

Private & Confidential

**Independent Auditor's Report
and
Financial Statements
of
Meghna Insurance Company Limited
As at and for the year ended December 31, 2022**

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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 Balance Sheet (Statement of Financial Position) as at December 31, 2022, and the Profit or Loss Account (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 December 31, 2022, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance 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 Matters

We draw your attention to note no. 3.14.b regarding "Workers' Participation Fund Welfare Fund" which states that "Section 234 of chapter 15 of Labor Law 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and Welfare Fund. However, BFID, on behalf of the financial institution sector, clarification from the labor ministry regarding the applicability of the provisions for the sector. Similarly, Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for exemption for Insurance Companies. As no decision has been yet concluded on such communications, the participation fund amount is yet to be distributed among the workers." Note no. 17.00 regarding "Investment in Treasury Bond" which states that "As per S.R.O. No. 353/Ain/2019 dated: 19 November 2019, regarding Investment of Assets of Non-Life Insurer the minimum required investment in Government securities is 7.5%. The company's Investment in Government securities is lower than the mentioned amount during the year ended 31 December 2022. However, the company will invest the required amount in government securities within the shortest possible time." And also Note no. 41.00 regarding "Contingent Liability" which describe that "There was a demand of Tk. 365,119,852.00 by the income tax authority for payment of tax in excess of the amount of management expenses claimed by the



company during the accounting years from 2008 to 2021. The company filed a write to the High court division of the honorable supreme court of Bangladesh. The company is very much hopeful to get Judgement in its favor as Appellate Tribunal Bench accepted excess management expenses Tk.167,89,870 in assessment year 2008-2009". However, our opinion is not modified in respect of these matters.

Key Audit Matters

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

Estimated liability in respect of outstanding claims whether due or intimated and claim payment

This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company. At the year end, 2022, the total Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated of BDT. 59,808,301 (2021: BDT. 60,200,577) to the financial statements.

How our audit addressed the key matters

We carried out the following substantive procedure around this line item:

- 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.

See note no. **7.00** to the financial statements

Investment

The classification and measurement of investment in securities required judgement and complex estimates. Investment in securities are needs to be classified as held to maturity or held for trading depending on the



management intention about the investment. At the year end, the company reported short term investment of BDT. 553,454,854 (i.e. 2021: BDT.387,467,705), BGTB BDT.55,100,000 (i.e. 2021: BDT. 25,000,000).

How our audit addressed the key matters

We assessed the processes and controls put in place by the company to identify and confirm the existence of investment. We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the investment adjustment. Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and circulars issued by IDRA

See note no. **17.00 & 23.00** to the financial statements.

Premium Income

Net general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk. At end of the year the total net premium income of BDT 824,578,561 (2021: BDT 538,991,631).

How our audit addressed the key matters

With respect to Premium income in respect of various types of insurance we carried out the following procedures:

- 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.
- Assessed the appropriateness and presentation of disclosures in accordance with relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

See note no. **33.00** to the financial statements.

Other Information

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



Annual Report is expected to be made available to us after the date of this auditor's report. The directors are responsible for the other information.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 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.

- 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 and the Securities and Exchange Rules 1987, Insurance Act 2010, the Insurance Rules 1958 and other applicable Laws and Regulations, we also report the following:

- 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 an 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.

Howlader Mahfel Huq, FCA
ICAB Enrolment No. 0105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants

DVC: **2304170105AS579748**

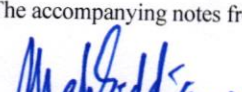
Dhaka, April 16, 2023


Meghna Insurance Company Limited
Statement of Financial Position
As at December 31, 2022

