

# Annual Report 2021

Lifting Up



এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড  
Express Insurance Limited

# Letter of Transmittal

All the shareholders  
Bangladesh Securities and Exchange Commission  
Registrar of Joint Stock Companies & Firms  
Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited  
Insurance Development & Regulatory Authority

## **Annual report for the year ended 31 December 2021**

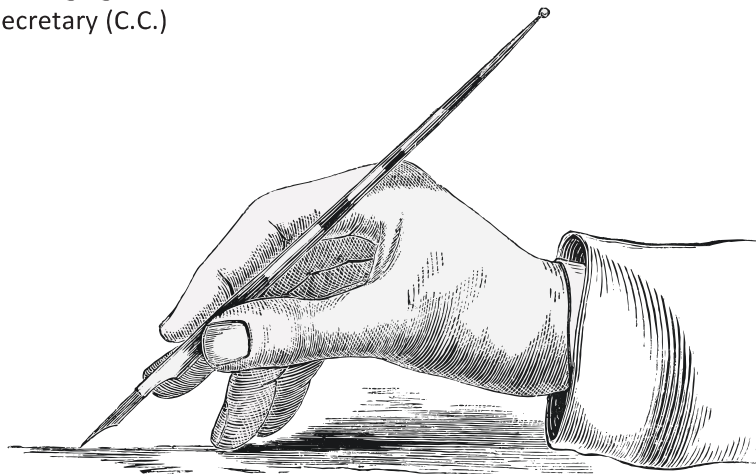
We are pleased to enclose a copy of the Annual Report of Express Insurance Limited for the year 2021 together with the Audited Financial Statements for the year ended 31 December 2021 for your kind information and record.

Thanking you.

Sincerely yours,



**(Md. Badiuzzaman Lasker)**  
Additional Managing Director &  
Company Secretary (C.C.)



# NOTICE OF THE 22<sup>nd</sup> ANNUAL GENERAL MEETING (VIRTUAL) THROUGH DIGITAL PLATFORM

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting (AGM) of Express Insurance Limited will be held Virtual by using Digital Platform Logging in the following link <http://eil22.digitalagmbd.net> on Thursday, 1<sup>st</sup> September, 2022 at 11.00 a.m. to transact the following businesses.

## AGENDA

01. To receive, consider and adopt the, Directors' Report and Audited Financial Statements for the year ended on 31<sup>st</sup> December 2021 together with the Auditors' Report thereon.
02. To declare dividend for the year ended 31<sup>st</sup> December 2021 as recommended by the Board of Directors.
03. To elect/re-elect Directors.
04. To appoint Statutory Auditors for the year 2022 and fix their remuneration.
05. To appoint Compliance Auditors for the year 2022 and fix their remuneration.

Dated: Dhaka  
10<sup>th</sup> August, 2022



By order of the Board of Directors

(Md. Badiuzzaman Lasker)  
Additional Managing Director &  
Company Secretary (C.C.)

## Notes:

- (a) The member whose names appeared in the Member's Register of the Company on the **Record Date i.e. 21<sup>st</sup> July 2022** are eligible to participate in the meeting and receive dividend.
- (b) If needed, member can cast their vote through online (real time) or e-voting starting from 24 hours before the AGM and voting option will remain open till the closure of AGM.
- (c) As per BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, soft copies of the Annual Report along with the attendance Slip, Proxy Form and the Notice will be forwarded to all Members at their respective email addresses available with us as per CDBL record. These are also available in the Company's website at [www.eilbd.com](http://www.eilbd.com)
- (d) A member eligible to attend the Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. No person shall act as proxy unless he/she is entitled to be present and vote in his/her own right. the "Proxy Form", duly filled signed and stamped at BDT 20 must be sent through e-mail to Express Insurance Limited Share Office at [express.compliance@gmail.com](mailto:express.compliance@gmail.com) by no later than 72 hours before Commencement of the AGM.



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# CORPORATE PROFILE

**Name of the Company**

Express Insurance Limited

**Credit Rating**

'AA+'

**Legal Form**

Express Insurance Limited was incorporated in Bangladesh and registered with the Registrar of Joint Stock Companies & Firms as a public company limited by shares.

**Credit Rating Agency**

Alpha Credit Rating Limited

**Chairman**

Mr. Syed Al Farooque

**Company Registration Number**

C-39954, Dated: 30 March, 2000

**Managing Director (C.C.)**

Mr. Md. Anwar Hossain

**Authorized Capital**

BDT 750.00 million

**Chief Financial Officer (C.C.)**

Mr. Md. Anowar Hossain

**Paid up Capital**

BDT 651.97 million

**Company Secretary (C.C.)**

Md. Badiuzzaman Lasker

**Membership of Stock Exchanges**

Dhaka Stock Exchange Limited  
Chittagong Stock Exchange Limited

**No. of Branches**

29

**Trading of shares started on-24.08.2020****Registered Office**

Al-Razi Complex (9th & 10th Floor), 166-167,  
Shahid Syed Nazrul Islam Sarani, Bijoy Nagar,  
Dhaka-1000.

**Tax Payer Identification Number (TIN)**

214124981218

PABX : 02223351741, 02223381255

02223387196, 02223389546, 02223384421

**Business Identification Number (BIN)**

000 25 12 79

Fax : 02223388616,

E-mail: [express\\_insurance@ymail.com](mailto:express_insurance@ymail.com),  
[express.compliance@gmail.com](mailto:express.compliance@gmail.com)

**Subsidiary Companies**

Nil

Web: [www.eilbd.com](http://www.eilbd.com)

**Auditors**

K.M. Hasan & Co.,  
Chartered Accountants

## PAST CHAIRMEN OF THE COMPANY



**Maj. Gen. Monjur Rashid (Rtd.)**  
Period (2000-2001)



**Mr. Abdur Rashid**  
Period (2001-2003)

**Ex-Chairman &  
Managing Director**

M/s. Gumti Textile Ltd.  
M/s. Gumti Apparels Ltd.



**Mr. Khalilur Rahman Choudhury**  
Period (2003-2004)

**Chairman & Managing Director**  
M/s. Khalil Knitwear Ltd.  
M/s. Khalil Garments Ltd.  
M/s. Khalil & Khalil Investment Ltd.  
M/s. Ataia Trading Corp. Ltd.

**Managing Director**  
M/s. Khalil Fashion Ltd.

**Proprietor**  
M/s. Al-Hera Filling Station.  
M/s. KRC Rubber Plantation  
M/s. KRC CNG & Filling Station.



**Al-haj Mohammed Younus**  
Period (2004-2006)

**Chairman  
Shahjalal Islami Bank Ltd.**

Sonali Paper & Board Mills Ltd.  
Shahjalal Islami Bank Securities Ltd.  
NRB Telecom Ltd.  
Sonali Dredger Ltd.

**Trustee**  
Foreast International University, Bangladesh  
Wordbridge School

**Member**  
Bangladesh Association of  
Publicly Listed Companies  
Kurmitola Golf Club

**Managing Director**  
Younus Group of Industries  
Galaxy Flying Academy Ltd.



**Mr. Md. Shamsur Rahman**  
Period (2006-2009, 2015-2016)

**Chairman**  
M/s. Bay Tannery Unit-2 Ltd.  
M/s. Bay Economic Zone

**Managing Director**  
M/s. Bay Tanneries Ltd.  
M/s. Bay Agro Industries Ltd.  
M/s. Aziz Tanneries Ltd.



**Mr. Rezaul Karim Ansari**  
Period (2009-2011)

**Ex-Chairman  
Jamuna Bank Ltd.**

**Chairman & Managing Director**  
M/s. Karim Leathers Ltd.  
M/s. Kamtex Ltd.  
M/s. Hi-Tech Steel & Re-Rolling  
Mills Ltd.



## PAST CHAIRMEN OF THE COMPANY



**Syed Al Farooque**  
Period (2011-2012)

### **Managing Director**

M/s. Wills Fashion Ltd.  
M/s. Probal Garments Ltd.  
M/s. Wills Fashionwear (PVT) Ltd.  
M/s. Wills Properties Ltd.  
M/s. Triple A Ltd.  
M/s. Mirzapur Resort Ltd.  
M/s. Chalishnu Publications Ltd.



**Mr. Md. Mazakat Harun**  
Period (2012-2015)

### **Sponsor Shareholder EXIM Bank Ltd.**

### **Chairman & Managing Director**

M/s. Chemitan Ltd.  
M/s. Aaron Denim Ltd.

### **Proprietor**

M/s. Aaron Leather Complex



**Mrs. Farida Razzaq**  
Period (2016-2018)

### **Chairman**

M/s. Ideal Asset Development Ltd.

### **Vice-Chairman**

M/s. Altimete Property Development Ltd.  
Millennium International School.

### **Proprietor**

Nandini Printing & Publications.



**Mr. Md. Abdul Awal**  
Period (2018-2020)

### **Director Mercantile Bank Ltd.**

**Managing Director**  
Synthia Securities Ltd.



**Mr. Amir Hamza Sarker**  
Period (2020-2021)

### **Chairman**

Rahmat Spinning Mills Limited  
Logos wear House Limited

### **Managing Director**

Logos wear House Limited  
Rahmat Sweaters (BD) Limited  
Belkuchi Spinning Mills Ltd.  
Logos Apparels Ltd.

### **Director**

Rahmat Plastic & Accessories Ltd.





## SPONSOR SHAREHOLDERS OF THE COMPANY



**Chairman**  
**Shahjalal Islami Bank Ltd.**  
Sonali Paper & Board Mills Ltd.  
Shahjalal Islami Bank Securities Ltd.  
NRB Telecom Ltd.  
Sonali Dredger Ltd.

**Trustee**  
Fareast International University, Bangladesh  
Wordbridge School

**Member**  
Bangladesh Association of  
Publicly Listed Companies  
Kurmitola Golf Club

**Managing Director**  
Younus Group of Industries  
Galaxy Flying Academy Ltd.

Al-haj Mohammed Younus



**Ex-Chairman & Director**  
**Dhaka Bank Ltd.**  
**Ex-Director**  
BTMA  
**Founder Trustee**  
Independent University, Bangladesh  
**Chairman & Managing Director**  
M/s. China Plastic Ltd.  
**Managing Director**  
Rahmat Group of Industries

Mr. Altaf Hossain Sarker



**Director**  
**Mercantile Bank Ltd.**  
**Managing Director**  
Synthia Securities Ltd.

Mr. Md. Abdul Awal



**Sponsor-Shareholder**  
**EXIM Bank Ltd.**  
**Chairman & MD**  
M/s. Aaron Denim Ltd.  
M/s. Chemitan Ltd.  
**Proprietor**  
M/s. Aaron Leather Complex

Mr. Md. Mazakat Harun



Mrs. Sultana Jahan



## BOARD OF DIRECTORS' PROFILE

### Chairman



### Syed Al Farooque

Syed Al Farooque is one of the Sponsor Directors and Current Chairman of the Company. Earlier he was the Chairman, Vice-Chairman and Executive Committee Chairman of Express Insurance Limited.

He is the Managing Director of Wills Group, one of the leading business-personalities of the country, engaged in business for the last four decades. Started business in 1980 and setup a number of industrial units in Garments sector, Established Non-Life Insurance, Lease finance Venture capital Private Equity Company, Brokerage House and Asset Management Company in the Financial Sector. He built a number of Residential and Commercial projects, involved in Property business and have earned a good reputation in Real estate sector. He also involved in Media business and established Celebrity and Talent Management Company at home and abroad. He had active role in BGMEA.

He is a member of India-Bangladesh Chamber of Commerce and Industry (IBCCI), Dutch-Bangla Chamber of Commerce and Industry (DBCCI), Bangladesh German Chamber of Commerce & Industry (BGCCI). He was a member of the Executive Committee of Bangladesh Insurance Association (BIA) and played vital role in developing the Insurance Industry in the country. Apart from business activities he is an internationally reputed cultural personality and renowned poet in the country. He is author of 50 books, and has been honored with 26 important awards nationally and internationally in Bangladesh, India, UK and USA for his literary contribution. He attended many international poetry and literary festivals, book fairs and business summits throughout the world. He is associated with many other social and cultural organizations including Bangla Academy, MuktiJuddho Jadughor, Baridhara Society, Gulshan Society, Chattogram Maa-O-Shishu Hospital, Muldhara (International Center for Writers, Journalists & Artists) and syedalfarooque center for creativity. As the Founder President of Muldhara and Shishu Shahitya Parishad he is working to expand Bangla language and culture all over the world. He was the Editor of Weekly Akarshon, Chief Editor of Kishor Jagat, Associate editor of Shachitro Shomoy and Asia Editor of Curry Life, an international magazine published from London. He is also a TV presenter, Motivational speaker, Reciter, Song-writer and Music-Poetry video director. He obtained M.A with B.A (Hon's) in Bangla Language and Literature from University of Dhaka.

## Vice-Chairman



**Mr. Latiful Bari**

Mr. Latiful Bari is a Sponsor Director of Express Insurance Limited. At Present he is the Vice-Chairman of the Company. He obtained his graduation in Business Administration from Bradford College, United States of America. After completion his higher study. He joined his family Group of Industries. He holds the position of the Managing Director of Rahmat Fashion Wears Limited & the Chairman of Rahmat Knit Dying & Finishing Limited. He is one of the Directors of Rahmat Textiles Limited, China Plastic (BD) Limited & Rahmat Rotors Limited. He visited many countries of the world for business meeting.



## Director



**Mrs. Mahfuza Yunus**

Mrs. Mahfuza Yunus is a Sponsor Director of the Company. She along with her husband are running a big business house. She is the Chairman of Sonali Paper & Board Mills Ltd., a publicly listed Company. She is also Director of Yunus Paper Mills Ltd., Yunus Fine Paper Mills Ltd., Yunus Offset Paper Mills Ltd., Yunus News Print Mills Ltd., Ananta Paper Mills Ltd., Bickrampur Potato Flakes Industries Ltd., Yunus Spinning Mills Ltd., Sobhan Ice & Cold Storage Ltd., Yunus Cold Storage Ltd., Gorib E Newas Cold Storage Ltd., Sideshawari Cold Storage Ltd., Noapara Cold Storage Ltd., Sharif Cold Storage Ltd., Yunus Specialized Cold Storage Ltd., Europa Cold Storage Ltd., Akco Cold Storage Ltd., Combined Food & Cold Storage Ltd., Yunus Filament Industries Ltd., Over the time she earned a lot of experience and managing industries of the group efficiently.



## Director



**Mr. Amir Hamza Sarker**

Mr. Amir Hamza Sarker is one of the Sponsor Directors of Express Insurance Limited. He earned his B.B.M degree from Cambridge College, Australia. After completion of his education he started his career joining his family Group of Industries. He is the Chairman of Rahmat Spinning Mills Limited, Managing Director of Rahmat Sweaters (BD) Limited, Belkuchi Spinning Mills Ltd., Logos Apparels Ltd., & Director Rahmat Plastic & Accessories Limited. He visited many countries of the world for business purpose.

## Director



**Mrs. Halima Harun**

Mrs. Halima Harun is one of the Sponsor Directors of Express Insurance Limited. She comes from a Muslim family and she is well educated. She is associated with her family business and industry since long. She is also sponsor shareholder of Exim Bank Limited and one of the Directors of Chemitan Limited. Being associated with these concerns she has earned knowledge and experience to manage these running concerns successfully.

## Director



**Mrs. Yasmin Ferdous**

Mrs. Yasmin Ferdous is one of the Sponsor Directors of Express Insurance Limited. She comes from a Muslim family. She is an educated lady and being associated with this concern she has earned knowledge and experience to manage this running concern successfully.



## Director



**Mrs. Farida Razzaq**

Mrs. Farida Razzaq is one of the Sponsor Directors of the Company. She was the Chairman of the Company for one term. Mrs. Farida Razzaq obtained her graduation from Dhaka University. She has been running her business house Nandini Printing and Publications since 1990. Besides, she is the Chairman of Ideal Asset Development Ltd., Vice-Chairman of The Millennium International School and Altimete Property Development Ltd.. She is also associated with many other social and educational organisations.



## Director



**Mr. Khalilur Rahman Choudhury**

Mr. Khalilur Rahman Choudhury is a Sponsor Director of Express Insurance Limited and Past Chairman of Claim Committee of the Company. He is a commerce graduate. He also earned a diploma in Credit Management in 1962 from Institute of Credit Management, UK. In his long business career he established eight Industry/business house and managing these business very successfully. He is the Chairman & Managing Director of Khalil Knitwear Ltd., Khalil Garments Ltd., Khalil Investment Ltd., Ataia Trading Corp. Ltd., Khalil Fashion Ltd.. He is also the Proprietor of Al-Hera Filling Station, KRC CNG & Filling Station and KRC Rubber Plantation. He was elected CIP for consecutive 5 times for his valuable contribution to the economy of the country. He is associated with many other social and educational organizations. He is the founder and donor of Khalil Bidda Niketan and Khalil Choudhury Girls Academy in his locality in Sylhet. He is also associated with many other welfare organizations.

## Director



**Mr. ABM Kaiser**

Mr. ABM Kaiser is one of the Sponsor Directors & current Chairman of the Claim Committee of Express Insurance Limited. He borned in a respectable Muslim family. In his long business career he was the Chairman and Managing Director of M/s. Gumti Textiles Limited and Gumti Apparels Limited. He is very sincere and hard working man. Presently he is running his business M/s. Kaiser Trading Company.

## Director



**Mrs. Marium Akhter**

Mrs. Marium Akhter is a Sponsor Director of Express Insurance Limited. She comes from a respectable Muslim Family. She was associated with Karim Leathers Limited since 1983 as a Director and she is the present Chairman of Karim Leathers Limited. She is also a Director of Kamtex Ltd. since 2001. Karim Leathers Limited is one of the mentionable leather industry in the country.

## Director



**Md. Shamsur Rahman**

Mr. Md. Shamsur Rahman is a Sponsor Director of Express Insurance Limited and Past Chairman of the Company. He is a commerce graduate. He was a member of BCS cadre (Admin) service. He left the service and started his business career in 1977. He is the Chairman of Bay Tanneries Unit-02 and Bay Economic Zone. He is the Managing Director of Bay Tanneries Limited, Bay Agro Industries Limited and Aziz Tannery Ltd. Bay Tanneries Ltd. is a leading industry in leather sector of the country. He was a CIP of the country. For his valuable contribution in the economy he was elected CIP in 1998. As a part of discharging of social responsibilities he established Shamsur Rahman Degree College and Samantasar High School at Goshairhat, Shariatpur. He is also patron and donor of a numbers of School, Madrasha, Mosque, Orphanage and other social organizations.





## Independent Director



**Mr. Feroz Ahmed**

Mr. Feroz Ahmed is an Independent Director of Express Insurance Limited and presently he is the Chairman of the Audit Committee of the Board. He obtained BA (Hon's) MA Degree in Economics from Dhaka University. Then he joined Bangladesh Bank as officer grade-1 through competitive examination and served there till February 1979. Thereafter he joined Bangladesh Civil Service as a member of BCS (Custom and Excise) cadre in March, 1979. He served there in various capacities with good reputation. In February 1998 he joined as Deputy Secretary to the Government of Bangladesh in the Finance Division.

As Additional Secretary he discharged the responsibility of Chief Controller of Insurance. As Secretary to the Govt. of Bangladesh he served as Executive Director of Jamuna Bridge Authority, Youth and Sports Ministry and Commerce Ministry.

During his checkered career he also served as Chairman, Investment corporation of Bangladesh and Bangladesh Insurance Academy. He led Government and Business delegations for promoting trade and Commerce with various countries. He also visited many countries of the world for discharging Government service. He retired from Govt. service in 2010.

## Independent Director



**Mr. Siddique Hossain Choudhury**

Mr. Siddique Hossain Choudhury is an Independent Director of Express Insurance Limited and he is the Chairman of Nomination and Remuneration Committee & Member of Audit Committee of the Board. He is a retired Govt. Officer. He served long time in various responsible position in Taxation Department. He was Director (Finance) in Bangladesh Biman. During his service he participated in high level training course in PATC and in BCS Taxes Academy, Bangladesh. He also attended training course on Tax Administration in L.A., USA and training course on Lease of Air Craft Loan held in Newyork, USA. He is also associated with many social & welfare organizations.



### Managing Director & CEO



**Mr. Md. Anwar Hossain**

Mr. Md. Anwar Hossain is the Managing Director & Chief Executive Officer of the Company. He is an MA & has more than 31 years of experience in non-life insurance Sector. He joined in Express Insurance Limited on 2006 as Deputy Managing Director. Subsequently he has promoted to the rank of Additional Managing Director on 01 January 2011. He is assigned as the current charge of the Chief Executive Officer of the Company.

### Immediate Past Managing Director & CEO



**Mr. Md. Nazrul Islam**

Mr. Md. Nazrul Islam was the Managing Director & Chief Executive Officer of the Company from 20 June 2021 to 27 June 2022. He completed MBA from a recognized university in Bangladesh and he has 33 years of experiences in the field of non life insurance sector in Bangladesh. He joined in IDRA as one of the honored Members and consequently, he resigned from the Express Insurance Ltd.



## EXECUTIVES OF THE HEAD OFFICE

**Mr. Md. Anwar Hossain**

Managing Director & CEO (C.C)

**Mr. Md. Badiuzzaman Lasker**

Additional Managing Director &  
Company Secretary (C.C.)

**Mr. Md. Nakibur Rahman Khan, B. Com (Hon's), M. Com (Management)**

Deputy Managing Director & Head of Underwriting & Branch Control Department

**Mr. Md. Iqbal Hossain Chowdhury, Dip. In Electrical Engineering, MA.**

Assistant Managing Director & Head of Claim & Re-insurance Department

**Mr. Md. Anwar Hossain, MSS, MBA**

Vice President & CFO (C.C.)

