



Desh General  
Insurance Company Limited

# ANNUAL REPORT 2 0 2 2

Driving Forward  
Being Trusted



# FINANCIAL HIGHLIGHTS

2022:

GROSS PREMIUM  
INCOME

429.05

UNDERWRITING  
PROFIT

77.78

TOTAL ASSETS

990.18

PROFIT AFTER TAX

41.47

SHARE HOLDERS'  
EQUITY

454.26

EARNINGS PER  
SHARE (EPS)

1.04

CREDIT RATING: AA  
STABLE

Taka In Million

PARTICULARS / YEAR	2022	2021	2020	2019	2018
GROSS PREMIUM INCOME	429.05	344.23	304.20	308.19	203.39
NET PREMIUM INCOME	293.34	193.27	200.17	167.95	102.22
UNDERWRITING PROFIT	77.78	83.45	77.06	65.93	48.31
INVESTMENT INCOME	16.78	22.96	18.40	18.37	17.22
PROFIT AFTER TAX	41.47	46.56	36.22	32.58	24.01
DEPOSIT PREMIUM	3.12	2.92	3.87	2.73	2.39
TOTAL RESERVES	117.83	77.85	80.80	72.87	46.02
TOTAL ASSETS	990.18	894.88	705.75	693.74	573.42
TOTAL LIABILITIES	535.91	442.09	419.53	414.94	302.85
SHARE HOLDERS EQUITY	454.26	452.79	286.22	278.80	272.58
EARNINGS PER SHARE (EPS)	1.04	1.24	1.51	1.36	1.00
FIXED ASSETS	111.53	117.55	126.70	131.84	121.71



# REPORT VIEWER

<b>A.</b>	<b>GENERAL OUTLOOK</b>	<b>01</b>
A.1	LETTER OF TRANSMITTAL	02
A.2	SHAREHOLDING PATTERN	03
A.3	NOTICE OF THE 23 <sup>rd</sup> ANNUAL GENERAL MEETING	05
A.4	CREDIT RATING REPORT	07
A.5	FORWARD LOOKING STATEMENT	08
<b>B.</b>	<b>PREAMBLE TO DESH GENERAL INSURANCE COMPANY LTD. ( DGIC)</b>	<b>10</b>
B.1	OUR VISION, MISSION & GOAL	11
B.2	OUR CORE VALUES	12
B.3	OUR BUSINESS MODEL	13
B.4	PROFILE OF THE COMPANY	17
B.5	COMPANY INFORMATION	19
B.6	PRODUCTS & SERVICES	20
B.7	PRODUCT DIVERSIFICATION & INNOVATION	22
B.8	ORGANIZATIONAL CHART	23
B.9	CORPORATE CHRONICLE	24
B.10	MANAGEMENT TEAM	25
B.11	OUR BRANCHES	26
B.12	BRANCH MANAGEMENT	28
<b>C.</b>	<b>BOARD OF THE DIRECTORS &amp; THE MANAGEMENT</b>	<b>29</b>
C.1	CHAIRMAN'S MESSAGE	30
C.2	CEO'S ROUND UP	33
C.3	PROFILE OF THE HONORABLE CHAIRMAN	37
C.4	BOARD OF DIRECTORS' PROFILE	39
C.5	PROFILE OF THE CEO	50
C.6	COMPOSITION OF BOARD & ITS COMMITTEES	52
C.7	DIRECTORS' REPORT	54
C.8	MANAGEMENT DISCUSSION AND ANALYSIS	67
<b>D.</b>	<b>PRESENTATION ON FINANCIAL INDICATORS</b>	<b>75</b>
D.1	5-YEAR FINANCIAL HIGHLIGHTS	76
D.2	FINANCIAL HIGHLIGHTS FOR THE YEAR-2022 (COMPARISON)	77
D.3	GROSS PREMIUM INCOME- GRAPHICAL HIGHLIGHTS	78
D.4	NET PREMIUM INCOME- GRAPHICAL HIGHLIGHTS	78
D.5	UNDERWRITING PROFIT- GRAPHICAL HIGHLIGHTS	79
D.6	TOTAL ASSETS- GRAPHICAL HIGHLIGHTS	79
D.7	SHAREHOLDERS' EQUITY- GRAPHICAL HIGHLIGHTS	80
D.8	FIXED ASSETS- GRAPHICAL HIGHLIGHTS	80
D.9	EARNINGS PER SHARE- GRAPHICAL HIGHLIGHTS	81

<b>E.</b>	<b>SUSTAINABILITY REPORTING</b>	<b>82</b>
E.1	NEED FOR SUSTAINABILITY REPORTING	83
E.2	CORPORATE SOCIAL RESPONSIBILITIES (CSR)	84
E.3	ENVIRONMENT RELATED INITIATIVES	85
E.4	ENVIRONMENT & SOCIAL OBLIGATIONS	86
E.5	INVESTOR-FRIENDLY INFORMATION	87
E.6	HUMAN RESOURCE DEVELOPMENT	87
E.7	INTEGRATED REPORTING	90
E.8	HUMAN CAPITAL	93
E.9	HUMAN RESOURCE ACCOUNTING	94
E.10	COMPANY'S CONTRIBUTION TOWARDS ITS STAFF	95
E.11	REGULATORY REVIEW	96
E.12	NATIONAL INTEGRITY STRATEGY	97
E.13	OUR SUSTAINABILITY REPORTING	98
<b>F.</b>	<b>INFORMATION ABOUT CORPORATE GOVERNANCE</b>	<b>101</b>
F.1	REPORT ON ACTIVITIES OF THE AUDIT COMMITTEE	102
F.2	REPORT ON ACTIVITIES OF THE NOMINATION & REMUNERATION COMMITTEE	104
F.3	NOMINATION & REMUNERATION POLICY AND EVALUATION CRITERIA THEREOF	107
F.4	REPORT ON ACTIVITIES OF THE EXECUTIVE COMMITTEE	112
F.5	REPORT ON ACTIVITIES OF THE CLAIMS COMMITTEE	114
F.6	REPORT ON GOING CONCERN	116
F.7	DIRECTORS' CERTIFICATE	117
F.8	ANNEXURE- A: DECLARATION BY CEO & CFO	118
F.9	ANNEXURE- B: CERTIFICATE ON COMPLIANCE OF CGC	119
F.10	ANNEXURE- C: REPORT ON COMPLIANCE OF BSEC NOTIFICATION ON CORPORATE GOVERNANCE CODE (CGC)	120
F.11	REPORT ON COMPLIANCE & CORPORATE GOVERNANCE	131
<b>G.</b>	<b>RISK MANAGEMENT &amp; CONTROL ENVIRONMENT</b>	<b>144</b>
G.1	RISK AND OPPORTUNITY REPORT	145
G.2	REPORT ON INSURANCE RISK AND ITS MITIGATION	153
G.3	DISCLOSURE OF RISK REPORTING	156
<b>H.</b>	<b>STAKEHOLDERS' &amp; INVESTORS' INFORMATION</b>	<b>157</b>
H.1	POSITION OF SHAREHOLDING	158
H.2	NUMBER OF SHAREHOLDERS	159
H.3	INVESTOR/STAKEHOLDER-FRIENDLY INFORMATION ENQUIRIES & COMMUNICATION	160
H.4	CLIENTS COMPLAINTS AND COMMUNICATION	161
H.5	DIVIDEND DISTRIBUTION POLICY	162
H.6	CORPORATE IT & WEBSITE INFORMATION	164
H.7	UNCLAIMED / UNDISTRIBUTED DIVIDENDS	164
H.8	REDRESSAL OF INVESTORS' COMPLAINT	166

<b>I.</b>	<b>VALUE ADDED STATEMENT</b>	<b>168</b>
I.1	VALUE ADDED STATEMENT	169
I.2	ECONOMIC VALUE ADDED STATEMENT	169
I.3	MARKET VALUE ADDED STATEMENT	169
I.4	CONTRIBUTION TO THE NATIONAL EXCHEQUER/GOVERNMENT FUND	170
I.5	MARKET SHARE POSITION OF INSURANCE BUSINESS	170
<b>J.</b>	<b>SPECIFIC AREAS FOR INSURANCE SECTOR</b>	<b>171</b>
J.1	CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER) WITH AGEING THEREOF	172
J.2	SOLVENCY MARGIN STATUS	174
J.3	ACCOUNTING RATIOS PERTAINING TO INSURANCE BUSINESS	174
J.4	REVIEW ON ASSETS QUALITY	174
<b>K.</b>	<b>REPORT ON OTHER ACTIVITIES</b>	<b>175</b>
K.1	REPORT ON CLAIMS SETTLEMENT	176
K.2	INTERNAL AUDIT REPORT	177
K.3	REPORT ON REINSURANCE	179
K.4	REPORT ON PRE SURVEY RISK INSPECTION	181
K.5	FINANCIAL CALENDAR	182
<b>L.</b>	<b>SUMMARY OF ACCOUNTS</b>	<b>183</b>
L1	FINANCIAL HIGHLIGHTS	184
L.2	SUMMARY OF QUARTERLY FINANCIAL PERFORMANCE	185
<b>M.</b>	<b>AUDITORS' REPORT AND FINANCIAL STATEMENTS</b>	<b>189</b>
M.1	AUDITORS' REPORTS TO THE SHAREHOLDERS	190
M.2	STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	196
M.3	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	198
M.4	PROFIT & LOSS APPROPRIATION ACCOUNT	199
M.5	CONSOLIDATED REVENUE ACCOUNT	200
M.6	FIRE INSURANCE REVENUE ACCOUNT	201
M.7	MARINE INSURANCE REVENUE ACCOUNT	202
M.8	MOTOR INSURANCE REVENUE ACCOUNT	203
M.9	MARINE HULL INSURANCE REVENUE ACCOUNT	204
M.10	MISCELLANEOUS INSURANCE REVENUE ACCOUNT	205
M.11	STATEMENT OF CHANGES IN EQUITY	206
M.12	STATEMENT OF CASH FLOWS	207
M.13	CLASSIFIED SUMMARY OF ASSETS (FORM AA)	208
M.14	NOTES TO THE FINANCIAL STATEMENTS	209

<b>N.</b>	<b>PHOTO GALLERY &amp; OTHER ACTIVITIES IN PHOTOS</b>	<b>236</b>
N.1	NATIONAL MOURNING DAY	237
N.2	HIGHLIGHTS OF BIMA DIBOSH	238
N.3	MEDIA HIGHLIGHTS FOR CLAIMS SETTLEMENT	238
<b>O.</b>	<b>CHECKLIST AND DISCLOSURE OF DIFFERENT STANDARDS FROM VARIOUS AUTHORITIES</b>	<b>242</b>
O.1	DISCLOSURE CHECKLIST REGARDING ICSB (INSTITUTE OF CHARTERED SECRETARIES OF BANGLADESH) NATIONAL AWARD FOR CORPORATE GOVERNANCE EXCELLENCE EVALUATION CRITERIA FOR COMPANIES	243
O.2	DISCLOSURE CHECKLIST REGARDING SAFA STANDARD	246
O.3	DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA	249
O.4	DISCLOSURE CHECKLIST REGARDING CORPORATE GOVERNANCE	251
O.5	CHECKLIST REGARDING INTEGRATED REPORTING	253
O.6	DISCLOSURE CHECKLIST REGARDING BD SECRETARIAL STANDARDS	257
O.7	DISCLOSURE CHECKLIST REGARDING INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)	275
O.8	DISCLOSURE CHECKLIST REGARDING BSEC	278
<b>P.</b>	<b>OTHER CERTIFICATIONS AND PROXY FORM</b>	<b>280</b>
P.1	CERTIFICATION BY ALPHA CREDIT RATING LIMITED	281
P.2	CERTIFICATION BY INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)	282
P.3	CERTIFICATION BY BANGLADESH INSURANCE ASSOCIATION (BIA)	283
P.4	CERTIFICATION BY BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES (BAPLC)	284
P.5	PROXY FORM	285



# A. GENERAL OUTLOOK

A.1 LETTER OF TRANSMITTAL

A.3 NOTICE OF THE 23<sup>rd</sup>  
ANNUAL GENERAL MEETING

A.5 FORWARD LOOKING  
STATEMENT

SHAREHOLDING PATTERN A.2

CREDIT RATING REPORT A.4



**DESH GENERAL INSURANCE COMPANY LIMITED**



To,  
All Shareholders,  
Bangladesh Securities and Exchange Commission (BSEC),  
Insurance Development and Regulatory Authority (IDRA),  
Registrar of Joint Stock Companies & Firms (RJSC),  
Dhaka Stock Exchange Limited (DSE),  
Chittagong Stock Exchange Limited (CSE),  
Central Depository Bangladesh Limited (CDBL) and  
All Other Stakeholders.

**Subject: Submission of Annual report for the year ended December 31, 2022**

Dear Sir (s)

We are pleased to enclose a copy of the Annual Report of Desh General Insurance Company Limited (DGIC) together with the Audited Financial Statements including the Balance sheet, Revenue Account cash flow Statement, and notes to the accounts for the year ended December 31, 2022 for your information and record.

Sincerely Yours,



**Md. Noor-Ul-Alam**  
**Company Secretary**

August 07, 2023



## A.2

## SHAREHOLDING PATTERN

The pattern of shareholding as on December 31, 2022 with category and name wise details:

A) Parent/Subsidiary/ Associate Company and other related : Nil

B) Shareholding by Directors, Sponsors and Public Shareholders:

Sl. No.	Name Of Shareholders	Status	No of Share	%
1	Mr. Md. Jashim Uddin - Chairman	Sponsor Director	1,649,629	4.12
2	Mr. Mohammed Akbor Hossain-V. Chairman	Sponsor Director	1,281,845	3.20
3	Mr. Amir Hossain Amu	Sponsor Director	2,506,933	6.27
4	Ms. Rokeya Quader	Sponsor Director	1,495,510	3.74
5	Mr. Aminur Rahman	Sponsor Director	806,215	2.02
6	Mr. Murad Mohammed Taj	Sponsor Director	1,227,330	3.07
7	Engr. A.K.M. Ahsanul Haque	Sponsor Director	1,121,185	2.80
8	Engr. Tarikul Alam Rahimi	Sponsor Director	1,576,665	3.94
9	Mr. Nihar Kumar Roy	Sponsor Director	1,068,180	2.67
10	Ms. Priti Kana Bose	Sponsor Director	809,831	2.02
11	Ms. Nauzat Begum	Sponsor Director	800,000	2.00
12	Mr. Tahrin Aman	Sponsor Director	800,000	2.00
13	Mr. Md. Kamal Uddin FCA	Ind. Director	-	-
14	Mr. Shahedul Islam	Ind. Director	-	-
15	Mr. Syed Javed Iqbal	Ind. Director	-	-
16	Mr. Sakif Nazran Bhuiyan	Sponsor	1,495,510	3.74
17	Mr. Moshfeque Mamun Rizvi	Sponsor	250,451	0.63
18	Ms. Shamima Yeasmin	Sponsor	999,955	2.50
19	Ms. Rehana Jalil	Sponsor	351,758	0.88
20	Al-Haj Mosharref Hossain	Sponsor	1,487,432	3.72
21	Mr. Morshed Alam	Sponsor	2,350,371	5.88
22	Mr. M. Monsurul Islam	Sponsor	599,831	1.50
23	Mr. Md. Saifuddin Khaled	Sponsor	626,214	1.57
24	Mr. M. Amanullah	Sponsor	695,155	1.73
<b>A. Total Holding by Sponsors</b>			<b>240,00,000</b>	<b>60%</b>
Public- Individual			143,65,852	35.91
Institution			16,34,148	4.09
Government			-	-
Foreign			-	-
<b>B) Total Holding by Public Shareholders</b>			<b>160,00,000</b>	<b>40%</b>
<b>C) Shareholding by CEO,CFO,CS and HIAC</b>				
Chief Executive Officer (CEO)		Nil	Nil	
Chief Financial Officer, Company Secretary, Head of Internal Audit and their Spouse and minor Children		Nil	Nil	

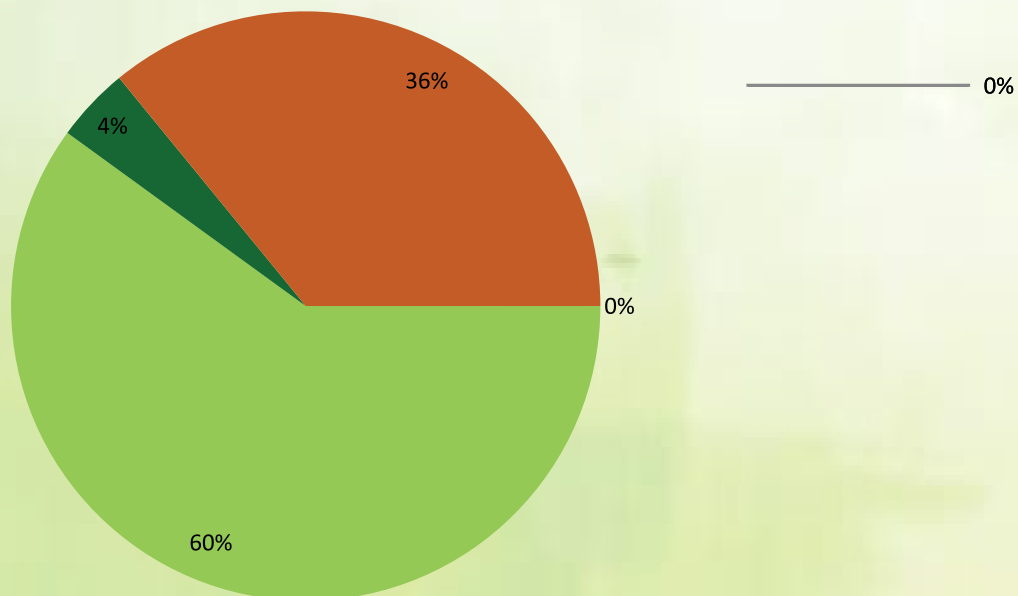
**d) Shareholding by top five Executives of the Company:**

Shares held by top five Executives of the Company	Nil	Nil
---	-----	-----

**e) Shareholding Ten Percent (10%) more voting rights : Nil**

## Shareholding Percentage

■ Directors & Sponsors ■ Institute ■ Public ■ Gov't ■ Foreign Inv



## A.3

# NOTICE OF THE 23<sup>rd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the **23<sup>rd</sup> Annual General Meeting** of **Desh General Insurance Company Limited (DGIC)** will be held on **MONDAY, AUGUST 28, 2023** at 11.00 a.m. Bangladesh Time in Digital Platform to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. DIRECTORS' REPORT & ACCOUNTS:**

To receive, consider and adopt the Audited Financial Statements for the year ended on December 31, 2022 together with the Directors' Report and Auditors' Report thereon.

#### **2. DIVIDEND:**

To declare dividend for the year ended on December 31, 2022 as recommended by the Board of Directors.

#### **3. ELECTION/RE-ELECTION OF DIRECTORS:**

To elect Directors of the Company in the vacancies caused by retirement on rotation in accordance with the provisions of 114 and 115 of the Articles of Association of the Company.

#### **4. APPOINTMENT OF STATUTORY AUDITORS:**

To appoint Statutory Auditors for the year 2023 and fix their remuneration.

#### **5. APPOINTMENT OF COMPLIANCE AUDITORS:**

To appoint Corporate Governance Compliance Auditors for the year 2023 and fix their remuneration.

### **SPECIAL BUSINESS:**

#### **6. APPROVE THE OVER UTILIZATION IPO EXPENSES:**

To approve Over Utilization IPO Expenses of **taka 33, 79,742 (thirty three lac seventy nine thousand seven hundred and forty two taka)** only with Simple Majority having **51 %** vote from Public Shareholders pursuant to the condition no. 6 of Part-C of the Prospectus of the Company imposed under 2CC of the Securities and Exchange Ordinance, 1969 and of the Consent letter no BSEC/CI/IPO/-275/2018/307 dated January 13, 2021 issued by the Commission to the Company.


*The following proposed Special Resolution to be considered in the 23<sup>rd</sup> AGM with or without modification:*

#### **“RESOLVED THAT:**

Pursuant to the condition no. 6 of Part-C of the prospectus of the Company imposed under 2CC of the Securities and Exchange Ordinance, 1969 and of the Consent letter no BSEC/CI/IPO/-275/2018/307 dated January 13, 2021 issued by the Commission, the Over utilization IPO Expenses of **taka 33, 79,742 (thirty three lac seventy nine thousand seven hundred and forty two taka)** only be and is hereby approved with Simple Majority having **51 %** vote from Public Shareholders.

**By Order of the Board of Directors**

August 07, 2023  
10, Dikusha, Dhaka

  
**Md. Noor-Ul-Alam**  
Company Secretary

#### **NOTES:**

- The **details of the IPO Expenses and the Audit Report on Utilization of IPO Proceeds** have been displayed on the website of the Company ( [www.deshinsurancebd.com](http://www.deshinsurancebd.com) ) for your kind information and consideration.
- **The Shareholders whose names appear** in the Members Register (Depository Register) in CDBL **on the Record Date i.e. Monday, July 03, 2023** shall **be eligible to attend and vote in the 23rd AGM (virtual Meeting)** of the Company and shall **be entitled to receive the Dividend as approved** at the 23rd AGM;
- A Member may **appoint a proxy** to attend and vote in his/her place by filling a proxy form. The proxy form, duly completed and stamped BDT 100.00 must be deposited at the office not later than 72 hours before the time scheduled for holding the meeting as per Article 97 of the Articles of Association of the Company;
- Pursuant to Article 99 of the Articles of Association, **a corporate member of the Company**, by resolution of the Board of Directors or other Governing Body of such body corporate, may **authorize** such person as it thinks fit, to act as its **representative** at any meeting of the Company;
- The **AGM will be conducted through Digital Platform** in accordance with the order no. SEC/SRMIC/94-231/25 dated July 08, 2020 of Bangladesh Securities and Exchange Commission (BSEC);
- The **link for the virtual AGM** and detailed procedures to attend the meeting will be communicated to the respective shareholders' email ID and/or cell number available with BO ID of the shareholders in due course and it will also be available on the website of the Company: [www.deshinsurancebd.com](http://www.deshinsurancebd.com) ;
- **Requesting all the Stock Brokerage Houses** those who are holding the DGIC shares to **provide us the list of margin holders name**, shareholdings, e-TIN as on July 03, 2023 (record date for final dividend) ); to the Board & Share Department of the Company as well as e-mail to [cs@deshinsurancebd.com](mailto:cs@deshinsurancebd.com) as per BSEC Notification No. SEC/CMRRCD/2009-193/169 Dated May 14th, 2015;
- **Members were requested in PSI issued on 29-05-2023 to update their respective BO Accounts** with 72 Digit Taxpayer's Identification Number (TIN), bank account, mailing address, email address and cell number through their respective Depository Participant (DP) before the 'Record Date'. **Tax Deduction at Source @15% (instead of 10%) would be made from the eligible cash dividend amount, if any individual failed to update his/her BO Account** with the 72 Digit TIN before the Record Date;
- As per Bangladesh Securities and Exchange Commission notification# BSEC/ CMRRCD/ 2006-158/208/Admin/81, dated 20<sup>th</sup> June 2018, soft copies of the **Annual Report along with the Attendance Slip, Proxy Form and the Notice** will be forwarded to all the Members at **their respective email address available with us as per CDBL record**. These will also be available on the website of the Company; and, however, interested members may collect the same from the Board & Share Department of the Company;
- As per BSEC Notification No. SEC/CMRRCD/2006-158/208/Admin/81 Dated June 20, 2018 a soft copy of the Annual Report is sent to the e-mail addresses of the members listed in their respective BO Accounts with the DP. Besides, the soft copy of the DGIC Annual Report- 2022 will also be available on the Company's Website at: [www.deshinsurancebd.com](http://www.deshinsurancebd.com).
- **Members will be able to submit their questions/comments and vote electronically from 24 hours before commencement of the AGM. For logging in the system, the members need to put their 16-Digit BO ID number by visiting link and the QR Code of the virtual meeting are displayed on the website of the Company**
- We encourage the members to login to the system prior to the meeting start time 11.00 am on August 28, 2023. Please allow ample time to login and establish your connectivity. **Please contact +88001313-208964** for any technical difficulties in accessing the virtual meeting.
- In compliance with BSEC's Notification No. SEC/SRMI/2000-953/1950 dated October 24, 2000 **“(c) no benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of equity securities” for attending AGM of the Company.**

## A.4

# CREDIT RATING REPORT

Alpha Credit Rating Ltd has reaffirmed the rating of Desh General Insurance Company to AA (pronounced as double A) for the year 2022 based on the Audited Financials up to December 31, 2022 and other relevant qualitative and quantitative information up to the date of rating and will be valid till June 20, 2024. This rating reflects the good financial and underwriting performance, sound liquidity, good fixed asset investment, experienced Board members and Management team of the Company.

The report also stated that Desh General Insurance Company has a stable outlook from the industrial point of view for overall industry growth and policy and regulations implicated by regulatory authority as per laws of the land.

It should be mentioned that Desh General Insurance Company Ltd was also rated AA for its

- Strong financial performance, increased solvency margin and liquidity, increased total asset base, increased total investment income and claim settlement within 30 days.

- Adequate paid up capital along with strong capital structure, adequate paid up capital, experienced management team and long track record of the promoters in the insurance industry.

This continuation of upgrading rating proves that Desh General Insurance Company Ltd operates its financial activities in a very transparent and professional manner.

The said long term rating defines very strong capacity for timely payment of financial obligations offering high safety. The Short Term Rating defines the strong capacity for timely payment of financial commitments and carries lower credit risk. It may please be noted in this connection that the Company has been credit rated since 2015. The summary of the credit rating is as under:

RATING				
RATING ACTION	LONG TERM	SHORT TERM	OUTLOOK	VALIDITY
12 <sup>th</sup> SURVEILLANCE	AA	ST-2	STABLE	20-06-2024



Bangladesh is now the second largest economy in South Asia. Bangladesh begins her graduation process to a developing economy fulfilling three major criteria of the United Nations (UN) for qualification (i) gross national income per capita, (ii) human asset index and (iii) economic vulnerability index. Embolden with the achieved attributes, Bangladesh has aspired to be a middle income country and are on the track to achieve it. According to the World Economic League Table, published annually by the Centre for Economics and Business Research (CEBR) in London, Bangladesh has also been ranked 41st among 193 countries, up from the 43rd position since in 2021. The report continued to expect that the country climbed 19 places in the World Economic League Table to become the world's 24th largest economy by 2033.

Bangladesh is famous for her innovation in micro-credit and other remarkable attainments in social services and very recently Bangladesh has captured global attention for financial inclusion (FI) that portrays an inclusive business model. It is a sustainable business that benefits all communities under its cover. All of the financial institutions including the government services deliveries are already embracing to tap the potentiality of the opportunities opened by financial inclusions with micro insurance products for small entrepreneurs and health insurance.

As per the report of Global Findex database supported by Bill & Melinda Gates Foundation after judging 144 economics found that around 50 percent of Bangladeshi, age 15 or above, have an account either through a financial institution or mobile money provider. It presupposes half of Bangladeshi do not have any formal access to finance and it is many times lesser in case of formal banking. According to Bangladesh Bank there are more than 16.5 million active mobile financial services (MFS) accounts. The a2i project at the Prime Minister's office is working with the Bill & Melinda Gates Foundation on the consultative group to assist the poorest (CGAP) is working to develop a digital financial services (DFS) and by using their tools savings, loans and insurance to rural Bangladesh will get a new impetus in the coming year like weather based agro insurances, agro insurance and micro-insurance services. In the financial era agent banking and other host of financial services and retail products have already made a strong footprint. The institutions are going to embrace it as a holistic approach.

In case of inclusiveness, particularly for insurance business Leaving No-one behind (LNB) is an important phenomenon. It is a tagline used in case of sustainable development goals (SDGs) and we are for speeding up the insurance services under the cover of financial inclusions that in turn will enhance empowerment of people's financial services for those who are at the receiving ends. The Union Development Centers (UDCs) services will be a tool in this case and the Private Commercial Banks (PCBs) are trying to render services to netting the

















root level people by using this tool. We are also striving to reach to the root level through micro insurances like health, agro and SME catered products for the larger clients and customers.

Since its inception, Desh General Insurance Company Ltd. (DGIC) is always looking forward to establishing its vision and mission. Therefore, forward looking statements and information is considered as one of the most important factors of an annual report. This is a strategic statement to focus on the company's future activities on the basis of current activities of the management of the company obviously in line with policies and decisions taken by its board of directors.

DGIC is always highly optimistic about its business growth. DGIC is moving fast to accelerate its growth and its turnover as well. It has qualified professional resources, ethical business practices, innovative and diverse product designs, good IT structure, protection of risk by the overseas re-insurers, quality service provided to its valued clients and business partners and excellent services for claims settlement. In all these areas, DGIC has made itself different from other insurance companies. In order to continue its success, DGIC has been focusing on improvising its standards gradually.

Various factors, many of which are beyond the control of Desh General Insurance Company Limited, affect the company's operations, performance, business strategy and results, and the actual results, performance or achievements of the company may differ materially from future results. Some factors that may affect the business environment including the following are added but not limited to:

-  Changes in economic and market conditions of Bangladesh which may directly or indirectly impact the company's insurance business progress.
-  Development and stability of financial markets including interest rate, exchange rate etc.
-  Regulatory circulars from IDRA and policies from the government of Bangladesh.
-  Changes of global economy which may impact on foreign re-insurance treaty with the reinsurer.
-  Increase in areas of corporate tax which may impact on insurance services.
-  Changes in legal and regulatory framework of insurance business in Bangladesh.
-  Changes in the political environment of the country.
-  Changes caused due to natural calamities like flood, cyclone etc.
-  Implementation and up-gradation of the latest information technology.
-  Innovation and launching of new insurance products in the market.
-  Reducing the operational cost and degree of competitions in the business areas in which we operate.
-  Any unforeseen changes in the treaty with the reinsurers. Risks and uncertainties in connection with: disposing of business activities, certain strategic reorientation measures, including reorganization measures.
-  The risk that new products or services will not be accepted by new clients or business partners.
-  Any changes in business strategy.

# B.

## PREAMBLE TO DESH GENERAL INSURANCE COMPANY LTD. (DGIC)

B.1 OUR VISION, MISSION & GOAL

OUR CORE VALUES B.2

B.3 OUR BUSINESS MODEL

PROFILE OF THE COMPANY B.4

B.5 COMPANY INFORMATION

PRODUCTS & SERVICES B.6

B.7 PRODUCT DIVERSIFICATION  
& INNOVATION

ORGANIZATIONAL CHART B.8

B.9 CORPORATE CHRONICLE

MANAGEMENT TEAM B.10

B.11 OUR BRANCHES

BRANCH MANAGEMENT B.12



**DESH GENERAL INSURANCE COMPANY LIMITED**

## B.1

# OUR VISION, MISSION & GOAL



### OUR VISION

To be the industry leader by building customer satisfaction through fairness, transparency and quick response.

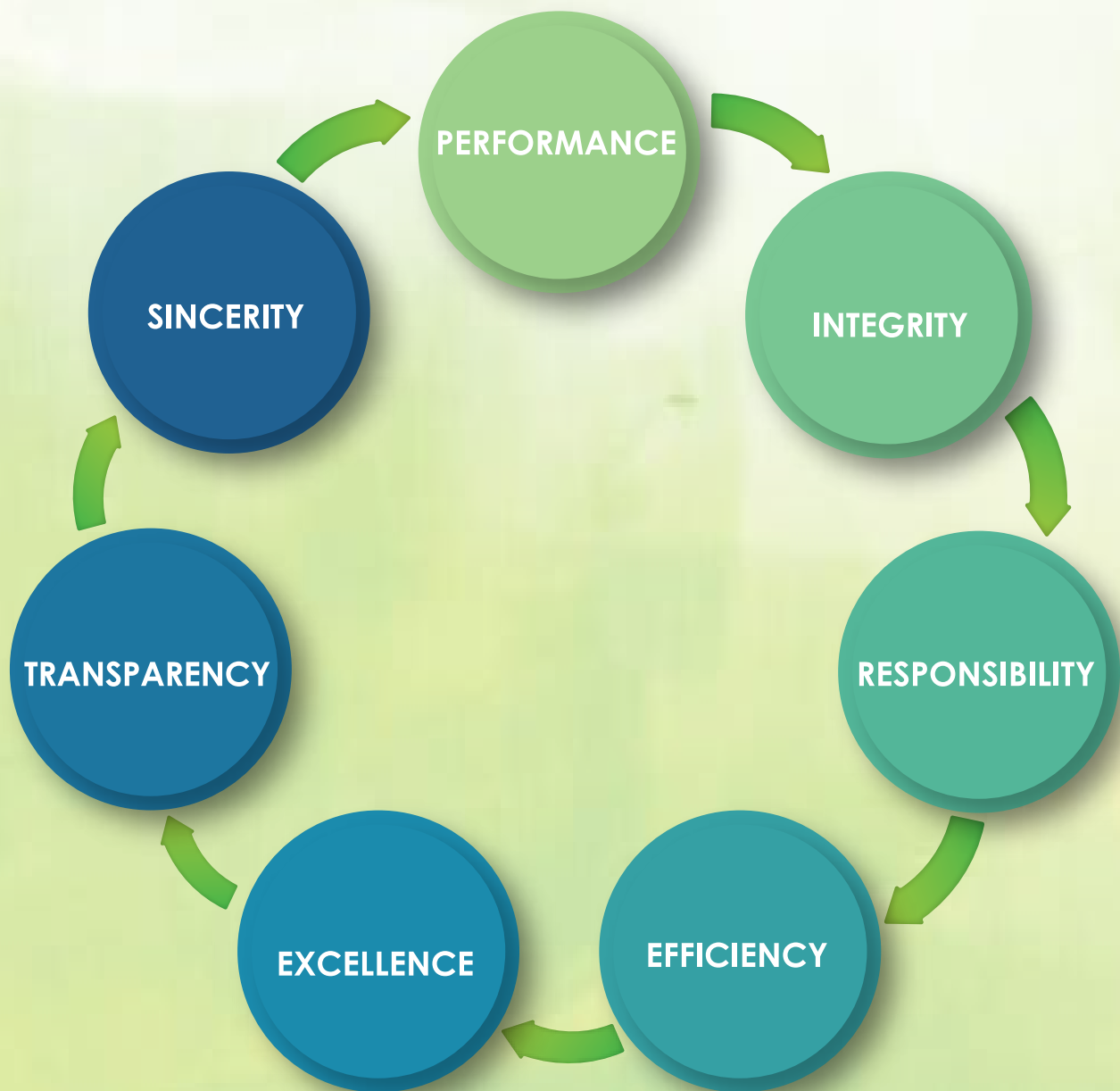
### OUR MISSION

TO PROVIDE PEACE OF MIND TO OUR CUSTOMERS THROUGH SOUND INSURANCE AND OUTSTANDING SERVICE.

### OUR GOALS

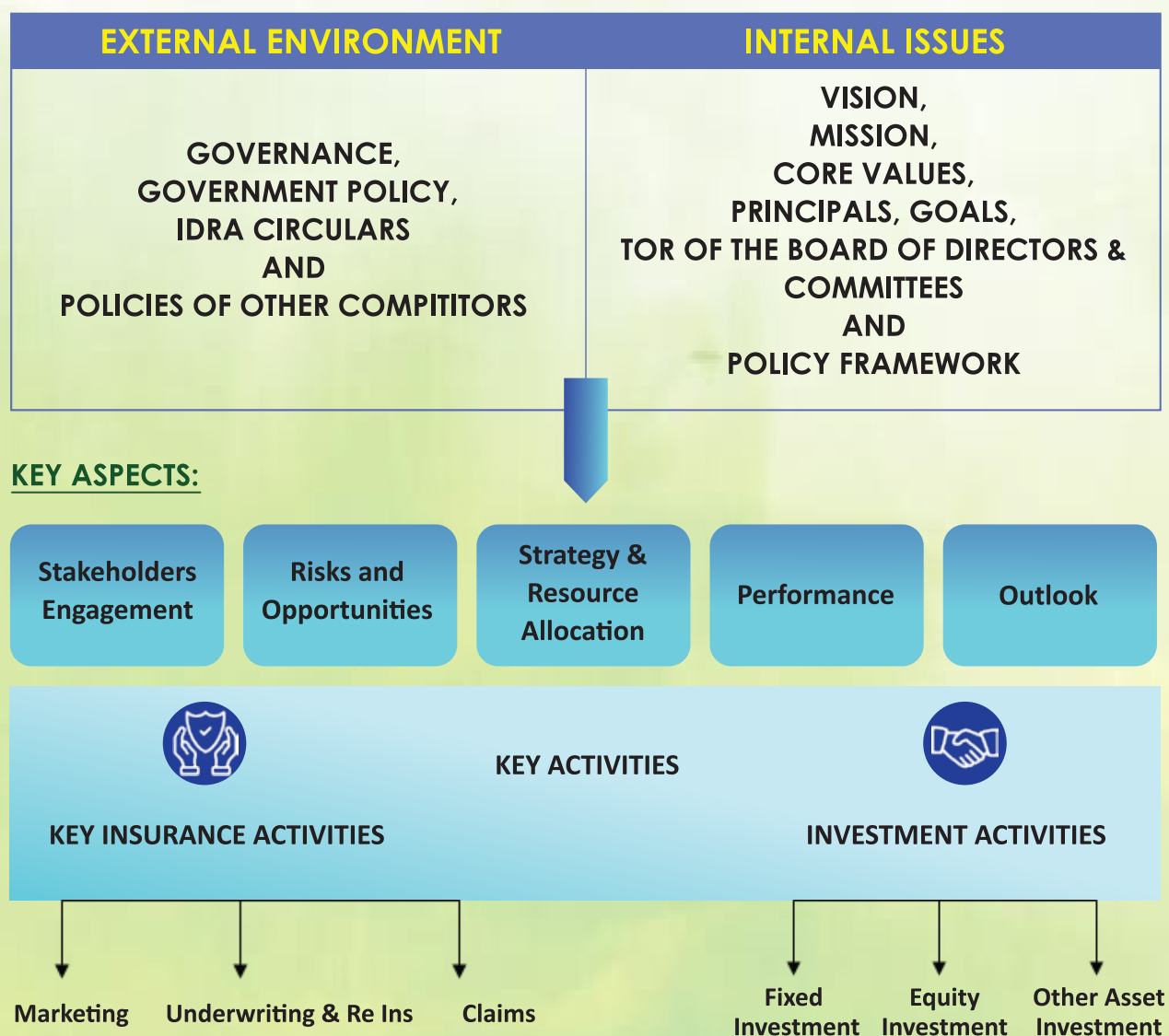
- Maximize insurance coverage at a minimum cost but certainly within legal boundaries.
- Establish long term relationships with our clients and business partners built on our prudent underwriting and personalized professional service with trust.
- Respond quickly to new opportunities.
- Maintain strong relationships with a wide variety of partners like re-insurers, insurance brokers, insurance agents, regulatory bodies, government agencies and so on.
- Assess and manage our business risks carefully.
- Strive for continuous improvement developing our performance excellence at all levels.

## B.2 OUR CORE VALUES



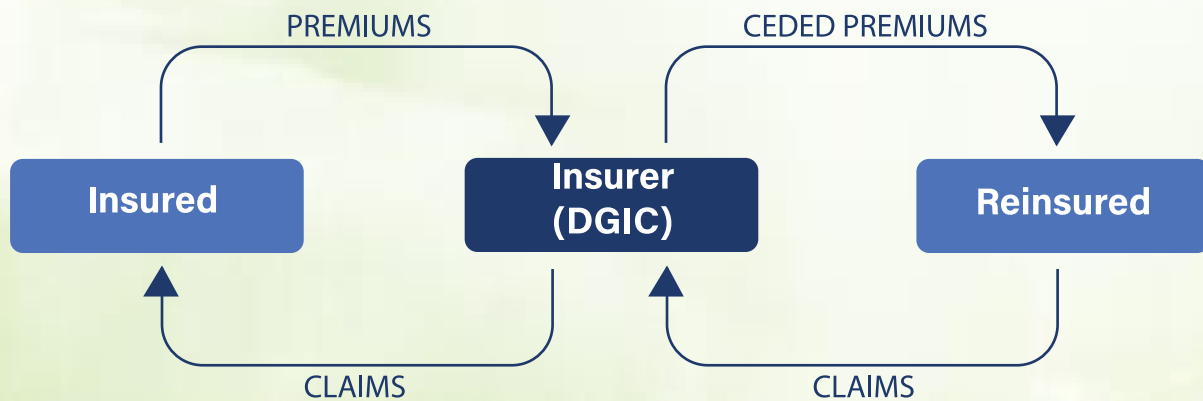
## B.3 OUR BUSINESS MODEL

### BUSINESS MODEL SHOWING OUR PRINCIPAL ACTIVITIES

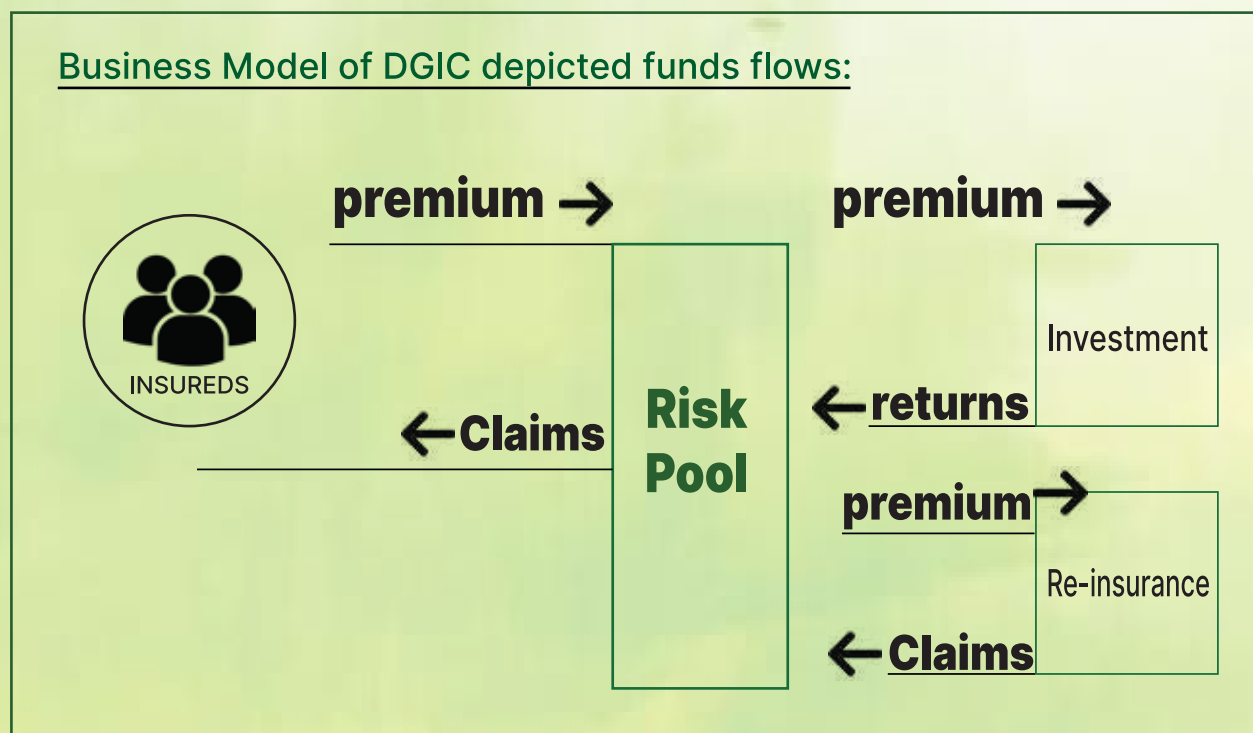




**CHART : Risk and premium flows between consumers/ insureds, insurer (DGIC) and reinsurers**



**Business Model of DGIC depicted funds flows:**





## DGIC'S - BUSINESS CONTEXT CONSIDERING 6 TYPES OF CAPITAL

### INPUTES

#### ❖ FINANCIAL CAPITAL

● Funds from Sponsor shareholders and public shareholders provide as the capital of DGIC.

#### ❖ HUMAN CAPITAL

● Education, Knowledge, skills and attitudes of employees  
 ● Skilled and committed co-workers motivated by vision, mission and goal of the Company  
 ● Supported by training and development activities and Circulars from Regulatory Authorities  
 ● Assessing and communicating sustainable insurance services

#### ❖ INTELLECTUAL CAPITAL

● Image of the Sponsors  
 ● Brand image and Reputation  
 ● Company culture  
 ● Expertise knowledge  
 ● Systems and Processes

#### ❖ MANUFACTURED CAPITAL

● DGIC Premises  
 ● DGIC's IT infrastructure

#### ❖ SOCIAL AND RELATIONSHIP CAPITAL

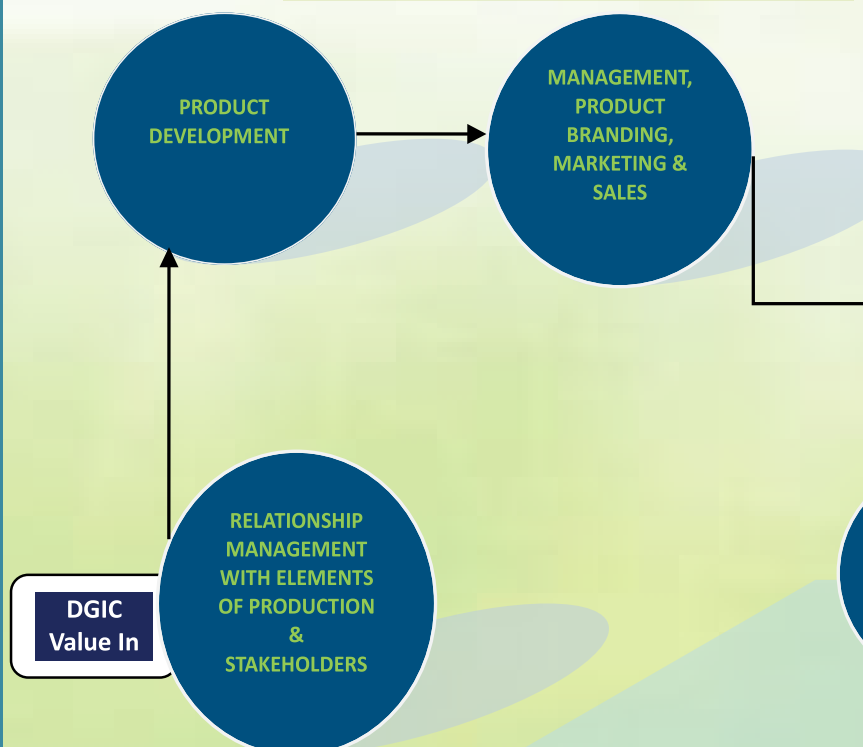
● Customers of DGIC  
 ● Cross-functional departments  
 ● Other Business Stakeholders and Partners  
 ● Networks, within and between the Insurance sector  
 ● Community

#### ❖ NATURAL CAPITAL

● Energy efficiency management  
 ● A meaningful contribution to our environmental sustainability  
 ● Water conservation and waste management

### External Variables Impacting Value

- Changes of Monetary and Fiscal Policy of the country
- Trade deficit fluctuation in the economy
- Political uncertainties
- Regulatory changes and updates
- Changes in International economy
- Change in demographics
- IDRA Monitoring, BIA Supports
- Other company's policies regarding marketing and market share



### DGIC'S - PROFIT FORMULA

#### Revenues

- Insurance premiums
- Investment income
- Reinsurance commission and
- Other income

#### COSTS

- Reinsurance premiums
- Business acquisition cost
- Staff costs
- Administration costs
- Marketing and business development costs
- Finance costs
- Taxes

### DGIC'S VALUE PROPOSITIONS

#### CUSTOMERS

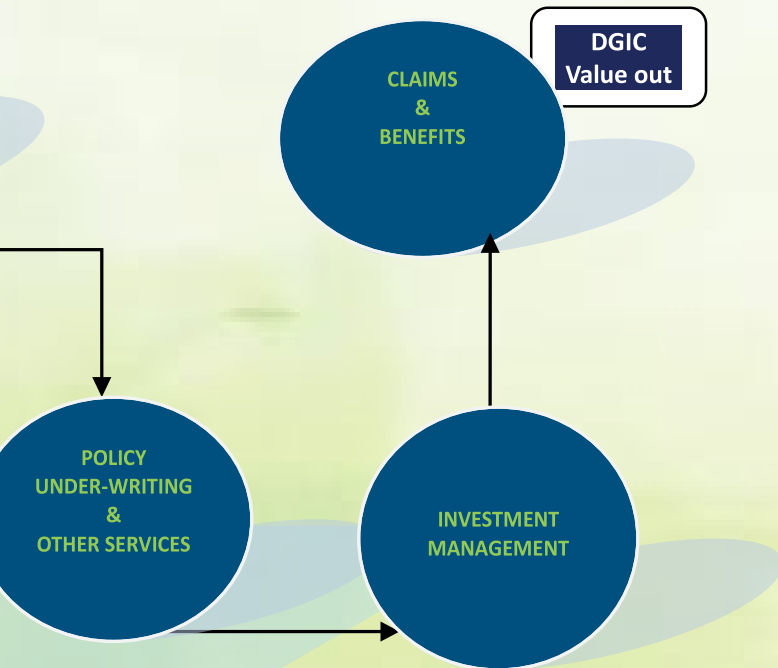
Providing better protection to all customers by meeting their insurance needs professionally with a spirit of caring.

#### SHAREHOLDERS

Consistently delivering better returns to shareholders through well managed business operations and investment management

## DGIC'S - Material Risks

- Export-Import scenario of the Country as well as credit Rating Status of the Baking Sector of the Country by International Organizations
- Volatility in Interest rates affecting investment income, liability valuations and customer preference for savings over insurance
- High inflation and falling disposable incomes affecting demand for insurance
- Severe price competition and substitutes for insurance solutions offered by other general insurance companies in the market
- Increasing the risk of man-made disasters as well as act of God.
- Performance in equity markets and Exchange rate at DSE & CSE volatilities affecting investment income of the Company
- Sophisticated customer expectations with technological developments changing demographics affecting nature of products offered
- High costs involved with implementation of new regulations and Governance of the Company



## DGIC'S - PRODUCTS AND OUTPUTS

Fire Insurance, Marine Insurance, Motor Insurance, Engineering Insurance, Cash In Transit Insurance, Bank Lockers Insurance, Fidelity Guarantee Insurance, Bankers' Blanket Bond Insurance, Money Insurance including Cyber Crime Insurance, Hajj & Umrah Insurance, Contractors' All Risks Insurance (CAR), Erection All Risks Insurance (EAR), Health Insurance, Shipbuilders liability coverage, power plant and miscellaneous insurance

### EMPLOYEES

Ensure better work-life balance and personal development through inculcating a culture of learning and growth to achieve personal and professional development

### SOCIETY

Delivering sustainable value to all stakeholders through better corporate stewardship

## OUT COMES

### ❖ FINANCIAL CAPITAL

- Providing attractive Dividends
- Ensuring financial stability and growth
- Ensuring business growth with better claim paying ability

### ❖ HUMAN CAPITAL

- Make sure more employee satisfaction and motivation
- Confirming a rewarding and progressive careers in the Company
- Reasonable treatment and provision of equal opportunities for all employees
- Safe and Sound working environments

### ❖ INTELLECTUAL CAPITAL

- Forming the right organizational and governance structure
- Inspiring values promoting a performance culture
- Improving knowledge and building internal Capabilities
- Capitalizing in systems and refining Processes

### ❖ MANUFACTURED CAPITAL

- Making long term value through investments in premises, IT infrastructure and other equipment

### ❖ SOCIAL AND RELATIONSHIP CAPITAL FOR PEOPLE AND PLANET

- Communication with stakeholders
- Our customers are being delighted
- Forming win-win partnerships
- Producing employment opportunities
- Developing communities around us through CSR and other activities
- Aware community about social change
- Respond to societal challenges with innovative products
- Maintain transparent finances
- Enabling value-driven enterprise
- Products for Sustainable enterprise and Economy
- Sustainable reinsurance policy

### ❖ NATURAL CAPITAL

- Reduction on water, energy and paper consumption in the Company

## B.4 PROFILE OF THE COMPANY

Desh General Insurance Company Limited (DGIC) is a second generation private sector non-life insurance company. It is a well-known, trusted and leading name in the non-life insurance sector in Bangladesh. Desh General Insurance Company Limited was incorporated as a public limited company on February 08, 2000 under Companies Act, 1994. It obtained registration from the former Chief Controller of Insurance (CCI), Government of the People's Republic of Bangladesh on 2nd March, 2000. Desh General Insurance Company Limited obtained renewal license from the Insurance Development & Regulatory Authority (IDRA) when the Authority came into being in 2011. The company provides non-life insurance services within the stipulations laid down by Insurance Act, 2010 and directives received from time to time from Insurance Development & Regulatory Authority (IDRA).

Being a listed company with Dhaka Stock Exchange Ltd (DSE) and Chittagong Stock Exchange Ltd (CSE), Desh General Insurance Company Limited is a publicly traded company. The company carries its insurance activities through 21 branches/booths spread across the country.

<b>Name of the Company:</b>	<b>Desh General Insurance Company Limited (DGIC)</b>
<b>Legal Form:</b>	<b>Public Limited Company</b>
<b>Certificate of Incorporation:</b>	<b>C-39596(1564)/2000 Dated: 08-02-2000</b>
<b>Company Registration No:</b>	<b>IDRA/Non-Life/2635/2017-186</b>
<b>Certificate of Commencement of Business:</b>	<b>Issue No-12095 Dated: 08-02-2000</b>
<b>Share Capital:</b>	
Authorized capital:	1000.00 million Taka
Paid-up capital:	400.00 million Taka
<b>Nature of Business:</b>	Non-life insurance business
<b>Corporate website:</b>	<a href="http://www.deshinsurancebd.com">www.deshinsurancebd.com</a>
<b>Listing Status:</b>	<b>Listed</b>
Dhaka Stock Exchange Ltd:	March 16, 2021
Chittagong Stock Exchange Ltd:	March 16, 2021
<b>Market Category:</b>	<b>"A" Category</b>
Taxpayer's Identification Number (TIN):	290574838352
VAT Registration Number (BIN):	0000014640202
<b>Chairman:</b>	<b>Mr. Md. Jashim Uddin</b>
<b>Vice-Chairman:</b>	<b>Mr. Mohammed Akbor Hossain</b>
<b>Chief Executive Officer (CEO):</b>	<b>Ms. Mohammodi Khanam</b>
<b>Chief Financial Officer (CFO):</b>	<b>Mr. Rabindra Nath Karmaker</b>
<b>Company Secretary (CS):</b>	<b>Mr. Md. Noor-Ul-Alam</b>

<b>Credit Rating Information:</b>	<b>"AA"</b>
<b>Auditors:</b>	<b>M/s. MABS &amp; J Partners,</b> Chartered Accountants
<b>Compliance Auditor:</b>	<b>M/s. Haruner Rashid &amp; Associates,</b> Chartered Secretaries
<b>Tax Advisor:</b>	<b>M/s. JK Associates</b>
<b>Number of Employees:</b>	<b>279;</b> Male-229, Female-50
<b>Number of Branches:</b>	<b>21</b>

#### **INQUIRY (BUSINESS RELATED):**

**Ms. Mohammodi Khanam**

**Chief Executive Officer (CEO)**

Jiban Bima Bhaban, Front Block, Level 5

10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

E-mail: [ceo@deshinsurancebd.com](mailto:ceo@deshinsurancebd.com) , [info@deshinsurancebd.com](mailto:info@deshinsurancebd.com), [deshinsurancebd@gmail.com](mailto:deshinsurancebd@gmail.com)

#### **INVESTORS' INQUIRY (OTHER STAKEHOLDERS):**

**Mr. Md. Noor-Ul-Alam**

**Company Secretary**

Jiban Bima Bhaban, Front Block, Level 5

10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

Cell No : 01610-123223/01920123223

E-mail: [cs@deshinsurancebd.com](mailto:cs@deshinsurancebd.com) , [csnoor.desh@gmail.com](mailto:csnoor.desh@gmail.com)

## B.5 COMPANY INFORMATION

### NAME OF THE COMPANY:

DESH GENERAL INSURANCE COMPANY LIMITED (DGIC).

### LEGAL FORM:

A Public Limited Company incorporated in Bangladesh on February 08, 2000 under the Companies Act-1994 and Insurance Act 1938 (Replaced by Insurance Act, 2010), publicly listed with both DSE and CSE since March 16, 2021. (Publicly Traded since March 29, 2021).

### REGISTERED OFFICE:

Jiban Bima Bhavan, Front Block, Level 5, 10 Dilkusha C/A, Dhaka-1000.

Phone: + 880 2223390997-9, 02223391001

Fax: + 880 2-9561920

E-mail: info@deskinsurancebd.com, deskinsurancebd@gmail.com, dgic.bd@gmail.com,

Website: www.deskinsurancebd.com

### CHAIRMAN

Mr. Md. Jashim Uddin

### CHIEF EXECUTIVE OFFICER

Ms. Mohammodi Khanam

### CHIEF FINANCIAL OFFICER

Mr. Rabindra Nath Karmaker

### COMPANY SECRETARY

Mr. Md. Noor-Ul-Alam

### HEAD OF INTERNAL AUDIT

Mr. Md. Kamruzzaman Bhuyan

### AUDITOR

M/s. MABS & J Partners, Chartered Accountants

### COMPLIANCE AUDITOR FOR CG CODE:

M/s. Haruner Rashid & Associates, Chartered Secretaries



## B.6 PRODUCTS & SERVICES



### Fire Insurance

- Fire and Allied Perils Insurance
- Fire Package Insurance
- Property All Risks including Machinery Break-down & Business Interruption
- Power Plant Operational Package Insurance
- Comprehensive Machinery Insurance (CMI)

### Marine Insurance

- Marine Cargo Insurance
- Marine Hull Insurance
- Ship Builders' Liability Insurance
- Goods in Transit Insurance



### Motor Insurance

- Private Vehicle Insurance
- Commercial Vehicle Insurance
- Motor Cycle Insurance
- Motor Transit Insurance

### Engineering Insurance

- Contractors' All Risks Insurance (CAR)
- Erection All Risks Insurance (EAR)
- Boiler & Pressure Vessel Insurance (BPV)
- Machinery Breakdown Insurance (MBD)
- Deterioration of Stock Insurance (DOS)
- Contractors' Plant & Machinery Insurance (CPM)
- Electrical Equipment's Insurance (EEI)



### Miscellaneous Accident Insurance

#### Financial Category

- Money Insurance
- Cash in Transit Insurance
- Cash in Safe Insurance
- Cash on Counter Insurance
- ATM Risk Insurance
- Bank Lockers Insurance
- Credit Card Fraud & Forgery Insurance
- Fidelity Guarantee Insurance
- Bankers' Blanket Bond Insurance
- Electronic & Computer Crime Insurance
- Professional Indemnity for Financial Institutions
- Directors' & Officers' Liability Insurance





### Industrial Category

- Workmen's Compensation Insurance
- People's Personal Accident Insurance
- Public Liability Insurance
- Product Liability Insurance
- Employers' Liability Insurance
- Public & Product Liability Insurance
- Commercial General Liability Insurance



### Medical Category

- Health Plan Insurance
- Dread Disease Insurance
- Overseas Medi-claim Insurance
- Personal Accident Insurance
- Hajj & Umrah Insurance

### Business Category

- Golf Hole-in-one Insurance
- Professional Indemnity Insurance
- Hotel Owners' All Risks Insurance



### General Category

- Burglary & House Breaking Insurance
- Householders' Comprehensive Insurance
- All Risks Insurance

### Aviation Insurance

- Aircraft Hull and Liability Insurance
- Aircraft Hull "War and Allied Perils" Insurance



## B.7

## PRODUCT DIVERSIFICATION & INNOVATION

The Human being is the best creation of the Almighty where every person in the world is unique with different tastes from others. The current insurance industry is dominated by consumers who prefer diverse products and services. However, most insurance companies in Bangladesh are oriented with traditional businesses. Amongst 46 non-life insurance companies, very few are involved with innovative and diverse business practices.

All knows, Insurance Industry is a very old industry and by default it involves traditional products. But now-a-days, due to passes of time and mammoth developments of technology demand for non-traditional products have arisen. The traditional products are inadequate to support the technology based insurance markets such as cell phone companies' properties, atomic power generating companies, satellite throwing companies, weather based index for crop insurance and also many other companies with new innovative products. In the insurance industry there is a need for diversification of new products to facilitate these demands. Also the industry needs to set up research and development departments in the insurance companies to innovate new products to meet the changing requirements.

DGIC gives importance to the changing demand of potential insured and never keeps itself confined to doing the traditional businesses. Being a second generation company it is now unique amongst the non-life insurance companies. To increase market penetration, DGIC always tries to work on demanding, purposeful innovative as well as diversified products. In recent four years, the Company has accomplished an incredible achievement through the diversification and product innovation strategy. To retain the existing clients and also to grab the potential insured, the Company has been maintaining a very strong overseas reinsurance support and resourceful team as well. DGIC justifies the data from the insurance market and understands the market demand and with collaboration to the overseas reinsurers gets the best rates and terms for the insured. Diversification is a growth strategy for business which Desh General is going to implement through research and development of new products and services and reaching out new market shares.

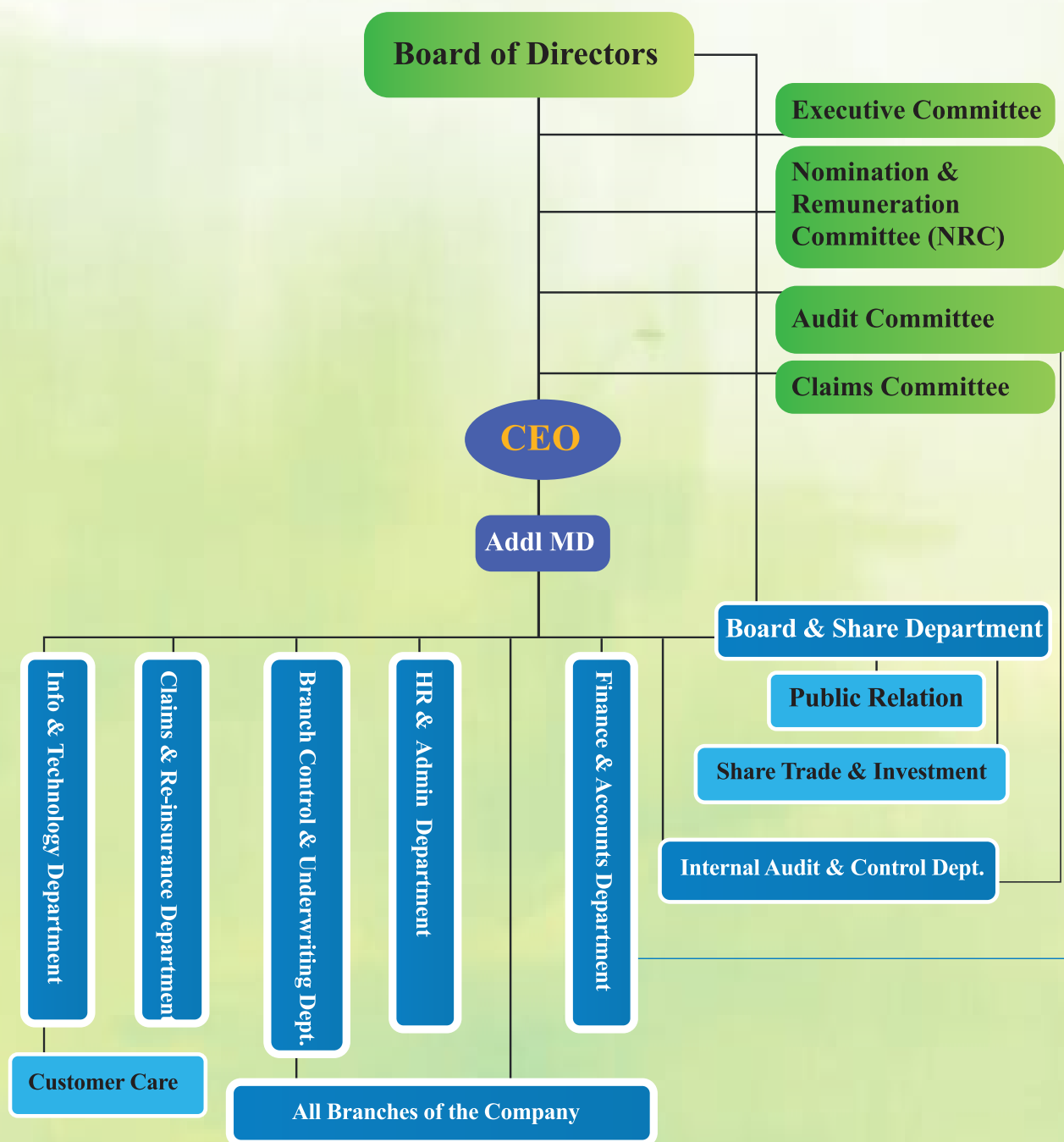
With a view to attracting the existing products DGIC has taken very constructive steps. The Company has a suitable strategy to make the existing products viable with necessary improvement, alter or change required to those to cope up with the market demand. DGIC's process includes market research, product analysis and product pricing through the central rating committee (CRC). Thus the Company attains the potential for getting new business opportunities by way of entering into additional or existing markets. DGIC always looks forward with transparency and ethical business strategy for the overall development of the insurance industry.



## B.8

# ORGANIZATIONAL CHART/ ORGANOGRAM

Organizational chart of **DESH GENERAL INSURANCE CO. LTD. (DGIC)** is depicted here,





## B.9 CORPORATE CHRONICLE

PARTICULARS	DATE
1. Incorporation of company	February 08, 2000
2. Certificate of commencement of business	February 08, 2000
3. License issued for operating the first Branch	March 02, 2000
4. Received consent from SEC for insurance of public share of BDT 40 Million.	January 13, 2021
5. Publication of prospectus	January 13, 2021
6. Agreement signed with CDBL	March 03, 2021
7. Listed with Dhaka Stock Exchange Ltd.	March 16, 2021
8. Listed with Chittagong Stock Exchange Ltd.	March 16, 2021
9. First trading of share on DSE	March 29, 2021
10. 'Locked In' of the Shares of Sponsors	March 29, 2021



## B.10 MANAGEMENT TEAM



From Left (Sitting)

**MD. ZIAUL HOQUE**

Assistant Vice President  
Claim and Re-insurance Department

**RABINDRA NATH KARMAKER**

Chief Financial Officer (CFO)

**MOHAMMODI KHANAM**

Chief Executive Officer (CEO)

**MOHD. ABUL KASHEM**

Addl. Managing Director

**MD. NOOR-UL-ALAM**

Company Secretary (CS)

From Left (Standing)

**MD. ALAMGIR BHUIYAN**

Deputy Vice President, Finance & A/C

**MD. KAMRUZZAMAN BHUIYAN**

Senior Manager,  
Internal Audit Department

**SHEIKH HEMAYET ARIF**

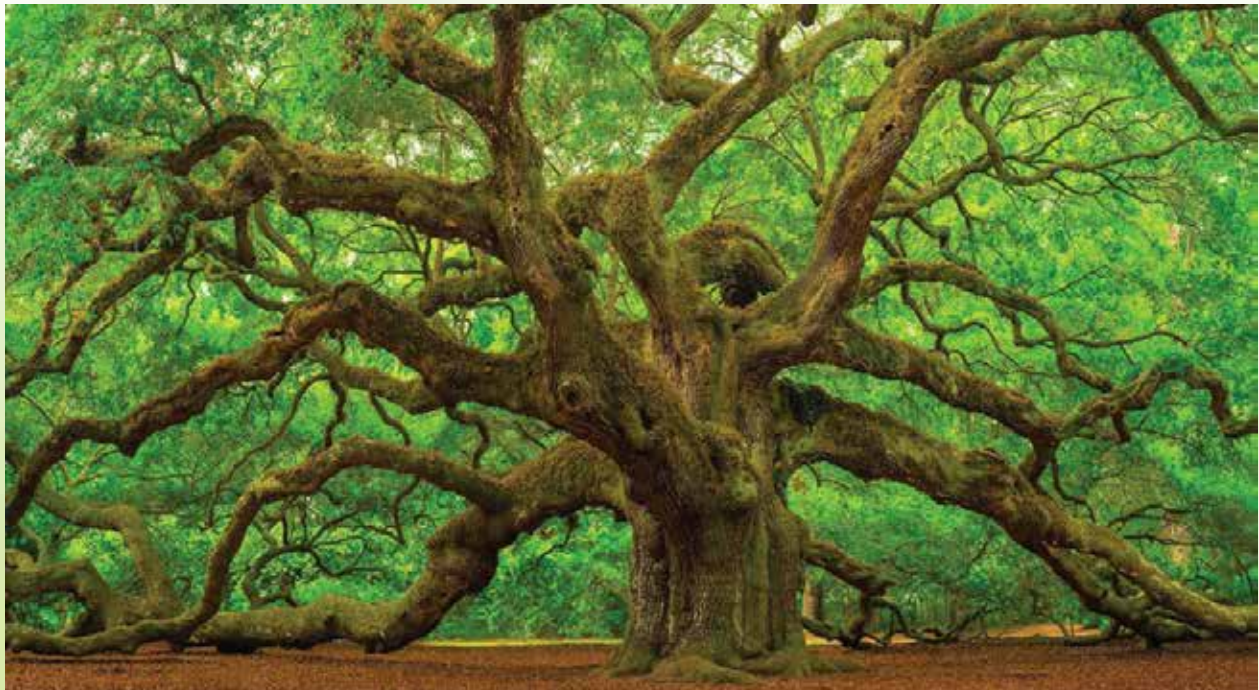
Deputy Manager, BCD & IT

**MOHAMMAD JAHANGIR ALAM**

Assistant Vice President  
Head of HR & Administration



## B.11 OUR BRANCHES



Branch Name	Address
<b>Dhaka Division</b>	
1) B.B Avenue Branch	29 B.B Avenue (3 <sup>rd</sup> Floor), Dhaka-1000. Phone: 02-9570161
2) Bangshal Branch	2/1 Kazi Alauddin Road, Bangshal, (2 <sup>nd</sup> Floor), Dhaka-1100. Phone: 02-7341997
3) Dilkusha Branch	MNSN Tower ( Level-7), House – 60, Dilkhusa, Dhaka.
4) Gulshan Branch	House # Ta-143(2 <sup>nd</sup> Floor) Badda Link Road, Middle Badda, Dhaka-1212. Phone: 48811798
5) Kawran Bazar Branch	57/E Kazi Nazrul Islam Avenue (2 <sup>nd</sup> Floor), Kawran Bazar, Dhaka, Phone: 02-9131426
6) Local Office Branch	45 Dilkusha C/A, (7 <sup>th</sup> Floor), Dhaka-1000. Phone: 02-9577723
7) Mirpur Branch	4 No. Shyamoli, Mirpur Road, Dhaka-1207 Phone: 02-8120495
8) Narayangonj Branch	41 S.M Maleh Road, Narayangonj. Phone: 02-7644552
9) Nayabazar Branch	Hazi Eusuf Mansion (2 <sup>nd</sup> Floor), 56 Mitfort Road, Babu Bazar, Dhaka-1000, Phone: 02-5394402
10) Paltan Branch	Darussalam Arcade, 14 Purana Paltan, Dhaka-1000. Phone: 02-9567475
11) Principal Branch	Baliadi Mansion (6 <sup>th</sup> Floor) 16 Dilkusha C/A Dhaka-1000 Phone: 02-9558052

Branch Name	Address
12) Savar Branch	R.S. Tower, B-34 (2 <sup>nd</sup> Floor) Bazar bus stand, Savar.
13) Uttara Branch	H.M. Plaza, Plot-34 (9 <sup>th</sup> Floor), Room- 10, Road- 02, Sector- 03, Uttara C/A Dhaka-1230. Phone: 01683164640
14) VIP Branch	Room no-6 (4 <sup>th</sup> Floor) (South Side), Eastern Arju Tower, 61 Bijoy Nagar, Dhaka-1000. Phone: 02-9349237
<b>Chittagong Division</b>	
15) Khatunganj Branch	4 Shah Amanat Road (Jail Road), Laldighi East, Chattogram. Phone: 031-2852152
<b>Khulna Division</b>	
16) Jessore Branch	4 No. Netajee Suvash Chandra Road (2 <sup>nd</sup> Floor), Daratana, Jessore. Phone: 0421-68597
17) Khulna Branch	Chamber Mansion (4 <sup>th</sup> Floor) 5 KDA C/A, Khulna. Phone: 041-732690
<b>Rajshahi Division</b>	
18) Bogra Branch	Rangpur Road, Barogola, Bogra. Phone: 051-62354
19) Kushtia Branch	55/1 N. S. Road, (9 <sup>th</sup> Floor), 8F- Room 4, Kushtia. Phone: 01712073768
20) Rajshahi Branch	97 Boalia, Rajshahi City Corporation Mia para Ward, No: 12, Phone: 0721-812193
<b>Sylhet Division</b>	
21) Sylhet Branch	Airport Road, Amborkhana, Sylhet. Phone: 0821-710375



## **B.12** **BRANCH MANAGEMENT**

### **Additional Managing Director**

1. Mr. S.M Khasruzzaman, Mirpur Br.
2. Mr. Md. Shahjahan Mia, Kawranbazar Br.

### **Deputy Managing Director**

1. Mr. Zainal Abedin, B.B.A Br.

### **Assistant Managing Director**

1. Ms. Hamida Chowdhury, Bangshal Br.
2. Mr. Md. Alamgir Badsha, Bogura Br.
3. Mr. Kazi Mahabub Nawaz, Nayabazar Br. and Dilkusha Br.

