Pragati Insurance Limited



Annual Report 2016



Annual Report 2016



SYMBOL OF SECURITY

Pragati Insurance Limited

Contents

Letter of Transmittal	3
Notice of the 31st Annual General Meeting	4
Company Profile	5
Vision & Mission Statement	7
Core Values	8
Business Strategy	9
Pragati Services	10
Insurance Services	11
Chairman's Report	12
Directors' Profile	16
Executives	27
Executives Images in Group	28
Company's Performance	35
Value Added Statement	37
Directors' Report	38
Directors' Report to the Shareholders	48
Corporate Governance	49
Ownership Status	58
Compliance Report & Certificate	59
Report of the Audit Committee	60
Responsibility Statement of CEO And CFO	61
Auditors' Report	62
Notes to the Financial Statements	80
Fixed Assets	92
Form 'AA'	93
Revenue Account	94
Directors' Certificate	95
List of Branches	96
Glimpses of 30Th AGM	101
Golden Memories of Pargati	102
Our Achievements	105
Images of Board/Committee Meetings	106
Pragati Annual Picnic	107



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Letter of Transmittal

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

Sub: Annual Report for the year ended 31st December 2016

Dear Sir(s)
The undersigned has the privilege to forward a copy of Annual Report of Pragati Insurance Limited together with the Auditors' Report & Audited Financial Statements including Balance Sheet as at 31st December, 2016 and Income statement (Profit & Loss Account) & Cash Flow Statement for the year ended 31st December 2016 along with notes thereon for your kind information and record.

Thanking you,

Yours Sincerely,

Syed Anisul Hoque
Company Secretary (CC)



AMARSTOCK

Pragati Insurance Limited

Head office: Pragati Insurance Bhaban, 20-21,Kawran Bazar, Dhaka-1215.
Tel: PABX: 9133680-2 Fax: 880-2-8122980

NOTICE OF THE 31st ANNUAL GENERAL MEETING

Notice is hereby given to all the shareholders of Pragati Insurance Limited that the 31 st Annual General Meeting of the company will be held on Wednesday, the 14 th June,2017 at 10.30 a.m. at the BIAM Foundation, 63, New Eskaton, Dhaka-1000 to transact the following businesses.:

1. To receive, consider and adopt the Directors Report and the Audited Financial Statements of the company for the year ended 31st December, 2016 together with the Auditors Report thereon.
2. To declare Dividend for the year 2016 as recommended by the Board of Directors.
3. To retire, elect/re-elect Directors.
4. To appoint Auditors for the year 2017 and fix their remuneration.

By order of the Board of Directors

Dated Dhaka, the 22nd May, 2017.

(Syed Anisul Hoque)
Company Secretary (CC)

Notes:

1) The record date : 18th May, 2017.
2) Members of the Company whose names appear in the Register of members upto the record date will be entitled to dividend for the year 2016 to be approved by the shareholders in the 31 st Annual General Meeting.
3) A member wishing to appoint a Proxy, must deposit the Proxy Form duly stamped to the Company's Registered Office at least 48 hours before the meeting.
4) Only the shareholders or their appointed proxies can attend the meeting. A proxy must be a member of the company.
5) Entry to the Annual General Meeting is reserved only for the shareholders or his/her Proxy. No guests & children shall be allowed for entrance in the meeting.
6) Shareholders bearing BO IDs are requested to update their respective 12 digit E-TIN number through their Depository Participant (DP)and shareholders those who are bearing Folio Numbers are requested to submit their 12 digit E-TIN Number to the Share Department of the Company latest by 30 th May, 2017 failing which income tax at source will be deducted from the cash dividend @15% instead of 10%.
7) সকল ডিপোজেটরি পার্টিসিপেন্টদের অবগতির জন্য জানানো যাচেছ যে, যারা প্রগতি ইন্স্যুরেন্স লিঃ এর শেয়ার মার্জিন লোন অধিভুক্ত তাদের বিবরনী আগামী মে ৩০, ২০১৭ এর মধ্যে কোম্পানী সচিব বরাবরে পৌঁছানোর জন্য অনুরোধ করা হোলো । অন্যথায় লভ্যাংশ, বোনাস শেয়ার ইত্যাদি প্রদানে কোন ধরনের ভুল-ভ্রান্তির দায় কোম্পানী বহন করবে না ।
8) In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/ CMRRCD/2009-193/154 dated October 24, 2013, no gift/ gift Coupon/ Food Box shall be distributed at the 31 st AGM of the Company.

Company Profile

Incorporation	January 27,1986
Commencement	January 30,1986
Listing with DSE	April 04,1996
Listing with CSE	April 06,1996

Auditor

Mahfel Huq & Co.
Chartered Accountants

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Registered Office
Pragati Insurance Bhaban
20-21, Kawran Bazar
Dhaka-1215 Bangladesh
Phone : PABX : 880-02-9133680-2
Fax : 880-2-8122980
E-mail : info@pragatiinsurance.com
www.pragatiinsurance.com



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Our Vision

Our vision is to be the leaders in non-life insurance industry in the country by way of providing expeditious and courteous services to all our clients; to operate by code of conduct motivated by a value system that promotes integrity, performance and personal growth, and to maintain our leading edge in the industry by striving to boost our financial strength and profitability.

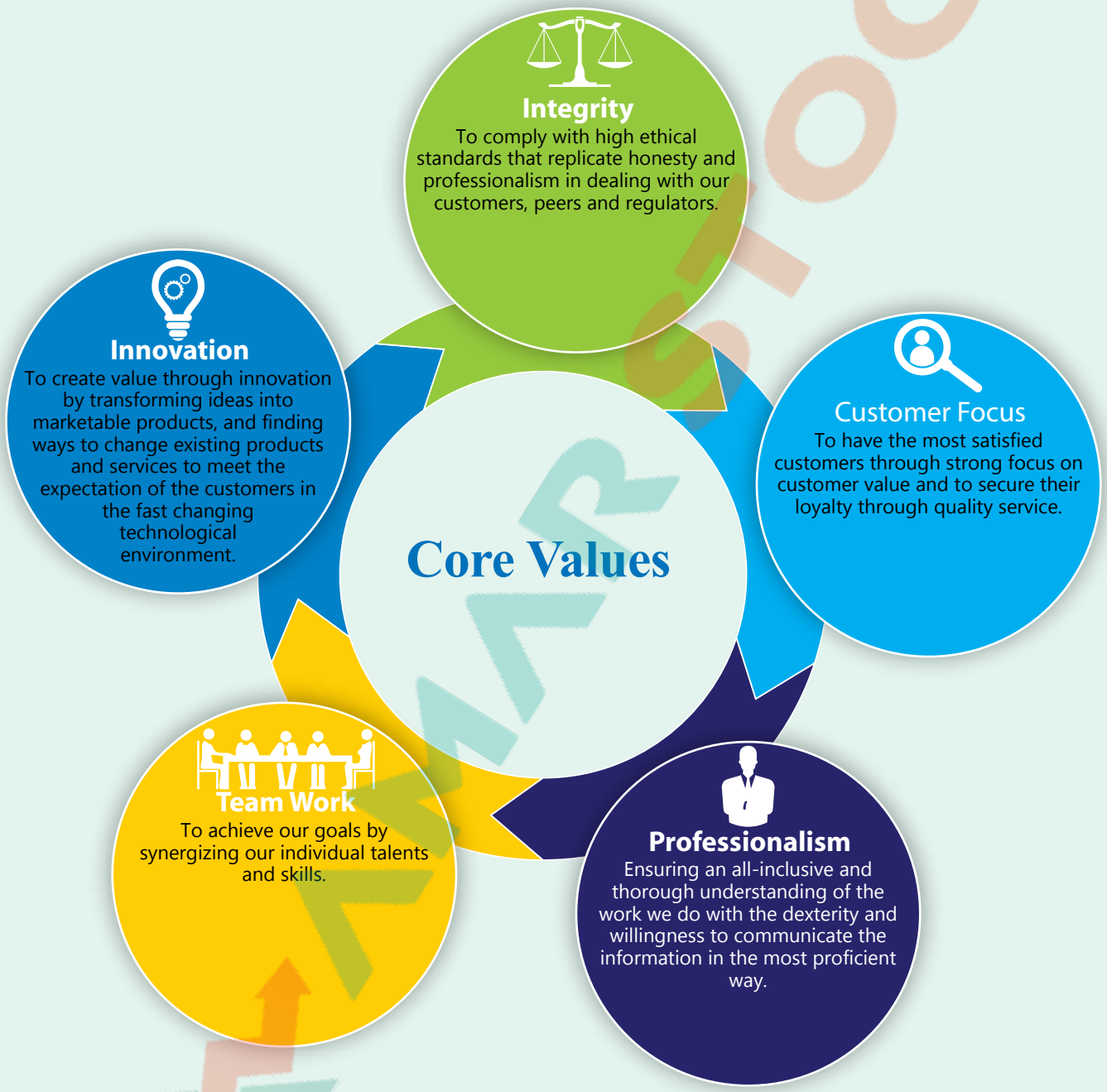


Our Mission



Our Mission is to provide innovative and cost effective non-life insurance solutions to our clients and an acceptable return to our shareholders through committed and professional staff.

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Integrity
To comply with high ethical standards that replicate honesty and professionalism in dealing with our customers, peers and regulators.
Innovation
To create value through innovation by transforming ideas into marketable products, and finding ways to change existing products and services to meet the expectation of the customers in the fast changing technological environment.
Customer Focus
To have the most satisfied customers through strong focus on customer value and to secure their loyalty through quality service.
Core Values
Team Work
To achieve our goals by synergizing our individual talents and skills.
Professionalism
Ensuring an all-inclusive and thorough understanding of the work we do with the dexterity and willingness to communicate the information in the most proficient way.

Business Strategy

Our strategy is designed to achieve sustainable and profitable growth for all our stakeholders. To realize this, our fundamental goal is to have a deep understanding of our customer's need and provide them with high quality insurance services. We believe that by attending this vital goal the success will trickle down to all our stakeholders.



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Pragati Services





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Insurance Services

Fire Insurance
- Fire & Allied Perils Insurance

Motor Insurance
- Comprehensive Insurance
- Act Liability Insurance

Health and Accident Insurance
- Overseas Mediclaim Insurance
- Personal Accident Insurance
- Peoples Personal Accident Insurance
- Health Care & Hospitalization Insurance

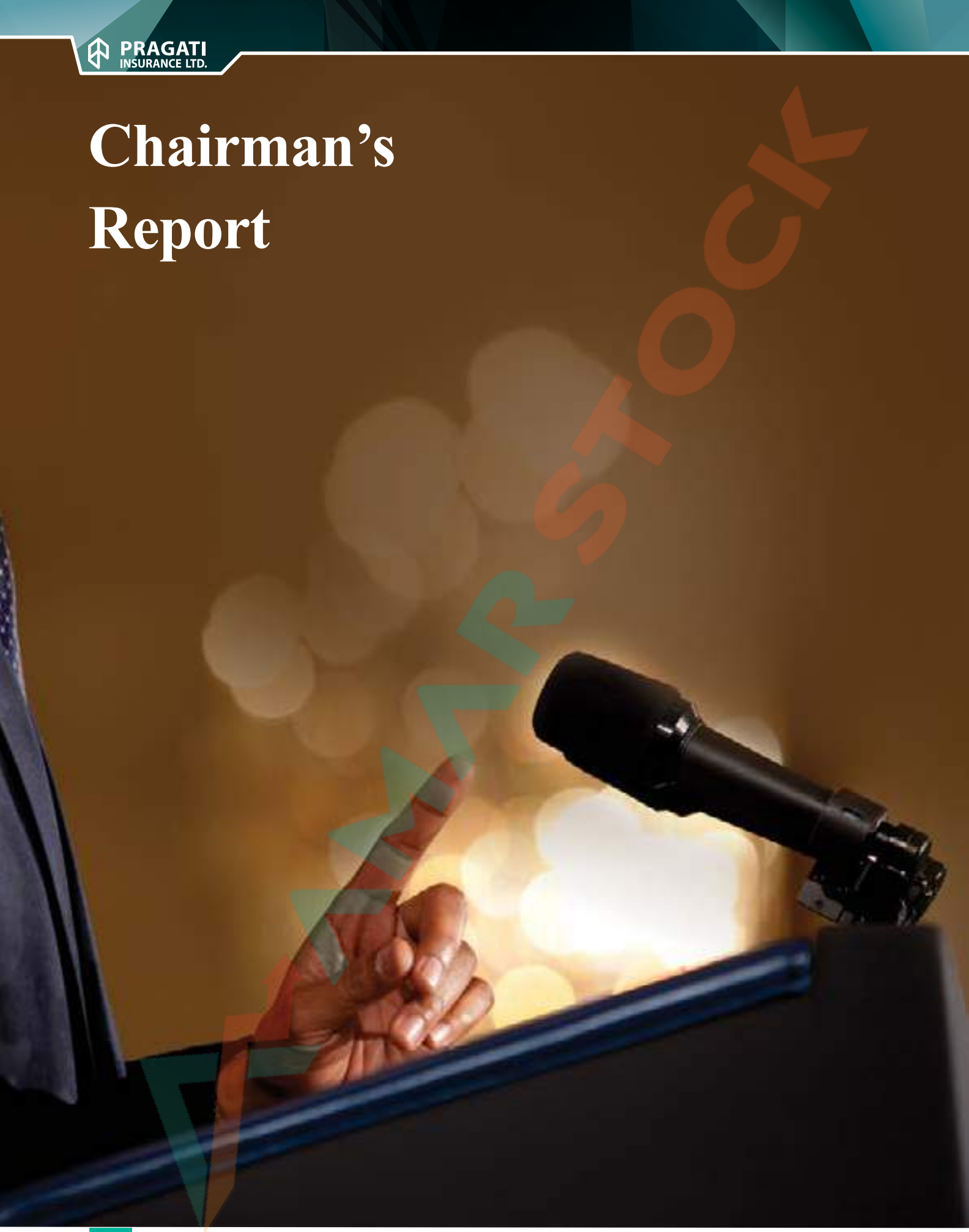
Marine Insurance
- Marine Cargo Insurance
- Marine Hull Insurance

All Risk Insurance
- Industrial All Risk Insurance
- Erection All Risk Insurance
- Hotel All Risk Insurance
- Machinery Breakdown Insurance
- Electronic Equipment Insurance
- Boiler & Pressure Vessels Insurance
- Power Plant Insurance
- Deterioration of Stock Insurance
- Contractor's All Risk Insurance

Aviation Insurance
- General Aviation Insurance
- Personal Accident Airline Insurance
- Air Travel Insurance

Miscellaneous Insurance
- Fidelity Guarantee Insurance
- Public Liability Insurance
- Products Liability Insurance
- Burglary & Housebreaking Insurance
- Cash-in-Safe Insurance
- Cash-in-Transit Insurance
- Cash-in-ATM Insurance
- Safe Deposit Box (Bank Lockers) Insurance
- Credit Shield Insurance Policy
- SME Insurance
- Tournament Insurance
- Replacement of Lost Card/Fraud Insurance
- Consquential Loss/Business Interrpution Insurance
- Workman's Compensation Insurance
- Hotel All Risk Insurance
- Weather Index-Based Insurance

Chairman's Report





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CHAIRMAN'S REPORT

A MESSAGE FROM THE CHAIRMAN

Bismillahir Rahmanir Raheem
Assalamu Alaikum

Dear Shareholders,

I am pleased to report that Pragati Insurance Ltd (PIL) profit after tax for the 2016 financial year was BDT 132.36 million, up 36.44 % than previous year.

The final dividend of 10% Cash and 5% Stock brought the total dividend to 15%, an increase of 50 % from the previous year. This will see us pay out a record BDT 55.6 million in cash and BDT 27.8 million in stock to the shareholders for 2016.

Strengthening Capital

Capital is one measure of strength and PIL remains strongly capitalized and the quality of our balance sheet continues to improve. Our capital rate ended the year at 5% up from previous year, placing PIL within the top quartile of the Insurance Companies. During the year, many reports found that Bangladesh has a sound financial system which provides a strong platform for the Bangladesh economy.

Corporate Sustainability

We are managing our business sustainably and for the long-term. Identifying and managing our social and environmental risks and opportunities is fundamental to our business strategy.

We have achieved or made good progress towards many of our targets in 2016. Although we still have much more to do,we increased the number of women in the company and aim for further improvements in the coming years.

As you all know, your company has stepped into its third decade of operations. As one of the oldest first generation company, we have shouldered the risks of numerous individuals and businesses with the best of our ability. Our current road map is to continue to excel in the industry and regain the leadership position that we once held dominantly.

Bangladesh Non-life Insurance Sector 2016

The overall industry-wise non-life insurance premium statistics for 2016 are not yet available. However, it is assumed that the growth will be passive, as it was during 2015. In 2015, the growth was just below 1 per cent as opposed to the growth in 2014, which was approximately 10 per cent.

Looking forward

After the initiation of 2010 Insurance Act and with the subsequent formation of Insurance Development and Regulatory Authority (IDRA), many structural reforms have been undertaken to bring stability in the Insurance sector. However, many of the requirements have not been framed as yet, and the bottlenecks remain. As it is, the non-life insurance market in Bangladesh is oversaturated with 45 companies for a market that is severely underdeveloped. This has resulted in a cut-throat competition, which is detrimental to the growth of the sector.

Service sector is the biggest contributor to our annual GDP, yet insurance as one of its components, provide almost nothing to it. Our insurance penetration of less than 1 per cent is among the lowest in the world. This issue needs to be addressed by raising awareness to the public about the usefulness of insurance and insurance products and services. Although IDRA needs to be congratulated for organizing an Insurance fair in 2016, much more is desired to drum up general public's attention towards insurance.

Our Business Performance in 2016

A mid challenging business situation in the country and severe competition within the insurance sector in 2016, we were able to achieve a good business performance. Our Gross premium income and Net premium income stood Tk.1542 Million and Tk.638 Million respectively during the year under review.

Underwriting profit stood at Tk.93.6 Million in 2016 which was Tk.23.6 million in 2015, registering a remarkable growth of 296.3 percent. The total assets of the company stood at Tk.4,200 million as at December 31, 2016 showing a growth of 3.3 percent from 2015. The company settled claim amounting to Tk.76 Million during 2016 which was Tk.93 million in 2015.

A summarized position of your company's operation in the year 2016 will help you appreciate the performance of the company during the year under review.

Million Taka

Particulars	2016	2015	Increase (+)
Gross Premium	1542	1512	+2%
Retained Premium (RP)	638	607	+5.1%
Claims- retained portion	76	93	(18.2%)
Underwriting Profit	93.6	23.6	+296.3%
Capital	556	556	-

I am happy to announce a cash dividend of 10% and a stock dividend of 5%, which I hope will get your endorsement. A detailed performance for the year including the Directors' Report, the Audited Financial Statements and the Auditors' Report for the year ended on 31st December 2016 has been presented in the Annual Report.

Before I conclude, I would like to place on record my deep appreciation and gratitude for the positive and cordial rapport and the support we have received from the Ministry of Finance, IDRA, Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Sadharan Bima Corporation, our overseas Reinsurers and Brokers, Bangladesh Insurance Association, Local Banks and Insurance Companies, other Financial Institutions and our numerous Stakeholders.

Also, my thanks extend to the management and every staff member who have cooperated with one another, been dedicated to their duties, and been responsible for their individual role towards the progress of the company.

I also take the opportunity to express my appreciation to our sharp customers and business associates for their support and inspiration. I sincerely thank my fellow Board of Directors for their wisdom and guidance.

And finally, dear Shareholders, I would like to convey my deepest acknowledgement to each one of you for your continued support and trust which has strengthened the company to its present glory.

Thank you,



Syed M. Altaf Hussain
Chairman

Directors' Profile



Chairman



Syed M. Altaf Hussain

Syed M. Altaf Hussain is the present Chairman of Pragati Insurance Ltd. He is one of the promoters and a sponsor Director of the company. He was elected Chairman of Pragati Insurance Ltd. in December, 2015 and continuing this position. He represents Pragati Insurance Ltd. in the Bangladesh Insurance Association as its member. He has got a long and distinguished career in the fields of food grains, crop nutrition, business development, high-rise building development, technology, business operations and financial institutions with over 36 years of experience. He is a sponsor director and notably the founding Chairman of Pragati Life Insurance Ltd. As Chairman and CEO of WW Grains Corp. representing Cargill Inc., USA, he pioneered large-scale trading of food grains and fertilizer commodities over three decades. Through his work, he has spent considerable time traveling internationally and had the opportunity to attain an Engineering degree from the University of Texas as well as successfully completed Grain Marketing & Agroceutical courses from North Dakota State University and Harvard Business School. Additionally, he holds the Chairman title in the following businesses: Sonic Allied Industries Ltd., WW Properties Ltd. and the editorial board of 'The Daily Janata'. He is also Co-Chairman of Jamuna Resort Ltd. and was former Chief Advisor of ATDP-II projects funded by the USAID. Several social, governmental and educational institutions at home and abroad have acknowledged his agro-based expertise.

Vice Chairman



Khan Mohammed Ameer

Mr. Khan Mohammed Ameer is the Vice Chairman of Pragati Insurance Limited. Mr. Ameer obtained his Graduation degree from the Jagannath College, Dhaka and then he started his business Career to joined with his father's printing business "The Art Press". Besides business he studied in Graphic Arts, Photography and Iscanner operation from Dr. Hell Institute, Kiel, Germany in 1967. Presently, he is the Chairman and Managing Director of Padma Group of Companies, Managing Director of Eunoos Trade Center Limited, Padma Polly Cotton & Knit Fabrics Limited, Cheque Bureau Centre Limited, Tex Print Limited, Padma Printers & Color Limited, Color Trade Limited, Padma Spintex Limited, Padma Real Estate Limited, Color Process Limited and Ameertex Limited. He is also a Director of Pragati Life Insurance Limited. He is also associated with other Social and educational organizations. He is a widely travelled person and has traveled all most all over the world for business and other purposes.

Director



Abdul Awal Mintoo

Mr. Abdul Awal Mintoo is a Sponsor Director of Pragati Insurance Limited and past Chairman of the company. He obtained his B.Sc. and M.Sc. degree from the State University of New York. He also obtained M.Sc. in Agricultural Economics from the University of London. Mr. Mintoo is a visionary man and leading business personality in the country. He is the CEO of Multimode Group, Director of Dula Mia Cotton and Spinning Mills, Kay & Que (BD) Limited, Lal Teer Seeds Limited, North South Seeds Limited, M.F. Consumer Limited, NFM Limited, NFM Energy Limited, A & A Investment Limited and Multimode Limited. He is also a Director of Heidelberg Cement Bangladesh Ltd, United Hospital Limited and Pragati Life Insurance Limited. He is the former Chairman of National Bank Limited and Past Chairman of Bangladesh Association of Banks. He is the Chairman of Jamuna Resort Limited. He is associated with a number of Social and Trade bodies. He was elected President of FBCCI, the Apex Trade Body for two terms and has been recognized through numerous awards. He is the founder of Iqbal Memorial College in his village. He is associated with number of Social and educational institutions.