**Mr. Md. Al-Amin Gazi, M. Com.**

Vice President & Head of Internal Audit Department

**Mr. Md. Shafiquz-Zaman, BA**

Deputy Vice President (Underwriting Department)

**Mr. Md. Farhad Hossain Bhuiyan, BA**

Deputy Vice President (Underwriting Department)

**Mr. M. M. Anamul Haque, MA**

Deputy Vice President & Head of Establishment Department

**Mr. Ibrahim Chowdhury, Dip. in Computer Engineering, BSc in CSE. MSc in CSE**

Manager & Head of IT Department





## OUR BRANCHES

Sl. No.	Name of Branch	Address	Name of In-charge	Phone/Fax
01	<b>Motijheel Branch.</b>	Paramount Heights (5 <sup>th</sup> floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka.	<b>Mr. Nafiz Al Abeer</b> Assistant Managing Director	9574498 (AMD), 02223354498, 02223354497, 01711-535554 Fax No.-880-02-223355763 01841-691400
02	<b>Kakrail Branch</b>	Akram Tower, (11 <sup>th</sup> floor), 199, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000.	<b>Mr. Md. Monir Hossain</b> Assistant Managing Director	8392114, 8392113 01985-467457, 01842-467457
03	<b>Local Office</b>	28, Dilkusha, C/A (16 <sup>th</sup> floor), suit # 1602, Dhaka.	<b>Mr. Md. Nejam Uddin</b> Additional Managing Director	47111134, 02223390989, 01732-336717 Fax No.-880-02-223352284
04	<b>Malibagh Branch</b>	83, Siddeswary Circular road, Manhattan Tower, (3 <sup>rd</sup> floor), Malibagh, Dhaka.	<b>Mr. Ahsan Habib</b> Deputy Managing Director	9333086, 01713-032295 Fax No.-880-02-48318664
05	<b>Narayangonj Branch</b>	53/2, S.M Maleh Road, Gaowsia Complex (1st floor), Narayangonj.	<b>Mr. Md. Kabir Ahmed Khondaker</b> Deputy Managing Director	7644983, 01715-284293 Fax No. -880-02-7644983
06	<b>Hatkola Branch</b>	33/1, Hatkhola Road (1 <sup>st</sup> floor), Dhaka.	<b>Mr. Md. Hafizur Rahman</b> Deputy Managing Director	9571761, 01713-046259, Fax No. -880-02-47116863
07	<b>B.B. Avenue Branch</b>	98, BCC Road (1 <sup>st</sup> floor), Khadiza Khanam Market, Thatari Bazar, Dhaka.	<b>Mr. Md. Aman Ullah</b> Deputy Managing Director	02-223386412, 01817-055269 Fax No. -880-02-223386013
08	<b>Kawran Bazar Branch</b>	57/E, Kazi Nazrul Islam Avenue, (1 <sup>st</sup> floor), Kawran bazar, Dhaka.	<b>Mr. S M Kabiruzzaman</b> Deputy Managing Director	9128296, 48114963, 01711-583829 Fax No. -880-02-9128296
09	<b>Paltan Branch</b>	Nurjahan Sharif Plaza, (7 <sup>th</sup> floor), 34, Purana Paltan, Dhaka.	<b>Mr. Mostafa Fardose</b> Assistant Managing Director	47114992, 01612-534437 Fax No.-880-02-57163896
10	<b>Tophkhana Road Br.</b>	Tropicana Tower (6 <sup>th</sup> floor), 218, Shahid Syed Nazrul Islam Sharni (45, Tophkhana Road), Dhaka.	<b>Mr. Md. Shaheen Hossain</b> Assistant Managing Director	9586629, 01713-013079 Fax No. -880-02-9586630
11	<b>Bangshal Branch</b>	85, Shahid Syed Nazrul Islam Sharani, English Road (3rd floor), Bangshal, Dhaka.	<b>Mr. A K M Feroz</b> Assistant Managing Director	02223353452, 01715-972532 Fax No. -880-02-223353452
12	<b>Pragati Sharani Branch</b>	GA-25/4, Pragati Sharani (1st floor), Shahjadpur, Gulshan, Dhaka.	<b>Mr. Md. Maruf Ahmed</b> Assistant Managing Director	02-8899847 01922-220644
13	<b>Uttara Branch</b>	67/A, Rabindra Sharani, Sector-07, Uttara Model Town, Uttara, Dhaka.	<b>Mrs. Masuda Akter</b> Assistant Managing Director	01714-323320
14	<b>Dilkusha Branch</b>	58, Dilkusha C/A (7 <sup>th</sup> floor), Dhaka.	<b>Mr. Sahidur Rahman</b> Assistant Managing Director	9515280 Fax No.-880-02-9557478
15	<b>VIP Road Branch</b>	Shatabdi Centre, (8 <sup>th</sup> floor), Room no. 8/G, 292, Inner Circular Road, Dhaka.	<b>Mrs. Hosne Ara</b> Vice President	01781-262258 Fax No. -880-02-7191846

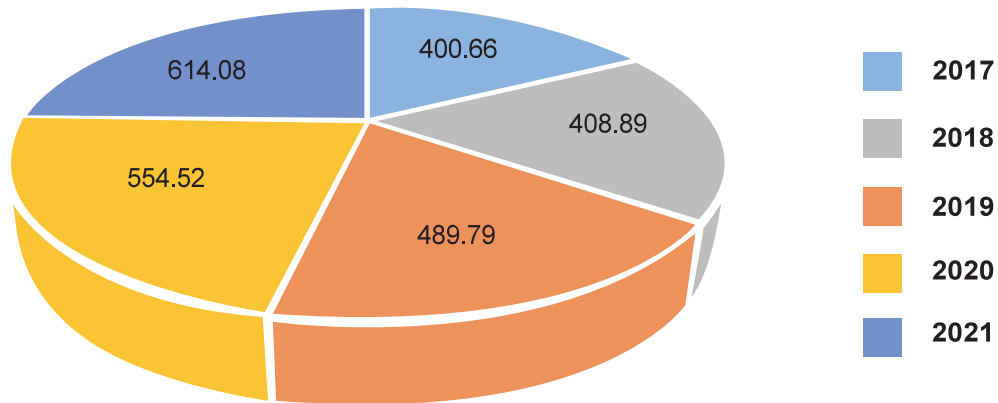
Sl. No.	Name of Branch	Address	Name of In-charge	Phone/Fax
16	Principal Branch	6, Motijheel C/A (4 <sup>th</sup> floor), Dhaka.	<b>Mr. Md. Shahidul Islam</b> Executive Vice President	47113862, 01721-130695 Fax No.-880-02-57164107
17	Rampura Branch	Gulzar Commercial Complex (3rd floor), 1/2, West Hazipara Rampura, Dhaka.	<b>Mr. Taposh Chandra Halder</b> Sr. Executive Vice President	02-222227641 01715-402787
18	Naya Paltan Branch	Navana Rahim Ardent, Suite # B2 (2 <sup>nd</sup> floor), 185, Shahid Syed Nazrul Islam Sharani, Dhaka-1000.	<b>Mr. Mohammad Jahirul Islam</b> Sr. Executive Vice President	02222223151, 01714-572946 Fax No.-880-02-222223151
19	Narsingdi Branch	Sultan Uddin Market (4 <sup>th</sup> floor), East Chelispur, Jailkhana Mor, Narsingdi.	<b>Mr. Sohel Ahmed</b> Assistant Vice President	Mob-01715-136448
20	Baridhara Branch	Plot # 44, Pragati Sharani, Main Road, (9th floor), Block # J, Baridhara, Dhaka.	<b>Mr. Nazmul Hasan</b> Assistant Vice President	02-258810398 01766-994477
21	DIT Road Branch	Lal Bhaban (9 <sup>th</sup> floor), 18, Rajuk Avenue, Dhaka-1000.		9560740, 01811-836148 01745-355911 Fax No.-880-02-9571804
22	Gulshan Branch			
23	Agrabad Branch/ Zonal Office Chittagong	K.M. Tower (4 <sup>th</sup> floor), 76-77, Agrabad C/A, Chittagong.	<b>Mr. Bahar Uddin Chowdhury</b> Additional Managing Director & Zonal Chief, Chittagong Zone	031-712912, 01707-709295 01746-806738 Fax No.-880-031-2516947
24	Khatungonj Branch	Salma Tower, (3 <sup>rd</sup> floor), 398/A, Khatungong, Chittagong.	<b>Mr.Md. Forkan Azam</b> Assistant Managing Director	031-623228, 01815-700308 Fax No.-880-031-625473
25	Jublee Road Branch	Wazico Tower, (4 <sup>th</sup> floor), 263, Jublee Road, Enayat Bazar, Chittagong.	<b>Mr. Ali Sarwar Titu</b> Executive Vice President	031-622224, 01795-755555 Fax No. -880-031-622225
26	Hathazari Branch	Balusora BRTA Road, MA Jalil Bhaban, Hathazari, Chattogram. (Under Process of Shifting)		
27	Barishal Branch	Rashid Plaza, 104, Sadar Road, Barishal.	<b>Mr. Md. Sumon</b> Manager	01712-718117
28	Meherpur Branch	Court Road, Bakul Tola Meherpur.	<b>Mr. Monirul Islam</b> Senior Manager	02-477792463 01712-708496
29	Rangpur Branch	H# 334(2nd floor), R#01, Station Road Shapla Chattar, Alamnagar, Rangpur	<b>Mr. Md.Arifuzzaman Chowdhury</b> Executive Vice President	01716-783974

## FINANCIAL HIGHLIGHTS

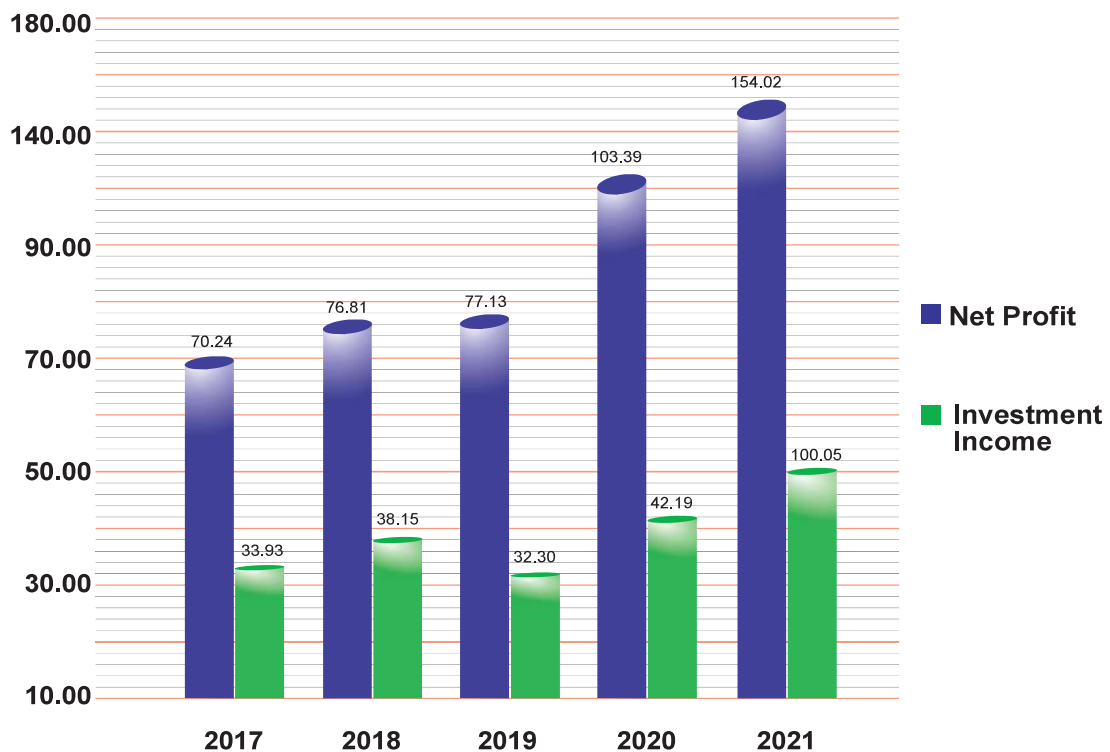
S.L No	Particulars	Year / Figure in Million				
		2017	2018	2019	2020	2021
01	Gross Premium Income	400.66	408.89	489.79	554.52	614.08
02	Net Premium Income	252.29	243.72	300.59	369.95	361.95
03	Gross Claim	56.38	96.07	84.46	60.75	132.53
04	Under Writing Profit	41.01	55.23	73.30	80.94	79.45
05	Investment Income	33.93	38.15	32.30	42.19	100.05
06	Profit before tax	70.24	76.81	77.13	103.39	154.02
07	Profit after tax	46.77	43.84	51.40	92.44	128.66
08	Paid up Capital	391.18	391.18	391.18	651.97	651.97
09	Share holders equity	743.01	732.25	705.69	1011.64	1114.33
10	Total Reserves	265.80	253.57	271.95	328.31	393.16
11	Total Assets	1087.25	1107.88	1190.31	1708.84	1976.77
12	Total Investment	611.04	596.79	635.28	1088.19	1294.99
13	Fixed Assets (Land & Building)	132.79	130.14	127.54	124.98	122.48
14	Earning Per share (EPS) Tk.	1.20	1.12	1.31	1.64	1.85
15	% of Dividend (Cash)	10%	10%	-	7%	10%

## PERFORMANCE OF THE COMPANY

Gross Premium Income (Taka in Million)



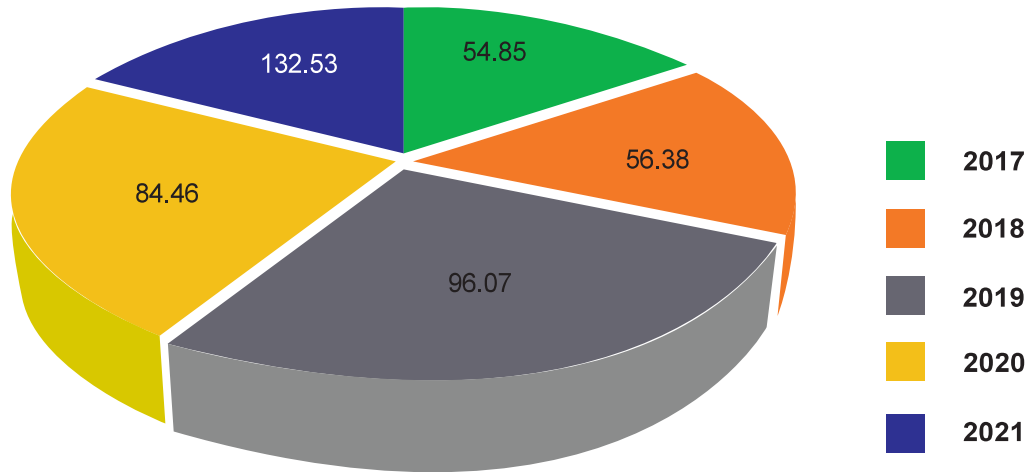
Investment Income & Net Profit (Taka in Million)



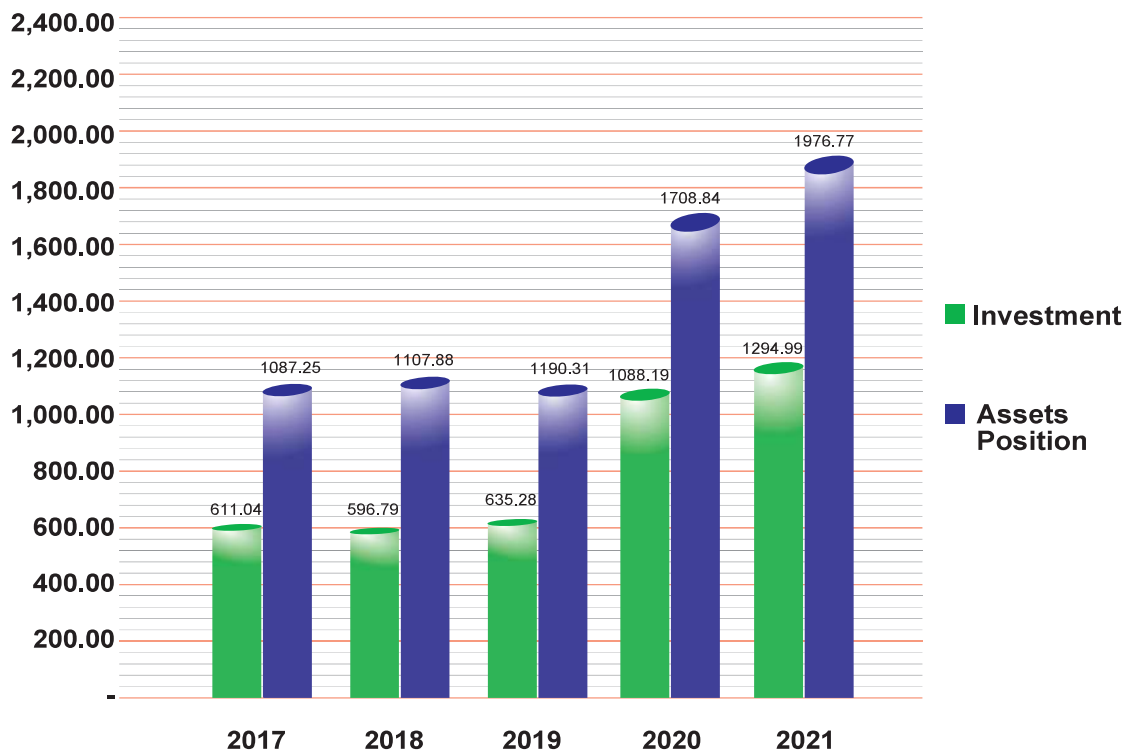


## PERFORMANCE OF THE COMPANY

Gross Claim Paid (Taka in Million)



Investment & Asset Position (Taka in Million)



## Credit Rating Report :

Your Company has been rated 'AA+' by Alpha Credit Rating Ltd. based on its financials ended December, 2021 and other qualitative and quantitative information up to the date of rating. CPA Rating 'AA+' indicates high claim paying ability having good protection factors (Strong liquidity position, good solvency ratio, sound profitability and smart investment). The above rating has been assigned in consideration of its good financial and technical performance, improving good solvency, sound liquidity, diversified and smart investment portfolio. The following letter is the integral part of the Credit Rating Report :

**AlphaRating**

27 April, 2022

**Managing Director & CEO  
Express Insurance Limited  
Al Razi Complex (9<sup>th</sup> & 10<sup>th</sup> Floor), 166-167, Shahid Syed Nazrul Islam Sharani Bijoy Nagar,  
Dhaka-1000, Bangladesh**

**Subject: Credit Rating of Express Insurance Limited.**

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating) has assigned the following rating to **Express Insurance Limited**.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
27 April, 2022	26 April, 2023	Surveillance	AA+	ST-1	Stable


The long-term & short-term rating is valid up to the earlier of 26 April, 2023 or the limit expiry date of respective credit facility. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

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

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

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

With kind regards,



**Muhammed Asadullah**  
Managing Director & CFO

Alpha Credit Rating Limited, Sadharan Bima Bhaban-2 (2nd & 8th Floor), 139 Motijheel C/A, Dhaka-1000.  
Tel: +880-2223353025, 2223353026, 2223353027, 2223353028, www.alpharating.com.bd, E-mail: info@alpharating.com.bd

# BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES LISTED COMPANIES CERTIFICATE





# MESSAGE FROM THE CHAIRMAN





Dear shareholder,

I am delighted to present the twenty second annual report of the Express Insurance Limited that includes the performance review of the Company for the year ended on 31<sup>st</sup> December 2021. At the very first outset, I want to recall that the Express Insurance Limited debut trading in the Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd on 24<sup>th</sup> August 2020. This is the second annual performance year for the public shareholders of the Company; as, the mass congregation of the shareholders/public are still not accepted by the BSEC due to probable COVID-19 effect, as per circular no. SEC/SRMIC/04-231/932 dated 24 March 2020, Express Insurance Ltd is going to hold the virtual AGM for the year 2021. The Board of Directors of the Express Insurance Ltd will consider the comments of the shareholders in the AGM via virtual platform.

The year 2020 was a COVID affected year whereas the globe was lack-lustered and the economy was brood on over misfortune of Covid movement. Further, in 2021, the world severely defined by the COVID Pandemic-2019 due to appearance of numerous COVID variants. The vaccines of the COVID-19 variants rollout began at the end of 2020 which continued in 2021. The economy was busy to take resilience steps instead of having aggressive growing movement. Further, during the touch of economic stabilization at the end of 2021 and afterwards on 24<sup>th</sup> February 2022, Russia invaded Ukraine in a major escalation of the Russo-Ukraine war that results global price hike of the Oil and Gas. Consequently, national reserve of Bangladesh reduced, and reduced the purchasing power parity of the inhabitants around the globe. The import LC reduced by the government for their conservative strategy to reduce purchase of the special products; when import LC reduced, the exports of the marine insurance business become awkward. The national crisis also affected the Fire and Motor Insurance business as the insurance are only obligation to the manufacturing and service industry instead of recognizing it as indemnity of the property during the crisis period. Business entrepreneurs are busy with short term surveillance than of long term protections.

Considering all those global and national economic turmoil and frequent changes of the economic synopsis, Express Insurance Ltd took strategy to have a well-established governance framework to implement, enhance and monitor the Company with sustainability strategy. The Board of Directors, its Board committees as well the Executives of the Company have explicit responsibilities related to the sustainability, which includes governance and risk-related issues. The year 2021 to 2023 will be the year for sustain with current growth of profit in line with the development of the organizational structure through a well-defined approach and clear strategy; we set out what sustainability means for Express Insurance Ltd and ensure to take meaningful action. To live our commitment to sustainability, we pursue a clear strategy, have a suitable governance framework in place, determine relevant topics, set targets, report on our progress and monitor our performance. We also promote sustainable practices in our own operations to demonstrate good stewardship, led by example and drive long-term performance. Resilience describes the ability of individuals, organizations, communities and entire societies to bounce back after major setbacks such as financial or human loss due to natural disasters, pandemics and other risks. Effective insurance protection plays a vital role in strengthening this ability.

Express Insurance Ltd planned to recruit more professional manpower in the Management and they will help us planning the strategy and implementing the strategy. The professional advocacy, and digital communication will act vital role to have the sustainable growth of the business of the Company. Every Department of the Company should be result oriented and the team work will reduce the employee turnover. Less people with more efficient professional will be recruited to get the technical know-how.

The short term and midterm plan of the Company is to sustain in this unwanted situation of the glob and long term plan is to be the best compiled insurance Company in Bangladesh. However, the future has some forecast which might have chances to change but the present is crucial and past financial achievement were acceptable i.e. the year-end 31<sup>st</sup> December, 2021 was the moderate business growth of the Express Insurance Ltd. The Company paid claim amounting to Tk.13.25 in 2021 which was 117.92% growth compare to the previous years. Re-insurance costs increased 37% on 2021 which was 184.57 Million on 2020. However, the costs of the re-insurance were increased, so the under writting profit decreased due to higher claim payment for the year 2021.

Non-life insurers recorded underwriting profits in almost all reporting jurisdictions in 2020 and 2021. Overall, insurers managed to improve underwriting profits in the non-life segment in most jurisdictions, benefitting from a decline in the loss ratios.

Overall, the growth of gross premiums written slowed down in the nonlife sector in 2021, despite a hardening market putting upward pressure on the pricing of some policies. Gross premiums increased by less than 1% in the non-life sector on average, contrasting with the average growth rates of 3.6% in the non-life sector recorded in 2020.

International Non-life insurers invested the most in bonds, mainly in government bonds and in Bangladesh, the investment was in FDR in Private Banks. Non-life insurers tended to hold more cash and deposits on average (14% of assets) than life insurers (9%). Non-life insurers largely hold liquid financial instruments to match their liability structure that has a shorter term. Non-life insurers also made investments in other types of instruments or vehicles.

The global economy is constructing a robust recovery from the COVID-19 jolt and the stance is affirmative. However, this cyclical retrieval is not a structural one. Economists forecasted global real economic growth of 5.6% in 2021, 4.1% in 2022 and 3.0% in 2023. The recovery will be uneven, with risks tilted to the downside. Supply-side shocks, including global supply chain issues, labour shortages and energy shortages, may persist, while monetary policy is becoming less accommodative. Inflation is the number one near-term macro risk and it was expected to be elevated for some time, stemming from the same supply-side factors that are constraining growth.

Bangladesh recovered a robust financial situation from the COVID-19 pandemic, but growth faces new headwinds as global commodity prices increased amid the uncertainty created by the war in Ukraine.

In Bangladesh, In the medium term, GDP growth is expected to remain strong. Headline inflation rose to 6.2 percent in February 2022, driven by a rise in both food and non-food prices. The war in Ukraine and associated sanctions may lead to a higher current account deficit and rising inflation as global commodity prices surge. Public debt remains sustainable, and the March 2022 joint World Bank-IMF Debt Sustainability Analysis assessed that Bangladesh remained at low risk of external and public debt distress.

Bangladesh and Bhutan. “Going forward, close monitoring of inflation and the potential impacts of the war in Ukraine will be important for the country’s sustainable and inclusive growth. The World Bank stands ready to help Bangladesh address structural reforms to support recovery and strengthen resilience to future shocks.”

The war and its impact on fuel prices can provide the region with much-needed impetus to reduce reliance on fuel imports and transition to a green, resilient and inclusive growth trajectory. The report recommends that countries steer away from inefficient fuel subsidies that tend to benefit wealthier households and deplete public resources. South Asian countries should also move towards a greener economy by gradually introducing taxation that puts tariffs on products which cause environmental damage. Thus, the Global, National and Local Insurance Market needs to improve by means of sustainable growth which is also similar strategy in similar situation of the Express Insurance Ltd to sustain first than of making profit aggressively.

The Directors Report in the page no. 29 to 38 will explain more about the financial performance and business growth of the Express Insurance Limited. My intention to express the future plan of the Express Insurance Limited in coming years i.e. continuing the sustainable growth and improve the organization structure and cope with global economy so that the long term strength of the Company will be stable in all aspects.

