,122	217,832,113
Reserve for Exceptional Losses	6.01	205,568,701	199,568,701
General Reserve	6.02	5,000,000	5,000,000
Investment Fluctuation Fund	6.03	(51,816,579)	11,583,412
Dividend Equalization Reserve	6.04	1,700,000	1,700,000
Profit and Loss Appropriation Account Balance		61,949,922	57,524,795
Total Shareholders' Equity		1,007,499,794	1,060,454,658
Balance of Fund And Accounts:	7.00	183,181,068	135,848,256
Fire Insurance Business		29,247,674	12,805,628
Marine Insurance Business		66,561,940	47,967,144
Motor Insurance Business		46,166,716	43,890,718
Miscellaneous Insurance Business		41,204,738	31,184,766
Premium Deposits	8.00	5,834,478	12,777,898
Provisions for Fund	9.00	8,894,000	3,894,000
Employees Gratuity Fund		7,500,000	2,500,000
Corporate Social Responsibility (CSR) Fund		1,394,000	1,394,000
Liabilities and Provisions:		450,298,541	452,123,666
Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated	10.00	139,061,970	121,852,288
Amount Due to Other Persons or Bodies Carrying on Insurance Business	11.00	7,101,016	12,697,226
Loan from Banks (Uttara Bank Ltd and Mercantile Bank Ltd)	12.00	162,958,410	174,313,687
Sundry Creditors	13.00	41,197,734	50,101,020
Provision for Taxation	14.00	99,979,411	93,159,445
Total Liabilities		648,208,087	604,643,820
Total Shareholders' Equity and Liabilities		1,655,707,881	1,665,098,478

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfai Huq & CO
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Balance Sheet
(Statement of Financial Position)
As at December 31, 2019

Assets & Properties	Notes	Amount in Taka	
		2019	2018
Investment	15.00	204,992,908	246,613,087
Interest, Dividend & Rent Outstanding	16.00	94,427,824	59,386,750
Amount Due from Other Persons or Bodies Carrying on Insurance Business	17.00	348,140,682	298,994,103
Sundry Debtors	18.00	20,424,519	34,547,046
Cash And Bank Balances :	19.00	888,891,770	922,394,075
Fixed Deposits Accounts		575,482,756	484,632,757
At Cash & Cheques in hand		15,918,028	27,872,379
At Banks on STD & Current Accounts		297,490,986	409,888,939
Other Accounts:	20.00	98,830,178	103,183,417
Fixed Assets (at Cost Less Accumulated Depreciation)		95,553,234	99,241,411
Stock of Stamps & Stationery	21.00	3,276,944	3,942,006
Total Assets and Properties		1,655,707,881	1,665,098,478
Net Asset Value Per Share (NAV)	23.00	18.65	19.63

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfel Huq & CO.
Chartered Accountants

Bangladesh General Insurance Company Ltd.

Profit and Loss Account

(Statement of Profit or Loss Account & Other Comprehensive Income)
For the year ended December 31, 2019

PARTICULARS	Notes	Amount In Taka	
		2019	2018
Expenses of management : (Not Applicable to any particular fund or Account)		23,857,886	10,382,550
Advertisement in News papers & Periodicals		1,790,157	986,890
Director's Fees	24.00	208,000	182,000
Legal and Professional fees		207,375	1,373,900
Audit fees	25.00	350,000	475,000
Donation and Subscription		1,556,622	1,113,539
Interest		9,598,034	4,877,151
Depreciation		9,947,677	10,294,070
Net profit transferred to profit and loss appropriation account		107,452,382	93,565,928
Total		131,110,247	112,888,478
Interest, Dividend and Rents: (Not Applicable to any particular fund or Account)			
Interest and Dividend Income	26.00	47,597,123	45,438,523
Profit/(Loss) Transferred from:		37,284,120	25,281,544
Fire Revenue Account		(56,816,448)	(46,961,881)
Marine Revenue Account		29,313,170	31,229,070
Motor Revenue Account		31,389,506	18,896,565
Miscellaneous Revenue Account		33,317,892	25,097,890
Profit or (Loss) on sale of Assets	27.00	(436,426)	145,112
Sundry Income	27.01	46,745,430	39,023,199
Total		131,110,247	112,888,478

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO



Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 18, 2020
Place: Dhaka


Mahfal Haq & CO
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Profit and Loss Appropriation Account
 For the year ended December 31, 2019

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Reserve for Exceptional Losses	6.01	6,000,000	7,500,000
Provision for Income Tax	14.01	33,000,000	30,000,000
Provision for Employees Gratuity Fund:	9.00	10,000,000	
Dividend Distributed from Last Year Profit		54,027,255	54,027,255
Balance transferred to Statement of Financial position		61,949,922	57,524,795
Total		184,977,177	149,052,050
Balance brought forward from last year		57,524,795	55,486,122
Net Profit for the year brought down		107,452,382	83,565,928
Total		164,977,177	149,052,050
Earnings Per Share	28.08	1.06	1.84

The accompanying notes 1-34 form an integral part of these financial statements.


 Ahmed Saifuddin Chowdhury
 Managing Director & CEO


 Md. Shakil Rizvi
 Director


 Saïm Bhuiyan
 Director


 Towhid Sernad
 Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
 Place: Dhaka


 Mahfuz Hossain & CO
 Chartered Accountants

Bangladesh General Insurance Company Ltd.
Consolidated Revenue Account
For the year ended December 31, 2019

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Claim Under Policies Less Re-insurance:		79,110,627	112,764,254
Paid during the year		61,900,945	31,034,469
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	10.0	139,061,870	121,852,288
Less: Outstanding at the end of the previous year		(121,852,289)	(40,122,503)
Agency Commission		94,992,445	84,438,002
Expenses of Management		256,209,302	235,397,584
Profit transferred to Profit & Loss Account		37,204,120	28,261,644
Reserve for unexpired Risks of premium Income of the year as shown in the Balance Sheet	7.0	189,181,068	135,848,258
Total		650,687,582	596,699,740
		650,687,582	596,699,740
Balance of account at the beginning of the year (Reserve for unexpired Risks)		135,848,258	181,325,601
Premium less Re-insurance		452,358,585	337,493,412
Commission on Re-insurance ceded		62,490,711	77,890,727
Total		650,687,582	596,699,740

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Saifur Rahman
Director


Towhid Sernad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfuz Hossain & CO
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Fire Insurance Revenue Account
For the year ended December 31, 2019

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Claim Under Policies Less Re-insurance:		43,884,180	65,903,255
Paid during the year		36,642,858	(13,652,635)
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	10.0	99,668,142	91,414,800
Less: Outstanding at the end of the previous year		(91,414,900)	(11,858,810)
Agency Commission		30,353,131	34,045,554
Expenses of Management		78,444,610	88,276,489
Loss transferred to Profit & Loss Account		(56,816,448)	(46,961,881)
Reserve for unexpired Risks of premium Income of the year as shown in the Balance Sheet	7.0	29,247,674	12,805,628
Total		125,123,867	154,869,849
		125,123,867	154,869,849
Balance of account at the beginning of the year (Reserve for unexpired Risks)		12,805,628	89,007,408
Premium less Re-insurance		73,119,184	32,014,069
Commission on Re-insurance ceded		39,198,255	53,047,572
Total		125,123,867	154,869,849

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO



Md. Shakil Rizvi
Director


Saifur Rahman
Director


Towhid Sernad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfuz Hossain & CO
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Marine Insurance Revenue Account
For the year ended December 31, 2019

PARTICULARS	Notes	Amount In Taka	
		2019	2018
Claim Under Policies Less Re-insurance:		22,617,833	10,869,846
Paid During the Year		13,435,552	8,022,481
Total Estimated Liability in Respect of Outstanding Claims at the End of the Year Whether Due or Intimated	10.0	19,088,783	8,908,512
Less: Outstanding at the End of the Previous Year		(8,908,512)	(7,059,147)
Agency Commission		26,871,876	20,070,775
Expenses of Management		74,981,586	55,733,757
Profit Transferred to Profit & Loss Account		29,313,170	31,229,070
Reserve for Unexpired Risk Being 40% & 100% of Premium Income Marine Cargo and Marine Hull Business Respectively of the Year as Shown in the Balance Sheet	7.0	66,561,940	47,967,144
Total		220,346,515	165,870,582
		220,346,515	165,870,582
Balance of Account at the Beginning of the Year (Reserve for Unexpired Risks)		47,967,144	39,919,683
Premium Less Re-Insurance		160,810,775	117,790,635
Commission on Re-Insurance Ceded		11,568,586	8,160,274
Total		220,346,515	165,870,582

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfuz & Co.
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Motor Insurance Revenue Account
For the year ended December 31, 2019

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Claim Under Policies Less Re-insurance:		21,501,214	27,950,379
Paid During the Year		18,781,684	29,700,467
Total Estimated Liability In Respect of Outstanding Claims at the End of the Year Whether Due or Intimated	10.0	10,774,081	8,054,551
Less: Outstanding at the End of the Previous Year		(8,054,551)	(9,804,638)
Agency Commission		17,182,945	16,940,689
Expenses of Management		43,142,354	43,647,238
Profit Transferred to Profit & Loss Account		31,389,508	18,896,585
Reserve for Unexpired Risks of Premium Income of the Year as Shown in the Balance Sheet	7.0	46,188,716	43,890,718
Total		168,382,735	161,325,587
		159,382,735	151,325,587
Balance of Account at the Beginning of the Year (Reserve for Unexpired Risks)		43,890,718	41,230,936
Premium Less Re-Insurance		115,416,780	108,726,794
Commission on Re-Insurance Ceded		75,227	367,857
Total		159,382,735	151,325,587

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Sarnad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mehfil Huj & CO.
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Miscellaneous Insurance Revenue Account
For the year ended December 31, 2019

PARTICULARS	Notes	Amount In Taka	
		2019	2018
Claim Under Policies Less Re-insurance:		(8,002,628)	8,040,774
Paid During the Year		(5,959,149)	6,964,356
Total Estimated Liability in Respect of Outstanding Claims at the End of the Year Whether Due or Intimated	10.0	9,532,954	12,476,325
Less: Outstanding at the End of the Previous Year		(12,476,325)	(11,399,907)
Agency Commission		20,584,393	13,380,984
Expenses of Management		59,640,742	47,730,096
Profit Transferred to Profit & Loss Account		33,317,892	25,097,890
Reserve for Unexpired Risks of Premium Income of the Year as Shown in the Balance Sheet	7.0	41,204,738	31,184,766
Total		145,845,245	125,434,512
		145,845,245	125,434,512
Balance of Account at the Beginning of the Year (Reserve for Unexpired Risks)		31,184,766	31,187,574
Premium less Re-Insurance		103,011,846	77,961,914
Commission on Re-Insurance Ceded		11,648,633	16,305,024
Total		145,845,245	125,434,512

The accompanying notes 1-34 form an integral part of these financial statements.


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahfuz & Co.
Chartered Accountants

Bangladesh General Insurance Company Ltd. Statement of Changes in Equity

For the Year Ended December 31, 2019

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Investment Fluctuation Fund	Dividend Equalization Fund	Profit & Loss Appropriation Account	Total
Balance as on January 01, 2019	540,272,550	244,825,200	199,588,701	5,000,000	11,583,412	1,700,000	57,524,795	1,060,454,658
Profit after Tax during the Year	-	-	-	-	-	-	74,452,382	74,452,382
Cash Dividend 2018 Paid During the Year	-	-	-	-	-	-	(54,027,255)	(54,027,255)
Appropriation made during the year	-	-	6,000,000	-	-	-	(6,000,000)	-
Fair Value Reserve Realized	-	-	-	-	(563,412)	-	-	(563,412)
Fair Value Reserve-2019	-	-	-	-	(62,816,579)	-	-	(62,816,579)
Provision for Employees Gratuity Fund	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Balance as on December 31, 2019	540,272,550	244,825,200	205,588,701	5,000,000	(51,815,579)	1,700,000	81,848,922	1,067,499,784

Statement of Changes in Equity

For the Year Ended December 31, 2018

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Investment Fluctuation Fund	Dividend Equalization Fund	Profit & Loss Appropriation Account	Total
Balance as on January 01, 2018	540,272,550	244,825,200	192,099,701	5,000,000	27,984,979	1,700,000	55,486,122	1,067,317,462
Profit after Tax during the Year	-	-	-	-	-	-	63,566,928	63,566,928
Cash Dividend 2017 Paid During the Year	-	-	-	-	-	-	(54,027,255)	(54,027,255)
Appropriation made during the year	-	-	7,500,000	-	-	-	(7,500,000)	-
Fair Value Reserve Realized	-	-	-	-	(16,964,879)	-	-	(16,964,879)
Fair Value Reserve-2018	-	-	-	-	563,412	-	-	563,412
Balance as on December 31, 2018	540,272,550	244,825,200	199,588,701	5,000,000	11,583,412	1,700,000	57,524,795	1,069,454,658

The accompanying notes 1-34 form an integral part of these financial statements


Ahmed Saifuddin Chowdhury
Managing Director & CEO


Md. Shaidi Rizvi
Director


Salim Bhuiyan
Director


Towhid Sarwat
Chairman


Mahfil Huq & Co.
Chartered Accountants

Dated: March 19, 2020
Place: Dhaka

Signed as per our annualised report of even date.