Mr. Mintoo is very widely traveled person and he already traveled most of the countries of the world. He is fond of reading and writing and has already authored few books i, e, Bangladesh Anatomy of change (Published by Athena press, London.) বাংলাদেশঃ পরিবর্তনের রেখাচিত্র, সন্তানকে-পিতার কথামালা এবং বাংলাদেশ রাজনীতি ও রাজনৈতিক অর্থনীতি ইত্যাদি।

Director



Abdul Monem

Mr. Abdul Monem is a Sponsor Director of Pragati Insurance Limited. He was the former Chairman of the Company. He is a leading business personality in the country. He is the Chairman and Managing Director of Abdul Monem Limited (AML), one of the leading business group of the country. Abdul Monem Limited is specialized in the construction of Highways, Bridges, Airports and Flyovers. AML is the authorized bottler of Coca Cola, manufacturer of IGLOO Ice Cream. Abdul Monem Sugar Refinery Limited a sister concern of AML. He has keen interest in sports and was the former President of Dhaka Mohammadan Sporting Club. He is the Promoter of many Social and educational institutions.

Director



Mohammed Abdul Awwal

Mr. Mohammed Abdul Awwal is a Sponsor Director of Pragati Insurance Limited and the former Chairman of the Company. He is a renowned shipping personality. Mr. Awwal joined business from early 1968. He is the Chairman of MKR Group and Bengal Shipping Line Limited, Khalil and Sons Limited, Royal Bengal Shipping, Beacon Shipping Lines Limited, Adam Garments Sourcing Limited and Beacon Engineering Limited. He is also a Director of Pragati Life Insurance Limited, Jamuna Resort Limited and Padma Oil Limited. He is the Member of Chittagong Club Limited and Gulshan Club Limited. He is the past District Governor of Rotary International, District-3280, Bangladesh. Besides, he is associated with many Social and Professional Organizations.

He is the Honorary Consul of the Republic of the Philippines in Chittagong.

Director



Alhaj Khalilur Rahman

Alhaj Khalilur Rahman is a Sponsor Director of Pragati Insurance Limited and former Chairman of the Company. He is the Chairman and Managing Director of KDS Group, a renowned business house in the country. He is the Chairman of Pragati Life Insurance Limited. He is a Director of Jamuna Resort Limited. He is the President of Metropolitan Chamber of Commerce and Industries, Chittagong. He has set up a number of Social and Educational Institutions in his native village in Chittagong.

Director



Md. Syedur Rahman Mintoo

Mr. Md. Syedur Rahman Mintoo is a Sponsor Director and former Vice Chairman of Pragati Insurance Limited. He is the Managing Director of Pro-Star Group. He is the Chairman of K-Tex Industrial Company Limited and Process Industrial Company Limited. He is also a Director of Pragati Life Insurance Limited. He is the Honorary Consul of Laos People's Democratic Republic. He is a member of Dhaka Club Limited, Gulshan Club Limited and Kurmitola Golf Club, Dhaka. He is associated with many Social and Educational institutions.

Director



Md. Sarwar Kamal

Mr. Md. Sarwar Kamal is a Sponsor Director of Pragati Insurance Limited and a former Vice Chairman of the Company. He graduated in Economics from the North East Missouri State University of USA and obtained Masters of Human Resource Management from the North East Missouri State University of USA. He is the Managing Director of McDonald Bangladesh (Pvt.) Limited, McDonald Steel Building Products Limited, McDonald Seeds Limited, Polymer Agro Industries Limited, One Steel Limited and he is also an Independent Director of National Tea Company Limited. He is the member of Kurmitola Golf Club, Dhaka Club, Gulshan Club Limited, Uttara Club, Dhaka and Army Golf Club, Dhaka. He is an active Social worker engaged with various activities to bring positive changes among under privileged people.

Director



Mohammed A. Malek

Mr. Mohammed A. Malek is a Director of Pragati Insurance Limited. He graduated in Marine Engineering from the Merchant Navy College, London. He also obtained DTP Class-1 Marine Engineering Certificate from England. Presently, he is engaged in Marine Technology Consultancy, Ship Owning, Ship Management and Shipping Agency. He is the Managing Director of Bengal Shipping Lines Limited, Associated Traders and Marines Limited, ADAMS Garments Sourcing Limited, Bencon Seatrans Limited and a Director of Khalil & Sons Limited. He is the Chairman of The New School, Dhaka. He was a freedom fighter in Liberation War of Bangladesh in 1971. He is a member of Chittagong Club Limited and Bhatiary Golf and Country Club, Chittagong. He is associated with many Social and educational Organizations.

Director



Tabith Mohammed Awal

Mr. Tabith Mohammed Awal is a Director of Pragati Insurance Limited and a member of the Directors' Audit Committee. He obtained a Bachelor of Business Administration and Masters of Science from George Washington University, USA. He is a Director of Multimode Group and presently serves as the Deputy Chief Executive Officer of Multimode Group. He is the Managing Director of Kay & Que(BD) Limited and Jongboo Multimode Chemicals Limited. He sits on the Board of all Multimode Group and Associate Concerns. He is also a Director of Pragati Life Insurance Limited. He has keen interest in Sports, Music and associated with many social and cultural Organizations. He is the President of Soccer Club, Feni and also elected the Vice President of Bangladesh Football Federation Consecutive for two terms. Mr. Tabith Awal is an elected member of the Executive Committee of the Metropolitan Chamber of Commerce and Industry (MCCI) Dhaka, for two Consecutive terms.

Director



A.S.M. Mohiuddin Monem

Mr. A.S.M. Mohiuddin Monem is a Director of Pragati Insurance Limited and a member of the Directors' Audit Committee. He is one of the most successful industrialists of Bangladesh. He represents the new generation of business leaders in Bangladesh. Mr. Monem received his Bachelor's degree in Industrial Engineering from North Eastern University, Boston, USA in 1991 and Master Degree in Engineering Management from the same institution in 1994, where he graduated with Honors with CUMLAUDE. After his graduation, Mr. Monem joined Abdul Monem Limited (AML). Since then he has revolutionized the way of doing business at AML. His dedication, commitment and passion for business have transformed the fortune of Abdul Monem Empire. Under his leadership, the business process at AML has gained clockwork efficiency which has been translated into unprecedented growth in Beverage, Ice-Cream, Food, Sugar and Construction units. He is also a Director of Pragati Life Insurance Limited. He has a keen eye for identifying opportunities and transforming them into profitable ventures. He has successfully set-up the first USA-Bangladesh joint venture operation in Information Technology sector through Service Engine, where he serves as the Chairman. This is true reflection of his remarkable business acumen. He has been awarded CIP (Commercially Important Person)-Export in 2009 and 2011 by the Government of Bangladesh for his great contribution to export in the Information Technology sector.

Mr. Monem is a great believer in community development. He takes pride in taking the extra step to go beyond business activities in order to become a Socially responsible citizen. In this spirit, he has set-up AML foundation, a non- profit organization with a view to helping the less privileged people of the society with their education, healthcare and other amenities.

Director



Nasir Latif

Mr. Nasir Latif is a Director of Pragati Insurance Limited and a member of the Directors' Audit Committee. He is the Chairman of Concord Pragatee Consortium Limited, the Concord Builders Limited, Cosmos Properties Limited, Engreen Limited and Prudent Super Mall. He is associated with many Social and educational Organizations.

Director



Md. Mushfiqur Rahman

Mr. Md. Mushfiqur Rahman a Electrical Engineer by Profession is a sponsor Director of Pragati Insurance Limited. He is the Managing Director of Concord Pragatee Consortium Limited, the Concord Builders Limited, Cosmos Properties Limited, Engreen Limited and Prudent Super Mall. He is associated with a number of social and educational instutions.

Director



Ms. Nahreen Siddiqua

Ms. Nahreen Siddiqua is a sponsor Director of Pragati Insurance Limited. She obtained her MSS Degree from the University of Dhaka. She joined her husband's business and she hold the position of Chairperson of Purbachal Steel Mills Limited and Purbachal Exclusive Limited. She has much interest in Industry and share business. She visited many Countries of the World. She is associated with a number of Social and Cultural Organizations.

Director



Nigar Jahan Chowdhury

Mrs. Nigar Jahan Chowdhury is a Director of Pragati Insurance Limited. She is the wife of Alhaj Younus Chowdhury of Chittagong, a renowned Industrialist. She is also a Director of Chowdhury P & D Industries Limited, Chittagong and a Director of Pragati Life Insurance Ltd. She is associated with many social organizations.

Director



Ms.Tahsina Rahman

Ms. Tahsina Rahman is a Director of Pragati Insurance Limited. She obtained her BBA from USTC and MBA in IUB. She is a dynamic, results-oriented professional with experience and visible achievements in business development startup, strategic business, partnerships and emerging markets including childcare arenas. Out-of-box thinker with visionary leadership strengths, having resourceful team player characterized by innovative entrepreneurial spirit.

She is also associated with number of Social Organizations.

Independent Director



A.K.M. Shamsuddin

Mr. A.K.M. Shamsuddin is an Independent Director of Pragati Insurance Limited and Chairman of the Directors' Audit Committee. He is an MBA of Dhaka University and Mechanical Engineer had his post graduate studies at the University of Calgary, Alberta, Canada. He is the Chairman of E-zone Group, an innovative venture for education, HR and organizational development. He was the Chairman of the Board of News Crop Publication Limited, publishers of the English daily, The News Today. Mr. Shamsuddin was the Founding Managing Director of Social Marketing Company popularly known as SMC.

He worked as CEO of three multinational Medicine Producers (AVENTIS, FISONS, and HOECHST). He was the President of Foreign Investors Chambers of Commerce and Industry (FICCI). Founding Chairman and Present Board member of CDBL. He was a Director of Chittagong Stock Exchange Limited and Bangladesh Employers Federation. He sits on the Board of IIFC. He also taught MBA level students of AIUB. He attended many training courses around the world. He is associated with many Social and Professional Organizations. He was the past District Governor of Rotary International District-3280, Bangladesh.

Independent Director



Mahbub Anam

Mr. Mahbub Anam is an Independent Director of Pragati Insurance Limited. He graduated in Social Science from Dhaka University. He started career in marketing for International Ocean Transportation in 1984. He joined US Lines Agency in Bangladesh, the then largest American Shipping Company. Mr. Mahbub stepped in the field of agriculture in 1995 by playing a vital role in establishing East West Seed (Bangladesh) Limited (Later changed name as Lal Teer Seed Limited). This was the first research based seed company in Bangladesh. In addition, now he has taken responsibility of a new venture, Lal Teer Live Stock Limited to develop better local breed for Cattle & Buffalo to increase milk and meat production in Bangladesh.

He is the past Chairman of the Standing Committee for Agriculture, FBCCI and President of Bangladesh Seed Association. He is the Managing Director of Lal Teer Seed Limited, LalTeer Live Stock Limited, North South Seed Limited and Chen Crop Science Bangladesh Limited.

He is associated with number of Trade Bodies and Professional Organizations and attended various Seminars and Conferences at home and abroad. He is the President of Canada Bangladesh Trade Promotion Center.

Independent Director



Santosh Sharma

Mr. Santosh Sharma is an Independent Director of Pragati Insurance Limited and a Member of the Director's Audit Committee. He obtained M.S.S. degree in Political Science. He also obtained post graduate diploma in Journalism and secured First Class First position .

He is a professional journalist and involved with this profession more than 25 years. Presently he is associated with the Daily Amader Shomoy as Managing Editor.

He is associated with number of professional , social and cultural organization.

Managing Director



Md. Manirul Islam

Mr. Md. Manirul Islam started his career in private insurance sector with Pragati Insurance Limited. as Managing Director and CEO since 1st October, 2012. He obtained B.Com (Hon's), M.Com (Accounting) from Dhaka University in 1976 and also obtained BIA Diploma from Bangladesh Insurance Academy in the year 1985. He joined Sadharan Bima Corporation in May 1981 as a Trainee Officer. He retired voluntarily from Sadharan Bima Corporation on 30th September, 2012 as General Manager.

During his service in Sadharan Bima Corporation, he worked in various Departments such as Underwriting, Claim, Accounts, Re-Insurance, Finance & Investment etc. and gathered vast knowledge and experience. He has attended many insurance related seminars, symposiums and workshops. He participated in various professional training courses at home and abroad. Mr. Islam is a renowned insurance personality.

Apart from Insurance Industry, Mr. Manirul Islam is well associated with various social organizations. He was a councillor of Bangladesh Football Federation (BFF). He was also a councillor and former Member of the Finance Committee of Bangladesh Cricket Board (BCB).

Executives

Office

Md. Manirul Islam
Managing Director & CEO

Md. Nurul Islam Mollah
Consultant

Major (Retd) S.M. Aminul Hasan
Deputy Managing Director & Head of HR & Admin

Mr. Kaiser Rahman
Deputy Managing Director & Head of Health Insurance

Syed Sehab Ullah Al-Manjur
Deputy Managing Director & Head of Underwriting & Claim

Kabir Ahmed
Assistant Managing Director & Head of Branch Control

Md. Shafiqul Islam
Chief Financial Officer (CC)

Kabir Ahmed
Sr. Executive Vice President & Head of Legal

Bikash Chandra Pal
Executive Vice President (Underwriting)

Mahtabuzzaman Chowdhury
Senior Vice President & In-charge of Re-Insurance

Md. Manjur Hussain
Senior Vice President (Branch Control)

K. M. Mohsin
Senior Vice President (Board & Real Estate)

Kazi Nakibul Islam
Senior Vice President (Finance & Accounts)

Md. Abu Sufian Akhand
Vice President & Head of IT

Md. Moniruzzaman Khan
Vice President & Head of Internal Audit

Mostaque Ahmed
Vice President (Claim)

Selina Akhter
Vice President (Claim)

Nahid Akhter Chowdhury
Vice President (Branch Control)

M. Abdullah
Vice President (Underwriting)

Mamunul Hassan
Vice President (M.D.'s Sect.)

S.M.Shaheen Akther
Vice President (Internal Audit)

Mr. Md. Abdur Rahim
Vice President
VIP Road Branch

Syed Anisul Hoque
Company Secretary (CC)

Marketing

Deputy Managing Director
1. M. A. Hasan
2. Sharif Mustaba
3. Md. Nazrul Islam

Assistant Managing Director
1. SMB Shameem
2. Md. Golam Faruque
3. Ali Fathker Kallol

Sr. Executive Vice President
1. Bahauddin Ahmed

Executive Vice President
1. Abdus Salam
2. Ahmed Faruk
3. Md.Kazi Golam Haider (Dablu)
4. Md. Abu Sarwar Hossain

Senior Vice President
1. Md. Mujtaba Ali Mahmood
2. Delwar Hossain
3. Humayun Kabir Majumder
4. Md. Azizul Hoque
5. Syed Saidul Islam
6. Md. Habibur Rahman
7. Murad Ahmed

Vice President
1. Mahbubul Hoque Chowdhury
2. Md. Shakhawath Hossain
3. Md. Abdul Mottaleb
4. G.M. Saidur Rahman
5. Ashis Kumar Barua
6. Abdul Alim Khan
7. Md. Kamrul Ahsan Khan Himu
8. Ekramul Hoque
9. A.S.M. Emdadul Hoque

Business Consultant
1. Md. Rafiqul Alam Chowdhury

AMARSTOCK

Executives Images in Group



Management Team



Senior Management Team



All Female Employees in Head Office



Branch Managers, Dhaka City



Branch Managers, Chittagong City

Images of Departments-wise Officers & Executive of Head Office

Board Department





Development Department

Admin & HR





Audit

Underwriting





Claims

STOCK

IT Department





Re-insurance

Health Insurance





Branch Control

Accounts





Training

COMPANY'S PERFORMANCE

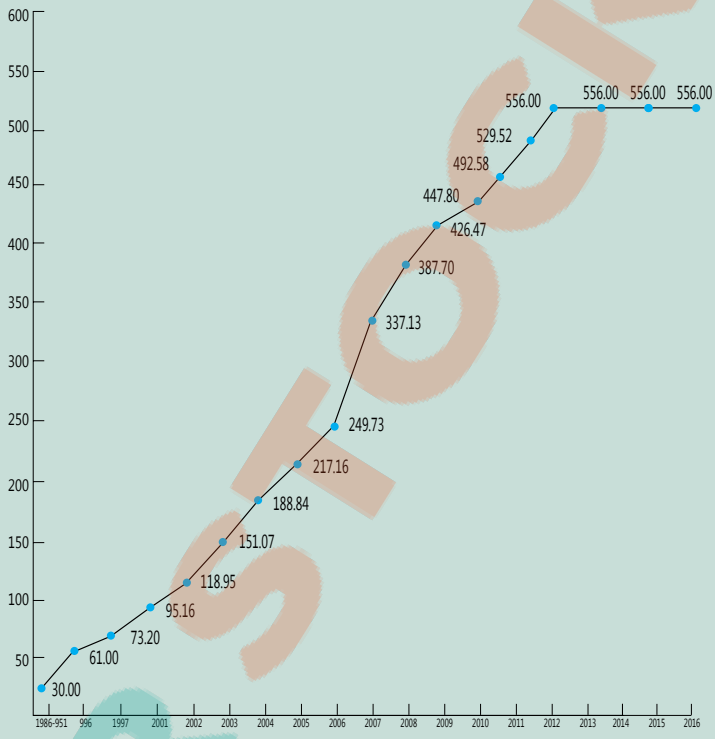
5 Years at a glance

Taka in Millon

	2016	2015	2014	2013	2012
Financial Performance					
Gross premium	1,542.60	1,512.62	1,387.83	1,269.14	1,151.25
Net Premium	638.52	607.55	558.07	629	589.03
Net claim	76.72	92.59	136.72	143.02	102.2
Underwriting profit	93.66	23.63	1.2	104.45	156.06
Investment income	5.00	15.24	15.85	15.32	(57.05)
Income from financial service	63.54	58.32	81.34	68.4	50.37
Net profit before tax	186.27	121.71	109.31	197.66	141.22
Net profit after tax	84.48	48.41	53.1	82.79	47.37
Dividend in percent	10+5(Stock)	10	10	12.5+5(Stock)	7.5+7.5(Stock)
Share Capital and Reserve					
Paid up Capital	556.00	556.00	556.00	529.52	492.58
Total Reserves & Surplus	2507.22	2326.69	2242.42	2242.78	2171.47
Share Holders Equity	3063.22	2882.69	2798.42	2772.3	2664.05
Assets					
Investment in Shares and Securities	407.66	409.89	394.11	396.97	345.66
Cash, FDR and Bank balance	552.38	582.35	528.65	562.55	629.54
Land and Building	2205.57	2191.79	2174.56	2086.92	2036.43
Total Assets	4200.13	4065.18	3967.98	3647.11	3459.61
Ratios					
EPS	2.38	1.74	1.67	2.75	2.16
P/E (Times)	13.4	15.57	24.73	19.56	28.9
Solvency Surplus	2143.12	2008	2484.41	2678.45	2530.61
Net Asset Value Per Share	55.03	51.85	50.34	52.35	54.07
Net Cash Flow Per Share	0.08	0.20	0.18	1.17	1.9
Credit Rating					
Long Term	AA1	AA1	AA1	AA1	AA1
Short Term	ST1	ST1	ST1	ST1	ST1

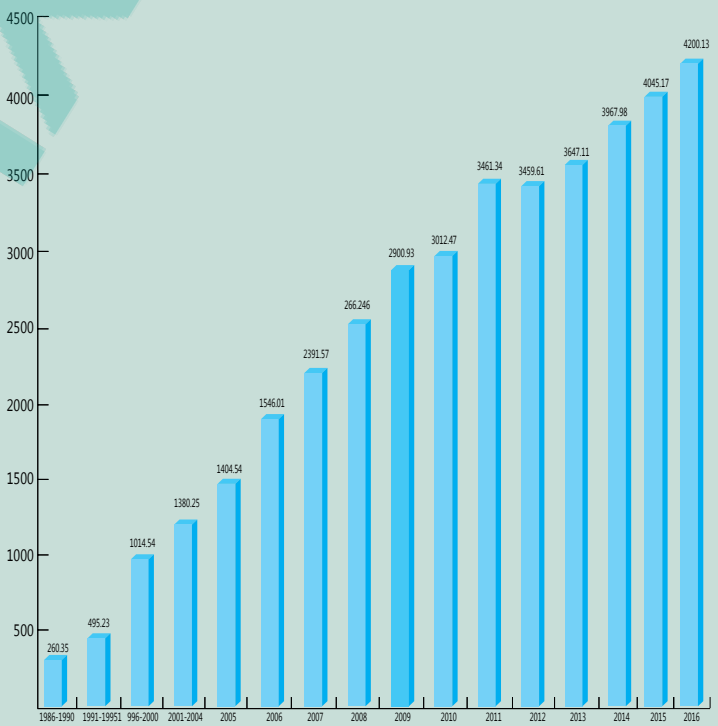
Growth of Capital (BDT Million)

Year		Amount
1986-1995	Sponsor's Capital	30.00
1196	IPO of TK.31 million	61.00
1197	20% Stock Dividend	73.20
2001	30% Stock Dividend	95.16
2002	25% Stock Dividend	118.95
2003	27% Stock Dividend	151.07
2004	25% Stock Dividend	188.84
2005	15% Stock Dividend	217.16
2006	15% Stock Dividend	249.73
2007	35% Stock Dividend	337.13
2008	15% Stock Dividend	387.70
2009	10% Stock Dividend	426.47
2010	5% Stock Dividend	447.80
2011	10% Stock Dividend	492.58
2012	7.5% Stock Dividend	529.52
2013	5% Stock Dividend	556.00
2014		556.00
2015		556.00
2016		556.00



Growth of Assets (BDT Million)

Year	Amount
1986-1990	260.35
1991-1995	495.23
1996-2000	1,014.53
2001-2004	1,380.25
2005	1,404.54
2006	1,546.01
2007	2,449.50
2008	2,662.46
2009	2,900.93
2010	3,012.47
2011	3,461.34
2012	3,459.61
2013	3,647.11
2014	3,967.98
2015	4,045.17
2016	4,200.13

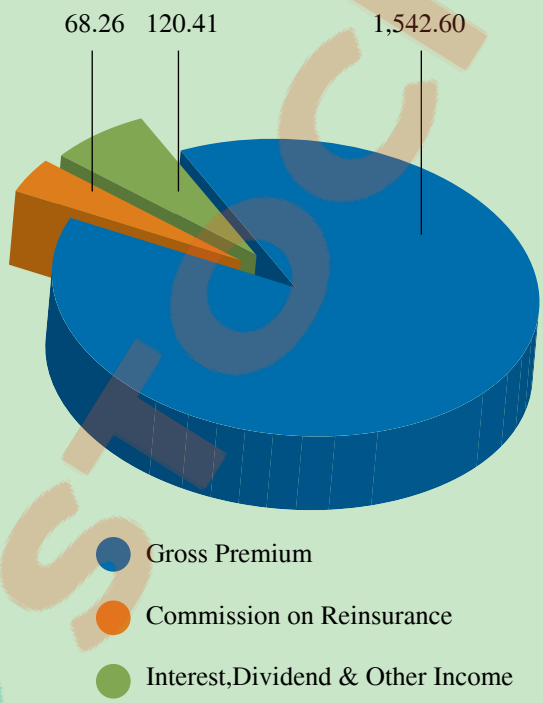


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Value Added Statement

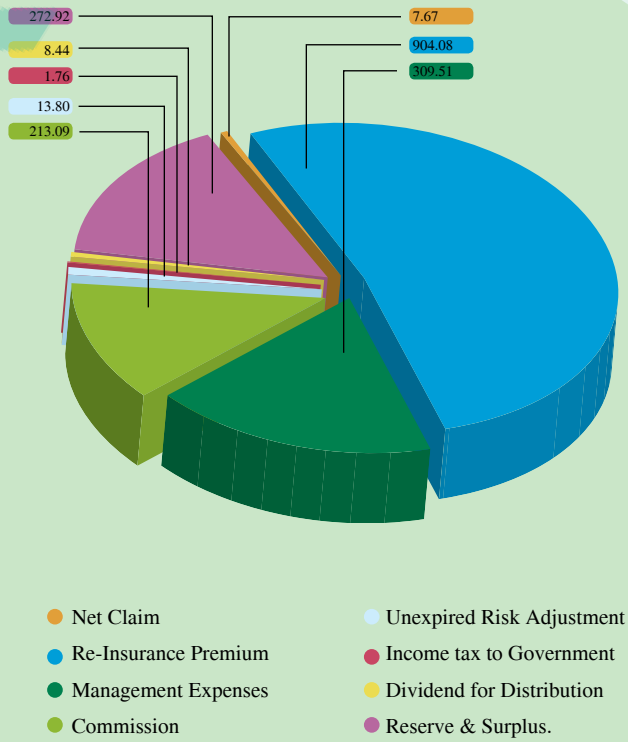
Value Added

Gross Premium	1,542.60
Commission on Reinsurance	68.26
Interest,Dividend & Other Income	120.41
Total	1,731.27



Application

Net Claim	7.67
Re-Insurance Premium	904.08
Management Expenses	309.51
Commission	213.09
Unexpired Risk Adjustment	13.80
Income tax to Government	1.76
Dividend for Distribution	8.44
Reserve & Surplus.	272.92
Total	1,731.27



Directors' Report



STOCK

Directors' Report 2016

Bismillahir Rahmanir Raheem
Assalamu Alaikum

Dear Shareholders,

On behalf of the Board of Directors of Pragati Insurance Limited, I am delighted to extend a warm welcome to you to this 31st Annual General Meeting of the company. I further take the pleasure of placing to you the Annual Report, the Audited Financial Statements and the review of your company's activities for the year ended 31st of December 2016.

