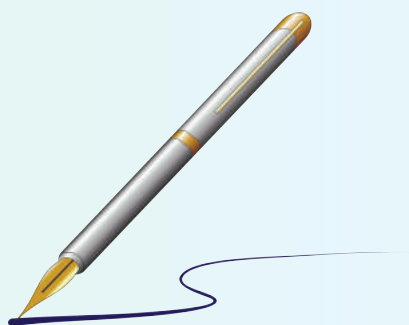


# Annual Report 2018



**Express Insurance Limited**

## NOTICE



### Notice of the 19th Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting of Express Insurance Limited will be held on Monday, the 30th September, 2019 at 2.00 PM in the Board Room of the Head Office of the Company at Al-Razi Complex (9<sup>th</sup> & 10<sup>th</sup> Floor), 166-167, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000 to transact the following business:

### Agenda:

01. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Accounts of the Company for the period ended on 31<sup>st</sup> December, 2018 along with Auditors' Report and Directors' Report thereon;
02. To declare Dividend for the year ended on 31<sup>st</sup> December, 2018 as recommended by the Board of Directors;
03. To elect Directors;
04. To appoint Auditors' for the term till the next Annual General Meeting and to fix their remuneration.

Dated: Dhaka, 11th September, 2019

By order of the Board of Directors  
Sd/-  
**(Md. Liaquat Ali Khan)**  
Company Secretary

### Notes:

01. The register of the member and the share transfer register will remain closed from 16<sup>th</sup> September, 2019 to 30<sup>th</sup> September, 2019 (inclusive both days).
02. A member entitled to attend and vote at the above meeting may appoint a proxy (as per Article of the Association, proxy shall be a member of the Company) on his/her behalf. The proxy form duly stamped and signed shall be submitted at the Registered Office of the Company at least 48 hours before the meeting.

## Corporate Profile

**Name of the Company**

Express Insurance Limited

**Credit Rating**

'A+'

**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. Md. Abdul Awal

**Company Registration Number**

C-39954, Dated: 30 March, 2000

**Managing Director**

Mr. K.M. Saidur Rahman

**Authorized Capital**

BDT 750.00 million

**Chief Financial Officer**

Mr. Md. Obaidul Akbar

**Paid up Capital**

BDT 391.18 million

**Company Secretary**

Mr. Md. Liaquat Ali Khan

**Tax Payer Identification Number (TIN)**

214124981218

**No. of Branches**

20

**Business Identification Number (BIN)**

000 25 12 79

**Registered Office**

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

PABX : 9554421, 9561255, 9569546, 9557196

Fax : 880-2-9568616,

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

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

**Subsidiary Companies**

Nil

**Auditors**

Ahmed Zaker & Co.,  
Chartered Accountants

## Corporate Profile

**Name of the Company**

Express Insurance Limited

**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.

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Nil

**Auditors**

Ahmed Zaker & Co.,  
Chartered Accountants

**Credit Rating**

'A+'

**Credit Rating Agency**

Alpha Credit Rating Limited

**Chairman**

Mr. Md. Abdul Awal

**Managing Director**

Mr. K.M. Saidur Rahman

**Chief Financial Officer**

Mr. Md. Obaidul Akbar

**Company Secretary**

Mr. Md. Liaquat Ali Khan

**No. of Branches**

20

**Registered Office**

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

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

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



## PAST CHAIRMEN OF THE COMPANY



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



**Ex-Chairman & Managing Director**

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

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



**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.

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



**Director**  
**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**  
Period (2004-2006)



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

**Director**  
Golden Life Insurance Co. Ltd.  
M/s. Bay Economic Zone

**Managing Director**  
M/s. Bay Tanneries Ltd.  
M/s. Bay Rubber & Plastic Inds. Ltd.  
M/s. Bay Agro Industries Ltd.  
M/s. Aziz Tanneries Ltd.

**Shareholder**  
M/s. Shalbahan Farms Ltd.

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



**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.

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

## PAST CHAIRMEN OF THE COMPANY



**Mr. 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.

## SPONSOR SHAREHOLDERS OF THE COMPANY



**Director**  
**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



**Chairman**  
 M/s. Bay Tannery Unit-2 Ltd.  
**Director**  
 Golden Life Insurance Co. Ltd.  
 M/s. Bay Economic Zone  
**Managing Director**  
 M/s. Bay Tanneries Ltd.  
 M/s. Bay Rubber & Plastic Inds. Ltd.  
 M/s. Bay Agro Industries Ltd.  
 M/s. Aziz Tanneries Ltd.  
**Shareholder**  
 M/s. Shalbahan Farms Ltd.

Mr. Md. Shamsur Rahman



**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

## DIRECTORS' PROFILE

### Chairman



**Mr. Md. Abdul Awal**

Mr. Md. Abdul Awal is one of the Sponsor Directors of Express Insurance Limited. Presently he is the Chariman of the Company. Earlier he was the Vice-Chariman of the Company for one term and the Chairman of the Executive Committee of the Board for consecutive three terms. Mr. Md. Abdul Awal is a bachelor of Business Administration. He started his business career soon after completing his education. In 2005 he started his share trading business house Synthia Securities Limited having a membership of Dhaka Stock Exchange. He is also a sponsor shareholder of Mercantile Bank Limited. Within short period of time he become a successful businessman by dint of his hard labour, sincerity, honesty and amiable dealings. He is the member Secretary of 'Abdur Razzaq & Mohammed Selim Foundation' a non-profit organization engaged in social welfare activities with a view for helping the less privileged people of the society with their education & health care.

### Vice-Chairman



**Mrs. Mahfuza Yunus**

Mrs. Mahfuza Yunus is a Sponsor Director and the Vice-Chairman of the Company. Earlier she was the Chairman of the Claim Committee for one term. Mrs. Mahfuza Yunus 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. Syed Al Farooque**

Mr. Syed Al Farooque is a Sponsor Director and Chairman, Executive Committee of Express Insurance Limited & former Chairman of the Company. He obtained M. A. with B.A. (Hon's) in Bangla Language and Literature from Dhaka University. He started business career in 1980 and set up number of Industrial units in RMG Sector. He was also involved in real estate sector with good reputation. He is also associated with media business and established celebrity and talent management Company at home and abroad. He is the Managing Director of Wills Group. He had active role in BGMEA. He is a member of India-Bangladesh Chamber, Dutch-Bangla Chamber, German Bangladesh Chamber and IBFB. He was a member of the Executive Committee of Bangladesh Insurance Association and played vital role in developing the Insurance Industry in the country. Apart from business activities he is a reputed cultural personalities and renowned poet in the country. He is author of 40 books, and has been honoured with 23 important awards in Bangladesh, India, UK and USA for his literary contribution. He attended many international poetry and literary festival, book fair and business summit through out the world. He is associated with many other social and cultural organizations including Bangla Academy, Baridhara Society, Gulshan Club and "Muldhara". As the President of Muldhara and Shishu Shahitya Parishad he is working to expand bangla language and culture. He was the editor of weekly Akarshon, Chief Editor of Kishor Jogot, Associate editor of Shachitro Shomoy and Asia Editor of Curry Life, International magazine published from London. He is also a Reciter, song writer and music-video director.

## Director

**Mr. Amir Hamza Sarker**

Mr. Amir Hamza Sarker is a Sponsor Director of Express Insurance Limited. Presently he is the Chairman of the Claim Committee. Mr. Amir Hamza Sarker earned his B.B.M degree from Cambridge Collage, Australia. After completion of his education he started his career joining his family Group of Industries. He is the Chiarmen of Rahmat Spining Mills Limited, Chairman & Managing Director of Logos wear House Limited. Managing Director of Rahmat sweaters (BD) Limited, Belkuchi Spinning Mills Ltd., Logos Apparels Ltd., & Director Rahmat Plastic & Accessories Limited and he is the Proprietor of Logos Printing & Design. He visited many countries of the word for business purpose.



## 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. Mr. Feroz Ahmed 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.

## Director

**Mrs. Farida Razzaq**

Mrs. Farida Razzaq is the immediate past Chairman of Express Insurance Limited. She is one of the Sponsor Directors of the Company. 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. Latiful Bari**

Mr. Latiful Bari is a Sponsor Director of Express Insurance Limited. Mr. Latiful Bari obtained his graduation in Business Administration from Bradford College, United States of America. After completion of his education 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 purpose.

## 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. Mr. Khalilur Rahman Choudhury 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 very successfully. He is the Chairman & Managing Director of Khalil Knitwear Ltd., Khalil Garments Ltd., Khalil & 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 born 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. Mrs. Marium Akhter comes of a respectable Muslim Family. Mrs. Marium Akhter 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



**Mrs. Halima Harun**

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

## Independent Director



**Mr. Siddique Hossain Choudhury**

Mr. Siddique Hossain Choudhury is an Independent Director of Express Insurance Limited and he is one of the Member of Audit Committee of the Board. Mr. Siddique Hossain Choudhury 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. K. M. Saidur Rahman**

Mr. K. M. Saidur Rahman has been serving the Company since July 2006 as its Managing Director & CEO. The Company has been reportedly achieved remarkable growth in all round during his tenure of service. He is a BBA, MBA and qualified Chartered Secretaries from the Institute of Chartered Secretaries of Bangladesh and become a Fellow Member (FCS). He is also the Faculty Member of ICSB and guest lecturer of a few training institute of Banks. He has attended many insurance related seminars, symposiums and workshops. He participated in various professional training courses. Mr. Rahman is a renowned insurance personality.

## EXECUTIVES OF THE HEAD OFFICE

**Mr. K. M. Saidur Rahman, MBA, FCS.**

Managing Director & CEO

**Mr. Md. Anwar Hossain**

Additional Managing Director

**Mr. Md. Badiuzzman Lasker**

Deputy Managing Director

**Mr. Md. Ahsan Habib**

Asstt. Managing Director

**Mr. Kamrul Hasan Dulal**

Asstt. Managing Director

**Mr. Md. Nejam Uddin**

Asstt. Managing Director

**Mr. Md. Kabir Ahmed Khondaker**

Asstt. Managing Director

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

Asstt. Managing Director &

Head of Underwriting & Branch Control Department

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

Sr. GM & Head of Claim & Re-insurance Department

**Mr. Md. Liaquat Ali Khan, BA. (Hon's), MA. (Eco.)**

Company Secretary

**Mr. Md. Obaidul Akbar**

B.Com(Hon's), MBS (ACC), CA (CC), CGA, ITP, LLB, PGDFM

Deputy General Manager, CFO

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

Deputy General Manager, (Internal Audit)

**Mr. M. M. Anamul Haque**

AGM, Establishment Department

**Mr. Md. Shafiquz-Zaman**

AGM (Underwriting Department)

**Mr. Md. Farhad Hossain Bhuiyan**

AGM (Underwriting Department)

## LIST OF BRANCHES

Sl. No.	Name of Branch	Address	Name of In-charge	Phone/Fax
<b>DHAKA ZONE</b>				
01	<b>Motijheel Branch.</b>	Paramount Heights (5 <sup>th</sup> floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka.	<b>Mr.Md. Anwar Hossain</b> Additional Managing Director	9574498 (AMD), 9585763, 01711-535554 Fax No.-880-02-9574497
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. Badiuzzman Lasker</b> Deputy Managing Director	8392114, 8392113 01985-467457, 01842-467457
03	<b>Malibagh Branch</b>	83, Siddeswary Circular road, Manhatan Tower, (3 <sup>rd</sup> floor), Malibagh.	<b>Mr. Ahsan Habib</b> Asstt. Managing Director	9333086, 01713-032295 Fax No.-880-02-48318664
04	<b>Local Office</b>	28, Dilkusha, C/A (16 <sup>th</sup> floor), suit # 1602, Dhaka.	<b>Mr. Md. Nejam Uddin</b> Asstt. Managing Director	47111134, 9572284, 01732-336717 Fax No.-880-02-9570989
05	<b>Narayangonj Branch</b>	55/1, S.M Malay Road, Farzana Tower (2 <sup>nd</sup> floor), Narayangonj.	<b>Mr. Md. Kabir Ahmed Khondaker</b> Asstt. Managing Director	7644983, 01715-284293 Fax No. -880-02-7644983
06	<b>Paltan Branch</b>	Nurjahan Sharif Plaza, (7 <sup>th</sup> floor), 34, Purana Paltan, Dhaka.	<b>Mr. Md. Ahsan Habib Khondaker</b> Sr. General Manager	47114992, 01715-863792 Fax No.-880-02-57163896
07	<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> Sr. General Manager	9128296, 01711-583829 Fax No. -880-02-9128296
08	<b>Hatkola Branch</b>	33/1, Hatkhola Road (1 <sup>st</sup> floor), Dhaka.	<b>Mr. Md. Hafizur Rahman</b> Sr. General Manager	9571761, 01713-046259, Fax No. -880-02-47116863
09	<b>Topkhana Road Br.</b>	Tropicana Tower (6 <sup>th</sup> floor), 218, Shahid Syed Nazrul Islam Sharni (45, Topkhana Road), Dhaka.	<b>Mr. Md. Shaheen Hossain</b> Sr. General Manager	9586629, 01713-013079 Fax No. -880-02-9586630
10	<b>Naya Paltan Branch</b>	Navana Rahim Ardent, Suite # B2 (2 <sup>nd</sup> floor), 185, Shahid Syed Nazrul Islam Sharani, Dhaka-1000.	<b>Mr. Md. Abdul Latif</b> Sr. General Manager	9343151, 01836-567290 Fax No.-9343251
11	<b>VIP Road Branch</b>	Shatabdi Centre, (8 <sup>th</sup> floor), Room no. 8/G, 292, Inner Circular Road, Dhaka.	<b>Mr. Noman Iben Nasir</b> General Manager	7191845, 01965-822445 01757-846276 Fax No. -880-02-7191846
12	<b>B.B. Avenue Branch</b>	20, B.B Avenue (3 <sup>rd</sup> floor), Dhaka.	<b>Mr. Mir Shakawat Hossain</b> Deputy General Manager	9566013, 01755-954797 Fax No. -880-02-9566411
13	<b>Dilkusha Branch</b>	58, Dilkusha C/A (7 <sup>th</sup> floor), Dhaka.	<b>Mr. Sahidur Rahman</b> Sr. General Manager	9515280, 01842-621642 Fax No.-880-02-9557478
14	<b>Bangshal Branch</b>	92, Shahid Syed Nazrul Islam Sharani (4 <sup>th</sup> floor), Bangshal, Dhaka.	<b>Mr. Shekh Abdul Halim</b> General Manager	47112912, 01711-194111 Fax No. -880-02-47112912
15	<b>Principal Branch</b>	6, Motijheel C/A (4 <sup>th</sup> floor), Dhaka.	<b>Mr. Nirmal Chandra Debnath</b> Sr. General Manager	47113862, 01850-450092 Fax No.-880-02-57164107
16	<b>DIT Road Branch</b>	Lal Bhaban (9 <sup>th</sup> floor), 18, Rajuk Avenue, Dhaka-1000.	<b>Mr. Mohammed Yeasen</b> General Manager	9560740, 01811-836148 01745-355911 Fax No.-880-02-9571804
17	<b>Narsingdi Branch</b>	Sultan Uddin Market (4 <sup>th</sup> floor), East Chelispur, JailKhana Mor, Narsingdi.	<b>Mr. Sohel Ahmed</b> Asstt. General Manager	Mob-01715-136448