I hope, the stakeholders of the Express Insurance Limited will Co-operate and continue their support to reach the goal of the Express Insurance Limited to get the long term sustainable non-life insurance Company in Bangladesh which will be strong enough in structure to fight and sustain against the macro economic turmoil in any situation. The efficiency will increase and existing missing gap will be reduced and human resource will be the service hub of the Company.

In this occasion, I recall my clients and shareholders for their enormous support and faith on us. I would like to thank to all non-life insurance companies' management for maintaining the regulations and eliminating the so called excess commission from the non-life insurance industry in Bangladesh. Thanks to the Regulators i.e. Dhaka Stock Exchanges, Chittagong Stock Exchange, BAPLC, NBR, FRC, BSEC, IDRA, Sadharan Bima Corporation, Government bodies and stakeholders for their continuous co-operation and support. Special thanks to the respected Board members and sub-committee members for their contribution and advice throughout the year. Special thanks to the Management and staff of the Company who creates the Brand of the Express Insurance limited and I hope, the Express will continue expressively and it will become a Brand in the Non-Life Insurance Sector in Bangladesh in the coming days.

Thank you all.



**(Syed Al Farooque)**  
Chairman

# MESSAGE FROM THE MANAGING DIRECTOR & CEO





*Bismillahir Rahmanir Rahim*

*Dear Shareholders*

Assalamualaikum. It gives me immense pleasure to warmly welcome you all at the 22<sup>nd</sup> Annual General Meeting of the Company. I would like to take the opportunity to express my sincere thanks and appreciation for your active participation, continuous support and co-operation.

You will find the performance of the Company in the attached Directors' Report and Auditors' Report together with the Annual Accounts for the year ended 31<sup>st</sup> December 2021.

It is well known to you all that there are 46 Non-Life Insurance Companies in the small economy of Bangladesh. As a result, there always exists stiff competition among the companies. In one hand, size of the Insurance market is still limited on the other hand properties of public & private sector are uninsurable. Diversification of insurance products are negligible. Lack of right professional is also another barrier for development in insurance sector. From the very beginning of the Insurance Development and Regulatory Authority (IDRA), It has been trying to bring discipline and good Corporate Governance and being compliant of the insurance Company. However, we are becoming hopeful due to the recent drives taken by the Insurance Development and Regulatory Authority (IDRA) from mid-2019 for regulation & monitorization of the Insurance sector of the Country. The positive impact of the drive is already evident in the insurance sector and we are becoming optimistic that in near future the Insurance sector will be a good contributor in the GDP of the Country.

In fine, I sincerely thank to our Hon'ble Charimen, Board of Directors, Executive Committee, Claim Committee, Audit Committee and Directors for their unstinted support and co-operation in managing the Operation of the Company.

I sincerely recognise the contribution of the employees of the Company and without their hard work, sincerity and devotion, the Company does not make any progress at all. I hope, their unstinted support would continue in the days ahead too.

I would also like to express my heartfelt gratitude to our valued clients for their continuous support, trust and confidence which inspired us to go ahead towards success.

I would like to place our record the excellent co-operation and support of Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) including stakeholders of the Company.

With best Regards



**(Md. Anwar Hossain)**

Managing Director & CEO (C.C)

# DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders

*Assalamu Alaikum.*

As communities everywhere accept and adjust changing their ways of living, 2021 is proving to be a year of transition. Around the world, the deployment of COVID-19 vaccination programmes met with diverse challenges; but, they have also brought a sense of renewed hope. We are cautiously optimistic that, with a wider roll-out of vaccines and new therapeutics, severity of illness will reduce further, health systems cope better, mortality rates significantly improve and ultimately, the worst effects of the pandemic will be curtailed.

It gives me a great pleasure to welcome you to the 22<sup>nd</sup> Annual General Meeting of the Express Insurance Limited; on behalf of the Board of Directors of the Company and on my behalf, I am pleased to present the Annual Report of the Directors for the year that ended in December 31, 2021 along with the Audited Accounts containing Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Revenue Accounts, and other relevant Financial Statements for the year 2021 for your information, consideration and approval. The reports of the Board of Directors of the Company be and is hereby approved by the Board of Directors' meeting no. 288<sup>th</sup> held on 15<sup>th</sup> June 2022.

Pursuant to the Section 184 of the Companies Act 1994, Rule no. 12 (and the schedule there under) of the Bangladesh Securities and Exchange (BSEC) Rules 1987 including code no. 5 of the Corporate Governance Code 2020 issued by the BSEC, IAS-1 and referring to section 76 of Insurance Act, 2010 and other related sections, subsections, rules and regulations in this purpose pursued accordingly to prepare, approve and submit the Directors' Report before the respected shareholders of the company for their perusal and approval. The Annual Report of the Directors containing the Audited Financial Statements are already submitted before the shareholders for their perusal.

At the very beginning of this report stated the global economic position which narrowed down to Bangladesh economy and later concentrated to the analysis of Insurance sector in Bangladesh that finally compared with the position of the Express Insurance Ltd.

In summary, the global economic output is projected weaker which will affect the national economy. However, the COVID-19 fear almost at the end, the unrest in the Russo-Ukrainian War and forecasted political instability between China-Taiwan will not only create negative impact of the world economy but also have a chance of making promiscuous economy in the globe. The entire Europe is in problem of Oil, Gas and subsequent environment; Europeans are thinking of cost cutting in every aspects of the life to cope with the demand and supply chain of the transaction. Products price became higher and consumers are cutting their purchase power. This global tension transferred from Europe to south Asia; The year 2022 and afterwards, international politics will hamper the economic development and sustainability will be the only solution.

However, insurance industry in Bangladesh showing somewhat growth in business, Contribution of the Insurance Industry in the GDP will be lower compare to earlier years. Revenue earning of Express Insurance limited in 2021 has shown steady growth; however, Directors took strategy to keep sustaining the business in 2022 instead of playing aggressive role.

## Global Economy

The world is paying a heavy price for Russia's war in Ukraine. It is a humanitarian disaster, killing thousands and forcing millions from their homes. The war has also triggered a cost-of-living crisis,

affecting people worldwide. When coupled with China's zero-COVID policy, the war has set the global economy on a course of slower growth and rising inflation - a situation not seen since the 1970s. Rising inflation, largely driven by steep increases in the price of energy and food, is causing hardship for low-income people and raising serious food security risks in the world's poorest economies.

Global GDP growth is now projected to slow sharply this year, to around 3%, and remain at a similar pace in 2023. This is well below the pace of recovery projected last December. Growth is set to be markedly weaker than expected in almost all economies. Many of the hardest-hit countries are in Europe, which is highly exposed to the war through energy imports and refugee flows. Countries worldwide are being hit by higher commodity prices, which add to inflationary pressures and curb real incomes and spending, further dampening the recovery. This growth slowdown is a price of war which will be paid through lower incomes and fewer job opportunities. Global Economy is facing the following problems which will affect the national economy of Bangladesh as well:

- The war is slowing the economic recovery;
- Inflationary pressures have intensified and;
- The cost of living crisis will cause hardship and risks famine.

This Supplement revises the growth forecasts for developing Asia from 5.2% to 4.6% for 2022 and from 5.3% to 5.2% for 2023, reflecting worsened economic prospects because of COVID-19 lockdowns in the People's Republic of China (PRC), more aggressive monetary tightening in advanced economies, and fallout from Russia's protracted invasion of Ukraine.

The inflation forecast for developing Asia is revised up, from 3.7% to 4.2% for 2022 and from 3.1% to 3.5% for 2023, amid higher fuel and food prices. Inflation pressures in the region are, however, less than elsewhere in the world.

### **Bangladesh Economy**

Risks to the region's economic outlook remain elevated, and mainly associated with external factors. A substantial slowdown in global growth could adversely affect exports, manufacturing activity and employment prospects, and cause turbulence in financial markets in Bangladesh. The Gross Domestic Product (GDP) in Bangladesh was worth 416.26 billion US dollars in 2021, according to official data from the World Bank. The GDP value of Bangladesh represents 0.02 percent of the world economy. The World Bank has projected that Bangladesh's GDP would grow by 6.7 per cent in Financial Year 2023, while the ADB expected the economy to expand by 7.1 percent. the inflation rate for Financial Year 2023 was projected at 5.5 per cent. When the budget for the current fiscal year was unveiled in June last 2022, the inflation goal was set at 5.3 per cent. It was later revised upwards to 5.7 per cent as prices went up for a combination of multiple factors. Inflation jumped to 6.17 per cent in February, the highest in 16 months, driven by soaring costs of foods. According to the government's projection, the size of the economy would be \$512 billion, or Tk 44,12,849 crore in Financial year 2023, while it was Tk 38,95,483 crore in Financial year 2022.

Foreign Exchange Reserve in Bangladesh was USD 41,826 million in June 2022 which has potential decreasing effect during 2023. Bangladesh has started talks with the International Monetary Fund about taking a loan of \$4-4.5 billion to shore up the precarious foreign currency reserves. Foreign currency reserves stood at \$41.7 billion, which is sufficient to cover about five months' import bill. Typically, the World Bank and the IMF prescribe an import cover of three months, but in times of economic uncertainty, they advise keeping sufficient reserves to meet 8-9 months' imports. After payment to the Asian Clearing Union -- the system through which payments for trade made with Bhutan, Iran, India, Nepal, Maldives, Nepal,

Pakistan and Sri Lanka are settled -- Bangladesh's foreign currency reserves may drop to less than \$40 billion, meaning the import cover will be even thinner. Going forward, even though imports are slowly contracting, the elevated inflation levels around the world mean the odds of a slowdown in both remittance inflows and export orders, two sources of foreign currency for Bangladesh, are high.

The government announced that it hiked fuel prices by up to 51.7%. Now petrol prices are Tk 130, up by Tk 44 or almost 52%. more than a 51 per cent rise in fuel oil means a big jump in expenditure. Small and medium-sized factories are the worst-sufferers of such a sharp hike. And it may take two months for international buyers to realize the impact of the fuel cost hike before adjusting the prices of export-oriented goods like the overall cost of production will climb by 12 -15 per cent. The impacts will be huge. The rise in transport costs will push up both export and import costs. Average inflation surged to a seven-year high of 6.15 per cent in 2021-22, whereas the wage growth declined to a seven-year low of 6.06 per cent in the last fiscal year.

Bangladesh's central bank has announced new letter of credit (LC) requirements for local banks, amid rising concern over the impact of ballooning import costs on the Asian nation's foreign exchange reserves.

In a circular issued on July 28, Bangladesh Bank instructed financial institutions to provide a minimum of 24 hours' notice when opening LCs for import transactions worth US\$3mn or more, building on a previous rule announced in mid-July. It affects the Marine Insurance Market in Bangladesh. Due to higher living cost and increasing cost of USD, the LC is decreasing which decreased the Marine Insurance Business.

#### **Industry outlook and possible future Developments:**

The insurance industry rebounded strongly in 2021 after getting hit by the coronavirus pandemic thanks to the contraction of excessive commission to agents and digitization of services. Total gross premium of life and non-life insurance grew 8.45 per cent year-on-year to Tk 14,392 crore in 2021, according to the Insurance Development and Regulatory Authority (IDRA). In 2019, life and non-life insurance total gross premium was Tk 13,389 crore. On the other hand, it decreased in 2020 at Tk 13,271 crore. In addition, it grew in 2021 and turned into Tk 14,392 crore. According to the business standard and insurance information institute, in 2020 the insurance industry contributes only 0.4 per cent to Bangladesh's growing gross domestic product (GDP). There are 33 life insurance and 46 non-life insurance companies active in the country. Of them, 52 are listed with the stock market. Bangladesh insurance market is in unpredictable upward revenue trend despite the low penetration rate and unsafe underwriting profit condition. It has potentialities to growth and advancement as opined by the insurance experts from home and abroad. Quite often the insurance professionals of the country require insurance information associated with Bangladesh insurance market, however, the information are not available in the market during the analysis. Lack of proper research is as extreme as insurance sector is neglected by the public and officials of Bangladesh. However, the desks of IDRA and BIA officials published very basic yearly report on insurance data; those are as late as not workable during the research hour. The lack of information affects to setting up short term objective of the Company. Shareholders wealth maximization is a challenge for all insurance companies. This existing missing process is increasing day after day. But the scope of the Non-life insurance sector has less focused to the government and private counterpart.

However, we see more effective results from our future prospects. Government and World Bank have possibility to sign an agreement to automate the Insurance Industry and its policy and accounts so that every information and financial figure will be possible to identify. Commission problem will automatically be reduced. Express Insurance Ltd is concentrating based on those prospects, focused on long term plan rather than short term survivable mechanism.



Non-Life Insurance businesses are compulsory in some sectors and this sector has no more motivated sector other than traditional compulsory insurance business. It was noted that most of the Non-Life Insurance Companies in Bangladesh has less profit in the underwriting department but the profit enhanced by the other income generating sector like investment income.

Non-Life Insurance industry revenue in Bangladesh was 1,43,920 million in 2021 which was 1,32,710 million in 2020 and 4.45% business growth was compare during 2021 and 2020. However, the market forecast in 2021 is not possible due to lack of market data. We assume that the year 2021 will be more profitable compare to 2020 due to elimination of excess commission from the middle of the year 2021. But, in reality, we have loose attractive business because Express Insurance were strictly followed the agent commission limitations. As a result, revenue losses were the destiny.

**Business Highlights:** The gross premium income of 2021 stood at Tk. 614.08 Million while the net premium income of the Express Insurance Limited was Tk. 361.95 Million. However, Gross premium income increased by 10.74% but the underwriting profit decreased by 1.84% in 2021. The underwriting profit was Tk. 79.45 Million in 2021. The management has taken steps to increase more net premium income in the following year. New marketing peoples have been recruited and new motivation package has also been declared for increasing the premium income. Company has plan to recruit more professional human resource to cope with the current economy and compliance matter. Operational efficiency will reduce the costs of the Company.

#### Segment-wise or product-wise performance: Table of the Statistics

*Taka In Million*

Particulars	Fire	Marine	Motor	Misc.	2020	2021	% of increase
Gross Premium Income	257.51	212.52	71.15	72.89	554.52	614.08	10.74%
Re-insurance Ceded	134.96	52.89	0.19	64.09	184.57	252.13	
Net Premium Income	122.56	159.64	70.96	8.81	369.95	361.95	(2.16%)
Total Claim paid	76.49	42.31	11.06	2.68	60.75	132.54	
Agency Commission	8.98	11.71	2.73	0.50	83.21	23.91	
Management Expenses	81.69	64.37	22.83	9.30	153.43	178.17	
Reserve for unexpired Risk	49.02	65.69	28.38	3.52	148.82	146.62	
Underwriting Profit/(Loss)	(36.11)	76.63	32.33	6.61	80.94	79.46	(1.82%)

#### Fire Insurance Business

Fire insurance business is most hazardous and risky business in non-life insurance sector. Huge amount premium is ceded for re-insurance protection. As a result, it is very tough to earn an underwriting profit from fire insurance business.

The Company wrote fire insurance business with a gross premium income of Tk. 257.51 million in 2021 against Tk.203.49 million in 2020. After ceding of the re-insurance premium, the net premium earned from fire insurance business stood at Tk. 122.55 million. The Company earned an underwriting loss of Tk.36.11 million from its fire insurance business in 2021.

### Marine Insurance Business

The gross premium income from marine insurance business decreased to Tk. 212.52 million in 2021 from Tk. 248.16 million in 2020, yielding a net premium of Tk. 159.63 million, after re-insurance cession. The Company earned an underwriting profit of Tk. 76.63 million against Tk. 45.45 million in 2020.

### Motor Insurance Business

In Motor, the gross premium income was slightly increased to Tk. 71.15 million from Tk. 61.98 million in 2020. After ceding of the re-insurance premium, the net premium of the Motor Department amounted to Tk 70.95 million. The Company earned underwriting profit from Motor insurance business Tk. 32.33 million as against Tk. 36.57 in 2020.

### Miscellaneous Insurance Business:

Premium income from miscellaneous insurance business increased to Tk 72.90 million against Tk. 40.89 in 2020. Express Insurance earned a profit of Tk. 66.07 million during the year under review.

### Investment Income

In spite of adverse effect of investment of share and decrease in the rate of interest of FDR, Express Insurance Ltd earned a net profit before tax of Tk. 154.02 Million in 2021 while it was Tk. 103.39 million in 2020. Investment income in the FDR is risk free. Express Insurance Limited invested more in the FDR and Investment in Government Bond is an obligation by the rules of IDRA. Investment in Shares and Mutual Funds helped balancing the capital market. It also helps making bigger basket/portfolio of investment.

### Comparison of investment income and profit:

Over all Result	2021	2020
Underwriting Profit / (Loss)	79.45	80.94
Interest & Revenue	69.70	40.12
Gain/(Loss) on sale of share	30.80	2.07
Total Investment Income	100.05	42.19
Profit before Tax	154.02	103.39
Provision for Tax	25.37	10.95
Reserved for Exceptional Loss	61.41	55.45
Dividend 10% in Cash	10%	7%

The investment of the Express Insurance limited stood at Tk. 1294.99 Million at the end of 2021, after adjustment of cumulative loss of investment in shares of previous years. The head wise investment figures are listed below:

### Investment position of the Express Insurance Limited

Sl. No.	Particulars	2021	2020
01.	National Investment Bond	4,50,00,000	4,50,00,000
02.	Bank Balance with Fixed Deposit	1,08,87,05,668	94,60,31,442
03.	Investment in Shares & Mutual fund	16,12,80,137	9,71,63,703
	<b>Total Investment</b>	<b>1,29,49,85,805</b>	<b>1,08,81,95,145</b>

As per section 23 of the Insurance Act, 2010 and “Schedule I” every non-life insurance company had to maintain a mandatory deposit of Tk.25.00 million as statutory deposit in the Bangladesh Government Treasury Bond (BGTB).

Total investment of the company comprising of investment in shares, BGTB and FDRs stood at Tk. 1294.99 million against Tk.1088.19 million in 2020. Like previous years, investment in shares has been stated at fair value as per Bangladesh Financial Reporting Standard-9.

### **Key Operating and Financial Data**

In compliance with the direction no. 5 of Circular No.Bi:U:Ni:Ka/GAD/1003/2011-554 dated 24 April 2014 of the Insurance Development and Regulatory Authority (IDRA); we confirm that total expenses relating to usage and maintenance of Company's vehicles in 2021 was in compliance.

The total number of vehicles was 30 in 2021 against 26 in 2020. Total cost of vehicle as at 31 December 2021 was Tk. 42.75 million against Tk. 26.03 million in 2020.

### **Dividend**

From the retained earnings of 2021, the Board of Directors recommend 10% cash dividend for its shareholders for the year 2021. Board thinks that the year 2022 will be more reserve for dividend and liquid asset will be higher in comparison with last 5 years.

### **Cash Flow from Operating Activities**

In 2021 the operating cash flow was Tk. 206.90 million against Tk. 234.03 million in 2020. In 2021, Express Insurance could underwrite around 59.56 million higher premium over 2020 but due to higher Claim payment ratio of operating cash flow decreased.

### **Assets**

The assets of the company increased to Tk.1976.77 in 2021 million from Tk.1708.84 million in 2020. The value of the assets increased mainly due to increase in investment in shares and overall growth of company's insurance business.

### **Reserves**

The Company kept provision for exceptional loss reserve of Tk.61.41million for the year 2021 against Tk.55.45 million in 2020 and the total reserve for exceptional losses of the company stood at Tk.309.45 million against Tk.248.05 million in 2020.

Transferring Tk. 5.00 million to the general reserve fund has been increased to Tk.7.50 million in the year under review from Tk. 2.50 million in 2020.

### **Internal and External Risk Factors:**

Excess commission involved in the non-life insurance sector in Bangladesh is the only key external risk factor to Express Insurance Ltd for which Express Insurance Ltd overlooked lots of underwriting business which results poor underwriting profit for the year 2021. We have no such internal risk because we have quality manpower, experienced Management and Prudent Board compare to the market. Our future prospect will be assisting regulator to eliminate excess agents' commission and inspiring insured about the consequences of non-compliance with agent allowable commission.

Excess commission involved in the insurance market in the first 7 months of the year 2021, later on most of the Company avail the 14.25% agent commission; however, many are the most and some of the worst indicators switched the revenue business from one to other. Therefore, assisting regulator towards eliminating excess commission was one of the most important tasks to set up the future prospect of the Company.

### Prospects For 2022:

Express Insurance is more focused on underwriting income and different strategy will be implemented to attract the institutional buyer of the insurance product. The Company will disclose the ins and out of the insurance business related to expense and profit so that clients will not think about receiving excess commission but focus on potential risk covering strategy. To train the insured's and delivering the information related to non-life insurance business through seminar and focus group discussion may be the revenue earning mechanism.

Express Insurance Ltd is focusing on revenue earning from quality business and therefore, it has planned to recruit number of more qualified Marketing Executives in 2022 to ensure high volume of quality insurance business.

Express Insurance Ltd continuously informing clients about the benefits of insurance and information related to IDRA circular and regulatory changes as and when required. Updating clients through regular communication has no such alternatives of promotional campaign. Based on these initiatives, Express Insurance Ltd has conducted digital insurance marketing via Face-book page and regularly communicating to the clients through telecommunication and sms services. Digital marketing activities reduced time and cost of the marketing Department which enhances brand loyalty of the Company. Clients are becoming educated on insurance matters and sooner they will feel comfortable attaining insurance policy subscription.

Providing smart card to the insured against the motor insurance policy is another development of the company products towards implementing paperless user-friendly instrument during travelling of the insured.

### Auditors

Pursuant to the Section 210 of the Companies Act 1994, the Company's statutory auditors M/s. K.M.Hasan & Co, Chartered Accountants will retire and being eligible for re-appointment, they have applied to conduct the audit for the year 2022. Board in its 288th meeting recommended the appointment of the same audit firm to conduct the audit of the Company subject to the approval of the shareholder in the ensuing Annual General Meeting after completion of due process and formalities.

There are other four shareholders who applied to become the Board of Director of Express Insurance Ltd subject to the results of the election.

SL#	Name of Directors retired and applied for re-elected	Position on the Board
1	Mr. Latiful Bari	Vice-Chairman
2	Mr. Amir Hamza Sarker	Director
3	Mr. Khalilur Rahman Choudhury	Director
4	Mrs. Yasmin Ferdous	Director

### Independent Directors:

As per section 76 of the Insurance Act, 2010 an insurance company shall have two independent directors on the Board and accordingly we have following independent directors:

1. Mr. Feroz Ahmed
2. Mr. Siddique Hossain Choudhury

## Board Meeting

During the year, 12 Board Meetings were held. The attendance of the Directors is shown in Corporate Governance Chapter. Statement of remuneration paid to the directors including independent directors;

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;

This report has significance in compliance with the chapter regarding Balance Sheet, Statements, Books etc. from section 181 to 191 i.e. a statement that proper books of account of the issuer company have been maintained as per Companies Act 1994. The annual report of the Company has stated 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; 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. The statement that the system of internal control is sound in design and has been effectively implemented and monitored; 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; 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;

Significant deviations from the last year are operating results and current years are highlighted below:

<i>Taka In Million</i>			
Particulars	2020	2021	% of increase
Gross Premium Income	554.52	614.08	10.74%
Re-insurance Ceded	184.57	252.13	
Net Premium Income	369.95	361.95	(2.16%)
Total Claim paid	60.75	132.54	
Agency Commission	83.21	23.91	
Management Expenses	153.43	178.17	
Reserve for unexpired Risk	148.82	146.62	
Underwriting Profit/(Loss)	80.94	79.46	(1.82%)



A statement where key operating and financial data of last 5 (five) years are given below :

## 5 (Five) Years Financial Data

S.L No	Particulars	Year / Figure in Million				
		2017	2018	2019	2020	2021
01	Gross Premium Income	400.66	408.89	489.79	554.52	614.08
02	Net Premium Income	252.29	243.72	300.59	369.95	361.95
03	Gross Claim	56.38	96.07	84.46	60.75	132.53
04	Under Writing Profit	41.01	55.23	73.30	80.94	79.45
05	Investment Income	33.93	38.15	32.30	42.19	100.05
06	Profit before tax	70.24	76.81	77.13	103.39	154.02
07	Profit after tax	46.77	43.84	51.40	92.44	128.66
08	Paid up Capital	391.18	391.18	391.18	651.97	651.97
09	Share holders equity	743.01	732.25	705.69	1011.64	1114.33
10	Total Reserves	265.80	253.57	271.95	328.31	393.16
11	Total Assets	1087.25	1107.88	1190.31	1708.84	1976.77
12	Total Investment	611.04	596.79	635.28	1088.19	1294.99
13	Fixed Assets (Land & Building)	132.79	130.14	127.54	124.98	122.48
14	Earning Per share (EPS) Tk.	1.20	1.12	1.31	1.64	1.85
15	% of Dividend (Cash)	10%	10%	-	7%	10%

The total number of Board meetings held during the year 2021 was 12 and attendance of the Board of Directors were satisfactory.

