

20
YEARS
IN BUSINESS

ANNAUL
REPORT
2019



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড
ASIA PACIFIC GENERAL INSURANCE COMPANY LTD.

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LETTER OF TRANSMITTAL

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

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

Dear Sir (s),

We are pleased to forward herewith a copy of Annual Report of Asia Pacific General Insurance Company Limited along with the Auditors Report & Audited Financial Statements and Balance Sheet as on December 31, 2019 depicting the Financial position, Income Statement, Statement of Changes in Shareholder' Equity and Statement of Cash Flow for the year ended December 31, 2019 and Notes thereon for your kind information and record.

Thanking you with best regards.

Yours Sincerely



Md. Shariful Islam Chowdhury
Company Secretary

NOTICE OF THE 20TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 20th Annual General Meeting (AGM) of the Asia Pacific General Insurance Company Limited for the year 2019 will be held virtually by using Digital Platform through the link <http://www.apgicl.com/20thagm> on Thursday, the 20th August, 2020 at 11.00 A.M to transact the following business:

AGENDA:

1. To receive, consider and adopt the Directors' Report and Audited Financial Statements of the Company for the year ended December 31, 2019 and Auditors' Report thereon.
2. To adopt & declare Dividend for the year 2019 as recommended by the Board of Directors.
3. To elect/re-elect Directors as per provision of Articles of Association of the Company.
4. To appoint Statutory Auditors for the year 2020 and fix-up their remuneration.
5. To appoint Compliance Auditor for the year 2020.

All the honorable Shareholders of the Company are therefore requested to please make it convenient to join the meeting.

By the order of the Board of Directors

Date: 06 August, 2020


Md. Shariful Islam Chowdhury
Company Secretary

Notes:

1. The Record was fixed for 27th July, 2020. The Shareholders whose names appeared in the CDS/Register of members of the Company on the record date shall be entitled to the dividend and participate the AGM.
2. Shareholder (s) entitled to participate and vote at this virtual AGM may appoint proxy to participate and vote. The Proxy Form, duly filled, signed and stamped at BDT 20 must be sent through email to share@apgicl.com not later than 48 hours before commencement of the AGM.
3. Annual Report – 2019 along with Attendance Slip and Proxy Form and notice of the AGM are being sent to all the members by Courier service / post / Email address available as per CDBL record. Members may also collect Annual Report, proxy form from the Share Department of the Company situated at Head Office, Homestead Gulshan Link Tower (6th Floor), ta-99, Gulshan Badda Link Road, Middle, Badda, Dhaka or from the website of the Company, i.e. www.apgicl.com
4. The shareholders will join the virtual AGM through the link <http://www.apgicl.com/20thagm>. The shareholders will be able to submit their questions / comments electronically before 24 hours of commencement of the AGM through this link and during the Annual General Meeting. In order to login for the virtual AGM, the shareholders need to click on the link and provide their 16 digit Beneficiary Owners (BO) account Number / Folio Number
5. Shareholders are requested to login to the system well ahead of the meeting at appointed time for the AGM on Thursday, 20th August, 2020. For any IT related guidance and help with the login process the respected members may contact at **01914397616 & 01675598906**.

FORWARD LOOKING STATEMENT

Asia Pacific General Insurance Co. Ltd. has been focusing on future-proofing the business with ambitious plans to grow in new and existing markets via a measured profitable growth strategy. We have several initiatives in place as part of this strategic plan which will continue to lay down the tracks for future success that is consistent with our philosophy of prudent underwriting and continued profitability. The company has enhanced its capacity with required changes to bring about a stable, sound underwriting policy that exercises due care when providing insurance service to customers.

- The company will look for success by entering new business area through analyzing market challenges and risk based pricing.
- In 2020, we would put high emphasis on the Marine and Motor insurance business to achieve a fragmented portfolio to diversify risk and high yield.
- With the objective of optimizing the Company's profitability, we would look forward to more diversified sources of business. The cost of fund is also anticipated to come down with the diversification of the Company's business portfolio.
- We would be upgrading our internal control by analyzing, evaluating existing systems and tools. This will increase operational efficiency, reduce lead time and speed up customer service.
- We believe product diversification is the key to achieving customer satisfaction by meeting the tailor made needs of customers. Innovation would be a continuously sought out strategy in the foreseeable future.
- In 2020, more emphasis will be given to running the branches more independently so that we can deliver the finest customer service. Branch will be the main focal point and one stop service delivery center for business acquisitions, development and for providing customer service and maintaining relationship with all parties.
- Cost control will be one of the top strategies for 2020. We would take initiatives to reduce cost to income ratio as minimum as possible.
- Continuous monitoring will be done to comply regulator's rules and guidelines at every level of the Company. Initiatives will be taken to increase operational skill of the employee to perform efficiently and effectively.
- We will maintain strict compliance and good governance in norms and regulations to ensure long term sustainability of the Company and putting priority on quality and prompt customer services with a view to grow together with our stakeholders.



Vision

To become an insurer of prime choice & trust in Bangladesh with the reputation of secured & Professionalized insurance services to the clients & stakeholders.

MISSION

- To ensure steady growth of the Company.
- To provide qualitative insurance service with maximum security and risk management solutions to the Insured/ Clients.
- To provide maximum return to the Shareholders.
- To become an organization of job satisfaction to the Employees.
- To invest in professional education & training for the development of human resources and corporate culture of Insurance sector.
- To serve the nation through active participation in the development of economy.



QUALITY POLICY

The Company providing quality Non-Life Insurance services to its clients. We continuously strive to be the preferred choice among our customer by providing ;

Comprehensive product lines and competitive rates.

Fast issuance and delivery of Cover notes and Policies.

Prompt and fair settlement of Claims.

Competitive compensation.

Having a highly motivated, competent and professional human resource is the core of our business.

CORE VALUES & PRINCIPLES

Integrity

We are devoted and sincere in everything we do. We are committed to prove ethical standard and fair activities remains at every level of our Company.

Trust

We work diligently to build a deeper level of Trust with our Clients & Stakeholders by providing value added services.

Transparency

We are focused on the highest level of transparency. We exhibit timely accurate information about Company's performance and financial results to meet the Stakeholders' expectation.

Team Work

We believe that highly qualified and motivated professionals' team work in an entrepreneurial environment, results in achieving vision & mission of goal. As such APGICL bound by Teamwork environment.

Excellence

We aspire to achieve excellence in all that we do. We deliver what we commit and add value that goes beyond expectation. We pursue continued growth and strive to achieve the highest level of performance endeavors.

Corporate Governance

We are committed to implement good Corporate Governance practice to provide best services & relationship with the stakeholders, clients, employees, Management and the Board of Directors of the Company as well as to achieve the goal of the Company.

Resilience

We welcome challenging services to show strength of ability, even the jobs are high risk oriented. We see risk & difficulty as an opportunity to demonstrate our ability.



COMPANY PROFILE

Asia Pacific General Insurance Company Limited is one of the third generation private sector's Non-Life Insurance Company in Bangladesh and was established & incorporated as a Public Limited Company on November 17, 1999. The Company obtains registration from Insurance Development and regulatory Authority (Former Chief Controller of Insurance) on May 4, 2000 and started business operation in the middle of 2000 A.D. with a view to provide maximum security at a minimum cost and prompt settlement of claims to its Clients.

Mr. AHM Mustafa Kamal, FCA, MP, the Founder Chairman formed the Company along with some other distinguished entrepreneurs with a paid up capital of Tk. 7.5 crore. **Mr. AHM Mustafa Kamal, FCA, MP** acted as the Chairman of the Company from 2000 to 2010 and thereafter, **Mr. Aftab ul Islam, FCA** a renowned business personality was unanimously elected as the Chairman and leading the Company till to date. The Board of Directors of the Company consists of 17 (seventeen) renowned member with profound knowledge on industrial, financial and operational area. The members of the Board of Directors of the Company hold very respectable positions in the society. They are highly successful businessmen and industrialists in Bangladesh. Each Member of the Board plays a significant role in the socio-economic arena of the Country.

The current authorized capital of the Company is Tk. 1000 million with paid up capital of Tk. 423 million. The Company open branches in almost all the renowned business centers in Dhaka city and other districts of the

Country. The Company has current network of 16 Branches at different locations of the Country to provide prompt services to wider group of clientele to their best satisfaction.

Asia Pacific General Insurance has a financial rating of AA (Very Strong) issued by Alpha Credit Rating Agency after a thorough quantitative and qualitative review of the Company, taking into consideration Financial performance, Balance Sheet strength as well as Underwriting and Claims philosophies. The Company offers all conventional general insurance products along with innovative products in the field of Fire Insurance, Marine Insurance, Motor Insurance and Miscellaneous Insurance.

The Company has extensive Re-insurance treaty agreement up to any amount with Shadharan Bima Corporation (SBC) through surplus, CAT XL and facultative Re-insurance treaty. Under these treaty the Company are in position to underwrite any amount of business with confidence to meet the various needs of its valued Clients.

Settlement of Claims is the prime object of the Company. Prompt settlement of claims is avowed motto under which the Company became a symbol of trust and security through efficient and dedicated services to its insured and stakeholders. Normally the Company settles claims within a shortest possible time subject to receive of required documents and assessment from the surveyors.

Registered Name of the Company

Asia Pacific General Insurance Company Limited

Legal Form

A Non-Life Insurance Company incorporated on 17/11/1999 as a Public Limited Company under Companies Act, 1994 and Insurance Act, 1938 subsequent amendment in 2010.

Registered Office

Homestead Gulshan Link Tower (6th Floor), Ta – 99, Gulshan Badda Link Road
Middle Badda, Dhaka – 1212, Phone : +88-0966-771771, Fax : +88-02-8834170
Web : www.apgicl.com, E-mail : apgic@bdcom.com

Nature of Business

All kinds of Non-life Insurance Business

Certificate of Incorporation

C-39092(1050)/99, dated November 17, 1999

Certificate for Commencement of Business

J.S.C – 35, dated November 17, 1999

Certificate of Registration of Insurance Development & Regulatory Authority

CR -12/2000, dated May 4th 2000 (Department of Insurance)

Public Issue	: August 25, 2005
Listed with Dhaka Stock Exchange	: January 08, 2006
Listed with Chittagong Stock Exchange	: October 10, 2005
Stock Market Category	: “A”

Capital as on December 31, 2019

Authorized Capital	BDT 100,00,00,000/- (100 Crore) Face value per share : BDT 10/-
Paid-up Capital	BDT 42,35,00,000/- (42.35 Crore) Face value per share : BDT 10/-

Ownership Structure as on December 31, 2019

Composition	Status	
	Number of Shares	% of total Shares
Sponsors and Directors	1,81,38,400	42.82
General Public	1,14,21,900	26.98
Institutions	1,27,89,700	30.20
Total	4,23,50,000	100.00

Tax Payer’s Identification Number (TIN)	: 720880658798
VAT Registration Number	: 18141144272
Auditor	: Malek Siddiqui Wali & Co. Chartered Accountants
Credit Rating Agency	: Alpha Credit Rating Agency
Rating Rational	: “AA“ (double A) for long term “ST -1” for short term

CREDIT RATING REPORT

RATING RATIONAL :

Asia Pacific General Insurance Company Ltd. has been rated by Alpha Credit Rating Limited (Alpha Rating) on the basis of Audited Financial Statement for the year ended December 31, 2019. The summary of year wise rating position is presented below :

Date of Declaration	Date of Validity	Long Term	Short Term	Out Look
July 11, 2019	10 July, 2020	AA	ST-1	Stable
May 23, 2018	May 22, 2019	AA	ST-1	Stable
May 22, 2017	May 21, 2018	AA-	ST-1	Stable

Long Term "AA" means :

The Company rated as "AA" (pronounced double A) in the long-term which indicates very strong financial capacity to pay claims & long term obligation.

Short Term "ST-1" means :

The Company rated as "ST-1" in the short term which means to strong capacity to meet up short term obligation in a timely manner.

The stable outlook assessed by AlphaRating reflects that, upside and down side risks to the rating are currently well balanced.

STRENGTHS & CHALLENGES :

Strengths :

- ❖ Experienced management personnel.
- ❖ Strong marketing and distribution network.
- ❖ Diversified Investment portfolio.
- ❖ Improving underwriting performance.
- ❖ Increased profitability.
- ❖ High solvency margin.

Challenges :

- ❖ High management expense.
- ❖ Small market share.
- ❖ Exposed to capital market Investment risk.
- ❖ Strong market competition.
- ❖ Compliance of regulatory rules and Insurance Act.



APGICL'S – PRODUCTS & SERVICES

Asia Pacific General Insurance Company Ltd. is among the country's private sector general insurance companies

Steered by our customer-centric approach, we provide prudent risk management solutions across a wide range of business lines in a fair, fast and friendly manner. Our relentless focus on meeting customer expectations are manifested through our disciplined approach to innovation and nationally benchmarked service quality standards for our offerings. We drive excellence in products and services, bolstered by a robust technology infrastructure which is continually being enhanced to ensure the best in terms of customer experience.

Our dedicated team of employees play an instrumental role in the successful delivery of our customer-centric goals. Putting the needs of customers first to ensure consistency and quality in each interaction, our talent base has secured their trust and confidence.

An unwavering commitment to the values of integrity and transparency across the entire lifecycle of a customer relationship - from the policy advice stage to renewals and claims - underpins all our transactions.


The Company offers a diversified portfolio of products & services which includes :





Fire Insurance (including Allied Perils), Industrial All Risks Insurance, Business Interruption Insurance, Power Plant Operational Package Insurance, Household All Risks Insurance.




All types of Marine Cargo Insurance
All types of Marine Hull Insurance




Automobile Comprehensive Insurance
Automobile Act Liability Insurance.




Machinery Break Down (MBD), Deterioration of Stock Insurance (DOS), Boiler & Pressure Vessel Insurance (BPV), Electronic Equipment Insurance (EEI), Erection All Risks Insurance (EAR), Contractor's All Risks Insurance (CAR), Lift, Escalator and Hoisting Equipment Insurance, Aviation Insurance.



Burglary and Housebreaking Insurance, Money Insurance (for Bank), Cash-in-Transit Insurance, Cash-in-Safe Insurance Cash-on-Counter Insurance, Fidelity Guarantee Insurance.



Business and Holiday (B & H)
Employment and Study (E&S)
Hajj and Umrah Travel Insurance



Personal Accident Insurance, Peoples Personal Accident Insurance, Workmen's Compensation Insurance, Nibedita (for Women),



Public Liability Insurance
Product Liability Insurance

COMPANY BRANCHES

Gulshan Branch

Homestead Gulshan Link Tower
(8th Floor), Ta-99, Gulshan
Badda Link Road, Dhaka, Ph: 09666771771
Fax: 8834170

Motijheel Branch

Elite House(7th Floor), 54, Motijheel C/A,
Dhaka, Bangladesh
Phone : 02-9585661

B.B. Avenue Branch

Green White Bhaban(4th Floor),
28 B.B Avenue, Dhaka-1000
Phone : 02-9555338, Fax : 02-9558125

Nayapaltan Branch

Rokeya Manson (4th Floor)
36 Puranpaltan Lane, Nayapaltan
Dhaka-1000, Phone : 02-48321712

Uttara Branch

AB Super Market(5th Floor)
Plot # 60, Road#02, Suite # 03
Uttara C/A, Dhaka-1230, Phone: 02-48952471

Narayangonj Branch

Mid town Complex(1st Floor)
54 Bongobondhu Road, 2 No. Rail Gate
Narayangonj, Ph : 7630460, Fax : 7642747

Agrabad Branch

Noor Complex (4th Floor), 487/A,
Sheikh Mujib Road, Chowmuhuni, Chittagong
Tel : 0312523668, 718820, Fax: 031-2523667

Jubilee Road Branch

Room No. # 03, Kader Tower (4th Floor)
Jubilee Road, Chittagong
Ph: 031-2853310, Fax: 031-2853311

Comilla Branch

Noor Mansion (1st Floor)
53/56 Monohorpur, Comilla-3500
Ph: 081-73654, Fax: 081-73654

Khulna Branch

Mollick Shopping Complex (6th floor),
99 Khan-A-Sabur Road, Khulna-9100
Tel : 041-2830419, Fax: 041-721055

Jessore Branch

Ismail Bhaban (1st Floor)
1257 Moulana Mohd. Ali Road, Jessore-7400
Tel : 0421-71474, Fax: 0421-71475

Kushtia Branch

Room No. 04, Lovely Tower (7th floor),
55/1, N.S. Road, Kushtia-7000
Tel : 071-61479, Fax: 071-61479

Rangpur Branch

Motaher Commercial Complex,
Suit # 605 (5th Floor), G.L. Ray Road
Rangpur-5400
Cell : 01726 7239329, 01726 723932

Naogaon Branch

Torfdar Tower (3th Floor)
Old Bus Stand, Nagaon
Cell: 01719 612855

Rajshahi Branch

Shaheb Bazar , Moni Chottor,
Holding No # 218 (1st Floor) , Rajshahi
Cell: 01716 902026

Sylhet Branch

Manru Shopping City (3rd Floor)
Room # 405-406 , Chowhatta, Sylhet
Tel : 01715 262060



Head Office

Homestead Gulshan Link Tower (6th Floor) ,
TA-99, Gulshan-Badda Link Road, Dhaka-1212
Tel : 09666-771771, Fax : +88-02-8834170
E-mail: apgic@bdcom.com, Web: www.apgicl.com



**DIRECTOR'S
PROFILE**



Mr. Aftab ul Islam, FCA Chairman

Having 40 years of field experience in the private sector, Mr. Aftab ul Islam, graduated first in Commerce (B.Com) and then in Law (LLB). Later he went on Chartered Accountancy and is a fellow (FCA) of Institute of Chartered Accountants of Bangladesh (ICAB).

Mr. Islam began his career with U.S.A based multinational IT Company NCR Corporation and headed the organization for a number of years. In 1992, he launched his own business, **IOE (Bangladesh) Ltd.**

With his spectacular achievement in the IT and office automation business he was elected President of the **Bangladesh Computer Samity (Association)** (BCS) and he is still widely recognized at home and abroad for persuading the government towards using information technology for efficiency and competitiveness and making it duty free for its wider usage. He was instrumental and played the key role in setting up BCS Computer City at IDB Bhaban. He was elected President of the country's premier Chamber, **Dhaka Chamber of Commerce and Industry (DCCI)**, on the back of his positive contribution in the ICT sector.

In the year 2001, Mr. Islam was elected President to lead the prestigious forum of **AmCham (American Chamber of Commerce in Bangladesh)**, which works to promote trade and economic cooperation between US and Bangladesh. He was elected as Director **FBCCI (Federation of Bangladesh Chambers of Commerce and Industry)** for the period 2005- 2010 and again for the term 2017-2019. He was also appointed as the Chairperson of the **SME (Small and Medium Enterprise) Foundation** for two years in 2009.

Mr. Aftab ul Islam is currently an Independent Director of **British American Tobacco Bangladesh (BATB)**. Mr. Islam is continuing as member of the Board of Directors of **Bangladesh Bank** for the consecutive second term. He is a member of the executive committee of **International Chamber of Commerce in Bangladesh (ICC)**; a Director of **SMC and SMC Enterprise Limited** and **Surjer Hashi Network**, a USAID Project; a member of the Board of governors of **IBA, University of Dhaka**.

Mr. Islam is the chairman of **Asia Pacific General Insurance Company Ltd**; Principal Partner of **Islam Aftab Kamrul & Co.**, a leading Chartered Accounting firm. He was the founder Chairman of **BD Venture Ltd**, the first Venture Capital Company in Bangladesh; the Chairman of **ATAZ DocuNet**, a leading BPO service provider Company and Chairman of Impact PR, the first PR company in Bangladesh.

Mr. Aftab ul Islam, FCA has an **unblemished, clean tax and banking records.**

Mrs. Kashmiri Kamal Vice-Chairman

Mrs. Kashmiri Kamal did Graduation Degree with Honours and Post Graduation Degree in the discipline of Accounting. She has also completed the Article-ship of Chartered Accountants Course. She is actively involved in the day to day business operations of Lotus-Kamal Group (L.K Group). She is the Deputy Chairman of the LK Group & Director Operation of Gulshan Medicare and LK Unitex Co. Ltd.





Mr. Wahidul Haque Siddiqui

Director

Wahidul Haq Siddiqui an eminent and visionary entrepreneur of this country. A native of Chittagong and raised in Dhaka, Mr. Siddiqui is graduate from the University of Dhaka. He is involved with diverse range of industries like Ready Made Garments (RMG), Information and Communications Technology (ICT), Telecommunication and Financial sector.

Wahidul Haq Siddiqui started his entrepreneurial career in RMG sector. In a few years time he garnered ample of expertise and knowledge, and started manufacturing through several factories under Norban Group. Through his strategic leadership, he established Norban as one of the leading RMG conglomerates in Bangladesh. In late 90s, he took the initiative of launching one of the first Internet service provider (ISP) of this country 'BDCOM Online Ltd'. Under Mr. Siddiqui's well-steered direction, BDCOM won several accolades including the prestigious national award.

Mr. Siddiqui is also a sponsor director of 'Fiber@Home Ltd' one of the first private Nationwide Telecommunication Transmission Network (NTTN) company of Bangladesh. The company has built an infrastructure of underground optical fiber metro Ethernet network all over the country. He occupies a position in the board of Asia Pacific General Insurance Company Ltd, Fiber@Home Ltd, Bangladesh Technosity Ltd and several others ventures.

Wahidul Haq Siddiqui's resourceful mindset and goodwill is appreciated at Bangladesh and overseas. His significant presence across wide-range of industries reveals his knowledge and his enthusiasm for exploring new markets. His proactive approach in trade with global market has always been valued in the business community. Mr. Siddiqui is an active member of several clubs across the country. He has participated in several conferences on various economic and social issues at home and abroad.

Mr. Gazi A.Z.M Shamim

Director

Mr. Gazi A.Z.M. Shamim is a man of business personality and a well established industrialist of the Country. He obtained M.Com (Finance) Degree from the Dhaka University in the year of 1975. He started his business career in 1973 and established various business Enterprises, like- Orient Export Import Co. Ltd., Gazi Cement Mills Ltd., Frankenfood Corporation, Mirpur Glitters Factory etc. He is a life member of National Heart Foundation of Bangladesh, Dhaka University Alumni Association and Finance Alumni Association. He is also a member of FBCCI GB and Bangladesh Cold Storage association. He is the sponsor director of Asia Pacific General Insurance Company Ltd. and also a sponsor of Meghna Bank Ltd. He is closely associated with many social organizations and always come forward with helping hand to the distressed people.





Ms. Kashfi Kamal Director

Ms. Kashfi Kamal is the elder daughter of Mr. AHM Mustafa Kamal, FCA, MP., founder chairman of the company. She obtained MBA from USA. She is one of the Director of Lotus-Kamal (LK) Group. In this capacity she is actively involved in day to day business affairs of the LK Group. She is the sponsor director of Asia Pacific General Insurance Company Ltd.

Mr. Moynul Haque Siddiqui Director

An entrepreneur with a leading diversified investment portfolio, Mr. Moynul Haque Siddiqui has wonderful track record of establishing operational excellence, leadership and building performance driven culture, experienced in managing Telecommunication, IT and ITES infrastructure in home and abroad.

Being the founder of Fiber @ Home Limited a Nation-wide Telecom Transmission Company recently built Nation-wide Fiber Optic Cable Infrastructure up to Union level about forty thousand Kilometers of cable network in ready for the use of ICT and Telecom industry.

To promote the ICT industry as a whole, he is also developing the first High-tech Park (Bangabandhu Sheikh Mujib High-tech Park, Kaliakoir) in Bangladesh under a PPP contract with the ICT Ministry. To move forward with the Digital Bangladesh vision, he is developing a Tier-3 data Centre in Bangabandhu High-tech Park and another one in Jessore High-tech Park. In recognition of his innovative ideas, Mr. Siddiqui has been awarded in many local and international events.

Mr. Siddiqui was the Founder of BDCOM Online Limited (DSE Listing Number: 22643 & CSE: 24004). He is the Sponsor Director of Asia Pacific General Insurance Company Ltd. (DSE Listing Number: 25729).



Mr. Mohd. Shahjahan Miah Director

Mr. Mohd. Shahjahan Miah is a reputed business personality and an industrialist of the Country. He has started business career in 1985. By virtue of his hard working and devotion he become successful in business area within a short span of time. Mr. Shahjahan Miah established Samrat Group of Industries, a well-reputed group in Knit Garments Manufacturer & Exporter and amusement section in Bangladesh.

He has expanded business in different areas with at least 10 companies and Partnership Firm in the group named Anmona Fashions Ltd., Samrat & Company (Pvt.) Ltd., Shawon Textile Industries (Pvt.) Ltd., Samrat Garments Ltd., Samrat Yarn Dyeing Ltd., Via Media Business Service (Shamoli Shishumela, Amusement Park) and S.I Complex (Geet & Sangeet Cinema Hall), Anabil Tower, Gulshan-2, Dhaka. He is closely associated with many social organizations and always come forward with helping hand to the poor and needy people.





Mr. Md. Habib Ullah Babul Director

After obtaining his B.Sc (Hons.) from Dhaka University, he took technical training from overseas & gathered knowledge of working with various Multinational and local Companies.

Since his Inception into Business in 1988, he has established B.D. associates & Co. (engaged International Trading, Supply, Monitoring, & Turn-key projects for power & IT Sector etc.). Control Union BD Ltd. (An International reputed Pre-shipment Inspection Company), SKAL International (Bangladesh) - engaged in Export & Certifying Organic Product to Europe, USA and Canada. He is also technically experienced in Modern Traffic System, National ID Card, Passport Booklets for the citizen of the People's Republic of Bangladesh (already successfully complete product under DOIP of Ministry Home onward 2006 until 2012) and Telecommunication sector and collateral Management consultancy. Recently few more business entities where he is one of the Nominated Director in larger way such as Fiber@Home Ltd. (IT infrastructure under license of BTRC as NTTN Operator since 2009), M/S Fiber @ Home Global Ltd. (under BTRC license for ITC & IIG) and Bangladesh Technosity Ltd;. - under PPP model to build and develop first Hi-tech park at kaliakair under BHTPA (Bangladesh Hi-tech park authority) of Bangladesh.

With his amiable business personality he has earned names all over Bangladesh and Internationally. He is also member of Rate Payers Association of Dhanmondi, Dhanmondi Club Ltd (DCL), Uttara Club Ltd. (UCL) and Army Golf Club Ltd. (AGCL) in Dhaka, Bangladesh.