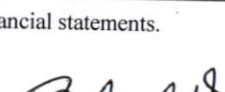
Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Shareholder's equity and liabilities			
Share capital			
Authorized share capital	4.01	1,000,000,000	1,000,000,000
Issued, subscribed and paid-up-capital	4.02	400,000,000	240,000,000
Reserve, surplus or contingency account	5.00	174,404,191	147,541,577
Reserve for exceptional losses	5.01	134,734,663	124,734,663
Reserve for unrealized gain/(Loss)		(13,050,319)	1,823,046
Revaluation Reserve		8,700,743	-
Profit or Loss Appropriation Account	5.02	44,019,104	20,983,868
Total shareholders' equity		574,404,191	387,541,577
Balances of fund and accounts	6.00	330,207,168	215,564,345
Fire insurance business		54,576,662	42,554,261
Marine insurance business (Cargo)		238,939,576	140,875,874
Marine insurance business (Hull)		626,240	(53,846)
Motor insurance business		32,362,647	30,390,394
Miscellaneous insurance business		3,702,043	1,797,662
Liabilities and provisions		467,039,638	619,863,090
Estimated liability in respect of outstanding claims whether due or intimated	7.00	59,808,301	60,200,577
Amount due to other persons or bodies carrying on insurance business	8.00	96,400,990	214,802,697
Lease Liability	11.00	14,309,382	17,919,377
Premium deposit	12.00	53,248,671	131,697,952
Sundry creditors	13.00	159,206,467	133,250,029
Provision for income tax	14.01	84,065,827	61,418,609
Provision for deferred tax	14.03	-	573,849
Total liabilities, fund and provisions		797,246,807	835,427,435
Total shareholders' equity and liabilities		1,371,650,998	1,222,969,012
Assets and properties			
Non-current assets		326,383,461	265,400,553
Property, plant and equipments	15.00	271,052,214	240,279,690
Intangible Assets	16.00	164,028	120,863
Deferred Tax Assets	14.04	67,219	-
Investments in treasury bond	17.00	55,100,000	25,000,000
Right-of-use asset	18.00	16,655,988	20,294,355
Current assets		1,028,611,549	937,274,104
Stock of printing, stationery & stamps	19.00	3,279,382	3,458,320
Amount due from other persons or bodies carrying on insurance business	20.00	135,871,018	122,973,271
Advance, deposit and prepayments	21.00	200,052,692	179,889,436
Interest and dividend receivable	22.00	19,610,611	8,697,213
Short term investment	23.00	553,454,854	387,467,705
Cash and cash equivalents	24.00	116,342,992	234,788,159
Total assets and properties		1,371,650,998	1,222,969,012
Net asset value per share (NAVPS)	29.00	17.21	17.88

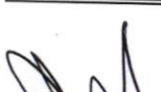
The accompanying notes from an integral part of these financial statements.


Company Secretary

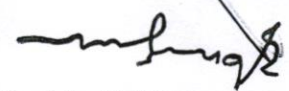

Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants

Dhaka, 16 April, 2023

DVC: 2304170105A5579748

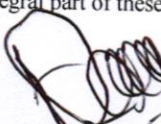
Meghna Insurance Company Limited
Statement of Profit or Loss and Other Comprehensive income
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Operating profit/(loss) transferred from:		76,647,649	43,323,277
Fire insurance revenue account		(44,984,123)	(7,462,582)
Marine cargo insurance revenue account		137,701,200	10,212,609
Marine hull insurance revenue account		(4,950,156)	(682,548)
Motor insurance revenue account		11,517,510	43,352,946
Miscellaneous insurance revenue account		(22,636,782)	(2,097,148)
Non-operating income	27.00	47,830,363	34,726,185
Interest /profit		33,040,593	33,656,259
Dividend income		2,920,637	61,280
Miscellaneous income		(245,244)	-
Profit / (Loss) on sale of share		5,885,658	1,024,609
Profit / (Loss) on sale of assets		6,228,719	(15,963)
Total Income		124,478,012	78,049,462
Less: Management Expenses			
Expenses of Management	25.00	54,289,439	48,734,032
(not applicable to any particular fund or account)			
Finance Cost	26.00	813,295	3,260,468
Net Profit/(Loss) before tax and WPPF	26.00	69,375,278	26,054,961
Workers' Profit Participation Fund	13.01	3,303,585	1,240,712
Net Profit after WPPF		66,071,693	24,814,249
Provision for taxation:		22,006,150	4,486,851
Current tax	14.02	22,647,218	6,077,835
Deferred tax	14.03	(641,068)	(1,590,984)
Profit after tax transferred to profit or loss appropriation account		44,065,544	20,327,397
Other comprehensive income			
Changes in fair value of shares	23.02	(17,040,383)	340,027
Revaluation Surplus		9,670,436	-
Total comprehensive income		36,695,597	20,667,424
Earning Per Share (EPS)	28.00	1.32	0.94

The accompanying notes from an integral part of these financial statements.


 Company Secretary



 Chief Executive Officer


 Director


 Director


 Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants

DVC: **2304170105AS579748**


Dhaka, 16 April, 2023

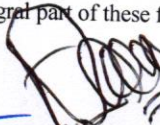
Meghna Insurance Company Limited
Profit or Loss Appropriation Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Net profit after tax for the year brought down		44,065,544	20,327,398
Balance brought forward from last year		20,983,868	10,656,470
TOTAL		65,049,412	30,983,868
Reserve for exceptional losses		10,000,000	10,000,000
Stock Dividend		-	-
Cash Dividend		-	-
Prior year's adjustment		12,000,000	-
Balance transferred to statement of financial position		43,049,412	20,983,868
TOTAL		65,049,412	30,983,868

The accompanying notes from an integral part of these financial statements.