All over the year the shareholding position of the sponsors and Directors of the Company was in an increased fashion. Public and institutions shareholding position was also deviated much during the period. Significant shareholding position and it's pattern of the share holding has given in the page number 83 of this report.

Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children's share holding position also disclosed in the same page.

"Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance and their remuneration was fixed by the Remuneration committee and approved by the Board of Directors of the Company.

All the Directors of the Company are highly qualified entrepreneur. They are managing different organizations and their profile has been given in the Directors Profile Chapter along with their expertise.

Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof have given in the interpretation of the annual accounts chapter for the better understanding of the shareholders.

The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Corporate Governance Code Pursuant to the clause 5 of the SEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 3 June 2020 August 2012. Report of the audit committee, nomination & remuneration committee & code of conduct of the NRC presented in the page no 52 to 55 respectively.

Accordingly, the Directors are pleased to confirm the following:

(a) The financial statements together with notes thereon have been prepared in conformity with the Companies Act, 1994, Insurance Act, 2010 and in some applicable cases Insurance Act, 1938 and Securities & Exchange Commission Rules, 1987.

These statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

(b) Proper books of account of the company have been maintained.

(c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

(d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.

(e) The system of internal control is sound in design and has been effectively implemented and monitored.

(f) There are no significant doubts about the company's ability to continue as a going concern.

(g) The company earned 10.74% higher gross premium than last year impacting positively on operating cash flows.

The pattern of shareholding is shown in Corporate Governance Chapter.

### Acknowledgement

We gratefully acknowledge the trust of the shareholders of the Company including our clients for their brand loyalty. We deeply value the generous and complete support and cooperation of our business partners and we assure them that it will be our constant effort to prove worthy of the trust they have reposed on us. We also sincerely appreciate the help and cooperation that we have received from the relevant Ministries, SadharanBima Corporation and its staff, our overseas re-insurers and their brokers, Bangladesh Bank and scheduled banks, financial institutions, Local and Foreign Chamber Bodies, the Institute of Chartered Accountants of Bangladesh (ICAB), the Institute of Chartered Secretaries of Bangladesh (ICSB), the Institute of Cost and Management Accountants (ICMAB), South Asian Federation of Accountants (SAFA), Registrar of Joint Stock Companies and Firms, Central Depository Bangladesh Ltd, Bangladesh Association of Public Listed Companies (BAPLC), Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd and Bangladesh Securities & Exchange Commission (BSEC). The Chairman and Members of Insurance Development and Regulatory Authority (IDRA) and its staff have always been very helpful and their advice and guidance have made it possible for us to run the affairs of the Company smoothly. We would like to express our sincere thanks for extending their helpful hands.

We are proud of the solid loyalty and commitment of our staff, whose drive, enthusiasm and agility have helped the Company to reach its present position.

For The Board of Directors



(Syed Al Farooque)

Chairman

**Annexure-B**

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

**Report to the Shareholders of Express Insurance Limited on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Express Insurance Limited for the year ended on 31<sup>st</sup> December 2021. 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 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.

**For Podder & Associates**

Jayanta Kumer Podder  
Cost & Management Accountants

Place: Dhaka  
Dated: 7th August, 2022



**Express Insurance Limited**  
Status of Compliance with the Corporate Governance Guideline (CGC)  
For the year ended December 31, 2021

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:  
(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
<b>1</b>	<b>Board of Directors.-</b>			
1(1)	<b>Size of the Board of Directors</b>			
	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).	✓	–	The Boards of Directors are comprised of Thirteen (14) Directors Including Managing Director.
1(2)	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	–	–	There are Two (02) Independent Directors. According to Insurance Act, 2010 Sec.76, Maximum number of ID's shall be 2 (Two) in the insurance company.
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;	✓	–	Do not hold any share of the company.
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓	–	The Independent Directors have declared their compliances.
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 an independent director in more than 5 (five) listed companies;	✓	–	–
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓	–	–
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 of directors 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.	✓	–	–
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) term only.	✓	–	–



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(3)	<b>Qualification of Independent Director.-</b>			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	✓	—	—
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	—	—	N/A
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	—	—	N/A
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, 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(s) 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 issue arose
1(4)	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	—	—
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	—	—
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	—	—
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive officer;	✓	—	—
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	—	No such incident arose yet
1(5)	<b>The Directors' Report to the Shareholders</b>			
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 issue arose
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 through any others instruments;	✓	—	—
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;	✓	—	—
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	—	—	No such matter arose





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	—	No remuneration paid to any 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 going concern, if the issuer company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	✓	—	—
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	—	No such matter to explain
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 Board of Directors has recommended 10% cash dividend for the year ended on December 31, 2021.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	—	—	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	—	—
1(5)(xxiii)	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 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);	—	—	No shareholder holds 10% or more share of the company
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;	✓	—	—
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓	—	—
1(5)(xxv)	A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in 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;	✓	—	—



Condition No.	Title	Compliance Status (Put v in the appropriate column)		Remarks (if any)
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 <b>Annexure-A</b> 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 <b>Annexure-B</b> and <b>Annexure-C</b> .	✓	–	–
1(6)	<b>Meetings of the Board of Directors</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	–	–
1(7)	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), at condition No.6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	–	–
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓	–	–
2	<b>Governance of Board of Directors of Subsidiary Company:-</b> <b>SIL does not have any Subsidiary Company</b>			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	–	–	N/A
2(b)	At least 1 (one) independent director of 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.	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	–	–
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	–	–
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	–	–
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	–	–
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	–	–





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
3(2)	Requirement to attend Board of Director's Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:		-	
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	-	
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its member;	✓	-	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	Disclosed in the Annual Report
4.	Board of Director's 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;	✓	-	Audit Committee (AC) is comprised of 9 (Nine) members including 02 (Two) Independent Directors
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	-	All the AC members are non-executive Directors including 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 members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	-	
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.	✓	-	



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
5(3)	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	—	
5(3)(b)	In the absence of the 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): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓	—	
5(4)	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	—	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	—	
5(5)	<b>Role of Audit Committee shall:-</b>			
5(5)(a)	Oversee the financial reporting process;	✓	—	—
5(5)(b)	monitor choice of accounting policies and principles;	✓	—	
5(5)(c)	monitor Internal Audit and Compliance process 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 statutory auditors.	✓	—	
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	—	
5(5)(m)	oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission;	✓	—	
5(6)	<b>Reporting of the Audit Committee</b>			
5(6)(a)	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	—	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-	—	—	
5(6)(a)(ii)(a)	report on conflicts of interests;	—	—	No such Incidence arose
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 Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	—	—	No such Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	—	—	No such Incidence arose





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
5(6)(b)	<b>Reporting to the Authorities:-</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable incidence arose
5(7)	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 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 reportable incidence arose
6.	<b>Nomination and remuneration Committee(NRC).-</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	-	
6(2)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	NRC is comprised of 03 ( four) members including an Independent Director
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	-	All the NRC members are non-executive Directors including an Independent Director
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	The NRC members are duly 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;	-	-	No such case arose
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;	-	-	No such occurrence during the year
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)	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓	-	





Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	—	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	—	—	No such case arose after formation of 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.	✓	—	
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	—	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	—	
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	—	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	—	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	—	
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	—	
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	—	
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	—	
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓	—	
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓	—	
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓	—	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	—	
<b>7.</b>	<b>External or Statutory Auditors</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely :--			
7(1) (i)	appraisal or valuation services or fairness opinions;	✓	—	
7(1) (ii)	financial information system design and implementation;	✓	—	
7(1) (iii)	book-keeping or other services related to the accounting records or financial statements;	✓	—	
7(1) (iv)	broker-dealer services;	✓	—	
7(1) (v)	actuarial services;	✓	—	
7(1) (vi)	internal audit services or special audit services	✓	—	
7(1) (vii)	any 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);	✓	—	
7(1) (ix)	any other service that creates conflict of interest	✓	—	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	✓	—	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	—	



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
8.	<b>Maintaining a website by the Company.-</b>			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	—	
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 regulations of the concerned stock exchange(s)	✓	—	
9.	<b>Reporting and Compliance of Corporate Governance.-</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	—	Required certification has been obtained from "PODDER & ASSOCIATES" Cost & Management Accountants for the year ended 31st December 2021
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	✓	—	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	—	



# Audit Committee Report

Express Insurance Limited formed an Audit Committee since inception of the Company. With the appointment of Mr. Feroz Ahmed as the Independent Director, he was elected as the Chairman of the Audit Committee. Presently Audit Committee of the Company has been constituted with 8 member of which two is Independent Directors and others are nominated directors of the Board.

## Chairperson of the Audit Committee

- Mr. Feroz Ahmed Independent Director is the Chairperson of the audit committee.
- In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting.
- Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).

**Secretary of the committee:** The Company Secretary act as the secretary of the committee.

## Meeting of the Audit Committee

The Audit Committee shall conduct at least its four meetings in a financial year, provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee.

## Roles and responsibilities of Audit Committee:

The Jurisdiction of the Audit Committee include the following matters:

- Oversee the financial reporting process.
- Monitor the accounting policies and principles.
- Monitor Internal Control and Risk Management process.
- Oversee of external auditors and their functions.
- Scrutinize the annual financial statements before submission to the board for approval.
- Scrutinize the quarterly and half yearly financial statements before submission to the board for approval.
- Determine the adequacy of internal audit functions.
- Review statements of party transactions submitted by the management.
- Review of appropriateness and or weaknesses in management letters/letters of internal control as detected by statutory auditors.

## Reporting of the Audit Committee :

The Committee did not find any issue in the following areas, which needed to be reported to the Board:

- Report on conflicts of interests;
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit or compliance process or in the financial statements;
- Suspected infringement of laws, regulatory compliances including securities related laws, rules, and regulations;

On behalf of the Audit Committee



**(Feroz Ahmed)**

Chairman

Audit Committee

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

In compliance with the Corporate Governance Code 2018, Express Insurance Limited constituted the Nomination and Remuneration Committee. At present the committee consists of 4 members, including one Independent Director & he is the Chairman of the committee. Rest are the nominated Directors.

### Chairman of the Committee :

Mr. Siddique Hossain Choudhury is the Chairman of the Nomination & Remuneration Committee.

### Secretary of the Committee:

Company Secretary Act. as the secretary of the Committee.

### Meeting of the Committee :

The Nomination & Remuneration Committee shall conduct at least one meeting in the year.

- The Chairman of the Nomination & Remuneration Committee may convene any emergency meeting upon request by any member of the Nomination & Remuneration Committee.

### Responsibilities and Role of NRC :

- a) The NRC 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.
- b) The NRC is independent and responsible or accountable to the Board and to the shareholders.
- c) The NRC oversee, among others, the following matters and make report with recommendation to the Board:
  - i) formulating the criteria for determining qualifications, positive attributes and independence of director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
    - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
    - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
  - ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
  - iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

- iv) formulating the criteria for evaluation of performance of independent directors and the Board;
- v) identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- vi) developing, recommending and reviewing annually the company's human resources and training policies;

During the year 2020 the Nomination & Remuneration Committee held one meeting. In the meeting the Nomination & Remuneration Committee reviewed & evaluated the qualification & experience of the Directors to be elected/re-elected in the ensuing Annual General Meeting & made recommendation for re-appointment of the retiring Directors.

On behalf of the Nomination & Remuneration Committee



**(Siddique Hossain Choudhury)**

Chairman

Nomination & Remuneration Committee





## **CODE OF CONDUCT OF NOMINATION AND REMUNERATION COMMITTEE**

### **1. Preface**

The Nomination and Remuneration Committee (NRC) is the sub-committee of the Board. The NRC constituted and governed by the Corporate Governance Code, 2018. The Nomination and Remuneration Policy governs the criteria for determining qualifications, positive attributes and independence of a Director and lays down the remuneration principles for Directors, Key Managerial Personnel and other employees.

### **2. Continuance**

In compliance with the condition no. 6(5)(b) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 the Board of Directors of Express Insurance Limited set following code of conduct of NRC committee.

### **3. Definitions**

- a. These policies may be called the Code of Conduct of Nomination and Remuneration Policy of the company.
- b. "Board" means the Board of Directors of the Company.
- c. "Director" means a Director appointed to the Board of a Company under the definition in Company Act, 1994.
- d. "Managing Director" shall have the meaning as defined in the Company Act, 1994.
- e. "Code of Conduct" or "this Code of Conduct" means the Nomination and Remuneration Policy of the Company.
- f. "Key/ Top level executive" means: - Top level executive includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the company.

### **4. Constitution of the NRC**

The NRC constituted and governed by the Corporate Governance Code, 2018.

- a. The Committee shall comprise of at least three members including an independent director or board may appoint any addition member for their requirements;
- b. All members of the Committee shall be non-executive directors;
- c. 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;
- d. The company secretary shall act as the secretary of the Committee;

- e. The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; (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.

f. Chairperson of the NRC

The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director. 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.

The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

## 5. Meeting of the NRC

The NRC shall conduct at least one meeting in a financial year and any the Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC. 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), the Corporate Governance Code, 2018. 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. Appointment and Removal

The members of the Committee shall be nominated and appointed by the Board of Directors of the company. The Board shall have authority to remove and appoint any member of the Committee. 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.

## 7. Role of the NRC

Role of the NRC are made with the Conformity of the Corporate Governance Code, 2018 issued by the BSEC and according the Board of Directors of the company, these are as follows:

- i. NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- ii. NRC shall oversee, among others, the following matters and make report with recommendation to the Board;
- iii. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
  - b. the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

- d. devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- e. identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- f. formulating the criteria for evaluation of performance of independent directors and the Board;
- g. identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
- iv. Analyzing, monitoring developing, recommending and reviewing annually the company's human resources and training policies;
- v. Determining whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors;
- vi. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market- related, usually consisting of a fixed and variable component;
- vii. Reviewing and approving compensation strategy from time to time in the context of the then-current country's market following applicable laws;
- viii. Performing such other activities as may be delegated by the Board and/or by any other competent regulatory authority.

## **8. Remuneration**

### **a. Remuneration of Executive Directors:**

NRC shall recommend to the Board, remuneration of Executive Directors subject to approval by the members and such other approvals, as may be necessary. While recommending remuneration, the NRC shall consider various factors such as qualifications, experience, expertise, position, leadership qualities, prevailing remuneration in the industry, volume of the Company's business and profits earned by it and the responsibilities shouldered by the director concerned. Directors shall be paid sitting fees for attending the meetings of the Board and its Committees. The Committee shall keep in mind the following criteria that the remuneration is aligned with market when compared to relevant peer companies and Understandable and valuable to the talent the Company wishes to attract, motivate, engage and retain.

### **b. Remuneration of Non-Executive Directors/ Independent Directors:**

- i. Sitting Fees for meeting: sitting fees shall be paid for attending meetings of the Board and its Committees, provided that the same shall not exceed the maximum amount provided by the
- ii. The Board may at its discretion revise the sitting fees payable to the Non- Executive/Independent Directors from time to time.

## **9. Remuneration for other Employees**

The Managing Director and/or Whole-time Director with the consent or empowered by the articles of the company shall jointly or severally, decide and approve and/or delegate authority, from time to time, to the Human Resource Department or such other official(s) of the Company, as they may deem fit

to decide and approve the terms and conditions of the employment including payment of remuneration of the employees other than Executive/Non- Executive Directors and Top Management Personnel (TMP) of the Company.

#### **10. Committee Members' Interest**

The Committee member(s) is/are not entitled to be present when his or her own remuneration package is discussed at a meeting or when his or her performance is being measured. The Committee may invite such personal/personnel, as it considers fit, to be present at the meetings of the Committee.

#### **11. Disclosure:**

This Policy, implementation and the evaluation criteria shall be disclosed in the Annual Report of the Company. Disclose any information/policy(s) subject to the commission's directives time to time.

#### **12. Review and Amendments**

The Board reserves the right to amend, modify or review this Policy in whole or in part, unilaterally at any time, as may be deemed necessary.



## OWNERSHIP STATUS

Sl. No	Name of Directors	No. of Shares	Spouse	Minor Children	Total	% of Share
<b>A. Directors</b>						
01	Mr. Syed Al Farooque	43,26,715	-	N/A	43,26,715	6.64
02	Mr. Latiful Bari	13,70,880	-	N/A	13,70,880	2.10
03	Mr. Amir Hamza Sarker	29,04,169	-	N/A	29,04,169	4.45
04	Mrs. Halima Harun	17,40,857	13,70,880	N/A	31,11,737	4.77
05	Mrs. Farida Razzaq	39,26,572	-	N/A	39,26,572	6.02
06	Mrs. Mahfuza Younus	13,70,880	28,66,954	N/A	42,37,834	6.50
07	Mr. Khalilur Rahman Choudhury	38,82,350	-	N/A	38,82,350	5.95
08	Mr. Md. Shamsur Rahman	31,11,736	-	N/A	31,11,736	4.77
09	Mrs. Marium Akhter	27,85,748	-	N/A	27,85,748	4.27
10	Mr. ABM Kaiser	33,28,982	9,97,776	N/A	43,26,758	6.64
11	Mrs. Yasmin Ferdous	18,00,000	18,00,630	-	36,00,630	5.52
12	Mr. Siddique Hossain Choudhury Independent Director	-	-	-	-	0.00
13	Mr. Feroz Ahmed Independent Director	-	-	-	-	0.00
<b>B. CEO, CS, CFO, Head of Internal Audit:</b>						
01	Managing Director & CEO	-	-	-	-	0.00
02	Company Secretary	-	-	-	-	0.00
03	Chief Financial Officer	-	-	-	-	0.00
04	Head of Internal Audit	-	-	-	-	0.00
<b>C. Executives: Top 5 salaried employees, other than CEO, CS, CFO &amp; Head of Internal Audit</b>						
01	Mr. Md. Bahar Uddin Choudhury Additional Managing Director	-	-	-	-	0.00
02	Mr. Md. Nejam Uddin Additional Managing Director	-	-	-	-	0.00
03	Mr. Ahsan Habib Deputy Managing Director	-	-	-	-	0.00
04	Mr. Md. Kabir Ahmed Khondaker Deputy Managing Director	-	-	-	-	0.00
05	Mr. Md. Hafizur Rahman Deputy Managing Director	-	-	-	-	0.00

- List of Shareholders holding ten percent (10%) or more voting interest in the Company : Nil



## Responsibilities of CEO and CFO

### DECLARATION BY CEO AND CFO

As per condition No. 1(5) (xxvi) of CGC

Annexure-III

The Board of Directors  
Express Insurance Limited  
Al-Razi Complex (9<sup>th</sup> & 10<sup>th</sup> floor), 166-167, Bijoynagar, Dhaka.

#### Sub: Declaration on Financial Statements for the year ended on December 31, 2021.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/admin/80 Dated-June 03, 2018, under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Express Insurance Limited for the year ended on December 31, 2021 have been prepared in compliance with international Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the company's state of affairs have been reasonable and fairly presented in its financial statements;
4. To ensure above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

In this regard, we also certify that: -

- i. We have reviewed the financial statements for the year ended on December 31, 2021 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements collectively present true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mohammed Anwar Hossain  
Chief Executive Officer (CC)



Md. Anwar Hossain  
Chief Financial Officer (CC)



**Independent Auditor's Report  
To the Shareholders of Express Insurance Limited  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Express Insurance Limited (the Company), which comprise the Statement of Financial Position (Balance Sheet) as at 31 December 2021, Profit and Loss Appropriation Account, the Statement of Profit or Loss and other Comprehensive Income (Profit and Loss Account), related consolidated and separate Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, 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 (as applicable), the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

**Basis for Opinion**

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

**Key Audit Matters**

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



Risk	Our response to the risk
	<ul style="list-style-type: none"> <li>• Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li> <li>• For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium.</li> <li>• Applying specialist judgment ensured if there is any impairment of the reinsurer.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act, 2010, Insurance Rules, 1958 (as applicable) and other applicable rules and regulations and regulatory guidelines.</li> </ul>
See note no. 24.1 to the financial statements	
<b>Investment in shares</b>	
<p>Express Insurance Limited made a number of investments in the listed companies. Income generated from the investments (realized gain and dividend received) is credited to the Profit &amp; Loss Account. Unrealized capital gain or loss, if any, is recognized in Profit &amp; Loss Account for the period in which it arises as per the policy of the Company.</p> <p>This item has significant impact on the earnings performance of the Company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the Company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the Company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> <li>• Obtained year-end share holding positions from the Company and through directional testing assessed the completeness of the report.</li> <li>• Ascertained the valuation of the holding.</li> <li>• Recalculated unrealized gain or loss at the year end.</li> <li>• Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period.</li> <li>• Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss.</li> <li>• Check the subsequent positioning of this unrealized amount after the year end.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, the Insurance Act, 2010, the Insurance Rules, 1958 (as applicable), other applicable rules and regulations and regulatory guidelines.</li> </ul>





Risk	Our response to the risk
See note no. 13 to the financial statements	
<b>IFRS 16 Leases</b>	
<p>IFRS 16 replaces the existing standard IAS 17 and specifies how an IFRS reporter will recognize, measure, present and discloses leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The implementation of IFRS 16 is considered a key audit matter due to the judgments needed in establishing the underlying key assumptions.</p>	<p>Our audit procedures included understanding management's IFRS 16 transition impact analysis approach. Specifically:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding and evaluated the group's implementation process, including the review of the updated accounting policy and policy elections in accordance with IFRS 16.</li> <li>• we assessed the design and implementation of the key controls relating to the determination of the IFRS 16 transition impact disclosure;</li> <li>• we assessed the discount rates used to calculate the lease obligation with support from our valuation specialists;</li> <li>• we assessed the accuracy of the lease data by testing the lease data captured by management for a sample of leases through the inspection of lease documentation; and</li> <li>• we tested the completeness of the lease data by reconciling the Group's existing lease commitments to the lease data underpinning the IFRS 16 model.</li> </ul> <p>The disclosure included within the Accounting Policies of the company of the transition impact of IFRS 16 is appropriate. We conclude the discount rates used by the Company to determine the IFRS 16 lease liability and the lease data underpinning the impact analysis reasonable.</p>
The Company's disclosures relating to IFRS 16 are included in the notes 10.05, 19 & policy note 2.16 of the financial statements.	
<b>Deferred Tax</b>	
<p>Company reported net deferred tax liability totaling Taka 23,285,276as at 31 December 2021.</p> <p>Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</li> <li>• We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense.</li> <li>• We tested the mathematical accuracy in calculation of deferred tax.</li> </ul>





Risk	Our response to the risk
	<ul style="list-style-type: none"> <li>• We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</li> <li>• We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</li> <li>• We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</li> <li>• We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation.</li> </ul> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.</p>
See note no. 11.0 to the financial statements	
<b>Estimated liability in respect of outstanding claims whether due or intimated and claim payment</b>	
<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.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> <li>• Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</li> <li>• Obtained a sample of claimed policy copy and cross check it with claim.</li> <li>• Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</li> <li>• Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</li> <li>• Reviewed the claim committee meeting minutes about decision about impending claims.</li> <li>• Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.</li> <li>• Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, the Insurance Act, 2010, the Insurance Rules, 1958 (as applicable), other applicable rules and regulations and regulatory guidelines.</li> </ul>
See note no. 8 to the financial statements	



## Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, the Insurance Act, 2010, the Insurance Rules, 1958 (as applicable), 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 including material effects of the COVID-19 pandemic and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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





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

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

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

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

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994, the Insurance Act, 2010, the Insurance Rules, 1958 (as applicable), the Securities and Exchange Rules, 1987 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 according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the Company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;



- e) The Statement of Financial Position (Balance Sheet), Profit and Loss Appropriation Account, Statement of Profit or Loss and other Comprehensive Income (Profit and Loss 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
- f) The expenditure was incurred for the purpose of the Company's business.