Mr. Golam Kabir Chowdhury Director

Mr Golam Kabir Chowdhury is a well reputed industrialist and business personality of the country. Upon completing his graduation from Dhaka College, he started his entrepreneurial career in the then nascent RMG industry of Bangladesh. He established Shamoli Garments Ltd and was an elected director of BGMEA for two terms. He has since expanded his company's portfolio and diversified into poultry, shipping and agricultural sectors. Currently he is the Managing Director of Shamoli Poultry Ltd, Shamoli Shipping Lines Ltd and Monohorkhadi Cold Storage Ltd. Apart from his business enterprises, he is actively involved in the promotion of various social endeavors. He is the Chairman of the Governing Body of Amirabad G.K. High School, Chandpur; Vice President of Shamoli Club Ltd and Vice President of Shamoli Shahi Mosque.





Mr. Abdul Haque Director

Mr. Abdul Haque, one of the most prominent business intellectuals of this era, showed persistence by working day and night and bringing his name to its present state. He is a farsighted thinker and one of the most significant business leaders in Bangladesh who has immense contribution in strengthening ties between Japan and Bangladesh. He is well-known for his dedication towards social development and his visionary economic thoughts for Bangladesh development. A brief position is outlined below,

Business

Managing Director: Hag's Bay Automobiles Ltd.
31 Inner Circular (VIP) Road, Naya Paltan, Dhaka

Proprietor: Hag's bay Service Centre (ISO accredited)
69/2, Nayapaltan, Dhaka

Proprietor: Hag's bay CNG Conversion Works
22/4, Kawran Bazar, Dhaka

Director: Asia Pacific General Insurance Company Limited
Ta-99, Gulshan Badda Link road, Dhaka-1212

State / Government body and international Organization

Honorary Consul: Consulate of the Republic of Djibouti in Bangladesh.

Director: Infrastructure Development Company Ltd. (A GoB owned Company)

Special Affairs, external affairs: Dhaka SH00-K00-KAI, Japanese Commerce & Industry Association in Dhaka

Commercially Important Person(CIP): Made by Government of Bangladesh

Former Director: Teletalk Bangladesh Limited (Mobile Company)

Former Advisory Board: Strategic Transport Plan for Dhaka (STP)

Former Board Member: Bangladesh Road Transport Authority (BRTA) GoB

Former Director: Janata Bank (State owned Commercial Bank)

Trade Body/ Chamber

Former President: Japan Bangladesh chamber of Commerce and Industry (JBCCI)

Former Director: FBCCI

Former Member: Executive Committee of SAARC Chamber

Former Chairman: Standing Committee relating to the Ministry of Finance (Internal Resource Division) of FBCCI.

Former Co-Chairman: Japan Bangladesh Committee of Commercial and Economic Co-operation

Former President Bangladesh recondition Vehicles Importers and exporters Association

Social Body

Chairman: Projukti Peeth (socio economic Dev. Centre), Barura Comilla.

Member of Foundation: Independent University Bangladesh (IUB)

Chairman of Foundation: Shaher Banu Ideal School & college, Falkumari, Barura, Comilla

Chairman: Munshi Jinnat Ali Welfare Trust, Barura Comilla. Director: Asia Pacific General Insurance Co. Ltd.



Mr. Moshuir Rahman Director

Mr. Moshuir Rahman was born in 1961, after graduation he had his credit training experience from Heidelberg, Germany on modern and economical working methods on advance printing technology. He successfully ran for many years Udayan Press Ltd. a family business enterprise. In 1989 he launched his own printing & packaging industry named Paragon Press Ltd. with high quality printing & packaging facility.

Moshuir Rahman also achieved tremendous growth in his vertically integrated poultry & feed business. He started agro farming in 1993. The farms producing day old chicks, animal & aqua feed, tea, PP woven bags etc.

Moshuir Rahman also sets up a plant to produce green power from waste and a joint venture with Dutch company a solar factory too, both the plant has started production in the middle of 2018.

Moshuir Rahman is the founder of Paragon Group which has 14 sister concern named-Paragon Poultry Ltd., Paragon Feed Ltd. , Paragon Agro Ltd. (Grand Parent Farm, Hazinagar Tea Estate, Rahmania tea estate, Paragon Fish Hatchery) , Paragon Plast Fiber Ltd. , Paragon Press Ltd. Parasol Energy Ltd. , Paragon Plastics Ltd. , Usha Poultry Ltd. , Rangpur Poultry Ltd. , Aqua Breeders Ltd. , Chittagong Chicks Ltd. , Chittagong Feed Ltd. , Jessore Feed Ltd. , Denm Poultry Complex (Pvt.) Ltd.

He is also the Director of Malek Spinning Ltd., Fatehbagh Tea Co. Ltd., Salek Textile Ltd., BD Venture Ltd., Asia Pacific Insurance Co. Ltd. and Wizard Sweater Ltd.

Mrs. Woahida Pervin (Happy) Director

Mrs. Woahida Pervin (Happy) is the wife of Mr. Mohd. Shahjahan Miah. She is the Chairman of Samrat Group of Industries a well reputed Knit Garments Manufacturer & exporter in Bangladesh and amusement section in Bangladesh.

Samrat Group expanded its business in different areas with at least 10 Companies & Partnership Firms, in the Group named Anmona Fashions Ltd. Samrat & Co. (Pvt.) Ltd., Shawon Textile Industries (Pvt.) Ltd., Samrat Garments Ltd., Samrat Yarn Dyeing Ltd., Via Media Business Service (Shamoli Shishumela, Amusement Park) and S.I Complex (Geet & Sangeet Cinema Hall), Anabil Tower, Gulshan-2, Dhaka. She is closely associated with many social organizations and always come forward with helping hand to the poor and needy people.



Ms. Nafisa Kamal Director

Ms. Nafisa Kamal is the youngest daughter of Mr. AHM Mustafa Kamal, FCA, MP. She obtained MBA from USA. She is one of the Director of Lotus-Kamal (LK) Group. With her own capacity she is actively involved in day to day business affairs of the LK Group.



Mrs. Nazma Khan
Director

Mrs. Nazma Khan is a well reputed business person in Leather Footwear Industries & Retailing Business. She was born in 1971. Mrs. Nazma Khan established 100% export oriented Leather Footwear Industries named Jennys Shoes Ltd. and Five-R Footwear Ltd. She also worked to established retailing company Jennys International Ltd. Her expertise on retailing business collaborate "JENNY'S" brand all over Bangladesh and international markets.

Mrs. Lipika Biswas
Director

Mrs. Lipika Biswas is a reputed business personality & a renowned industrialist of the Country. She is the Chairperson of the Limo Group of Industries. She was born in 1953. Within a short span of time she established so many industries under Limo Group of Industries namely- Limo Electronics Ltd., Reman Drugs Laboratory Ltd., Limo Traders Ltd., Peoples Credit Co-operative Society Ltd., Erbis Engineering (BD) Ltd.



Dr. AKM Moazzem Hussain
Independent Director



Dr. AKM Moazzem Hussain was born in the District of Barishal in 1941. He is a man of versatile knowledge & experiences on extensive work in areas of Naval Architecture, Marine Engineering and Shipbuilding & Ocean Engineering. He obtained BE, ME and Dr. Engg. in Naval Architecture (1961-71) from the Division of Engineering, University of Tokyo and received practical training at IHI Shipyard and Nippon Steel Corporation.

Service Career:

- ▶ 1971-77 : Head, Deptt. of Naval Architecture & Marine Engineering, Bangladesh University of Engineering & Technology (BUET), Dhaka.
- ▶ 1977-79 : Commonwealth Advisor of Marine Engineering, University of Hong Kong.
- ▶ 1979-81 : Head, Deptt. of Shipbuilding & Ocean Engineering.
- ▶ 1981-83 : OIC Academic Expert at ICTVTR , Bangladesh.
- ▶ 1983-87 : Professor of Marine Technology. University Technology Malaysia, Kualalumpur, Malaysia.
- ▶ 1987-present :Representative (now Honorary Representative from 2010) of Hida Japan in Bangladesh.

Other Activities:

- ▶ Reorganized the AOTS Alumni Society in Bangladesh in 1972 and became its first President; later on helped in establishing the AOTS Alumni Society in Chittagong and Kathmundu; now Advisor of BAAS, CAAS and NAAS.
- ▶ Established Japan Bangladesh Chamber of Commerce & Industry (JBCCI) in 2004 and have been serving as its Honorary Executive Director & Secretary General since then.

Award Received

- ▶ 1992 YAMAMOTO Award for Promotion of Technology Transfer from Japan to Bangladesh.
- ▶ 2004 "The Order of the Rising Sun" from the Gov't of Japan for promoting Cultural, Technical and Economic Exchanges between Bangladesh & Japan for more than 30 years.



Mr. Niaz Rahim Independent Director

Mr. Niaz Rahim is the Group Director of Rahimafrooz (Bangladesh) Ltd. - the holding company of Rahimafrooz Group, one of the most admired and trusted business organizations in Bangladesh. Established in 1954, it currently has eight operating Strategic Business Units (SBU) with significant presence in five board business segments - Storage Power, Automotive and Electronics, Energy, Retail and Agro. A key personnel steering the Group's business future, Mr. Rahim is the Chairman of Rahimafrooz Superstores Limited (Agora), He is also Chairman of Rahimafrooz Renewable Energy Ltd., RZ Power Ltd. Rural Services Foundation-a not-for-profit social initiative of Rahimafrooz and Center for Zakat Management (CZM). He is holding the position of Managing Director of Rahimafrooz CIC Agro Limited and Director of Rahimafrooz Batteries Limited, Rahimafrooz Energy Services Ltd. In addition, he is the Chairman of Managing Committee of the RSF Model School & College- is a free of cost, residential education centre in kaludam village of Bogra for the financially disadvantaged children of the community.

Having joined Rahimafrooz in the late 1982, Mr. Rahim has built his reputation as a leading business personality of the country. He has made significant contribution in establishing a strong nationwide distribution network for Rahimafrooz. He played a pioneering role in exporting automotive batteries from Bangladesh to various international markets and making renewable solar powered solution commercially viable. A passionate visionary by nature, he successfully established the country's first retail chain supermarket — Agora. He continues to drive new business ventures, human resource development and strategic change management in Rahimafrooz Group.

Mr. Rahim is currently the President of Bangladesh Supermarket Owners Association (BSOA). He was Government nominated Director of Agrani Bank Limited and Director of Bangladesh Development Bank Limited (BDBL). He held the positions of Director, Dhaka Chamber of Commerce and Industries (DCCI), and Vice President, Canada Bangladesh Chamber of Commerce & Industry. He is also Member of FBCCI, Metropolitan Chamber of Commerce & Industry (MCCI), Australasia Bangladesh Chamber of Commerce and Industry, and Bangladesh Malaysia Chamber of Commerce and Industry, and an Executive Committee Member of Intellectual Property Association of Bangladesh, Immediate past president of Rotary Club of Dhaka Mahanagor. He Was the General Secretary of Bangladesh Judo & Karate Federation for 20 years.

He is the youngest son of late Abdur Rahim, the founder of Rahimafrooz Group, and Mrs. Ayesha Rahim. Mr. Niaz Rahim was born on September 17, 1954 in Chittagong. His early education was in Shaheen School and Notre Dame College. He Holds an LL.B (Hons.) degree from the University of Dhaka and an MBA in marketing Management from Concordia University, Canada. Mr. Rahim married Mrs. Syeda Farzana Rahim in 1985. They have been blessed with three sons: Faraaz Abdur Rahim, Nawaz Abdur Rahim and Fayeze Abdur Rahim. Mr. Rahim is an avid sports enthusiast. He had been the National Champion in Judo for 7 years. Growing up in a large family that nurtures strong ethical values and relationships, Mr. Rahim learned to transcend in his professional life through discipline and hard work. This is reflected in the company's values and culture.

COMPOSITION OF BOARD AND ITS COMMITTEE

BOARD OF DIRECTORS

Chairman

Mr. Aftab ul Islam, FCA

Vice Chairman

Mrs. Kashmiri Kamal

Directors

Mr. Wahidul Haque Siddiqui

Mr. Gazi A.Z.M. Shamim

Ms. Kashfi Kamal

Mr. Moynul Haque Siddiqui

Mr. Mohd. Shahjahan Miah

Mr. Md. Habib Ullah Babul

Mr. Golam Kabir Chowdhury

Mr. Abdul Haque

Mr. Moshiur Rahman

Mrs. Woahida Pervin (Happy)

Ms. Nafisa Kamal

Mrs. Nazma Khan

Mrs. Lipika Biswas

Independent Directors

Dr. AKM Moazzem Hussain

Mr. Niaz Rahim

Chief Executive Officer (C.E.O)

Mr. Bidhu Bhuson Chakraborty

COMMITTEES

Audit Committee

Dr. AKM Moazzem Hussain

Chairman

Mr. Aftab ul Islam, FCA

Member

Mr. Wahidul Haque Siddiqui

Member

Mr. Golam Kabir Chowdhury

Member

Mr. Moshiur Rahman

Member

Nomination & Remuneration Committee

Mr. Niaz Rahim

Chairman

Mr. Aftab ul Islam, FCA

Member

Mr. Wahidul Haque Siddiqui

Member

Mr. Moynul Haque Siddiqui

Member

Dr. AKM Moazzem Hussain

Member

Investment Committee

Mr. Moynul Haque Siddiqui

Chairman

Mr. Aftab ul Islam, FCA

Member

Mr. Wahidul Haque Siddiqui

Member

Mr. Gazi A.Z.M. Shamim

Member

Mr. Mohd. Shahjahan Miah

Member

Ms. Kashfi Kamal

Member

Claims Committee

Mr. Abdul Haque

Chairman

Mr. Wahidul Haque Siddiqui

Member

Mr. Gazi A.Z.M. Shamim

Member

Mr. Mohd. Shahjahan Miah

Member

Mr. Md. Habib Ullah Babul

Member

Executive Committee

Mr. Wahidul Haque Siddiqui

Chairman

Mr. Aftab ul Islam, FCA

Member

Mr. Moynul Haque Siddiqui

Member

Mr. Niaz Rahim

Member

Dr. AKM Moazzem Hussain

Member

SENIOR EXECUTIVES

Mr. M. Motiar Rahman
Additional Managing Director

Mr. Mohammad Salim
Additional Managing Director

Mr. Chowdhury A.S. Mahabub (Madina)
Deputy Managing Director

Mr. Joy Bijoy Saha
General Manager (Finance & Accounts)

Mr. Zahirul Islam
General Manager (Re-insurance)

Mr. Mohammad Yunus
General Manager (Underwriting & Claims)

Mr. Md. Shah Alam
General Manager

Mr. Shamshad Atique
General Manager

Mr. Gobindo Chandra Saha
General Manger

Mr. Md. Shariful Islam Chowdhury
D.G.M & Company Secretary

Deputy General Managers

Mr. Yahya Chowdhury

Mr. Farukuzzaman

Mr. Giasuddin Haider

Assistant General Managers

Mr. Manzur Hossain

Mr. Swapan Kumar Sarker

Mr. Md. Mofizul Islam Patwari

Mr. Abul Bashar Khan

Brief Profile of the Management Team





Mr. Bidhu Bhuson Chakraborty

Chief Executive Officer

Mr. Bidhu Bhuson Chakraborty, S/O: Late Suresh Chandra Chakraborty was born in the district of Comilla in 1956. He obtained Graduation Degree with Honors and Masters of Commerce in Management from the Rajshahi University in the year 1980, thereafter joined in the service of SadharanBima Corporation (SBC) as a Trainee Officer in the year of 1981. During the service of SBC, he gathered 30 years of experience by working in different departments like Underwriting, Re-insurance, Claims, Administration & others departments and accomplished his responsibilities successfully. He acted as the acting Managing Director of SBC for several times.

On retirement from Sadharan Bima Corporation as a General Manager in the year of 2013, Mr. Bidhu Bhuson Chakraborty joined Asia Pacific General Insurance Company as Additional Managing Director on 1st January, 2014 with assignment of Re-insurance, Claims and Specialized Underwriting. Subsequently he has been promoted as Chief Executive Officer of the Company from August 01, 2014. By the virtue of hard work and dedication, he is leading the team that makes continuously incredible progress in terms of Company's business growth, profitability as well as the goodwill.

Mr. Bidhu Bhuson Chakraborty is a versatile knowledgeable insurance personality. He did the nationwide recognized insurance professional course ABIA from Bangladesh Insurance Academy. He participated so many insurance related courses and seminars arranged by the insurance related institutions at home and abroad. Besides, he is a regular visiting lecturer & Examiner of the Bangladesh Insurance Academy (BIA) and a coordinator of Training Program of the Sadharan Bima Corporation (SBC).

Mr. Motiar Rahman

Additional Managing Director



With an experience spanning over two decades, Mr. Motiar Rahman started his career at Janata Bank, working in Clearing and Savings departments. Beginning as a management trainee at the bank, he subsequently drew rich experience by virtue of working with several other reputed commercial banks in the country specially at the "Bank of Credit and Commerce International Overseas Ltd (BCCI)" about 15 years until closing of the Bank and gathered vast experience by meeting with the multinational and corporate companies, airlines and diplomatic persons under various roles. Before joining the Company, APGICL in 2000, he served at Eastern Bank Ltd. (EBL) more than 5 years and works in various important departments.

Mr. Rahman's contribution in evolving the Company into its present exalted status has been a highlight of his long and illustrious career. At Asia Pacific General Insurance, he worked in many departments and has taken up several responsibilities that include day to day operation of the Management and engaging in business development. Under his dynamic leadership, hard work, dedication and marketing activities, the Gulshan Branch of the Company has able to reach the consolidated position. The recognition of Mr. Rahman's relentless efforts is his elevation to the role of Additional Managing Director of Asia Pacific General Insurance Company. He participated many Insurance related courses and seminars arranged by the insurance related institutions.



Mr. Chowdhury A. S Mahabub (Madina)

Deputy Managing Director

Mr. Chowdhury A.S Mahabub (Madina) has more than 32 years of working experience in field of Marketing and Business development areas of Insurance industry. He joined Asia Pacific General Insurance Company Ltd. in January 31, 2004 as Deputy Managing Director. Prior to joining in the Company, he served in two other insurance companies named Federal Insurance Company & Desh General Insurance Company. He serving this Company with his skills, experience and knowledge of Marketing, business development and underwriting in Insurance. Currently, he is discharging his responsibilities as In-charge of Motijheel Branch of the Company.

Mr. Joy Bijoy Saha

General Manager (F&A) & CFO

Mr. Joy Bijoy Saha joined Asia Pacific General Insurance Company Ltd. in October 02, 2000 as “Controller of Accounts”. Prior to join this Company, He served at Eastern Insurance Co. Ltd. for about eight years. Mr. Saha completed his M.Com in Accounting from University of Dhaka. He did MBA major in Finance & Accounts from a reputed private University. During his 30 years of working experience in Finance and Accounts of the Insurance Industry, he attended various training courses on Accounting, VAT, Tax & Insurance. At present he is holding the position of General Manager and Head of Accounts Department of the Company.



Mr. Mohammed Younus

General Manager (U/W & Claims)



Mr. Mohammed Younus is a General Manager and currently discharging his responsibilities as Head of Underwriting & Claim Departments of the Company. He joined Asia Pacific General Insurance Company Ltd. in March 05, 2014. Prior joining the Company, he served two other insurance companies named BGIC and South Asia Insurance Company. He enriched his skills, experience and knowledge by dint of dedication and efficient professional service. He has about 28 years of working experience & knowledge in underwriting, re-insurance & claim related matters. Mr. Younus did M.Com in accounting from Chittagong University. Besides, he successfully completed the nationwide recognized insurance professional course ABIA from Bangladesh Insurance Academy. During his career, he participated so many training courses on underwriting and reinsurance matters organized by many related insurance institutes.



Mr. Md. Zahirul Islam

General Manager (Re-insurance)

Mr. Md. Zahirul Islam, General Manager, Head of Re-insurance Department has completed his 28 years of insurance career. After obtaining B.Sc Degree from University of Chittagong, he joined with Rupali Insurance in September 02, 1991. Mr. Islam joined the Company (APGICL) as Asst. General Manager in April 05, 2004, currently holding the position of General Manager & head of Re-insurance Department of the Company. He has about 28 years of working experience in underwriting & re-insurance related issues. During his career, he attended so many training courses on underwriting and reinsurance matters organized by many related insurance institutes.

Mr. Md. Shariful Islam Chowdhury

Deputy General Manager & Company Secretary

Mr. Md. Shariful Islam Chowdhury joined Asia Pacific General Insurance Company Ltd. as Manager and Head of Internal Audit on November 01, 2007. Prior to this, he worked and completed CA(CC) from a reputed Chartered Accountants firm. He did MBA major in Finance from a reputed private university. He has 18 years of working experience in the field of Accounts, Audit, Administration & Company Secretariat of which more than 12 years of experience he received from the insurance sector. At present he is discharging his responsibilities as Deputy General Manager & Company Secretary of the Company under various capacities. During his service, he participated so many training courses on Basic Insurance, Accounts, Internal Audit and Company affairs organized by many related institutes.



BRANCH INCHARGES





Mr. Chowdhury A. S Mahabub (Madina)

Deputy Managing Director &
In-charge of Motijheel Branch
Cell: 01819-244483



Mr. Shamshad Atique

General Manager &
In-charge of Khulna Branch
Cell: 01711-295530



Mr. Gobinda Chandra Saha

General Manager &
In-charge of Narayangonj Branch (Unit-1)
Cell: 01714-298181



Mr. Md. Shah Alam

General Manager &
In-charge of Uttara Branch
Cell: 01934-417335



Mr. Giasuddin Haider

Deputy General Manager &
In-charge of Jubilee Road Branch
Cell: 01819-389917



Mr. Md. Faruquazzaman

Deputy General Manager &
In-charge of Jessore Branch
Cell: 01818-294961



Mr. Manzur Hossain

Assistant General Manager &
In-charge of Gulshan Branch
Cell: 01816-256376



Mr. Swapan Kumar Sarkar

Asst. General Manager &
In-charge of Narayangonj Branch
Cell: 01819-224382



Mr. Md. Mafijul Islam Patwary

Assistant General Manager &
In-charge of Comilla Branch
Cell: 01711-375836



Mr. Md. Yahya Chowdhury

Deputy General Manager &
In-charge of Agrabad Branch
Cell: 01815-358374



Mr. Md. Arafat Rahman

Manager &
In-charge of Rangpur Branch
Cell: 01726-723932



Mr. Mohammad Arfan Chowdhury

Deputy Manager &
In-charge of Naya Paltan Branch
Cell: 01816-090074



Mr. Mizanur Rahman

Deputy Manager &
In-charge of B.B. Avenue Branch
Cell: 01718-962068



Mr. Fazlur Rahman

Assistant Manager &
In-charge of Sylhet Branch
Cell: 01715-262060



Mr. Md. Lutfar Rahman

Assistant General Manager &
In-charge of Rajshahi Branch
Cell: 01716-902026



Mr. Md. Ashraful Islam

Manager &
In-charge of Kushtia Branch
Cell: 01917-817447

HIGHLIGHTS-2019

Gross Premium
Income
Tk. 564.33
million

Net Premium
Income
TK. 347.50
Million

Underwriting
Profit/(Loss)
Tk. 61.92
Million

Net Claims Paid
Tk. 122.49
Million

Investment
(FDR, Bond & Share)
Tk. 835.15
Million

Investment Income
(FDR, Bond & Share)
Tk. 71.54

Total Assets
Tk. 1324.21
Million

Earning
per Share
Tk. 1.74

Net Asset
Vallue
TK. 19.66

Current Liabilities
Tk. 482.65
Million



CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors of Asia Pacific General Insurance Company Limited, I would like to present this Annual Report for the year ended 31st December 2019 to our shareholders.

To begin with, let me express my heartfelt gratitude for your continued support for the development of the Company. It was because of your kind patronage and persistent support that we are recognized as a renowned company in the insurance industry in Bangladesh.

2019 AT A GLANCE

2019 was a year of challenging for the Company as we continued to accelerate growth in our key focus area. We are finding our ways to be more versatile, while all the time maintaining a clear focus on the customers. It needs time and efforts for the market to recognize our development and our determination to be the most preferred local general insurance company in Bangladesh.

The main focus of our Company was enhancing profit growth from underwriting insurance business, protecting clients in the face of large claims and digitalization of operational activities. With our effort in business diversification, we managed to grow the gross premium and net premium written by 7.20% and 3.90% during the year to BDT 564.33 million and BDT 347.50 million respectively. Underwriting profit slightly decreased by BDT 10.06 million from BDT 71.98 million in 2018 to BDT 61.92 million in 2019. Profit before tax for the year under review worked out to BDT 7.38 million compared with BDT 6.56 million earned in the last year. Profit after tax for the year works out to BDT 45.18 million against BDT 32.12 million in the previous financial year. Investment income has increased from BDT 45.44 million to BDT 71.55 in 2019 due to increase of income from interest on FDR and sale proceeds of shares. The Board is committed to delivering a sustainable dividend policy. I am happy to announce that the Board of Directors recommended to declare 10% dividend to the Shareholders of the Company for the year 2019.

OUR BUSINESS OBJECTIVES

With the volatile and competitive insurance market in the Country, we continue to develop strategies to win business from our competitors which are consistent with our business objectives:

- To be a comprehensive general insurer of choice;
- To provide a unique, dynamic, efficient and responsive insurance services to satisfy the needs of customers;
- To ensure a stable, competitive and long term returns to our shareholders;
- To promote employees' productivity through sustainable packages of remuneration, appropriate training and career development;
- To be a socially responsible institution contributing to the well-being of the people of the Country.

LOOKING INTO THE FUTURE

The General Insurance industry is currently undergoing fundamental transformation. The Regulatory Authority have issued several directives in order to make insurance sector under a discipline - related financial controlling and reporting with a clearer implementation timeframe in 2019. As we are following these regulatory compliance, we will also take these benefits to review our operations and decision-making process and convert regulatory necessity into business value. In addition, we see opportunities from the Regulatory Directives that make financial stability into the insurance companies as well as the improvement of the insurance sector by contributing to the national GDP.

Our strategic decision is to focus on offering innovation product in terms of client requirements, creating excellent business opportunities with a view to earn more from traditional products, reducing cost of doing business including reinsurance cost and to expand quality customer services. Increase investment income will also be a priority in order to maintain a feasible liquidity ratio.