 Company Secretary

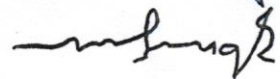

 Chief Executive Officer


 Director


 Director


 Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
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Dhaka, 16 April, 2023

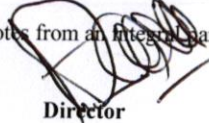
Meghna Insurance Company Limited
Consolidated Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total 2022	Total 2021
CLAIMS UNDER POLICIES LESS								
RE-INSURANCE :								
Paid during the period:	34	7,492,407	4,310,905	-	6,108,670	16,868	17,928,850	147,489,345
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		32,800,000	15,626,441	-	11,381,860	-	59,808,301	60,200,577
		40,292,407	19,937,346	-	17,490,530	16,868	77,737,151	207,689,922
Less: Outstanding claims at the end of the Previous year (if any)		(52,062,220)	(5,250,373)	-	(2,887,984)	-	(60,200,577)	(141,604,092)
Total Claims under Policies less		(11,769,813)	14,686,973	-	14,602,546	16,868	17,536,574	66,085,830
Reinsurances:								
Agency Commission	35	32,971,305	80,896,380	1,018,620	11,320,442	2,065,936	128,272,683	33,472,969
Management Expenses		183,099,341	280,673,445	4,755,815	41,600,228	32,219,596	542,348,425	411,130,630
		(44,984,123)	137,701,200	(4,950,156)	11,517,510	(22,636,782)	76,647,649	43,323,277
Reserve for Unexpired Risks transferred to Balance of Funds and Account at the end of the year in the Statement of Financial Position	6	54,576,662	238,939,576	626,240	32,362,647	3,702,043	330,207,168	215,564,345
Total :		213,893,372	752,897,574	1,450,519	111,403,373	15,367,661	1,095,012,499	769,577,051
Reserve for Unexpired Risks in the Balance of Funds and Account at the beginning of the year :		42,554,261	140,875,874	(53,846)	30,390,394	1,797,662	215,564,345	176,133,377
Premium Less Re-insurance	33	136,441,655	597,348,941	626,240	80,906,618	9,255,107	824,578,561	538,991,631
Commission on Re-insurance ceded		34,897,456	14,672,759	878,125	106,361	4,314,892	54,869,593	54,452,043
Total :		213,893,372	752,897,574	1,450,519	111,403,373	15,367,661	1,095,012,499	769,577,051

The accompanying notes form an integral part of these financial statements.


Company Secretary



Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants

DVC: 4304170105AS579748

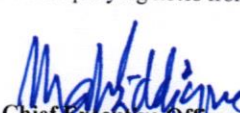
Dhaka, 16 April, 2023

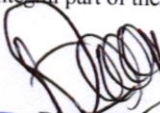
Meghna Insurance Company Limited
Fire Insurance Revenue Account
For the year ended December 31, 2022

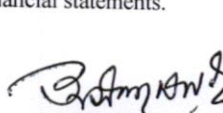
Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Balance of account at the beginning of the year			
Reserve for unexpired risk		42,554,261	52,557,990
Premium less re-insurance	33.00	136,441,655	106,385,653
Commission on re-insurance ceded		34,897,456	36,673,743
Total		213,893,372	195,617,386
Claims under policies less re-insurance			
Paid during the period:		7,492,407	117,190,058
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		32,800,000	52,062,220
Less: Outstanding claims at the end of the Previous year (if any)		40,292,407	169,252,278
Total Claims under Policies less Reinsurances:	33.00	(52,062,220)	(132,729,110)
Agent commission		(11,769,813)	36,523,168
Expenses of management	35.00	32,971,305	9,166,298
Profit/(loss) transferred to profit or loss account		183,099,341	114,836,241
Balance of accounts at the end of the year		(44,984,123)	(7,462,582)
Reserve for unexpired risk	6.00	54,576,662	42,554,261
Total		213,893,372	195,617,386

The accompanying notes from an integral part of these financial statements.


 Company Secretary


 Chief Executive Officer

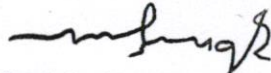

 Director


 Director


 Chairman

Signed as per our annexed report of even date.