**Place: Dhaka**

Dated: 15 June 2022

  
**Md. Shahidul Islam FCA**  
Partner, Enroll. No.1758  
**K. M. HASAN & CO.**  
Chartered Accountants  
DVC No. 2206151758AS659350






**Express Insurance Limited**  
**Statement of Financial Position (Balance Sheet)**  
As at 31 December 2021

EQUITY AND LIABILITIES	Notes	2021		2020		PROPERTY AND ASSETS	Notes	2021		2020	
		Taka	Taka	Taka	Taka			Taka	Taka	Taka	Taka
Share capital	3.2	651,974,640	651,974,640	551,974,640	551,974,640	Investment	13	206,280,137	142,163,703	142,163,703	142,163,703
Reserve for exceptional losses	4	309,454,629	309,454,629	248,046,265	248,046,265	Interest accrued	14	18,631,682	18,662,624	18,662,624	18,662,624
Revaluation surplus/reserve	5	76,213,297	76,213,297	77,768,671	77,768,671	Amount due from other persons or bodies carrying on insurance business	15	107,618,136	95,911,371	95,911,371	95,911,371
General Reserve		7,500,000	7,500,000	2,500,000	2,500,000						
Profit and loss appropriation account		69,188,690	69,188,690	31,348,544	31,348,544						
<b>Total equity</b>		<b>1,114,331,256</b>	<b>1,114,331,256</b>	<b>1,011,638,120</b>	<b>1,011,638,120</b>						
Balance of funds and accounts:						Sundry debtors (including advances, deposits and prepayment)	16	350,584,766	322,246,462	322,246,462	322,246,462
Workers Profit Participation Fund (WPPF)	6	146,619,657	146,619,657	148,819,635	148,819,635	Cash and cash equivalent	17	1,088,705,668	946,031,442	946,031,442	946,031,442
<b>Current liabilities</b>		<b>7,334,249</b>	<b>7,334,249</b>	<b>4,923,444</b>	<b>4,923,444</b>	Fixed assets (At cost/Revaluation less depreciation)	18	182,895,208	166,151,114	166,151,114	166,151,114
Premium deposit	7	104,888,536	104,888,536	80,966,793	80,966,793	Right of Use of assets	19	21,063,873	15,546,793	15,546,793	15,546,793
Estimated liabilities in respect of outstanding claims whether due or intimated	8	70,269,718	70,269,718	37,271,776	37,271,776	Stock of stationery		649,971	1,054,646	1,054,646	1,054,646
Amount due to other persons or bodies carrying on insurance business	9	228,203,475	228,203,475	158,775,035	158,775,035	Insurance stamps in hand		342,500	1,075,905	1,075,905	1,075,905
Sundry creditors	10	38,388,783	38,388,783	25,696,974	25,696,974						
Deferred tax liability	11	23,285,276	23,285,276	22,672,574	22,672,574						
Provision for income tax	12	243,450,993	243,450,993	218,079,708	218,079,708						
<b>Total current liabilities</b>		<b>708,486,781</b>	<b>708,486,781</b>	<b>543,462,860</b>	<b>543,462,860</b>						
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,976,771,941</b>	<b>1,976,771,941</b>	<b>1,708,844,059</b>	<b>1,708,844,059</b>	<b>TOTAL PROPERTY AND ASSETS</b>		<b>1,976,771,941</b>	<b>1,708,844,059</b>	<b>1,708,844,059</b>	<b>1,708,844,059</b>
						NAV Per Share	40	17.09	17.09	17.09	17.09

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.

  
Chairman  
Syed Al Farooque

  
Vice Chairman  
Latiful Bari

  
Director  
ABM Kaiser

  
Chief Executive Officer  
Md. Nazrul Islam

Signed as per our separate report of same date.



Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350

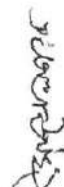
Dhaka  
Date: 15 June 2022




Express Insurance Limited  
Statement of Profit or Loss & Other Comprehensive Income (Profit and Loss Account)  
For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Directors' fees	23	3,480,000	6,160,000	Interest, Dividend and Rents (not applicable to any particular fund and account)	20	69,697,001	40,118,734
Audit fees		852,255	290,375	Profit/(loss) transferred from revenue accounts	21	79,454,922	80,938,069
Donation and subscription		975,000	1,689,004	Gain on sale of Share		30,799,230	2,069,424
Managers Conference		356,500	-	Un Realized Gain on Revaluation of Share	13.4	8,044,480	11,830,998
Legal & professional fees	30	715,518	101,875	Gain on sale of Car		615,874	451,479
Interest on Lease liabilities		1,865,945	1,626,053	Other Income		7,000	-
Advertisement & Publicity		316,812	1,208,569				
Contribution Fee & charges		1,151,974	-				
CDBL Charge		106,000	-				
UMP Charge For IDRA		274,793	357,309				
Corporate Governance Fee		-	27,000				
Credit Rating	30	134,375	134,375				
Group Insurance		713,073	526,016				
Company contribution to PF	29	1,866,849	1,893,652				
Depreciation	26	20,828,380	16,784,892				
Registration fees		961,815	1,217,264				
Expenses of management		34,599,289	32,016,384				
(not applicable to any particular fund and account)							
Balance for the period carried to statement of appropriation account		154,019,219	103,392,320				
		188,618,507	135,408,704			188,618,507	135,408,704

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.

  
Chairman  
Syed Al Farooque

  
Director  
ABM Kaiser

  
Chief Executive Officer  
Md. Nazrul Islam

Signed as per our separate report of same date.




Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350

Dhaka  
Date: 15 June 2022

**Express Insurance Limited**  
**Profit and loss appropriation account**  
For the year ended 31 December 2021


Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Reserve for exceptional losses	4	61,408,364	55,452,024	Balance from last year		31,348,544	42,559,133
Provision for taxation including -deferred tax	22	25,364,632	11,018,305	Net profit for the period brought down		154,019,219	103,392,320
Worker's Profit Participation Fund (WPPF)		7,334,249	4,923,444	Reserve transferred (Revaluation Surplus)	5	1,829,851	1,867,195
General Reserve during the year		5,000,000	2,500,000				
Dividend Paid		13,039,493	32,598,732				
IPO Expenses		-	9,977,599				
Prior Year VAT Paid (for the year-2016-2019)		5,862,186	-				
Balance Transferred to Statement of Financial Position		69,188,690	31,348,544				
		<b>187,197,614</b>	<b>147,818,648</b>			<b>187,197,614</b>	<b>147,818,648</b>
<b>Earning Per Share (EPS)</b>	<b>35</b>	<b>1.85</b>	<b>1.64</b>				

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.

  
Chairman  
Syed Al Farooque


  
Vice Chairman  
Latiful Bari

  
Director  
ABM Kaiser

  
Chief Executive Officer  
Md. Nazrul Islam

Signed as per our separate report of same date.

Dhaka  
Date: 15 June 2022

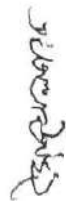
  
Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350



Express Insurance Limited  
Consolidated Insurance Revenue Account  
For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Claims under policies less re-insurances:				Balance of account at the beginning of the year :			
Paid during the year	25	120,089,126	45,210,254	Reserve for unexpired risks	24	148,819,635	120,872,401
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8	70,269,718	37,271,776	Premium less re-insurances		361,953,919	369,949,436
Less: Claims outstanding at the end of the previous year	8	190,358,844	82,482,030	Commission on re-insurances ceded		70,463,870	53,146,089
Agency Commission			4,924,702				
Expenses of management	28	153,087,068	77,557,328				
Balance of account at the end of the year	27.2	23,905,691	83,215,143				
as shown in the Balance Sheet	6	146,619,657	148,819,635				
Profit transferred to Profit & Loss Account	21	79,454,922	80,938,069				
		581,237,424	543,967,926			581,237,424	543,967,926

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.



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Vice Chairman  
Latiful Bari



Director  
ABM Kaiser



Chief Executive Officer  
Md. Nazrul Islam

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Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350

Dhaka  
Date: 15 June 2022



**Express Insurance Limited**  
**Fire Insurance Revenue Account**  
For the year ended 31 December 2021


Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Claims under policies less re-insurances:				Balance of account at the beginning of the year:			
Paid during the year	25.1	68,802,945	21,585,209	Reserve for unexpired risks		39,049,610	30,837,681
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8	58,431,149	19,596,850	Premium less re-insurances	24.1	122,555,988	97,624,025
		<b>127,234,094</b>	<b>41,182,059</b>	Commission on re-insurances ceded		49,584,681	31,186,463
Less: Claims outstanding at the end of the previous year	8	19,596,850	475,000				
Agency Commission		<b>107,637,244</b>	<b>40,707,059</b>				
Expenses of Management	28	8,976,257	28,535,861				
Balance of account at the end of the year	27.2	81,668,118	58,456,814				
as shown in the Balance Sheet Reserve for unexpired risks being 40% of premium income of the year	6	49,022,395	39,049,610				
Profit/(Loss) transferred to Profit & Loss Account		(36,113,735)	(7,101,175)				
		<b>211,190,279</b>	<b>159,648,169</b>			<b>211,190,279</b>	<b>159,648,169</b>

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.

  
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Latiful Bari

  
Director  
ABM Kaiser

  
Chief Executive Officer  
Md. Nazrul Islam

**Dhaka**  
Date: 15 June 2022

Signed as per our separate report of same date.

  
Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS69350



Express Insurance Limited  
Marine Insurance Revenue Account  
For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Claims under policies less re-insurances:				Balance of account at the beginning of the year			
Paid during the year	25.1	39,086,179	14,952,787	Reserve for unexpired risks	24.1	80,282,209	51,864,019
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8	8,774,577	12,025,641	Premium less re-insurances		159,635,676	198,605,871
Less: Claims outstanding at the end of the previous year	8	47,860,756	26,978,428	Commission on re-insurances ceded		14,314,940	14,533,579
Agency Commission			456,152				
Expenses of Management	28	35,835,115	26,522,276				
Balance of account at the end of the year as shown in the Balance Sheet	27.2	11,707,209	43,159,325				
Reserve for unexpired risks being 40% of premium income on marine cargo and 100% of premium income on Marine Hull of the year:		64,368,708	69,585,675				
Cargo	6	62,628,878	78,882,442				
Hull	6	3,063,482	1,399,767				
		65,692,360	80,282,209				
		76,629,433	45,453,984				
Profit transferred to Profit & Loss Account		254,232,825	265,003,469			254,232,825	265,003,469


The accompanying notes and policies (1-44) form an integral part of these Financial Statements.

  
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Vice chairman  
Latiful Bari

  
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ABM Kaiser

  
Chief Executive Officer  
Md. Nazrul Islam

  
Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350

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Dhaka  
Date: 15 June 2022

**Express Insurance Limited**  
**Motor Insurance Revenue Account**  
For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Claims under policies less re-insurances: Paid during the year	25.1	11,059,685	8,181,409	Balance of account at the beginning of the year:			
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8	3,063,992	4,649,285	Reserve for unexpired risks	24.1	24,792,666	35,799,340
				Premium less re-insurances		70,954,882	61,981,666
Less: Claims outstanding at the end of the previous year	8	14,123,677	12,830,694	Commission on re-insurances ceded		-	78,923
Agency Commission	28	9,474,392	9,337,144				
Expenses of Management	27.2	2,726,136	8,869,612				
Balance of account at the end of the year		22,832,751	18,285,781				
as shown in the Balance Sheet Reserve for unexpired risks being 40% of premium income of the year	6	28,381,953	24,792,666				
Profit transferred to Profit & Loss Account		32,332,316	36,574,726				
		95,747,548	97,859,929			95,747,548	97,859,929

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.



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**Vice Chairman**  
Latiful Bari



**Director**  
ABM Kaiser



**Chief Executive Officer**  
Md. Nazrul Islam

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**Md. Shahidul Islam FCA**  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
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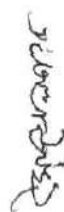




Express Insurance Limited  
Miscellaneous Insurance Revenue Account  
For the year ended 31 December 2021

Particulars	Notes	2021 Taka	2020 Taka	Particulars	Notes	2021 Taka	2020 Taka
Claims under policies less re-insurances:				Balance of account at the beginning of the year:			
Paid during the year	25.1	1,140,317	490,849	Reserve for unexpired risks		4,695,150	2,371,361
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8	-	1,000,000	Premium less re-insurances	24.1	8,807,373	11,737,874
Less: Claims outstanding at the end of the previous year	8	1,140,317	1,490,849	Commission on re-insurances ceded		6,564,249	7,347,124
Agency Commission			500,000				
Expenses of Management	28	140,317	990,849				
Balance of account at the end of the year as shown in the Balance Sheet	27.2	496,089	2,650,345				
Reserve for unexpired risks being 40%	6	9,300,509	7,109,482				
Profit transferred to Profit & Loss Account		3,522,949	4,695,150				
		6,606,908	6,010,534				
		<b>20,066,772</b>	<b>21,456,359</b>			<b>20,066,772</b>	<b>21,456,359</b>

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.



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Latiful Bari



Director  
ABM Kaiser



Chief Executive Officer  
Md. Nazrul Islam

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Md. Shahidul Islam FCA  
Partner, Enroll. No.1758  
K. M. HASAN & CO.  
Chartered Accountants  
DVC No. 2206151758AS659350

Dhaka  
Date: 15 June 2022



**Express Insurance Limited**  
**Statement of Changes in Equity**  
For the year ended 31 December 2021

Particulars	Share Capital	Proposed Issue of Bonus Share	Retained Earnings	Reserve for Exceptional Losses	Revaluation Surplus	General Reserve	Reserve for Investment Fluctuation Fund	Total Equity
Balance as on 1 January 2021	651,974,640	-	31,348,544	248,046,265	77,768,671	2,500,000	-	1,011,638,120
Addition during the Year	-	-	54,911,974	61,408,364	-	5,000,000	-	121,320,338
Dividend Paid	-	-	(13,039,493)	-	-	-	-	(13,039,493)
Prior Year VAT Paid (for the year 2016-2019)	-	-	(5,862,186)	-	-	-	-	(5,862,186)
Deferred Tax on Revaluation Reserve Transfer	-	-	-	-	274,478	-	-	274,478
Balance as on 31 December 2021	651,974,640	-	69,188,690	309,454,629	76,213,298	7,500,000	-	1,114,331,256

**For the year ended 31 December 2020**

Particulars	Share Capital	Proposed Issue of Bonus Share	Retained Earnings	Reserve for Exceptional Losses	Revaluation Surplus	General Reserve	Reserve for Investment Fluctuation Fund	Total Equity
Balance as on 1 January 2020	391,184,640	-	42,559,133	192,594,241	79,355,787	-	-	705,693,801
Public Issue of Share	260,790,000	-	-	-	-	-	-	260,790,000
Addition during the Year	-	-	29,498,547	55,452,024	-	2,500,000	-	87,450,571
Cash Dividend	-	-	(32,598,732)	-	-	-	-	(32,598,732)
IPO Expenses	-	-	(9,977,599)	-	-	-	-	(9,977,599)
Deferred Tax on Revaluation Reserve Transfer	-	-	-	-	280,079	-	-	280,079
Balance as on 31 December 2020	651,974,640	-	31,348,544	248,046,265	77,768,671	2,500,000	-	1,011,638,120

  
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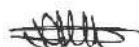
**Express Insurance Limited**  
**Statement of Cash flow**  
For the year ended 31 December 2021

	Note	2021 Taka	2020 Taka
<b>A. Cash Flow From Operating Activities :</b>			
Collection From Premium and Other Recived	31	677,093,818	667,783,029
Payment for Management Expenses, Re-insurance & Claims	32	(442,517,149)	(403,453,251)
Income Tax Paid	33	(27,673,533)	(30,316,757)
<b>Net Cash generated from Operating Activities</b>		<b>206,903,136</b>	<b>234,013,021</b>
<b>B. Cash Flow from Investing Activities :</b>			
Fixed Assets Acquired		(31,313,889)	(22,239,650)
Investment in National Investment Bond (NIB)		-	(20,000,000)
Investment in Share		(96,111,585)	(57,879,747)
Sale of Share		71,733,610	11,566,594
Security Deposit & Advance		(3,100,200)	(2,040,000)
<b>Net Cash Used in Investing Activities</b>		<b>(58,792,064)</b>	<b>(90,592,803)</b>
<b>C. Cash Flow From Financing Activities :</b>			
Issue of Share		-	260,790,000
Cash dividend paid		(5,436,846)	(32,598,732)
<b>Net Cash generated from Financing Activities</b>		<b>(5,436,846)</b>	<b>228,191,268</b>
<b>D. Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>		<b>142,674,226</b>	<b>371,611,485</b>
<b>E. Cash &amp; Cash Equivalents at the begening of the year</b>		<b>946,031,442</b>	<b>574,419,957</b>
<b>F. Cash &amp; Cash Equivalents at the end of the year (D+E)</b>		<b>1,088,705,668</b>	<b>946,031,442</b>
<b>Net Operating Cash flow per share (NOCFPS)</b>	<b>41</b>	<b>3.17</b>	<b>4.40</b>

The accompanying notes and policies (1-44) form an integral part of these Financial Statements.



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**Vice Chairman**  
Latiful Bari



**Director**  
ABM Kaiser



**Chief Executive Officer**  
Md. Nazrul Islam

**Dhaka**

Date: 15 June 2022



**Md. Shahidul Islam FCA**  
Partner, Enroll. No.1758  
**K. M. HASAN & CO.**  
Chartered Accountants  
DVC No. 2206151758AS659350

**Express Insurance Limited**  
**Notes to the Financial Statement**  
**For the year ended 31 December 2021**

**1 Introduction:**

Express Insurance Limited was incorporated and commenced its business as a Public Limited Company in Bangladesh on March 30, 2000 under the Companies Act, 1994 with the issuance of incorporation certificate bearing no.C-39954(1922/2000) dated 30 March, 2000 issued by the Registrar of Joint Stock Companies and Firms. However, the permission to carry on General Insurance Business was obtained from the Controller of Insurance, Government of Peoples Republic of Bangladesh on May 18, 2000.

**Nature of business:**

The principal activity of the company continued to be carrying on non-life insurance business. The primary objectives of the Company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

**2 Basis of presenting accounts and significant accounting policies:**

**2.1 Basis of presenting accounts:**

**i) Basis of accounting:**

The financial statements have been prepared on historical cost convention except Investment in share. These statements have also been prepared in accordance with applicable International Financial Reporting Standards as were adopted in Bangladesh under the name of International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and valuation of investment.

**ii) Basis of presentation:**

The Statement of Financial Position has been prepared in accordance with the regulations as contained in Part – I of the First Schedule and as per Form "A" as set forth in Part – II of that Schedule, Statement of Profit or Loss and Other Comprehensive Income and Profit and Loss Appropriation Account has been prepared in accordance with the regulation contained in Part – I of the second schedule and as per Form "B" & "C" as set forth in Part – II of that Schedule respectively of the Previous Insurance Act, 1938. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part – I of the Third Schedule and as per Form 'F' as set forth in Part – II of that Schedule of the Previous Insurance Act, 1938 as amended. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part – II of the aforesaid Act. The Cash Flow Statement has also been included as per requirement of the Securities and Exchange Commission's Rules 1987 as well as per guideline of IAS-7.

**iii) Presentation difference from IAS 1:**

**a) Current/ Non-current distinction:**

**As per regulation:** There is no such requirement to separate current and non-current assets and liabilities in the presentation of financial statements regarding to the regulation.

**As per IAS:** An entity shall present current and non-current assets and current and non-current liabilities, as per separate classifications in its statement of financial position in accordance with paragraphs 66-76 except when a presentation based on liquidity provides information that is reliable and more relevant. When that exception applies, an entity shall present all assets and liabilities in order of liquidity.

**b) Other comprehensive income:**

**As per regulation:** There is no such requirement to show comprehensive income in the statement of profit and loss.

**As per IAS :** The statement of profit or loss and other comprehensive income shall present, in addition to the profit or loss and other comprehensive income sections (i) profit or loss; (ii) total other comprehensive income; (iii) comprehensive income for the period, being the total of profit or loss and other comprehensive income.

**c) Statement of appropriation account:**

**As per regulation:** There is an instruction to add a separate account (Statement of appropriation account) in the financial statement.

**As per IAS:** A complete set of financial statements comprises only five components. There is no requirement to include such separate accounts of the financial statement.

**iii) Going concern :**

The Company has adequate resources to continue in the operation as a going concern for the foreseeable future. For this reason, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments that would not permit Express Insurance Limited unable to continue as a going concern.

**iv) Method:**

The Financial statements have been drawn on accrual basis except Insurance commission.

**2.2 Basic earnings per share:**

The Company has calculated earning per share (EPS) in accordance with IAS-33 as adopted by ICAB : "Earning per Share" which has been shown on the face of Profit and Loss Account and the computation of EPS is stated in Note no. 35

**a) Basic Earnings:**

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

**b) Basic Earnings per Share:**

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year.

**2.3 Use of Estimate:**

Preparation of financial statements in conformity with International Accounting Standards (IASs) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, taxes, reserves etc.

**2.4 Cash flow statement:**

Statement of Cash Flows is prepared in accordance with IAS 7: "Statement of Cash Flows". The Statement of Cash Flows shows the structure of and changes in cash and cash equivalents during the financial year. Cash and Cash equivalents include notes and coins on hand, unrestricted balance held with the commercial banks. It is broken down into operating activities, investing activities and financing activities. The direct method is used to show the cash flows from operating activities. According to IAS 7: "Statement of Cash Flows", Cash comprises cash in hand and cash equivalents are short term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Considering the provisions of IAS 7 and IAS 1, cash in hand, fixed deposits and bank balances have been considered as cash and cash equivalents.



## 2.5 Revenue recognition:

- i) Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Re-insurance premium on PSB.
- ii) The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement of accounts is received from Shadharan Bima Corporation. The statements of account for the period from July 2020 to June 2021 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly.
- iii) Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of Cover Notes in accordance with SBC's Circular.
- iv) Interest on Fixed Deposit Receipts (FDR), Account and National Investment Bond (NIB) are recognized as revenue on accrual basis.
- v) Income from marketable securities has been taken into account at actual amount earned and received on its disposal.

## 2.6 Employees' retirement benefit scheme :

Express Insurance Ltd. offers a number of benefit plan for all permanent Employee's of the company which includes Contributory Provident Fund, Workers Profit Participation Fund, Festival bonus, incentive bonus and group insurance policy which have been accounted for the accordance with the provision of International Accounting Standard (IAS)-19.

### i) Provident fund:

Under defined contribution scheme. Company operates duly recognized Provident Fund managed by independent Board of trustees for all permanent employees. The eligible employee contributes @ 10% of their basic salary. The company's contribution to the scheme are charged to profit & loss Account in the year in which they relate.

### ii) Group insurance policy:

The company has been operating a Group Insurance policy for all confirmed / permanent employees for the supporting of family assistance after death of any Employee's as per Group Insurance Policy terms & condition.

### iii) Workers Profit Participation Fund (WPPF):

The company has been operating a fund name worker's profit participation fund (WPPF) as per section 232 of Bangladesh labour law -2006. It was approved in the 210th board meeting held on 29 May 2017. Necessary provision for Worker's Profit Participation Fund (WPPF) also made for the year-2021.