Global Outlook

Global growth for 2016 is estimated at 3.1 percent, as projected in the October 2016 forecast by International Monetary Fund (IMF). Further to that, the latest global economic outlook predicts economic activity in both advanced economies and emerging economies to accelerate in 2017, with global growth projected to be 3.4 percent and 3.6 percent respectively.

After achieving a decent growth of 2.6 percent in 2015 and 2.4 percent in 2014, the US economy contracted to 1.6 percent in 2016. Much of the slow growth in 2016 is attributed on tame business investment, as historically low oil prices during most of 2016 brought development in the U.S. energy sector to a halt.

European economies are projected to continue growing at a relative steady pace in 2016. While the market response to the Brexit shock was encouragingly calm, the final result remains very uncertain, as the fate of trade and institutional arrangements between the European Union and the United Kingdom is unclear. The Russian economy recessed in 2016 while dealing with low oil prices and the western sanctions against it due to its annexation of Crimea. Economies of the Commonwealth of Independent States that are dependent on Russian economy were also affected but are projected to grow slowly in 2016 and gather momentum in 2017.

According to IMF, the aggregate GDP in Latin America and the Caribbean is projected to shrink in 2016. Brazil, Latin America's largest economy, is in the midst of its longest recession since the 1930s. Brazil's economy shrank 3.8 percent in 2016 and the IMF now forecasts the economy to continue to shrink and fall further 3.3 percent in 2017. The cause of this recession is mainly due to the lack of structural reforms, political crisis and dipping oil prices.

Higher growth is projected for the Middle East, but lower oil prices, and in some cases geopolitical strains and domestic conflict will continue to burden the outlook.

পরিচালক মন্ডলীর প্রতিবেদন ২০১৬

বিস্‌মিল্লাহির রাহমানির রাহিম

আসসালামু আলাইকুম

প্রিয় শেয়ারহোল্ডারবৃন্দ,

প্রগতি ইন্স্যুরেন্স লিমিটেডের ৩১তম বার্ষিক সাধারণ সভায় পরিচালনা পর্ষদের পক্ষে থেকে আপনাদের শুভাগমনকে জানাচ্ছি স্বাগত এবং আন্তরিক অভিনন্দন। এই মনোরম পরিবেশে এখন আমি সানন্দ চিত্তে আপনাদের সম্মুখে পেশ করছি ২০১৬ সনের বার্ষিক প্রতিবেদন, নিরীক্ষিত হিসাব বিবরণ এবং ২০১৬ সনের ৩১ ডিসেম্বর পর্যন্ত পরিচালিত কোম্পানীর কার্যক্রমের মূল্যায়ন প্রতিবেদন ।

বিশ্ব অর্থনীতির চিত্রঃ (Global outlook)

২০১৬ সনের অক্টোবরে আন্তজাতিক মুদ্রা তহবিল (IFM) এর ধারনাপত্র অনুযায়ী বিশ্ব অর্থনীতির উন্নতির মাত্রা ছিল ৩.১% । এছাড়া সাম্প্রতিক বিশ্লেষনে আরও ধারনা করা হচ্ছে, ২০১৭ সনে এই উন্নতি বৃদ্ধি পেয়ে অগ্রসরমান আর্থিক কর্মকান্ড ও সম্ভাবনাময় বা বিকাশমান আর্থিক ক্ষেত্রে (Advanced economics and emerging economics) আনুমানিক গড় হিসাবের মাত্রা দাঁড়াবে যথাক্রমে ৩.৪% ও ৩.৬% ।

২০১৪ ও ২০১৫ সনে যথাক্রমে ২.৪% ও ২.৬% হারে চমৎকার প্রবৃদ্ধি অর্জনের পর যুক্তরাষ্ট্রের অর্থনীতিতে উদ্ভুত পরিস্থিতিতে ২০১৬ সনে প্রবৃদ্ধি ১.৬% শতাংশে নেমে আসে। প্রবৃদ্ধির ধীরগতি ব্যবসায় বিনিয়োগের ক্ষেত্রে নেতিবাচক প্রভাব বিস্তার করে। বিশেষ করে জ্বালানী খাতে (Energy Sector) ঐতিহাসিক মূল্যহ্রাস মার্কিন যুক্তরাষ্টের এই ক্ষেত্রের উন্নয়নে স্থবিরতা সৃষ্টি করে।

ইউরোপীয় অর্থনীতি অনুমিতভাবেই ২০১৬ সনে ক্রমবর্ধমান উন্নতির দিকে এবং তুলনামূলকভাবে স্থিতিশীল ছিল। ইজউচওএঃ এর তেমন কোন বিরুপ প্রভাব পরিলক্ষিত না হলে ও যুক্তরাজ্য (U.K) এবং ইউরোপীয়ান ইউনিয়নের মধ্যে ব্যবসা বানিজ্য ও প্রাতিষ্ঠানিক ভবিষ্যৎ নিয়ে এখনই স্পষ্ট কিছু বলা যাচ্ছে না। এখন ও অস্পষ্টতা বিরাজ করছে। ২০১৬ সনে রাশিয়ার অর্থনৈতিক পরিস্থিতির অবনতি ঘটেছিল। তার মূল কারণ ছিল বিশ্ব বাজারে তেলের মূল্য কমে যাওয়া এবং ক্রিমিয়া সংঘাতে জড়িয়ে যাওয়ায় রাশিয়ার ওপর পশ্চিমা দেশগুলোর আরোপিত নিষেধাজ্ঞা। কমনওয়েলথভূক্ত যে সব স্বাধীন দেশ রাশিয়ার ওপর নির্ভরশীল, তারাও আর্থিকভাবে ক্ষতিগ্রস্থ হয়েছে এবং তা ২০১৭ সনে ও অব্যাহত থাকবে।

আন্তজাতিক মুদ্রা তহবিলের (IMF) তথ্যানুযায়ী ২০১৬ সনে ল্যাটিন আমেরিকা এবং ক্যারিবিয়ান অঞ্চলে এউচ সংকুচিত ছিল। ব্রাজিল ল্যাটিন আমেরিকার বৃহত্তম অর্থনৈতিক অঞ্চল যে দেশটি ১৯৩০ সন থেকে অর্থনৈতিক মন্দার মধ্যে আছে। ফলে তাদের অর্থনৈতিক প্রবৃদ্ধি ২০১৬ সনে নেমে দাঁড়িয়েছে ৩.৮% শতাংশে এবং (IMF) এর মতে ২০১৭ সনে এই অবনমন অব্যাহতভাবে নেমে ৩.৩% শতাংশে। এই পরিস্থিতি বিরাজমান থাকার মূল কারণ হচ্ছে অবকাঠামোগত সংস্কারের অভাব, দীর্ঘ রাজনৈতিক সংকট এবং বিশ্ববাজারে তেলের মূল্যহ্রাস।

মধ্যপ্রাচ্যে প্রবৃদ্ধির উচ্চমাত্রা বিরাজ করছে। তবে তেলের মূল্য হ্রাস, কিছু কিছু ক্ষেত্রে ভূ-রাজনৈতিক টানা পোড়েন জনিত চাপ এবং আভ্যন্তরীণ দ্বন্ধ-সংঘাত অব্যাহত থাকায় আর্থিক প্রবৃদ্ধিও অগ্রগতির পথে অনাকাঙ্খিত বোঝা বা অন্তরায় হয়ে থাকবে।

Stronger Sub-Saharan African nations of Angola, Nigeria and South Africa will see a gradual pickup in growth, but with lower commodity prices.

Growth in emerging market and developing economies is projected to increase from 4 percent in 2015—lowest since the 2008–09 financial crisis—to 4.3 percent to 4.7 percent in 2016 and 2017 respectively.

Progress in China is expected to measure up to 6.3 percent in 2016 and 6.0 percent in 2017, mainly due to weaker investment growth as the economy continues to reshape. The IMF projects that the Indian economy and the other emerging Asian economies will grow robustly in 2016. However, these economies will feel the effects of the Chinese economic rebalancing and global manufacturing weakness. The IMF predicts a robust growth rate of 7.6 percent for India's economy in 2016 and 2017.

Bangladesh Outlook

GDP Growth - After languishing in an average of 6 percent growth for almost a decade, Bangladesh economy finally posted up a 7.1 percent GDP growth during 2016, which is about 0.5 percent points above the 6.6 percent growth that was achieved in 2015. A further growth up to 7.2 percent in predicted for 2017. The growth was largely possible due to sustained macro stability, disinflation and rising reserves.

Year-on-year inflation came down to 5.5 percent in 2016 as opposed to 6.3 per cent in 2015. The decline in inflation is mainly due to the reduction in food inflation, which benefitted from a healthy rice harvest, the drop on the international food prices and the stability in the currency exchange rate.

a) According to a report by Bangladesh Bank, Agriculture accounts for 15.4 percent of GDP and it grew by 2.8 percent in 2016, down from 3.3 percent in 2015 and 4.4 percent in 2014, due mainly to weaker growth and higher input cost in crops and horticulture sub-sector.

b) Remittance inflow to Bangladesh decreased by 2.5 percent in 2016. Falling oil prices in the Middle East resulted in the lack of investment and construction which primarily was the reason for the receding in Remittance.

c) Industry Growth was achieved at 11.1 percent, up from 9.7% in 2016, and was supported by a steady expansion in electricity generation, mining and quarrying, and construction. Industry share to GDP was 31.5 percent in 2016.

শক্তিশালী সাব-সাহারা আফ্রিকান জাতিসমূহের মধ্যে এ্যাংগোলা, নাইজিরিয়া এবং দক্ষিন আফ্রিকায় দব্যমূল্য কম থাকাসহ আর্থিক প্রবৃদ্ধি ক্রমশ উন্নত হবে।

২০১৫ সনে গড়ে ওঠা বাজার (Emerging Market) এবং উন্নয়নশীল অর্থনীতির (Developing Economies) প্রবৃদ্ধির মাত্রা ৪% শতাংশ যা ২০০৮-০৯ সনের অর্থ-সংকটের পর সর্বনিম্ন থেকে ২০১৬-২০১৭ বৃদ্ধি পেয়ে উভয় ক্ষেত্রে যথাক্রমে ৪.৩% এবং ৪.৭% শতাংশে উন্নিত হবে।

চীনে অগ্রগতির মাত্রা ২০১৬ ও ২০১৭ সনে যথাক্রমে ৬.৩% ও ৬.০% শতাংশ হবে বলে ধারনা করা হচ্ছে। এর মূল কারণ অর্থব্যবস্থায় অব্যাহত পূর্নগঠন প্রক্রিয়ায় দুর্বল বিনিয়োগ। (IFM) এর অনুমান,২০১৬ সনে ভারতীয় অর্থনীতি এবং এশিয়ার আগুয়ান বা জেগে ওঠা দেশগুলোর উল্লেখযোগ্য আর্থিক উন্নয়ন ঘটবে। তবে চীনের অর্থনৈতিক ভারসাম্য পুনবিন্যাস প্রক্রিয়া এবং আন্তজাতিক উৎপাদন ব্যবস্থার দুর্বলতার প্রভাব অনুভূত হবে। (IFM) আশা করছে,২০১৬-২০১৭ সনে ভারতীয় অর্থনীতির প্রবৃদ্ধির হার হবে ৭.৬%।

বাংলাদেশের অর্থনীতির চিত্র

বিগত প্রায় এক দশক ধরে গড় প্রবৃদ্ধি ৬% হারে চলে আসছিল। অবশেষে বাংলাদেশের আর্থিক প্রবৃদ্ধি ২০১৬ সনে নাগাদ ৭.১% পর্যন্ত উন্নিত হয়েছে, যা ২০১৫ সনে অর্জিত ৬.৬%। ধারনা করা হচ্ছে এই প্রবৃদ্ধি ২০১৭ সাল নাগাদ ৭.২%। অধিক প্রবৃদ্ধি অর্জন সম্ভব হয়েছে বিশেষ করে আর্থিক ক্ষেত্রে স্থিতিশীলতা বজায়, মদ্রাস্ফীতি না হওয়া ও রিজার্ভ বৃদ্ধি পাওয়ায়।

২০১৫ সনে পরিলক্ষিত ৬.৩% শতাংশ মুদ্রাস্ফীতি বছর ঘুরে ২০১৬ সনে কমে গিয়ে দাঁড়ায় ৫.৫% শতাংশে। মদ্রাস্ফীতির এই অবনমন হয়েছে মূলত কৃষিতে ভাল ফলন, আন্তর্জাতিক বাজারে খাদ্যের মূল্য পতন এবং মুদ্রা বিনিময় হারে স্থিতিশীলতা বজায় থাকার জন্য।

আর্থিক চিত্রে আরো দেখা যায়-

ক) বাংলাদেশ ব্যাংকের তথ্যানুযায়ী ২০১৬ সনে কৃষিখাতে এউচ অর্জন হয়েছে ১৫.৪% এবং কমেছে ২০১৫ সনে ৩.৩% ও ২০১৪ সনে ৪.৪% শতাংশ। এর প্রধান কারণ হল শস্য ও অন্যান্য কৃষি খাতের উৎপাদন খরচ বৃদ্ধি ও কম উৎপাদনের জন্য।

খ) ২০১৬ সনে বৈদেশিক মুদ্রার অর্জন কমেছে ২.৫%, যার মূল কারণ মধ্যপ্রাচ্যের তেলের দাম কমে যাওয়া এবং অবকাঠামো খাতে বিনিয়োগ কমে যাওয়া।

গ) পূর্বের ৯.৭% শতাংশের চাইতে বৃদ্ধি পেয়ে ২০১৬ সনের শিল্পখাতে অর্জন করেছে ১১.১%। কারণ বিদ্যুৎ সরবরাহ বৃদ্ধি, খনিজ সম্পদ ও আবকাঠামো উন্নয়ন। ২০১৬ সনে শিল্প খাতে এউচ অর্জন ছিল ৩১.৫%।

d) Services growth enhanced to 6.2 percent from 5.8% in 2015. The services sector provided the largest share to the GDP (53.1) percent in 2016.

e) On the other hand, private investment was higher that public investment. Total investment equaled 29.7 percent of GDP, as opposed to 28.9 percent in 2015.

f) According to an Export Promotion Bureau report, Bangladesh finally achieved and exceeded its Export target for 2016, which posted a 10 percent increase from the previous year to end up at US$ 34.24 billion.

Non-life Insurance Industry outlook

The growth of non-life insurance premium was significantly down in 2015 from the previous year. In 2015, this growth was less than 1 per cent as opposed to the growth of 10 per cent each year in 2014 and preceding years. Bangladesh's 45 non-life insurers earned BDT 32.25 billion (US$ 410.35 million) in premiums for 2015.

Although the industry statistics for 2016 have not been published yet, it is predicted that growth will be subdued.

Operational Results

Performance of Pragati Insurance Limited in 2016, Compared to 2015 are depicted below:

Million (Taka)

Particulars	2016	2015	% Change
Gross Premium	1542	1512	+2%
Net Premium	638	607	5.10%
Underwriting Profit	93.66	23.63	296.36%
Net Profit-Gross	186.26	121.71	53%

Gross Premium Income

In 2016 Pragati Insurance Limited achieved significant success in earning gross premium of Tk.1542 million. Gross premium income increased by Tk.30 million registering a growth of 2% compared to previous year.

CLASS WISE PREMIUM

Fire Insurance

The Company had underwritten a total fire insurance premium of Tk.676.44 million as against Tk. 679.25 of last year. After payment/provision for re-insurance premiums, claims and management expenses the company has incurred underwriting loss of Tk.38.95 million against underwriting loss Tk.83.63 million of last year.

Marine Insurance

In the year 2016 gross premium earning in Marine

ঘ) ২০১৬ সনে সেবা খাতে এউচ অর্জিত হয়েছে ৬.২% যা ২০১৫ সনে ছিল ৫.৮% । ২০১৬ সনে এউচ অর্জন সবচেয়ে বেশি অবদান রেখেছে সেবা খাত যার পরিমান ৫৩.১% ।

ঙ) অপরদিকে ব্যক্তিগত খাতে বিনিয়োগের পরিমান ছিল সরকারী বিনিয়োগের চেয়ে বেশি । মোট বিনিয়োগ ছিল এউচ এর ২৯.৭% যা ২০১৫ সনের ২৮.৯% কে অতিক্রম করে গেছে ।

চ) বাংলাদেশ রপ্তানী উন্নয়ন ব্যুরোর তথ্য অনুযায়ী বাংলাদেশে চূড়ান্তভাবে তার লক্ষ্য অর্জন করেছে এবং ২০১৬ সনের রপ্তানী লক্ষমাত্রা অতিক্রম করেছে, যা বিগত বছরের চাইতে ১০% বেশী । এর আর্থিক পরিমান ৩৪.২৪ বিলিয়ন মার্কিন ডলার ।

বাংলাদেশে নন-লাইফ বীমা শিল্পের চিত্র

পূর্ববর্তী বছরের চাইতে ২০১৫ সনে নন-লাইফ বীমা প্রিমিয়াম তাৎপর্যপূর্নভাবে নিম্নগামী । ২০১৪ সন পর্যন্ত প্রতিবছর ১০% হারে প্রিমিয়াম বৃদ্ধির তুলনায় ২০১৬ সনে এই বৃদ্ধি ১% শতাংশেরও নিচে নেমে যায় । বাংলাদেশে ৪৫টি নন-লাইফ বীমা কোম্পানী ২০১৫ সনে প্রায় ৩২.২৫ বিলিয়ন টাকা (৪১০.৩৫ মিলিয়ন মার্কিন ডলার) প্রিমিয়াম বাবদ আয় করেছে ।

যদিও এ পর্যন্ত বাংলাদেশে নন-লাইফ বীমাখাতের পরিসংখ্যান প্রকাশিত হয়নি, তারপরও অনুমান করা হচ্ছে এ খাতে প্রবৃদ্ধির পরিমান বৃদ্ধি পাবে ।

অর্জিত ফলাফল

২০১৫ সনের তুলনায় ২০১৬ সনে অর্জিত ফলাফলের সংক্ষিপ্ত তথ্যচিত্র নিম্নে দেওয়া হলো ।

মিলিয়ন টাকায়

বিবরন	২০১৬	২০১৫	% (তারতম্য)
গ্রস প্রিমিয়াম	১৫৪২	১৫১২	+২%
নীট প্রিমিয়াম	৬৩৮	৬০৭	৫.১০%
অবলেখন মুনাফা	৯৩.৬৬	২৩.৬৩	২৯৬.৩৬%
নীট মুনাফা	১৮৬.২৬	১২১.৭১	৫৩%

গ্রস প্রিমিয়াম আয়

২০১৬ সনে প্রগতি ইন্স্যুরেন্স লিমিটেড তাৎপর্যময় সাফল্য অর্জন করে টাকা ১,৫৪২ মিলিয়ন গ্রস প্রিমিয়াম আয় করেছে । গ্রস প্রিমিয়াম আয় বৃদ্ধি পেয়েছে ৩০ মিলিয়ন টাকা এবং প্রবৃদ্ধির হার পূর্ববর্তী বৎসরের তুলনায় ২% বেশি ।

শ্রেণি অনুযায়ী প্রিমিয়াম

অগ্নি বীমা

এ খাতে বিগত বছরে প্রিমিয়াম আয় ৬৭৯.২৫ মিলিয়ন টাকার বিপরীতে এবার অগ্নিবীমা বাবদ মোট আয় করেছে ৬৭৬.৪৪ মিলিয়ন টাকা । রি-ইন্স্যুরেন্স প্রিমিয়াম, বীমা দাবি ও ব্যবস্থাপনা ব্যয় মিটিয়ে সমন্বয় করার পর কোম্পানীর অবলেখন ক্ষতির পরিমান দাঁড়িয়েছে ৩৮.৯৫ মিলিয়ন টাকা । গত বছরে অবলেখনে ক্ষতির পরিমান ছিল ৮৩.৬৩ মিলিয়ন টাকা ।

নৌ বীমা

২০১৬ সনে নৌ বীমা বিভাগে মেরীন হাল সহ গ্রস প্রিমিয়াম অর্জিত

insurance including Marine Hull was Tk.528.11 million against Tk.531.82 million of the year 2015. After providing for re-insurance and claims, we have earned underwriting profit of Tk.38.63 million against last year's underwriting profit of Tk.25.15 million.