Dhaka, 16 April, 2023


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants
 DVC: 2304170105AS579748

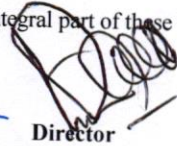
Meghna Insurance Company Limited
Marine Cargo Insurance Revenue Account
For the year ended December 31, 2022

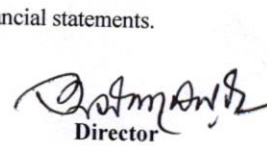
Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Balance of account at the beginning of the year			
Reserve for unexpired risk		140,875,874	44,587,061
Premium less re-insurance	33.00	597,348,941	352,189,684
Commission on re-insurance ceded		14,672,759	11,909,518
Total		752,897,574	408,686,263
Claims under policies less re-insurance		4,310,905	19,028,608
Paid during the period:		15,626,441	5,250,373
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		19,937,346	24,278,981
Less: Outstanding claims at the end of the Previous year (if any)		(5,250,373)	(5,346,125)
Total Claims under Policies less Reinsurances:	33.00	14,686,973	18,932,856
Agent commission		80,896,380	21,327,354
Expenses of management	35.00	280,673,445	217,337,570
Profit/(loss) transferred to profit or loss account		137,701,200	10,212,609
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	238,939,576	140,875,874
Total		752,897,574	408,686,263

The accompanying notes from an integral part of these financial statements.


 Company Secretary


 Chief Executive Officer



 Director


 Director


 Chairman

Signed as per our annexed report of even date.

Dhaka, 16 April, 2023


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants
 DVC: **2304170105AS579748**

Meghna Insurance Company Limited
Marine Hull Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Balance of account at the beginning of the year			
Reserve for unexpired risk		(53,846)	590,268
Premium less re-insurance	33.00	626,240	(53,846)
Commission on re-insurance ceded		878,125	276,423
Total		1,450,519	812,845
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		1,018,620	53,324
Expenses of management	35.00	4,755,815	1,495,915
Profit/(loss) transferred to profit or loss account		(4,950,156)	(682,548)
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	626,240	(53,846)
Total		1,450,519	812,845

The accompanying notes from an integral part of these financial statements.


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.



Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants

Dhaka, 16 April, 2023

DVC: **2304170105AS579748**

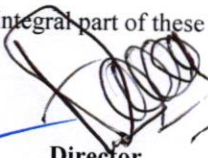
Meghna Insurance Company Limited
Motor Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Balance of account at the beginning of the year			
Reserve for unexpired risk		30,390,394	53,922,242
Premium less re-insurance	33.00	80,906,618	75,975,985
Commission on re-insurance ceded		106,361	31,077
Total		111,403,373	129,929,304
Claims under policies less re-insurance			
Paid during the period:		6,108,670	11,087,174
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		11,381,860	2,887,984
		17,490,530	13,975,158
Less: Outstanding claims at the end of the Previous year (if any)		(2,887,984)	(3,361,217)
Total Claims under Policies less Reinsurances:	33.00	14,602,546	10,613,941
Agent commission		11,320,442	2,826,581
Expenses of management	35.00	41,600,228	42,745,442
Profit/(loss) transferred to profit or loss account		11,517,510	43,352,946
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	32,362,647	30,390,394
Total		111,403,373	129,929,304

The accompanying notes from an integral part of these financial statements.


 Company Secretary



 Chief Executive Officer


 Director


 Director


 Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants

DVC: **2304170105AS579748**

Dhaka, 16 April, 2023

Meghna Insurance Company Limited
Miscellaneous Insurance Revenue Account
For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Balance of account at the beginning of the year			
Reserve for unexpired risk		1,797,662	24,475,816
Premium less re-insurance	33.00	9,255,107	4,494,155
Commission on re-insurance ceded		4,314,892	5,561,282
Total		15,367,661	34,531,253
Claims under policies less re-insurance		16,868	183,505
Paid during the period:		-	-
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		16,868	183,505
Less: Outstanding claims at the end of the Previous year (if any)		-	167,640
Total Claims under Policies less Reinsurances:	33.00	16,868	15,865
Agent commission		2,065,936	99,412
Expenses of management	35.00	32,219,596	34,715,462
Profit/(loss) transferred to profit or loss account		(22,636,782)	(2,097,148)
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	3,702,043	1,797,662
Total		15,367,661	34,531,253

The accompanying notes from an integral part of these financial statements.


 Company Secretary



 Chief Executive Officer


 Director


 Director


 Chairman

Signed as per our annexed report of even date.


Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants

DVC: **2304170105AS579748**

Dhaka, 16 April, 2023

Meghna Insurance Company Limited
Statement of Change in Equity
For the year ended December 31, 2022

(Amount in Taka)

Particulars	Share Capital	Reserve for Exception Losses	Reserve for unrealized gain/(loss)	Revaluation Reserve	Profit or Loss Appropriation	Total
Balance as on January 01, 2022	240,000,000	124,734,663	1,823,046	-	20,983,867	387,541,576
Reserve for the year	-	10,000,000	-	10,391,931	(10,000,000)	10,391,931
Adjustment for the year	-	-	-	(721,495)	-	(721,495)
IPO Share Issue	160,000,000	-	-	-	-	160,000,000
Dividend	-	-	-	-	(12,000,000)	(12,000,000)
Unrealized gain/ (loss) for Investment	-	-	(17,040,383)	-	-	(17,040,383)
Adjustment on sale of share	-	-	2,167,018	-	-	2,167,018
Profit for the year	-	-	-	-	44,065,544	44,065,544
Depreciation on Revaluation Amount	-	-	-	(969,693)	969,693	-
Balance as on December 31, 2022	400,000,000	134,734,663	-13,050,319	8,700,743	44,019,104	574,404,191

For the year ended December 31, 2021

(Amount in Taka)

Particulars	Share Capital	Reserve for Exception Losses	Reserve for unrealized gain/(loss)	Revaluation Reserve	Profit or Loss Appropriation	Total
Balance as on January 01, 2021	79,350,000	114,734,663	1,895,673	-	10,656,470	206,636,806
Reserve for exceptional losses for the year	-	10,000,000	-	-	(10,000,000)	-
Prior year adjustment	-	-	-	-	-	-
Stock dividend	160,650,000	-	-	-	-	160,650,000
Unrealized gain/ (loss) for Investment	-	-	340,027	-	-	340,027
Adjustment on sale of share	-	-	(412,654)	-	-	(412,654)
Profit for the year	-	-	-	-	20,327,397	20,327,397
Balance as on December 31, 2021	240,000,000	124,734,663	1,823,046	-	20,983,867	387,541,576

Company Secretary

Dhaka, 16 April, 2023

Chief Executive Officer

Director

Director

Chairman

Meghna Insurance Company Limited

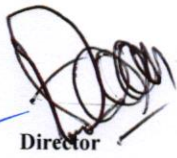
Statement of Cash Flows

For the year ended December 31, 2022

Particulars	Notes	Amount in Taka	
		31-Dec-22	31-Dec-21
Cash flows from operating activities :			
Collections of premium and other income		669,699,419	722,329,523
Payments for management expense, re-insurance and claims		(683,263,524)	(565,910,995)
Income tax paid		(30,843,870)	(23,468,083)
Net Cash from operating activities		(44,407,975)	132,950,445
Cash flows from Investing activities :			
Acquisition of property, plant & equipment		(80,132,719)	(9,992,913)
Disposal of property, plant & equipment		48,075,265	22,199
Investment & others income		24,802,588	30,985,006
Investment in shares and Others		(261,446,871)	(43,814,348)
Sales of Investment		128,447,657	3,270,602
Short term investment		(73,650,000)	(120,000,000)
Net Cash used in Investing activities		(213,904,080)	(139,529,454)
Cash flows from Financing activities :			
Receipt of Long Term Loan		-	-
Repayment of Long Term Loan		-	(33,532,603)
Issue of fresh share/IPO		160,000,000	160,650,000
Receipt of Short Term Loan		-	623,882
Repayment of Short Term Loan		-	(18,065,129)
Lease Liability		(7,319,817)	(9,385,737)
Interest Expenses		(813,295)	(3,260,468)
Cash dividend paid		(12,000,000)	-
Net cash from financial activities		139,866,888	97,029,945
Net Increase/(Decrease) in cash & cash equivalents during the year		(118,445,167)	90,450,936
Cash and cash equivalents at the beginning of the year		234,788,159	144,337,223
Cash and cash equivalents at the end of the year		116,342,992	234,788,159
Net Operating Cash Flows per Share (NOCFS)		-1.33	6.13


Company Secretary


Chief Executive Officer


Director


Director


Chairman

Dhaka, 16 April, 2023

Meghna Insurance Company Limited

Notes to the Financial Statements

For the period ended 31st December 2022

1.00 The company and its activities

1.01 Legal form of the company

Meghna Insurance Company Limited was incorporated with Registrar of Joint Stock Companies & Firms, Bangladesh as a public company limited by shares bearing certificate of incorporation number C- 30434(1650)/96 March 18, 1996 under the Companies Act (XVIII)1994. The company went for public issue in 2022 and shares of the company is listed on both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

1.02 Registered office of the company

The registered office of the company is located at, Pritom Zaman Tower, 37/2 Purana Palton Dhaka-1000.