Bangladesh General Insurance Company Ltd.
Statement of Cash Flows
For the Year Ended December 31, 2019

PARTICULARS	Amount in Taka	
	2019	2018
A. Cash Flows from operating activities		
Collections from Premium, other income and receipts	761,463,469	739,324,535
Management Expenses, Re-Insurance, Claims & Others	(684,545,309)	(649,340,981)
Income Tax paid	(26,180,034)	(19,164,782)
Net Cash flows from operating activities	50,738,126	70,818,772
B. Cash flows from investing activities		
Acquisition of fixed assets	(7,260,926)	(3,189,947)
Sale proceeds of fixed assets	565,000	960,688
Disposal of Investment	58,023,377	112,226,621
Investment made during the year	(70,185,350)	(92,564,682)
Net Cash used / Provided in investing activities	(18,857,899)	17,432,681
C. Cash flows from financing activities		
Dividend Paid	(54,027,255)	(54,027,255)
Bank Loan	(11,355,277)	(108,860,118)
Total Cash Used in financing activities	(65,382,532)	(162,887,373)
Net Decrease in Cash & Cash equivalents (A+B+C)	(33,502,305)	(74,635,920)
Opening Cash & Cash equivalents at beginning of the year	922,394,075	997,029,995
Closing Cash & Cash equivalents at end of the year	888,891,770	922,394,075
Net operating cash flows(NOCF) per share	0.94	1.31


Ahmed Saifuddin Chowdhury
Managing Director & CEO



Md. Shakil Rizvi
Director


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
Place: Dhaka


Mahtel Huq & CO
Chartered Accountants

Bangladesh General Statement Showing Details of & Claims ceded

during the year ended

Own Business:

Particulars	Premium				Commission paid
	Premium received	Paid on Re-Insurance Business	Received on Re-Insurance Accepted	Net	
	1	2	3	4=1+3-2	5
Fire	202,354,205	131,601,833	-	70,752,372	30,353,131
Marine Cargo	171,847,899	21,354,873	-	150,493,026	25,777,185
Marine Hull	7,298,606	3,612,667	-	3,685,939	1,094,791
Motor	114,552,971	1,955,858	-	112,597,113	17,182,945
Miscellaneous	135,037,865	33,584,348	939,179	102,392,696	20,255,680
Sub Taka :	631,091,546	192,109,579	939,179	439,921,146	94,663,732

704,470

Public Sector Business:

Fire	13,158,278	10,791,466	-	2,366,812	-
Marine Cargo	27,623,660	21,035,294	-	6,588,366	-
Marine Hull	683,205	639,761	-	43,444	-
Motor	2,819,677	-	-	2,819,677	-
Miscellaneous	29,440,541	28,821,391	-	619,150	-
Sub Taka :	73,725,361	61,287,912	-	12,437,449	-
Grand Taka :	704,816,907	253,397,491	939,179	452,358,595	94,663,732

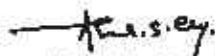
1,212,557

4,207,059

35,187

-

9,062,455



Ahmed Saifuddin Chowdhury
Managing Director & CEO



Md. Shakil Rizvi
Director

Dated: March 19, 2020

Place: Dhaka

Insurance Company Ltd.
**Premium, Re-Insurance, commission paid
and accepted**

December-31, 2019

From-XL

Commission			Claims			
Received on Re-Insurance ceded	Paid on Re-Insurance Accepted	Net	Claims Paid	Received on Re-Insurance ceded	Paid on Re-Insurance Accepted	Net
6	7	8=5+7-6	9	10	11	12=9+11-10
37,985,698	-	(7,632,567)	106,584,089	71,302,070	-	35,282,019
6,621,880	-	19,155,305	15,043,816	2,966,443	-	12,077,373
704,470	-	390,321	1,500,000	-	-	1,500,000
75,227	-	17,107,718	20,342,134	1,626,263	-	18,715,871
8,040,977	328,713	12,543,416	6,474,973	12,956,245	25,909	(6,455,363)
53,428,252	328,713	41,564,193	149,945,012	88,851,021	25,909	61,119,900

1,212,557	-	(1,212,557)	360,839	-	-	360,839
4,207,059	-	(4,207,059)	400,440	333,587	-	66,853
35,187	-	(35,187)	(6)	208,668	-	(208,674)
-	-	-	65,813	-	-	65,813
3,607,656	-	(3,607,656)	13,820,864	13,324,650	-	496,214
9,062,459	-	(9,062,459)	14,647,950	13,866,905	-	781,045
62,490,711	328,713	32,501,734	164,592,962	102,717,926	25,909	61,900,945


Salim Bhuiyan
Director


Towhid Samad
Chairman

Signed as per our annexed report of even date.


Mahfuz Huj & Co.
Chartered Accountants

Bangladesh General Insurance Company Ltd.
Classified Summary of Assets
 For the Year Ended December 31, 2019
 Form 'A A'

Sl. No.	Class of Assets	Amount in Taka	
		Book Value 2019	Market Value 2019
1	Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
2	Shares Investment	242,809,487	179,992,908
3	Cash & Bank Balances	888,891,770	888,891,770
4	Stamps in Hand	1,282,550	1,282,550
5	Accrued Interest	94,427,824	94,427,824
6	Sundry Debtors	20,424,519	20,424,519
7	Tangible Fixed Assets (W.D.V)	48,046,447	48,046,447
8	Land at Cost	26,486,609	26,486,609
9	Building at Cost (W.D.V)	21,020,178	21,020,178
10	Stationery in Hand	1,994,394	1,994,394
11	Amounts Due from Other Persons or Bodies Carrying on Insurance Business	348,140,682	348,140,682
		1,718,524,460	1,655,707,881

The accompanying notes 1-34 form an integral part of this financial statement.


 Ahmed Saifuddin Chowdhury
 Managing Director & CEO


 Md. Shakil Rizvi
 Director


 Salim Bhuiyan
 Director


 Towhid Samad
 Chairman

Signed as per our annexed report of even date.

Dated: March 19, 2020
 Place: Dhaka


 Mahfel Huq & CO
 Chartered Accountants

Bangladesh General Insurance Company Ltd.

Notes to the Financial Statements

As at and for the year ended December 31, 2019

1.00 Legal status and nature of the company

1.01 Legal status and country of operation

Bangladesh General Insurance Company Limited was incorporated as a public limited company on November 01, 1984 and obtained the certificate of commencement of business as on July 29, 1985 under the Companies Act 1913 which was amended in 1994. BGIC went for public issue in 1989 and the shares of the company are listed in both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

The registered office of the Company is located at 42, Dilkusha C/A, Dhaka-1000. The operation of the company are being carried out through its 47 Branches located in different division of Bangladesh.

1.02 Nature of the company

The Principal activities of the company are to offer general insurance product including Fire insurance, Marine insurance (hull and cargo), Motor insurance, and Miscellaneous insurance. These products offer protection of policyholders' assets and indemnification of other parties that have suffered damage as a result of policyholders' accident. Revenue under above activities is derived primarily from insurance premiums.

1.03 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the section 27 of the Insurance Act 2010 and International Accounting Standard 1: Presentation of Financial Statements.

A complete set of financial statements comprises of:

- i) Balance sheet (Statement of Financial Position) as at December 31, 2019;
- ii) Profit and Loss Account (Statement of Profit or Loss Account and Other Comprehensive Income) for the year ended December 31, 2019;
- iii) Profit and Loss Appropriation Account for the year ended December 31, 2019;
- iv) Consolidated Revenue Account for the year ended December 31, 2019;
- v) Fire Insurance Revenue Account for the year ended December 31, 2019;
- vi) Marine Insurance Revenue Account for the year ended December 31, 2019;
- vii) Motor Insurance Revenue Account for the year ended December 31, 2019;
- viii) Miscellaneous Insurance Revenue Account for the year ended December 31, 2019;
- ix) Statement of Changes in Equity for the year ended December 31, 2019;
- x) Statement of Cash Flows for the year ended December 31, 2019;
- xi) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended December 31, 2019;

The Board of Directors are responsible for preparing and presentation the financial statements, who have approved and authorized the issue of the financial statements.

2.00 Basis of the Presentation of the Financial Statements

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

2.01 Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity the Companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange Ltd. (DSE) and Chittagong Exchange Ltd (CSE) and other applicable laws & regulations in Bangladesh.

The financial statements have been prepared on going concern and accruals basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the balance sheet has been prepared in accordance with part I and "Form A" in Part II of the First Schedule. The revenue account for fire, marine and miscellaneous business has been prepared in accordance with "Form F" in Part II of the third schedule. Statement of cash flow and Statement of changes in equity has been prepared in accordance with IFRS.

2.02 Application of International Financial Reporting Standards

The Accounting and Financial Reporting Standards that are applicable/not applicable for the financial statements for the year under review, include the following:

IAS-1	Presentation of Financial Statements	*
IAS-7	Statements of cash flows	Applied
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS-10	Events after the reporting period	Applied
IAS-12	Income taxes	Applied
IAS-16	Property, Plant and Equipment	Applied
IAS-19	Employee Benefits	Applied
IAS-24	Related Party Disclosures	Applied
IAS-26	Accounting and reporting by retirement benefit plans	Applied
IAS-32	Financial Instruments: Presentation	*
IAS-33	Earnings Per Share	Applied
IAS-34	Interim Financial Reporting	Applied
IAS-36	Impairments of Assets	Applied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS-38	Intangible Assets	Applied
IAS-40	Investment property	Applied
IFRS-4	Insurance Contracts	*
IFRS-8	Operating Segments	Applied
IFRS-9	Financial Instruments	*
IFRS-13	Fair Value Measurement	Applied
IFRS-15	Revenue from contracts with customers	Applied
IFRS-16	Leases	**

* The management of Bangladesh General Insurance Company Limited has followed the principles of IAS and IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company. Some of the standards have not been complied with, about which IDRA has special guideline.

** Due to not receiving any specific guideline from IDRA we did not comply "IFRS 16: Leases" in this year.

2.03 Functional and presentation currency

These financial statements are presented in Bangladeshi Taka (BDT), which is the company's presentation and functional currency except as indicated.

2.04 Comparative Information

Comparative information has been disclosed in respect of the period ended December 31, 2019 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated and rearranged whenever considered necessary to ensure comparability with the current period.

2.05 Use of estimates

The preparation of financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.06 Others

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

3.00 Summary of Significant Accounting Policies and Other Relevant Information

3.01 Going Concern

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

3.02 Revenue recognition

Premium

Premium is recognized as income over the contract period or the period of risk whichever is appropriate on gross basis net of VAT. Premium is recorded for the policy period at the time of issuance of policy and for installment cases, it is recorded on installment due and received dates. Any subsequent revisions to or cancellations of premium are recognized in the year in which they occur. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Commission on Reinsurance Ceded

Commission on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.

3.03 Reinsurance premium ceded

Insurance premium on ceding of the risk is recognized in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognized in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognized in the period in which they are cancelled.