Miscellaneous Insurance

From miscellaneous insurance business our total gross premium income in 2016 was Tk.338.04 million (both in Motor and Miscellaneous departments) against Tk. 301.54 million in 2015. After meeting expenses for re-insurance, claims and management expenses, we have earned underwriting profit of Tk.93.98 million against Tk.76.83 million in 2015.

Investment Operation

Pragati Insurance Limited has concentrated its focus on diversifying its investment portfolio. Despite facing all the odds the company has earned Tk.0.50 million as capital gain out of share trading in 2016 against Tk.15.24 million in 2015.

Contribution National Exchequer

During the year under report Pragati Insurance Limited has deposited Tk.229.35 million to the Government Exchequer as Corporate Income Tax, Withholding Tax, Stamp Duty and VAT.

Income Distribution

Underwriting Profit of non- life insurance Company is not at desired level due to ever increasing operational and other expenses. Growth of insurance company is also dependent on in its investment income. It is therefore important to explore all avenues to raise the return from investment. However, due to increase in income from share trading business and rental income the company's net profit before tax stood at Tk.186.26 million against Tk.121.71 million in the year 2015. The net profit before tax has been proposed for appropriation as follows:

Particulars	Million Taka
Reserve for Exceptional Losses	47.89
Provision for Income Tax	53.90
Balance available for distribution	84.48

Taking into consideration the financial position and working capital requirement for smooth running of the company and with an aim to have a steady growth in per share dividend, the Board of Directors of Pragati Insurance Limited recommended 10 % cash dividend to the shareholders of the company for the year 2016. The whole scenario will look as follows:

হয়েছে ৫২৮.১১ মিলিয়ন টাকা। ২০১৫ সনে এই অর্জন ছিল ৫৩১.৮২ মিলিয়ন টাকা। রি-ইন্স্যুরেন্স এবং বীমা দাবী মিটানোর পর এ খাতে অবলেখন মুনাফার পরিমান ৩৮.৬৩ মিলিয়ন টাকা। বিগত বছরে অবলেখন মুনাফা হয়েছিল ২৫.১৫ মিলিয়ন টাকা।

বিবিধ বীমা

২০১৬ সনে বিবিধ বীমা ব্যবসায়ে মোট গ্রস প্রিমিয়াম আয় মটর ও অন্যান্য খাতে করেছে ৩৩৮.০৪ মিলিয়ন টাকা। ২০১৫ সনে এই আয়ের পরিমান ছিল ৩০১.৫৪ মিলিয়ন টাকা। রি-ইন্স্যুরেন্স প্রিমিয়াম ও বীমা দাবি মেটানোর পর ২০১৬ সনে অবলেখন মুনাফা অর্জিত হয়েছে ৯৩.৯৮ মিলিয়ন টাকা, যা গত বছরে ২০১৫ সনে অবলেখন মুনাফা হয়েছিল ৭৬.৮৩ মিলিয়ন টাকা।

বিনিয়োগ কার্যক্রম

প্রগতি ইন্স্যুরেন্স লিমিটেড বিনিয়োগ কার্যক্রম গুরুত্বের সাথে মনোনিবেশ করে এই খাতে আয় বৃদ্ধির জন্য সচেষ্ট হচ্ছে। বিরাজমান নাজুক পরিস্থিতি ও বিভিন্ন সময়ে উদ্ভুত প্রতিকূলতা মোকাবেলা করে ২০১৬ সনে মূলধনী আয় খাতের শেয়ার ব্যবসায়ে ০.৫০ মিলিয়ন টাকা আয় করেছে । ২০১৫ সনে এই অর্জন ছিল ১৫.২৪ মিলিয়ন টাকা।

জাতীয় কোষাগারে প্রগতির অবদান

প্রগতি ইন্স্যুরেন্স লিমিটেড আলোচ্য বছরে কর্পোরেট ইনকাম ট্যাক্স, ষ্টাম্প ডিউটি, ভ্যাট ইত্যাদি হিসাবে জাতীয় কোষাগারে ২২৯.৩৫ মিলিয়ন টাকা জমা দিয়েছে।

আয় বন্টন

নন-লাইফ ইন্স্যুরেন্স কোম্পানীর ব্যবস্থাপনা কার্যক্রম পরিচালনা ও অন্যান্য ক্ষেত্রে ব্যয় বৃদ্ধি পাওয়ায় অবলেখন খাতে কাম্য সাফল্য অর্জিত হয়নি। বীমা কোম্পানীর সংখ্যা বৃদ্ধি ও অসুস্থ প্রতিযোগিতা পুঁজি বিনিয়োগের মাধ্যমে মুনাফা অর্জনের ক্ষেত্রে কিছুটা হলেও অনিশ্চয়তা সৃষ্টি করছে। তাই বিনিয়োগের প্রতিদান পেতে গুরুত্বের সাথে সর্বপ্রকার কার্যকর ব্যবস্থা গ্রহণের বিষয়টি বিবেচনায় রেখে এগোতে হবে। উৎসাহ সৃষ্টির সক্ষমতা অর্জন করতে হবে। যা হোক সকল প্রকার ব্যয় মিটানোর পর শেয়ার ব্যবসা থেকে আয় বৃদ্ধি এবং ভাড়া থেকে প্রাপ্ত আয়সহ ২০১৬ সনে কোম্পানীর নীট মুনাফা হয়েছে ১৮৬.২৬ মিলিয়ন টাকা, যা ২০১৫ সনে ছিল ১২১.৭১ মিলিয়ন টাকা। নীট মুনাফার উপর প্রস্তাবিত ট্যাক্স নিম্নরুপঃ

বিবরন	মিলিয়ন টাকা
অস্বাভাবিক ক্ষতির জন্য সংরক্ষিত তহবিল (নীট প্রিমিয়ামের ৭.৫%)	৪৭.৮৯
আয়করের জন্য তহবিল	৫৩.৯০
বিতরণযোগ্য টাকার পরিমান	৮৪.৪৮

প্রগতি ইন্স্যুরেন্স লিমিটেড এর পরিচালনা পর্ষদ কোম্পানীর শেয়ারহোল্ডারদের বিনিয়োগের উপর সর্বোচ্চ মুনাফা প্রদানের প্রতি অত্যন্ত সচেতন এবং আন্তরিক। প্রগতির পরিচালনা পর্ষদ ২০১৬ সনের মুনাফা থেকে শেয়ারহোল্ডারদের জন্য নগদ ১০% এবং ৫% স্টক লভ্যাংশ প্রদানের সুপারিশ করেছেন। সংক্ষিপ্ত চালচিত্রটি নিম্নরুপঃ

Particulars	Taka
Divisible Profit	84,483,260
Less: Cash & Stock Dividend for the year	83,400,509
Balance to be carried forward for the next year	1,082,751

Credit Rating

Credit Rating of Pragati Insurance Ltd. was carried out by National Credit Ratings Limited for the year 2016-2017 and their assessments are as follows:

Long Term AA+

Short Term ST-1

Apart from the above, the rating Agency also highlighted the following salient features of the Company:

- Steady increase in Gross Premium income
- Capacity to meet claim demand of policyholder
- Decrease in claim due to Quality underwriting expertise
- Strong reserve base
- Introducing corporate governance issues and guidelines for compliance with the regulations of IDRA and BSEC.

Board of Directors

In accordance with Articles 105 and 106 of the company's Articles of Association, the under-noted Directors shall retire from Group-A by rotation.

1. Mr. Abdul Awal Mintoo
2. Mr. Abdul Monem
3. Mr. Khalilur Rahman
4. Mr. Md. Syedur Rahman Mintoo

In accordance with articles 105 and 106 of the company's Articles of Association, the under-noted Directors from Group-B Shareholders shall retire from the office by rotation.

1. Mrs. Nigar Jahan Chowdhury
2. Mr. Nasir Latif

To fill up the 2 (two) vacancies, notice was published in the newspaper as per insurance rule relating to election of Public Shareholder Director's.

The 2 (two) shareholders i.e. (i) Mrs. Nigar Jahan Chowdhury and (ii) Mr. Nasir Latif submitted their nomination papers within the stipulated time. Since no-body else has submitted any nomination papers so they will be taken as elected Directors from Group-B shareholders in the 31st Annual General Meeting to held on 14th June,2017.

বিবরন	টাকা
নীট মুনাফা ২০১৬	৮৪,৪৮৩,২৬০
বাদঃ নগদ ও স্টক লভ্যাংশ	৮৩,৪০০,৫০৯
মোট স্থিতি পরবর্তী বছর	১,০৮২,৭৫১

ক্রেডিট রেটিং

২০১৬-২০১৭ সনে প্রগতি ইন্স্যুরেন্স লিমিটেড এর ক্রেডিট রেটিং এ National Credit Ratings Ltd. এর মূল্যায়ন নিম্নরূপঃ

Long Term AA+

Short Term ST-1

এছাড়া রেটিং এজেন্সি প্রগতি ইন্স্যুরেন্স লিমিটেড এর নিম্নলিখিত বৈশিষ্টগুলো বিশেষভাবে উল্লেখ করেছেঃ

- গ্রস প্রিমিয়াম আয় উত্তরোত্তর বৃদ্ধি
- পলিসিহোল্ডারদের দাবি মিটাতে পারঙ্গমতা
- গুনগত অবলিখন দক্ষতার জন্য বিশ্বাস অর্জন
- শক্ত রিজার্ভের ভিত্তি
- IDRA I BSEC এর নির্দেশনা মোতাবেক ব্যবসা কর্মকান্ড পরিচালনায় সংশ্লিষ্ট বিষয়ে সুনীতি অনুসরণ।

পরিচালকমন্ডলী

কোম্পানীর আর্টিকেলস অব এসোসিয়েশনের ১০৫ এবং ১০৬ ধারা অনুযায়ী নিম্ন বর্ণিত পরিচালকবৃন্দ পর্যাযক্রমে "এ" গ্রুপ থেকে অবসর গ্রহন করবেন।

১. জনাব মোহাম্মদ আব্দুল আউয়াল মিন্টু

২. জনাব মোঃ আব্দুল মোনেম

৩. জনাব খলিলুর রহমান

৪. জনাব মোঃ সাইদুর রহমান মিন্টু

কোম্পানীর আর্টিকেলস অব এসোসিয়েশন এর ১০৫ এবং ১০৬ ধারা অনুযায়ী নিম্নবর্ণিত পরিচালকবৃন্দ পর্যায়ক্রমে "বি" গ্রুপ হতে এ বছর অবসর গ্রহণ করবেনঃ

১. জনাব নাছির লতিফ

২. মিসেস নিগার জাহান চৌধুরী

উপরোক্ত ২জন অবসরগ্রহনকারীর শূন্যস্থান পুরণের জন বীমা বিধি অনুযায়ী পাবলিক শেয়ারহোল্ডার পরিচালক নির্বাচনের জন্য দুইটি দৈনিক পত্রিকায় বিজ্ঞপ্তি প্রকাশ করা হয়।

নির্দিষ্ট সময়ের মধ্যে ২জন শেয়ারহোল্ডার যথাক্রমে ১) মিসেস নিগার জাহান চৌধুরী এবং ২) জনাব নাসির লতিফ ব্যতীত আর কেউ নির্বাচনের জন্য নির্ধারিত সময়ের মধ্যে নমিনেশন পেপার দাখিল করেননি। তাই উক্ত ২জন বিনা প্রতিদ্বন্দ্বিতায় ১৪ জুন,২০১৭ তারিখে প্রগতি ইন্স্যুরেন্স লিমিটেড এর ৩১তম বার্ষিক সাধারণ সভায় পাবলিক শেয়ারহোল্ডার পরিচালক নির্বাচিত বলে গণ্য হবেন।

In accordance with BSEC Guidelines dated 7th August the following Independent Director shall be retired and eligible for re-election.

1. **Mr. Mahbub Anam –** Independent Director

In accordance with the above BSEC's Guidelines Mr. Mahbub Anam completed the terms of office of the Independent Director for one term only. Now, he expressed his willingness for re- election of another term i.e. 3(three) years only.

This is being placed before the Board of Directors for their kind approval of Mr. Mahbub Anam for re-election as Independent Director for another term in the Company. But the Board has not considered the re-election of Mr. Mahbub Anam as Independent Director in the Company . Accordingly he will be retired in the ensuing 31st Annual General Meeting of the company.

Board meeting and Audit Committee meetings

10(ten) meetings of the Board of Directors and 7 (Seven) meetings of the Director's Audit Committee were held during the year 2016. Details are given below in comparison to last 3 years:

Name of the Meeting	2016	2015	2014
Board of Director's	10	6	8
Directors Audit Committee	07	6	8

Audit Committee

The Audit Committee of the company met 7(seven) times during the year and reviewed the followings with special emphasis on compliance of respective recommendations:

1. Audit and inspection Report (s) of the Audit Team and External Auditors.
2. Ensuring an effective Risk Management system of the Company through ongoing review of the company's internal control system.
3. The financial statements of the company for 2016 audited by the External Auditors.
4. Stressing on the importance of the Compliance Culture within the Company.

This is to confirm that the company's Audit Committee is constituted as per terms & condition of BSEC'S Circular # CMRRCD/2006-/ 158/Admin/4308 dated August 7, 2012

BSEC এর গাইড লাইন মোতাবেক নিম্নলিখিত ইন্ডিপেন্ডেন্ট ডাইরেক্টর অবসর গ্রহণ করবেন এবং পুনঃ নির্বাচনের জন্য যোগ্য হবেন।

১. **জনাব মাহবুব আনাম-** ইন্ডিপেন্ডেন্ট ডাইরেক্টর

BSEC এর নির্দেশনা মোতাবেক জনাব মাহবুব আনাম ইন্ডিপেন্ডেড ডাইরেক্টরের অফিসের দায়িত্ব মাত্র একটি মেয়াদের জন্য পুর্ণ করেছেন। তিনি এখন আরো তিন বছরের আরেকটি মেয়াদের দায়িত্ব পালন করার জন্য পুণঃ নির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

জনাব মাহবুব আনামকে কোম্পানীতে আরেকটি মেয়াদে ইন্ডিপেন্ডেন্ট ডাইরেক্টর হিসাবে পুনঃনির্বাচন অনুমোদন প্রদানের জন্য পরিচালনা পর্ষদের সভায় উথাপন করা হয় কিন্তু পরিচালনা পর্ষদ তা অনুমোদন করেননি। সে অনুযায়ী তিনি আগামী বার্ষিক সাধারন সভায় অবসর গ্রহন করবেন।

বোর্ড মিটিং এবং অডিট কমিটি মিটিং

২০১৬ সনে পরিচালনা পর্ষদের ১০(দশ)টি সভা এবং অডিট কমিটি ৭(সাত)টি সভা অনুষ্ঠিত হয়। বিগত ৩ (তিন) বছরের সভাসমূহের তথ্যবিবরণ নিম্নে প্রদর্শিত হলো।

সভার নাম	২০১৬	২০১৫	২০১৪
পরিচলনার পর্ষদ সভা	১০	৬	৮
নিরীক্ষা কমিটির সভা	৭	৬	৮

অডিট কমিটি

কোম্পানী অডিট কমিটি আলোচ্য বছরে ৭ (সাত) টি সভায় মিলিত হয়েছে এবং বিশেষ গুরুত্বসহ সংশ্লিষ্ট সুপারিশ সমূহ বাস্তবায়নের বিষয় পর্যালোচনা করে নিম্নেলিখিত বিষয়াদি বিশেষভাবে বিবেচনা করেছে।

১. অডিট টিম ও বহিঃনিরীক্ষকের অডিট ও ইন্সপেকশন রিপোর্ট।

২. কোম্পানীর আভ্যন্তরীণ নিয়ন্ত্রণ ও নিরীক্ষা কার্যক্রমের নিয়মিত পুণর্মূল্যায়নের মাধ্যমে কোম্পানীর কার্যকরি ঝুঁকি ব্যবস্থাপনা নিশ্চিত করণ।

৩. বহিঃনিরীক্ষক দল কর্তৃক কোম্পানীর ২০১৬ সনের আর্থিক বিবরণীর উপর নিরীক্ষা প্রতিবেদন।

৪. কোম্পানীতে নির্দেশনা বা সুপারিশ বাস্তবায়নের সংস্কৃতির উপর গুরুত্ব আরোপের নিয়মিত চর্চা।

সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর সার্কুলার নং সিএমআরআরসিডি/২০০৬-/১৫৮/প্রশাসন/৪৩০৮ তারিখ ৩ জুলাই,২০১২ এর নির্দেশনা অনুযায়ী কোম্পানীর অডিট কমিটি গঠিত হয়েছে।

Corporate Governance Compliance Status

Pursuant to the clause 7(ii)of the BSEC Notification No.: SEC/CMRRCD/2006-158/134/Admin/44 dated August 7,2012 we attach the Company's compliance status as Annexure-1.

Auditors

M/S. MAHFEL Huq & Co, Chartered Accountants was appointed as External Auditors of the company for the year 2016 at the 30th Annual General Meeting. They have audited the books of account for the period covering 1st January, 2016 to 31st December 2016. This is the 3rd year that MAHFEL Huq & Co has audited the Financial Statements of the company.

It is noted that M/s. Mahfel Huq & Co. completed consecutive period of 3(three) years for auditing the Company's Accounts as per the listing Rules of DSE the Company shall not appoint any firm of Chartered Accountant as its' Statutory Auditor consecutive period exceeding 3(three) years. In this connection we have published an advertisement for appointment of External Auditor for the year 2017 in the 2(two) National Dailies i.e. the Financial Express and Dainik Janata as on 9th April, 2017.

In response to this advertisement 11(eleven) Nos. of Chartered Accountants firm submitted application(s) for appointment of External Auditor in the Company for the year 2017. The Board of Directors has recommended M/s Hoda Vasi Chowdhury & Co, Chartered Accountants Firm for appointment as External Auditor in the Company for the year of 2017 which will be palced in the 31st Annual General Meeting for approval of the shareholders.

কর্পোরেট গভর্নেন্স পরিপালন প্রতিবেদন

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/এডমিন/৪৪/ তারিখঃ আগষ্ট ৭, ২০১২-এর ক্লজ ৭ (ii) অনুযায়ী কোম্পানীর কর্পোরেট গভর্নেন্স পরিপালন প্রতিবেদন Annexure-1 এ দেখানো হ'ল।

নিরীক্ষক

কোম্পানীর ৩০তম বার্ষিক সাধারণ সভায় মেসার্স মাহফেল হক এন্ড কোং, চার্টার্ড এ্যাকাউন্টেন্টসকে কোম্পানীর ২০১৬ সনের বহিঃনিরীক্ষক হিসাবে নিয়োগ প্রদান করা হয়। তারা ২০১৬ সনের ১লা জানুয়ারী হতে ৩১শে ডিসেম্বর পর্যন্ত সময়ের হিসাব বহিসমূহ নিরীক্ষা করেছে। মেসার্স মাহফেল হক এন্ড কোং, চার্টার্ড এ্যাকাউন্টেন্টস কর্তৃক কোম্পানীর ২০১৬ সনের আর্থিক হিসাব বিবরণ নিরীক্ষার এটা তৃতীয় বছর।

কোন কোম্পানীর বহিঃহিসাব নিরীক্ষার জন্য কোন প্রতিষ্ঠানকে একাধারে তিন বৎসরের অধিক সময় নিরীক্ষা কাজের জন্য নিয়োজিত রাখা যায় না। এমতাবস্থায় ২০১৭ সনে বহিঃনিরীক্ষক নিয়োগের জন্য দুইটি জাতীয় দৈনিকে (৯ই এপ্রিল ২০১৭ তারিখে ফিন্যান্সিয়াল এক্সপ্রেস ও দৈনিক জনতা) পত্রিকায় বিজ্ঞাপন ছাপা হয়।

বিজ্ঞাপনে সাড়া দিয়ে ১১টি চার্টার্ড এ্যাকাউন্টেন্টস সংস্থা/প্রতিষ্ঠান আবেদন করে। পরিচালনা পর্ষদ মেসার্স হোদা ভাসি চৌধুরী এন্ড কোং চার্টার্ড এ্যাকাউন্টেন্টস ফার্মকে ২০১৭ সনের জন্য কোম্পানীর বহিঃনিরীক্ষক হিসাবে নিয়োগের সুপারিশ করেন, যা কোম্পানীর ৩১তম বার্ষিক সাধারণ সভায় শেয়ারহোল্ডারদের অনুমোদনের জন্য পেশ করা হবে।

Acknowledgement

On behalf of the Board Directors, we humbly take this opportunity to express our heartfelt gratitude to all of our valued clients, shareholders and well-wishers in home and abroad for their wholehearted co-operation. We are especially thankful to all Banks both in the private and public sector and the management of Multimode Group, Beximco Group, KDS Group, Abdul Monem Group, Monno Group, Square Group, Bata Shoe (BD) Ltd, Novartis (Bangladesh) Ltd, Heidelberg Cement Bangladesh, International Television Channel Ltd (NTV), National Television Ltd (RTV), Maasranga Television, ICDDRB, Pacific Jeans Group of Companies, HKD Group of Companies, Jayson Group, Aristopharma Ltd, Karim Group, Bashundhara Group, Square Air, DBL Group, MJL Bangladesh, MJL (Mobil), Saad Musa Group, Grameen phone Ltd, Esquire Group, Mir Group, Pedrollo (NK) Ltd, PHP Group, Rahimafrooz Group, Envoy Group, Givensee Group, Maksons Group, M.I. Cement Factory Ltd. (Crown Cement), Olympic Group, Robintex Group, Shanta Group, T.K. Group, Healthcare Pharmaceuticals Ltd. Khulna Power Company Ltd, Khan Jahan Ali Power Co. Ltd, NEPC Consortium Power Ltd, Summit Group, United Power, High-Speed Navigation Co. Ltd, RZ Power, Shajhnullah Power Generation Co. Ltd, G.B.B Power Ltd, Desh Engergy Ltd, Eurostar Shipping Ltd, Peoples Shipping Ltd, Summit Shipping Ltd, Sealink Shipping Co, Poseidon Enterprise, Brave Royal Shipping, Central Navigation, Ace Bi Cycle (BD) Ltd, Denim Plus (BD) Ltd, Excelsior Shoes Ltd, Jay Jay Mills (BD) Pvt Ltd, J & J Industries Ltd, Jemina Accessories Ltd, Luna Lite Co. (BD) Ltd, Mamiya Op (BD) Ltd, Meghna Accessories Ltd, Merim Co. Ltd, Mitali Textile Industries (BD) Ltd, Modern Towels (BD) Ltd, Multi Safh Bags Ltd, MZM Textile Ltd, Padma Industries Ltd, Papella Shoe Ltd, Premier 1888 Ltd, Sanko Optical Co. (BD) Ltd, U-Jin Led Co. (BD) Ltd, Van Green (BD) Ltd, Kadena Sports Wear (BD) Ltd, Jute Spinners Ltd, Nawab Abdul Malek Jute Mills (BD) Ltd, Quality Feeds Ltd, Bangladesh Cricket Board, Grameen Shakti, Independent University Bangladesh, National Polymer Industries Ltd, Paxar (BD) Ltd, Care Bangladesh, Bangladesh Edible Oil Ltd, CEAT Bangladesh Ltd, Ruby Food Products, Ahad Jute Spinners Ltd, State Bank of India, Embassy of the United Arab Emirates, American Embassy, Alliance Francaise De Dhaka, Berger Paints (BD) Ltd, Asian Paints Bangladesh Ltd, Sanofi Aventis Bangladesh Ltd, Westin Hotel (Dhaka), etc.