1.03 Principal activities and nature of the business

The principal activities of the company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

2.00 Basis of preparation and presentation of financial statements

2.01 a) Basis of preparation

"The Financial Reporting Act, 2015 (FRA) was enacted in 2015. The Financial Reporting Council (FRC) under the FRA has been formed in 2017 but the Financial Reporting Standards (FRS) under this council is yet to be issued for public interest entities such as general insurance companies. As the FRS is yet to be issued as per the provisions of the FRA, The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws & regulations in Bangladesh.

The Statement of financial position has been prepared in accordance with the regulations as contained in Part-I of the First Schedule and as per Form "A" as set forth in Part-II of that Schedule. Statement of Profit or Loss and other Comprehensive Income and Profit and Loss Appropriation Account has been prepared in accordance with the regulations contained in Part-I of the second schedule and as per Form "B" & "C" as set forth in Part-II of that Schedule respectively of Insurance Act, 1938. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per form "F" as set forth in Part-II of that Schedule of the Insurance Act, 1938 (as amended in 2010). The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act. The Cash Flow Statement has been included as per requirements of the Securities and Exchange Commissions Rules 1987 as well as per guideline of IAS-7.

b) Compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS)

In preparing and presenting financial statements, considering relevant for the significant accounting issues of the company, following IASs & IFRS have been implemented by the company, which were issued by the Institute of Chartered Accountants (ICAB) formulated in the light of the IASs & IFRS issued by the International Accounting Standards Board and the conditions and practices prevailing in Bangladesh, and valid as on the balance sheet date:

IAS 1	Presentation of Financial Statements	*
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied



IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant and Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32	Financial Instruments: Presentation	*
IAS 33	Earning per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied
IAS 40	Investment Property	Applied
IFRS 4	Insurance Contracts	*
IFRS 5	Non-currents assets held for sale and discontinued operation	Applied
IFRS 7	Financial Instruments: Disclosure	*
IFRS 8	Operating Segment	Applied
IFRS 9	Financial Instruments	*
IFRS 13	Fair Value Measurement	Applied
IFRS 16	Lease	Applied

* The management of Meghna Insurance Company Limited has followed the principles of IAS & IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company. Some of the standards have not been complied with, about which IDRA has special guideline.

2.02 Other regulatory compliance

The company also required to comply with the following laws and regulations in addition to the above-mentioned compliances:

- i) The Income Tax Ordinance, 1984
- ii) The Income Tax Rules, 1984
- iii) The Value Added Tax and Supplementary Duty Act, 2012
- iv) The Value Added Tax and Supplementary Duty Rules, 2016
- v) Stamp Act, 1899

2.03 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Meghna Insurance Company Limited be unable to continue as a going concern.

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the enterprise has neither the intention nor the need to liquidate or curtail materially the scale of its operations; if such an intention or need exists, the financial statement may have to be prepared on a different basis and, if so, the basis used is disclosed.

2.04 Accrual Basis

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when it satisfies the definitions and recognition criteria for those elements in the Framework.



2.05 Branch accounting

The company has 49 branch offices with no overseas branch as on 31st December 2022. Accounts of the branches are maintained at the head office.

2.06 Segment-Wise Performance

Segment reporting

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments is evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely fire, marine, motor and miscellaneous.

In line with the general practices, the underwriting business of the company covers fire insurance, marine insurance, and motor insurance and miscellaneous insurance businesses. Out of total premium earned, it is found that major contribution is made by the fire insurance, followed by marine insurance and miscellaneous insurance. Over-all and segment-wise performance of your company is shown in tables below:

Gross Premium Income

Year	Gross premium (in Million Taka)	Growth (%)
2,022.00	1060.33	40.97%
2,021.00	752.14	21.91%
2,020.00	619.4	6.60%
2,019.00	581.04	25.79%
2,018.00	461.91	12.02%

Business Segment-wise Gross Premium Income (in Million Taka)

Business Segments	2022	2021	Growth (%)
Fire Insurance	248.86	210.09	18.45%
Marine Insurance	667.15	400.34	66.64%
Motor Insurance	81.33	78.2	4.00%
Miscellaneous Insurance	62.99	63.51	-0.81%

Segregation of Net Premium

Business Segments	2022		2021	
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	Business Mix of Net Premium (%)
Fire Insurance	136.44	16.54%	106.38	19.73%
Marine Insurance	597.97	72.51%	352.13	65.33%
Motor Insurance	80.9	9.81%	75.98	14.09%
Miscellaneous Insurance	9.25	1.12%	4.49	0.83%
Total	824.57	100.00%	538.99	100.00%

2.07 Responsibility for preparation and presentation of financial statements

The Management is responsible for the preparation and presentation of financial statements under section 183 of the Companies Act, 1994 and as per the provisions of the framework for the "Presentation of Financial Statements" of International Accounting Standard (IAS)-1.