3.04 Income in respect of Premium Deposits

Amounts received against Cover notes, which have not been converted into policy are recognized as Income at the earlier of Cover notes converted into policy or expiry of period not exceeding six months in accordance with the Insurance Development and Regulatory Authority (IDRA) Circular.

3.05 Premium Deficiency

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. The Company considers maintenance costs as relevant direct costs incurred for ensuring claim handling operations.

3.06 Investments

Classification

Investments maturing within 12 (twelve) months from balance sheet date and investments made with the specific intention to dispose of within 12 (twelve) months are classified as 'short term investments'. Investments other than 'short term investments' are classified as 'long term investments'.

The investments are shown at Company level and not segregated at Shareholder's level and Policyholder's level.

Investments are valued as follows:

Held To Maturity

Investments with fixed maturity that the management has the intention and ability to hold to maturity are classified as held to maturity and are initially measured at cost.

Held for Trading

These financial assets are acquired principally for the purpose of generating profit from short-term fluctuation in prices.

Available for Sale

Available for sale investments are those non-derivative investments that are designated as available for sale or are not classified in any other category. These are primarily those investments that are intended to be held for an undefined period of time or may be sold in response to the need for liquidity are classified as available for sale. The Company follows trade date accounting for 'regular way purchase and sales' of investments.

3.07 Interest Income

Interest income is organized in the profit and loss account as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investments of the company are recorded as cost on trade date and include brokerage, transfer charges, stamps etc. If any, and excluded interest accrued up to the date of purchase.

3.08 Investment Income Recognition

Interest / dividend income

Interest accrued on statutory investment of Tk. 2,50,00,000.00 (Two Crore Fifty lac) lying with Bangladesh Bank in the form of Bangladesh Govt. Treasury Bond (BGTB) and interest received from banks on STD and FDR accounts have been duly credited to the Profit and Loss Account. Interest income on investment is recognized on accrual basis.

Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized on cash basis in the period in which the dividend is realized on Bank Statement whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized and loss is incurred.

3.09 Restriction on certain investment

There is no investment by Bangladesh General Insurance Company limited or hold any shares or debentures of any Company, firms or other business concern in which any director or any members of the family of such directors has any interest as Proprietor, Partner, Director and Managing Director as per Section 41(1) of Insurance Act, 2010.

3.10 Other Income

Other income is recognized on an accrual basis. Net gains and losses of the revenue nature on the disposal of fixed assets, trustee fees and other Non-Current Assets including investments have been accounted for in the Profit and Loss account, having deducted from the proceeds on disposal, the carrying amount of the assets and related selling expenses.

3.11 Public Sector Business

The Company's share of Public Sector business for the period from 1st July, 2018 to 30th June, 2019 (Tax Period) received from Sadharan Bima Corporation (SBC) has been incorporated in the Company's account for the year ended 31st December, 2019.

This system of accounting of public sector business is being followed consistently.

3.12 Acquisition costs

Acquisition costs defined as costs that vary with and are primarily related to the acquisition of new and renewal insurance contracts viz., commission, policy issue expenses etc., are expensed in the year in which they are incurred.

3.13 Reserve for unexpired risk

Reserve for unexpired risk represents that part of the net premium (i.e., premium, net of reinsurance ceded) in respect of each line of business which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 40% in case of other line of business based on net written premium for the year as required by section 3(2) of the SRO 353/ain dated 11 November, 2019.

3.14 Claims

Claims incurred comprise of claims paid, estimated liability for outstanding claims, estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account(s).

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/ Payable to co-insurers/reinsurers and salvage to the extent there is certainty of realization.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but not enough reported (IBNER).

Salvage Recoveries

Salvaged vehicles are recognized at net realizable value and are deducted from the claim settlement made against the same. Salvaged vehicles on hand are treated as stock-in-trade and are recognized at estimated net realizable value based on independent value's report.

3.15 Management expenses related to the insurance business

Management expenses related to the insurance business are allocated to specific business segments on the following basis:

- (a) Expenses which are directly identifiable to the business segments are allocated on actual
- (b) Other expenses, which are not directly identifiable, are apportioned on the basis of Net Written Premium.

The method of apportionment is decided by the management, based on the nature of the expenses and their logical correlation with various business segments, wherever possible.

8.16 Disclosure of departure from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

- a) The Bangladesh General Insurance Company Limited management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the company. Some requirements of Insurance Act 1938 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the BGIC has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below along with financial impact where applicable:
- b) As per Insurance Act 1938 (as amended in 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions have been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.
On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.
These assets are subsequently measured at fair value. Other net gains and losses are recognized in OCI.
- c) Unexpired risk on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010). However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year-end BGIC has recognized provision of BDT 183,181,068 as balance of fund and liabilities in the balance sheet under liabilities.
- d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and Life Insurance Company. The templates of financial statements issued by Insurance Act does not include other comprehensive income (OCI) nor are the elements of other comprehensive income allowed to include in a single comprehensive income (OCI) Statement. As such BGIC does not prepare the other comprehensive income statement. However the BGIC does not have any elements of OCI to be presented.
- e) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

8.17 Provisions relating to collection of premium

The company has always complied with the Section 18 of the Insurance Act, 2010 as applicable in regard to provision of collection of premium.

8.18 Fixed Assets and Depreciation

(a) Recognition and measurement

Owned assets

Property, Plant and Equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. If sale of any revalued assets, the relevant amount included in the revaluation reserve will be transferred to retained earnings.

Leasehold assets

Leasehold assets of which the company assumes substantially all the risks and rewards of ownership are accounted for as finance leases and capitalized at the inception of the lease at fair value of the leased property or at the present value of the minimum lease payments, whichever is lower as per IFRS 16 "Leases". The corresponding obligation under the lease is accounted for as liability.

(b) Subsequent cost

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

(c) Depreciation

As per IAS- 16 "Property, Plant and Equipment", depreciation on Tangible Fixed Assets is charged on diminishing balance method depending on the estimated useful life of the Assets. No depreciation has been charged on Land. Depreciation on additions to Fixed Assets is charged for the full year irrespective of the

date of acquisition of Assets and no depreciation is charged in the year of disposal of assets. Asset category wise depreciation rates are as follows:

Particulars	Rate
Furniture, Fixtures and Fittings	10%
Equipment	15%
Motor and Other vehicles	20%
Land	-
Sundry Assets	20%
Building	10%

(d) De-recognition

An item of Fixed Asset is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Comprehensive Income in the year the asset is de-recognized.

(e) Sales price of fixed assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the asset and is recognized in profit or loss account as per provision of IAS 16.

(f) Impairment of assets

The carrying amounts of the company's Non-Current Assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indications exist.

3.19 Valuation of Assets

The value of all assets as at December 31, 2019 has been shown in the Balance Sheet and in the classified summary of assets on Form 'AA' annexed, which has been reviewed and the said assets have been set forth in the Balance Sheet on amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

3.20 Materiality and aggregation

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the BGIC has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

3.21 Recognition of Expenses

Expenses are recognized in the Statement of Comprehensive Income on the basis of a direct association between the cost incurred and the earning of specific heads of income. All expenditure incurred has been charged to the Statement of Comprehensive Income in the running of the business and in maintaining the fixed assets in a state of efficiency.

3.22 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset form part of the cost of that asset and, therefore, should be capitalized. Other borrowing costs are recognized as an expense.

3.23 Employee Benefits

(a) Contributory Provident Fund

The Company operates a provident fund, recognized by the Income Tax Authorities. Confirmed employees of the Company are eligible for the said provident fund. Employees of the Company contribute ten percent of their basic salary and the employer make similar contribution to the fund. The provident fund is wholly administered by a Board of Trustees and no part of the fund is included with the assets of the Company.

(b) Gratuity

The Company operates a gratuity scheme under which a regular confirmed employee is entitled to benefit at a graduated scale based on the length of service. The Length of service for the purpose of gratuity shall be reckoned from the date of joining in the regular service of the Company. Calculation of gratuity is made on the basis of last drawn basic salary.

(n) Other benefits

In addition to the above, Bangladesh Insurance Company Limited is providing other benefits to its employees like Performance Linked Variable Bonus (PLV), Group Life Scheme (GLS).

Group Medical Benefits plan, House Building Loan Scheme and Car/Motor Cycle Loan Scheme subject to fulfillment of certain terms and conditions.

(d) Workers Profit Participation Fund (WPPF)

Provision for Workers Profit Participation Fund (WPPF) is not maintained. However, Company provided performance bonus, festival bonus, Incentive bonus to the employees which is adequately higher than provision of the fund, WPPF has not been constituted by the company.

3.24 Reserves or contingencies Accounts

(a) Reserve for Exceptional losses

In line with para 6, 4th schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, Company sets aside 10% of the net premium income of the year which it is set aside from the balance of the profit to the Reserve for exceptional losses.

(b) Investment Fluctuation Fund

The company made investments in the capital market in a large portfolio and income generate from the investment (realized gain and dividend received) is credited to the Profit and Loss Account. Unrealized gain or loss is transferred to the Investment fluctuation fund.

(c) General Reserve

The Company creates a General Reserve from the current year profit to avoid future contingency.

(d) Dividend Equalization Fund

Dividend Equalization Fund is created for making proposed and approved dividend payments consistently to the shareholders in the event of worst business situation of the company.

3.25 Taxation

Income tax expense is recognized in the Statement of Comprehensive Income.

Current Tax

The tax currently payable is based on taxable profits for the year. Taxable profits differs from profits as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the balance sheet date.

The Tax rates used for the reporting periods are as follows:

Year	Tax Rate
2018	37.50%
2019	37.50%

3.26 Segment Reporting

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments is evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely fire, marine, motor and miscellaneous.

3.27 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. EPS has been calculated in accordance with International Accounting Standards (IAS)-33.

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the Company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2019.

3.28 Cash and Cash Equivalents

Cash comprises cash in hand, demand deposit, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are what to an insignificant risk of changes in value. Cash and cash equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents.

3.29 Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS-7 and the cash flow from the operating activities has been presented under the direct method.

3.30 Contingent Liabilities

The Company has a total amount of Tk. 8,23,85,349.00 towards contingent liabilities related to guarantee and other liabilities with the different bodies/parties as on the Balance Sheet date.

3.31 Related party disclosure

The company in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standards 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties.

3.32 Responsibility of the Directors

The Board of Directors takes the responsibility for the preparation and presentation of the financial Statements under section 183 of the Companies Act 1994.

The Board of Directors acknowledges their responsibility as set out in the 'Annual Report of the Board of Directors and Statement of Directors Responsibility'.

The Board of Directors acknowledges their responsibility for the selection and implementation of accounting policies.

The Financial Statements of Bangladesh General Insurance Company Limited for the year ended December 31, 2019 were authorized for issue by the Board of Directors on 19 March 2020.

The preparation of financial statements in conformity with the International Accounting Standards required management to make estimate and assumption that the reported amounts liabilities and disclosure of contingent's assets and liabilities at the date of the financial statements and revenue and expenses during the year reported. Actual results could differ from results could differ from those estimates, estimates are used for accounting of certain items such as Long-term contracts, provision for doubtful accounts, depreciation and amortization taxes, reserve and contingencies.

3.33 General Provision

- (i) Provision for Income Tax has been made in accordance with the best estimate of the management based on the prevailing Income Tax Law.
- (ii) During the year interest on investment in FDR, Bangladesh Govt. Treasury Bonds (BGTB) have been accounted for as income on accrual basis.

3.34 Reporting Period

The financial period under audit of the company covering (12) twelve months from of January 01, 2019 to December 31, 2019.