কৃতজ্ঞতা স্বীকার

এ মুহূর্তে আমি কোম্পানীর পরিচালনা পর্ষদের পক্ষ থেকে দেশে-বিদেশে আমাদের সমস্ত সম্মানিত গ্রাহক, শেয়ারহোল্ডারবৃন্দ ও শুভানুধ্যায়ীদের নিকট তাদের আন্তরিক সহযোগিতার জন্য কৃতজ্ঞতা জানাচ্ছি। আমরা বিশেষভাবে সকল সরকারি ও বেসরকারি ব্যাংকসমূহ সহ Multimode Group, Beximco Group, KDS Group, Abdul Monem Group, Monno Group, Square Group, Bata Shoe (BD) Ltd, Novartis (Bangladesh) Ltd, Heidelberg Cement Bangladesh, International Television Channel Ltd (NTV), National Television Ltd (RTV), Maasranga Television, ICDDRB, Pacific Jeans Group of Companies, HKD Group of Companies, Jayson Group, Aristopharma Ltd, Karim Group, Bashundhara Group, Square Air, DBL Group, MJL Bangladesh, MJL (Mobil), Saad Musa Group, Grameen Phone Ltd, Esquire Group, Mir Group, Pedrollo (NK) Ltd, PHP Group, Rahimafrooz Group, Envoy Group, Givensee Group, Maksons Group, M.I. Cement Factory Ltd. (Crown Cement), Olympic Group, Robintex Group, Shanta Group, T.K. Group, Healthcare Pharmaceuticals Ltd. Khulna Power Company Ltd, Khan Jahan Ali Power Co. Ltd, NEPC Consortium Power Ltd, Summit Group, United Power, High-Speed Navigation Co. Ltd, RZ Power, Shajhnullah Power Generation Co. Ltd, G.B.B Power Ltd, Desh Engergy Ltd, Eurostar Shipping Ltd, Peoples Shipping Ltd, Summit Shipping Ltd, Sealink Shipping Co, Poseidon Enterprise, Brave Royal Shipping, Central Navigation, Ace Bi Cycle (BD) Ltd, Denim Plus (BD) Ltd, Excelsior Shoes Ltd, Jay Jay Mills (BD) Pvt Ltd, J & J Industries Ltd, Jemina Accessories Ltd, Luna Lite Co. (BD) Ltd, Mamiya Op (BD) Ltd, Meghna Accessories Ltd, Merim Co. Ltd, Mitali Textile Industries (BD) Ltd, Modern Towels (BD) Ltd, Multi Safh Bags Ltd, MZM Textile Ltd, Padma Industries Ltd, Papella Shoe Ltd, Premier 1888 Ltd, Sanko Optical Co. (BD) Ltd, U-Jin Led Co. (BD) Ltd, Van Green (BD) Ltd, Kadena Sports Wear (BD) Ltd, Jute Spinners Ltd, Nawab Abdul Malek Jute Mills (BD) Ltd, Quality Feeds Ltd, Bangladesh Cricket Board, Grameen Shakti, Independent University Bangladesh, National Polymer Industries Ltd, Paxar (BD) Ltd, Care Bangladesh, Bangladesh Edible Oil Ltd, CEAT Bangladesh Ltd, Ruby Food Products, Ahad Jute Spinners Ltd, State Bank of India, Embassy of the ট্রহরঃবফ অৎধন ঊসরৎধঃবং, অmerican Embassy, Alliance Francaise De Dhaka, Berger Paints (BD) Ltd, Asian Paints Bangladesh Ltd, Sanofi Aventis

for reposing their confidence in the company.

We would also like to convey our sincerest thanks to Insurance Development and Regulatory Authority, Bangladesh Securities and Exchanges Commission, Dhaka Stock Exchange, Chittagong Stock Exchange and Re-Insurers - Sadharan Bima Corporation, General Insurance Corporation of India (GIC) Best Re. Malaysia and Trust International and Re-Insurance Brokers- J.B. Boda, Protection Bahrain, Willis and others for their support and assistance. The Board also expresses its appreciation to M/s. Mahfel Huq & Co. Chartered Accountants, the Auditor of the Company.

We take this opportunity to express my profound gratitude to the Managing Director and all the Executives, Officers and Staff of the company for their outstanding services throughout the year and look forward to the continued support and whole-hearted cooperation for the realization of the corporate goals in the year ahead. The Board of Directors has been pleased to reward its staff including Executives, Officers and Employees 02 (Two) Incentive Bonus based on individual performance to be decided by the management.

Lastly, with best regards to all our valuable shareholders, we promise to continue the growth of the company with your continued support.

Thank you all.

On behalf of the Board of Directors

Syed M. Altaf Hussain
Chairman

Bangladesh Ltd, Westin Hotel (Dhaka), etc.কে আমাদের উপর আস্থা ও বিশ্বাস স্থাপনের জন্য ধন্যবাদ জ্ঞাপন করছি।

আমরা গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ, সাধারণ বীমা কর্পোরেশন, জেনারেল ইন্স্যুরেন্স কর্পোরেশন অব ইন্ডিয়া,(GIC), বেস্ট রি-মালয়েশিয়া ও ট্রাস্ট ইন্টারন্যাশনাল রি-ইন্স্যুরার এবং জেবি ভোদা, প্রোটেকসান বাহরাইন, উইলিস রি-ইন্স্যুরেন্স ব্রোকার সহ অন্যান্য রি-ইন্স্যুরার ও ব্রোকারদেরকে তাদের সমর্থন ও সহযোগিতার জন্য ধন্যবাদ জানাচ্ছি। পরিচালনা পর্ষদ কোম্পানীর নিরীক্ষক মেসার্স এ. মাহফেল হক এন্ড কোং, চার্টার্ড এ্যাকাউন্টেন্টসকেও ধন্যবাদ জ্ঞাপন করছে।

ব্যবস্থাপনা পরিচালককে এবং তাঁর মাধ্যমে কোম্পানীর সমস্ত নির্বাহী, কর্মকর্তা ও কর্মচারীদেরকে তাঁদের প্রশংসনীয় কাজের জন্য পরিচালনা পর্ষদ ধন্যবাদ জ্ঞাপন করছে। তাদের আন্তরিক উৎসর্গের মনোভাব, কর্মনিষ্ঠা, অক্লান্ত পরিশ্রম, ও সেবার মাধ্যমে আগামী দিনগুলোতে কোম্পানী আরো ভাল ফলাফল অর্জন করবে বলে দৃঢ় প্রত্যাশা ব্যক্ত করছি। আন্তরিক এবং প্রশংসনীয় কর্মোদ্যমের জন্য সকল শেণির কর্মকর্তা ও কর্মচারীবৃন্দকে তাদের কাজের মূল্যায়নের ভিত্তিতে পরিচালকমন্ডলী মূল বেতনের সমপরিমান ২টি উৎসাহ বোনাস অনুমোদন করেছেন।

পরিশেষে, আমাদের সম্মানিত শেয়ারহোল্ডারবৃন্দের নিকট আন্তরিক শ্রদ্ধা জ্ঞাপনপূর্বক তাঁদের আন্তরিক সহযোগিতার মাধ্যমে কোম্পানীর প্রবৃদ্ধি অব্যাহত রাখার দৃঢ় প্রত্যয় ব্যক্ত করছি।

ধন্যবাদ

পরিচালকমন্ডলীর পক্ষে

সৈয়দ এম. আলতাফ হোসাইন
চেয়ারম্যান।

Directors' Report to the Shareholders

(Under Section 184 of the Companies Act 1994)

We report that:

i. The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

ii. Proper books of account of the company have been maintained.

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

iv. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.

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

vi. There are no significant doubts upon the company's ability to continue as a going concern.

vii. There are no significant deviations from last year operating result of the company.

viii. During the year ended 31 December 2016 the Board of Directors held 10 (Ten) meetings and the Directors serving on the Board attended in aggregate 47.36% of the total number of meetings.

ix. At 31 December 2016, the pattern of shareholding are given below:

a) Shareholding of Parent/Subsidiary/ Associate companies and other related parties: Nil.

b) Shareholdings of Directors, CEO, Company Secretary, CFO and Head of Internal Audit and their spouses and minor children: Nil.

Corporate Governance



Compliance Report on SEC Notification

Annexure-I

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/ CMRRCD/ 2006-158/ 134/ Admin/44 dated 7th August, 2012 .

(Report under Condition No.7.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.1	**Board's size** (Shall not be less than 5(five) and more than 20 (twenty)	✓	–	–
1.2(i)	**Independent Directors** (at least 1/5) of the total number of Directors in the company's Board shall be independent Directors)	-	–	Complied as per Insurance Act 2010 and it is under process to comply with BSEC's guidelines.
1.2(ii)(a)	**Independent Director means** (who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;)	✓	–	-
1.2(ii)(b)	who is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	–	–
1.2(ii)(c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓	–	–
1.2(ii)(d)	who is not a member, director or officer of any stock exchange;	✓	–	–
1.2(ii)(e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓	–	–
1.2(ii)(f)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm;	✓	–	–
1.2(ii)(g)	who shall not be an independent director in more than 3 (three) listed companies;	✓	–	–
1.2(ii)(h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓	–	–
1.2(ii)(i)	who has not been convicted for a criminal offence involving moral turpitude.	✓	–	–
1.2(iii)	the independent director(s) shall be nominated by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	–	–
1.2(iv)	the post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓	–	–

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.2(v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓	–	–
1.2(vi)	the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓	–	–
1.3(i)	**Qualification of Independent Director (ID)** 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(ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies or Law background/ Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	✓	–	–
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission	–	–	No such deviation occurred.
1.4	**Chairman of the Board & Chief Executive Officer** (The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer)	✓	–	–
1.5(i)	**The Directors' Report to Shareholders** (The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994):- Industry outlook and possible future developments in the industry.	✓	–	–
1.5(ii)	Segment-wise or product-wise performance.	✓	–	–
1.5(iii)	Risks and concerns.	✓	–	–
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓	–	–
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.			No such item exists.
1.5(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	✓	–	–
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	–	–	No such item exists.
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering(RPO), Rights Offer, Direct Listing, etc.	–	–	No such event occurred.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	–	–	No such event occurred.
1.5(x)	Remuneration to directors including independent directors.	✓	–	–
1.5(xi)	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)	Proper books of account of the issuer company have been maintained	✓	–	–
1.5(xiii)	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)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	✓	–	–
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓	–	–
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓	–	–
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	–	–	N/A
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized .	✓	–	–
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	–	–	N/A
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓	–	10 meeting with average 47.36% attendance

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-.	✓	–	–
	(a) Parent/Subsidiary/Associated Companies and other related parties (name wise details);	–	–	N/A
	(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name-wise details);	✓	–	–
	(c) Executives;	✓	–	–
	(d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	–	–	N/A
	Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit			
1.5(xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-	✓	–	–
1.5(xxii)(a)	a brief resume of the director;	✓	–	–
1.5(xxii)(b)	nature of his/her expertise in specific functional areas;	✓	–	–
1.5(xxii)(c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	–	–
2.1	**Appointment of Chief Financial Officer (CFO), Head of Internal Audit & Company Secretary (CS) Appointment:** The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit(Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓	–	–
2.2	**Requirement to attend the Board Meetings** The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓	–	–
3(i)	**Audit Committee:** The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓	–	–
3(ii)	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.	✓	–	–
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓	–	–

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.1(i)	**Constitution of the Audit Committee** The Audit Committee shall be composed of at least 3 (three) members.	✓	_	_
3.1(ii)	(ii) The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓	_	_
3.1(iii)	(iii) All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience. Explanation: The term "financially literate" means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s)he possesses professional qualification or Accounting/ Finance graduate with at least 12 (twelve) years of corporate management/professional experiences.	✓	_	_
3.1(iv)	(iv) When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy(i.e) immediately or not later than 1 (one) month from the date of vacancy(i.e) in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓	_	_
3.1(v)	(v) The company secretary shall act as the secretary of the Committee.	✓	_	_
3.1.(vi)	(vi) The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	_	_
3.2(i)	**Chairman of the Audit Committee** The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓	_	_
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting(AGM).	✓	_	_
3.3(i)	**Role of Audit Committee** Role of audit committee shall include the following:- Oversee the financial reporting process.	✓	_	_
3.3(ii)	Monitor choice of accounting policies and principles	✓	_	_
3.3(iii)	Monitor Internal Control Risk management process.	✓	_	_
3.3(iv)	Oversee hiring and performance of external auditors.	✓	_	_
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓	_	_
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓	_	_
3.3(vii)	Review the adequacy of internal audit function.	✓	_	_

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
3.3(viii)	Review statement of significant related party transactions submitted by the management.	✓	–	–
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	✓	–	–
3.3(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus	-	-	N/A
3.4.1(i)	**Reporting of the Audit Committee to the Board of Directors** The Audit Committee shall report on its activities to the Board of Directors.	✓	–	–
3.4.1(ii)(a)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:- report on conflicts of interests;	-	-	No such event occurred
3.4.1.(ii)(b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	-	–	No such event occurred
3.4.1(ii)(c)	suspected infringement of laws, including securities related laws, rules and regulations;	-	–	No such event occurred
3.4.1(ii)(d)	any other matter which shall be disclosed to the Board of Directors immediately.	-	–	No such event occurred
3.4.2	**Reporting to the Authorities** If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	-	–	No such event occurred
3.5	**Reporting to the Shareholders and General Investors** Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	-	–	No such event occurred

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4(i)	**EXTERNAL/STATUTORY AUDITORS:** The issuer company should not engage its external/ statutory auditors to perform the following services of the company; namely:- (i) Appraisal or valuation services or fairness opinions.	✓	–	–
4(ii)	Financial information systems design and implementation.	✓	–	–
4(iii)	Book-keeping or other services related to the accounting records or financial statements.	✓	–	–
4(iv)	Broker-dealer services.	✓	–	–
4(v)	Actuarial services.	–	–	N/A
4(vi)	Internal audit services.	✓	–	–
4(vii)	Any other service that the Audit Committee determines.	✓	–	–
4(viii)	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.	✓	–	–
5(i)	**SUBSIDIARY COMPANY:** Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	–	–	N/A
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	–	–	N/A
5(iii)	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
5(iv)	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
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	–	–	N/A
6(i)(a)	**DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):** The CEO and CFO shall certify to the Board that:- (i) They have reviewed financial statements for the year and that to the best of their knowledge and belief: a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	–	–
6(i)(b)	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.	✓	–	–
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓	–	–

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
7(i)	**REPORTING & COMPLIANCE OF CORPORATE GOVERNANCE:** The company shall obtain a certificate from a Professional Accountant/Secretary (Chartered Accountant/Cost & Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis. Explanation : Chartered Accountant means Chartered Accountant as defined in the Chartered Accountants Act, 1949 (Act No. XXXVIII Of 1949); Cost and Management Accountant means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); Chartered Secretary means Chartered Secretary as defined in the চার্টার্ড সেক্রেটারীজ আইন , ২০১০ (২০১০ সনের ২৫ নং আইন) ।	✓	–	–
7(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	✓	–	–

Ownership Status

Shares: 55,600,339 Nos.
Paid up Capital: Tk. 55,60,03,390

Sl. No.	Name of Director	No. shares	Spouse	Minor Children	Total	% of share
1	**Syed M. Altaf Hussain**	1,611,318	11,426	N/A	1,622,744	2.92
2	**Mr. Khan Mohd. Ameer**	1,367,214	-	N/A	1,367,214	2.46
3	**Mr. Abdul Awal Mintoo**	1,115,052	430,727	N/A	1,545,779	2.78
4	**Mr. A. Monem**	1,464,035	39,607	N/A	1,503,642	2.70
5	**Mr. Khalilur Rahman**	2,811,796	-	N/A	2,811,796	5.06
6	**Mr. Mohd. A. Awwal**	1,211,763	414,834	N/A	1,626,597	2.93
7	**Mr. Md. Syedur Rahman Mintoo**	1,119,137	10,956	N/A	1,130,093	2.03
8	**Mr. Md. Sarwar Kamal**	1,156,083	324,762	N/A	1,480,845	2.66
9	**Mr. Mushfiqur Rahman**	1,112,072	-	N/A	1,112,072	2.00
10	**Mrs. Nahreen Siddiqua**	1,113,059	-	N/A	1,113,059	2.00
11	**Mrs. N. J. Chowdhury**	1,188,867	-	N/A	1,188,867	2.14
12	**Mr. Mohd. A. Malek**	947,619	350,882	N/A	1,298,501	2.34
13	**Mr. Nasir A. Latif**	871,153	-	N/A	871,153	1.57
14	**Mr. Tabith Mohd. Awal**	1,115,398	-	N/A	1,115,398	2.01
15	**Mr. ASM Mohiuddin Monem**	137,807	-	N/A	137,807	0.25
16	**Ms. Tahsina Rahman** (On behalf of KIY Steel Industries Ltd.)	12,787	-	N//A	12,787	0.02
17	**Mr. AKM Shamsuddin**	-	-	N/A	-	0.00
18	**Mr. Mahbub Anam**	34,676		N/A	34,676	0.06
19	**Mr. Santosh Sharma**	-	-	-	-	0.00
20	**Managing Director**	-	-	N/A	-	0.00
21	**Company Secretary**	-	-	N/A	-	0.00
22	**Chief Financial Officer**	-	-	N/A	-	0.00
23	**Head of Internal Audit**	-	-	N/A	-	0.00

A. WAHAB & CO.
Chartered Accountants

To the shareholder of
Pragati Insurance Limited

Certificate on compliance of conditions of corporate governance by Pragati Insurance Limited for the year ended December 31, 2016.

We have reviewed the relevant documents concerning the company's compliance with the corporate governance matters.

Basis of opinion

We carried out our review in accordance with the guidelines issued by the Securities & Exchange Commission under Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012. The compliances of conditions of the corporate governance and reporting of the status of compliance is the responsibility of the company's management.

Period Covered

Our review for this certificate is confined to the aspects for the year ended December 31, 2016.

Opinion

In our opinion, based on our review of relevant documents and also information made available to us by the management, the company's status on compliance with corporate governance requirements as shown in Annexure reflects actual position of the company's compliance with the condition of Corporate Governance Guidelines of SEC applicable for listed companies.

A.Wahab & Co.

Date: Dhaka
May 22, 2017

(A. WAHAB & CO.)
CHARTERED ACCOUNTANTS

LEA global
leading edge alliance
innovation • quality • excellence
A Member firm of The Leading Edge Alliance

Corporate Office
19, Road: 13C, Block: E, Banani, Dhaka 1213,Tel: 9821943, 9821946, 9821950
Registered Office
Hotel Purbani, Annex-2, 4th Floor,1 Dilkusha C/A, Dhaka-1000, Tel: 9585626, 9575293
E-mail: wahab_co@agni.com
nwahab@awahabco.com
Web: www.awahabco.com

Report of the Audit Committee

The Audit committee of the Pragati Insurance Limited is a sub-committee of the Board of Directors appointed by the Board of the company. The Audit Committee comprise of the following Directors:

1.	Mr. A.K.M. Shamsuddin	Chairman and Independent Director
2.	Mr. A.S.M. Mohiuddin Monem	Co- Chairman and Director
3.	Mr. Md. Sarwar Kamal	Member and Director
4.	Mr. Tabith Mohd. Awal	Member and Director
5.	Mr. Santosh Sharma	Member and Independent Director

The Committee operates according to the terms of reference approved by the Board and in compliance with section 3.00 of the Bangladesh Securities and Exchange Commission's notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August, 2012. The committee is accountable for all audit activities and report to the Board of Directors of the company. The key role of the Audit Committee is to monitor, review and examine the financial statements, corporate governance practices, internal control systems and risk management activities related with the insurance.

Resolutions of the Audit Committee meeting

During the year 2016 under review 7 (Seven) meetings of the Audit Committee were held and the Committee focused on the following activities:

1. Reviewed the reliability and consistency of the financial statements of the company to ensure that the internal control and compliance procedures are adequate to present a true and fair view of the company's state of affairs for the year 2016.
2. Reviewed that draft annual financial statement of accounts for the year 2016 that audited by the external auditors. Ensured that proper disclosure required under Accounting Standards as adopted in Bangladesh have been made and also complied with the companies Act and various rules and regulations applicable to insurance business.
3. Reviewed the unaudited quarterly and half yearly financial statement of accounts for their proper presentation to the shareholders and regulatory authorities.
4. Reviewed the various reports of the internal Auditor and their recommendations to take appropriate actions to the management where needed.
5. Reviewed the audit plan 2016 and also approved the internal audit plan 2017 with appropriate directions to the Internal Auditor.
6. Reviewed the appointment of external auditors.

Approval of Financial Statement

The Audit Committee reviewed and examined the annual financial statements 2016 prepared by the management and audited by the external auditors and recommended the same before the Board for consideration.

Acknowledgement

The Directors Audit Committee expressed their sincere thanks to the members of the Board, management of the company and the auditors for their support to carry out its duties and responsibilities effectively.



Chairman
Directors Audit Committee

Responsibility Statement of
CEO and CFO

To the best of our knowledge and belief, we certify that we have reviewed the Financial Statement of Pragati Insurance Ltd comprising the Balance Sheet as of December 31, 2016, Profit & Loss Account, Statement of Changes in Shareholder's Equity, Statement of Cash Flows together with accounting policies and explanatories note for the year ended December 31, 2016 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 affair's and are in compliance with existing accounting Standard and applicable Laws.

Chief Financial Officer

Managing Director

AUDITORS' REPORT





Mahfel Huq & Co.
Chartered Accountants
The first registered accounting firm in independent Bangladesh
An independent member firm of AGN International

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

PRAGATI INSURANCE LIMITED

We have audited the accompanying Statement of Financial Position of the **Pragati Insurance Limited** as of 31 December, 2016 and the related Revenue Accounts, Profit and Loss Account, (Statement of Profit or Loss and Comprehensive Income), Profit and Loss Appropriation Account, Statement of Cash Flows, Statement of Changes in Equity and a summary of significant accounting policies and other explanatory notes for the year then ended.

