

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

OF

MEGHNA INSURANCE COMPANY LIMITED

Pritam Zaman Tower (4th Floor)

37/2 Purana Paltan, Dhaka-1000

FOR THE YEAR ENDED 31 DECEMBER 2021

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INDEPENDENT AUDITOR'S REPORT
To the shareholders of Meghna Insurance Company Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Meghna Insurance Company Limited** (the "Company"), which comprise the Statement of Financial Position as at 31 December 2021, the Statement of 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 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Insurance Act, 2010, the Insurance Rules, 1958, 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), the institute of Chartered Accountants of Bangladesh ICAB bye laws. We have fulfilled our 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

Without modifying our opinion we draw attention to,

Note # 35 of the financial statements, describes the Expense of Management of BDT. 411,130,630, has been charged against the different types of insurance during the year. As per SRO no. 280-Ain/2-18 dated 26th September 2018, the maximum limit of management expense that can be incurred is BDT. 222,564,096; this results in an excess management expense of BDT. 188,566,534. This results in a non-compliance of the particular SRO.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statement for the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon and we do not provide a separate opinion on these matters.

| Key Audit Matters | Our response to the Key Audit Matters |
|--|---|
| <p>Premium Income</p> <p>Premium income is the most financially significant item in the statement of profit and loss account & profit and loss appropriation account. The company has reported gross premium income of Taka 752,139,504 for the year ended 31 December 2021.</p> <p>Gross general insurance premium comprises the total premium received during the accounting period for the entire period of cover for which insurance policy has been issued by contracts with Meghna Insurance Company Limited. As the premium income recognition, due to the significance of the balance to the financial statements as a whole, we regard this as a key audit matter.</p> | <p>Our procedures included obtaining an understanding of management’s premium income recognition process. We tested a sample of transactions to verify whether the revenue was accounted for in accordance with the revenue recognition policy as disclosed in Note-3.12 of the financial statements. In addition, we assessed whether the disclosed revenue recognition policy was in accordance with relevant Insurance Act & Rules.</p> <p>For the revenue recognized throughout the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • We conducted analytical procedures & recalculation of premium income. • On a sample basis, we reviewed policy to ensure the appropriate policy stamp was affixed to the contract and amount for deposit premium along with amount for policy stamp & VAT has been reflected in the premium register. • We ensured that premium income was being deposited in the designated bank account on a sample basis. • We carried out on a sample basis if appropriate re-insurance has been done on treaty basis and moreover, appropriate re-insurance premium was deducted from the gross premium. • We tested on a sample basis that appropriate VAT was collected & deposited through Treasury Challan to Bank. • We conducted substantive testing of premium income recorded over the year using sampling techniques by examining the relevant supporting documents including policy, premium register, bank reconciliation report, bank statement and also, we confirmed selected customers’ outstanding premium at the financial position date, selected on a sample basis by considering the amount outstanding with those customers. • We specifically put emphasis on those transactions occurring close before or after the financial position date to obtain sufficient evidence over the accuracy of cut-off to ensure unearned premium income has not been included in the premium income. • 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. |

| Estimated liability in respect of outstanding claims whether due or intimated and claim payment | |
|--|--|
| <p>Meghna Insurance Company Limited has represented the amount related with the claim due or intimated from the insured which involves management judgment & risk of over & understatement of the value.</p> <p>As a result, financial statements may show distorted amount which may also concern going concern issue for the company.</p> <p>At year end 31 December 2021, the Group reported total balance under the head of estimated liability in respect of outstanding claims whether due or intimated and claim payment of Taka 60,200,577.</p> | <p>We tested design and operating effectiveness of control around the due and intimated claim recording process. We additionally carried out the following substantive testing around this item:</p> <ul style="list-style-type: none"> • Obtained the claim register and tested for completeness of claim recorded in the register on a sample basis. • Obtained a sample of claimed policy copy and cross checked it with claim. • Obtained a sample of survey report and cross checked those against respective ledger balances. • Obtained and discussed with management about their basis of estimation and challenged their assumption where appropriate. • 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. |
| Fair value reserve on Investment of marketable securities | |
| <p>The company makes a number of investments in the listed securities in the stock exchange. Income generated from the investment (realized gain and dividend received) is credited to the profit or loss account, Unrealized capital gain or loss is transferred to the fair value reserve as per policy of the company and maintains adequate deferred tax on such reserve.</p> <p>This item has significant impact on net asset value of the company and equity balance might be prone to misreporting as large unreported fall in the value of any holding may wipe out the portfolio and hamper the distribution capability of the company.</p> | <p>We tested the design and operating effectiveness of controls around monitoring, valuation and updating of prices of position 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 and challenged 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 • 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. |

