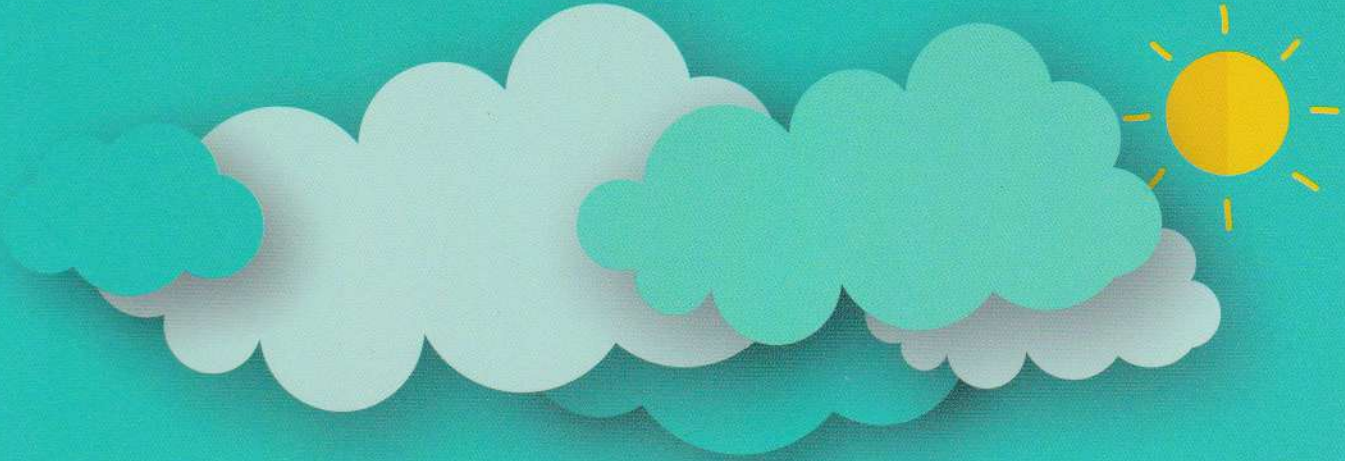


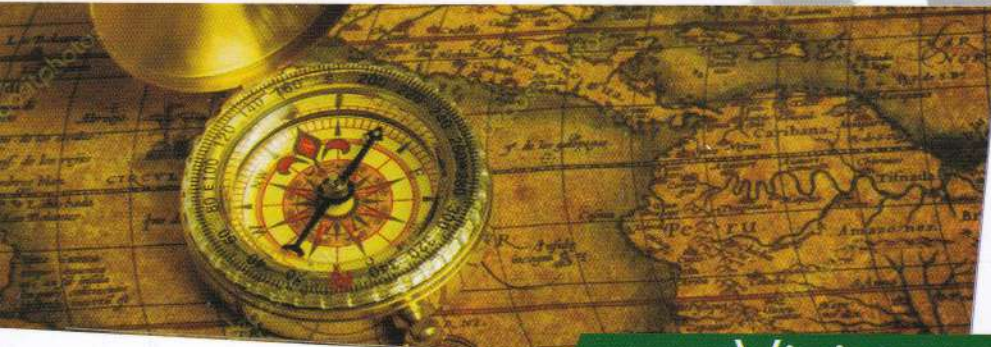


ANNUAL REPORT 2019



দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড
Desh General Insurance Company Limited

Vision & Mission



Vision

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



Mission

To provide peace of mind to our customers through sound insurance and exceptional services.



Core Values



Corporate Ethical Values

It is our policy to conduct our affairs consistent with the highest moral, legal and ethical standards as well as to comply with all laws governing our operations. We value our associates, agents and policy holders. It is a associate performance and customer satisfaction that determine our success. We believe in the free enterprise system and pledge to treat our associates, agents, policy holders, claimants, suppliers and community with honesty, dignity, fairness and respect.





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NAME OF THE COMPANY

Desh General Insurance Company Limited

Name of the Company

Desh General Insurance Company Limited

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).

Registered Office

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

Phone : + 880 2-9571642-5

Fax : + 880 2-9561920

E-mail : dgic.bd@gmail.com, deshinsurancebd@gmail.com

Website : www.deshinsurancebd.com



Chairman

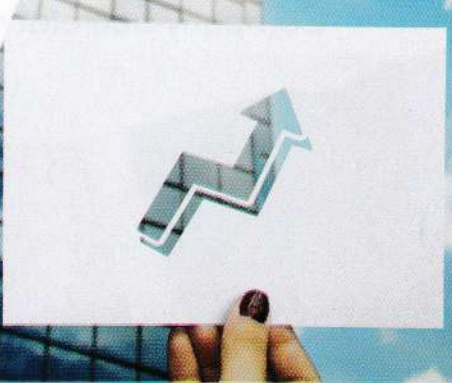
Md. Jashim Uddin

Chief Executive Officer

Qazi Mukarram Dastagir

Company Secretary (cc)

Md. Aktaruzzaman



Auditor

Rahman Mostafa Alam & co.
Chartered Accountants

Legal Adviser

Advocate Md. Mashodur Rahman
Mashodur & Associate

Tax Consultant

A T Talukder & Co.
Chartered Accountants

LETTER OF TRANSMITTAL



All Shareholders,

Insurance Development and Regulatory Authority,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
All Concerned Authorities.

Subject: Annual report for the year ended December 31, 2019.

Dear Sir (s)

We are pleased to enclose herewith a copy of the Annual Report together with the Audited Financial Statements including Balance sheet, Revenue Account, cash flow Statement and notes to the accounts for the year ended December 31, 2019 for your kind information and record.

Sincerely Yours,

Md. Aktaruzzaman
Company Secretary(cc)



বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড

প্রধান কার্যালয়ঃ জীবন বীমা ভবন, ফ্রন্ট ব্লক, (৬ষ্ঠ তলা)

১০ দিলকুশা বানিজ্যিক এলাকা

২০তম বার্ষিক সাধারণ সভার বিজ্ঞপ্তি

দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেডের মাননীয় শেয়ারহোল্ডারগণের সদয় অবগতির জন্য জানানো যাচ্ছে যে ২০তম বার্ষিক সাধারণ সভা আগামী ১৮ অক্টোবর, ২০২০, রবিবার, বেলা ১২:০০ ঘটিকায় ভার্চুয়ালি ডিজিটাল প্ল্যাটফর্মে অনুষ্ঠিত হবে।

আলোচ্য সূচী :

১. ৩১ ডিসেম্বর ২০১৯ তারিখে সমাপ্ত বছরের পরিচালকমন্ডলীর প্রতিবেদন এবং নিরীক্ষকদের রিপোর্ট ও নিরীক্ষিত আর্থিক প্রতিবেদন গ্রহণ, বিবেচনা ও অনুমোদন;
২. ৩১ ডিসেম্বর ২০১৯ তারিখে সমাপ্ত বছরের পরিচালনা পর্ষদের সুপারিশকৃত লভ্যাংশ অনুমোদন;
৩. পরিচালক নির্বাচন/পুনঃনির্বাচন;
৪. কোম্পানীর নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৫. ২০১৯ সালের জন্য কমপ্ল্যায়ান্স নিরীক্ষক নিয়োগ ও তাদের পারিশ্রমিক নির্ধারণ।
৬. স্বতন্ত্র পরিচালক নিয়োগ ও নবায়ন অনুমোদন।

ঢাকা

২৭, সেপ্টেম্বর, ২০২০

পরিচালনা পর্ষদের আদেশক্রমে



মোঃ আকতারুজ্জামান

কোম্পানী সচিব(সিসি)

দ্রষ্টব্যঃ

১. ২০তম বার্ষিক সাধারণ সভার প্রেক্ষিতে কোম্পানীর শেয়ার রেজিস্টার ১১ অক্টোবর ২০২০ হতে ১৭ অক্টোবর, ২০২০ পর্যন্ত বন্ধ থাকবে।
২. সাধারণ সভায় যোগদান এবং ভোট প্রদানের জন্য যোগ্য একজন শেয়ারহোল্ডার তার পক্ষে সাধারণ সভায় যোগদান ও ভোট প্রদানের জন্য একজন প্রক্সি নিয়োগ দিতে পারবেন। প্রক্সি ফরম যথাযথ ভাবে পূরণকৃত ও ২০/- টাকার স্ট্যাম্প লাগানো প্রক্সি ফরম কোম্পানীর নিবন্ধিত কার্যালয়ে সভা শুরু ৭২ ঘন্টা পূর্বে জমা দিতে হবে।

19TH ANNUAL GENERAL MEETING HIGHLIGHTS





Marine Insurance

- Marine Cargo Insurance (Import/Export by Sea, Air, Road including Inland transit)
- Marine Hull Insurance



Fire Insurance

- Fire Insurance (Including Allied Perils)
- Property All Risk Insurance
- Industrial All Risk (IAR) Insurance
- Power Plant Operational Package Insurance including Business Interruption & Third Party Liability

Motor Insurance

- Motor Vehicle Insurance (Private)
- Motor Vehicle Insurance (Commercial)



Engineering Insurance

- Machinery Breakdown Insurance
- Deterioration of Stock (DOS)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection All Risks (EAR)
- Contractor's All Risks (CAR)



Miscellaneous Insurance

- Burglary Insurance
- Cash in ATM Booth
- Money Insurance
- Cash in Private /Commercial Premises
- Fidelity Guarantee
- Workmens' Compensation
- Personal Accident
- Safe Deposit Box (Bank Lockers) All Risk Insurance
- Product liability Insurance Policy
- Public Liability Insurance Policy
- Rubber Plantation (Input) Insurance Policy
- Plate Glass Policy

Composition of Board & its Committees

BOARD OF DIRECTORS



Chairman	Mr. Md. Jashim Uddin
Vice Chairman	Mohammed Akbor Hossain
Directors	Mrs. Priti Kana Bose Mr. Murad Mohammed Taj Mr. Tahrin Aman Mr. Aminur Rahman Mrs. Rokeya Quader Engr. A.K.M. Ahsanul Haque Mr. Nil Kantha Roy Engr. Tarikul Alam Rahimi Mrs. Nausat Begum
Independent Directors	Mr. Shahedul Islam Mr. Md. Kamal Uddin FCA Mr. Sarwar Uddin FCA

Chief Executive Officer Qazi Mukarram Dastagir

EXECUTIVE COMMITTEE



Chairman	Mr. Aminur Rahman
Member	Mohammed Akbor Hossain Engr. A.K.M. Ahsanul Haque Mrs. Priti Kana Bose Mr. Murad Mohammed Taj Mr. Tahrin Aman Mrs. Rokeya Quader Mr. Nil Kantha Roy

CLAIM COMMITTEE



Chairman

Mr. Aminur Rahman

Member

Mr. Murad Mohammed Taj
Mrs. Rokeya Quader
Mr. Nil Kantha Roy

AUDIT COMMITTEE



Chairman

Mr. Md. Kamal Uddin FCA

Member

Mohammed Akbor Hossain
Mr. Aminur Rahman
Mrs. Nauzat Begum

NOMINATION AND REMUNERATION COMMITTEE



Chairman

Mr. Shahedul Islam

Member

Mr. Murad Mohammed Taj
Mr. Aminur Rahman



Financial Highlights

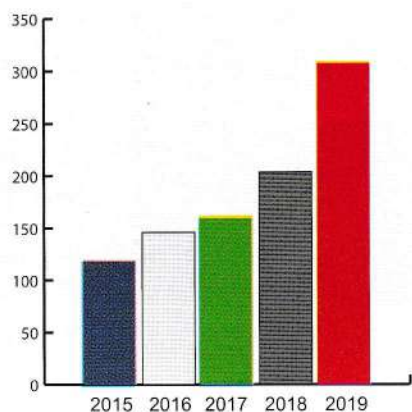
(Tk. in Million)

Particulars

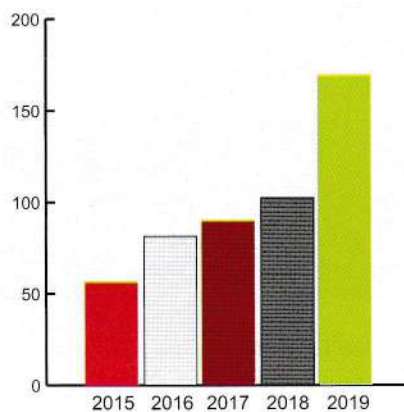
	Year 2019	Year 2018	Year 2017	Year 2016	Year 2015
Gross Premium Income	308.19	203.39	161.06	145.69	119.87
Net Premium Income	167.95	102.22	89.56	81.24	56.20
Underwriting Profit	65.93	48.31	49.43	27.34	17.41
Investment Income	18.37	17.22	10.73	5.55	8.20
Profit after Tax	32.58	24.01	20.99	12.27	11.36
Deposit Premium	2.73	2.39	2.90	2.56	3.96
Total Reserves	72.87	46.02	41.05	42.54	32.50
Total Assets	693.74	573.42	526.86	322.44	266.92
Total Liabilities	414.94	302.85	256.30	197.42	154.19
Share Holders Equity	278.80	272.58	272.56	125.01	112.73
Earnings Per Share (EPS)	1.36	1.00	1.14	1.20	1.42
Fixed Assets	131.84	121.71	108.13	78.49	48.10

KEY PERFORMANCE - INDICATORS

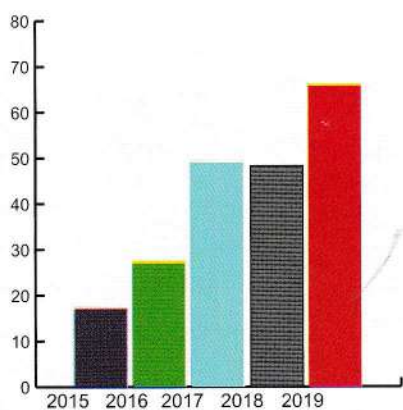
Gross Premium Income



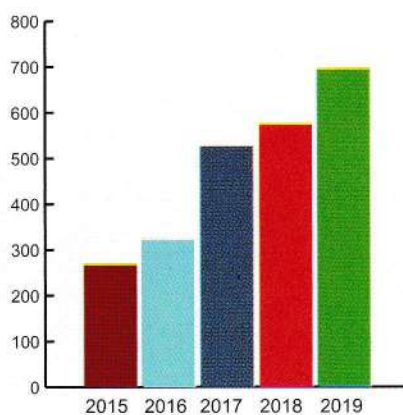
Net Premium Income



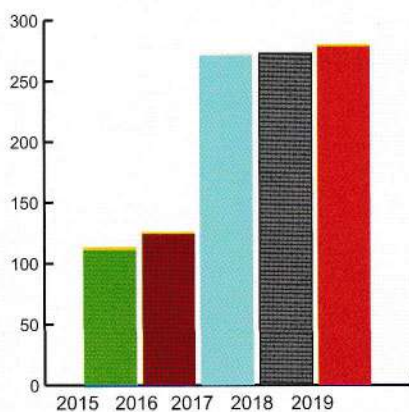
Underwriting Profit



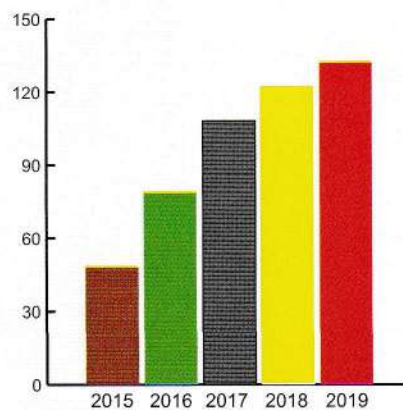
Total Assets



Shareholders Equity

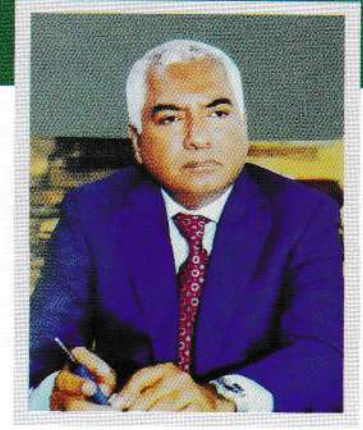


Fixed Assets





Chairman's Message



Dear Shareholders

Assalamu Alaikum,

It is indeed my great pleasure to welcome you to the 20th Annual General Meeting of the company. At the very beginning, I would like to express my deepest appreciation to you all for your continued support and goodwill for the Company. Kindly allow me to present to you the Directors' Report along with the Audited Financial Statements and the Auditors' Report for the year ended 31st December 2019.