Management's Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Accounting Standard (BAS)/Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, The Insurance Act 2010, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines, which is necessary to enable the preparation of Financial Statements that are free from material misstatement, where due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance where the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor consider internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the Financial Statements, in all material respects, give a true and fair view of the Financial Position of the company as at 31st December, 2016, of its financial performance and of its Cash Flows for the year then ended and the Financial Statements were prepared in accordance with

Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), the Companies Act 1994, the Insurance Act 1938 (as amended in 2010), Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Report on Other legal and regulatory requirements:

We also report that:

i. 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;

ii. in our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;

iii. 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 explanations 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 and Loss Account (Profit or Loss and other comprehensive income) of the company;

iv. the information and explanations required by us have been received and found satisfactory;

v. as per Regulation- 11 of part 1 of the third schedule of the Insurance Act 1938, in our opinion to the best of our information and as shown by its books, the company during the under report has not paid any person any commission in any form, outside Bangladesh in respect of any of its business re- insured abroad;

vi. the Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income and its Cash Flows dealt with by the report are in agreement with the books of account and returns;

vii. the expenditure incurred was for the purposes of the Company's business;

viii. the company has complied with relevant laws and regulations pertaining to reserves.

Dated, Dhaka;
20th April, 2017

MAHFEL HUQ & CO.
CHARTERED ACCOUNTANTS



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

CAPITAL & LIABILITIES	Notes	2016	2015
Authorised capital			
200,000,000 Ordinary shares of Tk.10 each		2,000,000,000	2,000,000,000
Issued, Subscribed & Paid-up capital			
55,600,339 Ordinary shares of Tk. 10 each	4	556,003,390	556,003,390
Reserve or Contingency account		2,507,225,263	2,326,697,901
Reserve for Exceptional Losses	5	758,075,593	710,186,306
Contingency Reserve for Insurance Guarantees and Tail ended Insurance Business	6	105,869,651	105,869,651
Revaluation Reserve	7	1,412,133,735	1,412,133,735
General Reserve	8	243,578	7,433,920
Investment Fluctuation Fund (Fair Value Changes)	18.1	146,419,446	42,658,590
Profit & Loss Appropriation Account	9	84,483,260	48,415,699
Balance of fund & account		326,939,838	313,143,452
Fire Insurance Business		63,500,481	66,633,476
Marine Insurance Business		125,785,066	112,483,462
Misc. Insurance Business		137,654,291	134,026,514
Premium Deposit	10	16,878,346	54,578,387
Liabilities & provision		134,312,199	205,367,663
Estimated liabilities in respect of outstanding Claims whether due or intimated.	11	77,856,514	118,464,329
Amount due to other persons or bodies for carrying on insurance business.	12	56,455,685	86,903,334
Loan from Bank	13	198,032,083	206,932,972
Sundry creditors	14	84,145,921	79,759,528
Provision for Income Tax	15	359,254,453	305,354,453
Provision for Deferred Tax	16	17,340,000	17,340,000
		4,200,131,492	4,065,177,742
Net Asset Value Per Share	33	55.09	51.85

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

PREVIOUS PAGE CONTENTS NEXT PAGE

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

PROPERTY & ASSETS	Notes	2016	2015
Investment		407,668,020	409,897,788
Bangladesh Government Treasury Bond	17	25,086,755	25,086,755
Shares & debentures (at Cost)	18	382,581,265	384,811,033
Fair Value Changes Account	18.1	146,419,446	42,658,590.00
Amount due from other persons or bodies carrying on insurance business	19	467,397,010	472,591,075
Interest, Dividend & Rent outstanding	20	576,426	576,426
Sundry Debtors	21	82,489,826	40,274,461
Advance Payment of Tax	22	253,548,640	235,867,453
Cash and Bank Balances	23	552,383,589	582,355,779
Fixed Deposit Accounts		425,246,850	451,196,850
STD & Current Accounts		117,185,665	119,920,588
Cash, Cheque in hand & Stamp		9,951,074	11,238,341
Other accounts		2,289,648,535	2,280,956,169
Land (freehold)	24	887,115,023	887,050,023
Holiday Homes	25	4,130,090	4,130,090
Fixed Assets(at cost less accumulated depreciation)	26	83,056,547	89,165,515
Building	27	1,283,666,113	1,269,634,138
Panthapath building	28	30,660,452	29726232
Stock of printing materials		1,020,310	1,250,171
		4,200,131,492	4,065,177,742

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Notes	2016	2015
Expenses of Management			
(not applicable to any fund or account)		7,035,765	8,016,729
Director Fees & Expenses		1,443,402	1,091,851
Registration Renewal Fee	31	6,088,333	4,857,432
Audit Fees(including fee for special audit)	32	456,375	287,500
Depreciation		12,792,077	17,556,765
Profit for the year transferred to		186,266,849	121,711,210
Profit & Loss Appropriation Account			
		214,082,801	153,521,487

PROFIT OR LOSS APPROPRIATION ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Notes	2016	2015
Reserve for Exceptional Losses		47,889,287	48,604,037
Provision for Income Tax	15	53,900,000	24,700,000
Balance transferred to Balance Sheet		84,483,260	48,415,698
		186,272,547	121,719,735
Earning Per Share	34	2.38	1.74

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Notes	2016	2015
Interest, Dividend and Rent			
(Not applicable to any fund or account)	29	63,536,152	**58,318,646**
Interest received & accrued		35,953,475	35,486,488
Dividend and Debenture interest		27,582,677	22,832,158
Profit transferred from :		93,663,781	**23,633,676**
Fire revenue account		(38,953,579)	(83,626,695)
Marine revenue accont		38,631,118	30,428,195
Misc. revenue account		93,986,242	76,832,176
Other income :	30	56,882,868	**71,569,165**
Sundry Income		589,076	861,320
Profit/(loss)on sale of investment (shares)		5,007,157	15,241,475
Building Rent		51,286,635	55,466,370
		214,082,801	153,521,487

PROFIT OR LOSS APPROPRIATION ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Notes	2016	2015
Net profit for the year transferred			
from Profit and Loss Account		186,266,849	**121,711,210**
Balance brought forward from previous period		5,698	8,526
		186,272,547	**121,719,736**

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

CONSOLIDATED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Misc	Total 2016	Total 2015
Claim under policies less Re-insurance :							
Claim paid during the year	22,934,305	31,594,880	5,358,492	46,803,417	10,634,245	117,325,339	103,425,433
Total Estimated liability in respect of outstanding claims at the end of the year under due or intimated	42,162,276	3,864,115	1,346,300	7,450,000	23,033,823	77,856,514	118,464,329
	65,096,581	35,458,995	6,704,792	54,253,417	33,668,068	195,181,853	221,889,762
Less : Outstanding Claim at the end of the previous year	91,780,374	9,658,222	2,500,000	2,765,000	11,760,733	118,464,329	129,292,638
	(26,683,793)	25,800,773	4,204,792	51,488,417	21,907,335	76,717,524	92,597,124
Expenses for management	138,900,043	99,446,502	5,937,043	44,079,396	21,148,826	309,511,810	325,963,439
Commission	95,025,261	70,569,004	4,073,227	31,095,804	12,327,103	213,090,399	218,886,294
Profit transfer to Profit & Loss Account	(38,953,579)	30,228,586	8,402,532	79,609,671	14,376,571	93,663,781	23,633,676
Balance on Account at the end of the year as shown in Balance Sheet :							
Reserve for unexpired risks being 50% of Fire, Marine Cargo, Motor & Misc. and 100% the Marine Hull Premium income of the year.	63,500,482	110,429,217	15,355,849	106,010,854	31,643,437	326,939,839	313,143,452
	231,788,414	336,474,082	37,973,443	312,284,141	101,403,272	1,019,923,352	974,223,985

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

CONSOLIDATED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Misc	Total 2016	Total 2015
Balance of Account at the begaining of the year :							
Reserve for unexpired risk	66,633,477	93,747,025	18,736,437	100,262,434	33,764,080	313,143,453	281,119,857
Premium, Less Re-insurance	127,000,964	220,858,434	15,355,849	212,021,707	63,286,874	638,523,828	607,550,467
Commission on Re-Insurance ceded	38,153,973	21,868,623	3,881,157	-	4,352,318	68,256,071	85,553,661
	231,788,414	336,474,082	37,973,443	312,284,141	101,403,272	1,019,923,352	974,223,985

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	2016	2015
Claims under policies		
Less : Re-insurance : Paid during the year	22,934,305	30,275,002
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	42,162,276	91,780,374
	65,096,581	122,055,376
Less : Outstanding claims at the end of the previous year	91,780,374	89,154,132
	(26,683,793)	32,901,244
Expenses of management	138,900,043	112,184,183
Commission	95,025,261	108,545,725
Profit transferred to		
Profit & Loss Account	(38,953,579)	(83,626,695)
Balance of account at the end of the year as shown in Balance Sheet :		
Reserve for unexpired risks, being 50% of the fire premium income of the year	63,500,482	66,633,477
	231,788,414	236,637,934

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Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

PREVIOUS PAGE CONTENTS NEXT PAGE

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	2016	2015
Balance of account at the beginning of the year :		
Reserve for unexpired risk	66,633,477	43,264,237
Premium less : Re-insurance	127,000,964	133,266,953
Commission on Re-insurance ceded	38,153,973	60,106,744
	231,788,414	236,637,934

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

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(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	CARGO	HULL	2016	2015
Claims under Policies				
Less : Re-Insurance: Paid during the year	31,594,880	5,358,492	36,953,372	25,129,531
Total estimated liability in respect of Outstanding Claims at the end of the year whether due or intimated	3,864,115	1,346,300	5,210,415	12,158,222
	35,458,995	6,704,792	42,163,787	37,287,753
Less : Outstanding Claims at the end of the previous year	9,658,222	2,500,000	12,158,222	10,909,272
	25,800,773	4,204,792	30,005,565	26,378,481
Expenses of Management	99,446,502	5,937,043	105,383,545	135,728,547
Commission	70,569,004	4,073,227	74,642,231	69,915,337
Profit transferred to Profit & Loss Account	30,228,586	8,402,532	38,631,118	30,428,195
Balance of Account at the end of the year as shown in Balance Sheet : Reserve for unexpired risks being 50% of the Marine Cargo Premium income 100% of the Marine Hull Premium Income of the year	110,429,217	15,355,849	125,785,066	112,483,462
	336,474,082	37,973,443	374,447,525	374,934,022

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

PREVIOUS PAGE CONTENTS NEXT PAGE

MARINE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	CARGO	HULL	2016	2015
Balance of Account at the beginning of the year :				
Reserve for unexpired risk	93,747,025	18,736,437	112,483,462	146,790,411
Premium Less : Re-Insurance	220,858,434	15,355,849	236,214,283	206,230,487
Commission on Re-Insurance Ceded	21,868,623	3,881,157	25,749,780	21,913,124
	336,474,082	37,973,443	374,447,525	374,934,022

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

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(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	MOTOR	MISC.	2016	2015
Claims under policies				
Less : Re-insurance: paid during the year	46,803,417	10,634,245	57,437,662	48,020,900
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7,450,000	23,033,823	30,483,823	14,525,733
	54,253,417	33,668,068	87,921,485	62,546,633
Less : Outstanding claims at the end of the previous year	2,765,000	11,760,733	14,525,733	29,229,234
	51,488,417	21,907,335	73,395,752	33,317,399
Expenses of management	44,079,396	21,148,826	65,228,222	78,050,709
Commission	31,095,804	12,327,103	43,422,907	40,425,232
Profit & Loss Account	79,609,671	14,376,571	93,986,242	76,832,176
Balance of account at the end of the year as shown in Balance Sheet : Reserve for unexpired risks being 50% of the motor and misc. premium income of the year	106,010,854	31,643,437	137,654,291	134,026,494
	312,284,141	101,403,272	413,687,413	362,652,010

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Dated, Dhaka, 20th April,2017

PREVIOUS PAGE CONTENTS NEXT PAGE

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	MOTOR	MISC.	2016	2015
	Amount in BDT	Amount in BDT	Amount in BDT	Amount in BDT
Balance of account at the beginning of the year : Reserve for unexpired risks	100,262,434	33,764,080	134,026,514	91,065,210
Premium less : Re-insurance	212,021,707	63,286,874	275,308,581	268,053,529
Commission on Re-insurance ceded (including profit commission)	-	4,352,318	4,352,318	3,533,271
	312,284,141	101,403,272	413,687,413	362,652,010

approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

PRAGATI INSURANCE LIMITED

Statement of Changes of Shareholders Equity

FOR THE YEAR ENDED 31 DECEMBER 2016.

Particulars	Share capital	Reserve for exceptional losses	Contingency Reserve for Insurance Gurantees	Revaluation Reserve	General reserve	Profit & loss appropriation	Total equity
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1 January 2016	556,003,390	710,186,306	105,869,651	1,412,133,735	7,433,920	48,410,000	2,840,037,002
Dividend paid (Stock)	-	-	-	-	-		-
Dividend paid (Cash)					(7,190,342)	(48,410,000)	(55,600,342)
Transferred to Reserve for exceptional losses	-	47,889,287	-		-	-	47,889,287
Transferred to Revaluation reserve	-	-	-		-		-
Transferred to profit & loss appropriation account	-	-	-	-	-	84,483,260	84,483,260
Balance at 31 December 2016	556,003,390	758,075,593	105,869,651	1,412,133,735	243,578	84,483,260	2,916,809,207

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

Dated, Dhaka, 20th April,2017

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

ATMARSTOCK

STATEMENT CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Particulars	2016	2015
A.	**Cash Flow from operating Activities**		
	Collection from Premium & Other income	1,591,314,924	1,589,768,074
	Less: Payment for Expenses of Management, Re-insurance, Claim and Commission etc.	1,569,060,433	1,562,687,401
	Less:Tax paid/or deducted	17,681,187	15,822,665
	Net Cash Flow From Operating Activities	**4,573,304**	**11,258,008**
B.	**Cash Flow from Investing Activities**		
	Interest & other Income	36,542,551	36,347,808
	Dividend Income	27,582,677	22,832,158
	Rental Income	51,286,635	55,466,370
	Purchase of Fixed Assets	(4,125,593)	(2,646,341)
	Land & Building	(15,031,195)	(15,280,283)
	Net Fund adjustment with Brokers house	(66,299,341)	32,556,721
	Net Cash Flow From Investting Activities	29,955,734	129,276,433
C.	**Cash Flow from Financing Activities**		
	Increase/Decreased of bank Overdraft	(8,900,889)	(31,225,386)
	Dividend Paid	(55,600,339)	(55,600,339)
	Net Cash Flow From Financing Activities	(64,501,228)	(86,825,725)
	Increase/Decrease in Cash Flow(A+B+C)	(29,972,190)	53,708,716
	Opening Cash In hand & At Banks	582,355,779	528,647,063
	Closing Cash In hand & At Banks	552,383,589	582,355,779
	Net operating cash flow per share	0.08	0.20

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

Dated, Dhaka, 20th April,2017

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

PRAGATI INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016.

1.0 Background

The Company was incorporated as a public company on 27 January 1986 and obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies, Bangladesh with effect from30 January 1986. The Company is listed with both Dhaka Stock Exchange and Chittagong Stock Exchange Limited as a Public Limited Company. The primary objectives of the company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

2.0 Basis of presenting accounts and significant accounting policies

2.1 Basis of presenting accounts

These accounts have been prepared under Generally Accepted Accounting Principles (GAAP) on historical cost convention. These statements are also prepared in accordance with applicable Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh and where relevant with presentational requirement of the law.

The Balance Sheet has been prepared in accordance with the regulations contained in Part I of the First Schedule and as per Form "A" as set forth in Part II of that Schedule and the 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 Insurance Act 2010 as amended.

2.2 Significant accounting policies

a) Premium Income:

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation and General Insurance Corporation of India (GIC), the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the Company and while preparing the final accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting profit for the year.

b) Interest on Statutory and other Investments :

The interest received during the year from banks on STD account and FDR Accounts has been duly credited to the Statement of Comprehensive Account.

c) Gain and Loss on Shares and Debentures

Gain and loss on sale of shares and dividend income earned during the year have been shown in the Statement of Comprehensive Account and the tax relief as well as the concession on the rate of tax as availed under the existing income tax law, have been given effect in the accounts.

d) Management Expenses

Management expenses as charged to Revenue Accounts amounting to Tk.309,511,810 represents approximately 20.06% of gross premium of Tk.1,542,602,305.The expenses have been apportioned @ 43.85% to Fire,34.24% to Marine and 21.91% to miscellaneous business as per Management decision.

e) Provision for Unexpired Risks

Before arriving at the surplus of each class of business necessary provision for unexpired risks have been created at the rate of 50% on all business except on Marine Hull business for which the provision was made @ 100% of the total premium for the year 2016.

f) Reserve for Exceptional Loss

Reserve for Exceptional Losses as appropriated out of current year's profit before tax provision amounts to Tk.47,889,287 being 7.50% of the net premium earned during the year.

g) Depreciation on Fixed Assets

Depreciation on Fixed Assets has been charged on cost for full year as per Straight Line Method at the following rates:

Category of Assets	Rate of Depreciation
Furniture	10%
Fixtures	15%
Motor Vehicles	20%
Office & Electrical Equipment	15%
Miscellaneous Items	20%

h) Use of Estimate

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

i) Operation

During the year under audit, the gross premium earned by the company amounted to Tk.1,542,602,305 including public sector business of Tk.42,456,495. After ceding for re-insurance premium the net premium for the year amount to Tk.638,523,882 and after charging direct expenses therefrom the net Underwriting profit stood at Tk.93,663,781 as against Tk. 23,633,676 of previous year.

j) Public Sector Business

Public Sector Business up to June 2016 has been accounted for on the basis of statement received from Sadharan Bima Corporation.

k) Taxation

Provision for income tax has been made @40% as per Finance Act 2016 of the profit made by the company considering taxable add-back of income and disallowance of expenditure.

l) Tax Assessment Position

Management has filed appeals with the Hon'ble High Court Division of Supreme court against the order of Tax Appellate Tribunal for the assessment year 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011 and 2012-2013.Tax authority filed appeal to the High Court against Tribunal order for assessment year 2011-2012. The department has filed Appeal for the assessment order 2013-2014 and 2014-2015 and Tribunal given the order in favour of NBR. Now the company prepares to go to the High Court. Assessment against the income year 2014(Assessment year 2015-2016) is now pending with the DCT.

m)Foreign currency transaction

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective date of such transaction as per BAS-21.

n) Basic Earnings per Share

This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the year as per BAS-33.

o) Employees' Benefit Scheme:

Pragati Insurance Ltd. provided employees' benefit as per BAS-19 as under :

1. **Gratuity Fund :**

   The company has a funded Gratuity scheme for all eligible employees who completed minimum 5 years of confirmed service with the company. The scheme is approved by the National Board of Revenue (NBR) and administrated by an independent Board of Trustee.

2. **Contributed Provident Fund :**

   The company has a contributed provident Fund for its regular employees. The fund is approved by Commissioner of Taxes.

3. **Other Benefit's :**

   In addition to above, the company provides other benefits to its employees like group insurance scheme, Incentive bonus, House building loan etc.

4. **Workers profit participation fund(WPPF):**

   The board refers the matter of provision for Workers Profit Participation Fund (WPPF) and like to clarify as per provision of para (A to G) section 233 of Bangladesh Labour Amendments Act 2013, functions of Non-Life Insurance companies are not similar to the functions of Industrial relating workers' as mention in the aforesaid section.

   Therefore, provision for Workers Profit Participation and Welfare Fund (WPPF) is not applicable for the company. It may be mentioned here that Pragati Insurance Ltd. has been maintaining a recognized Employees Provident fund, Gratuity Scheme, Group Insurance Scheme (GIS), performance bonus as per provision of BAS-19.

p) Related parties' disclosure

Pragati Insurance in normal course of business, carried out a number of transactions with other entities that fall within the definition of related parties contained in Bangladesh Accounting Standard 24: Related Parties Disclosers. All transactions involving related parties arising the normal course of business and on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details transactions with related parties and balances with them as at December 31,2016 were as follows:

Name of the Client	Relationship	Nature of Business	Net Premium income 2016	Premium Outstanding upto 31-12-2016	Amount Realized Subsequently	Claim Paid-2016
W & W Grains Corporation	Common Director	Insurance	1,53,767	Nil	Nil	11,615
Multimode Group	Common Director	Insurance	17,397,561	Nil	Nil	2,007,496
Abdul Monem Ltd.	Common Director	Insurance	41,403,039	Nil	Nil	2,219,168
KDS Group	Common Director	Insurance	57,378,617	Nil	Nil	653,000
McDonaid Group	Common Director	Insurance	663,693	Nil	Nil	-
Prostar Group	Common Director	Insurance	1,970,539	Nil	Nil	1,495,659
Armana Group	Common Director	Insurance	27,937,618	Nil	Nil	774,353
Chowdhury Group	Common Director	Insurance	3,036,711	Nil	Nil	-
Concord Pragatee Consortium	Common Director	Insurance	1,767,809	Nil	Nil	343,500
Total			**153,114,354**			**7,504,791**

q) Others

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

3. Valuation of Assets

The value of all assets at 31 December 2016 as shown in the Balance Sheet and in the Classified Summary of Assets on Form 'AA' annexed have been reviewed and the said assets have been set forth in the Balance Sheet at amounts at their respective book values which in the aggregate do not exceed their aggregate market value.