### **Sr. Vice President/Sr. GM**

01. Mr. Md. Harun Or Rashid, Savar Br.

### **Vice President/GM**

01. Kazi Zahir Uddin Siddique, Paltan Br.
02. Ms.Nasrin Rahaman, Narayangonj Br.
03. Mr. Md. Nazim Uddin, Khatungonj Br.
04. Mr. Md. Shofiul Islam, Kushtia Br.

### **Deputy Vice President/DGM**

01. Mr. Sekander Hayet Khan, Jessore Br.
02. Mr. Md. Shamim Al Amin, Uttara Br.
03. Mr. Md. Mustak Nasir Tony , Jessore Br.

### **Assistant Vice President**

01. Mr. Abu Hanif, Local Office.

### **Sr. Manager**

01. Mr. Md. Imran Sheikh, Rajshahi Br.

### **Executive Officer**

01. Mr. Md. Enamul Haque Khan, Khulna Br.



**C.**

## BOARD OF THE DIRECTORS & THE MANAGEMENT

**C.1 CHAIRMAN'S MESSAGE**

**C.3 PROFILE OF THE  
HONORABLE CHAIRMAN**

**C.5 PROFILE OF THE CEO**

**C.7 DIRECTORS' REPORT**

**CEO'S ROUND UP C.2**

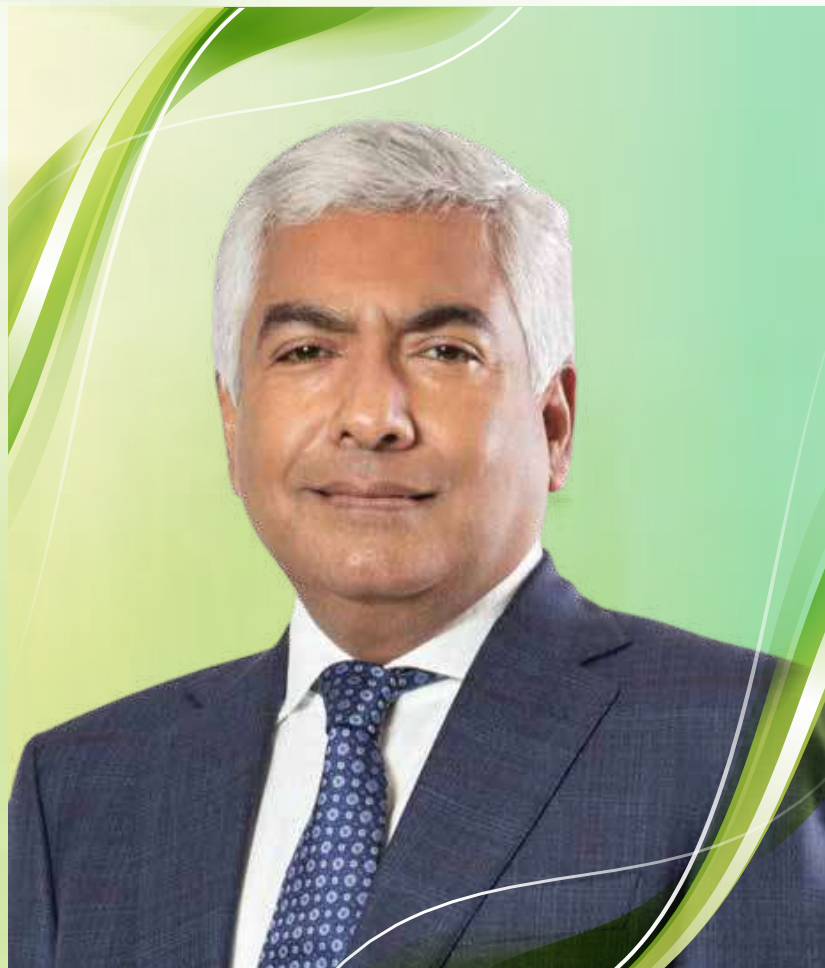
**BOARD OF DIRECTORS'  
PROFILE C.4**

**COMPOSITION OF BOARD  
& ITS COMMITTEES C.6**

**MANAGEMENT DISCUSSION  
AND ANALYSIS C.8**



**DESH GENERAL INSURANCE COMPANY LIMITED**

**Bismillahir Rahmanir Rahim****Distinguished Shareholders,**

It is a great pleasure to extend a warm welcome to all of you for your kind presence in the 23<sup>rd</sup> Annual General Meeting (AGM) of Desh General Insurance Company Limited (DGIC).

On behalf of the Board, I am very glad to present the Annual Report of the Company for the year ended 31 December 2022, along with the audited accounts before you. Let me express my heartfelt gratitude for your continued support for the company. It is because of your kind patronage and persistent support that we are recognized as a promising insurer in the insurance industry in Bangladesh.

You know, global economy faced a new challenge after the Great Depression of the 1930s due to COVID-19 and Russia-Ukraine War impact resulting in higher inflation rate of the Globe. Global



output was contracted by a significant percentage in 2022, reflecting above expectation growth in some of the largest economies and the prudent extension of pandemic-era stimulus programs by some governments. The global economy continues to be weakened by the war through significant disruptions in trade and food and fuel price shocks, all of which are contributing to high inflation and subsequent tightening in global financing conditions. The only measures should be policy instruments: income protection measures and job protection measures.

Fortunately in Bangladesh, this government has shown remarkable success in keeping both the budget deficit and debt levels at sustainable and bearable levels for the past 14 years. However, we all know the risk of a negative impact on Bangladesh's balance of payments was raised due to the Covid-19 and Russia-Ukraine war, together with the sluggish global economic growth, supply chain disruptions, rising prices for fuel, gas, food, consumer goods, industrial raw materials, and freight on the international market.

Bangladesh is one of the fastest growing economies in the world. As per WTO, after the global pandemic in fiscal year 2021–2022, Bangladesh registered a GDP growth rate of 7.2% where Global Growth was only 3.2 percent.

The global economy is expected to have a somewhat slower growth in 2023 due to tighter financial conditions and geographical tensions. Emerging economies and developing countries were in troublesome condition to keep constant growth of their economies; projected growth of developed economies, especially in Europe, would decline. However, the insurance sectors in emerging economies are expected to rise in 2023. Inadequate policy responses in some areas of the institutional investors had a negative impact on both global and local industry. Total economic growth of the globe, however, has been forecasted to slow down. Forecasting growth of the insurance industry in Bangladesh is yet to be projected.

On this 23<sup>rd</sup> Annual Gathering of the valued shareholders of DGIC, I would like to draw your attention to some major achievements by the company in 2022. This year, the company has managed to maintain a positive growth, despite the economic condition of the globe stated above. This has been made possible by the outstanding support of our valued stakeholders, the strategic direction of the sensible board, and the Management team ensuring the quality of online customer service.

During the year 2022 the Company earned a premium of Tk. 429,058,247 in comparison to Tk. 344,237,252 of the immediate preceding year. In 2022, the Net Premium Income was 293.34 million taka and in 2021 it was 193.27 million taka. The overall Total Assets have increased from Taka 894.88 in 2021 to Tk. 990.18 million in 2022.

However, competition exists in the market; Desh General Insurance Company Limited (DGIC) earned less underwriting profit this year compared to the preceding year. It's because, we have paid a huge amount of claims in 2022 which lead to a significant decrease in net profit. The Underwriting Profit of the company stood at Tk. 77,781,261 for the year 2022.

We are moving forward in spite of various difficulties. Strengthening is our financial capability and the scope of our business which is reflected in the continuous improvement of our credit rating. Now we are holding our credit rating for the year 2022 as AA (pronounced as double AA) for ensuring claims paying ability, quality business, efficient management and transparency of the company

and we hope to ensure AA+(pronounced as double AA plus) in near future. It was AA- (pronounced as double AA minus) in the year 2021-22. This continuous progress and development of credit rating bear the mark of the position and success of the organization and we hope that we will go further in the future, Insha Allah.

Our board maintains an active role in policy-making in order to maintain best possible corporate governance. The board's priority remains maximizing shareholder's wealth through policies and guidelines that work toward long-term profit sustainability, risk minimization, and good governance establishment in all spheres of the company's operation. We hope that we will go forward with positive growth in the future, Insha Allah

The Company has always cared about the best interest of its clients and stakeholders. The strength of this company lies in our strong management team, the dedicated and hardworking employees, and our well-built IT & online support, existing and new innovative products, and quality customer services.

Shareholders' positive response in 2022 towards the company was commendable. Respected shareholders have consulted with us individually and advised us on our long-term plan instead of operating a traditional short-term business. I am proud to share that we are receiving advice from the honorable shareholders regularly. They are motivating us not to compromise our integrity during hazardous market conditions and to strictly comply with transparent regulatory requirements.

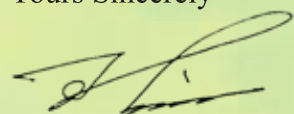
For the Board of Directors, I would like to thank our shareholders, regulators, stakeholders and government i.e. Ministry of Finance, Bangladesh Securities and Exchange Commission (BSEC), DSE, CSE, CDBL, Bangladesh Insurance Association (BIA) and Bangladesh Insurance Forum (BIF), Bankers and Customers for their continued support during this challenging time.

My warmest gratitude to all the members of the Board of Directors for their valuable time and energy in supporting me to carry out my responsibilities during the meetings and strategy formulation to run the Company to a new height. I have no hesitation in mentioning the dedication and professionalism of the management team of the Company.

Once again, I would like to thank all our clients, our stakeholders, our directors and all of you for being with us through these years and we are looking forward to sharing the company's success with you all also in the future.

Thank you to everyone who has been a part of our development and for your steadfast support and trust which has strengthened the company to its present glory.

Yours Sincerely



**Md. Jashim Uddin**  
**Chairman**

**Dear Honourable Shareholders,**

On behalf of the Management Team, I am pleased to report to you about the company's consistent improvement and performance in 2022. I would like to express our deepest appreciation and grateful acknowledgement for your uninterrupted and praiseworthy support and cooperation for Desh General Insurance Company Limited.

First of all, I would like to express my deepest gratitude to you all, for being with us throughout the year and joining the journey of another year with plenty of optimism and vision.



In reality, the year ended was a challenging year for reshaping our dream to be a good market player in the non-life insurance business ecosystems in Bangladesh due to geographical tensions among the countries and post pandemic global economic scenario. Amidst business challenges with the said effects, we have passed another successful business year. The government has already started with new promises for the insurance sector. It shows beacons of hope for Bangladesh to reach its desired roads to prosperity.

At Desh General Insurance Company Limited (DGIC), our synergy of success is striving for an ethical business standard, due diligence, good insurance product and business services cater to clients and customers' need for safer feeling and faster delivery of insurance products and services for customer satisfaction.

### **Global Insurance Scenario – “High Investment Return”:**

Globally, the insurance sector has been experiencing high inflations; the global economy is slowing sharply and inflation is at multi-decades highs. Many major economies and Central banks are hiking interest rates, targeting price stability over economic growth. It also signals the end of the era of financial repression.

### **Our Insurance Industry – “Reshaping for untapped opportunities”:**

In spite of having all favorable indicators for insurance sector development, insurance coverage in Bangladesh is still lowest in emerging Asia.

The insurance industry in the country is evolving to be a vibrant industry with 81 players including 46 Non-life insurers recording positive growth, albeit slowly. Besides, the insurance sector's contribution to GDP is not up to the expected level, not in line with the economic development and sizes of GDP.

The Government has taken some initiatives to reshape the insurance industry. So, the structure of the industry has witnessed a notable transformation during the last couple of years, stemming mainly from the regulatory changes implemented by IDRA, aimed at improved governance and the efficient use of capital. The industry, during the recent past, experienced a challenging period in meeting these requirements. Though IDRA instructed to operate whole cash flow through the Banking Channel, the year also saw an escalation of challenges faced by the insurance industry. We have observed that throughout the current year too, stiff competition was a defining factor in the insurance industry, with some players resorting to price undercutting.

The Non-life Insurance the provisional premium income in 2022 was Tk. 54130 million where in 2021, it earned Tk. 41470 million. The insurance premium and growth percentage of non-life Insurance Industry is shown in the chart below:

( Tk. In Million)

Year	Non-Life Gross Premium Income	% Growth
2020	37430	- 0.89
2021	41470	8.57
2022	54130	16.71

### **Performance Overview – “positive premium growth”:**

The Company recorded a Gross Premium Income (GPI) of TK 429.05(taka four hundred and twenty nine point zero five) Million and recorded a Net premium Income (NPI) of Tk. 293.34(taka two hundred ninety three point three four) Million for the year 2022. I am certain that the resolve of a committed workforce, invigorated by the sweet scent of success, led by a dynamic team of executives who in turn are guided by a Board with far-sighted thinking, will provide a springboard to leap towards sustained profitability at DGIC in the future. Being a promising Market Player, the General Insurance business of DGIC recorded positive growth in terms of both its top and bottom lines. In 2022, the Market Share of the Company was 0.74%.

### **Governance and Regulations – “Towards soundness in the insurance Industry”:**

As a newly listed Company Desh General Insurance Company Limited (DGICL) is a company well-respected for its transparency in corporate governance. Continuing to uphold this reputation, I note with pleasure that DGICL is maintaining the best regulatory and governance practices. A detailed report on the governance aspects of the Company appears on separate pages.

### **Way forward- “Making better profit by creating Brand Image”:**

Business strategy mix is a combination of plans to reach specific business objectives. Strategic plans have a synergy to achieve it. Insurance is a highly competitive market, especially the non-life category. Moreover, there are 46 non-life operators playing in this small country. So, performance matrices require being very competitive. The matrix of strategy is always paving the way forward of a business and synergy determines the execution.

As a promising non-life insurance company, our quality policy descriptions are to become a reputed Insurance Company through the fulfillment of business partner satisfaction and conforming to business partners’ expectations. In that view we are serving clients and customers to cater to market demands. Our competent Management team sort frequently to sort out problems and focus on using problem-solving tools through brainstorming and focus group discussions. Our dynamic Board guides the evaluation of employees’ efficiency and facilitates continuous training in professional and technical skills. Our strategy is to bring trust and profit logically through clients’ and business partners’ satisfaction.

### **Looking through the Prism of Insurance- “Becomes a better market player”:**

To maintain Company’s focus on improving response time in customer services, the Company realizes the necessity of using efficient technology in every possible area of services and accordingly, developed IT infrastructure, UMP Reporting, Prompt Claim Payment Policy including efficient software solution, based on entirely online system—which will be designed to offer excellent customer services as well as prompt settlement of claims.

### **Accolades – “Recognized as Promising”:**

Again, I am very much proud to inform you that as a brand we are maintaining our continuous efforts towards reaching the point of a prestigious position in terms of service, functional expertise, corporate governance, transparency and accountability. I would like to thank all the team members and members of the Board, especially the honorable Chairman, for always encouraging us for moving forward, without which our company would not be able to hold its modest position in the market.



### **Looking ahead and beyond- “future and plan with Vision”:**

In the year 2022 and beyond we will continue to create value for our customers, clients, and business partners through our insurance products and services. As a result, our shareholders, through our consistent focus on delivering personalized products, services and solutions our bondage with them will be stronger and services will be faster and they feel safer. In the coming year, with the best wishes from all of you, and sincere efforts put in by our colleagues, we are confident to do better than before.

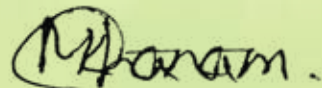
### **Acknowledgements- “forever indebted”:**

Before I conclude, I would like to express my sincere thanks and gratitude to IDRA including other regulators, respectable shareholders, respected business partners, valued clients, reinsurers and well-wishers for reposing their trust and confidence in making the year 2022 a success.

My sincere gratitude and profound thanks to the honorable Shareholders , Chairman and the respectable Directors of the Board for their judicious guidance, pragmatic vision, valuable input, and patronage throughout the year and I look forward to receiving the same in future.

I strongly believe and hope that like the previous year again we will sail together towards the intended target of building ourselves the best of the bests.

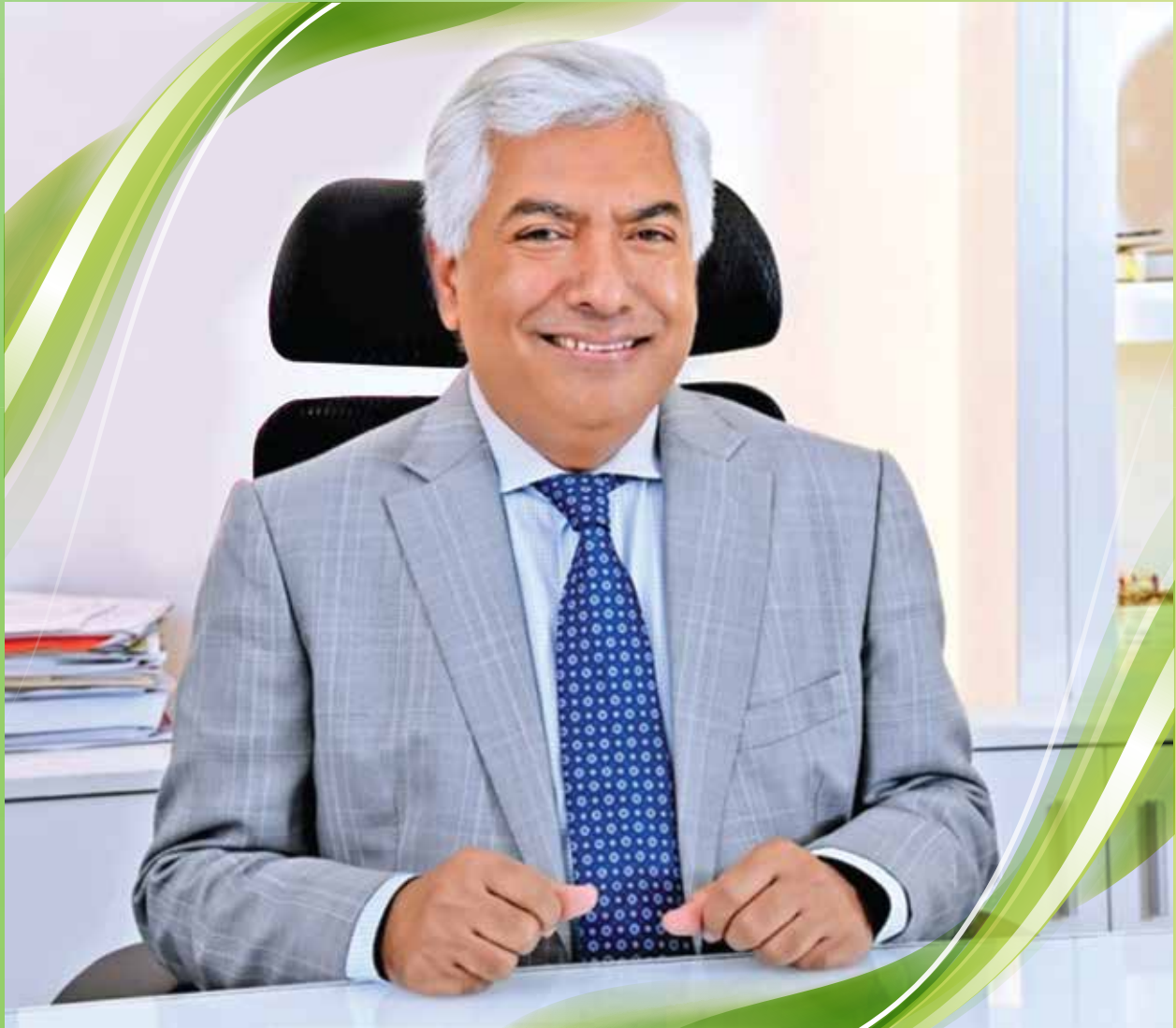
Yours Sincerely



**Mohammodi Khanam**  
**Chief Executive Officer**

## C.3

# PROFILE OF THE HONORABLE CHAIRMAN



### **Mr. Md. Jashim Uddin** **Chairman**

Mr. Md. Jashim Uddin, son of Late Al-Hajj Idris Miah and Late Tahera Begum, was born in a respectable Muslim family of Sonaimury, Noakhali on 1st January, 1965. He is one of the Sponsor Shareholders of Desh General Insurance Company Limited.

Currently, he is the Honorable Chairman of Desh General Insurance Company Limited. He also serves the Bengal Group of Industries as the Vice Chairman.

Mr .Md. Jashim Uddin takes charge as president of SAARC Chamber for the tenure 2023-24. Besides, currently he also acts as the honorable President, elected for the 2021-23 tenure, of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the apex trade body of Bangladesh representing eighty seven chambers and four hundred & nine associations. During his tenure as the President of FBCCI, his achievements are significant. Prior to joining as the president of FBCCI, he was the President of Bangladesh Plastic Goods Manufacturers and Exporters Association. Earlier, he served as an elected First Vice President of FBCCI for the term 2010-2012 & as Director for the term 2008-2010.

Curious and persevering, Mr. Jashim was never afraid to start a challenging enterprise. He did not back down from businesses which were difficult to manage, or those that required technical expertise or heavy capital investments. Instead of being intimidated, he would study the businesses meticulously in order to operate them profitably.

Veteran businessman Mr. Md. Jashim Uddin was awarded CIP in the year 1999, 2009-2010 & 2010- 2011 by the Government of Bangladesh for contributing to Bangladesh's economy and business arena. He has won a number of awards, including Prime Minister National Export Trophy- silver during the FY 1997-1998 and FY 2009-2010, FY 2010-2011, FY 2012-2013, FY 2013-2014, and gold during the FY 2000-2001, FY 2006-2007, FY 2012-2013 & FY 2013-2014. He also received the Prime Minister's Export trophy- Bronze during the FY 2010-2011. He received the Best Enterprise Award, 2007.

A prominent and visionary businessman of the Country, Mr. Md. Jashim Uddin started his business career in 1983 as a Director of Bengal Group of Industries. The Group is made up of a number of different industries that operate in diversified fields like plastic processing, chemicals, food processing, and trading. He is the Vice Chairman of RTV and a sponsor shareholder of Meghna Bank Limited.

Mr. Jashim is also the founder Chairman of Bangladesh Plastic & Rubber Foundation and life Member of Noakhali Samity, Bangladesh. He has a deep affinity and also attached to a number of socio-cultural organizations and educational institutes, namely:

- Founder of Jashim Uddin Kindergarten at Nateshwar, Sonaimury, Noakhali
- Founder of Morshed Alam, High School at Nateshwar, Sonaimury, Noakhali
- Donated and constructed a few Madrasas & Masjids in Nateshwar, Sonaimury, Noakhali, and other Districts.
- Actively involved with organizations in his native area under Sonaimury and Senbag Upazila, Noakhali for the improvement of Living Standards of the people and eradication of Poverty in the Neighborhood.

Visionary industrialist Mr. Md. Jashim Uddin visited many countries including Far East, South Asian, Middle East, Europe, USA, Australia, South and North America to promote Bangladesh's trade potentiality and investment opportunity.



### **Mr. Amir Hossain Amu** **Director**

Mr. Amir Hossain Amu was born in a noble Muslim family in Jhalokathi district on 1st January 1940. He completed his post-graduation degree from the University of Dhaka and started working as a Lawyer in the Bangladesh Supreme Court. He is a sponsor Director of the Company.

During the United Front election in 1954, he actively took part in a publicity campaign and was imprisoned for a long time. In 1959, he was elected as the convener of the All-Party Student Alliance to observe the Language Day.

From 1958-1961, Mr. Amu became the convener of the district Chattra League (Student front of Bangladesh Awami League) for 4 years and was also the President from 1962-1964. He was elected Vice President (VP) of the Student Union of Government Brajamohan College of Barisal for two consecutive terms in 1963 and 1964. Mr Amu was elected as the M.P.A of Barisal Kotwali (Sadar) thana in the general election held in 1970. He was one of the organizers of the Bangladesh Liberation War in 1971 and had played a pioneering role as one of the chiefs of the Bangladesh Liberation Front (Mujib Bahini). During the Liberation War of 1971, he was in charge of the Chief of Mujib Bahini combining with the districts of Barisal, Patuakali, Khulna, Jessore and Faridpur and performed his organizing duties sincerely.

In 1972, Mr. Amir Hossain Amu was elected as the Founder and Senior Presidium Member of the Jubo League (Youth wing of Awami League). In 1973, Mr. Amu was elected as the Member of Parliament of the First National Parliament Election from Jhalokathi-Rajapur constituency. In 1974, he was elected as the Chairman of the Jhalokathi district Awami League. From 1975 to 1978, after the brutal coup against Bangabandhu Sheikh Mujibur Rahman and his family, Mr Amu was imprisoned for 3 years under the Special Power Act. That time, the then government was not able to file any case against him. As a result, he was freed from the High court through a writ petition. In 1978, he was elected as the Chairman of Bangladesh Awami Jubo League Central Committee and at the same time the Youth Secretary of the Central Committee of Bangladesh Awami League.

Mr. Amir Hossain Amu was elected the Joint Secretary of the Central Committee of Bangladesh Awami League from 1981 to 1992. He was recognized as one of the architects of the anti Ershad Movement from 1983 -1990. He carried out the responsibility as the Presidium Member of the



Central Committee of Bangladesh Awami League from 1992-2009. He was represented as the Head of the delegation of Bangladesh Awami League two consecutive times by the invitation of the Chinese Communist Party in 1998 and 1999. In 1999, Mr. Amu was nominated as the Chairman to observe the 50 years Anniversary of Bangladesh Awami League.

Mr. Amir Hossain Amu took the oath as the Honorable Minister, Ministry of Food of the People's Republic of Bangladesh on December 28, 1999. He was again elected as the Presidium Member of Bangladesh Awami League in 2002. He was a member of the Parliamentary Standing Committee on the "Ministry of Religious Affairs" and also the "Ministry of Liberation War Affairs" in the 9th National Parliament. He took over the charge as the Minister for Land and Disaster Management & Relief during the interim-government on November 18, 2013. He was re-elected as the Member of the Parliament from Jhalokthi-Nalchity constituency in January 05, 2014. Mr. Amu was again elected as the Member of the Parliament from the Jhalokthi-Nalchity constituency in January 07, 2019 and serves as the chairman of the standing committee on the Ministry of Industries. Currently the coordinator and spokesman for the Awami League-led 14-party Grand Alliance.

Mr. Amu is a veteran political leader and earned the love and respect of Parliament Members and people from all walks of life for his brilliant speeches in parliamentary debates on various national issues.

The beloved wife of Mr. Amir Hossain Amu, Late Firoza Hossain, was the first subscriber to the Memorandum of Association of the Company as well as the First Chairman of Desh General Insurance Company Limited (DGIC). She laid the fundamental values of the Company and paved the way for the future of the same as the first chairperson as well. Her great contribution to the Company from its formation to commencement of business as a promoter and as the founding Chairperson will be remembered with great respect.

### **Mr. Mohammed Akbor Hossain** **Vice- Chairman**

Mr. Mohammed Akbor Hossain, son of Mr. Akram Hossain and Ms. Ferdousi Begum, was born in a respectable Muslim family on 31st December, 1978. He completed his Masters in Information System from the University of Ballarat, Melbourne, Australia. He is a business person by profession.

He is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, Mr. Akbor is the Vice Chairman of Desh General Insurance Company Limited.

He is also a Director of FARS Holdings & Associates Ltd.







## **Ms. Rokeya Quader**

### **Director**

Ms. Rokeya Quader, is a renowned industrialist and businesswoman. She is the wife of Late M. Noorul Quader (who was a freedom fighter, a bureaucrat, the first Secretary to the Bangladesh Government, and then the Founder of Desh Garments), who till date is respected for building apparel exports in the country.

Ms. Quader was born in a respectable Muslim family on 27th April , 1952. She is the daughter of Late S.M. Obaidullah and Late Afia Khatun . She completed her LLB and LLM from the University of Dhaka.

She is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, Ms. Quader is the Chairperson of the Executive Committee of Desh general Insurance Co. Ltd. She is also the Chairperson of the renowned Desh Group of Companies and chairs Desh Garments Ltd., Jenk Industries Ltd., and Tutelar Oil Services Co. (Pvt) Ltd. and Desh Agencies Ltd. She coined the name of this Company and named it after her brand name 'Desh'.

Ms. Quader is a member of both Bangladesh Bar Council and Bangladesh Law Association. She is an honorary member of the Bangladesh Human Rights Commission. Besides, she is a member of numerous Bangladeshi business and social welfare organizations. These include SMC (Social Marketing Company), BAPLC (Bangladesh Association of Publicly Listed Companies), MCCI (Metropolitan Chamber of Commerce and Industry, Dhaka), BGMEA (Bangladesh Garment Manufacturers and Exporters Association), National Crafts Council of Bangladesh, and Gulshan Society among others. Ms. Quader is the former vice president of WEAB (Women Entrepreneur Association of Bangladesh) and BEF (Bangladesh Employers' Federation). Besides, Mrs. Quader serves on the governing board of Muslim Girls High School (Mymensingh, Bangladesh) and former president of Zonta International.

Dedicated to fostering employer- employee relationships, Mrs. Quader has attended ILO (International Labour Organization) conferences in China, Japan, Philippines, and Thailand.

Her business acumen, hard work, and leadership expertise continue to propel Desh General Insurance Co. Ltd. forward.

**Mr. Aminur Rahman**  
**Director**

Mr. Aminur Rahman, is one of the Directors of Desh General Insurance Company Limited. Mr. Rahman son of Late Abdul Wadud and Late Fazilatun Nesa, was born in a respectable family on 6th December, 1964. He completed graduation from Chittagong University.

He is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, Mr. Aminur Rahman is the Chairman of the Claims Committee of the Company. He also serves the same as a member of the Executive Committee (EC) and the Nomination and Remuneration Committee (NRC).



Mr. Rahman is a reputed Businessman. He has established a good number of Industries, Financial institutes, Insurance Companies as and other organizations.

He is the Chairman of NIRIKKHA Software Ltd. Besides, he is serving FCTB Technology Limited as the Vice Chairman. Mr. Rahman is a Director of SARINCO Ltd and the Earth Engineering & Construction and TALAB.COM.BD, an e-commerce marketplace of the Country.

Mr. Aminur Rahman is one of the advisors of the monthly DIPLOMATS (The Only Diplomatic Magazine in Bangladesh). He also serves Chartered Skills as the Advisor.

He is the life member of Chattogram Mohanagar Krira Songstha, Chittagong Diabetic Association, Bangladesh Red Crescent Society and Ma-O-Shisu Hospital, Vice Chairman and Life member of Phonix Amity Global Cyber Lions.

His work has taken him to several countries including Sweden, the U.K., the USA, Singapore, Nepal, Sri Lanka and India etc.



## **Engr. A.K.M. Ahsanul Haque**

### **Director**

Engr. A.K.M Ahsanul Haque, son of Late Lahoruddin Mirdha and Late Asirun Begum, was born in a respectable Muslim family on 1st November, 1957. He completed B.Sc Engineering (Civil) from Rajshahi Engineering College.

Mr. Haque is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, he is an honourable Director of the Company. He is not only a member of the Board of Directors of the Company but also a member of the Executive Committee (EC).

Besides, he is the Managing Director of Galaxy Color Ltd. and Proprietor of ASSA Trading & M/S. AKM Ahsanul Haque.

## **Mr. Murad Mohammed Taj**

### **Director**

Mr. Murad Mohammed Taj, son of Mr. Sufi Taj Islam & Ms. Syeda Kashmiri, was born on 16th December, 1965. He graduated from Chittagong University with a major in business. He is a business person by profession. He is the Proprietor of Dakkhina Multipurpose Project; an agro based firm.

He is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, Mr. Taj is an honourable Director of Desh General Insurance Company Limited. He has had a tremendous contribution to the formation of the Company. He is also a member of the Executive Committee of the company.



Having ventured into various ways for rural development and an efficient welfare system which he is very passionate about. He, currently, oversees numerous social welfare projects and is the president of Alekjan Bibi Orphanage, Bishwa Darbar Government Primary School, Bishwa Darbar High School and Syeda Kashmiri Memorial Library.

Mr. Taj is the Patron Member of Mirsarai Association, Chittagong. He is the Life Member of Bangladesh Red Crescent Society, Chittagong Diabetic Association and Chattogram Mohanagor Krira Songstha.

A true believer in broadening one's horizons Mr. Taj is also an avid traveller having been to the United Kingdom, USA, France, Switzerland, The Netherlands, China, India, Singapore, Saudi Arabia, Egypt amongst many others.





## **Mr. Nihar Kumar Roy**

### **Director**

Mr. Nihar Kumar Roy is son of Late Mr. Nil Kantha Roy and Ms. Puspa Roy. He came from a respected hindu family of Sylhet. His family has a long 100 years history of gold and jewellery business. Mr. Roy is now the seventh generation to continue this business.

Visionary Businessman Mr. Roy is the Managing Director of Kamala Vander Group, which started its business journey in 1885 and also acts as Director of Desh General Insurance Company. He is not only a member of the Board of Directors of the Company but also a member of the Claims Committee.

Mr. Nil Kantha Roy, father of Mr. Nihar Kumar Roy was a sponsor Director of Desh General Insurance Company. Mr. Nihar Kumar Roy is also involved with some social and business communities.

## **Engr. Tarikul Alam Rahimi**

### **Director**

Engr. Tarikul Alam Rahimi, son of Late Abdul Quasem and Late Khodeza Quasem, was born in a respectable Muslim family on 1st October, 1953. He completed B.Sc Engineering (Mechanical) from BUET. He is a reputed business personality.

He is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, he is an honourable Director of the Company. Besides, he serves the Company as a member of the Claims Committee.

Formerly, he was the Asst. Engineer of Airports Development Agency, Ministry of Civil Aviation, Executive Engineer of Polash Urea Fertilizer Factory, BCIC and Engineer of Ministry of Municipal & Village, KSA.

Mr. Rahimi is the Chairman of Apon Properties, Managing Director of The Nirmitee & Mother Care Clinic, and Director of First Lead Securities Limited.





**Ms. Nauzat Begum**  
**Director**

Ms. Nauzat Begum, the wife of Dr. Mustafa Jalal Mohiuddin and daughter of Late Md.Safi Uddin & Late Sufia Khatun, was born in a respectable Muslim family on 27th September 1955. She has completed her Hon's degree from the University of Dhaka.

She is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, she is an honourable Director of the Company. She is an honourable member of the Audit Committee and the Claims Committee as well.

**Ms. Priti Kana Bose**  
**Director**

Ms. Priti Kana Bose, the wife of Late Mukul Bose and daughter of Mr. Rohini Dev & Ms. Renuka Dev, was born in a respectable Hindu family on 31st December, 1964. She completed B.Com. By profession she is a business woman.

She is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, she is an honourable Director of the Company.







## **Mr. Tahrin Aman**

### **Director**

Mr. Tahrin Aman, son of Mr. M. Amanullah and Ms. Tazneen Aman, was born in a respectable Muslim family in 1980. He has completed his Masters' from Boston College, USA. He is a business personality.

He is one of the Sponsor Shareholders of Desh General Insurance Company Limited. Currently, he is an honourable Director of the Company. He is a member of the Executive Committee of the Company.

Mr. Tahrin Aman is also the Chairman of Mercantile Bank Asset Management, a subsidiary of Mercantile Bank Ltd. Besides, he is the Managing Director of Aman Spinning Mills Ltd. & Arena Securities Ltd. and Director of Mousumi Enterprises Ltd. & Arena Industries Ltd.

He has been re-elected as the President of Nordic Chamber of Commerce & Industry, a bilateral chamber that works towards increasing trade between Bangladesh and the Nordic countries. This chamber works in collaboration with the Embassy of Denmark, Embassy of Sweden and Royal Norwegian embassy.

Mr. Tahrin Aman contributes to the community through CHILD foundation, a non-profit organization founded by him that works towards enriching lives of special need individuals in Bangladesh.

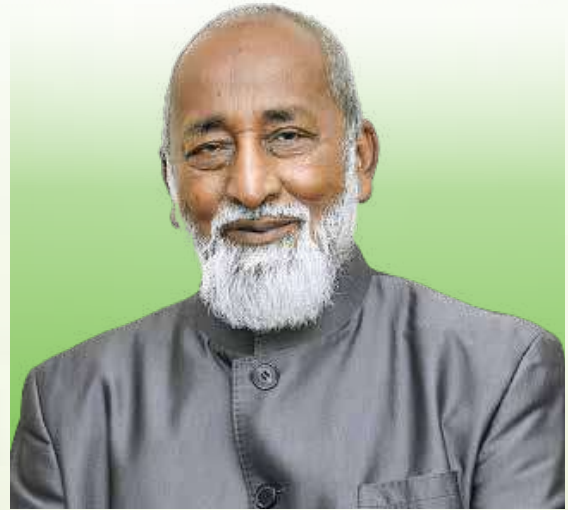
## **Mr. Md. Kamal Uddin FCA**

### **Independent Director**

Mr. Md. Kamal Uddin FCA was born in the year of 1948 in a respected Muslim family.

He is an Independent Director of the Company and serves the same as the Chairman of the Audit Committee.

Mr. Kamal obtained a Bachelor of Commerce degree (B.Com) from Dhaka University in 1967. He articulated as a CA student with M/s. S.F Ahmed & Co., Chartered Accountants, and qualified as a Chartered Accountant in 1978. He became a fellow member (FCA) of the Institute of Chartered Accountants of Bangladesh in June, 1986.



Mr. Md. Kamal Uddin FCA has vast experience in the field of Accounting and Finance. He started his career as Audit Manager of M/s. Toha Anwar Rouf & Co., Chartered Accountants, Chittagong in 1976 and continued till 1979. After that Mr. Kamal joined Bangladesh Jute Mills Corporation and worked there for more than 26 years in different positions in the area of Finance, Accounts, Cost, and Budget.

In his long career, Mr. Kamal served in UMC Jute Mills Limited, Amin Jute Mills Limited, Adamjee Jute Mills Limited as the CFO and General Manager from 1979 to 1995. Then he served BJMC as General Manager in Audit Division, Cost & Budget Division, and Finance Division and subsequently became the Controller of Accounts & Finance of the same till 2001. He was well placed by the GOB to serve Bangladesh Jute Mills Corporation as the Director of Finance in 2001. He retired from service in November, 2006. In January, 2007 he started public practice, as a Chartered Accountant, as a Partner of M/s. Toha Khan Zaman & Co., Chartered Accountants.

He is a widely traveled person and has visited many countries such as India, Singapore, Philippines, Malaysia, Syria, Iraq, Egypt, Sudan, Dubai, Saudi Arabia, China, Sri Lanka, Turkey, Indonesia, UK, and Canada etc.



### **Mr. Shahedul Islam** **Independent Director**

Mr. Shahedul Islam was born in the year of 1953 in a respected Muslim family. He is an Independent Director of the Company and serves the same as the Chairman of the Nomination and Remuneration Committee (NRC). He is also a member of the Audit Committee of the Company.

Mr. Islam studied at Mirzapur Cadet College from 1965 to 1972. He completed his SSC and HSC from the same. Then he moved to Australia for higher education and completed Accountancy and Company Law from Ebbels School of Accountancy, Melbourne, Australia in the year

1978 and became Chartered Secretary from the Institute of Chartered Secretary and Administrators, Melbourne, Australia.

In his long career in business Mr. Islam has been involved in varieties of business. He is the Managing Director of Bengal Pacific (Pvt.) Limited, a manufacturer and exporter of film plastic; Vice chairman of Bengal Braided Rugs Limited, a manufacturer and exporter of jute goods and was the Chairman of Promises Medical Limited, a center for de-addiction and depression.

Mr. Islam is current director of SME Foundation and the current President of the Bangladesh Backward Linkage Association. He was a Member of the Board of Investment (BOI), President of the Bangladesh Chamber of Industries (BCI), Chairman of the Bangladesh Jute Goods Association (BJGA), President of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA), Director of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI). He was a member of Bangladesh Country Coordinating Mechanism (BCCM) – a national body mandated by the global fund.

He was awarded CIP (Commercially Important Person) status several times by the Government of Bangladesh for his contribution in the business sector.

Mr. Shahedul Islam has sound experience in the banking and financial sectors of Bangladesh. Formerly, he was an Independent Director of the Oriental Bank Limited, an independent director of Trust Bank Limited and the Managing Director of the Alliance Securities Limited (a stock brokerage house).

### **Mr. Syed Javed Iqbal** **Independent Director**

Mr. Syed Javed Iqbal, 58, MBA, is an Independent Director of the Company and also serves the same as a member of the Audit Committee and Nomination and Remuneration Committee (NRC).

Mr. Iqbal started his career as a banker with an international bank. After obtaining his MBA degree from Assumption University, Thailand, in 1991, he served the same university as a full-time lecturer. In 1994, he joined IPDC of Bangladesh Ltd., then an IFC affiliate, and became its Head of Investments where he led investments in many development / infrastructure projects.



In 2002, he joined Khulna Power Company Ltd. (KPCL) as the Vice President and Chief Operating Officer. KPCL was the first independent power producer (IPP) in Bangladesh, a subsidiary of a major US Power company El Paso Inc. (later acquired by Kinder Morgan).

Mr. Iqbal was involved in various business ventures such as power generation, real estate, and commodity trading. He is currently a Director of Dipon Group and an adjunct faculty at North South University.





### **Ms. Mohammodi Khanam** **CEO**

Ms. Mohammodi Khanam-a creative, dynamic and hardworking person who has a passion to take on new challenges where she works. She joined Desh General Insurance Co the CEO of the company in 2021. Before that she served Prime Insurance as the additional managing director in 2011-2014 and as the CEO of the same on March 10, 2014 - June, 2019.

She has been playing a vital role not only to develop the company's business but also to develop the non-life insurance sector of Bangladesh. With her strong will power, erudite knowledge, dependability, seriousness, sound insurance business knowledge along with positive leadership, the company has made history regarding business.

With an MSS and BSS (Honors) in Economics from the University of Dhaka, Ms. Mohammodi Khanam also completed ABIA from Bangladesh Insurance Academy. In addition to her academic and professional degrees, she always loves to read and acquire knowledge about new areas.

She undertook various training at home and abroad including the U.K., Singapore, Bahrain, Sri Lanka and India to learn and perform her duties properly to meet the expectation of the employees, customers and shareholders.

Ms. Khanam started her career in Insurance as a Trainee Executive officer in 1988 with Peoples Insurance Company Ltd. She has a very long and successful career of 34 years in the departments of underwriting, claims and reinsurance. Ms. Khanam is also a trainer of Bangladesh Insurance Association (BIA) and various training institutes of private banks. In the year 2017 she became the executive member of Executive Council of Bangladesh Insurance Forum (BIF). She had also been attached with BTV as a regular program announcer from 1981 to 2012 before performing holy Hajj.

Ms. Khanam conducts research to identify market needs and contribute to the growth of the industry. Therefore, every day she is learning more and more from the international insurance market, maintaining relationships with the brokers and re-insurers. Now, this has become her hobby to launch newer insurance products in the insurance industry. On her personal initiative she had introduced in Bangladesh few useful insurance products like Hajj & Omrah Insurance, Health Insurance and Bankers Blanket Bond policy with the approval of Insurance Development and Regulatory Authority (IDRA).

Ms. Khanam is also internationally recognized as a trade finance specialist by the E-Business School of Ireland. She has been awarded the esteemed International Who's Who of Professionals (USA) and also been featured in the 2009-2010 editions of the Madison Who's Who Registry of Executives and Professionals.

She is a life member of Dhaka University Alumni Association and Bangladesh Economic Association. Being dedicated to charity works, she is also a member of Bangladesh Overseas Ladies Organization (BOLO) U.K., which helps the financially insolvent meritorious students of Bangladesh to provide them educational support.

Her work has taken her to several countries including the U.K., the USA, Singapore, Thailand, Malaysia, Myanmar, Bahrain, Sri Lanka and India etc.

## C.6

# COMPOSITION OF BOARD & ITS COMMITTEES



## BOARD OF DIRECTORS

### Chairman

Mr. Md. Jashim Uddin

### Vice Chairman

Mr. Mohammed Akbor Hossain

### Directors

Mr. Amir Hossain Amu  
Ms. Rokeya Quader  
Mr. Aminur Rahman  
Mr. Murad Mohammed Taj  
Engr. A.K.M. Ahsanul Haque  
Engr. Tarikul Alam Rahimi  
Mr. Nihar Kumar Roy  
Ms. Priti Kana Bose  
Ms. Nauzat Begum  
Mr. Tahrin Aman

### Independent Directors

Mr. Md. Kamal Uddin FCA  
Mr. Shahedul Islam  
Mr. Syed Javed Iqbal

## AUDIT COMMITTEE:

### Chairman

Mr. Md. Kamal Uddin FCA

### Member

Ms. Nauzat Begum  
Mr. Nihar Kumar Roy  
Mr. Shahedul Islam  
Mr. Syed Javed Iqbal

## EXECUTIVE COMMITTEE:

### Chairman

Ms. Rokeya Quader

### Member

Engr. A.K.M. Ahsanul Haque  
Mr. Murad Mohammed Taj  
Mr. Aminur Rahman  
Mr. Tahrin Aman

## NOMINATION AND REMUNERATION COMMITTEE (NRC):

### Chairman

Mr. Shahedul Islam

### Member

Ms. Rokeya Quader  
Mr. Aminur Rahman  
Mr. Syed Javed Iqbal

## CLAIMS COMMITTEE:

### Chairman

Mr. Aminur Rahman

### Member

Mr. Mohammed Akbor Hossain  
Mr. Nihar Kumar Roy  
Engr. Tarikul Alam Rahimi  
Ms. Nauzat Begum

## COMMITTEE MEMBERS AT A GLANCE:

Sl.	NAME	SUB COMMITTEE			
		Audit	NRC	EC	Claims
1	Mr. Md. Jashim Uddin, Chairman-Board of Directors	-	-	-	-
2	Mr. Mohammed Akbor Hossain, Vice Chairman-Board of Directors	-	-	-	√
3	Mr. Amir Hossain Amu, Director	-	-	-	-
4	Ms. Rokeya Quader, Director, Chairperson- Executive Committee	-	√	√	-
5	Mr. Aminur Rahman, Director, Chairman - Claims Committee	-	√	√	√
6	Mr. Murad Mohammed Taj, Director	-	-	√	-
7	Engr. A.K.M. Ahsanul Haque, Director	-	-	√	-
8	Engr. Tarikul Alam Rahimi, Director	-	-	-	√
9	Mr. Nihar Kumar Roy, Director	√	-	-	√
10	Ms. Priti Kana Bose, Director	-	-	-	-
11	Ms. Nauzat Begum, Director	√	-	-	√
12	Mr. Tahrin Aman, Director	-	-	√	-
13	Mr. Md.Kamal Uddin FCA, Independent Director, Chairman-Audit Com	√	-	-	-
14	Mr. Shahedul Islam, Independent Director, Chairman-NRC	√	√	-	-
15	Mr. Syed Javed Iqbal, Independent Director	√	√	-	-



## C.7 DIRECTORS' REPORT



### **DIRECTORS' REPORT**

FOR THE YEAR ENDED ON 31ST DECEMBER, 2022

**Bismillahir Rahmanir Rahim**

**Dear Valued Shareholders,  
Assalamu Alaikum.**

On behalf of the Board of Directors, I am delighted to welcome you all to the 23<sup>rd</sup> Annual General Meeting of the Desh General Insurance Company Limited and have the pleasure to place before you the Annual Directors' Report.

I have placed this Directors' Report, along with the Audited Financial Statements for the year ended on December 31, 2022 together with the Auditors' Report thereon, before you to be received, considered and adopted by you as per AGENDA-ONE (01) of this Annual Meeting of the General Body of the Company. The Report prepared in compliance with referrals stated below. The reports of the Board of Directors of the Company be and is hereby approved vide resolution no 4 of the Board of Directors' meeting no 146

#### **REFERRALS –as per laws of the land**

In compliance with the provisions of Section 184 of the Companies Act 1994, including Condition no. 1(5) of the Corporate Governance Code 2018(CG Code/the Code) issued by BSEC and IAS-1 referring to section 27 & 76 of Insurance Act, 2010 and Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange (BSEC) Rules 1987 along with other related sections, subsections, rules and regulations in this purpose pursued accordingly to prepare, approve and submit the Directors' Report before the respected shareholders of the company for their consideration and adoption as a norm of Corporate Democracy.

### **GLOBAL ECONOMY** – *aftermath of Covid and effect of Russia-Ukraine War.*

Global economy faced a new challenge after the Great Depression of the 1930s due to COVID-19 and Russia-Ukraine War impact resulting in higher inflation rate of the Globe. The ongoing war in Ukraine has dimmed prospects of a post-pandemic economic recovery for emerging and developing economies in the Globe, says the World Bank's Economic Update.

Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022. Economic activity remained deeply depressed through 2022 as energy price shocks continue to impact. So far, however, the Globe has weathered the storm of Russia's invasion of Ukraine better than previously forecast. Global output was contracted by a significant percentage in 2022, reflecting above expectation growth in some of the largest economies and the prudent extension of pandemic-era stimulus programs by some governments. The global economy continues to be weakened by the war through significant disruptions in trade and food and fuel price shocks, all of which are contributing to high inflation and subsequent tightening in global financing conditions. The only measures should be policy instruments: income protection measures and job protection measures.

### **BANGLADESH ECONOMY** – *promising with number of positive indicators*

This government has shown remarkable success in keeping both the budget deficit and debt levels at sustainable and bearable levels for the past 14 years. However, we all know the risk of a negative impact on Bangladesh's balance of payments was raised due to the Covid-19 and Russia-Ukraine war, together with the sluggish global economic growth, supply chain disruptions, rising prices for fuel, gas, food, consumer goods, industrial raw materials, and freight on the international market.

Bangladesh is one of the fastest growing economies in the world. As per WTO, after the global pandemic in fiscal year 2021–2022, Bangladesh registered a GDP growth rate of 7.2% where Global Growth was only 3.2 percent.

### **INDUSTRY OUTLOOK AND DEVELOPMENT**– *huge potentiality with untapped fields*

The Economy of Bangladesh has rapidly been shifting from agricultural to the services sector. The role so played by the service sector is burgeoning as well. Insurance is one of the ingredients of the financial services industry that has a lot to play if it is promoted properly. So, the Bangladesh insurance market is in an upward trend despite the low penetration rate.

Geographically Bangladesh is located in South Asia where the insurance sector is emerging due to modest GDP growth rate and high density of population in the 'SAARC' region. In the last decade, the insurance sector of the South Asian market has been rapidly emerging. But, Bangladesh non-life insurance industry continues to operate as one of the smallest in the world.

Experts have been saying for a long time that Bangladesh is one of the most untapped insurance markets in terms of penetration rate. There is no reason why, in line with the country's impressive GDP growth, the insurance industry should also not grow by remedying its manifold problems and, most important, by tapping the hitherto untapped segments of the market.

Basically, insurance sector plays a critical role in financial and economic development of an economy. By reducing uncertainty and the impact of large losses, the sector can encourage new investments, innovation, and competition. Experts say, one of the indices for measuring the progress of any economy is the size and maturity of its insurance industry. Insurance industry acts as the absorber of the risk and uncertainty associated with economic activities, and its absence can significantly reduce the growth of economic activity. The insurance industry is perceived as the pillar of any country's risk management system since it guarantees many financial benefits and helps as an essential factor in the financial intermediation chain offering an organized spring of enduring capital for infrastructural developments. Thus, if Bangladesh wants to be a true Developed Country with sustainability, she needs to boost her insurance industry and Increase the penetration rate of the same.

### **MARKET SUMMARY** – *government policy is needed to gain public confident*

Our non-life insurance market continues to be extremely overcrowded when compared with developing countries including our neighbors. Currently, there are 81 insurance companies – 35 life and 46 non-life – in the insurance sector of Bangladesh. Of them, 57 (as on June 15, 2023) companies are listed on the stock exchanges. The situation has obviously given rise to intense and unhealthy competition among the existing players. At the same time, with deteriorating standards of clients' services, public trust in insurance continues to diminish. Much needs to be done to remedy the situation.

As per IDRA, in 2019, life and non-life insurance total gross premium is Tk. 13, 389 crore. On the other hand, it decreased in 2020 to come in at Tk 13, 271 crore. In addition, it grew in 2021 and turned into Tk. 14, 392 crore. According to the Annual Report of 2021 of all the Non-life Insurance Companies, the gross premium for non-life insurance companies in the private sector increased to Tk. 37,849 million in 2021, up 11.60 per cent from Tk. 33,915 million in 2020.

### **RISK AND CONCERN** – *ensure proper management of business risks*

Non-life Insurance business involves the assumption of risks of many types -Physical as well as moral risks. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters. The key to proper management of insurance business risks to ensure proper management of insurance business risks is to ensure proper selection of risks as well as of the client through a vetting process known as underwriting. Non-life insurance business also closely follows the country's economic development and any slowdown in the economic activities also has an adverse impact on the insurance industry's growth. DGIC, being aware of these business risks practices, does several activities to protect its interests; discussed in Management Discussion and Analysis Chapter of this report.

### **PRODUCTS AND SERVICES** – *diversified product line*

The products and services of the Company are shown in a separate Chapter.

### **FINANCIAL STATEMENTS** – *present fairly its state of affairs*

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. Audited Financial Statements are shown in a separate Chapter of the report.



### **BOOKS OF ACCOUNT – *maintaining Proper Books***

The financial statements prepared by the management of the company maintained proper Books of Accounts. The directors oversee whether adequate accounting records are being maintained with vouchers relevant to any entry in good order. The books of accounts are kept at the registered office of the Desh General Insurance Company Limited.

### **ACCOUNTING POLICY– *appropriate policies***

In preparation of financial statements appropriate accounting policies have been consistently applied and the accounting estimates are based on reasonable and prudent judgments by the management of the company. The directors supervise for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these Financial Statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **IAS AND IFRS – *followed accordingly; shown in NOTE-5.00 of the Audited Accounts***

International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure therefrom has been adequately disclosed.

### **COST OF GOODS SOLD; GROSS PROFIT MARGIN & NET PROFIT MARGIN:**

Desh General Insurance Company Limited is not a manufacturing company. It is a Non-Banking Financial institution dealing with non-life insurance in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin is not considered to prepare a Financial Statement. Therefore, comparative analysis of financial performance is elaborately discussed in the presentation on Financial Highlights on a separate page in this Annual Report.

### **EXTRA ORDINARY ACTIVITIES AND THEIR IMPLICATIONS:**

Insurance sector in Bangladesh is contributing to the growth and development process of the business and property by protecting all varieties of assets from all types of hazards. However, the size of the insurance industry in Bangladesh is small but over-institutionalized. The activities of Desh General Insurance Company Limited have had steady growth from the beginning and are trying to achieve extraordinary activities by planning the future products. Only by achieving competitiveness, this sector can contribute more to the development of the economy of the country. In spite of all constraints both at macro and micro environment, good growth rate and tremendous growth potential reconfirm the brightest prospects of the insurance sector in Bangladesh.

### **FIVE YEARS FINANCIAL ANALYSIS – *comparative positive growth***

Comparative analysis 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 have been given in the interpretation of the annual accounts chapter for the better understanding of the shareholders. In view with above preceding five years key operating, financial summarized data and graphical representation are also shown in the contents under “Key Financial Indicators” and “Graphical Representation” in this Annual Report. Some are given below in the title of ‘Profit Analysis’.



### PROFIT ANALYSIS – *positive growth of NPBT/ NPAT*

The Underwriting Profit of the company stood at Tk. 77,781,261 for the year 2022. In 2021 Underwriting Profit was Tk. 83,454,562. The summary of the financial statement shows the financial condition of the company;

(Tk. in Million)

Particulars / Year	2022	2021	2020	2019	2018
Gross Premium Income	429.05	344.23	304.20	308.19	203.39
Net Premium Income	293.34	193.27	200.17	167.95	102.22
Underwriting Profit	77.78	83.45	77.06	65.93	48.31
Investment Income	16.78	22.96	18.40	18.37	17.22
Profit after Tax	41.47	46.56	36.22	32.58	24.01
Deposit Premium	3.12	2.92	3.87	2.73	2.39
Total Reserves	117.83	77.85	80.80	72.87	46.02
Total Assets	990.18	894.88	705.75	693.74	573.42
Total Liabilities	535.91	442.09	419.53	414.94	302.85
Share Holders Equity	454.26	452.79	286.22	278.80	272.58
Earnings Per Share (EPS)	1.04	1.24	1.51	1.36	1.00
Fixed Assets	111.53	117.55	126.70	131.84	121.71

### PRODUCT WISE BUSINESS PERFORMANCE – *positive*

During the year, 2022 Desh General Insurance Company Limited earned a total Gross Premium of Tk. 429.05 million in the different segments, which was 344.23 in 2021. The Segment-wise Operational performance reports for the year 2022 are shown in the Audited Financial Statements in a separate chapter.

### RELATED PARTY TRANSACTIONS –

*arising in normal course of business; disclosed as part of ethical business policy*

The Company, in the normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in IAS 24 “Related Party Disclosures”. Under the condition No. 1.5(vi) of the CG Code of the BSEC basis for the related party transactions, a statement of all related party transactions should be disclosed in the annual report. In this connection, details of transactions with related parties and balances of them as on December 31st, 2022 referred to in the ‘details of related parties and transactions with related parties are disclosed in **Note-38** to the Accounts forming part of the financial statements. The statutory auditor have checked the transaction and found that 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

### **THE IPO PROCEEDS – *fully utilized***

The Company's IPO was made in 2021. The IPO fund is fully utilized. No further raises through public issues, right issues and or any other instruments were proceeds during the year.

### **OVER UTILIZATION IPO EXPENSES – *placed for approval from public-shareholders***

You know DGIC was listed with the Exchanges on March 29, 2021. Regarding IPO the Company did Over Utilization IPO Expenses of taka 33,79,742 (thirty three lac seventy nine thousand seven hundred and forty two taka) what was needed to be approved by the public subscribers pursuant to the condition no. 6 of Part-C of the Prospectus of the Company imposed under 2CC of the Securities and Exchange Ordinance, 1969 and of the Consent letter no BSEC/CI/IPO/-275/2018/307 dated January 13, 2021 issued by the Commission. The matter is placed before the public subscribers for their APPROVAL in this AGM. (AGENDA-SIX (06))

### **FINANCIAL RESULTS DETERIORATED – *not any***

Not any other indicators of financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.

### **VARIANCE OF FINANCIAL PERFORMANCES – *no significant deviation***

Desh General Insurance Company Limited disclosed quarterly financial performances for the year-2022. There were some variances in the financial results from quarter to quarter. But they are not very significant ones. There is NO significant variance between Quarterly Financial performances and Annual Financial Statements.

### **COMPARE WITH LAST YEAR'S OPERATING RESULT – *positive growth***

There were some variances in the financial results from last year. But they are not very significant ones. Besides, a Management's Discussion and Analysis signed by the CEO 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 the last year's success of the Company is shown in a separate Chapter.

### **EARNINGS PER SHARE (EPS) – *increasing***

Net profit after tax of the company stands at Tk 41.47 million and Earnings per share after tax stands at Tk. 1.04 during the year 2022.

### **DIVIDEND – *5 % Cash Dividend is recommended***

The Company has been paying a prestigious dividend consistently since the inception to fulfill the shareholders interest. The Board of Directors in its 145th Board Meeting held on 29-05-2023 recommended **5 (Five) % cash dividend** to the shareholders from available profit of the year 2022. ((AGENDA- TWO (02) of this AGM))

**Dividend Distribution Policy:** As per the instruction of the Board of Directors of the company, the management is following a policy regarding dividends to be paid to the shareholders in a manner that shall be in line with and inconsistent with the actual income as well as the practices of the insurance industry. The 'Dividend Distribution Policy' approved by the board is shown as a separate chapter in this Annual Report.

**Disclosure on Dividend Distribution:** Desh General Insurance Company pays off the dividend to the entitled shareholders within 30 (thirty) days of declaration or approval and submits a compliance report to the Exchanges as well as to the Commission in respect of dividend payment within 7 (seven) working days as per laws.

**Interim Dividend:** For your kind information, we also would like to remind you that ‘**NO**’ bonus share or stock dividend has been declared by the Board as **interim dividend** for the year.

**Disclosure on Unclaimed / Undistributed Dividend:** Desh General Insurance Company Limited (DGIC) is listed on March 29, 2021. After being listed with the exchanges, the Company declared Dividends for its shareholders for the year 2020 and 2021 on 28-09-2021 and 07-07-2022 respectively. Subsequently, the Company distributed the said Dividend among the shareholders (as per record dates). Unfortunately, we could not send the Dividends of some of our shareholders due to several reasons. Year wise the unclaimed / undistributed dividend of the company is given in the following table:

Dividend in Taka		
YEAR	TOTAL DIVIDEND	UNCLAIMED / UNDISTRIBUTED
2020	400,00,000	5,30,583/- (Five Lakh Thirty Thousand Five Hundred and Eighty Three)
2021	400,00,000	2,07,128/-(Two Lakh Seven Thousand One Hundred and Twenty Eight )

The list of shareholders who did not claim for their Dividends is disclosed on the website of the Company, which we could not distribute due to their incomplete information at their respective BO Accounts. As per BSEC notification, a Company must send their unclaimed / undistributed dividends older than three (3) years to BSEC.

### **THE PATTERN OF SHAREHOLDING – *ownership percentage disclosed***

A report on the pattern of shareholding disclosing the aggregate number of shares along with name-wise details as on 31 December 2022 is stated in a separate page of this Annual Report.

### **BOARD OF DIRECTORS –**

There are 15 (Fifteen) Directors on the Board of the company. Mr. Md. Jashim Uddin is the Chairman and Mr. Mohammed Akbor Hossain is the Vice- Chairman of the Board of Directors of the Company.

### **Appointment of Directors:**

**Resume of Appointing Directors:** As per BSEC Notification NO. BSEC/ CMRRCD/ 2009-193/ 3/Admin/104, dated 05 February 2020 and Corporate Governance Code-2018 Condition No 1(5) xxiv (a), we have also made a disclosure to the Directors Profile at the beginning of this Annual Report in case of appointment or re-appointment of any member of the Board of Directors, about their primary employment and other engagement including directorship in other companies and their expertise fields in the resume of such member of the Board of Directors. The same is also disclosed on the website of the Company.

**Retirement and Re-election of Directors: (AGENDA-THREE (03) of this AGM)**

Directors run the Company elected by the shareholders as part of Corporate Democracy. As per the Companies Act, 1994, each year one-third of the Directors (except Independent Director) retire from office at the Annual General Meeting (AGM) and if eligible, may offer themselves for re-election by shareholders at the Annual General Meeting. In line with the requirement of the Company Act, 1994, the following Directors will retire at the **23rd AGM** on a seniority basis:

SL.No.	Directors
1	Ms. Nauzat Begum, Director
2	Mr. Md. Jashim Uddin, Chairman
3	Ms. Rokeya Quader, Director
4	Mr. Aminur Rahman, Director

They are also eligible for re-election for their next term. They express their Interest for the re-election and re-appointment.

**Election of Directors by Public Subscribers:** With a view to informing all public subscribers, we have arranged to publish notification in 2 (two) national dailies for election from public shareholders at this AGM pursuant to the Articles of Association of the Company and The Insurance Rules, 1958, rules 15(B)(3)]. The Notice was published in the *Daily Financial Express* Page-03 and the Page-03 on April 17, 2023. However, no Public Subscribers applied since no one met the primary requirement for the position. Hence none is eligible for election as Public Shareholder Director in this AGM.

**Board Meetings and attendance:** During the year, the Board of Directors Meeting and the attendance records are shown in the chart below:

Name	Number of meetings held in 2022	Number of meetings held in 2021
Board of Directors Meeting	6	5
Executive Committee	2	0
Audit Committee	4	4
Nomination and Remuneration Committee	1	1
Claims Committee	4	3
<b>Total</b>	<b>17</b>	<b>13</b>



**Attendance by each Director:** Six (06) Board of Directors meetings were held in 2022.

Sl.	Name	BoD Meeting	
		Held	Attended
1	Mr. Md. Jashim Uddin	6	6
2	Mr. Mohammed Akbor Hossain	6	6
3	Mr. Amir Hossain Amu*	6	3
4	Ms. Rokeya Quader	6	5
5	Mr. Aminur Rahman	6	6
6	Mr. Murad Mohammed Taj	6	6
7	Engr. A.K.M. Ahsanul Haque	6	6
8	Engr. Tarikul Alam Rahimi	6	4
9	Mr. Nihar Kumar Roy	6	5
10	Ms. Priti Kana Bose	6	6
11	Ms. Nauzat Begum	6	6
12	Mr. Tahrin Aman	6	5
13	Mr. Md. Kamal Uddin FCA	6	6
14	Mr. Shahedul Islam	6	3
15	Mr. Syed Javed Iqbal	6	6
16	Mr. Sakif Nazran Bhuiyan**	6	4

\*He holds the office since 03-03-2022 \*\*He holds the office till 07-07-2022, the 22<sup>nd</sup> AGM.

Four (04) Audit Committee meetings, one (01) NRC meeting, two (02) EC meetings and four (04) Claim Committee meetings were held in 2022

#### **Directors' Remuneration – as prescribed by laws of the land and NRC Policy**

As per IDRA Reference letter No. 53.03.0000.009.18.014.18.123, dated 31 May 2018, directors are eligible for maximum remuneration of BDT 8,000 for attending each meeting. The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting **Attendance Fee of BDT 6,400 (BDT Six thousand and Four Hundred only)** excluding VAT and AIT per head per Meeting of the Board and Committees. During the year 2022, a total amount of BDT 10, 17,600 was given to the Directors as Remuneration for attending meetings.

**Loan or Advance to Directors:** In the year 2022, DGIC has not made any loans or advances or any debit balances (including guarantee or security in connection with a loan) to any other Directors of the company and transactions with Associate/ Sister Concern of DGIC under the head of Current Account with refer to the Commission's Notification no. SEC/ CMMRRCD/ 2006-159/Admin/ 02-10 Dated, 10 September 2006.

#### **MANAGEMENT DISCUSSION AND ANALYSIS– shown in separate chapter**

Management's Discussion and Analysis presents a detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on required topics suggested by the CGC-2018 condition no 1(5)( xxv) of the Code are depicted in a separate chapter signed by the CEO of the Company.

### **REINSURANCE MANAGEMENT – *comprehensive reinsurance arrangements***

Reinsurance department is the key and the most important department in any general insurance company. Reinsurance arrangements with professionally structured dependable and financially sound reinsurers are absolutely essential. The role and strong support of reinsurers for the company is vital. Reinsurance department is to ensure that first class reinsurance arrangements at minimum costs are available both locally and abroad to the Company. Professional support and comprehensive reinsurance arrangements reduce the risks of an insurance company in respect of claims incurred or expected to be incurred. DGIC has always been successful to have support of world known financially and professionally supported first class and excellent reinsurers in the past as well as in the current financial year.

### **CAPITAL MANAGEMENT– *capital-efficient structure and desired capital ratios***

The Company has a policy to maintain a strong capital position and provide the flexibility necessary to take advantage of growth opportunities to support the risk associated with its businesses and to optimize shareholder return. The Company's capital base is structured to meet regulatory capital targets and maintain strong credit ratings while maintaining a capital-efficient structure and desired capital ratios.

Authorized Capital- Tk.100 Crore (divided into 100000000 shares of Tk.10 each).

Paid-up Capital-Tk.40 Crore (divided into 40, 00,000 shares of Tk.10 each.)

Adequacy of Capital Structure is depicted below:

Share Capital and Reserves	2022	2021	2020
Authorized Share Capital	1,000,000,000	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-Up Capital	400,000,000	400,000,000	400,000,000
Reserves	117,838,433	77,856,830	80,808,884
Total Equity	454,267,946	452,793,751	286,224,707
Cash and Bank	29,960,363	34,386,062	22,884,993

### **LIQUIDITY MANAGEMENT– *retain sufficient liquidity as per liquidity policies***

Our core liquidity policy is to retain sufficient liquidity in the form of unencumbered liquid assets and cash to meet potential funding requirements arising from a range of possible stress events. To manage the risks, we have a range of liquidity policies and measures in place.

### **RESERVE FUND – *to protect the risk factors as per laws of the land***

To protect the risk factors of the company it is very essential to have a good amount of reserve fund for the Company. The Insurance Act and Income tax ordinance also recommended to build up the reserve fund for the company accordingly the company separated reserve funds to protect the risk of the Company.

### **SOLVENCY MARGIN – *maintained as per Sec. 43 Of Insurance Act-2010***

Under section 43 of Insurance Act 2010 we have maintained the required solvency margin. Both short-term and long-term solvency of the company has reached such a level that is needed for meeting the requirement of the Insurance Act 2010 as well as for getting the satisfaction of the financial analysts and the rating agencies.

### **SHAREHOLDERS VALUE** – *committed for higher shareholders' value*

DGIC remains fully committed to the delivery of higher shareholders' value. The higher profitability underpins the value of the shareholders derived from investing in the shares of DGIC. The total number of shareholders of the company as of 31 December 2022 was 5,943.

### **CREDIT RATING** – *"Stable Outlook" which entails "High Claims Paying Ability,"*

Desh General Insurance Company Limited has been taking the Credit Rating from a renowned Agency, **Alpha Credit Rating Ltd (ACRL)** with prior consent and approval of the company's Board of Directors. The Board of Directors believes that Credit Rating can bring transparency; confirm the compliance of rules and regulations of both the Company and Regulatory Authorities; protect the Company and can open the door for achieving excellence. As per the Audited Financial Statement of 2022 and basis on the previous data, strength and performance, we achieved **Double A (AA)** with **"Stable Outlook"** which entails **"High Claims Paying Ability,"** protection factors are good and there is an expectation of variability in risk over time due to economic and underwriting conditions. A certificate in this regard is shown at this Annual Report.