## Chittagong Zone

18	<b>Agrabad Branch/ Zonal Office Chittagong</b>	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
19	<b>Khatungonj Branch</b>	Salma Tower, (3 <sup>rd</sup> floor), 398/A, Khatungong, Chittagong.	<b>Mr.Md. Forkan Azam</b> Sr. General Manager	031-623228, 01815-700308 Fax No.-880-031-625473
20	<b>Jublee Road Branch</b>	Wazico Tower, (4 <sup>th</sup> floor), 263, Jublee Road, Enayat Bazar, Chittagong.	<b>Mr. Md. Amzad Hossain</b> General Manager	031-622224, 01949-897208 Fax No. -880-031-622225

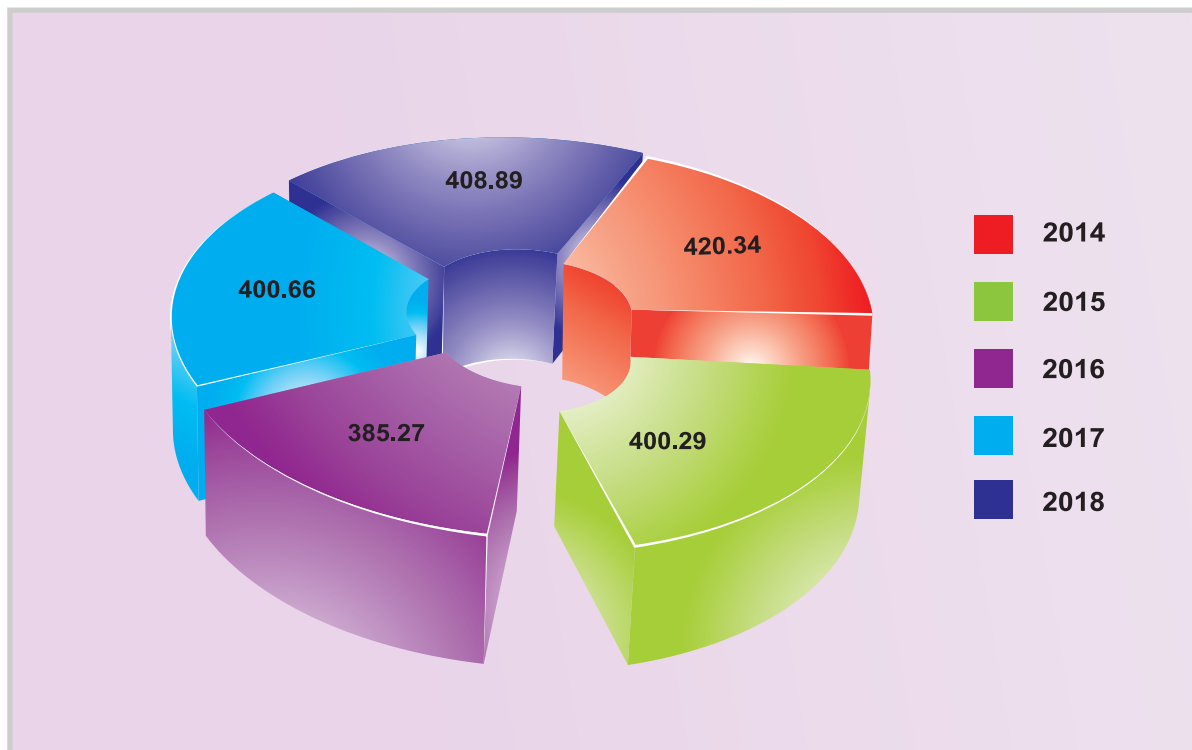
## FINANCIAL HIGHLIGHTS

Figure in Million

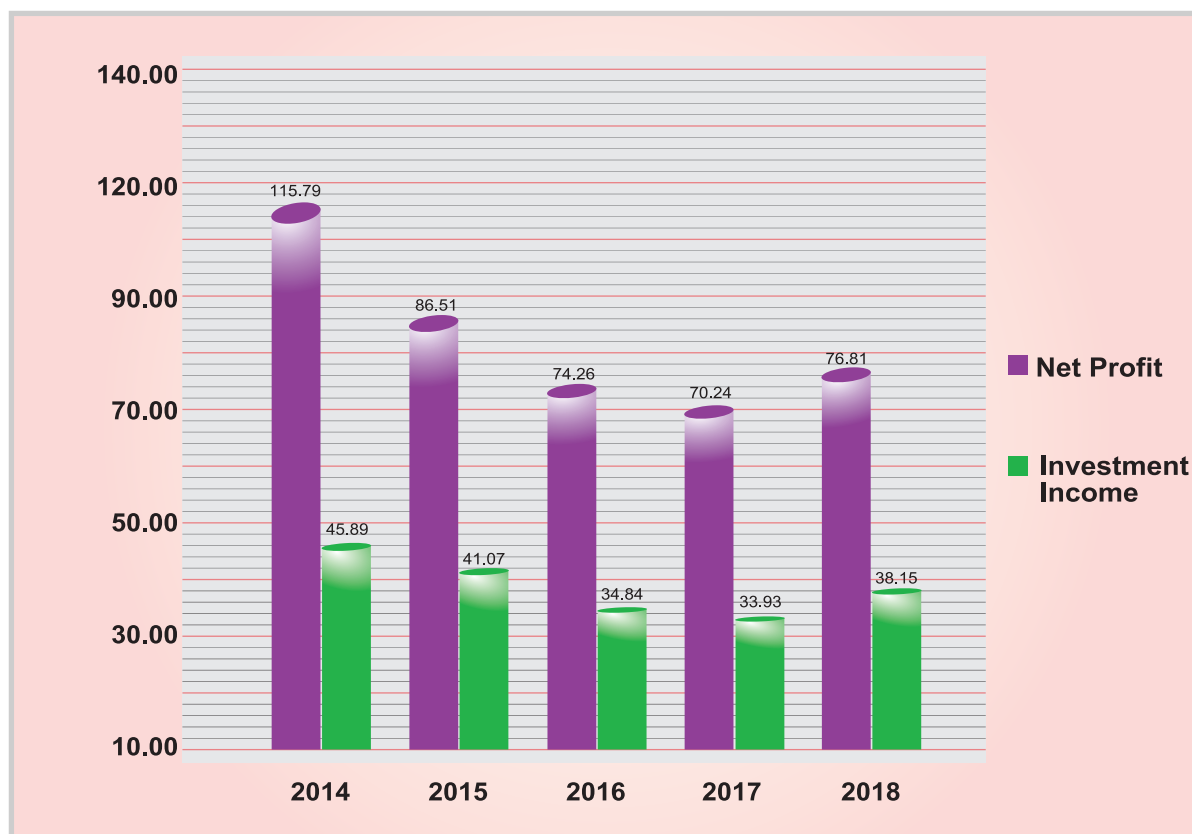
S.L No	Particulars	Year					Remarks
		2014	2015	2016	2017	2018	
01	Gross Premium Income	420.34	400.29	385.27	400.66	408.89	
02	Net Premium Income	278.50	266.42	244.70	252.29	243.72	
03	Gross Claim	78.36	112.94	54.85	56.38	96.07	
04	Under Writing Profit	96.48	67.02	57.48	41.01	55.23	
05	Investment Income	45.89	41.70	34.84	33.93	38.15	
06	Profit before tax	115.79	86.51	74.26	70.24	76.81	
07	Profit after tax	85.79	56.51	49.26	46.77	43.84	
08	Paid up Capital	325.98	391.18	391.18	391.18	391.18	
09	Share holders equity	637.42	693.92	742.11	743.01	732.25	
10	Total Reserves	241.88	254.81	262.79	265.80	253.57	
11	Total Assets	974.86	1032.44	1086.96	1087.25	1107.88	
12	Total Investment	540.44	542.29	593.70	611.04	596.79	
13	Fixed Assets (Land & Building)	141.09	138.27	135.50	132.79	130.14	
14	Earning Per share (EPS) Tk.	2.64	1.44	1.26	1.20	1.12	
15	% of Dividend (Cash)	-	12%	10%	10%	10%	
16	% of Dividend (Stock)	20%	-	-	-	-	

## PERFORMANCE OF THE COMPANY

### Gross Premium Income (Taka in Million)



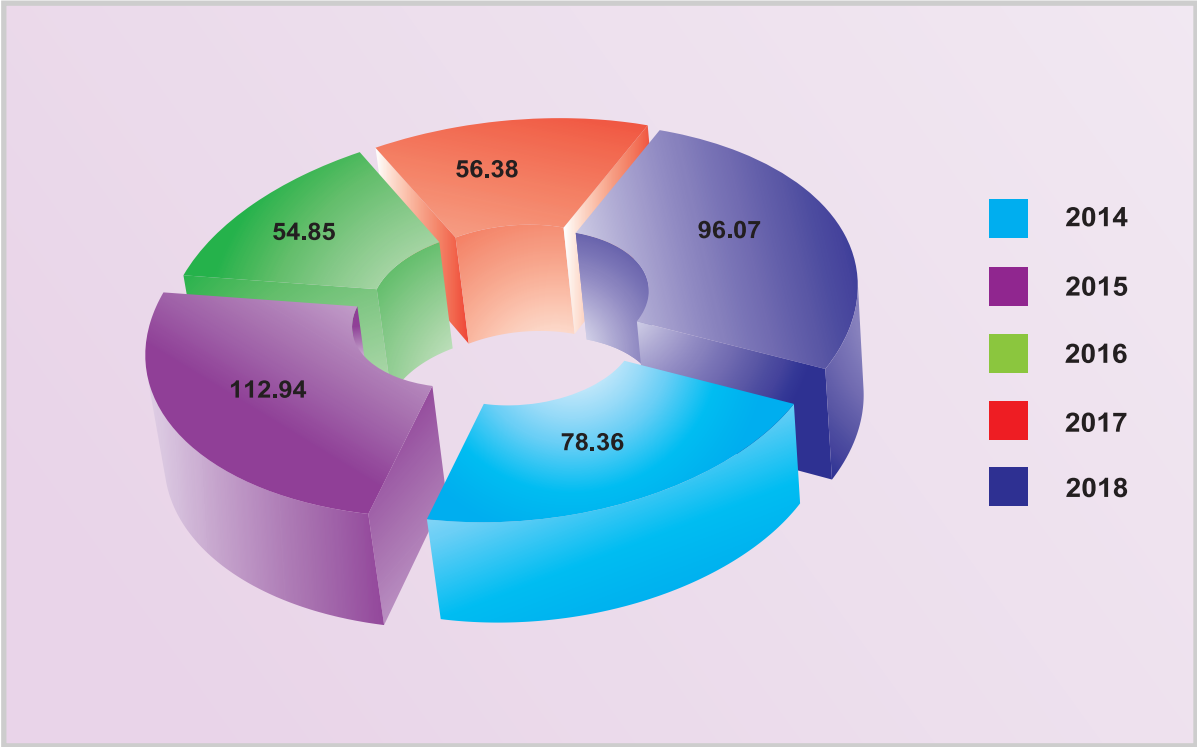
### Investment Income & Net Profit (Taka in Million)



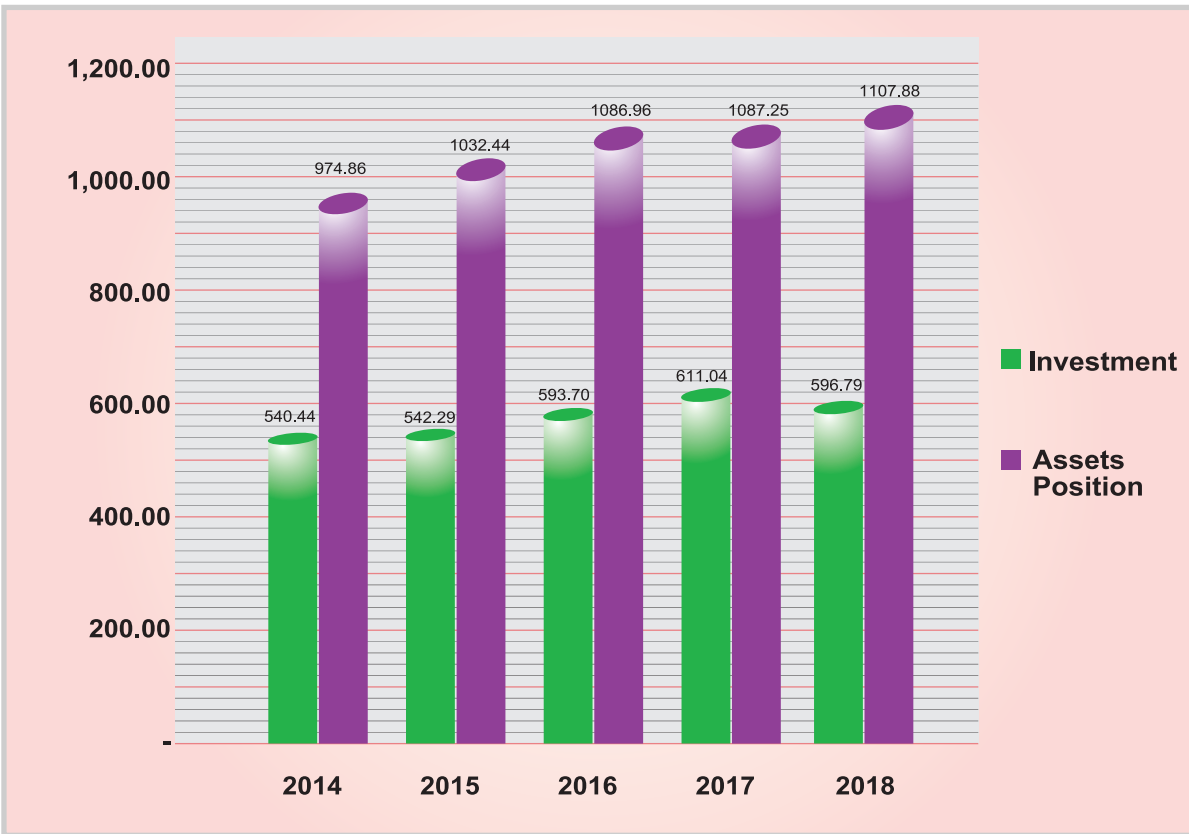


PERFORMANCE OF THE COMPANY

Gross Claim Paid (Taka in Million)



Investment & Asset Position (Taka in Million)



## CHAIRMAN'S ADDRESS

*Assalamu Walaikum,*

I express my profound gratitude to the Almighty Allah for being able to present before you the progress and achievement of the Company. It is my pleasure to warmly welcome you all at the 19th Annual General Meeting. I would like to take the opportunity to express my sincere thanks and appreciation for your active participation, continuous support and co-operation. It is my privilege to present before you a short statement about the performance of the Company in 2018.