I am also extremely happy to announce that in the year 2019, our company has received the Credit rating of 'A+', which is rated by the Alpha Credit Rating Limited. A+' signifies 'STRONG' financial security characteristics and with which an entity is adjudged to have very good financials, claim paying ability and first rate operating environment. We emphasize the Company to achieve the "AAA" credit rating in a short time with a new height of success.

It is now my privilege to present before you a short Statement about the performance of the Company in 2019. Dosh General Insurance Company Limited earned Gross premium and net premium income of Tk. 308.19 million and Tk.167.95 million respectively during the year 2019 as against Tk. 203.39 million and Tk. 102.22 million respectively during the year 2018. Net profit after tax stood at Tk.32.58 million in 2019 which were Tk. 24.01 million of 2018. Total assets of the Company stood at Tk. 693.74 million in 2019 which were Tk. 573.42 million of 2018.

I am confident that during pandemic Covid-19 we would be able to achieve the Business Target in 2020 in line with the objective and goal set and I strongly believe and hope that like the previous year's again we will sail together towards the intended target.

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

I pray to Almighty Allah with His infinite mercy guide us for our continuous growth, prosperity and wellbeing in the days ahead. Ameen!

Thanking you

Md. Jashim Uddin
Chairman

পরিচালকমণ্ডলীর প্রতিবেদন

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ, আস্সালামু আলাইকুম

দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেডের পরিচালকমণ্ডলীর পক্ষ থেকে কোম্পানীর ২০তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। পরিচালকমণ্ডলীর প্রতিবেদন এবং ৩১শে ডিসেম্বর, ২০১৯ ইং সমাপ্ত বছরের জন্য নিরীক্ষকের প্রতিবেদন, নিরীক্ষিত হিসাব বিবরণী, তন্মধ্যে লাভক্ষতির বিবরণী, শ্রেণী ভিত্তিক বীমা আয় ব্যয়ের হিসাব সম্বলিত কোম্পানীর বার্ষিক প্রতিবেদন আপনাদের সুবিবেচনা এবং অনুমোদনের জন্য তুলে ধরা হলো।

বাংলাদেশ অর্থনীতি ২০১৯:

বৈশ্বিক এবং দেশীয় বিরূপ মোকাবেলা করে, বাংলাদেশের অর্থনৈতিক প্রবৃদ্ধির ধারাবাহিকতা এবং স্থিতিশীলতা বজায় রাখতে সক্ষম হয়েছে। বাংলাদেশ পরিসংখ্যান ব্যুরো এর স্থায়ী প্রাক্কলন অনুসারে ২০১৮-২০১৯ অর্থবছরের জিডিপি প্রবৃদ্ধি ৮.১৩ শতাংশে পৌঁছেছে, যা পূর্ববর্তী অর্থবছর জিডিপি প্রবৃদ্ধি ছিল ৭.৮৬ শতাংশে, ফলে প্রবৃদ্ধি উল্লেখযোগ্য পরিমাণে বেড়েছে। বৃহৎ শিল্পখাতের উৎপাদন খাতে উচ্চ প্রবৃদ্ধি অর্জনে গুরুত্বপূর্ণ ভূমিকা পালন করেছে। জিডিপির ৩ টি প্রধান সেক্টর এর মধ্য কৃষিখাতে প্রবৃদ্ধি বেড়েছে ৩.৫১ শতাংশ। গত অর্থ বছর ২০১৭-১৮ মাথাপিছু আয় ছিল ১৭৫১ মার্কিন ডলার, ২০১৮-১৯ অর্থ বছরে মাথাপিছু আয় ১৯০৯ মার্কিন ডলার যা আগের বছরের তুলনায় বেশি।

যে কোন দেশের অর্থনৈতিক উন্নয়নে বীমা শিল্প অত্যন্ত গুরুত্ব পূর্ণ ভূমিকা পালন করে যা দেশের অর্থনৈতিক প্রবৃদ্ধিতে নন-লাইফ ইন্স্যুরেন্স একটি অবিচ্ছেদ্য অংশ হিসেবে কাজ করে আসছে। দেশের ব্যবসা বাণিজ্য ও শিল্পায়নের গতিধারার উপর নন-লাইফ ইন্স্যুরেন্স ব্যবসার প্রকৃতি অনেকাংশে নির্ভরশীল। ইহা অনিশ্চয়তা থেকে উদ্ধৃত ক্ষতি হ্রাস করে।

কোভিড-১৯ মহামারী কালীন বাংলাদেশে একটি মধ্যম আয়ের দেশ হওয়ার লক্ষ্যে টেকসই উন্নয়ন লক্ষ্যসমূহ বাস্তবায়ন চালিয়ে যেতে উদ্ভাবিত সম্পদ জমাকরণ, উচ্চতর বিনিয়োগ, অবকাঠামো বাস্তবায়নের দক্ষতা, দক্ষ মানব সম্পদ এবং শক্তিশালী প্রাতিষ্ঠানিক কাঠামো অর্জনের জন্য প্রচেষ্টা চালিয়ে যাচ্ছে।

কোম্পানীর ব্যবসায়িক কর্মকাণ্ড:

প্রিয় শেয়ারহোল্ডারবৃন্দ, বীমা প্রতিষ্ঠানসমূহের মধ্যে প্রবল প্রতিযোগিতার মাঝেও ২০১৯ সনটি হচ্ছে কোম্পানীর অন্যতম সাফল্যের বছর। এটা সম্ভব হয়েছে আমাদের শক্তিশালী মার্কেটিং জনশক্তি, সুসংহত সাংগঠনিক কাঠামো, উন্নত গ্রাহকসেবা প্রদান এবং ব্যবসায়িক কৌশল নির্ধারণ ও বাস্তবায়নে সার্বক্ষণিক প্রচেষ্টা। ফলে আমাদের কোম্পানীর পূর্বের তুলনায় বীমা প্রিমিয়াম আয় বেড়েছে ফলশ্রুতিতে মুনাফাও বেড়েছে অর্থাৎ ২০১৮ সালে কোম্পানীর মুনাফার পরিমাণ ছিল প্রায় ৪.৬৮ কোটি টাকা যা ২০১৯ সালে কোম্পানীর মুনাফার পরিমাণ দাঁড়িয়েছে প্রায় ৫.৪৩ কোটি টাকা। আমরা আশা করছি দেশের সার্বিক পরিস্থিতি সহনীয় মাত্রায় থাকলে দেশের ব্যবসা বাণিজ্য স্বাভাবিক আবস্থায় থাকবে। সেক্ষেত্রে প্রিমিয়াম আয় আরো বাড়বে যার ফলে কোম্পানীর সম্পদ, রিজার্ভ ও স্থায়ী আমানতের পরিমাণ অব্যহতভাবে বৃদ্ধি পাবে।

বার্ষিক প্রতিবেদনে গ্রস প্রিমিয়ামের অংশ বিশেষ আর্থিক অর্জন ২০১৯ সাল :

বিবরণ	২০১৯
গ্রস প্রিমিয়াম আয়	৩০৮,১৯১,৮৭০
নীট প্রিমিয়াম আয়	১৬৭,৯৪৭,০১৪
অবলিখন আয়	৬৫,৯০৪,৯০১
কর পরবর্তী নীট আয়	৩২,৫৭৭,১১৪
অনুত্তীর্ণ রিজার্ভ	৬৭,৮৬৭,১৪৬
স্থায়ী সম্পদ	১৩১,৮৩৬,৩৯৭
ইপিএস	১.৩৬
নীট এ্যাসেট ভ্যালু / শেয়ার	১১.৬২
নীট অপারেটিং ক্যাশ ফ্লো / শেয়ার	৩৬,৫০৮.২৪৮

দাবী পরিশোধ :

বীমা চুক্তির মূল কথা হচ্ছে ক্ষতিগ্রস্ত ব্যক্তি বা প্রতিষ্ঠানকে তার ক্ষতি দ্রুত পুষিয়ে দেয়া, আর সেই কথা মাথায় রেখে বীমা দাবী প্রদানের ক্ষেত্রে আমাদের কোম্পানী সর্বদাই সক্রিয় এবং আন্তরিক। দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড দক্ষ ও পেশাদার কর্মীদের নিয়ে দাবী নিষ্পত্তি বিভাগ গঠন করা হয়েছে যারা সর্বদাই দ্রুত ও স্বল্পতম সময়ের মধ্যে দাবী নিষ্পত্তির ক্ষেত্রে অগ্রনী ভূমিকা পালন করে আসছে। যার সুফল বীমা গ্রহীতারাই ইতিমধ্যেই পেতে শুরু করেছে এবং ভবিষ্যতেও এর সুফল অব্যাহত থাকবে ইনশাআল্লাহ।

বিবরণ	মোট উত্থাপিত দাবীর সংখ্যা, ২০১৯	মোট পরিশোধিত দাবীর সংখ্যা, ২০১৯
মটর দাবী	২১	১৭
অগ্নি দাবী	৮	২
নৌ দাবী	৭	৪
বিবিধ দাবী	-	-
মোট	৩৬	২৩

কর্পোরেট সুশাসন :

দক্ষ ও কার্যকর ভাবে ব্যবসা পরিচালনা ও প্রাতিষ্ঠানিক সুশাসন প্রতিষ্ঠার জন্য কর্পোরেট গভর্নেন্স খুবই গুরুত্বপূর্ণ ভূমিকা রাখে। আর সেই ধারাবাহিকতা রক্ষায় আমাদের পরিচালনা পর্ষদ নিরলস প্রচেষ্টা অব্যাহত রেখেছে। ডিজিআইসি বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক প্রবর্তিত কর্পোরেট গাইডলাইন মেনে চলছে এবং কোম্পানীর কার্যক্রমে স্বচ্ছতা ও জবাবদিহিতা নিশ্চিত করার জন্য পরিচালনা পর্ষদ কার্যকর পদক্ষেপ গ্রহণ করেছে।

কর্পোরেট সামাজিক দায়িত্ব (সিএসআর) কর্মকান্ড :

কর্পোরেট সামাজিক দায়িত্ব (সিএসআর) বিষয়ে দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড সচেতন। কোম্পানী ২০১৮ সালের মতোই ২০১৯ সালে অনেক বিষয়ে কর্পোরেট সামাজিক দায়িত্ব (সিএসআর) কর্মক্রম পরিচালনা করেছে এবং ভবিষ্যতেও এইধরনের কর্মকান্ড পরিচালনা করে যেতে কোম্পানী দৃঢ়সংকল্পবদ্ধ।

ক্রেডিট রেটিং

আমাদের কোম্পানীর ক্রেডিট রেটিং হচ্ছে “এ+” (A+) যা ২০১৯ সালের ৩১শে ডিসেম্বর সমাপ্ত বছরের উপর ভিত্তি করে নির্ধারণ করা হয়েছে। এই রেটিং প্রাপ্ত কোম্পানীগুলো বীমা ক্ষেত্রে উচ্চ সক্ষমতা অর্জনকারী প্রতিষ্ঠান হিসাবে মূল্যায়িত হবে।

তথ্য প্রযুক্তি

দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড ইতোমধ্যেই আইটি বিভাগ চালু করেছে, যার ফলে কোম্পানীর কাজকর্ম দ্রুততার সাথে করার জন্য কম্পিউটারাইজড সফটওয়্যার সংস্থাপন করা হয়েছে এবং উক্ত সফটওয়্যারের মাধ্যমে কভারনোট, পলিসি ইস্যু ও সার্বিক তদারকীর ব্যবস্থা চালু করা হয়েছে। যার পরিপেক্ষিতে প্রতিদিনের ব্যবসায়িক প্রতিবেদন সঙ্গে সঙ্গে হাতে পাওয়া সহজ হয়েছে। কোম্পানীর সুনাম ও ব্যবসায়িক পরিধি আরো বৃদ্ধি জন্য এই আধুনিক পদ্ধতির মাধ্যমে আমাদের সম্মানিত বীমা গ্রহীতাদেরকে সেবা প্রদান করা হচ্ছে।

ডিভিডেন্ট :

দেশ জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেডে এর পরিচালনা পর্ষদ ৩১শে ডিসেম্বর, ২০১৯ইং সমাপ্ত বছরের অর্জিত মুনাফা হতে লভ্যাংশ সুপারিশ করেছে যা বার্ষিক সাধারণ সভার কার্যক্রমের মাধ্যমে আপনাদের সুবিবেচনা ও অনুমোদনের জন্য উপস্থাপন করা হবে।

কর্মকর্তা ও কর্মচারীদের সুবিধা :

কর্মকর্তা ও কর্মচারীদের কল্যাণ সাধনে কোম্পানী সবসময় অগ্রাধিকার দিয়ে থাকে। এ লক্ষ্যে কোম্পানীর পরিচালনা পর্ষদ গ্রুপ ইন্স্যুরেন্স চালু করেছে এবং ভবিষ্যৎ তহবিল, গ্র্যাচুয়িটি, WPPF ইত্যাদি কর্মকর্তা ও কর্মচারীদের কল্যাণার্থে চালুর চেষ্টা চালিয়ে যাচ্ছে।

২০২০ সালের পূর্বাভাস :