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the propose of expressing an opinion on the effectiveness of the Company's internal control.
- 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's 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 the mall 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 other 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 examination 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;


MABS & J Partners

Chartered Accountants

- d) As per section 63(2) of the Insurance Act, 2010 in our opinion to the best of our knowledge and belief an according to the information and explanations given to us, all expenses of management wherever incurred and whether 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 show 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, 12 SEP 2022
Place: Dhaka Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Signed by: Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199


DVC NO: 2209120199AS853635

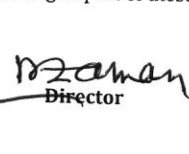
Meghna Insurance Company Limited
Statement of Financial Position
As at December 31, 2021

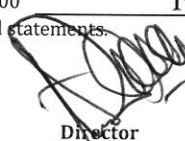
| Particulars | Notes | Amount in Taka | |
|---|-------|----------------------|-----------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Shareholder's equity and liabilities | | | |
| Share capital | | | |
| Authorized share capital | 4.00 | 1,000,000,000 | 1,000,000,000 |
| Issued, subscribed and paid-up-capital | 4.00 | 240,000,000 | 79,350,000 |
| Reserve, surplus or contingency account | | | |
| Reserve for exceptional losses | 5.00 | 147,541,577 | 127,286,806 |
| Reserve for unrealized gain/(Loss) | 5.01 | 124,734,663 | 114,734,663 |
| Profit or Loss Appropriation Account | 5.02 | 1,823,046 | 1,895,673 |
| | | 20,983,868 | 10,656,470 |
| Total shareholders' equity | | 387,541,577 | 206,636,806 |
| Balances of fund and accounts | | | |
| Fire insurance business | 6.00 | 215,564,345 | 176,133,377 |
| Marine insurance business (Cargo) | | 42,554,261 | 52,557,990 |
| Marine insurance business (Hull) | | 140,875,874 | 44,587,061 |
| Motor insurance business | | (53,846) | 590,268 |
| Miscellaneous insurance business | | 30,390,394 | 53,922,242 |
| | | 1,797,662 | 24,475,816 |
| Liabilities and provisions | | | |
| Estimated liability in respect of outstanding claims whether due or intimated | 7.00 | 619,863,090 | 551,791,077 |
| Amount due to other persons or bodies carrying on insurance business | 8.00 | 60,200,577 | 141,604,092 |
| Long term loan | 9.00 | 214,802,697 | 155,432,323 |
| Short term loan | 10.00 | - | 33,532,603 |
| Lease Liability | 11.00 | - | 17,441,247 |
| Premium deposit | 12.00 | 17,919,377 | 14,384,190 |
| Sundry creditors | 13.00 | 131,697,952 | 50,484,267 |
| Provision for income tax | 14.01 | 133,250,029 | 81,406,747 |
| Provision for deferred tax | 14.03 | 61,418,609 | 55,340,774 |
| | | 573,849 | 2,164,833 |
| Total liabilities, fund and provisions | | 835,427,435 | 727,924,454 |
| Total shareholders' equity and liabilities | | 1,222,969,012 | 934,561,260.16 |
| Assets and properties | | | |
| Non-current assets | | | |
| Property, plant & equipments | 15.00 | 265,400,553 | 269,715,351 |
| Intangible Assets | 16.00 | 240,279,690 | 244,564,272 |
| Investments in treasury bond | 17.00 | 120,863 | 151,079 |
| | | 25,000,000 | 25,000,000 |
| Right-of-use asset | | | |
| | 18.00 | 20,294,355 | 16,621,263 |
| Current assets | | | |
| Stock of printing, stationery & stamps | 19.00 | 937,274,104 | 648,224,646 |
| Amount due from other persons or bodies carrying on insurance business | 20.00 | 3,458,320 | 2,719,142 |
| Advance, deposit & prepayments | 21.00 | 122,973,271 | 111,275,061 |
| Interest and dividend receivable | 22.00 | 179,889,436 | 125,057,055 |
| Short term investment | 23.00 | 8,697,213 | 5,964,680 |
| Cash and cash equivalents | 24.00 | 387,467,705 | 258,871,484 |
| | | 234,788,159 | 144,337,223 |
| Total assets and properties | | 1,222,969,012 | 934,561,260.36 |
| Net asset value per share | 29.00 | 17.88 | 26.04 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagadish Chandra Biswas FCA
Partner