		2016	2015
4	**Share capital**		
	Authorized:		
	200,000,000 ordinary shares of Tk 10 each	2,000,000,000	2,000,000,000
	Issued, subscribed and paid up:		
	55,600,339 ordinary Shares of Tk 10 each Fully	556,003,390	556,003,390
	6,100,000 Ordinary shares of Tk.10 each Fully paid up in cash	61,000,000	61,000,000
	1,220,000 Ordinary shares of Tk.10 each Fully paid up as bonus share(20%) alloted in 1997	12,200,000	12,200,000
	2,196,000 Ordinary shares of Tk.10 each Fully paid up as bonus share(30%) alloted in 2002(out of general reserve as at 31st december 2001)	21,960,000	21,960,000
	2,379,000 Ordinary shares of Tk.10 each Fully paid up as bonus share(25%) alloted in 2003(out of general reserve as at 31st december 2002)	23,790,000	23,790,000
	3,211,650 Ordinary shares of Tk.10 each Fully paid up as bonus share(27%) alloted in 2004(out of Share Premium)	32,116,500	32,116,500
	3,776,650 Ordinary shares of Tk.10 each Fully paid up as bonus share(25%) alloted in 2005(out of Share Premium)	37,766,500	37,766,500
	2,832,500 Ordinary shares of Tk.10 each Fully paid up as bonus share(15%) alloted in 2006(out of Share Premium & General reserve)	28,325,000	28,325,000
	3,257,370 Ordinary shares of Tk.10 each Fully paid up as bonus share(15%) alloted in 2007(out of Share Premium & General reserve)	32,573,700	32,573,700
	8,740,600 Ordinary shares of Tk.10 each Fully paid up as bonus share(35%) alloted in 2008(out of net Profit)	87,406,000	87,406,000
	5,057,060 Ordinary shares of Tk.10 each Fully paid up as bonus share(15%) alloted in 2008(out of net Profit)	50,570,600	50,570,600
	38,770,830 ordinary Shares of Tk 10 each Fully Paid up bonus share (10%) alloted in 2009 (Out of General Reserve and Dividend Equalisation Reserve)	38,770,700	38,770,700
	42,647,900 ordinary Shares of Tk 10 each Fully Paid up bonus share (5%) alloted in 2010 (Out of Net Profit)	21,323,950	21,323,950
	4,478,0295 ordinary Shares of Tk 10 each Fully Paid up bonus share (10%) alloted in 2011 (Out of Net Profit & General Reserve)	44,780,350	44,780,350
	3,694,374 ordinary shares of Tk.10 each fully paid up bonus share(7.5%) alloted in 2012 (out of Net profit & General reserve)	36,943,740	36,943,740
	2,647,635 ordinary shares of Tk.10 each fully paid up bonus share(5%) alloted in 2013 (out of Net profit & General reserve)	26,476,350	26,476,350
		556,003,390	556,003,390

		2016	2015
5	**Reserve for Exceptional Losses TK: 758,075,593**		
	Opening balance	710,186,306	661,582,269
	Add: Addition during the year	47,889,287	48,604,037
		758,075,593	710,186,306
6	**Contingency Reserve for Insurance Gurantees & tail ended Insurance Business Tk.105,869,651**		
	Reserve for unexpired Guarantees	87,080,441	87,080,441
	Reserve against Tailended insurance businees	18,789,210	18,789,210
		105,869,651	105,869,651
7	**Revaluation Reserve TK:1,412,133,735**		
	Opening balance	1,412,133,735	1,412,133,735
		1,412,133,735	1,412,133,735
8	**General Reserve TK: 243,578**		
	Opening balance	7,433,917	9,734,259
	Less: Dividend paid	7,190,339	2,300,339
		243,578	7,433,920
9	**Balance of Profit & Loss Appropriation Account TK: 84,483,260**		
	Underwriting Profit as per revenue Account	93,663,781	23,633,676
	Interest Income & Dividend	63,536,152	58,318,646
	Other Income(Including gain/ (loss) on Sale of Share	56,882,868	71,569,165
		214,082,801	153,521,487
	Less:Expenses of Management (Not related to any fund or account)	27,815,952	31,810,277
	Net profit for the year	186,266,849	121,711,210
	less :Reserve for Exceptional losses (7.50% of Net Premium) Tax free	47,889,287	48,604,037
		138,377,562	73,107,173
	Add:Surplus Brought forward:	5,698	8,526
		138,383,260	73,115,699
	Less: Distribution		
	Tax provission	53,900,000	24,700,000
	Surplus Carried forward	84,483,260	48,415,699
10	**Premium deposits**	16,878,346	54,578,387

Balance on this account represents premium received against cover notes which were not converted into policy within 31 December 2016 because of the period of nine months from the dates of issue of cover notes had not elapsed.

11	**Estimated liability in respect of outstanding claims whether due or intimated TK.77,856,514**		
	Fire	42,162,276	91,780,374
	Marine	5,210,415	12,158,222
	Motor	7,450,000	2,765,000
	Miscellaneous	23,033,823	11,760,733
		77,856,514	118,464,329

All the claims of which the management is aware of as per intimation up to the year-end have been taken into consideration.

		2016	2015
12	**Amounts due to other persons or bodies carrying on insurance business TK: 56,455,685**		
	The following to the the balance payable under co-insurance scheme for payament to other insurance companies and other parties..		
	Co-insurers	10,199,886	9,083,110
	Payable to other Parties	46,255,799	77,820,224
		56,455,685	86,903,334
13	**Loan from Bank for office Building (Secured) TK: 198,032,083**		
13.1	**Sonali Bank TK.15,1593,831**		
	Opening Balance	142,389,795	166,645,108
	Loan Taken during the year	119,449,294	154,331,461
	Interest charged during the year	16,518,750	15,858,114
		278,357,839	336,834,683
	Less. Re-payment during the year	126,764,008	194,444,888
		151,593,831	142,389,795
13.2	**IFIC Bank TK.46,438,252**		
	Opening Balance	64,543,177	71,513,250
	Loan Taken during the year	133,020,394	50,000,000
	Interest charged during the year	5,737,304	7,447,814
		203,300,875	128,961,064
	Less. Re-payment during the year	156,862,623	64,417,887
		46,438,252	64,543,177
14	**Sundry creditors (including provision for expenses and taxes) TK.84,145,921**		
	Payable against expenses	26,957,402	27,324,002
	Provident fund deduction	2,142,116	2,158,943
	Provident fund Loan	501,661	768,808
	Income tax deduction(14.1)	221,612	1,821,612
	Received against security	2,608,160	5,448,620
	Tax deduction against Bill	186,154	297,713
	VAT deduction against Bill	214,371	429,282
	Un-paid dividend (14.2)	17,574,172	14,441,176
	Vat payable (14.3)	9,402,742	11,722,615
	Hospitalization Insurance Claim	634,136	494,915
	Advance Rent Received	23,703,396	14,851,842
		84,145,921	79,759,528

14.01 Income Tax deduction TK: 221,612

Income Tax deduction at source amounting to Tk.221,612 including income tax deduction from salary during the year which has been deposited into Bangladesh Bank subsequently.

14.02 Unpaid Dividend TK.17,574,172

This represent the balance of unpaid dividend from year to year TK.17,574,172

		2016	2015

14.03 VAT Payable TK.9,402,742

VAT payable as Tk.9,402,742 represent the VAT for the month of December 2016 which has been deposited into Bangladesh Bank subsequently.

15 Provision for Income Tax Tk.359,254,453

The amount includes Tk. 53,900,000 being Income tax provision made for the accounting year ended on 31 December, 2016(Assesment Year 2017-2018) in accordance with the best estimate of the management on lump sum basis but without considering the admissible and inadmissible expenses

Opening Balance	305,354,453	280,654,453
Add. Provision made during the year	53,900,000	24,700,000
	359,254,453	305,354,453

	Amount
Profit Shown as per Statement of Comprehensive Income	186,266,848
Less: Reserve for exceptional losses	47,889,287
Taxable income	138,377,561
Less: Capital Gain on sale of shares for separate tax	5,007,157
Business Income	133,370,404
Tax on Above @ 40%	53,348,162
Add. Tax on capital gain at 10%	500,715
Provision comes to Taka	53,848,877
Say, Provision made during The year	53,900,000

16	**Provision for Deferred Tax**	17,340,000	17,340,000

17 Bangladesh Government Treasury Bond TK.25,086,755

The amnount represents 5 years Bangladesh Government Treasury Bond (BGTB) with a face value of TK.25,086,755 held with Bangladesh Bank as statutory Deposit under Insurance Act ,2010.

18 Shares and Debentures TK. 382,581,265

Shares (18.1)	378,081,265	380,311,033
Debentures (18.2)	4,500,000	4,500,000
	382,581,265	384,811,033

18.1 Break up of Shares and Debentures for 2016	At cost	Market Value
Bank Asia Ltd.	7,427,606	6,439,131
BD Submarine Cable Ltd.	5,451,712	3,359,345
DBH Ltd.	2,801,907	2,682,750
Delta Life Insurance Ltd.	11,646,457	6,109,539
Delta Speiner Ltd	1,994,000	1,090,000
Dhaka Bank Ltd	3,189,642	2,582,361
Eastland Insurance Ltd.	662,355	391,267
Envoy Textile Ltd.	1,263,854	879,208
Fortune Shoes Ltd.	11,455	58,115
Family Tex Ltd.	1,747,020	646,800
Golden Son Ltd.	8,176,875	4,171,125

	At cost	Market Value
Grameenphone Ltd.	17,722,500	14,205,000
Hiedelbergh Cement Ltd.	1,106,911	1,104,600
Hwa Well Textiles Bd Ltd	1,024,400	838,000
ICB	14,403,214	9,208,540
ILFSL	2,746,590	966,114
Jamuna Bank Ltd	5,854,408	4,857,809
Kay & Que. Ltd.	4,605,738	2,879,250
Lafarge Surma Cement Ltd	5,898,999	4,105,000
Lankabangla Finance Ltd	3,120,532	2,561,106
Mercantile Bank Ltd	2,480,613	1,932,060
Monno Fabrics Ltd.	27,125	271,250
National Bank Ltd.	33,207,777	12,041,885
NCC Bank Ltd	13,831,418	9,402,296
Olympic Ltd.	9,341,114	9,254,550
One Bank Ltd.	2,372,186	2,285,267
Padma Oil Ltd.	1,476,840	1,015,247
Phoenix Finance Ltd.	1,763,640	1,205,120
Prime Bank Ltd	1,719,168	934,560
Saiham Cotton Mills Ltd	2,332,883	1,324,400
Southeast Bank Ltd	5,153,487	4,020,257
Square Pharma Ltd.	3,388,509	3,503,592
Unique Hotel & Resort Ltd.	6,829,807	3,476,550
United Power Ltd.	222,872	191,160
National Housing Finance & Investment Ltd	49,953,134	261,382,680
	234,956,748	381,375,935
Changes in fair value of the shares available for sale		
Fair Value of the Investment	381,376,195	
Fair value reserve as at December 31,2016	(234,956,749)	
	146,419,446	
Non- Tradable		
Central Depository BD. Ltd	3,138,890	3,138,890
Ind. & Infrastructure Dev. Finance Co.	31,183,820	31,183,820
Jamuna Resort Ltd.	43,900,895	43,900,895
United Hospital Ltd.	54,337,500	54,337,500
Non- Tradable	132,561,105	132,561,105
Total	367,517,853	513,937,040
Brokerage Balance	10,563,412	10,563,412
	378,081,265	524,500,452

The company has made investment in capital market in a large port-folio and income generated from investment (realized gain and dividend received) is credited to Statement of Comprehansive Income. Unrealized capital gain if any is transferred to investment Fluctuation Fund subsiquently. Investment in shares that do not have any quoted market price in the active market and whose fair value can not be measured reliably, where recognised at cost.

		2016	2015
18.2	Debentures		
	Bangladesh Luggage Industries Ltd	4,500,000	4,500,000
		4,500,000	4,500,000
19	**Amount due from other persons or bodies carrying on insurance business Tk.467,397,010**		
	Co-Insurance premiun receivable	22,763,974	42,511,052
	Co-Insurance claim receivable	16,601,015	16,499,240
	Refund Co-Insurance premiun receivable	3,865,537	3,865,537
	Sadharan Bima Corporation	259,251,388	313,801,096
	Overseas re-insurer	164,915,096	95,914,150
		467,397,010	472,591,075
20	**Interest, Dividend & Rent Outstanding Tk 576,426**		
	Dividend (20.1)	51,426	51,426
	Debenture Interest (20.2)	525,000	525,000
		576,426	576,426
20.01	**Dividend**		
	Metro Spinning	510	510
	Beximco Fisheries	50,916	50,916
		51,426	51,426
20.02	**Debenture Interest**		
	Bangladesh Luggage Industries Ltd	525,000	525,000
		525,000	525,000
21	**Sundry Debtors (including advances, deposits and prepayments and others) TK:82,489,826**		
	Advance against Salary	2,930,773	2,210,526
	Advance against Rent	6,105,088	6,781,220
	Advance against Expenses	9,236,286	2,128,887
	House Building Loan	3,389,433	4,614,369
	Jamuna Resort Ltd.	12,223,656	8,074,851
	Security Deposit	1,825,905	1,752,705
	Group Insurance	1,457,591	128,703
	Advance against Insurance Management Software	15,060,700	14,583,200
	GA Adjuster receivable	30,260,394	-
		82,489,826	40,274,461
22	**Advance Payments of Tax Tk.253,548,640**		
	Opening balance	235,867,453	220,044,788
	Add: Advance Tax paid/Deduction at source during the year (22.1)	17,681,187	15,822,665
		253,548,640	235,867,453

		2016	2015
22.01	**Advance Tax paid/Deduction at source during the year**		
	Deduction At Source from FDR Interest	3,310,302	3,635,478
	Deduction At Source from STD Interest	370,543	300,679
	Deduction At Source from Dividend Income	5,210,700	4,397,254
	Deduction At Source from office Rent	2,698,854	2,935,262
	Tax against Motor Maintanance	90,787	16,087
	Advance Paid	6,000,000	4,537,905
		17,681,187	15,822,665
23	**Cash and bank balances Tk. 552,383,589**		
	In hand		
	Cash (Ho.Branch & Transit)	9,532,378	10,413,741
	Stamps	418,696	824,600
		9,951,074	11,238,341
	At banks		
	Fixed deposits (FDR)	425,246,850	451,196,850
	Short term deposit (STD)& Current accounts	117,185,665	119,920,588
		542,432,515	571,117,438
		552,383,589	582,355,779
24	**Land : TK.887,115,023**		
	Opening balance	887,050,023	887,050,023
	Add.: Sundry cost	65,000	-
		887,115,023	887,050,023
25	**Holiday Homes**	4,130,090	4,130,090
		4,130,090	4,130,090
26	**Fixed Asset ; TK. 83,056,547**		
	Cost	221,317,854	219,662,261
	Less: Accumulated depreciation	138,261,307	130,496,746
		83,056,547	89,165,515
27	**Office Building : TK. 1,283,666,113**		
	Head Office Building is yet to be registered in the name of the Company and hence no depriciation Charged so far expect electrical equipment.		
	Opening Balance	1,269,634,138	1,256,153,855
	Add: Interest on Sonali Bank SOD-32008293	16,459,492	15,837,800
	Add.Other expenses	130,000	200,000.00
		1,286,223,630	1,272,191,655
	Less: Depreciation	2,557,517	2,557,517
	Closing Balance	1,283,666,113	1,269,634,138

		2016	2015
28	**Panthapath building : TK. 30,660,452**		
	Two Storied Commercial Building under construction at panthapath land		
	Opening Balance	29,726,232	27,226,232
	Add: Rate, legal & other expenses.	934,220	2,500,000
		30,660,452	29,726,232
29	**Interest and dividend income: TK.63,536,152**		
	Interest on:		
	Fixed deposit receipts (FDR)	38,214,785	39,171,578
	Short term deposit (STD) accounts	3,004,178	2,750,234
	House Building Loan Interest	471,816	1,029,812
		41,690,779	42,951,624
	Less: Overdraft interest	5,737,304	7,465,136
		35,953,475	35,486,488
	Dividend received during the year	27,582,677	22,832,158
		63,536,152	58,318,646
30	**Other income : TK.56,882,868**		
	Profit on sale of Investment	5,007,157	15,241,475
	Building Rent	51,286,635	55,466,370
	Sundry Income	589,076	861,320
		56,882,868	71,569,165

31 Registration Renewal Fee : TK. 6,088,333

The balance represents the amount deposited to Bangladesh Bank against renewal of registration for carrying on fire, marine and miscellanaous insurance business as per Section- 3A of Insurance Act-2010. Such expense amounts to Tk. 6,088,333.

32	**Audit fees TK. 456,375**		
	Statutory audit fee (Including Vat)	456,375	287,500
		456,375	287,500
33	**Net Asset Value**		
	(Total Asset-Current Liabilities)	3,063,228,653	2,882,701,287
	Number of Share	55,600,339	55,600,339
	Net Asset Value	55.09	51.85
	Total Asset-Current Liabilities	3,063,228,652	2,882,701,287
	Total Assets	4,200,131,492	4,065,177,742
	Current Liabilites	1,136,902,840	1,182,476,454.82
	Fire Insurance Business	63,500,481	66,633,476
	Marine Insurance Business	125,785,066	112,483,462
	Misc. Insurance Business	137,654,291	134,026,514
	Premium Deposit	16,878,346	54,578,387
	Estimated liabilites in respect of outstanding Claims whether due or intimated	77,856,514	118,464,329

	2016	2015
Amount due to other persons or bodies for carrying on insurance business	56,455,685	86,903,334
Loan from Bank	198,032,083	206,932,972
Sundry creditors	84,145,921	79,759,528
Provision for Income Tax	359,254,453	305,354,453
Provision for Deferred Tax	17,340,000	17,340,000

34 Earning Per Share

Profit after Tax	132,366,849	97,011,210
Number of Share	55,600,339	55,600,339
Basic Earning Per Share	2.38	1.74

35 Number of Employees

The number of permanent employees of the company drawing salaries below and above TK.3000 P.M is as under

a) Salaries drawing above TK.3000
b) Salaries drawing Below TK.3000

36 Payments/ perquisites/ to Directors/Officers during the year

Directors' Fees	1,443,402
MD's Salary & Emoluments	3,600,000
Officers Salary	183,866,279
Meeting Fees	739,248

37 Post Balance Sheet Events

There was no significant event that has occurred betwen the balance sheet date and the date when the Financial Statements are authorized for issue by the Board of Directors of Pragati Insurance Ltd in its 253rd meeting held 20th April ,2017 other than the fact that it has recommended Cash Dividend @ 10% and Stock Dividend @ 5% out of surplus subject to approval of shareholders in the 31st Annual General Meeting.

The annexed notes from 1 to 37 form an integral part of these financial statements. These financial statements were approved by the Board of Directors on 20th April, 2017 and were signed on its behalf

Md. Manirul Islam	**Santosh Sharma**	**Engr. Mohammed A. Malek**	**Syed M. Altaf Hussain**
Managing Director	Director	Director	Chairman

Subject to our separate report of even date

Dated, Dhaka, 20th April,2017

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

Fixed Assets

(at cost less accumulated depreciation)

	Particulars	Cost				Rate	Depreciation				WDV as at 31 December 2016	WDV as at 31 December 2015
		Opening balance	Additions during the year	Disposal during the year	Closing balance		Opening balance	Charged during the year	Disposal	Closing balance		
1	FURNITURE & FIXTURE	31,691,457	42,624		31,734,081	10%	28,089,366	616,835		28,706,201	3,027,880	3,602,091
2	FIXTURE (PLASTIC SIGN)	1,980,128	10,000		1,990,128	15%	1,867,392	93,225		1,960,617	29,511	112,736
3	MOTOR VEHICLE	99,294,798	2,225,973	2,470,000	99,050,771	20%	49,925,016	1,585,043	2,470,000	49,040,059	50,010,712	49,369,784
4	ELECTRICAL EQUIPMENT	60,605,792	1,846,996		62,452,788	15%	39,302,950	5,898,531		45,201,481	17,251,307	21,302,842
5	OFFICE EQUIPMENT	3,182,220			3,182,220	15%	3,077,580	104,640		3,182,220	-	104,640
6	CURTAIN & CARPETS	679,018			679,018	20%	679,018			679,018	-	-
7	BI-CYCLE	23,175			23,175	20%	23,175			23,175	-	-
8	TELEPHONE(INTERCOM)	492,093			492,093	20%	442,261	49,832		492,093	-	49,832
9	OFFICE DECORATION	21,713,580			21,713,580	10%	7,089,990	1,886,453		8,976,443	12,737,137	14,623,590
	TOTAL : TAKA	**219,662,261**	**4,125,593**	**2,470,000**	**221,317,854**		**130,496,748**	**10,234,559**	**2,470,000**	**138,261,307**	**83,056,547**	**89,165,515**
	Building:											
	ELECTRICAL EQUIPMENT	**25,575,170**			**25,575,170**	10%	**8,695,619**	**2,557,517**		**11,253,136**	**14,322,034**	**16,879,551**
	TOTAL : TAKA	**245,237,431**	**4,125,593**	**2,470,000**	**246,893,024**		**139,192,367**	**12,792,076**	**2,470,000**	**149,514,443**	**97,378,581**	**106,045,066**

PREVIOUS PAGE CONTENTS NEXT PAGE

DREAMSTOCK

FORM 'AA'

CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER 2016

	2016	2015
3 - Year National Investment Bond	25,086,755	25,086,755
Shares - at cost	378,081,265	380,311,033
Debenture(At Cost)	4,500,000	4,500,000
Fixed deposit, STD and current A/C with Banks	542,432,515	571,117,438
Cash in hand and Stamp in hand	9,951,074	11,238,341
Amount due from other persons or bodies carrying on insurance business	613,816,456	472,591,075
Accrued interest	576,426	576,426
Debtors (including advances, deposits and prepayments)	82,489,826	40,274,461
Stock of Printing material	1,020,310	1,250,171
Land	887,115,023	887,050,023
Holiday homes	4,130,090	4,130,090
Fixed Asset	83,056,547	89,165,515
Building	1,314,326,565	1,299,360,370
	3,946,582,852	3,786,651,697

Md. Manirul Islam
Managing Director

Santosh Sharma
Director

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

Subject to our separate report of even date

Dated, Dhaka, 20th April,2017

(Mahfel Huq & Co.)
CHARTERED ACCOUNTANTS

REVENUE ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER 2016

Summarized position of net underwriting profit earned during the year 2016 is as follows

Particular	FIRE	MARINE	MOTOR & MISC	2016	2015
Premium Income					
A) Gross Premium	676,449,777	528,110,773	338,041,755	1,542,602,305	1,512,629,291
B) Re-insurance premium	549,448,813	291,896,436	62,733,228	904,078,477	905,078,824
C) Net Premium (A-B)	127,000,964	236,214,337	275,308,527	638,523,828	607,550,467
Direct Expenses					
D) Commission (Net of Re-insurance Accepted and Ceded)	56,871,288	48,892,451	39,070,589	144,834,328	133,333,155
E) Claim Settled & provide	(26,683,793)	30,005,565	73,395,752	76,717,524	92,597,124
F) Management Expenses	138,900,043	105,383,545	65,228,222	309,511,810	325,963,439
G) Allocation Of Management Expenses	43.85%	34.24%	21.91%	100%	100%
H) Total Direct Expenses (D+E+F)	169,087,538	184,281,561	177,694,563	531,063,662	551,893,718
I) Adjustment Fund Balance for Un-expired risk (Opening Balance Less closing Balance)	3,132,995	(13,301,604)	(3,627,776)	(13,796,386)	(32,023,073)
Net Underwriting Profit (C-H+I)	(38,953,579)	38,631,172	93,986,188	93,663,781	23,633,676
Commission(Net)					
Commission paid on Direct Business	95,025,261	74,642,231	43,422,907	213,090,399	218,886,294
Commission paid on Re-insurance Accepted	95,025,261	74,642,231	43,422,907	213,090,399	218,886,294
Less: Commission earned on re-insurance ceded	38,153,973	25,749,780	4,352,318	68,256,071	85,553,139
Net Commission	56,871,288	48,892,451	39,070,589	144,834,328	133,333,155
Claim Settled					
Gross Claim	390,193,569	136,358,634	76,135,384	602,687,587	395,142,282
less. Salvage received	-	-	-	-	-
	390,193,569	136,358,634	76,135,384	602,687,587	395,142,282
Less : Re-insurance claim Recovery	367,259,264	99,405,262	18,697,722	485,362,248	291,716,849
Paid During The Year	22,934,305	36,953,372	57,437,662	117,325,339	103,425,433
Add: Outstanding Claim at the end of the year whether due or Intemated(Company's Share)	42,162,276	5,210,415	30,483,823	77,856,514	118,464,329
	65,096,581	42,163,787	87,921,485	195,181,853	221,889,762
Less: Outstanding claim at the end of the previous Year	91,780,374	12,158,222	14,525,733	118,464,329	129,292,638
Net Claim	(26,683,793)	30,005,565	73,395,752	76,717,524	92,597,124

Directors' Certificate

As per regulations contained in the first schedule of the Insurance Act, 2010 as amended and as per section 40 of the said Act we certify that :-

The value of investment in shares and debentures have been taken at cost and the quoted value thereof mentioned wherever available.