4.88 Authorized, Issued, Subscribed and Paid up Capital

PARTICULARS	No of Shares	Share Per	Amount in Taka	
			2010	2018
Authorized: 100,000,000 ordinary shares of Tk.10 each			1,000,000,000	1,000,000,000
Issued, Subscribed and Paid up: 600,000 Ordinary shares of Tk. 100/- each called and paid up in full.	600,000	100	60,000,000	60,000,000
Fully Paid up as Bonus Shares Issued during the Year 1997	120,000	100	12,000,000	12,000,000
Fully Paid up as Bonus Shares Issued during the Year 2005	144,000	100	14,400,000	14,400,000
Fully Paid up as Bonus Shares Issued during the Year 2006	183,600	100	18,360,000	18,360,000
Fully Paid up as Bonus Shares Issued for the Year 2007	98,532	100	9,853,200	9,853,200
Fully Paid up as Bonus Shares Issued for the Year 2008	263,573	100	26,357,300	26,357,300
Fully Paid up as Bonus Shares Issued for the Year 2009	318,547	100	31,854,700	31,854,700
Fully Paid up as Bonus Shares Issued for the Year 2010	4,178,504	10	41,785,040	41,765,040
Fully Paid up as Bonus Shares Issued for the Year 2011	5,512,985	10	55,129,850	55,129,850
Fully Paid up as Bonus Shares Issued for the Year 2012	2,572,726	10	25,727,260	25,727,260
Right Shares : Right Shares Issued during the Year 2005	360,000	100	36,000,000	36,000,000
Right Shares Issued during the Year 2009	2,088,252	100	208,825,200	208,825,200
Total			540,272,660	540,272,660

a) Category of Share Holders :

Category of Shareholders	Number of Share	Percentage of Holding
Spenser Directors :		
Mr. Towhid Samad	1,796,844	3.33%
Mr. Salim Bhuiyan	1,805,123	3.34%
Sub Total :	3,601,967	6.67%
Public Directors :		
Mr. Sohail Humayun	453,513	0.84%
Md. Shakil Htzi	2,716,000	5.03%
Sub Total :	3,169,513	5.87%
Independent Directors :		
Mr. Mostafa Zaman Abbasi	-	0.00%
Mr. Aftab Alam	24,001	0.04%
Sub Total :	24,001	0.04%
Financial Institutions:		
Bangladesh Fixed Income Special Purpose Vehicle	8,075,932	14.95%
ICB	3,390,648	6.28%
Other Institutions	14,171,349	26.23%
General Public	21,594,847	39.97%
Sub Total :	47,232,774	87.42%
Grand Total:	64,827,255	100.00%

b) Classification of Shareholders by Holdings:

Class Interval	No. of Shares	No. of Shareholders	% of Holdings
Less than 500 Shares	1,261,609	7,484	2.34%
501 - 5000	2,570,444	2,582	4.75%
5001-10000	1,386,987	173	2.56%
10001-20000	1,288,940	88	2.39%
20001-40000	1,430,175	45	2.65%
40001- 80000	1,543,427	21	2.86%
80001 - Above	44,545,673	74	82.45%
Total	54,827,235	18,467	100.00%

5.00 Share Premium:

The amount represents premium received for issuance of ordinary shares as details:

PARTICULARS	Amount in Taka	
	2019	2018
Right share issue of 3,60,000 Ordinary Shares in 2005 (@ 100 per share)	36,000,000	36,000,000
Right share issue of 20,88,252 Ordinary Shares in 2009 (@ 100 per share)	208,825,200	208,825,200
Total	244,825,200	244,825,200

6.00 Reserve and Contingency Account:

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Reserve for Exceptional Losses	6.01	206,668,701	199,668,701
General Reserve	6.02	5,000,000	5,000,000
Investment Fluctuation Fund	6.03	(51,816,679)	11,563,412
Dividend Equalization Reserve	6.04	1,700,000	1,700,000
Total		160,452,122	217,932,113

6.01 Reserve for Exceptional Losses

PARTICULARS	Amount in Taka	
	2019	2018
Opening Balance	199,668,701	192,068,701
Add/(less) during the Year	6,000,000	7,500,000
Sub Total	205,668,701	199,568,701

6.02 General Reserve

PARTICULARS	Amount in Taka	
	2019	2018
Opening balance	5,000,000	5,000,000
Add/(less) during the year	-	-
Sub Total	5,000,000	5,000,000

6.03 Investment Fluctuation Fund

PARTICULARS	Amount in Taka	
	2019	2018
Opening balance	11,563,412	27,864,879
Less Previous Year Fair Value	(563,412)	(16,864,879)
Add/(less) during the year	(62,816,579)	563,412
	(61,616,578)	11,563,412

6.04 Dividend Equalization Reserve

PARTICULARS	Amount in Taka	
	2019	2018
Opening balance	1,700,000	1,700,000
Add/(less) during the year	-	-
	1,700,000	1,700,000

7.00 Balance of Funds & Accounts:

PARTICULARS	Amount in Taka	
	2019	2018
Fire Insurance Fund Account	29,247,874	12,805,828
Marine Insurance Fund Account	66,581,940	47,987,144
Motor Insurance Fund Account	46,166,716	43,890,718
Miscellaneous Insurance Fund Account	41,204,738	31,184,768
	183,181,068	135,848,258

Notes: Balance of fund and account/reserve for unexpired risks has been made on premium income at the following rates:

Particulars	Rate
Fire	40%
Marine Cargo	40%
Marine Hull & Aviation Hull	100%
Motor	40%
Miscellaneous	40%

8.00 Premium Deposits:

PARTICULARS	Amount in Taka	
	2019	2018
Balance on this account represents premium received against cover notes for which risks had not been initiated within December 31, 2019	5,834,478	12,777,898
	5,834,478	12,777,898

9.00 Provision for Employees Gratuity Fund:

PARTICULARS	Amount in Taka	
	2019	2018
Employees Gratuity Fund	2,500,000	2,500,000
Add: Provision Employees Gratuity Fund	10,000,000	-
Less: Paid Employees Gratuity Fund	(5,000,000)	-
Corporate Social Responsibility (CSR) Fund	1,394,000	1,394,000
	8,894,000	3,894,000

10.00 Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated:

PARTICULARS	Amount in Taka	
	2019	2018
Fire	88,668,142	91,414,800
Marine	18,088,793	9,908,512
Motor	10,774,081	8,054,551
Miscellaneous	8,532,954	12,476,325
	130,063,970	121,854,288

Notes: All the claims of which the management is aware of as per intimation up to the year end have been taken into consideration while estimating this net liability in respect of outstanding claims.

11.00 Amounts Due to Other Persons or Bodies Carrying on Insurance Business:

This represents the amount payable to Sadharan Bima Corporation and other re-insurers and private sector insurance companies on account of re-insurance and co-insurance premium as at Dec 31, 2019.

PARTICULARS	Amount in Taka	
	2019	2018
Co-insurance premium payable	7,101,016	12,697,226
	7,101,016	12,697,226

12.00 Loans from Bank (Secured):

PARTICULARS	Amount in Taka	
	2019	2018
Uttara Bank Ltd:		
10% per annum secured against Lien of FDRs, aggregating Tk. 212,804,125.00	73,610,075	94,516,465
Uttara Bank Ltd:		
Term Loan	56,681,556	79,796,222
Mercantile Bank Ltd:		
12% per annum secured against Lien of FDRs, aggregating Tk. 14,000,000.00	32,766,779	-
	162,958,410	174,313,687

13.00 Sundry Creditors:

PARTICULARS	Amount in Taka	
	2019	2018
Trade Creditors	18,650,743	20,149,400
Unpaid Dividend	18,319,875	16,797,231
Other Creditors	4,227,116	13,154,389
	41,197,734	50,101,020

14.00 Provision For Taxation:

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Opening Balance		93,159,445	82,324,227
Add : Provision for the year	14.01	33,000,000	30,000,000
		126,159,445	112,324,227
Less: Payments/adjustment during the year		(7,722,351)	(4,164,782)
Less: Previous years Tax Paid		(18,457,683)	(15,000,000)
Sub Total		99,979,411	93,159,445

14.01 Provision of Income Tax has been Made to the Extent of Taka 33,900,000 as Under:

PARTICULARS	Amount in Taka	
	2019	2018
Profit shown as per P/L A/C	107,452,382	93,565,928
Less: reserve of exceptional losses	(6,000,000)	(7,500,000)
	101,452,382	86,065,928
Less: Dividend Income for separate consideration	(5,936,703)	(5,363,807)
Less: Capital Gain on Sale of Fixed Assets for separate consideration	-	(145,112)
Less: Tax free Interest Income (BGTB)	(3,101,250)	(2,873,750)
Less: Capital gain on sales of shares and others for separate consideration	(9,597,839)	(3,600,098)
Less: Rental Income for separate consideration	(5,561,820)	(5,257,499)
	77,254,770	69,025,682
Add: Perquisite	134,257	106,327
Add: Rental Income	3,893,274	3,680,249
Business Income after Capital gain and others	81,282,301	72,812,258
Tax on above @37.50%	30,480,863	27,304,590
Tax on Dividend @ 20%	1,187,341	1,072,761
Tax on Capital Gain on Tk. 95,97,839 sales of Listed Co. Shares @ 10%	959,784	360,010
Tax on Capital Gain on sales of fixed Assets @ 15%	-	21,767
Total Tax	32,627,988	28,759,128
Say provision made during the year	33,900,000	30,000,000

15.00 Investments :

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition, investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Full provision for diminution in value of shares as on closing of the year on aggregate portfolio basis is made in the financial statements.

Changes in Fair value the shares available for sale:

PARTICULARS	Notes	Amount in Taka	
		2019	2018
Opening Balance		221,049,675	237,111,517
Add: Investment made during the year		70,185,350	92,564,682
Less: Withdrawal during the year		(58,023,377)	(112,226,622)
Add: Realized Gain		9,597,839	3,600,098
		242,809,487	221,049,675
Less: Unrealized Loss		(62,816,579)	563,412
Ending Balance		179,992,908	221,613,087
Shares and Debentures at Fair Value	15.01	179,992,908	221,613,087
Bangladesh Govt. Treasury Bond at cost		25,000,000	25,000,000
		204,992,908	246,613,087

15.01 Shares & Debentures

PARTICULARS	2019		2018	
	Market Price Amount (Tk.)	At cost Amount (Tk.)	Market Price Amount (Tk.)	At cost Amount (Tk.)
Investment in shares	179,992,908	242,609,487	221,613,087	221,049,675
Total Investment in shares	179,992,908	242,609,487	221,613,087	221,049,675

Note: During the period no reserve for share value fluctuation has been made in the accounts.

Quoted shares

Sl.No.	Name of the Company	Cost Value	Market Value	Un-Realized Gain / Loss
1	ACI Ltd.	985,302	431,970	(553,332)
2	Aman Cotton Fabrica Ltd	313,640	165,551	(148,289)
3	Acme laboratories Ltd	15,160,386	8,952,300	(6,208,086)
4	Active Fine Ltd	7,453,418	3,630,797	(3,822,621)
5	ADN Tele	569,040	569,040	-
6	AFC Agro Biotech Ltd	7,553,014	4,323,000	(3,230,014)
7	Asia Pacific Insurance Co. Ltd	84,677	87,150	2,473
8	Barkatulla Power Co. Ltd	6,269,929	4,608,100	(1,661,829)
9	BD. Auto Cars Ltd	39,195	29,620	(9,575)
10	Bashundhara Paper Mills Ltd	383,910	191,452	(172,458)
11	BRAC Bank Ltd	4,831,075	4,588,000	(363,075)
12	Bexmco Pharmaceuticals	6,511,370	5,149,480	(1,361,890)
13	City Bank Ltd.	9,155,712	5,649,525	(3,506,187)
14	Confidence Cements Mills Ltd	280,910	244,030	(36,880)
15	Copper Tech	47,420	117,007	69,587
16	Dhaka Bank Ltd	2,284,646	1,612,800	(671,846)
17	Doreen Power Ltd	3,320,363	2,662,280	(658,083)
18	Esquire Knit Composite Ltd	976,050	613,827	(362,223)
19	Fuweng Food Ltd	128,831	68,680	(60,171)
20	Genex Infosys Ltd	3,408	26,421	23,011
21	Grameen Phone (GP)	21,641,993	13,716,400	(7,923,593)
22	ICB	6,875,871	3,397,325	(3,478,546)
23	IDLC	5,548,585	2,951,000	(2,597,585)
24	Ifad Autos Ltd	5,530,330	2,494,800	(3,035,530)
25	KPCL	3,022,990	2,101,500	(921,490)
26	Mercantile Bank Ltd	1,310,600	834,900	(475,600)
27	MJL Bangladesh Ltd.	3,656,925	2,060,415	(1,596,510)
28	Meghna Vegetable Oil	37,100	-	(37,100)
29	NOC Bank Ltd	3,770,540	2,961,000	(809,540)
30	New Line Clothings Ltd	40,023	63,374	23,350
31	Olympic Industries Ltd	9,944,834	5,940,000	(4,004,834)
32	Orion Pharma Ltd	833,300	269,000	(564,300)