Enrollment No: 199
DVC NO: 2209120199AS853635

Meghna Insurance Company Limited
Statement of Profit or Loss and Other Comprehensive income
For the year ended December 31, 2021

| Particulars | Notes | Amount in Taka | |
|---|-------|-------------------|-------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Operating profit/(loss) transferred from: | | 43,323,277 | 26,912,912 |
| Fire insurance revenue account | | (7,462,582) | (40,683,968) |
| Marine cargo insurance revenue account | | 10,212,610 | 21,234,869 |
| Marine hull insurance revenue account | | (682,548) | (743,704) |
| Motor insurance revenue account | | 43,352,946 | 25,319,774 |
| Miscellaneous insurance revenue account | | (2,097,148) | 21,785,942 |
| Non-operating income | | | |
| Interest /profit | 27.00 | 33,656,259 | 24,677,204 |
| Dividend income | | 61,280 | - |
| Miscellaneous income | | - | 185,228 |
| Profit / (Loss) on sale of share | | 1,024,609 | (200,442) |
| Profit / (Loss) on sale of assets | | (15,963) | (185,137) |
| Total Income | | 78,049,462 | 51,389,765 |
| Less: Management Expenses | | | |
| Expenses of Management | 25.00 | 48,734,032 | 30,628,004 |
| (not applicable to any particular fund or account) | | | |
| Finance Cost | 26.00 | 3,260,468 | 8,251,398 |
| Net Profit/(Loss) before tax and WPPF | | 26,054,961 | 12,510,363 |
| Workers' Profit Participation Fund | 13.01 | 1,240,712 | 595,732 |
| Net Profit after WPPF | | 24,814,249 | 11,914,631 |
| Provision for taxation: | | 4,486,851 | 4,337,618 |
| Current tax | 14.02 | 6,077,835 | 2,986,610 |
| Deferred tax | 14.03 | (1,590,984) | 1,351,008 |
| Profit after tax transferred to profit or loss appropriation account | | 20,327,398 | 7,577,013 |
| Other comprehensive income | | | |
| Changes in fair value of shares | 23.02 | 340,027 | 2,180,625 |
| Total comprehensive income | | 20,667,425 | 9,757,638 |
| Earning Per Share (EPS) | 28.00 | 0.94 | 0.95 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.

 Company Secretary
 Chief Executive Officer
 Director
 Director
 Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 22 0012 0199AS853635

Meghna Insurance Company Limited
Profit or Loss Appropriation Account
For the year ended December 31, 2021

| Particulars | Notes | Amount in Taka | |
|--|-------|-------------------|-------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Net profit after tax for the year brought down | | 20,327,398 | 7,577,013 |
| Balance brought forward from last year | | 10,656,470 | 23,932,808 |
| TOTAL | | 30,983,868 | 31,509,821 |
| Reserve for exceptional losses | | 10,000,000 | 10,000,000 |
| Stock Dividend | | - | 10,350,000 |
| Cash Dividend | | - | - |
| Prior year's adjustment | | - | 503,351 |
| Balance transferred to statement of financial position | | 20,983,868 | 10,656,470 |
| TOTAL | | 30,983,868 | 31,509,821 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

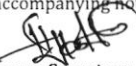
Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

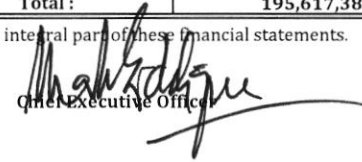

Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 2209120199AS853635

Meghna Insurance Company Limited
Consolidated Revenue Account
For the year ended December 31, 2021