২০২০ সালে প্রতিযোগিতামূলক বাজারে ব্যবস্থাপনা কর্তৃপক্ষ নিম্নলিখিত ব্যবস্থাদি গ্রহণ করেছে:

১. ব্যবসায়ের প্রবৃদ্ধি ও লাভ জনককরণ করা;
২. বিচক্ষণতার সহিত ব্যবসা পরিচালনা করা,
৩. বিনিয়োগ আয় বৃদ্ধি করা
৪. গ্রাহক সেবার উপর গুরুত্ব আরোপ
৫. ত্বরিত দাবি পরিশোধ।

পরিচালকবৃন্দের অবসর গ্রহণ :

কোম্পানীর সংঘ বিধির ১১৩ ও ১১৫ ধারা মোতাবেক নিম্ন লিখিত উদ্যোক্তা পরিচালকগণ অবসরে যাবেন এবং যোগ্য বিধায় প্রত্যেকেই পুনঃনিবাচনের আহ্বহ প্রকাশ করেন।

১. জনাব মোহাম্মদ আকবর হোসেন
২. জনাব মুরাদ মোহাম্মদ তাজ
৩. মিসেস প্রীতি কণা বোস

নিরীক্ষক নিয়োগ :

কোম্পানীর বর্তমান নিরীক্ষক মেসার্স রহমান মোস্তফা আলম এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস নিরীক্ষক এর মেয়াদ ২০তম বার্ষিক সাধারণ সভায় শেষ করেন। ২০২০ইং সালের হিসাব নিরীক্ষার জন্য মেসার্স রহমান মোস্তফা আলম এন্ড কোং, চার্টার্ড একাউন্ট্যান্টস নিরীক্ষক হিসাবে নিয়োগের জন্য আবেদন করেন যা ২০তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারগণের অনুমোদনের জন্যে উপস্থাপন করা হবে।

উপসংহার :

পরিশেষে পরিচালকমন্ডলীর পক্ষ থেকে সম্মানিত ক্লায়েন্ট, শেয়ারহোল্ডার, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ), বাণিজ্য ও অর্থ মন্ত্রণালয়, ব্যাংক ও আর্থিক প্রতিষ্ঠানসমূহ, বাংলাদেশ ব্যাংক, সাধারণ বীমা কর্পোরেশন, ঢাকা স্টক এক্সচেঞ্জ লি:, চট্টগ্রাম স্টক এক্সচেঞ্জ লি:, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনসহ সকল শুভানুধ্যায়ীদের তাদের সার্বিক সহায়তা ও প্রয়োজনীয় সমর্থন প্রদানের জন্য গভীর কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছে।

পরিচালকমন্ডলী প্রতিষ্ঠানের ধারাবাহিক উন্নতির জন্য নির্বাহী কর্মকর্তা ও কর্মচারী যে কঠোর শ্রম, নিষ্ঠা, আন্তরিকতা ও সংকল্প দেখিয়ে চলেছে সেজন্য সকলকে আন্তরিক ধন্যবাদ জ্ঞাপন করছি।

মহান আল্লাহ পাক সকলকে তাঁর দিক নির্দেশিত পথে চলার তৌফিক দিক।

পরিচালনা পর্ষদের পক্ষে,

মো: জসিম উদ্দীন
চেয়ারম্যান



MANAGEMENT PROFILE

Qazi Mukarram Dastagir

Chief Executive Officer

Mohd. Abul Kashem ABIA

Additional Managing Director
(General Operations)

Rabindra Nath Karmaker

Senior General Manager & CFO
Finance & Accounts Department

Md. Ziaul Hoque

Assistant General Manager
Re-insurance Department

Md. Kamruzzaman Bhuiyan

Senior Manager
Internal Audit Department

Md. Aktaruzzaman

Company Secretary (cc)

BRANCH MANAGEMENT

ADDITIONAL MANAGING DIRECTOR

S.M. Khashruzzaman, Mirpur Br.
Ferdousi Begum, Principal Br.
Faridul Islam B.B branch
Md. Shahjahan Mia, Kawranbazar Br.
Md. Saiful Islam, VIP Br.

DEPUTY MANAGING DIRECTOR

Mrs. Lovely Akter, Local Office Br.
Md. Zakir Hossain, Dilkusha Br.
Mrs. Aisha Siddiqua, Uttara Br.
Mrs. Nasreen Akter Seuli, Nayabazar Br.

ASSISTANT MANAGING DIRECTOR

Mrs. Hamida Chowdhury, Bangshal br.

SR.GENERAL MANAGER

Md. Harun-or-Rashid, Savar Br.

GENERAL MANAGER

Kazi Zahiruddin Siddique (Titu), Palton Br.
Md. Enayatur Rahman Chowdhury, Sylhet Br.
Md. Nazim Uddin khatungonj Br.

DEPUTY GENERAL MANAGER

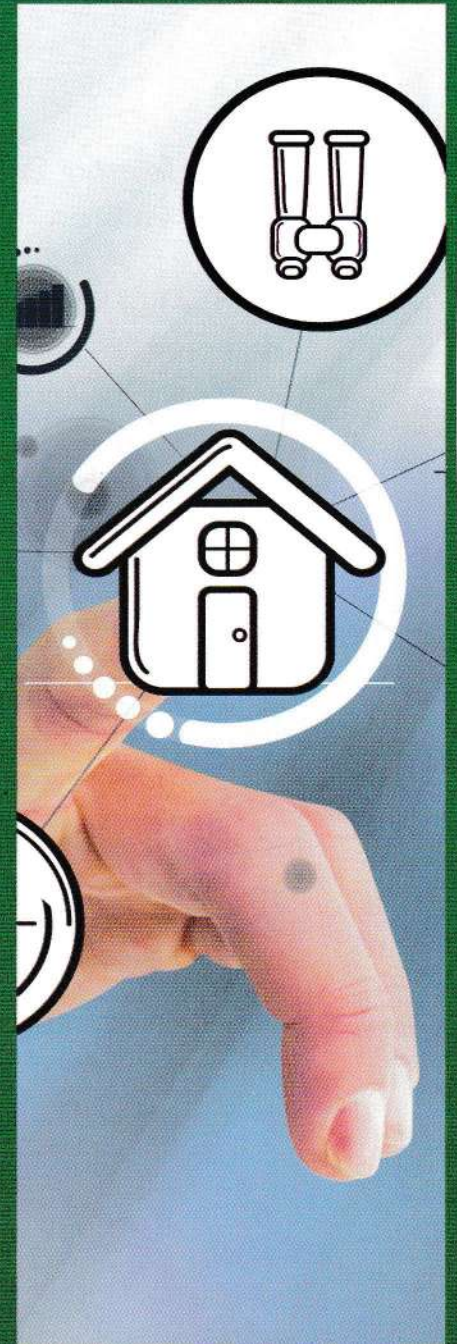
Sekander Hayet Khan, Jessore Br
Syed Afsar Ali, Khulna Br.

ASSISTANT GENERAL MANAGER

Nasreen Rahman, Narayangonj Br.
Md. Ruhul Amin, Choumuhony Br.
Abu Hanif, Gulshan Br.

MANAGER

Ms. Afroza Begum, Bogra Br.
Md. Harunur Rashid, Mirpur Senpara, Br.
Ruma Khatun, Rajshahi Br.
Md. Amran Ali, Mymensingh Br.



BRANCH CONFERENCE





দাবী পরিশোধ



PATTERN OF SHAREHOLDING AS ON 31 DECEMBER, 2019

A) Shareholding by Companies, Directors and Shareholders:

SL	Name	Category	No. of Share	Percentage
1	Mr. Md. Jashim Uddin	Chairman	1,649,629	6.87
2	Mr. Md. Akbor Hossain	Vice Chairman	1,281,845	5.34
3	Mrs. Priti Kana Bose	Director	809,831	3.37
4	Mr. Murad Mohammed Taj	Director	1,227,330	5.12
5	Mr. Tahrin Aman	Director	800,000	3.33
6	Mr. Aminur Rahman	Director	806,215	3.36
7	Mrs. Rokeya Quader	Director	1,495,510	6.23
8	Engr. A.K.M. Ahsanul Haque	Director	1,121,185	4.67
9	Mr. Nil Kantha Roy	Director	1,068,180	4.45
10	Engr. Tarikul Alam Rahimi	Director	1,576,665	6.57
11	Mrs. Nauzat Begum	Director	800,000	3.33
12	Mr. Md. Saifuddin Khaled	Sponsor Shareholder	626,214	2.61
13	Mr. Moshfeque Mamun Rizvi	Sponsor Shareholder	250,451	1.04
14	Mrs. Rehana Begum	Sponsor Shareholder	351,758	1.47
15	Al-Haj Mosharref Hossain	Shareholder	1,487,432	6.20
16	Mr. M. Amanullah	Shareholder	695,155	2.90
17	Mr. Morshed Alam	Shareholder	2,350,371	9.79
18	Mr. M. Monsurul Islam	Sponsor Shareholder	599,831	2.50
19	Mr. Sakif Nazran Bhuiyan	Shareholder	1,495,510	6.23
20	Mr. Amir Hossain Amu	Shareholder	2,506,933	10.45
21	Mrs. Shamima Yeasmin	Shareholder	999,955	4.17
22	Qazi Mukarram Dastagir	Chief Executive Officer	-	-
			24,000,000	100

B) Shareholders by Others:

Company Secretary	NIL
CFO	NIL
Head of Internal Audit	NIL
Parent/Subsidiary/ Associate and other related parties	NIL
Shareholding of top five executives	NIL

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

[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:

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors			
1(1)	Size of the Board of Directors: The total number of members of a Company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors			
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);	✓		
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company;	✓		
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family also shall not hold above mentioned shares in the Company.	✓		
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated Companies;	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock Exchange.	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	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;	✓		
1(2)(b)(viii)	Who is not independent director in more than 5(five) listed companies;	✓		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non- Bank financial Institution (NBF); and	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1(one) tenure only;	✓		
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regularity requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or of a listed Company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓		
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;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such deviation occurred
1(4)	Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:			
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;	✓		
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and / or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such event occurred
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications(gain or loss);			No such event occurred;
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	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
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			No such event occurred;
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards(IAS) or International Financial Reporting Standards(IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;			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;	✓		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;			The Company has declared 12% Cash Dividend
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares(along with name-wise details where stated below) held by:	✓		
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties(name-wise details);			N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children(name-wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	✓		
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;	✓		
1(5)(xxiv)(b)	Nature of his her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
	detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	Comparative analysis(including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓		
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors			
	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.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
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;	✓		N/A
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		N/A
2	Governance of Board of Directors of Subsidiary Company:			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;			N/A
2(b)	At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company;			N/A
2(d)	The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also;			N/A
2(e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.			N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary. -			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The 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 held by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	Requirement to attend Board of Directors' Meetings			
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	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)	Remarks (if any)
	Report.		
4	Board of Directors' Committee:		
	For ensuring good governance in the Company, The Board shall have at least following sub - committees:		
4(i)	Audit Committee; and	✓	
4(ii)	Nomination and Remuneration Committee.	✓	
5	Audit Committee:		
5(1)	Responsibility to the Board of Directors		
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓	
5(1)(b)	The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	
5(2)	Constitution of the Audit Committee		
5(2)(a)	The Audit Committee shall be composed of at least 3(three) members;	✓	
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1(one) independent director;	✓	
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any committee member to be unable to hold office before expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3(three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1(one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	✓	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1(one) independent director.	✓	
5(3)	Chairperson of Audit Committee		
5(3)(a)	The Board shall select 1(one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓	
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.	✓	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(AGM);	✓	
5(4)	Meeting of the Audit Committee		
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	
5(5)	Role of Audit Committee		
	The Audit Committee shall:		
5(5)(a)	Oversee the financial reporting process;	✓	
5(5)(b)	Monitor choice of accounting policies and principles;	✓	
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	
5(5)(d)	Oversee hiring and performance of external auditors;	✓	
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓	
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓	
5(5)(h)	Review the adequacy of internal audit function;	✓	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by the statutory auditors;	✓	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	
5(5)(m)	Oversee whether the proceeds raised through 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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
5(6)	Reporting of the Audit Committee			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)(a)	Report on conflicts of interests;	-	-	No such event occurred
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such event occurred
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	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;	-	-	No such event occurred
5(6)(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been 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.	-		No such event occurred
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	-		No such event occurred
6	Nomination and Remuneration Committee (NRC):			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (TOR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	✓		
6(2)	Constitution of NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180(one hundred eighty) days of occurring such vacancy in the Committee;	✓		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6(4)	Meeting of NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convey any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	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;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
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	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies;	✓		
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.	✓		
7	External or Statutory Auditors:			
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:	✓		
7(1)(i)	Appraisal or valuation service or fairness opinions;	✓		
7(1)(ii)	Financial information systems design and implementation;	✓		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-dealer services;	✓		
7(1)(v)	Actuarial services;	✓		No such event occurred.
7(1)(vi)	Internal audit services or special audit services;	✓		
7(1)(vii)	Any services that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflicts of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company;	✓		
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.	✓		
8	Maintaining a website by the Company:			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporation Governance:			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	-		Board recommended the professional for due appointment by shareholders in Upcoming AGM
9(3)	The directors of the Company shall state, in accordance with the Annexure -C attached, in the directors' report whether the Company has complied with these condition or not.	✓		



HUDA HOSSAIN & CO.
CHARTERED ACCOUNTANTS

+88 02 4712 0593
+88 0967 8800438
info@hudahossain.com
www.hudahossain.com



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

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 on 31st December, 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission ;
- 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.

Dhaka,
29 September, 2020



For HUDA HOSSAIN & CO,
Chartered Accountants


Md. Aminul Islam FCA
Partner

Independent Auditors' Report

To the Shareholders of DESH GENERAL INSURANCE COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Desh General Insurance Company Limited (the Company), which comprise the Statement of Financial Position as at December 31, 2019, 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 and other explanatory information disclosed in notes 1 to 57 & Annexure - A to C.

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

Basis for opinion

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

Our key audit matters

Risk	Our response to the risk
<p>Premium Income</p> <p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period.
	<ul style="list-style-type: none"> ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account.

Risk	Our response to the risk
	<ul style="list-style-type: none"> ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. ➤ Applying specialist judgment ensured if there is any impairment of the reinsurer. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 2010 Insurance Rules 1958 and other applicable rules and regulations and regulatory guidelines.
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
<p>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.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ➤ 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 letter, survey report, bank statement, claim payment register and general ledger. ➤ 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.

Emphasis of Matter:

We may draw the attention to the fact disclosed in note - 50.00.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

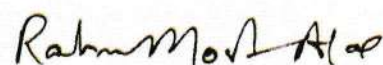
Report on other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of profit or loss and other Comprehensive Income of the Company;
- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The Statement of Financial Position, Statement of 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 of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

The Engagement Partner on the audit resulting in this independent auditor's report is Mr. Kazi Mostafa Alam FCA.