Sl.No.	Name of the Company	Cost Value	Market Value	Un-Realized Gain / Loss
33	Pioneer Insurance Co. Ltd	1,101,690	1,077,300	(24,390)
34	Prime Bank Ltd	7,073,629	5,205,200	(1,868,429)
35	Quasem Dry Cells. Ltd.	3,079,763	1,754,457	(1,325,306)
36	Ring Shina Textiles Ltd	1,138,426	1,348,097	209,671
37	RSRM Steel Mills Ltd	730,354	282,000	(448,354)
38	SAPORT	4,393,332	1,667,425	(2,735,907)
39	Saa Pearl Beach Resort & Spa Ltd	37,300	161,731	124,431
40	Silico Pharmaceuticals Ltd	39,793	132,635	92,842
41	Shine Pukur Holdings	31,434	-	(31,434)
42	Soner Bangla Insurance Co Ltd	161,705	130,400	(31,305)
43	Southeast Bank Ltd.	910,901	737,000	(173,901)
44	Square Textile Mills Ltd	7,700,881	3,678,150	(4,022,731)
45	Square Pharmaceuticals Ltd.	29,743,648	30,232,230	488,582
46	SS Steel Mills Ltd	3,064	7,583	4,519
47	BBS Cables	4,673,235	2,910,600	(1,762,635)
48	Confidence Cement Mills Ltd	1,859,279	1,283,598	(575,681)
49	Dhaka Bank Ltd	281,260	252,000	(29,260)
50	NOC Bank Ltd	149,670	126,000	(23,670)
51	Square Textile Mills Ltd	198,740	97,650	(101,090)
52	Square Pharmaceuticals Ltd.	5,112,715	9,507,220	4,394,505
53	Beach Hatcheri Ltd	1,884,801	1,608,000	(276,801)
54	UPGDCL	3,163,197	2,212,606	(950,591)
55	Advent Pharma Ltd	940,345	739,200	(201,145)
56	Doreen Power Generation & Systems Ltd	104,661	66,657	(38,004)
57	National Life Insurance Co. Ltd	3,847,420	4,329,150	481,730
58	Silico Pharmaceuticals Ltd	1,023,553	999,900	(23,653)
59	Apex Tannery Ltd	2,921,605	2,336,000	(585,605)
60	BD. Auto Cars Ltd	1,323,189	740,500	(582,689)
61	Eastern Cables Ltd	2,661,037	1,992,000	(669,037)
62	Safko Spinning Mills Ltd	953,879	400,000	(553,879)
63	Western Marine Shipyard Limited	1,082,133	587,326	(504,805)
64	Titas Gas Distribution Co. Ltd	2,192,333	927,000	(1,265,333)
Sub Total		219,198,368	158,888,238	(61,182,122)

Unquoted shares

Sl.No.	Name of the Company	Cost Value	Market Value	Un-Realized Gain / Loss
1	Nitoy Cement Mills Ltd	1,983,577	402,000	(1,581,577)
2	Excelsior Shoes Ltd	66,100	13,220	(52,880)
3	Central Depository Bangladesh Ltd (CDBL)	1,569,450	1,569,450	-
4	BD. Ventue Ltd.	20,000,000	20,000,000	-
Sub Total		23,619,127	21,984,670	(1,634,457)
TOTAL		242,808,467	179,882,908	(62,916,578)

16.00 Interest, Dividend & Rent Outstanding:

PARTICULARS	Amount In Taka	
	2019	2018
Accrued Interest on FDRs	94,427,824	69,366,750
	94,427,824	69,366,750

17.00 Amount Due from Other Persons or Bodies Carrying on Insurance Business:

These represent the amount receivable from insurance companies on account of co-insurance premium and claim at December 31, 2019.

PARTICULARS	Amount In Taka	
	2019	2018
Co-Insurance Premium receivable	215,342,143	199,804,416
Co-Insurance Claim recoverable	132,796,539	99,189,687
Total :	348,148,682	298,994,103

18.00 Sundry Debtors:

PARTICULARS	Amount In Taka	
	2019	2018
Advance Rent	10,527,724	14,563,745
Advances for Car Lease	264,789	359,017
Other Advances	6,548,909	15,626,584
House Building Loans to Staff	3,083,097	3,997,700
Total :	20,424,519	34,547,046

19.00 Cash and Bank Balances:

PARTICULARS	Notes	Amount In Taka	
		2019	2018
Fixed Deposits Accounts		575,482,756	484,632,757
At Cash & Cheques In hand		15,918,028	27,872,379
At Banks on STD & Current Accounts	19.01	297,490,986	409,888,939
Total :		888,891,770	922,394,075

19.01 At Banks on STD and Current Accounts

Name of Banks	Amount In Taka	
	2019	2018
IFIC Bank Ltd.	401,804	2,056,208
Commercial Bank of Ceylon	14,941,802	69,742,721
AB Bank Ltd.	100,120	1,780,670
The City Bank Ltd.	-	109,837
Sonali Bank	1,340,841	226,475
Islami Bank Ltd.	5,098,782	3,808,189
Agrani Bank Ltd.	65,818	277,254
National Bank Ltd.	1,286,877	2,743,506

Name of Banks	Amount in Taka	
	2019	2018
Uttara Bank Ltd.	134,489,927	53,408,886
Janata Bank	-	520,518
Pubali Bank Ltd.	64,439,516	1,553,028
Rupali Bank Ltd.	144,398	3,129
Habib Bank Ltd.	-	121,108
Bangladesh Krihi Bank	-	331,949
United Commercial Bank Ltd.	-	10,743
State Bank of India	-	1,258,452
NCC Bank Ltd.	15,839,456	35,607
ICB Islamic Bank	-	1,274,482
Basic Bank Ltd.	159,570	821,523
Bangladesh Development Bank	-	9,864
Eastern Bank Ltd.	-	1,949,244
National Bank of Pakistan	-	28,833
Prime Bank Ltd.	364,634	469,314
Dhaka Bank Ltd.	68,098	563,258
Southeast Bank Ltd.	75,511	1,969,187
Dutch-Bangla Bank Ltd.	732,423	3,055,818
Social Islami Bank Ltd.	-	984,846
Al- Arafah Islami Bank Ltd.	52,233	245,413
Woorl Bank Ltd.	-	136,945
One Bank Ltd.	-	24,287,546
Exim Bank Ltd.	-	65,818
Standard Bank Ltd.	271,621	105,393
Mutual Trust Bank Ltd.	-	368,997
Bank Asia Ltd.	-	467,293
Mercantile Bank Ltd.	1,727,512	11,711,014
Bangladesh Commerce Bank Ltd.	704,960	124,658
First Security Bank Ltd.	-	48,205
Premier Bank Ltd.	221,151	192,520
Shahjalal Islami Bank Ltd.	-	93,644
Jamuna Bank Ltd.	390,135	1,021,907
Brac Bank Ltd.	54,573,797	-
South Bangla Ag. & Com. Bank Ltd.	-	26,391
Trust Bank Ltd.	-	304,509
NRB Commercial Bank Ltd.	-	142,404
Others Current A/C	-	221,432,037
Total	297,498,986	408,689,939

Including this statements Bangladesh General Insurance Company maintained three Bank Accounts (Pubali Bank Ltd. A/C 3539102000280, Uttara Bank Ltd. A/C 1107 14100004197, and Brac Bank Ltd. A/C 1505100132016001) to collect premium as per IDRA circular.

20.00 Other Accounts

20.01 Fixed Assets (at Cost Less Accumulated Depreciation)

PARTICULARS	Amount in Taka	
	2019	2018
Land	26,466,609	26,466,609
Building	21,020,178	23,365,753
Furniture & Fixture	23,193,577	23,064,562
Motor Vehicles	12,412,738	15,728,318
Electrical Equipment	4,826,231	5,457,098
Office Equipment	7,464,149	4,969,381
Sundry Assets	159,752	199,690
Total	95,559,234	99,241,411

21.00 Stock of Stamps & Stationery

PARTICULARS	Amount in Taka	
	2019	2018
Stationery in hand	1,994,394	2,117,268
Stamps in hand	1,262,550	1,824,738
	3,276,944	3,942,006

22.00 Management Expenses

PARTICULARS	Amount in Taka	
	2019	2018
M.D.'s Remuneration	7,350,000	6,800,000
Salaries & Allowances	152,538,926	139,805,851
Bonus	21,099,215	17,298,974
Rent	18,492,041	15,494,788
Rates & Taxes	5,512,092	3,569,541
Telephones	1,309,773	1,213,262
Electricity	4,085,449	4,556,691
Printing & Stationery	5,251,112	4,883,531
Postage & Telegram	1,215,117	992,105
Repairs & Maintenance	1,872,407	1,453,028
Travelling & Conveyance	1,621,004	1,101,126
Motor Expenses (Fuel)	2,968,837	3,001,581
Motor Expenses (Maintenance)	2,290,801	1,897,202
Staff Training	573,125	56,650
Entertainment	1,079,379	1,075,885
Uniform & Liveries	222,279	482,755
Staff Tea	867,584	895,737
Medical Expenses	8,060	8,380
Papers & Periodicals	273,949	262,273
Registration & Renewal Fees	1,473,103	1,276,873
General Expenses	3,738,303	5,450,787
Bank Charges	798,293	859,823
Insurance premium	875,629	1,143,046
Co-Insurance service charges	48,207	322,744

PARTICULARS	Amount in Taka	
	2019	2018
B G I C Tower Expenses	382,833	1,191,414
Office Cleaning & Upkeep	613,916	612,279
Car Leasing	4,467,856	4,327,704
Employers Contribution towards P.F.	6,785,543	5,932,980
Expenses for S.B.Co-Ins. Business	5,578,291	5,062,657
Group Insurance	1,002,848	965,740
Policy Stamp Expenses	1,461,466	1,790,579
Gratuity	-	2,000,000
Annual General Expenses	462,064	401,590
Total	258,208,302	235,387,584

23.00 Net Assets Value:

The offer price of the common stock of BGIC.

A. Assets

PARTICULARS	Amount in Taka	
	2019	2018
Investments at Cost	256,809,487	235,049,875
Fair Value Changes Amount	(51,816,579)	11,563,412
Interest, Dividend & Rent Outstanding	94,427,824	69,366,750
Amount due from Other Persons or Bodies Carrying on Insurance Business	348,140,682	298,994,103
Sundry Debtors	20,424,519	34,547,046
Cash and Bank Balance	886,891,770	922,394,075
Other Accounts	98,830,178	103,183,417
Total Assets	1,856,787,891	1,685,098,478

B. Liabilities:

PARTICULARS	Amount in Taka	
	2019	2018
Balance of Funds & Accounts	183,181,068	135,848,256
Provisions for Fund	8,894,000	3,894,000
Premium Deposits	5,834,478	12,777,898
Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated	139,061,870	121,852,288
Amount due to Other Persons or Bodies Carrying on Insurance Business	7,101,018	12,697,228
Loan from Banks (Secured)	162,958,410	174,313,687
Sundry Creditors	41,197,734	50,101,020
Provision for Taxation	99,979,411	93,159,446
Total Liabilities	648,208,087	694,843,829
Net Assets (A-B)	1,007,499,794	1,069,434,658
Number of Shares Outstanding During the Year 2019	54,027,255	54,027,255
Net Asset Value Per Share	18.66	19.83

24.00 Director's Fee:

PARTICULARS	Amount in Taka	
	2019	2018
Director's Remuneration	208,000	182,000
Total Audit fees	208,000	182,000

25.00 Audit Fees:

PARTICULARS	Amount in Taka	
	2019	2018
Statutory & Special audit fees	350,000	475,000
Total Audit fees	350,000	475,000

26.00 Interest and Dividend Income :

PARTICULARS	Amount in Taka	
	2019	2018
Interest on FDRs	38,736,143	35,855,818
Interest on STD A/c	1,823,027	1,745,148
BD. Govt. Treasury Bond	3,101,250	2,673,750
Dividend on Shares (Gross)	5,938,703	5,363,807
Total :	47,599,123	45,438,523

27.00 Profit or (Loss) on Sale of Assets:

PARTICULARS	Amount in Taka	
	2019	2018
Loss on sale of Assets	(436,426)	145,112
	(436,426)	145,112

27.01 Sandry Income

PARTICULARS	Amount in Taka	
	2019	2018
Trustee Fee	31,571,951	30,128,402
Profit on sales of shares	9,597,839	3,600,098
Rental Income BGIC Tower	5,581,820	5,257,499
Other Income	13,820	37,200
	48,745,430	39,023,199

28.00 Earning Per Share (EPS):

Earnings per share as shown in the face of the Profit and Loss Account is calculated in accordance with International Accounting Standard 33: "Earning per Share".