With markets remain challenging, we will look to balance sound returns against investment for the future and will focus on three areas:

1. Deepening our market footing and achieving thoughtfully-managed sound growth in general insurance business.

2. Building differentiating capabilities to enable our Company to focus on what truly matters and develop a powerful growth ratio.
3. Retaining the best of our traditional distribution channels while optimizing operational efficiency through wholeheartedly embracing digitalization of the operational activities.

IN CLOSING

To build a happy and harmonious society, it is a worthwhile attempt for us to build a happy business along with happy customers, employees, investors and our business partners. We strive to fully undertake our social responsibility and cover the various risks faced by people and contribute to develop fearless society.

The Management and the Board of Directors (BOD) of the Company shall carry out all necessary steps to meet the regulatory and corporate governances' obligations. The Company aims to establish its landmark in all over the country with further product and services innovation, customer care with the advancement in competencies of the employees. We shall also be attracting and developing the technical skills of the young generation through training and internships.

As a Chairman, I would like to assure that the Company will move forward adopting financial transparency, corporate governance, team work along with digital technological advancements and proper customer service.

Sincerely



Aftab ul Islam, FCA
Chairman



CEO's MESSAGE

To Hon'ble Shareholders and Valued Stakeholder;

"We are here to help our valued customers to achieve financial security. We know that when we serve you well, we're helping you create a secure future - a projection that is you to write and is unique to you."

First of all, thanks to Almighty for the successful completion of another year, though it was challenging time but with the support of Hon'ble Chairman and other members of the Board of Directors, we were able to successfully mark the market, faced those challenges with vigor and skillfully adapt ourselves to meet the industry dynamics.

2019 was a year of resilient growth for Asia Pacific General Insurance Co. Ltd (APGICL) but with the untiring hard work, dedication and loyalty of team members, we have been able to maintain our growth this year. Best practice is to learn from past experiences and to utilize them wisely for right decision at right time for the best interest of all stakeholders. Our core intention is to ensure future claim payments through appropriate management

of our portfolio which consists of insurance premium received from customers. We continually aim to shape, anticipate and understand the market; with research, knowledge and expertise; furthermore it is a core reason to maintain ourselves as leading "Insurer" hence, we can offer our clients added value that helps them flourish.

During the year 2019, our gross premium income slightly went up from BDT. 526.44 million in 2018 to BDT. 564.33 million in 2019 or by 7.20% amidst the competitive market environment. Net premium increased by 3.90% to BDT 347.50 million from BDT 334.43 over the prior year, as the Company adjusted its reinsurance premium to assume more risk on the class wise business portfolio. While profit from operation i.e underwriting profit decreased by 13.98% from BDT 71.98 million to BDT 61.92 million due to increase of claim settlement and management expenses. Regarding revenue by class of business, our Marine portfolio is the largest contributor accounting for 42.76% of total GWP. Our Fire portfolio accounts for 36.60% of total GWP with Motor and Miscellaneous contributing the remaining 20.64%. Our

The challenges for the coming years must not be underestimated, but our strategic priorities are clear, and we are well-positioned to maintain our position in industry, to govern & deliver the strategic goals of sponsors and to provide our clients with proficient and loyal support even in crisis times. It is a privilege to have worked for so long with many of our clients. For all our progress and success, there's still more to do more because customer preferences shift, competition increases and the regulatory environment evolves more because the world and industry dynamics is in a state of accelerating change that we need to cope with.

We will take a progressive approach to develop insurance products and services which suit the needs of local enterprises and individual clients. Notwithstanding the intense competition, we expand our business which can leverage our strengths, distribution networks and expertise. We will also manage our insurance risk exposures with adequate reinsurance protections.

There are three areas which we will continue to invest to strengthen our internal capacity to prepare for the future:

- **Human Resources:** In addition to the professional team we have recruited, we will continue to seek suitable talent to join our team to build our capacity to deal with the business needs and regulatory developments.
- **Claims Management:** To enhance claims handling and settling, we will continue to develop resources to guard against fraudulent claims and strive to have fraudulent claims reported to Police.

- **Information Technology:** To enhance client service and support, we will continue to upgrade our information technology systems. We will establish online business platforms for private cars and commercial vehicles which provide a channel for us to reach out to our customers directly, we will also explore different distribution channels to further grow our motor business.

We are confident that we are on the right path to building a strong and profitable company that will live up to the high expectations of our various shareholders. We expressing our gratitude to all members of the Board of Directors and valued shareholders for their trust and confidence in us despite of various challenges in 2019. We also thank our customers and stakeholders for their nice support and patronage and of course our Regulators for their guidance and necessary directions to perform in a better way in pursuit of our Company objectives.

Thanking you



Bidhu Bhuson Chakraborty
Chief Executive Officer



DIRECTORS' REPORT

DIRECTORS' REPORT

HONOURABLE SHAREHOLDERS,

As-salmu Alaikum

It's my pleasure to welcome all of you in the 20th Annual General Meeting of Asia Pacific General Insurance Company Ltd. I am delighted to present the Company's Annual Report for the year 2019 to our valued shareholders and other stakeholders. The report mainly comprises Auditors' Report, Directors' Report, Management analysis of Business, Audited Financial Statements of the Company. General review of this report is based on the financial aspect of the Company. Moreover, the Directors would like to explain and disclose certain issues, which they deem relevant and important to ensure transparency and good governance practices. We hope, the report will give you a genuine insight into the Company's performance and continuous growth amid stiff competition in the insurance sector.

GLOBAL ECONOMY OUTLOOK

Global growth decelerated markedly in 2019, with continued weakness in global trade and investment. This weakness was widespread, affecting both advanced economies particularly the Euro Area and emerging market and developing economies (EMDEs). Various key indicators of economic activity declined in parallel, approaching their lowest levels since the global financial crisis. In particular, global trade in goods was in contraction for a significant part of 2019, and manufacturing activity slowed markedly over the course of the year; recent high-frequency readings suggest some tentative stabilization of manufacturing output at weak levels. Financial market sentiment improved appreciably toward the end of last year along with the alleviation of trade tensions. Concerns about growth prospects triggered widespread monetary policy easing by major central banks last year, as well as flight to safety flows into advanced-economy bond markets. In a context of subdued inflation, this pushed global yields down in some advanced economies, further into negative territory for most of 2019. The subdued outlook led to declines in most commodity prices, which are expected to remain near current levels over the forecast period. Against this international context, global growth

weakened to an estimated 2.4 percent last year the lowest rate of expansion since the global financial crisis. With some recent data pointing to an incipient stabilization of economic conditions, global growth is projected to edge up to 2.5 percent in 2020, 0.2 percentage point below previous forecasts, assuming investment and trade will gradually recover. In particular, global trade growth which is estimated to have slowed sharply from 4 percent in 2018 to 1.4 percent in 2019, by far the weakest pace since the global financial crisis is projected to firm throughout 2020 and reach 1.9 percent, assuming trade tensions do not re-escalate. In the near term, monetary policy across the world is generally expected to remain accommodative; however, fiscal policy support is likely to fade. Growth in advanced economies is projected to slow to 1.4 percent this year below previous projections, in part reflecting lingering weakness in manufacturing and improve slightly over the rest of the forecast horizon.

BANGLADESH ECONOMY

On the macro-economic front Bangladesh has seen export-led growth in recent years driven by the private sector and so the continued rise of GDP (gross domestic product) during year 2019. The increase in GDP by 8.13 per cent may have happened because in recent years growth is being driven by public sector which has undertaken a number of mega projects with huge investments. This is corroborated by an increase in the rate of public investment at 8.03 per cent during 2018-2019 compared to 7.97 per cent during the previous fiscal year. Because of massive public borrowing from banks and liquidity crisis due to huge volume of non-performing loans (NPLs) private sector investment has increased only by 0.38 per cent, from 23.26 per cent in 2017-18 to 23.54 percent during 2018-19. Consistent with this has been the private sector credit growth which reached 1.55 per cent during four months to October, 2019 from 2.73 per cent in 2017-18.

Strong remittance in flow during the period under review has cushioned the fall of export earnings. Remittance earnings stood at \$20 billion at the end of 2019 being

boosted by depreciation of Taka and cash incentives given at the rate of 2.0 per cent of remitted amount. This was aggravated by the leap in the remittance by 23 per cent most of which were spent by the recipients on consumption goods. According to BBS, the annual average inflation rate was 5.49 per cent in September, 2019 which move up to 5.56 per cent in November. Both public and private investment increased in FY2018-19 from previous fiscal year. The total investment increased to 31.56 percent in FY2018-19, which was 31.23 percent in FY2017-18. In FY2018-19, public sector investment is 8.17 percent and private sector investment is 23.40 percent of GDP.

At the micro-economic level the performance of manufacturing sector has been lauded by multi-lateral institutions in their recent projections. This sector, along with remittance earnings and exports to some extent, has contributed to the growth of the economy during 2019, posting over 8.0 per cent in GDP. The export earnings of Bangladesh stood at US\$30,903.00 million during July-March of FY2018-19, which is 12.57 percent higher than the export earnings during same period of FY2017-18. Ready-made garments and knitwear product have significant contributions to the country's total export earnings. On the contrary, total import payments of Bangladesh in FY2018-19 (July-February) stood at US\$40,895 million, which is US\$2,180.00 million higher than previous year. The decline in the growth rate of agricultural sector from 14.23 per cent of GDP contribution to 13.65 per cent during 2019. The decline in the contribution of agriculture to GDP is a matter of concern because this sector continues to employ the majority of the labour force.

The state of the Bangladesh economy during 2019 judged by the performance with reference to global, macro and micro levels presents a mixed picture. The positive aspects of performance have been buffeted by equally strong factors in the macro and micro economic atmospheres. This deserves special mention because these are within the remit of intervention by the government.

INDUSTRY OVERVIEW

The role of insurance in managing risks in an economy cannot be overstated. Bangladesh has taken gigantic strides on the path to economic prosperity, its insurance

sector is a vital area that requires considerable attention and can benefit significantly from regulatory reforms. Currently, Bangladesh's insurance sector comprises 46 general insurance companies and 32 life insurance companies. In addition, there are two state-owned insurance corporations one in the general segment and the other in the life segment. According to a review report of the IDRA, as of 2019, the gross premium volume of life insurance in Bangladesh stands at BDT 9608.22 crore and that of non-life stands at BDT 3682.70 crore. Life insurance constitutes 72.3% of Bangladesh's insurance market and non-life insurance, 27.70%. The assets of all insurance companies in Bangladesh stood at BDT 52253.44 crore by the end of 2019, with a growth rate of 4.50% from 2018. Investments in both life and non-life insurance companies have grown at rate of 4.25% during 2019. The claim settlement rate of both life and non-life insurance sector have increased to 80.16% in 2019 from 74.45% in 2018. Overall, insurance penetration (insurance premiums as a share of GDP) in Bangladesh was 0.34% in 2018-19 and has mostly been on a downward trend since 2009.

Various challenges underlie the limited growth of Bangladesh's insurance sector. Firstly, the relationship between customers and insurance companies is marked by lack of trust. According to a recent study by PwC, a majority of Bangladeshi people do not trust insurance agents, and there is limited awareness regarding life insurance products. Claim settlement-related problems also undermine the customer-insurer relationship, and the process of settling claims can be arduous and long. Secondly, Bangladesh lacks potential employees with adequate skills and knowledge to provide insurance services of the highest standard. From a macroeconomic perspective, Bangladesh suffers due to uneven income distribution where a majority of the people are poor and do not have the disposable income to afford insurance. This hinders the growth of the country's overall insurance penetration rate. Moreover, the country's technological capacities need major advancement. Globally, the insurance sector has been undergoing digitization and platforms are being created to optimize customer service and streamline processes. In contrast, in Bangladesh, there is limited utilization of modern technology and processes. Insurance companies do not have access to accurate and up-to-date demographic statistics for actuarial computations.

Bangladesh's GDP growth rate has been increasing steadily for the last five years. Strong consumption and public investment, recovery of readymade garments (RMG) exports and high remittance growth were the main propellers of economic growth, bolstering the rise in income per capita and growth of the middle-class population. In the next decade, Bangladesh will continue to witness the rise of the middle and wealthy class in major cities. This could easily translate into a higher demand for insurance products as individuals and companies become increasingly risk aware. As the country becomes increasingly industrialized, the demand for non-life insurance, such as fire, accident and property as well as workers' compensation insurance, is likely to experience substantial growth in demand.

FINANCIAL REVIEW :

During the year 2019, our gross premium income slightly went up from BDT. 526.44 million in 2018 to BDT. 564.33 million in 2019 or by 7.20% amidst the competitive market environment. Net premium increased by 3.90% to BDT 347.50 million from BDT 334.43 over the prior year, as the Company adjusted its reinsurance premium to assume more risk on the class wise business portfolio. While profit from operation i.e underwriting profit decreased by 13.98% from BDT 71.98 million to BDT 61.92 million due to increase of claim settlement and management expenses. Regarding revenue by class of business, our Marine portfolio is the largest contributor accounting for 42.76% of total GWP. Our Fire portfolio accounts for 36.60% of total GWP with Motor and Miscellaneous contributing the remaining 20.64%. Our Claim payment for 2019 was BDT 127.63 million compared to BDT 107.10 million in 2018. The increase was largely attributable to the claims arising from Marine insurance, although changes in our reinsurance program resulted in the Company assuming a higher share of claims on the marine portfolio when compared to the previous year. Total Assets now stand at over BDT. 1,394.23 million, an increase of BDT. 22.84 million over the prior year reaffirming the Company's financial strength and stability.

SEGMENT WISE PERFORMANCE:

The Company focus continues to be on retail business, where it has strengths in distribution and claims handling capabilities. In line with the general practices, the underwriting business of the company covers Fire,

Marine, Motor & Miscellaneous insurances business. Out of total premium earned, it is found that Marine & Fire Insurance are mainly contributing to total GWP recorded 42.76% and 36.60% respectively.

Fire Insurance Business:

Fire Insurance is the highly risky business in non-life insurance sector. As the sum insured & risk is higher, maximum amount of premium is ceded for re-insurance protection resulting difficult to earn an underwriting profit from fire insurance business. The gross written premium of Fire Insurance business has increased by 39.11% from BDT 148.48 million in 2018 to BDT 206.55 million in 2019. After ceding re-insurance premium, the net premium earned from Fire Insurance business stood at BDT 81.89 million. The Company sustained an underwriting loss of BDT 49.89 million from its fire insurance business.

Marine & Hull Insurance Business :

Marine Insurance contributing to be the main contributor to revenues remained the same in 2019 as in 2018. The gross written premium income has decreased by 9.01% from Marine & Hull insurance from BDT 265.14 million in 2018 to BDT 241.28 million in 2019. After ceding re-insurance premium, the net premium income from Marine insurance business stood at BDT 193.92 million. The Company earned an underwriting profit of BDT 92.88 million in 2019.

Motor Insurance Business:

The gross written premium income in Motor Insurance Business decreased by 2.98% from BDT 63.70 million in 2018 to BDT 61.80 million in 2019. The net premium income stood at BDT 58.77 million. The Company earned an underwriting profit from motor insurance business for BDT 21.00 million. Motor business represents 10.95% of the total underwriting portfolio of the Company.

Miscellaneous Insurance Business :

In the year 2019, the Company was able to increase by 11.43% the gross written premium of Miscellaneous Insurance business for BDT 54.69 million while it was BDT 49.08 million in 2018. But due to protection of risk, the net premium income from Miscellaneous Insurance business stood at BDT 12.90 million after ceding reinsurance premium. Miscellaneous business represents 9.69% of the total underwriting portfolio of the Company.

UNDERWRITING RESULTS :

Traditionally, underwriting is the heart of Insurance business. The quality of underwriting is directly contributes to the quality of growth of the Company. The underwriting practice at the Company comprises thorough evaluation, prudent financial modelling and accurate risk pricing that protects the Shareholders' interests in the Company while also creating value at large. Total underwriting profit decreased by 13.98% from BDT 71.98 million to BDT 61.92 million due to increase of claim settlement and management expenses. However, we are undertaking all the necessary action across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

INVESTMENTS AND ITS INCOME :

Total investment of the Company comprising of Fixed Deposits (FD), Shares & Bonds stood at BDT 835.15 million in 2019 against BDT 760.58 million in 2018. Out of the total investment, about 65% was concentrated in Fixed Deposit (F.D) with various Commercial Banks & NBFIs for BDT 542.94 million and remaining 35% includes investment in Shares & Bond for BDT 292.21 million in 2019. Investment in shares had been presented at cost keeping a fluctuation reserve fund against the reduction of share price compared to consideration value of shares.

At the year end of 2019, Investment income increased by BDT 26.11 million from BDT. 45.44 million in 2018 to BDT. 71.55 million in 2019. This was achieved because increase of interest income on Fixed Deposit together with capital gains derived from the disposal of shares. The Company also recorded a loss for BDT 132.89 from investment in Shares in listed securities during the year under review. With a view to complying with BAS 39: Financial Instruments: Recognition and Measurement, the Company has completed to make 100% provision against the difference between cost and consideration value of the shares.

TOTAL ASSETS :

Total Assets of the Company stood at BDT 1,324.21 million in 2019, while it was BDT 1,310.88 in 2018. Net Asset Value per Share (NAV) is BDT 19.66 in 2019 as against BDT 18.92 (Restated) in 2018.

TOTAL LIABILITIES :

The net liabilities of the Company stood at BDT 559.19 million in 2019 from Tk. 568.59 million in 2018. The Shareholders' Equity is BDT 832.92 in 2019, while it was 801.43 in 2018.

PROPOSED DEVIDEND :

Considering the profit of the Company, The Board of Directors has been pleased to recommend to declare of 10% Cash dividend to the Shareholders for an amount of BDT 42,350,000/- only subject to approval of the 20th Annual General Meeting (AGM).

CREDIT RATING

Asia Pacific General Insurance Company Ltd. has been awarded as "AA" (pronounced as Double A) for long term which indicates very strong financial capability to pay claims & long term obligation and "ST-1" for short term which means strong capacity to meet up short term obligation. The Credit rating of the Company has been done by the Alpha Credit Rating Limited. The Company in its evaluation of credit rating report was also placed with "stable outlook".

INFORMATION TECHNOLOGY

Information and Communication Technology (ICT) has become indispensable for Insurance Companies in ensuring smooth operation and providing efficient services. The ultimate goal is to leverage the available technology in innovation of business processes and facilitate end-users in catering to the growing business needs of the Company. During the year 2019, the Company has taken initiatives to upgrade the present technology for further strengthening and securing the IT infrastructure. Besides, an integrated software on business operation has been installed at Head Office and Branches with a view to provide prompt customer service and complete day to day operation efficiently and smoothly. Now the Management could monitor all the activities of the branches on real time basis. Moreover, we are planning to utilize more information and communication technology, so that our valued customers may have necessary information and documents without coming to the office and may communicate through the software.

RISK MITIGATION

The senior Management team, led by the Chief Executive Officer of the Company is responsible for risk mitigation measures. The Company's proactive risk management program helps in identifying and responding to changing business and regulatory requirements on timely basis. A statement indicating development and implementation of risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Management may threaten the existence of the Company has been reported in the page 73.

RELATED PARTY TRANSACTION

All related party transactions were in the ordinary course of business and on an arm's length basis. During the year the Company did not enter into any transaction or arrangement with related parties, which were material or have a potential conflict with the interest of the Company at large. As per International Accounting Standard (IAS) – 24, the details of Related Party Transactions entered into by the Company are included in the notes to Financial Statements, notes no. 35 (Page 123).

COMPANY'S VEHICLE : Fuel and Maintenance

In Compliance with the Direction No.-05 of Circular No.: IDRA/GAD/1003/2011-554, dated: 24.04.2014 by Insurance Development & Regulatory Authority (IDRA), the Company's total expenses relating to fuel and maintenance of its vehicle in 2018 was BDT 2.19 million. The total number of Vehicle was 10 of which total cost was BDT 19.44 million and the written down value as at December 31, 2018 was BDT 2.99 million.

COMPLIANCE REPORT (under section 184 of the Companies Act, 1994)

- i) The financial statements prepared by the Management of the Company present fair view of its state of affairs, the result of its operation, 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 (IASs) as

applicable in Bangladesh have been followed in preparation of Financial Statements and any departure therefore also 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 in operating result of the Company.
- viii) The operating and financial data of preceding five years have been provided.
- ix) During the year ended December 31, 2019 the Board of Directors held 04 meetings and the Director serving on the Board attended in aggregate 70% of the total number of meetings.
- x) During the year the company is rated by Alpha Credit Rating Ltd. (Alpha Rating) and graded as category of "AA" for long term and "ST-1" for short term effective up to July 10, 2020.
- xi) At December 31, 2019 the pattern of shareholding are as under:
 - a) Shareholdings of Parent/Subsidiary /Associate Companies and other related parties – Nil
 - b) Shareholdings of CEO, Company Secretary, CFO and Head of Internal Audit and their Spouse and minor children : - Nil

CORPORATE GOVERNANCE COMPLIANCE REPORT

Status for compliance with the conditions imposed by Bangladesh Securities & Exchange Commission's notification No. SEC/CMRRCD/2006-158/207/admin/80 dated June 3, 2018 has been presented in Page 44.

COMPOSITION OF THE BOARD

The Board of the Company is comprised of 18 members as on 31 December 2019, including the CEO as ex officio member. The Board is well structured with a Chairman and a Vice Chairman, who are elected from the Board Members. The Chairman, the Vice Chairman and other 15 Members are Non-Executive Directors and only the CEO is an Executive Director. There are also 2 Independent Directors in the Board. The Chairman and CEO of the Company are different bodies with separate functions and responsibilities. All the Directors encompass with a range of talents, skills and expertise to provide prudent guidance in respect to the operations of the Company.

SHARE HOLDING POSITION

Summarized list of Shareholding position of Sponsors, Directors & General Public of the Company as on December, 31, 2019 is shown in Page 63.

BOARD MEETING AND ATTENDENCE

During the year 2019, 04 (four) Board meetings were held. The attendance of Directors are shown in the page of 60 in the this report.

DIRECTORS' REMUNERATION

Except the CEO, none of the Directors hold any office of profit of the Company. The Directors do not get any remuneration; they only get fees for attending Board/ Committee meetings. The maximum fees payable to Director is BDT 8,000/- for attending each meeting.

RETIRED AND RE-ELECTION OF DIRECTORS

In accordance with the provision of Section 113 of the Articles of Association of the Company and relevant section of the Company's Act 1994, the following Sponsor Shareholder - Directors shall retire in the 20th Annual General Meeting and they being eligible, offer themselves for re-election as per provision of the Article – 115 of the Company.

01. Mr. Gazi A.Z.M Shamim
02. Mr. Mohd. Shahjahan Miah
03. Mr. Golam Kabir Chowdhury
04. Mr. Md. Habib Ullah Babul
05. Mr. Abdul Haque

STATUTORY AUDITORS APPOINTMENT

The auditor, M/s. Malek Siddiqui Wali & Co., Chartered Accountants is to retire as Statutory Auditor of the Company as per provision of law. M/s. Zoha Zaman Kabir Rashid & Co., Chartered Accountants has performed as Compliance Auditor of the company for the year 2019. Therefore, authority to appoint reputed firms as Statutory and Compliance Auditor of the Company for the year 2020 with remuneration may kindly be delegated to the Board of Directors of the Company.

FUTURE OUTLOOK

As we have entered a new financial year, we expect interesting momentums for the insurance industry. We

will continue to be an underwriting driven insurance company, which will seek the right opportunities of profitable growth. By continuing to enhance customer experience, we will be persistent in our efforts to change the perception of insurance from being a push to a pull product. At the same time, we will not compromise on our balance sheet strength and keep the target solvency capitalization ratio secure. We are aware that we continue to have a lot of work ahead of us. In particular, we need to become more productive and we need to be quicker and more rigorous in tackling necessary changes, especially in the area of digital insurance. This will be one of the most urgent goals to pursue in 2020 and over the next few years.

ACKNOWLEDGEMENT

We express our sincere appreciation and gratitude to Insurance Development & Regulatory Authority (IDRA), Bangladesh Securities & Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and Central Depository of Bangladesh Ltd. (CDBL) for their gracious co-operation and continued support. We would like to put on record our appreciation and gratefulness for the co-operation and services rendered by the Sadharan Bima Corporation.

We also express our special thanks & heartfelt felicitation to our respected shareholders, valued clients, patrons, well-wishers and external auditors for their support, assistance and patronage to facilitate our path towards the glory achieved so far by the Company.

On behalf of the Board of Directors



Aftab ul Islam, FCA
Chairman

Information about Corporate Governance





জোহা জামান কবির রশীদ এ্যান্ড কোং
চার্টার্ড একাউন্টেন্টস
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

**Report to the Shareholders of Asia Pacific General Insurance Company Limited
on compliance of Corporate Governance Code**

We have examined the compliance with Corporate Governance of Asia Pacific General Insurance Company Limited for the year ended 31 December 2019. This code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with Corporate Governance Code is the responsibility of the Company. Our examination is limited to the review of procedures and implementation thereof as adopted by the management of the Company for ensuring the compliance with the conditions of the corporate Governance Code.

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

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

- (a) The Company has complied with the conditions of Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the Company as required by the Companies Act 1994, laws and regulations of Bangladesh Securities and Exchange Commission and other relevant authorities; and
- (d) The Governance of the Company is satisfactory.

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Md. Iqbal Hossain FCA
Partner
Enrolment No. 596

Dhaka
July 29, 2020

Zoha Zaman Kabir Rashid & Co., a partnership firm registered in Bangladesh and a member firm of MSI Global Alliance, a leading international association of independent legal and accounting firms.