Though Bangladesh economy is expanding at a reasonable rate still it is a small economy. It is well known to you all that there are 46 Non-life Insurance Companies operating in this small economy. As a result there always exists stiff competition among the different Companies. From the very beginning of the journey Insurance Development and Regulatory Authority (IDRA) had been working hard to restrict unhealthy competition and unethical practice and to restore the image of the Industry. With this aim in view the Insurance Development and Regulatory Authority (IDRA) has issued a good number of directives to all Insurance Companies. We are hopeful that the Insurance sector will overcome all the deficiencies within a reasonable time.

In spite of all these hurdles mentioned above Express Insurance Limited earned gross premium of Tk. 408.89 Million and net Premium of Tk. 243.72 Million in the year 2018, underwriting Profit stood at Tk. 55.23 Million and net profit before tax stood at Tk. 76.81 Million. Total asset at Tk. 1107.88 Million on 31-12-2018. The Company has paid Tk. 96.07 Million for claim settlement in the year 2018.

Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed joined in the Board of Directors as Independent Directors last year. We welcomed them in the Company and the Board of Directors become more strengthened by their joining.

The Board of Directors has tireless efforts to make your investment more profitable and back you a good rate of return of investment as Dividend. But stiff competition, increase of business procurement cost & decrease of return on investment portfolio are the main obstacles to this effect.

You will be happy to know that Express Insurance Limited has been rated "A+" by Alpha Credit Rating based on its claim paying ability and financial statement ended as on 31 September, 2018 which indicates strong liquidity position, good track record, good solvency ratio, sound profitability and smart investment portfolio.

I would like to thank the employees of the Company for their hard work, sincere efforts & dedication for overall growth of the Company and I hope their contribution will be more fruitful in the days to come.

Lastly, I would like to convey my deep appreciation and gratitude and sincere thanks to all of our valued clients, my fellow colleagues of the Board, the Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission, Joint Stock Companies & Firms for their guidance & supports & full co-operation.

With best regards.



**(Md. Abdul Awal)**

## MESSAGE FROM THE MANAGING DIRECTOR & CEO

### *Bismillahir Rahmanir Rahim*

It gives me immense pleasure to warmly welcome you all at the 19th Annual General Meeting. I also take the opportunity to inform you the overall activities and performance of the Company. First of all I want to appreciate your all round support, trust, confidence and contribution toward overall progress of the Company.

You will find the performance of the Company in the attached Directors' Reports and Auditors Reports together with the Annual Accounts for the year ended 2018.

During the period under review, I want to remind you about stiff competition amongst the Insurance Companies though prevailed the political stability & increase of economic activities. But the growth of the insurance premium of the country is not up to the mark. Size of the insurance market is still limited and a huge size of insurable properties both public and private sector are uninsurable. Diversification of insurance products are negligible. Lack of right professional is another barrier. But the IDRA has tried to bring into discipline and good Corporate Governance and compliance of the Insurance Companies. In our Company, digitalization is still under construction deserves urgent implementation.

However, our total team is now inspiring to hard work to increase business volume to make higher profit and try to diversify the investment so that performance of the current year will be better and satisfactory. I hope my all staff including the Branch Managers will devotedly work hard for better future of EIL family. Recently, the company has introduced the Workers Profit Participation Fund (WPPF) for the employees besides, Provident Fund, Group Insurance etc.

The right attention of the government and the regulators is urgently required to solve the current problems of the insurance industry. All stakeholders should come forward to create healthy environment, good professional practice and good corporate governance. Isolated and few steps would not bring positive result. Therefore, we are waiting for a series of Reform Action Plans of the regulators to mitigate long malpractices in the industry.

In fine, I sincerely thank to our Hon'ble Chairmen, Board of Directors, Executive Committee, Claim Committee, Audit Committee and Directors for their unstinted support and co-operation in managing 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 on 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) etc.

With best Regards



**(K.M. Saidur Rahman)**  
Managing Director & CEO

## DIRECTORS' REPORT TO THE SHAREHOLDERS

*Bismillahir Rahmanir Rahim*

Dear Members,  
*Assalamu Alaikum Wa-Rahmatullah*

The Board of Directors of Express Insurance Limited takes the pleasure in presenting the Directors' Report in this 19<sup>th</sup> Annual General Meeting before you along with the Audited Financial Statements for the year 2018 and a brief overview of Global and Bangladesh Economy.

### Global economy :

The global economy in fact has experienced a cyclical recovery, reflecting a rebound in investment, manufacturing activity and trade. Overall, the global economy is projected to remain steady at its 2017 level which was 3.7%. Growth in the advanced economies gained significant momentum crossing a .04% above previous year & reached at 2.3%. The continued boost in domestic demand in the developed economies, favourable financial conditions, strong business and consumer confidence played a vital role in achieving expected growth targets of 3.7% in 2018 as forecasted by IMF.

### Bangladesh economy :

The economy of Bangladesh has been able to maintain sustained economic growth even in the face of global financial crises. The economy of Bangladesh has expanded significantly in 2018, despite ups and downs in the performance of major economic indicators. One of the major achievements of the economy has been above 7% percent economic growth in 2018, breaking the six percent circle that continued for a decade or so. As a result, the World Bank express high hope for Bangladesh economy for the next two fiscal year. Like previous years, major boost of growth has come from the industrial sector next from the service sector. Though average inflation rate was about 5.78 percent, food inflation showed an increasing rate in the last part of the year.

The year 2018 was a turning point for Bangladesh in many ways. Bangladesh recently fulfilled the UN's current criteria to graduate from a "least developed country" to a developing country. It has also recently advanced from a low-income country to a low-middle income country on the world Bank's scale.

The government has been implementing a number of mega projects to improve the country's alling infrastructure, which if done efficiently and timely could add further value to the growth of the country's Gross Domestic Product (GDP).

## Industry Outlook:

The insurance industry in Bangladesh has a great prospect because of a number of reasons such as the sustained growth rate of the country's GDP and per capita income, growth of the market size, increasing population and a rapid shift of the economy from a consumption one to a manufacturing one, especially through expansion and diversification of entrepreneurship in both urban and rural areas. It is also observed that the high and middle-income people and the companies running businesses with some success are becoming more conscious about their safety and therefore, the insurance businesses may see their prospect in coverage of the risks. The prospect of development of insurance business will depend on the growing understanding of the people and businesses of the facts that insurance provides safety and security through various types of the insurance products.

## Business Highlights:

Express Insurance Limited has had another successful year. The gross premium income of 2018 stood at Tk. 408.89 Million while the net premium income was Tk. 243.72 Million. The underwriting profit was Tk. 55.23 Million. In the year 2018 the operating income and net income of the Company were in decreasing trend in spite of little increase in premium income & investment income because of negative trend of share market and increase of operating expenses including increase in gross claim paid.

The management has taken all steps to increase its premium income this year. New marketing people have been recruited and new motivation package has also been declared for increase of premium income.

## Business highlights of 2018 in comparison with 2017 :

*Taka In Million*

Particulars	Fire	Marine	Motor	Misc.	2018	2017
Gross Premium Income	128.74	107.80	120.93	51.42	408.89	400.66
Re-insurance Ceded	86.56	33.53	1.09	43.99	165.17	148.37
Net Premium Income	42.18	74.28	119.83	7.43	243.72	252.29
Total Claim paid	61.47	10.54	14.20	9.86	96.07	56.38
Agency Commission	17.99	14.45	18.08	1.18	52.32	56.96
Management Expenses	56.65	44.02	55.75	8.54	164.96	170.90
Reserve for unexpired Risk	16.87	30.34	47.93	2.97	98.11	101.58
Underwriting Profit/(Loss)	6.81	27.58	19.27	1.57	55.23	41.01

## Investment Income and Net Profit :

In spite of adverse effect of investment of share and slightly increase in rate of interest of FDR, the Company earned a net profit before tax of Tk. 76.81 Million while it was Tk. 70.24 million in the previous year.

**Comparison of investment income and profit:***Taka In Million*

<b>Over all Result</b>	<b>2018</b>	<b>2017</b>
Underwriting Profit / (Loss)	55.23	41.01
Interest & Revenue	38.15	33.93
Gain/(Loss) on sale of share	5.63	-
Total Investment Income	38.15	33.93
Profit before Tax	76.81	70.24
Provision for Tax	29.31	20.13
Reserved for Exceptional Loss	4.00	5.00
Dividend 10% in Cash	-	-
Proposed Dividend 10% in Cash	39.12	39.12

**Appropriation of Profit and Dividend Declaration :**

The Company has made provision of Tk. 4.00 Million as Reserve for Exceptional Loss and Tk. 29.31 Million for Corporate Tax during this year. The Board of Directors has recommended to the Members to declare @ 10% dividend in cash for the year 2018. The dividend policy of your Company is attractive and satisfactory to its shareholders. Your Company has been able to maintain good rate of dividend since last 10 (ten) years.

**Claim Settlement :**

The gross claim payment of the Company stood at Tk. 96.07 Million in 2018 as against Tk. 56.38 Million of 2017. Re-insurance protection for the risk undertaken by the Company is well managed and as such the clients are strongly protected.

**Investment Position :**

The investment of the Company stood at Tk. 596.79 Million at the end of 2018, after adjustment of cumulative loss of investment in shares of previous years. The head wise investment figures are listed below :

<b>Sl. No.</b>	<b>Particulars</b>	<b>2018</b>	<b>2017</b>
01.	National Investment Bond	2,50,00,000	2,50,00,000
02.	Bank Balance with Fixed Deposit	54,11,58,180	54,54,63,399
03.	Investment in Shares	3,06,33,990	4,05,81,496
<b>Total Investment</b>		<b>59,67,92,170</b>	<b>61,10,44,895</b>

**Credit Rating Report :**

Your Company has been rated 'A+' by Alpha Credit Rating Ltd. based on its un-audited financials ended September, 2018 and other qualitative and quantitative information up to the date of rating. CPA Rating 'A+' 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.



**IPO :**

The application of IPO has already been submitted to the Bangladesh Securities and Exchange Commission with up dated information. Our application is at the final stage and the Commission is actively considering our draft prospectus for approval. We hope, the Commission will accord their kind consent to float our public share very soon.

**Retirement & Re-election of Directors:**

According to Articles of 112 & 113 of the Articles of Association of the Company, the following Directors of Group KA (Sponsor Shareholders) shall retire in the upcoming 19th AGM and being eligible for re-election as per Article 114, all of them have offered themselves for re-election.

1. *Mr. Latiful Bari*
2. *Mr. Amir Hamza Sarker*
3. *Mr. Md. Abdul Awal*
4. *Mr. Khalilur Rahman Choudhury*

**Going Concern:**

The Directors are of the opinion that the Company is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

**Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee of Express Insurance Limited is appointed by the Board of Directors, as required by the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC) notification. The Nomination & Remuneration Committee consist of six members, of whom one is an independent director, and rest are the nominated directors.

**Declaration of the CEO and the CFO regarding Financial Statements:**

A separate statement pertaining to due diligence of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as required under Corporate Governance Code of BSEC is presented in this report.

**Appointment of Independent Directors:**

Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed have been appointed as Independent Director in the Company. Mr. Siddique Hossain Choudhury is a retired Govt. officer. He was appointed in the Company on 29th May, 2017 and Mr. Feroz Ahmed was a member of BCS Cadre and retired as Secretary to the Govt. of the Peoples' Republic of Bangladesh. He was appointed in the Company on 15th October, 2017. The shareholders ratified their appointment in the 18th AGM. Both of them rendered valuable contribution to the Company.

**Audit Committee**

There was an Audit Committee since inception of the Company. With the appointment of Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed as the Independent Director of the Company Mr. Siddique Hossain Choudhury was elected as the Chairman of the Audit Committee and Mr. Feroz Ahmed was elected as one of the members of the Audit Committee. During the last year Mr. Feroz Ahmed acted as Chairman and Mr. Siddique Hossain Choudhury as a member of the Audit Committee.



### Appointment of Auditors:

M/s. AHMED ZAKER & Co. Chartered Accountants have served the Company for the year 2018 and as per requirement of law they will retire in the 19th Annual General Meeting. They have expressed their willingness for re-appointment for the next term. The Board of Directors has recommended to the members for their consideration of re-appointment of M/s. AHMED ZAKER & Co., Chartered Accountants upto the next AGM. The share holders are also requested to approve Podder & Associates, Cost & Management Accountants as compliance Auditor.

### Compliance of Corporate Governance

The Board of Directors of the Company firmly believes that good Corporate Governance and transparency is very much essential for ensuring a disciplined and sustainable organisation. We have the pleasure to inform that your Company has complied with all the necessary guidelines of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018. In this regard we attach the Company's compliance status along with the necessary remarks & disclosures with this Annual Report. Further, a certificate of compliance as provided by PODDER & ASSOCIATES, Cost & Management Accountants for the period ended on 31.07.2019 is also annexed to this report.

### Management:

The day to day management of the Company is vested with a group of qualified and experienced personnels. Mr. K M Saidur Rahman is leading the team. Under his prudent guidance the present management has been working tireless for the continuous growth of the Company. We believe that qualified, experienced and hard working personnels are the key to success of the Company. The Board confident that under the prudent leadership of Mr. K M Saidur Rahman, CEO, the Company will march ahead and be able to maintain its' continuous growth with full support and co-operation of all employees of the Company.

### Challenges ahead:

It is well known to you all that total 46 non-life insurance companies are operating business in the Country entitle only 2% of market share for each Company. It is big challenge for the Company to retain his market share due to uneven competition.