## 2.7 Provision for un-expired Risk:

Surplus/(deficit) on Revenue Accounts has been arrived after making necessary provision for un-expired risk @ 40% of net premium income on all business except Marine Hull insurance for which provision has been made @ 100% on net premium income under Section 27A (2B & 2C) of Previous Insurance Act, 1938.

## 2.8 Allocation of total management expenses:

Total related management expenses have been allocated among the different Revenue Accounts on pro - rata basis of their respective gross premium income.



## 2.9 Depreciation on fixed assets :

- i) Depreciation on fixed assets has been calculated on all assets using reducing balance method at varying rates depending on the class of assets. Methods and rates of depreciation are consistently applied in relation to previous period. Depreciation is charged on addition to fixed assets purchased during the period from the date when such assets is available for use and in case of disposal upto the date of disposal, Land and Building depreciation charged on revalued amount during the year. The Fixed Assets are depreciated at the following rates:

Items	Rate
Land and building	2%
Furniture and fixture	10%
Office equipments	20%
Electrical equipments	20%
Air conditioner	20%
Motor vehicle	20%
Telephone installation	20%
Office decoration	10%
Computer	30%
Crookeries and cutleries	20%

### ii) Disposal of fixed asset :

Gain or loss arising on the disposal or the retirement of asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognised in the profit and loss account.

- iii) The value of all assets as shown in the statement of financial position and in the annexed Classified Summary of Assets drawn up in accordance with form "AA" of part II of the First Schedule to the Previous Insurance Act 1938, have been reviewed and set forth in the statement of financial position at a value that does not exceed their book value.

## 2.10 Related party transactions [IAS-24]:

During the year, the Company carried out a number of transactions with related parties in the normal course of business.

## 2.11 Provisions relating to collection of premium:

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

## 2.12 Investment of assets:

The Section 41 of Insurance Act, 2010 has been complied by the Company.

## 2.13 Restriction on certain investment:

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

## 2.14 Prohibition of loans:

As per Section 44 of Insurance Act 2010, The Company has never granted any loan to any Director or any member of the family, Banking Company, Subsidiary Company and Auditor, any loan or temporary advance either and hypothecation property or personal security or otherwise.

## **2.15 Leases IFRS-16 :**

Express Insurance Limited has applied IFRS 16: "Leases for the first time with the date of initial application of 01 January 2019 using modified retrospective approach where the company measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

In according to IFRS 16 leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement the company recognizes a right-of-use asset and lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the company measures the right-of-use asset using a cost model. Under the cost model a right-of use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term.

## **2.16 Current tax provision :**

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates as per Income Tax Ordinance 1984, that have been effective on the balance sheet date.

## **2.17 Deferred taxes :**

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

## **2.18 Investment in shares :**

Investment in stocks, shares and other securities are recognised in the financial statements at fair value considering long term investment and these are revalued at regular interval. Increases or decreases in the value of investment are recognised in the Financial Statements as per IAS-39 "Financial Instruments: Recognition and Measurement". Increase or decrease in the value of investment in listed shares are recognised in the financial statements considering average movement of market price as the capital market of Bangladesh is volatile and market price of the stocks and shares change very frequently. Increase/decreases in the market value on stocks and shares are recognised in the Statement of Profit or Loss and Other comprehensive income.

## **2.19 Impairment of assets :**

As per IAS 36- Impairment of assets: The carrying amounts of the company's non-current assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indication exists.

## 2.20 Provision for contingent liabilities and assets :

According to IAS-37: "Provision, contingent liabilities and contingent assets" the company recognises the provision in the balance sheet when the company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

## 2.21 Segment reporting :

A business segment is a distinguishable component of the company that is engaged in providing services that are subject to risks and returns and are different from those of other business segments. The company accounts for segment reporting of operating results of each segment. The Company has mainly four business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

## 2.22 Stock of Stationery :

Stock of Stationery has been valued at cost price or net realizable value whichever is lower.

## 2.23 Management Expenses :

Management expenses as charged to Revenue Accounts amount of Tk 178,170,086 (Note -27) is approximately 29% of gross premium of Tk 614,083,642. The expenses have been apportioned 41.93% to Fire, 34.61% to Marine, 11.59% to motor and 11.87% to Miscellaneous business as per management decision. The Management expenses of company remained within the prescribed.

## 2.24 Additional information on financial statement:

### i) Responsibility for preparation and presentation of financial statements:

The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act 1994 .

### ii) Reporting period

Financial Statement of the Company covers on calendar period from 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021.

### iii) Reporting Currency and Level of Precision:

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

### iv) Comparative Information:

Comparative information have been disclosed in respect of the year from 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021 for all numerical information in the Financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current years financial statements.

Figures of the year from 1<sup>st</sup> January 2020 to 31<sup>st</sup> December 2020 have been rearranged whenever considered necessary to ensure comparability with the current year.

### v) Components of the Financial Statements:

As per the Section 27 of the Insurance Act, 2010 and the IAS-1 "Presentation of Financial Statements" (as applicable), the complete set of financial statements of the Company includes the following components:

- Statement of Financial Position (Balance Sheet) as at December 31, 2021.
- Profit and Loss Appropriation Account for the year ended December 31, 2021.
- Statement of Profit or Loss and other Comprehensive income (Profit and Loss Account) for the year ended December 31, 2021.
- Revenue Accounts for specific class of business for the year December 31, 2021.
- Statement of Changes in Equity for the year ended December 31, 2021.
- Statement of Cash Flows for the year ended December 31, 2021.
- Notes to the financial statements and significant accounting policies as at & for the year ended December 31, 2021.



vi) **Compliance statements and general rules & regulations:**

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of Insurance Act, 2010, Insurance rules, 1958, the Companies Act, 1994, the Securities and Exchange Rules, 1987, the Securities and Exchange Ordinance 1969, the Securities and Exchange Commission Act 1993, the Listing Regulations of Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd, and Guidelines, rules and regulations issued from time to time by the Insurance Development and Regulatory Authority (IDRA).

To comply with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws and regulations.

**Compliance with the Core IAS/IFRS or Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)**

These financial statements have been prepared and presented in accordance with the approved accounting and reporting standards as applicable in Bangladesh. Approved accounting standards comprise of "International Accounting Standards" (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). While preparing the financial statements as of 31 December 2021, Express Insurance Limited applied all the applicable of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by ICAB. Details are given below:

<i>Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) .</i>	<b>IAS No.</b>	<b>Applicability</b>
Presentation of financial statements	1	Applied*
Inventories	2	Applied
Statement of cash flows	7	Applied
Accounting policies, changes in accounting estimates and errors	8	Applied
Events after the reporting period	10	Applied
Construction contracts	11	N/A
Income taxes	12	Applied
Property, plant and equipment	16	Applied
Leases	17	N/A
Employee's benefits	19	Applied
Accounting of government grants and disclosure of government assistance	20	N/A
The effects of changes in foreign exchange rates	21	N/A
Borrowing costs	23	N/A
Related party disclosures	24	Applied
Accounting and reporting by retirement benefit plans	26	N/A
Separate financial statements	27	N/A
Investments in associates and joint ventures	28	N/A
Financial reporting in hyperinflationary economics	29	N/A
Financial instruments: Presentation	32	Applied
Earnings per share	33	Applied
Interim financial reporting	34	N/A
Impairment of assets	36	Applied
Provisions, contingent liabilities and contingent assets	37	Applied
Intangible assets	38	N/A
Financial instruments: Recognition and measurement	39	Applied
Investment property	40	N/A
Agriculture	41	N/A

\* Subject to some departure.

**ICAB'S Adoption Status of International Financial Reporting Standards (IFRSs).**

Title of Adopted IFRS	IFRS No	Status
First-time adoption of International financial reporting standards	1	N/A
Share-based payment	2	N/A
Business combinations	3	N/A
Insurance contracts	4	Applied
Non-current assets held for sale and discontinued operations	5	N/A
Exploration for and evaluation of mineral resources	6	N/A
Financial instruments: disclosures	7	Applied
Operating segments	8	Applied
Financial instruments	9	Applied
Consolidated financial statements	10	N/A
Disclosure of interest in other entities	12	N/A
Fair value measurement	13	Applied
Regulatory deferred accounts	14	N/A
Revenue from contracts with customers	15	Applied

	2021 Taka	2020 Taka
<b>3 Share capital:</b>		
<b>3.1 Authorized share capital</b>		
75,000,000 ordinary shares of Tk.10 each.	<b>750,000,000</b>	<b>750,000,000</b>
<b>3.2 Issued, subscribed and paid up capital</b>		
60,00,000 Ordinary shares of Tk.10 each.	60,000,000	60,000,000
Bonus share issued different year, 1,98,88,464 shares of Tk.10 each.	198,884,640	198,884,640
Right share issued in different year, 1,32,30,000 shares of Tk.10 each.	132,300,000	132,300,000
Public Issued Ordinary Share 26,079,000 @ Taka 10	260,790,000	260,790,000
	<b>651,974,640</b>	<b>651,974,640</b>

### 3.3 Bonus share issued

Year	Number of share	Face value	Paid up capital
2008	300,000	10	3,000,000
2009	756,000	10	7,560,000
2010	1,764,000	10	17,640,000
2011	2,205,000	10	22,050,000
2012	4,851,000	10	48,510,000
2013	3,492,720	10	34,927,200
2015	6,519,744	10	65,197,440
	<b>19,888,464</b>		<b>198,884,640</b>

### 3.4 Right share

2011	13,230,000	10	132,300,000
	<b>13,230,000</b>		<b>132,300,000</b>

### 3.5 Share holding position of Sponsor Directors and Sponsor Share holder and General Public Share holder as on 31st December-2021 are as follows:

Sl. No.	Name of the Sponsor Share holders	Class of Share	No. of Shares subscribed	Nominal value of Shares	Amount (TK)	Percentage of Share holding
1	Syed Al Farooque	Ordinary	4,326,715	Tk. 10 each	43,267,150	6.64
2	Mahfuza younus	Ordinary	1,370,880	Tk. 10 each	13,708,800	2.10
3	Md. Shamsur Rahman	Ordinary	3,111,736	Tk. 10 each	31,117,360	4.78
4	Farida Razzaq	Ordinary	3,926,572	Tk. 10 each	39,265,720	6.03
5	Marium Akhter	Ordinary	2,785,748	Tk. 10 each	27,857,480	4.27
6	Md. Abdul Awal	Ordinary	3,600,630	Tk. 10 each	36,006,300	5.52
7	Khalilur Rahman Choudhury	Ordinary	3,882,350	Tk. 10 each	38,823,500	5.96
8	Halima Harun	ordinary	1,740,857	Tk. 10 each	17,408,570	2.67
9	A. B. M Kaiser	Ordinary	3,328,982	Tk. 10 each	33,289,820	5.11
10	Amir Hamza Sarker	Ordinary	2,904,169	Tk. 10 each	29,041,690	4.45
11	Latiful Bari	Ordinary	1,370,880	Tk. 10 each	13,708,800	2.10
12	Al-haj Mohammad Younus	Ordinary	2,866,954	Tk. 10 each	28,669,540	4.39
13	Md. Mazakat Harun	Ordinary	1,370,880	Tk. 10 each	13,708,800	2.10
14	Altaf Hossain Sarker	Ordinary	1,533,335	Tk. 10 each	15,333,350	2.35
15	Sultana Jahan	Ordinary	997,776	Tk. 10 each	9,977,760	1.53
16	General Public	Ordinary	26,079,000	Tk. 10 each	260,790,000	40.00
			<b>65,197,464</b>		<b>651,974,640</b>	<b>100</b>

Paid up capital is amounting to Tk. 65,19,74,640 as on 31 December, 2021. All amount of paid up capital has been invested to schedule commercial banks and NBFI as FDR & National Investment Bond (Government Treasury Bond) Investment in Share & Mutual Fund.

### 4 Reserve for Exceptional Losses:

As per Para 6 of the 4th schedule of Income Tax Ordinance, 1984 to meet the exceptional losses, the Company set aside maximum 10% (ten percent) of the premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. An amount of Tk. 61,408,364 has been set aside during the year to meet exceptional losses, total accumulated amount now stands at Tk.309,454,629 while it was Tk.248,046,265 in 2020.

Opening balance	248,046,265	192,594,241
Addition during the year	61,408,364	55,452,024
Less: Adjustment during the year	-	-
	<b>309,454,629</b>	<b>248,046,265</b>

##### 5 Revaluation Surplus [IAS-16]:

The company made revaluation of its Land & Building located at Al-Razi Complex (9<sup>th</sup> & 10<sup>th</sup> Floor), 166-167, Shahid Syed Nazrul Islam Sarani, Bijoy Nagar, Dhaka-1000 as on 29-06-2011 by an independent Professional Accountant Firm Aziz Halim Khair Choudhury & Co. Chartered Accountants, "Baitul Mesbah" Building No.2 (3<sup>rd</sup> & 4<sup>th</sup> Floor), House #79 (New) Road #12/A (New), Dhanmondi, Dhaka-1209 to arrive at a fair market value for the purpose of accounting with effect from 30.06.2011.

A transfer of Reserve is made during the year. The Reserve transfer is recorded as actual depreciation less equivalent charge based on original historical

cost of Land & Building. Transfer is shown in Statement of change in Equity (Retained Earnings) as per IAS-16. The transfer is made as follows:

Particulars of Revalued Assets	Book value	Value after Valuation	Accumulated Depreciation	Revaluation Reserve as on 31 Dec 2021	Revaluation Reserve as on 31 Dec 2020
Opening Balance (Land & Building)	40,168,508	149,905,000	26,786,843	91,492,554	93,359,749
Addition during the year				-	-
Reserve transfer during the year			1,829,851	(1,829,851)	(1,867,195)
<b>Total</b>	<b>40,168,508</b>	<b>149,905,000</b>	<b>28,616,694</b>	<b>89,662,703</b>	<b>91,492,554</b>
Less: Deferred Tax on Revaluation Reserve 15%				13,449,406	13,723,883
			<b>Total</b>	<b>76,213,297</b>	<b>77,768,671</b>

##### 6 Balance of Fund Account (un-expired risk reserve):

As per para 27A(2) (b & c) Insurance Act 1938 as amended 2010 for the purpose of Sub Section (1) the company has made necessary provision for un-expired risk reserve during the year 40% of net premium on Fire, Marine cargo, Motor, Miscellaneous and 100% on Marine Hull business. Details of classwise un-expired risk reserve are as follows :

Class of Business	Net Premium	Percentage (%)	31 Dec 2021	31 Dec 2020
Fire	122,555,988	40%	49,022,395	39,049,610
Marine	159,635,676		65,692,360	80,282,209
Marine Cargo	156,572,194	40%	62,628,878	78,882,442
Marine Hull	3,063,482	100%	3,063,482	1,399,767
Motor	70,954,882	40%	28,381,953	24,792,666
Miscellaneous	8,807,373	40%	3,522,949	4,695,150
<b>Total</b>	<b>361,953,919</b>		<b>146,619,657</b>	<b>148,819,635</b>

##### 7 Premium Deposit:

Premium Deposit (Marine cargo)	104,888,536	80,966,793
	<b>104,888,536</b>	<b>80,966,793</b>

The amount represents the balance of premium received against Cover Notes over the years for which Policies are not issued within 31<sup>st</sup> December 2021.

##### 8 Estimated liability in respect of outstanding claims whether due or intimated:

Fire	58,431,149	19,596,850
Marine	8,774,577	12,025,641
Motor	3,063,992	4,649,285
Miscellaneous	-	1,000,000
	<b>70,269,718</b>	<b>37,271,776</b>

##### 9 Amount due to other persons or bodies carrying on insurance business:

Opening balance payable to SBC	158,775,035	90,863,446
Addition during the year	92,949,919	85,946,052
Less: Adjustment/ Paid to SBC	(23,521,479)	(18,034,463)
	<b>228,203,475</b>	<b>158,775,035</b>

##### 10 Sundry Creditors:

Audit fees payable (10.01)	230,000	1,465,000
Office Rent Payable	182,875	-
VAT payable	4,746,470	4,275,331
Tax DAS Payable	370,487	31,200
VAT DAS Payable	237,854	31,168
Deposit premium (10.04)	400,000	400,000
Salary & Allowance payable	-	217,907
Unclaim dividend	7,602,647	-
PF contribution	-	167,907
Lease Liability ( 10.05)	20,512,397	14,958,110
Car Sale Installment Received (10.03)	4,106,053	4,150,351
	<b>38,388,783</b>	<b>25,696,974</b>

	2021 Taka	2020 Taka
<b>10.1 Audit fees payable</b>		
Opening Balance	1,465,000	1,334,000
Add : Provision during the year (10.02)	230,000	257,500
Less : Adjustment during the year	(1,465,000)	(126,500)
	<b>230,000</b>	<b>1,465,000</b>
<b>10.2 Provision of Audit fees :</b>		
Audit fees for the year-2021	230,000	257,500
Special Audit fees for the year 2013-2015	-	1,207,500
	<b>230,000</b>	<b>1,465,000</b>
<b>10.3 Car sale installment:</b>		
The company has provided car facilities for its branch managers & departmental in-charge on the basis of hire purchase & installment payment systems. Sale price of the car has been shown as payment of liabilities which was already shown as car sale installment received in the accounts. The value of the cars which were not handed over due to nonpayment of installment were shown as sundry creditors.		
<b>10.4 Deposit Premium:</b>		
The amount received as security deposit against Open cover notes from the following insurers:		
Samuda Chemicals	400,000	400,000
	<b>400,000</b>	<b>400,000</b>
<b>10.5 Lease Liability</b>		
Opening Balance	14,958,110	8,494,386
Add: Addition during the year	14,442,198	14,264,727
Add: Interest charged during the year	272,281	1,626,053
	29,672,589	24,385,166
Less: Payment & adjustment made during the year	(10,486,475)	(9,427,056)
	<b>19,186,114</b>	<b>14,958,110</b>
<b>11 Deferred Tax as per IAS-12:</b>		
<b>a) Deferred Tax Liability:</b>		
Book value of depreciable fixed assets	93,232,505	74,658,560
Less: Tax base [IAS-12 (7)]	68,752,554	50,160,868
Deductible Temporary differences	24,479,951	24,497,692
Effective Tax Rate	37.50%	37.50%
Deferred Tax Liability/ (Asset)	9,179,982	9,186,634
Add: Deferred tax on Unrealised Gain/ (Loss) on Securities available for sale (note-13.4)	893,831	312,643
Add: Deferred Tax on Revaluation Reserve (note-05)	13,449,406	13,723,883
<b>Deferred Tax Liability/ (Asset)</b>	<b>23,523,219</b>	<b>23,223,161</b>
<b>b) Deferred Tax Adjustment/Expense (Income):</b>		
Closing deferred Tax liability	9,179,982	9,186,634
Opening deferred Tax liability	(9,186,634)	(9,119,652)
<b>Total Deferred tax adjustment /expense /(Income)</b>	<b>(6,653)</b>	<b>66,982</b>
<b>c) Closing Deferred Tax Liability:</b>		
Opening Balance of Deferred Tax Liability	22,672,574	21,571,116
Add: Deferred Tax on un realized Gain/(Loss) on Share	893,831	1,314,555
Add: Deferred Tax on Revaluation Reserve	(274,477)	(280,079)
Add: Deferred Tax Expense/ (Income)	(6,653)	66,982
<b>Closing Deferred Tax Liability</b>	<b>23,285,276</b>	<b>22,672,574</b>
The effective income tax has been calculated @ 37.5 % as are applicable for this Insurance Company as per Finance Act, 2021.		
<b>12 Provision for Income Tax:</b>		
Opening Balance	218,079,708	207,128,385
Addition during the year	25,371,285	10,951,323
Deferred tax liability adjustment.	-	-
	<b>243,450,993</b>	<b>218,079,708</b>
<b>13 Investment:</b>		
The investment includes investment in the National Investment Bond and Investment in Share. Details of investments are as under:		

Name of Investment		Bank	Rate	Issue Date	Maturity Date	Amount	Amount
A) National Investment Bond (Government Treasury Bond):							
01.	BD 0923341103	Mercantile Bank Ltd. Main Branch	12.10%	13/03/2013	13/03/2023	16,000,000	16,000,000
02.	BD 0924031109		11.59%	16/07/2014	16/07/2024	9,000,000	9,000,000
03	BD 0922051026		5.90%	05/08/2020	05/08/2022	20,000,000	20,000,000
Total						45,000,000	45,000,000



<b>B) Investment in Share :</b>				
01. Investment in Share (Fair Value) (Note: 13.1)	N/A	N/A	141,294,517	77,081,203
02. Investment in Mutual Fund (Fair Value) (Note: 13.2)	N/A	N/A	9,985,620	10,082,500
<b>Total</b>			<b>151,280,137</b>	<b>87,163,703</b>
<b>C) SEML Income Unite Fund</b>				
	N/A	N/A	10,000,000	10,000,000
<b>Total</b>			<b>10,000,000</b>	<b>10,000,000</b>
<b>Grand Total:(A+B+C)</b>			<b>206,280,137</b>	<b>142,163,703</b>

a) (i) The amount represents statutory investment in 10 (Ten) years Government Treasury Bond at cost an amount of Tk. 2,50,00,000/- with Mercatile Bank Ltd. as required under first schedule of the Insurance Act, 2010 Sec.23 (b).

(ii) As per BSEC requirement an amount of Tk. 2,00,00,000/- investment in Government Treasury Bond from IPO proceeds .

b) Investment in share has been stated in the Statement of Financial Position at market value as on 31<sup>st</sup> December 2021. Difference between market value and cost price of such Investment must be considered as impairment loss/gain that has been charged in the Statement of profit or loss and other Comprehensive Income.