### **CORPORATE GOVERNANCE** – *sound governance framework and policy*

The Board of Directors of the Company firmly believes that practice of Good Corporate Governance and transparency is a 'sine qua non or condicio sine qua non' for ensuring a disciplined and a sustainable company as well as economy of the Country. Thus, there is a full-fledged Commitment of the Board, towards incorporating Corporate Governance and Transparency in all spheres of operations and management of the Company.

The corporate governance's framework of the Company is based on an effective independent Board. This includes, among others, not being limited to accountability, disclosures, transparency, justice and uprightness. We stand for all these virtues of good governance and expect the same from our competitors, customers, patrons, and regulators. The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Pursuant to the clause 5 of Corporate Governance Code (the Code) dated 3 June 2018; we attach the compliance status of the Company. A certificate, on compliance with the conditions as per clause 7(i) of the same notification, from a practicing Chartered Secretary has also been presented on a page in this annual report. The compliance status report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 are disclosed as per Annexure-B and Annexure-C. Besides, this Annual Report contains a separate Report on Corporate Governance and Compliances of the Company.

### **AUDIT COMMITTEE REPORT** – *effective Internal Control Framework*

Pursuant to the clause 5(7) of the Code, dated June 03, 2018 the activities of the Audit Committee, including reports (if any) as per condition no 5(6)(a) and 5(6)(b), have been shown in a separate chapter of this Annual Report.

### **NRC REPORT** – *sound NRC Policy guiding service rules of the Company*

Pursuant to the clause 6(5)(c) of the Code, dated June 03, 2018 the activities of the NRC, NRC Policy and Performance Evaluation Criteria thereof have been shown in separate chapters of this Annual Report.



### **REDRESSED OF MINORITY** – *equitable treatment for all shareholders*

We would like to assure you all 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.

We confirm that ‘**No**’ situation arose with minority shareholders since they were protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and with no effective means of redress.

### **EFFECTIVE INTERNAL CONTROL** – *reviews overall business strategies*

We would further like to ratify that the system of internal control is sound in design and has been effectively implemented and monitored. An effective internal control system also requires that an appropriate control structure is set up with control activities defined at every business level. The Board of directors has the responsibility for approving the review of overall business strategies and significant policies of the internal control system.

### **EXTERNAL/STATUTORY AUDITORS** –

M/s. **MABS & J Partners, Chartered Accountants** was appointed as the external Auditor in the 22nd AGM held on 07-07-2022 for auditing the Accounts of the year 2022.

### **Disclosure of the Statutory Auditors’ Engagements:** *disclosed as per CGC, Clause-7*

M/s. **MABS & J Partners, Chartered Accountants** the external auditors of the Company was not engaged with any other services of the Company, other than auditing the Financial Statements of the Company for the year 2022.

### **Statutory Auditors’ Report:**

There is ‘**NO**’ qualification, reservation, adverse remark or disclaimer passed by the statutory auditors for the year ended 31 December 2022.

### **Appointment of Statutory Auditors:** *(AGENDA- FOUR (4) of this AGM)*

M/s. **MABS & J Partners, Chartered Accountants** are recommended by the Board to be appointed for auditing the Accounts of the Company for the year 2023. Therefore, under section 210 of the Companies Act 1994, the matter is presented in this Annual General Meeting to consider the appointment of Auditors and fix their remuneration.

### **COMPLIANCE AUDITORS** –

M/s. **Haruner Rashid & Associates, Chartered Secretaries & Management Consultant** was appointed as Compliance Auditor in the 22nd AGM of the Company held on 07-07-2022 for certification on compliance on Corporate Governance Code applicable in Bangladesh for the year 2022.

**Compliance Auditors’ Report:** There is no adverse remark or disclaimer passed by the Compliance auditors for the year ended 31 December 2022. The Compliance Auditors’ remarks the Corporate Governance Compliance of the Company as the satisfactory one.



**Appointment of Compliance Auditors: (AGENDA-FIVE (05) of this AGM)**

M/s. Uttam & Associates, Chartered Secretaries is recommended by the Board for certification on compliance on Corporate Governance Code-2018 applicable in Bangladesh for the year 2023.

**GOING CONCERN – *the Company has adequate resources to continue***

The Board of Directors has reviewed the Company's business plan and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements are prepared based on the basis of going concern concept. Thus, there is no significant doubt upon the company's ability to continue as a going concern. During the year 2022, no significant and material orders were passed by the regulators, courts or tribunals, that impacted the going concern status of the Company, or which can potentially impact the Company's future operations.

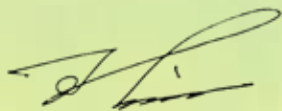
Financial statements are generally prepared under the assumption that the business will remain a "going concern", that is, it is expected to continue to generate a positive return on its assets and meet its obligations in the ordinary course of business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. Desh General Insurance Company Ltd. is running well above the level of different parameters set by the respective guidelines of IDRA except for a few ratios.

**ACKNOWLEDGEMENT– *thanks to all stakeholders***

The Board of Directors of Desh General Insurance Company limited likes to express gratitude to honorable shareholders, and valued business partners for their patronage and support.

The Board also would like to express its sincere thanks and profound appreciation for the immense support and cooperation it received from the office of the Chairman, Insurance Development & Regulatory Authority (IDRA), and all concerned Government Offices Including the Ministry of Finance, Ministry of Commerce, Sadharan Bima Corporation, Bangladesh Bank, all Nationalized Bank, Commercial Bank and Financial Institutions, Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd. (DSE), Chittagong Stock Exchange Ltd. (CSE), Central Depository Bangladesh Limited (CDBL), National Board of Revenue (NBR), Bangladesh Insurance Association, and Bangladesh Association of Publicly Listed Companies (BAPLC). The Board Members also pleased to put on record their appreciation for the commitment and dedication extended by the management of the Company.

On behalf of the Board of Directors



**Md. Jashim Uddin**  
**Chairman**



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### DEAR FELLOW SHAREHOLDERS,

Assalamu Alaikum,

It is a statutory requirement to apprise you about the business performance of the company with a brief discussion and analysis of financial statements.

As per condition No. 1(5)(xxv) of Corporate Governance Code dated 03 June, 2018 the Management Discussion and Analysis is being presented before you along with the company's position and operations together with a brief discussion of changes in the financial statements.

### ACCOUNTING POLICIES AND ESTIMATIONS

As is applicable, we adhere to the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh. The following IASs and IFRSs are applicable for the financial statements for the year under review:

- IAS - 01 Presentation of Financial Statements
- IAS - 07 Statements of Cash Flows
- IAS - 10 Events after the Reporting Period.
- IAS - 12 Income Taxes
- IAS - 16 Properties, Plant & Equipment
- IAS - 24 Related Party Disclosures
- IAS - 32 Financial Instruments: Presentation
- IAS - 33 Earnings per Share
- IAS - 37 Provisions, Contingent Liabilities and Contingent Assets
- IFRS - 04 Insurance Contracts

This is also explained in Note No-5.00 of the Audited Financial Statements of the company disclosed in this Annual Report. There are no changes in accounting policies and estimation, during the preparation of the financial statement for the year ended on December 31, 2022.

## COMPARATIVE ANALYSIS OF FINANCIAL PERFORMANCE

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 a reason thereof is depicted below:

The Underwriting Profit of the company stood at Tk. 77,781,261 for the year 2022. In 2021 Underwriting Profit was Tk. 83,454,562. The following summary of the financial statement shows the financial condition of the company.

**Analysis of performance:** The Company maintained positive performance in a good ratio in relation to turnover and profitability in the preceding five years.

(Tk. in Million)

Particulars / Year	2022	2021	2020	2019	2018
Gross Premium Income	429.05	344.23	304.20	308.19	203.39
Net Premium Income	293.34	193.27	200.17	167.95	102.22
Underwriting Profit	77.78	83.45	77.06	65.93	48.31
Investment Income	16.78	22.96	18.40	18.37	17.22
Profit after Tax	41.47	46.56	36.22	32.58	24.01
Deposit Premium	3.12	2.92	3.87	2.73	2.39
Total Reserves	117.83	77.85	80.80	72.87	46.02
Total Assets	990.18	894.88	705.75	693.74	573.42
Total Liabilities	535.91	442.09	419.53	414.94	302.85
Share Holders Equity	454.26	452.79	286.22	278.80	272.58
Earnings Per Share (EPS)	1.04	1.24	1.51	1.36	1.00
Fixed Assets	111.53	117.55	126.70	131.84	121.71

## PERFORMANCE OF THE COMPANY

Insurance becomes an essential part of every economic system. In Bangladesh, the insurance industry plays an important role in economic progress. Our non-life insurance market continues to be extremely overcrowded compared with developing countries including our neighbors. Currently, there are 81 insurance companies – 35 life and 46 non-life – in the insurance sector of Bangladesh. Of them, 57 companies are listed on the stock exchanges. Desh General Insurance Company Limited is one of the listed companies.

During the year 2022 the Company earned a premium of Tk. 429,058,247 in comparison to Tk. 344,237,252 of the immediate preceding year.

As per IDRA, in 2019, life and non-life insurance total gross premium is Tk. 13,389 crore. On the other hand, it decreased in 2020 to come in at Tk 13,271 crore. In addition, it grew in 2021 and turned into Tk. 14,392 crore. According to the Annual Report of 2021, the gross premium for non-life insurance companies in the private sector increased to Tk. 37,849 million in 2021, up 11.60 per cent from Tk. 33,915 million in 2020.

## **INSURANCE INDUSTRY & ECONOMY**

Insurance and Financial sectors are going hand in hand all across the globe these days because they have a very close link to each other. They both depend on each other for growth. Because of this reason, the insurance sectors are now playing a vital role in economic growth. Studies showed that there is a remarkable turn of events for Insurance companies as they are growing day by day across the globe. It is noticed that the Insurance Industry is starting to play a vital role in the finance sectors across the globe.

Researchers found a relationship between insurance and GDP across the globe. They found the long and short-term relationship between these two. Some researchers found that in long term relation, GDP can rise by 0.06 times by just a one percent increment in the Real-life premium. As per PWC 1% increase in Insurance can increase 2 % of GDP by reducing uninsured losses at 13% and reduction in taxpayer contribution following a disaster by 22%.

The insurance sector of Bangladesh, one of the key financial sub-sectors, is not contributing much to the country's GDP compared to that of other countries. In the world, the average contribution to GDP by the insurance sector is 8.0 percent whereas it is merely 0.40 per cent in our country. Government has a vision to turn Bangladesh into a developed country by 2041. For this, insurance companies need to be prepared. The contribution of insurance to the GDP needs to be raised to a large extent.

Geographically Bangladesh is located in South Asia where the insurance sector is emerging due to modest GDP growth rate and high density of population in the 'SAARC' region. In the last decade, the insurance sector of the South Asian market has been rapidly emerging, particularly in Sri Lanka, India, Pakistan and Nepal. Bangladesh insurance market is in an upward trend despite the low penetration rate. It has potential for growth and advancement as opined by the insurance expert from home and abroad. The insurance sector in other countries, including those in the sub-continent, has considerably higher market penetration with a much wider range of products than in Bangladesh.

Most of the listed non-life insurance companies in Bangladesh posted lower profits in 2022 largely due to a decrease in premium incomes from their marine insurance segment as the country moved to curb imports and less interest rate of FDR. A sharp fall in third-party insurance and lower earnings from the stock market investments was also responsible for the fall in profits. The marine insurance business fell in recent months due to the lower LC opening.



## GLOBAL INSURANCE INDUSTRY

The global insurance industry faced multiple pressures in 2022 but it is expected that rate hardening to regain momentum in response. Higher interest rates will be a silver lining as inflation pressure abates in 2023 and 2024, supporting investment results and profitability. Inflation remains the number one industry concern. As it is forecasted that the real GDP growth in advanced markets to decline from 2.4% in 2022 to 0.4% in 2023, the largest annual slowdown since the 1980s outside of the global financial crisis (0.3%/–3.4% in 2008/2009) and the COVID pandemic (– 4.5% in 2020).

As per Sigma Report No. 6/2022 by Swiss Re Institute, the global insurance industry is facing underwriting and investment pressures, but major mitigation measures are taking place in response and the report expects hard market conditions to continue for some years.

The report further expects a slight contraction in global premiums in 2022 after adjusting for inflation, and real growth of 2.1% on average for the next two years, below the long-term trend. In non-life insurance, it sees weak real premium growth in 2022, strengthening in 2023 and 2024 from anticipated lower inflation and a hard market for commercial lines.

In insurance, it forecasts real premiums to fall in 2022 as the cost-of-living crisis reduces disposable incomes, but expects higher interest rates and digital adoption to return premiums to growth in 2023 and 2024. The rising interest rate environment is positive for insurers' investment returns and profitability over time, though capital losses add near-term pressure.

## RISK AND RISK MANAGEMENT PLAN OF THE COMPANY

Risk is an integral part of every business. Desh general Insurance Company Limited uses Risk Management as a strategic tool to protect itself from various potential and existing risks pertaining to all the stakeholders in its business operations. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plans of the company are furnished below. The risk landscape of the Company encompasses risk arising from Non- Insurance Business is provided in following risk areas, including but not limited to:

- |                           |                          |
|---------------------------|--------------------------|
| 1.Strategic Risk          | 11.Liquidity Risk        |
| 2.Operational Risk        | 12.Interest Rate Risk    |
| 3.Business Risk           | 13.Market Risk           |
| 4.Underwriting Risks      | 14.Equity Risk           |
| 5.Reinsurance Risks       | 15.Inflation Risk        |
| 6.Claims Risk             | 16.Foreign Exchange Risk |
| 7.Credit Risk             | 17.Human Resources Risk  |
| 8.Management Expense Risk | 18.Reputation Risk       |
| 9.IT Security Risk        | 19.Regulatory Risk       |
| 10.Investment Risks       |                          |

The company uses Risk Management as a strategic tool to protect itself from various potential and existing risks pertaining to all the stakeholders in its business operations, while it plans for its projected growth. For each risk Desh general Insurance Company Ltd. has its own risk mitigation strategies, what makes the Company one of the top companies in the Country in terms of claim payment ratio.

Risk	Mitigation Strategies
<b>Strategic Risk</b>	<ul style="list-style-type: none"> <li>Strategies and operating performance are assessed regularly by the Board</li> <li>Operating, financial and strategic business information is reviewed.</li> <li>Product wise strategies and key initiatives are considered.</li> <li>Once the strategy is set, it is implemented throughout the year.</li> </ul>
<b>Operational Risk</b>	<ul style="list-style-type: none"> <li>Credit, market and liquidity risk are considered while operational strategies are set</li> <li>DGIC aims to create and sustain shareholder value to execute its business strategies.</li> <li>DGIC maintains a formal enterprise-wide operational risk management framework that emphasizes a strong risk management.</li> <li>For this DGIC also maintains Regulatory Capital as per section 21, 23 and 24 of Insurance Act-2010 along with Solvency Margin rules and notifications.</li> </ul>
<b>Business Risk</b>	<ul style="list-style-type: none"> <li>DGIC maintains a number of policies and practices to manage insurance risk.</li> <li>Sound product design is considered as an essential element.</li> <li>Reinsurance protection is purchased to further reduce exposure to fluctuations in claims, notably the exposure to natural catastrophes in the property and casualty insurance business.</li> <li>The Company also manages risk through effective underwriting and claim adjudication practices, ongoing monitoring of experience, and stress-testing scenario analysis.</li> </ul>
<b>Under-writing Risks</b>	<ul style="list-style-type: none"> <li>DGIC Carries out risk surveys and portfolio reviews.</li> <li>The underwriting function is centralized and operates from the Head Office.</li> <li>Frequent audits and verifications are carried out.</li> <li>Carrying out underwriting as per the guidelines set by IDRA and the reinsurers' advice.</li> <li>Sometimes, a 'Customer Need Analysis' Form is used to identify customer requirements and sell the most appropriate policy.</li> <li>Frequent expense studies and product profitability studies are carried out.</li> </ul>
<b>Re-insurance Risk</b>	<ul style="list-style-type: none"> <li>The outstanding Reinsurance receivables are reviewed frequently.</li> <li>A very close and professional relationship is maintained with all reinsurers.</li> <li>A specific portion of premium is reinsured with Sadharan Bima Corporation (SBC) as well as some renowned foreign reinsurers.</li> <li>To reinsure with foreign reinsurers, only reinsurers with 'A' or above ratings are used as reinsurers and a globally trusted and stable portfolio of reinsurance companies which are rated highly by Standard &amp; Poor's.</li> <li>Changes to the ratings of reinsurance companies are continuously monitored.</li> </ul>
<b>Claim Risk</b>	<ul style="list-style-type: none"> <li>Number of accidents reported from insurance policies issued by the Company is monitored on a daily basis to identify any adverse developments at the early stage.</li> <li>Claims frequency and average claims size have been set as main criteria when determining the price.</li> <li>The pricing grid prepared captures the geographical area of the vehicle insured and the type of vehicle to ensure higher prices are charged for vehicles insured from high risk areas and for high risk vehicle types.</li> <li>Claims are reserved at a minimum time at the intimation or on the availability of information on loss of an insured.</li> <li>Service standards have been set on the time taken to process claims and these are monitored by the Management as well as by the Committee for this purpose.</li> <li>Closed file reviews are carried out periodically to identify any control lapses.</li> </ul>
<b>Credit Risk</b>	<ul style="list-style-type: none"> <li>All other receivables, including reinsurance receivables are reviewed on a monthly basis and recoveries made on time.</li> <li>Any investments in any other entity are carried out only with the explicit approval of the Investment Committee.</li> </ul>

Risk	Mitigation Strategies
<b>Management Cost Risks</b>	<p>Management Cost of a Non-life Insurance Company is determined by the Insurance Rules-1958 (Section-39), along with section 62-63, Insurance Act-2010. The allowed cost does not match with the present cost structure of the Company. So the real management cost is higher than the recognized one by the National Board of Revenue (NBR). As a result DGIC has to pay tax on its expenses. This compels the company to pay more tax that reduces its profit. This risk can only be minimized if the Government enact rules and regulations regarding this issue.</p> <ul style="list-style-type: none"> <li>• For this what the Company can do is only to stake strategies to increase Premium Income.</li> <li>• Raises voice in various forums , meetings and seminars of NBR , BIA , IDRA etc</li> </ul>
<b>IT Security Risk</b>	<p>DGIC maintains its Domain Controller (Domain Server) to manage domain users and deliver information and software services to other computers linked by the network. The Company also has Application Server, FTP Server, and Database Server, Stand by Server, Backup Server, and IP-PBX Phone Server. The IT department maintains-</p> <ul style="list-style-type: none"> <li>• All these servers are located in a secured server room.</li> <li>• Proper security measures have been taken to ensure data security and data integrity.</li> <li>• The sensitive information is kept in a restricted area in the networking environment. Unauthorized access and electronic tampering is controlled strictly.</li> <li>• Security system of the network is under dual administrative control.</li> </ul>
<b>Investment Risk</b>	<ul style="list-style-type: none"> <li>• A target asset allocation limits are set by the Board</li> <li>• Adherence to target is reviewed periodically by the Board, the CEO, and the CFO with investment staff.</li> <li>• A special focus is placed on reviewing exposures to Equity investments.</li> <li>• Compliance with Investment Policy in the light of section 43 of the Insurance Act-2010 , IDRA rules and best practices</li> <li>• They are reviewed by the Internal Audit and the Risk and Compliance Department on a monthly basis.</li> <li>• Legal reserves are maintained for unexpired risks.</li> </ul>
<b>Liquidity Risk</b>	<ul style="list-style-type: none"> <li>• The Company follows the Asset and Liability Management guidelines set out in the Company Investment Policy which is reviewed by the Board regularly. DGIC's responses to manage this risk are:</li> <li>• The company follows a policy of maintaining high liquid and near liquid resources.</li> <li>• The maturity of its fixed deposits and other investments is matched as far as possible, with its outgoing commitments and obligations.</li> <li>• Regular monitoring of its liquid resources is conducted by the Board.</li> </ul>
<b>MARKET RISK – Interest Rate Risk</b>	<ul style="list-style-type: none"> <li>• Interest rate risk is managed within DGIC's asset vs. liability management process and controlled via interest rate sensitivity limits.</li> <li>• The Company follows the Asset and Liability Management guidelines set out in the DGIC Investment Policy. The guidelines are reviewed by the Board and the respective committee regularly.</li> <li>• Macro-economic indicators and their impact on the DGIC's Investment Portfolio are monitored closely by the Board, Management and the respective committee regularly.</li> <li>• Necessary changes are made to the asset allocation and the maturity mix of investments on a periodic basis.</li> <li>• Investments are classified into different categories as required by International Accounting Standards (IAS) considering both the intention and ability of the Company to hold such investments.</li> </ul>
<b>MARKET RISK – Equity Price Risk</b>	<ul style="list-style-type: none"> <li>• Total exposure to equity investments is made strictly within the agreed target asset allocation and sectoral equity limits. In this regard Insurance Act and IDRA rules and Regulations are strictly followed as well.</li> <li>• Equity investments are mostly made in fundamentally sound stocks which are identified after an in-depth research and evaluation process by the internal investment management team.</li> <li>• Equity portfolios are reviewed quarterly by the Investment Committee on a quarterly basis.</li> <li>• Impact from market movement is monitored on a daily basis and warnings sent to the CEO and CFO of high impact volatilities.</li> </ul>
<b>Inflation Risk</b>	<ul style="list-style-type: none"> <li>• The risk of varies in inflation rates is, now, considered in DGIC's internal underwriting assessment model.</li> </ul>

Risk	Mitigation Strategies
Foreign Exchange Risk	<ul style="list-style-type: none"> <li>• To deal with foreign partners, DGIC carefully monitors and controls the price verification and exchange rates to pay the reinsurance premium and claims recovery. It involves a procedure regarding foreign exchange risk identification measurement of foreign exchange and limits setting for risk control.</li> </ul>
Human Resources Risk	<p style="text-align: center;"><b><u>For Making Staff Turnover Ratio Low</u></b></p> <ul style="list-style-type: none"> <li>• Addressing Labor issues</li> <li>• Accommodating flexible work arrangement</li> <li>• Motivating employees with motivational tools.</li> <li>• Counseling employees as and when they need counseling.</li> <li>• Conduct exit interviews to reduce grievance in the Company</li> <li>• Periodically carrying out induction programmes.</li> <li>• Analysis on worker and staff turnover is reviewed by the Management and the Board.</li> <li>• Employee surveys are carried out on a periodic basis.</li> </ul> <p style="text-align: center;"><b><u>For Retaining Key People in the Company</u></b></p> <ul style="list-style-type: none"> <li>• Remuneration packages are aimed to be in line with the industry to retain and attract qualified and talented staff.</li> <li>• Salary surveys are conducted periodically to ensure competitive salaries are given to the staff</li> <li>• Regular Management meetings are conducted to convey the key decisions taken at the top management level and to communicate what is happening in the Company to all members of the Management Team.</li> </ul>
Reputational Risk	<ul style="list-style-type: none"> <li>• The Company's Reputational Risk Management Policy is approved by the respective committee of the Board.</li> <li>• The Company also has defined and documented processes to approve new products and new business. These processes involve committees with representation from the businesses and control functions, and include consideration of all aspects of a new product, including reputational risk.</li> <li>• The Branch-level committee is designated to review reputational risk issues and to identify issues to be brought to the Reputational Risk Committee of the Head Office.</li> </ul>
Regulatory Risk	<ul style="list-style-type: none"> <li>• The Company Secretary(CS) works as the Chief Compliance Officer(CCO) and provides an annual compliance and governance report, the Report is published in the Annual Report as a separate chapter (F.11-REPORT ON COMPLIANCE &amp; CORPORATE GOVERNANCE) , to the Audit Committee of the Board stating the results of the annual process and setting out an opinion on the strength of the governance framework and regulatory risk management at the company.</li> <li>• Communicating and advising on compliances by the Board and top management of the Company.</li> <li>• Legal requirements and emerging compliance is analyzed by the Corporate Affairs Department.</li> <li>• Reporting significant issues and findings to senior management and the Board.</li> <li>• Management of the Company monitors and tests for adherence to certain regulatory and legal requirements, as well as the effectiveness of associated key internal controls.</li> <li>• Legal requirements and emerging compliance is analyzed by Board Affairs Departments, in certain circumstances a calendar is also prepared in this regard.</li> <li>• Liaising with regulators, as appropriate, regarding new or revised legislation, or regulatory guidance or regulatory examinations.</li> <li>• Additionally, the Board Affairs Department assesses legislative requirements and associated key controls across the organization, using a risk-based approach. Where any gaps are identified, action plans are implemented and are tracked to completion.</li> <li>• Finally, while it is not possible to completely eliminate legal risk, the Board Affairs Department, too, works closely with business units and other corporate areas to draft and negotiate legal agreements to manage those risks, to provide advice on the performance of legal obligations under agreements and applicable legislation, and to manage litigation to which the Company is a party.</li> </ul>



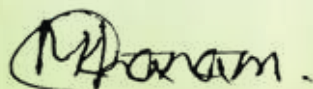
## **FUTURE PLAN**

It is expected that with the valued suggestions of the board of Directors, the Shareholders and relentless efforts and dedicated services of the employees, the Company will be able to upgrade the position in near future. Prudent and Judicious financial management combined with stringent austerity measures by all concerned is also warranted to improve the profitability and viability of the company.

We also like to thank the members of the Board and Management Team for the commitment in expediting and implementing the company strategy and unwavering support that enabled the Company emerge as a financially sound enterprise. We would like to recognize the dedicated and unflinching services of all the members of the company with deep appreciation.

Thanking you,

On behalf of the Management



**Mohammodi Khanam**  
**Chief Executive Officer**

# D.

## PRESENTATION ON FINANCIAL INDICATORS

D.1

5-YEAR FINANCIAL  
HIGHLIGHTS

D.3

GROSS PREMIUM INCOME-  
GRAPHICAL HIGHLIGHTS

D.5

UNDERWRITING PROFIT-  
GRAPHICAL HIGHLIGHTS

D.7

SHAREHOLDERS' EQUITY-  
GRAPHICAL HIGHLIGHTS

D.9

EARNINGS PER SHARE-  
GRAPHICAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS FOR THE  
YEAR OF 2022 (COMPARISON)

D.2

NET PREMIUM INCOME-  
GRAPHICAL HIGHLIGHTS

D.4

TOTAL ASSETS-  
GRAPHICAL HIGHLIGHTS

D.6

FIXED ASSETS-  
GRAPHICAL HIGHLIGHTS

D.8



**DESH GENERAL INSURANCE COMPANY LIMITED**

## D.1

# 5-YEAR FINANCIAL HIGHLIGHTS

## Financial Highlights

(Tk. in Million)

PARTICULARS / YEAR	2022	2021	2020	2019	2018
GROSS PREMIUM INCOME	429.05	344.23	304.20	308.19	203.39
NET PREMIUM INCOME	293.34	193.27	200.17	167.95	102.22
UNDERWRITING PROFIT	77.78	83.45	77.06	65.93	48.31
INVESTMENT INCOME	16.78	22.96	18.40	18.37	17.22
PROFIT AFTER TAX	41.47	46.56	36.22	32.58	24.01
DEPOSIT PREMIUM	3.12	2.92	3.87	2.73	2.39
TOTAL RESERVES	117.83	77.85	80.80	72.87	46.02
TOTAL ASSETS	990.18	894.88	705.75	693.74	573.42
TOTAL LIABILITIES	535.91	442.09	419.53	414.94	302.85
SHARE HOLDERS EQUITY	454.26	452.79	286.22	278.80	272.58
EARNINGS PER SHARE (EPS)	1.04	1.24	1.51	1.36	1.00
FIXED ASSETS	111.53	117.55	126.70	131.84	121.71

## D.2

### FINANCIAL HIGHLIGHTS FOR THE YEAR OF 2022 (COMPARISON)

#### Gross Premium Income

2022	2021	2020	2019	2018
429.05	344.23	304.20	308.19	203.39

#### Net Premium Income-

2022	2021	2020	2019	2018
293.34	193.27	200.17	167.95	102.22

#### Underwriting Profit-

2022	2021	2020	2019	2018
77.78	83.45	77.06	65.93	48.31

#### Total Assets-

2022	2021	2020	2019	2018
990.18	894.88	705.75	693.74	573.42

#### Shareholders' Equity-

2022	2021	2020	2019	2018
454.26	452.79	286.22	278.80	272.58

#### Fixed Assets-

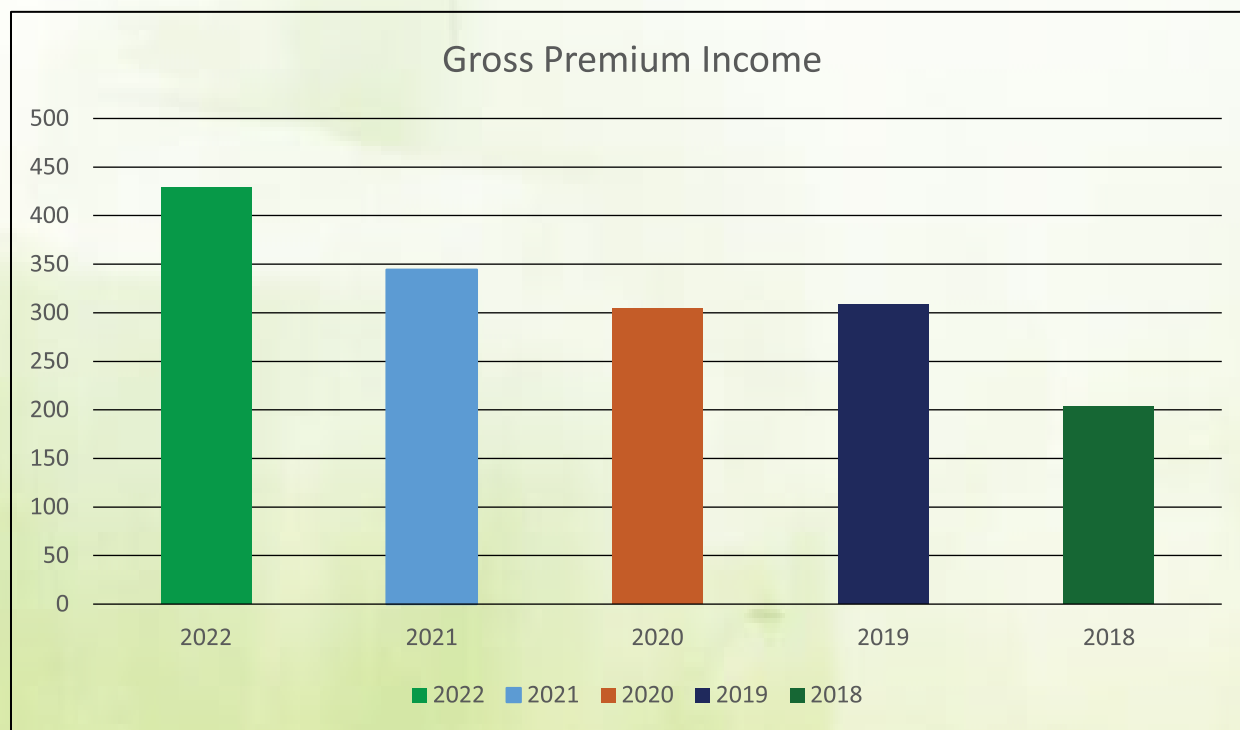
2022	2021	2020	2019	2018
111.53	117.55	126.70	131.84	121.71

#### Earnings Per Share (EPS)-

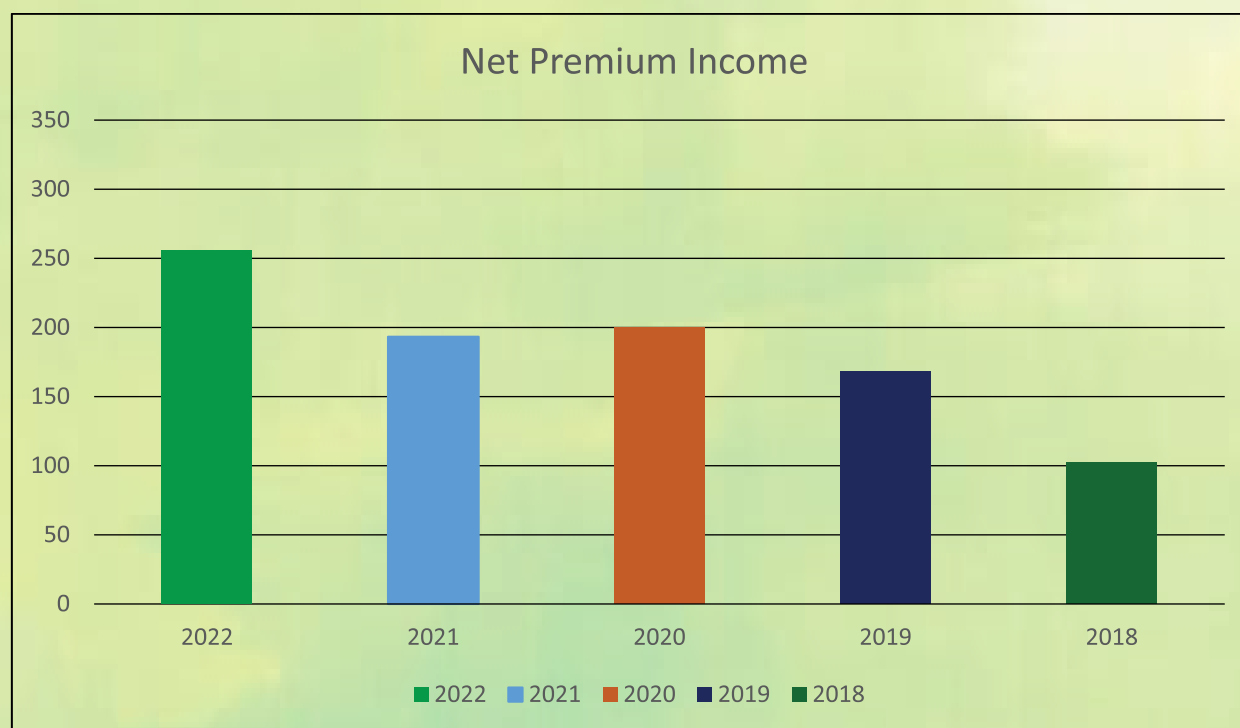
2022	2021	2020	2019	2018
1.04	1.24	1.51	1.36	1.00



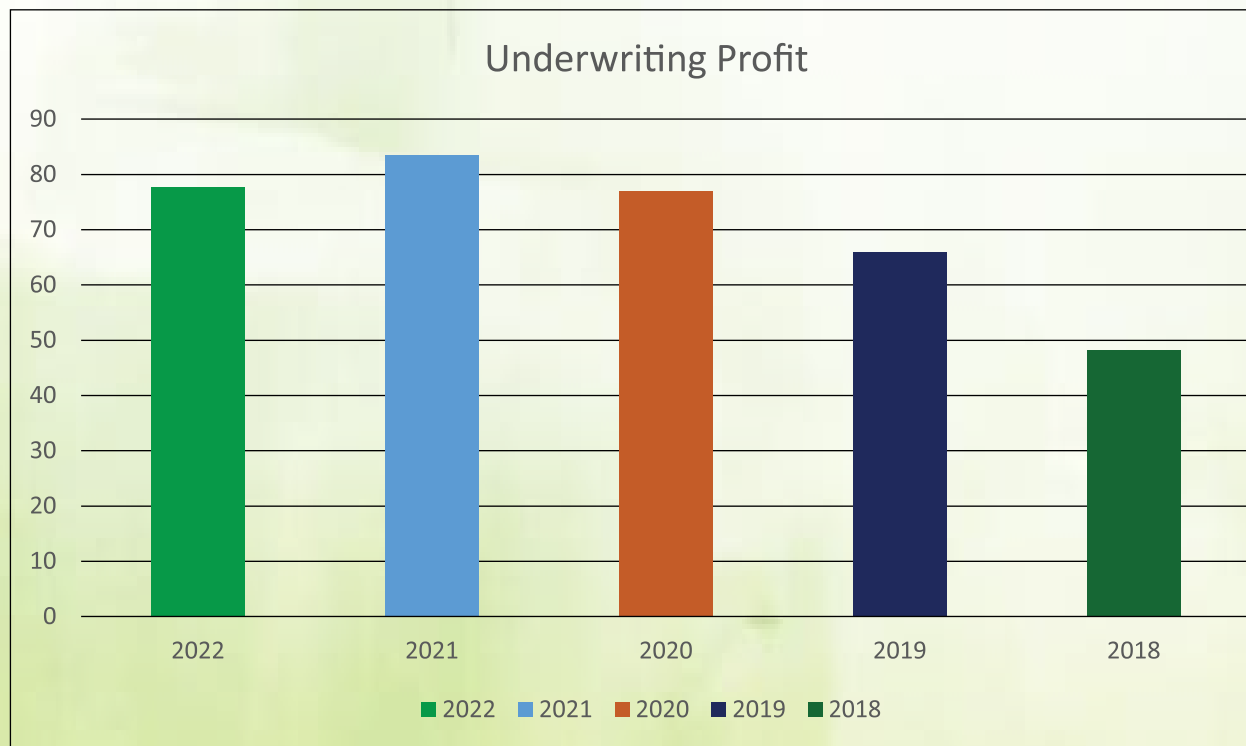
### D.3 GROSS PREMIUM INCOME- GRAPHICAL HIGHLIGHTS



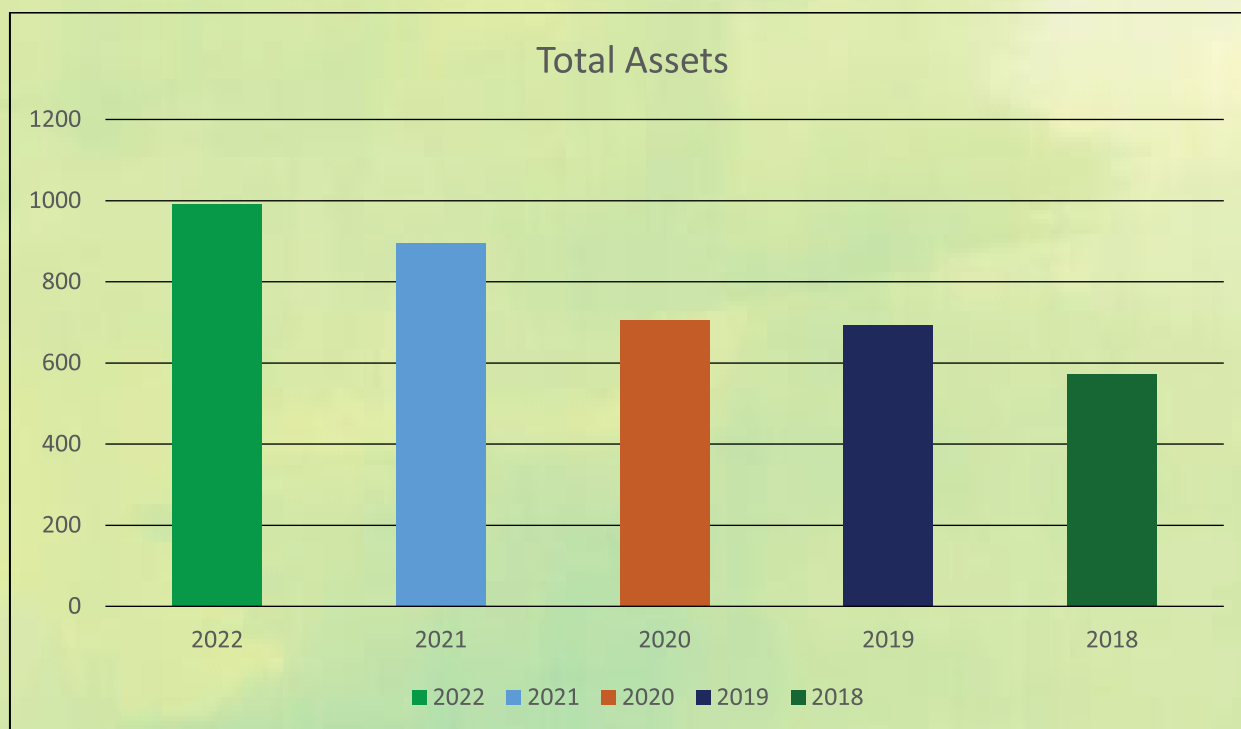
### D.4 NET PREMIUM INCOME- GRAPHICAL HIGHLIGHTS



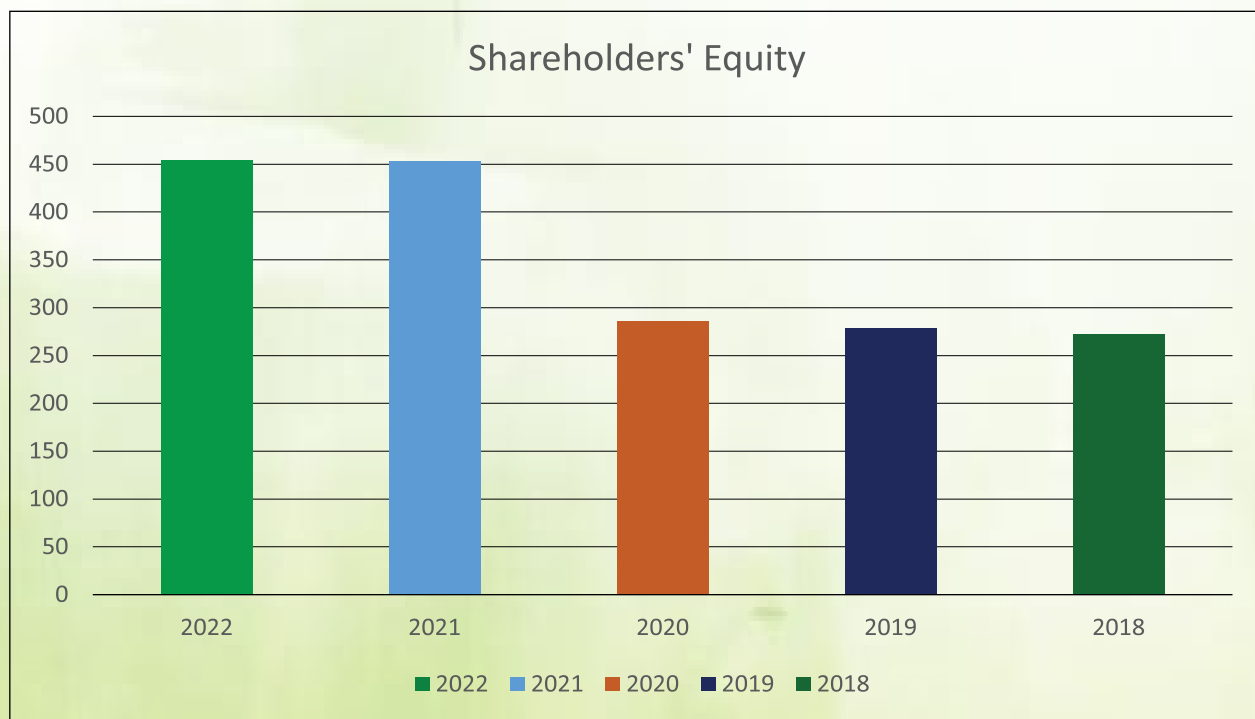
## D.5 UNDERWRITING PROFIT- GRAPHICAL HIGHLIGHTS



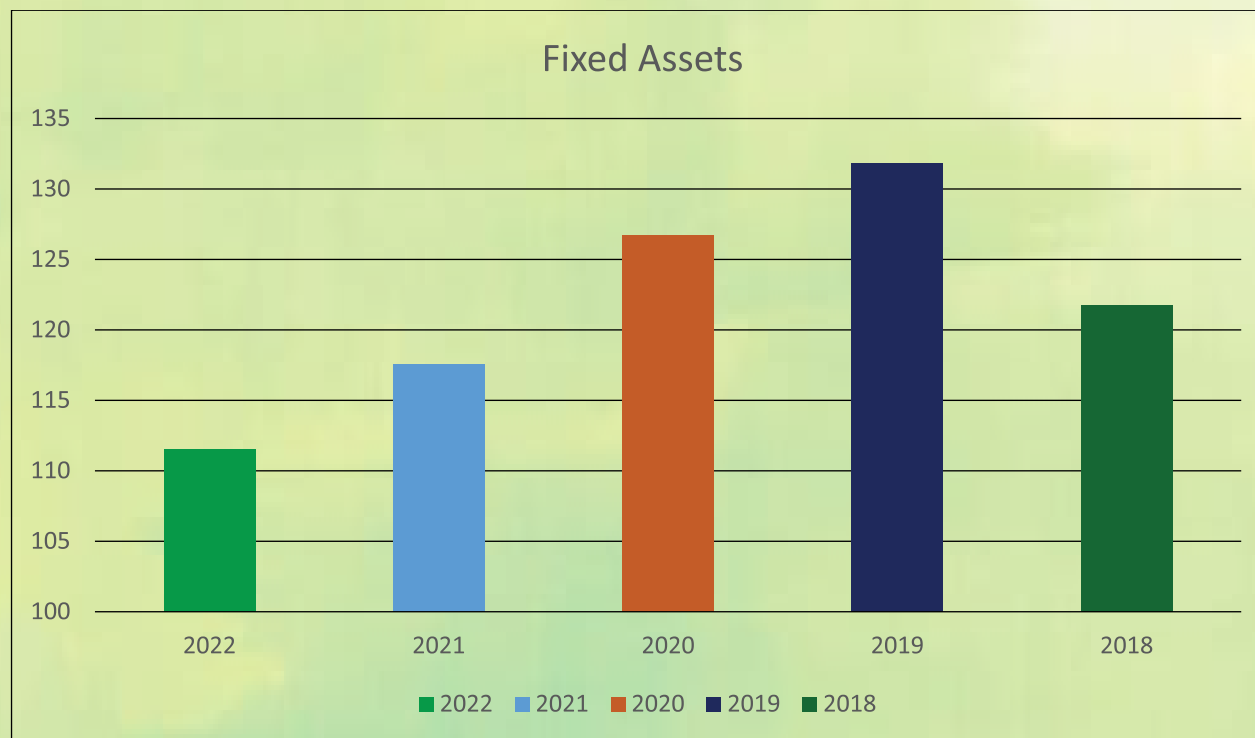
## D.6 TOTAL ASSETS- GRAPHICAL HIGHLIGHTS



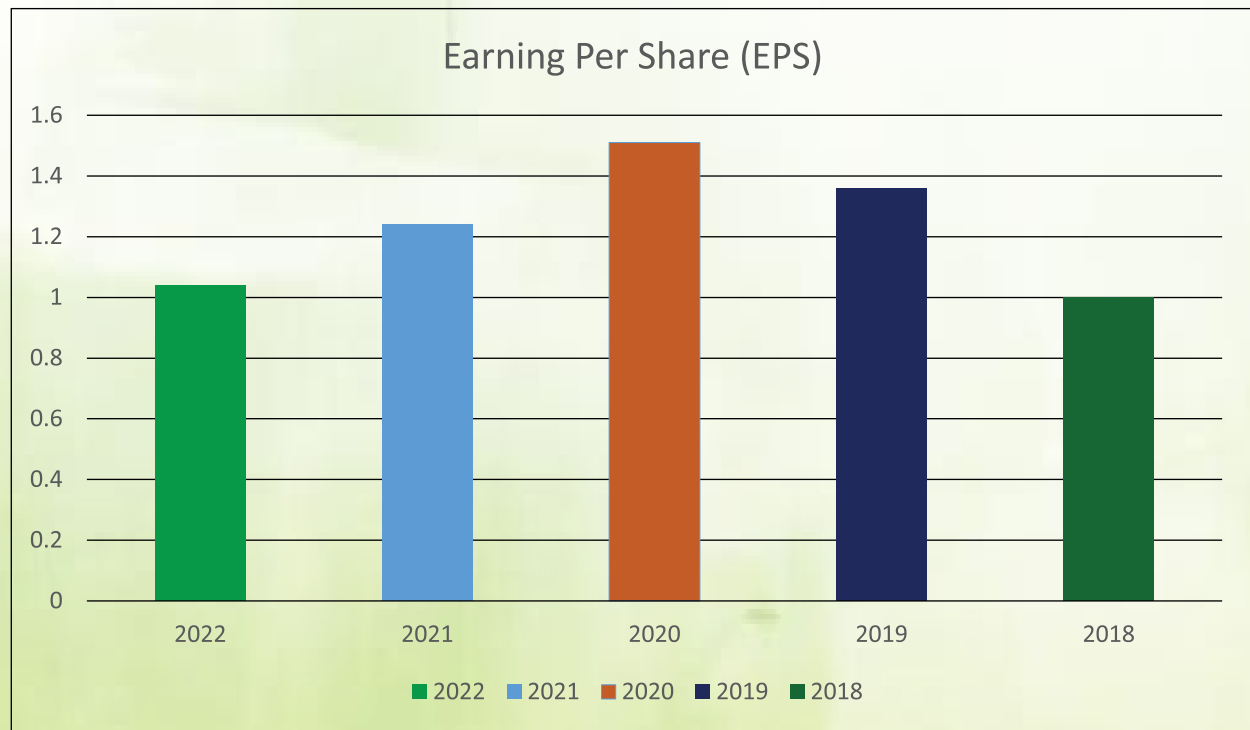
## D.7 SHAREHOLDERS' EQUITY- GRAPHICAL HIGHLIGHTS



## D.8 FIXED ASSETS- GRAPHICAL HIGHLIGHTS



## D.9 EARNINGS PER SHARE- GRAPHICAL HIGHLIGHTS





# E.

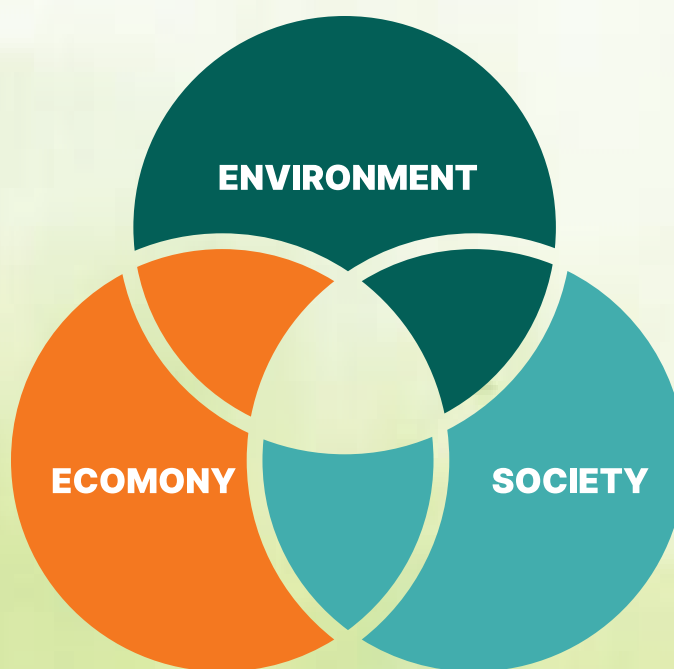
## SUSTAINABILITY REPORTING



**DESH GENERAL INSURANCE COMPANY LIMITED**

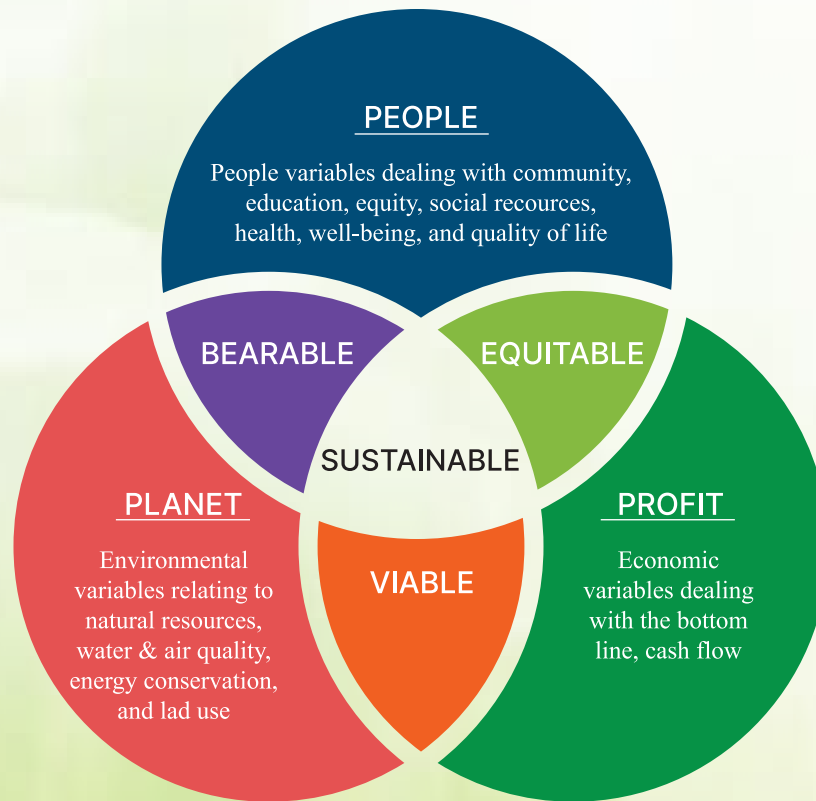
## E.1 NEED FOR SUSTAINABILITY REPORTING

The concept of sustainability is a relatively new idea, the movement as a whole has roots in social justice, conservationism, internationalism and other past movements with rich histories. By the end of the twentieth centuries, many of these ideas had come together in the call for 'sustainable development'. 'Three pillars of sustainability depicted below:



In the case of the service industry, maintaining the process requires movement and transportation of goods, many cases of which are detrimental to the environment and ecosystem. So maintaining a striking balance between the two requires an all-out effort for the preservation of the environment and protection from pollution and degradations of the environment. It, in turn, qualifies the efforts to attain sustainability. Due to this sustainability it bears overriding importance to any business whatever might be the genre that is. So sustainability is a fundamental requirement for any business entity. By the nature of business insurance companies are for bearing the risks, and of course sustainability has got the supreme concern in its domain of operations. Consecutively, it is the real ground for sustainability reporting for any business.

The need for sustainability reporting is that it ensures business to consider its impacts on the sustainability issues and subsequently enables it to be more transparent about the risks and opportunities it faces. The TBL (Triple Bottom Line) concept or the Triple-P's are elaborately centering on the People, Planet, and Profit. It has an indispensable impact on the effect of the business performance with respect to the economic, ecological, and social paradigm. At Desh General Insurance Company Limited, we are working with sustainability reporting in a holistic sense. To us, sustainability reporting helps us to measure, understand and communicate our economic, environmental, and social and governance performance effectively to our internal and external stakeholders.



At Desh General Insurance Company Limited, sustainability is bearing much more importance than that of quick profit and horrendous expansion. Over the years, it has earned a solid foundation and reasonable achievement of the Compound Annual Growth Rate (CAGR) which made it more sustainable. At Desh General, we remained very stick to the practice of ethical business. The quality of a business entity's strategy lies in its performance to deal with the opportunities and risks deriving from economic, environmental and social developments and successfully identifying the fields of investments. Our sustainability strategy comprises operational risks management, resource productivity, maintaining a sustainable workforce, sustainable consumption and long term investment planning.

## E.2 CORPORATE SOCIAL RESPONSIBILITIES (CSR)

**Corporate Social Responsibility (CSR)** is a management policy whereby business companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. A company achieves a balance of economic, environmental and social imperatives (Triple Bottom Line), at the same time it is understood to be addressing the expectations of shareholders and stakeholders.

TBL (Triple Bottom Line) is also known as the Three P's or three pillars. It states that a company should be responsible for three features: **Profit, People and Planet** and those are economic, social and environmental responsibilities. Only if a company cares for three aspects for Triple Bottom Line, it can be called sustainable, because all of those are extremely closely related. Caring for

profit and for people makes it equitable and fair, simultaneously environmental protection needs to be taken into consideration because without this protection the planet leads to be doomed. On the other hand, tending only to Planet and People and forgetting about the Profit, makes the CSR Policy bearable, but business needs profit to survive. Again, if a company pays attention to Profit and Planet, discarding the People then it is viable and profitable, but in the long term can lead to the fall of employee's morale and the breach of social contract. So, the CSR has external and internal stakeholders

Desh General Insurance Company Limited's priority sectors for CSR initiatives are education, health care, standing by the disadvantaged group of people, distributing warm clothes and blankets to cold stricken people, patronizing the Bengali culture, working for green environment, enthusing people for taking green and formalin free food, making insurance awareness at large, and finally, making an I-community to plug in the virtual community and make them conscious of insurance.

Our CSR strategies are based on the fundamental conviction of sustainable business that integrates good governance and social priorities with a view to enhancing community empowerment in a sustainable manner. CSR has been a long-standing commitment at Desh General, and forms an integral part of our activities.



## E.3 ENVIRONMENT RELATED INITIATIVES

Across the globe, taking initiatives for preserving the environment along with precautionary processes to eradicate pollution are the major issues of grave concern for the global citizens. It is a downright global concern. By the very nature of the business, across the globe, Insurance Companies are opting to take steps to mitigate risks of the future of business and people. Insurers are important partners in mitigating economic losses to communities, businesses, and individuals. Reasonably in consonance with the global trends, at *Desh General*, we are using a slogan, '**Think Green before you print .....**'. We attach this slogan with our official mail template for the internal and external users of our mail across the globe. We are committed to working for preserving the environment, and round the year we usually take various initiatives to attain it in practice.

At *Desh General Insurance Company Limited*, taking initiatives for preserving the environment is our goal. So, we usually give paramount importance to the TBL (Triple Bottom Line) concept which in detail contains the Triple Pillars, and is a combination of economic, environmental and social imperatives, while at the same time it is understood to be addressing the expectations of shareholders and stakeholders.



## E.4 ENVIRONMENT & SOCIAL OBLIGATIONS

According to the final estimation, we all are a part of this planet and habitats. So, taking care of the planet is an essential task of any business entity to gain ultimate sustainability. At Desh General Insurance Company Limited, attaining sustainability is our goal. So we are attaching the highest importance to TBL (Triple Bottom Line) concept which in detail contains the Triple Pillars, and is a combination of economic, environmental and social imperatives, while at the same time it is understood to be addressing the expectations of shareholders and stakeholders. It states that a company should be responsible for three features: Profit, People and Planet, and those are economic, social and environmental responsibilities.

**Environment and Social Obligations of Insurance Company:** Maintaining Environmental and Social Obligations have a paramount importance for Insurance Companies as these Companies work for a long term interest of the society and its people. So, predominantly an insurer's interests are to reduce risks and improve sustainability through maintaining environmental and social obligations. For maintaining environmental and social obligations there are issues for insurance companies that are stated below:

1. To meet the challenges of Climate Change
2. To include Micro-insurance
3. To include Health Insurance
4. To face the Emerging Manmade Risks
5. To face and include the Environmental Liability
6. To apply in practice the three Rs (Recycling, Reusing and Reworking) concept
7. To bring internal efficiency by applying conserving environment practices.

At *Desh General Insurance Company Limited*, we are very vigilant about the above-mentioned issues and obliged to maintain its impacts through our business and other social activities. We have Micro Insurance and Weather Based Agriculture Insurance in our product basket. We are also bearing the risks of earthquake, natural disasters, and floods and also for the pollution and havocs aftermath.

At *Desh General*, we are actively involved in community issues that have a natural link with our business. By working with the right business partners we aim to bring positive changes for the communities, and we are striving to support safety initiatives in the broad meaning of the term in the communities within which we operate. The objective is, in the long run, to neutralize the negative social phenomena such as traffic accidents, the impacts of climate change and absence of cleanliness around where we live. Round the year we made a digital awareness campaign to assist our clients and business partners to prevent accidents and to avoid the incidences of damages.

## E.5 INVESTOR-FRIENDLY INFORMATION

Desh General Insurance Company Ltd considers the 7 Cs model of Communication to the investors of the company with a view to having a clear communication. For our everyday communication we write emails, facilitate meetings, participate in conference calls, create reports and devise presentations, debate with our colleagues and so on. We spend almost our entire day communicating. So, it stands to reason that communicating clearly and effectively can boost our business. This is why the investor-friendly information is being communicated with them following 7 Cs of Communication and it is very helpful. This provides them with an image of clear, concise, concrete, correct, coherent, complete and courteous.

We communicate with our investors about their investment and return on their investment through quarterly reports as required by the regulatory body like Bangladesh Securities and Exchange Commission (BSEC) through publication of those reports in the newspapers and also on online media as well as through our own website. As investment in non-life insurance is always risky and very often there might happen large claims that may change the whole gamut of profitability scenarios. So it is very important for non-life insurance to keep the investors updating.

## E.6 HUMAN RESOURCE DEVELOPMENT

DGIC human resources principles serve as the basic policy to enable the *Desh General Insurance Company Ltd* to build a human resources management platform that aligns with DGIC's corporate vision. DGIC's human resources division has been developing the Principles to provide the framework for delivering consistent, industry-leading human resources management practices in the country. The DGIC human resources principles provide the foundation for establishing a unique team with a view to achieving the ultimate goal of the company.

### Shared values

The DGIC human resources principles will be implemented across the branches including head office in alignment with our shared organizational values:

- **Integrity and responsibility:** Strive to be fair, transparent, and honest. Always act responsibly in the best interest of customers and society as a whole, building long-term stakeholder relationships and giving back to our communities.
- **Professionalism and teamwork:** Respect the diversity of our fellow workers and foster a strong spirit of teamwork. Expect the highest levels of professionalism.
- **Challenge ourselves to grow:** Adopt a suitable perception to anticipate trends and opportunities for growth. Create and sustain a responsive and dynamic workplace where everyone can focus on providing outstanding customer service and embrace new challenges.

### HR mission

- Create a corporate culture that provides colleagues with opportunities for career growth, challenging them to perform well in a professional environment, where the highest standards of integrity are expected.
- Appointing the right person to the right job, in the right place to allow each colleague to maximize his/her career potential.
- Develop talent capable of contributing to the long-term and sustainable growth of our global society.

**HR vision:** Be the industry leader in HR management to help DGIC realizes its corporate vision: Be the country's most trusted insurer.

**HR philosophy:** Leverage the following HR philosophies to create consistent HR management practices across all entities:

- **Talent acquisition:** Attract and recruit diverse talent that share and live our values as members of DGIC. Create a strong employer brand that fosters recognition of DGIC as an employer of choice.
- **Performance evaluation:** Evaluate performance fairly and objectively, considering not only the goals achieved, but also the competencies demonstrated to get the job done. Recognize the importance of factors, such as customer-centric focus, total mindset, and teamwork, to balancing short-term results with sustained long-term performance. Provide feedback and coaching on an ongoing basis to each colleague to foster ongoing development.
- **Total rewards:** Reward colleagues competitively and appropriately in alignment with their contributions to DGIC's growth and success-in effect, pay for performance. In addition to colleague performance, rewards will be reflective of the overall stability of the company and the economy.
- **Talent management:** Assess the capabilities and career path of each colleague to place the right person in the right job, to maximize colleague and DGIC success. Develop strong succession plans and build a pipeline of inclusive leadership to appoint and promote our diverse colleagues from within.
- **Learning and development:** Provide ongoing learning and development opportunities to help each colleague enhance his/her knowledge, skills and experience and improve his/her capability to impact achievement of the corporate vision.
- **Employee profile:** We always endeavor to make Desh General Insurance Company Ltd. a unique work place by creating a performance based organization that always recognizes, motivates, inspires and rewards the employee efforts and success in respect of their personal as well as organizational development. By the process of proper nourishment, we try our best to make every employee an asset for the company; not a liability. Through proper training and development and rewarding we try to enable every individual a leader in his own arena exploring the best potentialities in him/her.

**Salary policy:** *Desh General Insurance Company Ltd* is such an organization where the human resource management & administration department evaluates and fixes the salary of the employees based on their performance and worthiness. There is no scope to discrimination of salary irrespective to male and female employees. Pay scale/salary structure is fixed time to time as per the Board approval based on management recommendation.



**Benefits to employees:**

- Group insurance
- Health insurance (free & subsidized)
- Incentive bonus
- Festival bonus
- House rent allowance
- Conveyance allowance
- Medical allowance
- Entertainment allowance
- Personal loan facility
- Yearly performance appraisal
- Training and development opportunities
- Mobile allowance with mobile phone set including internet connection

**End service benefits:**

- Provident fund
- Final settlement of the employees is done within the shortest possible time.

**Total employee, employee status & gender ratio:** We have 279 employees. Out of the total number of 279 employees, 229 are male & 50 are female which reflects a balanced ratio of male and female employees ensuring women's empowerment to a considerable extent. Participation of women/females is equally noticeable /visible as well as important in board of directors & management. Even one female is in the leading/top position (CEO) of the company. At our Head Office Total number of employees is 52, out of which 12 are Female and 40 are Male.

**Creation of new employment opportunity:** DGIC always inspires/encourages and gives equal opportunity to join and build a unique career to the fresh graduates. In 2022, a number of 35 new employees were recruited where a major portion is fresh graduates/young professionals who can bring new dimension as well as add new vibration in the Company.





## E.7 INTEGRATED REPORTING

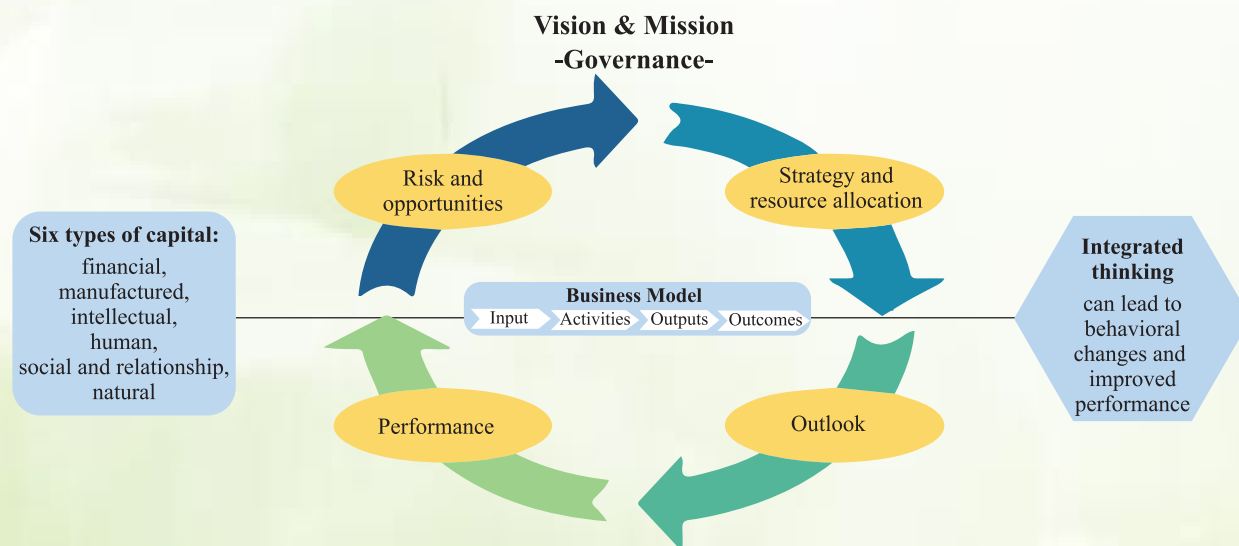
The foundations of business are changing rapidly, creating new risks and new opportunities for companies across the globe. The COVID-19 pandemic has laid bare fundamental truths: those human and natural systems are inextricable, interdependent, and increasingly fragile, and that risks can emerge rapidly and evolve dynamically. Within these systems, technology acts as both an accelerant and enabler—as well as a disrupter to business models. Environmental, social, and governance (ESG) concerns are now widely recognized as core risks to business resiliency, market stability, and global economic well-being.

Content Elements of **INTEGRATED REPORTING** in DGIC is depicted here:



### THE VALUE CREATION:

The value creation concept is the backbone of integrated reporting and, we believe, is the direction for the future of corporate reporting. In addition to financial capital, integrated reporting examines five additional capitals that should guide an organization's decision-making and long-term success — its value creation in the broadest sense.

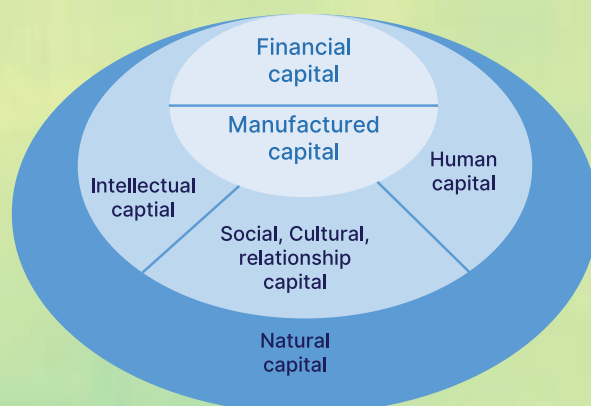


While integrated reports benefit a broad range of stakeholders, they're principally aimed at long term investors. Integrated reporting starts from the position that any value created as a result of a sustainable strategy — regardless of whether it becomes a tangible or intangible asset — will translate, at least partially, into performance. Market value will therefore be impacted.

### THE CAPITALS ( read with the Business Model of the Company at Chapter B.3 )

- **Financial capital** – The pool of funds.
- **Manufactured capital** – Manufactured physical objects (as distinct from natural physical objects) that are available to an organization for use in the production of goods or the provision of services.
- **Intellectual capital** – Organizational, knowledge-based intangibles.
- **Human capital** – People's competencies, capabilities and experience, and their motivations to innovate.
- **Social and relationship capital** – The institutions and the relationships within and between communities, groups of stakeholders and other networks.
- **Natural capital** – All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization.

#### The six capitals



### Connectivity and integrated thinking

The integrated report is the product of the processes of connectivity and integrated thinking in the organization. Integrated reporting is therefore not just about the report, but about the process of the organization's unique approach to value creation. To translate integrated thinking into integrated reporting the organization should convey a holistic view of strategy, governance, performance and prospects. The integrated report should also bridge time horizons. Therefore integrated reporting can be used as a governance tool for performance-oriented management.



### The Current Corporate Reporting Model of DGIC:

Over the past 22 years, Desh general Insurance Company limited has been disclosing an increasing amount of information to satisfy the demands of stakeholders. Specifically, they have offered complementary information to providers of financial capital who increasingly view the snapshot reflected by financial statements and sustainability reports as inadequate.

### Toward integrated reporting

Markets move on information. The more forward looking and detailed information organizations provide, the more efficiently markets operate. Therefore, organizations need to explain their value creation goals from a new perspective. The ultimate goal is to enable investors to make more efficient and effective decisions and bring an organization's market value closer to its intrinsic value. Integrated reporting does just that. Leading organizations are adopting the concept.