2.08 Reporting period

Generally, the accounting period of the company is from January to December of every Gregorian calendar year. Here, the financial statements of the company have been prepared for the period ended 31st December 2022.

2.09 Components of the financial statements

According to the International Accounting Standards (IASs) 1 "Presentation of Financial Statements", the complete set of financial statements includes the following components:

- i) Statement of Financial Position
- ii) Statement of Profit or Loss Account and other Comprehensive Income.
- iii) Profit or loss Appropriation account.
- iv) Statement of Cash Flows
- v) Statement of Changes in Equity
- vi) Notes to the financial statements
- vii) Others(following statements are included):
 1. Consolidated Revenue Account
 2. Fire Insurance Revenue Account
 3. Marine Cargo Insurance Revenue Account
 4. Marine Hull Insurance Revenue Account
 5. Motor Insurance Revenue Account
 6. Miscellaneous Insurance Revenue Account

2.10 Use of estimates and judgment

The preparation of financial statements in conformity with IASs/IFRSs require management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and assumptions. Estimates and underlying assumptions are reviewed on going concern basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.11 Functional & presentation currency

These financial statements are prepared in Bangladeshi Taka, which is the company's functional currency as well as the presentational currency.

2.12 Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature of the function are presented separately unless are immaterial.

3.00 Significant accounting policies & applications

Specific accounting policies were selected and applied by the company's management for significant transactions and events that have a material effect within the framework of IAS-1 "Presentation of Financial Statements" in preparation and presentation of financial statements. Accounting and valuation methods are disclosed for reasons of clarity. The company classified the expenses using the function of expenses method as per IAS-1.

3.01 Changes in accounting policies

Accounting policies must be applied consistently to promote comparability between financial statements of different accounting periods. However, a change in accounting policy may be necessary to enhance the relevance and reliability of information contained in the financial statements. As per IAS 8 changes in accounting policies must be applied retrospectively and adjust all comparative amounts in the statements for each prior period presented. Company has retrospective effect in investment in share due to present in fair value presentation as per IFRS-9.



3.02 Foreign Currency Transaction

Transaction in foreign currencies are translated into Bangladeshi Taka at the rate prevailing on the date of transaction in accordance with IAS-21 "The Effect of changes in foreign Exchange Rate".

3.03 Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS 7 "Statement of Cash Flows" and the cash flow from operating activities have been presented under direct method as considering the provision of paragraph 19 of IAS 7 which provides that "Enterprises are encouraged to report cash flow from operating activities using the direct method".

3.04 Cash and cash equivalents

According to IAS 7 "Statement of Cash Flows", cash in hand and demand deposit, and cash equivalents are short-term highly liquid investment that are ready to convertible to known amounts to cash and which are to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of IAS 1 and IAS 7, cash in hand and bank balances has been considered as cash and cash equivalents.

3.05 Non-current asset

a) Property, plant and equipment

Recognition and measurement: Items of property, plant and equipment are measured initially at cost and subsequently at cost less accumulated depreciation in compliance with International Accounting Standard (IAS) 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any direct cost for bringing the asset to its working condition for its intended use. Expenditures incurred after the assets have been put into use, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. Software and all up gradation/enhancement are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure on property, plant and equipment: The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income

Depreciation and Amortisation: Property, plant & equipment are stated at their historical cost less accumulated depreciation/amortisation and accumulated impairment loss in accordance with IAS 16 "Property, Plant and Equipment".

Depreciation is recognised in profit or loss on a reducing balance method over the estimated useful lives of each component of an item of property, plant and equipment. For addition to property, plant and equipment, depreciation has been charged on additions from the date of the asset available for use. Land is not depreciated.

The rates at which property, plant and equipment are depreciated for current period are as follows:

Particulars	Depreciation rate
Furniture & fixture	10%
Motor Vehicles	20%
Office Decoration	20%
Computer & Accessories	30%
Air-Conditioner	20%
Office Equipment	15%
Crockeries	25%
Office Space	20%
Software	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Disposal of property, plant and equipment

Sales price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the asset and is recognized in profit or loss account as per provision of IAS 16: property, plant and equipment.