**Dated: Dhaka
September 28, 2020**



**Rahman Mostafa Alam & Co.
Chartered Accountants**

DESH GENERAL INSURANCE COMPANY LIMITED

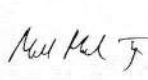
Statement of Financial Position As at December 31, 2019

Particulars	Notes	Amount in Taka	
		31.12.2019	31.12.2018
EQUITY AND LIABILITIES:			
Share Capital			
Authorized :			
10,00,00,000 Ordinary Shares of Tk. 10 each	19.00	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid up Capital			
24,000,000 Ordinary Shares of Tk. 10 each	20.00	240,000,000	240,000,000
Reserve or Contingency Account			
Profit and Loss Appropriation Account		38,797,365	30,576,395
Reserve for Exceptional Losses		33,797,365	25,576,395
Total Shareholders' Equity		5,000,000	5,000,000
		278,797,365	270,576,395
Balances of Funds & Accounts:			
	36.00	67,867,146	41,020,610
Fire Insurance Business		16,382,046	11,320,028
Marine Insurance Business		36,943,514	17,180,909
Motor Insurance Business		11,015,800	11,039,642
Miscellaneous Insurance Business		2,378,553	1,256,822
Marine Hull Insurance Business		1,147,234	223,208
Liability and Provisions			
		347,072,714	261,825,036
Estimated liabilities in respect of outstanding claims whether due or intimated	21.00	51,470,483	792,221
Amount due to other persons or bodies carrying on insurance business	22.00	76,974,568	78,465,821
Deposit Premium	23.00	2,732,460	2,391,644
Bank Loan	24.00	84,473,477	75,853,570
Sundry Creditors	25.00	53,331,689	54,184,047
Lease Liability		7,695,926	-
Deferred Tax Liability	35 (ii)	10,197,272	7,716,044
Provision for Taxation	35.00	60,196,839	42,421,689
Total Shareholders' Equity and Liabilities		693,737,225	573,422,040

The accompanying notes 1 to 57 and Annexure-A, B & C form an integral part of the financial statements.

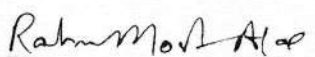

Chief Executive Officer


Director


Director


Chairman

Signed in terms of our report of even date
Dated: Dhaka
28 September, 2020


Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED

Statement of Financial Position
As at December 31, 2019

Particulars	Notes	Amount in Taka	
		31.12.2019	31.12.2018
PROPERTY AND ASSETS			
Non-Current Assets		165,361,237	146,709,499
Fixed Assets	33.00	131,836,397	121,709,499
Right of use asset		8,524,840	-
Investment-At cost (BGTB)	26.00	25,000,000	25,000,000
Current Assets:		284,557,415	183,420,516
Accrued Interest	27.00	6,989,923	11,501,629
Amount due from other persons or bodies carrying on insurance business	28.00	251,875,236	147,735,916
Sundry Debtors	29.00	25,692,256	24,182,971
Stamps in Hand		656,782	128,250
Stock of Printing Materials		4,210,918	4,460,560
Cash & Cash Equivalents:		238,950,874	238,703,215
Fixed Deposit Account	30.00	220,695,325	220,500,000
STD & Current Account	31.00	16,337,349	14,339,632
Cash in Hand	32.00	1,918,200	3,863,583
Total Property and Assets		693,737,225	573,422,040
Net Asset Value (NAV) per share	40.00	11.62	11.27

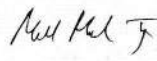
The accompanying notes 1 to 57 and Annexure - A, B & C form an integral part of the financial statements.



Chief Executive Officer



Director



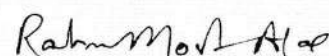
Director



Chairman

Signed in terms of our report of even date

Dated: Dhaka
28 September, 2020



Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED

Profit or Loss Appropriation Account
For the year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
Balance brought forward from previous year		25,576,395	25,564,523
Less: Adjustment for lease Liability for application of IFRS 16		(356,144)	-
Less: Transfer to Paid up Capital		-	-
Net Profit /(Loss) after tax		32,577,114	24,011,872
From Reserve for Exceptional Losses		-	-
Dividend paid		(24,000,000)	(24,000,000)
Total		33,797,365	25,576,395

The accompanying notes 1 to 57 and Annexure - A, B & C form an integral part of the financial statements.


Chief Executive Officer



Director


Director


Chairman

Signed in terms of our report of even date

Dated: Dhaka
28 September, 2020


Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED

Statement of Profit or Loss and other Comprehensive Income For the year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
Operating profit/(loss) transferred from:		65,934,901	48,306,881
Fire Insurance Revenue Account		19,650,960	6,305,094
Marine Insurance Revenue Account		33,100,664	21,112,099
Marine Hull Insurance Revenue Account		(308,969)	407,133
Motor Insurance Revenue Account		15,359,303	14,651,386
Miscellaneous Insurance Revenue Account		(1,867,056)	5,831,168
Non - operating income		18,515,955	17,384,929
Interest, Dividend & Rent		1,988,500	2,254,100
Interest on GSB		16,382,003	14,969,110
Interest on STD Accounts		145,452	161,719
Total Income		84,450,856	65,691,810
Less: Management Expenses		30,155,665	18,931,418
Expenses of Management (Not Applicable to any Particular Fund or Account)			
Advertisement & Publicity		151,650	119,200
Audit Fee		195,500	590,000
Audit Fee Paid		415,000	-
Bank Charges		450,634	464,472
Wall Calendar Bill		858,400	811,080
Depreciation	33.00	10,753,598	9,407,312
Depreciation on Right of use asset		3,223,454	-
Director Fees		462,400	383,000
Donation, Fees, Subscription & Others		135,350	391,000
Professional Fees		154,500	-
Training Fees		112,000	12,500
Interest on Loan		7,716,002	4,629,723
Interest on Lease Liabilities		686,561	-
Legal Fees		78,830	31,000
Renewal & Registration (Trade)		389,178	460,342
Credit Rating Fees		253,000	126,500
BD Expenses (PSB)		48,449	48,889
Annual Fees (BIA)		100,000	200,000
Penalty (IPO)		1,256,400	1,256,400
Worker's Profit Participation Fund		2,714,760	-
Net Profit/(Loss) before tax		54,295,191	46,760,392
Provision for Taxation:		(21,718,076)	(22,748,520)
Current Tax		(19,236,848)	(18,704,157)
Deferred Tax	35(ii)	(2,481,228)	(4,044,363)
Profit after tax transferred to profit & loss appropriation account		32,577,114	24,011,872
Total Expenses		84,450,856	65,691,810
Earning Per Share (EPS)	39.00	1.36	1.00

The accompanying notes 1 to 57 and Annexure - A, B & C form an integral part of the financial statements.


Chief Executive Officer

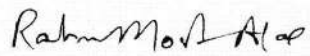

Director


Director


Chairman

Signed in terms of our report of even date

Dated: Dhaka
28 September, 2020


Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED

Statement of Other Comprehensive Income
For the year ended December 31, 2019

Particulars	Notes	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
Profit After Tax	45.00	32,577,114	24,011,872
Other comprehensive income			
Revaluation Surplus		-	-
Changes in fair value the shares available for sale		-	-
Total Comprehensive Income		32,577,114	24,011,872



Chief Executive Officer



Director



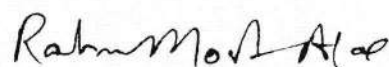
Director



Chairman

Signed in terms of our report of even date

Dated: Dhaka
28 September, 2020



Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED
CONSOLIDATED REVENUE ACCOUNT

For the year ended December 31, 2019

	Amount in Taka						
	Fire	Marine	Motor	Misc.	Marine Hull	Total 2019	2018
CLAIMS UNDER POLICIES LESS RE-INSURANCE							
Paid during the period:	50,195,857	852,373	1,683,135	314,916	15,833	53,062,113	38,147,548
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	51,258,749	-	211,734	-	-	51,470,483	792,221
Less: Outstanding claims at the end of the Previous year	101,454,606	852,373	1,894,869	314,916	15,833	104,532,596	38,939,769
Claim for the Period	254,508	126,370	411,343	-	-	792,221	989,386
Agency Commission	101,200,098	726,003	1,483,526	314,916	15,833	103,740,375	37,950,383
Management Expenses (Note -34)	15,850,594	14,052,563	3,771,238	889,542	164,784	34,728,721	20,481,715
Stamp Duty	29,795,462	29,073,849	7,001,043	11,417,401	369,009	77,656,764	44,972,377
Profit/(Loss) transferred to Profit & Loss Account	254	-	3,368	641	-	4,264	3,867
Reserve for Unexpired Risks, being 40% of the net premium income of the period	19,650,960	33,100,664	15,359,303	(1,867,056)	(308,969)	65,934,901	48,306,881
Total :	182,879,415	113,896,593	38,634,278	13,133,996	1,387,890	349,932,172	192,735,833

CLAIMS UNDER POLICIES LESS RE-INSURANCE

Paid during the period:

Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.

Less: Outstanding claims at the end of the Previous year

Claim for the Period

Agency Commission

Management Expenses (Note -34)

Stamp Duty

Profit/(Loss) transferred to Profit & Loss Account

Reserve for Unexpired Risks, being 40% of the net premium income of the period

Total :

Balance of Account at the beginning of the year :

Reserve for Unexpired Risks

Premium Less Re-insurance (Note-41)

Commission on Re-insurance ceded

Profit Commission

Loss Recovery

Total :

11,320,028	17,180,909	11,039,642	1,256,822	223,208	41,020,610	36,046,596
40,955,116	92,358,785	27,539,500	5,946,381	1,147,234	167,947,015	102,216,711
14,604,259	3,730,228	55,136	5,666,077	17,448	24,073,148	21,650,480
-	220,633	-	-	-	220,633	526,689
116,000,013	406,038	-	264,715	-	116,670,766	32,295,358
182,879,415	113,896,593	38,634,278	13,133,996	1,387,890	349,932,172	192,735,833



Chief Executive Officer



Director



Director



Chairman



Rahman Mostafa Alam & Co.
Chartered Accountants

Dated: Dhaka
28 September, 2020

DESH GENERAL INSURANCE COMPANY LIMITED
FIRE INSURANCE REVENUE ACCOUNT
For the year ended December 31, 2019

Particulars	Note	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018

Balance of Account at the beginning of the year :

Reserve for Unexpired Risks	11,320,028	12,984,298
Premium Less Re-insurance (Note-41)	40,955,116	28,300,069
Commission on Re-insurance ceded	14,604,259	13,205,962
Profit Commission	-	-
Loss Recovery	116,000,013	24,396,357
Total	182,879,415	78,886,685

Claims under Policies less Reinsurances:

Paid during the period

Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.

50,195,857	34,654,891
51,258,749	254,508
101,454,606	34,909,399
254,508	254,508

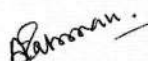
Less: Outstanding claims at the end of of the Previous year

Total Claims under Policies less Reinsurances:

Agency Commission	15,850,594	9,963,050
Management Expenses (Note -34)	29,795,462	16,643,377
Stamp Duty	254	246
Profit/(Loss) transferred to Profit & Loss Account	19,650,960	6,305,094
Reserve for Unexpired Risks, being 40% of the net premium income of the Period	16,382,046	11,320,028
Total	182,879,415	78,886,685



Chief Executive Officer



Director

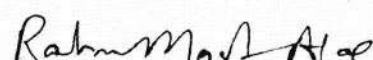


Director



Chairman

Dated: Dhaka
28 September, 2020




Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED
MARINE CARGO INSURANCE REVENUE ACCOUNT
For the year ended December 31, 2019

Particulars	Note	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
Balance of Account at the beginning of the year :			
Reserve for Unexpired Risks		17,180,909	11,317,863
Premium Less Re-insurance (Note-41)		92,358,785	42,952,272
Commission on Re-insurance ceded		3,730,228	2,654,252
Profit Commission		220,633	180,163
Loss Recovery		406,038	44,240
Total		113,896,593	57,148,791
Claims under Policies less Reinsurances:			
Paid during the period		852,373	381,726
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		-	126,370
		852,373	508,096
Less: Outstanding claims at the end of of the Previous year		126,370	126,370
Total Claims under Policies less Reinsurances:		726,003	381,726
Agency Commission		14,052,563	6,059,373
Management Expenses (Note -34)		29,073,849	12,414,683
Stamp Duty		-	-
Profit/(Loss) transferred to Profit & Loss Account		33,100,664	21,112,099
Reserve for Unexpired Risks, being 40% of the net premium income of the Period		36,943,514	17,180,909
Total		113,896,593	57,148,791

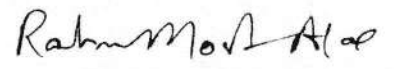

Chief Executive Officer


Director


Director


Chairman

Dated: Dhaka
28 September, 2020


Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED
MOTOR INSURANCE REVENUE ACCOUNT
 For the year ended December 31, 2019

Particulars	Note	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018

Balance of Account at the beginning of the year :


Reserve for Unexpired Risks	11,039,642	9,212,963
Premium Less Re-insurance (Note-41)	27,539,500	27,599,106
Commission on Re-insurance ceded	55,136	85,203
Profit Commission	-	-
Loss Recovery	-	-
Total	38,634,278	36,897,272

Claims under Policies less Reinsurances:

Paid during the period	1,683,135	1,431,556
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	211,734	411,343
	1,894,869	1,842,899
Less: Outstanding claims at the end of the Previous year	411,343	608,508
Total Claims under Policies less Reinsurances:	1,483,526	1,234,391
Agency Commission	3,771,238	3,805,614
Management Expenses (Note -34)	7,001,043	6,162,977
Stamp Duty	3,368	3,262
Profit/(Loss) transferred to Profit & Loss Account	15,359,303	14,651,386
Reserve for Unexpired Risks, being 40% of the net premium income of the Period	11,015,800	11,039,642
Total	38,634,278	36,897,272

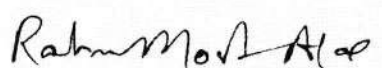

 Chief Executive Officer


 Director


 Director


 Chairman

Dated: Dhaka
 28 September, 2020


Rahman Mostafa Alam & Co.
 Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED
MISCELLANEOUS INSURANCE REVENUE ACCOUNT
 For the year ended December 31, 2019

Particulars	Note	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
Balance of Account at the beginning of the year :			
Reserve for Unexpired Risks		1,256,822	2159254
Premium Less Re-insurance (Note-41)		5,946,381	3,142,055
Commission on Re-insurance ceded		5,666,077	5,691,206
Profit Commission		-	346,526
Loss Recovery		264,715	7,703,450
Total		13,133,996	19,042,492

Claims under Policies less Reinsurances:

Paid during the period
 Add: Total estimated liability in respect of outstanding claims
 at the end of the year whether due or intimated.