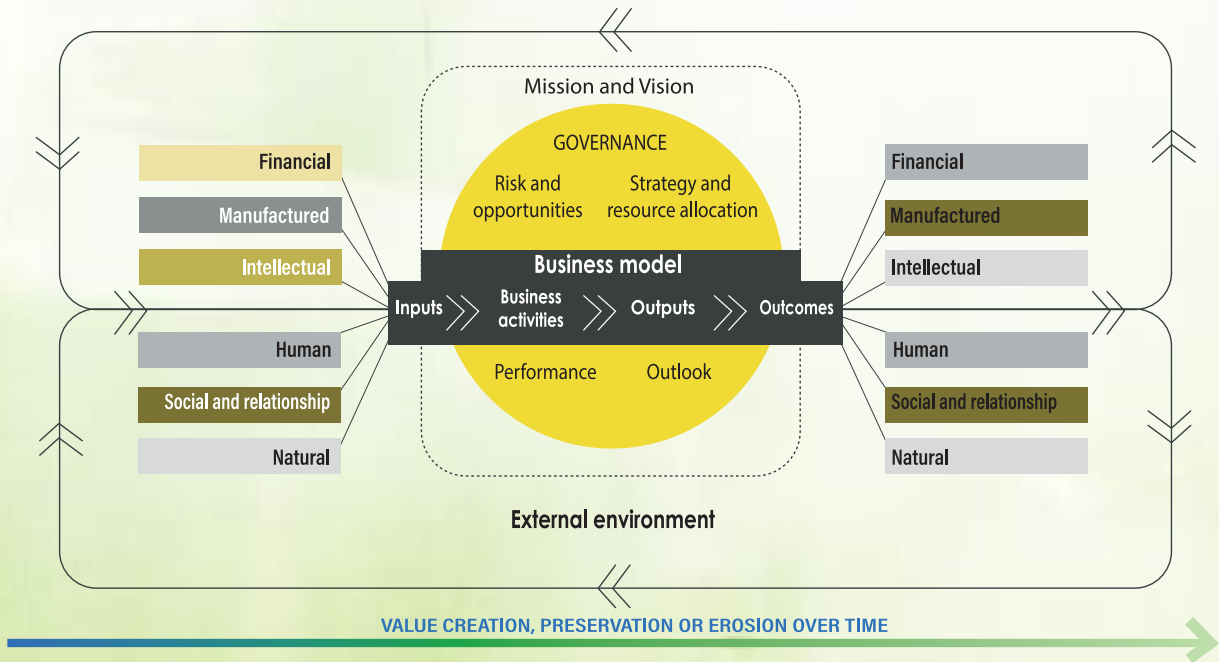
### The business model in an integrated report

The business model is the vehicle that defines and executes an organization's strategy and maps out the process by which an organization creates sustainable value over time. Intangible elements such as relationships with the community, human capital and intellectual capital.

Other inputs or resources such as ecosystem services derived from natural capital; organizations can draw on these capitals for free or in exchange for payment the business model should identify the key inputs that contribute to value creation. It should also show how these are managed, the key value-adding activities of the organization and the potential outcome in terms of value creation over the short, medium and long term.

Within the business model, value creation encompasses the products and services produced by the organization (including any by-products) as well as the external factors which increase or decrease the value of the capitals used and affected by it.

## An integrated reporting framework



**Figure: Process through which value is created preserved or eroded:**

The INPUTS and OUTPUTS of the **06 (Six) Capitals** of the Company is described in diagram below. The same is also depicted in the **BUSINESS MODEL** of the Company in separate pages (Chapter - B.3) of this Annual Report of the DGIC.

## E.8 HUMAN CAPITAL

Human capital is absolutely, in micro-level, centered round a human as every unit is unique and different from others. It is the knowledge, skill sets and intangible assets that add economic value to every human. Human capital is not a static measure and it can be improved by dint of exercise of knowledge and study and even practical experience gathered from site seeing and visiting various organizations as well as meeting quality personnel. It is an intangible asset and is just as valuable as a tangible asset.

Now HR Professionals can use various measures to evaluate the economic value added by his staff. Upon calculating that, they invest on them more providing them different trainings if the result of the calculation gets positive and further investment as well. For that, it is also calculated that the total profits a company generates before and after investing on its employees' capital.

*Desh General Insurance Company Ltd.* has been in the process of developing its human capital by necessary training programs both in-house and whenever required in abroad and also nominating its employees to national and international conferences with a view to developing skills of its employees who will be contributing to the profitability of the company.



## E.9 HUMAN RESOURCE ACCOUNTING

Human resources are the most important resource out of all the resources available for the management to achieve organizational goals. The overwhelming significance of human resources is due to its unique characteristics. It is very much different from physical assets. Physical assets do not have feelings and emotions, whereas human assets are subjected to various types of feelings and emotions. In the same way, unlike physical assets, human resources never depreciate.

**Human resource accounting (HRA)** is the process of discovering and measuring data about human resources and communicating this information to stakeholders. It involves measuring the costs incurred by organizations to recruit, select, hire, train, and develop human assets. It also involves measuring the economic value of people to the organization.

Human resource accounting is considered the activity of understanding the cost invested for employees towards their hiring, training, payment of salaries and other benefits, and in return, figuring out their contribution to a company's profitability.

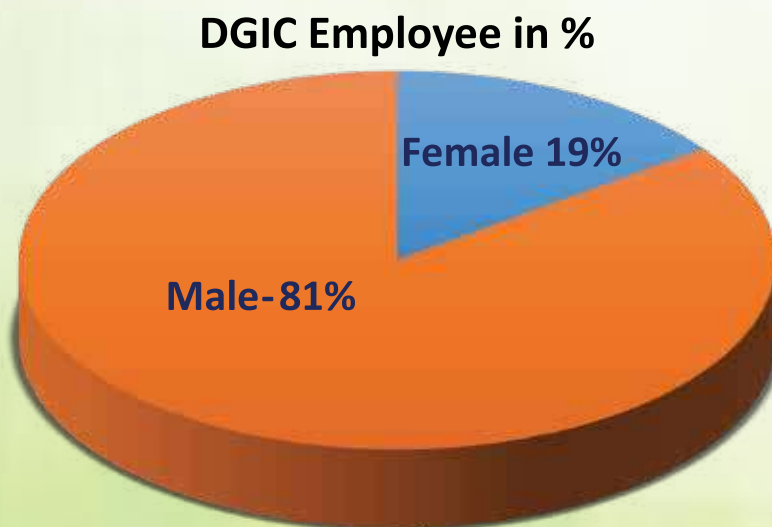
Therefore, the valuations of human resources along with other assets are also required in order to find out the total cost of an organization. As Desh General Insurance also realizes the importance of human resources accounting (HRA) as 'accounting' for people as resource, in this context, measuring the costs incurred by organizations to recruit, select, hire, train, and develop human assets. Desh General Insurance believes that talented and skilled employees are the key business differentiator. This is why skill development and learning of the employees are given immense importance in Desh General Insurance. Training creates an impact that lasts beyond the end time of training itself. The focus is to develop skill and expertise and attains knowledge and knowhow that creates commitment among employees motivating them to incorporate their new skills and ideas back at work.

DGIC believes that a broad range of aged and experienced groups in its work force helps the company to meet its diverse needs and helps in its growth. While recruiting, Desh General Insurance values to hire engage and retain talented people for its team. Besides recruiting highly experienced and technical persons from the insurance industry, the young graduates with versatile talent and skills are also given highest priority.

Therefore, the valuations of human resources along with other assets are also required in order to find out the total cost of an organization. As Desh General Insurance also realizes the importance of human resources accounting (HRA) as 'accounting' for people as resource, in this context, measuring the costs incurred by organizations to recruit, select, hire, train, and develop human assets. Desh General Insurance believes that talented and skilled employees are the key business differentiator. This is why skill development and learning of the employees are given immense importance in Desh General Insurance. Training creates an impact that lasts beyond the end time of training itself. The focus is to develop skill and expertise and attains knowledge and knowhow

that creates commitment among employees motivating them to incorporate their new skills and ideas back at work.

DGIC believes that a broad range of aged and experienced groups in its work force helps the company to meet its diverse needs and helps in its growth. While recruiting, Desh General Insurance values to hire engage and retain talented people for its team. Besides recruiting highly experienced and technical persons from the insurance industry, the young graduates with versatile talent and skills are also given highest priority.



We realize that human capital can be more valuable to employers than physical assets in consideration of the time and expenses needed to hire, train and retain qualified staff.

## **E.10 COMPANY'S CONTRIBUTION TOWARDS ITS STAFF**

### **Employee benefits**

*Desh General Insurance Company Limited (DGIC)* believes that human resource is the best resource of the company. As a member of a service centered industry like insurance, the whole operation of the company is actualized by its employees. So, it tries to ensure the best working environment where management and employees put combined effort towards the growth of the company and accepts new challenges in a diversified environment.

All knows, the success of a company depends on the potentiality of its work force as without satisfying the employees no organization can sustain in the long run. DGIC values its employees along with their works and considers them as the members of DGIC family. Moreover, DGIC values not only the staffs but also the family members of the staffs .On top of all, DGIC ensures the following facilities and with the growth of each individual staff grows the Company:

- Congenial work environment and pure corporate culture
- Equal opportunity for all in all respects
- Performance appreciation
- Ensures long-term benefits
- Provides need based training
- Personal loan against salary
- Car finance scheme
- Group life insurance
- World class annual performance appraisal
- Opportunity to make solid insurance career
- Festival bonuses
- Contributory provident fund
- Mobile phone allowance with mobile phone set under corporate package

### **Congenial work environment ensuring gender equality & women empowerment**

*Desh General Insurance* always ensures gender equality or equal opportunity. The HR policies have been formulated to ensure equal opportunity in all respects. With a view to ensuring empowerment of women in the job sector honoring the increasing trend of the quality educated women in the country, DGIC has strict rules to ensure dignity of the female staff confirming all facilities in line with the government rules and the best world practices. In view of that it ensures long-term maternity leave, considers health issues and empowers women as branch in charge. DGIC celebrates women's day with the female staff inviting famous female personalities. Since women experience some unique health issues and conditions, on this occasion, a specialist female doctor is usually invited to consult with the female staff regarding various important health issues. However, DGIC also conducts a number of activities for the male staff to create a healthy and congenial corporate culture in the company.

## **E.11 REGULATORY REVIEW**

Desh General Insurance Company Limited (DGIC) has been incorporated under the Companies Act, 1994 and it had been licensed from the Office of the then Chief Controller of Insurance under the Ministry of Commerce according to the provisions of Insurance Act, 1938. When Insurance Act, 1938 was repealed in 2010 the Parliament enacted Insurance Act, 2010 and Insurance Development and Regulatory Authority Act, 2010 to administer the Insurance Industry of Bangladesh.

### **Segregation of life and non-life insurance business**

As per the Insurance Act, 2010 no insurer is allowed to carry out Life and Non-life Insurance Business under an umbrella i.e., no insurance company is allowed to do life insurance and non-life insurance business simultaneously. In compliance with the provisions of law *Desh General Insurance Company Ltd* is doing only non-life insurance business.

### **Compliance with Insurance Act, Rules and Regulations**

Desh General Insurance Company Ltd follows the provisions of Insurance Act, Insurance Rules and Regulations applicable to the non-life insurance companies. It also complies with the circulars issued by the Insurance Development and Regulatory Authority (IDRA) from time to time. Desh General Insurance provides required information by IDRA giving them highest priority.

### **Compliance with Other Regulatory Requirements**

Desh General Insurance Company Ltd follows rules and regulations of all regulatory bodies like National Board of Revenue (NBR), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange Ltd (DSE), Chittagong Stock Exchange (CSE) and follows all other applicable laws of the land in performing non-life insurance business of the Company. The Corporate Governance Code introduced in 2018 is a mandatory compliance to all listed companies in Bangladesh and it's a huge safeguard for the sustainability of the listed securities of Bangladesh. Desh General Insurance has complied with all the criteria regarding good corporate governance being a listed company.

### **Minimum Stated Capital**

As per the Insurance Act, 2010, Desh General Insurance Company Ltd has complied with the minimum capital requirement of Tk. 400 million. The Company started its business with a capital of Tk. 60 million and subsequently included a right offering of Tk. 180 million having a total paid-up capital of Tk. 240 million. Considering the aspects of sustainability, Desh General Insurance gradually increased its paid-up capital to over Tk. 400 million by issuing an IPO of 160 million; it has fulfilled the regulatory requirement of paid-up capital.

### **Reporting to Bangladesh Bank**

Desh general has been reporting to Bangladesh Bank (BB) when required/when information is sought by BB.

## **E.12 NATIONAL INTEGRITY STRATEGY**

NIS is a government's comprehensive strategy to promote good governance and achieve a corruption-free State and Society. NIS has adopted a holistic approach to promote good governance, looking at the entire range of relevant institutions, including non-state institutions, while focusing on relationships among them. All institutions need to play expected roles to achieve good governance. This is aligned to the Father of the Nation's remark "The nation must be united against corruption. If public opinion is not mobilized, corruption cannot be stopped by enforcement of law alone". NIS aims to mobilize the Society.

Insurance Development and Regulatory Authority (IDRA) took the initiative to implement NIS among the insurance companies both life and non-life. It convenes regular meetings at intervals and sends the proceedings to the insurance companies to follow that. It has also made it mandatory that every insurance company forms a NIS Implementation Committee in the Head Office with a focal person to implement Strategic Plan of Integrity by the staff of the company with a view to



ensuring Institutional affairs, to develop expertise and integrity, to work on right to Information, e-governance, innovation and easy service, transparency and accountability and reward for practicing integrity. Desh General Insurance Company Ltd has been abiding by all the directions regarding National Integrity Strategy (NIS) in almost all the activities of the Company as it has already been conceived in and believes in transparency, accountability and ethical business.

## E.13 OUR SUSTAINABILITY REPORTING

### Leaving No-one behind (LNB)

*“As we embark on this great collective journey, we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the goals and targets met for all nations and peoples and for all segments of society. And we will endeavor to reach the furthest behind first.” (2030 Agenda for Sustainable Development).*

“We Love the SDG”, a popular song by Alan and sung by all across the globe has got a resounding resonance across the earth which contains the global goals of development of humans and humanity. By adopting the 2030 Agenda, Member States have committed to leave no one behind in their implementation of the Sustainable Development Goals (SDGs). It is replaced by *Millennium Development Goals (MDGs)*. It is popularly known as The Global Goals and with the breadth of the 17 goals, their 169 targets and 232 indicators mean all countries face a significant challenge (domestically, as well as internationally) in delivering these commitments.

This inclusiveness was also intended to extend beyond national-level contributions; the scope of the SDGs should mean that everyone has a role to play. This extends from policymakers, through researchers, teachers, businesses, and the general public.

### The 17 sustainable development goals (SDGs) to transform our world are:

- GOAL 1: No Poverty
- GOAL 2: Zero Hunger
- GOAL 3: Good Health and Well-being
- GOAL 4: Quality Education
- GOAL 5: Gender Equality
- GOAL 6: Clean Water and Sanitation
- GOAL 7: Affordable and Clean Energy
- GOAL 8: Decent Work and Economic Growth
- GOAL 9: Industry, Innovation and Infrastructure
- GOAL 10: Reduced Inequality
- GOAL 11: Sustainable Cities and Communities
- GOAL 12: Responsible Consumption and Production
- GOAL 13: Climate Action
- GOAL 14: Life below Water

GOAL 15: Life on Land

GOAL 16: Peace and Justice Strong Institutions

GOAL 17: Partnerships to achieve the Goal

Out of the 17 SDGs, three goals can be noted with utmost importance where business can play an important role. These are Goals 8, 9 and 12. These goals are dealing with economic growth, employment; industrialization and innovation; production and consumption patterns. More specifically targets under SDG 9 are mainly linked with business and industry stakes. Moreover Goals 2, 3, 4, 7, 10, 11, 13, also have close links with business. As all the goals are almost interconnected, achievement of the above mentioned goals will lead to achievement of the ultimate goal of poverty reduction (Goal 1).

**Table 1: SDG Goals and targets, which are closely linked to business**

Sl. No.	SDGs with direct links with Business	The description of the goal
1	<b>Goal 2:</b> specially targets 2.4, 2.5, 2.a and 2.c	End hunger, achieve food security and improved nutrition and promote sustainable agriculture
2	<b>Goal 3:</b> specially targets 3.3, 3.4, 3.8, 3.9 and 3.b	Ensure healthy lives and promote well-being for all at all ages
3	<b>Goal 4:</b> specially targets 4.3, 4.4, 4.5, 4.7 and 4.a	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
4	<b>Goal 7:</b> specially targets 7.2 and 7.3	Ensure access to affordable, reliable, sustainable and modern energy for all
5	<b>Goal 8:</b> specially targets 8.2, 8.5, 8.6, 8.7, 8.8 and 8.10	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
6	<b>Goal 9:</b> specially targets 9.1, 9.2, 9.4, 9.5 and 9.c	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
7	<b>Goal 11:</b> specially targets 11.1, 11.2, 11.3 and 11.6	Make cities and human settlements inclusive, safe, resilient and sustainable
8	<b>Goal 12:</b> specially targets 12.2, 12.3, 12.4, 12.5, 12.6, 12.8	Ensure sustainable consumption and production patterns

The SDGs cover a broad range of social and economic development issues. A country's SDG achievement depends on the achievement of such goals by all individual units. Desh General Insurance Company Ltd in both macro and micro level as an operator in non-life insurance companies.

As insurance is giving coverage of financial institutions and its products and cyber-crimes it is playing a pivotal role. In the micro or personal level from health services to agro business risk coverage as a non-life entity it serves the role of catalysts to make people insured. It has innumerable products to serve and play a role to alleviate poverty as Bangladesh is a disaster prone country and by providing insurance it can play a role to make people insured. As a developing company it abides by some quality policy and has a strong social responsibility policy knowledge

to share, planet to care like tree plantation gifts, make offices clean and many more to touch people's life. So in core business and also Corporate Responsibilities we are contributing to the global goal. The sustainable reporting may be done through the following processes:

**Sustainable reporting process:** At first the applicable goals for the company will be identified and relevant topics to be selected through assessment for the Sustainability Reporting and in this process due attention to be given to internal and external research and sources. In addition, surveys and interviews to be held with various business-partner clients and also with the stakeholders. All the data were sourced from the concerned departments and the financial data reported in this report were fully sourced and aligned with the OPL's financial report.

**Sustainability reporting guidelines:** Global Reporting Initiative has a guideline for sustainability reporting. Desh General Insurance Company's Sustainability Report has been prepared following that guidelines keeping in mind the Sustainable Development Goal. It aims to provide only disclosures and indicators that are material to the business about the economic, environmental, and social impacts that really matter detailing it in CSR activities of the Company.

**Commitment to future development:** Desh General Insurance Company tried to cover a few aspects of economic, environmental and social factors and gradually it would try to cover more and more items in the years to come. Desh General Insurance is always committed to continue to develop the reporting process to accommodate the needs of the business partner-clients, different stakeholders, many of whom require different depths of information. This will include further integration and incorporation of financial and non-financial information about the activities of the company and also the indicators to provide the stakeholders with a holistic picture of the company's performance.

With a view to featuring information on the dashboard Desh General Insurance would provide detailed information regarding its CSR area and amount invested about these initiatives. Desh General's gradually increased numbers of CSR activities reveal its sustainability in doing its non-life insurance business.





# F.

## INFORMATION ABOUT CORPORATE GOVERNANCE

F.1

REPORT ON ACTIVITIES OF THE AUDIT COMMITTEE

F.3

NOMINATION & REMUNERATION POLICY AND EVALUATION CRITERIA THEREOF

F.5

REPORT ON ACTIVITIES OF THE CLAIMS COMMITTEE

F.7

DIRECTORS' CERTIFICATE

F.9

ANNEXURE- B: CERTIFICATE ON COMPLIANCE OF CGC

F.11

REPORT ON COMPLIANCE & CORPORATE GOVERNANCE

REPORT ON ACTIVITIES OF THE NOMINATION & REMUNERATION COMMITTEE

F.2

REPORT ON ACTIVITIES OF THE EXECUTIVE COMMITTEE

F.4

REPORT ON GOING CONCERN

F.6

ANNEXURE- A: DECLARATION BY CEO & CFO

F.8

ANNEXURE- C: REPORT ON COMPLIANCE OF BSEC NOTIFICATION ON CORPORATE GOVERNANCE CODE (CGC)

F.10



**DESH GENERAL INSURANCE COMPANY LIMITED**



## REPORT ON ACTIVITIES OF THE AUDIT COMMITTEE

### REPORT OF THE AUDIT COMMITTEE

**DEAR SHAREHOLDERS,**  
ASSALAMUALAIKUM.

On behalf of all the members of the Audit Committee of Desh General Insurance Company Limited, I take this opportunity to welcome you all to this Annual Gathering of the Company and take the privilege of presenting the Audit Committee Report before you.

#### **REFERRAL**

In compliance to the condition no 5(7) reporting to the Shareholders and General Investors of Corporate Governance Code ('the Code'/ CGC) by Bangladesh Securities Exchange Commission (BSEC), the Annual Report of the Audit Committee containing the detailed information of Audit Activities is submitted.

#### **COMPOSITION**

The Audit Committee ('the Committee') of Desh General Insurance Company Limited is appointed by the Board of Directors (the Board) in compliance with the Code by Bangladesh Securities Exchange Commission (BSEC). There are five (5) members in the Audit Committee including three (03) Independent Directors of the Company. The Committee comprises the following Directors of the Company as on 31 December, 2022.

SL.	Name	Status	Type	Total Meeting	Attendance
1)	Mr. Md. Kamal Uddin FCA	Chairman	Independent Director	04	04
2)	Ms. Nauzat Begum	Member	Director	04	02
3)	Mr. Nihar Kumar Roy	Member	Director	04	03
4)	Mr. Shahedul Islam	Member	Independent Director	02*	02
5)	Mr. Syed Javed Iqbal	Member	Independent Director	02*	02

\*The committee was reconstructed in the middle of the year\*

The members of the Committee have been drawn from and out of the Non-executive Directors serving on the Board possess the required knowledge and expertise to perform their duties of the Committee.

#### **AUTHORITY**

The Committee has been appointed by the Board of Directors in accordance with the Corporate Governance Code-2018 by Bangladesh Securities and Exchange Commission (BSEC).

## MEETINGS

In FY 2022, the Committee held **Four (04)** formal meetings during the year. The Board of Directors receives a copy of the minutes of each meeting of the Committee.

## ACTIVITY SUMMARY DURING THE YEAR

During the year 2022 under review 04 (four) meetings of the Audit Committee were held and the Committee focused on the following activities:

01. Reviewed the reliability and consistency of the financial statements of the company to ensure that the internal control and compliance procedures are adequate to present a true and fair view of the company's state of affairs for the year 2022.
02. Reviewed the draft annual financial statement of accounts for the year 2022 that was audited by the external auditors. Ensured that proper disclosure required under Accounting Standards as adopted in Bangladesh has been made and also complied with the Companies Act and various rules and regulations applicable to the insurance business.
03. Reviewed the unaudited quarterly and half yearly financial statements of accounts for their proper presentation to the shareholders and regulatory authorities.
04. Reviewed the various reports of the internal Auditor and their recommendations to take appropriate actions to the management where needed.
05. Reviewed the audit plan 2022 and also approved the internal audit plan 2022 with appropriate directions to the Internal Auditor.
06. Reviewed the appointment of external auditors. Approval of Financial Statement. The Audit Committee reviewed and examined the annual financial statements 2022 prepared by the management and audited by the external auditors and recommended the same before the Board for consideration.

## REPORTING:

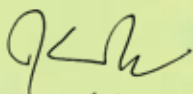
Pursuant to condition no. 5/(6) of the Corporate Governance Code 2018 issued by BSEC dated 10th June 2018 the committee reported that it did not find any conflict of interest, any fault, irregularity or material defect in the internal control system. There also was no infringement of laws, rules and regulations.

## ACKNOWLEDGEMENT:

The Committee is really grateful for the trust you have put in us and would like to convey our sincere gratitude to our valued stakeholders for their continued support which leads us towards the way of success.

Finally, the Audit Committee would like to express sincere thanks to the members of the Board, key management personnel, internal audit division and all employees for their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the Committee in discharge of its responsibilities.

On behalf of the Audit Committee,



**Md. Kamal Uddin , FCA**  
**Chairman,**  
**Audit Committee**

## REPORT ON ACTIVITIES OF THE NOMINATION & REMUNERATION COMMITTEE

### NOMINATION AND REMUNERATION COMMITTEE REPORT

**DEAR VALUED SHAREHOLDERS,**  
ASSALAMU ALAIKUM.

On behalf of all the members of the Nomination and Remuneration Committee (NRC) of Desh General Insurance Company Limited, I take this opportunity to welcome you all to this Annual Gathering of the Company and take the privilege of presenting Nomination and Remuneration Committee (NRC) Report before you.

You know, the Nomination and Remuneration Committee (NRC) has been established to assist the Board in developing and administering a fair and transparent procedure for setting on the nomination and remuneration of the Directors and senior management of the Company and to oversee the Company's overall human resource strategy.

#### **REFERRAL**

In compliance with the Corporate Governance Code ('the Code'/ CGC) by Bangladesh Securities Exchange Commission (BSEC) the condition no 6(5)(c) disclosing the activities of the Committee along with the Nomination and Remuneration Policy and the evaluation criteria to the Shareholders and General Investors, the Annual Report of the Nomination and Remuneration Committee (NRC) containing the detailed information of NRC Activities is submitted.

#### **COMPOSITION**

The Nomination and Remuneration Committee ('NRC/ the Committee') of Desh General Insurance Company Limited is appointed by the Board of Directors (the Board) in compliance with the Code by Bangladesh Securities Exchange Commission (BSEC). There are four (4) members in the Nomination and Remuneration Committee (NRC) including two (02) Independent Directors of the Company. All the members of the Committee are financially literate and appointed by the Board of Directors. The Committee comprises the following Directors of the Company as on 31 December, 2022.

1.	Mr. Shahedul Islam	Chairman	Independent Director
2.	Mr. Aminur Rahman	Member	Director
3.	Ms. Rokeya Quader	Member	Director
4.	Mr. Syed Javed Iqbal	Member	Independent Director

The members of the Committee have been drawn from and out of the Non-executive Directors serving on the Board possess the required knowledge and expertise to perform their duties of the Committee.

## **AUTHORITY**

Desh General Insurance Company Limited has constituted Nomination and Remuneration Committee (NRC) as a sub-committee of the Board of Directors with a written Terms of Reference (TOR). The Committee has been appointed by the Board of Directors and is responsible to the Board.

The TOR of the Committee has been determined and clearly set forth by the Board in accordance with the Corporate Governance Code by Bangladesh Securities Exchange Commission (BSEC). As per the Term of Reference (TOR) of the Committee the scope of authority of the Committee is defined as under:

- 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;
- NRC shall oversee, among others, the following matters and make report with recommendation to the Board:
  - (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:
    - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
    - (b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - (c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
  - (ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
  - (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;
  - (iv) formulating the criteria for evaluation of performance of independent directors and the Board;
  - (v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
  - (vi) developing, recommending and reviewing annually the company's human resources and training policies;



## MEETINGS

In FY 2022, the Committee held **One (01)** formal meeting during the year. The Board of Directors receives a copy of the minutes of each meeting of the Committee.

## THE NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy is shown in a separate chapter in this annual Report.

## THE EVALUATION CRITERIA

The evaluation criteria are shown in a separate chapter in this annual Report.

## ACTIVITY SUMMARY DURING THE YEAR

During the year 2022 under review 01 (One) meeting of the Nomination & Remuneration Committee were held and the Committee focused on the following activities:

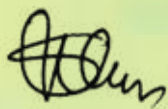
- Reviewed and adopted the terms of reference of NRC
- Drafted, Reviewed and recommend the policy relating to the remuneration of the Directors, top level executives and all employees of the Company
- Review the activities of the Committee to ensure compliance with the corporate governance code-2018 for the same.
- Formulated the criteria for determining qualifications, positive attributes and independence of the Director
- Reviewed and recommended new criteria for evaluation of performance of the Directors and the Board Members and top level Executives.
- Identified criteria for selection, transfer or replacement and promotion at different levels of the Company and diversity in the Board and other departments.
- Recommended a succession plan as part of talent management policy of the company.
- Negotiations to pay annual increments to company employees.
- Formulation of promotion policy for officers and employees of the company.

The Nomination and Remuneration Committee emphasized on the selection of personnel with right skill and experience for continuous growth of the human resource of the Company.

## CONCLUSION

The Nomination and Remuneration Committee would like to express sincere thanks to the members of the Board, key management personnel, Human Resource Division and all employees for their all sorts of cooperation extended to the Committee in discharge of its responsibilities as well as their endeavors and support during the year 2022.

On behalf of the Nomination and Remuneration Committee,



**Shahedul Islam**

**Chairman,**

**Nomination and Remuneration Committee (NRC)**

## NOMINATION & REMUNERATION POLICY AND EVALUATION CRITERIA THEREOF



**DESH GENERAL INSURANCE COMPANY LIMITED**

### NOMINATION AND REMUNERATION POLICY

#### PART A

#### **POLICY ON APPOINTMENT OF DIRECTORS**

##### PREAMBLE:

For the Board of a Company to be effective and efficient, it should comprise of individuals who have professional qualifications and proven experience in their respective fields of specialization. The Nomination and Remuneration committee evaluates the Directors and recommends the Board for their appointment /reappointment and ensures optimum composition of Board. While recommending appointment of an Individual as a Director on the Board, the committee has to review the following factors including the others:

- Diversity of the Board
- Qualification and positive attributes
- Independence of Directors (in the case of Independent Directors)

##### REGULATORY FRAMEWORK:

Clause 6 (5) (b) read with the applicable Clauses of Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission (BSEC) require the Nomination and Remuneration Committee of a company ("NRC") to recommend to the Board of Directors a policy, relating to the appointment, removal and remuneration of the directors, top level executives and to devise a policy on Board diversity.

The said governance code also requires NRC to lay down the evaluation criteria for performance evaluation of the Board, its Committees and individual directors. Further, the Board of Directors is responsible for monitoring and reviewing the Board Evaluation framework.

The Board of Directors is also required to satisfy itself that plans are in place for orderly succession for appointments to the Board and to senior management. This nomination policy is framed as per the requirements of the aforesaid governance code.

### **DIVERSITY OF BOARD:**

Diversity in the Board enhances diversity of ideas. Having this ideology in mind, the Committee shall take into consideration various factors including the following to ensure Board Diversity:

- Optimum composition of Executive Directors and Non-Executive Directors on the Board;
- Professional experience and expertise in different areas of specialization;
- Diversity criteria including, but not limited to gender, age, ethnicity, race, religion, culture and geographic background;

Academic qualification, functional expertise, personal skills and qualities. The ultimate decision is based on merit and contribution that the selected candidates bring to the Board.

### **QUALIFICATION AND POSITIVE ATTRIBUTES**

The committee may also assess whether they meet qualification criteria and the positive attributes set below:

- Financially literate, which means he/she possesses the ability to read and understand basic financial statements i.e. balance sheet, Statement of Profit and Loss, and statement of cash flows
- Possess high levels of personal, professional integrity
- Have appropriate knowledge / experience about the industry and the Company, or ability to acquire required knowledge and understanding.
- Able to provide guidance to the Board in matters of business, finance, strategy and corporate governance
- Able to analytically look into the issues placed before the Board and provide strategies to solve them
- Possess better communication skills and ability to work harmoniously with fellow Directors and management;
- Willingness to devote the required time, including being available to attend Board and Committee meetings;

### **INDEPENDENCE OF DIRECTORS (ONLY IN THE CASE OF INDEPENDENT DIRECTORS)**

Any relationship between the Company and Directors other than in the normal course will affect the Independence of Directors in many ways. The Committee shall assure that the candidate proposed for the position of Independent Director meets the minimum criteria for Independence set out under Corporate Governance Code-2018 and other rules and Regulations of the land. It shall also assess if the candidate would be able to meet the standards mentioned in Corporate Governance Code-2018.

## **PART B**

### **POLICY ON REMUNERATION TO BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

#### **INTRODUCTION**

With the view to ensure that the Company attracts, motivates and retains qualified industry professionals for the Board and Management in order to achieve its strategic goals this policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The remuneration policy of the Company is aimed at rewarding performance, based on review of achievements on a regular basis and is in consonance with the existing industry practices.

This policy is now re-framed to ensure that the requirements of Corporate Governance Code-2018 along with other relevant laws, rules and regulation are met and it intends to define general guidelines for the Company's pay to the Board of Directors, Key managerial Personnel and Senior Management and other employees.

The principles and criteria for the said remuneration policy will be annually reviewed by the Nominations and Remuneration Committee and the Board of Directors within the framework of their powers to maintain the alignment of the Company's remuneration policy with the best practices and trends in the market.

#### **REMUNERATION OF DIRECTORS**

The Board of the Company usually comprises of two categories of Directors viz., Executive Directors and Non-Executive Directors as per laws of the land. The Remuneration to Executive and Non-Executive Directors are governed by the provisions of Companies Act, 1994 and the rules framed there under and the Corporate Governance Code as well as notifications issued by Bangladesh Securities and Exchange Commission (BSEC). The compensation and remuneration given to Directors shall be disclosed in the Annual Report of the Company.

Therefore, the directors' remuneration for exercising their supervision and decision-making functions is based on the following main principles:

- The remuneration must be sufficient and conform to the directors' dedication, qualification and responsibilities but it must not compromise their independent criteria.
- The remuneration must be sufficient to attract and retain directors with the talent and profile desired by the Company
- The remuneration must be competitive, which is achieved by establishing a remuneration package in line with market standards of comparable sectors and companies.

#### **EXECUTIVE DIRECTOR**

The Executive Director's compensation comprises of two broad components - Fixed Remuneration and a performance-linked variable component. The fixed remuneration is determined based on market standards and the Company's specific needs from time to time. The Board of Directors may evaluate the fixed remuneration annually based on the results from the previous period and with due consideration to the trend within the market standards.



Variable Components of the Executive Directors includes performance linked bonus, which will be decided by the Board based on the performance criteria with the objective to create long term shareholder value. Executive Directors do not receive any sitting fees for attending the Board and Committee meetings.

Making sure that the compensation package can attract, retain and motivate the Executive Director thanks to its structure and overall amount and be competitive with respect to the similar trend business standards so that the Company can meet its strategic objectives within the increasingly competitive environment in which it operates. This remuneration will necessarily be approved by the shareholders and disclosed in the annual report.

The remuneration to be paid to the managing director, the whole-time director, the executive directors, the chief executive officer shall be determined keeping in view the market practice, the relative performance of the Company to the industry performance and individual performance and shall be subject to approval of appropriate authorities, as and when required.

### **NON-EXECUTIVE DIRECTOR**

Non-Executive Directors including Independent Directors are eligible for a fixed amount of sitting fees for attending meetings of the Board of Directors and its committees as allowed under the Rules and Regulations of the Land.

Non-executive Director shall not 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. However, they may enjoy any other benefits, compensation and remuneration subject to approval by the general body of the company.

### **REIMBURSEMENT OF EXPENSES**

All expenses incurred by the Board of Directors for attending the meetings and events of the Company are reimbursed at actual.

### **REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

It is to be ensured that Key Managerial Personnel (KMP) and other personnel are paid as per the trend prevalent in the similar industry, nature and size of business. The level and components of remuneration is reasonable and sufficient to attract and retain the KMPs and Senior Management. The remuneration for Key Managerial Personnel and other employees is paid on a monthly basis and the variable component is paid on the degree of their achieving "Key Result Areas".

Executive Director/s under the supervision of NRC Committee on a yearly basis, in discussion with the KMP and Senior Management Personnel, frame the Key Result Area (KRA) for all employees. The KRA is fixed with an aim to achieve the overall objectives of the Company.

### **REMUNERATION TO OTHER EMPLOYEES**

To have a strong bondage with the Company and long-time association of the employees, the management while fixing remuneration to the employee ensures that it:

- Appropriately compensate employees for the services they provide to the Company;
- Attract and retain employees with skills required to effectively manage the operations and growth of the business;
- Motivate employees to perform in the best interests of the Company and its stakeholders

In consonance with this well formulated principle, the compensation of employees has been linked to performance. However, for compensation above certain limits have variable components in the salary structure and are linked to Key Result Area (KRA) and Key Performance Indicator (KPI) fixed to the employees.

The remuneration to be paid to senior management employees and other employees shall be determined keeping in view the market practice, the relative performance of the Company to the industry performance and individual performance and shall be subject to approval of appropriate authorities, as and when required.

## EVALUATION CRITERIA

The evaluation of the Directors and top level executive position of the Company is to be conducted on an annual basis.

The following criteria may assist in determining how effective the performances of the Directors and top level executive officials have been:

- a) Leadership and stewardship abilities;
- b) Performance against corporate plans & objectives;
- c) Strategic Planning- Financial & Business;
- d) Identify, monitor & mitigate significant corporate risks;
- e) Review management's succession plan;
- f) Obtain adequate, relevant & timely information from external sources;
- g) Communication skills;
- h) Motivating employees, providing assistance & directions;
- i) Team work attributes;
- j) Regular monitoring of corporate results against projections;
- k) Direct, monitor & evaluate senior officials;
- l) Attendance & presence in meetings of Board & Committees;
- m) Punctuality;
- n) Leadership skills;
- o) Exercising duties diligently;
- p) Compliance with ethical standards & code of conduct;
- q) Safeguard of confidential information;

**EXECUTIVE COMMITTEE REPORT**

**DEAR SHAREHOLDERS,**  
ASSALAMUALAIKUM.

On behalf of all the members of the Executive Committee of Desh General Insurance Company Limited, I take this opportunity to welcome you all to this Annual Gathering of the Company and take the privilege of presenting the Executive Committee Report before you.

**COMPOSITION**

The Executive Committee ('EC/ the Committee') of Desh General Insurance Company Limited is appointed by the Board of Directors (the Board). There are Five (5) members in the Committee. All the members are appointed by the Board of Directors. The Committee comprises the following Directors of the Company as on 31 December, 2022.

1.	Ms. Rokeya Quader	Chairperson
2.	Engr. A.K.M. Ahsanul Haque	Member
3.	Mr. Murad Mohammed Taj	Member
4.	Mr. Aminur Rahman	Member
5.	Mr. Tahrin Aman	Member

**MEETINGS**

In FY 2022, the Committee held **Two (2)** formal meetings during the year in which it reviewed, among other things, issues relating to business operations, administrative control, legal compliance and finance & accounts. Apart from the formal Meetings there were numerous communications between the Chairman and members of the Committee. The Board of Directors receives a copy of the minutes of each meeting of the Committee.





**AUTHORITY**

The Committee assists the Board of Directors by discharging their duties since the executive committee has the power to act on behalf of the board as per Articles of Association of the Company. The executive committee is a standing committee that often acts as a steering committee for the full board. Functioning as a steering committee, the executive committee prioritizes issues for the full board to address. Although the executive committee comprises senior-level directors of the Company, the committee reports to the board sending copy of the minutes of each meeting of the Committee.

## ACTIVITIES:

The executive committee functions as an extension of the board of directors. The committee acts as the board's eye and ears when the board can't gather in full. The members of the Committee are Board members who voted into the executive committee. The committee meets and acts frequently when the entire board can't; the committee hence makes decisions in between meetings and resolves any urgent issues facing the Company.

Though the executive committee meets frequently and independently, they're still ultimately accountable to the board.

-  The Committee resolves urgent matters
-  Makes decisions between Board meetings
-  Meets more frequently than the board
-  Accountable to Board of Directors

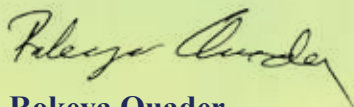
The Committee, along with the management, reviewed the functions and management procedures of the Company, and necessary actions were taken to improve the same. Taking everything into consideration, the Executive Committee is satisfied that the internal control and procedures in place for assessing and managing risks are adequately designed and operated effectively to safeguard the assets of the company.

The Committee is further satisfied that the Company is doing well.

On the whole, the Committee is really grateful for the trust you have put in us and would like to convey our sincere gratitude to our valued stakeholders for their continued support which leads us towards the way of success.

Finally, the Executive Committee would like to express sincere thanks to the members of the Board, key management personnel and all employees for their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the Committee in discharge of its responsibilities.

On behalf of the Executive Committee,



**Rokeya Quader**  
**Chairperson,**  
**Executive Committee**



**CLAIMS COMMITTEE REPORT**

**DEAR SHAREHOLDERS,**  
ASSALAMUALAIKUM.

On behalf of all the members of the Claims Committee of Desh General Insurance Company Limited, I take this opportunity to welcome you all to this Annual Gathering of the Company and take the privilege of presenting the Claims Committee Report before you.

**COMPOSITION**

The Claims Committee ('the Committee') of Desh General Insurance Company Limited (DGIC) is appointed by the Board of Directors (the Board). There are Five (5) members in the Committee. All the members are appointed by the Board of Directors. The Committee comprises the following Directors of the Company as on 31 December, 2022.

1	Mr. Aminur Rahman	Chairman
2	Mr. Mohammed Akbor Hossain	Member
3	Mr. Nihar Kumar Roy	Member
4	Engr. Tarikul Alam Rahimi	Member
5	Ms. Nauzat Begum	Member

**MEETINGS**











In FY 2022, the Committee held **Four (04)** formal meetings during the year in which it reviewed, among other things, issues relating to Claims Settlement of the Company. Apart from the formal Meetings there were numerous communications between the Chairman and members of the Committee. The Board of Directors receives a copy of the minutes of each meeting of the Committee.

**AUTHORITY**

The Committee discharges their duties in the field of Claims Settlement of the Company and to recommend the Board on strategic claims matters. The Committee assists the Board of Directors (the Board) in fulfilling its oversight responsibilities in assuring that claims governance is fully integrated into enterprise governance and is effectively implemented. The Committee assures the Board is appropriately informed on claims matters and risks, and provides the Board with timely recommendations on strategic plans on Claims Settlements and Claims Matters. Although the Claims committee comprises senior-level directors, the committee members report to the board by sending a copy of the minutes of each meeting of the Committee.

## ACTIVITIES:

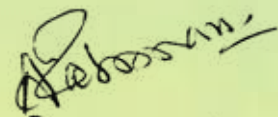
The purpose of the Claims Committee is to act as the 'shop window' of the Company and ensuring that effective claims management governance is fully integrated and effectively implemented. The Committee also –

-  Review and assess strategic plans for claims management of the Company and ensure their alignment with Business plans of the Company.
-  Develop, recommend and implement policies with respect to the management of claim, with particular reference to the need to try to minimise losses and report claims in a timely fashion.
-  Act as the consultative/technical arm of the company on matters relating to claims.
-  Provide and ensure a swift, efficient and technically knowledgeable Claims service.
-  Ensure that the claims reporting phase proceeds as smoothly as possible.
-  With respect to payment of claims: Ensure that only valid claims are paid.
-  Protect central pool of premiums by detecting and preventing overpayment , fraud and excessive expense
-  Monitor :
  - Outstanding claims, classwise and their ageing on a monthly basis.
  - Recoveries/recoverables and review the recovery process on a monthly basis.
-  Investigate into and accordingly make timely recommendations to the Board on
  - (a) Major Claims solicitation decisions and the amounts involved and
  - (b) Any unforeseen trends in claims settlements emanating from a class of risks and/or an individual risk;
-  Other responsibilities as delegated by the Board Chair.

On the whole, the Claims Committee is really grateful to the Board of Directors for the trust they have put in us and would like to convey our sincere gratitude to our valued stakeholders for their continued support which leads us towards the way of success.

Finally, the Committee would like to express sincere thanks to the key management personnel and all employees for their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the Committee in discharge of its responsibilities.

On behalf of the Claims Committee ,



**Aminur Rahman**  
**Chairman,**  
**Claims Committee**

## F.6 REPORT ON GOING CONCERN

International Accounting Standard (IAS-1): Presentation of Financial Statements requires management to make an assessment of an entity's ability to continue as a going concern. In other Financial Reporting Frameworks, there may be no explicit requirement for management to make specific assessment of an entity's ability to continue as a going concern. Nevertheless, since the going concern assumption is a fundamental principle in the preparation of financial statements as per IAS-1, the preparation of the financial statements requires management to assess Desh General Insurance's ability to continue as a going concern even if the financial reporting framework does not include an explicit requirement to do so. Bangladesh Securities and Exchange Commission Notification dated 10.06.2018, the Corporate Governance Code, requires the Directors of all the listed companies to report on its ability to continue as a going concern. The Board of Directors of Desh General Insurance makes an annual assessment as to whether there exists any material uncertainty that may cast significant doubt about Desh General Insurance's ability to continue as a going concern. Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the enterprise has neither the intention nor the need to liquidate or curtail materially the scale of its operations; if so, the basis used is disclosed. On the other hand Listed Companies are required by Bangladesh Securities and Exchange Commission to report on its ability to continue as a going concern.

The Board of Directors of Desh General Insurance Company Limited has made an annual assessment about whether there exist material uncertainties which may cause significant doubt about the Company's ability to continue as a going concern. The directors' assessment of whether the Company is a going concern involves making appropriate inquiries including review of budget, forecast, assumptions and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which gave reasonable assurance as to the company's ability to continue as a going concern for the foreseeable future.

The time period that the Directors have considered in assessing the appropriateness of the going concern, while preparing the financial statements for the year ended 31 December 2022, is a period of twelve months from the date of approval of these financial statements (the period of assessment).

## F.7 DIRECTORS' CERTIFICATE

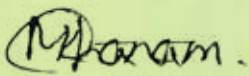
As per Regulations contained in the Section 63(2) of the  
“Insurance Act, 2010” and

“নন-লাইফ ইন্সুরেন্স ব্যবসা ব্যবস্থাপনা ব্যয়ের সর্বোচ্চ সীমা নির্ধারণী বিধিমালা, ২০১৮”  
প্রদত্ত বিধান অনুযায়ীঃ

### DIRECTORS' CERTIFICATE

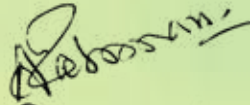
We certify that:

1. The value of investment as shown in the Balance Sheet has been taken at cost.
2. The value of all assets shown in the Balance Sheet has been reviewed as at 31 December 2022 and in our belief the assets set forth in the Balance sheet are shown in the aggregate amount not exceeding their realizable or market value under the several headings enumerated therein.
3. All expenses of management (whether directly or indirectly including payments of all kinds of commission or remuneration for procuring business) wherever incurred in respect of Fire, Marine, Motor and miscellaneous insurance have been fully debited to respective revenue accounts as expenses.



**Mohammodi Khanam**

Chief Executive Officer



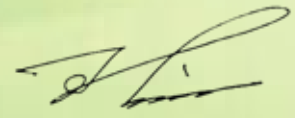
**Aminur Rahman**

Director



**Nihar Kumar Roy**

Director



**Md. Jashim Uddin**

Chairman



## ANNEXURE- A: DECLARATION BY CEO & CFO



**DESH GENERAL INSURANCE COMPANY LIMITED**

### Declaration by CEO and CFO

Date: 28 May, 2023

**The Board of Directors,  
Desh General Insurance Company Ltd. (DGIC).**

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

**Dear Sirs,**

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

1. The Financial Statements of Desh General Insurance Company Ltd for the year ended on 31 December 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:--

- i. We have reviewed the financial statements for the year ended on 31st December, 2022 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements collectively present a 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,

**Mohammodi Khanam**  
Chief Executive Officer

**Rabindra Nath Karmaker**  
Chief Financial Officer



**Haruner Rashid & Associates**  
Chartered Secretaries & Management Consultants

**Report to the Shareholders of  
Desh General Insurance Company Limited  
on  
Compliance on the Corporate Governance Code**

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

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

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

**Haruner Rashid & Associates**  
Chartered Secretaries

A.K.M. Haruner Rashid, LL.B, FCS  
CEO & Lead Consultant

Place: Dhaka  
Dated: June 06, 2023



**Address:** Chand Mansion (6th Floor), 66, Dilkusha, Dhaka-1000.  
Mobile: +8801711-105322, e-mail: hrashid\_bd@yahoo.com  
**Liaison Office:** 222/1, Tejgunipara, Bijoy Saroni Link Road, Tejgaon, Dhaka-1215  
Mobile: +8801730-728605 (Mominur), e-mail: hrashid.associates@gmail.com

## ANNEXURE- C: REPORT ON COMPLIANCE OF BSEC NOTIFICATION ON CORPORATE GOVERNANCE CODE (CGC)

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

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors</b>			
<b>1(1)</b>	<b>Board's size</b>	✓		There are 15 Directors on the Board
	<b>Independent Directors</b>	✓		3(1:5)
1(2)(a)	At least one-fifth (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);	✓		There are Three(3) Independent Directors on the Board
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;	✓		As declared by the Independent Directors
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 also shall not hold above mentioned shares in the Company.	✓		Do
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		Do
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated Companies;	✓		Do
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		Do
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the capital market;	✓		Do
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;	✓		Do
1(2)(b)(viii)	Who is not independent director in more than 5(five) listed companies;	✓		Do
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	✓		Do



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		The appointments are duly approved
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		No Post was Vacant for more than 90 days
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1(one) tenure only:	✓		In practice
<b>1(3)</b>	<b>Qualification of Independent Director</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regularity requirements and corporate laws and can make meaningful contribution to the business;	✓		The Qualification and background of the IDs are commensurate to the requirements of the position and are stated in the Directors profile.
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association; or	✓		Do
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	✓		Do
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 <sup>th</sup> Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓		Do
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;	✓		Do
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		All IDs are more than ten years' experience.
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	N/A	-	No such deviation occurred





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
<b>1(4)</b>	<b>Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:</b>			
1(4)(a)	The positions of the Chairpersons of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	✓		The Chairman of the Board and CEO are different individuals and the Chairman is elected amongst the Directors.
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;	✓		No such event occurred
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	✓		In practice
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and / or Chief Executive Officer;	✓		In practice ; has Code of Conduct
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.	N/A		No such event occurred
<b>1(5)</b>	<b>The Directors' Report to Shareholders</b>			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		<b>Disclosed</b>
1(5)(ii)	The segment-wise or product-wise performance;	✓		Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Do
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications(gain or loss);	N/A		No such event occurred;
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		<b>Disclosed</b>
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments;			N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for initial Public Offering(IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	N/A		No such event occurred;
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	N/A		No such event occurred;
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		<b>Disclosed</b>
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;	✓		Do
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		Do
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 judgement	✓		Do



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
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;	✓		Do
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		Do
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;	✓		Do
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		Do
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	N/A		No such deviation occurred
1(5)(xix)	A statement where key operating and financial data of at least preceding 5(five) years shall be summarized;	✓		Disclosed
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	N/A		The Company has declared <b>5 (five) % Cash Dividend</b>
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	N/A		No such event occurred;
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director;	✓		Disclosed
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:	✓		Do
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties(name-wise details);	✓		Do
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);	✓		Do
1(5)(xxiii)(c)	Executives; and	✓		Do
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	✓		Do
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1(5)(xxiv)(a)	A brief resume of the director;	✓		Disclosed in Directors' Profile
1(5)(xxiv)(b)	Nature of his her expertise in specific functional areas; and	✓		Do
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		Do
1(5)(xxv)	A <b>Management's Discussion and Analysis</b> 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:			Disclosed as a separate chapter
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		Do



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	N/A		No such event occurred;
1(5)(xxv)(c)	Comparative analysis(including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		<b>Disclosed</b>
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		Do
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe;	✓		Do
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓		Do
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		Do
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 <b>Annexure-A</b> ; and	✓		<b>Disclosed</b>
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 <b>Annexure-B and Annexure-C</b> .	✓		<b>Disclosed</b>
<b>1(6)</b>	<b>Meetings of the Board of Directors</b>			
	The Company shall conduct its Board Meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		Duly conducted the Board Meeting and recorded the minutes as per BSS
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee(NRC) at condition No. 6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company;	✓		In practice
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independence.	✓		In practice
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company:</b>			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;	N/A		There is NO Subsidiary Co. of this Co.
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		Do
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		Do



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
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		Do
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		Do
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary.-</b>			
<b>3(1)</b>	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC);	✓		In practice
3(1)(b)	The position of the managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) shall be filed by different individuals;	✓		In practice
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	✓		In practice
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		In practice
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		In practice
<b>3(2)</b>	<b>Requirement to attend Board of Directors' Meetings</b>			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		In practice
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:	✓		Disclosed
3(3)(a)(i)	these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		Do
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;	✓		Do
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	✓		Do
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		Do
<b>4</b>	<b>Board of Directors' Committee:</b>			
	For ensuring good governance in the Company, The Board shall have at least following sub – committees:			
4(i)	Audit Committee; and	✓		Already in place
4(ii)	Nomination and Remuneration Committee.	✓		Already in place





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
<b>5</b>	<b>Audit Committee:</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓		In practice
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;	✓		In practice
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.	✓		In practice
<b>5(2)</b>	<b>Constitution of the Audit Committee(AC)</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3(three) members;	✓		The AC comprised of 5 (five ) members
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1(one) independent director;	✓		In practice
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;	✓		In practice
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3(three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1(one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		In practice
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	✓		In practice
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director.	✓		In practice
<b>5(3)</b>	<b>Chairperson of Audit Committee</b>			
5(3)(a)	The Board shall select 1(one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		The Chairman of the Audit Committee is an Independent Director
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, 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.	✓		In practice
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(AGM);	✓		In practice
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		In practice



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
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.	✓		In practice
<b>5(5)</b>	<b>Role of Audit Committee</b>			
	The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	✓		In practice
5(5)(b)	Monitor choice of accounting policies and principles;	✓		In practice
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;	✓		In practice
5(5)(d)	Oversee hiring and performance of external auditors;	✓		In practice
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;	✓		In practice
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;	✓		In practice
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;	✓		In practice
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 the statutory auditors;	✓		In practice
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	✓		In practice
5(5)(m)	Oversee whether the proceeds raised through Internal Public Offering (IPO) or Repeat Public Offering(RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission.	N/A		Did in 2021
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6) (a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		In practice
5(6)(a)(ii)(a)	Report on conflicts of interests;	N/A		No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	N/A		No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	N/A		No such event occurred
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	N/A		No such event occurred



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
<b>5(6)(b)</b>	<b>Reporting to the Authorities</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonable 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 6(six) months from the date of first reporting to the Board, whichever is earlier.	N/A		No such event occurred
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓		Disclosed ; activities carried out by the Audit Committee
<b>6</b>	<b>Nomination and Remuneration Committee (NRC):</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		In practice
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;	✓		Do
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).	✓		Do
<b>6(2)</b>	<b>Constitution of NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		The NRC comprised of 4 (Four ) members
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		In practice
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		Do
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;	✓		Do
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;	✓		Do
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	✓		Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		Do
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.	✓		Do



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		In practice
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		Do
<b>6(4)</b>	<b>Meeting of NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		In practice
6(4)(b)	The Chairperson of the NRC may convey any emergency meeting upon request by any member of the NRC;	✓		Do
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);	✓		Do
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.	✓		Do
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		In practice
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		Do
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:	✓		Do
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;	✓		Do
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal;	✓		Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		Do
6(5)(b)(iii)	Identification 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 recommended their appointment and removal to the Board;	✓		Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		Do
6(5)(b)(v)	Identification the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		Do





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies;	✓		Do
6(5)(c)	The Company shall disclose the nomination and remuneration police and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		Do
<b>7</b>	<b>External or Statutory Auditors:</b>			
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:	✓		In practice ; as declared by the Auditors
7(1)(i)	Appraisal or valuation service or fairness opinions;	✓		Do
7(1)(ii)	Financial information systems design and implementation;	✓		Do
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		Do
7(1)(iv)	Broker-dealer services;	✓		Do
7(1)(v)	Actuarial services;	N/A		It is NOT a life Insurance Co.
7(1)(vi)	Internal audit services or special audit services;	✓		As declared by the Auditors
7(1)(vii)	Any services that the Audit Committee determines;	✓		Do
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		Do
7(1)(ix)	Any other service that creates conflicts of interest.	✓		Do
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company;	✓		Do
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual general Meeting or Extraordinary General Meeting) to ensure the queries of the shareholders.	✓		Do
<b>8</b>	<b>Maintaining a website by the Company:</b>			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		In practice
8(2)	The Company shall keep the website functional from the date of listing.	✓		Do
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).	✓		Do
<b>9</b>	<b>Reporting and Compliance of Corporation Governance:</b>			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary ( Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		Required certification has been obtained from a Chartered Secretary Firm
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.	✓		The Board recommended a Chartered Secretary Firm and it was duly appointed by shareholders in the last AGM
9(3)	The directors of the Company shall state, in accordance with the <b>Annexure-C</b> attached, in the directors' report whether the Company has complied with these conditions or not.	✓		<b>Disclosed</b>



**HONORABLE SHAREHOLDERS,  
ASSALAMUALIKUM.**

On behalf of the Management, I am pleased to report to you about the compliance and governance of the company and welcome you all at the 23<sup>rd</sup> Annual General Meeting of Desh General Insurance Company Limited (DGIC).

Bangladesh Securities and Exchange Commission (BSEC) streamlined the corporate governance code and repealed the existing corporate governance guideline on 10 June 2018 in order to enhance the corporate governance in the interest of the investors and the capital market. Listed Companies shall comply in accordance with the condition stipulated in the code.

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

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

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

**STATEMENT OF COMPLIANCE**

At Desh General Insurance Company Limited Corporate Governance is about accountability, transparency, effectiveness, and responsibility. It is a commitment to values and ethical conduct of business. Being transparent we are able to explain the Company's policies and actions towards our customers, regulators, shareholders and its many other stakeholders. We believe that transparency increases accountability and accounts for our activities.

Our Corporate Governance philosophy of the Company establishes that the Board's independence is essential to bring objectivity and transparency to the manner in which dealings of the Company are carried out. As such, the Corporate Governance Report of the Company provides information beyond the minimum requirements of applicable legal and regulatory provisions.

Bangladesh Securities and Exchange Commission (BSEC) streamlined the corporate governance code (the code/ CGC) and repealed the existing corporate governance guideline on 10 June 2018 through BSEC Notification No. SEC/CMRRCD/2006-158/207/ Admin/ 80: dated 3<sup>rd</sup> June, 2018 in order to enhance the corporate governance in the interest of the investors and the capital market. All the Listed Companies shall comply in accordance with the condition stipulated in the code. DGIC complies with almost all the aspects of the Code.

The company not only merely adopted the Corporate Governance Code-2018 but also believes in proper and full implementation of the code. It is committed to ensure the highest standards of corporate governance at all times as a trustee of all the shareholders interest. Transparency accountability is the values and philosophy of the company.

Desh General Insurance Company Limited (DGIC)'s corporate governance is broadly covered by protecting the interest of investors through complying and following its own regulations, BSEC rules, directives, guidelines and law of the land. This report depicts the company's corporate governance, the process and structure, which are embedded with setting the company's vision , providing leadership, supervising the management and reporting the shareholders under the purview of the laws & rules and regulations prevailing in the country.

## **CORPORATE GOVERNANCE FRAMEWORK**

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

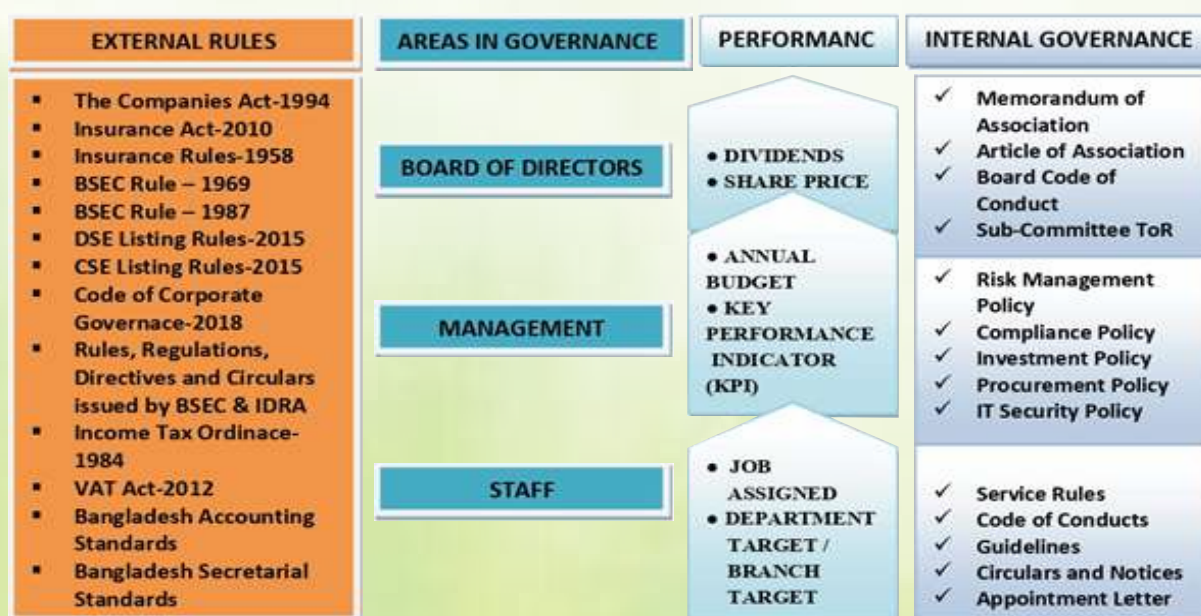
- The Companies Act, 1994
- Insurance Act -2010 and Insurance Rules -1958
- Corporate Governance Code of BSEC-2018( the Code/ CGC )
- Listing Regulations of exchanges -2015
- BSEC Rules 1969 and 1987
- Other applicable rules and regulations issued by BSEC, DSE and CSE
- applicable rules and regulations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

The Board and management had always been fully adhered to the corporate governance principles and best practices. The Board also believes that sound corporate governance framework and practices may work positively in establishing company reputation which is a valuable asset for the



company. As a result, adherence to sound corporate governance gets significant priority at all times both in and out the Boardroom. The Board reviews the standards of business conduct, Terms of Reference (ToR) from time to time for applying the highest standards of governance, embracing best corporate practices.

The Desh General Insurance Co. Ltd. is governed by its Governance Policy Frame Work which is depicted here:



## GUIDING PRINCIPLES

Good corporate governance entails the responsible management of enterprises. It is of vital importance for achieving corporate objectives and a sustained increase in company values, which in turn strengthen the confidence of shareholders and investors in the capital market.

01. Stewardship, leadership and effective functioning of the Board
02. Clarity of rules and responsibilities
03. Openness, trust and transparency
04. Service and corporate

## BOARD OF DIRECTORS

### Size of the Board

The Board is committed to promoting long-term value creation and is accountable to shareholders for the performance of DGIC. The Board of Directors of the Company comprises 15 (Fifteen) members including 03 (three) Independent Directors. All of the Directors are Non-Executive Directors and one-fifth are Independent Directors.

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



### **Policy on Appointment of Directors**

All the Directors of Company bear the qualification as per Companies act-1994, the Insurance Act- 2010, BSEC Notifications; Memorandum of Association of the Company and others related laws of the land. All the Directors of the Company have been appointed by the Board and subsequently approved by the General Body of the Shareholders as prescribed by the laws. Each sponsor Director holds minimum 2% shares of the total paid-up Capital of the Company and the Board all time holds minimum 30% of the same as per prescription of the BSEC. Twelve (12) Directors are representing Sponsor Shareholders as allowed by the Insurance Act-2010(Section-76). However, the Independent Directors are not holding any shares of the Company. Three (3) Independent Directors are appointed to fulfill the percentage 20% or ratio 5:1 as prescribed by the Corporate Governance Code applicable in the Country. No Director from 'Public Shareholders' is appointed as no one applies for the same expressing their interest as prescribed by the Insurance Act-2010(Section-76). One Chairman and One Vice-Chairman is elected among the board members as prescribed in section 79 of the Insurance Act-2010.

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

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

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

### **The role and responsibilities of the Board**

The Board of Directors is appointed to act on behalf of the shareholders to run the day to day affairs of the business. The board is directly accountable to the shareholders and each year the company will hold an annual general meeting (AGM) at which the directors need to provide a report to shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board.

The objects of the company are defined in the Memorandum of Association and regulations are laid out in the Articles of Association. The board of directors' key purpose is to ensure the company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. In addition to business and financial issues, the board of directors must deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

It is important that board meetings are held periodically so that directors can discharge their responsibility to control the company's overall situation, strategy and policy, and to monitor the exercise of any delegated authority, and so that individual directors can report on their particular areas of responsibility.

Directors look after the affairs of the company, and are in a position of trust. Directors of the Company ensure that proper books of account are kept.

#### **Establish vision, mission and values**

- Determine the company's vision and mission to guide and set the pace for its current operations and future development.
- Determine the values to be promoted throughout the company.
- Determine and review company goals.
- Determine company policies
- Facilitating corporate retreats to help boards review strategy or develop vision, mission and values statements.

#### **Set strategy and structure**

- Review and evaluate present and future opportunities, threats and risks in the external environment and current and future strengths, weaknesses and risks relating to the company.
- Determine strategic options, select those to be pursued, and decide the means to implement and support them.
- Determine the business strategies and plans that underpin the corporate strategy.
- Ensure that the company's organizational structure and capability are appropriate for implementing the chosen strategies.

#### **Delegate to management**

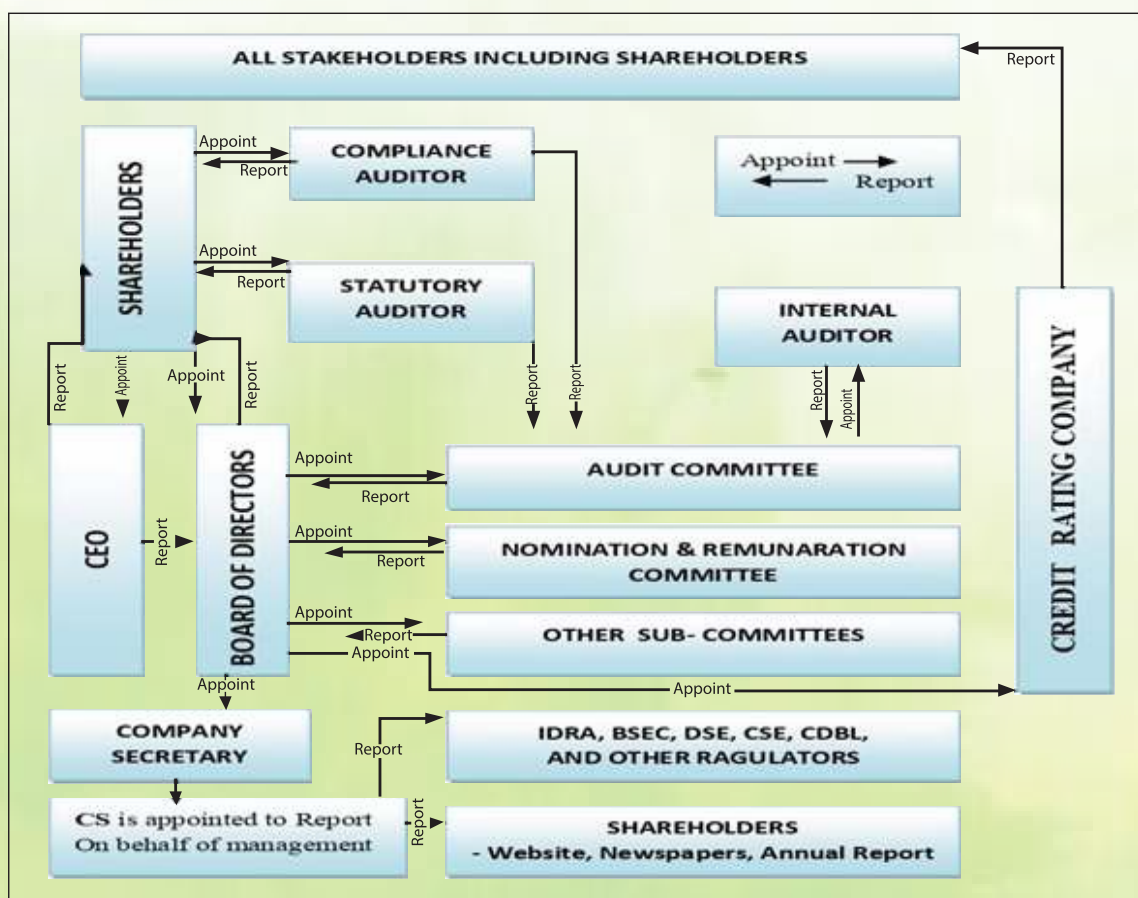
- Delegate authority to management, and monitor and evaluate the implementation of policies, strategies and business plans.
- Determine monitoring criteria to be used by the board.
- Ensure that internal controls are effective.
- Communicate with senior management.

#### **Exercise accountability to shareholders and be responsible to relevant stakeholders**

- Ensure that communications both to and from shareholders and relevant stakeholders are effective.
- Understand and take into account the interests of shareholders and relevant stakeholders.
- Monitor relations with shareholders and relevant stakeholders by gathering and evaluation of appropriate information.
- Promote the goodwill and support of shareholders and relevant stakeholders.
- The directors must always exercise their powers for a 'proper purpose'—that is, in furtherance of the reason for which they were given those powers by the shareholders.
- Directors must act in good faith in what they honestly believe to be the best interests of the company, and not for any collateral purpose. This means that, particularly in the event of a conflict of interest between the company's interests and their own, the directors must always favor the company.

The Board of DGIC formulates strategic objectives and policies for the Company and supervises management action in implementing those objectives of the Company. The Board of Directors is in full control of the Company's affairs and is also accountable to the Shareholders. The Board firmly believes that the success of the Company depends largely on the prevalence of a credible corporate governance practice.

The reporting system of the company (DGIC) and its relationship among the regulator, shareholder, director, CEO and other stakeholders are depicted in the following diagram:



The Company's policy is to maintain optimum combination of Directors from both Sponsors and Public Subscribers. The Chief Executive Officer of the Company is a non-shareholder Ex-officio and the Board has appointed a prescribed number of Independent Directors as per Insurance Act, 2010. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders.

### Code of Conduct for the Board of Directors

The Company has a written Code of Conduct of the Board of Directors.

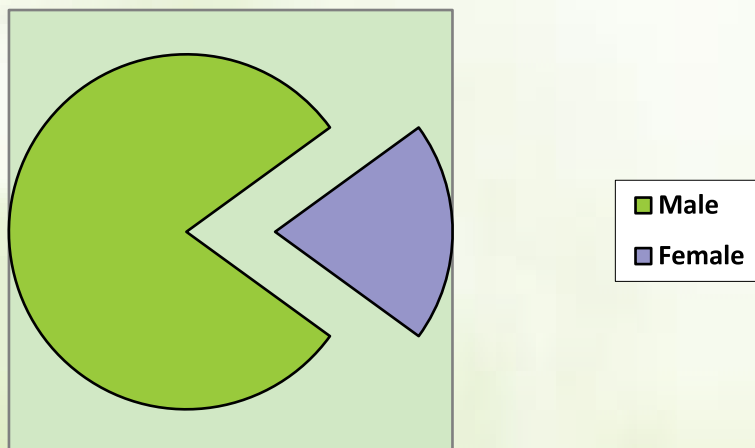
### DIVERSITY

DGIC's Board and workforce are individuals with a range of skills, backgrounds and experiences. DGIC values diversity and inclusion, and recognizes the organizational capabilities and business performance these bring.

## GENDER DIVERSITY OF DIRECTORS

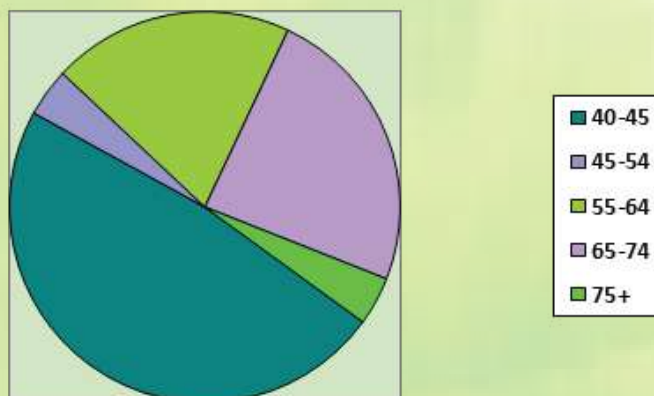
**Male directors - 12 Persons - 80%**

**Female directors - 3 Persons - 20%**



## AGE DIVERSITY OF DIRECTORS

35-44	- 2 Persons – 13.33 %
45-54	- 1 Person – 06.66%
55-64	- 5 Persons – 33.33 %
65-74	- 6 Persons – 40.00%
75+	- 1 Person – 06.66%



## DIRECTOR ELECTION AND BOARD RENEWAL

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

## APPOINTMENT OF INDEPENDENT DIRECTOR

The Board of Directors of the company appointed Independent Directors in compliance with the corporate governance guidelines. In selecting an Independent Director, the Company always looked for individuals who possess experience, strong interpersonal skills and independence.