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Status on Compliance of Corporate Governance Code

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors: -			
1(1)	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		Board comprises of 17 members including 2 Independent Directors
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole	✓		2 (Two) Independent Directors appointed as per sec. 76 of Insurance Act 2010
1(2)(b)(i)	number for calculating number of independent director(s); Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed Companies;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBF); and	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude?	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) tenure only.	✓		
1(3)	Qualification of Independent Director:-			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirement and corporate laws and can make meaningful contribution to business;	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk.100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:-			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the nonexecutive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
1(5)	The Directors' Report to the Shareholders:-			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The Segment-wise or product-wise performance;	✓		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;			Not applicable
1(5)(v)	A discussion on continuity of any extraordinary activities and their Implications (gain or loss);			The Company does not have such gain or loss
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any other instruments;			There were no public issue & right issue during 2019.
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;			No such variance occurred
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no Significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	Not applicable		
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	Not applicable		
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);	Not applicable		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	✓		
1(5)(xxiii)(c)	Executives; and	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more votes interest in the company (name-wise details).	✓		All individual holding is less than 10%
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	✓		
1(5)(xxiv)(b)	nature of his/her expertise in specific functional areas;	✓		
1(5)(xxiv)(c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)	A management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;			
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company	✓		
2	Governance of Board of Directors of Subsidiary Company:-			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	Not applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	Not applicable
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	Not applicable
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	Not applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	Not applicable
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary(CS):-			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3(2)	Requirement to attend Board of Director's Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the code of conduct for the company's Board or its member;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee;	✓		
4(ii)	Nomination and Remuneration Committee	✓		
5.	Audit Committee:- Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10(ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5(2)(e)	The company secretary shall act as the secretary of the Committee.	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the audit committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		
5(4)	Meetings of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of the Audit Committee: The Audit Committee shall-			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors.	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;			
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial public Offering(IPO) or Repeat public Offering(RPO) or Rights Share offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	-	-	Not applicable
5(6)	Reporting of the Audit Committee:-			
5(6)(a)(i)	Reporting to the Board of Directors: The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			There was no reportable case of conflict of interest in 2019
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; control system;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	✓		
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	✓		
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	There was no such case in 2019		
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6(1)	Nomination and remuneration Committee (NRC):- Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All member of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	✓		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7(1)	External or Statutory Auditors: The issuer shall not engage its external or statutory auditors to perform the following services of the company, namely: -			
7(1) (i)	Appraisal or valuation services or fairness opinions;	✓		
7(1) (ii)	Financial information system design and implementation;	✓		
7(1) (iii)	Book-keeping or other services related to the accounting records or financial statement;	✓		
7(1)(iv)	Broker - dealer services;	✓		
7(1)(v)	Actuarial services;	✓		
7(1)(vi)	Internal audit services or special audit services	✓		
7 (1)(vii)	Any services that the Audit Committee determines.	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1);	✓		
7(1)(ix)	Any other service that creates conflict of interest	✓		
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold ant shares in the said company;	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General meeting or Extraordinary General Meeting) to answer the queries of the shareholders	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
8.	Maintaining a website by the Company:-			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	✓		
9.	Reporting and Compliance of Corporate Governance:-			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	✓		The professional who will provide the certificate for the year 2019 will be placed for appointment in the forthcoming AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

REPORT OF THE AUDIT COMMITTEE

In terms of condition of Corporate Governance Guidelines of the Bangladesh Securities & Exchange Commission, the Board of Directors of the Asia Pacific General Insurance Company Ltd. has formed an Audit Committee comprising 05 (five) members of the Board of Directors (including one Independent Director) as a sub-Committee of the Board. The Board of Directors selected an Independent Director having adequate knowledge & experience in finance & audit as a Chairman of the Audit Committee.


The Board of Directors have been set- forth the objective, duties and role of the Audit Committee in writing. Accordingly, the Audit Committee providing their services to ensure & facilitates the smooth functioning of the Companies Financial Operation.

As per Condition of the Corporate Governance Guidelines, the Committee is playing their roles to ensure that proper and adequate internal controls are in place to facilitate the smooth functioning of the Companies operation. The committee ensures that a sound financial reporting system is in place and well managed to provide accurate & appropriate information to the Board of Directors, Management, Regulatory Bodies, Shareholders and Concern Parties.

During the year 2019 the Committee carried out the following tasks:

- 1) Review of Quarterly and Half-yearly Financial Statement of the Company & report thereof to the Board.
- 2) Review of Internal Audit Report of the Company and report to the matter to the management for taking appropriate measures, arising out of the findings of the Internal Audit Report.
- 3) Review of Audited Annual Financial Statement for the year 2019 & report thereof to the Board.
- 4) Review of Audit Report for the year 2019 as submitted by the external Auditors & report thereof to the Board.

Dated, Dhaka
July 02, 2020


Dr. AKM Moazzem Hussain
Chairman
Audit Committee

DIRECTORS' CERTIFICATE

In accordance with the Regulations contained in the first schedule of the Insurance Act, 1938 as adopted in Bangladesh and as per section 63 of the Insurance Act 2010 we certify that :

1. The values of investments as shown in the Balance sheet have been taken at cost and the quoted value thereof mentioned wherever available, the made a provision for BDT 82,202,661 as loss on financial assets measured at fair value which is only 100% of the actual loss.
2. The values of all assets as shown in the Balance sheet and as classified on form "AA" annexed have been duly reviewed as at 31st December, 2019 and in our belief, the said assets have been setforth in the Balance Sheet at an amount not exceeding their realisable or market values under different headings as enumerated in the annexed form.
3. All expenses of management, wherever and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Account and Profit and Loss Account.



Bidhu Bhuson Chakraborty
Chief Executive Officer



Wahidul Haque Siddiqui
Director



Kashmiri Kamal
Director



Aftab Ul Islam FCA
Chairman



Malek Siddiqui Wali
Chartered Accountants

Declaration by CEO and CFO

Date: 02 July, 2020

The Board of Directors

Asia Pacific General Insurance Company limited

Subject: Declaration on Financial Statements for the year ended on 31st December 2019.

Dear Sirs,

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

- (1) The Financial Statements of Asia Pacific General Insurance Company Limited for the year ended on 31st December, 2019 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31st December, 2019 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Bidhu Bhuson Chakraborty

Chief Executive Officer (CEO)



Joy Bijoy Saha

Chief Financial Officer (CFO)

Directors Attendance in MEETINGS

Board Meeting

Sl. No	Name of the Directors	Position	Meeting held	Present
1	Mr. Aftab ul Islam, FCA	Chairman	4	4
2	Mrs. Kashimiri Kamal	Vice Chairman	4	0
3	Mr. Wahidul Haque Siddiqui	Sponsor Director	4	3
4	Mr. Gazi A.Z.M. Shamim	Sponsor Director	4	4
5	Ms. Kashfi Kamal	Sponsor Director	4	0
6	Mr. Moynul Haque Siddiqui	Sponsor Director	4	4
7	Mr. Mohd. Shahjahan Miah	Sponsor Director	4	4
8	Mr. Md. Habib Ullah Babul	Sponsor Director	4	3
9	Mr. Golam Kabir Chowdhury	Sponsor Director	4	4
10	Mr. Abdul Haque	Sponsor Director	4	3
11	Mr. Moshir Rahman	Director	4	2
12	Mrs. Nazma Khan	Director	4	2
13	Ms. Nafisa Kamal	Director	4	0
14	Mrs. Lipika Biswas	Director	4	4
15	Mrs. Woahida Pervin (Happy)	Director	4	4
16	Dr. AKM Moazzem Hussain	Independent Director	4	4
17	Mr. Niaz Rahim	Independent Director	4	3

Investment Committee Meeting

Sl. No	Name of the Directors	Position	Meeting held	Present
1	Mr. Moynul Haque Siddiqui	Chairman	6	6
2	Mr. Aftab ul Islam, FCA	Member	6	6
3	Mr. Wahidul Haque Siddiqui	Member	6	2
4	Mr. Mohd. Shahjahan Miah	Member	6	6
5	Mr. Gazi A.Z.M. Shamim	Member	6	6
6	Ms. Kashfi Kamal	Member	6	0

N.B : Leave of absence was granted to member of the Board/ committee who are unable to attend the meetings due to unavoidable circumstances.

Claims Committee Meeting

Sl. No	Name of the Directors	Position	Meeting held	Present
1	Mr. Abdul Haque	Chairman	2	2
2	Mr. Wahidul Haque Siddiqui	Member	2	1
3	Mr. Mohd. Shahjahan Miah	Member	2	2
4	Mr. Gazi A.Z.M. Shamim	Member	2	2
5	Mr. Md. Habib Ullah Babul	Member	2	1

Audit Committee Meeting

Sl. No	Name of the Directors	Position	Meeting held	Present
1	Dr. AKM Moazzem Hussain	Chairman	4	4
2	Mr. Aftab ul Islam, FCA	Member	4	4
3	Mr. Wahidul Haque Siddiqui	Member	4	3
4	Mr. Golam Kabir Chowdhury	Member	4	3
5	Mr. Moshir Rahman	Member	4	3

Nomination & Remuneration Committee

Sl. No	Name of the Directors	Position	Meeting held	Present
1	Mr. Niaz Rahim	Chairman	1	1
2	Mr. Aftab ul Islam, FCA	Member	1	1
3	Mr. Wahidul Haque Siddiqui	Member	1	1
4	Mr. Moynul Haque Siddiqui	Member	1	1
5	Dr. AKM Moazzem Hussain	Member	1	1

N.B : Leave of absence was granted to member of the committee who are unable to attend the meetings due to unavoidable circumstances.



Shareholders and Investors Information



POSITION OF SHAREHOLDING

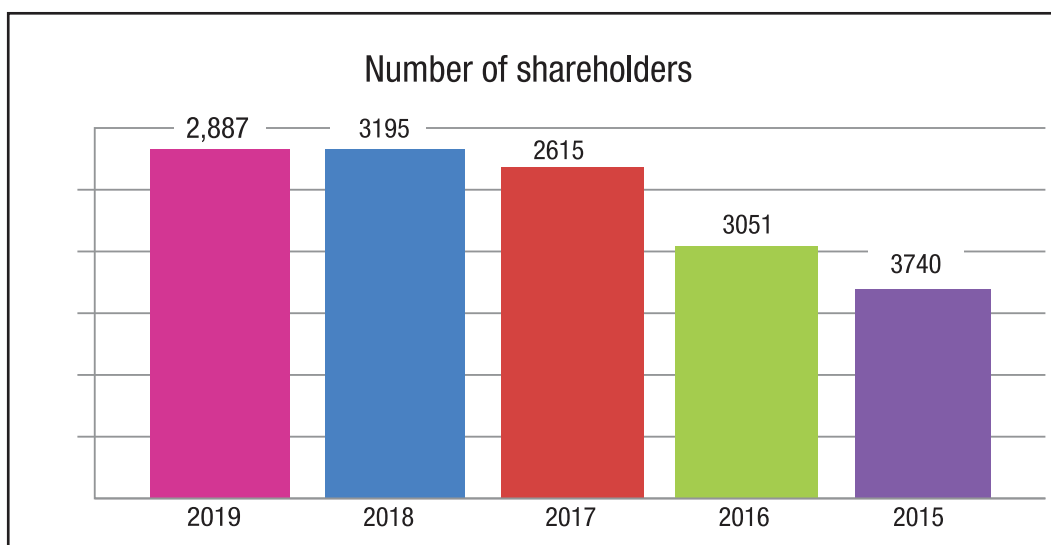
Category of Shareholders	For the year -2018		For the year -2019	
	NOS Holding	% of holding	NOS Holding	% of holding
A. Group -A: Sponsors and Directors: 18088400 share of Tk. 10 each fully paid-up	18,088,400	42.72%	18,138,400	42.82%
B. Group -B: Public Share Holders: share of Tk. 10 each fully paid-up	24,261,600	57.28%	24,211,600	57.18%
1. Institutions	12,789,700	30.20%	12,789,700	30.20%
2. General Public	11,471,900	27.08%	11,421,900	26.98%
Total (A+B)	42,350,000	100.00%	42,350,000	100.00%

Details of Shareholding position of Sponsors and Directors :

Sl.	Name of the Persons	Position in API	Share Subscribed	Percentage
	Group– A : Sponsors			
1	Mr. Aftab ul Islam, FCA	Chairman	1,329,000	3.14
2	Mrs. Kashmiri Kamal	Vice -Chairman	1,484,000	3.50
3	Mr. Wahidul Haque Siddiqui	Director	1,221,000	2.88
4	Mr. Gazi A.Z.M Shamim	Director	1,331,000	3.15
5	Ms. Kashfi Kamal	Director	2,220,000	5.24
6	Mr. Moynul Haque Siddiqui	Director	1,101,000	2.61
7	Mr. Mohd. Shahjahan Miah	Director	1,100,000	2.60
8	Mr. Md. Habib Ullah Babul	Director	847,000	2.00
9	Mr. Golam Kabir Chowdhury	Director	1,000,000	2.36
10	Mr. Abdul Haque	Director	847,000	2.00
11	Mr. Iqbal Kabir Chowdhury	Sponsor	400,000	0.94
	Group– B : General			
12	Mr. Moshir Rahman	Director	1,403,600	3.31
13	Mrs. Nazma Khan	Director	847,000	2.00
14	Ms. Nafisa Kamal	Director	1,306,800	3.09
15	Mrs. Lipika Biswas	Director	851,000	2.01
16	Mrs. Woahida Pervin (Happy)	Director	850,000	2.01
17	Dr. A.K.M Moazzem Hussain	Independent Directors	-	-
18	Mr. Niaz Rahim		-	-
	Total Share Sponsors & Directors		18,138,400	42.82
	General Public & other Shareholders		24,211,600	57.18
	Total Share :		42,350,000	100%

Number of shareholders

Year	No. of Shareholder	Growth	% of Growth
2015	3,740	(514)	(14.11)%
2016	3,051	(689)	(18.42)%
2017	2,615	(436)	(14.29)%
2018	3,195	580	22.18%
2019	2,887	(308)	(9.64)%



MARKET SHARE PRICE OF THE COMPANY

Months in 2019	Dhaka Stock Exchange (DSE)		Chittagong Stock Exchange (CSE)	
	High	Low	High	Low
January	32.80	26.70	33.20	25.90
February	31.20	25.50	32.50	25.00
March	25.90	21.50	26.00	22.20
April	24.00	19.70	25.00	19.20
May	24.90	21.50	24.60	19.20
June	27.50	24.70	27.80	24.30
July	26.90	24.90	27.90	25.00
August	25.50	22.90	27.10	24.00
September	25.30	21.60	25.00	22.00
October	24.40	22.60	25.00	24.00
November	28.00	23.90	28.00	24.30
December	27.10	24.70	27.40	24.50

EQUITY STATISTICS

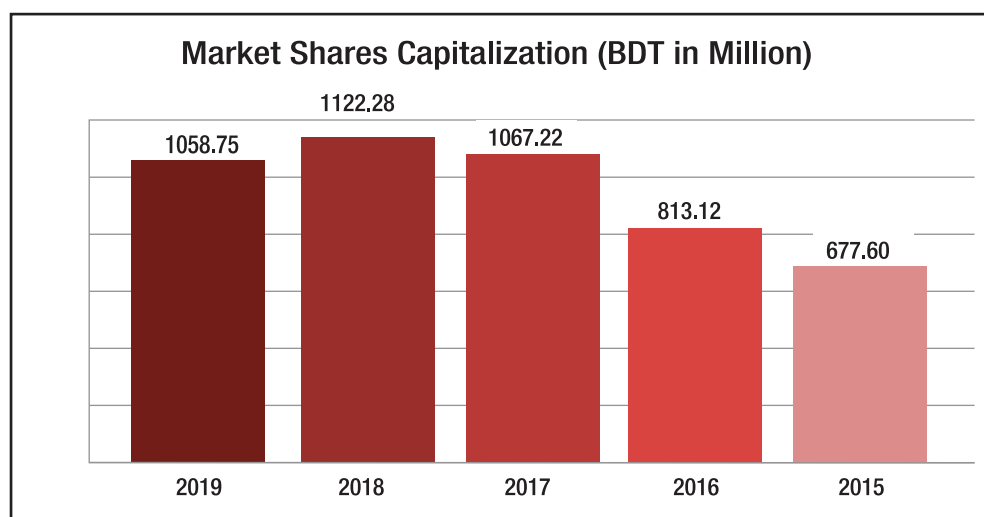
Particulars	Amount in Million BD Taka				
	2019	2018	2017	2016	2015
Authorized share capital	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Paid-up Capital	423.50	423.50	423.50	423.50	423.50
NAV (Book Value)	832.92	802.53	795.76	749.60	728.42
NAV (Book Value) Per share	19.66	18.89	18.79	17.70	17.02
Market Share Capitalization	1,046.04	1,122.27	1,067.22	813.12	677.60
EPS against Each Share Tk. 10/-	1.74	1.59	2.62	2.17	2.16

RESERVE AND CONTINGENT LIABILITIES

Particulars	Amount in Million BD Taka				
	2019	2018	2017	2016	2015
Reserve for exceptional losses	248.50	217.50	190.10	162.20	144.20
Investment fluctuation fund	82.20	65.13	60.26	50.61	39.28
General Reserve	13.50	13.50	13.50	13.50	13.50
Retained Earning	44.72	44.23	69.51	49.54	44.63
Total	388.92	339.93	340.06	275.85	241.61

MARKET CAPITALIZATION OF SHARES

Particulars	2019	2018	2017	2016	2015
Total number of share outstanding	42,350,000	42,350,000	42,350,000	42,350,000	42,350,000
Market closing price as on 31 Dec. (DSE)	25.00	26.50	25.20	19.20	16.00
Market Shares Capitalization (BDT)	1,058,750,000	1,122,275,000	1,067,220,000	813,120,000	677,600,000



5 Years FINANCIAL HIGHLIGHTS

Particulars	Amount in Million (BDT)				
	2019	2018	2017	2016	2015
Operational Performance					
Gross Premium	564.33	526.43	466.76	404.16	366.94
Re-Insurance ceded	216.83	192.00	187.50	195.25	176.34
Net Premium Income	347.50	334.43	279.23	208.9	190.6
Management Expenses	109.30	84.31	64.30	57.93	54.2
Net Claims	122.49	116.05	114.78	69.18	41.71
Reserve for un-expires business	(7.50)	215.10	190.10	162.20	144.20
Underwriting Profit/(Loss)	61.92	66.98	40.63	55.02	52.30
Interest Income	48.64	36.92	33.50	40.92	53.05
Investment, dividend and income	22.90	284.62	340.05	279.48	153.60
Gross Profit/Loss before Tax	102.48	334.43	279.23	208.91	190.60
Current Tax provision	28.65	43.55	90.77	96.46	68.36
Net Profit/Loss before Tax	73.83	100.16	111.14	91.89	91.41
Earnings per share (EPS) after Tax (Tk.)	1.74	1.55	2.15	1.47	1.52

Financial Position	2019	2018	2017	2016	2015
Authorized share capital	1,000	1,000	1,000	1,000	1,000
Paid-up Capital	423.5	423.5	423.5	423.5	423.5
Profit & Loss appropriation account	45.72	45.49	70.20	49.54	44.63
Share Premium	102.70	102.70	102.70	102.70	102.70
Reserve and contingent accounts	265.00	231.00	203.60	175.70	157.70
Current Liabilities	482.65	459.09	448.01	429.15	379.1
Current Assets	886.90	1,118.89	1,038.53	944.46	900.18
Fixed Deposit Receipts	542.94	468.92	466.44	427.23	555.197
Share Investment	267.21	251.66	245.30	238.70	121.76
Bangladesh Government Treasury Bond	25.00	25.00	25.00	25.00	25.00
Account Receivable	173.8	207.63	185.78	175.56	134.7
Inventories	0.20	0.18	0.16	0.15	0.16
Total Assets	1324.21	1,371.40	1,348.74	1,217.8	1,146.14
NAV (Book Value)	832.79	802.53	795.76	749.60	728.42
NAV (Book Value) Per share	19.66	18.95	18.79	17.70	17.20
Market Share Capitalization	1058.75	1,122.28	1,067.22	813.12	677.60
Market Value Closing Price per share	25.00	26.50	25.20	19.20	16.00

VALUE ADDED STATEMENT

Value Added Statement is a financial statement that depicts wealth created by an organization and how is that wealth distributed among various stakeholders. The various stakeholders comprise of the employees, shareholders, government, creditors and the wealth that is retained in the business.

During the year under review, the Company contributed positively through payment of salary and allowances to employees, regular dividend to the shareholders and VAT, Tax, Stamp duty et. to the Government of Bangladesh. The management of the Company are very much aware and transparent in doing the insurance business within the framework of regulations and tries to continue its steady growth. The value is created and distributed among the stakeholders i.e Government, Investors and Employee of the Company are mentioned below :

Value Added	BDT (million)		Distribution of Value Addition	BDT (million)	
	2019	2018		2019	2018
Gross Premium Income	564.3	526.44	Re -insurance premium	216.83	192.00
Re -insurance commission	38.68	33.30	Agency Commission	84.65	78.96
FDR Interest Income	48.64	36.92	Management Expenses	109.30	87.27
Investment Income	21.29	8.15	Net Claims	122.49	116.05
Other Income	1.61	0.37	Unexpired Risk Adjust	(7.50)	21.06
Total :	674.55	605.18	Income tax to Govt.	28.65	32.78
			Dividend Distribution	42.35	63.52
			Reserve & Surplus	77.78	57.17
			Total :	674.55	609.59

MARKET VALUE ADDED STATEMENT :

Market Value Added (MVA) is the difference between the total market value (based on the closing price in the secondary capital market) and total book value of the Company's equity shares. The higher Market Value Added the better the Company's position. A high market value indicates the Company has created substantial wealth for the shareholders. A negative MVA means that the value of Management's action and investment are less than that of value of the capital contributed to the Company by the Capital Market. As at 31st December, 2018, the Market & Book Values of the total outstanding shares of the Company are given below :

Particulars	Number of share	Value per share (Taka)	Total Value (BDT in million)	
			2019	2018
Book Value	42,350,000	19.66	832.60	801.26
Market Value	42,350,000	25.60	1,058.75	1,084.16

ECONOMIC VALUE ADDED STATEMENT

Economic Value Added (EVA) is the economic profit by the Company in a given period. It measures the Company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. A positive EVA shows, a company is generating returns in excess of the required minimum return. Economic Value Added is important because it is used as an indicator of how profitable company projects are and it, therefore, serve as a reflection of management performance. Economic Value Added is also referred to as economic Profit. It provides a measurement of profit of the Company's economic success or failure over the financial period. The EVE is defined as : **(Net Operating Profit – Tax – Cost of Capital for the year)**.

The Company is deeply concerned for maintaining higher value to its Shareholders/ Equity providers. The EVA of the Company at the year end on 31st December, 2018 are given below:

Particular	(BDT in million)	
	2019	2018
Net Operating Profit before Tax	102.48	100.16
Govt./ Corporate Tax Provision	28.65	32.84
Net Operating Profit after Tax	73.83	67.32
Cost of Capital	42.35	42.35
Economic Value Added (EVA)	31.48	24.97

SOLVENCY MARGIN STATUS

Solvency margin is the amount by which asset of an insurer exceeds its liabilities and will form part of the insurer's funds. Methods of valuation of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulated the minimum solvency margin, which an insurer must maintain at all times. The solvency of an insurance company corresponds to its ability to pay claims. The solvency of an insurance company or its financial strength mainly depends on whether sufficient technical reserves like Exceptional loss Reserve, Unexpired Risk Reserve Fund, General Reserve Fund etc. have been set up for the obligations entered into and whether the company has adequate capital as security.