314,916	1,677,203
-	-
314,916	1,677,203
-	-

Less: Outstanding claims at the end of of the Previous year

Total Claims under Policies less Reinsurances:

Agency Commission	889,542	618,839
Management Expenses (Note -34)	11,417,401	9,658,099
Stamp Duty	641	359
Profit/(Loss) transferred to Profit & Loss Account	(1,867,056)	5,831,168

Reserve for Unexpired Risks, being 40% of the net premium
 income of the Period

	2,378,553	1,256,822
Total	13,133,996	19,042,492



Chief Executive Officer



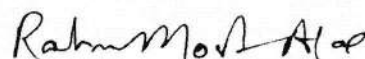
Director



Director



Chairman



Rahman Mostafa Alam & Co.
 Chartered Accountants

Dated: Dhaka
 28 September, 2020

DESH GENERAL INSURANCE COMPANY LIMITED
MARINE HULL INSURANCE REVENUE ACCOUNT
 For the year ended December 31, 2019

Particulars	Note	Amount in Taka	
		Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018

Balance of Account at the beginning of the year :

Reserve for Unexpired Risks		223,208	372,218
Premium Less Re-insurance (Note-41)		1,147,234	223,208
Commission on Re-insurance ceded		17,448	13,857
Profit Commission		-	-
Loss Recovery		-	151,310
Total		1,387,890	760,593

Claims under Policies less Reinsurances:

Paid during the period
 Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.

15,833	2,172
-	-
15,833	2,172
-	-


Less: Outstanding claims at the end of of the Previous year

Total Claims under Policies less Reinsurances:

Agency Commission		164,784	34,839
Management Expenses (Note -34)		369,009	93,241
Stamp Duty		-	-
Profit/(Loss) transferred to Profit & Loss Account		(308,969)	407,133
Reserve for Unexpired Risks, being 100% of the net premium income of the Period		1,147,234	223,208
Total		1,387,890	760,593



Chief Executive Officer



Director



Director



Chairman



Rahman Mostafa Alam & Co.
 Chartered Accountants

Dated: Dhaka
 28 September, 2020

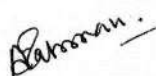
DESH GENERAL INSURANCE COMPANY LIMITED
STATEMENT OF CHANGING IN SHAREHOLDERS EQUITY
 For the year ended December 31, 2019

Amount in Taka

Particulars	Share Capital	Reserve for Exceptional Losses	Profit & Loss appropriation account	Total
Balance at 1st January 2019	240,000,000	5,000,000	25,576,395	270,576,395
Adjustment for lease liability for application of IFRS 16	-	-	(356,144)	(356,144)
Profit after tax for the period 31.12.2019	-	-	32,577,114	32,577,114
Dividend paid	-	-	(24,000,000)	(24,000,000)
Balance at 31 December, 2019	<u>240,000,000</u>	<u>5,000,000</u>	<u>33,797,365</u>	<u>278,797,365</u>
Balance at 31 December, 2018	<u>240,000,000</u>	<u>5,000,000</u>	<u>25,576,395</u>	<u>270,576,395</u>



Chief Executive Officer



Director



Director



Chairman

DESH GENERAL INSURANCE COMPANY LIMITED

STATEMENT OF CASH FLOWS

For the year ended December 31, 2019

Particulars	Amount in Taka	
	Jan 01, 2019 to Dec 31, 2019	Jan 01, 2018 to Dec 31, 2018
A Cash Flow from Operating Activities:		
Receipts from premium and others	282,628,149	153,929,699
Payment for Management Expenses, Re-Insurance, Claim, Interest & Others	(244,658,203)	(128,344,317)
Income Tax Paid	(1,461,697)	-
Net Cash Flow from Operating Activities	36,508,248	25,585,382
B Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(20,880,496)	(22,983,049)
(Increase)/ Decrease in Fixed Deposit	(195,325)	(5,100,000)
Net Cash Flow from Investing Activities	(21,075,821)	(28,083,049)
C Cash Flow from Financing Activities:		
Loans paid	8,619,907	26,558,182
Dividend Paid	(24,000,000)	(24,000,000)
Net Cash Flow from Financing Activities	(15,380,093)	2,558,182
Increase / (Decrease) in Cash and Bank Balance (A+B+C)	52,335	60,515
Add: Cash and Bank Balance at Opening	18,203,214	18,142,699
Cash and Bank Balance at Closing	18,255,549	18,203,214
Net Operating Cash Flow per Share (NOCFPS)	1.52	1.07


Chief Executive Officer


Director


Director

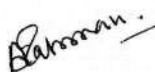

Chairman

Classified Summary of Assets As at December 31, 2019

SL. No.	Class of Assets	Book value in Taka 2019	Book value in Taka 2018	Remarks
(I)	National Investment Bond Statutory Deposit with Bangladesh Bank	25,000,000	25,000,000	At Cost
(II)	Interest accrued but not received	6,989,923	11,501,629	Book Value
(III)	Amount due from other persons or bodies carrying on Insurance Business	251,875,236	147,735,916	Do
(IV)	Sundry Debtors	25,692,256	24,182,971	Do
(V)	Fixed Deposit with Banks	220,695,325	220,500,000	Do
(VI)	STD & Current account with Banks	16,337,349	14,339,632	Do
(VII)	Cash, Cheques & Stamps in hand	2,574,982	3,991,833	Do
(VIII)	Fixed Assets	140,361,237	121,709,499	Written Down Value
(IX)	Stock of Printing materials	4,210,918	4,460,560	At Cost
Total :		693,737,225	573,422,040	



Chief Executive Officer



Director



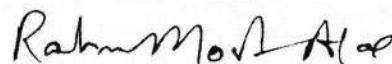
Director



Chairman

Signed in terms of our report of even date

Dated: Dhaka
28 September, 2020



Rahman Mostafa Alam & Co.
Chartered Accountants

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

1.00 Corporate Information-Domicile, Legal Form and Country of Incorporation

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 up to 31 December, 2019.

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 18 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 (ICAB)

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 Bangladesh 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.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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:

SL. No.	Name of IAS	No. of IAS/IFRS	Status
1	Presentation of Financial Statements	1	Complied
2	Statement of Cash Flows	7	Complied
3	Events after the Balance Sheet Date	10	Complied
4	Income Tax	12	Complied
5	Property, Plant and Equipment	16	Complied
6	Revenue	15 (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 15 "Revenue Recognition":

- (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.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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. 77,656,764.00 represents approximately 25.20% of gross premium of Tk. 308,191,870 (Including Public sector business of Tk. 76,667,062.00). The expenses have been apportioned @ 38.37% to Fire, 37.44% to Marine Cargo, 0.48% to Marine Hull, 09.02% to Motor and 14.70% to miscellaneous business as per management decision.

Property, Plant & Equipments

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	5%
Motor Vehicle	10%
Decoration	5%
Furniture & Fixtures	5%
Telephone Install.	10%
Signboard & Holding	10%
Computer	10%
Electrical Equipment	5%
Air Condition	8%
Crokaries	10%
Software Installation	5%

Depreciation on the additions charged when an asset becomes available for use. Depreciation on disposal of fixed assets is made upto the day prior to the day of disposal.

De-recognition

An item of property, plant and equipment is de-recognised 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 40.00% 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 Deductable) 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 2019 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.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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 no Insurance Scheme covering personal accident or death or partial or full disability

(iv) **Number of Employees**

There were 264 employees for the period ended on 31 December 2019 whose salary exceeds Tk. 3,000.00 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. Reserve For Exceptional Losses

Provision for exceptional losses has been made during the period under audit

u. Share of Public Sector Business

Company's Share of Public Sector Business is accounted for the period in which the complete set of accounts from Sadharan Bima Corporation (SBC) is received. During the period the company has included 4 (Four) quarters of its share of the Public Sector Business as confirmed by the Sadharan Bima Corporation (SBC) in the following manner:

Period	Particulars of Quarter	No.
1st July,2018 to 30th Sept,2018	3rd Quarter of 2018	1 (One)
1st Oct,2018 to 31st December,2018	4th Quarter of 2018	1 (One)
1st Jan, 2019 to 31st March,2019	1st Quarter of 2019	1 (One)
1st April,2019 to 30th June,2019	2nd Quarter of 2019	1 (One)
Total		4 (Four)

v). 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.

w). 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.

x). Statement of Comprehensive Income

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.

- 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, 2019 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.

7.00 (A) Lease Accounting as per IFRS-16

The Company applied IFRS - 16 with partial retrospective effect and recognised the cumulative effect as initially applying IFRS-16.

As per IFRS 16, Pera-5, 6 & 8 leases with a lease term of 12 months or less and containing no purchase options are exempted.

The Following is a reconciliation of the financial statement line item for applying IFRS-16 at January 01, 2019:

Particulars	Carrying amount at December 31, 2018	Reclassification	Carrying Amount at January 01, 2019
Right of Use Assets	-	11,748,294	11,748,294
Lease Liability	-	11,436,479	11,436,479
Equity	270,576,395	(356,144)	270,220,250

8.00 Financial Instruments and Derivatives Primary Financial Instruments (Financial Assets and Liabilities)

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 43 in accordance with the provision of IAS 32 Financial Instruments "Disclosure and Presentation".

9.00 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.

10.00 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

11.00 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 2019.

12.00 Comparative Information and Re-Arrangement thereof

Comparative Information has been disclosed in respect of the period 31 Dcember, 2019 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 2019 have been rearranged whenever considered necessary to ensure comparability with the current period.

13.00 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.

14.00 Events after Reporting Period

In compliance with the requirements of IAS 10: Events After Reporting Period post statement of Financial Position adjusting events that provide additional information about the company's position as the Statement of Financial Position date are reflected in the financial statements and events after Reporting Period that are not adjusting events are disclosed in the notes when material.

15.00 Approval of the Financial Statements

The financial statements were approved by the Board of Directors as on 27 September, 2020.

16.00 Reporting Period

The financial statements of the company cover for the period from 1 January, 2019 to 31 December, 2019.

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 Dcember, 2019;
- (ii) Statement of Profit or Loss Account with Comprehensive Income for the period ended 31 Dcember, 2019;
- (iii) Income Appropriation Account for the period ended 31 Dcember, 2019;
- (iv) Revenue Accounts (Fire, Marine Cargo, Marine Hull, Motor, Miscellaneous Insurance Revenue Account) for the period ended 31 Dcember, 2019;
- (v) Statement of Changes in Equity for the period ended 31 Dcember, 2019;
- (vi) Statement of Cash Flows for the period ended 31 Dcember, 2019;
- (vii) Accounting Policies and Explanatory Notes.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

STATEMENT OF FINANCIAL POSITION SHAREHOLDERS EQUITY AND LIABILITIES

19.00 SHARE CAPITAL:	AMOUNT (TK.) Dec 31, 2019	AMOUNT (TK.) Dec 31, 2018
Authorized Capital Tk. 100,00,00,000.00 10,00,00,000 Ordinary Shares of Tk. 10 each.	1,000,000,000	1,000,000,000
20.00 Issued Subscribed & paid-up Capital Tk. 240,000,000.00 24,000,000 Ordinary shares of Tk. 10 each issued in cash to sponsors.	240,000,000	240,000,000

OWNERSHIP OF THE COMPANY'S SECURITIES (As per Schedule X)

Sl. No.	Name of Shareholder	Position	Shareholdings	Percentage
1	Mr. Jashim Uddin	Chairman	1,649,629	6.87
2	Mr. M. Monsurul Islam	Sponsor Share Holder	599,831	2.50
3	Mrs. Priti Kana Bose	Director	809,831	3.37
4	Mr. Moshfeque Mamun Rizvi	Sponsor Share Holder	250,451	1.04
5	Mr. Murad Mohammed Taj	Director	1,227,330	5.12
6	Mr. Md. Saifuddin Khaled	Sponsor Share Holder	626,214	2.61
7	Mr. Md. Akbor Hossain	Vice Chairman	1,281,845	5.34
8	Mr. Tahrin Aman	Director	800,000	3.33
9	Mr. Aminur Rahman	Director	806,215	3.36
10	Mrs. Rokeya Quader	Director	1,495,510	6.23
11	Engr. A.K.M. Ahsanul Haque	Director	1,121,185	4.67
12	Mr. Nil Kantha Roy	Director	1,068,180	4.45
13	Engr. Tarikul Alam Rahimi	Director	1,576,665	6.57
14	Mrs. Rehana Begum	Sponsor Share Holder	351,758	1.47
15	Mrs. Nauzat Begum	Director	800,000	3.33
16	Al-Haj Mosharref Hossain	Share Holder	1,487,432	6.20
17	Mr. M. Amanullah	Share Holder	695,155	2.90
18	Mr. Morshed Alam	Share Holder	2,350,371	9.79
19	Mr. Sakif Nazran Bhuiyan	Share Holder	1,495,510	6.23
20	Mr. Amir Hossain Amu	Share Holder	2,506,933	10.45
21	Mrs. Shamima Yeasmin	Share Holder	999,955	4.17
Total			24,000,000	100.00

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Amount in Taka		
	Dec 31, 2019	Dec 31, 2018	
21.00 Estimated Liability in respect of outstanding claims whether due or intimated			
The break- up of the amount is noted below:			
Fire	51,258,749	254,508	
Marine	-	126,370	
Motor	211,734	411,343	
Total	51,470,483	792,221	
22.00 Amount due to other persons or bodies carrying on insurance Business			
Payable to SBC & Others for Reinsurance premium	76,441,273	77,932,526	
Co-Insurance Premium payable	533,295	533,295	
Total	76,974,568	78,465,821	
23.00 Premium Deposit			
This represents amount 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.			
	2,732,460	2,391,644	
Total	2,732,460	2,391,644	
24.00 Bank Loan			
This balance is made up as follows:			
Name of Bank	Account No.	Amount (Tk.)	Amount (Tk.)
Bank Asia Ltd., Principal Office Br.	58331/14987, 58394/15050	1,643,839	1,637,696
Padma Bank Ltd.	0162300153549	2,331,204	2,313,807
IDLC, Dhaka.	1026202053871001, 1026202053871019	2,175,293	3,043,463
Shahjalal Islami Bank, Bijoy Nagar Br.	12864, 13096, 13097, 13160	44,393,146	44,267,154
Modhumoti Bank Ltd., Gulshan Br.	1103 70600000035	25,033,329	24,591,450
Southeast Bank Ltd., Motijheel Br.	74900003620	8,896,667	-
Total		84,473,477	75,853,570

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
25.00 Sundry Creditors		
Loan	22,200,000	22,200,000
Audit Fees	350,000	150,000
Office rent	4,231,973	8,286,756
Refund Premium	1,285,927	1,285,927
Water bill (JBC)	331,107	625,350
Electricity bill (JBC)	2,074,201	3,068,742
Salary & Allowances	2,362,422	1,797,237
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	8,282	9,430
Printing bill (Security deposit retained)	12,000	12,000
Security Deposit	156,000	156,000
Courier bill	14,628	31,119
Branch Incharge & Others	424,672	427,172
Telephone bill	6,098	35,999
VAT and Stamp payable	11,681,174	11,015,383
Deduction of VAT at Source	416,427	399,222
Source Tax	4,851,990	4,441,572
Shield Security Services	55,751	87,861
Payable to Worker's Profit Participation Fund	2,714,760	-
Total	53,331,689	54,184,047