[Basic earnings per shares=Earnings attributable to ordinary shareholders/Weighted average number of shares]

PARTICULARS	Amount In Taka	
	2019	2018
Net Profit Before Tax	107,452,382	93,565,928
Number of Shares outstanding	54,027,255	54,027,255
Earning Per Share Before Tax	1.99	1.73
Net Profit After Tax	58,452,382	56,065,928
Number of Shares outstanding	54,027,255	54,027,255
Earning Per Share After Tax	1.08	1.04

29.00 Cash flow from Operating Activities:
Collections from Premiums, other Income and Receipts

PARTICULARS	Amount In Taka	
	2019	2018
Gross Premium (Combined Revenue Ac.)	705,756,088	627,835,347
Commission on R/I ceded (Combined Revenue Ac.)	62,490,711	77,880,727
Other Income (P/L Ac.) Less Share Capital Gain & TF	37,147,591	35,763,409
Interest & Dividend Income (P/L Ac.)	47,597,123	45,438,623
Accrued Interest (Balance Sheet)	(35,081,074)	19,919,086
Sundry Debtors (Balance Sheet)	14,122,527	5,089,784
Deposit Premium (Balance Sheet)	(8,943,420)	7,397,397
Co-insurance Receivable (Balance Sheet)	(49,146,579)	(89,367,515)
Co-Insurance Payable (Balance Sheet)	(5,596,210)	(1,867,111)
Sundry Creditors (Balance Sheet)	(8,903,286)	11,434,876
	761,463,469	738,324,635

Management Expenses, Re-insurance, Claims & Others

PARTICULARS	Amount In Taka	
	2019	2018
Mgt. Expenses of P/L Ac. Less Depreciation	(13,710,188)	(9,008,480)
Mgt. Expenses of Revenue Accounts	(256,209,302)	(235,387,584)
Commission Paid	(94,992,445)	(84,438,002)
Re-insurance ceded	(253,397,491)	(290,141,935)
Claims Paid less Re-insurance	(81,800,945)	(31,034,469)
Stock of Stationary & Stamps (Opening-Closing)	665,062	669,489
Gratuity Expenses	(5,000,000)	-
	(684,545,309)	(649,348,961)

Income Tax paid

PARTICULARS	Amount In Taka	
	2019	2018
Opening Balance	93,159,445	82,324,227
Add : Provision for the year	33,000,000	30,000,000
Less: Closing Balance	(99,979,411)	(93,159,445)
	26,180,034	19,164,782

30.00 Post Balance Sheet Events (As Per IAS # 10)

There is no significant event that has accrued between the Balance Sheet date and the date when the financial statements were authorized for issue by the Board of Directors other than the recommendation of Cash Dividend 11% for the year which will be given effect in due course.

31.00 Key Management Personnel Compensation:

The Compensation of Key management personnel of BGIC Ltd. are as follows:

Sl No.	Name of Employee	Short Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Termination Benefits
1	Mr. Ahmed Saifuddin Chowdhury Managing Director & CEO	Salary Tk. 73,50,000	NO	NO	Group Insurance coverage
2	Mr K M Masum AMD (M)	Salary Tk. 61,20,000 Bonus Tk. 8,00,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group insurance coverage
3	MD Inran Rauf AMD (Operation)	Salary Tk. 22,62,000 Bonus Tk. 3,92,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group insurance coverage
4	Ms Rashida Banu DMD	Salary Tk. 19,62,000 Bonus Tk. 3,66,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group insurance coverage
5	Chowdhury MD Abu Sayeed DMD & CFO	Salary Tk. 18,18,000 Bonus Tk. 3,48,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group Insurance coverage
6	MD Manik Miah DMD	Salary Tk. 14,46,000 Bonus Tk. 2,24,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group Insurance coverage
7	Mr Tapan Mahmud DMD	Salary Tk. 11,26,000 Bonus Tk. 1,78,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group Insurance coverage
8	Adnan Alam DMD	Salary Tk. 15,63,000 Bonus Tk. 2,30,000	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group Insurance coverage
9	Saifuddin Ahmed GM & Company Secretary	Salary Tk. 8,44,800 Bonus Tk. 1,29,800	P.F @ 10% of Basic Salary	NO	P.F, Gratuity & Group Insurance coverage

Key Management Personnel Compensation included in management expenses and no other remuneration or special payment except as mentioned above was made to the key Management Personnel during the year 2019.

32.00 Expenses Incurred / Earned in Foreign Currency

The Company did not incur any expenses nor earned any income in foreign currency on account of royalty, technical expert, professional Advisory fee and interest, etc.

33.00 Commitment on Capital Expenditure

There is no Capital Expenditure commitment entered into the Company during the year under audit.

34.00 Other Relevant Information

- i. During the year under review no compensation except Managing Director's remuneration was allowed to the Chief Executive Officer of the Company or any member of the Board for special services rendered.
- ii. There were no credit facilities as on 31st December 2019 availed by the Company under any contract other than trade credit available in course of business.
- iii. The Company did not incur any expenses nor did it earn any income in foreign currency on account of royalty, technical expert & professional advisory fees, interest etc.
- iv. Number of employees drawing salaries below & above Tk. 3,000.00 Per Month is as under:
 - a. Salaries drawing below Tk. 3,000.00 (NONE).
 - b. Salaries drawing above Tk. 3,000.00 per Month 494 No.

Bangladesh General Insurance Company Ltd.
Schedule of Fixed Assets
As at December 31, 2018

Schedule A

Particulars	Cost						Depreciation				Written Down Value
	Opening Balance 01.01.2018	Addition during the Year	Adjustment/ Deprecial during the Year	Balance as on 31.12.2018	Rate of Depreciation %	Opening Balance 01.01.2018	Charged during the Year	Adjustment (Decrease)	Balance as on 31.12.2018	Balance as on 31.12.2018	Balance as on 31.12.2018
Land	28,488,608	-	-	28,488,608	-	-	-	-	-	-	28,488,608
Building	90,115,516	-	-	90,115,516	10%	66,759,768	2,335,575	-	68,095,338	21,020,178	
Furniture & Fixture	40,219,756	2,478,320	-	42,698,076	10%	17,165,194	2,338,305	-	19,504,499	23,193,577	
Motor Vehicles	32,443,412	1,038,508	2,769,500	30,712,420	20%	16,715,094	3,352,662	1,768,074	18,239,682	12,472,738	
Electrical Equipment	18,058,301	208,863	-	18,267,184	15%	12,801,203	838,750	-	13,440,953	4,826,231	
Office Equipment	15,287,801	3,535,215	-	18,823,116	15%	10,328,520	1,040,447	-	11,368,967	7,454,149	
Sundry Assets	4,585,661	-	-	4,585,661	20%	4,385,981	39,938	-	4,425,929	159,752	
TOTAL	227,107,176	7,260,926	2,769,500	231,098,602		127,965,769	9,947,677	1,768,074	136,136,396	94,963,204	
Closing Balance as at 31st December-2018	227,487,320	3,169,947	3,480,061	227,197,176		119,565,302	16,294,870	2,324,307	127,955,795	96,241,411	



***Corporate
Governance***

Corporate Governance

Corporate Governance Practices

Good corporate governance helps BGIC to create sustainable value for the benefit of its shareholders, customers, employees and other stakeholders. The Company's Board of Directors is committed to high standards of corporate governance, which it considers are critical to business integrity and to maintaining investors' trust. The Company expects all its directors and employees to act with honesty, integrity and fairness. The Company strives to act in accordance with the laws and customs of the countries in which it operates; adopts proper standards of business practice and procedure; operates with integrity; and observes and respects the culture of every country in which it does business.

Board of Directors

An effective Board must have the right composition, structure, processes and a clear understanding of its role. The BGIC Board meets these requirements:

The Board of BGIC is responsible for managing the company and overseeing its general business activities. Its action and decisions are made in the best interests of the company, which includes the interests of shareholders, employees, customers and other stakeholder groups. We closely communicate with the Executive Committee, making sure our strategy is properly implemented and our ethical standards are applied. In our work with the Executive Committee we assert independent judgment and work toward fostering a strong relationship based on mutual respect and trust.

The Board of the company comprises of 6 members of whom 2 members are Sponsor directors, 2 member is Public director and 2 are Independent directors. The Board of Directors reviews business performance in each meeting and approves periodical and annual financial results for publication. Board approves annual plan, capital expenditure for the year and passes resolution at meetings held on a regular basis.

Board Meeting

The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of the Annual General Meeting (AGM) of the Shareholders. Additional meetings are held whenever necessary.

The Company Secretary in consultation with the Chairman prepares the Agenda and the explanatory notes and circulates these in advance to the Directors.

Members of the Board are also free to recommend inclusion of any matter in the agenda for discussion.

Senior Management members are invited to attend the Board Meetings, to make presentations and provide additional inputs to the items under discussion. The minutes of each Board / Committee meeting are recorded in the Minutes Book. Copy of the approved minutes is sent to IDRA as per their circular no. GAD/1003/2011-184(2) dated 28th January, 2012.

During the year 2018, the Board met Five times and the gap between any two meetings was less than four months. The dates of the meetings were April 16, 2019; May 05, 2019; July 25, 2019; July 30, 2019 and October 29, 2019.

The names of the directors on the Board, their attendance record and their remunerations as on December 31, 2019, are shown as per condition No. 1(5)(xii) in page no. 69.

Annual General Meeting

The shareholders assert their rights as conferred by the articles of association during the Annual General Meeting by exercising their right to vote. Each share entitles the shareholder to one vote. The Annual General Meeting takes place within the first six months after end of the accounting year. Notice of Annual General Meeting together with the annual reports and documents as required by Companies Act is sent to the shareholders, fourteen days earlier, prior to the meeting. Shareholders who cannot attend the Annual General Meeting have the option to exercise their vote through a proxy to another member of the Company. The proxy form duly filled in to be submitted to the Corporate Office of the Company within 72 hours before the meeting.

Corporate Governance Compliance report

In accordance of the requirement of The Bangladesh Securities and Exchange Commission's Notification on Corporate Governance Code no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 Confirm Compliance with the Financial Reporting Framework as follows:-

Corporate and Financial Reporting Framework

- i. The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii. Proper books of account of the company have been maintained.

- III. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- IV. International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- V. The system of Internal control is sound in design and has been effectively implemented and monitored.
- VI. There are no significant doubts upon the company's ability to continue as a going concern.
- VII. There are no significant deviations from last year in operating result of the company.
- VIII. The key operating and financial data of preceding five years have been provided in page no. 85.
- IX. The number of Board meetings held during the year 2018 and attendance by each director and remuneration paid to them are shown in page no. 85.
- X. As on December 31, 2018, shareholdings pattern of the Company are shown as per condition No. 1(5)(xviii) in page no. 86.
- XI. A brief resume of the Directors along with other necessary particulars are shown in page no. 27 and 28.

Status of Compliance with the conditions imposed by The Bangladesh Securities and Exchange Commission's Corporate Governance Code BSEC/CMRRCD/2008-158/207/Admin/80 dated 3 June 2018, along with a certificate from a practicing Chartered Accountants is been enclosed at annexure-C.