**13.1 Total Investment in Shares of different Public Limited Companies are furnished below.**

Sl. No	Name of the Company	No of share	Average buying rate	Market price per share	Total value at cost	Market value	Market value
1	Aftab Auto	142,368	100.60	27.30	14,322,718	3,886,647	3,620,226
2	Aman Feed Mills Ltd.	-	-	-	-	-	2,451,800
3	Aman Cotton Fibours Ltd.	-	-	-	-	-	286,379
4	ACME PESTICIDE Ltd (ACMPL)	13,380	10.00	26.80	133,800	358,584	-
5	Advent Pharma Limited	332,343	29.36	26.10	9,757,480	8,674,153	-
6	Beximco Green Sukuk Al Istisna'a	100,000	100.00	100.00	10,000,000	10,000,000	-
7	Crystal Insurance	-	-	-	-	-	428,632
8	Dhaka Bank Ltd	246,113	11.28	14.00	2,777,058	3,445,582	2,762,978
9	Dominage Steel	-	-	-	-	-	924,531
10	First Security Islami Bank Ltd.	148,702	9.25	12.90	1,375,196	1,918,256	1,274,589
11	Golden Harvest Agro Industries Ltd.	500,000	22.08	16.50	11,039,621	8,250,000	2,146,986
12	IFIC Bank Ltd.	474,973	11.59	16.90	5,506,016	8,027,045	6,875,811
13	Jumuna Bank Ltd.	221,540	14.34	23.40	3,176,237	5,184,036	4,164,952
14	Keya Cosmetics Ltd.	1,143,938	7.82	6.90	8,944,570	7,893,172	1,818,768
15	KDS Accessories Limited	128,410	51.28	70.00	6,584,244	8,988,700	-
16	Lanka Bangla Finance Ltd.	-	-	-	-	-	4,119,806
17	Krishibid Food Limited	86,525	10.00	10.00	865,260	865,250	-
18	Meghna Cement	-	-	-	-	-	597,861
19	Meghna Life Insurance Co. Ltd.	23,930	152.87	71.20	3,658,184	1,703,816	1,308,886
20	Mercantile Bank Ltd.	670,862	11.06	17.10	7,417,468	11,471,740	13,772,757
21	MASTERAGRO	26,648	10.00	9.60	266,480	255,821	-
22	MOSTFAMETL	26,960	10.00	10.70	269,600	288,472	-
23	National Bank Ltd.	109,457	10.44	7.50	1,142,834	820,928	729,715
24	NCC Bank Ltd.	294,795	13.67	15.30	4,029,447	4,510,364	3,619,810
25	One Bank Ltd.	282,746	11.12	13.80	3,145,197	3,901,895	2,840,863
26	ORYZAAGRO	27,244	10.00	10.40	272,440	283,338	-
27	Premier Bank Ltd.	1,010,826	12.47	14.90	12,600,526	15,061,308	2,643,344
28	Prime Islami Life Insurance Ltd	15,457	210.81	57.50	3,258,513	888,778	802,219
29	RAK Ceramic Ltd.	-	-	-	-	-	8,378
30	Robi	-	-	-	-	-	7,818,805
31	Shahjalal Islami Bank Ltd.	64,479	24.52	21.80	1,581,216	1,405,642	1,406,266
32	Social Islami Bank Ltd.	171,904	16.05	14.80	2,759,648	2,544,178	2,128,347
33	Southeast Bank Ltd.	39,753	18.56	15.50	737,971	616,172	496,912
34	Standard Bank Ltd.	316,111	15.01	10.70	4,746,237	3,382,390	1,749,972
35	Silva Pharmaceuticals Limited	100,000	25.89	17.90	2,589,035	1,790,000	-
36	Sena Kalyan Insurance Company Limited	6,994	10.00	77.30	69,940	540,636	-
37	Sonali Paper	-	-	-	-	-	60,060
38	Titas Gas Ltd.	52,515	43.63	36.30	2,291,264	1,906,295	1,617,462
39	United Commercial Bank Ltd.	6,836	47.99	15.30	328,061	104,591	91,805
40	United Leasing Company Ltd.	144,250	22.97	21.10	3,314,120	3,043,676	1,501,243
41	Uttara Bank Ltd.	141,142	26.55	25.50	3,747,515	3,599,122	3,011,040
42	UNIONINS	4,643	10.00	10.00	46,430	46,430	-
43	Union Bank Ltd (IPO apply)	-	-	-	15,000,000	15,000,000	-
44	Thai food (IPO apply)	-	-	-	637,500	637,500	-
<b>Sub Total</b>					<b>148,391,826</b>	<b>141,294,517</b>	<b>77,081,203</b>

### 13.2 Investment in Mutual Fund :

1	First Janata Bank MF	10,000	7.33	6.20	73,292	62,000	60,000
2	AIBL 1st Islamic MF	25,000	9.74	8.50	243,470	212,500	210,000
3	DBH First Mutual Fund	47,300	7.88	7.40	372,735	350,020	331,100
4	EBL NRB Mutual Fund	73,000	6.83	6.00	498,386	438,000	416,100
5	Exim Bank 1st MF	69,000	7.17	6.20	494,972	427,800	462,300
6	Grameen MFO Scheme-2	140,000	15.82	15.40	2,214,422	2,156,000	2,352,000
7	Green Delta Mutual Fund	40,000	7.73	7.40	309,031	296,000	308,000
8	ICB AMCL Third NRB Mutual Fund	70,000	7.03	6.40	491,960	448,000	427,000
9	ICB AMCL Second MF	57,000	8.69	9.40	495,173	535,800	473,100
10	IFIC Bank 1st MF	80,000	6.43	5.50	514,048	440,000	488,000
11	LR Global Bangladesh MF One	82,000	7.53	6.90	617,781	565,800	541,200
12	MBL 1st Mutual Fund	95,000	8.01	7.90	760,530	750,500	712,500
13	NCCBL Mutual Fund-1	64,000	8.54	8.70	546,819	556,800	569,600
14	NLI First Mutual Fund	30,000	13.86	13.70	415,656	411,000	384,000
15	Reliance In. One MF	48,000	12.04	11.60	577,902	556,800	604,800
16	Southeast Bank 1st MF	134,608	8.37	9.15	1,127,291	1,231,400	1,109,200
17	Vanguard AML BD Finance Mutual Fund One	72,000	8.78	7.60	632,433	547,200	633,600
Sub Total					10,385,901	9,985,620	10,082,500
Grand Total:					158,777,727	151,280,137	87,163,703

### 13.3 Changes in fair value of the investment in shares available for sale :

Fair value (Market Value) of Share	151,280,138	87,163,703
Less: cost price of investment in share	158,777,727	103,599,603
Fair value (Market Value) Reserve at 31 December -2021	(7,497,589)	(16,435,900)
Less : Fair value (Market Value) Reserve at 1 January -2021	(16,435,900)	(29,581,453)
Un-Realized Gain/(Loss) during the year	8,938,311	13,145,553

### 13.4 Unrealized Gain / (Loss) on Investment in share during the year:

Unrealized Gain / (Loss) as per Current Year Portfolio Statement	8,938,311	13,145,553
Less: Deferred Tax on Unrealized Gain / (Loss) of Share (8938311*10%)	(893,831)	(1,314,555)
Unrealized Gain / (Loss) during the year	8,044,480	11,830,998

### 14 Interest accrued but not due:

Fixed Deposit with different banks	17,094,957	17,125,899
National Investment Bond	1,536,725	1,536,725
	18,631,682	18,662,624

### 15 Amount due from other persons or bodies carrying on insurance business:

An amount of Tk. 107,618,136 is due from Sadharan Bima Corporation on account of re-insurance and co-insurance business done with SBC and other Non Life Insurance Companies under the co-insurance scheme.

Opening balance	95,911,371	84,125,713
Addition during the year (From PSB)	11,706,765	11,785,658
Total	107,618,136	95,911,371

### 16 Sundry Debtors ( Advances, deposits and pre-payments):

Advance Salary	255,000	275,000
Advance Office Rent	3,634,641	2,949,870
Security Deposit (Telephone)	148,031	148,031
Advance Income Tax & TDS (16.01)	346,032,094	318,358,561
Advance to Al- Razi Complex Association	515,000	515,000
	350,584,766	322,246,462

#### 16.1 Advance Income Tax & TDS :

Income Tax from Financial year 2011 to 2021 (Assessment Year 2012-2013 to 2022-2023) of Express Insurance Limited not yet finalized by the Income Tax Authority. Advance Tax paid U/S-64, Tax paid U/S-74, Tax (DAS) in particular years were showing Advance Tax in Assets side under the head Sundry debtors . In course of finalization of assessment by the Income Tax Authority then the Advance Tax will be adjusted. Details of Advance Tax payments are given below :

SL	Financial Year	Assessment Year	Advance Tax	Status	Remarks
01	2011	2012-2013	40,822,048	Return Submitted	Hon'ble High court
02	2012	2013-2014	17,803,954	Return Submitted	Assessment pending as Tribunal
03	2013	2014-2015	38,776,936	Return Submitted	Assessment pending as Tribunal
04	2014	2015-2016	38,629,090	Return Submitted	Assessment pending as Tribunal
05	2015	2016-2017	40,014,630	Return Submitted	-
06	2016	2017-2018	33,319,524	Return Submitted	Assessment pending as Appeal
07	2017	2018-2019	24,192,619	Return Submitted	Assessment pending as Appeal
08	2018	2019-2020	23,243,648	Return Submitted	Assessment pending as Appeal
09	2019	2020-2021	31,239,355	Return Submitted	-
10	2020	2021-2022	30,316,757	Return Submitted	Final Settled
11	2021	2022-2023	27,673,533		
Total			346,032,094		

#### 17 Cash and cash equivalent:

Fixed deposit with banks (Note-17.1)	1,036,758,851	832,974,413
Balance with banks (STD & CD )	49,397,301	105,460,824
Cash in hand (including Head office & branches)	2,454,691	798,235
Balance with sahare broker (Note-17.2)	94,825	6,797,970
	<b>1,088,705,668</b>	<b>946,031,442</b>

#### 17.1 Fixed deposit with banks

##### A) FDR with Schedule Commercial Bank :

1	Al Arafah Islami Bank Ltd.	63,031,602	59,055,787
2	Agrani Bank Ltd.	31,500,000	27,000,000
3	AB Bank Ltd.	17,800,000	22,800,000
4	Bank Alfalah Ltd.	300,000	300,000
5	Bangladesh Commerce Bank Ltd.	33,806,800	22,806,800
6	Bangladesh Dev. Bank Ltd	2,000,000	2,000,000
7	Bangladesh Krishi Bank	3,500,000	1,000,000
8	BASIC Bank Ltd.	76,500,000	76,500,000
9	Bank Asia Ltd.	41,500,000	21,000,000
10	BRAC Bank Ltd.	7,000,000	7,000,000
11	Commercial Bank of ceylon	7,500,000	7,500,000
12	Community Bank Limited	2,500,000	-
13	Dhaka Bank Ltd.	11,500,000	6,500,000
14	Dutch Bangla Bank Ltd.	1,652,816	1,652,816
15	Eastern Bank Ltd.	1,500,000	1,500,000
16	Exim Bank Ltd.	54,500,000	32,000,000
17	First Security Bank Ltd.	21,560,000	25,285,375
18	I.F.I.C Bank Ltd.	18,500,000	18,000,000
19	Islami Bank Bangladesh Ltd.	41,000,033	10,500,035
20	Janata Bank Ltd	47,500,000	47,500,000
21	Jamuna Bank Ltd.	20,500,000	8,500,000
22	Meghna Bank Ltd	14,500,000	10,000,000
23	Marcentile Bank Ltd.	62,360,000	35,360,000
24	Midland Bank Ltd.	12,500,000	4,000,000
25	Modhumoti Bank Limited	4,500,000	-
26	Mutual Trust Bank Ltd.	12,800,000	12,800,000
27	National Bank Ltd.	27,000,000	31,500,000
28	NCC Bank Ltd.	19,000,000	15,000,000
29	NRB Bank Ltd	20,000,000	4,500,000
30	NRB Commercial Bank Ltd	56,000,000	13,000,000
31	NRB Global Bank Ltd.	5,500,000	5,500,000
32	One Bank Ltd.	19,041,600	14,041,600
33	Premier Bank Ltd.	34,500,000	38,000,000
34	Prime Bank Ltd.	7,000,000	5,000,000
35	Pubali Bank Ltd.	3,500,000	5,500,000
36	Padma Bank Ltd	1,572,000	1,572,000
37	Rupali Bank Ltd.	54,500,000	54,500,000
38	Sonali Bank Ltd	5,000,000	5,000,000

	2021 Taka	2020 Taka
39 South Bangla Agriculture & Commerce Bank Ltd.	17,500,000	10,000,000
40 Shahjalal Islami Bank Ltd.	10,800,000	13,300,000
41 Social Islami Bank Ltd.	37,500,000	37,000,000
42 Southeast Bank Ltd.	18,000,000	13,000,000
43 Standard Bank Ltd.	38,500,000	37,500,000
44 Union Bank Ltd	15,000,000	16,500,000
45 United Com. Bank Ltd.	11,500,000	10,500,000
<b>Sub Total</b>	<b>1,013,224,851</b>	<b>791,474,413</b>
<b>B) FDR with NBFi :</b>		
1 CVC Finance Ltd.	20,534,000	20,000,000
2 IDLC Finance Ltd	-	10,000,000
3 Lanka Bangla Finance Ltd.	3,000,000	11,500,000
<b>Sub Total</b>	<b>23,534,000</b>	<b>41,500,000</b>
<b>Grand Total</b>	<b>1,036,758,851</b>	<b>832,974,413</b>
<b>17.2 Balance with sahre broker :</b>		
Synthia Securites Ltd.	29,252	6,731,897
Shahjalal Equity Management Ltd.	65,573	66,073
	<b>94,825</b>	<b>6,797,970</b>
<b>18 Fixed Assets:</b>		
Property, plant and equipment	182,895,208	166,151,114
	<b>182,895,208</b>	<b>166,151,114</b>
Detail of Fixed Assets Schedule is shown in the <b>Annexure – A.</b>		
<b>19 Right of Use of Assets</b>		
Opening Balance	15,546,793	11,738,565
Add: Addition during the year	14,442,198	11,020,549
	<b>29,988,991</b>	<b>22,759,114</b>
Less: Adjusted made during the year	(8,925,118)	(7,212,321)
	<b>21,063,873</b>	<b>15,546,793</b>
<b>20 Interest, Dividend and Rents:</b>		
Interest Income (Note-20.1)	64,059,323	38,175,558
Dividend Income (20.02)	5,637,678	1,882,926
Other Income (Notice Pay & Old Car Sale)		60,250
<b>Total</b>	<b>69,697,001</b>	<b>40,118,734</b>
<b>20.1 Interest Income</b>		
National Investment Bond	4,212,878	3,457,565
Fixed Deposit Receipts	58,805,791	32,639,998
STD and Savings Account	1,040,654	2,077,995
	<b>64,059,323</b>	<b>38,175,558</b>
<b>20.2 Dividend Income :</b>		
Dividend Income represents the amount received from investment in share of Public limited company.		
<b>21 Profit and loss transferred from revenue account</b>		
Fire	(36,113,735)	(7,101,175)
Marine	76,629,433	45,453,984
Motor	32,332,316	36,574,726
Miscellaneous	6,606,908	6,010,534
	<b>79,454,922</b>	<b>80,938,069</b>
<b>22 Provision for Taxation Including Deferred Tax</b>		
Income before Tax	154,019,219	103,392,320
Less : Reserve for exceptional Loss	(61,408,364)	(55,452,024)
Less : WPPF	(7,334,249)	(4,923,444)
Add: Unrealized Loss/(Gain) on Share	(8,044,480)	(11,830,998)
Less : Dividend Income	(5,637,678)	(1,882,926)
Less : IPO Expenses	-	(9,977,599)
Less : Gain Sale of Share	(30,799,230)	(2,069,424)
Less : Gain Sale of Car	(615,874)	(451,479)
Add : Accounting base Dep.	20,828,380	16,784,892
Less : Tax base Dep.	(4,817,203)	(6,122,455)
<b>Business Income</b>	<b>56,190,521</b>	<b>27,466,864</b>



			2021	2020
			Taka	Taka
<b>Tax Calculation</b>				
	Business Income	37.50%	21,071,445	10,300,074
	Dividend income	20.00%	1,127,536	376,585
	Gain on Sale of Share	10%	3,079,923	206,942
	Gain on Sale of Car	15%	92,381	67,722
			<b>25,371,285</b>	<b>10,951,323</b>
<b>Deferred Tax (Note : 11)</b>			<b>(6,653)</b>	<b>66,982</b>
			<b>25,364,632</b>	<b>11,018,305</b>

## 23 Directors attendance fees:

Sl. No.	Name of Directors	Total fees	Total fees
1	Syed Al Farooque	288,000	448,000
2	Mahfuza younus	288,000	656,000
3	Farida Razzaq	288,000	496,000
4	Mrs. Halima Harun	384,000	448,000
5	Md. Shamsur Rahman	288,000	496,000
6	Marium Akhter	288,000	496,000
7	Md. Abdul Awal	24,000	656,000
8	Khalilur Rahman Chowdhury	288,000	496,000
9	Latiful Bari	288,000	368,000
10	Amir Hamza Sarker	384,000	496,000
11	A.B.M Kaiser	288,000	608,000
12	Feroz Ahmed	192,000	328,000
13	Siddique Hossain Choudhury	192,000	168,000
<b>Total</b>		<b>3,480,000</b>	<b>6,160,000</b>

### 23.1 Details of Directors Attendance fees

During the year 2021 the company had 13 members Board of Directors and held 12 board meetings, 12 Ec meeting, 12 claim meetings, and 12 audit meetings. Board of Directors of the company has formed other committees and sub-committees like Executive committee, claims committee and audit committee. Regular meetings of those committees were also held during the year.

## 24 Premium less Re-Insurance:

Premium less re-insurance ( Note-24.1)	361,953,919	369,949,436
	<b>361,953,919</b>	<b>369,949,436</b>

### 24.1 Premium less Re-Insurance:

Class of Business	Gross Premium	Re-Insurance Ceded	Net Premium
Fire	257,513,599	134,957,611	122,555,988
Marine Cargo	208,139,445	51,567,251	156,572,194
Marine Hull	4,384,623	1,321,141	3,063,482
Motor	71,148,518	193,636.00	70,954,882
Miscellaneous	72,897,457	64,090,084	8,807,373
<b>Total amount as on 31 December 2021</b>	<b>614,083,642</b>	<b>252,129,723</b>	<b>361,953,919</b>
<b>Total amount as on 31 December 2020</b>	<b>554,520,243</b>	<b>184,570,807</b>	<b>369,949,436</b>

## 25 Claim Paid under Policies less Re-Insurance:

Claim Paid under Policies less Re-Insurance (Note-25.1)	120,089,126	45,210,254
	<b>120,089,126</b>	<b>45,210,254</b>

### 25.1 Claim Paid under Policies less Re-Insurance:

Class of Business	Gross Claim Paid	Re-Insurance Ceded	Net Paid
Fire	76,485,860	7,682,915	68,802,945
Marine Cargo	42,312,521	3,226,342	39,086,179
Motor	11,059,685	-	11,059,685
Miscellaneous	2,680,573	1,540,256	1,140,317
<b>Total amount (31.12.2021)</b>	<b>132,538,639</b>	<b>12,449,513</b>	<b>120,089,126</b>
<b>Total amount (31.12.2020)</b>	<b>60,754,520</b>	<b>15,544,266</b>	<b>45,210,254</b>

## 26 Depreciation

Depreciation on non-current assets	12,170,643	9,572,571
Depreciation on lease liabilities	8,657,737	7,212,321
	<b>20,828,380</b>	<b>16,784,892</b>



	2021 Taka	2020 Taka
<b>27 Allocation of management expenses</b>		
Salary & allowances	122,764,861	111,681,915
Festival Bonus	14,152,236	10,826,558
Postage & Telegram	524,407	444,594
Printing & Stationery	1,901,450	1,908,390
Stationary & Forms	1,345,057	1,534,787
Computer Stationary	263,510	824,998
Conveyance	2,281,121	2,202,781
Office Cleaning	250,853	289,423
Travelling	88,271	174,148
Entertainment	2,573,631	2,068,271
Repairs and Maintenance Office	509,471	358,395
Telephone, Trunk call & Telex	381,257	351,717
Repairs and Maintenance Car	1,976,775	1,331,910
Repairs and Maintenance Computer	7,390	21,900
Tax Token & Fitness	164,818	-
Training Expenses	5,250	76,100
Trade Licence	304,613	230,389
Photocopy	378,165	309,681
Mobile bill	3,137,019	2,237,295
Car Maintenance Fuel	1,641,229	1,531,495
Car Allowance	8,375,080	4,303,000
Internet Charge	784,465	806,659
Garage Rent	371,000	362,000
Gas, Water & Electricity expenses	2,689,508	1,684,247
Papers and periodicals	85,703	102,112
Rates, Taxes and Levies	2,679	400
Bank Charge	1,450,911	1,010,672
Software Service Charge	138,300	71,030
Service Charge	840,022	803,425
Insurance Premium	1,047,427	794,898
Management Expenses SBC-Fire	1,031,742	985,949
Management Expenses SBC-Marine	1,703,890	1,722,107
Management Expenses SBC-Motor	231,050	216,368
Management Expenses SBC-Miscellaneous	4,389,337	1,758,674
Stamp Duty consumed-Fire	194,938	112,617
Stamp Duty consumed-Motor	140,178	267,817
Stamp Duty consumed-Miscellaneous	42,472	31,030
<b>Total Management Expenses</b>	<b>178,170,086</b>	<b>153,437,752</b>

#### 27.1 Office Rent

As per paragraph 9 of IFRS 16, "At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right of control the use of an identified asset for a period of time in exchange for consideration. Paragraphs B9-B31 set out guidance on the assessment of whether a contract is, or contains a lease".

The office rent directly incurred by the company is an amount that is not included in management expenses but contrast with lease liability in (note-10.5).

#### 27.2 Appropriation of management expenses

Fire	81,668,118	58,456,814
Marine	64,368,708	69,585,675
Motor	22,832,751	18,285,781
Miscellaneous	9,300,509	7,109,482
	<b>178,170,086</b>	<b>153,437,752</b>

Allocation of the above mentioned management expenses on the basis of respective classes of direct premium income.



### 27.3 Key Management Personnel Compensation:

The compensation of key management personnel of Express Insurance Ltd are as follows:

SI No.	Name of Employee	Short-term employee benefits	Post employment benefits	Other long-term benefits	Termination benefits	Share based payment
01	Mr. Md. Nazrul Islam Chief Executive Officer	Salary TK. 33,00,000 Bonous TK. 3,02,500	No	No	NO	No
02	Mr. Md. Anowar Hossain Additional Managing Director	Salary TK. 19,80,000 Bonous TK. 1,45,000 Car Allowance TK.4,20,000	P.F @10% of Basic salary.	Group Insurance	P. F	No
03	Mr. Md. Badiuzzaman Lasker Additional Managing Director	Salary TK. 20,40,000 Bonous TK. 1,50,000	P.F @10% of Basic salary.	Group Insurance	P. F	No
04	Mr. Md. Bahar Uddin Chy. Additional Managing Director	Salary TK. 30,60,000 Bonous TK. 1,40,000 Car Allowance TK.4,20,000	No	Group Insurance		No
05	Mr. Nejam Uddin Additional Managing Director	Salary TK. 19,80,000 Bonous TK. 1,45,000 Car Allowance TK.4,20,000	P.F @10% of Basic salary.	Group Insurance	P. F	No

Key Management Personnel Compensation included in management expenses and no other remuneration or special payment except as mentioned above was made to the Key Management Personnel during the year 2021.

### 28 Agency Commission:

As per Insurance Development & Regulatory Authority's (IDRA) circular No. non life - 32/2012 date: 01 April 2012, the agency commission for non life insurance business were fixed at @15% for all classes of non life insurance business .The agency commission for different classes of business are furnished as under:

Fire	8,976,257	28,535,861
Marine	11,707,209	43,159,325
Motor	2,726,136	8,869,612
Miscellaneous	496,089	2,650,345
	<b>23,905,691</b>	<b>83,215,143</b>

### 29 Provident Fund:

The Company operates Recognized Provident Fund consisted by independent Board of Trustees. The eligible employees contributes @ 10% of their basic salary. The company's contribution equal to employee's contribution to the scheme are charged to Statement of Comprehensive Income in the year which they relate. During the year the company has transferred an amount of Tk.18,66,849 to the fund .