26.00 Investment (At Cost): Govt. Security Bond		
The amount represents 5 years Government Security Bond, which is kept as a Statutory Deposit at Sonali Bank Limited under Insurance Act, 2010. Interest accrued on the Investment has been accounted for.	25,000,000	25,000,000

27.00 Accrued Interest		
Accrued Interest on FDR	6,866,762	11,182,579
Accrued Interest on Govt. Security Bond	123,161	319,050
Total	6,989,923	11,501,629

28.00 Amount due from other persons or bodies carrying on insurance business		
Co-Insurance premium	228,689	228,689
Amount due from Sadharan Bima Corporation	251,646,547	147,507,227
Total	251,875,236	147,735,916

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
29.00 Sundry Debtors		
Advance against office Rent & Salary	6,694,365	5,353,680
Advance against Survey Fee	315,000	215,000
Telephone security	53,244	53,244
Deposit against Vat appeal	333,624	333,624
Advance Legal fees	2,077,600	1,952,600
Advance to Branch In-charges & others	5,787,103	5,787,103
Security Deposits	112,120	112,120
Advance Issue Management Fee	500,000	200,000
Advance Claim	6,000,000	5,000,000
Advance Calendar Bill	-	100,000
Advance Software Installation	50,000	50,000
Deferred Expenses	3,769,200	5,025,600
Total	25,692,256	24,182,971

30.00 Fixed Deposit Account				
Sl. No.	Name of The Bank	Name of Branch		
1	AB Bank Ltd	Pragati Sharani Branch	-	2,000,000
2	AB Bank Ltd	Mirpur Branch	-	1,000,000
3	AB Bank Ltd.	Islampur Branch	600,000	600,000
4	AB Bank Ltd.	Islami Banking Branch Kakrail.	500,000	500,000
5	AB Bank Ltd.	Uttara Branch	-	5,000,000
6	Al Arafah Islami Bank Ltd.	Islampur Branch	600,000	600,000
7	Al Arafah Islami Bank Ltd	Motijheel Corp. Branch, Dhaka.	1,100,000	1,100,000
8	Al-Arafah Islami Bank Ltd.	Bogra Branch	1,000,000	1,000,000
9	Al-Arafah Islami Bank Ltd.	Bogra Branch	500,000	500,000
10	Al-Arafah Islami Bank Ltd.	VIP Road Branch	1,000,000	-
11	Bangladesh Commerce Bank	Gazipur Chowrasta Branch	500,000	500,000
12	Bangladesh Commerce Bank Ltd.	Bangshal Branch	2,000,000	2,000,000
13	Bangladesh Krishi Bank	Corporate Branch Khulna.	500,000	500,000
14	Bank Asia Ltd	Principal Office Branch	1,000,000	1,000,000
15	Bank Asia Ltd	Principal Office Branch	1,000,000	1,000,000
16	Bank Asia Ltd.	Principal Office Branch	500,000	500,000
17	BASIC Bank Ltd.	KDA Avenue Branch Khulna	500,000	500,000
18	Brac Bank Ltd.	Mohammadpur SME Service Centre Branch	2,000,000	2,000,000
19	Dhaka Bank Ltd.	Narayanganj Branch	1,000,000	1,000,000
20	Dhaka Bank Ltd.	Board Bazar Branch	1,000,000	1,000,000
21	Dhaka Bank Ltd.	Bogra Branch	500,000	500,000
22	Eastern Bank Ltd	Ashulia Branch, Savar	-	1,000,000
23	EXIM Bank Ltd	Sonaimuri Branch, Noakhali	1,000,000	1,000,000
24	Exim Bank Ltd.	Rajuk Avenue Branch	500,000	500,000
25	Exim Bank Ltd.	Jublee Road Branch CTG.	1,000,000	1,000,000

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Sl. No.	Name of The Bank	Name of Branch	Amount in Taka	
			Dec 31, 2019	Dec 31, 2018
26	IFIC Bank Ltd.	Motijheel Branch	500,000	500,000
27	IFIC Bank Ltd.	Jessore Branch	50,000	50,000
28	IFIC Bank Ltd.	Benapole Branch	100,000	100,000
29	IFIC Bank Ltd.	Khulna Branch	500,000	500,000
30	IFIC Bank Ltd.	Rajshahi Branch	200,000	200,000
31	IFIC Bank Ltd.	Chapai Nawabgonj Branch	100,000	100,000
32	IFIC Bank Ltd.	Baneshwae Branch	100,000	100,000
33	IFIC Bank Ltd.	Sk. Mujib Road Branch CTG.	1,000,000	1,000,000
34	IFIC Bank Ltd.	Rajshahi Branch	200,000	200,000
35	IFIC Bank Ltd.	Nawabpur Road Branch	500,000	500,000
36	Islami Bank Bangladesh Ltd.	Local Office Branch	1,000,000	1,000,000
37	Islami Bank Bangladesh Ltd.	Local Office Branch	3,000,000	3,000,000
38	Islami Bank Bangladesh Ltd.	wiseghat Branch, Dhaka	1,000,000	1,000,000
39	Islami Bank Bangladesh Ltd.	Mohasthangor SME Branch, Bogra	500,000	500,000
40	Islami Bank Bangladesh Ltd.	Rajshahi Branch	1,000,000	1,000,000
41	Islami Bank Bangladesh Ltd.	Dholaikhal Branch	-	1,000,000
42	Islami Bank Bangladesh Ltd.	KDA Avenue Branch, Khulna	1,000,000	1,000,000
43	Islami Bank Bangladesh Ltd.	Motijheel Branch	-	2,000,000
44	Islami Bank Bangladesh Ltd.	Lalbagh Branch	2,000,000	2,000,000
45	Jamuna Bank Ltd.	Sonargoah Rd Branch	500,000	500,000
46	Jamuna Bank Ltd.	Uttara Branch	1,000,000	1,000,000
47	Jamuna Bank Ltd.	Sonargaon Road Branch, Dhaka	-	500,000
48	Mercantile Bank Ltd.	Main Branch, Dhaka	2,500,000	2,500,000
49	Mercantile Bank Ltd.	Main Branch, Dhaka	1,000,000	1,000,000
50	Mercantile Bank Ltd.	Imamgonj (Moulvibazar) Br,	1,000,000	1,000,000
51	Mercantile Bank Ltd.	Sylhet Branch	500,000	500,000
52	Mercantile Bank Ltd.	Sylhet Branch	1,000,000	1,000,000
53	Mercantile Bank Ltd.	Gazipur Chowrasta Branch	1,500,000	1,500,000
54	Mercantile Bank Ltd.	Nawabpur Branch	2,000,000	2,000,000
55	Mercantile Bank Ltd.	Rajshahi Branch	1,000,000	1,000,000
56	Mercantile Bank Ltd.	Kankirhat Branch, Noakhali	1,000,000	1,000,000
57	Mercantile Bank Ltd.	Ashulia Branch, Savar	1,000,000	1,000,000
58	Mercantile Bank Ltd.	Hemayetpur Branch, Savar	1,000,000	1,000,000
59	Mercantile Bank Ltd.	Bogura Branch	500,000	500,000
60	Mercantile Bank Ltd.	Bijoy nagar Branch	2,000,000	2,000,000
61	Mercantile Bank Ltd.	Rampura Branch	2,600,000	2,600,000
62	Midland Bank Ltd	Mirpur Branch	2,500,000	2,500,000
63	Midland Bank Ltd	Khulna Branch	-	1,000,000
64	Modhumoti Bank Ltd.	Uttara Branch	2,000,000	2,000,000
65	Modhumoti Bank Ltd.	Uttara Branch	3,000,000	3,000,000

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Sl. No.	Name of The Bank	Name of Branch	Amount in Taka	
			Dec 31, 2019	Dec 31, 2018
66	Modhumoti Bank Ltd.	Gulshan Branch	27,000,000	27,000,000
67	Modhumoti Bank Ltd.	Motijheel Branch	8,100,000	-
68	Mutual Trust Bank Ltd.	Dholaikhal Branch	2,000,000	2,000,000
69	Mutual Trust Bank Ltd	Principal Branch	100,000	100,000
70	National Bank Ltd	Dilkusha Branch	500,000	500,000
71	National Bank Ltd	Imamgonj Branch	1,000,000	1,000,000
72	National Bank Ltd	Sk. Mujib Road Branch	500,000	500,000
73	NCC Bank Ltd.	Jessore Branch	50,000	50,000
74	NCC Bank Ltd.	Khulna Branch, Khulna	500,000	500,000
75	NCC Bank Ltd.	Uttara Branch	3,000,000	2,000,000
76	NRB Bank Ltd	Bogura Branch	500,000	500,000
77	NRB Commercial Bank Ltd.	Chatkhil Branch, Noakhali	1,000,000	1,000,000
78	Padma Bank Ltd.	Mirpur Branch	2,500,000	-
79	Premier Bank Ltd.	Banani Branch	500,000	500,000
80	Premier Bank Ltd.	Chowmuhani Branch, Noakhali	1,000,000	1,000,000
81	Premier Bank Ltd.	Atibazar Branch, Keranigonj	1,000,000	1,000,000
82	Premier Bank Ltd.	Chawkbazar Branch, CTG	5,000,000	-
83	Premier Bank Ltd.	Chawkbazar Branch, CTG	2,695,325	2,500,000
84	Prime Bank Ltd	Foreign Ex. Branch	1,500,000	1,500,000
85	Prime Bank Ltd	Gulshan Link Road Branch	1,000,000	-
86	Prime Bank Ltd	Tongi Bazar Branch	1,000,000	1,000,000
87	Prime Bank Ltd.	Motijheel Branch	1,000,000	1,000,000
88	Pubali Bank Ltd.	Dargagate Br, Sylhet.	500,000	500,000
89	Pubali Bank Ltd.	Kalighat Road Branch, Sylhet	-	1,000,000
90	Pubali Bank Ltd.	Moghbazar Bazar Branch	2,000,000	-
91	Rajshahi Krishi Unnayan Bank	Rajshahi Branch	1,000,000	1,000,000
92	Rajshahi Krishi Unnayan Bank	Naogaon Branch	1,400,000	1,400,000
93	SBAC Bank Ltd.	Lobon Chora Branch, Khulna	500,000	500,000
94	SBAC Bank Ltd.	Lobon Chora Branch, Khulna	1,000,000	-
95	SBAC Bank Ltd.	Sylhet Br, Sylhet	-	1,000,000
96	Shahjalal Bank Ltd.	Khulna Branch	200,000	200,000
97	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	10,500,000	10,500,000
98	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	6,400,000	6,400,000
99	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	2,100,000	2,100,000
100	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	5,000,000	5,000,000
101	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	2,500,000	2,500,000
102	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	2,500,000	2,500,000
103	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	5,000,000	5,000,000
104	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	500,000	500,000
105	Shahjalal Bank Ltd.	Bijoy Nagar Branch, Dhaka	3,100,000	3,100,000

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Sl. No.	Name of The Bank	Name of Branch	Amount in Taka	
			Dec 31, 2019	Dec 31, 2018
106	Shahjalal Islami Bank Ltd	Chowmuhani Branch, Noakhali	1,000,000	1,000,000
107	Shahjalal Islami Bank Ltd.	Bijoyagar Branch, Dhaka	20,000,000	20,000,000
108	Shahjalal Islami Bank Ltd.	Bijoyagar Branch, Dhaka	-	8,100,000
109	Social Islami Bank Ltd	Ashulia Branch, Savar	-	1,000,000
110	Social Islami Bank Ltd	Savar Branch	-	1,000,000
111	Social Islami Bank Ltd	Bogura Branch	-	500,000
112	Southeast Bank Ltd.	Chouhata Br Sylhet	500,000	500,000
113	Southeast Bank Ltd.	Bangshal Branch	1,000,000	1,000,000
114	Southeast Bank Ltd.	Motijheel Branch	10,000,000	10,000,000
115	Southeast Bank Ltd.	Gulshan Branch	15,000,000	15,000,000
116	Southeast Bank Ltd.	Uttara Branch	5,000,000	-
117	The City Bank Ltd.	Principal Branch	500,000	500,000
118	The Farmers Bank Ltd.	Mirpur Branch	-	2,500,000
119	United Commercial Bank Ltd.	Principal Branch	100,000	100,000
120	United Commercial Bank Ltd.	Khanjahan Ali Rd. Branch Khulna	300,000	300,000
121	United Commercial Bank Ltd.	Nawabpur Branch	1,000,000	1,000,000
122	Uttara Bank Ltd.	Banijya Shakha	2,000,000	-
Total :			220,695,325	220,500,000

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

31.00	STD & Current Accounts		Amount in Tk.	
			Dec 31, 2019	Dec 31, 2018
Sl. No.	Name of The Bank	Name of Branch		
1	Agrani Bank Ltd.	Purana Paltan Corp. Br.		298,286
2	Al-Arafah Islami Bank Ltd.	Motijheel Branch		177,262
3	Al-Arafah Islami Bank Ltd.	Bogra Branch		12,583
4	Al-Arafah Islami Bank Ltd.	Shyamoli Branch		3,989
5	BASIC Bank Ltd.	Khulna Branch		15,413
6	Dhaka Bank Ltd.	Narayangonj Branch		109,345
7	Dhaka Bank Ltd.	Local Office Branch		108,525
8	Dutch Bangla Bank Ltd.	Narayangonj Branch		22,160
9	EXIM Bank Ltd.	Khatungonj Branch		15,199
10	EXIM Bank Ltd.	Motijheel Branch		122,901
11	EXIM Bank Ltd.	Motijheel Branch		51,482
12	First Security Bank Ltd.	Dilkusha Branch	--	21,373
13	First Security Bank Ltd.	Dilkusha Branch	--	101,090
14	ICB Islami Bank Ltd.	VIP Road Branch		315
15	IFIC Bank Ltd.	Bangshal Branch	1,184	64,195
16	IFIC Bank Ltd.	Khulna Branch		374,531
17	IFIC Bank Ltd.	Moulvi bazar Branch		16,335
18	Islami Bank Bangladesh Ltd.	Foreign Ex. Corp. Branch	1,233,854	142,323
19	Islami Bank Bangladesh Ltd.	Bogra Branch		30,552
20	Islami Bank Bangladesh Ltd.	Joypurhat Branch		32,533
21	Islami Bank Bangladesh Ltd.	Khulna Branch		21,341
22	Islami Bank Bangladesh Ltd.	Baneswar Branch		87,896
23	Islami Bank Bangladesh Ltd.	Rajshahi Branch		154,772
24	Jamuna Bank Ltd.	Dhanmondi Branch		39,771
25	Jamuna Bank Ltd.	Uttara Branch		117,176
26	Mercantile Bank Ltd.	Main Branch		1,526
27	Mercantile Bank Ltd.	Rajshahi Branch		120,717
28	Mercantile Bank Ltd.	Sylhet Branch		133,563
29	Mercantile Bank Ltd.	Nayabazar Branch		1,919
30	Mercantile Bank Ltd.	Main Branch	2,933,503	46,993
31	Mercantile Bank Ltd.	Kawran Bazar Branch		356,982
32	Mercantile Bank Ltd.	Mirpur Baranch	--	151,480
33	Mercantile Bank Ltd.	Mohakhali Branch	--	7,290
34	Mercantile Bank Ltd.	Motijheel Branch	3,920,596	-
35	Modhumoti Bank Ltd.	Gulshan Branch		4,729