Besides, the terms & conditions of Re-insurance Treaty as given by the state owned Sadharan Bima Corporation, the only re-insurer in the country, may push the Company in to a high risk. The Government decision to set up the Insurance Development and Regulatory Authority (IDRA) was welcomed by all at its formation a few years back. IDRA, which became operational in January 2011 is severely understaffed to oversee the reforms in the industries. In spite of all its limitation, at the very beginning IDRA issued a good number of directives to all Insurance Companies with good intention to bring discipline in the Insurance Industry to restrict unhealthy competition and unethical practice which lead the Insurance Industry in sound and healthy position also restore the image of the Industry.

However, we are optimistic that with the expansion of Bangladesh economy demand for non-life insurance products will also increase. Government will also play positive vital role ensuring availability of electricity, and gas, infrastructure facilities and providing fiscal incentives. Establishment of Economic Zone/Export processing zone in both private & public sector & invitation of the foreign investors for investment will also play positive role in this regard.

**Gratitude:**

The Board of Directors convey its profound gratitude and sincere thanks to the Ministry of Finance, Ministry of Commerce, the Insurance Development & Regulatory Authority, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Sadharan Bima Corporation, all Commercial Banks, Financial Institutions, and all of our valued clients for their whole hearted support, co-operation & guidance at various stages of the Company.

The Board also thankfully remember the valuable contributions of the Chairman, Vice-chairman, Executive Committee, Claim Committee and Audit Committee of the Company for all round prosperity & success of the Company.


In fine, the Member of the Board of Directors also like to express their sincere thanks and appreciation of the services rendered by all employees of the Company and hope to receive their untiring efforts towards all round development of the Company in the days ahead, like past.

Let us pray to Almighty Allah for all round prosperity of the Company.

Allah Hafiz

For and on behalf of Board of Directors  
Of Express Insurance Limited

Date : 26 August, 2019

  
(Md. Abdul Awal)  
Chairman



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

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

This is 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 and Management Accountant*



Date: 1 August 2019

Place : Dhaka, Bangladesh

## Express Insurance Limited

### Status of Compliance with the Corporate Governance Code (CGC)

For the year as on 31st July 2019

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).	✓		-
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);	✓		According to Insurance Act, 2010 Sec.76, Maximum number of ID's shall be 2 (Two) in the insurance company.
1(2)(b)	<b>For the purpose of this clause "independent director" means a director</b>			
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;	✓		Does 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 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) tenure only;	✓		-
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, regulatory 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;	-	-	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;	-		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;	✓		-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-		N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1(3)(c)	The independent director(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 deviation occurred
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 event arose
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 event 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 other instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	-	-	No such event arose
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	-



1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been following 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 there of shall be disclosed;	✓	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	-	-	No such event arose
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	The Company has declared 10% cash dividend
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1(5)(xxii)	The total number of Board 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;	✓	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	-	-	No shareholder holding (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;	✓	-	-
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)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), 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	✓	-	-
2	<b>Governance of Board of Directors of Subsidiary Company:-</b>	EIL does not have any Subsidiary Company		
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director 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).	✓	-	-
3(2)	<b>Requirement to attend Board of Director's Meetings</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓	-	-
3(3)	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)</b>			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	-
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or 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.	✓	-	-
4	<b>Board of Director's Committee:- For ensuring good governance in the company, the Board shall have at least following sub-committees:</b>			
4(i)	Audit Committee;	✓	-	-
4(ii)	Nomination and Remuneration Committee	✓	-	-
5	<b>Audit Committee:-</b>			
5(1)	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	-
5(1)(b)	The Audit Committee shall assist the Board of Directors 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)	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	-
5(2)(b)	The Board shall appoint members of the audit committee who shall benon-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten)years of such experience;	✓	-	-

5(2)(d)	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.	✓	-	-
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):	✓	-	-
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>The 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;	✓	-	-

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:	-	-	N/A
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 of Directors 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;control system;	-	-	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
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.	✓	-	-
6	<b>Nomination and remuneration Committee(NRC).-</b>			
6(1)	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	-
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	-	-
6(2)	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	-
6(2)(b)	All member of the Committee shall be non-executive directors;	✓	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓	-	-

6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓	-	-
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	-	-
6(3)	<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;	✓	-	-
6(4)	<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;	✓	-	-
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	-	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	-
6(5)	<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.	✓	-	-
7	<b>External or Statutory Auditors</b>			
7(1)	The issuer 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 statement;	✓	-	-
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.	✓	-	-
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.	✓	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	-	-	Board recommended the Professional for due appointment by the Shareholders in Upcoming AGM
9(3)	The directors of the company shall state, in accordance with the <b>Annexure-C</b> attached, in the directors' report whether the company has complied with these conditions or not.	✓	-	-



## OWNERSHIP STATUS

Sl. No	Name of Directors	No. Shares	Spouse	Minor Childred	Total	% of Share
1	Mr. Md. Abdul Awal	36,00,630	-	N/A	36,00,630	9.2044
2	Mrs. Mahfuza Younus	13,70,880	28,66,954	N/A	42,37,834	10.8333
3	Mr. Syed Al Farooque	43,26,715	-	N/A	43,26,715	11.0605
4	Mr. Khalilur Rahman Choudhury	38,82,350	-	N/A	38,82,350	9.9245
5	Mrs. Farida Razzak	39,26,572	-	N/A	39,26,572	10.0376
6	Mrs. Marium Akhter	27,85,748	-	N/A	27,85,748	7.1213
7	Mr. Amir Hamza Sarker	29,04,169	-	N/A	29,04,169	7.4240
8	Mr. Latiful Bari	13,70,880	-	N/A	13,70,880	3.5044
9	Mr. ABM Kaiser	33,28,982	9,97,776	N/A	43,26,758	11.0606
10	Mrs. Halima Harun	17,40,857	13,70,880	N/A	31,11,737	7.9546
11	Mr. Siddique Hossain Choudhury Independent Director	-	-	N/A	-	0.00
12	Mr. Feroz Ahmed Independent Director	-	-	N/A	-	0.00
13	Managing Director & CEO	-	-	N/A	-	0.00
14	Company Secretary	-	-	N/A	-	0.00
15	Chief Financial Officer	-	-	N/A	-	0.00
16	Head of Internal Audit	-	-	N/A	-	0.00



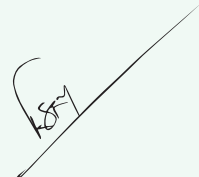
## Responsibility Statement of CEO and CFO

To the best of our knowledge and belief, we certify that we have reviewed the Financial Statement of Express Insurance Limited comprising the Balance Sheet as of December 31, 2018, Profit & Loss Account, Statement of Changes in Shareholder's Equity, Statement of Cash Flows together with accounting policies and explanatory note for the year ended December 31, 2018 as follows :

- a) The Financial Statements do not contain any materially untrue statement or omit any material factor contain statement that might be misleading,
- b) The Financial Statements together present a true and fair views of the company's affairs and are in compliance with existing accounting Standard and applicable Laws.



**(Md. Obaidul Akbar)**  
Sr. AGM & CFO



**(K. M. Saidur Rahman)**  
Managing Director & CEO

## Independent Auditors' 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 balance sheet as at December 31, 2018 profit and loss accounts, profit & loss appropriation account, statements of changes in equity and cash flow statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at December 31, 2018 and of its profit and loss accounts, profit & loss appropriation account, statements of changes in equity and cash flow statements for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

### Basis for opinion

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

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for 2018. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion there on and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk	Our response to the risk
<b>Premium Income</b>	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered in to during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p> <p>At the year end 2018, the reported total gross premium income of BDT 408,889,052 (2017: BDT 400,656,661).</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> <li>● The design and operating effectiveness of key controls around premium income recognition process.</li> <li>● Carried out analytical procedures and recalculated premium income for the period.</li> <li>● Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.</li> <li>● On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.</li> <li>● Ensured on a sample basis that the premium income was being deposited in the designated bank account.</li> <li>● Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li> <li>● For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium.</li> <li>● Applying specialist judgment ensured if there is any impairment of the reinsurer.</li> <li>● Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>
<i>See revenue account</i>	

Risk	Our response to the risk
<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>At year end the 2018, the reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of BDT 96,075,233 (2017: BDT 56,377,593).</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> <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, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</li> </ul>
<i>See note no 8.00 to the financial statements</i>	

### Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover 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 identified above when it becomes available 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 on the other information obtained prior to the date of the auditor's report, 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 consolidated and separate financial statements and internal controls

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

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

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

### Auditor's responsibilities for the 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 judgement 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 detect 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.

### Report on other legal and regulatory requirements

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

- 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 and according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the Company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Profit & Loss Account of the Company;
- e) The Balance Sheet, Profit & Loss Account Appropriation Account, Profit & 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.

Dhaka.  
June 27, 2019

  
AHMED ZAKER & CO.  
Chartered Accountants

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

EQUITY AND LIABILITIES	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Share Capital	3.0	391,184,640	391,184,640
Reserve for exceptional losses	4.0	172,594,241	168,594,241
Revaluation surplus/reserve	5.0	80,975,293	97,209,235
Profit & Loss Appropriation Account		87,491,412	86,024,083
<b>Total Equity</b>		<b>732,245,585</b>	<b>743,012,199</b>
Balance of funds and accounts:	6.0	98,118,765	101,588,723
Workers Profit Participation Fund (WPPF)		6,997,388	3,344,899
<b>Current Liabilities</b>			
Premium Deposit	7.0	1,720,256	1,831,054
Estimated liabilities in respect of outstanding claims whether due or intimated	8.0	3,537,278	3,699,400
Amount due to other persons or bodies carrying on insurance business	9.0	52,708,283	64,479,395
Sundry creditors	10.0	5,628,209	5,410,777
Deferred tax liability	11.0	22,582,898	7,488,233
Provision for income tax	12.0	184,345,341	156,392,662
<b>Total current liabilities</b>		<b>270,522,265</b>	<b>239,301,521</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,107,884,003</b>	<b>1,087,247,342</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

Dhaka.  
June 27, 2019

  
Vice-Chairman



## AS AT 31 DECEMBER, 2018

PROPERTY AND ASSETS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Investment	13.0	55,633,990	65,581,496
Interest accrued	14.0	21,522,026	17,338,052
Amount due from other persons or bodies carrying on insurance business	15.0	69,945,148	58,415,707
Sundry debtors (including advances, deposits and prepayment)	16.0	261,534,491	237,073,108
Cash and cash equivalent	17.0	541,158,180	545,463,399
Fixed assets (At cost/Revaluation less depreciation)	18.0	156,449,403	162,067,854
Stock of stationery		6,32,995	341,111
Insurance stamps in hand		1,007,770	966,615
<b>TOTAL PROPERTY AND ASSETS</b>		<b>1,107,884,003</b>	<b>1,087,247,342</b>
<b>NAV Per Share</b>		<b>18.72</b>	<b>18.99</b>

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME (PROFIT AND LOSS ACCOUNT)

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Directors' fees	22.0	2,871,000	1,935,000
Audit fees		259,250	182,000
Donation & Subscription		422,000	345,000
Company's contribution to PF	28.0	1872,041	1,954,500
Group Insurance		497,134	509,066
Managers Conference & Picnic		2,312,885	-
Legal & Professional fees		197,500	346,375
Depreciation		7,968,481	7,866,030
IPO Submission Fee		-	306,625
Registration Fees		592,256	2,673,537
Advertisement & Publicity		252,186	343,543
<b>Expenses of management (not applicable to any particular fund and account)</b>		<b>17,244,733</b>	<b>16,461,676</b>
Un Realized Loss on Revaluation of Share Balance for the period carried to statement of appropriation account	13.02	4,955,281	
		76,807,272	70,242,874
<b>Total</b>		<b>99,007,286</b>	<b>86,704,550</b>

## STATEMENT OF APPROPRIATION ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Reserve for exceptional losses	4.0	4,000,000	5,000,000
Provision for taxation including deferred tax	21.0	29,308,173	20,131,746
Worker's Profit Participation Fund (WPPF)		3,657,489	3,344,899
Balance Transferred to Statement of Financial Position		88,691,412	86,024,083
<b>Total</b>		<b>125,657,074</b>	<b>114,500,728</b>
<b>Earning Per Share (EPS)</b>	<b>2(B)</b>	<b>1.12</b>	<b>1.20</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

Dhaka.  
June 27, 2019

  
Vice-Chairman

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Interest, Dividend and Rents (not applicable to any particular fund and account)	19.0	38,147,518	33,929,311
Profit/(loss) transferred from revenue accounts	20.0	55,233,465	41,012,024
Un Realized Gain on Revaluation of Share	13.01	-	6,847,229
Gain on sale of Old Car		-	4,915,986
Gain on sale of Share		5,626,303	-
<b>Total</b>		<b>99,007,286</b>	<b>86,704,550</b>

## FOR THE YEAR ENDED 31st DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Balance from last year	23.0	48,849,802	44,257,854
Net profit for the period brought down		76,807,272	70,242,874
<b>Total</b>		<b>125,657,074</b>	<b>114,500,728</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## CONSOLIDATED INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Claims under policies less re-insurances:</b>			
Paid during the year	25.0	21,170,977	19,430,928
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	3,537,278	3,699,400
		24,708,255	23,130,328
Less: Claims outstanding at the end of the previous year	8.0	3,699,400	4,574,094
		<b>21,008,855</b>	<b>18,556,234</b>
Agency Commission	27.0	52,322,819	56,962,767
Expenses of Management	26.0	164,964,014	170,904,606
Balance of account at the end of the year as shown in the Balance Sheet	6.0	98,118,765	101,588,723
Profit transferred to Profit & Loss Account	20.0	55,233,465	41,012,024
<b>Total</b>		<b>391,647,918</b>	<b>389,024,354</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

Dhaka.  
June 27, 2019

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Balance of account at the beginning of the year:</b>			
Reserve for unexpired risks		101,588,723	98,338,832
Premium less re-insurances	24.0	243,721,990	252,290,020
Commission on re-insurances ceded		46,337,205	38,395,502
<b>Total</b>		<b>391,647,918</b>	<b>389,024,354</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## FIRE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Claims under policies less re-insurances:</b>			
Paid during the year	25.01	(4,455,393)	(2,290,539)
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	1,444,872	2,320,314
		<b>(3,010,521)</b>	<b>29,775</b>
Less: Claims outstanding at the end of the previous year	8.0	2,320,314	1,986,627
		<b>(5,330,835)</b>	<b>(1,956,852)</b>
Agency Commission	27.0	17,994,905	20,010,245
Expenses of Management	26.2	56,650,750	57,203,039
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	16,873,193	21,102,120
Profit transferred to Profit & Loss Account		6,806,673	(7,459,411)
<b>Total</b>		<b>92,994,686</b>	<b>88,899,141</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

Dhaka.  
June 27, 2019

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
Balance of account at the beginning of the year :			
Reserve for unexpired risks		21,102,120	13,294,767
Premium less re-insurances	24.01	42,182,983	52,755,299
Commission on re-insurances ceded		29,709,583	22,849,075
<b>Total</b>		<b>92,994,686</b>	<b>88,899,141</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.