The Independent Directors are not holding any shares of the Company. Three (03) Independent Directors are considered by the Board to be independent of the Company and free of any business or other relationship that could interfere with the exercise of his independent judgment. Though, Insurance Act suggests Two (2), three (3) Independent Directors are appointed to fulfill the percentage 20% or ratio 5:1 as prescribed by the Corporate Governance Code applicable in the Country. The Board believes that their experience and knowledge assists in providing both effective and constructive contribution to the Board.

### **THE CHAIRMAN**

Mr. Md. Jashim Uddin is a non-executive director as well as the Chairman of the Company, leads the Board and its effectiveness. The chairman is independent from the management. The chairman of the board manages and leads the board of directors of the company. His responsibilities include chairing Board meetings and facilitating open and effective discussions at those meetings (including with management). The chairman leads the board and acts as a direct liaison between the board and the management of the company, through the chief executive officer (CEO). The duality of Chairman and the CEO has been maintained by the Company strictly. Position of the Chairman and CEO are clearly defined.

### **THE VICE CHAIRMAN**

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

### **THE CHIEF EXECUTIVE OFFICER (CEO)**

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

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

The CEO and DGIC have written agreements setting out her employment terms. However, the CEO gets enumeration as per the contract between her and the Company. She does not receive any performance bonus as per IDRA rules. For other Top Executives, the agreements (read appointment letter) are between DGIC and the Executives personally. The Board assesses each executive's performance on an annual basis. The process for evaluating executive performance and remuneration is set out in Performance Evaluation Criteria. Performance evaluations for DGIC's Executive took place in FY22 in accordance with the criteria disclosed in the NRC Report.

### **AUDIT COMMITTEE**

The Audit Committee was established as a sub-committee of the Board and has jurisdiction over DGIC. The Audit Committee assists the Board. The audit committee is comprised of Five (05) members of the Board including Three (03) Independent Directors; one of the Independent Directors is the Chairman of the Audit Committee, who is a Fellow Chartered Accountant.

### **NOMINATION AND REMUNERATION COMMITTEE (NRC)**

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

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

### **APPOINTMENT OF CFO, CS AND HIAC:**

The Company has appointed Mr. Rabindra Nath Karmaker as the Chief Financial Officer (CFO), Mr. Md.Noor-Ul-Alam as the Company Secretary (CS) and Mr. Kamruzzaman Bhuyan as the Head of Internal Audit and Control (HIAC) of the company as per requirement of Bangladesh Securities and Exchange Commission (BSEC).

### **ROLE OF THE COMPANY SECRETARY**

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

### **ROLE OF THE HEAD OF AUDIT & INTERNAL CONTROL**

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

### **COMMUNICATION WITH SHAREHOLDERS**

The Company provides a balanced level of communication between the Company and its Stakeholders. The Company has a Board and Share Department to communicate with the Stakeholders. Shareholders may communicate with this Department at any time for any sort of information and query. The Company disseminates its all Price Sensitive Information (PSI) within 30 minutes of the decision to the BSEC and the Stock Exchanges under the signature of Managing

Director or Company Secretary through fax/e-mail and by special messenger, and through courier services in special cases and immediately publishes the same in 2 newspapers (one Bengali & one English) and one on any line portal. The shareholders are provided routine services by the Company Secretary in the matters of CDBL RT-14 , reporting to IDRA, BSEC,DSE and CSE, payment of dividend, reissue of dividend warrant when warrants expires in the hand of shareholders, issue of certificates on tax deduction from dividend etc.

## **FINANCIAL REPORTING AND TRANSPARENCY**

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

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

## **DISCLOSURE ON AUDITORS' ENGAGEMENTS:** *as per CGC, C#7 and BSEC Notification*

*M/s. MABS & J Partners, Chartered Accountants* was the external/ statutory auditor of the Company for the year 2022. They carry out systematic examination of books and records of the Company and ascertain, verify and report upon the facts regarding the financial operation and the results of the Company. To comply with the corporate governance properly; the Company did not engage its statutory auditors to perform the following services:

- Appraisal or valuation services or fairness opinion
- Financial Information System design and implementation
- Bookkeeping or other service related to the accounting records or financial statements
- Broker-dealer services
- Internal Audit Services
- Any other service that the Audit Committee determines
- Tax Consultancy
- No partner or employees of the external audit firms shall possess any share of the Company, they audit at least during the tenure of the audit assignment of the Company.
- Certification services on compliance of corporate governance. External/Statutory auditors are appointed by the shareholders in the Annual General Meeting and fix their remuneration thereof;

*M/s. Haruner Rashid & Associates, Chartered Secretaries & Management Consultants* was the Compliance auditors of the Company for the year 2022. As per BSEC notification they are not engaged in other services related with the Company including Scrutinizer of the Annual General Meeting.

## **INTERNAL CONTROL:**

The Board of Directors ensures that a proper and effective control system is in place to run the operations of the company along with compliance of all internal and external rules and regulations.



DGIC considers that internal audit is one of the “four pillars” of corporate governance, the other pillars being the Board of Directors, Management and the External Auditors. Internal auditing of DGIC assists the Company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization’s risk management, control and governance processes. It helps the Audit Committee of the Board of Directors to perform their responsibilities effectively. This includes reporting critical internal control problems, informing the committee on the material issues or findings, suggesting questions or topics for the Audit Committee’s meeting agenda and coordinating carefully with the committee to receive effective information. The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization’s governance, risk management process, system of internal control structure and the quality of performance to achieve the organization’s stated goals and objectives.

The internal control system embraces all business risks, including financial, operational and strategic risks. An effective internal control also ensures that measures are taken to minimize operational risks and detect any error in various operational areas to ensure ratification in the first phase. The key elements of the internal control framework are properly designed management structure, clearly defined responsibilities, delegation of authorities, establishment of accountability at each level and system of periodic reporting and monitoring the performance of the organization. Major elements of the Company’s control environment are as follows:

- Regular Board Meeting with agendas dealing with all major aspects.
- An established organogram and delegation of authorities
- Defined operating guidelines and procedures with authorization limits.
- The Internal Audit Department directly reports to the Audit Committee.
- An annual budgetary system with ultimate approval of the Board.
- A financial reporting system including actual performance with budget.
- Review and analysis of fund position on a daily basis.
- Accounting and operation manuals.

Practically a full proof control system is difficult to establish but it helps the management to keep effective control over operations and minimize deviations as far as possible.

#### **CERTIFICATION:**

To ensure the spirit of the corporate governance with accountability for inspiring confidence of investors, regulators, financiers and other stakeholders, DGIC is committed to comply with all the requirements of corporate governance as required by the Bangladesh Securities and Exchange Commission (BSEC). The certificate on compliance of conditions of corporate governance of the Company is attached herewith in this annual report.

**Compliance Auditors’ Report:** There is no adverse remark or disclaimer passed by the Compliance auditors for the year ended 31 December, 2022. The Compliance Auditors’ remarks the Corporate Governance Compliance of the Company as the satisfactory one.



### DISCLOSURE OF DIFFERENT STANDARDS:

‘The chapter - O’ titled as the checklist and disclosure of different standards from various Authorities shows the real picture of the company regarding various compliances and corporate governance applicable in the Country .

SL. NO.	SUB - TITLE OF THE CHAPTER - O
O.1	DISCLOSURE CHECKLIST REGARDING ICSB (INSTITUTE OF CHARTERED SECRETARIES OF BANGLADESH) NATIONAL AWARD FOR CORPORATE GOVERNANCE EXCELLENCE EVALUATION CRITERIA FOR COMPANIES
O.2	DISCLOSURE CHECKLIST REGARDING SAFA STANDARD
O.3	DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA
O.4	DISCLOSURE CHECKLIST REGARDING CORPORATE GOVERNANCE DISCLOSURE
O.5	CHECKLIST REGARDING INTEGRATED REPORTING
O.6	DISCLOSURE CHECKLIST REGARDING BD SECRETARIAL STANDARDS (1-6)
O.7	DISCLOSURE CHECKLIST REGARDING INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)
O.8	DISCLOSURE CHECKLIST REGARDING BSEC

### Disclosure Standards and Frameworks: What does it All Mean to Stakeholders?



All the disclosures of various Standards and Benchmarks along with all the Importance Notifications circulated by IDRA and BSEC in ‘The chapter - O’ set by different Institutions and Authorities are shown with a view to help our investors and other stakeholders to assess the materiality of the reported information of the Company on corporate governance and sustainability.

Besides, Charts, Frameworks and Diagrams are depicted so that our investors and other stakeholders are able to understand the activities of the Company.

To ensure the spirit of the corporate governance with accountability for inspiring confidence of investors, regulators, financiers and other stakeholders, DGIC is committed to comply with all the requirements of corporate governance as required by the Bangladesh Securities and Exchange Commission (BSEC). The certificate on compliance of conditions of corporate governance of the Company is attached herewith in this annual report.

Before concluding, I convey my sincere gratitude and propound thanks to the honorable Chairman and the respectable Directors of the Board for their judicious guidance, pragmatic vision, valuable input, patronage round the year regarding compliance issues and I look forward to receive the same in future. In this connection, I also like to thank the prudent Management Team for their commitment in expediting and implementing compliance and governance strategy of the Company.

With best regards,



**Md. Noor-ul-Alam**  
**Company Secretary**

**G.**

## RISK MANAGEMENT & CONTROL ENVIRONMENT

**G.1** RISK & OPPORTUNITY REPORT

**G.3** DISCLOSURE OF RISK REPORTING

**REPORT ON INSURANCE RISK AND ITS MITIGATION** **G.2**



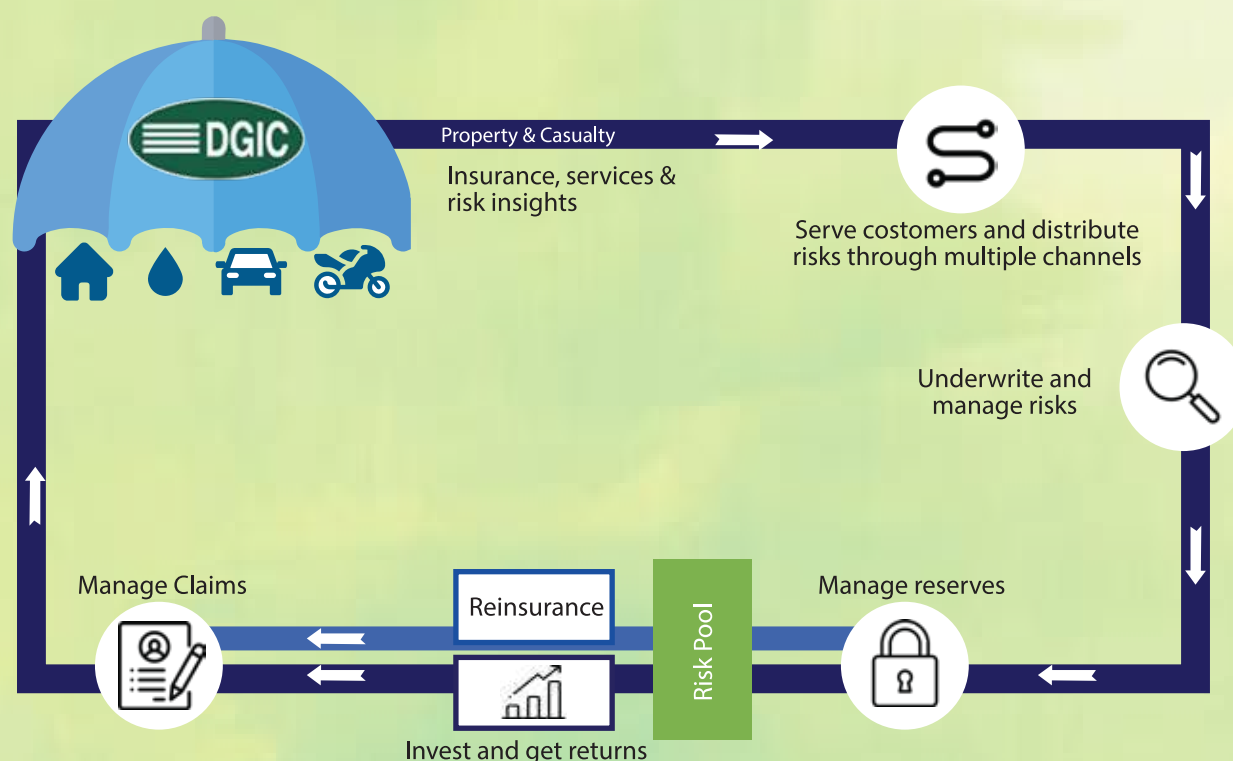
**DESH GENERAL INSURANCE COMPANY LIMITED**

## G.1 RISK AND OPPORTUNITY REPORT

Risk is inherent in the insurance business as Insurance Companies deal with risk transferred by others. It is known, Insurance is a practice or arrangement by which an insurance company provides a guarantee of compensation for specified loss, damage, illness or death in return for a payment of a premium. Besides, insurance is a contract in which an individual or entity receives financial protection or reimbursement against losses from an insurance company. The company pools clients' risks to make payments more affordable for the insured.

The key objective of the risk and opportunity management is to support business success and protect the company as a going concern through an opportunity-focused but risk-aware decision-making framework. Our Risk Management Policy outlines the principles, processes, tools, risk areas, key responsibilities, reporting requirements, and communication timelines within our company.

Desh General Insurance Company Limited's risk management and internal control systems are designed to ensure that these risks are managed effectively and efficiently, aligned with its overarching objective of creating long-term value for all its stakeholders. The Company recognizes the importance of sound risk management in every aspect of its business and to all its stakeholders.





In order to remain competitive and ensure sustainable success, DGIC consciously takes risks and continuously explores and develops opportunities. Our risk and opportunity management principles and system provide the framework for our company to conduct business in a well-controlled environment.

### **Risk Defined:**

Being a general Insurance Company, Desh General Insurance Company Limited (DGIC) always deals with non-life risks of its insureds. For this, first of all, let's see what risk is meant to insurance companies.

Simply, risk is the potential of loss or an undesirable outcome, however not necessarily so, resulting from a given action, activity and/or inaction. To visualize and understand DGIC's risk management process, one needs to realize how Desh General Insurance Company Limited categorizes all risks. As an insurer Desh General Insurance Company Limited does not recognize all risks. The Company classifies them as insurable risks and non-insurable risks. To DGIC all Speculative or Dynamic Risks are broadly non-insurable and all Pure or Static Risks are insurable

### **Speculative risk or non-insurable risk**

Speculative risk is a situation that holds out the prospects of loss, gain, or no loss no gain (break-even situation). Gambling is a good example of speculative risk. Gambling involves deliberate creation of risk in the expectation of making a gain. There is also the possibility of sustaining a loss. Most speculative risks are one dynamic risk with the exception of gambling situations. Other examples of speculative risk include betting on horse race or motor race. Therefore, speculative risks are not subject to insurance, and they are, therefore, not normally insurable.

### **Pure or Static Risk or insurable risk**

The second category of risk is known as pure or static risk. Pure (static) risk is a situation in which there are only the possibilities of loss or no loss, as opposed to loss or profit with speculative risk. The only outcome of pure risks are adverse (in a loss) or neutral with no loss), never beneficial. Both the individual and business firms face different types of pure risks that pose great threat to their financial securities. The different types of pure risks that Desh General Insurance Company Limited faces can be classified under any one of the followings:

#### **(i) Personal risks (ii) Property risks (iii) Liability risks**

Thus, to Desh General Insurance, an insurable risk is a risk that meets the ideal criteria for efficient insurance. The concept of insurable risk underlies nearly all insurance decisions. A risk that conforms to the norms and specifications of the insurance policy in such a way that the criterion for insurance is fulfilled is termed as insurable risk. There are various essential conditions that need to be fulfilled before acceptance of insurability of any risk. In the case of a scenario where the loss is so huge that no insurer would want to pay for it, the risk is said to be uninsurable, as well. Accordingly a risk may not be termed as insurable if it is immeasurable, very large, certain or not definable.

### **Risk management:**

Risk management can be defined as activities that are undertaken to reduce exposure to loss. Risk management, for insurance companies, is of utmost importance because insurance is necessarily the business of risk acceptance. Hence, risk management is a fundamental aspect of the Company's business activities. Therefore, DGIC's Risk management is the continuing process to identify, analyze, evaluate, and treat loss exposures and monitor risk control and financial resources to mitigate the adverse effects of loss of the Company.

### **Steps in risk management process:**

As DGIC's clients or insureds rely on it to mitigate their various types of non-life risks, the company itself also needs to seek protection from operational and investment threats. For this, Dosh General Insurance Company Limited follows 5 steps of risk management process to deliver a simple and effective risk management:



**Step 1: Identify the Risk.** DGIC identifies and defines potential risks that may negatively influence its process or product. Currently, DGIC pursue the following Procedure for Insurance Policy Issue:

1. Identification of Risks
2. Quantify the Insurable value
3. Evaluate the choices
4. Proposal
5. Receive the Payment of premium
6. Policy Documentation

The Company always goes beyond every step of its service process and product delivery along with claim settlement procedure to identify and define its potential risks.

**Step 2: Analyze the risk.** Once a specific type of risk is discovered, DGIC then determines its reasons and consequences, as well as its consequences to the Company. The area of the analysis is to further understand each specific instance of risk, and how it could influence the company's projects and objectives.

**Step 3: Evaluate or Rank the Risk.** The risk is then further evaluated after determining the risk's overall likelihood of occurrence combined with its overall consequence. Then the Company makes decisions on whether the risk is acceptable and whether the company is willing to take it on based on its risk appetite. The workings can be depicted like this:

**Step 4: Treat the Risk / Risk mitigation.** During this step, DGIC assesses its highest-ranked risks and develops a plan to alleviate them using specific risk controls. These plans include risk mitigation processes, risk prevention tactics and contingency plans in the event the risk comes to fruition. Desh General Insurance's Risk Handling policy:

Risk Levels	Monitoring & Mitigation
Low & medium Risk	Normal Monitoring at the operational level
High Risk	Close control of all potential contributing factors by the Risk Management Team
Very High	Risks of this level should be actively tracked for decisions by the Risk Management Committee lead by the Chairman of the Company

**Step 5: Monitor and Review the risk.** Part of the mitigation plan includes following up on both the risks and the overall plan to continuously monitor and track new and existing risks. The overall risk management process of the Company is also always reviewed and updated accordingly.

#### **Risk Framework:**

It is known to all, risk is about uncertainty. If Desh General Insurance Company Limited puts a framework around that uncertainty, then effectively de-risk the project. That means the Company can move much more confidently to achieve the project area. By identifying and managing a comprehensive list of project risks, unpleasant surprises and barriers can be reduced and golden

opportunities discovered. The risk management process also helps to resolve problems when they occur, because those problems have been envisaged, and plans to treat them have already been developed and agreed upon.

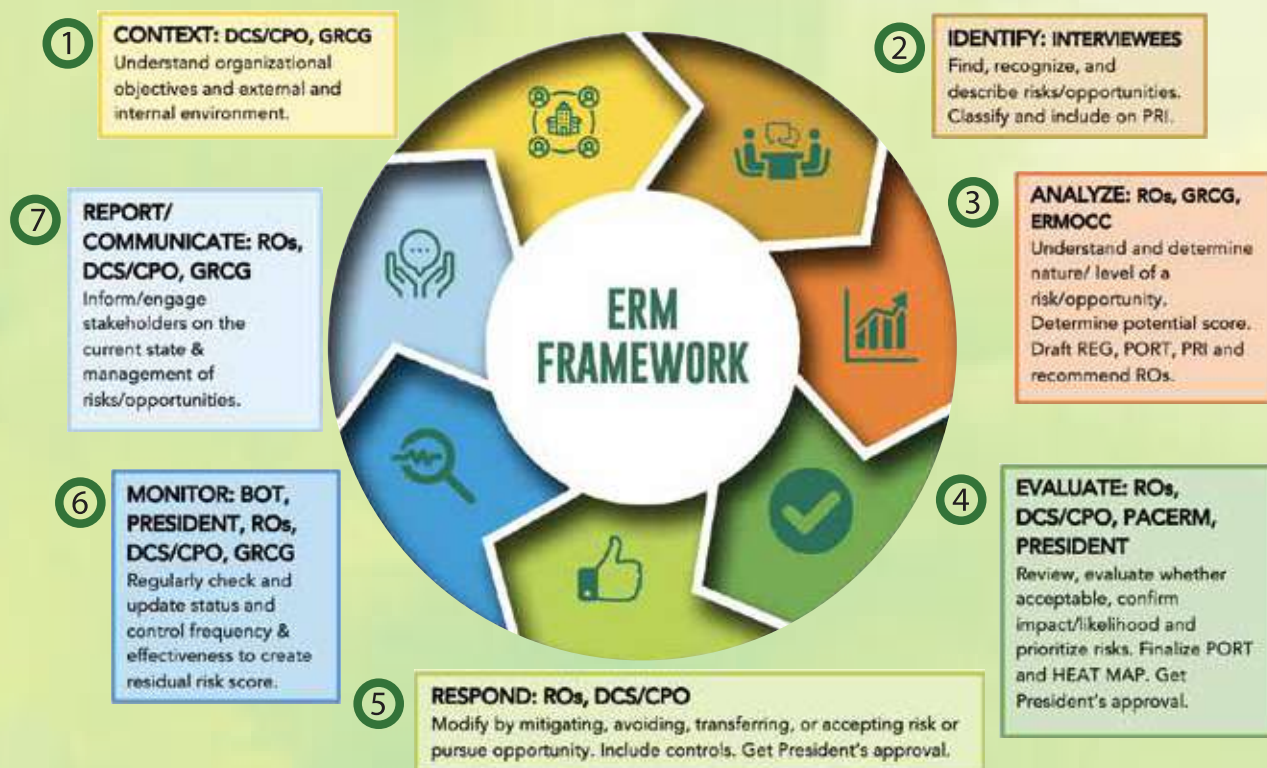
A good risk framework should have a strong governance structure. That's why the board and the management of DGIC significantly manage their risks. This involves appointing a chief risk officer (CRO) for risk management and the organizational culture is continuing to support it. The whole activities are typically facilitated by designated persons in each of the various departments, such as underwriting, reinsurance, legal/compliance, accounts and finance, marketing and sales, branch control, claims, IT, and so on. The management of the Company should always be aware - about risk-taking and risk monitoring roles of each department.

Desh General Insurance has been rated “AA” as the Credit rating by Alpha Credit Rating Ltd, which shows its financial strength, Stability and Risk Management.

### Measuring Risk Framework Effectiveness:

Desh General Insurance Company Ltd follows a structured approach to measuring the risk and taking the initiatives to manage risk effectively in the business performance. For effective risk assessments, the Company maintains the rules of ERM (Enterprise Risk management) framework.

### DGIC RISK- OPPORTUNITY MANAGEMENT PROCESS





Different risk management components in an ERM framework are designed and performed to improve decision making, control, transparency and confidence.

- Individuals operating the framework (from all lines of defense) have sufficient skill, ability and motivation to ensure effective risk taking, challenge, influence and change.
- The above activities-improve risk management by supporting strong business performance, better decision making, improved risk adjusted return and better preparation for future business uncertainty.

Where risk is assumed or identified, after assessing, it is calculated and monitored under the framework that assigns clear risk roles and responsibilities to the competent & skilled business level managers, risk compliance functions and internal audit to assess the risk factors and based on it take the effective and transparent decision for handling the risk in a proper means. In this way, the Company always takes up the risk and improves the risk management through effective and indicative activities.

### **Focused Area of Risk management:**

Considering all potential risks, Desh General Insurance Company Limited strictly focuses on the following areas for better Insurance Management:

- Identification of Internal & External Pure Risks
- Existing Risk Control Measures Review
- Risk inspection
- Risk Audit
- Scrutiny of Existing Insurance Covers; Coverage and Rates & Deductibles.
- Defining Standard SOP (Standard Operating Procedure) for Claims Control
- And Guidelines on documentation in this regard

Furthermore, following Key Areas are also kept in mind and considered by the Company while planning for Risk management. Some are choice of the Company and some are choice of its agents:

### **Choice of the Company -**

- Industry Rating
- Claims Settlement ability
- Sustainability of the company
- Service levels & infrastructure

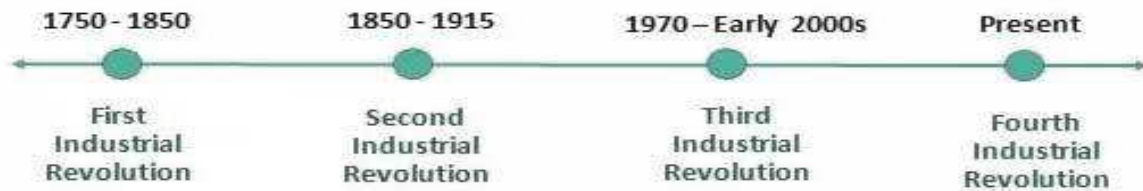
### **Choice of Agent or Intermediary -**

- Representation of the insurance market
- Knowledge of insurance amongst all industry segments
- Service levels & infrastructure

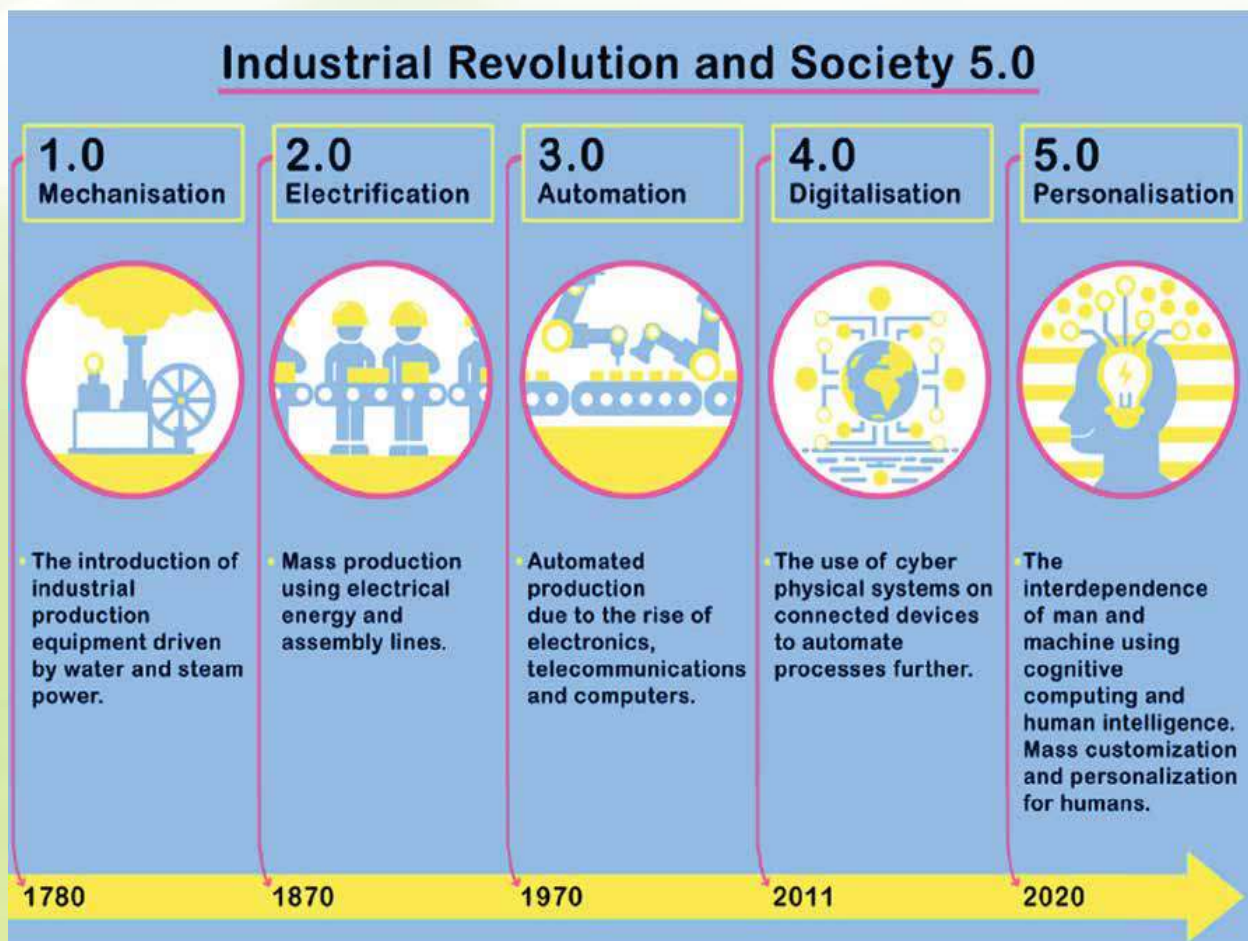
### **Emerging Challenges:**

A new industrial revolution is emerging. After mechanization, steam and water power came electricity and assembly lines; then came computerization. So what comes next? Some call it the fourth industrial revolution (**4IR or Industry 4.0**) or Second Machine Age, but whatever you call it, it represents the combination of cyber-physical systems, the Internet of Things, and the Internet of Systems or networks.

## Industrial Revolution Timeline



The coronavirus disease 2019 (COVID-19) pandemic may further promote the development of Industry 4.0 leading to the fifth industrial revolution (Society 5.0). Industry 4.0 technology such as Big Data (BD) and Artificial Intelligence (AI) may lead to a personalized system of Insurance Industry in the first world of the Globe.



### Final thoughts

To conclude, it can be summarized that risk management planning (RMP) is required for any organization to review the risk and take the management strategies according to the type of risk. But sometimes organizations are unable to take the proper and effective decision because of biasness on several issues.

Fortunately, Desh General Insurance Company Limited has its risk management planning (RMP) which is discussed above for you as an unbiased study on technical risk management measures adopted and insurance practices that will help the management of the company to manage the risk effectively and profitably. Additionally, the management of Desh General Insurance is always conscious about the organizational risks which can affect its smooth operation, growth and profitability. The periodical review of risk management methodology will add further value to the company.





## G.2

## REPORT ON INSURANCE RISK AND ITS MITIGATION

Business risk comes in a variety of tangible and intangible forms over the course of the business life cycle. Some risks occur during the ordinary course of corporate operations, while others are due to extraordinary circumstances that are not easily identified. Regardless of a company's business model, industry or level of earnings, business risks must be identified as a strategic aspect of business planning.

From the surveys the Company realized that risk controlling strategy, risk avoidance strategy, risk based audit strategy and product mix Strategy have a positive and significant effect on performance of general insurance companies. So DGIC adopted them as the techniques of risk mitigation.

The following diagram depicted the framework explaining the relationship between risks mitigation strategies and performance of Desh General Insurance Company Limited:





Once risks are identified, companies take the appropriate steps to manage them to protect their business assets. The most common types of risk management techniques include avoidance, mitigation, transfer, and acceptance.



### Avoidance of Risk

A company may avoid performing certain procedures known to carry a high degree of risk to the well-being of taking risks. Although avoiding risk is a simple method to manage potential threats to a business, the strategy also often results in lost revenue potential.

### Risk Mitigation

Businesses can also choose to manage risk through mitigation or reduction. Mitigating business risk is meant to lessen any negative consequence or impact of specific, known risks, and is most often used when those risks are unavoidable.

Although risk mitigation plans may be developed in detail and executed by contractors, the owner's program and project management should develop standards for a consistent risk mitigation planning process. Owners should have independent, unbiased outside expert's review the project's risk mitigation plans before final approval. This should be done prior to completing the project design or allocating funds for construction. Risk mitigation planning should continue beyond the end of the project by capturing data and lessons learned that can benefit future projects. Desh General takes charge of pre-insurance surveys of large and complicated risks which thus ultimately facilitates in the defense of national property and wealth. Services, basically, aim at reducing the occurrence of the risk itself rather than minimizing the extent of loss after the happening of the casualty.

## Transfer of Risk

In some instances, businesses choose to transfer risk away from the organization. Risk transfer typically takes place by paying a premium to an insurance company in exchange for protection against substantial financial loss which is called reinsurance.

Insurance companies carry out risk spreading through the co-insurance and reinsurance mechanism, consisting of the participation of more companies in the provision of high-value assets. Reinsurance is a form of insurance whereby an insurance organization can transfer risk to another reinsurer, partly or fully, its payment obligations arising from the insurance contracts that it has concluded. Reinsurers play a major role for insurance companies as they allow the latter to help transfer risk, smooth income, require less capital on hand, lower claimant payouts during natural disasters, and more.

Desh General Insurance assumes pre-risk inspection of risk which is very helpful for reinsurance purposes as well. Without pre-risk inspection, it is difficult to segregate risk and make retention and cession to reinsurers. Surveyor's advice in their survey report for risk improvement largely contributes towards reducing the risk of hazards rather than minimizing the extent of loss after a casualty.

## Risk Acceptance

Risk management can also be implemented through the acceptance of risk. Companies retain a certain level of risk brought on by specific projects or expansion if the anticipated profit generated from the activity is far greater than its potential risk.

Risk management ensures proper understanding of the right level of risk acceptance, risk control and risk related expenditure. Furthermore, the planned risk and recovery expenditure should neither be less nor more, than the organization needs it to be.

Property and casualty insurers face many types of risks, known as exposures. ... Insurance companies can manage the risks that are insured by excluding certain types of coverage from a policy. The ultimate purpose of risk identification and analysis is to prepare for risk mitigation. Mitigation includes reduction of the likelihood that a risk event will occur and/or reduction of the effect of a risk event if it does occur.

Therefore, risk mitigation strategies and specific action plans should be incorporated in the project execution plan. Risk mitigation plans should

- Characterize the root causes of risks that have been identified and quantified in earlier phases of the risk management process.
- Evaluate risk interactions and common causes.
- Identify alternative mitigation strategies, methods, and tools for each major risk.
- Assess and prioritize mitigation alternatives.
- Select and commit the resources required for specific risk mitigation alternatives.
- Communicate planning results to all project participants for implementation.

## G.3 DISCLOSURE OF RISK REPORTING

Desh General insurance Company Limited (DGIC) maintains informative, transparent and consistent risk reporting for its valued clients, stakeholders and the industry itself. It has been internationally accepted that substantial narrative reporting, including the disclosure of risk, is important to promote investor protection. The Standard Disclosure of Risk reporting may include the followings:

- Clear, balanced and understandable.
- Includes all the insurer's key activities and risks.
- Presents relevant information.
- Consistent over time.
- Comparable among insurers.
- Provided on a timely basis.

# H.

## STAKEHOLDERS' & INVESTORS' INFORMATION

H.1 POSITION OF SHAREHOLDING

NUMBER OF SHAREHOLDERS H.2

H.3 INVESTOR/STAKEHOLDER-FRIENDLY INFORMATION ENQUIRIES & COMMUNICATION

CLIENTS COMPLAINTS AND COMMUNICATION H.4

H.5 DIVIDEND DISTRIBUTION POLICY

CORPORATE IT & WEBSITE INFORMATION H.6

H.7 UNCLAIMED/UNDISTRIBUTED DIVIDENDS

REDRESSAL OF INVESTORS' COMPLAINT H.8



**DESH GENERAL INSURANCE COMPANY LIMITED**



## H.1 POSITION OF SHAREHOLDING

The shareholding position of various stakeholders, institutions and promoter groups etc. has not increased as compared to its previous year. Distribution of shareholders number of shares as well as category wise shareholding position comparison statements are given below:

Category of Shareholders	No. of Shares holding	2022 % of holding	No. of shareholding	2021 % of holding
<b>A.Group-A: Sponsors &amp; Directors:</b> <i>2,40,00,000 shares of Tk.10 each fully paid-up</i>	2,40,00,000	60%	2,40,00,000	60%
<b>B.Group-B: Public Shareholders:</b> <i>1,60,00,000 shares of Tk.10 each fully paid-up</i>				
1. Government				
2. Companies	1,634,148	4.09%	2,002,234	5.01%
3. Employees	-	0%	-	0%
4. General public	14,365,852	35.91%	13,997,766	34.99%
<b>Total B</b>	<b>1,60,00,000</b>	<b>40%</b>	<b>1,60,00,000</b>	<b>40%</b>
<b>Total (A + B)</b>	<b>400,00,000</b>	<b>100%</b>	<b>400,00,000</b>	<b>100%</b>

The detailed Shareholding pattern / Position of Shareholding is shown in the following Chart:

### THE PATTERN OF SHAREHOLDING AS ON DECEMBER 31, 2022

#### A) Shareholding by Directors and Shareholders:

Sl. No.	Name Of Shareholders	Status	No of Share	%
1	Mr. Md. Jashim Uddin - Chairman	Sponsor Director	1,649,629	4.12
2	Mr.Mohammed Akbor Hossain-V. Chairman	Sponsor Director	1,281,845	3.20
3	Mr. Amir Hossain Amu	Sponsor Director	2,506,933	6.27
4	Ms. Rokeya Quader	Sponsor Director	1,495,510	3.74
5	Mr. Aminur Rahman	Sponsor Director	806,215	2.02
6	Mr. Murad Mohammed Taj	Sponsor Director	1,227,330	3.07
7	Engr. A.K.M. Ahsanul Haque	Sponsor Director	1,121,185	2.80
8	Engr. Tarikul Alam Rahimi	Sponsor Director	1,576,665	3.94
9	Mr. Nihar Kumar Roy	Sponsor Director	1,068,180	2.67
10	Ms. Priti Kana Bose	Sponsor Director	809,831	2.02
11	Ms. Nauzat Begum	Sponsor Director	800,000	2.00
12	Mr. Tahrin Aman	Sponsor Director	800,000	2.00
13	Mr. Md. Kamal Uddin FCA	Ind. Director	-	-
14	Mr. Shahedul Islam	Ind. Director	-	-
15	Mr. Syed Javed Iqbal	Ind. Director	-	-
16	Mr. Sakif Nazran Bhuiyan	Sponsor	1,495,510	3.74

Sl. No.	Name Of Shareholders	Status	No of Share	%
17	Mr. Moshfeque Mamun Rizvi	Sponsor	250,451	0.63
18	Ms. Shamima Yeasmin	Sponsor	999,955	2.50
19	Ms. Rehana Jalil	Sponsor	351,758	0.88
20	Al-Haj Mosharref Hossain	Sponsor	1,487,432	3.72
21	Mr. Morshed Alam	Sponsor	2,350,371	5.88
22	Mr. M. Monsurul Islam	Sponsor	599,831	1.50
23	Mr. Md. Saifuddin Khaled	Sponsor	626,214	1.57
24	Mr. M. Amanullah	Sponsor	695,155	1.73
<b>A. Total Holding by Sponsors</b>			<b>240,00,000</b>	<b>60%</b>
	Public- Individual		14,365,852	35.91
	Institution		1,634,148	4.09
	Government		-	-
	Foreign		-	-
<b>B) Total Holding by Public Shareholders</b>			<b>160,00,000</b>	<b>40%</b>
<b>B) Shareholding by Others:</b>				
Chief Executive Officer (CEO)		Nil	Nil	
Parent/subsidiaries/Associate companies and other related parties		Nil	Nil	
Company Secretary, Chief Financial Officer, Head of Internal Audit and their Spouse and minor Children		Nil	Nil	
Shares held by top five Executives of the Company		Nil	Nil	

## H.2 NUMBER OF SHAREHOLDERS

The shareholders are the ultimate owners of the company. The shares of a listed company are tradable in the Stock Exchanges. There are segregations of shares like sponsors, institutional and public shares. Generally, public shares are traded very often. The sponsor shareholders normally hold the shares for a long time. They do not sell their shares every now and then like public shares. Sometimes, there are restrictions in selling shares by the sponsors. As DGIC is a newly listed Company the shares held by the Sponsors are subject to ‘**Locked In**’ for the period of three (03) years since the 1st Day of Market ( March 29, 2021) of the Company.

After fulfillment of the ‘Locked In’ period Declarations will be required as to when Sponsors / Directors want to sell or buy shares since the Directors’ shares required declaration in the stock exchanges to sell their shares. Public shareholders do not require any declaration to sell or buy any number of shares unless they become a Director on the Board. Thus the shareholders numbers vary from year to year as the shares are traded in the whole year at the market days of the stock exchanges. The following table indicates the number of Shareholders holding their shares as on December 31, 2022.

Year	No. of shareholders	Growth	% of growth
2020	21	-	-
2021	5814	5793	275.85%
2022	5943	129	0.02%

Desh general Insurance Company Limited (DGIC) has a separate Board & Share Department to communicate with shareholders and other stakeholders. Investors and individuals may contact at any time to the Share Department for any sort of information and query about their stake related information. With a view to making the Annual General Meeting of the Company more participatory, DGIC always arranges AGM in a well-known place at convenient time and allows shareholders to speak in the AGM freely and makes their valuable proposals and suggestions.

DGIC is always unswerving to open and timely to all shareholders and regular communication is maintained with various stakeholders in the group such as:

- Institutional investors
- Investment analysts
- Shareholders
- Employees
- Communities at large

### **The Company communicates to shareholders in the following way:**

- Annual Report sent to shareholders in their respective BO address
- Final result published in the newspaper (English & Bangla)
- Interim quarterly report published in the newspapers (English & Bangla)
- Annual General Meeting
- All financial results & annual reports are made available in the website of the company:  
[www.deshinsurancebd.com](http://www.deshinsurancebd.com)

DGIC's employees work in good faith and without prejudice, towards the interest of the investors. Investors' complaints, if any, are treated efficiently and fairly. In this regard the Management of the company has taken effective decisions against investors' complaints, if any, to the employees of the company or outsiders.

An investor can make a written complaint and also through email. A serious complaint usually referred to the *Chief Executive Officer (CEO)* and even to the Board of Directors of the Company, if so warrants. Any queries relating to shareholders' transfer of shares, changes of name and addresses and payment of dividend etc. are usually sent to the following address:

### **Board & Share Department:**

**Mr.Md. Noor-Ul-Alam**

**Company Secretary**

Jiban Bima Bhaban, Front Block, Level 5

10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

Cell No: 01610-123223/01920123223

E-mail: [cs@deshinsurancebd.com](mailto:cs@deshinsurancebd.com), [csnoor.desh@gmail.com](mailto:csnoor.desh@gmail.com)

## H.4 CLIENTS COMPLAINTS AND COMMUNICATION

Customer's feedback is an important phenomenon for a business organization. It may be positive and negative or both for partial positive and partial negative. If the organization mitigates it in a positive manner the organization must be able to maintain its bases for ensuring its going concern. Clients' complaints are expected, no matter how streamlined a company's business is. The complaints must always be acknowledged and dealt with effectively. By ignoring or dismissing complaints, a business organization is effectively telling the customer that it doesn't value their opinions and it is ruining indeed. Many business owners see complaint management as a time-consuming and frustrating process. However, by developing an efficient system, complaints can be resolved quickly and easily and very often this process brings certainly something moral for the company.

A consumer complaint or customer complaint is an expression of dissatisfaction on a consumer's behalf to a responsible party. It can also be described in a positive sense as a report from a consumer providing documentation about a problem associated with a product or service. The customers are always important for the livelihood of the organization. Now-a-days, good customer service provides an organization with its competitive edge and customers expect to be dealt with professionally and competently. Whether we are involved with customers on the telephone or deal with them through physical presence.

Desh General is a service oriented company, therefore, the clients' satisfaction is always its first priority. It conducts surveys to all of its clients for feedback on their experience. DGIC has a Customer Feedback Form which it fills out through visits to clients. After that the Management go through the collected forms periodically and review them to identify recurring complaints.

DGIC also has a Customer Complaint Box as per instruction of IDRA. It is always ready with its online service and being fully aware of this, Desh general always attends to its client's complaints-whether related to its services or claim settlement. It encourages its clients to come forward with any complaint the clients may have and the top management is completely accessible to all of those. Complaints can be lodged with the management in writing, over telephone, fax, by e-mail or through the web site of the company.

Management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients' views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features significantly at the Annual Branch Conference of the Company. Clients may contract through email for Complaints to the following address or directly to Chief Executive Officer (CEO):

**Ms. Mohammodi Khanam**

**Chief Executive Officer (CEO)**

Jiban Bima Bhaban, Front Block, Level 5

10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

E-mail: [ceo@deskinsurancebd.com](mailto:ceo@deskinsurancebd.com), [info@deskinsurancebd.com](mailto:info@deskinsurancebd.com), [deskinsurancebd@gmail.com](mailto:deskinsurancebd@gmail.com)



## H.5 DIVIDEND DISTRIBUTION POLICY

Desh General Insurance Company Ltd has been maintaining a steady dividend payment policy to its shareholders and investors. Shareholders always expect maximum returns of their investment and the Board of Directors also wants to pay out dividends obviously generating more income. DGIC has to look into the investment income where the investable fund has also been generated from the core business. As there are some statutory regulations to invest in a company's fund like Treasury bond, fixed deposit etc., it has always been to pay a satisfactory return to its shareholders. The Board of the Company proposed 'Cash Dividend' for the year 2022 to the Shareholders. The **DIVIDEND DISTRIBUTION POLICY** of DGIC is as follows:



### **DESH GENERAL INSURANCE COMPANY LIMITED**

#### **DIVIDEND DISTRIBUTION POLICY**

##### **INTRODUCTION:**

In compliance with the Directives No. BSEC/CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated January 14, 2021; Desh General Insurance Company Limited ('the Company/ DGIC') formulated a policy known as "Dividend Distribution Policy". The highlights of the said policy are given below:

##### **PURPOSE:**

The purpose of the policy is to comply with the Directives of Bangladesh Securities and Exchange Commission (BSEC). Particularly, the BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021 requires the Company to formulate 'A Dividend Distribution Policy' clearly set forth in writing policies related with dividend distribution thereof. The parameters set out in the policy are applicable for distribution of dividend.

##### **DIVIDEND RECOMMENDATION AND APPROVAL PROCESS:**

Dividend to be recommended and approved as per applicable Acts and regulatory directives issued from time to time.

##### **ENTITLEMENT OF DIVIDEND:**

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' for the respective period or year will receive entitled dividend.

##### **PROCESS OF DISTRIBUTION OF CASH DIVIDEND:**

Cash dividend shall be paid directly to the bank account within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/directives of BSEC or other regulatory authority from time to time.

- i. Through Bangladesh Electronic Funds Transfer Network (BEFTN);
- ii. Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTN);

- iii. In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA);
- iv. To the separate bank account of the merchant Banker or portfolio manager through BEFTN;
- v. Through the security custodian following Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI);
- vi. Through issuance of Cash Dividend warrant and send it through post in case of non-availability of information of the shareholder or unit holder.
- vii. Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or other regulatory authority from time to time.

#### **MANNER AND PROCEDURE OF STOCK DIVIDEND DISTRIBUTION:**

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the regulatory requirement [if any from BSEC, exchange(s) and the Central Depository Bangladesh Limited (CDBL)]:

- i. To the BO account;
- ii. To the suspense BO Account for undistributed or unclaimed stock dividend/bonus shares. A new Suspense BO Account has been opened in every year for the respective period's/year's suspense shares;
- iii. The bonus dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;
- iv. The sale proceeds of fractional bonus dividend shall be paid off as per circular of BSEC or other regulatory authority from time to time,

**UNPAID OR UNCLAIMED OF UNSETTLED CASH DIVIDEND:** Unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

**UNPAID OR UNCLAIMED OF UNSETTLED STOCK DIVIDEND:** Unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

**TAX MATTERS:** Tax will be deducted at source as per applicable tax laws of Bangladesh.

#### **SUBMISSION OF DIVIDEND DISTRIBUTION COMPLIANCE REPORT:**

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement the Company has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 days from the date of completion of dividend distribution of the concerned year. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within stipulated time.

#### **AMENDMENTS / MODIFICATIONS:**

To the extent any change/ amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with the law of the land. Such amended policy shall be placed before the Board for approval.

## **DISCLOSURE POLICY:**

The Dividend Distribution Policy is available on the Company's website [www.deshinsurancebd.com](http://www.deshinsurancebd.com) and annexed in its Annual Reports.

## **H.6 CORPORATE IT & WEBSITE INFORMATION**

Desh General Insurance Company Ltd has been operating integrated software IIMS (Integrated Insurance Management System)-integrated with Underwriting Module, Accounts Module, Claims Module, Payroll Module and Re-Insurance Module and its operation is based on 100% online modules.

The IT department at Head Office has been monitoring the activities of all the branches situated in different areas of the country through online control systems. DGIC has also a Corporate Website: [www.deshinsurancebd.com](http://www.deshinsurancebd.com) to publish the updated information of the company. The website of the company is always open for stakeholders, shareholders, investors and valuable clients to provide updated corporate information on its website.

The website of the Company focuses on company profile such as: Company's Vision, Mission, Company Focus, Capital Structure, Assets and Investment, Corporate Governance, Future Prospects, Products and Service Focus, National Economic Focus and any Price Sensitive Information Focus within stipulated time with a view to acquaint all stakeholders with all regular features of the company. DGIC website also focuses on Board of Directors profile, Management team's profile, Re-insurers and Brokers etc. in detail. Visiting the website viewers can inform about address of the Branches including other related information. The website also focuses on all the latest financial statements including financial position (balance sheet), income statement, cash flow statement and changes in shareholder's equity statement are also available on the website.

The Annual reports of different years are also made available in the website of the company: [www.deshinsurancebd.com](http://www.deshinsurancebd.com) as per direction of the Bangladesh Securities and Exchange Commission (BSEC) Notification No. SEC/CMRRCD/2009-193/20 dated February 10, 2010.

## **H.7 UNCLAIMED / UNDISTRIBUTED DIVIDENDS**

### **WHAT IS UNDISTRIBUTED AND UNCLAIMED DIVIDEND?**

After a Company announces its dividends, the money is sent to the investors' accounts. Cash dividend is deposited to the bank account of an investor, while the stock dividend is deposited in the beneficiary owners or BO account.

When a shareholder dies, moves abroad or does not contact for a long time, their bank account and BO account are closed or become dormant.

In such a case, the dividend amount does not get deposited to the investor's bank or BO account and bounces back to the company. Sometimes, the nominated inheritors confront legal hurdles to get the money following the death of an investor.

Besides these, the dividends sometimes do not reach the investor for other legal complications. The companies then prepare their final financial account showing those dividends under a 'suspended' account.

### UNDISTRIBUTED AND UNCLAIMED DIVIDEND OF DGIC:

Desh General Insurance Company Limited (DGIC) is listed on March 29, 2021. After listed with the exchanges, the Company Declared Dividends for its shareholders for the year 2020 and 2021 on 28-09-2021 and 07-07-2022 respectively. Subsequently, the Company distributed the said Dividend among the shareholders (as per record dates).

Unfortunately we could not send the Dividends of some of our shareholders due to several reasons. Year wise the unclaimed / undistributed dividend of the company is given in the following table:

#### DIVIDEND in Taka

YEAR	TOTAL DIVIDEND	UNCLAIMED / UNDISTRIBUTED
2020	400,00,000	<b>5,30,583/-</b> (Five Lakh Thirty Thousand Five Hundred and Eighty Three)
2021	400,00,000	<b>2,07,128/-</b> (Two Lakh Seven Thousand One Hundred and Twenty Eight )

A detailed list of the shareholders who have not claimed the Dividends for the year 2020 and 2021 is shown on our website as a Disclosure on Unclaimed / Undistributed Dividend.

As per the notification of Bangladesh Security and Exchange Commission (BSEC) ; BSEC/CMRRCD/2021-391/20/Admin/121, dated 1st June 2021, if any cash dividend remains unclaimed for more than 3 (three) years from the date of declaration/ approval /record date of dividend, the money will be transferred to the Capital Market Stabilization Fund (CMSF) established by BSEC. That's why; as soon as the unclaimed/undistributed amount of the year-2020 becomes three years older (on 28-09-2024) from their Declaration / Approval / Record Date, the Company will transfer remain unclaimed/unsettled dividend for the year 2020 to the CMSF as directed by the BSEC.

As per the above directive of BSEC, Chapter 3, Clause 9(1) , required information of the concerned shareholders have already been uploaded in the official website of the company.

Therefore, concerned Shareholders are requested to claim/collect their dividend (if any) with proper supporting documents of ownership along with NID from the Share Department of the Company as early as possible.

If the respective shareholders do not make any valid claim all unclaimed/ undisbursed dividends for the Financial Year-2020 by June 30, 2024, necessary steps will be taken to transfer the unclaimed cash dividend to the Capital Market Stabilization Fund (CMSF) after 28-09-2024.



## H.8 REDRESSAL OF INVESTORS' COMPLAINT

The Company is committed to adhere to the highest standards of investor relations and provide efficient services to them and effectively address and redress their grievances in a timely manner.

The Company Secretary (CS) of the Company acts as the Chief Compliance Officer (CCO) of the Company under the Listing Regulations, 2015 & Focal Person under the National Integrity Strategy (NIS) Action Plan of the Company and is responsible for ensuring provision of prompt and effective services to the investors and monitoring the dedicated email address of the Company for investor grievances.

The Company has an established mechanism for investor service and grievance handling, with the Chief Compliance Officer (CCO) appointed by the Company for this purpose, being the important functional nodes. Some of the key steps undertaken by the Company for handling Investor Grievances are enumerated as follows:

1. The Company has a designated email ID for handling investor [info@deskinsurancebd.com](mailto:info@deskinsurancebd.com) or [cs@deskinsurancebd.com](mailto:cs@deskinsurancebd.com) grievances on which investor can send a complaint. This e-mail ID is mentioned on every communication of the Company to the shareholders and is also mentioned on the website of the Company as well as on the website of DSE and CSE.
2. The Executives of the Board and Share Department of the Company access the above-mentioned designated investor grievances e-mail ID on a regular basis to check whether any new complaint or request from shareholders has been received.
3. Full details of the complaint or request are immediately thereafter informed to the Company Secretary. If the Complaint is directly sent to the Company Secretary, he promptly addresses the issue to resolve.
4. Board & Share Department of the Company obtains all information available on the complaint or request which is considered necessary for a proper resolution of the grievance. It looks into all the necessary information and undertakes to resolve them as soon as possible.
5. Upon receipt of the necessary documentation and information, and after satisfying the necessary quality checks, the Company follows the practice of resolving the investor Complaint or request promptly.
6. The Company engages a practicing Company Secretary Firm for carrying out Compliance Audit in pursuance of statutory requirements. They Audit each matter prescribed by the Bangladesh Secretarial Standards.
7. The Status of receipt, redressal and pendency of all the complaints are placed before the Company Secretary.
8. The complaints received through Stock Exchanges are attended immediately.

9. The Company, in its Annual Report, also reminds the Investors to claim unclaimed dividends.

10. The Company has provided an on-line feedback facility to shareholders to give feedback about various investor services offered by the Company. Click here to provide feedback: <https://deshinsurancebd.com/contact/>

11. With the 'Automation' of BSEC, DSE and CSE, all the investor complaints/grievances received online will be checked regularly and replied/resolved expeditiously.

Any queries relating to share remate, transfer of shares, changes of name and addresses and payment of dividend etc. are always sent to the following address or to the direct address of the Company Secretary. An investor can make direct call to the Company Secretary or write complaint and email:

**Mr. Md. Noor-Ul-Alam**

**Company Secretary**

Jiban Bima Bhaban, Front Block, Level 5  
10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

Cell No: 01610-123223/01920123223

E-mail: [cs@deshinsurancebd.com](mailto:cs@deshinsurancebd.com) , [csnoor.desh@gmail.com](mailto:csnoor.desh@gmail.com)

A serious complaint always referred to the Chief Executive Officer (CEO) and even to the Board of Directors of the Company, if so warrants. Investor may contract through email for Complaints to the following address or directly to Chief Executive Officer (CEO) :

**Ms. Mohammodi Khanam**

**Chief Executive Officer (CEO)**

Jiban Bima Bhaban, Front Block, Level 5  
10 Dilkusha C/A, Dhaka-1000, Bangladesh

Phone: +880 2223390997-9, 02223391001

Fax: + 880 2 -9561920

E-mail: [ceo@deshinsurancebd.com](mailto:ceo@deshinsurancebd.com) , [info@deshinsurancebd.com](mailto:info@deshinsurancebd.com) , [deshinsurancebd@gmail.com](mailto:deshinsurancebd@gmail.com)

# I. VALUE ADDED STATEMENT

I.1 VALUE ADDED STATEMENT

I.3 MARKET VALUE  
ADDED STATEMENT

I.5 MARKET SHARE POSITION  
OF INSURANCE BUSINESS

ECONOMIC VALUE  
ADDED STATEMENT

I.2

CONTRIBUTION TO THE  
NATIONAL EXCHEQUER/  
GOVERNMENT FUND

I.4



**DESH GENERAL INSURANCE COMPANY LIMITED**

## I.1 VALUE ADDED STATEMENT

The Value Added Statement (VAS) is a financial Statement that depicts wealth created by an organization and how that wealth is distributed among the stakeholders of that organization. It provides a detailed account of total value creation and distribution of the company during the year under review. Desh general Insurance Company Ltd contributed positively to the socio-economic development through payment of salaries and allowances to employees, paying consistent dividend to the shareholders and also paying Tax, VAT and Stamp duty etc. to the Government of Bangladesh.

Desh general Insurance Company Ltd pays a significant amount of corporate income tax every year based on the components of income generation mode. The amount of taxes may vary from year to year based on the components of income such as income from core business, income from investment in shares such as dividend income and from share trading, capital gains. These components have a separate rate of tax for which total amount of tax varies from year to year. The management of DGIC is very much keen and transparent in doing the insurance business and tries to expand it steadily.

## I.2 ECONOMIC VALUE ADDED STATEMENT

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, and it attempts to capture the true economic profit of a company. EVA is an internal management performance measure that compares net operating profit to total cost of capital. Economic value added is also referred to as economic profit. It provides a measurement of profit of the Company's economic success or failure over a period of time. The EVA is defined as:

**EVA = Net operating profit - tax - cost of capital during the year**

The goal of EVA is to quantify the charge, or cost, for investing capital into a certain project, and then assess whether it is generating enough cash to be considered a good investment. The charge represents the minimum return that investors require to make their investment worthwhile. A positive EVA shows a project is generating returns in excess of the required minimum return. Economic Value Added is important because it is used as an indicator of how profitable company projects are and it, therefore, serves as a reflection of management performance.

## I.3 MARKET VALUE ADDED STATEMENT

Market Value Added (MVA) is a measure of external performance that indicates how the market has evaluated the company's performance in terms of market value of share compared to book value of shares. MVA is the difference between the total Market Value (based on the quoted price in the main bourse) and total book value of the Company's equity shares. The higher the Market Value Added the better be the Company's position. A high Market Value Added indicates the Company has created substantial wealth for the shareholders. A negative Market Value Added means that the value of management's action and investments are less than that of value of the capital contributed to the Company by the capital market (or that wealth and value have been decreased).



## I.4

### CONTRIBUTION TO THE NATIONAL EXCHEQUER/GOVERNMENT FUND

We recognize that Desh general Insurance Company Limited (DGIC) has certain corporate responsibilities to the society or community for their development and the development of the nation as a whole. We aspire to be known as an institution that builds enduring relationships with and delivers value for our customers, shareholders, employees, government and community where we do business.

#### Our priorities:

- Paying fair share of VAT & taxes to the Government
- Creating employment
- Maximizing shareholders value
- Taking environmental initiatives
- Supporting community
- Financial assistance to the insolvent meritorious students
- Increase mass awareness about traffic rules
- Provide handsome returns to shareholders

## I.5

### MARKET SHARE POSITION OF INSURANCE BUSINESS

Bangladesh Non-life Insurance Business Market Composition and Status of Desh General Insurance Co. Ltd. (DGIC) Market share position of the company's insurance business reflects the ability to exercise underwriting and pricing discipline as well as the risk management effectiveness in managing its business growth. As a second generation insurer, Desh General Insurance Co. Ltd. (DGIC) is in a modest position than the companies of other non-life insurance sector. The Non-life Insurance provisional premium income in 2022 was Tk. 54130 million where in 2021, it earned Tk. 41470 million. Last 12-year non-life insurance premium and growth percentage is shown in the chart below:

Year	Non-Life Gross Premium Income	% Growth
2010	16580	0
2011	19670	9.74
2012	21670	6.47
2013	22930	4.32
2014	24460	4.27
2015	26430	4.59
2016	27730	4.04
2017	29810	7.90
2018	33940	10.76
2019	37900	8.13
2020	37430	-0.89
2021	41470	8.57
2022	54130	16.71

**J.**

## **SPECIFIC AREAS FOR INSURANCE SECTOR**

**J.1**

**CLAIMS MANAGEMENT & DETAILS  
OF OUTSTANDING CLAIMS (IBNR &  
IBNER) WITH AGEING THEREOF**

**J.3**

**ACCOUNTING RATIOS PERTAINING  
TO INSURANCE BUSINESS**

**SOLVENCY MARGIN STATUS**

**J.2**

**REVIEW ON ASSETS QUALITY**

**J.4**



**DESH GENERAL INSURANCE COMPANY LIMITED**

## CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER) WITH AGEING THEREOF

The reputation and image of an insurance company depends on the speed and efficiency by which it settles a claim. Managing claims in a systematic and comprehensive manner is essential for all Insurance Companies. In this sense the claim department also acts as a Customer Care Department, since customer retention and loyalty is shaped during the claim administration process. Claim handling is a part of reputational risk. Good claim handling brings reputation while bad claim handling can bring disgrace for an insurance company. A successful claim management should try to design an internal claim process that shall be simple and robust.

When an Insured party incurs Loss a claim is made &/or lodge to the Insurer to cover the loss as stipulated in the Insurance Contract. For an Insurance Company, the settling of the losses and adjustment difference between itself and the Insured is known as claims management. Attention is necessary by the Insurer because under payment call leads to loss of a customer, yet over payments can lead to bankruptcy.

Our claim management system at DGIC includes a business process management capability that enables us to settled claims quickly. Claims processing is a crucial service component for insurance companies. Its component helps to simplify the claims process for client's and business partners. The claims processing components are a comprehensive system designed to provide claims management and processing support and make it possible to receive initial notification(s) from a variety of sources, including mail, fax, email and call center. Notifications from the claimants are recorded and properly notified to the regulator. Claims Management provides support for defining parties and designations, information requirements ordering and follow-up, claim and benefit calculations. Although, certain Claims also require special handling, such as contestable claims or claims are requiring more investigation.

### Outstanding claims (IBNR and IBNER) with ageing thereof

The IBNR, which is the abbreviated form of incurred but not reported reserves (IBNR), are the reserves for claims that become due with the occurrence of the events covered under the insurance policy, but have not been reported yet. The IBNR reserves can be computed using methods like Incurred Chain Ladder, Paid Chain Ladder, and Paid Bornhuetter-Ferguson etc.

In insurance, incurred but not reported (IBNR) claims is the amount owed by an insurer to all valid claimants who have had a covered loss but have not yet reported to the Company. Since the insurer knows neither how many of these losses have occurred, nor the severity of each loss, IBNR is necessarily an estimate. The sum of IBNR losses plus reported losses yields an estimate of the total eventual liabilities the insurer will cover, known as ultimate losses.

Outstanding claims reserves in General Insurance are the technical reserve or accounting provision in the financial statements of an insurer. They seek to qualify the outstanding loss liabilities for insurance claim which have been reported and not yet settled (RBNS) or which have been incurred but not yet reported (IBNR) reserves. This is a technical reserve of Insurance Company and is

established to provide for the future liability for claims which have occurred but which have not yet been settled.

Incurred but not enough reported (IBNER), reserves are the claim applications made wherein the losses have been reported but not adequately.

### **Claims Settlement:**

Insurance is a means of protection from financial loss and a form of risk management to an uncertain loss. So claims settlement bears paramount importance for an insurance company. Claims are a formal request by Insured to Insurer for coverage or compensation for a covered loss or policy event. The insurance company validates the claim and, once approved, issues payment to the insured. Intrinsically, the Claims Department of Desh General Insurance Company Limited (DGIC) manages the settlement of claims through a detailed procedure.

**Claims Settlement Procedure:** Claims settlements are the most important aspect of the functioning of an insurance company. The claim procedure and settlement of any insurance company requires being very simple and having to be very transparent. Quick settlements of claims play a vital role in building goodwill for an insurance company and make bonding with the clients and solidify relationships. Desh General has a Claims (settlement) Committee of Five Members headed by Mr. Aminur Rahman, who regularly meet to settle Claims of the insureds. The Chief Executive Officer (CEO), Additional Managing Director (Operation), Company Secretary of the Company and Head of Claims always present and participate in discussion with the members of the committee. The scope of work of the committee is wide and makes every claim settlement smooth. The committee reports regularly to the board of directors.

The underwriting and the claims department of Desh General Insurance Company Limited (DGIC) is composed of a highly qualified, experienced and clients friendly workforce. Due to their client's centric approach and cooperative mindset no complexities arises in claims settlement. It is also happening in the procedure of proper underwriting. DGIC follows the aspects below for claim settlement:

- \* To make the clients satisfied
- \* To use the claim settlement as a tool of marketing
- \* To avoid defects in underwriting

As the settlement is through the process and requires documentation and proper intimation. At Desh General Insurance Company Limited (DGIC), we act on the client's intimation and instantly we appoint surveyors as per the Insurance law and got the report and settled the claim by **5 to 10** working days after having all related documents. In addition if require DGIC remind the clients for submission of the papers and documents. The team of the claims department tries their level best to send every service to meet the client expectations.

Alpha Rating has attributed AA (pronounced Double AA) to Desh General Insurance Company Limited (DGIC) for its high claims-paying ability. DGIC strictly follows the guidelines of the Insurance Development Authority of Bangladesh (IDRA) in settling claims.



## **J.2 SOLVENCY MARGIN STATUS**

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer's funds. Methods of valuation of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the Required Solvency Margin (RSM), which an insurer must maintain at all times. The solvency of an Insurance Company corresponds to its ability to pay claims. The solvency of an insurance company depends largely on whether sufficient technical reserves like Exceptional Claims Losses Reserve, Unexpired Risk Reserve, General Reserve etc. have been set up for the obligations entered into and whether the company has adequate capital as security.

Moreover, solvency margin assists financial investment managers when making a decision on the risk or reward capability of an insurance company to return dividend to its shareholders. In Bangladesh, regulations for Solvency Margin for Non-life Insurance companies has been drafted by IDRA and approved as well as promulgated through official gazette by the Finance Ministry.

## **J.3 ACCOUNTING RATIOS PERTAINING TO INSURANCE BUSINESS**

Premium income of Desh General Insurance Company Limited (DGIC) has been increasing mostly every year by the hard work of the head of Branches and executives including the top executives. They have given all-out efforts for smooth servicing to the clients. Management team also supported the head of Branches, if any, for procuring the business by providing uninterrupted services to the clients efficiently.

## **J.4 REVIEW ON ASSETS QUALITY**

Desh General Insurance Company Limited (DGIC) always focuses on the superior asset quality so that these will bring highest value to the company; ensure satisfactory return to the stakeholders ensuring sustainable development. To perform the said objectives, the company has the policy to review its assets periodically and as a result of continuous monitoring and development of the assets quality, the company could achieve healthy growth almost every year. However, because of the inherently risky nature of core business, sometimes the claims may be unbearable to ease the profitability as required to allow healthy return to the investors.

The Stock Markets in Bangladesh during the year 2022 were not easy going and it significantly affected the position of assets of the Company. Desh General Insurance Company Limited (DGIC) believes that this downtrend position would turn in the near future and it would regain the market position of its investment which would certainly increase the assets value of the Company.

## K. REPORT ON OTHER ACTIVITIES

K.1

REPORT ON CLAIMS  
SETTLEMENT

K.3

REPORT ON RE-INSURANCE

K.5

FINANCIAL CALENDAR

INTERNAL AUDIT REPORT K.2

REPORT ON PRE SURVEY  
RISK INSPECTION K.4



**DOSH GENERAL INSURANCE COMPANY LIMITED**

## K.1 REPORT ON CLAIMS SETTLEMENT

Settlement of Claims is the main and sensitive issue for an insurance company. In the present scenario with ruthless competition in the insurance market and with a view to grabbing more insurance business the clients have to be kept satisfied by quick and easy settlement of their claims. Desh General Insurance Company Limited (DGIC) is proud for its quick settlement of claims.

Whenever Desh General Insurance Company Limited (DGIC) gets any information of casualty to the insured's property it instantly appoints an authorized surveyor and it takes around 5 to 10 working days' time to settle the claim upon having the minimum documents from the Insured relating to the loss like Fire Brigade report in case of happening of a fire damaging insured's property. In some cases, delays occur only due to delay in submission of the documents by the insured. Desh General Insurance Company Limited (DGIC) always keeps in mind that due to delay in settlement of claims, if a client/customer is lost once, it is most likely a loss forever.

Besides, Desh General Insurance Company Limited (DGIC) renders its best services constantly through the Customer Care Department equipped with highly experienced professionals to the clients after any occurrence of loss by any occurrence to the Insured's properties.

Desh General Insurance Company Limited (DGIC) has been awarded a credit rating of "AA" for higher claim paying ability by Alpha Credit Rating Limited.

Desh General Insurance Company Limited (DGIC) always follows the rules, regulations and guidelines of Insurance Development & Regulatory Authority (IDRA).

Insurance converses promises to take care of most of the financial burden of a policyholder in case of a claim. The hassle free claims settlement is a most important part of an insurance company. Hence, Desh General Insurance Company Limited (DGIC) has evolved insurance claim management significantly over the past 22 years.

### Claims Settlement during the Year-2022

SL No.	Type of Claims	Amount in Tk.
01	Fire	7,003,450.00
02	Marine Cargo	16,515,598.00
03	Motor	950,677.00
Total		24,469,725.00

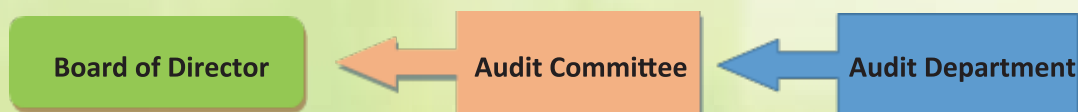
## K.2 INTERNAL AUDIT REPORT

In *Desh General Insurance Company Limited (DGIC)*, internal auditing is an independent, objective assurance and consulting activity designed to add value and improve Company's operations. It helps the management of the Company accomplish its objectives bringing in a systematic and disciplined approach, to evaluate and improve the effectiveness of risk management, control, compliance and governance processes. Desh General Insurance Company Limited (DGIC) always tries to be systematic, disciplined and transparent in all its activities. The Internal audit department ensures the Company to run its activities systematically abiding by management policy, plan and guidelines issued Head office and various regulatory authorities.

**Objective:** - The aim of internal control of the Company is to provide reasonable assurance by means of system of processes and procedures implemented by Desh General Insurance Company Limited (DGIC) so that the following objective may be achieved:

- a. Accuracy of financial statistics
- b. Optimization of operational competence
- c. Compliance with the laws and regulation

### Reporting Diagram:



**Scope:** The internal audit function will assist the Company in fulfilling its vision, mission, strategic initiatives, and objectives. It helps the Company to adhere to its core values following systematic and disciplined approach; to evaluate and improve the effectiveness of enterprise-wide risk management, internal control systems and governance processes. Ultimately, the internal audit function will help ensure:

- Risks are appropriately identified and managed;
- Significant financial, managerial and operating information are accurate, reliable and timely;
- Employees' actions are in compliance with Company's policies, standards, procedures and applicable laws and regulations;
- Company's resources are acquired economically, used efficiently and safeguarded adequately;
- Company's operations are transacted in accordance with sufficient internal controls, good business judgment and high ethical standards;
- Quality and continuous improvement are fostered in the Company's internal control processes;

The main duties and functions of Internal Control and Audit Department, inter alia, are broadly classified as under:

- i. Systems audit
- ii. Operational audit including efficiency audit
- iii. Management audit



## Internal Audit Process



### A. Audit Program

- The Head of the Internal Control and Audit Department starts to prepare an audit plan before the commencement of each year. He draws it up and gets approval from the Audit Committee and the audit functions for that financial year are carried out accordingly.
- The annual program states the various areas which are subject to audit.
- The Audit Committee monitors the progress of work every monthly, quarterly and half-yearly.
- Company Secretary and Head of the Internal Control and Audit attend the meeting regularly.