Accounting and External Audit

The legal audit of BGIC's financial statements is entrusted – pursuant to the law – to an External Audit Company, prepares and publishes its annual financial statements and interim financial statements in accordance with International Financial Reporting Standards (IFRS). The annual and periodical financial statements are prepared by the management and reviewed by the Audit Committee. Financial statements are audited by the statutory auditor in accordance with Bangladesh Audit Standard as promulgated by the ICAB. The audit procedures include a review of the system for early identification of risks. The Audit Committee updates Board on annual and periodical financial statement in detail prior to its publications.

Internal Control

An Internal Control System (ICS) is generally considered as a management tool that serves as a means to achieve performance and profitability targets, and enhances the reliability of financial reporting. Voluntary reporting on internal control may be viewed as a monitoring function to reduce the management costs caused by divergent interests between management and shareholders.

Sound Internal control process is defined as a system designed to ensure:

- Compliance with laws and regulations;
- Application of the instructions and policies fixed by senior management;
- That the Company's Internal processes are functioning correctly, in particular, those involving the security of its assets;
- The reliability of the financial information published.

BGIC's Internal Audit team conducts audit to evaluate appropriateness of Internal control. This system must also contribute to the control over its activities, the efficiency of its operations and efficient use of its resources, while enabling the Company to adequately take into account significant operational, financial or compliance risks. Therefore, the internal control system plays a key role in conducting and monitoring its activities.

However, the Company is aware that the Internal control system cannot provide an absolute guarantee that the Company's objectives will be met and that all the potential risks it may face will be controlled.

Internal Audit

BGIC's internal audit department has responsibility for independently assessing the adequacy and effectiveness of the management over significant risk areas of the company. They also carry out internal audit on all functions of the Company like, Operations, Development and Marketing, Finance, Treasury system, Information Service. Internal Auditor submits their observation on weaknesses and non compliance of company's practices and statutory provisions. Each observation states the facts, weaknesses and recommendations for improvement. The head of Internal Audit directly reports to the Managing Director and their activity is reviewed by the Audit Committee.

Risk Management

The Board of the BGIC, with the assistance of the Management, has set out the overall approach of the Company's risk management activities. The major areas of risk that the activities of the Company are

exposed to are financial risks, strategy risks, insurance risks, operational risks and legal and compliance risks. These are continually being updated and adapted by the Company under guidance of the Board of Directors. The effectiveness of these systems is reviewed by internal auditor and statutory auditor and the Board of Directors. The management of the Company made risk assessment on business and made risk mitigation plan to eliminate risks. The audit committee supports the Board in monitoring activities of management and deals with risk management issues.

Going Concern

The going concern principle is the assumption that entity will remain in business for the foreseeable future. Conversely, this means that the entity will not be forced to halt operation and liquidate its assets in the near term, by making this assumption, the accountant is justified in deferring the recognition of some expenses until a later period, when the entity is presumably still be in business and using its assets. Accountants have considered the following events and conditions to come this conclusion about BGIC's ability to continue:

1. Net liability or net current liability position.
2. Adverse key financial ratio.
3. Negative operating cash flow indicated by historical or prospective financial statements.
4. Substantial operating losses or significant deterioration in the value of assets used to generate cash flows.
5. Arrears or discontinuance of dividends.
6. Inability to pay creditors on due dates.

Audit Committee

The Company has an Audit Committee as a sub-committee of the Board of Directors. The aims of the establishment of an Audit Committee should be to create efficiency in the operations and to add value to the organization. The Audit Committee is appointed by the Board of Directors to assist the Board in discharging its oversight responsibilities by reviewing:

- The financial reporting process to ensure the balance, transparency and integrity of published financial information.
- The effectiveness of the company's internal financial control and risk management system, the effectiveness of the internal audit function,
- The independent audit process including recommending the appointment and assessing the performance of the external auditor.

Membership

- The Board of Directors will nominate the audit committee members and the chairman of the audit committee who must be a non-executive independent director.
- The Audit Committee will comprise of at least three members and the majority of members shall be non-executive Directors of the Company.
- A quorum of any meeting will be two members.
- The Company Secretary will act as the secretary of the Audit Committee.

Meetings

Only committee members are entitled to attend meetings. The Audit Committee may invite such other persons, the CEO, CFO, Head of Internal Audit (on invitation) and external audit engagement partner (on invitation) to its meetings, as it deems necessary. One meeting shall be held at least two times a year and should correspond with the Company's financial reporting cycle.

Compliance with Law

Compliance means not only adhering to laws, but also to regulations, company rules, and voluntary codes, and then enhancing our efforts to promote transparency in management in accordance with social standards and corporate ethics set out in the BGIC Principles. Based on the foregoing, BGIC Ltd. strives to continually enhance its compliance structure. Company respects the provisions of the law and complies with those in business practices. Each employee of the Company must learn provisions of the law that applies to their job. The Board of the Company ensures that all provisions of the law are complied with in a timely manner. Any non compliance is immediately addressed.

Corporate Website

The Company developed an information website under corporate governance responsibility, where public information related to the Company is placed for interested group like shareholders, employee, customers and other stakeholders.

Information which is host in Company Website is shown below:

- Annual Financial Statements.
- Periodical Financial Statements.
- Half Yearly Financial Statements.
- Price Sensitive Information.
- Notifications etc.

The link of company website is www.bgicinsure.com

Forming Part of Corporate Governance Report
[As per condition No. 1(5)(xxii)]

Details of Number of Meetings Held, Attended, Remunerations Paid During the Year 2019 Board Meeting

Sl. No.	Name of Directors	Number of Meetings	Number of Attendances	Percentage	Remuneration (TL. 0000 per Meeting)
1	Mr. Towhid Samad	05	04	80%	32,000
2	Mr. Salim Bhuiyan	05	03	60%	24,000
3	Mr. Sohail Humayun	05	05	100%	40,000
4	Mr. Aftab Alam	05	03	60%	24,000
5	Mr. Mostafa Zaman Abbasi	05	05	100%	40,000
6	Mr. Md. Shakil Rizvi	05	03	60%	24,000

Forming Part of Corporate Governance Report
[As per condition No. 1(5)(xix)]

SUMMARIZED KEY OPERATING AND FINANCIAL DATA OF LAST 5 YEARS

Particulars	2019 Taka	2018 Taka	2017 Taka	2016 Taka	2015 Taka
Paid up Capital	54,02,72,550	54,02,72,550	54,02,72,550	54,02,72,550	54,02,72,550
Gross Premium Income	70,57,56,087	82,76,35,347	73,09,63,061	68,60,14,304	65,85,60,569
Net Premium	45,23,58,595	33,74,93,412	45,50,13,059	38,25,73,836	37,48,50,721
Net Claims	7,91,10,627	11,27,84,254	13,12,05,495	11,72,21,349	11,75,32,700
Pre-Tax Profit	10,74,52,352	9,35,85,928	8,84,19,803	7,70,45,175	8,87,83,153
Cash Dividend	5,94,29,981	5,54,27,255	5,94,29,981	5,94,29,981	5,94,29,981
Total Assets	165,57,07,881	166,50,98,478	171,67,68,570	164,93,34,950	160,15,91,309
Total Reserves	34,36,33,190	35,36,80,369	40,80,59,181	36,06,67,202	36,96,47,849
Dividend Equalisation Reserve	17,00,000	17,00,000	17,00,000	17,00,000	1,17,00,000
Share Value Fluctuation Reserve	1,10,00,000	1,10,00,000	1,10,00,000	1,10,00,000	1,10,00,000

Forming Part of Corporate Governance Report
[As per condition No. 1(5)(xxiii)]
THE PATTERN OF SHAREHOLDINGS

- a) Shares held by parent/Subsidiary /Associated Company etc.- None
- b) The pattern of shareholding of Directors, Chief Executive Officer & Company Secretary, Chief Financial Officer, Head of Internal Audit, Principal Adviser and their spouses and minor children are as follows:

Name	Designation	Number of Shares	Percentage
Sponsor Directors			
Mr. Towhid Samad	Director	17,96,644	3.33%
Mrs. Rokshana Samad	W/o Director	281	0.00%
Mr. Faisal Samad	S/o Director	3,35,595	0.63%
Mr. Salim Bhuiyan	Director	18,05,123	3.34%
Public Directors			
Mr. Sohail Humayun	Director	4,53,513	0.84%
Mrs. Rina Humayun	M/o Director	3,83,719	0.71%
Mr. Md. Shakil Rizvi	Director	27,15,000	5.03%
Independent Directors			
Mr. Mostafa Zaman Abbasal	Independent Director	NII	NII
Mr. Aftab Alam	Independent Director	24001	0.04%
Mrs. Fancy Alam	W/o, Director	2867	0.00%

Chief Executive Officer & Company Secretary, Chief Financial Officer, Head of Internal Audit

Mr. A K A H Chaudhuri	Principal Adviser	8766	0.02%
Mrs. Sabiha Chaudhuri	W/o Principal Adviser	816	0.00%
Mr. Manik Miah	Head of Internal Audit	899	0.00%

e) Executives:

Mr. Kazi Mokaddas Mesum	AMD (Marketing)	7296	0.01%
Mr. Imran Rouf	DMD (Underwriting)	305	0.00%

- d) Shareholding ten percent (10%) or more voting interest in the Company name wise details are as follows :-

There are no individuals or institutions that hold 10% or more voting interest in the Company.

Bangladesh General Insurance Company Limited

Declaration by CEO and CFO

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

Date: 19th March, 2020

The Board of Directors
Bangladesh General Insurance Company Limited
Head Office
42, Dilkusha,
Dhaka-1000

Subject: Declaration on Financial Statements for the year ended on 31 December, 2019

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD /2006-158/207 /Admin/80 dated 3 June 2018 under section 200 of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Bangladesh General Insurance Company Limited for the year ended on 31 December, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December, 2019 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,



Ahmed Salfuddin Chowdhury
Chief Executive Officer (CEO)



Chowdhury Md. Abu Sayeed
Chief Financial Officer (CFO)



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS



[Certificate as per condition No. 1(5)(xxvii)]

**Report to the Shareholders
of
Bangladesh General Insurance Company Ltd.
on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **Bangladesh General Insurance Company Ltd.** for the year ended on 31 December 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 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 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:

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission; except the condition 1(7)(b), 4(ii) and 6(1)(a) to 6(5)(c)
- b) 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;
- c) 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
- d) The Governance of the company is highly satisfactory.

Dated, Dhaka
19 March, 2020


Ahmed Zaker & Co.
 Chartered Accountants
Zaker Ahmed, FCA
 Managing Partner

Annexure - C

STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE Guidline (CGC)

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

Status of compliance with the conditions imposed by BSEC vide Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80, dated 3 June 2018 issued under section 200 of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. B)

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors:			
1(1)	Size of the Board of Directors The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5(five) and more than 20 (twenty).	✓	-	5 Directors
1(2)	Independent Directors All companies shall have effective representation of Independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:-			2 Independent Directors as Per Insurance Act 2010
1(2)(a)	At least (1/5) of the total number of Directors in the company's Board shall be Independent Directors; any fraction shall be considered to the next integer or whole number for calculating number of Independent director(s);	✓	-	Complied as per Insurance Act 2010
1(2)(b)	For the purpose of this clause "Independent Director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	-	-
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company; Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	-	-
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓	-	-
1(2)(b)(iv)	who does not have any other relationship, whether, pecuniary or other wise with the company or its subsidiary/associated companies;	✓	-	-
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓	-	-
(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an Intermediary of the capital market;	✓	-	-
1(2)(b)(vii)	who 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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	-	-

Condition No.	Title	Compliance Status (Put '√' in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(vii)	who is not Independent director in more than 5 (five) listed companies;	√	-	-
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	√	-	-
1(2)(b)(x)	who 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; and	√	-	-
1(2)(e)	The tenure of office of an Independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only; Provided that a former Independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenure [i.e. six years]; Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Company Act, 1994). Explanation: For the purpose of counting tenure or term of independent director, any partial term of tenure shall be deemed to be a full tenure.	√	-	-
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√	-	Profiles of ID Available In Annual Report
1(3)(b)(i)	Independent director shall have following qualifications: 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	√	-	Profiles of ID available In Annual Report
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 Explanation: Top level executive includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.	√	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 6th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	-	-	N/A