| Particulars | Notes | Fire | Marine Cargo | Marine Hull | Motor | Miscellaneous | Total 2021 | Total 2020 |
|--|-------|--------------------|--------------------|-----------------|--------------------|-------------------|--------------------|--------------------|
| CLAIMS UNDER POLICIES LESS RE-INSURANCE : | | | | | | | | |
| Paid during the period: | 33.00 | 117,190,058 | 19,028,608 | - | 11,087,174 | 183,505 | 147,489,345 | (26,579,186) |
| Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. | | 52,062,220 | 5,250,373 | - | 2,887,984 | - | 60,200,577 | 141,604,092 |
| | | 169,252,278 | 24,278,981 | - | 13,975,158 | 183,505 | 207,689,922 | 115,024,906 |
| Less: Outstanding claims at the end of the Previous year (if any) | | 132,729,110 | 5,346,125 | - | 3,361,217 | 167,640 | 141,604,092 | 62,241,208 |
| Total Claims under Policies less Reinsurances: | | 36,523,168 | 18,932,856 | - | 10,613,941 | 15,865 | 66,085,830 | 52,783,698 |
| Agency Commission | 35.00 | 9,166,298 | 21,327,354 | 53,324 | 2,826,581 | 99,412 | 33,472,969 | 89,907,152 |
| Management Expenses | | 114,836,241 | 217,337,570 | 1,495,915 | 42,745,442 | 34,715,462 | 411,130,630 | 296,769,272 |
| Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive income | | -7,462,582 | 10,212,610 | -682,548 | 43,352,946 | -2,097,148 | 43,323,277 | 26,912,912 |
| Reserve for Unexpired Risks transferred to Balance of Funds and Account at the end of the year in the Statement of Financial Position | 6.00 | 42,554,261 | 140,875,874 | -53,846 | 30,390,394 | 1,797,662 | 215,564,345 | 176,133,377 |
| Total : | | 195,617,386 | 408,686,263 | 812,845 | 129,929,304 | 34,531,253 | 769,577,051 | 642,506,411 |
| Reserve for Unexpired Risks in the Balance of Funds and Account at the beginning of the year : | | 52,557,990 | 44,587,061 | 590,268 | 53,922,242 | 24,475,816 | 176,133,377 | 156,461,771 |
| Premium Less Re-insurance | 32.00 | 106,385,653 | 352,189,684 | -53,846 | 75,975,985 | 4,494,155 | 538,991,631 | 439,448,041 |
| Commission on Re-insurance ceded | | 36,673,743 | 11,909,518 | 276,423 | 31,077 | 5,561,282 | 54,452,043 | 46,596,599 |
| Total : | | 195,617,386 | 408,686,263 | 812,845 | 129,929,304 | 34,531,253 | 769,577,051 | 642,506,411 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.


Company Secretary


Chief Executive Officer

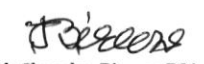

Director


Director


Chairman

Signed for & on behalf of
MABS & J Partners
Chartered Accountants

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh


Jagadish Chandra Biswas FCA
Partner


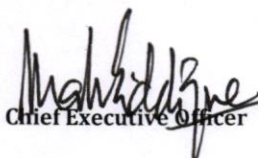
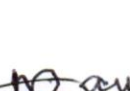

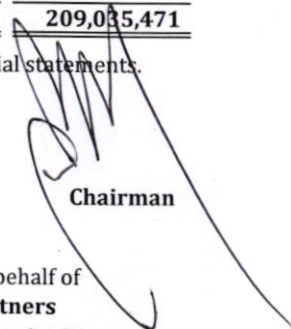
Enrollment No: 199

DVC NO: 2200120199AS853635

Meghna Insurance Company Limited
Fire Insurance Revenue Account
For the year ended December 31, 2021

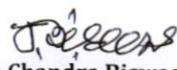
| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|--------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Balance of account at the beginning of the year | | | |
| Reserve for unexpired risk | | 52,557,990 | 44,221,872 |
| Premium less re-insurance | 33.00 | 106,385,653 | 131,394,974 |
| Commission on re-insurance ceded | | 36,673,743 | 33,418,625 |
| Total | | 195,617,386 | 209,035,471 |
| Claims under policies less re-insurance | | | |
| Paid during the period: | | 117,190,058 | (39,368,113) |
| Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. | | 52,062,220 | 132,729,110 |
| | | 169,252,278 | 93,360,997 |
| Less: Outstanding claims at the end of the Previous year (if any) | | 132,729,110 | 46,720,096 |
| Total Claims under Policies less Reinsurances: | 33.00 | 36,523,168 | 46,640,901 |
| Agent commission | | 9,166,298 | 34,406,243 |
| Expenses of management | 35.00 | 114,836,241 | 116,114,305 |
| Profit/(loss) transferred to profit or loss account | | (7,462,582) | (40,683,968) |
| Balance of accounts at the end of the year | | | |
| Reserve for unexpired risk | 6.00 | 42,554,261 | 52,557,990 |
| Total | | 195,617,386 | 209,035,471 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.