## MARINE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Claims under policies less re-insurances:</b>			
Paid during the year	25.01	9,254,524	6,286,419
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	668,861	444,742
		<b>9,923,385</b>	<b>6,731,161</b>
Less: Claims outstanding at the end of the previous year	8.0	444,742	1,240,017
		<b>9,478,643</b>	<b>5,491,144</b>
Agency Commission	27.0	14,451,462	21,787,818
Expenses of Management	26.2	44,022,026	60,713,090
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income on marine cargo and 100% of premium income on Marine Hull of the year:			
Cargo	6.01	29,292,800	41,083,249
Hull		1,049,948	1,121,191
		30,342,748	42,204,440
Profit transferred to Profit & Loss Account		27,582,326	38,399,801
<b>Total</b>		<b>125,877,205</b>	<b>168,596,293</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

Dhaka.  
June 27, 2019

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Balance of account at the beginning of the year :</b>			
Reserve for unexpired risks		42,204,440	53,828,361
Premium less re-insurances	24.01	74,281,947	103,829,314
Commission on re-insurances ceded		9,390,818	10,938,618
<b>Total</b>		<b>125,877,205</b>	<b>168,596,293</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## MOTOR INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Claims under policies less re-insurances:</b>			
Paid during the year	25.01	14,291,849	15,355,745
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	1,423,545	934,344
		<b>15,715,394</b>	<b>16,290,089</b>
Less: Claims outstanding at the end of the previous year	8.0	934,344	1,347,450
		<b>14,781,050</b>	<b>14,942,639</b>
Agency Commission	27.0	18,078,699	13,635,441
Expenses of Management	26.2	55,746,235	38,852,827
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	47,933,594	35,914,119
Profit transferred to Profit & Loss Account		19,268,793	14,840,070
<b>Total</b>		<b>155,808,371</b>	<b>118,185,096</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.



Chairman



Vice-Chairman

Dhaka.  
June 27, 2019

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Balance of account at the beginning of the year :</b>			
Reserve for unexpired risks		35,914,119	28,399,798
Premium less re-insurances	24.01	119,833,986	89,785,298
Commission on re-insurances ceded		60,266	-
<b>Total</b>		<b>155,808,371</b>	<b>118,185,096</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## MISCELLANEOUS INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Claims under policies less re-insurances:</b>			
Paid during the year	25.01	2,079,997	79,303
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		-	-
		<b>2,079,997</b>	<b>79,303</b>
Less: Claims outstanding at the end of the previous year		-	-
		<b>2,079,997</b>	<b>79,303</b>
Agency Commission	27.0	1,797,753	1,529,263
Expenses of Management	26.2	8,545,003	14,135,650
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	2,969,230	2,368,044
Profit transferred to Profit & Loss Account		1,575,673	(4,768,436)
<b>Total</b>		<b>16,967,656</b>	<b>13,343,824</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

Dhaka.  
June 27, 2019

  
Vice-Chairman

## FOR THE YEAR ENDED 31 DECEMBER, 2018

PARTICULARS	NOTES	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>Balance of account at the beginning of the year :</b>			
Reserve for unexpired risks		2,368,044	2,815,906
Premium less re-insurances	24.01	7,423,074	5,920,109
Commission on re-insurances ceded		7,176,538	4,607,809
<b>Total</b>		<b>16,967,656</b>	<b>13,343,824</b>

*Masum Akhter*  
Director

*[Signature]*  
Chief Executive Officer

*Ahmed Zaker*  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.



## Express Insurance Limited

### Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER, 2018

Particulars	Notes	Amount in Taka	
		31 Dec 2018	31 Dec 2017
<b>A. Cash Flow from Operating Activities:</b>			
Collection from Premium and Other Received	29.0	404,266,136	410,819,905
Payment for Management Expenses, Re-insurance and Claims	30.0	(350,543,798)	(321,943,464)
Income Tax paid	31.0	(23,243,648)	(24,192,619)
<b>Net Cash Generated from Operating Activities</b>		<b>30,478,690</b>	<b>64,683,822</b>
<b>B. Cash Flow From Investing Activities :</b>			
Fixed Assets Acquired		(2,350,030)	(10,304,416)
Investment in Share		(8,129,585)	(1,437,640)
Sale of Share		18,197,526	-
Investment in CMM AC.		-	(1,300,000)
Encashment of CMM AC.		-	13,884,000
Security Deposit & Advance		(3,383,354)	(317,040)
<b>Net Cash Generated/(Used) in Investing Activities</b>		<b>4,334,557</b>	<b>524,904</b>
<b>C. Cash Flow From Financing Activities :</b>			
Cash dividend paid		(39,118,466)	(45,864,556)
<b>Net Cash Used From Financing Activities</b>		<b>(39,118,466)</b>	<b>(45,864,556)</b>
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(4,305,219)</b>	<b>19,344,170</b>
<b>E. Cash &amp; Cash Equivalents at the beginning of the year</b>		<b>545,463,399</b>	<b>526,119,229</b>
<b>F. Cash &amp; Cash Equivalents at the end of the year (D+E)</b>		<b>541,158,180</b>	<b>545,463,399</b>
<b>Net operating cash flow per share (NOCFPS)</b>		<b>0.78</b>	<b>1.65</b>

The accompanying notes and policies (1-36) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

Dhaka.  
June 27, 2019

# Express Insurance Limited

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER, 2018

Particulars	Share Capital	Proposed Issue of Bonus Share	Retained Earnings	Reserve for Exceptional Losses	Revaluation Surplus	Reserve for Investment Fluctuation Fund	Total Equity
Balance as on 1st January, 2018	391,184,640	-	86,024,083	168,594,241	97,209,235	-	743,012,199
Addition during the year		-	39,841,610	4,000,000	-	-	43,841,610
Cash Dividend	-		(39,118,466)				(39,118,466)
IPO Expenses			(1,200,000)				(1,200,000)
Deferred Tax on Revaluation					(14,289,758)		(14,289,758)
Reserve Transfer		-	1,944,185	-	(1,944,185)	-	-
<b>31st December, 2018 Total</b>	<b>391,184,640</b>	<b>-</b>	<b>87,491,412</b>	<b>172,594,241</b>	<b>80,975,293</b>	<b>-</b>	<b>732,245,585</b>
Balance as on 1st January, 2017	391,184,640	-	88,138,548	163,594,241	99,193,097	-	742,110,526
Addition during the year		-	41,766,229	5,000,000	-	-	46,766,229
Cash Dividend	-		(45,864,556)				(45,864,556)
Reserve Transfer		-	1,983,862	-	(1,983,862)	-	-
<b>31st December, 2017 Total</b>	<b>391,184,640</b>	<b>-</b>	<b>86,024,083</b>	<b>168,594,241</b>	<b>97,209,235</b>	<b>-</b>	<b>743,012,199</b>

  
Chairman

  
Vice-Chairman

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Dhaka.  
June 27, 2019

## EXPRESS INSURANCE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER, 2017

#### 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 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:

##### A) Basis of presenting accounts:

##### i) Basis of accounting:

The financial statements have been prepared on a going concern basis under Generally Accepted Accounting Principles (GAAP) on historical cost convention. 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) Going Concern:

The Company has adequate resources to continue in the operatin 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 be unable to continue as a going concern.

##### iv) Method:

The Financial statements have been drawn on accrual basis.

**v) General:**

- a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.
- b) Previous year's figures have been rearranged and adjusted wherever considered necessary to conform to the standard accounting practice.

**B) Basic earnings per share:**

Earning per Share (EPS) has been computed considering the earning attributable to the Ordinary Share holders dividing by the weighted average number of shares outstanding during the year as per IAS-33. The calculation of Earning per Share as under:

	31-12-2018 Taka	31-12-2017 Taka
Profit before Tax	76,807,272	70,242,874
Less : Provision for income tax including Deferred Tax	(29,308,173)	(20,131,746)
Less: Worker's Profit Participation Fund (WPPF)	(3,657,489)	(3,344,899)
Profit after Tax	<b>43,841,610</b>	<b>46,766,229</b>
Number of Ordinary Shares	39,118,464	39,118,464
<b>Earning Per share (EPS)</b>	<b>1.12</b>	<b>1.20</b>

**C) Cash flow statement:**

Cash flow statement prepared in accordance with IAS-7 under Direct Method.

**D) Revenue recognition [IAS-18]:**

- 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 2017 to June 2018 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.

**E) 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 2018.

**F) 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.

**G) 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.

**H) 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%
Crockeries & Cutleries	20%

- ii) 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.

**I) 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.

**J) 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.

**K) Investment of assets:**

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

**L) 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.

**M) 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.

**N) 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 2018 to 31<sup>st</sup> December 2018.

**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 2018 to 31<sup>st</sup> December 2018 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 2017 to 31<sup>st</sup> December 2017 have been rearranged whenever considered necessary to ensure comparability with the current year.

**v) Components of the Financial Statements:**

According to the International Accounting Standard (IAS) 1 "Presentation of Financial Statements" the complete set of Financial Statements include the following components:

- (i) Statement of financial position as at December 31, 2018.
- (ii) Statement of comprehensive income and Profit and Loss appropriation account for the year ended December 31, 2018.
- (iii) Related Revenue Accounts for the year ended December 31, 2018.
- (iv) Statement of Changes in Equity for the year ended December 31, 2018.
- (v) Cash Flow Statement for the year ended December 31, 2018.
- (vi) Accounting Policies and Explanatory notes for the year ended December 31, 2018.

**3.0 Share Capital:****3.01 Authorised Share Capital**

75,000,000 ordinary shares of Tk.10 each.

**3.02 Issued, subscribed and Paid up Capital**

60,00,000 Ordinary shares of Tk. 10 each.

Bonus share issued different year, 1,98,88,464 shares of Tk. 10 each.

Right share issued different year, 1,32,30,000 shares of Tk. 10 each.

During the year 2018, no shares has been issued as stock dividend.

Amount in Taka	
31 Dec 2018	31 Dec 2017
750,000,000	750,000,000
60,000,000	60,000,000
198,884,640	198,884,640
132,300,000	132,300,000
<b>391,184,640</b>	<b>391,184,640</b>



Shares holding position of Sponsors Directors and Sponsors Share holder as on 31st December 2018 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	Md. Abdul Awal	Ordinary	3,600,630	Tk. 10 each	36,006,300	9.20
2	Md. Mazakat Harun	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
3	Md. Shamsur Rahman	Ordinary	3,111,736	Tk. 10 each	31,117,360	7.95
4	Farida Razzak	Ordinary	3,926,572	Tk. 10 each	39,265,720	10.04
5	Marium Akhter	Ordinary	2,785,748	Tk. 10 each	27,857,480	7.12
6	Syed Al Farooque	Ordinary	4,326,715	Tk. 10 each	43,267,150	11.06
7	Khalilur Rahman Chowdhury	Ordinary	3,882,350	Tk. 10 each	38,823,500	9.92
8	Altaf Hossain Sarker	Ordinary	1,533,335	Tk. 10 each	15,333,350	3.92
9	Mahfuza Younus	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
10	A. B. M Kaiser	Ordinary	3,328,982	Tk. 10 each	33,289,820	8.51
11	Amir Hamza Sarker	Ordinary	2,904,169	Tk. 10 each	29,041,690	7.42
12	Al-haj Mohammad Younus	Ordinary	2,866,954	Tk. 10 each	28,669,540	7.33
13	Halima Harun	Ordinary	1,740,857	Tk. 10 each	17,408,570	4.45
14	Sultana Jahan	Ordinary	997,776	Tk. 10 each	9,977,760	2.55
15	Latiful Bari	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
			<b>39,118,464</b>		<b>391,184,640</b>	<b>100</b>

Statement of Fixed Deposit Receipt of different banks for deposit of Paid Up Capital of Tk. 391,184,640 is shown below:

		Amount in Taka	
		31 Dec 2018	31 Dec 2017
1	AB Bank Ltd.	10,000,000	4,500,000
2	Al-Arafah Islami Bank Ltd.	30,031,600	30,000,000
3	Bank Asia Ltd.	15,000,000	35,000,000
4	BD. Commerce Bank Ltd.	3,306,800	6,090,000
5	BASIC Bank Ltd.	1,500,000	1,500,000
6	BRAC Bank Ltd.	5,000,000	2,000,000
7	Dhaka Bank Ltd.	50,000,000	25,000,000
8	Dutch-Bangla Bank Ltd.	3,000,000	8,294,640
9	Eastern Bank Ltd.	1,500,000	1,500,000
10	EXIM Bank Ltd.	4,000,000	25,000,000
11	First Security Bank Ltd.	25,000,000	9,500,000
12	I.F.I.C. Bank Ltd.	6,000,000	16,000,000
13	Islami Bank (BD) Ltd.	7,000,000	17,000,000
14	Jamuna Bank Ltd.	10,000,000	12,000,000
15	Mercantile Bank Ltd.	30,000,000	12,500,000
16	Mutual Trust Bank Ltd.	5,000,000	18,000,000
17	N.C.C. Bank Ltd.	15,000,000	14,000,000
18	National Bank Ltd.	5,000,000	9,000,000
19	NRB Golbal Bank Ltd.	10,000,000	-
20	NRB Commercial Bank Ltd.	4,546,240	-
21	One Bank Ltd.	20,000,000	10,000,000
22	Premier Bank Ltd.	15,000,000	10,000,000
23	Prime Bank Ltd.	5,000,000	12,000,000



		Amount in Taka	
		31 Dec 2018	31 Dec 2017
24	Rajshahi Krishi Unn. Bank	-	1,000,000
25	Shahjalal Islami Bank Ltd.	4,000,000	10,000,000
26	Social Investment Bank Ltd.	17,000,000	10,000,000
27	Southeast Bank Ltd.	5,000,000	30,000,000
28	Standard Bank Ltd.	10,000,000	19,000,000
29	State Bank of India	-	1,000,000
30	Trust Bank Ltd.	7,000,000	2,000,000
31	United Commercial Bank Ltd.	2,000,000	8,000,000
32	Union Bank Ltd.	2,000,000	-
33	Rupali Bank Ltd.	2,000,000	2,000,000
34	Uttara Bank Ltd.	-	4,000,000
35	Bank Al-Falah	300,000	300,000
36	National Investment Bond	25,000,000	25,000,000
<b>Total</b>		<b>391,184,640</b>	<b>391,184,640</b>

#### 4.0 Reserve for Exceptional Losses:

As per Para 6 of the 4th schedule of Income Tax Ordinance, 1984 to meet the exceptional losses, the Company sets aside maximum 10% (ten percent) of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve should be maintained out of profit by the company to meet any possible future claims on net premium income during the year.