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A
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 experiences in any field mentioned in clause (b);	✓	-	-
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	Situation not arise
1(4)	Quality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
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.	-	-	Situation not arise
1(5)	The Directors' Report to Shareholders The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVII of 1994) :-			
1(5)(i)	An industry outlook and possible future developments in the industry.	✓	-	Available in Annual Report.
1(5)(ii)	The Segment-wise or product-wise performance.	✓	-	Available in Annual Report.
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	-	Available in Annual Report.
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	-	Available in Annual Report.
1(5)(v)	A Discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	N/A
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;	✓	-	-

Condition No.	Title	Compliance Status (Put '√' in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1(5)(vii)	A statement of utilization of proceeds raised through from public issues, rights issues and/or through any others instruments;	-	-	Situation not arise
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat occurred. Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	Situation not arise
1(5)(ix)	An explanation on any significant variance occurs between Quarterly Financial performance and Annual Financial Statements;	-	-	Situation not arise
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√	-	Available In Annual Report.
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 thereof 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;	-	-	Situation not arise
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;	-	-	Situation not arise
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;	-	-	Situation not arise
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	5 meeting with average 76.67% attendance
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	-	-	Situation not arise
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; and	√	-	-

Condition No.	Title	Compliance Status (Put/ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details). Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance.	-	-	N/A
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the company shall disclose the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director;	√	-	-
1(5)(xxiv)(b)	nature of his or her expertise in specific functional areas; and	√	-	-
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√	-	-
1(5)(xxv)	A 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:	√		
	(a) accounting policies and estimation for preparation of financial statements;	√	-	-
	(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;	√	-	-
	(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;	√	-	-
	(d) compare such financial performance or results and financial positions as well as cash flows with the peer industry scenario;	√	-	-
	(e) briefly explain the financial and economic scenario of the country and the globe;	√	-	-
	(f) risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	-	-
	(g) future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	-
1 (5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and	√	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	√	-	-
1 (6)	Meeting of the Board of Directors 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.	√	-	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
	(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;	-	✓	-
	(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.	-	✓	-
2	Governance of Board of Directors of Subsidiary Company:			
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
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):			
3 (1)	Appointment			
	(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);	✓	-	-
	(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;	✓	-	-
	(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;	✓	-	-
	(d) The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
(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).	-	-	N/A	
3 (2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board; Provided that the CS, CFO and/or HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
3 (3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
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; and	√	-	-
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting 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 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.	√	-	-
4	Board of Directors' Committee:- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	√	-	-
4(ii)	Nomination and Remuneration Committee.	-	√	-
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	-	3 Members
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	-
5(2)	Constitution of the Audit Committee			
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. Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	√	-	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee.	-	-	N/A
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.	✓	-	-
5(3)	Chairperson of the Audit Committee			
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;	✓	-	-
(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, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence 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). Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	-	-
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.	✓	-	-
5(5)	Role of Audit Committee The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	✓	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	✓	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	-	-
5(5)(d)	Oversee hiring and performance of external auditors;	✓	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
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; and	√	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results; Provided further that 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.	-	-	Situation not arise
6(6)	Reporting of the Audit Committee			
6(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board;	√	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	Situation not arise
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;			Situation not arise
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Situation not arise
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			Situation not arise
6(6)(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			Situation not arise

Condition No.	Title	Compliance Status (Put/ In the Appropriate Column)		Remarks (If any)
		Complied	Not Complied	
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5.(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			Situation not arise
6	Nomination and Remuneration Committee (NRC):-			
6(1)	Responsibility to the Board of Directors			
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)	Constitution of the NRC			
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 death, resignation, disqualification, or removal of any member of the Committee or In any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	√	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-	√	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-	√	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-	√	-
6(3)	Chairperson of the NRC			
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 NCR, 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;	-	√	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	-	✓	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	✓	-
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 as required under condition No. 6(2)(h);	-	✓	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-	✓	-
6(5)	Role of the NRC			
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)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	✓	-
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	✓	-
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	✓	-
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	✓	-
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	✓	-
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	✓	-
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-	✓	-
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	-	✓	-
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	✓	-

Condition No.	Title	Compliance Status (Put ✓ in the Appropriate Column)		Remarks (if any)
		Complied	Not Complied	
7	External or Statutory Auditors:			
7(1)	The issuer company should not engage its external or statutory auditors to perform the following services of the company; namely:-	√		
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;	-	-	N/A
7(1)(vi)	Internal audit services or special audit services;	√	-	-
7(1)(vii)	Any service that the Audit Committee determines;	√	-	-
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√	-	-
7(1)(ix)	Any other service that creates conflict of interest.			
7(2)	No partner or employee of the external audit firm shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	√	-	-
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.	√	-	-
8	Maintaining a website by the Company:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√	-	-
8(2)	The company shall keep the website functional from the date of listing.	√	-	-
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√	-	-
9	Reporting and Compliance of Corporate Governance:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance code of the Commission and 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.	√	-	-



BGIC
Products

Our Products

Property Insurance

- ✔ Fire Insurance (including Allied Perils). Such as Riot & Strike Damage, Malicious Damage, Flood, Cyclone, Earthquake, Explosion, Aircraft Damage, Electrical Clause-B, Bursting of Pipe and Impact Damage.
- ✔ Property Damage All Risks
- ✔ Industrial All Risks (IAR) Including Business Interruption



Marine Insurance

- ✔ Marine Cargo
- ✔ Marine Hull
- ✔ Hull Builders Risks



Motor Insurance

- ✔ Motor for Commercial Use
- ✔ Motor for Private Use
- ✔ Specialised Motor Vehicle



Health Insurance

- ✔ Executive Health Plan
- ✔ Critical Illness (Cancer, Heart Attack, Stroke, Heart Valve Replacement, Benign Brain Tumor, Kidney Failure etc.)
- ✔ Complete Health Insurance
- ✔ Overseas Health Checkup



Overseas Medclaim

- ☑ Business and Holiday (B&H)
- ☑ Corporate Frequent Travels (CFT)
- ☑ Employment and Study (E&S)



Engineering Insurance



- ☑ Machinery Breakdown (MBD)
- ☑ Deterioration of Stocks (DOS)
- ☑ Boiler and Pressure Vessel (BPV)
- ☑ Electronic Equipment Insurance (EEI)
- ☑ Erection All Risks (EAR)
- ☑ Contractor's All Risks (CAR)
- ☑ Contractors Plant & Machinery

Miscellaneous Insurance

- ☑ Burglary House Breaking
- ☑ Money Insurance (for Banks)
- ☑ Cash in Safe
- ☑ Cash in Transit
- ☑ Cash on Counter
- ☑ Cash in Premises
- ☑ Fidelity Guarantee
- ☑ All Risks Product Liability
- ☑ Public Liability
- ☑ Product Liability
- ☑ Directors & Officers Liability Insurance
- ☑ Workmen's Compensation
- ☑ Employer's Liability
- ☑ Comprehensive General Liability
- ☑ Bankers Blanket Bond Insurance
- ☑ Hotel Owner's All Risks (HOAR)
- ☑ Personal Accident Insurance
- ☑ People's Personal Accident
- ☑ Aviation Insurance
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 2. Helicopter



Client Service Station : +88-02-47113983, **Mobile :** 01819 219752
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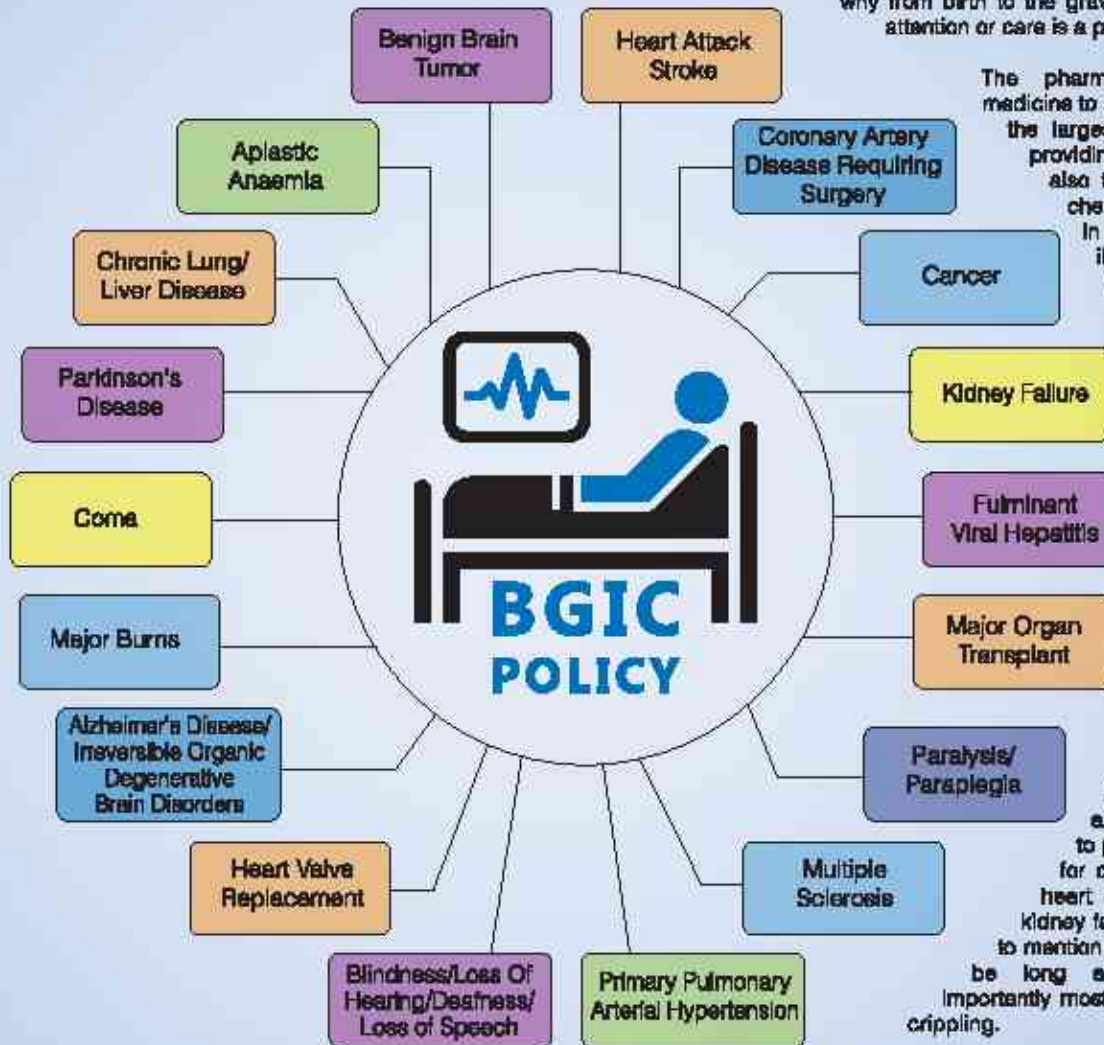
34th Annual General Meeting Photo



Critical Illness Insurance

Words of Wisdom!!!

Nothing could be more true in LIFE than the saying "Health is Wealth" and yet how helpless we all are against the will of nature. Any critical illness can hit us or our loved ones at any moment of time. That is why from birth to the grave minor or major, medical attention or care is a part of living.



The pharmaceutical industry from medicine to hospital has become one of the largest industries in the world providing such health care. But it is also true that such care is not cheap or affordable especially in case of treating critical illness or also known as dreaded disease. The financial disaster when such an illness comes to pass often leaves the family in big debt and difficulty.

BGIC has on offer an insurance policy to provide financial relief to those wise people who would like to secure financial protection should such an illness strike. Critical illness or dreaded disease as known in the insurance industry is becoming more and more common in Bangladesh. Hospitals are expanding with facilities to provide treatment and care for critical illness like coronary heart disease, stroke, cancer, kidney failure and so on. Needless to mention the treatment can not only be long and stressful but more importantly most expensive and financially crippling.

A BGIC Insurance policy is specifically designed to a client's coverage requirements with a basic premium to mitigate and give financial relief to the insured at such dreadful times.

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