Assets, Liability and Solvency Margin of the Company for the year ended December 31, 2019 are described below :

Amount in Million (BDT)

SI No.	Class of Business	Gross Premium	Net Premium	Factor	GP after application of factor	20% of GPF	20% of NP	20% of (NP&GPF) which is higher
1	Fire	206.55	81.90	0.50	103.27	20.65	16.38	20.65
2	Marine Cargo	230.72	189.38	0.70	161.50	32.30	37.87	37.87
3	Marine Hull	10.57	4.54	0.50	5.28	1.06	0.91	1.06
4	Motor	61.81	58.78	0.85	52.53	10.51	11.76	11.76
5	Miscellaneous	54.69	12.91	0.70	3.83	0.76	2.58	2.58
	Total :	564.33	347.50					73.92

Total Assets as per Balance sheet	1,324.21
Less :	
Amount due from others	173.29
Property, Plant & Equipment	145.08
Sundry Debtors	27.86
Stock of Stationary & Stamp	0.41
A. Total Assets :	977.57

Sundry Creditor	100.30
Amount due to others	105.17
Provision for Taxation	47.20
Reserve for exceptional loss	251.50
Deposit Premium	25.76
Reserve of Unexpired Risk	141.72
B. Total Liability :	671.65

Solvency Margin Available (A-B) : BDT 305.92 million

ACCOUNTING RATIO PERTAINING TO INSURANCE BUSINESS

Profitability and performance ratios	2019	2018	2017	2016	2015
Gross profit margin ratio	50.74%	53.12%	55.08%	63.76%	64.56%
Operating income ratio (%)	10.97%	12.72%	8.71%	13.61%	14.25%
Net profit margin ratio (after tax) (%)	13.08%	12.79%	19.21%	15.81%	17.55%
Return on assets ratio (%)	7.74%	7.30%	20.70%	17.15%	18.84%
Return on equity ratio (%)	9.07%	8.40%	11.60%	8.65%	8.27%
Operating cash flow to net profit ratio (%)	10.47%	108.63%	142.44%	99.08%	62.92%
Expenses Ratio (%)	40.37%	26.10%	24.53%	28.95%	29.77%
Claim Ratio (%)	21.71%	34.70%	41.10%	33.12%	23.81%
Combined Ratio (%)	62.08%	60.80%	65.63%	62.07%	53.58%

Liquidity Ratio	2019	2018	2017	2016	2015
Current Ratio (times)	1.84	1:2.25	1:2.30	1:2.66	1:2.85
Quick ratio (times)	1.90	1:2.30	1:2.30	1:2.70	1:2.90
Return on shareholders fund after tax (%)	9.02%	13.87%	11.89%	12.44%	12.77%

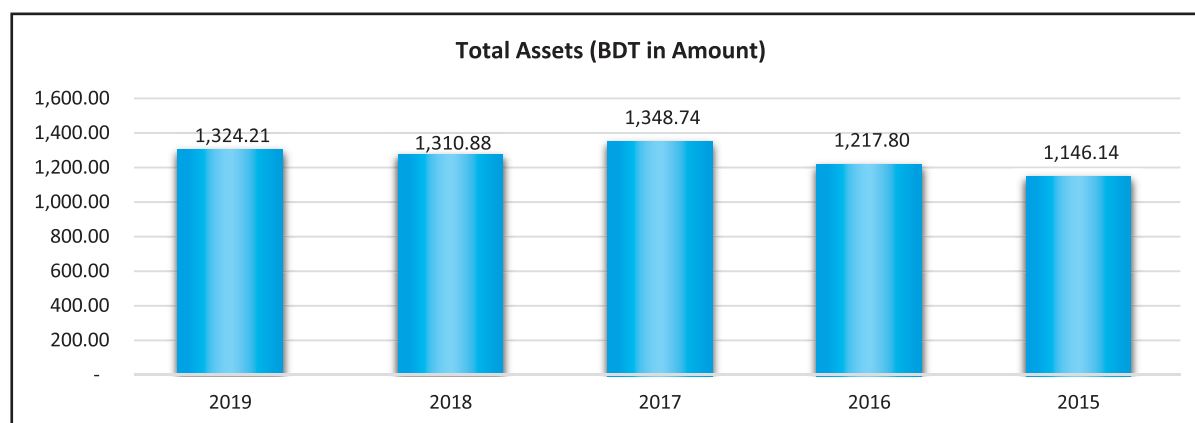
Earning Ratio :	2019	2018	2017	2016	2015
Price Earnings Ratio (times)	14.31%	16.67	11.89	12.80	10.53
Dividend Payout Ratio=(Dividend/NP)*100	57.47%	62.89%	70.75%	66.67%	66%
Dividend Yield ratio	4.02	3.77%	5.95%	5.21%	6.25%

Solvency Ratio :	2019	2018	2017	2016	2015
Required Solvency Margin	77.93	85.20	63.89	43.39	47.75
Available Solvency Margin	305.92	371.39	415.56	379.43	411.82
Solvency Margin ratio (Times)	3.10	4.36	6.52	8.75	8.63

REVIEW ON ASSET QUALITY

The Company is always focuses to make investment of its fund on the superior assets quality to bring highest value, ensure satisfactory return to the stakeholders and sustainable development. The Investment Committee of the Company subject to ratification of the Board of Directors is continuously reviewing the quality of assets and provide necessary direction to make investment of the fund in an effective manner. Year wise investment and assets quality of the Company are given below :

Position of total assets	Amount (BDT in million)				
	2019	2018	2017	2016	2015
Investment	292.21	291.66	285.35	278.67	161.76
Cash and Cash Equivalent	658.77	613.74	574.09	497.27	608.73
Fixed Assets	145.08	210.41	206.75	76.24	66.89
Other Assets	228.15	255.58	282.55	365.61	308.76
Total :	1,324.21	1,310.88	1,348.74	1,217.79	1,146.14



Particulars of Assets		(BDT in million)		Growth (%)
		2019	2018	
Investable Assets	Investment in Govt. Bond	25.00	25.00	-
	Investment in Listed Co. Shares	267.21	266.66	1.67%
	Fixed Deposits with Bank & NBFIs	542.94	468.92	15.78%
	Cash and Bank Balances	115.83	144.82	15.83%
Other Assets	Fixed Assets	145.08	149.90	3.21%
	Other Assets	228.15	255.58	(10.72%)
Total :		1,324.21	1,310.88	1.02%



Report on other areas



MANAGEMENT BUSINESS REVIEW AND FINANCIAL ANALYSIS :

Business Review and Financial Overview of the Company :

APGICL is one of the 3rd generation non-life insurance company offer a comprehensive and well diversified range of products including fire, marine, motor and miscellaneous insurance to various type of customers. The Company derives its revenue principally from 1) premiums earned for insurance coverage provided to insured, 2) investments income; 3) others income. In accordance with Bangladesh Financial Reporting Standard (BFRSs-8.20) and local regulatory authority Bangladesh Securities & Exchange Commission (BSEC) requires preparation of separate financial results of the Company. The Company has mainly four reportable segments on the date of reporting namely Fire, Marine, Motor and Miscellaneous. The performance of individual business segment during the year 2019 and its future strategies are presented below :

Segment wise Operating Result/ Performance of the Company :

In line with the general practices, the underwriting business of the company covers Fire, Marine, Motor & Miscellaneous insurances business. Out of total premium earned, it is found that Marine & Fire Insurance are mainly contributing to total GWP recorded 42.85% and 36.60% respectively. Class wise revenue composition are given below :

(Amount in million BDT.)

Particulars	Fire	Marine	Motor	Misc	Total		Growth /(Declined)	Growth/ (Declined) %
					2019	2018		
Gross Premium Income	206.55	241.28	61.81	54.69	564.33	526.44	37.89	7.20%
Re-insurance premium ceded	124.65	47.36	3.03	41.79	216.83	192.00	24.83	12.93%
Net Premium Income	81.90	193.92	58.78	12.90	347.50	334.44	13.06	3.90%
Commission (net)	12.06	23.51	8.31	2.09	45.96	46.06	(0.10)	(0.20%)
Management Expenses	40.01	46.73	11.97	10.59	109.30	84.31	24.99	26.64%
Net Claim Paid	69.92	33.73	18.39	.44	122.49	111.05	11.44	10.30%
Adjusted fund for un-exp. Risk	(9.68)	2.94	1.06	(1.83)	(7.50)	21.06	(13.56)	(64.38%)
Underwriting Profit/ (Loss)	(49.90)	92.89	20.99	(2.06)	61.92	71.98	(10.06)	(13.97%)

Segment wise Revenue Income of the Company :

Total Revenue Income has been increased and stood at BDT 133.46 million in 2019 as against BDT 117.40 million in 2018 because of increase of investment income particularly realized gain on investment in shares. Segment wise Revenue income are given below :

Particulars	2019		2018		Growth 2019 {+/(-)}	Growth / (Declined) %
	Amount (million)	% of Total Revenue	Amount (million)	% of Total Revenue		
Underwriting Profit	61.92	46.40%	71.98	61.31%	(10.06)	(13.97%)
Investment Income	69.93	52.40%	45.05	38.37%	24.88	30.07%
Other Income	1.61	1.20%	0.37	0.32%	1.24	335.13%
Total Revenue Income	133.46	100%	117.40	100%	26.44	22.52%

5 years operational performance are given below :

Particulars	2019	2018	2017	2016	2015
Gross Premium Income	564.33	526.34	466.76	404.15	366.93
Net Premium Income	347.50	334.44	279.25	208.90	190.60
Management Expenses	109.30	84.31	64.30	57.93	54.20
Net Claim Paid	122..49	111.05	114.78	69.18	41.70
Reserve for unexpired Risk	(7.50)	21.06	28.98	7.42	8.24
Operating (Underwriting) Profit/(Loss)	61.92	71.98	40.63	55.02	52.30
Investment, Interest & other Income	71.55	45.42	103.21	56.90	60.10
Gross Profit before Tax	133.47	117.40	143.84	111.92	112.40
Net Profit before Tax	102.49	99.17	111.14	91.89	91.41
Provision for Tax	28.65	33.52	21.50	28.20	27.00
Net Profit after Tax and before Reserve	73.83	65.64	70.20	46.97	44.98
Earning per Share (EPS)	1.74	1.55	2.15	1.50	1.52

The Company has experienced a steady growth in its financial positions. Comparative Financial position of the Company are given below :

Particulars	2019	2018	Growth 2019 {+/-}	Growth/ (Declined) %
	Amount (million)	Amount (million)		
Shareholders' Fund/Equity	802.80	800.00	2.80	0.35%
Current Liabilities	508.07	497.65	10.42	2.23%
Current Assets	953.35	956.23	(2.88)	(0.30%)
Fixed Assets less Depreciation	149.90	155.67	(5.77)	(3.71%)

5 years Financial position are given below :

Particulars	2019	2018	2017	2016	2015
Shareholders' Fund/Equity	832.92	801.44	799.32	748.87	728.53
Current Liabilities	482.65	503.81	495.35	344.96	302.32
Current Assets	886.91	869.32	856.65	965.60	944.20
Fixed Assets less Depreciation	145.08	149.90	155.66	36.86	28.74
Net Asset Value per Share	19.66	18.92	18.89	17.70	17.20

Sources and Utilization of the Fund :

Maximum shares of API fund derives from its Shareholders Equity; bulk of which is utilized in Fixed Deposit (F.D). The portion of Fixed Deposit (F.D) is kept in the various banks and financial Institutes to maintain liquidity ration and sound rate of return on investment.

The Company is maintaining a mandatory deposit of BDT 25 million as statutory deposit in the Bangladesh Govt. Treasury Bond (BGTB). Total investment of the Company comprising of Fixed Deposits (FD), Shares & Bonds stood at BDT 835.15 million in 2019 against BDT 760.58 million in 2018. Out of the total investment, about 65% was concentrated in Fixed Deposit (F.D) with various Commercial Banks & NBFIs for BDT 542.94 million and remaining 35% includes investment in Shares & Bond for BDT 292.21 million in 2019.

REPORT ON RISK MANAGEMENT

The objective of the Risk Management (the Framework) of the Company is to ensure that various risks are identified, measured, mitigated and that policies, procedures and standards are established to address these risks for systemic response and adherence. The Company has identified enterprise wide risks, which are categorized under 5 broad groups namely Operational Risk, Market Risk, Underwriting Risk, Re-insurance risk and Liquidity Risk. The broad structure of the Framework is as follows:

- Risk identification, assessment and mitigation process;
- Risk management and oversight structure; and
- Risk monitoring and reporting mechanism.

As part of the Enterprises Risk Management exercise, critical risks along with the detailed mitigation plan are presented to the Senior Management on a quarterly basis. The risk mitigation plans are monitored regularly by the Company to ensure their timely and appropriate execution. The Company further measures each of its risk items against a set of predefined tolerance levels. These levels and the subsequent tolerance scores are classified as high, medium and low risk respectively. The risks are further monitored on a quarterly basis on analysis based on probability and severity.

The senior management of the Company is responsible for periodic review of the risk management process to ensure that the process initiatives are aligned to the desired objectives. The Internal Audit Department is also comprise for review of risk management processes within the Company and for the review of self-assessments of risk management activities.

The Company's Reinsurance Program defines the retention limit for various classes of products. Further, the Company has in place a risk retention reinsurance philosophy, which defines the product-wise retention limits on a per-risk basis as well as a retention limit on a per-event basis. The Underwriting Policy defines product-wise approval limits for various underwriters. The Investment Policy lays down the asset allocation strategy to ensure financial liquidity, security and diversification. The Operational Risk Policy defines the tolerance limits and lays down the framework for monitoring, supervision, reporting and management of operational risks of the Company. The Company promotes risk awareness and understanding of controls with communication and training. Primary risk management and internal control systems are designed and implemented at every level of the Company. Management, as the first line of defense, is responsible for identifying, evaluating and addressing significant risks and designing, implementing and maintaining internal controls.

The Management has reviewed the effectiveness of the company's risk management system, including the risk tolerance and enterprise risk governance framework and the Audit Committee of the Board has reviewed the effectiveness of the system of control over financial reporting for the calendar year 2019 and has reported to the Board accordingly. Issues identified have been communicated to the Board and have been or are being addressed by the Company. The internal and external auditors also regularly report conclusions, observations and recommendations that arise as a result of their independent reviews and testing of internal controls over financial reporting and operations.

REPORT ON INTERNAL CONTROL OF FINANCIAL REPORTING

Internal control is a process for assuring of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. A broad concept, internal control involves everything that controls risks to an organization.

It is a means by which an organization's resources are directed, monitored, and measured. It plays an important role in detecting and preventing fraud and protecting the organization's resources. At the organizational level, internal control objectives relate to the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws and regulations. At the specific transaction level, internal controls refers to the actions taken to achieve a specific objective (e.g., how to ensure the organization's payments to third parties are for valid services rendered). Internal control procedures reduce process variation, leading to more predictable outcomes.

The Company has adopted the following frameworks in accordance with the requirements laid down under Corporate Governance Guidelines.

(i) Internal Audit Framework

The Company has established an internal audit framework with a risk based approach. The internal audit covers auditing of processes as well as transactions. The Company has designed its internal control framework to provide reasonable assurance to ensure compliance with internal policies and procedures, regulatory matters and to safeguard reliability of the financial reporting and its disclosures. An annual risk-based internal audit plan is drawn up on the basis of risk profiling of the businesses/departments/branches of the Company which is approved by the Management. The Board/Committee considers that the internal control framework is appropriate to the business. The Internal Audit Department's key audit findings, recommendations and compliance status of the previous key audit findings are reported to the Audit Committee. The Audit Committee actively monitors the implementation of its recommendations. The Chairman of the Audit Committee briefs the Board on deliberations taken place at the Audit Committee Meeting in relation to the key audit findings.

(ii) Internal Controls over Financial Reporting

The Company has in place adequate internal financial controls commensurate with size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. Throughout the year, the internal audit team conducted department audits, branch audits and they provide audit reports with suggestions and recommendations as well as confirmed spot rectification to ensure compliance, accountability and better performance.

INTERNAL
CONTROL

REPORT ON CLAIMS SETTLEMENT

Claims management is one of the crucial functions of an insurance company as it is the ultimate test of a responsible and efficient insurer. Especially, in case of a non-life insurance company, where multi-varied lines of insurance products are catered/offered in response to the insured's requirement (whether traditional or non-traditional in nature), procedures of claims management greatly vary with respect to the nature, cause and magnitude of claims on case to case basis.

Settlement of Claims is the prime object of the Company. Prompt settlement of claims is avowed motto under which the company become a symbol of trust and security through efficient and dedicated services to its insured and stakeholders. Normally the Company settle legitimate claims within a shortest possible time subject to receive of required documents and assessment for the loss adjusters.

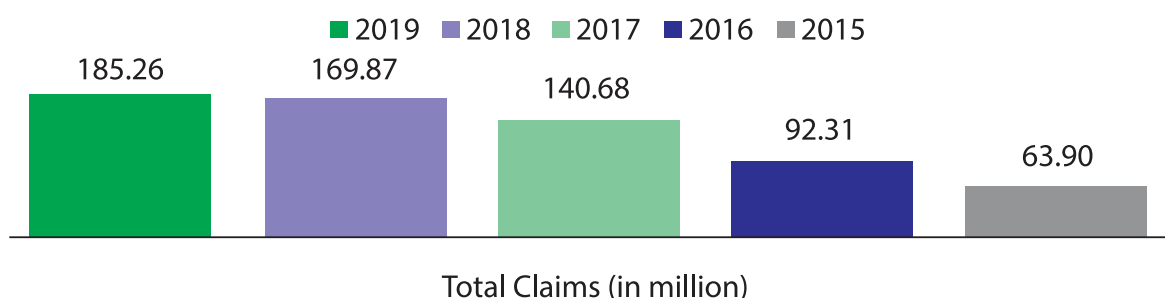
The claim handling process starts with the notification of loss to APGICL and the company appoints a licensed loss adjuster immediately upon receipt of the intimation. Staffs and officers of the Company always alert in 24-hrs to receive claim intimation over telephone, email, post or online. Meanwhile, we require preliminary survey report to provide a note of possible liability on the occurrence. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay. A list of minimum requirement of supporting documents/papers for claims arising under each class of business is maintained at the Head Office of the Company.

As soon as Claim Department of the Company receives all necessary papers along with survey report from the loss adjuster, the company quickly scrutinizes all documents against its check list of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any loss of time. Besides settlement of claims that are possible to dispose off during the accounting period, adequate provision for outstanding claims, if any, are also maintained against unsettled claims.

In recognition to the claims services, Asia Pacific General Insurance Co. Ltd. has been awarded a Credit Rating of AA in claims pay-ability by the Alpha Credit Rating Agency.

Claims Settlement over the Year

Description	Amount (BDT in million)				
	2019	2018	2017	2016	2015
Claim outstanding beginning of the year	62.77	58.82	25.90	23.13	22.19
Claim intimation during the year	122.49	111.05	114.78	69.18	41.71
Total Claims	185.26	169.87	140.68	92.31	63.90
Claim paid during the year	127.63	107.10	81.86	66.41	40.77
Claim outstanding at the end of the year	57.63	62.77	58.82	25.90	23.13
Claim paid as % of total claim	68.89%	63.04%	58.47%	71.89%	63.80%



REPORT ON RE-INSURANCE

Reinsurance in the life blood of the non-life insurance company whereas a number of risk are underwritten of different size, i.e. small, medium big and large. Hence reinsurance provides the main underwriting support to protect the financial stability to the insurance company at the time of claim occurred. Proper reinsurance arrangement with the reputed insurance companies is the most important job of the reinsurance department of the Company.

Reinsurance is, by its nature, a global business, which deploys capital across geographical boundaries and line of business. The intent of reinsurance is for an insurance company to reduce the risk associated with underwritten policies by spreading risk across the alternative institutions. Reinsurance also increase the capacity of underwriting for the traditional and any new line of insurance business. It projects insurance company, policy holders and its stakeholder through providing instant solvency capital to stabilize net claim ratio.

Since reinsurance is a financial and services arrangement between an insurer and a reinsurer. It contains a number of different steps to transfer the risk in global market as well as financing for ensuring underwriting capacity to the insurance companies. The government of Bangladesh implemented the system through promulgation of the Insurance Corporation (amendment) Act 1990 to allowed private sector insurance companies to place 50% reinsurance of the business to state owned corporation and to place remaining 50% of their business with any reinsurer of their choice at home or abroad. Sadharan Bima Corporation will underwrite 100% of public sector business and distribute 50% to private insurance companies in the country.

The Company has extensive Re-insurance Treaty agreement up to any amount with Sadharan Bima Corporation (SBC) through Surplus, CAT XL and facultative reinsurance program. Under these arrangement, the Company is in position to underwrite any amount of business with confidence to meet the various needs of its valued Clients.

During the year 2019, the Company's reinsurance arrangement continued to be a combination of proportional and non-proportional program for both conventional and special lines of business. The Company endorses the philosophy of buying an adequate cover to protect value at risk at all times. The reinsurance arrangement has been structured keeping this philosophy in perspective. A well-defined retention limit for each product segment that defines – its maximum “per risk” and “per event” exposure has been formulated. The treaty limit of reinsurance arrangement with SBC is BDT 1,200 million for Fire business, BDT 250 million for Marine business and Excess of Loss treaty for Motor business with net loss retention BDT 0.50 million in excess of BDT 1.50 million. The Company has also facultative reinsurance arrangement with Sadharan Bima Corporation and other international reinsurer agencies.

GRAPHICAL PRESENTATION



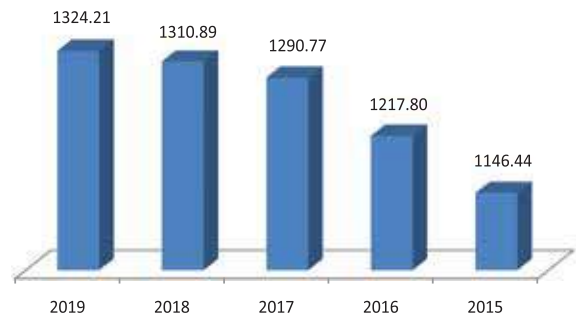
■ Gross Premium Income



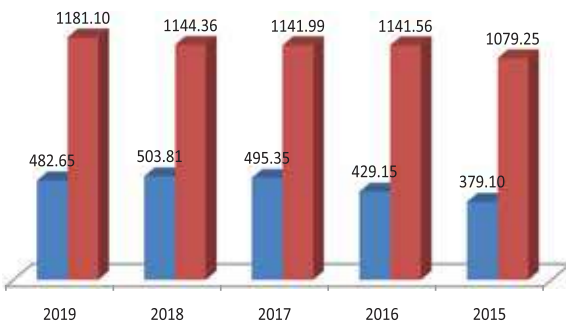
■ Net Premium Income



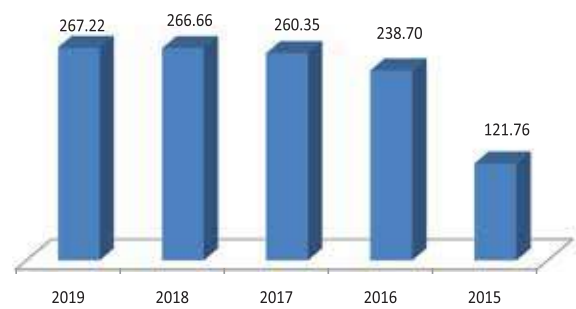
■ Net Claims



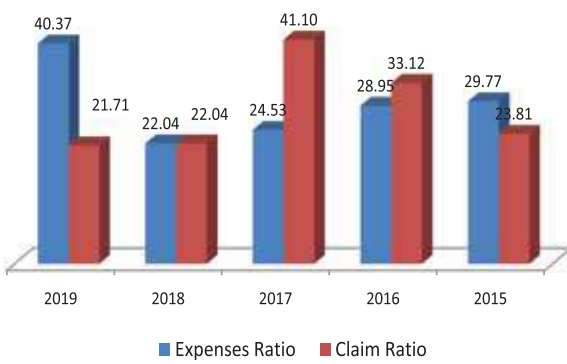
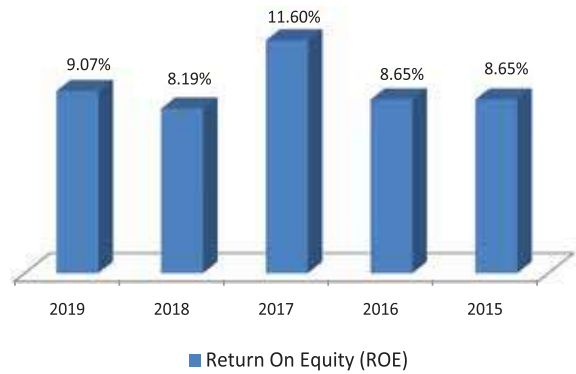
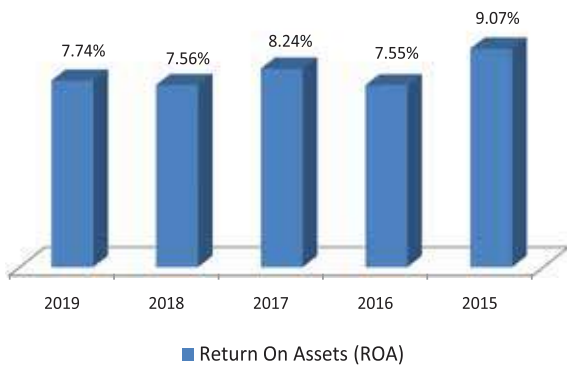
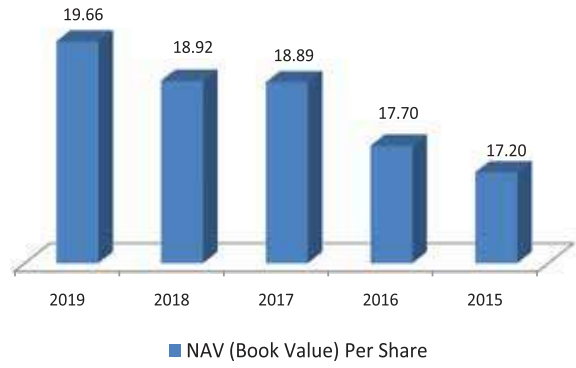
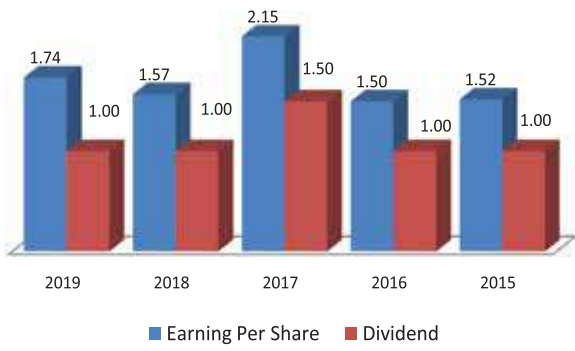
■ Total Assets

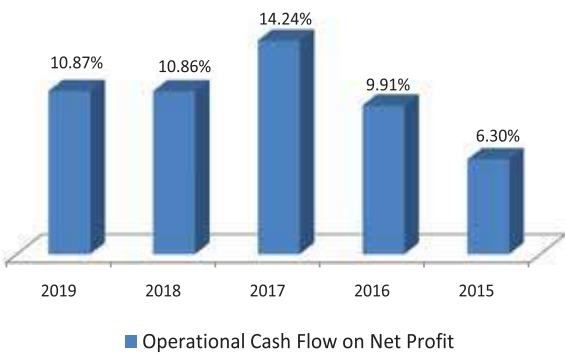
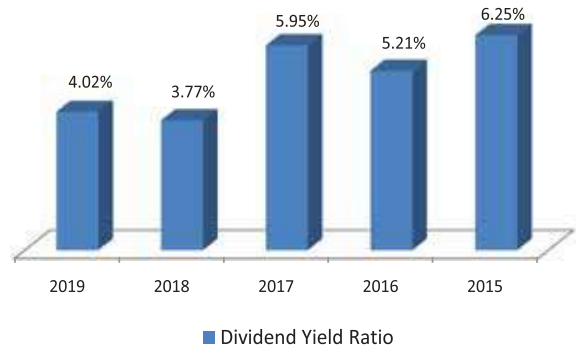
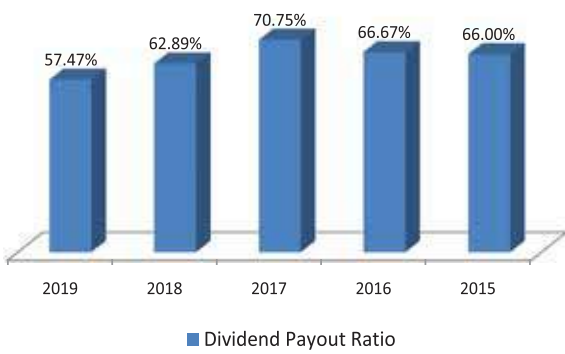
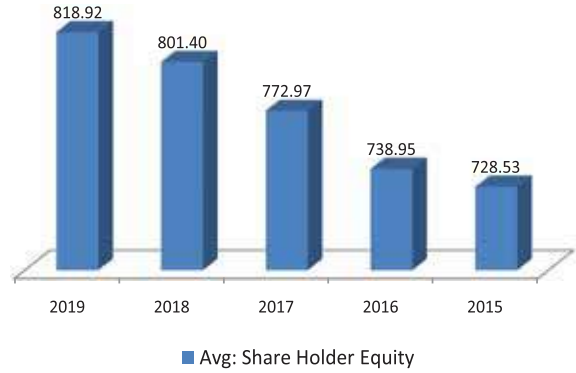
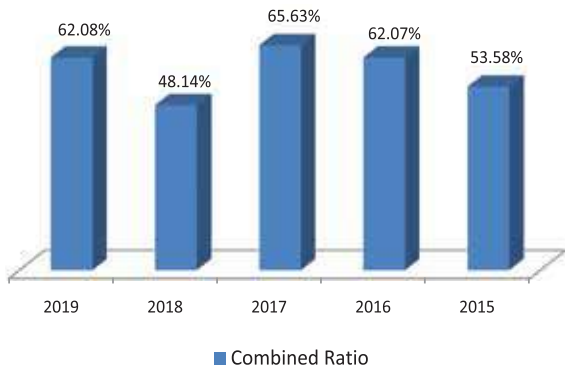


■ Current Liabilities ■ Current Assets



■ Share Investment







মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউন্টেন্টস

৯-জি, মতিঝিল বাণিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali

CHARTERED ACCOUNTANTS

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Independent Auditor's Report To the Shareholders of Asia Pacific General Insurance Company Limited Report on the Audit of the Financial Statements

Opinion:

We have audited the financial statements of Asia Pacific General Insurance Company Limited, which comprise the Statement of Financial Position as at 31 December 2019, the Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion:

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

Emphasis of Matter:

We draw your attention to note 1.06 to the Financial Statement where describes the company not yet introduced IFRS 16: Lease for rental expenses for office spaces (Rental premises). Moreover, the note No. 15.03 describe that the investment in marketable securities are measure at lower of cost and NRV and present the "investment in securities at cost" as asset and "provision for diminution of value of share" as liability separately, in the statement of financial position. However, the IFRS-9 requires to present these investment in the statement of financial statements at fair value by netting off provision for diminution loss from the cost of investment.