The value of all assets as shown in the Balance Sheet and as classified on Form AA annexed have been duly reviewed as at 31st December, 2016 and in our belief, the said assets have been set forth in the Balance Sheet at amount not exceeding their realisable or market value under the several headings as enumerated in the annexed form.

All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Profit & Loss Account.

Md. Manirul Islam
Managing Director

Shantosh Sharma
Director

Engr. Mohammed A. Malek
Director

Syed M. Altaf Hussain
Chairman

List of Branches

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.		
Dhaka Division					
1	**Elephant Road Branch** 299, Elephant Road, Pearsons Tower, Dhaka-1205	Sharif Mustaba Deputy Managing Director	Mob Tel Fax E-mail	: : : :	01819238198 9661349 58616023 er@pragatiinsurance.com
2	**Biman Bhaban Branch** Ali Bhaban (4th Floor) 9, Rajuk Avenue,Motijheel C/A, Dhaka-1000.	S.M.B.Shameem Assistan Managing Director	Mob Tel Fax E-mail	: : : :	01730441936 /01911351699 9570424,9573465,9587652 9571870 biman@pragatiinsurance.com
3	**Malibagh Branch,** Manhattan Tower, 83, Siddeswari, Circular Road, Malibagh, Dhaka-1217.	Md.Golam Faruque Assistant Managing Director	Mob Tel Fax E-mail	: : : :	01711566735 8321844 9351265 malibagh@pragatiinsurance.com
4	**Motijheel Branch,** Sena Kalyan Bhaban (13th Floor), 195,Motijheel C/A Dhaka.	Ali Fathker (Kallol) Assistant Managing Director	Mob Tel Fax E-mail	: : : :	01713002412 9556415 /47115066 9556415 motijheel@pragatiinsurance.com
5	**Gulshan Branch,** House No.55, Road No.17, Kamal Ataturk Avenue, Banani C/A, Dhaka-1213.	Bahauddin Ahmed Sr. Executive Vice President	Mob Tel Fax E-mail	: : : :	01711696341 9886151 9886151 gulshan@pragatiinsurance.com
6	**Savar Branch,** 'Hashem Plaza', 1st Floor, DEPZ Gate, Ganak Bari, Savar, Dhaka.	Abdus Salam Executive Vice President	Mob Tel Fax E-mail	: : : :	01775538552 7790262 7790262 savar@pragatiinsurance.com
7	**Sadarghat Branch,** 32/Ka, Johnson Road, Dhalikhal, Dhaka.	Ahmed Faruk Executive Vice President	Mob Tel Fax E-mail 	: : : : 	01911389736 7113066 9583619 sb@pragatiinsurance.com faruk@ pragatiinsurance.com
8	**Uttara Branch,** House # 18 (4th Floor), Sonargaon Janapath, Sector # 9, Uttara, Model Town, Dhaka-1230	Md. Abu Sarwar Hossain Executive Vice President	Mob Tel Fax E-mail	: : : :	01711901553,01554344748 7913729,7914137 7914137 uttara@pragatiinsurance.com

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.		
9	Bangabandhu Avenue Branch, 13,B.B. Avenue(3rd Floor), Dhaka.	Delwar Hossain Senior Vice President	Mob Tel Fax E-mail	: : : :	01911344900 9566389,9557772 9566911 bangabandhu@pragatiinsurance.com
10	Dilkusha Branch, 76, Dilkusha C/A, (1st Floor) Dhaka.	Humayun Kabir Majumder Senior Vice President	Mob Tel Fax E-mail	: : : :	01712296516 9567861 9551685 dilkusha@pragatiinsurance.com
11	Imamgonj Branch, 31, Mitford Road, Imamgonj, Dhaka.	Syed Saidul Islam Senior Vice President	Mob Tel Fax E-mail	: : : :	01552382814,01766146660 57319818 7319818 imamgonj@pragatiinsurance.com
12	Tejgaon Branch, Pragati Insurance Bhaban (7th Floor), 20-21, Kawran Bazar, Dhaka-1215.	Abdul Alim Khan Vice President	Mob Tel Fax E-mail	: : : :	01711696343 8130173 9117671 tejgaon@pragatiinsurance.com
13	Tongi Branch, Jalil Market (2nd Floor), Tongi,Gazipur.	Ekramul Hoque Vice President	Mob Tel E-mail	: : :	01842838694 / 01715100924 9812888 tongi@pragatiinsurance.com
14	VIP Road Branch, 69/1, Purana Paltan Lane, Oriental Trade Centre, (3rd Floor) Dhaka-1000.	ASM Emdadul Hoque. Vice President	Mob Tel Fax E-mail 	: : : : :	01711155185 8321796,9341840 8316354 vip@pragatiinsurance.com asm.emdadulhaque@pragatiinsurance.com
15	Hatkhola Branch, Mamun Plaza(2ndFloor), 31,Shahid Nazrul Islam Sarak, Dhaka-1203.	Md. Abdul Mottaleb Vice President	Mob Tel Fax E-mail	: : : :	01819458976 9559410 9560214 hatkhola@pragatiinsurance.com
16	Mirpur Branch, Alam Plaza(2nd Floor), House No.127, Senpara Parbata, Begum Rokeya Sharani, Mirpur-10,Dhaka-1216.	Md. Razzaqul Haider Chowdhury Deputy Vice President	Mob Tel Fax E-mail	: : : :	01711841175 9026587 9026587 mirpur@pragatiinsurance.com
17	Narsingdi Branch, Bhuiyan Market, (Bajeen More) Sadar Road, Narsingdi-1600.	Md.Jasim Uddin Bhuiyan Senior Manager	Mob Tel Fax E-mail	: : : :	01817404102 9463009 9463009 narsingdi@pragatiinsurance.com
18	Faridpur Branch, 169, Mujib Sarak, Faridpur.	Khandoker Zakir Hossain Assistant Vice President	Mob Tel Fax E-mail	: : : :	01715477641 063162691 063162848 faridpur@pragatiinsurance.com

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.		
19	Pragati Sharani Branch, S.M. Bhaban (1st Floor) Cha-75/C, Pragati Sharani, North Badda, Dhaka-1212	Md. Ruhul Amin Manager	Mob Tel Fax E-mail	: : : :	01552322986,01730710566 9861745 8826805 ps@pragatiinsurance.com
20	Narayanganj Branch, 150, B.B. Sarak Jibon Bima Bhabon, Narayanganj-1400	Md. Abdul Wadud Manager	Mob Tel Fax E-mail	: : : :	01711561368 7633646 7633646 narayangonj@pragatiinsurance.com
21	Mymensingh Branch, 10, Durgabari Road(1st Floor), Mymensingh-2200.	Md. Ashraful Hoque Deputy Manager	Mob Tel Fax E-mail	: : : :	01712721794 091-64062 091-64062 mymensingh@pragatiinsurance.com
Chittagong Division					
22	Agrabad Branch, Ayub Trade Center(5th Floor), 1269/B, Sheikh Mujib Road, Agrabad C/A, Chittagong.	M. A. Hassan Deputy Managing Director	Mob Tel Fax E-mail 	: : : : :	01711749274 713227-8 031-2511948 agrabadbranch@pragatiinsurance.com hassan@pragatiinsurance.com
23	Jubilee Road Branch, EPIC Ittehad Point (5th Floor) 618,Nur Ahmed Sarak, Chittagong.	Md.Nazrul Islam Deputy Managing Director	Mob Tel Fax E-mail	: : : :	01711749273 031-617844/616847 031-616022 jr@pragatiinsurance.com
24	Corporate Branch Suraiya Mansion (5th Floor), 30, Agrabad C/A, Chittagong.	Md. Abul Basher Manager & Incharge(c.c.)	Mob Tel Fax E-mail	: : : :	01711797755 2510032,2510494 031-716922 zonal@pragatiinsurance.com
25	Khatunganj Branch, 305, Khatunganj C/A , Chittagong.	Ashis Kumar Barua Vice President	Mob Tel Fax E-mail	: : : :	01819320520 031-637051 031-636121 khatungonj@pragatiinsurance.com
26	Feni Branch Sultan Mansion (2nd Floor), Trunk Road, Feni.	Azizul Hoque Senior Vice President	Mob Tel Fax E-mail	: : : :	01554633257,01819638626 033-74313 0331-74313 feni@pragatiinsurance.com
27	Comilla Branch, Comilla Co-operative Super Market, (2nd Floor), Kandirpar, Main Road, Comilla.	Md. Zahangir Hossain Manager	Mob Tel Fax E-mail	: : : :	01817092502 081-76977 081-76977 comilla@pragatiinsurance.com

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.		
28	Chowmuhani Branch, Golam Rahman Miar Building, 4th Floor, Feni Road, Chowmuhani.	Md. Belayet Hossain Deputy Vice President	Mob Tel Fax E-mail	: : : :	01716390848 0321-52030 0321-53040 chowmuhani@pragatiinsurance.com
29	Chandpur Branch, Aslam Mansion, (2nd Floor), J.M.Shengupta Road, Chandpur-3600.	Nemai Chandra Paul Manager	Mob Tel Fax E-mail	: : : :	01715044556 0841-63290 0841-63290 chandpur@pragatiinsurance.com
30	Cox's Bazar Branch, Ahmadia Mansion, Purba Bazar Ghata, Main Road, Cox's Bazar.	Jaber Hossain Deputy Manager	Mob Tel Fax E-mail	: : : :	01818449970 0341-64101 0341-64101 cb@pragatiinsurance.com
Rajshahi Division					
31	Bogra Branch, Thana Road, Bogra	Md.Habibur Rahman Deputy Manager	Mob Tel Fax E-mail	: : : :	01712196500 051-66189 051-66189 bogra@pragatiinsurance.com
32	Rajshahi Branch, Razia Tower 78/2 Mia Para (Gonokpara), Shaheb Bazar, Rajshahi.	Monowar Ahmed Deputy Vice President	Mob Tel Fax E-mail	: : : :	01710968633 721-775926 721-775926 rajshahi@pragatiinsurance.com
33	Pabna Branch, Maspo Sultana Center(4th Floor), Panch-Mathar More Ataikula Road, Pabna Town Pabna.	A.H.M.Raihan Manager	Mob Tel Fax E-mail	: : : :	01712021653 0731-66541 0731-66541 pabna@pragatiinsurance.com
34	Dinajpur Branch, Northern Plaza (2nd Floor), Holding No.74/69, Dinajpur Town, Dinajpur.	Farid Hossain Sarker Senior Manager	Mob Tel Fax E-mail	: : : :	01712138134 0531-51105 0531-51105 dinajpur@pragatiinsurance.com
35	Natore Branch, Kanai Khali, Dhaka Road, Natore.	Pritosh Kumar Guha Branch In-charge	Mob Tel Fax E-mail	: : : :	01718484412 0771-66761 natore@pragatiinsurance.com
36	Rangpur Branch Baitus Syed Super Market, Central Road, Rangpur.	A.A.Salimur Reza Talukder Assistant Manager	Mob Tel Fax E-mail	: : : :	01819688697 0521-62933 0521-62933 rangpur@pragatiinsurance.com

Sl. No.	Branch Offices	Branch Incharge Name & Designation	Contact No.		
Khulna Division					
37	Khulna Branch, G. M. Baksh Tower 22, Sir Iqbal Road, Khulna.	Md. Kazi Golam Haider (Dab-lu) Executive Vice President	Mob Tel Fax E-mail	: : : :	01711574966, 01868615512 041-720056, 723724 041-720056 khulna@pragatiinsurance.com
38	Jessore Branch, "Jess Tower" (2nd Floor), M. K. Road, Jessore	G.M.Saidur Rahman Vice President	Mob Tel Fax E-mail	: : : :	01711350349 0421-68896 0421-68896 jessore@pragatiinsurance.com
39	Kushtia Branch, Lovely Tower(5th Floor), 55/1, Sirajuddowla Road, Kushtia-7000.	Md.Abdus Sattar Deputy Vice President	Mob Tel Fax E-mail	: : : :	01712023445 071-62223 071-62223 kushtia@pragatiinsurance.com
Barisal Division					
40	Barisal Branch, Sazrini Super Market(3rd Floor) East Bogra Road, Barisal.	Amjad Hussain Talukder Deputy Vice President	Mob Tel Fax E-mail	: : : :	01711185353 0431-64286 0431-64286 barisal@pragatiinsurance.com
Sylhet Division					
41	Sylhet Branch, Laldighir Par, Sylhet.	Debasish Kumar Sinha Deputy Manager	Mob Tel Fax E-mail	: : : :	01723679315 0821-715008 0821-715008 sylhet@pragatiinsurance.com

Glimpses of 30th AGM







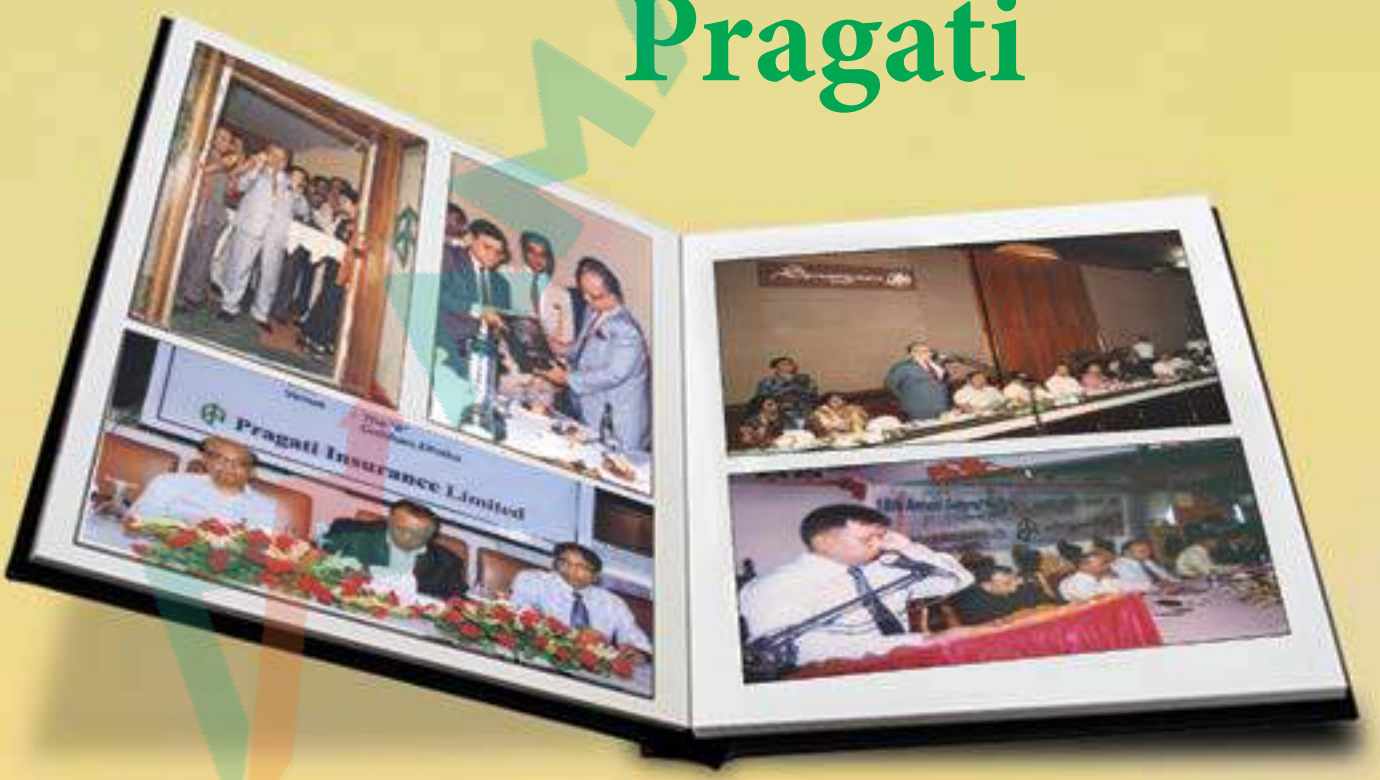








Golden MEMORIES of Pragati



MFSTOCK



Photo shows former Vice President of People's Republic of Bangladesh Justice AKM Nurul Islam offering a munajat after inauguration of Head Office of the company on 30th March, 1986.



A view of Branch Managers Conference 2012-2013. Photo shows extreme from left Director Mr. Nasir Latif, Chairman Mr. Abdul Awal Mintoo and Managing Director Mr. Md. Manirul Islam.



Former Vice President of the People's Republic of Bangladesh, Justice AKM Nurul Islam addressing at the Dinner program in Sonargaon Hotel, Dhaka on the occasion of inaugural ceremony of Head Office of PIL.



Mr. Mohammed A. Awwal, Director of the Company handing over a Crest to Chief Guest Justice AKM Nurul Islam. Former Managing Director AKM Rafiqul Islam is also seen in the Picture.



Photo shows guests taking their dinner at the 20th year Celebration Program at BICC.



A view of the participants at the 20th year Celebration Program at BICC. Standing for left Mr. AKM Shamsuddin, Independent Director, PIL, Prominent Journalist Mr. Ershad Majumdar, former Chairman National Life Insurance, Mr. Haider Chowdhury, Past Chairman of PIL Mr. Abdul Monem, Past Chairman of NBL Mr. Mahbubur Rahman, Past Chairman of PIL Al-haj Khalilur Rahman, former Managing Director of AKM Rafiqul Islam and Director Mr. Syedur Rahman Mintoo.



Al-haj Khalilur Rahman Chairman of the Company presiding over the 18th Annual General Meeting of Pragati Insurance Ltd held on 10th June, 2004.



Mr. Abdul Awal Mintoo Chairman of the Company delivering his speech at the 26th Annual General Meeting of Pragati Insurance Ltd. held on 31st May, 2012.



Mr. Salim Reza, a Shareholder delivering his speech at the 18th Annual General Meeting held on 10th June, 2004.



A claim payment cheque for TK. 3,63,00,000/=(Three crore & sixty three lac only) handed over to Mr. Hashim Reza, General Manager of Bata Shoe Co.(BD) Ltd by Mr. Md. Manirul Islam, Managing Director &CEO of the Company due to devastating fire occurred on 21st August, 2016 at Bata Shoe Store of Bashundhara Shopping Mall, Dhaka.

Our Achievements



Mr. Jalalul Azim, Former Managing Director of Pragati Insurance Ltd. receiving International ARCH of Europe Award in Germany- 2012.



Mr. Abdul Awal Mintoo, Chairman of Pragati Insurance Ltd. receiving The World Quality Commitment Award, Paris – 2008. Mr. AKM Rafiqul Islam, Former Managing Director of Pragati Insurance Ltd is also seen in the picture.



Al-haj Khalilur Rahman, Chairman of Pragati Insurance Ltd receiving International Star Award, Geneva – 2007. Mr. AKM Rafiqul Islam, Former Managing Director of Pragati Insurance Ltd. is also seen in the picture.



Pragati Insurance Ltd achieved Certificate of Best Accounts & Reports – 2002 awarded by ICAB.



Pragati Insurance Ltd achieved ICAB National Award - 2003, the Best Published Accounts & Reports.

Images of Board/Committee Meetings



Syed M. Altaf Hussain Chairman of the Company presiding over the 247 Board Meeting held on 27th October 2016 at the Board Room of the Head Office. Photo shows Past Chairman Mr. Abdul Awal Mintoo, Mr. Khalilur Rahman and Directors Mr. S.R. Mintoo, Mr. AKM Shamsuddin, Mr. Nasir Latif and Mr. Tabith M. Awal at the meeting



Syed M. Altaf Hussain Chairman of the Company presiding over the 250 Board Meeting held on 26th January 2017 at the Board Room of the Head Office. Photo shows Past Chairman Mr. Abdul Awal Mintoo, Mr. Khalilur Rahman, ice Chairman K.M. Ameer and Directors Mr. Nasir Latif, Mr. Yunnus Chowdhury, Mr. Mushfiqur Rahman and Independent Director Mr. Santosh Sharma at the meeting



Mr. Santosh Sharma, Independent Director & Chairman of the meeting Presiding over the Directors Audit Committee meeting at the Board Room of Head Office on 20th April 2017



Syed M. Altaf Hussain, Chairman of the Company Presiding over the 253rd Board Meeting at the Board Room of the Head Office held on 20th April 2017. Photo shows Past Chairman Mr. Abdul Awal Mintoo, Mr. M. A. Awwal, Vice Chairman K.M. Ameer and Directors ANM.... Alhaj Yunus Chowdhury and Independent Director Mr. Santosh Sharma



Syed M. Altaf Hussain Chairman of the Company presiding over the 246th meeting of the Board of Directors at the Board Room of the Head Office held on 27th September 2016. Photo shows Past Chairman Mr. Abdul Awal Mintoo, Mr. M. A. Awal and Directors Mr. S.R. Mintoo, Mr. Nasir Latif, Mr. M.A. Malek and Indepentent Director Mr. Santosh Sharma at the meeting

Pragati Annual Picnic























Notes

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AMAR STOCK

PRAGATI INSURANCE LTD.

Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

PROXY FORM

I / We .....

of .....

being a member of Pragati Insurance Ltd. and entitled to vote, hereby appoint Mr./Mrs./Miss.....of ..... another member of the Company as my/our Proxy to attend and vote for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on the 14th June, 2017 at any adjournment there of.

Signed this ..... day of 2017

....

Signature of the Shareholder (s) Signature of the Proxy

No. of Shares held :.....

Folio No./Bo. No.																
Folio No./Bo. No.																

N.B : A member entitled to attend and vote at the meeting may appoint another member his/her proxy to attend and vote on his/her behalf.

A Proxy must be a member of the Company

Form of Proxy, duly stamped and signed must be deposited at the Company's Registered Office not later than 48 hours befor time appointed for the meeting. In default, forms of proxy will not be treated as valid.

Revenue Stamp Taka 10.00

Signature Verified

.....

Authorised Signature

PRAGATI INSURANCE LTD.

Pragati Insurance Bhaban, 20-21, Kawran Bazar, Dhaka-1215, Bangladesh

ATTENDANCE SLIP

I hereby record my attendance at the 31st Annual General Meeting of Pragati Insurance Limited on the 14th June, 2017 at 10.30 a.m. at BIAM Foundation at 63, New Eskaton, Dhaka-1000.

Name of Member/ Proxy ..... Signature Verified

Signature of the Proxy																

Mobile No. .....

Authorised Signature of the Company

N. B. : Please complete the attendance slip and hand it over at the entrance of the meeting hall.

AMRSTOCK

PRAGATI STOCK


PRAGATI INSURANCE BHABAN



Pragati Insurance Limited



www.pragatiinsurance.com