### B. Reporting Structure

Functionally the Internal Control and Audit Department reports directly to the Audit Committee for its activities.

### C. Audit Function in Desh General Insurance Company Limited (DGIC):

The Audit Department covers all departments of Head Office and Branches in its audit program.

**01. Departmental Audit:** Departmental audits evaluate accounting controls, ensure compliance with departmental flow charts, job responsibility of individual employees, improvement of efficiency, policies and procedures, applicable laws and regulations and validate the records and account balances. The Audit department audits Branch Control Department, Share Trade & Investment Department, Finance and Accounts Department, Claims Department, Administration & Establishment Department, Public Relations and Business Development Department every year.

**02. Branch Audit:** Branch audits are designed to evaluate procedures and controls which impact the attainment of the Company's organizational goals and objectives. Branch audits also measure compliance with organization policies and procedures as well as applicable laws and regulations and guidelines issued from Head office time to time during operational audits, functional tests and transaction review.

**03. Performance/MIS Audit:** A management information system (MIS) provides information which is needed to manage an organization efficiently and effectively. The Company is able to highlight its strengths and weaknesses due to the presence of revenue reports, employees' performance record etc. The MIS gives an overall picture of the company and acts as a communication and planning tool. Through MIS the audit team of Desh General Insurance Company Limited (DGIC) can evaluate the performance of an individual employee, budgetary control and company's business performance and report analysis on a quarterly, half-yearly and yearly basis.

#### **D. Audit Finding & Audit Reporting**

After completion of the audit, the Head of the Audit sends a complete audit report along with audit findings, comments and recommendations to the Branch In-charge for their feedback within the stipulated time frame. Feedback is important to the Audit Department, since it can help it improve the audit process. The audit department also sends an audit report to the Managing Director, Central account department, Branch control department and other departments as required. After getting an opinion, the summary of the report is forwarded to the Audit Committee for review.

#### **E. Follow-up**

Follow-up reviews are performed on an issue-by-issue basis and typically occur shortly after the expected completion date so that agreed-upon corrective actions can be implemented. The purpose of the follow-up is to verify that the concerned branch/departments have accomplished the agreed-upon corrective actions. The Audit Department always follows up the corrective actions whether they are implemented within a stipulated time frame.

## **K.3 REPORT ON RE-INSURANCE**

Reinsurance is the life blood of a non-life insurance company whereas a number of risks of different sizes, i.e. small, medium, big and large, are underwritten. Hence reinsurance provides the main underwriting support to protect the financial stability of an insurance company in the time of claim occurred. Proper reinsurance arrangement with the reputed reinsurance companies is the most important job of the reinsurance department of a company as well.

Reinsurance is, by its nature, a global business, which deploys capital across geographical boundaries and line of business. The intent of reinsurance is for an insurance company to reduce the risks associated with underwritten policies by spreading risk across alternative institutions. Reinsurance also increases the capacity of underwriting for the traditional and any new line of

insurance business as well as reinsurance protects insurance companies, policy holders and its stakeholders through providing instant solvency capital to stabilize net claim ratio. Reinsurers apply sophisticated risk management processes to take any risks. But to work in a prominent and effective way, it requires a reliable legal system which is secured and honors the freedom of contract.

In a developing country like Bangladesh, insurance companies are playing a very significant role in economic expansion. With higher income and literacy rate, people are expected to recognize the benefits of insurance in business and thus raising the demand of insurance services. Though the insurance industry has a very high prospect in the economy, but for some reasons, it totally failed to achieve its goal. The insurance industry in general and the reinsurance industry in particular is facing a number of significant challenges and constraints which will need to be decisively addressed in the coming years if the industry wants to maintain its role in an expanding global economy.

Regulation of the reinsurance industry is increasing but in a piecemeal fashion without any key techniques and parameters. At the same time the demand for reinsurance solutions in specific business segments and for specific needs of primary insurance companies' is growing. Satisfying this demand is the commercial role of the reinsurance industry and because of the industry's risk diversification; it is able to insure risks at a lower cost and higher security than primary insurers with less diversified portfolios. Thus, reinsurance which facilitates the spread of risk exposure over a larger capital base is an important tool for the insurance industry. Reinsurance plays a vital role in providing capital to insurers thus securing affordable protection to policyholders.

Since reinsurance is a financial and services arrangement between an insurer and a reinsurer, it contains a number of different steps to transfer the risk in the global market as well as financing for ensuring underwriting capacity to the insurance companies. The government of Bangladesh modified the system through promulgation of the Insurance Corporations (Amendment) Act 1990. The changes allowed private sector insurance companies to place 50% reinsurance of the business to state owned corporations and to place the remaining 50% of their business with any reinsurer of their choice, at home or abroad.

Sadharan Bima Corporation (SBC) underwrites 100% of Public Sector business and distributes 50% to private insurance companies in the country.

Out of 45 private Non-life Insurance Companies only few companies have their 50% Reinsurance arrangement with abroad. DGIC is one of them who have their reinsurance support with very renowned reinsurers for its some exceptional businesses. As reinsurance is a key drive of growth and stability for an insurance company, DGIC generally arranged the best reinsurance arrangement with the local reinsurer Sadharan Bima Corporation (State owned reinsurer of Bangladesh) as well as Facultative Reinsurance with local and foreign reinsurers.

Since career development is an ongoing, dynamic process, employees may need encouragement and support in reviewing and re-assessing their goals and activities.



Efficient service and the highest financial security to the clients are the most priority of DGIC. So, DGIC always ensures the full reinsurance protection with high rated reinsurers as well as provides systematic risk management advice and the best insurance terms to the clients while maintaining the full business ethics and regulations.

## **K.4 REPORT ON PRE SURVEY RISK INSPECTION**

Pre Survey Risk inspection plays a vital role to identify threats of clients' businesses and implement best practices mitigation measures. Risk analysis is the first step in managing and preventing risk that brings a revolutionary positive outcome while the insurer takes the decision to carry out an analysis through pre risk inspection. Effective steps of Pre-risk inspection:

Desh General Insurance Company Limited (DGIC) prefers to do Pre Risk Assessment by hiring professional expertise to improve, manage and prevent risk, as the pre-risk survey is mandatory for large facilities in international as well as local reinsurance markets. A professional risk survey is a basis for sound property insurance programs, allows making well-informed decisions on parameters of the coverage system, and avoiding both inappropriate over-estimation of insurance expenses as well as adoption of an insufficiently reliable risk insurance program.

Effective pre-risk inspection report allows insurers, reinsurers and insurance brokers to assess the quality of risk and to estimate the amount of potential damage as well as to obtain an unbiased independent opinion on the state of protection of their property from fire, explosions, machinery breakdown, malicious acts, climatic perils, the possibility of major losses due to business interruptions etc. In addition, the report suggests measures (recommendation) aimed at reduction of the probability of loss occurrences (prevention) and/or minimization of loss from the occurrences.

Desh General Insurance Company Limited (DGIC) always does the pre-inspection of any property of the client either by external or by internal expert. As per the Circular of Insurance Development & Regulatory Authority (IDRA), it is important to get the survey, if the insured amount is Tk. 5 crore or above. DGIC always complies with the guidelines of the Authority regarding risk inspection.

Besides, the Company is also transparent in charging premium amounts to its clients. In this way, Desh General Insurance Company Limited (DGIC) tries to mitigate the risk and build a positive image in clients' minds for mutual interest; the Company also tries to offer the client with the best and competitive rate and terms from CRC (Central Rating Committee) from abroad (if necessary).

Pre-risk assessment is the most important function of a risk assessment process to pre-determine the possible scenarios and potential damages and then take the steps insistently about the business portfolio. Pre-risk assessment also helps us relieve of the possible risk that might be created by clients through hiding information.



## K.5 FINANCIAL CALENDAR

Desh General Insurance Company Limited (DGIC) is very much concerned about the interest of its stakeholders on the company including the potential investors. The following historical information would help our present and potential investors for their decision making:

### 2022

BoD Meeting for the Announcement of 2022 Final Results

May 29, 2023

Record date

July 03, 2023

Annual Report 2022 dispatched

August 06, 2023

**Date of 23<sup>rd</sup> Annual General Meeting**

**August 28, 2023**

Dividend (Proposed)

05 % Cash

### 2021

BoD Meeting for the Announcement of 2021 Final Results

April 23, 2022

Record date

June 01, 2022

Annual Report 2021 dispatched

June 20, 2022

**Date of 22<sup>nd</sup> Annual General Meeting**

**July 07, 2022**

Dividend Declared

10% Cash

**L.**

## **SUMMARY OF ACCOUNTS**

**L.1**

**FINANCIAL HIGHLIGHTS**

**SUMMARY OF QUARTERLY  
FINANCIAL PERFORMANCE**

**L.2**



**DESH GENERAL INSURANCE COMPANY LIMITED**

## L.1 FINANCIAL HIGHLIGHTS:

Desh general Insurance has been maintaining a significant growth in the recent years in its financial position and performance of its business operation in the non-life insurance sector of Bangladesh. Under below statements and graphical composition of operational performance and financial position indicates its growth of performance of the company for the year ended December 31, 2022.

### GROSS PREMIUM INCOME-

2022	2021	2020	2019	2018
429.5	344.23	304.20	308.19	203.39

### Net Premium Income-

2022	2021	2020	2019	2018
193.34	193.27	200.17	167.95	102.22

### Underwriting Profit-

2022	2021	2020	2019	2018
77.78	83.45	77.06	65.93	48.31

### Total Assets-

2022	2021	2020	2019	2018
990.18	894.88	705.75	693.74	573.42

### Shareholders' Equity-

2022	2021	2020	2019	2018
454.26	452.79	286.22	278.80	272.58

### Fixed Assets-

2022	2021	2020	2019	2018
111.53	117.55	126.70	131.84	121.71

### Earnings Per Share (EPS)-

2022	2021	2020	2019	2018
1.04	1.24	1.51	1.36	1.00

## L.2

## SUMMARY OF QUARTERLY FINANCIAL PERFORMANCE

### THE HIGHLIGHTS OF THE FIRST QUARTER (Q1) FINANCIAL STATEMENTS

The Board of Directors of Desh General Insurance Company Limited at its meeting 140th meeting held on April 27, 2022 at 2.30 p.m. by using digital platform approved the First Quarter (Q1) Unaudited Financial Statement 2022 and took the following decision.

Particulars	March 31, 2022	December 31, 2021
Net Asset Value (NAV)	472,789,294	452,793,752
Net Asset Value (NAV) Per Share	11.82	11.32
	1 January 2022 to 31 March 2022	1 January 2021 to 31 March 2021
Earnings Per Share(EPS)	0.50	0.45
Net Operating Cash Flow Per Share (NOCF)	0.22	0.26

“The details of the published First Quarter (Q1) Financial Statements are available on the website of the Company”



## THE HIGHLIGHTS OF THE SECOND QUARTER (Q2) FINANCIAL STATEMENTS

The Board of Directors of Desh General Insurance Company Limited at its meeting 142th meeting held on July 7, 2022 at 2.45 p.m. by using digital platform approved the Second Quarter (Q2) Unaudited Financial Statement of the company for the period ended June 30, 2022. The highlights of the Second Quarter (Q2) Financial Statement are as follows:

Particulars	Amounts	
	As at 30 <sup>th</sup> June 2022	As at 30 <sup>th</sup> June 2021
Net Asset Value	4,85,809,130	4,74,939,036
Net Asset Value (NAV) Per Share	12.15	11.87

Particulars	Amount (Tk.)			
	1st January 2022 to 30th June 2022	1st January 2021 to 30th June 2021	1st April 2022 to 30th June 2022	1st April 2021 to 30th June 2021
Financial Performance				
Net profit after tax	3,30,15,379	2,87,14,330	1,23,89,117	1,14,71,595
Basic and Diluted Earnings Per Share(EPS)	0.83	0.72	0.31	0.29
Net Operating Cash Flow Per Share (NOCF)	0.26	0.22		
Net Asset Value (NAV) Per Share	12.15	11.87		

“The details of the published Second Quarter (Q2) Financial Statements are available on the website of the Company”

## THE HIGHLIGHTS OF THE THIRD QUARTER (Q3) FINANCIAL STATEMENTS

The Board of Directors of Desh General Insurance Company Limited (DGIC) at its 143rd meeting held on October 27, 2022 at 3.00 p.m. at Head Office, Jiban Bima Bhaban (Level-5), 10, Dilkusha C/A, Dhaka has approved the Third Quarter (Q3) Unaudited Financial Statement of the company for the period ended September 30, 2022. The highlights of the Third Quarter (Q3) Financial Statement are as follows:

Consolidated Financial Performance Highlights				
Particulars	Amount (Tk.) ( 9 Months )		Amount (Tk.) (3 Months )	
	1st January,2022 to 30th Sept,2022	1st January 2021 to 30th Sept,2021	1st July,2022 to 30th Sept,2022	1st July,2021 to 30th Sept, 2021
Net profit after tax	43,615,951	39,401,766	10,578,515	10,777,960
Earnings Per Share (EPS)	1.09	0.99	0.26	0.27
Net Operating Cash Flow Per Share (NOCFPS)	0.46	0.37	N/A	N/A
Net Asset Value (NAV) Per Share	11.40	11.26	N/A	N/A
Particulars	As on 30 <sup>th</sup> September, 2022		As on 31 <sup>st</sup> December, 2021	
Net Asset Value	456,109,702		452,793,752	
Net Asset Value (NAV) Per Share	11.40		11.32	

“The details of the published Third Quarter (Q3) Financial Statements are available on the website of the Company”

## THE HIGHLIGHTS OF THE ANNUAL FINANCIAL STATEMENTS (AUDITED)

This is for kind information of all concerned that the Board of Directors of **Desh General Insurance Company Limited (DGIC)**, while considering the Annual Financial Statements (Audited) -2022 of the company in its 145th Board Meeting held on Monday May 29, 2023 started at 3.00 p.m, has taken the following **Price Sensitive Decisions**:

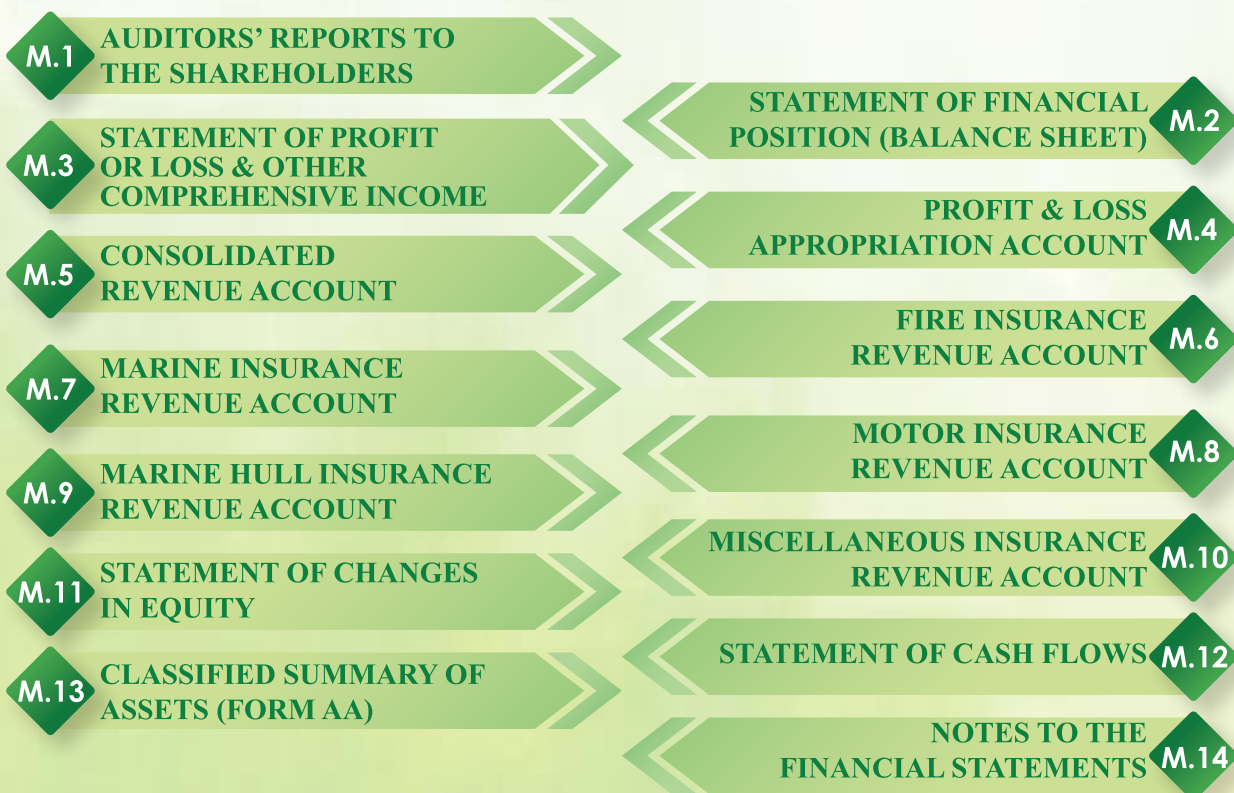
The Key Financial Indicators of the Annual Financial Statement (Audited ) as on December 31, 2022		
PARTICULARS	Year-2022 (BDT)	Year-2021 (BDT)
Net Asset Value (NAV) per share	11.36	11.32
Earnings Per Share (EPS)	1.04	1.24
Net Asset Value (NAV)	454,267,946	452,793,752
Net Operating Cash Flow per share (NOCFPS)	1.49	0.81

“The details of the published Audited Annual Financial Statements-2022 are available on the Company's website at: [www.deshinsurancebd.com](http://www.deshinsurancebd.com)”.



# M.

## AUDITORS' REPORT AND FINANCIAL STATEMENTS





## M.1 AUDITORS' REPORTS TO THE SHAREHOLDERS



A member of  
**Nexia**  
International

ম্যাবস এন্ড জে পার্টনার্স  
**MABS & J Partners**  
Chartered Accountants

### **Independent Auditor's Report To the Shareholders of Desh Genaral Insurance Company Limited**

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

##### **Opinion**

We have audited the financial statements of Desh Genaral Insurance Company Limited (the Company) which comprise the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2022, and 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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of Matters**

Without modifying our opinion, we draw attention to the following matters:

01. Reference to the Note no. 22 and 28 of the financial statements, amounting to BDT 67,267,662 and 366,849,783 have been recognized by Desh General Insurance Company Limited as amount due to and due from Sadharan Bima Corporation (SBC) as on 31 December 2022. These amounts are not reconciled with SBC as on the reporting date.
02. Management expense of the company for the year has been exceeded the limit as mentioned in *Section 63 of the Insurance Act 2010: Limitation of expenses of management in non-life insurance business.*
03. Provision for the Workers Profit Participation Fund (WPPF) has been recognized by the company. However, the amount has not been distributed yet as per the Labor Act 2006 as amended in 2013.



• Corporate Office : 3MG Tower (Level 5 & 7), 33 Baranji C/A, Road 17, Dhaka-1213, Bangladesh. Phone : +880-2-222275057 & 58, +880-2-222275365 & 68, E-mail : info@mabsj.com, Web : www.mabsj.com  
• Motijheel Branch Office : 21 Purana Pollan Line (Level 4), Dhaka-1000, Bangladesh. Phone : +880-2-8831546/88315471, Fax : +880-2-48320936, E-mail : info@mabsj.com, Web : www.mabsj.com  
• Chattogram Branch Office : Jahan Building 5 (Level 3), 74 Agrabad C/A, Chattogram-4100, Bangladesh. Phone : +88-01722-156260, E-mail : info@mabsj.com, Web : www.mabsj.com

Member firm of Nexia International, UK



A member of  
**Nexia**  
International

ম্যাবস এন্ড জে পার্টনার্স  
**MABS & J Partners**  
Chartered Accountants

### Key Audit Matters

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

Risk	Our Response to the risk
<b>Premium Income</b>	
Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. 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.	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> <li>• The design and operating effectiveness of key controls around premium income recognition process.</li> <li>• Carried out analytical procedures and recalculated premium income for the period.</li> <li>• Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.</li> <li>• On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.</li> <li>• Ensured on a sample basis that the premium income was being deposited in the designated bank account.</li> <li>• Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li> <li>• 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.</li> <li>• Applying specialist judgment ensured if there is any impairment of the reinsurer.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>





#### Investment in Listed Shares

Insurance company makes a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is also transferred to the Profit & Loss Account. This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.

We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:

- Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report.
- Ascertained the valuation of the holding as per IFRS 09 & 13.
- Recalculated unrealized gain or loss at the year end.
- Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period.
- Obtained the DGICL report and share portfolio and cross checked against each other to confirm unrealized gain or loss.
- Check the subsequent positioning of this unrealized amount after the year end.

Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

#### Estimated liability in respect of outstanding claims whether due or intimated and claim payment

This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.

We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive tastings around this item:

- Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.
- Obtained a sample of claimed policy copy and cross check it with claim.
- Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.
- Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.
- Reviewed the claim committee meeting minutes about decision about impending claims.
- Tested a sample of claims payments with intimation



	<p>letter, survey report, bank statement, claim payment register and general ledger.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</p>
--	--

#### Other Matter

The financial statements of Desh General Insurance Company Limited for the year ended December 31, 2021, were audited by another auditor who expressed an unmodified opinion on those statements on April 28, 2022.

#### Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

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

#### Responsibilities of Management and Those Charged with Governance for the financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 the mall 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 the other applicable Laws and Regulations, We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) The Company's 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 9where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been fully charged to the related Revenue Account and the statement of profit or loss & other comprehensive income of the company; and
- e) As per section 54(5) of Insurance Act 2010 as amended, 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 of its business re-insured abroad;
- f) The Company's Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of 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 accounts and returns; and
- g) The expenditure incurred was for the purpose of the Company's business.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC: 2305300535AS820747

Place: Dhaka, Bangladesh  
Dated: 29 MAY 2023

## M.2 STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

**Desh General Insurance Company Limited**  
**Statement of Financial Position**  
As at December 31, 2022

Particulars	Notes	Amount in Taka	
		31 December 2022	31 December 2021
<b>EQUITY AND LIABILITIES:</b>			
Share Capital			
<b>Authorized:</b>			
100,000,000 Ordinary Shares of Tk. 10 each	19.00	1,000,000,000	1,000,000,000
<b>Issued, Subscribed and Paid up Capital:</b>			
40,000,000 Ordinary Shares of Tk. 10 each	20.00	400,000,000	400,000,000
<b>Reserve or Contingency Account</b>		54,267,946	52,793,751
Profit and Loss Appropriation Account		54,267,946	52,793,751
Reserve for Exceptional Losses		-	-
<b>Total Shareholders' Equity</b>		454,267,946	452,793,751
<b>Balances of Funds &amp; Accounts:</b>	36.00	117,838,433	77,856,830
Fire Insurance Business		42,421,676	23,828,231
Marine Insurance Business		57,958,244	40,426,412
Motor Insurance Business		6,329,600	5,282,905
Miscellaneous Insurance Business		10,297,274	7,410,957
Marine Hull Insurance Business		831,639	908,325
<b>Liability and Provisions</b>		418,076,934	364,237,555
Estimated liabilities in respect of outstanding claims whether due or intimated	21.00	108,431,888	30,752,466
Amount due to other persons or bodies carrying on insurance business	22.00	67,800,957	87,367,612
Deposit Premium	23.00	3,127,046	2,920,414
Bank Loan	24.00	70,335,987	81,200,194
Unclaimed Dividend		1,189,404	953,388
Sundry Creditors	25.00	47,949,403	50,350,384
Lease Liability		3,722,961	2,831,205
Deferred Tax Liability	35.01	14,790,260	14,383,808
Provision for Taxation	35.00	100,729,028	93,478,083
<b>Total Liabilities</b>		535,915,367	442,094,385
<b>Total Shareholders' Equity and Liabilities</b>		990,183,313	894,888,136





**Desh General Insurance Company Limited**  
**Statement of Financial Position**  
As at December 31, 2022

Particulars	Notes	Amount in Taka	
		31 December 2022	31 December 2021
<b>PROPERTY AND ASSETS</b>			
<b>Non-Current Assets</b>		<b>181,279,791</b>	<b>145,604,945</b>
Fixed Assets	33.01	107,414,599	113,078,770
Intangible Assets	33.02	4,124,824	4,474,363
Right of use asset		4,740,368	3,051,812
BD Govt. Treasury Bond	26.00	65,000,000	25,000,000
<b>Current Assets:</b>		<b>469,008,084</b>	<b>379,258,685</b>
Accrued Interest	27.00	9,118,197	8,140,914
Investment in Shares		31,127,752	36,977,222
Amount due from other persons or bodies carrying on insurance business	28.00	367,078,472	278,086,762
Sundry Debtors	29.00	61,683,663	56,053,787
Stamps in Hand		613,506	764,051
Stock of Printing Materials		4,172,486	4,225,311
<b>Cash &amp; Cash Equivalents:</b>		<b>335,109,446</b>	<b>365,035,145</b>
Fixed Deposit Account	30.00	305,149,083	330,649,083
STD & Current Account	31.00	27,781,725	32,234,946
Cash in Hand	32.00	2,178,638	2,151,116
<b>Total Property and Assets</b>		<b>990,183,313</b>	<b>894,888,136</b>
Net Asset Value (NAV) per share	40.00	11.36	11.32

The accompanying notes and annexures form an integral part of this financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)

**Deputy Managing Partner**

ICAB Enrollment No: 0535

DVC NO: 2305300535A5820747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023



## M.3

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## Desh General Insurance Company Limited Statement of Profit or Loss and other Comprehensive Income For the year ended 31 December 2022

Particulars	Notes	Amount in Taka	
		31 December 2022	31 December 2021
<b>Interest, Dividend &amp; Rent</b>		<b>17,486,250</b>	<b>23,928,603</b>
Interest on BD Govt. Treasury Bond		3,114,199	1,988,500
Interest on FDR		17,638,613	13,001,305
Interest on STD Accounts		261,955	316,576
Unrealized Gain/Loss		(5,655,179)	
Share Gain/Loss		1,065,478	7,977,222
Dividend Income		622,739	645,000
Miscellaneous Income		438,445	-
<b>Operating profit/(loss) transferred from:</b>		<b>77,781,261</b>	<b>83,454,562</b>
Fire Insurance Revenue Account		38,212,063	41,531,019
Marine Insurance Revenue Account		37,750,320	40,241,810
Marine Hull Insurance Revenue Account		(169,132)	366,426
Motor Insurance Revenue Account		5,976,152	10,375,238
Miscellaneous Insurance Revenue Account		(3,988,141)	(9,059,931)
		<b>95,267,512</b>	<b>107,383,165</b>
<b>Less: Management Expenses</b>		<b>25,720,671</b>	<b>30,682,778</b>
Expenses of Management (Not applicable to any particular fund of account)		1,074,636	1,081,420
Advertisement & Publicity		230,000	195,500
Audit Fees		212,000	63,250
Professional Fees		57,500	1,239,125
Sundry Audit Fees		656,135	590,530
Bank Charge		666,040	601,600
Wall Calendar Bill		10,514,581	10,998,579
Depreciation		2,918,629	3,460,203
Depreciation on Right of use asset		1,017,600	640,000
Director Fees		643,360	433,680
Subscription & Others		-	104,335
Training Fees		4,906,660	6,449,808
Interest on Loan		303,440	356,055
Interest on Lease Liabilities		95,555	1,339,675
Legal Fees		484,502	578,836
Renewal & Registration (Trade)		118,250	118,250
Credit Rating Fees		48,889	48,889
BD Expenses (PSB)		100,000	100,000
Annual Fees (BIA)		1,256,400	1,256,400
Override Expenses (IPO)		416,494	1,026,643
Interest Expense on WPPF		<b>69,546,840</b>	<b>76,700,387</b>
<b>Profit Before WPPF</b>		<b>3,311,754</b>	<b>3,621,685</b>
Worker's Profit Participation Fund		<b>66,235,086</b>	<b>73,078,702</b>
<b>Net Profit/(Loss) before tax</b>		<b>95,267,512</b>	<b>107,383,165</b>

Earning Per Share (EPS)

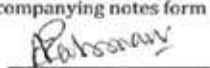
39.00

1.04

1.24

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

**Nasir U Ahmed FCA, FCS, CGMA (AICPA),**  
ACMA (UK), FCA (England & Wales)

Deputy Managing Partner

ICAB Enrollment No: 0535

DVC NO: 2305300535 AS 920747

Place: Dhaka, Bangladesh

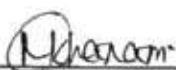
Date: 29 MAY 2023

## M.4 PROFIT & LOSS APPROPRIATION ACCOUNT

**Desh General Insurance Company Limited**  
**Profit and Loss Appropriation Account**  
For the year ended 31 December 2022

Particulars	Notes	Amount in Taka	
		31 December 2022	31 December 2021
Balance brought forward from last Period's account		52,793,751	46,224,707
Net Profit /(Loss) before tax		66,235,086	72,433,702
Reserve for Exceptional Losses		-	-
Dividend Income		-	645,000
<b>Provision for Taxation:</b>			
Deferred Tax	35.01	(406,452)	(66,127)
Current Tax	35.02	(24,354,440)	(26,443,531)
Dividend paid		(40,000,000)	(40,000,000)
Balance transferred to Balance Sheet		<b>54,267,946</b>	<b>52,793,751</b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC NO: 2305300535AS920747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023

**Desh General Insurance Company Limited**  
**Consolidated Revenue Account**  
**For the year ended 31 December 2022**

The accompanying notes form an integral part of the financial statements.

Alfred  
Director

Signed in terms of our separate report of even date.

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & I Partners**  
Chartered Accountants\*

Nasir U Ahmed FCA, FCS, CGMA (ACPA),  
ACMA (UK), FCA (England & Wales)

Deputy Managing Partner  
 ICA® Enrollment No: 0535  
 DVC NO: 2305300 535A5820747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023

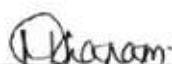


## M.6 FIRE INSURANCE REVENUE ACCOUNT

**Desh General Insurance Company Limited**  
**Fire Insurance Revenue Account**  
For the year ended 31 December 2022

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>Claims under Policies less Re-insurance</b>		
Paid during the year	7,105,665	14,061,106
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	107,387,377	30,504,541
	114,493,042	44,565,647
Less: Outstanding claims at the end of the previous year	30,504,541	38,796,050
Claim for the year	83,988,501	5,769,597
Agency Commission	22,270,001	5,375,287
Management Expenses (Note -34)	56,866,272	52,276,520
Stamp Duty	183	189
Profit/(Loss) transferred to Profit & Loss Account	38,212,063	41,531,019
Reserve for Unexpired Risks, being 40% of the net premium income of the year.	42,421,676	23,828,231
	<b>243,758,696</b>	<b>128,780,843</b>
<b>Balance of Account at the beginning of the year :</b>		
Reserve for Unexpired Risks	23,828,231	35,707,601
Premium Less Re-insurance (Note-41)	106,054,189	59,570,578
Commission on Re-insurance ceded	18,482,230	22,074,237
Profit Commission	-	7,665,061
Loss Recovery	95,394,046	3,763,366
	<b>243,758,696</b>	<b>128,780,843</b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC NO: 2305300535AS820747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023



## M.7 MARINE INSURANCE REVENUE ACCOUNT

**Desh General Insurance Company Limited**  
**Marine Insurance Revenue Account**  
For the year ended 31 December 2022

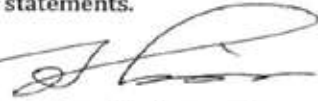
Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>Claims under Policies less Re-insurance</b>		
Paid during the year	17,498,688	2,247,368
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	337,516	-
	<u>17,836,204</u>	<u>2,247,368</u>
Less: Outstanding claims at the end of the previous year	-	-
Claim for the year	17,836,204	2,247,368
Agency Commission	18,944,821	4,484,126
Management Expenses (Note -34)	57,395,753	47,032,887
Stamp Duty	37,750,320	40,241,810
Profit/(Loss) transferred to Profit & Loss Account	57,958,244	40,426,412
Reserve for Unexpired Risks, being 40% of the net premium income of the year.	<u><b>189,885,342</b></u>	<u><b>134,432,603</b></u>
<b>Balance of Account at the beginning of the year :</b>	40,426,412	29,323,623
Premium Less Re-insurance (Note-41)	144,895,609	101,066,029
Commission on Re-insurance ceded	4,192,731	3,747,661
Profit Commission	-	266,329
Loss Recovery	370,590	28,961
	<u><b>189,885,342</b></u>	<u><b>134,432,603</b></u>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No:0535  
DVC NO: 2305300535 As 820747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023

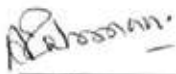
## M.8 MOTOR INSURANCE REVENUE ACCOUNT


**Desh General Insurance Company Limited**  
**Motor Insurance Revenue Account**  
For the year ended 31 December 2022

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>Claims under Policies less Re-insurance</b>		
Paid during the year	790,864	516,033
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	706,995	247,925
	1,497,859	763,958
Less: Outstanding claims at the end of the previous year	247,925	375,943
Claim for the year	1,249,934	388,015
Agency Commission	2,144,953	592,576
Management Expenses (Note -34)	5,895,516	5,416,996
Stamp Duty	2,778	3,377
Profit/(Loss) transferred to Profit & Loss Account	5,976,152	10,375,238
Reserve for Unexpired Risks, being 40% of the net premium income of the year.	6,329,600	5,282,905
	<b>21,598,933</b>	<b>22,059,106</b>
<b>Balance of Account at the beginning of the year :</b>		
Reserve for Unexpired Risks	5,282,905	8,507,594
Premium Less Re-insurance (Note-41)	15,824,001	13,207,262
Commission on Re-insurance ceded	492,027	344,250
Profit Commission	-	-
Loss Recovery	-	-
	<b>21,598,933</b>	<b>22,059,106</b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC NO: 2305300535 AS920747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023

## M.9 MARINE HULL INSURANCE REVENUE ACCOUNT

**Desh General Insurance Company Limited**  
**Marine Hull Insurance Revenue Account**  
For the year ended 31 December 2022


Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>Claims under Policies less Re-insurance</b>		
Paid during the year	44	-
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	-	-
	44	-
Less: Outstanding claims at the end of the previous year	-	-
Claim for the year	44	-
Agency Commission	118,845	78,750
Management Expenses (Note -34)	1,085,399	892,916
Stamp Duty	-	-
Profit/(Loss) transferred to Profit & Loss Account	(169,132)	366,426
Reserve for Unexpired Risks, being 40% of the net premium income of the year.	831,639	908,325
	<b>1,866,794</b>	<b>2,246,417</b>
<b>Balance of Account at the beginning of the year :</b>		
Reserve for Unexpired Risks	908,325	1,229,204
Premium Less Re-insurance (Note-41)	831,639	908,325
Commission on Re-insurance ceded	126,830	108,888
Profit Commission	-	-
Loss Recovery	-	-
<b>Total :</b>	<b>1,866,794</b>	<b>2,246,417</b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC NO: 2305300535AS920747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023



## M.10 MISCELLANEOUS INSURANCE REVENUE ACCOUNT

**Desh General Insurance Company Limited**  
**Miscellaneous Insurance Revenue Account**  
For the year ended 31 December 2022

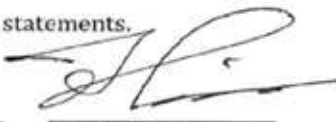
Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>Claims under Policies less Re-insurance</b>		
Paid during the year	696,633	1,719,127
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	-	-
	<u>696,633</u>	<u>1,719,127</u>
Less: Outstanding claims at the end of the previous year	-	-
Claim for the year	<u>696,633</u>	<u>1,719,127</u>
Agency Commission	3,818,311	100,369
Management Expenses (Note -34)	27,180,912	30,045,779
Stamp Duty	493	572
Profit/(Loss) transferred to Profit & Loss Account	(3,988,141)	(9,059,931)
Reserve for Unexpired Risks, being 40% of the net premium income of the year.	<u>10,297,274</u>	<u>7,410,957</u>
	<b><u>38,005,481</u></b>	<b><u>30,216,873</u></b>
<b>Balance of Account at the beginning of the year :</b>		
Reserve for Unexpired Risks	7,410,957	6,040,862
Premium Less Re-insurance (Note-41)	25,743,185	18,527,393
Commission on Re-insurance ceded	4,080,437	4,019,887
Profit Commission on Miscellaneous ceded premium	107,856	88,475
Loss Recovery	<u>663,046</u>	<u>1,540,256</u>
	<b><u>38,005,481</u></b>	<b><u>30,216,873</u></b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman

Signed in terms of our separate report of even date.

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)  
**Deputy Managing Partner**  
ICAB Enrollment No: 0535  
DVC NO: 2305300535A9826747

Place: Dhaka, Bangladesh  
Date: 29 MAY 2023



## M.11 STATEMENT OF CHANGES IN EQUITY



**Desh General Insurance Company Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2022

Amount in Taka

Particulars	Share Capital	Profit & Loss appropriation account	Total
Balance at 1st January 2022	400,000,000	52,793,751	452,793,751
Profit after tax for the year ended 2022		41,474,195	41,474,195
Dividend Receive		-	-
Dividend paid		(40,000,000)	(40,000,000)
<b>Balance at 31 December, 2022</b>	<b>400,000,000</b>	<b>54,267,946</b>	<b>454,267,946</b>
<b>Balance at 31 December, 2021</b>	<b>400,000,000</b>	<b>52,793,751</b>	<b>452,793,751</b>

  
Chief Executive Officer

  
Director

   
Director Chairman



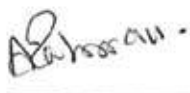
## M.12 STATEMENT OF CASH FLOWS


**Desh General Insurance Company Limited**  
**Statement of Cash Flows**  
For the year ended 31 December 2022

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
<b>A. Cash Flow from Operating Activities:</b>		
Receipts from premium and others	350,167,470	270,092,443
Payment for Management Expenses, Commission, Re-Insurance, Claim, Interest & Other Expenses	(273,474,064)	(227,153,272)
Income Tax Paid	(17,103,494)	(10,606,687)
Net Cash Flow from Operating Activities	59,589,912	32,332,484
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	(4,500,874)	(1,849,690)
(Increase)/ Decrease in Fixed Deposit	(14,500,000)	(103,053,758)
Net Cash Flow from Investing Activities	(19,000,874)	(104,903,448)
<b>C. Cash Flow from Financing Activities:</b>		
Share Capital	-	160,000,000
Share Trading	5,849,469	(36,977,222)
Loans	(10,864,206)	1,049,255
Dividend Paid	(40,000,000)	(40,000,000)
Net Cash Flow from Financing Activities	(45,014,737)	84,072,033
Increase/(Decrease) in Cash and Bank Balance (A+B+C)	(4,425,699)	11,501,069
Add: Cash and Bank Balance at Opening	34,386,062	22,884,993
Cash and Bank Balance at Closing	29,960,363	34,386,062
<b>Net Operating Cash Flow per Share (NOCFPS) ( Note-39.01)</b>	<b>1.49</b>	<b>0.81</b>

The accompanying notes form an integral part of the financial statements.

  
Chief Executive Officer

  
Director

  
Director

  
Chairman



## M.13 CLASSIFIED SUMMARY OF ASSETS (FORM AA)

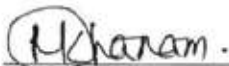
### Desh General Insurance Company Limited

#### FORM - "AA"

#### Classified Summary of Assets

As at December 31, 2022

Sl. No.	Class of Assets	Book Value in Taka 2022	Book Value in Taka 2021	Remarks
(I)	National Investment Bond Statutory Deposit with Bangladesh Bank	65,000,000	25,000,000	At Cost
(II)	Interest accrued but not received	9,118,197	8,140,914	Book Value
(III)	Amount due from other persons or bodies carrying on Insurance Business	367,078,472	278,086,762	Do
(IV)	Sundry Debtors	61,683,663	56,053,787	Do
(V)	Fixed Deposit with Banks	305,149,083	330,649,083	Do
(VI)	STD & Current account with Banks	27,781,725	32,234,946	Do
(VII)	Cash, Cheques & Stamps in hand	2,792,144	2,915,167	Do
(VIII)	Share Trading	31,127,752	36,977,222	Market Value
(IX)	Fixed Assets	116,279,791	120,604,945	Written Down Value
(X)	Stock of Printing materials	4,172,486	4,225,311	At Cost
<b>Total</b>		<b>990,183,313</b>	<b>894,888,136</b>	



Chief Executive Officer



Director




Director



Chairman

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**Nasir U Ahmed** FCA, FCS, CGMA (AICPA),  
ACMA (UK), FCA (England & Wales)

**Deputy Managing Partner**

ICAB Enrollment No: 0535

DVC NO: 2305300535 ASB 20747

Dhaka, Bangladesh

Date: 29 MAY 2023

## M.14 NOTES TO THE FINANCIAL STATEMENTS

### **Desh General Insurance Company Limited**

#### **Notes to the Financial Statements**

As at December 31, 2022

#### **1.00 Corporate Information- Legal Form and Country of Operation**

The Company was incorporated in Bangladesh as a Public Limited Company by Shares on the 08 day of February, 2000 under the Company's Act, 1994 and its Commencement of Business started from The 08 day of February, 2000 and the registration certificate from the Controller of Insurance was received for starting general insurance business on the 2nd day of March, 2000 and this was subsequently renewed by IDRA up to 31 December, 2022.

##### **Address of Registered Office:**

The registered office of the Company is located at Jiban Bima Bhaban, Front Block (Level # 5), 10, Dilkusha Commercial Area, Dhaka-1000. The Operation of the Company was being carried out through its 23 nos. of branches located all over Bangladesh with Head Office at 10, Dilkusha C/A, Dhaka.

##### **Principal Activities and Nature of Operation**

The Main objective of the Company is to carry on all kinds of Insurance, guarantee and indemnity business other than life insurance business.

#### **2.00 Basis of Preparation :**

The following underlying assumptions, measurement Basis, laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the financial statements:

Going Concern

Accrual Basis

Historical Cost Convention

Generally Accepted Accounting Principles (GAAP) and Practices in Bangladesh

The Company's Act, 1994

Insurance Act, 2010

Insurance Rules, 1958 followed for the purpose of prescribed format.

The Securities and Exchange Rules, 1987

The Accounting Standards adopted by the Institute of Chartered Accountants of Bangladesh

#### **2.01 Going Concern**

The 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.

#### **2.02 Accrual Basis**

The financial statements have been prepared under the accrual basis of accounting.

#### **2.03 Premium Recognition**

Premium is recognized when insurance policies are issued, but the premium of Company's share of public sector insurance business (PSB) is accounted for in the year in which the statements are received from Sadharan Bima Corporation.

#### **3.00 Compliance of International Financial Reporting Standards (IFRSs)**

The Financial Statements have been prepared in accordance with the International Financial Reporting standard (IFRSs), including International Accounting Standards (IASs).





#### 4.00 Risk and uncertainty for use of Estimates and Judgments

The preparation of Financial Statements in conformity with the International Financial Reporting Standards (IFRSs) including the International Accounting Standard (IAS) require management to give verdict, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenditures, and for contingent assets and liabilities that require disclosure during and at the date of financial statement.

Actual results could differ from those estimates. Estimates and underlying assumptions used for accounting of certain items such as long-term contracts, provision for doubtful accounts, depreciation and amortization, taxes, reserves and contingencies.

#### 5.00 Compliance of International Accounting Standards (IASs)

In preparing and presenting these financial statements, considering relevant for the significant accounting issues of the company, following IASs, have been implemented by the company, which were issued by the by the ICAB formulated policy, in the light of the IASs originally issued by the International Accounting Standards Board and the conditions and practices prevailing in Bangladesh, and valid as on the balance sheet date:

SI No.	Name of IAS	No. of IAS/IFRS	Status
1	Presentation of Financial Statements	1	Complied
2	Statement of Cash Flows	7	Complied
3	Event after the Reporting Period	10	Complied
4	Income Tax	12	Complied
5	Property, Plant and Equipment	16	Complied
6	Insurance Contracts	04 (IFRS)	Complied
7	Related Party Transactions	24	Complied
8	Financial Instruments: Presentation	32	Complied
9	Earning Per Share	33	Complied
10	Provision, Contingent Liabilities and Contingent Assets	37	Complied

#### 6.00 Specific Accounting Policies Selected and Applied for Significant Transactions and Events

The specific accounting policies selected and applied by the Company's Directors for the significant transactions and events that have material effect within the framework of IAS 1 "Preparation and Presentation of Financial Statements", in Preparation and Presentation of Financial Statements have been consistently applied throughout the year and We are also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS 1 "Preparation and Presentation of Financial Statements".

##### a) Revenue Recognition

Revenue represents invoice value of policies. Revenue is recognized when policies are made. Invoices were issued after satisfying the following conditions as prescribed by IFRS 04 "Insurance Contracts":

- (i) The significant risks and rewards of ownership of the policies have been transferred to the policy holder;
- (ii) the amount of revenue was measured reliably;
- (iii) it was probable that the economic benefits relating to the transaction will flow to the Company;



- (iv) neither continuing managerial involvement nor effective control usually associated with ownership of the policy was retained by the Company; and
- (v) cost relating to the transactions was measured reliably.

**b) Materiality and aggregation**

Each material class of similar items is presented separately in the Financial Statements. Item of a dissimilar nature of function is presented separately unless are immaterial.

**c) Revenue Account**

While preparing the Revenue Account, the effect of necessary adjustment has duly been given in to accounts in respect of re-insurance business ceded and accepted. Re-insurance Premium ceded has been accounted for into accounts.

Surplus or deficit on revenue has been arrived at after providing for un-expired risk 40% on all business except Marine Hull insurance for which 100% provision has been created for un-expired risks.

**d) Premium and Claim**

The total amount of premium earned on various classes insurance business underwritten during the period has been duly accounted for in the books of accounts of the Company and while preparing the financial statements the effect of re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the period whether due or intimated have also been reflected in order to arrive at the net underwriting profit for the period.

**e) Management Expenses**

Management Expenses charged to revenue accounts amounting to Tk. 148423852 represents approximately 34.93% of gross premium of Tk. 42,90,58,247 (Including Public sector business of Tk. 9,61,48,241. The expenses have been apportioned @ 38.31% to Fire, 38.67% to Marine Cargo, 0.73% to Marine Hull, 3.97% to Motor and 18.31% to miscellaneous business as per management decision.

**Property, Plant & Equipment**

**f) Recognition & Measurement**

These are capitalized at the cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of IAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and other related incidental charges. Expenditures incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it might be clearly demonstrated that the expenditure has resulted as an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditures are capitalized as an additional cost of the assets.

**g) 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.

**h) Depreciation**

In respect of all fixed assets, depreciation is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of IAS 16 "Property, Plant & Equipment".





Depreciation on fixed assets has been charged at a reducing balance method. 12 month's depreciation has been charged on the book value of fixed assets excluding Land at the rates varying from 5% to 10%. Depreciation is charged at the rate shown below:

Office Equipment	10%
Motor Vehicle	10%
Decoration	5%
Furniture & Fixtures	10%
Telephone Install.	10%
Signboard & Holding	10%
Computer	10%
Electrical Equipment	10%
Air Condition	10%
Crockeries	10%
Software Installation	10%

Depreciation on the additions charged when an asset becomes available for use. Depreciation on disposal of fixed assets is made up to the day prior to the day of disposal.

#### **De-recognition**

An item of property, plant and equipment 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 assets is included in the statement of comprehensive income in the year asset is de-recognized.

#### **i) Disposal of Fixed Assets**

On disposal of Fixed Assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

- j) Investment is started at its cost of acquisition and interest earned on statutory deposits lying with the Bangladesh Bank in the form Bangladesh Govt. Treasury Bond and the interest and profit earned on term deposit have been duly accounted for on accrual Basis. The statement of comprehensive Income also reflects the income on account of interest on investment in FDR, Bond, Shares and miscellaneous Income. The market value or cost price of investment in share whichever is lower have been taken as investment of share.

#### **k) Sundry Debtors (Including Advance, Deposits and Pre-Payments)**

These are carried at original invoice amount, which represents net realizable value.

#### **l) Cash & Cash Equivalents**

For the Purpose of Statement of Financial Position and of Statement of cash Flows, cash in hand, fixed deposit with other banks, collection in hand, stamp in hand and bank balances represent Cash and cash Equivalents considering the IAS 1 "Preparation and Presentation of Financial Statements" and IAS 7 "Statement of Cash Flows", which provide, that cash and cash equivalents are readily convertible to known amount of cash and are subject to insignificant risk of changed in value and are not restricted as to use.

#### **m) Other Current Assets**

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.



**n) Income Tax**

**Current Tax**

Current Tax has been provided on the estimated taxable profit for the year under review at 37.50% tax rate being the tax rate applicable for the Insurance Company. It also includes adjustments for earlier year's short/excess provision.

**Deferred Tax**

The Company has adopted deferred Tax during the period under the review in compliance with the provisions of International Accounting Standards (IAS-12) 'income Taxes' the company's policy of recognition of deferred Tax assets/Liabilities is Based on temporary differences (Taxable or Deductible) between the carrying amount (Book Value) of assets and liabilities for financial reporting purposes and its tax Base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and Earning Per Share (EPS).

**Provision for Income Tax**

Basis of Provision for Income Tax: Net Profit-Reserve for exceptional loss X tax rate.

**o) Proposed Dividend**

Proposed Dividend for the year 2022 recommended by the Board of Directors for approved by the shareholders. Dividend if any proposed by the Board of Directors for the period under review shall be accounted for after the approval of the shareholders in the Annual General Meeting.

The said proposed dividend has not been recognized as liability in the financial statements in accordance with the IAS 10 "Even after the Financial Statement Date". IAS-1 "Presentation of Financial Statements" also requires the dividends proposed after the financial statement date before the financial statements are authorized to for issue, be disclosed either on the face of the Financial Statement as a separate component of equity or the notes to the financial statement. Accordingly, the company has disclosed on notes to the financial statements. we may note no interim dividend has been proposed by the Board of Directors.

**p) Cost of Post Employment Benefits**

**(i) Defined Contribution Plan**

There is no defined contribution plan.

**(ii) Defined Benefits**

There is no defined benefits plan.

**(iii) Insurance Scheme**

There is Insurance Scheme covering personal accident or death or partial or full disability.

**(iv) Number of Employees**

There were 263 employees for the period ended on 31 December 2022 whose salary exceeds Tk. 3,000. per month.

**q) Other Corporate Debt, Accounts Payable, Trade and Other Liabilities**

These liabilities are carried at the anticipated settlement amount in respect of policies and services received, whether or not billed by the policyholder and supplier.

**r) Provisions**

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events. As per IAS 37, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation might be made.





**s) Earnings Per Share (EPS)**

The company calculates earnings per share (EPS) in accordance with IAS 33 "Earning Per Share" which has been shown on the face of statement of comprehensive Income. The disclosure has been made in the Note 39 in respect of numerator (net profit) used in the calculation of Basic EPS with necessary computation and reconciliation.

**Basic Earnings**

This represent earnings for the year attributable to ordinary shareholders, as there was no preference dividend, minority interest and extra ordinary items, the net profit for the year has been considered as fully attributable to the ordinary shareholders.

**Diluted Earnings Per Share**

No diluted Earnings Per Share (EPS) is required to be calculated for the period as there was no scope for dilution during the year under review.

**t) Public Sector Business (PSB)**

As per government decision effective from April 1990, 100% Public Sector Insurance Business (PSB) is being underwritten by Sadharan Bima Corporation (SBC), 50% premium being retained by SBC and the remaining balance is equally distributed among 45 private sector insurance companies. Company's share of Public Sector Business (PSB) is accounted for in the year, in which the statement of accounts from the Sadharan Bima Corporation (SBC) is received up to 30 June, 2022. Statements of accounts for the period from 1st July 2021 to 30th June 2022 have been received from the Sadharan Bima Corporation and accordingly, the company's share of public sector business for that period has been accounted for in the accompanying accounts. This practice is being followed consistently.

**u) Recognized Gain and Losses**

No gain or loss was directly dealt with the shareholders equity without being recognized in the Statement of Comprehensive Income.

Therefore, net profit after tax for the period is the total recognized gain.

**v) Historical Cost Income and Expenditures**

As there was no extra ordinary item, there was no difference in profit from ordinary activities before taxation and the net profit before tax. Furthermore as there was no revaluation of fixed assets in previous years and during the year under review, there was no factor like differences between historical cost depreciation and depreciation on revalued amount, realization of revenue surplus on retirement or disposal of assets etc. therefore, no separate note of historical cost profit and loss has been presented.

**w) Statement of Comprehensive Income**

- A) The results for the year were not materially affected by the following;
- B) Transactions of a nature not usually undertaken by the company;
- C) Circumstances of an exceptional or non-recurring nature;
- D) Charges or credits relating to prior years.

**7.00 Classified Summary of Assets**

The valuation of all assets as at 31 December, 2022 as shown in the statement of Financial Position and in the classified summary of assets in **Form AA** annexed with the report has been reviewed and the said assets have been set-forth in the statement of Financial Position at amount not exceeding their realizable or market value in aggregate.



## **8.00 Leases**

IFRS 16: Leases effective from annual periods beginning on or after 1st January 2019 has changed how the company accounts for its lease contracts. The company leases a number of office space in addition to service sites. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempted.

In compliance with the standard, the company has elected to use the recognition exemptions in the standard for short-term leases and leases of low value items. In such cases the lease are accounted for as short term leases and the lease payments associated with them are recognized as an expenses from short term lease.

## **9.00 Financial Instruments and Related Disclosure under IAS-32 "Financial Instruments: Disclosure and Presentation".**

The disclosure of primary financial Instruments carried at the Statement of Financial Position date along with the recognition methods and risks involved are summarized in Note 42 in accordance with the provision of IAS 32 Financial Instruments: Disclosure and Presentation".

## **10.00 Derivative Financial Instruments**

The Company is not a party to any derivative contract at the Statement of Financial Position date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligation of foreign currency loans.

## **11.00 Information by the Industry Segments and Geographical Areas Industry Segment Information**

No mention is made because the company does not have any segment other than the general insurance business.

### **Geographic Segment Information**

No applicable as the company does not have any business unit outside Bangladesh.

## **12.00 Reporting Currency**

The Financial Statements are presented in Bangladeshi Taka which is the Company's functional currency. No Foreign Currency Transactions were transacted during the period and thus the conversion of Foreign Currency into Bangladeshi Taka Currency is not required the period ended 31 December 2022.

## **13.00 Comparative Information and Re-Arrangement thereof**

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

Figures of the period 2022 have been rearranged whenever considered necessary to ensure comparability with the current period.

## **14.00 Transactions with Related Parties**

During the year under review the Company carried out the transactions with the related parties in the normal course of business and on arm's length Basis.

## **15.00 Approval of the Financial Statements**

The financial statements were approved by the Board of Directors as on 29 may 2023..



## 16.00 Reporting Period

The financial statements of the company cover for the period from 1 January, 2022 to 31 December, 2022.

## 17.00 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS 7 "Statement of Cash Flows" and the cash flow the operating activities have been presented under direct method as required by the Securities and Exchange Rule 1987 and considering the provisions of Paragraph 19 of IAS 7 which provide that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

## 18.00 Components of the Financial Statements

Financial Statements includes the following Component:

- (i) Statement of Financial Position as at 31 December, 2022;
- (ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December, 2022;
- (iii) Profit and Loss Appropriation Account for the year ended 31 December, 2022;
- (iv) Revenue Accounts (Fire, Marine Cargo, Marine Hull, Motor, Miscellaneous Insurance Revenue Account) for the year ended 31 December, 2022;
- (v) Statement of Changes in Equity for the year ended 31 December, 2022;
- (vi) Statement of Cash Flows for the year ended 31 December, 2022; and
- (vii) Accounting Policies and Explanatory Notes.





**Desh General Insurance Company Limited**  
**Notes to the Financial Statements**  
As at December 31, 2022

**19. SHARE CAPITAL:**

Authorized Capital Tk. 100,00,00,000

10,00,00,000 Ordinary Shares of Tk. 10 each.

**20. Issued Subscribed & paid-up Capital Tk. 400,000,000**

40,000,000 Ordinary shares of Tk. 10 each issued in cash to sponsors.

**OWNERSHIP OF THE COMPANY'S SECURITIES (As per Schedule X)**

Sl. No.	Name of Shareholder	Position	Share holdings	Percentage of Share
1	Mr. Jashim Uddin	Chairman	1,649,629	4.12
2	Mr. M. Monsurul Islam	Sponsor Share Holder	599,831	1.50
3	Mrs. Priti Kana Bose	Director	809,831	2.02
4	Mr. Moshfeque Mamun Rizvi	Sponsor Share Holder	250,451	0.63
5	Mr. Murad Mohammed Taj	Director	1,227,330	3.07
6	Mr. Md. Saifuddin Khaled	Sponsor Share Holder	626,214	1.57
7	Mr. Md. Akbor Hossain	Vice Chairman	1,281,845	3.20
8	Mr. Tahrin Aman	Director	800,000	2.00
9	Mr. Aminur Rahman	Director	806,215	2.02
10	Mrs. Rokeya Quader	Director	1,495,510	3.74
11	Engr. A.K.M. Ahsanul Haque	Director	1,121,185	2.80
12	Mr. Nihar Kumar Roy	Director	1,068,180	2.67
13	Engr. Tarikul Alam Rahimi	Director	1,576,665	3.94
14	Mrs. Rehana Begum	Sponsor Share Holder	351,758	0.88
15	Mrs. Nauzat Begum	Director	800,000	2.00
16	Al-Haj Mosharref Hossain	Share Holder	1,487,432	3.72
17	Mr. M. Amanullah	Share Holder	695,155	1.73
18	Mr. Morshed Alam	Share Holder	2,350,371	5.88
19	Mr. Sakif Nazran Bhuiyan	Share Holder	1,495,510	3.74
20	Mr. Amir Hossain Amu	Director	2,506,933	6.27
21	Mrs. Shamima Yeasmin	Share Holder	999,955	2.50
22	Shareholders	Share Holder	16,000,000	40.00
<b>Total</b>			<b>40,000,000</b>	<b>100.00</b>





Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021
<b>21.00</b>	<b>Estimated Liability in respect of outstanding claims whether due or intimated:</b>		
	Fire	107,387,377	30,504,541
	Marine	337,516	-
	Motor	706,995	247,925
	Miscellaneous	-	-
		<b>108,431,888</b>	<b>30,752,466</b>
<b>22.00</b>	<b>Amount due to other persons or bodies carrying on insurance Business:</b>		
	Payable to SBC for Reinsurance premium	67,267,662	86,834,317
	Co-Insurance Premium payable	533,295	533,295
		<b>67,800,957</b>	<b>87,367,612</b>
<b>22.01</b>	<b>Payable to SBC for Reinsurance premium</b>		
	Balance as on December 31 2021	86,834,317	66,284,527
	Add: Payable during the year 2022	14,783,463	34,807,239
		101,617,780	101,091,766
	Less: Adjustment during the year 2022	34,350,118	14,257,449
	<b>Balance as on 31 December 2022</b>	<b>67,267,662</b>	<b>86,834,317</b>
<b>22.02</b>	<b>Payable to Co-Insurance Premium</b>		
	Balance as on December 31 2021	533,295	533,295
	Add: Payable during the year 2022	-	-
		533,295	533,295
	Less: Adjustment during the year 2022	-	-
	<b>Balance as on 31 December 2022</b>	<b>533,295</b>	<b>533,295</b>
<b>23.00</b>	<b>Premium Deposit:</b>		
	This amount represents received against cover notes for which risks have not been initiated and such amount will be adjusted upon initiation of risk and issuance of policy in due course.	3,127,046	2,920,414
		<b>3,127,046</b>	<b>2,920,414</b>
<b>24.00</b>	<b>Bank Loan:</b>		
	IDLC Ltd.	1,191,153	2,509,339
	Shahjalal Islami Bank Ltd.	44,292,543	45,107,273
	Modhumoti Bank Ltd.	24,852,291	24,837,380
	Southeast Bank Ltd.	-	8,746,202
		<b>70,335,987</b>	<b>81,200,194</b>
<b>25.00</b>	<b>Sundry Creditors:</b>		
	Loan	-	9,188,800
	Audit Fees	230,000	350,000
	Office rent	2,795,288	3,031,155



Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021
	Refund Premium	1,285,927	1,285,927
	Water bill (JBC)	54,400	100,213
	Electricity bill (JBC)	268,000	1,499,318
	Salary & Allowances	7,492,823	6,049,031
	Signing World (Advertisement bill )	30,000	30,000
	Decoration bill	70,777	70,777
	M/s. Eastern Type Writer	53,500	53,500
	Drinking Water bill	-	3,854
	Printing bill (Security deposit retained)	12,000	12,000
	Security Deposit	174,000	174,000
	Courier bill	17,826	16,664
	Branch Incharge & Others	313,644	313,644
	Telephone bill	10,212	7,049
	VAT and Stamp payable	10,389,356	12,544,667
	Initial Public Offer	120,022	-
	Deduction of VAT at Source	79,756	299,189
	Source Tax	1,745,315	4,740,696
	Provident Fund	771,296	-
	Shield Security Services	-	31,202
	Agency Commission	7,758,315	-
	Payable to Worker's Profit Participation Fund	14,276,946	10,548,698
		<b>47,949,403</b>	<b>50,350,384</b>

**26.00 Investment (At Cost): Govt. Security Bond :**

The amount represents Government Treasury Bond, which is kept as a Statutory Deposit at Sonali Bank Limited under Insurance Act, 2010. Interest accrued on the Investment has been

<b>65,000,000</b>	<b>25,000,000</b>

**27.00 Accrued Interest :**

Accrued Interest on FDR  
Accrued Interest on BD Govt. Treasury Bond

8,225,566	7,603,015
892,631	537,899
<b>9,118,197</b>	<b>8,140,914</b>

**27.01 Accrued Interest on FDR:**

Receivable as on December 31, 2021  
Add: Interest income as on December 31, 2022  
**Sub-total**  
Less: Interest received during the year 2022  
**Balance as on 31 December 2022**

7,603,015	2,673,999
17,638,613	13,015,307
25,241,628	15,689,306
17,016,062	8,086,291
<b>8,225,566</b>	<b>7,603,015</b>

**27.02 Accrued Interest on BD Govt. Treasury Bond:**

Receivable as on December 31, 2021  
Add: Interest income as on December 31, 2022  
**Sub-total**  
Less: Interest received during the year 2022  
**Balance as on 31 December 2022**

537,899	1,063,961
3,224,337	1,988,500
3,762,236	3,052,461
2,869,605	2,514,562
<b>892,631</b>	<b>537,899</b>



Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021
<b>28.00</b>	<b>Amount due from other persons or bodies carrying on insurance business:</b>		
	Amount due from Sadharan Bima Corporation	366,849,783	277,858,073
	Co-Insurance premium	228,689	228,689
		<b>367,078,472</b>	<b>278,086,762</b>
<b>28.01</b>	<b>Amount due from Sadharan Bima Corporation</b>		
	Balance as on December 31, 2021	277,858,073	263,432,203
	Add: Receivable from SBC during the year 2022	88,991,710	14,425,870
		366,849,783	277,858,073
	Less: Received from SBC during the year 2022	-	-
	<b>Balance as on 31 December 2022</b>	<b>366,849,783</b>	<b>277,858,073</b>
<b>28.02</b>	<b>Co-Insurance premium</b>		
	Balance as on December 31, 2021	228,689	228,689
	Add: Receivable during the year 2022	-	-
		228,689	228,689
	Less: Received during the year 2022	-	-
	<b>Balance as on 31 December 2022</b>	<b>228,689</b>	<b>228,689</b>
<b>29.00</b>	<b>Sundry Debtors:</b>		
	Advance against office Rent	576,545	1,264,243
	Advance against Salary	4,295,735	4,044,290
	Advance Survey Fee	509,063	509,063
	Telephone security	53,244	53,244
	Deposit against Vat appeal	333,624	333,624
	Advance Legal fees	3,598,600	3,458,600
	Advance to Branch In-charges & others	5,787,103	5,787,103
	Security Deposit	512,120	512,120
	Advance Claim	26,000,000	26,000,000
	Advance Printing Bill	400,000	400,000
	Advance Car Repairs & Maintenance	565,075	565,075
	Advance against IPO Share (Eligible Investor)	49,000	10,927,680
	Advance Joint Stock Consultancy fee	3,245	3,245
	Advance Software Installation	50,000	100,000
	Premium Receivable	17,597,136	
	Advance Garage bill	7,500	5,000
	Dividend Receivable	-	645,000
	Advance Decoration	100,000	100,000
	Advance Consultancy Fee	200,000	-
	Receivable from Lanka Bangla Securities Ltd.	771,837	
	Premium Advance Deposit	47,886	
	Advance Gift Expenses	195,950	89,100
	Advance Interest Expenses	30,000	-
	Deferred Expenses	-	1,256,400
		<b>61,683,663</b>	<b>56,053,787</b>





Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021

**30. Fixed Deposit Account :**

The above balance has been arrived at as under:

Sl No.	Name of The Bank	Name of Branch	Amount	Amount
1	AB Bank Ltd.	Islampur Branch	600,000	600,000
2	AB Bank Ltd.	Islami Banking Br. Kakrail	500,000	1,000,000
3	AB Bank Ltd.	Islami Banking Br. Kakrail	1,000,000	500,000
4	AB Bank Ltd.	CDA Branch, CTG	1,000,000	1,000,000
5	AB Bank Ltd.	CDA Branch, CTG	2,500,000	2,500,000
6	AB Bank Ltd.	Uttara Branch	1,000,000	1,000,000
7	AB Bank Ltd.	Chowmuhani Branch	500,000	500,000
8	AB Bank Ltd.	Barisal Br. Barisal	1,000,000	-
9	Agrani Bank Ltd.	Clay Road Br., Khulna	1,000,000	1,000,000
10	Al Araf Islami Bank	Islampur Branch	600,000	600,000
11	Al Araf Islami Bank	Motijheel Corp. Br. Dhaka	1,100,000	1,100,000
12	Al Araf Islami Bank	Barisal Branch	-	500,000
13	Al Araf Islami Bank	Motijheel Corp. Br. Dhaka.	2,000,000	2,000,000
14	Al Araf Islami Bank	Chowmuhani Br. Noakhali	500,000	500,000
15	Al Araf Islami Bank	Bogra Branch	1,000,000	1,000,000
16	Al Araf Islami Bank	Bogra Branch	500,000	500,000
17	Al Araf Islami Bank	VIP Road Branch	-	1,000,000
18	Bangladesh Commerce Bank Ltd.	Bangshal Branch	-	2,000,000
19	Bangladesh Development Bank Ltd.	Principal Branch	2,000,000	2,000,000
20	Bangladesh Development Bank Ltd.	Kawran Bazar Branch	2,000,000	2,000,000
21	Bangladesh Krishi Bank	Corporate Branch Khulna.	500,000	500,000
22	Bangladesh Krishi Bank	Fulpur Br. Mymensingh	500,000	500,000
23	Bangladesh Krishi Bank	Haluaghat Branch	500,000	500,000
24	Bangladesh Krishi Bank	Fulbaria Br. Mymensingh	500,000	500,000
25	Bangladesh Krishi Bank	Gouripur Br., Mymensingh	500,000	-
26	Bangladesh Krishi Bank	Dewkhola Bazar Br., Mymensingh	1,000,000	-
27	Bangladesh Krishi Bank	Mymensingh (North) Tarakanda	-	500,000
28	Bank Asia Ltd	Principal Office Branch	500,000	500,000
29	Bank Asia Ltd.	Jhenaidaha Br.	2,000,000	2,000,000
30	Bank Asia Ltd.	Mohadevpur Br., Naogaon	1,000,000	1,000,000
31	Bank Asia Ltd.	Bogura Branch	1,000,000	1,000,000
32	Bank Asia Ltd.	Bogura Branch	1,000,000	1,000,000
33	Bank Asia Ltd.	Hemayetpur Br., Savar	1,000,000	1,000,000
34	Bank Asia Ltd.	Ashulia Branch	1,000,000	1,000,000
35	Bank Asia Ltd.	Hemayetpur Br., Savar	1,000,000	1,000,000
36	Bank Asia Ltd.	Bogura Branch	1,000,000	1,000,000
37	Bank Asia Ltd.	Bamundi Br., Kushtia	1,000,000	1,000,000
38	Bank Asia Ltd.	Boro Bazar Br. Khulna	1,000,000	1,000,000
39	Bank Asia Ltd.	Khulna Branch	1,000,000	1,000,000





Notes	Particulars		Amount in Taka	
			31 December 2022	31 December 2021
Sl No.	Name of The Bank	Name of Branch	Amount	Amount
40	Bank Asia Ltd.	Ashulia Br. Savar	1,000,000	1,000,000
41	Bank Asia Ltd.	Chapai Nawabgonj Br.	1,000,000	-
42	Bank Asia Ltd.	Bogra Branch	1,000,000	-
43	BASIC Bank Ltd.	Shantinagar Br.	3,000,000	3,000,000
44	BASIC Bank Ltd.	KDA Avenue Br, Khulna	500,000	500,000
45	Bengal Commercial Bank Ltd.	Corporate Branch	5,000,000	5,000,000
46	Bengal Commercial Bank Ltd.	Corporate Branch	5,000,000	5,000,000
47	Bengal Commercial Bank Ltd.	Corporate Branch	5,000,000	5,000,000
48	Bengal Commercial Bank Ltd.	Corporate Branch	20,000,000	20,000,000
49	Bengal Commercial Bank Ltd.	Corporate Branch	7,000,000	7,000,000
50	Bengal Commercial Bank Ltd.	Corporate Branch	10,000,000	10,000,000
51	Bengal Commercial Bank Ltd.	Dilkusha Branch	5,000,000	5,000,000
52	Bengal Commercial Bank Ltd.	Imamgonj Branch, Dhaka	1,000,000	-
53	Bengal Commercial Bank Ltd.	Chowmuhani Branch	1,000,000	-
54	Delta Brac Housing Ltd.	Motijheel Br.	2,000,000	2,000,000
55	Dhaka Bank Ltd.	Sherpur Branch, Bogura	1,000,000	1,000,000
56	Dhaka Bank Ltd.	Sherpur Branch, Bogura	1,000,000	1,000,000
57	Dhaka Bank Ltd.	Sherpur Branch, Bogura	1,000,000	1,000,000
58	Dhaka Bank Ltd.	Narayangonj Branch	1,000,000	1,000,000
59	Dhaka Bank Ltd.	Board Bazar Branch	1,000,000	1,000,000
60	Eastern Bank Ltd.	Chowmuhani Br., Noakhali	-	1,000,000
61	Eastern Bank Ltd.	Khulna Branch	1,000,000	1,000,000
62	Eastern Bank Ltd.	Chowmuhani Br, Noakhali	1,000,000	1,000,000
63	Exim Bank Ltd.	Rajuk Avenue Branch	500,000	500,000
64	Exim Bank Ltd.	Jublee Road Branch CTG.	1,000,000	1,000,000
65	IDLC Finance Ltd.	Corporate Office Branch	2,000,000	2,000,000
66	IFIC Bank Ltd.	Motijheel Branch	500,000	500,000
67	IFIC Bank Ltd.	Jessore Branch	50,000	50,000
68	IFIC Bank Ltd.	Benapole Branch	100,000	100,000
69	IFIC Bank Ltd.	Khulna Branch	500,000	-
70	IFIC Bank Ltd.	Rajshahi Branch	200,000	200,000
71	IFIC Bank Ltd.	Chapai Nawabgonj Branch	100,000	100,000
72	IFIC Bank Ltd.	Baneshwae Branch	100,000	100,000
73	IFIC Bank Ltd.	Sk. Mujib Road Br. CTG.	1,000,000	1,000,000
74	IFIC Bank Ltd.	Rajshahi Branch	200,000	200,000
75	IFIC Bank Ltd.	Nawabpur Road Branch	-	500,000
76	Islami Bank Bangladesh	Local Office Branch	1,000,000	1,000,000
77	Islami Bank Bangladesh	Local Office Branch	3,000,000	3,000,000
78	Islami Bank Bangladesh	wiseghat Branch, Dhaka	1,000,000	1,000,000
79	Islami Bank Bangladesh	Rajshahi Branch	-	1,000,000
80	Islami Bank Bangladesh	KDA Avenue Branch, Khulna	-	1,000,000
81	Islami Bank Bangladesh	Fultala Br., Khulna	-	1,000,000
82	Islami Bank Bangladesh	Ahulia Br., Savar	1,000,000	1,000,000
83	Islami Bank Bangladesh	Daulatpur Branch, Khulna	-	1,000,000
84	Islami Bank Bangladesh	Chowgacha Br. Jessore	500,000	-
85	Islami Bank Bangladesh	Jhikargacha Br., Jessore	500,000	-