Our opinion is not qualified in respect to this matters.

Risk	Our response to the risk
<p>Premium Income:</p> <p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of audit risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. ➤ Applying specialist judgment ensured if there is any impairment of the reinsurer. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>Fair value reserve on Investment of marketable securities:</p> <p>The company makes a number of investments in the listed securities in stock exchange. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss is transferred to the fair value reserve as per the policy of the company and maintain adequate deferred tax on such reserve.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> ➤ Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. ➤ Ascertained the valuation of the holding as per IFRS 13. ➤ Reviewed the assumptions used for the valuation models for any unquoted securities. ➤ Recalculated unrealized gain or loss at the year end. ➤ Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. ➤ Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss.

Our opinion is not qualified in respect to this matters.

Risk	Our response to the risk
<p>This item has significant impact on net asset value of the company and equity balances might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p>	<ul style="list-style-type: none"> ➤ Check the subsequent positioning of this unrealized amount after the year end. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment:</p> <p>This account represents the claim due or intimated and related balance of recoverable from reinsurer, from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ➤ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ➤ Obtained a sample of claimed policy copy and cross check it with claim. ➤ Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. ➤ Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. ➤ Reviewed the claim committee meeting minutes about decision about impending claims. ➤ Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. We have not been provided the Director's report and other information contained within the annual report except the financial statements to the date of our auditor's report. We expect to obtain the remaining reports of the Annual report after the date of our auditor's report. Management is responsible for the other information.

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

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

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

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

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

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

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

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

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

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

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

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

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

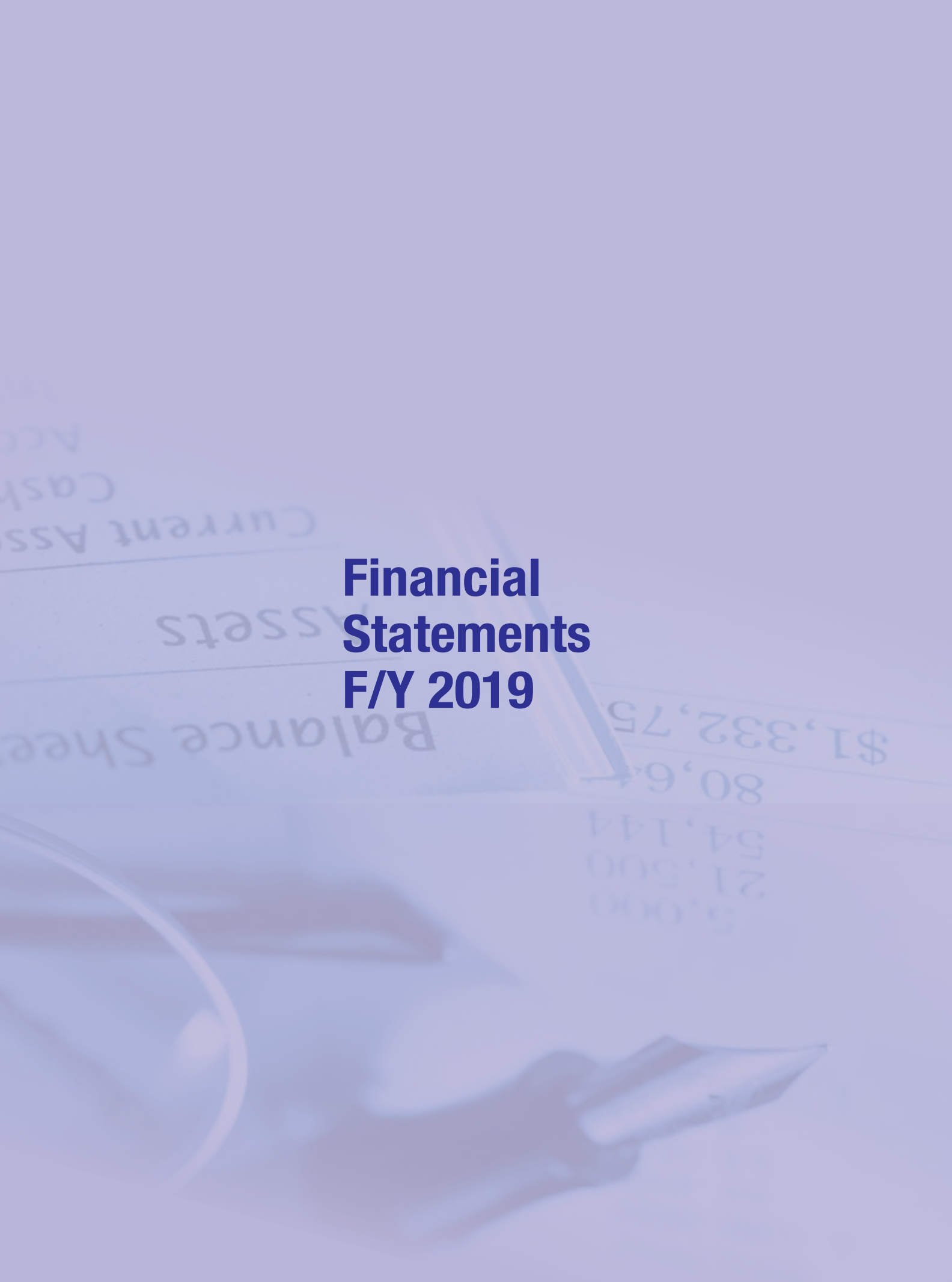
Report on other Legal and Regulatory Requirements:

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

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

Dated, Dhaka
July 02, 2020


Swadesh Ranjan Shaha, FCA
Chartered Accountants

The background features a light blue overlay on a blurred image of a financial statement. A fountain pen nib is visible in the lower right corner. The document text is mirrored and includes terms like 'Current Assets', 'Balance Sheet', and various numerical values.

Financial Statements F/Y 2019

Current Assets
Balance Sheet
\$1,332,75
80,64
54,144
21,500
5,000

BALANCE SHEET

AS AT 31st DECEMBER, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA Restated	2017 TAKA Restated
Equity & Liability:				
Authorised Capital	3	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
1,00,000,000 ordinary shares of Tk. 10 each				
Equity:				
Share Capital	4	423,500,000	423,500,000	423,500,000
Share Premium	5	102,698,750	102,698,750	102,698,750
Reserve for Exceptional losses	7	248,500,000	217,500,000	190,100,000
Reserve fund	6	13,500,000	13,500,000	13,500,000
Retained Earnings		44,723,471	44,238,784	69,518,270
Total Equity		<u>832,922,221</u>	<u>801,437,534</u>	<u>799,317,020</u>
Non-current Liability:				
Deferred Tax	13	8,638,664	5,633,490	2,998,097
Total non-current liabilities		<u>8,638,664</u>	<u>5,633,490</u>	<u>2,998,097</u>
Current Liabilities:				
Amount due to other persons or bodies carrying on insurance business		105,169,524	156,504,577	144,914,320
Balance of Funds and accounts	8	141,723,766	134,220,323	113,161,762
Premium deposit	9	25,757,674	12,675,607	9,316,030
Estimated liabilities in respect of outstanding claim whether due or intimation	11	57,629,451	62,770,980	58,821,869
Sundry creditors	12	100,302,266	83,001,786	73,567,759
Provision for gratuity	10	4,866,513	4,912,083	4,794,658
Current Tax Provision	14	47,200,055	49,728,937	90,770,027
Total current liabilities		<u>482,649,249</u>	<u>503,814,293</u>	<u>495,346,425</u>
Total equity & liability		<u>1,324,210,134</u>	<u>1,310,885,317</u>	<u>1,297,661,542</u>
Net Asset Value Per Share (NAV)	31	19.66	18.92	

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

BALANCE SHEET

AS AT 31st DECEMBER, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA Restated	2017 TAKA Restated
Assets:				
Non-current Assets:				
Property, Plant & Equipment	Annx.1	145,085,811	149,898,485	155,665,304
Investment in BD Govt TB	15	25,000,000	25,000,000	25,000,000
Investment in shares at cost	15	267,215,033	266,660,533	260,348,324
Total non-current assets		437,300,844	441,559,018	441,013,628
Current Assets:				
Accrued interest	16	26,563,980	20,997,700	17,898,914
Investment in FDR	18	542,943,862	468,918,983	466,436,940
Advance, deposit & Prepayment	17	27,868,976	26,296,607	78,464,577
Amount due from other persons or bodies carrying on insurance business	20	173,288,121	207,633,530	185,775,236
Stamp in hand	19	207,085	476,325	266,187
Stock of stationary	19	202,348	178,458	156,310
Cash and bank balances	18	115,834,918	144,824,696	107,649,750
Total Current Assets		886,909,290	869,326,299	856,647,914
Total Assets		1,324,210,134	1,310,885,317	1,297,661,542

The Annexed notes are integral part of these financial statements.


Aftab Ul Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

STATEMENT OF PROFIT OR LOSS

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Expenses of Management (not applicable to any Particular Fund or account):		30,982,725	18,266,718
Directors' fee		695,975	462,300
Audit fee		118,000	75,000
Advertisement		793,110	371,706
Registration & renewal fee		173,167	1,711,555
Legal fee		168,750	25,000
Fees and Charge		414,370	319,515
Provision for Gratuity		2,000,000	1,000,000
Depreciation (annexure-1)		9,382,570	9,427,325
Provision for diminution in value of investment		17,073,596	4,874,317
Finance cost	28.02	128,187	-
Donation		35,000	-
Income Tax expenses:		28,654,265	33,518,812
Prior year under/(over) provision		4,449,091	5,583,419
Current tax	23	21,200,000	25,300,000
Deferred tax		3,005,174	2,635,393
Net Profit for the year		73,834,687	65,645,514
Total		133,471,677	117,431,044

Statement of Other Comprehensive Income

Total comprehensive income brought forward		73,834,687	65,645,514
Total		73,834,687	65,645,514
Earning Per Share (EPS)	29	1.74	1.55

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

STATEMENT OF PROFIT OR LOSS

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Interest, Dividends and rents (not applicable to any Particular fund or account):		71,549,538	45,449,353
Interest income	21	48,640,165	36,918,929
Rental income		1,610,309	374,738
Dividend Income		2,761,278	2,732,794
Profit on sales of shares	22	18,537,786	5,422,892
Profit Transferred from-		61,922,139	71,981,691
Fire revenue account		(49,897,655)	(47,705,979)
Marine revenue account		94,374,696	90,965,899
Motor revenue account		20,990,726	28,506,851
Marine Hull Revenue account		(1,484,872)	2,788,606
Misc. Revenue account		(2,060,756)	(2,573,686)
Total		133,471,677	117,431,044

Statement of Other Comprehensive Income

Net profit for the year	73,834,687	65,645,514
Other Comprehensive Income	-	-
Total	73,834,687	65,645,514

The Annexed notes are integral part of these financial statements.


Aftab UI Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

PROFIT AND LOSS APPROPRIATION ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Reserve for exceptional losses		31,000,000	27,400,000
Dividend Paid		42,350,000	63,525,000
Balance transferred to balance sheet		44,723,471	44,238,784
		118,073,471	135,163,784

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
Chief Executive Officer


Wahidul Haque Siddiqui
Director


Kashmiri Kamal
Director

Dated : July 02, 2020

PROFIT AND LOSS APPROPRIATION ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Opening balance of retained earnings		44,238,784	70,204,838
Prior year adjustment (Note: 30.00)		-	(686,568)
Restated opening balance		44,238,784	69,518,270
Net Profit for the year		73,834,687	65,645,514
		118,073,471	135,163,784

The Annexed notes are integral part of these financial statements.


Aftab Ul Islam FCA
Chairman


Malek Siddiqui Wali
Chartered Accountants

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Claim Under policies less re-insurance		122,490,547	111,052,478
Paid during the year	25	127,632,076	107,103,367
Add: Outstanding claims at the end of the year whether due or intimated		57,629,451	62,770,980
		185,261,527	169,874,347
Less: Outstanding claims at the end of the previous year		62,770,980	58,821,869
Agency commission		84,650,233	78,965,618
Management expenses	26	109,304,924	84,314,553
Stamp duty		321,476	367,267
Profit for the year transferred to profit and loss account		61,922,139	71,981,691
Balance of account at the end of the year (Reserve for unexpired risk being 40% premium income of Fire, Marine cargo, Misc and 100% of Marine hull)	8	141,723,766	134,220,323
Total		520,413,085	480,901,930

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Balance of account at the beginning of the year		134,220,323	113,161,762
Premium less re-insurance	27	347,504,389	334,434,578
Commission on re-insurance ceded		38,463,206	32,908,012
Profit commission on re-insurance		225,167	397,578
Total		<u>520,413,085</u>	<u>480,901,930</u>

The Annexed notes are integral part of these financial statements.


Aftab UI Islam FCA
Chairman


Malek Siddiqui Wali
Chartered Accountants

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Claim under policies less re-insurance		69,922,613	76,722,616
Paid during the year	25	77,882,535	73,079,676
Add: Outstanding claims at the end of the year whether due or intimated		20,069,603	28,029,525
		97,952,138	101,109,201
Less: Outstanding claims at the end of the previous year		28,029,525	24,386,585
Agency commission		30,982,578	22,272,658
Management expenses	26	40,006,367	23,781,351
Stamp duty		127,904	123,595
Net Loss for the year transferred to Profit and loss account		(49,897,655)	(47,705,979)
Balance of account at the end of the year (Reserve for unexpired risk being 40% of the Fire premium Income of the year)	8	32,759,275	23,081,144
Total		123,901,082	98,275,385

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	2019 TAKA	2018 TAKA
Balance of account at the beginning of the year		23,081,144	23,727,368
Premium less re-insurance	27	81,898,187	57,702,860
Commission on re-insurance ceded		18,921,751	16,845,157
Total		123,901,082	98,275,385

The Annexed notes are integral part of these financial statements.


Aftab Ul Islam FCA
Chairman


Malek Siddiqui Wali
Chartered Accountants

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	MARINE CARGO	MARINE HULL	2019 TAKA	2018 TAKA
Claim under policies less re-insurance		33,732,601	-	33,732,601	23,109,406
Paid during the year	25	42,464,018	-	42,464,018	22,588,668
Add: Outstanding claims at the end of the year whether due or intimated		15,611,758	-	15,611,758	24,343,175
		58,075,776	-	58,075,776	46,931,843
		24,343,175	-	24,343,175	23,822,437
Less: Outstanding claims at the end of the previous year					
Agency commission		34,607,453	1,585,152	36,192,605	39,774,658
Management expenses	26	44,687,000	2,046,834	46,733,834	42,468,896
Profit/(loss) for the year transferred to Profit and loss account		94,374,696	(1,484,872)	92,889,824	93,754,505
Balance of account at the end of the year	8	75,753,643	4,536,684	80,290,327	83,232,704
(Reserve for unexpired risk being 40% of the Marin Cargo and Marin Hull premium Income of the year)		283,155,393	6,683,798	289,839,191	282,340,169

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	MARINE CARGO	MARINE HULL	2019 TAKA	2018 TAKA
Balance of account at the beginning of the year		82,488,549	744,155	83,232,704	65,384,296
Premium less re-insurance	27	189,384,108	4,536,684	193,920,792	206,965,528
Commission on re-insurance ceded		11,282,736	1,289,118	12,571,854	9,748,815
Profit commission		-	113,841	113,841	241,530
		<u>283,155,393</u>	<u>6,683,798</u>	<u>289,839,191</u>	<u>82,340,169</u>

The Annexed notes are integral part of these financial statements.


Aftab Ul Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	MOTOR	MISC	2019 TAKA	2018 TAKA
Claim under policies less re-insurance		18,396,561	438,772	18,835,333	11,220,456
Paid during the year	25	7,263,200	22,323	7,285,523	11,435,023
Add: Outstanding claims at the end of the year whether due or intimated		21,164,026	784,064	21,948,090	10,398,280
		28,427,226	806,387	29,233,613	21,833,303
Less: Outstanding claims at the end of the previous year		10,030,665	367,615	10,398,280	10,612,847
Agency commission		9,271,110	8,203,940	17,475,050	16,918,302
Stamp duty		164,232	29,340	193,572	243,672
Management expenses	26	11,971,355	10,593,368	22,564,723	18,064,306
Profit/(loss) for the year transferred to Profit and Loss		20,990,726	(2,060,756)	18,929,970	25,933,165
Balance of account at the end of the year (Reserve for unexpired risk being 40% of the Motor and Miscellaneous premium income of the year)	8	23,511,470	5,162,694	28,674,164	27,906,475
Total		84,305,454	22,367,358	106,672,812	100,286,376

Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director

Dated : July 02, 2020

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2019

PARTICULARS	NOTE	MOTOR	MISC	2019 TAKA	2018 TAKA
Balance of account at the beginning of the year		24,571,090	3,335,385	27,906,475	24,050,098
Premium less re-Insurance	27	58,778,676	12,906,734	71,685,410	69,766,190
Commission on re-Insurance ceded		955,688	6,013,913	6,969,601	6,314,040
Profit commission		-	111,326	111,326	156,048
Total		84,305,454	22,367,358	106,672,812	100,286,376

The Annexed notes are integral part of these financial statements.


Aftab Ul Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

CASHFLOW STATEMENT

For the year ended 31st December, 2019

	2019 TAKA	2018 TAKA
A. Cash Flow from operating activities :		
Turnover against Insurance Business	515,833,144	509,758,470
Investments and other income	50,233,230	34,266,339
Payments for management expenses, re-insurance, claims & Commission etc	(426,069,418)	(400,402,889)
VAT paid to Govt.	(23,629,062)	(19,163,442)
Tax Paid	(27,379,427)	(15,655,000)
Net Cash Flow from operating Activities	88,988,467	108,803,478
B. Cash Flow from Investment Activities :		
Purchase of Fixed Assets	(3,104,771)	(3,660,506)
Investment in Shares	(554,480)	(6,312,209)
Net Cash Flow from Investment Activities	(3,659,251)	(9,972,715)
C. Cash Flow from Financing Activities :		
Dividend Paid	(40,294,115)	(59,173,774)
Net Cash Flow from Financing Activities	(40,294,115)	(59,173,774)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)	45,035,101	39,656,989
Closing Cash at Bank Balances	683,778,780	638,743,679
Opening Cash at Bank Balances	638,743,679	599,086,690
	45,035,101	39,656,989
Net operating Cash flow per share (NOCFPS) (Restated) (Note:32)	2.10	2.57


Signed in terms of our separate report date even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director


Aftab Ul Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

Dated : July 02, 2020

Asia Pacific General Insurance Company Ltd.
Statement of Changes in Equity
 For the year ended December 31, 2019

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Reserve Fund	Retained Earnings	Total
Balance as on January 01, 2019	423,500,000	102,698,750	217,500,000	13,500,000	44,238,784	801,437,534
Reserve for Exceptional loss	-	-	31,000,000	-	(31,000,000)	-
Dividend Paid @ 10%	-	-	-	-	(42,350,000)	(42,350,000)
Net profit for the year	-	-	-	-	73,834,687	73,834,687
Balance as on December 31, 2019	423,500,000	102,698,750	248,500,000	13,500,000	44,723,471	832,922,221

Asia Pacific General Insurance Company Ltd.
Statement of Changes in Equity
 For the year ended December 31, 2018

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Reserve Fund	Retained Earnings	Total
Balance as on January 01, 2018	423,500,000	102,698,750	190,100,000	13,500,000	70,204,838	800,003,588
Prior year adjustant (Note 30)	-	-	-	-	(6,86,566)	(6,86,566)
Restated Opening Balance	423,500,000	102,698,750	190,100,000	13,500,000	69,518,270	799,317,020
Dividend Paid @ 15%	-	-	-	-	(63,525,000)	(63,525,000)
Reserve for Exceptional Losses	-	-	27,400,000	-	(27,400,000)	-
Net profit for the year	-	-	-	-	65,645,514	65,645,514
Balance as on December 31, 2018	423,500,000	102,698,750	217,500,000	13,500,000	44,238,784	801,437,534

The annexed notes are integral part of these financial statements.

Signed in terms of our separate report data even annexed.


Bidhu Bhuson Chakraborty
 Chief Executive Officer


Wahidul Haque Siddiqui
 Director


Kashmiri Kamal
 Director


Aftab Ul Islam FCA
 Chairman


Malek Siddiqui Wali
 Chartered Accountants

Dated : July 02, 2020

ASIA PACIFIC GENERAL INSURANCE COMPANY LTD.

FORM "AA"

CLASSIFIED SUMMARY OF ASSET AS AT 31ST DECEMBER, 2019

Class Of Assets	Book Value 2019 TK	Book Value 2018 TK	Remarks
Statutory deposit (bangladesh Govt. Bond)	25,000,000	25,000,000	Not quoted in market
Cash in hand	292,693	437,951	Realisable value
Fixed deposit with bank	542,943,862	468,918,983	Realisable value
STD & Current A/c with Banks	115,542,225	144,386,745	Realisable value
Investment in shares	267,215,033	266,660,533	Realisable value
Stamp in hand	207,085	476,325	Realisable value
Accrued Interest dividend and rent	26,563,980	20,997,700	Realisable value
Amount due from other persons or bodies carrying on Insurance business	173,288,121	207,633,530	All considered good
Stock of printing and Stationary	202,348	178,458	At cost
Sundry debtors(including advance deposit and pre-payment)	27,868,976	26,296,607	All considered good
Fixed Assets	145,085,811	149,898,485	At written down value
Total	1,324,210,134	1,310,885,317	

The annexed notes form an integrate part of the Form "AA"


Signed in terms of our separate report the annexed date even.


Bidhu Bhuson Chakraborty
Chief Executive Officer


Wahidul Haque Siddiqui
Director


Kashmiri Kamal
Director


Aftab Ul Islam FCA
Chairman


Malek Siddiqui Wali
Chartered Accountants

Dated : July 02, 2020

Asia Pacific General Insurance Company Ltd.

Notes to the Financial Statements

For the year ended December 31, 2019

1. General Information

1.01 Company and its operation:

Legal form of the company:

Asia Pacific General Insurance Company Ltd. was incorporated as a Public Limited Company in Bangladesh in the year 17th November, 1999 under the Companies Act 1913 (present 1994). The Company, within the stipulations laid down by Insurance Act 2010 and directives as received from Insurance Development & Regulatory Authority (IDRA) time to time, provides Non-life Insurance services. The company is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a Publicly Traded Company. The Company carries its insurance activities through sixteen branches throughout the country.

Principal activities and nature of operations:

The principal activity of the company continued to be carrying on non-life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2019 under review.

1.02 Basis of the preparation of the financial statements:

- (a) The Financial statements have been prepared under historical cost convention and in accordance with the requirements of the schedule to the Securities and Exchange Rules 1987 and Insurance Act, 2010 and the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh particularly with regard to disclosure of accounting policies and relevant information in financial statements as well as accounting for property and depreciation thereon and the valuation of investments and other relevant matters.
- (b) The Insurance Act, 2010 has prescribed formalities for presenting accounts, accordingly the balance sheet has been prepared in the format (Form-A) set out in part I of the First Schedule, the Revenue Account of each class of business has been prepared in the format (Form-F) given in part II of the Third Schedule, Profit and Loss Account and Profit and Loss Appropriation Account has been prepared as per format (Form B and C) prescribed in the Second Schedule Part-II, other disclosure requirements of the Act are fully followed.
- (c) The accounts have been drawn up on accrual basis.
- (d) Wherever considered necessary, figures of previous year have been rearranged for comparison purposes.
- (e) Figures appearing in these accounts have been rounded off to the nearest taka.
- (f) Financial statements of the company cover one calendar year from 1st January to 31st December consistently.

1.03 Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Bangladeshi Taka, which is the Company's functional and presentation currency.

1.04 Operation:

The company conduct its operation through 16 branches throughout the country, during the period under review.