 Company Secretary
 Chief Executive Officer
 Director
 Director
 Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh


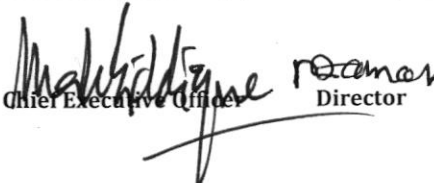

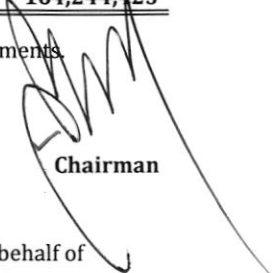
Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 22 09/20199AS8536 35

Meghna Insurance Company Limited
Marine Cargo Insurance Revenue Account
For the year ended December 31, 2021

| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|--------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Balance of account at the beginning of the year | | | |
| Reserve for unexpired risk | | 44,587,061 | 42,247,370 |
| Premium less re-insurance | 33.00 | 352,189,684 | 111,467,653 |
| Commission on re-insurance ceded | | 11,909,518 | 10,529,400 |
| Total | | 408,686,263 | 164,244,423 |
| Claims under policies less re-insurance | | | |
| Paid during the period: | | 19,028,608 | 3,793,329 |
| Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. | | 5,250,373 | 5,346,125 |
| | | 24,278,981 | 9,139,454 |
| Less: Outstanding claims at the end of the Previous year (if any) | | 5,346,125 | 4,512,691 |
| Total Claims under Policies less Reinsurances: | 33.00 | 18,932,856 | 4,626,763 |
| Agent commission | | 21,327,354 | 19,905,205 |
| Expenses of management | 35.00 | 217,337,570 | 73,890,525 |
| Profit/(loss) transferred to profit or loss account | | 10,212,610 | 21,234,869 |
| Balance of accounts at the end of the year | | | |
| Reserve for unexpired risk | 6.00 | 140,875,874 | 44,587,061 |
| Total | | 408,686,263 | 164,244,423 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.

 Company Secretary
 Chief Executive Officer
 Director
 Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagdish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 22 09/20199AS853635

Meghna Insurance Company Limited
Marine Hull Insurance Revenue Account
For the year ended December 31, 2021

| Particulars | Notes | Amount in Taka | |
|--|-------|----------------|----------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Balance of account at the beginning of the year | | | |
| Reserve for unexpired risk | | 590,268 | 48,669 |
| Premium less re-insurance | 33.00 | -53,846 | 590,268 |
| Commission on re-insurance ceded | | 276,423 | 66,079 |
| Total | | 812,845 | 705,016 |
| Claims under policies less re-insurance | | | |
| Paid during the period: | | - | - |
| Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. | | - | - |
| Less: Outstanding claims at the end of the Previous year (if any) | | - | - |
| Total Claims under Policies less Reinsurances: | 33.00 | - | - |
| Agent commission | | 53,324 | - |
| Expenses of management | 35.00 | 1,495,915 | 858,452 |
| Profit/(loss) transferred to profit or loss account | | (682,548) | (743,704) |
| Balance of accounts at the end of the year | | | |
| Reserve for unexpired risk | 6.00 | -53,846 | 590,268 |
| Total | | 812,845 | 705,016 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements.


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 2209120199AS853635

Meghna Insurance Company Limited
Motor Insurance Revenue Account
For the year ended December 31, 2021

| Particulars | Notes | Amount in Taka | |
|--|-------|--------------------|--------------------|
| | | 31.Dec 21 | 31.Dec 20 |
| Balance of account at the beginning of the year | | | |
| Reserve for unexpired risk | | 53,922,242 | 46,989,426 |
| Premium less re-insurance | 33.00 | 75,975,985 | 134,805,605 |
| Commission on re-insurance ceded | | 31,077 | 36,768 |
| Total | | 129,929,304 | 181,831,799 |
| Claims under policies less re-insurance | | | |
| Paid during the period: | | 11,087,174 | 7,794,425 |
| Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. | | 2,887,984 | 3,361,217 |
| | | 13,975,158 | 11,155,642 |
| Less: Outstanding claims at the end of the Previous year (if any) | | 3,361,217 | 498,421 |
| Total Claims under Policies less Reinsurances: | 33.00 | 10,613,941 | 10,657,221 |
| Agent commission | | 2,826,581 | 26,429,364 |
| Expenses of management | 35.00 | 42,745,442 | 65,503,198 |
| Profit/(loss) transferred to profit or loss account | | 43,352,946 | 25,319,774 |
| Balance of accounts at the end of the year | | | |
| Reserve for unexpired risk | 6.00 | 30,390,394 | 53,922,242 |
| Total | | 129,929,304 | 181,831,799 |

The accompanying notes 1 to 42 and Annexure A,B,C form an integral part of these financial statements


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Dated: 12 SEP 2022
Place: Dhaka, Bangladesh

Signed for & on behalf of
MABS & J Partners
Chartered Accountants


Jagadish Chandra Biswas FCA
Partner
Enrollment No: 199
DVC NO: 2209120199AS853635