Opening balance	168,594,241	163,594,241
Addition during the year	4,000,000	5,000,000
Less: Adjustment	-	-
	<b>172,594,241</b>	<b>168,594,241</b>

#### 5.0 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
Opening Balance (Land & Building)	40,133,508	149,870,000	12,527,257	97,209,235
Addition during the year	-	-	-	-
Reserve transfer during the year	-	-	1,944,185	(1,944,185)
<b>Total</b>	<b>40,133,508</b>	<b>149,870,000</b>	<b>14,471,442</b>	<b>95,265,050</b>

Less: Deferred Tax on Revaluation Reserve 15%

14,289,758  
**80,975,293**

**6.0 Balance of Fund Account:**

Class of Business	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Fire	16,873,193	21,102,120
Marine (Note-6.01)	30,342,748	42,204,440
Motor	47,933,594	35,914,119
Miscellaneous	2,969,230	2,368,044
<b>Total</b>	<b>98,118,765</b>	<b>101,588,723</b>

**6.01 Marine**

Cargo	29,292,800	41,083,249
Hull	1,049,948	1,121,191
	<b>30,342,748</b>	<b>42,204,440</b>

**7.0 Premium Deposit :**

Premium Deposit	1,720,256	1,831,054
	<b>1,720,256</b>	<b>1,831,054</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 2018.

**8.0 Estimated liability in respect of outstanding claims whether due or intimated :**

Particulars	Balance as on 01.01.2018	Claim Raised during the year	Claim paid during the year	Balance as on 31.12.2018
Fire	2,320,314	60,589,634	61,465,076	1,444,872
Marine	444,742	10,758,980	10,534,861	668,861
Motor	934,344	14,696,221	14,207,020	1,423,545
Miscellaneous	-	9,868,276	9,868,276	-
	<b>3,699,400</b>	<b>95,913,111</b>	<b>96,075,233</b>	<b>3,537,278</b>

**9.0 Amount due to other persons or bodies carrying on insurance business :**

Opening balance payable to SBC	64,479,395	81,311,234
Addition during the year	43,953,755	-
Less: Adjustment/paid to SBC	(55,724,867)	(16,831,839)
	<b>52,708,283</b>	<b>64,479,395</b>

**10.0 Sundry Creditors :**

Audit fees payable (10.01)	103,500	80,000
VAT payable	1,524,931	2,483,686
Employees income tax payable	-	189,550
Deposit premium (10.03)	550,000	550,000
Salary & allowance payable	169,940	196,651
Bills payable	206,234	125,399
PF contribution	169,940	171,151
Car Sale Installment Received (10.02)	2,903,664	1,614,340
	<b>5,628,209</b>	<b>5,410,777</b>

**10.01 Audit fees payable :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Opening Balance	80,000	430,000
Add : Provision during the year	103,500	80,000
Less : Adjustment during the year	(80,000)	(430,000)
	<u>103,500</u>	<u>80,000</u>

**10.02 Car Sale Instalment :**

The Company has provided car facilities for its branch managers & departmental in-charge on the basis of hire purchase & installment payment systems. In the last year the company handed over 14 number of cars to the executives as per hire purchase agreement. 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 handedover due to nonpayment of installment were shown as sundry creditors.

**10.03 Deposit Premium :**

The amount received as security deposit against open cover notes from the following insurers:

Collumbia Garments Ltd.	100,000	100,000
Collumbia Apperals Ltd.	50,000	50,000
Samuda Chemicals	400,000	400,000
	<u>550,000</u>	<u>550,000</u>

**11.0 Deferred Tax as per IAS-12:****a) Deferred Tax Liability:**

Book value of depreciable fixed assets	61,184,353	162,067,854
Less: Tax base [IAS-12 (7)]	39,075,036	144,448,483
Deductible Temporary differences	22,109,318	17,619,371
Effective Tax Rate	40.00%	42,50%
<b>Deferred Tax Liability/(Asset)</b>	<b>8,843,727</b>	<b>7,488,233</b>
Add: Deferred tax on Unrealised Gain/(Loss) on Securities available for sale (note-13.02)	(550,587)	-
Add: Deferred Tax on Revaluation Reserve (note-05)	14,289,758	-
<b>Deferred Tax Liability/(Asset)</b>	<b><u>22,582,898</u></b>	<b><u>7,488,233</u></b>

**b) Deferred Tax Adjustment/Expense (Income) :**

Closing deferred tax liability	8,843,727	7,488,233
Opening deferred tax liability	(7,488,233)	(4,935,673)
<b>Total Deferred tax adjustment/expense/(Income)</b>	<b><u>1,355,494</u></b>	<b><u>2,552,560</u></b>

**Tax Rate:**

The effective income tax has been calculated 40% as are applicable for this Insurance Company as per Finance Act, 2018.

12.0 Provision for Income Tax :	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Opening Balance	156,392,662	138,813,476
Addition during the year	27,952,679	17,579,186
Deferred Tax Liability Adjustment	-	-
<b>Total</b>	<b>184,345,341</b>	<b>156,392,662</b>

### 13.0 Investment :

The investment includes investment in the National Investment Bond and Investment in Share. Details of investments are as under:

Name of Investment	Issue Date	Maturity Date	Amount	Amount
<b>A) National Investment Bond:</b>				
01. BD0923341103	13/03/2013	13/03/2023	16,000,000	16,000,000
02. BD0924031109	16/07/2014	16/07/2024	9,000,000	9,000,000
<b>Total</b>			<b>25,000,000</b>	<b>25,000,000</b>
<b>B) Investment in Share:</b>				
	N/A	N/A	30,633,990	40,581,496
<b>Total</b>			<b>30,633,990</b>	<b>40,581,496</b>
<b>Grand Total: (A+B)</b>			<b>55,633,990</b>	<b>65,581,496</b>

a) The amount represents statutory investment in 10 (ten) years Government Treasury Bond at cost with Mercantile Bank Ltd. as required under first schedule of the Insurance Act, 2010 Sec.23(b).

b) Investment in share has been stated in the Statement of Financial Position at market value as on 31<sup>st</sup> December 2018. 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.

**Total investment in shares of different Public Limited Companies are furnished below.**

Sl. No	Name of the Company	Market Price per share	No of share	Average buying rate	Total value at cost	Market value
01	Al Arafah Islami Bank Ltd.	19.90	706	22.13	15,624	14,049
02	Aftab Auto	45.90	135,589	105.63	14,322,718	6,223,535
03	Bank Asia	17.70	23,000	16.51	379,690	407,100
04	The City Bank Ltd.	30.20	2,781	25.15	69,936	83,986
05	Dhaka Bank Ltd.	14.20	29,192	11.34	330,994	414,526
06	Eastern Housing Ltd.	46.60	14,324	51.99	744,705	667,498
07	First Security Islami Bank Ltd.	10.90	17,043	7.26	123,670	185,769
08	ICB Islamic Bank Ltd.	4.80	400	-	-	1,920
09	IFIC Bank Ltd.	10.90	43,270	19.99	864,820	471,643
10	Jamuna Bank Ltd.	17.60	71,540	7.30	521,980	1,259,104
11	Keya Cosmetics Ltd.	6.60	103,128	17.54	1,808,799	680,645
12	Lanka Bangla Finance Ltd.	22.90	150,000	26.50	3,974,775	3,435,000

Total investment in shares of different Public Limited Companies are furnished below.

Sl. No	Name of the Company	Market Price per share	No of share	Average buying rate	Total value at cost	Market value
13	Meghna Cement	92.60	1,650	191.66	316,240	152,790
14	Meghna Life Ins. Co. Ltd.	77.90	20,809	175.80	3,658,184	1,621,021
15	Mercantile Bank Ltd.	18.00	24,095	17.61	424,267	433,710
16	Mutual Trust Bank Ltd.	35.10	15,957	21.53	343,479	560,091
17	National Bank Ltd.	9.30	90,256	12.66	1,142,834	839,381
18	NCC Bank Ltd.	15.90	22,622	29.29	662,677	359,690
19	One Bank Ltd.	15.00	58,880	16.94	997,690	883,200
20	Premier Bank Ltd.	11.70	156,920	20.97	3,291,363	1,835,964
21	Prime Life Insurance Co. Ltd.	57.90	15,457	210.81	3,258,513	894,960
22	RAK Ceramic Ltd.	39.00	292	131.10	38,280	11,388
23	Shahjalal Islami Bank Ltd.	27.60	53,169	29.74	1,581,216	1,467,464
24	Social Islami Bank Ltd.	15.40	141,749	19.47	2,759,648	2,182,935
25	Southeast Bank Ltd.	15.60	35,259	20.93	737,971	550,040
26	Standard Bank Ltd.	10.90	182,546	20.34	3,712,564	1,989,751
27	United Commercial Bank Ltd.	17.60	5,638	58.19	328,061	99,229
28	United Leasing Company Ltd.	17.80	42,016	44.25	1,859,330	747,885
29	Uttara Bank Ltd.	28.50	17,532	62.93	1,103,363	499,662
30	Intraco Refueling Station Ltd.	26.80	266	9.53	2,534	7,129
31	SK. Trims & Industries Mills Ltd.	46.30	5,546	9.09	50,420	256,780
32	VFS Tread Dyeing Ltd.	57.80	4,222	9.09	38,385	244,032
33	Aman Cotton Fibours Ltd.	42.10	7,846	37.00	290,301	330,317
34	Silva Pharmaceuticals Ltd.	30.10	9,193	10.00	91,930	276,709
35	Kattali Textile Ltd.	25.30	12,075	9.09	109,775	305,498
36	SS Steel Ltd.	10.00	13,492	10.00	134,920	134,920
37	Genex Infosys Ltd.	10.00	10,467	10.00	104,670	104,670
<b>Total</b>					<b>50,196,325</b>	<b>30,633,990</b>

**13.01 Changes in fair value of the investment in shares available for sale :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Fair value (Market Value) of Share	30,633,990	40,581,496
Less: Cost price of investment in share	50,196,325	54,637,962
Fair value (Market Value) Reserve at 31 December	(19,562,335)	(14,056,466)
Less: Fair value (Market Value) Reserve at 1 January	(14,056,467)	(20,903,695)
<b>Un-Realized Gain/(Loss) during the year</b>	<b>(5,505,868)</b>	<b>6,847,229</b>

An amount of Tk. 1,34,920 & Tk. 1,04,670 was invested in IPO of SS Steel Ltd. and Genex Infosys Ltd. respectively. The share of SS Steel Ltd. was added with port folio before December 31, 2018, but trade was not started before accounting period and the share of Genex Infosys Ltd. was not added in portfolio nor trade was started. Defferences of cost price and market price is shown for Tk. 2,39,950 (1,34,920+1,04,670) shown portfolio account.

**13.02 Unrealized Gain/(Loss) on Investment in share during the year :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Unrealized Gain/(Loss) as per Current Year Portfolio Statement	5,505,868	-
Less: Deferred Tax on Unrealized Gain/(Loss) of share	(550,587)	-
<b>Unrealized Gain/(Loss) during the year</b>	<b>4,955,281</b>	<b>-</b>

**14.0 Interest accrued but not due :**

Fixed Deposit with different banks	19,487,810	16,279,794
National Investment Bond	2,034,216	1,058,258
Corporate Money Maker AC.	-	-
	<b>21,522,026</b>	<b>17,338,052</b>

\*The ranges of interest on FDR is 6.5% to 9.5% P.A.

**15.0 Amount due from other persons or bodies carrying on insurance business :**

An amount of Tk. 6,99,45,148 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	58,415,707	103,085,090
Addition during the year (From PSB)	11,529,441	9,854,567
Less: Adjustment	-	(54,523,951)
<b>Total</b>	<b>69,945,148</b>	<b>58,415,707</b>

**16.0 Sundry Debtors (Advances, deposits and pre-payments):**

Advance Salary	70,000	70,000
Advance Office Rent	3,987,611	2,769,876
Security Deposit (Telephone)	159,431	159,431
Advance Income Tax & TDS	256,802,449	233,558,801
Advance to Al-Razi Complex Association	515,000	515,000
<b>Total</b>	<b>261,534,491</b>	<b>237,073,108</b>

**16.01 Sundry Debtors (including advances, deposits and pre-payments):**

Particulars	Balance as on 01 Jan. 2018	Addition during the year	Realized during the year	Balance as on 31 Dec. 2018
Advance Salary	70,000	-	-	70,000
Advance Office Rent	2,769,876	3,383,354	2,165,619	3,987,611
Security Deposit (Telephone)	159,431	-	-	159,431
Advance Income Tax & TDS	233,558,801	23,243,648	-	256,802,449
Advance to Al-Razi Complex Association	515,000	-	-	515,000
<b>Total</b>	<b>237,073,108</b>	<b>26,627,002</b>	<b>2,165,619</b>	<b>261,534,491</b>



**16.02 Advance Income Tax & TDS:**

Income Tax from Financial year 2011 to 2018 (Assessment Year 2012-2013 to 2019-2020) 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	Tribunal
03	2013	2014-2015	38,776,936	Return Submitted	Tribunal
04	2014	2015-2016	38,629,090	Return Submitted	
05	2015	2016-2017	40,014,630	Return Submitted	
06	2016	2017-2018	33,319,524	Return Submitted	
07	2017	2018-2019	24,192,619	Return Submitted	
08	2018	2019-2020	23,243,648		
<b>Total</b>			<b>256,802,449</b>		

**17.0 Cash and cash equivalent :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Fixed Deposit with Banks (Note-17.01)	494,935,605	491,712,145
Balance with banks (STD & CD)	32,780,337	51,992,528
Cash in hand (including cash at branches)	2,057,825	1,758,726
Balance with share broker	11,384,413	-
	<b>541,158,180</b>	<b>545,463,399</b>