1.05 Use of estimates and judgments:

The preparation of financial statements in conformity with approved accounting standards, as applicable in Bangladesh (please see note 1.02), requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- determining the residual values and useful lives of the property, plant and equipment;
- valuation of stock of stationary - at lower of cost and NRV;
- provision for taxation including deferred tax;
- Claim
- Calculation of accrued interest
- Fair value gain/(loss) calculation for investment

1.06 Departure from IFRS:

The IFRS 16 Lease was effective from January 01, 2019. But the company does not yet introduce the IFRS 16 Lease. However, the impact of new standard shall not materially affected the financial statements in compare with accounting treatment prescribed by IAS 17. The matter shall be considered in upcoming financial reporting.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

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 Shadharan Bima Corporation, 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 accounts of the Company and while preparing the final statements of 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 result for the year.

b) Interest on Statutory and Other Investments:

Interest earned on Bangladesh Govt. Treasury bond held with Central Depository Bangladesh as statutory investment has been accounted for and interest received/receivable for investment in interest bearing securities are duly credited to the Profit and Loss Account.

c) Management Expenses:

Management expenses of Tk. 109,304,924 directly related to business represent approximately 19% of gross premium of Tk. 564,334,901 and 31% of net premium of Tk. 347,504,389 earned during the year. The above amount of management expenses have been charged @37 % to Fire 42 % to Marine and 21 % to Miscellaneous Business Revenue Account on the basis of insurance Rules 2010.

d) Surplus of Revenue Account & Provision for Unexpired Risk:

Surplus of Revenue Accounts has been arrived at after accounting for Company's share of claims settled and estimation of outstanding claims as well as after providing of unexpired risk @ 40% on all business except Marine Hull on which provision for unexpired risks has been made @ 100%.

e) Property, Plant & Equipment:

e) (i) Recognition & Measurement:

Property, Plant and Equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. If sale of any revalued assets, the relevant amount included in the revaluation reserve will be transferred to retained earnings.

e)(ii) Subsequent Cost:

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

e)(iii) De-recognition:

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the statement of comprehensive income in the year the asset is de-recognized.

e)(iv) Impairment of Assets:

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

e)(v) Depreciation of Fixed Assets:

Depreciation on fixed assets for the used period has been charged on cost as per straight line method at rates varying from 5% to 25% depending on the estimated useful life of the assets. The written down value (cost less accumulated depreciation) has been shown in Statement of Financial Position.

f) Income Tax:

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the profit and loss account.

f)(i) Current Tax:

Provision for current taxation is based on taxability of certain income streams of the Company under presumptive / final tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under the normal tax regime after taking into account tax credits and tax rebates available, if any.

f)(ii) Deferred Tax:

Deferred tax is recognized using balance sheet liability method, providing for temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the balance sheet date.

The Company recognizes deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

g) Public Sector Business:

Public sector business for four quarters up to June, 2019 has been accounted for on the basis of statements received from SBC.

h) Employee Benefits:

Company maintains accounts of Provident Fund, Gratuity, Group Insurance in compliance with IAS-19.

h)(i) Defined contribution plan:

Company operates a provident Fund recognized by the income Tax Authorities, confirm employees of the company are eligible for the said authorities, confirm employees of the company will contribute ten percent of their basic salary and the employer will make a matching contribution. The provident Fund is wholly administered by a Board of Trustees and no part of the Fund is included in the assets of the company.

h)(ii) Defined benefit Gratuity Fund:

Employees are entitled to benefit at a graduated scale based on the length of service, The length of service for the purpose of gratuity shall be reckoned from the date of joining of the regular service of the company calculation of gratuity is made on the basis of last drawn basic salary. An employee will received one month basic salary for each completed year of service he/She completed five years' service gratuity will be payable only on their separation from the company .

h)(iii) Others benefit:

In addition to the above Asia Pacific General Insurance Company providing other benefits to its employees like Group life Insurance.

i) RESERVE FOR EXCEPTIONAL LOSSES:

10% of the net premium was transferred to reserve for exceptional losses as per paragraph 6 of the fourth schedule of income Tax ordinance 1984. Reserve for exceptional losses details calculation as under.

j) WORKSRS PROFIT PARTICIPATION FUND AND WELFARE FUND

The Company is yet to decide on the applicability of the sections 2(65) of the Labour code,2006 and 232 of the Labour Act, 2006 hence no provision for workers profit participation and welfare fund has been made in the accounts.

k) Earning Per Share:

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to Ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

I) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The BOD has been identified as the chief operating decision maker responsible for strategic decisions like allocation of resources and assessing performance of operating segments. Management has determined that the Company has a single reportable segment and Board of Directors views the Company's operations as one reportable segment because of the similarity in nature of the services.

I) OTHER:

I)(i) Components of Financial Statements

According to the International Accounting Standards (IAS) 1 "Preparation of Financial Statements" a complete set of Financial Statements includes the following components.

- Statement of Financial Position as at December 31, 2019.
- Statement of Profit or Loss and Comprehensive Income for the year ended December 31, 2019.
- Cash Flow Statement for the year ended December 31, 2019.
- Statement of Changes in Equity for the year ended December 31, 2019.
- Accounting Policies and Notes to the Financial Statements for the year ended December 31, 2019.

3.00 AUTHORISED CAPITAL	<u>2019</u>	<u>2018</u>
100,000,000 Ordinary shares of Tk. 100	<u>1,000,000,000</u>	<u>1,000,000,000</u>

4.00 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	<u>2019</u>	<u>2018</u>
42,350,000 Ordinary Shares of TK. 10 each, fully paid up	<u>423,500,000</u>	<u>423,500,000</u>

4.01 THE CATEGORY OF SHARE HOLDINGS AS ON 31.12.2019 IS NOTED BELOW

Category of Shareholders	No. of Share	% of holding	Amount
Sponsors and Director of Group "A"	13,727,000	32.41%	137,270,000
General public Group "B"	28,623,000	67.59%	286,230,000

4.02 CLASSIFICATION OF SHAREHOLDERS BY HOLDINGS

Group: "A" Shareholders (Sponsors)

No. of holders	Class interval	No. of shares	% of total against the class	% of total paid up capital
03	01-1,000,000	2,094,000	16.25%	4.94%
07	1,000,001-2,000,000	8,566,000	66.51%	20.23%
01	2,000,001-3,000,000	2,220,000	17.24%	5.24%
11		12,880,000		30.41%

4.03 CLASSIFICATION OF SHAREHOLDERS BY HOLDINGS

Group: "B" Shareholders (Public)

No. of holders	Class interval	No. of shares	% of total against the class	% of total paid up capital
2,780	01-1,000,000	21,107,097	71.63%	49.83%
1	1,000,001-2,000,000	4,351,400	14.76%	10.27%
-	2,000,001-3,000,000	-	-	-
-	3,000,001-4,000,000	-	-	-
-	4,000,001-5,000,000	4,011,503	13.61%	9.48%
-	5,000,001-6,000,000	-	-	-
1	6,000,001-7,000,000	-	-	-
2,782		29,470,000	100%	69.58%

4.04 SHAREHOLDING POSITION OF DIRECTORS

Sl. No.	Name	Position	Number of share hold	Percentage
01	Mr. Aftab ul Islam, FCA	Chairman	1,329,000	3.14%
02	Mrs. Kashmiri Kamal	Vice- Chairman	1,484,000	3.50%
03	Mr. Wahidul Haque Siddiqui	Director	1,221,000	2.88%
04	Mr. Gazi A.Z.M Shamim	Director	1,331,000	3.14%
05	Ms. Kashfi Kamal	Director	2,220,000	5.24%
06	Mr. Moynul Haque Siddiqui	Director	1,101,000	2.60%
07	Mr. Mohd. Shahjahan Miah	Director	1,100,000	2.60%
08	Mr. Md. Habib Ullah Babul	Director	847,000	2.00%
09	Mr. Golam Kabir Chowdhury	Director	1,000,000	2.36%
10	Mr. Abdul Haque	Director	847,000	2.00%
11	Mr. Moshir Rahman	Director	1,403,600	3.31%
12	Mrs. Nazma Khan	Director	847,000	2.00%
13	Ms. Nafisa Kamal	Director	1,306,800	3.09%
14	Mrs. Lipika Biswas	Director	851,000	2.01%
15	Mrs. Woahida Pervin (Happy)	Director	850,000	2.01%

4.05 BREAKUP OF SHARES ISSUED SINCE INCEPTION

Year	Particulars	Number of Share	Types of Issue				Balance of Paid-up capital as December 31, 2019
			As per MOA & AOA	Issue in cash	Bonus Issue	Right Issue	
			Amount in BDT				
1999	As per registration documents	7,000,000	70,000,000	-	-	-	70,000,000
2005	IPO Issue	10,500,000	-	105,000,000	-	-	105,000,000
2008	10% Bonus issue	1,750,000	-	-	17,500,000	-	192,500,000
2009	10% Bonus issue	1,925,000	-	-	19,250,000	-	211,750,000
2010	Right issue (1:1)	21,175,000	-	-	-	211,750,000	423,500,000
Total		42,350,000	70,000,000	105,000,000	36,750,000	211,750,000	423,500,000

The face value of share is denominated to Tk. 10 each from Tk. 100 in the year 2011.

5.00 SHARE PREMIUM

TK 102,698,750

The amount represents premium received @ Tk 50 per share against issue of 2,117,500 ordinary shares (Face value of Tk 10 each) details are given below

PARTICULARS	Amount in Tk.	
	2019	2018
Share Premium	105,875,000	105,875,000
3 % Tax Paid	3,176,250	3176,250
	102,698,750	102,698,750

6.00 RESERVE FUND

TK 13,500,000

PARTICULARS	Amount in Tk.	
	2019	2018
Balance at the beginning	113,500,000	13,500,000
Addition during the year	-	-
	13,500,000	13,500,000

*Based on surplus of profit and decision of board of directors the above fund is maintained. Science 2010 no reservation fund was made.

7.00 RESERVE FOR EXCEPTIONAL LOSSES

TK 248,500,000

10% of the net premium was transferred to reserve for exceptional losses as per paragraph 6 of the fourth schedule of income Tax ordinance 1984. Reserve for exceptional losses details calculation as under.

PARTICULARS	Amount in Tk.	
	2019	2018
Balance at the beginning	217,500,000	190,100,000
Addition during the year	31,000,000	27,400,000
Closing Balance	248,500,000	217,500,000

7.01 RESERVE FOR EXCEPTIONAL LOSSES ADDITION DURING YEAR**TK 31,000,000**

Particulars	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	2019	2018
Gross Premium	206,550,520	230,716,354	10,567,686	61,807,405	54,692,936	564,334,901	526,437,457
Less Reinsurance premium on ceded	124,652,333	41,332,246	6,031,002	3,028,729	41,786,202	216,830,512	192,002,879
Net premium	81,898,187	189,384,108	4,536,684	58,778,676	12,906,734	347,504,389	334,434,578
Rate of provision	8.92%	8.92%	8.92%	8.92%	8.92%	8.92%	8.19%
For the year	7305,318	16,895,671	404,672	5,243,058	1,151,281	31,000,000	27,400,000

8.00 BALANCE OF FUND ACCOUNTS**TK 141,723,766**

PARTICULARS	Amount in Tk.	
	2019	2018
Fire Insurance Business Account	32,759,275	23,081,144
Marine Insurance Business Account	80,290,327	83,232,704
Misc. Insurance Business Account	28,674,164	27,906,475
Closing Balance	141,723,766	134,220,323

Rearrangement: The comparative balance in respect of Marine Hull and Marine Cargo is accumulated as Marine insurance Business and Misc. and Motor is accumulated as Misc. insurance business.

9.00 PREMIUM DEPOSIT**TK 25,757,674**

The above mentioned amount included premium received against cover notes for which policies have been not issued within December 31, 2019. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advice are provided and accordingly ,policies are issued.

Class wise summary of premium deposit is as follows:

PARTICULARS	Amount in Tk.	
	2019	2018
Fire Insurance	-	-
Marine Cargo Insurance	25,757,674	12,675,607
Miscellaneous Insurance	-	-
Total	25,757,674	12,675,607

10.00 PROVISION FOR GRATUITY**TK 4,866,513**

In terms of provision of International accounting standard (IAS)-19 Employees benefit and as per condition of Security exchange Commission, we have made a provision of Gratuity fund on lum sum basis.

PARTICULARS	Amount in Tk.	
	2019	2018
FBalance at the beginning	4,912,083	4,794,658
Paid during the year	2,045,570	882,575
Addition during the year	2,000,000	1,000,000
Total	4,866,513	4,912,083

11.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING**CLAIMS WHETHER DUE OR INTIMATED****TK 57,629,451**

All the claims against which the company received intimation with in 31st December 2019 have been taken into consideration estimating the liability in respect outstanding claim details under:

PARTICULARS	Amount in Tk.	
	2019	2018
Fire	20,069,603	28,029,525
Marine Cargo	15,611,758	24,343,175
Motor	21,164,026	10,030,665
Misc	784,064	367,615
Total	57,629,451	62,770,980

12.00 SUNDRY CREDITORS FOR EXPENSES AND FINANCE**TK 100,302,266**

PARTICULARS	Amount in Tk.	
	2019	2018
Salary and allowances	1,102,066	2,707,364
Office Rent	68,327	126,837
Telephone(Office)	28,533	45,037
Audit Fees (12.01)	338,775	318,775
Electric Bill	73,501	68,667
Dividend payable	8,829,809	6,773,924
AGM Exp.	-	59,958
Telephone (Res.)	1,455	1,957
VAT	1,801,524	1,201,155
Insurance Stamp	190,271	190,271
Provision for diminution of value of share (15.00)	82,202,661	65,129,565
Rights share Issue expenses	-	264,953
Provident fund	4,836,174	5,284,153
Security Deposit	829,170	829,170
Closing balance	100,302,266	83,001,786

12.01 AUDIT FEE**TK 338,775**

PARTICULARS	Amount in Tk.	
	2019	2018
Opening balance	318,775	337,525
Addition during the year	100,000	75,000
Sub-total	418,775	412,525
Paid during the year	80,000	93,750
Closing balance	338,775	318,775

12.01.01 AUDIT FEE BREAKUP**TK. 338,775**

PARTICULARS	Amount in Tk.	
	2019	2018
Statutory audit fee*	100,000	80,000
Special audit fee	238,775	238,775
Total	338,775	318,775

* Statutory audit fee is fixed by the Shareholder in the Annual General Meeting and does not include any other remuneration to Auditors.

12.02 Provision for Share in value**TK 82,202,661**

PARTICULARS	Amount in Tk.	
	2019	2018
Opening Balance	65,130,065	60,255,248
Addition during the year	17,072,596	4,874,317
Total	82,202,661	65,129,565

13.00 Provision for deferred Tax**TK 8,638,664**

PARTICULARS	Amount in Tk.	
	2019	2018
Balance at the begging	5,633,490	2,311,529
Prior Year Adjustment (Note 30.00)	-	686,568
Restated Opening balance	5,633,490	2,998,097
Addition during the year	3,005,174	2,635,393
Closing Balance (Note 13.01)	8,638,664	5,633,490

13.01 Calculation of deferred tax Asset/ (Liabilities)

PARTICULARS	Amount in Tk.	
	2019	2018
A. On Fixed Assets		
Tax base	120,346,134	133,593,575
Accounting base	143,605,811	149,898,485
Temporary difference	(23,259,677)	(16,304,910)
Tax rate	37.50%	37.50%
Deferred Tax Assets/(Liability)	(8,722,379)	(6,114,341)
B. On Gratuity Provision		
Tax base	-	-
Accounting base	4,816,513	4,912,083
Temporary difference	4,816,513	4,912,083
Tax rate	37.50%	37.50%
Deferred Tax Assets/(Liability)	1,824,942	1,842,031
C. On Fair value gain/loss		
Tax base	-	-
Accounting base	82,202,661	65,129,565
Temporary difference	82,202,661	65,129,565
Tax rate	10%	10%
Deferred Tax Assets/(Liability)	8,220,266	6,512,957
D. On Accrued Interest:		
Tax base	-	-
Accounting base	26,563,980	20,997,700
Temporary difference	26,563,980	20,997,700
Tax rate	37.5%	37.5%
Deferred Tax Assets/(Liability)	(9,961,493)	(7,874,138)
Grand total	(8,638,664)	(5,633,490)

14.00 PROVISION FOR TAXATION**TK. 4,720,055**

PARTICULARS	Amount in Tk.	
	2019	2018
Opening Balance	49,728,937	90,770,027
Add: Provision made during the year	21,200,000	25,300,000
Add: Previous year Adjustment	4,449,091	5,583,419
Sub-total	75,378,028	121,653,446
Paid during the year	(28,177,973)	(71,924,509)
Closing Balance	47,200,055	49,728,937

15.00 INVESTMENT (At Cost)**TK. 292,215,033**

PARTICULARS	Amount in Tk.	
	2019	2018
i. Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
ii. BD Venture Ltd.	15,000,000	15,000,000
iii. Investment in Shares of listed company	252,215,033	251,660,533
Total	292,215,033	291,660,533

- i) 20 years Bangladesh Govt. Treasury Bond of Tk. 25,000,000 is lying with Central depository Bangladesh Ltd as statutory deposit.
- ii) Asia Pacific General Insurance Company Ltd has invested Tk. 15,000,000 in BD Venture Ltd. as a sponsor Shareholders of 1,500,000 shares of TK. 10 (Ten) each

iii) Investment in Shares of listed company

TK 252,215,033

Particulars	Quantity	Cost Price	Market Price	Consideration Value	Gain/(loss)
1st Janata Bank Mutual Fund	299,068	2,262,801	1,285,992	1,285,992	(976809)
ADN Telecom	37,937	569,040	1,138,110	569,040	-
Alif Industries	515,000	17,732,559	15,141,000	15,141,000	(2591559)
Baraka Power Ltd.	1,398,499	39,418,583	31,745,927	31,745,927	(7672656)
BBS	663,505	21,375,407	10,616,080	10,616,080	(10759327)
BBS Cables	25,500	2,781,370	1,499,400	1,499,400	(1281970)
Beacon Pharma Ltd	1,575	136,745	70,718	70,718	(66027)
BEXIMCO Ltd.	67,856	2,333,386	936,413	936,413	(1396973)
BSRM Steel Ltd.	191,664	7,273,478	7,513,228	7,273,478	-
Coppertech	4,741	47,410	111,414	47,410	-
DESCO Ltd.	180,192	9,620,353	6,667,104	6,667,104	(3,000,659)
Dhaka Bank Ltd.	9,298	222,446	177,592	177,592	(44854)
Esquire Knit	25,890	1,165,050	732,687	732,687	(432363)
Far Chemical	1,493,438	23,946,411	12,246,192	12,246,192	(11,700,205)
Genexil Information	392	3,424	26,421	3,424	-
Goldenson Ltd.	35,152	453,256	235,518	235,518	(217,712)
Green Delta Mutual Fund Ltd.	500,000	5,000,000	4,000,000	4,000,000	(1,000,000)
Islami Bank Ltd.	204,400	8,613,567	3,904,040	3,904,040	(4,709,527)
IFIC Bank	498,208	12,677,384	4,932,259	4,932,259	(7,745,125)
Lafarge Holcim Bd Ltd.	38,380	1,462,326	1,289,588	1,289,588	(172,738)
New Line	3,757	37,570	55,604	37,570	-
Nurani	882,020	8,478,911	7,408,968	7,408,968	(1,069,943)
Meghna Petroleum Ltd.	330	87,066	54,054	54,054	(33,012)
NCC Bank Ltd.	123,614	4,682,004	1,483,368	1,483,368	(3,198,636)
Olympic Accessories	2,508,094	19,996,891	15,775,911	15,775,911	(4,220,959)
Orion Pharma Ltd.	35,000	2,322,500	941,500	941,500	(1,381,000)
Power Grid	35,200	3,150,422	1,569,920	1,569,920	(1,580,502)
Premier Bank	872,583	18,133,896	10,907,288	10,907,288	(7,226,608)
Sea pearl	3,730	37,300	154,049	37,300	-
Summit Power	299,672	12,373,497	7,248,094	7,248,094	(5,125,403)
Runner Auto	7,206	540,450	428,757	428,757	(111,693)
Unique Hotel & Resort Ltd.	187,000	9,553,682	8,209,300	8,209,300	(1,344,382)
Uttara Bank	62,738	1,821,489	1,706,474	1,706,474	(115,015)
Silco Pharma	7,293	72,930	22,0978	72,930	-
Titas Gas	302,900	10,557,804	9,359,610	9,359,610	(1,198,194)
United Air	167,760	1,514,590	234,864	234,864	(1,279,726)
Uttara Finance	22,000	1,759,035	1,210,000	1,210,000	(549,035)
Closing Balance		252,215,033	171,238,422	170,012,344	(82,202,661)

Provision for Tk. 82,202,661 has been made on account of the difference between the cost price and consideration value of most of the shares as market price as on December 31, 2019 is lower than cost price of those share.

16.00 ACCRUED INTEREST, DIVIDEND**TK 26,563,980**

This represents interest earned but not received during the year

PARTICULARS	Amount in Tk.	
	2019	2018
Interest Accrued on Fixed deposit	25,704,663	20,030,901
Bangladesh Govt. Treasury Bond	859,317	966,799
Closing Balance	26,563,980	20,997,700

Accrued interest on fixed deposit has duly been credited to Profit and Loss Account.

17.00 ADVANCES, DEPOSITS AND PRE-PAYMENTS**TK 27,868,976**

PARTICULARS	Amount in Tk.	
	2019	2018
Office Rent (17.01)	981,433	1,382,749
Advance Income Tax (17.02)	25,664,538	23,315,916
Security Deposit	213,325	213,325
Salary & Allowance	7,190	37,190
Insurance Association (Floor)	1,000,000	1,000,000
Hire Purchase (IPDC)	-	347,427
Advance TA/DA	2,490	-
Closing Balance	27,868,976	26,296,607

17.01 Regular adjustments have been made against advances of office rent and salary.**17.02 Advance Income Tax:****TK 25,664,538**

Financial Year	Amount in Tk.	
	Assessment Year	Advance Tax
2018	2019-2020	17,445,463
2019	2020-2021	8,219,075
	Closing balance	25,664,538

17.03 Maturity Analysis

PARTICULARS	Amount in Tk.	
	2019	2018
Within 12 months	27,655,651	26,083,282
More than 12 months	213,325	213,325
Total	27,868,976	26,296,607

18.00 CASH AND BANK BALANCES**TK 658,778,780**

PARTICULARS	Amount in Tk.	
	2019	2018
Cash in Hand	261,195	437,951
Cash with banks:		
Fixed deposits (Note-18.01)	542,943,862	468,918,983
STD & Current A/C (Note-18.02)	115,542,225	144,386,745
ETBL	330	-
Daullanessa	31,168	-
Closing Balance	658,778,780	613,743,679

18.01 FIXED DEPOSIT WITH BANKS
Tk 542,943,862

SL		No. of FDR	Interest Rate	Tenor (Year)	December 31, 2019	December 31, 2018
1	Al-Arafah Islami Bank Ltd	5	7-9%	1	7,660,089	8,479,454
2	AB Bank Ltd	0		-	-	41,779,632
3	Bank Asia Ltd.	11	6-7.5%	1	13,532,241	11,713,350
4	BASIC Bank Ltd.	1	7%	1	2,500,000	1,092,660
5	BD Finance Ltd.	-	-	-	-	1,066,148
6	BRAC Bank Ltd.	2	8-9%	1 – 9	6,174,953	1,099,693
7	Commercial Bank of Ceylon	1	7%	1	2,000,000	-
8	Dhaka Bank Ltd.	3	6-9%	1	3,553,500	2,300,000
9	Eastern Bank Ltd.	3	8-9%	1	7,860,160	6,200,000
10	EXIM Bank Ltd	5	8.5-10%	1	9,297,191	10,750,641
11	First Security Bank Ltd.	5	8-10%	1	6,525,073	16,892,019
12	The Farmers Bank Ltd.	2	8%	1	3,920,727	3,920,727
13	IDLC Finance Ltd.	2	9.25-10%	1	3,150,000	7,571,722
14	ICB Bank Ltd	-	-	-	-	1,138,719
12	IFIC Bank Ltd.	5	7.75-9.75%	1	7,198,775	4,844,080
15	Industrial Promotion and Development Company Ltd	5	9-11.5%	1	77,636,279	69,762,910
16	Islami Bank Bangladesh Ltd.	5	7%	1	5,884,620	4,649,284
17	Jamuna Bank Ltd.	11	6.5-9%	1-7	42,427,618	11,761,006
18	Islami Finance Ltd.	-	-	-	-	2,141,500
19	Lanka Bangla Finance Ltd.	5	10-11%	1	8,728,627	41,368,655
20	Meghna Bank Ltd	2	9%	1	3,353,179	4,483,516
21	Mercantile Bank Ltd.	10	6-9%	1-6	13,762,279	13,017,431
22	MIDAS Financing Ltd.	1	10.75%	1	1,103,000	1,000,000
23	Mutual Trust Bank Ltd.	2	8%	1-8	2,646,666	2,277,233
24	National Bank of Pakistan	1	10%	1	2,547,420	2,337,082
25	NCC Bank Ltd.	6	8-9%	1	8,413,017	1,141,192
26	National Bank	-	-	-	-	2,105,473
27	NRB Bank Ltd	4	9-9.5%	1	10,206,044	5,300,715
28	NRBC Bank Ltd	9	8.75-10%	1-8	31,054,900	3,800,000
29	One Bank Ltd.	6	7-8.5%	1-6.5	19,733,924	6,883,284
30	Premier Bank Ltd.	14	8-9%	1-6.5	38,468,272	14,676,126
31	Prime Bank Ltd.	3	8%	1	3,300,000	2,000,000
32	Pubali Bank Ltd	14	8-8.55%	1-8	42,900,262	25,366,305
33	SBAC Bank Ltd	7	8.5-9%	1	11,071,573	12,585,619
33	Shahjalal Islami Bank Ltd.	5	8-9%	1-8	23,200,000	12,611,351
34	Shimanto Bank Ltd.	1	6%	1	1,200,000	-
35	Social Islami Bank Ltd.	13	9-9.5%	1	27,232,592	42,892,118
36	Southeast Bank Ltd.	10	7.5-9%	1-8.5	26,891,542	17,547,937
37	Standard Bank Ltd.	2	8.25-9.25%	1	2,284,111	1,729,612
38	Trust Bank Ltd.	3	7.5-8.5%	1	3,700,000	1,894,502
39	Union Bank Ltd.	6	9-9.5%	1	7,882,007	10,590,673
40	Uttara Finance And Investments Ltd.	1	11%	1	11,020,500	10,000,000
41	United Commercial Bank Ltd	9	7.5-10%	1	42,922,721	26,146,614
	Total	200		1	542,943,862	468,918,983

18.02 STD & Current Account

SL	PARTICULARS	Amount in Tk.	
		2019	2018
2	STD	115,502,746	144,241,872
3	Current A/C	39,479	-
	Total	115,542,225	144,241,872

18.02.01 The Company does not maintain any bank account in foreign currency. Hence, the above bank balance does not include any foreign currency bank balance.