DESH GENERAL INSURANCE COMPANY LIMITED

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Particulars			Amount in Tk.	
			Dec 31, 2019	Dec 31, 2018
Sl. No.	Name of The Bank	Name of Branch		
36	National Bank Ltd.	Narayangonj Branch		584,490
37	NCC Bank Ltd.	Dilkusha Branch		162,175
38	Premier Bank Ltd.	Dilkusha Branch		257,582
39	Prime Bank Ltd.	Jessore Branch		173,194
40	Prime Bank Ltd.	Narayangonj Branch		1,788
41	Prime Bank Ltd.	Laldighi East. Branch		1,226,055
42	Prime Bank Ltd.	Baneswar Branch		130,442
43	Pubali Bank Ltd.	Dhaka Stadium Branch		2,168,544
44	Pubali Bank Ltd.	Principal Branch	699,252	34,348
45	Shahjalal Islami Bank Ltd.	Dhaka Main Branch	718,546	270,001
46	Shahjalal Islami Bank Ltd.	Bijoynagar Branch		67,972
47	Shahjalal Islami Bank Ltd.	Motijheel Branch	2,391,458	2,580
48	Shahjalal Islami Bank Ltd.	Gulshan South Avenue Br.		33,436
49	Social Islami Bank Ltd.	Bogra Branch		30,782
50	Social Islami Bank Ltd.	Principal Branch		2,551,480
51	Social Islami Bank Ltd.	Savar Branch		329,961
52	Sonali Bank Ltd.	Local Office	1,205,571	831,137
53	Sonali Bank Ltd.	Dilkusha Corp. Branch	4,425	-
54	Southeast Bank Ltd.	Bangshal Branch		179,186
55	Southeast Bank Ltd.	Principal Branch	3,223,929	-
56	Southeast Bank Ltd.	Corporat Branch	5,031	-
57	Standard Bank Ltd.	Principal Branch		54,052
58	The City Bank Ltd.	Principal Branch		220,391
59	The Farmers Bank Ltd.	Motijheel Branch		213,025
60	United Commercial Bank Ltd.	Nayabazar Branch		330,671
61	United Commercial Bank Ltd.	Narayangonj Branch		6,154
62	United Commercial Bank Ltd.	Chowmuhani Branch		659,609
63	Uttara Bank Ltd.	Shaymoli Branch		854,029
Total			16,337,349	14,339,632

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

32.00 Cash in hand	1,918,200	3,863,583
33.00 Property, Plant & Equipments (Fixed Assets)	131,836,397	121,709,499
A. Cost:		
Opening Balance as at 01.01.2019	195,399,678	172,416,630
Add: Addition during the year	20,036,364	22,983,049
Less: Adjustment for the year	-	-
Closing balance as at 31.12.2019	215,436,042	201,747,589
B. Depreciation		
Opening Balance as at 01.01.2019	78,661,024	69,515,336
Add: Depreciation Charged during the year	10,462,525	9,145,689
	89,123,550	78,661,025
Less: Adjustment during the year	-	-
Closing balance as 31.12.2019	89,123,550	78,661,025
WDV (A-B) as at 31.12.2019	126,312,492	116,738,654
(Details shown in annexure "A")		
33.01 Intangible Assets		
A. Cost:		
Opening Balance as at 01.01.2019	6,347,911	6,347,911
Add: Addition during the year	844,133	-
Less: Adjustment for the year	-	-
Closing balance as at 31.12.2019	7,192,043	6,347,911
B. Accumulated Depreciation		
Opening Balance as at 01.01.2019	1,377,066	1,115,442
Add: Depreciation during the year	291,073	261,623
	1,668,139	1,377,065
Less: Adjustment during the year	-	-
Closing balance as 31.12.2019	1,668,139	1,377,065
WDV (A-B) as at 31.12.2019	5,523,905	4,970,845
(Details shown in annexure "B")		

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018
34.00 Management Expenses:		
Fire	29,795,462	16,643,377
Marine	29,073,849	12,414,683
Motor	7,001,043	6,162,977
Misc.	11,417,401	9,658,099
Marine Hull	369,009	93,241
Total:	77,656,764	44,972,377

35.00 Income Tax

(i) Provision For Taxation :

Opening Balance	42,421,689	35,121,231
Addition during the period	19,236,848	18,704,157
	61,658,537	53,825,388
Less: Adjustment	1,461,697	11,403,699
Total	60,196,839	42,421,689

(ii) Deferred Tax :

Book Value of Depreciable Fixed Assets	131,836,397	121,709,499
Less: Tax Base Value	106,343,217	102,419,389
Taxable Temporary Difference	25,493,180	19,290,110
Book Value of Gratuity Payable	-	-
Less: Tax Base Value	-	-
Deductable Temporary Difference	-	-
Net Taxable Temporary Difference	25,493,180	19,290,110
Applicable Tax Rate	40.00%	40.00%
Deferred Tax (Assets)/Liabilities	10,197,272	7,716,044
Less: Opening	7,716,044	3,671,680
	2,481,228	4,044,363

35.00 (A) Current Tax

Profit Before Tax	54,295,191	46,760,392
Add: Accounting Depreciation	10,753,598	-
	65,048,789	-
Less: Tax Depreciation	(16,956,668)	-
	48,092,121	46,760,392
Applicable Tax Rate	40.00%	40.00%
Total	19,236,848	18,704,157

36.00 Reserve for Un-expired Risks:

Reserve for unexpired risk have been made on premium income at the following rates:

Fire	16,382,046	40%
Marine Cargo	36,943,514	40%
Marine Hull	1,147,234	100%
Motor	11,015,800	40%
Miscellaneous	2,378,553	40%
Total:	67,867,146	

DESH GENERAL INSURANCE COMPANY LIMITED

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FOR THE YEAR ENDED DECEMBER 31, 2019

Particulars	Amount in Taka	
	Dec 31, 2019	Dec 31, 2018

37.00 Advance Income Tax

Opening Balance	-	5,096,233
Addition during the period	1,461,697	5,030,117
	1,461,697	10,126,350
Less: Adjustment	1,461,697	10,126,350
Total	-	-

38.00 Related Party Transaction:

Desh General Insurance in normal course of business, carried out a number of transactions with other entities that fall within the definition of related parties contained in International Accounting Standard 24: Related Parties Disclosers. All transactions involving related parties arising the normal course of business and on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details transactions with related parties and balances with them as at December 31, 2019 were as follows:

Name of the Parties	Relationship	Nature of Transactions	Net Premium income upto 31.12.2019	Premium Outstanding upto 31.12.2019	Amount Realized Subsequently	Claim Paid- 31.12.2019	Payable Balance a at 31.12.2019
Bengal group	Director	Insurance Business	12,680,193	Nil	Nil	Nil	
Desh Group	Director	Insurance Business	298,482	Nil	Nil	Nil	
Fars Group	Director	Insurance Business	541,459	Nil	Nil	508,063	
Bengal Polymer Wears Lt	Director	Unsecured Loan	-	-	-	-	5,811,200
Bengal Plastics Ltd.	Director	Unsecured Loan	-	-	-	-	10,577,600
Designer Fashions Ltd.	Director	Unsecured Loan	-	-	-	-	5,811,200
Total			13,520,134			508,063	22,200,000

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

39.00 EARNINGS PER SHARE (EPS) AS PER IAS 33

Basic Earning Per Share (EPS)

Basic EPS = $\frac{\text{Earnings Attributable to Ordinary Shareholders (net profit after tax)}}{\text{No. of Shares Outstanding during the period}}$

	AMOUNT (TK) 01 January to 31 December 2019	AMOUNT (TK) 01 January to 31 December 2018
Basic EPS	$\frac{32,577,114}{24,000,000}$	$\frac{24,011,872}{24,000,000}$
EPS	1.36	1.00

Computation of Earnings Attributable to Ordinary Shareholders:

Particulars	AMOUNT (TK) 01 January to 31 December 2019	AMOUNT (TK) 01 January to 31 December 2018
Net Profit before Tax	54,295,191	46,760,392
Less: Provision for Income Tax	(19,236,848)	(18,704,157)
Less: Deferred Tax	(2,481,228)	(4,044,363)
Tk.	32,577,114	24,011,872

Computation of weighted average number of Shares Outstanding.

Particulars	No. of shares	Outstanding Period	Total Days	Total Shares
Opening Balance	24,000,000	January to December	365 Days	24,000,000
Total	24,000,000			24,000,000

40.00 Net Asset Value (NAV):

Particulars	Amount (Tk.) 31.12.2019	Amount (Tk.) 31.12.2018
Investments (At cost)	25,000,000	25,000,000
Interest, Dividend Outstanding	6,989,923	11,501,629
Accounts Receivable	277,567,492	171,918,887
Cash & cash equivalent	238,950,874	238,703,215
Stationery in hand	4,210,918	4,460,560
Stamps in hand	656,782	128,250
Fixed Assets	131,836,397	121,709,499
Right of use assets	8,524,840	-
Total Assets (A)	693,737,225	573,422,040
Balance of Funds	67,867,146	41,020,610
Liability and Provisions	347,072,714	261,825,036
Total Liabilities (B)	414,939,860	302,845,645
Net Assets (A-B)	278,797,365	270,576,395
Number of Shares (C)	24,000,000	24,000,000
Net Assets Value per share (A-B)/C	11.62	11.27
Face Value per share	10.00	10.00

DESH GENERAL INSURANCE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

41. Premium Less Re-Insurance

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total
Premium Earned:						
Own	105,670,628	93,683,754	1,098,563	25,141,585	5,930,278	231,524,808
PSB	12,576,881	21,699,935	365,901	2,643,048	39,381,298	76,667,062
Gross Premium	118,247,509	115,383,689	1,464,464	27,784,633	45,311,576	308,191,870
Less: Re-Insurance						
Own	66,949,231	6,571,038	-	156,944	660,846	74,338,059
PSB	10,343,163	16,453,867	317,230	88,189	38,704,348	65,906,797
	77,292,394	23,024,904	317,230	245,133	39,365,194	140,244,855
Net Premium Earned	40,955,116	92,358,785	1,147,233	27,539,500	5,946,381	167,947,014

42.00 Loan under sundry creditors (Note:25) an unsecured loan of Tk. 3,82,00,000.00 for settlement Fire Claim Tk. 28,32,05,377.00 of Hotapara Garments Ltd. received as per decision of companys 99th Board of Directors Meeting held on 22nd April 2015 for a short period without any interest. After adjustment of Tk. 1,60,00,000.00 during the period, current balance amount is Tk. 2,22,00,000.00.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

43.00 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE UNDER IAS 32 "FINANCIAL INSTRUMENTS: DISCLOSURE AND PRESENTATION".

Set out 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		
<u>Financial Assets</u>				
Bangladesh Govt. Treasury Bond	-	25,000,000		25,000,000
Investment in FDR	220,695,325	-		220,695,325
Interest accrued but not due	6,989,923	-		6,989,923
Sundry Debtors			25,692,256	25,692,256
Investment in Shares				-
Outstanding Premium				-
Stamp in Hand			656,782	656,782
Cash at Bank			16,337,349	16,337,349
Cash and Cash Equivalents			1,918,200	1,918,200
Total	227,685,248	25,000,000	44,604,587	297,289,835
<u>Financial Liabilities</u>				
Bank Overdraft	-	-	-	-
Outstanding Claim	-	-	51,470,483	51,470,483
Sundry Creditors	-	-	53,331,689	53,331,689
Total	-	-	104,802,172	104,802,172
Net Financial Assets/Liabilities	227,685,248	25,000,000	(60,197,585)	192,487,663

44.00 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.

45.00 PROFIT AFTER TAX

Particulars	Amount in Taka	
	31.12.2019	31.12.2018
Net Profit /(Loss) before tax	54,295,191	46,760,392
Provision for Taxation:		
Current Tax	(19,236,848)	(18,704,157)
Deferred Tax	(2,481,228)	(4,044,363)
Total	32,577,114	24,011,872

46.00 Personnel related scheme

The Company will be going to implement Provident Fund, Gratuity, Leave Encashment Benefit.

47.00 CONTINGENT LIABILITIES

There are two areas have occurred and arisen as contingent liabilities of the Company namely A. Income Tax and B. VAT showing in detail as under:

(A) Income Tax:

The Company is contingently liable as on 31 December-2019 against unsettled tax liability amounting Tk. 7,992,286, Tk. 6,542,589, Tk. 2,626,237, Tk. 6,606,965, Tk. 10,140,334, Tk. 2,742,135, Tk. 6,324,977, Tk. 3,245,966, Tk. 13,523,533 for assessment year 2005-06, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2015-16 respectively assessment of which under appeal to concern authority and assessment year 2016-17, 2017-18, 2018-19, 2019-20 respectively assessment of which are pending before DCT.

(B) VAT:

The company is also contingently liable as on 31th December-2019 on account of VAT, the details of which are given below:

Total VAT demand under Custom Excise & vat Commissioner	Shown in Balance Sheet as a Liability	Contingent Liabilities against VAT	Remarks
14,948,087.28	9,466,043.00	5,482,044.28	Pending Decision by the Commissioner of Custom Excise & VAT (South)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

48.00 Proposed Dividend : Tk. 28,800,000

The Board of Directors has recommended cash dividend @12% on ordinary share paid up capital of Tk. 24.00 crores for the year ended 31 December 2019.

49.00 Provision for IPO penalty:

In the statement of profit and loss account and other comprehensive income of the company for the year ended 31 December 2019 under the head "Management expenses," a sum of tk. 1,256,400.00 was charged as a penalty for non-compliance of fulfillment of IPO provision.

50.00 Workers Profit Participation Fund (WPPF)

As per the Bangladesh Labour 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.