**17.01 Fixed deposit with banks**

01	Al Arafah Islami Bank Ltd.	31,031,604	30,500,003
02	Bank Alfalah Ltd.	300,000	2,800,000
03	Arab Bangladesh Bank Ltd.	13,050,000	8,000,000
04	BD. Commerce Bank Ltd.	4,306,800	9,590,000
05	Bank Asia Ltd.	14,500,000	33,500,000
06	BASIC Bank Ltd.	3,000,000	3,500,000
07	BRAC Bank Ltd.	5,000,000	2,955,979
08	Commercial Bank of Ceylon Ltd.	-	2,000,000
09	The City Bank Ltd.	-	4,500,000
10	Dhaka Bank Ltd.	54,500,000	35,000,000
11	Dutch Bangla Bank Ltd.	3,652,816	11,652,816
12	Eastern Bank Ltd.	1,500,000	2,500,000
13	Exim Bank Ltd.	5,500,000	27,000,000
14	First Security Islami Bank Ltd.	26,060,000	22,000,000
15	I.F.I.C Bank Ltd.	6,000,000	16,000,000
16	Islami Bank (BD) Ltd.	7,500,046	20,703,347
17	Jamuna Bank Ltd.	12,000,000	14,868,400
18	Marcentile Bank Ltd.	36,360,000	19,600,001
19	Mutual Trust Bank Ltd.	4,700,000	18,300,000
20	Midland Bank Ltd.	6,000,000	4,000,000
21	Meghna Bank Ltd.	2,000,000	3,000,000



		Amount in Taka	
		31 Dec 2018	31 Dec 2017
22	National Bank Ltd.	7,500,000	9,000,000
23	NCC Bank Ltd.	14,999,999	14,000,000
24	NRB Global Bank Ltd.	10,500,000	3,000,000
25	NRB Com. Bank Ltd.	9,500,000	5,000,000
26	NRB bank Ltd.	5,000,000	-
27	One Bank Ltd.	21,541,600	12,041,600
28	Premier Bank Ltd.	16,500,000	10,000,000
29	Prime Bank Ltd.	5,000,000	12,000,000
30	Pubali Bank Ltd.	2,000,000	4,000,000
31	Rajshahi Krishi Unn. Bank	-	1,000,000
32	Rupali Bank Ltd.	2,000,000	3,000,000
33	Social Islami Bank Ltd.	17,500,000	13,900,000
34	Shahjalal Islami Bank Ltd.	42,800,000	11,800,000
35	Southeast Bank Ltd.	25,059,314	33,500,000
36	Standard Bank Ltd.	42,500,000	26,000,000
37	State Bank of India	573,426	1,000,000
38	South Bangla Agriculture & Commerce Bank Ltd.	8,000,000	6,000,000
39	Trust Bank Ltd.	1,000,000	4,000,000
40	The Farmers Bank Ltd.	1,500,000	1,500,000
41	United Com. Bank Ltd.	2,500,000	11,000,000
42	Uttara Bank Ltd.	1,000,000	6,000,000
43	Union Bank Ltd.	21,000,000	11,000,000
44	National Finance Ltd.	-	1,000,000
		<b>494,935,605</b>	<b>491,712,145</b>

**18.0 Fixed Assets :**

Property, plant and equipment	156,449,403	162,067,854
	<b>156,449,403</b>	<b>162,067,854</b>

Detail of Fixed Assets Schedule is shown in the **Annexure-A**

**19.0 Interest, Dividend and Rents :**

Interest Income (Note-19.01)	37,878,256	32,058,780
Dividend Income (19.02)	248,262	1,870,531
Other Income (Scrap Sold)	21,000	-
<b>Total</b>	<b>38,147,518</b>	<b>33,929,311</b>

**19.01 Interest Income :**

National Investment Bond	3,955,058	2,989,708
Fixed Deposit Receipts	33,341,941	27,890,088
STD and Savings Account	581,257	673,102
Corporate Money Maker AC (DPS)	-	505,882
	<b>37,878,256</b>	<b>32,058,780</b>

**19.02 Dividend Income :**

Dividend Income represents the amount received from investment in share of public limited company.

**20.0 Profit and loss transferred from revenue account :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Fire	6,806,673	(7,459,411)
Marine	27,582,326	38,399,801
Motor	19,268,793	14,840,070
Miscellaneous	1,575,673	(4,768,436)
	<b>55,233,465</b>	<b>41,012,024</b>

**21.0 Provision for Taxation Including Deferred Tax :**

<b>Income before Tax</b>	<b>76,807,272</b>	<b>70,242,874</b>
Less: Reserve for exceptional Loss	(4,000,000)	(5,00,000)
Less: WPPF	(3,657,489)	(3,344,899)
Less: Unrealized Loss/(Gain) on Share	4,955,281	(6,847,229)
Less: IPO Expenses	(1,200,000)	-
Less: Gain on car sale	-	(4,915,986)
Less: Gain sale of share	(5,626,303)	-
Add: Accounting base Dep.	7,968,481	7,866,030
Less: Tax base Dep.	(6,772,121)	(18,373,053)
<b>Business Income</b>	<b>68,475,121</b>	<b>39,627,737</b>

**Tax Calculation**

Business Income	40%	27,390,049	15,851,095
Gain on car sale	15%	-	737,398
Gain on sale of share	10%	562,630	-
Deffered Tax (Note:11)		1,355,494	2,552,560
		<b>29,308,173</b>	<b>20,131,746</b>

**22.0 Directors Attendance fees :**

Sl. No	Name of Directors	Total fees	Total fees
01	Md. Abdul Awal	239,000	160,000
02	Mahfuza Yunus	251,000	165,000
03	Farida Razzaq	293,000	225,000
04	Md. Mazakat Harun	163,000	225,000
05	Mrs. Halima Harun	114,000	-
06	Md. Shamsur Rahman	119,000	165,000
07	Marium Akhter	224,000	155,000
08	Syed Al Farooque	239,000	155,000
09	Khalilur Rahman Chowdhury	239,000	175,000
10	Latiful Bari	239,000	175,000
11	Amir Hamza Sarker	219,000	85,000
12	A.B.M Kaiser	239,000	50,000
13	Feroz Ahmed	142,000	30,000
14	Siddique Hossain Choudhury	151,000	55,000
15	Sultana Jahan	-	115,000
	<b>Total</b>	<b>2,871,000</b>	<b>1,935,000</b>

**22.01 Details Directors Attendance fees :**

Sl. No	Name of Directors	Details of attendance				Total
		Board	EC	Claim	Audit	
01	Md. Abdul Awal	12	11	11	3	37
02	Mahfuza Yunus	12	11	11	3	37
03	Farida Razzaq	13	12	9	12	46
04	Md. Mazakat Harun	8	7	7	7	29
05	Mrs. Halima Harun	5	5	5	-	15
06	Md. Shamsur Rahman	8	7	-	7	22
07	Marium Akhter	12	11	-	11	34
08	Syed Al Farooque	13	12	-	12	37
09	Khalilur Rahman Chowdhury	13	-	12	12	37
10	Latiful Bari	13	12	12	-	37
11	Amir Hamza Sarker	12	-	10	11	33
12	A.B.M Kaiser	13	-	12	12	37
13	Feroz Ahmed	12	-	-	11	23
14	Siddique Hossain Choudhury	12	-	-	11	23
<b>Total</b>		<b>158</b>	<b>88</b>	<b>89</b>	<b>112</b>	<b>447</b>

**23.0 Opening Appropriation Account Balance :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Balance B/D	86,024,083	88,138,548
Less: Dividend Paid	(39,118,466)	(45,864,556)
Add: Reserve Transferred	1,944,185	1,983,862
	<b>48,849,802</b>	<b>44,257,854</b>

**25.0 Premium less Re-Insurance :**

Premium less re-insurance (Note-24.01)	243,721,990	252,290,020
	<b>243,721,990</b>	<b>252,290,020</b>

**24.01 Premium less Re-Insurance :**

Class of Business	Gross Premium	Re-insurance Ceded	Net Premium
Fire	128,743,409	86,560,426	42,182,983
Marine Cargo	106,596,424	33,364,425	73,231,999
Marine Hull	1,199,433	149,485	1,049,948
Motor	120,933,246	1,099,260	119,833,986
Miscellaneous	51,416,540	43,993,466	7,423,074
<b>Total amount as on 31st Dec. 2018</b>	<b>408,889,052</b>	<b>165,167,062</b>	<b>243,721,990</b>
<b>Total amount as on 31st Dec. 2017</b>	<b>400,656,661</b>	<b>148,366,642</b>	<b>252,290,020</b>

**25.0 Claim Paid under Policies less Re-Insurance :**

Claim Paid under Policies less Re-insurance (Note-25.01)	21,170,997	19,430,928
	<b>21,170,977</b>	<b>19,430,928</b>

**25.01 Claim Paid under Policies less Re-Insurance :**

Class of Business	Gross Claim Paid	Re-Insurance Ceded	Net Paid
Fire	61,465,076	65,920,469	(4,455,393)
Marine Cargo	10,534,861	1,280,337	9,254,524
Motor	14,207,020	(84,829)	14,291,849
Miscellaneous	9,868,276	7,788,279	2,079,997
<b>Total amount (31.12.2018)</b>	<b>96,075,233</b>	<b>74,904,256</b>	<b>21,170,977</b>
<b>Total amount (31.12.2017)</b>	<b>56,377,593</b>	<b>36,946,665</b>	<b>19,430,928</b>

**26.0 Allocation of Management Expenses :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Salary & Allowances	92,323,152	93,830,610
Festival Bonus	10,602,822	10,346,217
Postage & Telegram	518,036	484,597
Printing & Stationery	2,560,939	2,627,194
Conveyance	2,461,841	3,115,171
Office Cleaning	70,332	284,455
Travelling	129,377	19,000
Entertainment	2,961,292	2,986,150
Repairs and Maintenance Office	373,085	488,941
Telephone, Trunk call & Telex	2,756,386	3,102,535
Repairs and Maintenance Car	911,859	2,741,358
Repairs and Maintenance Computer	19,284	-
Tax Token Fitness	388,468	-
Car Maintenance Fuel	1,383,381	-
Car Allowance	13,980,000	14,482,070
Internet Charge, Photocopy	1,017,017	968,935
Office Rent	9,607,752	7,874,320
Garage Rent	319,000	399,500
Gas, Water & Electricity Expenses	2,190,008	2,036,250
Papers and yearicals	101,198	108,504
Rates, Taxes and Levies	211,124	110,000
Contribution, Fee and Charges	188,271	1,036,894
Bank Charge	1,645,613	963,357
Service Charge	427,781	427,777
Insurance Premium	208,171	595,202
Suppliers Bill	-	219,452
Business Dev. Expenses	12,069,916	17,552,344
Management Expenses SBC-Fire	670,467	394,488
Management Expenses SBC-Marine	1,208,430	1,351,493
Management Expenses SBC-Motor	189,678	193,781
Management Expenses SBC-Miscellaneous	2,994,082	1,768,303
Stamp Duty consumed-Fire	98,095	47,813
Stamp Duty consumed-Motor	355,197	328,658
Stamp Duty consumed-Miscellaneous	21,960	19,237
	<b>164,964,014</b>	<b>170,904,606</b>

**26.01 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. K.M Saidur Rahman Managing Director & CEO	Salary Tk. 49,20,000 Bonus Tk. 4,50,000	P.F@10% of Basic salary.	No	P.F	No
02	Mr. Md. Anwar Hossain Additional Managing Director	Salary Tk. 17,28,000 Bonus Tk. 1,34,000 Car Allowance Tk. 3,60,000	P.F@10% of Basic salary.	No	P.F & WPPF	No
03	Mr. Md. Bahar Uddin Chy. Additional Managing Director	Salary Tk. 30,00,000 Bonus Tk. 2,50,000	P.F@10% of Basic salary.	No	P.F & WPPF	No
04	Mr. Md. Badiuzzaman Lasker Assistant Managing Director	Salary Tk. 14,40,000 Bonus Tk. 107,000	P.F@10% of Basic salary.	No	P.F & WPPF	No
05	Mr. Ahsan Habib Assistant Managing Director	Salary Tk. 12,48,000 Bonus Tk. 94,000 Car Allowance Tk. 3,60,000	P.F@10% of Basic salary.	No	P.F & WPPF	No
06	Mr. Md. Nakibur Rahman Assistant Managing Director	Salary Tk. 9,60,000 Bonus Tk. 80,000 Car Allowance Tk. 3,60,000	P.F@10% of Basic salary.	No	P.F & WPPF	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 2018.

**26.02 Appropriation of management expenses :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Fire	56,650,750	57,203,039
Marine	44,022,026	60,713,090
Motor	55,746,235	38,852,827
Miscellaneous	8,545,003	14,135,650
	<b>164,964,014</b>	<b>170,904,606</b>

**27.0 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 up @15% for all classes of non life insurance business. The agency commission for different classes of business are furnished as under:

Fire	17,994,905	20,010,245
Marine	15,351,462	21,787,818
Motor	18,078,699	13,635,441
Miscellaneous	1,797,753	1,529,263
<b>Total</b>	<b>53,222,819</b>	<b>56,962,767</b>

**28.0 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. 18,72,041 to the fund.

**29.0 Collection From Premium and Other Received :**

	Amount in Taka	
	31 Dec 2018	31 Dec 2017
Premium Income	341,928,013	350,598,192
Interest Income	33,694,282	25,647,242
Dividend Income	248,262	1,870,531
Car Installment Received	1,289,324	1,102,850
Other Income	21,000	
VAT Collection	27,085,255	31,601,090
	<b>404,266,136</b>	<b>410,819,905</b>

**30.0 Payment for Management Expenses, Re-insurance & Claim :**

Management Expenses	158,273,002	168,373,703
Agency commission	52,322,819	56,962,767
Claim Paid	86,121,263	39,567,286
Paid to SBC	15,329,950	16,831,839
VAT Paid to Government	28,044,010	31,612,223
Non-Management Expenses	10,452,754	8,595,646
	<b>350,543,798</b>	<b>321,943,464</b>

**31.0 Income Tax Paid :**

Advance Income Tax (U/S-64 & 74)	20,071,430	21,420,277
Tax on Bank Profit (TDS)	3,172,218	2,772,342
	<b>23,243,648</b>	<b>24,192,619</b>