19.00 OTHER ACCOUNTS

TK 145,495,244

PARTICULARS	Amount in Tk.	
	2019	2018
Property Plant And Equipment (Annexure-1)	145,085,811	149,898,485
Stock of Printing and stationery	202,348	178,458
Stamps in hand	207,085	476,325
Total	145,495,244	150,553,268

20.00 AMOUNT DUE FROM OTHER PERSON OR BODIES CARRYING ON INSURANCE BUSINESS

Tk. 173,288,121

PARTICULARS	Amount in Tk.	
	2019	2018
Opening Balance	207,633,530	185,775,236
Addition/(Adjustment) during the year (SBC)	(34,345,409)	21,858,294
Closing Balance	173,288,121	207,633,530

21.00 INTEREST INCOME

TK. 48,640,165

PARTICULARS	Amount in Tk.	
	2019	2018
STD Account	928,264	591,226
Bangladesh Govt. Security bond	2,831,300	2,831,300
FDR	44,880,601	33,496,403
Closing Balance	48,640,165	36,918,929

- Interest on STD accounts of Tk. 928,264 received from several STD account with different banks.
- Income on Investment is accounts for on accrual basis.

22.00 PROFIT ON SALE OF SHARES

Tk. 18,537,786

Name of Company	No. of Shares	Purchase Price	Sale Price	Gain
Aman Cotton	7,846	313,840	318,309	4,469
BPML	2,162	172,960	190,692	17,732
BD Finance Ltd.	26,400	522,233	531,147	8,914
BGIC	40,000	929,332	984,926	55,594
BNICL	333,300	7,338,360	7,781,435	443,075
Coppertech Ind.	4,741	47,410	187,744	140,334
City General Ins.	292,500	5,850,909	6,497,812	646,903
Continental Ins.	2,200,851	50,168,047	54,447,750	4,279,702
EKCL	15,890	715,050	736,643	21,593
GENEXINF	10,466	101,251	567,288	466,037
IBP	294	2,673	10,014	7,341
INTRACO CNG	266	2,534	7,710	5,176
KTL	11,070	100,640	235,454	134,814
ML Dyeing	7,248	60,400	235,382	174,982
Monnostaf	30,090	46,695,089	56,663,464	9,968,374
New line	11,268	112,680	210,464	97,784
Nitol Insurance	71,915	1,887,621	1,956,497	68,877
Northern Ins.co.	403,745	8,847,294	9,292,702	445,408
Pioneer Insurance	125,845	4,198,472	4,387,076	188,603
Premier Bank Ltd.	40,000	538,144	665,328	127,184
Runner Auto Mobile	7,205	540,375	642,184	101,809
Sea pearl	3,729	37,290	121,457	84,167
Silco Pharma	7,239	72,930	188,352	115,422
Silva Pharma	9,194	91,940	271,234	179,294
SK. Trims	5,546	50,420	234,575	184,155
S.S. Steel	13,492	134,920	521,732	386,812
Uttara Bank Ltd.	13,720	398,337	397,655	(682)
VFSTDL	4,222	38,386	222,300	183,914
Closing Balance		129,969,537	148,507,326	18,537,786

- Profit on sale of shares are accounted for on actual realization basis.

23.00 Current Tax expenses:

Particulars	31-Dec-19			31-Dec-18		
	Income	Effective tax rate	Tax expenses	Income	Effective tax rate	Tax expenses
Reserve for exceptional loss	34,000,000	0%		27,400,000	0%	
Gain on Marketable securities	18,537,786	10%	1,853,779	5,422,892	10%	542,289
Dividend income						
Tax free	50,000	0%		50,000	0%	
Tax Chargeable	1,711,278	20%	342,256	2,711,278	20%	542,256
Business Income	51,189,888	37.50%	19,196,208	63,580,156	37.50%	23,842,559
Sub Total	102,488,952	19.78%	21,392,242	99,164,326	25.14%	24,927,104
Prior year adjustments		5.45%	5,583,414		4.62%	4,578,636
Rounding off % Non-deductible expenses		2.74%	2,803,608		4.05%	4,013,073
Total	102,488,952	28.08%	28,654,265	99,164,326	33.80%	33,518,812

24.00 REVENUE ACCOUNT:

The Summarized position at net underwriting profit earned during the year 2019 is as follows:

Particulars	Fire	Marine	Motor	Misc	Total 2019
A) Gross Premium (Including SBC and Govt Business)	206,550,520	241,284,040	61,807,405	54,692,936	564,334,901
B) Re-Insurance premium Ceded	124,652,333	47,363,248	3,028,729	41,786,202	216,830,512
C) Net premium(A-B)	81,898,187	193,920,792	58,778,676	12,906,734	347,504,389
Direct Expenses:					
D) Commission(Net)	12,060,827	23,506,910	8,315,422	2,078,701	45,961,860
E) Claim settled and provided (Net)	69,922,613	33,732,601	183,96,561	438,772	122,490,547
F) Management Expenses	40,006,367	46,733,834	11,971,355	10,593,368	109,304,924
G) Insurance Stamp (No recovery)	127,904	-	164,232	29,340	321,476
H) Total Direct Expenses (D+E+F+G)	122,117,711	103,973,345	38,847,570	13,140,181	278,078,807
I) Adjusted Fund Balance for unexpired risk	(9,678,131)	2,942,377	1,059,620	(1,827,309)	(7,503,443)
Net Underwriting profit/Loss(C-H+I)	(4,989,655)	92,889,824	20,990,726	(2,060,756)	61,922,139
Commission:					
Commission Paid on Direct Business	30,982,578	36,192,605	9,271,110	8,203,940	84,650,233
Commission Paid on Re-Insurance Accepted					
Commission earned on Re-Insurance ceded	18,921,751	12,685,695	955,688	6,125,239	38,688,373
Net Commission	1,206,827	23,506,910	8,315,422	2,078,701	45,961,860

25.00 CLAIM UNDER POLICES LESS RE-INSURANCE:

TK. 127,632,076

Particulars	Claim paid				Claim recovery			Net claim 2019	Net claim - 2018
	Direct	GOVT	Re - Insurance Accepted	Total	Direct	GOVT	Total		
Fire	143,554,727	487,079		144,041,806	65,723,533	435,738	66,159,271	77,882,535	73,079,676
Marine cargo	60,142,179	578,396		60,720,575	17,850,515	406,072	18,256,557	42,464,018	22,567,375
Marine Hull					-	-	-		21,293
Motor	7,195,785	67,415		7,263,200	-	-	-	7,263,200	11,107,161
Misc	329,781	323,822		653,603	366,565	264,715	631,280	22,323	327,862
	211,222,472	14,56,712		212,679,183	83,940,613	11,06,525	85,047,108	127,632,076	107,103,367

26.00 MANAGEMENT EXPENSES:

Management expenses as charged to Revenue Accounts amounting to Tk 109.30 Million 19.35% of the gross premium of Tk. 564.33 Million in 2019.

26.01 ALLOCATION OF MANAGEMENT EXPENSES

TK 109,304,924

Management expenses of the company Tk. 109.20 million has been allocated to the revenue accounts based on gross premium in the following ratio.

Particulars	Amount in Tk.			
	Percentage	2019	Percentage	2018
FIRE	37%	40,006,367	28%	23,781,351
MARINE CARGO	40%	44,687,000	49%	41,059,933
MARINE HULL	2%	2,046,834	2%	1,408,963
MOTOR	11%	11,971,355	12%	10,202,939
MISC.	10%	10,593,368	9%	7,861,367
Total	100%	109,304,924	100	84,314,553

27.00 PREMIUM LESS RE-INSURANCE

TK 347,504,389

Class of business	Amount in Tk.			
	Premium earned	Re-insurance premium ceded	Net premium 2019	Net premium 2018
FIRE	206,550,520	124,652,333	81,898,187	57,702,860
MARINE CARGO	230,716,354	41,332,246	189,384,108	206,221,373
MARINE HULL	10,567,686	6,031,002	4,536,684	744,155
MOTOR	61,807,405	3,028,729	58,778,676	61,427,726
MISCELLANEOUS	54,692,936	41,786,202	12,906,734	8,338,464
TOTAL	564,334,901	216,830,512	347,504,389	334,434,578

28.00 LEASE ASSET

The company has acquired a leased car with following details:

SL	Particulars	Details
01	Car Manufacturer	Toyota, Japan
02	Brand of car	Axio (New Shape)
03	Year of Manufacturing	2014
04	CC	1500
05	Color	Blue
07	Fair value of car	Tk. 1,850,000
08	Installment Size	Tk. 163,073 Monthly
09	No. of total installment	12

28.01 RIGHT TO USE OF ASSET:

Fair value of leased asset	Tk. 1,850,000
Depreciation for the year	(Tk. 370,000)
Written Down Value	TK. 1,480,000

28.02 Lease liability

Fair value of leased asset	Tk. 1,850,000
Finance cost during the year	Tk. 128,187
Payment/adjustment during the year	(Tk. 1,978,187)
Closing balance	-

29.00 Earning Per Share (EPS)

PARTICULARS	2019	2018
A. Earning attributable to the ordinary shareholders	73,834,687	65,645,514
B. Total Number of Share outstanding at the year end	42,350,000	42,350,000
Earning Per Share (A/B)	1.74	1.55*

REASON FOR CHANGES: Earning per share has increase to at Tk. 1.74 31st December , 2019 as opposed to Tk.1.55 of the same period of previous year because of increase of underwriting result as well as investment income.

*The EPS of comparative period has been adjusted from Tk. 1.57 to Tk. 1.55 due to incorporation of prior year adjustment. Please see the note 30.00 for more detail of restatement.

30.00 RESTATED STATEMENT:

The Company previously did not recognize the deferred tax on temporary difference arising on Accrued Interest and Unrealized gain/(loss) of fair value of investment. For more compliance with Accounting Standard, the company is going to recognize in the current year. The opening balance of the last year's financial statement has been restated, in accordance with IAS-8, "Accounting policies, changes in Accounting Estimates and errors"Section-42,by adjusting the Retained earnings and Deferred tax liabilities, And movement of deferred tax was charged with concerned year profit. As such, EPS for concerned year has also been restated.

30.01 Detail calculation of Deferred Tax (including prior year) on temporary difference arising on Accrued Interest and Unrealized gain/(loss) of investment:

PARTICULARS	December 31, 2018 (comparative year)	December 31, 2017 (Prior years)
A. On Fair value gain/(loss) of marketable securities		
Cumulative Loss on changes in fair value of investment	(65,129,565)	(60,255,248)
Applicable tax rate	10%	10%
Required Deferred Tax Asset (sub-total)	(6,512,957)	(6,025,525)
B. On Accrued Interest:		
Cumulative balance of Accrued Interest	20,997,700	17,898,914
Applicable tax rate	37.5%	37.5%
Required Deferred Tax liability (sub-total)	7,874,138	6,712,093
Grand total	1,361,181	686,568

30.02 BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR

	2019	2018
Balance from profit and loss appropriation account	45,599,965	70,204,838
Dividend Paid	42,350,000	63,525,000
	3,249,965	6,679,838

31. NET ASSETS VALUE PER SAHARE

PARTICULARS	Tk. 31.12.2019	Tk. 31.12.2018
A. Net Assets/Equity	832,922,221	801,437,534
B. Total Number of Share outstanding at the year end	42,350,000	42,350,000
Net Assets Value (NAV) Per Share (A/B)	19.66	18.92

*Due to restatements, the NAV per share has been restated.

32. NET OPERATING CASH FLOWS (NOCF) PER SHARE

Net operating cash flows per share (NOCFPS) has been calculated based on number of 4,23,50,000 shares outstanding during the period (NOCFPS) in respect of previous period has been restated based on 4,23,50,000 shares. Details calculation are as follows.

PARTICULARS	Tk. 31.12.2019	Tk. 31.12.2018
A. Net operating cash flow for the year	88,988,476	108,803,478
B. Total Number of Share outstanding at the year end	42,350,000	42,350,000
NOCF Per Share (A/B)	2.10	2.57

Reason for deviation: Net operation cash flow (NOCFPS) has been decrease for Tk 2.10 during the year 31, December, 2019 as opposed to Tk 2.57 of the same year 31, December 2018 because of increase of expenses, commission.

32.1 Reconciliation of net profit to net operating cash flow

PARTICULARS	December 31, 2019
Net profit before Tax	102,488,952
Add. Depreciation	9,382,570
Interest income	(48,640,165)
Dividend income	(2,761,278)
Profit on sale of shares	(18,537,786)
Rental Income	(1,610,309)
Change of working Capital:	
Increase/ (Decrease) the balance of Fund	7,503,443
Increase/ (Decrease) the Premium deposit	13,082,067
Increase/ (Decrease) the outstanding claim	(5,141,529)
Increase/ (Decrease) the Sundry creditors	29,562,226
Increase/ (Decrease) of stock of stamp	244,850
Increase/ (Decrease) of advance deposit & prepayment	(3,550,556)
Increase/ (Decrease) of amount due from others parson or bodies carrying on insurance business	34,345,409
Income Tax paid	(27,379,427)
Operating cash flows	88,988,467

33.00 Employees' Minimum Pay:

Type of Employees	Particulars	No. of Employees	
		2019	2018
Regular Employees	Below 12200 per month	0	0
	Above 12200 per month	302	110
Contractual	Below 12200 per month	0	0
	Above 12200 per month	03	158
Total		305	268

34.00 OTHER RELEVANT INFORMATION'S

- (a) During the year under audit an amount of Tk. 695,975 was paid to the Directors of the company as fees for attending the meeting.
- (b) During the year under audit no compensation was allowed by the company to the chief executive and officers of the company except their regular remuneration.
- (c) No amount of money was spent by the company for compensating any member of the Board for special service rendered.
- (d) There was no other credit facility of general nature as on Balance Sheet date except the bank overdraft as shown in the accounts.
- (e) No amount was due by the Directors (including Managing Director) and officers of the Company or by associated undertakings and by any of them severally or jointly with any other person.
- (f) There was no outstanding agreement entered into but not executed up to the date of the Balance Sheet.
- (g) All shares have been fully called and paid up in cash.
- (h) There were no preference shares issued by the Company.
- (i) There was no bank guarantee issued by the Company in favor of the directors.
- (j) No expenses were paid as royalty and salary to technical experts etc.
- (k) Auditors were paid only statutory fee duly approved by the shareholders in the last AGM.

35.00 RELATED PARTY DISCLOSURE

Asia Pacific General Insurance Co. Ltd. in normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard (IAS)-24 Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at December 31, 2019 were as follows:

Name of the related party	Relationship	Nature of transaction	Premium Earned in 2019	Premium outstanding up to 31.12.2019	Claim Paid/Settled in 2019
International Office Equipment	Chairman	Insurance	-	-	-
Lotus Engineering Ltd. Samwon LK Electronics Ltd.	Director	Insurance	1,036,002	-	-
Norban Communication Ltd. Norban Comtex Ltd. BD Com Online Ltd.	Director	Insurance	7,823,485	-	-
Fiber @ Home Ltd.	Director	Insurance	9,476,291	-	-
BD. Associats & Co. Control Union BD. Ltd	Director	Insurance	272,240	-	-
Anmona Fashions Ltd. Samrat International Ltd.	Director	Insurance	487,541	-	-
Five-R-Footwear Ltd. Jennys Shoes Ltd. Jennys International Ltd.	Director	Insurance	898,485	-	247,325
Paragon Poultry Ltd. Paragon Plast Fiber Ltd. Paragon Feed Ltd.	Director	Insurance	25,998,452	-	12,825,000
Orient Export Import Ltd. Gazi Cement Ltd.	Director	Insurance	-	-	-
Full charm Fashions Ltd. Shamoli Shipping Lines Ltd	Director	Insurance	909,047	-	-
Limo Electronics Ltd.	Director	Insurance	-	-	-

** There are no other related party transaction other than disclosed above.

36.00 KEY MANAGEMENT BENEFITS

Particulars	2019		2018	
	Directors	Executive	Directors	Executive
Basic	-	8,458,597	-	5,992,580
House Rent	-	4,225,798	-	2,996,290
Entertainment	-	1,027,375	-	737,523
Dearness Allowance	-	1,027,388	-	737,523
Conveyance	-	49,500	-	46,200
Medical	-	1,027,387	-	737,523
House Maintenance	-	1,027,388	-	737,523
Bonus	-	1,359,500	-	1,023,000
Board Meeting Fee	695,975	-	462,300	-
Total	695,975	18,202,933	462,300	13,008,162
Number of Persons		11		7
Number of Meeting	13	-	11	-

37.00 MEETING FEES

PARTICULARS	2019	2018
Board meeting fees (37.01)	441,600	232,300
Other committee fees (37.02)	254,375	230,000
Total	695,975	462,300

37.01 BOARD MEETING FEES

During the year board meetings were held and following fees were paid:

Name of Directors	Meetings Attended	2019	2018
Mr.Aftab ul Islam,FCA	4	36,800	24,150
Mr.Wahidul Haque Siddiqui	3	27,600	18,400
Mr.Gazi A.Z.M. Shamim	4	36,800	24,150
Mr.Moynal Haque Siddiqui	4	36,800	24,150
Mr. Mohd. Shahjahan Miah	4	36,800	24,150
Mr. Md. Habib Ullah Babul	3	27,600	9,200
Mr. Golam Kabir Chowdhury	4	36,800	14,950
Mr. Abdul Haque	3	27,600	24,150
Mr. Moshir Rahman	2	18,400	-
Mrs. Woahida Pervin (Happy)	4	36,800	14,950
Mrs. Nazma Khan	2	18,400	5,750
Mrs. Lipika Biswas	4	36,800	24,150
Mr. Dr. AKM Moazzem Hussain	4	36,800	24,150
Mr.Niaz Rahman	3	27,600	-
Total		441,600	232,300

37.02 OTHERS COMMITTEE FEES

During the year Others Committee meetings were held and following fees were paid:

Name of Directors	Meetings Attended	2019	2018
Mr.Aftab ul Islam,FCA	5	46,000	50,600
Mr.Wahidul Haque Siddiqui	4	36,800	5,700
Mr.Gazi A.Z.M. Shamim	4	36,800	54,050
Mr.Moynal Haque Siddiqui	4	36,800	44,800
Mr. Mohd. Shahjahan Miah	5	46,000	59,900
Mr. Md. Habib Ullah Babul	2	18,400	-
Mr. Golam Kabir Chowdhury	1	8,000	-
Mr. Abdul Haque	2	18,400	14,950
Mr. Dr. AKM Moazzem Hussain	1	7,200	-
Total		254,375	230,000

38.00 HEAD OFFICE & BRANCH OFFICES

The registered office of the Company is located at Homestead Gulshan Link Tower (6th Floor) TA-99 Gulshan Badda Link Road, Dhaka-1212 .The Company carries its insurance activities through 16 branches throughout the country.

39.00 GEOGRAPHICAL AREA OF OPERATIONS

The Company carries its insurance activities through 16 branches throughout the Bangladesh.

40.00 CREDIT RATING REPORT

The Company has rated by a reputed credit rating agency named Alpha Credit Rating Ltd. as under effective from July 11, 2019 to July 10, 2020:

Particulars	Ratings
Long Term	AA
Short Term	ST -1
Outlook	Stable

Rating "AA" Denotes – Very Strong financial Capacity to pay Claims and long term obligation. Short term ST-1 means strong capacity to meet up short term obligation in a timely manner.

41.00 INTERIM FINANCIAL STATEMENTS

Asia Pacific General Insurance Company Ltd. publishes its interim financial statements quarterly as required by the Bangladesh Securities and Exchange Commission.

42.00 Contingent Liabilities:

There are no liabilities of contingent nature of the Company as at 31st December, 2019.

43.00 Events after reporting period:

- Board of Directors has recommended 10% cash dividend for the year ended December 2019
- No other material event occurred after the reporting period except those mentioned above, which could materially affect the amounts or disclosures in these financial statement.

ASIA PACIFIC GENERAL INSURANCE COMPANY LIMITED

Property, Plant & Equipment

As at December 31, 2019

Annexure-I

Particulars	Amount in BDT										Total		
	5%	10%	15%	10%	15%	20%	20%	20%	10%	15%		20%	25%
Depreciation Rate	Office Space	Furniture and Fixture	Office Equipment	Office Decoration	Air Cooler	Computer	Vehicle	Motor Cycles	Telephone Installation	Electric Equipment	Crokarise	Sundry Assets	
Cost of Assets:													
Balance as on Jan. 1, 2018	160,942,000	5,703,540	687,805	11,050,823	2,684,271	3,253,429	19,443,100	339,345	321,794	1,732,372	258,065	331,370	206,747,914
Addition during the year	-	95,010	105,000	3,042,020	-	275,973	-	-	4,400	100,620	17,203	20,280	3,660,506
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Dec. 31, 2018	160,942,000	5,798,550	792,805	14,092,843	2,684,271	3,529,402	19,443,100	339,345	326,194	1,832,992	275,268	351,650	210,408,420
Balance as on Jan. 1, 2019	160,942,000	5,798,550	792,805	14,092,843	2,684,271	3,529,402	19,443,100	339,345	326,194	1,832,992	275,268	351,650	210,408,420
Addition during the year	-	29,000	-	911,100	-	1,674,398	-	-	10,023	90,375	5,000	-	2,719,896
Addition of leased asset (Note 26)	-	-	-	-	-	-	1,850,000	-	-	-	-	-	1,850,000
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Dec. 31, 2019	160,942,000	5,827,550	792,805	15,003,943	2,684,271	5,203,800	21,293,100	339,345	336,217	1,923,367	280,268	351,650	214,978,316
Accumulated Depreciation:													
Balance as on Jan. 1, 2018	21,652,469	3,789,262	274,027	3,911,277	2,118,636	1,743,569	15,693,598	281,803	196,927	945,539	192,740	282,763	51,082,610
Charged during this year	6,964,477	196,895	72,615	926,149	84,845	248,864	749,900	11,508	12,849	128,627	15,217	15,379	9,427,325
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Dec. 31, 2018	28,616,946	3,986,157	346,642	4,837,426	2,203,481	1,992,433	16,443,498	293,311	209,776	1,074,166	207,957	298,142	60,509,935
Balance as on Jan. 1, 2019	28,616,946	3,986,157	346,642	4,837,426	2,203,481	1,992,433	16,443,498	293,311	209,776	1,074,166	207,957	298,142	60,509,935
Charged during this year	6,616,253	181,661	66,924	998,654	72,119	310,763	599,920	9,207	12,306	117,416	13,970	13,377	9,012,570
Charged on leased asset (Note 28)	-	-	-	-	-	-	370,000	-	-	-	-	-	370,000
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on Dec. 31, 2019	35,233,199	4,167,818	413,566	5,836,080	2,275,600	2,303,196	17,413,418	302,518	222,082	1,191,582	221,927	311,519	69,892,505
WDV/NBV as on Dec. 31, 2018	132,325,054	1,812,393	446,163	9,255,417	480,790	1,536,969	2,999,602	46,034	116,418	758,826	67,311	53,508	149,898,485
WDV/NBV as on Dec. 31, 2019	125,708,801	1,659,732	379,239	9,167,863	408,672	2,900,604	3,879,682	36,827	114,135	731,785	58,341	40,131	145,085,811

**PROXY FORM
AND
ATTENDANCE SLIP**



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড
ASIA PACIFIC GENERAL INSURANCE COMPANY LTD.

Registered Office
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Phone: 09666771771, Fax : 8834170,
E-mail : apgic@bdcom.com, web : www.apgicl.com

PROXY FORM

20
TK
Stamp

I/we _____
of _____ being a Shareholder of Asia Pacific General Insurance Company Limited, do
hereby appoint Mr./Ms _____
of _____
as my/our proxy, to attend and vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to
be held virtually by using Digital Platform through the link <http://www.apgicl.com/20thagm> on Thursday, the 20th August,
2020 at 11.00 A.M, any adjournment thereof.

In witness my hand this _____ day of _____ 2020.

(Signature of the Member)

No. of Share Held

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Member's BO/Folio No.

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Note :

Signature of the Shareholder should agree with the Specimen Singature registered with the Company.

(Signature of the Proxy)



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোম্পানী লিমিটেড
ASIA PACIFIC GENERAL INSURANCE COMPANY LTD.

Registered Office
Homestead Gulshan Link Tower (6th Floor),
Ta-99, Gulshan Badda Link Road, Dhaka-1212
Phone: 09666771771, Fax : 8834170,
E-mail : apgic@bdcom.com, web : www.apgicl.com

Note : Please complete the attendance slip and hand it over at the entrance of the hall.

Attendance Slip

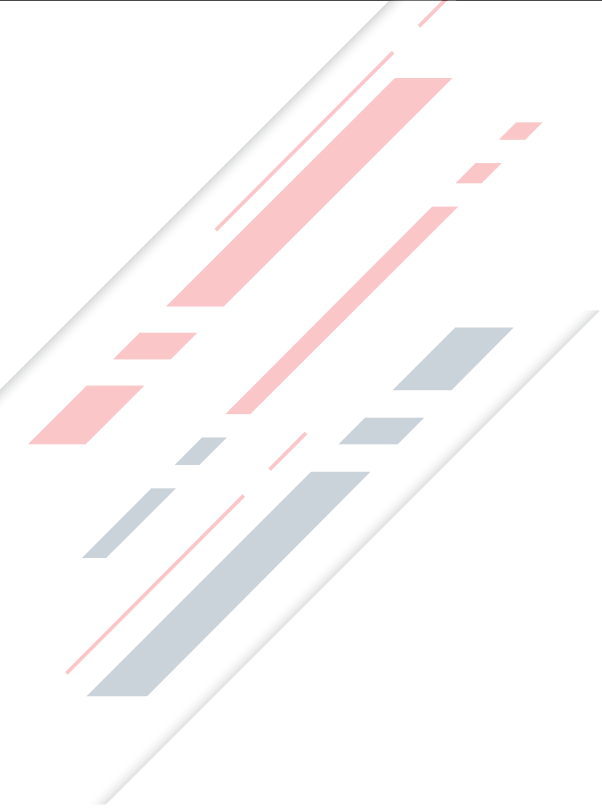
I hereby record my attendance at the 20th Annual General Meeting of the Company being held virtually by using Digital Platform through the link <http://www.apgicl.com/20thagm> on Thursday, the 20th August, 2020 at 11.00 A.M

Name of the Shareholder/Proxy _____




Shareholder's BO/Folio No.

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N.B Shareholder(s) attend the virtual meeting in person or by proxy are requested to collect the attendance slip from the Head Office of the Company. There is no arrangement of gift or entertainment for the 20th AGM in compliance with the circular No. SEC/CMRRCD/2009-193/154 dated 24/01/2013 of the Bangladesh Securities & Exchange Commission.



 **Head Office :**
Homestead Gulshan Link Tower (6th Floor)
Ta-99, Gulshan Badda Link Road, Dhaka-1212

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