Particulars	Amount in Taka	
	2,019	2018

51.00 Reconciliation Between Net Profit to operating cash flow

Net Profit	54,295,191	46,760,392
Depreciation	10,753,598	9,407,312
(Increase)/ Decrease in Stock of Printing Materials	249,642	(442,524)
(Increase)/ Decrease in Stock of Insurance Stamp	(528,532)	424,482
(Increase)/ Decrease in Provision for Taxation	(7,909,002)	(15,448,062)
(Increase)/ Decrease in Sundry Debtors	(1,509,285)	(9,225,900)
Increase/ (Decrease) in Sundry Creditors	(852,358)	4,537,049
(Increase)/ Decrease in amount due from other Persons or Bodies Carrying on Insurance Business	(104,139,320)	(19,080,608)
Increase/(Decrease) in amount due to other Persons or Bodies Carrying on Insurance Business	(1,491,253)	(166,749)
(Increase)/ Decrease in Advance Income Tax	-	5,096,233
Increase/ (Decrease) in Premium Deposit	340,816	(504,202)
(Increase)/ Decrease in Interest Outstanding	4,511,706	(4,593,252)
Increase/ (Decrease) in Balance of Fund & Accounts	26,846,537	4,974,014
Increase/ (Decrease) in estimated Liabilities in respect of Outstanding Claims whether due or intimated	50,678,262	(197,165)
Increase/ (Decrease) in Deferred Tax	6,447,306	4,044,364
Increase/ (Decrease) in Lease Liability	7,695,926	-
(Increase)/ Decrease in Right of use asset	(8,524,840)	-
(Increase)/ Decrease in Adjustment for lease Liability	(356,144)	-
Net Cash Flow from Operating Activities	36,508,248	25,585,382

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

52.00 Financial risk management (IFRS 7)

52.01 Introduction

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk and foreign currency 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. The Company uses derivative financial instruments to economically hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Company Treasury) under policies approved by the Board of Directors (Treasury Policy). Company Treasury identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units. The 'Treasury Policy' provides principles for specific areas, such as credit risk, interest rate risk, foreign currency risk, use of derivative financial instruments, and investment of excess liquidity.

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 consolidated financial statements.

52.02 Carrying amounts of financial instruments by category

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

	Maturity analysis				Total
	Current	>30 days	>90 days	>1 year	
Loans and receivables					
Cash and cash equivalents	238,950,874			FDR 1 year, Bond 1.60Crore 10 years & 0.90 Crore 5years.	238,950,874
Amount Due from other person or bodies carrying on insurance business	251,875,236				251,875,236
Sundry Debtors	25,692,256				25,692,256
Balance at December 31, 2019	516,518,366				516,518,366
Financial liabilities measured at amortized cost					
Bank Loan	84,473,477			84,473,477	84,473,477
Amount Due to other person or bodies carrying on insurance business	76,974,568				76,974,568
Sundry Creditors	53,331,689				53,331,689
Balance at December 31, 2019	214,779,734			84,473,477	214,779,734

52.03 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 trade accounts receivable.

The credit risk with Amount Due from other person or bodies carrying on insurance business (see note 28) 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 companyed as follows (risk companys): governmental organizations, listed public limited companies, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance or letters of credit; these limits are reviewed regularly (credit check).

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.

52.04 Market risks

Market risk is the risk that changes in market prices, such as interest rates, 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.

52.04.1 Interest rate risk

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

Borrowings mainly bear interest at fixed rates. Cash and cash equivalents and borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

The Company Treasury manages the interest rate risk to reduce the volatility of the financial result as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, the Company Treasury focuses on an internal long-term benchmark interest rate and considers the amount of cash and cash equivalents held at a variable interest rate. Currently, the interest rate exposure is not hedged.

At December 31, 2014, if interest rates had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been CHF 0.5 million (2013: CHF 0.6 million) higher/lower, mainly as a result of cash positions held at variable rates.

DESH GENERAL INSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

52.05 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Company Treasury 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.

Excess liquidity can be invested in instruments such as time deposits, government, and corporate bonds, shares of publicly listed companies, and capital protected instruments.

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

BDT	Carrying amount	Contractual cash flows	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities						
Bank Loan	84,473,477				3,975,043	-
Amount Due to other person or bodies carrying on insurance business	76,974,568			6,717,153	29,447,102	-
Sundry Creditors	53,331,689				8,011,200	
Balance at December 31, 2019	214,779,734			6,717,153	41,433,345	-

53.00 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	2019		2018
		Meeting Held	Attended	Attended
MR. JASHIM UDDIN	CHAIRMAN	5	5	-
MR. MOHAMMED AKBOR HOSSAIN	VICE- CHAIRMAN	5	3	-
MR. AMINUR RAHMAN	DIRECTOR	5	5	-
MRS. PRITI KONA BOSE	DIRECTOR	5	5	-
MR. TARIQUL ALAM RAHIMI	DIRECTOR	5	3	-
MR. MURAD MOHAMMED TAJ	DIRECTOR	5	5	-
MR. TAHRIN AMAN	DIRECTOR	5	4	-
MRS. NAUZAT BEGUM	DIRECTOR	5	4	-
MRS. ROKEYA QUADER	DIRECTOR	5	4	-
ENGR. A.K.M. AHSANUL HAQUE	DIRECTOR	5	5	-
MR. NIL KANTHA ROY	DIRECTOR	5	2	-
MR. SHAHEDUL ISLAM	INDEPENDENT DIRECTOR	5	3	-
MR. SARWAR UDDIN FCA	INDEPENDENT DIRECTOR	5	3	-
Mr. MD. KAMAL UDDIN FCA	INDEPENDENT DIRECTOR	5	5	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

54.00 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, 2019

Salary Range (Monthly)	Officer & Staff		Total Employees
	Head Office & Br. Office		
Below 3,000	Nil		Nil
Above 3,000	264		264
Total	264		264

55.00 Disclosure as per requirement of schedule XI, part II, para 4

Name	Designation	Amount in Taka	
		Dec. 31, 2019 Remuneration	Dec. 31, 2018 Remuneration
MR. JASHIM UDDIN	CHAIRMAN	37,600	-
MR. MOHAMMED AKBOR HOSSAIN	VICE- CHAIRMAN	25,200	-
MR. AMINUR RAHMAN	DIRECTOR	56,400	-
MRS. PRITI KONA BOSE	DIRECTOR	37,600	-
MR. TARIQUL ALAM RAHIMI	DIRECTOR	18,800	-
MR. MURAD MOHAMMED TAJ	DIRECTOR	56,400	-
MR. TAHRIN AMAN	DIRECTOR	25,200	-
MRS. NAUZAT BEGUM	DIRECTOR	24,800	-
MRS. ROKEYA QUADER	DIRECTOR	31,200	-
ENGR. A.K.M. AHSANUL HAQUE	DIRECTOR	31,200	-
MR. NIL KANTHA ROY	DIRECTOR	24,800	-
MR. SHAHEDUL ISLAM	INDEPENDENT DIRECTOR	18,400	-
MR. SARWAR UDDIN FCA	INDEPENDENT DIRECTOR	43,600	-
Mr. MD. KAMAL UDDIN FCA	INDEPENDENT DIRECTOR	31,200	-
Total		462,400	

56.00 Event after reporting period

The Board of Directors at their board meeting held on September 27, 2020 recommended to the shareholders 12% cash dividend for the year ended December 31, 2019. This will be considered for approval by the shareholders at the next Annual General Meeting (AGM).

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.

57.00 Remuneration of Directors, Managers, Executives & Officers

Particulars	31 December, 2019 (Amount)				31 December, 2018 (Amount)			
	Managing Director	Directors	Managers	Other Executive	Managing Director	Directors	Managers	Other Executive
short-term employee benefits (Salary)	3,600,000	-	21,614,520	9,649,305	-	-	-	-
post-employment benefits	-	-	-	-	-	-	-	-
other long-term benefits	-	-	-	-	-	-	-	-
termination benefits	-	-	-	-	-	-	-	-
share-based payment benefits	-	24,000,000	-	-	-	-	-	-
Total	3,600,000	24,000,000	21,614,520	9,649,305	-	-	-	-

DESH GENERAL INSURANCE COMPANY LIMITED

Schedule of Property, Plant & Equipment

As on December 31, 2019

PARTICULARS	Cost			Rate (%)	DEPRECIATION			Written down value as at 31.12.19
	As on 01.01.19	Addition	As at 31.12.19		As on 01.01.19	During the Period	Accumulated as at 31.12.19	
	Furniture & Fixtures	30,830,219	5,416,568		36,246,786	5	9,454,677	
Signboard & Holding	1,568,441	664,711	2,233,152	10	957,887	1,121,803	1,111,349	
Office Equipment	12,028,546	605,375	12,633,921	5	5,243,926	5,630,582	7,003,339	
Telephone Install.	1,147,330	124,000	1,271,330	10	920,303	961,517	309,813	
Computer	10,032,238	1,533,971	11,566,209	10	2,545,608	3,551,771	8,014,438	
Decoration	56,186,286	6,840,560	63,026,846	5	25,016,592	27,157,971	35,868,875	
Electrical Equipment	4,424,655	1,291,709	5,716,364	5	1,716,257	1,952,453	3,763,911	
Motor Vehicle	67,776,115	1,645,000	69,421,115	10	29,881,156	33,940,423	35,480,691	
Air Condition	10,925,311	1,893,000	12,818,311	8	2,756,895	3,666,393	9,151,919	
Crokarries	480,538	21,470	502,008	10	167,724	202,282	299,726	
Balance as on 31.12.2019	195,399,678	20,036,364	215,436,042		78,661,024	89,123,550	126,312,493	
Balance as on 31.12.2018	172,416,630	22,983,049	195,399,678		69,515,336	78,661,025	116,738,654	

Annexure-A

DESH GENERAL INSURANCE COMPANY LIMITED

Schedule of Intangible Assets

As on December 31, 2019

PARTICULARS	Cost			Rate (%)	Amortization			Written down value as at 31.12.19
	As on 01.01.19	Addition	As at 31.12.19		As on 01.01.19	During the Period	Accumulated as at 31.12.19	
	Software Installation	6,347,911	844,133		7,192,043	5	1,377,066	
Balance as on 31.12.2018	6,347,911	-	6,347,911		1,115,442	1,377,066	4,970,845	

Annexure-B

DESH GENERAL INSURANCE COMPANY LIMITED

Schedule of Right of use asset

As on December 31, 2019

PARTICULARS	Cost			DEPRECIATION			Written down value as at 31.12.19
	As on 01.01.19	Addition	As at 31.12.19	As on 01.01.19	During the Period	Accumulated as at 31.12.19	
	Right of use asset	-	11,748,294	11,748,294	-	3,223,454	

Annexure-C

Events



বোর্ড রুম উদ্বোধন



বঙ্গবন্ধুর ৪৫ তম শাহাদাত বার্ষিকী পালন



বৃক্ষ রোপন কর্মসূচি



জাতীয় বীমা দিবস

Annual Picnic 2020



Branch Network

CORPORATE HQ

JIBAN BIMA BHABAN, FRONT BLOCK, LEVEL # 5, 10, Dilkusha C/A (5th floor)
Dhaka-1000, BANGLADESH

DGIC DHAKA DIVISION

LOCAL OFFICE BRANCH

45 Dilkusha C/A, (7th Floor), Dhaka-1000.
Phone: 02-9577723

PRINCIPAL BRANCH

Baliadi Mansion (6th Floor) 16 Dilkusha C/A Dhaka-1000,
Phone: 02-9558052

BANGSHAL BRANCH

2/1 Kazi Alauddin Road, Bangshal, 2nd Floor,
Dhaka-1100, Phone: 02-7341997

MOTIJHEEL BRANCH

44 Dilkusha C/A, (7th Floor), Dhaka-1000. Phone:
02-9553946

DILKUSHA BRANCH

44 Dilkusha C/A, (7th Floor), Dhaka-1000,
Phone: 02-9565759

VIP BRANCH

Room no-6 (4th Floor) South Side Eastern Arju Tower, 61
Bijoy Nagar, Dhaka-1000. Phone: 02-9349237

B.B AVENUE BRANCH

29 B.B Avenue (3rd Floor), Dhaka-1000, Phone:
02-9570161

PALTAN BRANCH

Darussalam Arcade, 14 Purana Paltan, Dhaka-1000,
Phone: 02-9567475

NAYABAZAR BRANCH

Hazi Eusuf Mansion (2nd Floor) 56 Mitford Road, Babu
Bazar, Dhaka-1000, Phone: 02-57394402

KAWRAN BAZAR BRANCH

57/E Kazi Nazrul Islam Avenue (2nd Floor), Kawran
Bazar, Dhaka, Phone: 02-9131426

MIRPUR BRANCH

4 No. Shyamoli, Mirpur Road, Dhaka-1207,
Phone: 02-8120495

NARAYANGONJ BRANCH

41 S.M Maleh Road, Narayanganj.
Phone: 02-7644552

UTTARA BRANCH

Rajlaxmi Complex (5th Floor) Plot-25, Road-07,
Sector-03
Uttara Commercial Area, Dhaka-1230.

SAVAR BRANCH

R.S. Tower, B-34 (2nd Floor) Bazar bus stand, Savar.

GULSHAN BRANCH

House # Ta-143 (2nd Floor) South Side, Gulshan Link
Road, Badda, Dhaka-1212.

SENPARA BRANCH

House-12, Road-6 Section-10, Senpara Mirpur,
Dhaka-1216, Phone: 01739211055

DGIC SYLHET DIVISION

SYLHET BRANCH

Airport Road Amborkhana, Sylhet. Phone: 0821-710375

DGIC CHITTAGONG DIVISION

KHATUNGANJ BRANCH

4 Shah Amanat Road (Jail Road), Laldighi East,
Chittagong, Phone: 031-2852152

CHOWMUHANI BRANCH

Khaza Hafez Mohiuddin rhamotolla Market, 3rd floor
room No.47,48, Noakhali, Phone: 01819188254

AGRABADH BRANCH

TSN complex 3rd floor Agrabadh Chattogram

DGIC KHULNA DIVISION

KHULNA BRANCH

Chamber Mansion (4th Floor) 5 KDA C/A, Khulna.
Phone: 041-732690

JESSORE BRANCH

4 No. Netajee Suvash Chandra Road (2nd Floor),
Daratana, Jessore. Phone: 0421-68597

DGIC RAJSHAHI DIVISION

RAJSHAHI BRANCH

97 Boalia, Rajshahi City corporation Mia para Word
No.12, Phone: 0721-812193

DGIC MYMENSINGH DIVISION

MYMENSINGH BRANCH

34 Choto Bazar, 3rd floor sadar, Mymensingh Mob.
01724738371





DESH GENERAL INSURANCE COMPANY LIMITED

HEAD OFFICE

JIBAN BIMA BHABAN, FRONT BLOCK, LEVEL # 5, 10, Dilkusha C/A (5th floor), Dhaka-1000, BANGLADESH
Phone : PABX (+88-02) 9571642-5, FAX: +88 02 9561920, 9558052, E-mail : deshinsurancebd@gmail.com
www.deshinsurancebd.com