## 32.0 Related Party Disclosur [IAS-24] :

## A) Particulars of Directors:

Sl. No.	Name of Directors	Status with EIL	Entities where they have interests		Position in the Firms/Companies
01	Md. Abdul Awal	Chairman	01	Mercantile Bank Ltd.	Sponsor Shareholder
			02	Synthia Securities Ltd.	Managing Director
02	Mahfuza Younus	Vice -Chairman	01	Younus Plastic Inds. Ltd.	Director
			02	Younus Filament Inds. Ltd.	Director
			03	Sobhan Ice & Cold Storage Ltd.	Director
			04	Younus Cold Storage Ltd.	Director
			05	Younus Specialized Cold Storage Ltd.	Director
			06	Siddheswari Cold Storage Ltd.	Director
			07	Europa Cold Storage Ltd.	Director
			08	Younus Spinning Mills Ltd.	Director
			09	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	Younus Fine Paper Mills Ltd.	Director
			14	Younus Offset Paper Mills Ltd.	Director
			15	Younus Paper Mills Ltd.	Director
			16	Sonali Paper & Board Mills Ltd.	Director
			17	Younus Newsprint Mills Ltd.	Director
			18	Sharif Cold Storage Ltd.	Director
03	Farida Razzaq	Director	01	Nandini Printing & Publications	Managing Director
			02	Ideal Asset Development Ltd.	Chair-person
			03	The Millennium International School	Vice-Chairman
			04	Altimate Asset Development Ltd.	Vice-Chairman
04	Halima Harun	Director	01	Chemitan Ltd.	Director
			02	Chemitan Trading Company	Proprietor
05	Syed Al Farooque	Director	01	Wills Fashion Ltd.	Managing Director
			02	Probal Garments Ltd.	Managing Director
			03	Wills Fashionwear (Pvt.) Ltd.	Managing Director
			04	Wills Properties Ltd.	Managing Director
			05	Triple A Ltd.	Managing Director
			06	Mirzapur Resort Ltd.	Managing Director
			07	Chalishnu Publications Ltd.	Managing Director
06	Marium Akhter	Director	01	Karim Leathers Ltd.	Director
			02	Kamtex Ltd.	Director
07	Khalilur Rahman Chowdhury	Director	01	Khalil Knitwear Ltd.	Chairman & MD
			02	Khalil Garments Ltd.	Chairman & MD
			03	Khalil & Khalil Investment Ltd.	Chairman & MD
			04	Ataiya Trading Corporation Ltd.	Chairman & MD
			05	Al-Hera Filling Station	Proprietor
			06	K. R. C. Rubber Plantation	Proprietor
			07	K.R.C. CNG & Filling Station	Proprietor
08	Latiful Bari	Director	01	Rahmat Knit-Dyeing & Finishing Ltd.	Chairman
			02	Rahmat Fashion Wear Ltd.	Managing Director
			03	Rahmat Textiles Ltd.	Director
			04	China Plastic (BD) Ltd.	Director
			05	Rahmat Rotors Ltd.	Director
09	Amir Hamza Sarker	Director	01	Logos Apparels Ltd.	Managing Director
			02	Logos Wear House Ltd.	Chairman & MD
			03	Rahmat Sweaters (BD) Ltd.	Managing Director
			04	Belkuchi Spinning Mills Ltd.	Managing Director
			05	Logos Printing & Design	Proprietor
10	ABM Kaiser	Director	01	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(Tk)	
			2018	2017
Chamitan Trading Company	Insurance Premium	Common Directorship	40,753	35,703
Karim Leathers Ltd.	Insurance Premium	Common Directorship	194,630	608,362
Kamtex Ltd.			696	43,027
Rahmat Textiles Ltd.	Insurance Premium	Common Directorship	1,954,991	4,500,240
Rahmat Sweaters (BD) Ltd.			123,663	456,598
China Plastic (BD) Ltd.			-	26,923
Rahmat Knit-Dying & Finishing Ltd.			139,433	368,899
Rahmat Fashion Wear			60,810	-
Rahmat Rotors Ltd.			20,721	-
Logos Apparels Ltd.			829,558	-
Belkuchi Spinning Mills Ltd.			656	88,811
Wills Properties Ltd.	Insurance Premium	Common Directorship	51,879	-
Younus Plastic Industries Ltd.	Insurance Premium	Common Directorship	20,728	20,952
Younus Fillament Industries Ltd.			31,748	31,748
Younus Paper Mills Ltd.			886,658	868,051
Sonali Papers & Board Mills Ltd.			996,861	1,094,528
Younus News Print Mills Ltd.			344,901	191,079
Younus Fine Paper Mills Ltd.			537,792	754,539
Younus Offset Paper Mills Ltd.			332,811	655,359
Ananta Paper Mills Ltd.			147,854	-
Younus Cold Storage			457	-
Younus Spinning Mills Ltd.			146,350	62,992

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

Particulars	Nature of Payment	Amount in Taka	
		2018	2017
1. Directors	Board Meeting Fee	2,871,000	1,935,000
2. Directors	Remuneration	Nil	Nil
3. Chief Executive Officer	Salary, Bonus & other Allowances	5,370,000	4,200,000
4. Officers & Executives	Salary, Bonus & other Allowances	97,555,974	99,976,827
<b>Total</b>		<b>105,796,974</b>	<b>106,111,827</b>

**33.0 Compliance of Schedule XI part II of the Companies Act, 1994 :**

Particulars	NO. of Employees	
	31.12.18	31.12.2017
Below Taka. 72,000 per year	-	-
Taka. 72,000 and above	585	580
<b>Total</b>	<b>585</b>	<b>580</b>

**34.0 Corporate Tax Settlement Status :**

The Company's Tax settlement status is as under:

Income Year	Assessment Year	Status	Remarks
2011	2012-2013	Return Submitted	Hon'ble High court
2012	2013-2014	Return Submitted	Tribunal
2013	2014-2015	Return Submitted	Tribunal
2014	2015-2016	Return Submitted	
2015	2016-2017	Return Submitted	
2016	2017-2018	Return Submitted	
2017	2018-2019	Return Submitted	

**35.0 Subsequent event after the balance sheet data :**

The board of Directors in its 239th meeting held on 27 June, 2019 has recommended 10% Cash dividend which will be recognized in the accounts as and when approved by the shareholders in the next annual general meeting.

**36.0 General :**

a) 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.

b) There was no capital expenditure commitment as on 31st December, 2018.

c) There was no claim against the Company as debt as on 31st December, 2018.

d) 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.

e) 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 Supreme Court of Bangladesh, High Court Division. The decision by the Hon'ble Court is awaited.

# EXPRESS INSURANCE LIMITED

## FIXED ASSETS SCHEDULE

As on 31st December, 2018

Annexure-A

Particulars	COST				Rate of Dep.	DEPRECIATION					Written down value as on 31-12-2018
	As on 01-01-2018 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2018 Taka.		Charge during the year Taka. (On Opening Less Sold)	Charge during the year Taka. (On Addition)	Total Charge during the year	Sold/Adj. during the year Taka.	Total as on 31-12-2018 Taka.	
	1	2	3	4	5	7	8	9=(7+8)	10	11=(6+9-10)	12
Land & Building	40,168,508	-	-	40,168,508	2%	711,710	0	711,710	-	5,294,707	34,873,801
Furniture & Fixture	5,764,036	298,395	-	6,062,431	10%	252,444	8,396	260,840	-	3,500,437	2,561,994
Office Decoration	16,719,835	587,841	-	17,307,676	10%	741,453	35,584	777,037	-	10,082,342	7,225,334
Office Equipment	1,901,074	82,650	-	1,983,724	20%	59,117	8,061	67,178	-	1,672,667	311,057
Computer with Printer	4,846,677	596,034	-	5,442,711	30%	649,746	95,776	745,522	-	3,426,379	2,016,332
Crockeries & Cutleries	115,691	3,400	-	119,091	20%	6,891	654	7,545	-	88,783	30,308
Motor Vehicles	34,412,220	-	-	34,412,220	20%	2,742,824	-	2,742,824	-	23,440,925	10,971,295
Telephone Installation	263,717	30,800	-	294,517	20%	14,492	1,648	16,140	-	207,396	87,121
Electric Equipment	2,341,091	26,500	-	2,367,591	20%	115,492	3,601	119,093	-	1,882,726	484,865
Air Condition	6,821,276	724,410	-	7,545,686	20%	494,849	81,558	576,407	-	4,923,439	2,622,247
<b>Sub-total: as at 31 Dec. 2018</b>	<b>113,354,125</b>	<b>2,350,030</b>	<b>-</b>	<b>115,704,155</b>		<b>5,789,018</b>	<b>235,278</b>	<b>6,024,296</b>	<b>-</b>	<b>54,519,802</b>	<b>61,184,353</b>

Cost

Particulars	COST				Rate of Dep.	DEPRECIATION					Written down value as on 31-12-2018
	As on 01-01-2018 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2018 Taka.		Charge during the year Taka.	Charge during the year Taka.	Total Charge during the year	Sold/Adj. during the year Taka.	Total as on 31-12-2018 Taka.	
Land & Building	109,736,492	-	-	109,736,492	2%	1,944,185	-	1,944,185	-	14,471,442	95,265,050
<b>Sub-total: as at 31 Dec. 2018</b>	<b>109,736,492</b>	<b>-</b>	<b>-</b>	<b>109,736,492</b>		<b>1,944,185</b>	<b>-</b>	<b>1,944,185</b>	<b>-</b>	<b>14,471,442</b>	<b>95,265,050</b>
<b>Total: as at 31 Dec. 2018</b>	<b>223,090,617</b>	<b>2,350,030</b>	<b>-</b>	<b>225,440,647</b>		<b>7,968,481</b>	<b>235,278</b>	<b>7,968,481</b>	<b>-</b>	<b>68,991,244</b>	<b>156,449,403</b>
<b>As at 31 Dec. 2017</b>	<b>230,206,201</b>	<b>10,304,416</b>	<b>17,420,000</b>	<b>223,090,617</b>		<b>6,729,503</b>	<b>1,136,527</b>	<b>7,866,030</b>	<b>13,625,986</b>	<b>61,022,763</b>	<b>162,067,854</b>

Revaluation

**EXPRESS INSURANCE LIMITED**  
FORM "AA"

**CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER, 2018**

Amount in Taka

CLASS OF ASSETS	BOOK VALUE AS PER BALANCE SHEET	MARKET VALUE	REMARKS
National Investment Bond	25,000,000	25,000,000	Not quoted in market
Investment in Share	50,196,325	30,633,991	Market Value
Fixed Deposit with Banks	494,935,605	494,935,605	Realizable Value
In STD A/C with Banks	44,164,750	44,164,750	Realizable Value
Cash in hand	2,057,825	2,057,825	Realizable Value
Interest on Investment accrued but not due	21,522,026	21,522,026	Realizable Value
Amount due from other persons or bodies carrying on insurance business	69,945,148	69,945,148	Realizable Value
<b>OTHER ASSETS :</b>			
Fixed Assets	156,449,403	156,449,403	At Cost/Revaluation less depreciation
Sundry Debtors	261,534,491	261,534,491	Realizable Value
Stock of Stationery & Stamps	1,640,765	1,640,765	Value at Cost
<b>Total</b>	<b>1,127,446,338</b>	<b>1,107,884,003</b>	

  
Chairman

  
Vice-Chairman

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Dhaka.  
27 June, 2019

## 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 31 December, 2018.

### 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	Net Claim
Fire	119,891,764	-	80,001,903	39,889,861	17,994,905	-	28,957,949	60,006,460
M/Cargo	90,843,913	-	21,511,261	69,332,652	14,300,414	-	7,098,661	10,038,130
M/Hull	1,010,000	-	-	1,010,000	151,048	-	-	-
Motor	118,431,091	-	910,653	117,520,438	18,078,699	-	58,914	14,076,673
Misc.	11,862,043	-	5,176,743	6,685,300	1,797,753	-	1,942,204	2,000,000
<b>Total</b>	<b>342,038,811</b>	<b>-</b>	<b>107,600,560</b>	<b>234,438,251</b>	<b>52,322,819</b>	<b>-</b>	<b>38,057,728</b>	<b>86,121,263</b>
								<b>65,983,994</b>
								<b>20,137,269</b>

### 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	Net Claim
Fire	8,851,645	-	6,558,523	2,293,122	-	-	751,634	1,021,261
M/Cargo	15,752,511	-	11,853,164	3,899,347	-	-	2,285,287	323,312
M/Hull	189,433	-	149,485	39,948	-	-	6,870	173,419
Motor	2,502,155	-	188,607	2,313,548	-	-	1,352	130,347
Misc.	39,554,497	-	38,816,723	737,774	-	-	5,234,334	7,868,276
<b>Total</b>	<b>66,850,241</b>	<b>-</b>	<b>57,566,502</b>	<b>9,283,739</b>	<b>-</b>	<b>-</b>	<b>8,279,477</b>	<b>9,953,970</b>
								<b>8,920,262</b>
								<b>1,033,708</b>

### 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	Net Claim
Fire	128,743,409	-	86,560,426	42,182,983	17,994,905	-	29,709,583	61,465,076
M/Cargo	106,596,424	-	33,364,425	73,231,999	14,300,414	-	9,383,948	10,361,442
M/Hull	1,199,433	-	149,485	1,049,948	151,048	-	6,870	173,419
Motor	120,933,246	-	1,099,260	119,833,986	18,078,699	-	60,266	14,207,020
Misc.	51,416,540	-	43,993,466	7,423,074	1,797,753	-	7,176,538	9,868,276
<b>Total</b>	<b>408,889,052</b>	<b>-</b>	<b>165,167,062</b>	<b>243,721,990</b>	<b>52,322,819</b>	<b>-</b>	<b>46,337,205</b>	<b>96,075,233</b>
								<b>74,904,256</b>
								<b>21,170,977</b>

*Dr. Hossain*  
Chairman  
Dhaka.

*Mahfuzur Rahman*  
Vice-Chairman

*Morrum Akkuz*  
Director

Chief Executive Officer

*Ahmed Zaker & Co.*  
Chartered Accountants

*Ahmed Zaker*



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

Al-Razi Complex (9th & 10th Floor), 166-167, Shahid Syed  
Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000, Bangladesh  
PABX:9554421, 9561255,9569546,9557196, Fax: 880-2-9568616  
E-mail: express\_insurance@ymail.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 19th Annual General Meeting of the Company to be  
held on Monday, the 30th September, 2019 and any adjournment thereof or at any poll that may be taken in  
consequence thereof.

Signed this ..... Day of ..... 2019

Signature of Shareholder .....

Folio/BO ID No. of Shareholder :

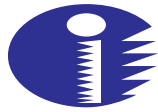
.....Number of Shares

..... Signature of Proxy

Revenue  
Stamp  
Taka 10.00

### Notes :

The Proxy must be signed across ten 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 (As per Article of Association Proxy will be a member of the Company).



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

## ATTENDANCE SLIP

I do hereby record my attendance at the 19th Annual General Meeting being held on Monday, the 30th September, 2019 at 2.00 P.M at Al-Razi Complex(9th & 10th floor), 166-167, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000. Name of the member/proxy:

.....

Registered Folio/BO ID No. .... Signature .....

### Note:

Please complete the attendance slip and hand it over at the entrance of the office.