### 30 Legal & Professional Fees :

The details breakup of Legal & professional Fess are given below :

Credit Rating Fee	134,375	134,375
Lawer's Fee for Legal Advise	715,518	101,875
	<b>849,893</b>	<b>236,250</b>

### 31 Collection From Premium and Other Received:

Premium Income	540,576,972	568,209,736
Interest Income	64,090,265	32,792,414
Dividend Income	5,637,678	1,882,926
Car Installment Received	2,970,726	1,888,502
Other Income	7,000	60,250
VAT Collection	63,811,177	62,949,201
	<b>677,093,818</b>	<b>667,783,029</b>

### 32 Payment for Management Expenses, Re-insurance & Claims:

Agency commission	23,905,691	83,215,143
Claim Paid	130,443,569	45,371,960
Paid To SBC	23,521,479	18,034,463
VAT Paid to Government	69,202,224	64,458,038
Management Expenses	177,380,778	165,311,126
Non-Management Expenses	18,063,408	27,062,521
	<b>442,517,149</b>	<b>403,453,251</b>

### 33 Income Tax Paid :

Advance Income Tax (U/S-64 & 74)	20,000,000	26,211,748
Tax on Bank Profit/Dividend Income/Car Tax Token (TDS)	7,673,533	4,105,009
	<b>27,673,533</b>	<b>30,316,757</b>

## 34 Related Party Disclosure (IAS-24):

2021  
Taka

2020  
Taka

## A) Particulars of Directors:

Sl. No.	Name of Directors	Status with EIL	Entities where they have interests	Position in the Firms/Companies
1	Syed Al Farooque	Chairman	1 Wills Fashion Ltd.	Managing Director
			2 Probal Garments Ltd.	Managing Director
			3 Wills Fashionwear (PVT.) Ltd.	Managing Director
			4 Wills Properties Ltd.	Managing Director
			5 Triple A Ltd.	Managing Director
			6 Mirzapur Resort Ltd.	Managing Director
			7 Chalishnu Publications Ltd.	Managing Director
2	Latiful Bari	Vice Chairman	1 Rahmat Knit-Dyeing & Finishing Ltd.	Chairman
			2 Rahmat Fashion Wear Ltd.	Managing Director
			3 Rahmat Textiles Ltd.	Director
			4 China Plastic (BD) Ltd.	Director
			5 Rahmat Rotors Ltd.	Director
3	Mahfuza Yunus	Director	1 Yunus Plastic Inds. Ltd.	Director
			2 Yunus Filament Inds. Ltd.	Director
			3 Sobhan Ice & Cold Storage Ltd.	Director
			4 Yunus Cold Storage Ltd.	Director
			5 Yunus Specialized Cold Storage Ltd.	Director
			6 Siddheswari Cold Storage Ltd.	Director
			7 Europa Cold Storage Ltd.	Director
			8 Yunus Spinning Mills Ltd.	Director
			9 Nowpara Cold Storage Pvt. Ltd.	Director
			10 Garib-E-Newaz Cold Storage Pvt. Ltd.	Director
			11 Combined Food & Cold Storage Ltd.	Director
			12 Ananta Paper Mills Ltd.	Director
			13 Yunus Fine Paper Mills Ltd.	Director
			14 Yunus Offset Paper Mills Ltd.	Director
			15 Yunus Paper Mills Ltd.	Director
			16 Sonali Paper & Board Mills Ltd.	Chairman
			17 Needs Departmental Store	Director
			18 NRB Telecom Limited	Director
			19 Laxmi Preserve Pvt. Limited	Director
			20 Five Star ice & Cold storage Pvt. Ltd.	Director
			21 United Traders	Director
			22 SonaliDredger Ltd	Director
			23 Yunus Newsprint Mills Ltd.	Director
			24 Bickrampur Potato Flakes Ind. Ltd.	Director
			25 Akco Cold storage Ltd	Director
			26 Sharif Cold Storage Ltd.	Director
4	Farida Razzaq	Director	1 Nandini Printing & Publications	Proprietor
			2 Ideal Asset Development Ltd.	Chair-person
			3 The Millenium International School	Vice-Chairman
			4 Altimete Asset Development Ltd.	Vice-Chairman
5	Halima Harun	Director	1 Chemitan Ltd.	Director
			2 EXIM Bank Limited	Sponsor Shareholder
6	Marium Akhter	Director	1 Karim Leathers Ltd.	Director
			2 Kamtex Ltd.	Director
7	Khalilur Rahman Choudhury	Director	1 Khalil Knitwear Ltd.	Chairman & MD
			2 Khalil Garments Ltd.	Chairman & MD
			3 Khalil & Khalil Investment Ltd.	Chairman & MD
			4 Ataiya Trading Corporation Ltd.	Chairman & MD
			5 Al-Hera Filing Station	Proprietor
			6 K. R. C. Rubber Plantation	Proprietor
			7 Khalil Fashion Limited	Managing Director
			8 K.R.C. CNG & Filing Station	Proprietor
8	Amir Hamza Sarker	Director	1 Rahmat Spinning Mills Ltd	Chairman
			2 Logos Apparels Ltd.	Managing Director
			3 Rahmat Sweaters (BD) Ltd.	Managing Director
			4 Belkuchi Spinning Mills Ltd.	Managing Director
			5 Mohammad Ali Spining Mills Ltd.	Managing Director
			6 Shahi Products	Partner
9	Md. Shamsur Rahman	Director	1 Bay Economic Zone	Chairman
			2 Bay Tanneries Ltd.	Managing Director
			3 Bay Tanneries Unit-2 Ltd.	Chairman

2021  
Taka

2020  
Taka

			4	Bay Agro Industries Ltd.	Managing Director
			5	Bay Rubber & Plastic Ltd.	Managing Director
			6	Try on shoe material (BD) Ltd	Managing Director
			7	Bay Emporium Ltd.	Managing Director
			8	Good Turn Shoe & Accessories Ltd.	Managing Director
			9	Good Bags & Accessories Ltd.	Managing Director
			10	Bay Sports Wear Ltd.	Managing Director
			11	BayFootwear Ltd.	Managing Director
			12	Aziz Tannery Ltd.	Managing Director
10	Mr. ABM Kaiser	Director	1	Kaiser Trading Company	Proprietor

#### B) Related party disclosures:

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of these related parties, nature of these transactions and their total value has been set out in accordance with the provision IAS-24: Related party disclosure:

Name of the Party	Nature of Transaction	Nature of Relationship	Transaction value (Taka)	
			Premium Earned	Claim Paid
Chamitan Ltd.	Insurance Premium	Common Directorship	-22,808	
Wills Properties Limited	Insurance Premium	Common Directorship	-51,879	
Bay Tanneries Ltd.	Insurance Premium	Common Directorship	-131,226	
Bay Tanneries Ltd. (Unit-2)			-447,513	
Try on shoe material (BD) Ltd			-1,250,194	
Bay Emporium Limited			-655,599	
Good Turn Shoe & Accessories Ltd.	Insurance Premium	Common Directorship	-656,235	
Good Bags & Accessories Limited			-1,288,362	
Bay Footwear Limited			-1,999,983	
Bay Sports wear limited			-1,250,000	
Rahmat Textiles Ltd.	Insurance Premium	Common Directorship	-4,249,556	24,670,838
Rahmat Sweaters (BD) Ltd.			-1,526,133	
Rahmat Knit-Dying & Finishing Ltd.			-14,719	
Rahmat Fashion Wear			-1,549,356	
Rahmat Rotors Ltd.			-355,750	
Logos Apparels Ltd.			-9,068,488	2,607,931
Mohammed Ali Spinning Mills Limited			-90,687	
Younus Plastic Industries Ltd.	Insurance Premium	Common Directorship	-18,975	
Needs Department Store			-28,593	
NRB Telecom Limited			-664,696	
Laxmi Preserves Pvt. Limited			-294,400	
Five star Ice & Cold storage Pvt. Limited			-71,459	
Bikrampur Potato flakes Inds. Limited			-73,237	
Younus Paper Mills Ltd.			-4,633,860	
Sonali Papers & Board Mills Ltd.			-3,334,879	
United Traders			-418,687	
Sonali Dresser Limited			-997,100	
Younus Offset Paper Mills Ltd.			-2,982,277	
Ananta Paper Mills Ltd.			-1,883,038	
Younus Newsprint Mills Limited			-2,389,760	
Younus fine paper Mills Limited			-3,539,081	10,070,000
Younus Spinning Mills Ltd.			-2,886,793	

Aggregate amount of remuneration paid to all Directors and Officers during the accounting year is as follows :

Particulars	Nature of Payment	Amount In Taka	
		2021	2020
1. Directors	Meeting Fee	3,480,000	6,160,000
2. Directors	Remuneration	-	-
4. Chief Executive Officer	Salary, Bonus & other Allowances	1,907,083	6,450,000
3. Officers & Executives	Salary, Bonus & other Allowances	135,010,014	116,058,473
<b>Total</b>		<b>140,397,097</b>	<b>128,668,473</b>

### 35 Basic Earning per share

i) <b>EPS after charging WPPF</b>			
Profit before tax	154,022,318	103,392,320	
Less: provision for Income tax including deferred tax	(25,873,207)	(11,018,305)	
Less: Workers Profit Participation Fund (WPPF)	(7,334,396)	(4,923,444)	
Profit After tax	120,814,715	87,450,571	
Number of Ordinary shares	65,197,464	53,244,589	
Earning per share (EPS)	<b>1.85</b>	<b>1.64</b>	
ii) <b>EPS before charging WPPF</b>			
Profit before tax	154,022,318	103,392,320	
Less: provision for Income tax including deferred tax	(25,873,207)	(11,018,305)	
Profit After tax	128,149,111	92,374,015	
Number of Ordinary shares	65,197,464	53,244,589	
Earning per share (EPS)	<b>1.97</b>	<b>1.73</b>	

### 36 Compliance of Schedule XI part II of the Companies Act, 1994:

Particulars	No of Employees	
	2021	2020
Below Taka 90,000 per year	-	-
Taka 90,000 and above	710	520

### 37 Corporate Tax Settlement Status

Income Year	Assessment Year	Status	
2011	2012-2013	Return Submitted	Hon'ble High court
2012	2013-2014	Return Submitted	Assessment pending as Tribunal
2013	2014-2015	Return Submitted	Assessment pending as Tribunal
2014	2015-2016	Return Submitted	Assessment pending as Tribunal
2015	2016-2017	Return Submitted	-
2016	2017-2018	Return Submitted	Assessment pending as Appeal
2017	2018-2019	Return Submitted	Assessment pending as Appeal
2018	2019-2020	Return Submitted	Assessment pending as Appeal
2019	2020-2021	Return Submitted	-
2020	2021-2022	Return Submitted	Final Settled
2021	2022-2023	-	-

### 38 Contingent Liability

There is a demand of Tk. 982,670/- for VAT by Customs & Excise department against which the company has filed a Writ petition number 7744 of 2006 before the Hon'ble Suprem Court of Bangladesh, High Court Division. The decision by the Hon'ble Court is awaited.

### 39 Reconciliation of Net profit to net Operating Cash Flow

Net Profit Before Tax	154,019,218	103,392,320
Adjustment:		
Depreciation	20,828,380	16,784,892



	2021 Taka	2020 Taka
Increase/(Decreased) of fair value on Investment in Shares	(8,938,311)	(13,145,553)
Profit/Loss on sale shares	(30,799,230)	(2,069,424)
Interest on lease liability	1,865,945	1,626,053
Gain on sale of car	(615,874)	(451,479)
IPO expenses	-	(9,977,599)
Prior Vat Paid	(5,862,186)	-
<b>Changes in working capital:</b>		
Increase/(Decrease) the balance of Fund	(2,199,978)	27,947,234
Increase/(Decrease) the Premium deposit	23,921,743	75,478,943
Increase/(Decrease) of amount due to other persons or body	69,428,440	67,911,589
Increase/(Decrease) of outstanding claims	32,997,942	32,347,074
Increase/(Decrease) of sundry creditor except payable for fixed asset and tax payable	(7,820,588)	(4,393,613)
Increase/(Decrease) of sundry debtors	(31,795,426)	(45,802,347)
Increase/(Decrease) of WPPF	2,410,804	1,250,623
Increase/(Decrease) of stock of stationery & others	404,675	(216,889)
Increase/(Decrease) of amount due from other persons or body	(11,706,765)	(11,785,658)
Increase/(Decrease) in Accrued interest	30,942	(5,383,144)
Increase/(Decrease) In Insurance stamp in hand	733,405	500,000
<b>Net Cash generated from operating activities</b>	<b>206,903,136</b>	<b>234,013,021</b>

#### 40 Net Assets Value per share (NAVPS)

Total Equity	1,114,331,256	1,011,638,120
Number of Shares outstanding during the year	65,197,464	53,244,589
Net Assets Value per share (NAVPS)	17.09	19.00

#### 41 Net Operating Cashflows per share (NOCFs)

Net operating Cashflows (NOCFs) per share has been calculated by dividing net cash used in operating activities reported in the cash flows statement by the number of ordinary shares in issue.

a. Net cash used in operating activities	206,903,136	234,013,021
b. Number of ordinary shares	65,197,464	53,244,589
c. <b>Net operating cash flows per share (NOCFs)</b>	<b>3.17</b>	<b>4.40</b>

#### 42 General:

- The Board of Directors received no remuneration from the Company other than the Board Meetings attendance fees as per clause no-109 of Memorandum & Articles of Association of the Company & IDRA Circular Sharok No: 53. 03. 0000. 009. 18. 014.18. 123 Dated 31st May 2018 .
- There was no capital expenditure commitment as on 31<sup>st</sup> December, 2021.
- There was no claim against the Company as debt as on 31<sup>st</sup> December, 2021.
- There has been no amount paid or received as commission to or from any person in respect of the Insurance Business transacted by outside of Bangladesh.

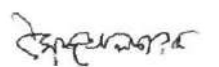
#### 43 Event after the reporting period

##### i) Approval of Financial Statements:

The Board of Directors has approved the financial statements for the year ended 31st December 2021 and recommended for the payment of cash dividend 10% on paid up capital out of the surplus available for distribution at the end of the year 2021, as decided in their 288th meeting held on 15.06.2022 which is subject to the approval of share holders in the forthcoming annual general meeting of the company.

##### ii) Other Significant event:

There was no significant event that has occurred between the balance sheet date and the date when the financial statement are authorized for issue by the board of directors except the above.



Chairman  
Syed Al Farooque



Vice chairman  
Latiful Bari



Director  
ABM Kaiser



Chief Executive Officer  
Md. Nazrul Islam

Dhaka.  
Date: 15 June 2022

**Express Insurance Limited**  
**Schedule of Non-current Assets**  
As on 31st December, 2021

Annexure-A

Cost:

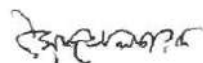
Particulars	COST				Rate of Dep.	DEPRECIATION						Written down value as on 31-12-2021
	As on 01-01-2021 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2021 Taka.		As on 01-01-2021 Taka. (Opening)	Charge during the year Taka. (on Opening Less Sold)	Charge during the year Taka. (on Addition)	Sold/Adj. during the year Taka.	Total Charge during the year	Total as on 31-12-2021 Taka.	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11=(8+9-10)</b>	<b>12=(7+10-11)</b>	<b>13</b>
Land & Building	40,168,508	-	-	40,168,508	2%	6,675,710	669,856	-	-	669,856	7,345,566	32,822,942
Furniture & Fixture	6,833,194	991,345	-	7,824,539	10%	4,045,569	278,763	44,907	-	323,670	4,369,239	3,455,301
Office Decoration	17,577,792	1,929,884	-	19,507,676	10%	11,475,035	610,276	78,666	-	688,942	12,163,977	7,343,699
Office Equipment	2,015,212	-	-	2,015,212	20%	1,787,575	45,527	-	-	45,527	1,833,102	182,110
Computer with Printer	7,075,519	1,554,360	-	8,629,879	30%	4,833,660	672,558	254,880	-	927,438	5,761,098	2,868,781
Crockeries & Cutleries	130,151	9,170	-	139,321	20%	101,039	5,822	1,080	-	6,902	107,941	31,380
Motor Vehicles	54,424,115	25,949,395	7,905,000	72,468,510	20%	28,393,641	5,206,095	1,619,437	5,505,850	6,825,532	29,713,323	42,755,187
Telephone Installation	823,224	24,047	-	847,271	20%	338,668	96,911	2,047	-	98,958	437,626	409,645
Electric Equipment	2,536,916	249,240	-	2,786,156	20%	2,074,074	92,568	36,719	-	129,287	2,203,361	582,795
Air Condition	8,878,246	606,448	-	9,484,694	20%	6,079,348	559,780	64,900	-	624,680	6,704,028	2,780,666
<b>Sub-total : As at 31.12.2021</b>	<b>140,462,877</b>	<b>31,313,889</b>	<b>7,905,000</b>	<b>163,871,766</b>		<b>65,804,318</b>	<b>8,238,156</b>	<b>2,102,636</b>	<b>5,505,850</b>	<b>10,340,792</b>	<b>70,639,261</b>	<b>93,232,505</b>

Revaluation :

Particulars	COST				Rate of Dep.	DEPRECIATION						Written down value as on 31-12-2021
	As on 01-01-2021 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2021 Taka.		As on 01-01-2021 Taka. (Opening)	Charge during the year Taka.	Charge during the year Taka.	Sold/Adj. during the year Taka.	Total Charge during the year	Total as on 31-12-2021 Taka.	
Land & Building	109,736,492	-	-	109,736,492	2%	18,243,938	1,829,851	-	-	1,829,851	20,073,789	89,662,703
<b>Sub-total : As at 31.12.2021</b>	<b>109,736,492</b>	<b>-</b>	<b>-</b>	<b>109,736,492</b>		<b>18,243,938</b>	<b>1,829,851</b>	<b>-</b>	<b>-</b>	<b>1,829,851</b>	<b>20,073,789</b>	<b>89,662,703</b>
<b>Total : As at 31.12.2021</b>	<b>250,199,369</b>	<b>31,313,889</b>	<b>7,905,000</b>	<b>273,608,258</b>	<b>-</b>	<b>84,048,256</b>	<b>10,068,007</b>	<b>2,102,636</b>	<b>5,505,850</b>	<b>12,170,643</b>	<b>90,713,050</b>	<b>182,895,208</b>
<b>31st December-2020</b>	<b>230,579,719</b>	<b>22,239,651</b>	<b>2,620,000</b>	<b>250,199,370</b>		<b>74,475,682</b>	<b>8,754,904</b>	<b>2,579,144</b>	<b>1,761,479</b>	<b>9,572,571</b>	<b>84,048,255</b>	<b>166,151,114</b>
Schedule of lease Rent Asset as on 31st December, 2021												
Right of use of lease assets	22,759,114	14,442,198	267,381	36,933,931	-	7,212,321	8,657,737	-	-	8,657,737	15,870,058	21,063,873
As at 31st December 2021	22,759,114	14,442,198	267,381	36,933,931	-	7,212,321	8,657,737	-	-	8,657,737	15,870,058	21,063,873

Express Insurance Limited  
Form "AA"  
Classified Summary of Assets as at 31 December 2021

CLASS OF ASSETS	BOOK VALUE AS PER BALANCE SHEET	MARKET VALUE	REMARKS
National Investment Bond	45,000,000	45,000,000	Not quoted in market
Investment in Share	161,280,137	161,280,137	Market Value
Fixed Deposit with Banks	1,036,758,851	1,036,758,851	Realizable Value
Balance with Bank	49,397,301	49,397,301	Realizable Value
Cash in hand	2,454,691	2,454,691	Realizable Value
Balance with Share Broker	94,825	94,825	Realizable Value
Interest on Investment accrued but not due	18,631,682	18,631,682	Realizable Value
Right use of Assets	21,063,873	21,063,873	Realizable Value
Amount due from other persons or bodies carrying on insurance business	107,618,136	107,618,136	Realizable Value
OTHER ASSETS :			
Fixed Assets	182,895,208	182,895,208	At Cost / Revaluation less depreciation
Sundry Debtors	350,584,766	350,584,766	Realizable Value
Stock of Stationery & Stamps	992,471	992,471	Value at Cost
<b>Total</b>	<b>1,976,771,941</b>	<b>1,976,771,941</b>	



Chairman  
Syed Al Farooque



Vice Chairman  
Latiful Bari



Director  
ABM Kaiser



Chief Executive Officer  
Md. Nazrul Islam

Dhaka

Date: 15 June 2022

**Express Insurance Limited**  
Head office, Dhaka.

Statement Showing the details of Class wise Premium Income, Re-Insurance Accepted & Ceded, Commission Paid & Earned, Claim Paid, Recovered & Recoverable for the period ended 31st December, 2021

**Direct Business**

Class of Business	Premium Income				Commission			Claims			
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	243,847,385	-	122,396,810	121,450,575	8,976,257	-	47,810,030	76,211,923	-	7,682,915	68,529,008
M/Cargo	186,932,769	-	36,042,594	150,890,175	11,692,903	-	11,246,982	42,151,827	-	3,226,165	38,925,662
M/Hull	3,027,184	-	-	3,027,184	14,306	-	-	-	-	-	-
Motor	68,089,082	-	-	68,089,082	2,726,136	-	-	10,993,173	-	-	10,993,173
Misc.	14,758,809	-	7,272,347	7,486,462	496,089	-	2,824,524	1,086,646	-	-	1,086,646
Total	516,655,229	-	165,711,751	350,943,478	23,905,691	-	61,881,536	130,443,569	-	10,909,080	119,534,489

**Government Business**

Class of Business	Premium Income				Commission			Claims			
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	13,666,214	-	12,560,801	1,105,413	-	-	1,774,651	273,937	-	-	273,937
M/Cargo	21,206,676	-	15,524,657	5,682,019	-	-	2,995,296	160,694	-	177	160,517
M/Hull	1,357,439	-	1,321,141	36,298	-	-	72,662	-	-	-	-
Motor	3,059,436	-	193,636	2,865,800	-	-	-	66,512	-	-	66,512
Misc.	58,138,648	-	56,817,737	1,320,911	-	-	3,739,725	1,593,927	-	1,540,256	53,671
Total	97,428,413	-	86,417,972	11,010,441	-	-	8,582,334	2,095,070	-	1,540,433	554,637

**Direct Business Plus Government Business**

Class of Business	Premium Income				Commission			Claims			
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	257,513,599	-	134,957,611	122,555,988	8,976,257	-	49,584,681	76,485,860	-	7,682,915	68,802,945
M/Cargo	208,139,445	-	51,567,251	156,572,194	11,692,903	-	14,242,278	42,312,521	-	3,226,342	39,086,179
M/Hull	4,384,623	-	1,321,141	3,063,482	14,306	-	72,662	-	-	-	-
Motor	71,148,518	-	193,636	70,954,882	2,726,136	-	-	11,059,685	-	-	11,059,685
Misc.	72,897,457	-	64,090,084	8,807,373	496,089	-	6,564,249	2,680,573	-	1,540,256	1,140,317
Total	614,083,642	-	252,129,723	361,953,919	23,905,691	-	70,463,870	132,538,639	-	12,449,513	120,089,126



**Chairman**  
Syed Al Farooque

**Dhaka**

Date: 15 June 2022



**Vice Chairman**  
Latiful Bari



**Director**  
ABM Kaiser



**Chief Executive Officer**  
Md. Nazrul Islam



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

Al-Razi Complex (9th & 10th Floor), 166-167, Shahid Syed Nazrul Islam  
Sarani, Bijoy Nagar, Dhaka-1000, **PABX** : 02223351741, 02223381255, 02223387196  
02223384421, 02223389546 **Fax**: 02223388616, **E-mail**: express\_insurance@ymail.com  
admin@eilbd.com, **Web**: www.eilbd.com

## PROXY FORM

I/We .....  
of .....  
being a member of Express Insurance Limited and a holder of .....  
(Number of Shares) Ordinary Shares do hereby appoint Mr/Mrs ..... of  
.....

As my proxy, to vote for me/us and on my behalf at the 22nd Annual General Meeting of the Company to be held  
on Thursday, the 1st September, 2022 at 11.00 A.M. through digital platform and any adjournment thereof or at  
any poll that may be taken in consequence thereof.

Signed this ..... Day of ..... 2022

Signature of Shareholder : .....

BO ID No. of Shareholder (s) : .....

Number of Shares : .....

Signature of Proxy : .....

Revenue  
Stamp  
Taka 20.00

Notes :

The Proxy must be signed across twenty taka Revenue Stamp and it should be deposited at the Registered Office  
of the Company not later than 48 hours the time of holding the meeting.



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

## ATTENDANCE SLIP

I do hereby record my attendance at the 22nd Annual General Meeting being held on Thursday, the  
2022 at 11.00 A.M. through digital platform.

1st September,

Name of the Shareholder : .....

No. of Shares : .....

BO ID No : .....

Name of the Proxy : .....

Signature of Shareholder/Proxy

Signature Verified by





Al-Razi Complex (9th & 10th Floor), 166-167, Shahid Syed Nazrul Islam  
Sarani, Bijoy Nagar, Dhaka-1000, **PABX**: 02223351741, 02223381255, 02223387196  
02223384421, 02223389546 **Fax**: 02223388616, **E-mail**: [express\\_insurance@ymail.com](mailto:express_insurance@ymail.com)  
[admin@eilbd.com](mailto:admin@eilbd.com), **Web**: [www.eilbd.com](http://www.eilbd.com)