Notes	Particulars		Amount in Taka	
			31 December 2022	31 December 2021
SI No.	Name of The Bank	Name of Branch	Amount	Amount
86	Islami Bank Bangladesh	Kaliganj Br. Jessore	500,000	-
87	Jamuna Bank Ltd.	Sonargoah Rd Branch	500,000	500,000
88	Meghna Bank Ltd.	Bogura Branch	1,000,000	1,000,000
89	Meghna Bank Ltd.	Motijheel Br.	2,000,000	2,000,000
90	Meghna Bank Ltd.	Hatikumrul Br., Ullapara	2,000,000	2,000,000
91	Meghna Bank Ltd.	Hatikumrul Br., Ullapara	1,000,000	1,000,000
92	Meghna Bank Ltd.	Principal Br.	2,000,000	2,000,000
93	Meghna Bank Ltd.	Jamidarhat Branch	500,000	500,000
94	Meghna Bank Ltd.	Hatikumrul Br, Seraigonj	1,000,000	1,000,000
95	Jamuna Bank Ltd.	Uttara Branch	-	-
96	Mercantile Bank Ltd.	Main Branch, Dhaka	2,500,000	2,500,000
97	Mercantile Bank Ltd.	Main Branch, Dhaka	1,000,000	1,000,000
98	Mercantile Bank Ltd.	Imamgonj Br, Moulvibazar	1,000,000	1,000,000
99	Mercantile Bank Ltd.	Sylhet Branch	500,000	500,000
100	Mercantile Bank Ltd.	Sylhet Branch	1,000,000	1,000,000
101	Mercantile Bank Ltd.	Nawabpur Branch	-	2,000,000
102	Mercantile Bank Ltd.	Rajshahi Branch	-	1,000,000
103	Mercantile Bank Ltd.	Kankirhat Br., Noakhali	-	1,000,000
104	Mercantile Bank Ltd.	Ashulia Branch, Savar	-	1,000,000
105	Mercantile Bank Ltd.	Hemayetpur Br., Savar	-	1,000,000
106	Mercantile Bank Ltd.	Main Br.	15,000,000	15,000,000
107	Mercantile Bank Ltd.	Laximipur Br.	1,000,000	1,000,000
108	Mercantile Bank Ltd.	Kawran Bazar Branch	2,000,000	2,000,000
109	Mercantile Bank Ltd.	Manikgonj Br.	1,000,000	1,000,000
110	Mercantile Bank Ltd.	Manikgonj Br.	1,000,000	1,000,000
111	Mercantile Bank Ltd.	Sobornochar Br. Chowmuhan	1,000,000	1,000,000
112	Mercantile Bank Ltd.	Ashulia Br., Savar	1,000,000	1,000,000
113	Mercantile Bank Ltd.	Barisal Branch	-	1,000,000
114	Mercantile Bank Ltd.	Jessore Branch	1,000,000	1,000,000
115	Mercantile Bank Ltd.	Hemayetpur Br., Savar	1,000,000	1,000,000
116	Modhumoti Bank Ltd.	Uttara Branch	-	3,000,000
117	Modhumoti Bank Ltd.	Gulshan Branch	27,000,000	27,000,000
118	Modhumoti Bank Ltd.	Motijheel Branch	8,100,000	8,100,000
119	Modhumoti Bank Ltd.	Bheremara Br. Kustia	1,000,000	-
120	Mutual Trust Bank Ltd	Principal Branch	100,000	100,000
121	Mutual Trust Bank Ltd	Elephant Road	2,000,000	2,000,000
122	National Bank Ltd	Dilkusha Branch	500,000	500,000
123	National Bank Ltd	Imamgonj Branch	1,000,000	1,000,000
124	National Bank Ltd	Sk. Mujib Road Branch	500,000	500,000
125	NCC Bank Ltd.	Jessore Branch	50,000	50,000
126	NCC Bank Ltd.	Uttara Branch	-	3,000,000
127	NRB Bank Ltd	Bogura Branch	500,000	500,000
128	NRBC Bank Ltd.	Kulaura Branch	-	1,000,000
129	NRBC Bank Ltd.	Adabor Branch	-	500,000
130	NRBC Bank Ltd.	Manikgonj Br.	500,000	-





Notes	Particulars		Amount in Taka	
			31 December 2022	31 December 2021
Sl No.	Name of The Bank	Name of Branch	Amount	Amount
131	One Bank Ltd.	Principal Br.	2,553,758	2,553,758
132	One Bank Ltd.	Poradaha Br. Kushtia	2,000,000	2,000,000
133	One Bank Ltd.	Barishal Branch	500,000	500,000
134	Premier Bank Ltd.	Banani Branch	500,000	500,000
135	Premier Bank Ltd.	Chawkbazar Branch, CTG	5,000,000	5,000,000
136	Premier Bank Ltd.	Chawkbazar Branch, CTG	2,695,325	2,695,325
137	Premier Bank Ltd.	Gulshan Link Road Br.	1,000,000	1,000,000
138	Premier Bank Ltd.	Barishal Branch	1,000,000	1,000,000
139	Premier Bank Ltd.	Uttara Branch	2,000,000	2,000,000
140	Prime Bank Ltd	Foreign Ex. Branch	1,500,000	1,500,000
141	Prime Bank Ltd	Tongi Bazar Branch	1,000,000	1,000,000
142	Prime Bank Ltd.	Motijheel Branch	1,000,000	-
143	Prime Bank Ltd.	Savar Br.	1,000,000	1,000,000
144	Prime Bank Ltd.	Motijheel Branch	-	1,000,000
145	Pubali Bank Ltd.	Dargagate Br, Sylhet.	500,000	500,000
146	Pubali Bank Ltd.	Moghbazar Bazar Branch	-	2,000,000
147	Pubali Bank Ltd.	Seiculture Branch, Rajshahi	1,000,000	1,000,000
148	Pubali Bank Ltd.	Katakhali Branch, Rajshahi	500,000	500,000
149	Pubali Bank Ltd.	Bhabanigonj Br. Rajshahi	500,000	-
150	Pubali Bank Ltd.	Rajshahi Br., Rajshahi	2,000,000	-
151	Rupali Bank Ltd.	Baliapara Br., Mymeningh	500,000	500,000
152	Rupali Bank Ltd.	Rupali Sadan Br., Khulna	1,000,000	1,000,000
153	Rajshahi Krishi Unnayan Bank	Rajshahi Branch	1,000,000	1,000,000
154	Rajshahi Krishi Unnayan Bank	Naogaon Branch	1,400,000	1,400,000
155	SBAC Bank Ltd.	Lobon Chora Br, Khulna	1,000,000	-
156	SBAC Bank Ltd.	Lobon Chora Br, Khulna	-	1,000,000
157	SBAC Bank Ltd.	Mohakhali Branch	-	1,000,000
158	SBAC Bank Ltd.	Panthapath Branch	-	1,000,000
159	Shahjalal Bank Ltd.	Khulna Branch	200,000	200,000
160	Shahjalal Bank Ltd.	Kushtia Branch	1,000,000	1,000,000
161	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	10,500,000	10,500,000
162	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	6,400,000	6,400,000
163	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	2,100,000	2,100,000
164	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	5,000,000	5,000,000
165	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	3,100,000	2,500,000
166	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	5,000,000	2,500,000
167	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	2,500,000	5,000,000
168	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	2,500,000	500,000
169	Shahjalal Bank Ltd.	Bijoynagar Branch, Dhaka	500,000	3,100,000
170	Shahjalal Islami Bank	Amtali Br. Barguna	1,000,000	-
171	Shahjalal Islami Bank	Bijoynagar Branch, Dhaka	20,000,000	20,000,000
172	Social Islami Bank Ltd.	Foreign Ex. Branch	2,500,000	2,500,000



Notes	Particulars		Amount in Taka	
			31 December 2022	31 December 2021
SI No.	Name of The Bank	Name of Branch	Amount	Amount
173	Social Islami Bank Ltd.	Bashundhaara Br.	2,000,000	2,000,000
174	Social Islami Bank Ltd.	Chowmuhan Br, Noakhali	500,000	500,000
175	Social Islami Bank Ltd.	Kushtia Branch	1,000,000	1,000,000
176	Social Islami Bank Ltd.	Mirpur Branch	-	500,000
177	Social Islami Bank Ltd.	Mymensingh Branch	500,000	-
178	Social Islami Bank Ltd.	Barisal Br. Barisal	500,000	-
179	Social Islami Bank Ltd.	Dhamrai Br. Dhaka	500,000	-
180	Southeast Bank Ltd.	Chouhata Br Sylhet	500,000	500,000
181	Southeast Bank Ltd.	Bangshal Branch	1,000,000	1,000,000
182	Southeast Bank Ltd.	Motijheel Branch	-	10,000,000
183	The City Bank Ltd.	Principal Branch	500,000	500,000
184	Union Bank Ltd.	Uttara Branch	-	1,000,000
185	United Commercial Bank Ltd.	Principal Branch	100,000	100,000
186	United Commercial Bank Ltd.	Khanjahan Ali Rd. Branch Khulna	300,000	300,000
187	Uttara Bank Ltd.	KDA Avenue Br, Khulna	-	1,000,000
<b>Total</b>			<b>305,149,083</b>	<b>330,649,083</b>

Mentioning that, FDR amounting tk. 67,010,000 which is lien against the bank loan.

### 31. STD & Current Account

SI No.	Name of The Bank	Name of Branch	Amount	Amount
1	Islami Bank Bangladesh	Foreign Ex. Corp. Branch	1,759,401	3,122,597
2	Mercantile Bank Ltd.	Main Branch	237,226	781,375
3	Mercantile Bank Ltd.	Motijheel Branch	4,788,928	16,210,442
4	Pubali Bank Ltd.	Principal Branch	1,772,332	2,920,143
5	Shahjalal Islami Bank Ltd.	Dhaka Main Branch	3,598,301	63,174
6	Shahjalal Islami Bank Ltd.	Motijheel Branch	3,323,506	5,731,533
7	Shahjalal Islami Bank Ltd.	Motijheel Branch	120,022	-
8	Social Islami Bank Ltd.	Principal Branch	203,493	111,567
9	Sonali Bank Ltd.	Local Office	1,194,643	1,890,038
10	Sonali Bank Ltd.	Dilkusha Corp. Branch	376,637	141,408
11	Southeast Bank Ltd.	Principal Branch	8,823,794	1,252,740
12	Southeast Bank Ltd.	Corporat Branch	9,778	9,929
13	Bengal Commercial Bank	Dilkusha Islami Banking Branch	1,573,664	-
<b>Total</b>			<b>27,781,725</b>	<b>32,234,946</b>

#### 32.00 Cash in Hand

**2,178,638** **2,151,116**

#### 33.00 Property, Plant & Equipment

**111,539,423** **117,553,133**

#### 33.01 Fixed Assets: Detailed in Annexure- A

#### 33.02 Intangible Assets: Detailed in Annexure- B

Note: Fixed assets and intangible assets were shown under the head of Fixed assets last year for more clarification these two head of account are splitted and shown separately and also in the face of Balance Sheet.





Notes	Particulars	Amount in Taka	
		31 December 2022	31 December 2021
<b>34.00</b>	<b>Management Expenses:</b>		
	Fire	56,866,272	52,276,520
	Marine	57,395,753	47,032,887
	Motor	5,895,516	5,416,996
	Misc	27,180,912	30,045,779
	Marine Hull	1,085,399	892,916
		<b>148,423,852</b>	<b>135,665,098</b>
<b>35.00</b>	<b>Provision For Taxation :</b>		
	Opening Balance	93,478,083	77,641,239
	Addition during the period	24,354,440	26,443,531
		117,832,523	104,084,770
	Less: Adjustment	17,103,494	10,606,687
		<b>100,729,028</b>	<b>93,478,083</b>
<b>35.01.</b>	<b>Deferred Tax :</b>		
	Book Value of Depreciable Fixed Assets	111,081,109	117,553,133
	Less: Tax Base Value	71,640,415	79,196,310
	<b>Taxable Temporary Difference</b>	<b>39,440,694</b>	<b>38,356,823</b>
	Applicable Tax Rate	37.50%	37.50%
	<b>Deferred Tax (Assets)/Liabilities</b>	<b>14,790,260</b>	<b>14,383,809</b>
	Less: Opening	14,383,808	14,317,682
		<b>406,452</b>	<b>66,127</b>
<b>35.02.</b>	<b>Current Tax</b>		
	Profit Before Tax	66,235,086	72,433,702
	Add: Accounting Depreciation	10,514,581	10,998,579
		76,749,667	83,432,281
	Add: Dividend Receive	-	645,000
		76,749,667	84,077,281
	Less: Tax Depreciation	11,804,495	13,561,198
		64,945,172	70,516,083
	Applicable Tax Rate	37.50%	37.50%
	<b>Total</b>	<b>24,354,440</b>	<b>26,443,531</b>
<b>36.00</b>	<b>Reserve for Un-expired Risks:</b>		
	Reserve for unexpired risk have been made on premium income at the following rates:		
	Fire	40%	42,421,676
	Marine Cargo	40%	57,958,244
	Marine Hull	100%	831,639
	Motor	40%	6,329,600
	Miscellaneous	40%	10,297,274
	<b>Total:</b>		<b>117,838,433</b>
<b>37.00</b>	<b>Advance Income Tax</b>		
	Opening Balance	-	-
	Addition during the period	4,053,193	8,106,687
		4,053,193	8,106,687
	Less: Adjustment	4,053,193	8,106,687
		-	-



### 38.00 Related Party Transaction:

Desh General Insurance in normal course of business, carried out a number of transactions with

Name of the Parties	Relation	Nature of Transactions	Net Premium income	Claim Paid Balance as at 31 December 2022	Payable Balance as at 31 December 2022
Bengal group	Director	Insurance Business	37,325,169	20,500	-
Desh Group	Director	Insurance Business	-	-	-
Fars Group	Director	Insurance Business	183,379	60,000	-
Bengal Polymer Wears Ltd.	Director	Unsecured Loan	-	-	-
Bengal Plastics Ltd.	Director	Unsecured Loan	-	-	-
Designer Fashions Ltd	Director	Unsecured Loan	-	-	-
Total			37,508,548	80500	

### 39.00 EARNINGS PER SHARE (EPS) AS PER IAS 33

Basic Earning Per Share (EPS) =

Earnings Attributable to Ordinary Shareholders (net profit after tax)	41,474,195	46,569,044
Weighted Average No. of Shares Outstanding during the period	40,000,000	37,413,699
EPS	1.04	1.24

Computation of Earnings Attributable to Ordinary Shareholders:

Particulars	01 January 22 to 31 December 22	01 January 21 to 31 December 21
Net Profit before Tax	66,235,086	72,433,702
Less: Provision for Income Tax	(24,354,440)	(26,443,531)
Less: Deferred Tax	(406,452)	(66,127)
Add: Dividend Income	-	645,000
<b>Total</b>	<b>41,474,195</b>	<b>46,569,044</b>



### Computation of Shares Outstanding.

Particulars	No. of shares	Outstanding Period	Days	Total No. of Shares for the period
Opening Balance	40,000,000	January to December	365 Days	40,000,000
<b>Total</b>	<b>40,000,000</b>			<b>40,000,000</b>

### 39.01 Net Operating Cash Flow per Share (NOCFPS)

Net Cash Flow from Operating Activities	59,589,912	=	1.49
No. of Shares Outstanding during the period	40,000,000		

### 40.00 Net Asset Value (NAV):

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Investments (At cost)	65,000,000	25,000,000
Interest, Dividend Outstanding	9,118,197	8,140,914
Accounts Receivable	428,762,135	334,140,549
Share Trading	31,127,752	36,977,222
Cash & cash equivalent	335,109,446	365,035,145
Stationery in hand	4,172,486	4,225,311
Stamps in hand	613,506	764,051
Fixed Assets	107,414,599	113,078,770
Intangible Assets	4,124,824	4,474,363
Right of use asset	4,740,368	3,051,812
<b>Total Assets (A)</b>	<b>990,183,313</b>	<b>894,888,136</b>
Balance of Funds	117,838,433	77,856,830
Deposit Premium	3,127,046	2,920,414
Accounts Payable	414,949,889	361,317,141
<b>Total Liabilities (B)</b>	<b>535,915,367</b>	<b>442,094,385</b>
Net Assets (A-B)	454,267,946	452,793,751
Number of Shares (C)	40,000,000	40,000,000
<b>Net Assets Value per share (A-B)/C</b>	<b>11.36</b>	<b>11.32</b>
<b>Face Value per share</b>	<b>10.00</b>	<b>10.00</b>



#### 41. Premium Less Re-Insurance

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
<b>Premium Earned:</b>						
Own	149,829,750	142,370,923	792,300.00	14,461,628	25,455,405	332,910,006
PSB	14,557,192	23,546,624	2,345,331	2,580,913	53,118,181	96,148,241
<b>Gross Premium</b>	<b>164,386,942</b>	<b>165,917,547</b>	<b>3,137,631</b>	<b>17,042,541</b>	<b>78,573,586</b>	<b>429,058,247</b>
<b>Less: Re-Insurance</b>						
Own	46,630,879	3,123,730	-	1,122,063	881,397	51,758,069
PSB	11,701,874	17,898,208	2,305,992	96,477	51,949,004	83,951,555
	<b>58,332,753</b>	<b>21,021,938</b>	<b>2,305,992</b>	<b>1,218,540</b>	<b>52,830,401</b>	<b>135,709,624</b>
<b>Net Premium Earned</b>	<b>106,054,189</b>	<b>144,895,609</b>	<b>831,639</b>	<b>15,824,001</b>	<b>25,743,185</b>	<b>293,348,623</b>





**42.00 Financial Instruments and Related Disclosure under IAS-32 "Financial Instruments: Disclosure and Presentation".**

Setout below is a year-ended balance of carrying amounts (book value) of all assets and liabilities (Financial Instruments):

(Amount In Taka)

Particulars	Interest Bearing		Non Interest Bearing	Total
	Maturity within one year	Maturity after one year		
<b>Financial Assets</b>				
BD Govt. Treasury Bond	-	65,000,000	-	65,000,000
Investment in FDR	305,149,083	-	-	305,149,083
Interest accrued	9,118,197	-	-	9,118,197
Sundry Debtors	-	-	61,683,663	61,683,663
Investment in Shares	-	-	-	-
Outstanding Premium	-	-	-	-
Stamp in Hand	-	-	613,506	613,506
Cash at Bank	-	-	27,781,726	27,781,726
Cash in Hand	-	-	2,178,638	2,178,638
	<b>314,267,280</b>	<b>65,000,000</b>	<b>92,257,533</b>	<b>471,524,813</b>
<b>Financial Liabilities</b>				
Bank Overdraft	-	-	-	-
Outstanding Claim	-	-	108,431,888	108,431,888
Sundry Creditors	-	-	47,949,403	47,949,403
	-	-	<b>156,381,291</b>	<b>156,381,291</b>
<b>Net Financial Assets/Liabilities</b>	<b>314,267,280</b>	<b>65,000,000</b>	<b>(64,123,758)</b>	<b>315,143,522</b>

**43.00 Payment/ Perquisites to directors**

No amount of money was spent by the Company for compensating any member of the Board for services rendered other than Board Meeting Fee.

**44.00 Profit after tax**

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Net Profit /(Loss) before tax	66,235,086	72,433,702
Provision for Taxation:		
Current Tax	(24,354,440)	(26,443,531)
Deferred Tax	(406,452)	(66,127)
Add: Dividend Income	-	645,000
<b>Total</b>	<b>41,474,195</b>	<b>46,569,044</b>

**45.00 Personnel related scheme**

The Company will be going to implement Gratuity, Leave Encashment Benefit.

**46.00 Proposed Dividend and Event after reporting period**

The Board of Directors has recommended cash dividend @ 5.00% on paid up capital of Tk. 40.00 crores for the year ended 2022.

As per listing regulation section 19 (2)(a), the Board of Directors of the Company in its 145 meeting while considering/ adopting Audited Financial Statement 2022 recommended 5.00% cash dividend subject to the approval in 23 AGM which will be held on 28 August 2023.

As per listing regulation section 19(2)(b) , dividend entitlement book closure period or record date for the share holders has been fixed on 3 July 2023.

Except the fact stated above, no circumstances have arisen since the balance sheet date, which would require adjustment to or disclosure in the financial statement or notes thereto.



#### 47.00 Override Expenses for IPO penalty

In the statement of profit and loss account and other comprehensive income of the company for the year ended 31 December 2022 under the head "Management expenses," a sum of Tk. 1,256,400.00 was charged as a Override Expenses for non-compliance of fulfillment of IPO provision.

#### 48.00 Workers Profit Participation Fund (WPPF)

As per the Bangladesh Labor Act, 2006 (amendment 2013) service sector other than manufacturing sector is also required to maintain Worker Profit Participation Fund (WPPF). The management of the company decided in its Board Meeting held on 23 June 2019 to introduce WPPF for the year 2019 and onward.

#### 49.00 Reconciliation Between Net Profit to Operating Cash Flow:

Particulars	Amount in Taka	
	31 December 2022	31 December 2021
Net Profit before Tax	66,235,086	72,433,702
Depreciation	10,514,581	10,998,579
Income Tax Paid	(17,509,946)	(10,672,813)
<b>Changes in Current assets and Liabilities</b>		
(Increase)/ Decrease in Stock of Printing Materials	52,822	(120,000)
(Increase)/ Decrease in Stock of Insurance Stamp	150,545	(109,644)
(Increase)/ Decrease in Sundry Debtors	(5,629,876)	(31,148,563)
Increase/ (Decrease) in Sundry Creditors	(2,400,981)	239,970
(Increase)/ Decrease in amount due from other Persons or Bodies Carrying on Insurance Business	(88,991,710)	(14,425,870)
Increase/ (Decrease) in amount due to other Persons or Bodies Carrying on Insurance Business	(19,566,655)	20,549,790
Increase/ (Decrease) in Premium Deposit	206,632	(956,188)
(Increase)/ Decrease in Interest, Dividend & Rent	(977,280)	(4,402,954)
Increase/ (Decrease) in Balance of Fund & Accounts	39,981,602	(2,952,054)
Increase/ (Decrease) in Balance of Unclaimed Dividend	236,016	-
Increase/ (Decrease) in estimated Liabilities in respect of Outstanding Claims whether due or intimated	77,679,422	(8,419,527)
(Increase)/ (Decrease) in lease Liability	891,756	(2,853,274)
Increase/ (Decrease) in Deferred Tax	406,452	66,126
(Increase)/ Decrease in Right of use asset	(1,688,556)	3,460,203
(Increase)/ Decrease in revenue expenses	-	645,000
<b>Net Cash Flow from Operating Activities</b>	<b>59,589,912</b>	<b>32,332,484</b>

#### 50.00 Provision for income tax assessment

The status of income tax assessment of the company summar

Income Year	Statuts of the disputed tax liabilities	Amount
2004	Applied in the High Court	7,992,286
2006	Applied in the High Court	6,542,589
2007	Applied in the High Court	2,626,237
2008	Applied in the High Court	6,606,965
2009	Applied in the High Court	10,140,334
2010	Applied in the High Court	2,742,135
2011	Applied in the High Court	6,324,977
2012	Applied in the High Court	3,245,966
2014	Applied in the High Court	13,523,533
2015	Return Submitted on 03.08.16	Settled
2016	Return Submitted on 29.08.17	Settled
2017	Return Submitted on 20.09.18	Settled
2018	Return Submitted on 04.07.19	Settled
2019	Return Submitted on 13.08.20	Un -Settled
2020	Return Submitted on 14.09.21	Un -Settled
2021	Return Submitted on 29.09.22	Un -Settled
<b>Total:</b>		<b>59,745,022</b>





## 51.00 Financial risk management (IFRS 7)

### 51.01 Introduction

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

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

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

### 51.02 Carrying amounts of financial instruments by category

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

Particulars	Maturity analysis				Total
	Current	>30 days	>90 days	>1 year	
<b>Cash and cash equivalents, receivables and Advances, Deposits and Prepayments</b>					
Cash and cash equivalents	2,178,638	-	-	-	2,178,638
Sundry debtors	-	18,301,741	21,467,997	21,913,925	61,683,663
Advances, Deposits and	-	-	-	-	-
Non-current financial assets	-	-	-	-	-
<b>Balance as at 31 December 2022</b>	<b>2,178,638</b>	<b>18,301,741</b>	<b>21,467,997</b>	<b>21,913,925</b>	<b>63,862,301</b>
<b>Financial liabilities measured at amortized cost</b>					
Amount due to other persons or	-	12,272,607	21,121,509	34,406,841	67,800,957
Bank loan	-	-	-	70,551,987	70,551,987
Sundry creditors	-	16,283,481	1,150,598	30,515,324	47,949,403
<b>Balance as at 31 December 2022</b>	<b>-</b>	<b>28,556,088</b>	<b>22,272,107</b>	<b>135,474,152</b>	<b>186,302,347</b>

### 51.03 Credit risks

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

The credit risk with trade and other receivable (see note 29) is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are companied as follows (risk companies): governmental organizations, listed public limited companies, and other customers.

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

### 51.04 Market risks

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



**50.05 Interest rate risk**

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

**51.06 Liquidity risk**

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

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

BDT	Carrying amount	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
<b>Non-derivative financial liabilities</b>	-	-	-	-	-
Amount due to other persons or bodies carrying on insurance Business	67,800,957	31,114,451	33,973,496	2,713,010	-
Liability for expenses	47,949,403	1,050,598	32,891,938	14,006,867	-
<b>Balance as at 31 December 2022</b>	<b>115,750,360</b>	<b>32,165,049</b>	<b>66,865,434</b>	<b>16,719,877</b>	-

**52.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act 1994:****Attendance Status of Board Meeting of Director**

During the period/year the following Board Meeting were held.

The attendance status of all meeting is as follows :

Name of Director	Position	Year - 2022		Year - 2021
		Meeting Held	Attended	Attended
Mr. Jashim Uddin	Chairman	6	6	5
Mr. Mohammed Akbor Hossain	Vice- Chairman	6	6	4
Mr. Amir Hossain Amu	Director	6	3	4
Mr. Aminur Rahman	Director	6	6	5
Mrs. Priti Kona Bose	Director	6	6	5
Mr. Tariqul Alam Rahimi	Director	6	4	4
Mr. Murad Mohammed Taj	Director	6	6	5
Mr. Tahrin Aman	Director	6	5	5
Mrs. Nauzat Begum	Director	6	6	5
Mrs. Rokeya Quader	Director	6	5	3
Engr. A.K.M. Ahsanul Haque	Director	6	6	4
Mr. Nihar Kumar Roy	Director	6	5	3
Mr. Sakif Nazran Bhuiyan	Director	6	4	5
Mr. Shahedul Islam	Independent Director	6	3	5
Mr. Syed Javed Iqbal	Independent Director	6	6	5
Mr. Md. Kamal Uddin FCA	Independent Director	6	6	3

**53.00 Disclosures as per requirement of Schedule XI, part II of the Companies Act 1994:****A. Disclosure as per requirement of schedule XI, part II, Note 5 of Para 3**

**Number of Employees for the period ended June 30, 2022.**

Salary Range (Monthly)	Officer and Staff Head Office and Branch Office	Total Employees
Below 3,000	Nil	Nil
Above 3,000	263	263
<b>Total</b>	<b>263</b>	<b>263</b>





54.00 Disclosure as per requirement of schedule XI, part II , para 4

Name	Designation	Remuneration Amount	
		Dec. 31, 2022	Dec. 31, 2021
Mr. Jashim Uddin	Chairman	49,600	32,000
Mr. Mohammed Akbor Hossain	Vice- Chairman	84,800	51,200
Mr. Amir Hossain Amu	Director	22,400	-
Mr. Aminur Rahman	Director	116,800	83,200
Mrs. Priti Kona Bose	Director	49,600	32,000
Mr. Tariqul Alam Rahimi	Director	41,600	25,600
Mr. Murad Mohammed Taj	Director	67,200	57,600
Mr. Tahrin Aman	Director	41,600	32,000
Mrs. Nauzat Begum	Director	72,000	44,800
Mrs. Rokeya Quader	Director	60,800	25,600
Engr. A.K.M. Ahsanul Haque	Director	68,800	44,800
Mr. Nihar Kumar Roy	Director	94,400	38,400
Mr. Sakif Nazran Bhuiyan	Director	60,800	70,400
Mr. Shahedul Islam	Independent Director	48,000	25,600
Mr. Syed Javed Iqbal	Independent Director	56,000	32,000
Mr. Md. Kamal Uddin, FCA	Independent Director	83,200	44,800
<b>Total</b>		<b>1,017,600</b>	<b>640,000</b>



**Desh General Insurance Company Limited**  
Schedule of Property, Plant & Equipment  
As on 31 December 2022

Particulars	Cost		Rate	Depreciation		Written down value as at 31 December 2022
	As on 01 January 2022	Addition		As on 01 January 2022	During the Period	
Furniture & Fixtures	36,584,373	772,971	10	14,630,447	2,272,090	16,903,137
Signboard & Holding	2,448,333	71,119	10	1,355,693	116,376	1,472,069
Office Equipment	12,822,811	185,550	10	6,979,634	602,873	7,582,507
Telephone Install.	1,392,880	27,637	10	1,025,168	39,535	1,064,702
Computer	12,649,659	1,532,445	10	5,176,352	900,575	6,076,927
Decoration	64,091,459	444,979	5	30,720,056	1,690,819	32,410,875
Electrical Equipment	6,091,223	143,102	10	2,686,693	354,763	3,041,456
Motor Vehicle	72,915,115	735,007	10	41,292,296	3,235,783	44,528,078
Air Condition	13,113,811	462,772	10	5,421,691	815,489	6,237,180
Cookeries	518,238	16,517	10	261,105	27,365	288,470
<b>Balance at 31 December 2022</b>	<b>222,627,900</b>	<b>4,392,099</b>		<b>109,549,133</b>	<b>10,056,268</b>	<b>119,605,401</b>
<b>Balance at 31 December 2021</b>	<b>220,778,212</b>	<b>1,849,690</b>		<b>99,047,704</b>	<b>10,501,428</b>	<b>113,078,770</b>

**Desh General Insurance Company Limited**  
Schedule of Intangible Assets  
As on 31 December 2022

Particulars	Cost		Rate	Depreciation		Written down value as at 31 December 2022
	As on 01 January 2022	Addition		As on 01 January 2022	During the Period	
Software Installation	7,192,043	108,775	10	2,717,680	458,314	3,175,994
<b>Balance at 31 December 2022</b>	<b>7,192,043</b>	<b>108,775</b>		<b>2,717,680</b>	<b>458,314</b>	<b>4,124,824</b>
<b>Balance at 31 December 2021</b>	<b>7,192,643</b>	<b>-</b>		<b>2,220,529</b>	<b>497,151</b>	<b>4,474,363</b>

**Desh General Insurance Company Limited**  
Schedule of Right of use asset  
As on December 31, 2022

Particulars	Cost		Rate	Depreciation		Written down value as at 31 December 2022
	As on 01 January 2022	Addition		As on 01 January 2022	During the Period	
Right of use asset	14,382,744	4,607,184		11,330,932	2,918,629	14,249,561
<b>Balance at 31 December 2022</b>	<b>14,382,744</b>	<b>4,607,184</b>		<b>11,330,932</b>	<b>2,918,628</b>	<b>4,740,368</b>
<b>Balance at 31 December 2021</b>	<b>14,382,745</b>	<b>-</b>		<b>7,870,730</b>	<b>3,460,203</b>	<b>3,051,812</b>



**N.**

## PHOTO GALLERY & OTHER ACTIVITIES IN PHOTOS

**N.1** NATIONAL MOURNING DAY

**HIGHLIGHTS OF BIMA DIBOSH** **N.2**

**N.3** MEDIA HIGHLIGHTS FOR  
CLAIMS SETTLEMENT



**DESH GENERAL INSURANCE COMPANY LIMITED**



N.1

## NATIONAL MOURNING DAY





## N.2 HIGHLIGHTS OF BIMA DIBOSH



## N.3 MEDIA HIGHLIGHTS FOR CLAIMS SETTLEMENT

In The Daily Financial Express on Thursday, September 13, 2022 (page-08):



Mohammodi Khanam, Chief Executive Officer of Desh General Insurance Company Limited (DGIC), handed over a cheque for Tk 5,10,888 to Md. Ruhul Alam Al Mahbub, Managing Director of Fair Electronics Limited, for payment of a claim against a Marine Cargo Insurance.

In The Daily Financial Express on Monday, February 06, 2023 (page-14):



**DGIC PAYS OUT CLAIM CHEQUE:** Chief Executive Officer of Desh General Insurance Company (DGIC) Mohammodi Khanam handed over a cheque for Tk 16,05,535 to Managing Director of Saiham Cotton Mills Ltd. Syed Ishtiaq Ahmed as a payment of a claim against a marine cargo insurance. Tasmina Ahmed, Managing Director, and Nazeefa Raeesh Ahmed, Executive Director of Saiham Group, along with Md Shamim Al-Mamun, Head of Uttara Branch of DGIC, were also present at the cheque handover ceremony.

In The Daily Financial Express on Monday, February 13, 2023 (page-14):



Desh General Insurance Company Limited Chief Executive Officer Mohammodi Khanam handed over a cheque to Syed Tahsin Hoque, a managing partner of Integrated Business Corporation, for payment of a claim against a marine cargo insurance of the company, at a function in the city recently.



In The Daily Financial Express on Monday, March 06, 2023 (page-13):



Aminur Rahman, chairman of Claims Committee of Desh General Insurance Company Limited, handed over a cheque for Tk 5,280,000 to Golam Kibria Helal, owner of Al-Madina Garments Washing House, and Md Anwar Hossain Miah, manager of Matuail Branch of Agrani Bank Limited, for payment of a claim against a fire insurance of the company. Shishir Kanti Das, general manager of Dhaka Circle-1, and Ishrat Jahan, assistant general manager of Agrani Bank, along with Mohammodi Khanam, chief executive officer of Desh General Insurance, were also present.

In The Daily Financial Express on Monday, March 13, 2023 (page-14):



**DESH GENERAL INSURANCE CELEBRATES INT'L WOMEN'S DAY:** Desh General Insurance Company Limited has recently celebrated the International Women's Day in the city. The celebrations began with a cake-cutting ceremony followed by a discussion. Chief Executive Officer (CEO) of the company Mohammodi Khanam presided over the meeting.



Desh General Insurance Company Limited (DGIC) has settled a Marine Cargo Insurance Claim of Tk. 1,44,79,093/- (One Crore Forty Four Lakh Seventy Nine Thousand Ninety Three Taka) with its prominent policyholder M/s Molla Steel. In this context, on November 3, 2022, Ms. Mohammodi Khanam, the CEO of the Company, handed over a cheque of TK. 40,00,000/- (Forty Lakh Taka Only) to Mr. Obaidul Islam, the Managing Director of M/s. Molla Steel, as the first installment of the same.

On this occasion, from DGIC Additional Managing Director Mr. Mohd. Abul Kashem, Kawran Bazar Branch Incharge & Additional Managing Director Mr. Md. Shahjahan Mia and Head of Claims & Reinsurance Department Mr. Md. Ziaul Haque and from M/s. Molla Steel its Managing Partner Mr. Md. Barkatullah Tipu and Mr. Moazzem Hossain were also present.



O.

## CHECKLIST AND DISCLOSURE OF DIFFERENT STANDARDS FROM VARIOUS AUTHORITIES

O.1

DISCLOSURE CHECKLIST REGARDING ICSB (INSTITUTE OF CHARTERED SECRETARIES OF BANGLADESH) NATIONAL AWARD FOR CORPORATE GOVERNANCE EXCELLENCE-EVALUATION CRITERIA FOR COMPANIES

DISCLOSURE CHECKLIST REGARDING  
SAFA STANDARD

O.2

O.3

DISCLOSURE CHECKLIST AS PER  
ICMAB EVALUATION CRITERIA

DISCLOSURE CHECKLIST REGARDING  
CORPORATE GOVERNANCE

O.4

O.5

CHECKLIST REGARDING  
INTEGRATED REPORTING

DISCLOSURE CHECKLIST REGARDING  
BD SECRETARIAL STANDARDS

O.6

O.7

DISCLOSURE CHECKLIST REGARDING INSURANCE  
DEVELOPMENT AND REGULATORY AUTHORITY (IDRA)

DISCLOSURE CHECKLIST  
REGARDING BSEC

O.8



**DESH GENERAL INSURANCE COMPANY LIMITED**

## ICSB (Institute Of Chartered Secretaries Of Bangladesh) national award for Corporate Governance Excellence -evaluation criteria for companies

SL.NO	PARTICULARS	STATUS
1	<b>BOARD INDEPENDENCE &amp; GOVERNANCE</b>	
	(a) If the Chairman of the Company is a Non- Executive Director	Yes
	(b) Criteria for appointment of Independent Directors disclosed in the Annual Report	Yes
	(c) Criteria for appointment of Independent Directors are complied with	Yes
	(d) Written policy for induction of Directors	Yes
	(e) Appropriate proportion of Independent Directors to total number of Directors	Yes ; 1:5
	(f) Disclosure of policy on training of Directors as a part of assessing board performance	Yes
	(g) A report on compliance with best practices on Corporate Governance by the Directors	Yes
	(h) Annual evaluation of CEO carried out by the Board	-
	(i) Transparent Board nomination and election process	Yes
	(j) Concentration of shareholding among the Board members	Yes
	(k) Board Members suitably qualified and experienced	Yes
2	<b>BOARD SYSTEMS AND PROCEDURES</b>	
	(a) MD or CEO of the company does not hold the same position in another listed company	Complied
	(b) Written code of conduct for Directors and Senior Management	Yes
	(c) Well attended Board and Committee Meetings	Yes
	(d) Whistle Blower policy disclosed	-
	(e) The board contains a member with expert knowledge and responsibility for informing board of corporate regulatory rules, responsibilities and implications.	Yes
	(f) Nomination and Remuneration Committee reports are published in the Annual Report or not	Yes
	(g) Board Meetings are conducted, Minutes kept and books and records are maintained in compliance with Bangladesh Secretarial Standards (BSS), as adopted by ICSB	Yes
	(h) Role of Company Secretary with his or her background	Yes
3	<b>BOARD SYSTEMS , RISK AND AUDIT COMMITTEE</b>	
	(a) Existence of an Audit Committee, with competence relevant to the sector in which the company operates	Yes
	(b) Financial expert in the Audit Committee	Yes
	(c) Internal Auditor reports to the Board Audit Committee	Yes
	(d) Sufficient number of Independent Directors in the Audit Committee	Yes
	(e) The Audit Committee reports conflicts of interest to the Board	Yes
	(f) The Chairman of the Audit Committee is present at the AGM	Yes
	g) The Board carries out a robust assessment of Company emerging and principal risks	Yes
	(h) Taking into account the Company's current position and principal risks, the Board explains in the annual report how it has assessed the prospects for the company	Yes

SL.NO	PARTICULARS	STATUS
4	<b>TRANSPARENCY &amp; DISCLOSURE COMPLIANCES</b>	
	(a) Related Party Transactions disclosed in the Annual Report	Yes
	(b) Statement of compliance with IFRS/ BFRS	Yes
	(c) Statement of compliance with ICSB Secretarial Standards	Yes
	(d) No adverse remarks in the Auditors' Report	Yes
	(e) Disclosures for prospective investors	Yes
	(f) Disclosure of details of the remuneration of Directors	Yes
	(g) Disclosure of the qualification, experience and remuneration of Senior Management	Yes
5	<b>TRANSPARENCY AND INTERNAL AUDIT FUNCTIONS</b>	
	(a) Internal audit department established in the Company	Yes
	(b) Role and responsibility of the head of internal audit provided in writing	Yes
	(c) Statement of Directors' responsibility to establish appropriate system of internal controls	Yes
	(d) Adequacy of Internal Control system is reviewed	Yes
	(e) Internal Audit reports submitted to the Audit Committee	Yes
6	<b>SHAREHOLDERS INFORMATION &amp; VALUE ENHANCEMENT</b>	
	(a) Pattern of shareholdings (Parent/ Subsidiary/ associated Companies and Other Related Parties, Directors/Executives and relatives of Directors/Executives etc.)	Yes
	(b) Existence of well operated "Investors Relation Desk/Department"	Yes
	(c) Disclosure of shares held by 10% or more voting interests in the Company (Name-wise details)	N/A
	(d) Process for redressing investor complaints.	Yes
	(e) Positive growth in net worth of the company over the last 5 years	Yes
	(f) Cash or Stock dividends paid in previous 5 financial years.	Yes
	(g) Satisfactory EPS growth of the company over the last 5years	Yes
	(h) Effective investor communication on value-related information.	Yes
	(i) Detailed disclosures, as per listing rules, available on the Company's web site	Yes
7	<b>STAKEHOLDERS VALUE ENHANCEMENT</b>	
	(a) Policy to encourage employee's participation in management	Yes
	(b) Payment to vendors on time	Yes
	(c) Payment of Taxes on time	Yes
	(d) No dispute or default in payment of taxes	Yes
	(e) Suitable Supply Chain Management Policy	Yes

SL.NO	PARTICULARS	STATUS
8	<b>CORPORATE SOCIAL RESPONSIBILITY</b>	
	(a) Disclosure of CSR activities	Yes
	(b) Particulars of tree plantation and afforestation	Yes
	(c) Compliance with labour law to prevent employment of child labour	Yes
	(d) Employees and their immediate family take part in community welfare initiatives of the	Yes
	(e) Compliance with Labour Law relating to gratuity, provident fund and WPPF	Yes
9	<b>CORPORATE OBJECTIVES, GOVERNANCE INITIATIVES / RECOGNITIONS</b>	
	(a) Any award won by the company for Corporate Governance	Yes
	(b) Vision and Mission statement of the Company in the Annual Report	Yes
	(c) Overall strategic objectives	Yes
	(d) Core values and code of conduct and ethical principles	Yes
	(e) Director's profiles and their representation on Board of Other companies and Organization Chart	Yes
10	<b>TIMELINESS IN PUBLISHING FINANCIAL STATEMENTS AND HOLDING AGM</b>	
	(a) 3 months to produce the Annual Report and hold the AGM	-
	(b) More than 3 months but less than 6 months	-
	(c) If more than 6 months	✓
11	<b>PROFITABILITY (%)</b>	Data is available for calculation
	(a) Return on Average Assets (ROAA)	"
	(b) Return on Average Equity (ROAE)	"
	(c) Net Profit Margin	"
12	<b>LEVERAGE &amp; SOLVENCY (X)</b>	Data is available for calculation
	(a) Leverage Ratio	"
	(b) Debt Service Coverage Ratio (DSCR)	"
13	<b>LIQUIDITY &amp; OPERATIONAL EFFICIENCY (X)</b>	Data is available for calculation
	(a) Quick Ratio	"
	(b) Operating Cash Flow to Sales (OCFS)	"
14	<b>CREDIT RATING</b>	
	(a) AAA to AA-/AAA to AA3	-
	(b) A+ to A-/A1 to A3	AA
	(c) BBB+ to BB-/BBB1 to BB3	-
	(d) B+ to D/B1 to D	-
	(e) Unrated	-



## O.2 DISCLOSURE CHECKLIST REGARDING SAFA STANDARD

ITEMS	STATUS
<b>Corporate Objectives, Values &amp; Structure</b>	
• Clarity and presentation:	Clearly Presented
• Vision and Mission	Yes
• Overall strategic objectives	Yes
• Core values and code of conduct/ethical principles	Yes
• Profile of the Company	Yes
• Director's profiles and their representation on Board of other companies & Organization Chart	Yes
<b>Management Report/Commentary and analysis including Director's Reports/Chairman's Review/CEO's Review etc.</b>	
• A general review of the performance of the company	Yes
• Description of the performance of the various activities/product /segments of the company and its group companies during the period under review. (Weightage to be given for pictorial / graphical/ tabular presentations used for the purpose)	Yes
• A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	Yes
• A general review of the future prospects/outlook.	Yes
• Information on how the company contributed to its responsibilities towards the staff (including health & safety)	Yes
• Information on company's contribution to the national exchequer & to the economy	Yes
<b>Sustainability Reporting</b>	
• Social Responsibility Initiatives (CSR)	Yes
• Environment related Initiatives	Yes
• Environmental & Social Obligations	Yes
• Integrated Reporting	Yes
<b>Appropriateness of Disclosure of Accounting policies and General Disclosure</b>	
• Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	Yes
• Any Specific accounting policies	N/A
• Impairment of Assets	-
• Changes in accounting policies/Changes in accounting estimates	N/A
• Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	N /A
<b>Segment Information</b>	
• Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	Yes

ITEMS	STATUS
<ul style="list-style-type: none"> <li>Availability of information regarding different segments and units of the entity as well as non-segmental entities/units</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Segment analysis of</li> </ul>	Data is available for calculation
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Segment Revenue</li> </ul> </li> </ul>	"
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Segment Results</li> </ul> </li> </ul>	"
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Turnover</li> </ul> </li> </ul>	"
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Operating profit</li> </ul> </li> </ul>	"
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Carrying amount of Net Segment assets</li> </ul> </li> </ul>	"
<b>Financial Statements (Including Formats)</b>	
<ul style="list-style-type: none"> <li>Disclosures of all contingencies and commitments</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Comprehensive related party disclosures</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Disclosures of Remuneration &amp; Facilities provided to Directors &amp; CEO</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Statement of Financial Position / Balance Sheet and relevant schedules</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Income Statement / Profit and Loss Account and relevant schedules</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Statement of Changes in Equity / Reserves &amp; Surplus Schedule</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Disclosure of Types of Share Capital</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Statement of Cash Flow</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Consolidated Financial Statement (CFS)</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Extent of compliance with the core IAS/IFRS or equivalent National Standards</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Disclosures / Contents of Notes to Accounts</li> </ul>	Yes
<b>Information about Corporate Governance</b>	
<ul style="list-style-type: none"> <li>Board Of Directors, Chairman And CEO</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Audit Committee (Composition, role, meetings, attendance, etc) Internal Control &amp; Risk Management</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Ethics And Compliance</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Remuneration and other Committees of Board</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Human Capital</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Communication to Shareholders &amp; Stakeholders</li> </ul>	Yes
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Information available on website</li> </ul> </li> </ul>	Yes
<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>Other information</li> </ul> </li> </ul>	Yes
<ul style="list-style-type: none"> <li>Management Review and Responsibility</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports</li> </ul>	Yes
<ul style="list-style-type: none"> <li>Any other investor friendly information</li> </ul>	Yes

ITEMS	STATUS
<b>Risk Management &amp; Control Environment</b>	
• Description of the Risk Management Framework	Yes
• Risk Mitigation Methodology	Yes
• Disclosure of Risk Reporting	Yes
<b>Stakeholders Information</b>	Yes
• Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc.)	Yes
• Shares held by Directors/Executives and relatives of Directors /Executives	Yes
• Redressal of investors complaints	Yes
<b>Graphical/ Pictorial Data:</b>	Yes
• Earnings per Share	Yes
• Net Assets	Yes
• Stock Performance	Yes
• Shareholders' Funds	Yes
• Return on Shareholders Fund	Yes
<b>Horizontal/ Vertical Analysis including following:</b>	Yes
Operating Performance (Income Statement)	Yes
• Total Revenue	Yes
• Operating profit	Yes
• Profit Before Tax	Yes
• Profit After Tax	Yes
• EPS	Yes
<b>Statement of Financial Position (Balance Sheet)</b>	Yes
• Shareholders Fund	Yes
• Property Plant & Equipment	Yes
• Net Current Assets	Yes
• Long Term Liabilities/Current Liabilities	Yes
<b>Profitability/Dividends/ Performance and Liquidity Ratios</b>	Data is available for calculation
• Claim Ratio	"
• Earnings before Interest, Depreciation and Tax	"
• Price earnings ratio	"
• Solvency Ratio	"
• Return on Capital Employed	"
• Debt Equity Ratio	"

ITEMS	STATUS
<b>Statement of Value Added and Its Distribution</b>	
• Government as Taxes	Yes
• Shareholders as dividend	Yes
• Employees as bonus/remuneration	Yes
• Retained by the entity	Yes
• Market share information of the Company's product/services	Yes
• Economic value added	Yes
<b>Additional Disclosures</b>	
For Example	
• Human Resource Accounting	Yes
• Any other good additional disclosures (Independence certification Eg. GNV, GRI)	Yes
<b>Specific Areas for Insurance Sector</b>	
• Claims management and details of outstanding claims (IBNR & IBNER) with ageing thereof	Yes
• Disclosures pertaining to Solvency Margin	Yes
• Accounting ratios pertaining to insurance sector	Yes
• Review of assets quality	Yes

### O.3 DISCLOSURE CHECKLIST AS PER ICMAB EVALUATION CRITERIA

ITEMS	CHAPTER NO.
<b>CAPITALIZATION AND SOLVENCY</b>	Data is available for calculation
• External Liability Ratio	"
• Internal Capital Generation Ratio	"
• Exceptional Loss Reserve to Net Premium	"
• Capital & Fund to Total Asset	"
<b>TECHNICAL</b>	Data is available for calculation
• Retention Ratio	"
• Claim Ratio	"
• Premium to Equity	"



ITEMS	CHAPTER NO.
<b>PROFITABILITY &amp; MANAGEMENT EFFICIENCY</b>	Data is available for calculation
• Gross Underwriting Margin Return	”
• Return on Average Assets (ROAA)	”
• Return on Average Equity (ROAE)	”
• Available Solvency Margin	”
• Management Expense to Net premium	”
• Agency Commission to Net Premium	”
• Underwriting Profit on Gross premium	”
<b>LIQUIDITY &amp; FUNDING</b>	Data is available for calculation
• Current Ratio	”
• Liquid Assets to Total Insurance Fund	”
• Total Liquid Assets to Total Assets	”
<b>EXTERNAL CREDIT RATING (ECR)</b>	Yes
• Short Term	ST-2
• Long Term	AA
<b>CORPORATE GOVERNANCE</b>	
• No of Non-Shareholding Director	03
• Single Family Domination Board	NO
• Shareholding Concentration (Public)	40%
• Audit Committee Led by Independent Directors	Yes
• Directors' Minimum Shareholding	2%
• Audit Opinion	Positive
<b>PERFORMANCE WITH RESPECT TO SHAREHOLDERS</b>	Data is available for calculation
• Dividend yield	”
• Net Asset Value (NAV) Growth	”
• Capital Appreciation	”
<b>HUMAN RESOURCES MANAGEMENT</b>	
• No. of Employee	Described
• Per Employee Average Salary	-

ITEMS	CHAPTER NO.
<ul style="list-style-type: none"> <li>Gender Diversity</li> </ul>	Described
<ul style="list-style-type: none"> <li>Training Cost per Employee</li> </ul>	-
<b>Corporate Social Responsibility (CSR)</b>	
<ul style="list-style-type: none"> <li>CSR to Net Income (%)</li> </ul>	Described
<b>REGULATORY AUTHORITY</b>	
<ul style="list-style-type: none"> <li>Contribution to National Exchequer</li> </ul>	Described

## O.4 DISCLOSURE CHECKLIST REGARDING CORPORATE GOVERNANCE

TITLE	CHAPTER NAME
<b>BOARD OF DIRECTORS, THE CHAIRMAN AND THE CEO</b>	<b>CHAPTER - F</b>
■ Company's policy on appointment of directors disclosed.	"
■ Adequate representation of non-executive directors i.e. one third of the board, subject to a minimum of two	"
■ At least one independent director on the board and disclosure /affirmation of the board on such director's independence.	"
■ Duality of Chairman and CEO	"
■ Responsibilities of the Chairman of the Board appropriately defined and disclosed.	"
■ Disclosure of independence of Non-Executive Directors	"
■ Existence of a scheme for annual appraisal of the board's performance and disclosure of the same.	"
■ Disclosure of policy on annual evaluation of the CEO by the Board.	"
■ Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year	"
■ Existence of a scheme for annual appraisal of the boards performance	"
■ At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	"
■ Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	"
■ Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	"
<b>VISION / MISSION AND STRATEGY</b>	<b>CHAPTER - B</b>
• Company's vision / mission statements are approved by the board and disclosed in the annual report.	"
■ Identification of business objectives and areas of business focus disclosed	"
■ General description of strategies to achieve the company's business objectives	"

TITLE	CHAPTER NAME
Appointment and Composition	"
■ Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	"
■ Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	"
■ More than two thirds of the members are to be Non-Executive Directors	"
■ All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	"
■ Head of internal audit to have direct access to audit committee	"
■ The committee to meet at least four times a year and the number of meetings and attendance by individual members is disclosed in the annual report.	"
<b>OBJECTIVES &amp; ACTIVITIES</b>	<b>CHAPTER-F</b>
■ Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	"
■ Statement to indicate audit committees role in ensuring compliance - with Laws, Regulations and timely settlements of Statutory dues	"
■ Statement of Audit committee involvement in the review of the external audit function	"
o Ensure effective coordination of external audit function	"
o Ensure independence of external auditors	"
o To review the external auditors findings in order to be satisfied that appropriate action is being taken	"
o Review and approve any non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors.	"
o Recommend external auditor for appointment/ reappointment	"
■ Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review.	"
■ Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases	"
■ Reliability of the management information used for such computation	"
<b>INTERNAL CONTROL &amp; RISK MANAGEMENT</b>	<b>CHAPTER- F &amp; K.2</b>
■ Statement of Director's responsibility to establish appropriate system of internal control	"
■ Narrative description of key features of the internal control system and the manner in which the system is monitored by the Board, Audit Committee or Senior Management	"
■ Statement that the Directors have reviewed the adequacy of the system of internal controls	"
■ Disclosure of the identification of risks the company is exposed to both internally & externally	"
■ Disclosure of the strategies adopted to manage and mitigate the risks	"
<b>ETHICS AND COMPLIANCE</b>	<b>CHAPTER- F.10</b>
■ Disclosure of statements of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc.	"
■ Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same	"

TITLE	CHAPTER NAME
■ Board's statement on its commitment to establishing high level of ethics and compliance within the organization	"
■ Establishing effective anti-fraud programs and controls, including effective protection of whistleblowers, establishing a net line reporting of irregularities etc.	"
<b>REMUNERATION COMMITTEE</b>	<b>CHAPTER– F.2</b>
■ Disclosure of the charter (role and responsibilities) of the committee	"
■ Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors)	"
■ Disclosure of key policies with regard to remuneration of directors, senior management and employees	"
■ Disclosure of number of meetings and work performed	"
■ Disclosure of Remuneration of directors, chairman, chief executive and senior executives.	"
<b>HUMAN CAPITAL</b>	<b>CHAPTER– E.8</b>
■ Disclosure of general description of the policies and practices codified and adopted by the company with respect to Human Resource Development and Management, including succession planning, merit-based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling.	"
■ Organizational Chart	<b>CHAPTER– B.8</b>
<b>COMMUNICATION TO SHAREHOLDERS &amp; STAKEHOLDERS</b>	<b>CHAPTER– H.1-8</b>
■ Disclosure of the Company's policy/strategy to facilitate effective communication with shareholders and other stake holders	"
■ Disclosure of company's policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM.	"
<b>ENVIRONMENTAL AND SOCIAL OBLIGATIONS</b>	<b>CHAPTER– E.4</b>
■ Disclosure of general description of the company's policies and practices relating to social and environmental responsibility of the entity	"
■ Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices	"

## 0.5 DISCLOSURE CHECKLIST REGARDING INTEGRATED REPORTING:

REPORTING FRAMEWORK	CHAPTER NAME
<b>A. ORGANIZATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT</b>	
<b>ORGANIZATIONAL OVERVIEW</b>	<b>CHAPTER– F</b>
<p>An integrated report identifies the organization's purpose, mission and vision, and provides essential context by identifying matters such as:</p> <p>The organization's:</p> <ul style="list-style-type: none"> <li>• Culture, ethics and values</li> <li>• Ownership and operating structure</li> <li>• Principal activities and markets</li> <li>• Competitive landscape and market Positioning</li> <li>• Position within the value chain</li> </ul>	"



REPORTING FRAMEWORK	CHAPTER NAME
<b>EXTERNAL ENVIRONMENT</b>	<b>CHAPTER– E.7</b>
Significant factors affecting the external environment include aspects of the legal, commercial, social, environmental and political context that affect the organization's ability to create value in the short, medium or long term. They can affect the organization directly or indirectly	”
<p>These factors occur in the context of the particular organization, in the context of its industry or region, and in the wider social or planetary context.</p> <p>They may include, for example:</p> <ul style="list-style-type: none"> <li>• The legitimate needs and interests of key stakeholders</li> <li>• Macro and micro economic conditions, such as economic stability, globalization, and industry trends</li> <li>• Market forces, such as the relative strengths and weaknesses of competitors and customer demand</li> <li>• The speed and effect of technological change</li> <li>• Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems</li> <li>• Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached</li> <li>• The legislative and regulatory environment in which the organization operates</li> <li>• The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy.</li> </ul>	”
<b>B. GOVERNANCE</b>	<b>CHAPTER– F</b>
<p>An integrated report provides insight about how such matters as the following are linked to its ability to create value:</p> <ul style="list-style-type: none"> <li>• The organization's leadership structure, including the skills and diversity (e.g. range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure</li> <li>• Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues</li> <li>• Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management</li> <li>• How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders</li> <li>• Whether the organization is implementing governance practices that exceed legal requirements</li> <li>• The responsibility those charged with governance take for promoting and enabling innovation</li> <li>• How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals.</li> </ul>	”
<b>C. BUSINESS MODEL</b>	<b>CHAPTER– B.3</b>
An organization's business model is its system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfill the organization's strategic purposes and create value over the short, medium and long term.	
<b>INPUTS</b>	”
An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model.	
The focus is on those that have a material bearing on the ability to create value in the short, medium and long term, whether or not the capitals from which they are derived are owned by the organization.	

REPORTING FRAMEWORK	CHAPTER NAME
<b>BUSINESS ACTIVITIES</b>	"
<p>An integrated report describes key business activities. This can include:</p> <ul style="list-style-type: none"> <li>• How the organization differentiates itself in the market place (e.g. through product differentiation, market segmentation, delivery channels and marketing)</li> <li>• The extent to which the business model relies on revenue generation after the initial point of sale (e.g. extended warranty arrangements or network usage charges)</li> <li>• How the organization approaches the need to innovate</li> <li>• How the business model has been designed to adapt to change.</li> </ul>	
When material, an integrated report discusses the contribution made to the organization's long-term success by initiatives such as process improvement, employee training and relationships management.	
<b>OUTPUTS</b>	"
An integrated report identifies an organization's key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the business model disclosure depending on their materiality.	
<b>OUTCOMES</b>	"
<p>An integrated report describes key outcomes. Outcomes are the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs. The description of outcomes includes:</p> <ul style="list-style-type: none"> <li>• Both internal outcomes (e.g. employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g. customer satisfaction, tax payments, brand loyalty, and social and environmental effects)</li> <li>• Both positive outcomes (i.e. those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e. those that result in a net decrease in the capitals and thereby erode value).</li> </ul>	
<b>D. RISKS AND OPPORTUNITIES</b>	<b>CHAPTER– G, C.7</b>
An integrated report identifies the key risks and opportunities that are specific to the organization, including those that relate to the organization's effects on, and the continued availability, quality and affordability of, relevant capitals in the short, medium and long term.	"
The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and key performance indicators.	"
The organization's approach to any real risks (whether they be in the short, medium or long term) that are fundamental to the ongoing ability of the organization to create value and that could have extreme consequences is ordinarily included in an integrated report, even when the probability of their occurrence might be considered quite small.	"
<b>E. STRATEGY AND RESOURCE ALLOCATION</b>	<b>CHAPTER– E</b>
<p>An integrated report ordinarily identifies:</p> <ul style="list-style-type: none"> <li>• The organization's short-, medium and long-term strategic objectives</li> <li>• The strategies it has in place, or intends to implement, to achieve those strategic objectives</li> <li>• The resource allocation plans it has to implement its strategy</li> <li>• How it will measure achievements and target outcomes for the short, medium and long term.</li> </ul>	"
<p>What differentiates the organization to give it competitive advantage and enable it to create value, such as:</p> <ul style="list-style-type: none"> <li>• The role of innovation</li> <li>• How the organization develops and exploits intellectual capital</li> <li>• The extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage</li> <li>• Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans.</li> </ul>	"

REPORTING FRAMEWORK	CHAPTER NAME
<b>F. PERFORMANCE</b>	<b>CHAPTER– E</b>
<p>An integrated report contains qualitative and quantitative information about performance that may include matters such as:</p> <ul style="list-style-type: none"> <li>• Quantitative indicators with respect to targets, risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them</li> <li>• The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain</li> <li>• The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests</li> <li>• The linkages between past and current performance, and between current performance and the organization's outlook</li> </ul>	”
<b>G. OUTLOOK</b>	<b>CHAPTER– E</b>
<p>An integrated report ordinarily highlights anticipated changes over time and provides information, built on sound and transparent analysis, about:</p> <ul style="list-style-type: none"> <li>• The organization's expectations about the external environment the organization is likely to face in the short, medium and long term</li> <li>• How that will affect the organization</li> <li>• How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.</li> </ul>	”
<p>The discussion of the potential implications, including implications for future financial performance, ordinarily includes discussion of:</p> <ul style="list-style-type: none"> <li>• The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives</li> <li>• The availability, quality and affordability of capitals the organization uses or affects (e.g. the continued availability of skilled labour or natural resources), including how key relationships are managed and why they are important to the organization's ability to create value over time.</li> </ul>	”
<b>H. BASIS OF PREPARATION AND PRESENTATION</b>	<b>CHAPTER– D</b>
<b>SUMMARY OF MATERIALITY DETERMINATION PROCESS</b>	”
<p>An integrated report includes a summary of the organization's materiality determination process and key judgments. This may include:</p> <ul style="list-style-type: none"> <li>• Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters</li> <li>• Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters</li> </ul>	”
<b>REPORTING BOUNDARY</b>	”
An integrated report identifies its reporting boundary and explains how it has been determined.	”
Material risks, opportunities and outcomes attributable to or associated with entities that are included in the financial reporting entity, are reported on in the organization's integrated report.	”
Risks, opportunities and outcomes attributable to or associated with other entities/ stakeholders are reported on in an integrated report to the extent they materially affect the ability of the financial reporting entity to create value.	”
<p>Practical issues might limit the nature and extent of information that can be presented in an integrated report. For example:</p> <ul style="list-style-type: none"> <li>• The availability of reliable data with respect to entities the financial reporting entity does not control</li> <li>• The inherent inability to identify all risks, opportunities and outcomes that will materially affect the ability of the financial reporting entity to create value, particularly in the long term.</li> </ul>	”
<b>SUMMARY OF SIGNIFICANT FRAMEWORKS AND METHODS</b>	<b>CHAPTER– E</b>
An integrated report includes a summary of the significant frameworks and methods used to quantify or evaluate material matters included in the report.	”
When information in an integrated report is similar to or based on other information published by the organization, it is prepared on the same basis as, or is easily reconcilable with, that other information.	”

## O.6 DISCLOSURE CHECKLIST REGARDING BD SECRETARIAL STANDARDS

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>BANGLADESH SECRETARIAL STANDARD- 1 ; (BSS-1)</b>		
<b>MEETINGS OF THE BOARD OF DIRECTORS</b>		
<b>1. CONVENING OF A MEETING</b>		
<b>1.1 Authority for Convening of a Meeting</b>		
Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	✓	
<b>1.2 Notice of a Meeting</b>		
Every Director of the Company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A director may specify any particular mode to receive such notices. If any of the Directors so specifies, the Notice shall be sent to him by such mode.	✓	
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held.	✓	
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	✓	
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such notice.	✓	
Unless a Notice has not been given to the directors then no business shall be transacted at a Meeting.	✓	
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	✓	
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice.	✓	
Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.	✓	
<b>2. FREQUENCY OF MEETINGS</b>		
<b>2.1 Meetings of the Board</b>		
The Board shall meet at least once in every quarter of a calendar year i.e in three months, and at least four Meetings are to be held in each year. The maximum interval between any two Meetings shall not be more than 90 days.	✓	
<b>2.2 Meetings of Committees</b>		
Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.	✓	



REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>3. QUORUM</b>		
<b>3.1 Meetings of the Board</b>		
Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present.	✓	
Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.	✓	
<b>3.2 Meetings of Committees</b>		
The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.	✓	
<b>4. Attendance at Meetings</b>		
<b>4.1 Attendance Register</b>		
An Attendance Register shall be maintained containing the names and signatures of the Directors present at the Meeting.	✓	
<b>4.2 Leave of Absence</b>		
Leave of absence shall be granted to a Director only when a request for such leave has been communicated to the Secretary or to the Board or to the Chairman.	✓	
<b>5. CHAIRMAN</b>		
<b>5.1 Meetings of the Board</b>		
Every company shall have a Chairman who will preside over the Meetings of the Board	✓	
It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.	✓	
The Chairman shall then conduct the proceedings of the Meeting and ensure that only those items of business as have been set out in the Agenda are transacted and ideally in the order in which the items appear on the Agenda.	✓	
The Chairman shall encourage deliberations and debate and assess the sense of the Meeting. The Chairman shall ensure that the proceedings of the Meeting are correctly recorded and, in doing so, he may include or exclude any matter as he deems fit.	✓	
In the case of a public company, if the Chairman himself is interested in any item of business, he shall entrust any other dis-interested Director present to conduct the proceedings in respect of such item. After the transaction of the item of business is over then the Chairman may resume his position.	✓	
<b>5.2 Meetings of Committees</b>		
The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.	✓	
<b>6. PASSING OF RESOLUTION BY CIRCULATION</b>		
<b>6.1 Circulation of Resolution and Supporting Papers</b>		

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
A Resolution proposed to be passed by circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.	✓	
The Resolution as to be passed by circulation and the supporting papers shall be circulated by hand, or by post, or by facsimile, or by e-mail or by any other electronic mode.	✓	
<b>6.2 Passing and Recording of Resolution by Circulation</b>		
The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier	✓	
Resolutions sent for passing by circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	✓	
<b>6.3 Resolutions not to be Passed by Circulation</b>		
The annual accounts of a company shall be approved at a Meeting of the Board and shall not be by a Resolution by circulation	✓	
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by circulation.	✓	
In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by circulation.	✓	
<b>7. MINUTES</b>		
<b>7.1 Recording of Minutes</b>		
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	✓	
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	✓	
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	✓	
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	✓	
Minutes shall not be pasted or attached to the Minutes Book.	✓	
Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	✓	
Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	✓	
Minutes of an earlier Meeting shall be noted at the next Meeting.	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	✓	
The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting.	✓	
<b>7.2 Recording in the Minutes</b>		
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	✓	
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	✓	
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the agenda shall also be recorded in the Minutes	✓	
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	✓	
<b>7.3 Preservation of Minutes and Supporting Papers</b>		
The Minutes of all Meetings shall be preserved permanently.	✓	
If a company has been merged or amalgamated with any other company, the Minutes of all Meetings of the Board and Committees of the transferor company shall be preserved permanently by the transferee company for any future references notwithstanding the fact that the identity of the transferor company may not survive under such arrangement.	✓	
All office copies of Notices, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	✓	
<b>8. DISCLOSURE REGARDING MEETING OF THE BOARD AND COMMITTEES</b>	✓	
The Annual Report of a company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	✓	
<b>BANGLADESH SECRETARIAL STANDARD-2 ; (BSS-2)</b> <b>SECRETARIAL STANDARD ON GENERAL MEETINGS</b>		
<b>1. CONVENING OF A MEETING</b>		
<b>1.1 Authority for Convening of a Meeting</b>		
As per the provisions of the Act, a General Meeting shall be convened on the authority of the Board.	✓	
The Board of its own accord or on the requisition of Members shall, either at a Meeting of the Board or by passing a resolution by circulation, convene or authorize the convening of a General Meeting.		no such event has occurred

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>1.2 Notice of a Meeting</b>		
Notice of every General Meeting shall be given to every Member of the company in writing. Such Notice shall also be given to the every Director and the Auditors of the company, and to the Practicing Company Secretary, if any, who has given the Compliance Certificate, to Debenture Trustees, if any, and, wherever applicable or so required, to any other specified recipients.	✓	
<b>1.3 Notification specifying day, date, time and venue of General Meeting</b>		
The Notice shall specify the day, date, time and venue of the General Meeting with complete address.	✓	
<b>1.4 Notification on nature of Meeting and business to be transacted</b>		
The Notice shall clearly specify the nature of the Meeting and the business to be transacted thereat.	✓	
In respect of items of Special Business, each such item shall be in the form of a Resolution and shall be accompanied by an explanatory statement which shall set out all such facts as will enable a Member to take an informed decision on the matter.	✓	
In respect of items of Ordinary Business, Resolutions are not required to be specified in the Notice except where the appointment of Auditors has to be made by a Special Resolution, or where the Auditors or Directors to be appointed are other than the retiring Auditors or Directors, as the case may be.	✓	
All Resolutions and the explanatory statement shall be framed in simple and intelligible language so as to enable Members to understand the meaning, scope and implications of the proposed items of business.	✓	
For the listed companies the Notice of the General Meeting shall be published in at least two national daily newspapers, one in Bangla and another in English, having a wide circulation within Bangladesh.	✓	
No business shall be transacted at a Meeting if Notice in accordance with this Standard has not been given.	✓	
A General Meeting convened upon due Notice shall not be postponed or cancelled	✓	
<b>1.5 Items not specified shall not be transacted</b>		
At the General Meeting no items of business other than those specified in the Notice shall be taken up for consideration.	✓	
In respect of an item of business if not contained in the Notice convening the Meeting then no Resolution shall be valid if it is passed in the General Meeting.  Where Special Notice is required of any Resolution and Notice of the intention to move such Resolution is received by the company at least fourteen days before the Meeting, such item of business shall be placed for consideration at the Meeting after giving Notice of the Resolution to Members in the manner specified.	✓	
Any amendment to the Notice, including the addition of any item of business, can be issued provided the notice of amendment is sent to all persons entitled to receive the Notice of the Meeting and is sent within the time limit prescribed for giving of the original Notice.	✓	
<b>1.6 Sending of Notice and supporting documents to Members</b>		
The Notice shall be accompanied by an Attendance slip and a Proxy form with clear instructions for filling, stamping, signing and depositing of the Proxy form.	✓	



REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
Notice and supporting documents shall be sent to all the members at least 14 days before the scheduled date of the Meeting.	✓	
Notice and accompanying documents may be given at a shorter period of time if consent in writing, in the prescribed form, is given thereto by, in the case of an Annual General Meeting, all the Members entitled to vote at the Meeting and, in the case of any other Meeting, Members holding ninety-five percent of the paid-up share capital carrying voting right or, where the company has no share capital, ninety-five percent of the total voting power.	✓	
<b>2. FREQUENCY OF MEETINGS</b>		
<b>2.1 Statutory Meeting</b>		
Every public company having a share capital and every public company limited by guarantee and having a share capital shall, after one month but not later than six months from the date on which it is entitled to commence business, hold a Meeting called the Statutory Meeting.	✓	
<b>2.2 Annual General Meeting</b>		
Every company shall, in each year, hold a Meeting called the Annual General Meeting.	✓	
<b>2.3 Extra-Ordinary General Meeting</b>		
Items of business of an urgent nature which need to be transacted before the next Annual General Meeting shall be considered at an Extra-Ordinary General Meeting.	✓	
<b>3. QUORUM</b>		
To conduct a valid meeting quorum shall be present at the commencement and throughout the Meeting.	✓	
At a General Meeting since Members need to be personally present to constitute the Quorum, Proxies are to be excluded for determining the Quorum. However, a duly authorized representative of a body corporate is deemed to be a Member personally present and enjoys all the rights of a Member present in person.	✓	
<b>4. ENTITLEMENT OF OTHERS TO ATTEND THE MEETING</b>		
The Directors of the company shall attend all Meetings of the company, particularly the Annual General Meeting, and shall be seated with the Chairman.	✓	
The Chairman of the Audit Committee, where such a Committee exists, shall attend the Annual General Meeting.	✓	
The Auditors of the company are entitled to attend the Annual General Meeting, the Auditors, represented by the proprietor or a partner, as the case may be, shall attend the Meeting if there are any reservations, qualifications or adverse remarks in the Auditor's Report.	✓	
The Chartered Secretary in Practice who has given the Compliance Certificate to a company shall be entitled to attend the Annual General Meeting of that company.	✓	
<b>5. CHAIRMAN</b>		
The Chairman of the Board shall take the chair of a general meeting and conduct the Meeting.	✓	
If there is no Chairman or if he is not present within twenty minutes after the time as appointed for holding of the general meeting, or if he express his inability or is unable to act as Chairman of the Meeting, the Directors present shall elect one of themselves to act as the Chairman of the Meeting.		no such event has occurred
If the Directors fails to elect or if no Director is willing to take the chair, then the Members present shall elect one of themselves to be the Chairman of the Meeting.		no such event has occurred

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
In the absence of any express provision contained in the Articles, the Members personally present at the Meeting shall elect one of themselves to be the Chairman of the Meeting.		no such event has occurred
The Chairman shall ensure that the Meeting is duly constituted in accordance with the Act and the Articles or any other applicable laws, before it proceeds to transact business. The Chairman shall then conduct the Meeting in a fair and impartial manner and ensure that only such business as has been set out in the Notice is transacted.	✓	
The Chairman shall explain the objective and implications of each Resolution before the Resolution is put to vote.	✓	
The Chairman shall provide a fair opportunity to Members who are entitled to vote to raise questions and/or offer comments and ensure that these are answered.	✓	
The Chairman shall not propose any Resolution in which he is deemed to be concerned or interested nor shall he participate in the discussion or vote on any such Resolution.	✓	
<b>6. VOTING</b>		
<b>6.1 Proposing a Resolution</b>		
Every Resolution shall be proposed by a Member and seconded by another Member entitled to vote thereon.	✓	
A Director shall not propose any Resolution in which he is deemed to be concerned or interested nor shall he participate in the discussion or vote on any such Resolution.	✓	
<b>6.2 Vote by Show of Hands</b>		
Every Resolution shall, in the first instance, be put to vote on a show of hands.	✓	
Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him. Unless the Articles otherwise provide, a Proxy cannot vote on a show of hands.	✓	
<b>6.3 Vote by Poll</b>		
A Member present in person or by Proxy shall, on a poll, have votes in proportion to his share of the paid up equity capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares.	✓	
When a poll is demanded on any Resolution, the Chairman shall get the validity of the demand verified and shall order the poll forthwith if it is demanded on the question of appointment of the Chairman or adjournment of the Meeting and, in any other case, within forty-eight hours of the demand for poll.	✓	
In the case of a poll which is not taken forthwith, the Chairman shall announce at the Meeting the date, venue and time of taking the poll to enable Members to have adequate and convenient opportunity to exercise their vote. The Chairman shall also announce that any Member who so desires may be present at the time of counting of votes.		no such event has occurred
A Member who did not attend the Meeting cannot participate and vote in the poll.	✓	
Each Resolution on which a poll is demanded shall be put to vote separately.	✓	
One ballot paper may be used for two or more items for which poll has been ordered.	✓	
The Chairman shall appoint at least two scrutinizers to ensure that the scrutiny of the votes cast on a poll is conducted fairly, accurately and properly. At least one of the two scrutinizers shall be a Member who is present at the Meeting and is not an officer or employee of the company.		no such event has occurred

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
The result of the poll shall be displayed on the notice board of the company at its Registered Office and its Corporate/Head Office, if such office is situated elsewhere, and also placed on the website, if any, of the company. In the case of listed companies with more than 5,000 Members, the result of the poll shall also be published in a newspaper having a wide circulation within Bangladesh.	✓	
<b>6.4 Casting Vote</b>		
The Chairman shall have a casting vote in a poll.	✓	
<b>7. PROXIES</b>		
<b>7.1 Notice of Right to Appoint</b>		
Every Notice calling a Meeting of a company which has a share capital or the Articles of which provide for voting at a Meeting by Proxy, shall prominently contain a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that, unless the Articles provide otherwise, a Proxy need not be a Member.	✓	
<b>7.2 Form of Proxy</b>		
An instrument appointing a Proxy shall be either in the Form specified in the Articles or in any of the Forms set out in the Act.	✓	
An instrument of Proxy <b>duly filled</b> , stamped and signed, is <b>valid</b> only for the Meeting to which it relates including any adjournment thereof.	✓	
<b>7.3 Stamping of Proxies</b>		
An instrument of Proxy is valid only if it is properly stamped. Unstamped or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.	✓	
<b>7.4 Execution of Proxies</b>		
In addition to the Member appointing a Proxy, the Proxy-holder also shall sign the instrument of Proxy.	✓	
An authorized representative of a body corporate or of the President of India or of the Governor of a State, holding shares in a company, may appoint a Proxy under his signature.	✓	
<b>7.5 Proxies in Blank and Incomplete Proxies</b>		
A proxy form shall not be considered valid if it does not state the name of the Proxy. In case of an undated Proxy, if it is found otherwise complete in all respects, is lodged within the prescribed time limit, it shall be considered valid.	✓	
<b>7.6 Deposit of Proxies</b>		
Proxies shall either be deposited with the company in person or received through post not later than forty-eight hours before the commencement of the Meeting at which they are to be used and a Proxy shall be accepted even on a holiday if the last date by which it could be accepted is a holiday.	✓	
A Member who has not appointed a Proxy to attend and vote on his behalf at a Meeting may appoint a Proxy for any adjournment of such Meeting, not later than forty-eight hours before the time of such adjourned Meeting.	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>7.7 Revocation of Proxies</b>		
If a Proxy had been appointed for the original Meeting and such Meeting is adjourned, any Proxy given for the adjourned Meeting revokes the Proxy given for the original Meeting.	✓	
A Proxy later in date revokes any Proxy/Proxies dated prior to such Proxy.	✓	
A Proxy is valid until written notice of revocation has been received by the company before the commencement of the Meeting or adjourned Meeting, as the case may be.	✓	
<b>7.8 Inspection of Proxies</b>		
Requisitions, if any, for inspection of Proxies shall be received in writing from a Member at least three days before the commencement of the Meeting.	✓	
Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.	✓	
A fresh requisition, conforming to the above requirements, shall be given for inspection of Proxies in case the original Meeting is adjourned.	✓	
<b>7.9 Record of Proxies</b>		
All Proxies received by the company shall be recorded chronologically in a register kept for that purpose.	✓	
In case any Proxy entered in the register is rejected, the reasons therefore shall be entered in the remarks column of the register.	✓	
<b>8. WITHDRAWAL/RESCINDING OF OR MODIFICATIONS TO RESOLUTIONS</b>		
<b>8.1 Withdrawal of Resolutions</b>		
Any Resolution on an Agenda or items of business which are likely to affect the market price of the securities of the company or regarded as price sensitive if passed shall not be withdrawn.	✓	
<b>8.2 Rescinding of Resolutions</b>		
A Resolution passed at a Meeting shall not be rescinded other than by a specific Resolution passed at a subsequent Meeting.	✓	
<b>8.3 Modifications to Resolutions</b>		
Modifications to any Resolution which do not change the purpose of the Resolution materially may be proposed, seconded and adopted by the requisite majority at the Meeting and, thereafter, the amended Resolution shall be duly proposed, seconded and put to vote.	✓	
<b>9. READING OF REPORT/CERTIFICATE</b>		
<b>9.1 Auditors Report</b>		
The entire Auditor's Report including the Statement pursuant to the Manufacturing and Other Companies Auditor's Report Order shall be read at the Annual General Meeting.	✓	
<b>9.2 Compliance Certificate</b>		
The Compliance Certificate given by the Chartered Secretary in Practice and attached to the Directors' Report shall also be read at the Annual General Meeting.	✓	



REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>10. ADJOURNMENT/DISSOLUTION OF MEETINGS</b>		
<b>10.1 Procedure of Adjournment</b>		
A duly convened Meeting shall not be adjourned arbitrarily by the Chairman. The Chairman may adjourn a Meeting with the consent of the Members and shall adjourn a Meeting if so decided by the Members.	✓	
Meetings may be adjourned for want of requisite Quorum. The Chairman may adjourn a Meeting in the event of disorder or other like causes, where it becomes impossible to conduct the Meeting and complete its business.	✓	
If a Meeting is adjourned sine-die or for a period of thirty days or more, a Notice of the adjourned Meeting shall be given in accordance with the provisions contained hereinabove relating to Notice.	✓	
If a Meeting is adjourned for a period of less than thirty days, in the case of listed companies with more than 5,000 Members, Notice thereof specifying the day, date, time and venue of the Meeting shall be published immediately in a newspaper having a wide circulation within Bangladesh.	✓	
If a Meeting, other than a requisitioned Meeting, stands adjourned for want of Quorum, the adjourned Meeting shall be held on the same day, in the next week at the same time and place or on such other day and at such other time and place as may be determined by the Board. In the case of listed companies with more than 5,000 Members, Notice thereof, specifying the day, date, time and venue of the Meeting, shall be published immediately in a newspaper having a wide circulation within Bangladesh.	✓	
<b>10.2 Holding of Adjourned Meeting</b>		
If, at an adjourned Meeting, a Quorum is not present within half an hour from the scheduled time, the Members present, being not less than two in number, will constitute the Quorum.		no such event has occurred
At an adjourned Meeting, only the unfinished business of the original Meeting shall be considered and transacted.		no such event has occurred
Any Resolution passed at an adjourned Meeting shall be deemed to have been passed on the date of the adjourned Meeting and not on any earlier date.		no such event has occurred
<b>10.3 Requisitioned Meeting</b>		
If, within half an hour from the time appointed for holding a requisitioned Meeting, a Quorum is not present, the Meeting shall stand dissolved.		no such event has occurred
<b>11. Minutes</b>		
<b>11.1 Recording of Minutes</b>		
Minutes shall contain a summary of the proceedings of the Meeting, recorded fairly, correctly, completely and in unambiguous terms, and shall be written in third person and past tense.	✓	
The Minutes shall be entered and signed within thirty days from the conclusion of the Meeting.	✓	
The pages of the Minutes Book shall be consecutively numbered. The Minutes shall be dated and signed by the Chairman of the Meeting within a period of thirty days or, in the event of death or inability of the Chairman within that period, by a Director who was present in the Meeting and authorized by the Board for the purpose.	✓	
The Chairman shall initial each page of the Minutes, sign the last page of the Minutes and append to such signature the date on which he has signed the Minutes.	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
Minutes, once entered in the Minutes Book, shall not be altered. However, minor errors may be corrected and initiated by the Chairman even after the Minutes have been signed.	✓	
Minutes shall not be pasted or attached to the Minutes Book.	✓	
Minutes, if maintained in loose-leaf form, shall be bound at reasonable intervals.	✓	
<b>11.2 Recording in the Minutes</b>		
The name of the Chairman of the Meeting and the names of Directors including the Chairman of the Audit Committee, if any, present at the General Meeting shall be recorded.	✓	
The number of Members required to form the Quorum and the fact that the required Quorum was present shall be recorded.	✓	
The number of Members present in person and through representatives and Proxies shall be recorded.	✓	
The presence, at the Annual General Meeting, of the Auditor and the Practicing Company Secretary who has given the Compliance Certificate, shall be recorded.	✓	
If the Chairman was interested in an item of business at the Meeting, the fact that he vacated the Chair and requested the Vice-Chairman, if any, or some other Director or Member to Chair the Meeting to transact such business, shall be recorded.	✓	
<b>11.3 Preservation of Minutes and Supporting Papers</b>		
Minutes Book shall be kept separately from those books used to record Minutes of any other meetings to record the Minutes of Meetings and shall be kept at the Registered Office of the company.	✓	
The Minutes of <b>all</b> Meetings shall be preserved permanently.	✓	
Minutes can be inspected by any Member.	✓	
The Statutory Auditors or Cost Auditors of the company or Secretary In Practice appointed by the company can also inspect the Minutes Book in the course of their audit or certification.	✓	
A company if has been merged or amalgamated with any other company, under a scheme of amalgamation, the Minutes of all Meetings of the transferor company shall be preserved permanently by the transferee company, notwithstanding the fact that the identity of the transferor company may not survive such arrangement.		no such event has occurred
Office copies of Notices and supporting papers relating to the Notice shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may be destroyed thereafter, on the authority of the board.		no such event has occurred
<b>12. Distribution of Gifts, etc.</b>		
At or in connection with the General Meeting no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members.	✓	
<b>13. Disclosure regarding General Meeting</b>		
The Annual Report of a company shall disclose particulars of all Meetings held during the last three years	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>BANGLADESH SECRETARIAL STANDARD-3 ; (BSS-3)</b>		
<b>SECRETARIAL STANDARD ON MINUTES</b>		
<b>1. MAINTENANCE</b>		
1.1 Minutes of Meetings should be recorded in the Books maintained for that purpose.	✓	
1.2 A separate Minutes Book should be maintained for each type of Meeting.	✓	
1.3 The pages of the Minutes Book should be numbered consecutively.	✓	
1.4 Minutes should not be loosely pasted or loosely attached to the Minutes Book.	✓	
1.5 Minutes Books should be kept at the Registered Office of the company.	✓	
1.6 Minutes of Board Meetings should be kept in bound form. Minutes of other meetings, if maintained in loose-leaf form, should be bound at reasonable intervals. The Minutes Books should be kept under proper lock and key system to ensure security and control.	✓	
<b>2. CONTENTS</b>		
2.1 Minutes should contain the name of the Company and the number of the particular Meeting, type of the Meeting, and day, date, venue, time of commencement and conclusion of the Meeting.	✓	
2.2 Minutes should record the names of the Directors, Members, Company Secretary and other participants attending the Meeting.	✓	
2.3 Minutes should mention the brief background of the proposal, summarize the deliberations and the rationale for taking the decisions.	✓	
2.4 Minutes of Meeting of Directors should contain:	✓	
(a) The names of officers in attendance and invitees for specific items;	✓	
(b) The names of directors who sought and were granted leave of absence;	✓	
(c) If any director has participated only for a part of the Meeting, the agenda items in which he had participated;	✓	
(d) In case of a director joining through video or tele conference the place from and the agenda items in which he participated;	✓	
(e) The appointment of officers made by the Board;	✓	
(f) The resolutions sent for passing by circulation along with the decisions thereon;	✓	
(g) The fact that an interested director did not participate in the discussion or vote;	✓	
(h) The fact of the dissent and the name of the director who dissented or abstained from the decision; and	✓	
(i) Noting about confirmation of the Minutes of the last Meeting	✓	
<b>2.5 MINUTES OF MEMBERS SHOULD CONTAIN:</b>		
(a) The name of the Chairman of the Meeting;	✓	
(b) A Statement regarding constitution of Quorum;	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
(c) The number of members present in person including representatives;	✓	
(d) The number of proxies and the number of shares represented by them;	✓	
(e) The presence of the Chairman of the Audit Committee at the Annual General Meeting;	✓	
(f) The presence if any, of the Auditors, the Practicing Chartered Secretary who issued the Compliance Certificate, and the observers;	✓	
(g) A Statement regarding reading or placement of the notice of the meeting;	✓	
(h) Summary of the opening remarks of the Chairman;	✓	
(i) Summary of the clarifications provided;	✓	
(j) In respect of each resolution, the type of the resolution, the names of the persons who proposed and who seconded and the unanimity or majority (simple or absolute) with which such resolution was passed;	✓	
(k) In respect of modification of a proposed resolution, the result of voting on such motion and the details of voting for such modified resolution; and	✓	
(l) In the case of a poll, the number of votes cast in favour and against.	✓	
2.6 If the Chairman is interested in respect of any specific item and if he vacates the Chair during the transaction of such item, the Minutes should contain the fact that he did so and the name of the other director or member who took the Chair in his place.		no such event has occurred
<b>3. RECORDING</b>		
3.1 Minutes should contain a fair summary of the proceedings of the Meeting in unambiguous terms and should be clear, concise and in plain language.	✓	
3.2 Minutes should be written in third person and past tense.	✓	
3.3 In Minutes, Resolutions should be written in the present tense.	✓	
3.4 Each item of business transacted at the Meeting should be appropriately numbered.	✓	
3.5 Minutes of the Meetings of all Committees held after a Meeting of the Board should be placed and reviewed at a subsequent Meeting of the Board	✓	
<b>4. ALTERATION/MODIFICATION</b>		
4.1 If a resolution or decision supersedes or modifies any previous resolution or decision, the reference of the previous resolution or decision should be mentioned.	✓	
4.2 Minutes, once entered in the Minutes Book, should not be altered.	✓	
<b>5. FINALIZATION &amp; SIGNING</b>		
5.1 Minutes should be finalized within seven working days from the date of conclusion of the Meeting, or earlier to meet any regulatory requirements.	✓	
5.2 Minutes of the Meeting of Directors should be signed by the Chairman of the Meeting or the Chairman of the next Meeting.	✓	
5.3 Minutes of a General Meeting should be signed and dated by the Chairman of the meeting or in the event of death or inability of the Chairman, by any director duly authorized by the Board for the purpose.	✓	



REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
5.4 The Chairman or the authorized director should initial each page and sign the last page of the Minutes.	✓	
<b>6. INSPECTION</b>		
6.1 Directors are entitled to inspect Minutes of all Meetings. Members are entitled to inspect the Minutes of all General Meetings.	✓	
<b>7. PRESERVATION</b>		
7.1 Minutes of all Meetings should be preserved permanently.	✓	
7.2 Office copies of Notices, Agenda, Notes on Agenda and other related papers should be preserved in good order for as long as they remain current or for ten years, whichever is later, and may be destroyed thereafter under the authority of the Board.	✓	
7.3 Where, under a scheme of arrangement, a company has been merged or amalgamated with another company, Minutes of all Meetings of the transferor company should be preserved permanently by the transferee company, notwithstanding the fact that the transferor company might have been dissolved.	✓	
7.4 Office copies of Notices, Agenda, Notes on Agenda and other related papers of the transferor company should be preserved in good order for as long as they remain current or for ten years, whichever is later, and may be destroyed thereafter under the authority of the Board of the transferee company.	✓	
7.5 Minutes Books should be kept in the custody of the Secretary of the company or any Director duly authorized for the purpose by the Board	✓	
<b>BANGLADESH SECRETARIAL STANDARD-4 ; (BSS-4)</b>		
<b>SECRETARIAL STANDARD ON DIVIDEND</b>		
<b>1. DECLARATION / RECOMMENDATION OF DIVIDEND</b>		
1.1 Dividend should be declared by the Members at an Annual General Meeting on the basis of recommendation of the Board.	✓	
1.2 Dividend should relate to a financial year.	✓	
1.3 No Dividend should be declared on equity shares for previous year(s) in respect of which annual financial statements have already been adopted at the respective AGM(s).	✓	
1.4 Interim Dividend should be declared by the Board of Directors.	✓	
1.5 Dividend, once declared, becomes a debt of the company and cannot be revoked in any way	✓	
<b>2. DIVIDEND OUT OF PROFITS</b>		
2.1 Dividend should be paid out of the profit of the company for the financial year or out of profit(s) for the previous financial year(s).	✓	
2.2 Dividend should not be declared out of the Share Premium Account or the Capital Reserve Account or Revaluation Reserve Account or out of profit earned prior to the incorporation of the company.	✓	
2.3 Where applicable, no Dividend should be declared unless the prescribed percentage of profit is transferred to reserve(s).	✓	
2.4 Interim Dividend should be declared out of profit after considering the audited periodic financial statements:	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>3. DIVIDEND OUT OF RESERVES</b>		
3.1 In a year in which the profits are inadequate, the company may declare and pay Dividend out of Free Reserves.	✓	
3.2 Interim Dividend should not be declared out of reserves.	✓	
<b>4. ENTITLEMENT TO DIVIDEND</b>		
4.1 Only the Members of the Company are entitled to receive Dividend.	✓	
4.2 Dividend should be paid to the Preference Shareholders before payment of Dividend to the Ordinary Shareholders.	✓	
<b>5. PAYMENT OF DIVIDEND</b>		
5.1 Dividend should be paid within thirty days of declaration	✓	
5.2 Dividend should be paid by Cheques or Dividend Warrants or through Electronic Transfer.	✓	
5.3 Initial validity of the Dividend Warrant should be for six months.	✓	
5.4 A duplicate Dividend Warrant should be issued, in case the original instrument is not tendered to the company, only after obtaining requisite declaration from the Member.	✓	
5.5 The Dividend Warrant must be accompanied by a statement in writing showing the amount of Dividend paid and the amount of tax deducted at source, if any.	✓	
<b>6. UNPAID / UNCLAIMED DIVIDEND.</b>		
6.1 The amount of Dividend which remains unpaid or unclaimed after one year from the date of declaration should be transferred to a special dividend account, to be called 'Unclaimed Dividend Account' of the Company.		Followed BSEC and IDRA notifications
6.2 The amount of Dividend in respect of shares for which an instrument of transfer has been tendered to the company but which have not been registered for any valid reason should be transferred to Unclaimed Dividend Account.		Followed BSEC and IDRA notifications
6.3 The Financial Statements of the company should disclose the amount lying in the Unclaimed Dividend Account.	✓	
<b>BANGLADESH SECRETARIAL STANDARD- 5 ; (BSS-5)</b>		
<b>SECRETARIAL STANDARD ON MEETING THROUGH ELECTRONIC MODES</b> <b>(Virtual or Hybrid Meetings)</b>		
<b>1. CONVENING A MEETING THROUGH ELECTRONIC MODES</b>		
<b>1.1. The Notice of the meeting should state clearly about:</b> a) the type of meeting i.e. whether it would be a hybrid or fully virtual meeting b) whether any physical document would be tabled or not, and c) how the attendance record would be made.	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
1.2. The notice of the meeting should be sent to all the Directors in accordance with the provisions of the Act or the Articles. Notice of the Meeting, wherein the facility of participation through Electronic Mode is provided, shall clearly mention a venue, whether registered office or otherwise, to be the venue of the Meeting and it shall be the place where all the recordings of the proceedings would be made.	✓	
1.3. The notice should inform the Directors regarding the option available to them to participate through Electronic Modes, and should provide all the necessary information to enable the Directors to participate through Electronic Modes.	✓	
1.4. A Director intending to participate through Electronic Modes should communicate his intention to the Chairperson or the Company Secretary of the company. The Notice also contain the contact number or e-mail address (es) of the Chairperson or the Company Secretary, to whom the Director shall confirm in this regard.	✓	
1.5. If the Director intends to participate through Electronic Modes, he should give prior intimation to that effect sufficiently in advance so that the company is able to make suitable arrangements in this behalf.  Any Director who intends to participate in the meeting through Electronic Modes may intimate such intention well ahead of the meeting concerned:  Provided that such declaration should not debar him from participation in the meeting in person in which case he should intimate the company sufficiently in advance of his intention to participate in person.  In the absence of any intimation to the contrary by any director, it should be assumed that the director should attend the meeting in person.	✓	
1.6. If a Meeting is called in Electronic Modes only, Director does not require giving prior intimation to the company. Notice of the Meeting must inform Directors of the availability of that form of participation and provide necessary information to enable Directors to access the available medium or means of Electronic Modes. As the Electronic Modes only Meeting does not have a physical location and are accessible only through remote communication, in that case Notice of the Meeting does not require to mention venue of the Meeting. The web-link path or virtual address location may be deemed to be the place of the meeting.	✓	
<b>2. SPECIAL CARES TO BE TAKEN FOR CONDUCTING A MEETING THROUGH ELECTRONIC MODES</b>		
2.1. Capable and constant IT supports should be present during meeting time to follow-up connectivity failure at any time.		
2.2. Convenient log-in from any device must be ensured.	✓	
2.3. All necessary arrangements should be made and precautions be taken to avoid failure of video or audio visual or any other voice transmitting connection under Electronic Modes of communication	✓	
2.4. From the commencement of the meeting and until the conclusion of such meeting, no person other than the Chairperson, Directors, Company Secretary and any other person whose presence is required by the Board should be allowed access to the place where any director is attending the meeting either physically or through any Electronic Modes without the permission of the Chairperson.	✓	
2.5. The registers which are required to be placed in the Board meeting as per the provisions of the Act should be placed at the scheduled venue of the meeting and where such registers are required to be signed by the Directors, the same should be deemed to have been signed by the directors participating through Electronic Modes, if they have given their consent to this effect and it is so recorded in the minutes of the meeting.	✓	

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<p>2.6. The Chairperson of the meeting and the Company Secretary should take due and reasonable care:</p> <p>(a) to safeguard the integrity of the meeting by ensuring sufficient security and identification procedures;</p> <p>(b) to ensure availability of proper teleconferencing or video conferencing or other audio visual equipment or facilities for providing transmission of the communications for effective participation of the directors and other authorized participants at the Board meeting;</p> <p>(c) to ensure that no person other than the concerned director are attending or have access to the proceedings of the meeting through Electronic Modes of Communication;</p> <p>(d) to ensure that participants attending the meeting through Electronic Modes are able to hear and see the other participants clearly during the course of the meeting:</p> <p>Provided that a differently abled person may make request to the Chairperson to allow another person to accompany him being his aide.</p> <p>(e) to ensure that the required quorum is present throughout the meeting; If there is lack of quorum in the meeting at any point, the meeting shall be adjourned and reconvened when everyone can be present; Notice of an adjourned Meeting shall be given to all Directors including those who did not attend the Meeting on the originally convened date.</p> <p>(f) to ensure that necessary arrangements are employed for proper recording of the proceedings of the meeting under Electronic Modes. The company may prepare a detailed ground rules for participants and it should be circulated to all those joining the Meeting. A suggested ground rules for participants is placed at Annexure-1 to this paper.</p>	✓	
<b>3. CONDUCTING A MEETING THROUGH ELECTRONIC MODES</b>		
<p>3.1. At the commencement, the Chairperson should place the meeting to order and call the directors by name who would be participating through Electronic Modes to register themselves by mentioning the following:</p> <p>(a) name;</p> <p>(b) the location from where he is participating;</p> <p>(c) that he has received the agenda and all the relevant materials for the meeting; and</p> <p>(d) that no one other than the concerned director is attending or having access to the proceedings of the meeting at the location mentioned in item (b)</p>	✓	
<p>3.2. After the roll of order, the Chairperson or the Company Secretary should inform the Board about the names of persons other than the directors who are present in person for the said meeting as per law; at the request or with the permission of the Chairperson and confirm that the required quorum is complete.</p> <p>A Director participating in a meeting through Electronic Modes should be counted for the purpose of quorum unless he is to be excluded for any items of business under any provisions of the Act or the Articles.</p>	✓	
<p>3.3 Every participant should identify himself for the purpose of recording of the Proceedings of the meeting before speaking on any item of business on the agenda.</p>	✓	
<p>3.4. If a statement of a Director in the meeting through Electronic Modes is interrupted or distorted, the Chairperson or the Company Secretary should request for a repeat or reiteration by the Director.</p>	✓	



REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
3.5. If a motion is objected to and there is a need to put it to vote, the Chairperson should call the roll and note the vote of each Director who should identify himself while casting his vote. The votes, yes or no should be clearly recorded under the specific agenda item.	✓	
3.6. At the end of discussion on each agenda item, the Chairperson of the meeting should announce the summary of the decision taken on such item along with names of the Directors, if any, who dissented from the decision taken by majority.	✓	
<b>4. MINUTES AND PROCEEDINGS OF A MEETING THROUGH ELECTRONIC MODES</b>		
4.1. With respect to every hybrid meeting conducted through Electronic Modes authorised under this Standard, the scheduled venue of the meeting as set forth in the notice convening the meeting, should be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting should be deemed to be made at such place.	✓	
4.2. The Chairperson of the meeting and/or the Company Secretary should take due and reasonable care to store for safekeeping and marking the audio-visual recording(s) or other electronic recording mechanism as part of the records of the company till the time of completion of audit of that particular year or at least till the confirmation of the minutes of that meeting or as per requirement of the primary regulator of the company, if any.	✓	
4.3. The Chairperson of the meeting and the Company Secretary should take due and reasonable care to prepare the minutes of the meeting.	✓	
4.4. The minutes should mention whether it was a hybrid or virtual meeting.	✓	
4.5. The minutes should disclose the particulars of the Director(s) who attended the meeting through Electronic Modes and the place(s) from where he/they attended.	✓	
4.6. The attendance register shall be deemed to have been signed by the Directors participating through Electronic Mode, if their attendance is recorded by the Chairperson or the Company Secretary in the Attendance Register and the Minutes of the Meeting.	✓	
4.7. A company shall make its own arrangement for payment of Directors virtual meeting attendance fees, if any.	✓	
<b>BANGLADESH SECRETARIAL STANDARD- 6 (BSS-6)</b> <b>SECRETARIAL STANDARD ON RESOLUTIONS BY CIRCULATION</b>	no such event has occurred ; if happens , shall be followed all rules	
<b>1. AUTHORITY</b>		
1.1 The Chairman of the Board of the Company should decide whether the approval of the Board for a particular business should be obtained by means of a resolution by circulation.		
1.2 If the resolution is proposed by any other Director, the approval of the Chairman or in his absence consent of the majority of the Directors should be obtained before the draft resolution is circulated to all the Directors.		
<b>2. PROCEDURE</b>		
2.1 A resolution proposed to be passed by circulation should be sent in draft form, together with the necessary papers/clarifications, individually to all the Directors at the same time. There should be a date of the proposed resolution and a date by which the resolution is to be returned, signed or otherwise. The resolution together with all papers should be sent to all resident and non-resident Directors. Notice and Agenda are not necessary for passing of a Resolution by circulation.		

REPORTING FRAMEWORK	COMPLIANCE STATUS	
	Complied	Not Complied
<b>3. APPROVAL</b>		
3.1 The resolution is passed, when it is approved by a majority of Directors (not being less than the number fixed for 'signature quorum') entitled to vote on the resolution other than Interested Directors on the resolution.		
3.2 Directors signify their assent or dissent by signing the resolution to be passed by circulation or by e-mail or any other electronic means. A scanned copy of the signed response may also be sent. Any dissent to the resolution must be categorically mentioned on the paper concerned. The date of the resolution is to be taken as the date of the resolution passed.		
<b>4. RECORDING</b>		
4.1 Resolutions passed by circulation should be noted at the next meeting of the Board and the decision recorded in the minutes of such meeting.		

## 0.7

## DISCLOSURE CHECKLIST REGARDING INSURANCE DEVELOPMENT REGULATORY AUTHORITY (IDRA):

Sl.	Title	Status
1	Insurance Act, 2010 (Act no. XIII of 2010) (Do's & Don'ts for Non-Life and IDRA Inspection Manual, Annexure-I)	Complied & Followed
2	The Insurance Rules, 1958	Complied where applicable
3	বিদেশী উদ্যোক্তা কর্তৃক শেয়ার ক্রয় বা ধারণ (শর্তাদি নির্ধারণ) বিধিমালা ২০১৩	কোন বিদেশী উদ্যোক্তা কর্তৃক শেয়ার ক্রয় বা ধারণ নেই।
4	জাতীয় বীমা নীতি, ২০১৪	অনুসরণীয়
5	বীমাকারীর মূলধন ও শেয়ার ধারণ বিধিমালা ২০১৬	বিএসইসি নোটিফিকেশন অনুসরণীয়
6	স্বল্প অংকের বীমাদাবির (পরিমাণ নির্ধারণ) বিধিমালা, ২০১৮	কোন বিরোধ দেখা দেয়নি।
7	নন-লাইফ ইন্স্যুরেন্স ব্যবসায় ব্যবস্থাপনা ব্যয়ের সর্বোচ্চ সীমা নির্ধারণী বিধিমালা, ২০১৮	জোর প্রচেষ্টা গ্রহণ করা হয়েছে।
8	গ্রামীণ বা সামাজিক খাতে বীমাকারীর দায়বদ্ধতা প্রবিধানমালা ২০১২	পলিসি প্রদানের প্রচেষ্টা অব্যাহত রয়েছে।
9	বীমা কোম্পানী মুখ্য নির্বাহী কর্মকর্তা নিয়োগ ও অপসারণ প্রবিধানমালা, ২০১২	পরিপালিত
10	বীমাকারীর রেজিস্টার (পলিসি ও দাবী) সংরক্ষণ প্রবিধানমালা, ২০১৭	পরিপালিত
11	বীমা (নন-লাইফ বীমাকারীর সম্পদ বিনিয়োগ ও সংরক্ষণ) প্রবিধানমালা, ২০১৯	পরিপালিত
12	আইডিআরএ পরিদর্শন ও পরিবীক্ষণ ম্যানুয়াল, ২০১৮	পরিপালিত
13	জিএডি সার্কুলার নং-০২-৪৩, তারিখঃ ৭ ফেব্রুয়ারী ২০১১ এবং জিএডি সার্কুলার নং-০৩১৮, তারিখঃ ২৮ ফেব্রুয়ারী ২০১১- কর ব্যতীত সকল ফি সরকারী ট্রেজারীর পরিবর্তে কর্তৃপক্ষের নামে চেকের মাধ্যমে পরিশোধের প্রসংগে।	পরিপালিত
14	Circular No. Gen-25/2011, Dated: 11 September 2011; Circular No. Gen- 26/2011, Dated: 15 September 2011; Circular No. Gen-26(A)/2011, Dated: 31 October 2011 and Circular No. Gen-26(B)/2011, Dated: 30 November 2011 -Writing the business of the directors and the family members and dependents and direct or indirect business interest persons/bodies.	Complied
15	Circular No. Gen-25/2011, Dated: 11 September 2011 - Class of Business and Particulars (Part 3, Table 3)	Reporting Timely
16	জিএডি সার্কুলার নং ০৪ তারিখঃ ২ অক্টোবর ২০১১ ও জিএডি সার্কুলার নং ০৪ (খ) তারিখঃ ২৬ জানুয়ারী ২০১২-যুগপৎভাবে একই শ্রেনীর একাধিক বীমাকারীর বা বীমাকারী ও কোম্পানীর বা আর্থিক প্রতিষ্ঠানের পরিচালক হওয়ার ক্ষেত্রে বিধি-নিষেধ	
17	Circular No. Gen-29/2011, Dated: 24 November 2011, Any premium above Tk.5,000/- must be received by demand draft/Pay Order/EFTN/account payee cheque only. Any refund of premium and any payment of claim must be paid by account payee cheque only to the respective client's.	Complied

Sl.	Title	Status
18	Circular No. Gen-30/2012, Dated: 15 January 2012, Payment of commission against premium, monthly bank statements and all registers maintained.	Complied
19	Circular No. Gen-31/2012, Dated: 6 March 2012, Summary of Reinsurance arrangement/treaty.	Report submitted
20	সার্কুলার নং-নন-লাইফ-৩২/২০২১, তারিখ: ০১/০৪/২০২১ইং :- নন-লাইফ বীমাকারীর জন্য কমিশন ব্যয়ের সীমা	পরিপালিত
21	সার্কুলার নং-জিএডি-১০/২০১২, তারিখ: ২৪/০৭/২০১২ইং এবং সার্কুলার নং জিএডি-১১/২০১২, তারিখ: ২৭/০৯/২০১২ইং :- বীমা কোম্পানী/কর্পোরেশন ও তাদের সাবসিডিয়ারী প্রতিষ্ঠানসমূহ কর্তৃক কর্তৃপক্ষ অনুমতি ব্যতীত কোন দালান/ভূমি ক্রয়/আহরণ/নির্মান না করা প্রসংগে	পরিপালিত
22	সার্কুলার নং- নন-লাইফ-৩৩/২০১২, তারিখ: ২২/০৮/২০১২ইং :- নন-লাইফ বীমা কোম্পানীসমূহের তালিকাভুক্ত সার্বস্বয়র কোম্পানীর নামসহ তথ্যাদি প্রদান প্রসংগে	Report submitted
23	সার্কুলার নং- নন-লাইফ-৩৭/২০১৩, তারিখ: ২৪/১০/২০১৩ইং জরীপমাণ্ডল ও আনুষঙ্গিক খরচাদির তফসিল ২০১৩ পুনঃনির্ধারণ।	নির্ধারিত হারে পরিপালিত
24	স্মারক নং- জিএডি/১০০৩(৩)/২০১১-৭৭, তারিখ: ০৯/০১/২০১৪ইং :- বীমা পলিসির আওতায় উৎপাদিত দাবিসমূহ দ্রুত নিষ্পত্তি প্রসংগে	পরিপালিত
25	স্মারক নং- জিএডি/১০০৩(৩)/২০১১-২১৫, তারিখ: ০৬/০২/২০১৪ইং :- বাংলাদেশ ইন্সুরেন্স এসোসিয়েশনের সদস্য পদ প্রসংগে।	পরিপালিত
26	স্মারক নং- জিএডি/১০০৩(৩)/২০১১-২১৬, তারিখ: ০৬/০২/২০১৪ইং :- বীমা শিল্পে কর্মরত সকল কর্মকর্তা/ কর্মচারীর নিয়োগ ও অব্যাহতি প্রসংগে।	পরিপালিত
27	স্মারক নং- জিএডি/১০০৩/২০১১-৫৫৪, তারিখ: ২৪/০৪/২০১৪ইং:- বিলাসবহুল যানবাহনে উচ্চ ব্যয় পরিহার প্রসংগে	পরিপালিত
28	স্মারক নং- জিএডি/১০০৩/২০১১-১০৮৬, তারিখ: ৩১/০৮/২০১৪ইং :- মুখ্য নির্বাহী কর্মকর্তা, উপদেষ্টা, পরামর্শক বা কর্মকর্তা কর্মচারীদের আয়কর কোম্পানীর তহবিল থেকে পরিশোধ না করা প্রসংগে।	পরিপালিত
29	সার্কুলার নং- জিএডি-১৩/২০১৫, তারিখ: ১৫/০২/২০১৫ইং এবং স্মারক নং- ৫৩.০৩.০০০০.০৩২.১১.০১৭.১৯, তারিখ: ০৭/০১/২০২০ইং:- বীমা কোম্পানীসমূহের মুখ্য নির্বাহী কর্মকর্তা নিয়োগ/নবায়ন/অপসারণ প্রসংগে।	পরিপালিত
30	সার্কুলার নং- জিএডি-০৮/২০১৫, তারিখ: ১৬/০৩/২০১৫ইং:- বীমা পলিসির আওতায় সম্পদ ও যানবাহনের ঝুঁকি গ্রহণ প্রসংগে।	পরিপালিত
31	সার্কুলার নং- জিএডি-১৩/২০১৬, তারিখ: ১৪/০৬/২০১৬ইং:- সকল বীমা কোম্পানী/কর্পোরেশন এর চেয়ারম্যান, উপদেষ্টা, কনসালটেন্ট এবং কর্মকর্তাদের বিদেশ ভ্রমণ প্রসংগে।	পরিপালিত
32	স্মারক নং: ৫৩.০৩.০০০০.০০৯.১৮.০১৪.১৮.১২৩, তারিখ: ৩১/০৫/২০১৮ইং :- বেসরকারী বীমা কোম্পানীসমূহের পরিচালনা পর্ষদ/বোর্ড সভায় যোগদানের জন্য সম্মানী ভাতার সর্বোচ্চ সীমা পুনঃনির্ধারণ প্রসংগে।	পরিপালিত
33	সার্কুলার নং- জিএডি-১/২০১৯, তারিখ: ২২/০৫/২০১৯ইং :- বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ ঠিকানাসহ প্রয়োজনীয় তথ্যাদি সম্বলিত সাইনবোর্ড প্রতিটি শাখা কার্যালয়ের সামনে স্থাপনের নির্দেশনা প্রসংগে।	পরিপালিত
34	সার্কুলার নং- নন-লাইফ-৬৪/২০১৯, তারিখ: ০২/৭/২০১৯; সার্কুলার নং- নন-লাইফ-৬৬/২০১৯, তারিখ: ২৪/০৭/২০১৯ইং এবং সার্কুলার নং- নন-লাইফ-৬৮/২০১৯, তারিখ: ০৮/০৯/২০১৯ইং:- নন-লাইফ বীমা কোম্পানীসমূহের আর্থিক ব্যবস্থাপনা প্রসংগে।	পরিপালিত
35	সার্কুলার নং-নন-লাইফ-৬৫/২০১৯, তারিখ: ০৪/০৭/২০১৯ইং :- নন-লাইফ বীমা কোম্পানীসমূহের বীমা পলিসির স্ট্যাম্প শুদ্ধ আদায় প্রসংগে।	পরিপালিত
36	সার্কুলার নং-জিএডি-২/২০১৯, তারিখ ১৮/০৭/২০১৯ইং এবং স্মারক নং- ৫৩.০৩.০০০০.০১৭.১০.০০১.১৯.১৯৯, তারিখ: ২০/০৮/২০১৯ইং: বীমাকারীর কার্যালয়ে কলসেন্টার স্থাপন প্রসংগে।	পরিপালিত
37	সার্কুলার নং-জিএডি- ১২/২০১৪, তারিখ ৭/১২/২০১৪ইং, স্মারক নং জিএডি/১০০৩(৫)/২০১১.০২, তারিখ: ১০/১০/২০১৭ইং এবং সার্কুলার নং-জিএডি-৩/২০১৯, তারিখ ২১/০৭/২০১৯ইং:- বীমা শিল্পে দক্ষ মানবসম্পদ গড়ার লক্ষ্যে বীমা এজেন্টদের প্রশিক্ষণ সংক্রান্ত নীতিমালা প্রদান।	পরিপালিত
38	সার্কুলার নং-জিএডি-৪/২০১৯, তারিখ:২১/৭/২০১৯ইং:- বীমা প্রতিষ্ঠানের ব্যবস্থাপনা পরিচালক/মুখ্য নির্বাহী কর্মকর্তার ছুটির বিষয়টি কর্তৃপক্ষকে অবহিতকরন	পরিপালিত
39	সার্কুলার নং- নন-লাইফ-৬৯/২০১৯, তারিখ: ০৮/০৯/২০১৯ইং ওপেন কভার নোট বা ওপেন পলিসি ইস্যু স্থগিত প্রসংগে।	পরিপালিত
40	সার্কুলার নং-নন-লাইফ-৭৫/২০২০, তারিখ: ১০/২/২০২০ইং :- সকল উন্নয়ন কর্মকর্তাগণকে কমিশনের ভিত্তিতে এজেন্ট হিসেবে পদায়ন ও বেতন ভাতার সীমা।	প্রক্রিয়াধীন রয়েছে
41	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০১৫/২০১১-২২, তারিখ: ০৩/০৩/২০১১ইং:- বীমা আইন, ২০১০ এর ৬৫(২) ও (৩) ধারার বিধান অনুযায়ী বীমাকারী কর্তৃক বিভিন্ন ব্যক্তির পারিশ্রমিক প্রদানের বিবরণী দাখিল প্রসংগে।	পরিপালিত
42	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-১৭, তারিখ :৩০/০৩/২০১১ইং, বীমা আইন, ২০১০ এর ৭৮ ধারার বিধান অনুযায়ী পরিচালক কর্তৃক চাকুরী করার ক্ষেত্রে বিধিনিষেদ প্রসংগে।	পরিপালিত
43	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-২৪১, তারিখ :১৩/০৪/২০১১ইং: বীমা কোম্পানীর মুখ্য নির্বাহী কর্মকর্তা যথাসময়ে নিয়োগ প্রসংগে।	পরিপালিত
44	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-১২৬৩, তারিখ :০৬/০৮/২০১১ইং : মুখ্য নির্বাহী কর্মকর্তা ব্যতীত অন্যান্য কর্মকর্তার স্বাক্ষরে প্রতিপক্ষের নিকট পত্র প্রেরণ প্রসংগে।	পরিপালিত
45	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-১৬১২, তারিখ :২৫/১০/২০১২ইং: বীমা কোম্পানীর বিভিন্ন সভার (পরিচালনা পর্ষদ এবং পর্ষদ কর্তৃক গঠিত নির্বাহী কমিটি, অডিট কমিটি, ক্রেডিট কমিটিসহ অন্যান্য সকল কমিটির) কার্যবিবরণী দাখিল প্রসংগে।	চলমান

Sl.	Title	Status
46	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-৪৫১, তারিখ: ২৪/০৩/২০১৩ইং বীমা কোম্পানীর বিরুদ্ধে দাখিলকৃত বিভিন্ন অভিযোগ প্রসংগে।	পরিপালিত
47	স্মারক নং-বীঃউঃনিঃক/জিএডি/১০০৩(৩)/২০১১-২১৬, তারিখ: ০৬/০২/২০১৪ইং :- বীমা শিল্পে কর্মরত সকল কর্মকর্তা/কর্মচারী নিয়োগ ও অব্যাহতি প্রসংগে।	পরিপালিত
48	স্মারক নং-বীঃউঃনিঃক/লাইফ/৪২৭০/২০১৪-৭২৭, তারিখ: ২৬/০৫/২০১৪ইং:- কোম্পানী / কর্পোরেশন মুখ্য নির্বাহী কর্মকর্তাগণের পদত্যাগপত্র অনুলিপি কর্তৃপক্ষের নিকট প্রেরণ প্রসংগে।	No such resigned in 2022
49	স্মারক নং-বীঃউঃনিঃক/জিএডি/১৬২৭/২০১৫-৮৮৬, তারিখ: ২২/০৩/২০১৫ইং: দেশের গুরুত্বপূর্ণ স্থানে বিলবোড স্থাপন প্রসংগে।	প্রক্রিয়াধীন রয়েছে
50	স্মারক নং-বীঃউঃনিঃক/জিএডি/১৭০৩/২০১৭-৯৩৮, তারিখ: ২১/০৩/২০১৭ইং:- বীমা খাতে প্রো-একটিভ মনিটরিং ব্যবস্থা গ্রহণ।	পরিপালিত
51	স্মারক নং- ৫৩.০২.০০০০.০১৭.৬৫.০০৭.১৭.০৮ তারিখ: ০৩/১০/২০১৭ইং:- ব্যাংক ও আর্থিক প্রতিষ্ঠানের বিভাগের বার্ষিক কর্ম সম্পাদন চুক্তির অগ্রগতি মূল্যায়ন এর মাসিক প্রতিবেদন প্রেরণ।	পরিপালিত
52	স্মারক নং- ৫৩.০২.০০০০.০১৯.৬৭.০১০.১৭.১৮ তারিখ: ১০/১০/২০১৭ইং: AML/CFT বিষয়ক আইন ও সংশ্লিষ্ট বিধিবিধান পরিপালন।	পরিপালিত
53	স্মারক নং- ৫৩.০৩.০০০০.০১৭.১৬.০০৭.১৮.৭৬ তারিখ: ১৮/০৩/২০১৮ইং :- বীমা কর্পোরেশন/লাইফ ও নন-লাইফ বীমা প্রতিষ্ঠানের সকল বীমা চুক্তিপত্র দ্বিভাষিক করণ এবং সর্বস্তরে বাংলা ভাষা প্রচলন সংক্রান্ত।	পরিপালিত
54	স্মারক নং- ৫৩.০৩.০০০০.০৭১.২৭.০১৫.১৮.০২ তারিখ: ০১/০১/২০১৯ইং:- বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষের ঠিকানা সহ প্রয়োজনীয় তথ্যাদি সম্বলিত বিলবোড প্রতিটি উপজেলা কার্যালয়ের সামনে এবং মহাসড়কের দৃশ্যমান জায়গায় স্থাপনের নির্দেশনা প্রসংগে।	প্রক্রিয়াধীন রয়েছে
55	স্মারক নং- ৫৩.০৩.০০০০.০১৯.০৬.০১০.১৮.০২ তারিখ: ০২/০১/২০১৯ইং:- লাইফ ও নন-লাইফ ইন্সুরেন্স বীমাকারীর ওয়েবসাইটে অনিশ্পন্ন বীমা দাবীর তথ্য প্রদর্শন সংক্রান্ত।	পরিপালিত
56	স্মারক নং- ৫৩.০৩.০০০০.০০৬.৬৯.০৩৬.১৯.১১২ তারিখ: ২৮/১/২০১৯ইং:- SMS এর মাধ্যমে Notification প্রেরণের নিমিত্তে Unified Messaging Platform (UMP) বাস্তবায়নে বীমা কোম্পানীর করণীয় সম্পর্কে নির্দেশনাবলী।	পরিপালিত
57	স্মারক নং- ৫৩.০৩.০০০০.০৭১.২৭.০২১.১৯.১২৪ তারিখ: ১৮/০৮/২০১৯ইং:- বীমা কোম্পানীসমূহের পলিসিপত্র/কভার নোটের বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষের ঠিকানা সম্বলিত সীল সংযুক্তকরণ প্রসংগে।	পরিপালিত
58	স্মারক নং- ৫৩.০৩.০০০০.০১৭.০৬.০০২.১৯.২০৬ তারিখ: ২৭/০৮/২০১৯ইং :- দেশের বহুতল ভবনসমূহ বীমার আওতায় আনয়ন প্রসংগে।	পরিপালন করার প্রচেষ্টা চলছে
59	স্মারক নং- ৫৩.০৩.০০০০.০১৯.৪২.০০৬.১৮.৬৪৩ তারিখ: ১০/১০/২০১৯ইং :- বীমাকারীর সকল কর্মকর্তা/কর্মচারী এবং এজেন্টদেরকে পেনশন বীমা ও গ্রুপ বীমার আওতাভুক্তকরণের নির্দেশনা।	পরিপালিত
60	স্মারক নং- ৫৩.০৩.০০০০.০১৯.৪২.০০৬.১৮.৬৬ তারিখ: ১০/১০/২০১৯ইং:- বীমাকারীর চেয়ারম্যান, পরিচালক, পরামর্শক, প্রধান কার্যালয় এবং শাখার কার্যালয়ের সকল কর্মকর্তার তালিকা স্ব স্ব ওয়েবসাইটে আপলোডকরণের নির্দেশনা।	পরিপালিত
61	স্মারক নং- ৫৩.০৩.০০০০.০১৯.৪২.০০৬.১৮.৬৫ তারিখ: ১০/১০/২০১৯ইং:- বীমাকারীর এজেন্টদের হালনাগাদ তথ্য ওয়েবসাইটে আপলোডকরণের নির্দেশনা।	পরিপালিত
62	স্মারক নং- ৫৩.০৩.০০০০.০০৬.৩২.০৪০.১৯.২২০ তারিখ: ৩১/১০/২০১৯ইং:- বীমা শিল্পের উন্নয়ন, স্বচ্ছতা ও আস্থা আনয়ন, জঙ্গিবাদে অর্থায়ন রোধ এবং মানিলন্ডারিং প্রতিরোধকল্পে সরকারের নির্দেশনা মোতাবেক অনতিবিলম্বে Unified Messaging Platform (UMP) চালুকরণ প্রসংগে।	পরিপালিত
63	স্মারক নং- ৫৩.০৩.০০০০.০১৭.০৬.০০২.১৯.২৭০ তারিখ: ১৪/১১/২০১৯ইং:- মাননীয় অর্থমন্ত্রী নির্দেশনা মোতাবেক দেশের সকল ভবন (অফিস ভবন/বানিজ্যিক ভবন/বাসভবন) বীমার আওতায় আনয়ন প্রসংগে।	পরিপালন করার প্রচেষ্টা চলছে
64	স্মারক নং- ৫৩.০৩.০০০০.০১৯.৪২.০০৬.১৮.০৩ তারিখ: ২১/০১/২০২০ইং:- বীমা প্রতিষ্ঠানসমূহের নিজস্ব ওয়েবসাইটে প্রিমিয়াম ক্যালকুলেটরের লিংক প্রদান প্রসংগে।	পরিপালিত
65	সার্কুলার নং-নন-লাইফ-৭৮/২০২০, তারিখ: ২৭/০৮/২০২০ইং:- লাইসেন্স এজেন্টকে কমিশন প্রদান প্রসংগে।	পরিপালিত
66	সার্কুলার নং-নন-লাইফ-৮১/২০২০, তারিখ: ০২/১২/২০২০ইং:- মোবাইল ফিন্যান্সিয়াল সার্ভিসেস একাউন্ট (বিকাশ/নগদ/রকেট ইত্যাদি) এর মাধ্যমে প্রিমিয়াম কালেকশন স্থগিত প্রসংগে।	পরিপালিত
67	সার্কুলার নং-নন-লাইফ-৮২/২০২০, তারিখ: ২১/১২/২০২০ইং:- Third Party Insurance বা Act Liability সম্পর্কিত বীমা প্রোডাক্ট বা পরিকল্পনা বাতিল প্রসংগে।	পরিপালিত
68	সার্কুলার নং-জিএডি-৫/২০২১, তারিখ: ৩১/০১/২০২১ইং:- সকল বীমা পলিসিতে বীমা গ্রাহকগণের মোবাইল ফোন নাম্বার নিশ্চিতকরণ।	পরিপালিত
69	সার্কুলার নং-নন-লাইফ-৮৪/২০২১, তারিখ: ০৪/০২/২০২১ইং:- নন-লাইফ বীমাখাতে কমিশন সংক্রান্ত বিষয়ে নির্দেশনা	পরিপালিত
70	সার্কুলার নং-নন-লাইফ-৮৫/২০২১, তারিখ: ২৩/০৩/২০২১ইং:- জরিপ মাশুল ও অন্যান্য খরচাদি পুনঃনির্ধারণ প্রসংগে।	অনুসরণীয়
71	সার্কুলার নং-জিএডি-৬/২০২১, তারিখ: ২৫/০৩/২০২১ইং :- সকল বীমাকারীর একইরূপ সাংগঠনিক কাঠামো প্রসংগে।	পরিপালিত
72	স্মারক নং-৫৩.০৩.০০০০.০৭৫.২২.০১৫.১৯.৪৩, তারিখ: ২৬/০৯/২০২১ইং :- বাংলাদেশ শ্রম আইন, ২০০৬ (সংশোধিত ২০১৩) এর ১৯ ধারা অনুযায়ী শিল্প এবং কলকারখানায় বাধ্যতামূলক গ্রুপ বীমা চালুর বিধান প্রতিপালন নিশ্চিতকরণের লক্ষ্যে তথ্য প্রেরণ।	গ্রুপ বীমা চালু আছে
73	সার্কুলার নং-জিএডি-৮/২০২১, তারিখ: ১৪/১২/২০২১ইং :- বীমা প্রতিষ্ঠানেরসমূহের ডিজিটাইজেশন	চলমান
74	স্মারক নং-৫৩.০৩.০০০০.০৪৯.৪০.০০৬.২১.৬৩, তারিখ: ১৫/১২/২০২১ইং :- বীমা প্রতিষ্ঠানের কর্তৃক সাবসিডিয়ারী কোম্পানী গঠনের ক্ষেত্রে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ অনুমোদন গ্রহণ প্রসংগে।	আমাদের কোন সাব-সিডিয়ারী কোং নাই।



## DISCLOSURE CHECKLIST REGARDING BANGLADESH SECURITIES & EXCHANGES COMMISSION (BSEC):

SL.	TITLE	STATUS
1	Order No. SEC/CMRRCD/2009-193/179/Admin/64 Dated, 07/12/2015 : Price Sensitive Information	Complied
2	Directive No. SEC/SRMIC/2011/1240/445 Dated, 27/04/2016: Maintain Financial Year from July to June	January-December ; as per Insurance Act-2010
3	Notification No. BSEC/CMRRCD/2009-193/188/Admin/69 Dated, 07/09/2016 : Board Meeting, Quarterly Financial Statements and Comparison.	Complied
4	Directive No. SEC/SRMIC/2011/1240/494 Dated, 28/09/2016 : Maintain Financial Year from January to December.	Complied
5	Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated, 03/06/2018: Corporate Governance Code	Complied
6	Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 Dated, 20/06/2018 Financial Reporting and Disclosure	Complied
7	Directive No. BSEC/CMRRCD/2009-193/216/Admin/93 Dated, 15/05/2019 : Block Securities of the sponsor shareholders, directors and placement holders through the Block Module.	Complied
8	Notification No. BSEC/CMRRCD/2009-193/217/Admin/90 Dated, 21/05/2019 : 2% and 30% shareholding of all Sponsors and Directors.	Complied
9	Notification No. BSEC/CMRRCD/2009-193/226/Admin/97 Dated, 20/06/2019 : Condition for IPO/RPO and Right Issue.	N/A ; no such event has occurred
10	Notification No. BSEC/CMRRCD/2009-193/222/Admin/91 Dated, 23/05/2019 : Declare no bonus share without justified reasons including the company's BMRE	no bonus share has declared
11	Order No. SEC/SRMIC/94-231/935 Dated, 11/06/2020 : AGM/EGM/BOD/other Meetings shall be recorded in both soft and hard copies.	Complied
12	Order No. SEC/SRMIC/94-231/942 Dated, 22/06/2020 : Digital Submission and Dissemination Platform.	Continued
13	Notification No. SEC/CMRRCD/2009-193/07/Admin/106 Dated, 01/09/2020: Regulations of "Z" category companies.	N/A ; no such event has occurred
14	Order No. BSEC/MSI/2020-981/114 Dated, 02/09/2020 : Refrain from using the name/logo of BSEC, DSE or CSE and spreading any prediction or price forecasting or undisclosed information in social media.	Maintained in 2022
15	Directive No. BSEC/CMRRCD/2009-193/09 Dated, 06/09/2020: Financial Reporting and Disclosure of Mutual Fund and Asset Manager.	N/A
16	Directive No. BSEC/CMRRCD/2020-379/17/Admin/114 Dated, 28/12/2020: Exit plan for an issuer of delisted securities	N/A
17	Notification No. BSEC/CMRRCD/2009 193/09/Admin/1 17 Dated, 22/03/2021 Primary employment and other engagement including directorship in other companies in the resume of such members in the Director's Report.	Complied
18	Notification No. BSEC/CMRRCD/2009-193/10/Admin/118 Dated, 22/03/2021 : Sale or purchase of assets, goods, materials or services of the company, borrowing or information of margin loan of directors.	Complied
19	Directive No. BSEC/CMRRCD/2009-193/12 Dated, 23/03/2021 & Directive No. BSEC/CMRRCD/2009-193/08 Dated, 10/03/2021: Holding of AGM or EGM.	Complied
20	SEC/SRMIC/94-231/25 Dated, 08/07/2020 & SEC/SRMIC/94-231/91 Dated, 31/03/2021 Conducting AGM/EGM, Meeting of the Board of Directors (BOD) by using digital platform.	Complied
21	Notification No. BSEC/CFD/ID/2021/17/Admin/ Dated, 13/01/2022 : Commission's Online Regulatory Submission Form for Independent Director	Continued
22	BSEC/SRMIC/2021/1240/Part-6/107, Date 21/03/2022: Information in respect of "Workers Participation Fund' and Workers Welfare Fund.'	IDRA Letter dated June 02, 2021 and BIA Letter March 19, 2020.

SL.	TITLE	STATUS
23	Directive No. SEC/CMRRCD/2009-193/07/Admin/106 Dated, 01/09/2020, SEC/CMRRCD/2009-193/15/Admin/112 Dated, 10/12/2020 & Directive No. BSEC/CMRRCD/2009-193/11 Dated, 22/03/2021 : Appointment of Independent Director whose shares are trading under "Z" Category or who failed to comply regarding jointly holding of 30% Shares or who are not operating their business properly and failed to pay dividend for a period of more than 3 years.	N/A
24	BSEC/CFD/ID/2020/Part-iv/098 Dated, 10/01/2021: Appointment of Independent Director	Complied
25	Directive No. BSEC/CMRRCD/2021-386/03 Dated, 14/01/2021 : Compliance of Dividend Disbursement	Complied
26	Directive No. BSEC/CMRRCD/2009-193/19 Dated, 23/05/2021 & Directive No. BSEC/CMRRCD/2009-193/33 Dated, 23/03/2022 : Public Offer of Perpetual Bond	N/A ; Not Issued
27	BSEC/SRMIC/2021/1240/Part-6/127, Date 29/03/2022: Information in respect of investment exposure to the capital market.	Complied

**P.**

## OTHER CERTIFICATIONS AND PROXY FORM

**P.1**

**CERTIFICATION BY ALPHA  
CREDIT RATING LIMITED**

**P.2**

**CERTIFICATION BY INSURANCE  
DEVELOPMENT & REGULATORY  
AUTHORITY (IDRA)**

**P.3**

**CERTIFICATION BY BANGLADESH  
INSURANCE ASSOCIATION (BIA)**

**P.4**

**CERTIFICATION BY  
BANGLADESH ASSOCIATION OF  
PUBLICLY LISTED COMPANIES (BAPLC)**

**P.5**

**PROXY FORM**



**DESH GENERAL INSURANCE COMPANY LIMITED**

## P.1 CERTIFICATION BY ALPHA CREDIT RATING LIMITED



19 July, 2023

Chief Executive Officer

Desh General Insurance Co. Ltd.

Jiban Bima Bhaban, Front Block, Level-5, 10 Dilkusha C/A, Dhaka-1000.

Subject: Credit Rating of Desh General Insurance Co. Ltd.

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating), vide credit rating Agreement No. 494 has assigned the following rating to **Desh General Insurance Co. Ltd.**

Date of Declaration	Valid From	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
19 July, 2023	21 June, 2023	20 June, 2024	12 <sup>th</sup> Surveillance	AA	ST-2	Stable

The long term and short-term rating is valid up to the earlier of 20 June, 2024 or the limit expiry date of respective credit facility. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to **Desh General Insurance Co. Ltd.**, hereby solemnly declare that:

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

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

With kind regards,

Abdul Mannan

Chief Executive Officer

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

Alpha Credit Rating Limited, Sadharan Bima Bhaban-2 (2nd & 8th Floor), 139 Motijheel C/A, Dhaka-1000.  
Tel: +880-2223353025, 2223353026, 2223353027, 2223353028, www.alpharating.com.bd, E-mail: info@alpharating.com.bd



IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA

IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA

IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA

IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA IDRA

# INSURANCE DEVELOPMENT AND REGULATORY AUTHORITY



## IDRA

### BANGLADESH

নিবন্ধন নবায়নের সনদ  
(প্রবিধান ৭(৩) দ্রষ্টব্য)

নিবন্ধন নম্বর : সিআর-৫/২০০০ (বীমা অধিদপ্তর)

নিবন্ধন নবায়নের তারিখ : ০১ জানুয়ারি, ২০২৩ ইং।

বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন) এর ধারা ১১ মোতাবেক ০১ জানুয়ারি, ২০২৩ ইং হতে ৩১ ডিসেম্বর, ২০২৩ ইং সাল পর্যন্ত দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড এর নিবন্ধন সনদ এতদ্বারা নবায়ন করা হলো।

ইস্যুর তারিখ: ০৮-০২-২০২৩



চেয়ারম্যান

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ



## P.3 CERTIFICATION BY BANGLADESH INSURANCE ASSOCIATION (BIA)



বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন  
Bangladesh Insurance Association



সূত্র : বিআইএ-১(৩৪)/২০২২-২৯৮-(০৯)

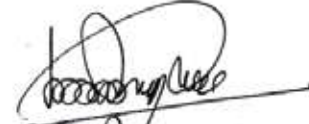
তারিখ : ডিসেম্বর ১১, ২০২২

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

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

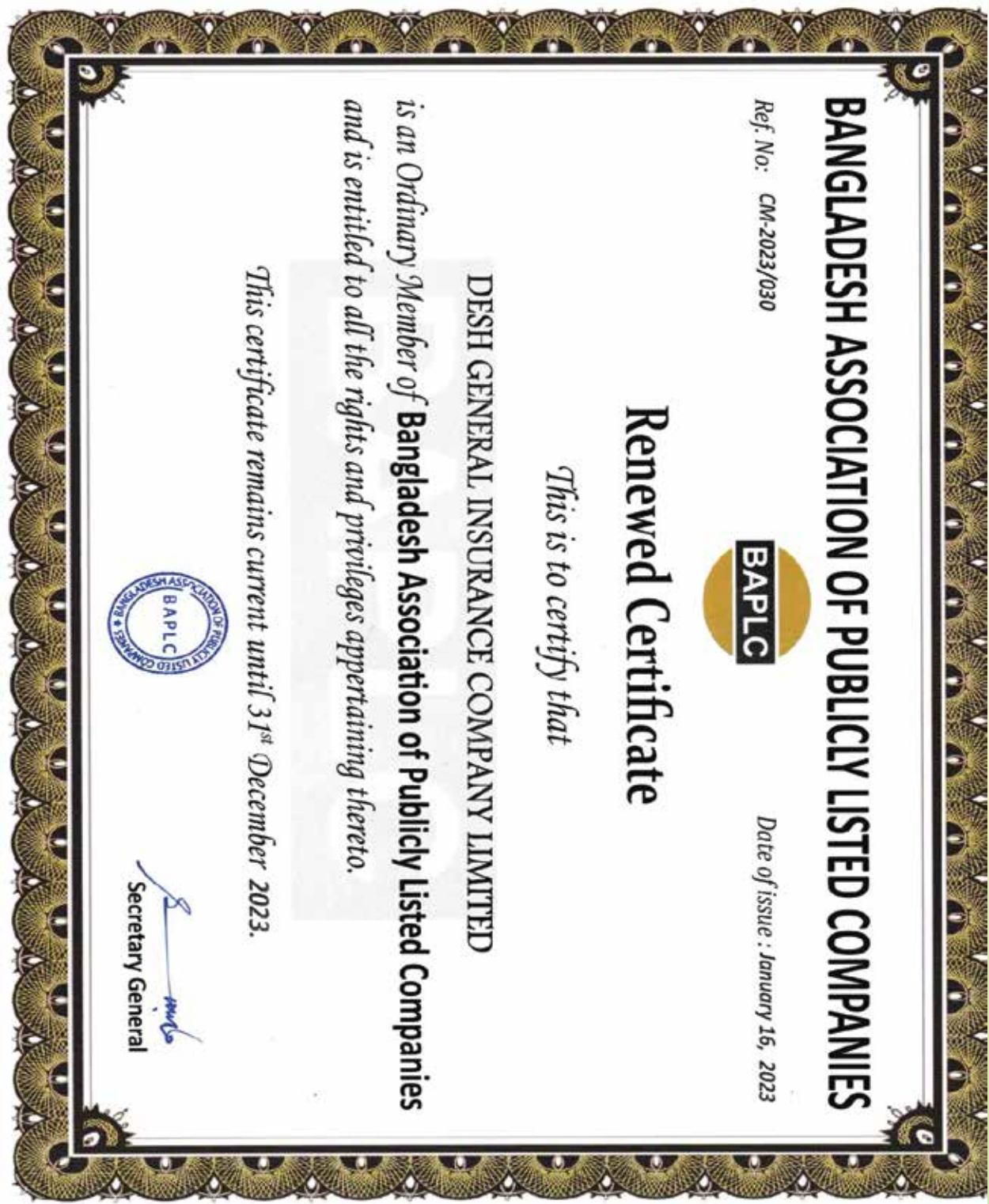
এই প্রত্যয়নপত্র ২০২৩ সালের জন্য লাইফ/নন-লাইফ বীমা ব্যবসা করার নিমিত্তে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ-এর নিকট থেকে নিবন্ধন নবায়নের জন্য হালনাগাদ সনদ।

বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন-এর পক্ষে

  
(নিশীথ কুমার সরকার)  
সেক্রেটারী জেনারেল

মুখ্য নির্বাহী কর্মকর্তা  
দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড  
জীবন বীমা ভবন (লেভেল-৫) ফ্রন্ট ব্লক  
১০ দিলকুশা বা/এ  
ঢাকা-১০০০।

## P.4 CERTIFICATION BY BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES (BAPLC)





## P.5 PROXY FORM



### DESH GENERAL INSURANCE COMPANY LIMITED

Jiban Bima Bhaban, Front Block, Level # 5, 10, Dilkusha C/A, Dhaka-1000.

#### PROXY FORM

I/We.....of.....  
..... Being a Member of  
**Desh General Insurance Company Limited** do hereby appoint

Mr./Ms.....of....  
..... as my/our proxy, to vote for me / us and on my / our  
behalf at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on **August 28, 2023 at 11.00 a.m** through  
Online Digital Platform (link will be available on the website) and at any adjournment thereof or at any ballot/poll  
to be taken in consequence thereof.

Signed this ..... day of ..... 2023.

.....  
Signature of the Shareholder (s)

.....  
Signature of the Proxy

Number of Shares held.....

BO ID NO																	
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Revenue  
Stamp Tk. 100.00

#### **NOTE:**

1. A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.
2. Signature of the Shareholder should match with the Specimen Signature registered with the Company.



### DESH GENERAL INSURANCE COMPANY LIMITED

Jiban Bima Bhaban, Front Block, Level # 5, 10, Dilkusha C/A, Dhaka-1000.

#### **ATTENDANCE SLIP**

I/We hereby record my attendance at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on **August 28, 2023 at 11.00 am** at Online Digital Platform (link will be available on the website)

Name of the Shareholder(s)/Proxy (in Block Letter)																	
BO.ID Number																	
Mobile Number																	
E-mail address (if any)																	

.....  
Date & Signature of the Shareholder(s) / Proxy

#### **NOTE:**

1. Please note that AGM can only be attended by the honorable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honorable shareholder or proxy cannot be allowed into the meeting.
2. AGM Link to attend the meeting will be provided to Proxy's Email Address or SMS to the Proxy's Cell Number.





**Desh General**  
Insurance Company Limited

**Head Office:**

**Jiban Bima Bhaban, Front Block, Level 5, 10 Dilkusha C/A, Dhaka-1000.**

**Phone: +880 2223390997-9, 02223391001, Fax: +880 2223381920**

**E-mail: [info@deshinsurancebd.com](mailto:info@deshinsurancebd.com), [dgic.bd@gmail.com](mailto:dgic.bd@gmail.com), [deshinsurancebd@gmail.com](mailto:deshinsurancebd@gmail.com)**

**Website: [www.deshinsurancebd.com](http://www.deshinsurancebd.com)**