Impairment of assets

Property, plant and equipment are reviewed for impairment whenever events indicate that the carrying amount of a cash-generating unit (smallest identifiable group of assets that generates cash flows which are largely independent of the cash flows from other assets or groups of assets) may not be recoverable. In addition, assets that have indefinite useful lives are tested annually for impairment. An impairment loss would be recognized in the statement of comprehensive income to the extent that the carrying value exceeds the higher of the asset's fair value less costs to sell and its value in use.

3.06 Intangible assets

As per IAS-38 Intangible assets (computer software) are recorded at historical cost less accumulated amortization, these are amortized on reducing balancing method using the rate at 20%.

3.07 Short term investment:

Investment in FDR:

The investment in fixed deposits with different banks which is not matured within the period of three months are considered as short-term investment as they are not highly liquid investment with convertible to known amount to cash.

Investment in share

Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis. Investment in non-marketable shares have been valued at cost. Full provision for diminution in value of shares as on closing of the period on aggregate portfolio basis is made in the financial statements.

3.08 Lease

Financial Reporting Principles IFRS 16 Leases effective from annual periods beginning on or after January 1, 2019 has changed how the company accounts for its lease contracts. IFRS 16 requires all contracts that contain a lease to be recognized on the balance sheet as a right-of-use asset and lease liability. Only certain short-term and low-value leases are exempted.

Implementation of IFRS 16 is replacing IAS 17 Leases. Meghna Insurance Co. Ltd has no material financial leases as well as operating lease. Accordingly, the implementation of IFRS 16 has not any material impact on the financial result and position.

As per IFRS 16 Leases, the company has made recognition, measurement and disclosure in the financial statements-2021 as Lessee. Meghna Insurance Company Ltd applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The company recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets. If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the company considers the lease period as short term in line with the recognition threshold of ROU assets as per FA policy of the company.



Lease Liabilities:

At the commencement of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the company and payment of penalties for terminating the lease. In 2021, the company reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2023.

Right-of-use assets (ROU):

Right of (Rou) assets comprise of lease liabilities which is the present value of lease payments against rented premises less incentive plus initial direct payment and dismantling cost etc. Any contractual obligation for use of any rented / leased premises or assets for a period exceeding twelve months and/ or exceeding the threshold for low value asset and substantially risks and benefits related to ownership of those rented premises/assets transfer to the bank are recognized as Rou assets as per IFRS 16 Leases.

3.09 Financial Instruments

As per IAS 32.11 - Financial instrument means a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

IFRS -9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

a. Classification and measurement of financial assets

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI), equity investment; or Fair Value through Profit or Loss

b. Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Unrealized gains and losses are

c. Amortized cost

IFRS 7 para 25 requires the disclosure of the fair value of financial assets and financial liabilities by class in a way that permits it to be compared with its carrying amount for each class of financial asset and financial liability. An entity should disclose for each class of financial instrument the methods and, when valuation techniques are used, the assumptions applied in determining fair values of each class of financial asset or financial liability. If a change in valuation technique has been made, the entity should disclose that change and the reasons for making it [IFRS 7 para 27]

Moreover, a financial asset shall be measured at amortized cost if both of the following conditions are met:

- i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

d. Reclassification

The financial assets measured at FVOCI are reclassified as profit or loss statements as per para 5.7.10 of IFRS 09, at the time of disposal of such investments.

3.10 Financial Risk Management

The company management has overall responsibility for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities.



3.11 Premium and claim

The total amount of premium earned on various classes insurance business underwritten during the period has been duly accounted for in the books of account of the company and while preparing the financial statements the effect of re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the period whether due or intimated have also been reflected in order to arrive at the net underwriting profit for the period.

3.12 Revenue recognition

a) Premium recognition

Premium is recognized as revenue when it is received against any insurance policies issued after satisfying the following conditions as prescribed by IFRS 4 "Insurance Contracts":

- i) The significant risks and rewards of ownership of the policies have been transferred to the policyholder;
- ii) The amount of revenue was measured reliably;
- iii) It was probable that the economic benefits relating to the transactions will flow to the company;
- iv) Neither continuing managerial involvement nor effective control usually associated with ownership of the policy was retained by the company; and
- v) Cost relating to the transactions was measured reliably.

The sum of premium income as appeared in classified Revenue Account in net of the refund made, Re-insurance ceded and Re-insurance premium on Public Sector Insurance Business (PSB). The premium in respect of the company's share of Public Sector Business (PSB) as well as re-insurance business is accounted for in the period with the relevant statements of the accounts from Shadharan Bima Corporation are received.

Amounts received against issue of Cover Notes which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of Cover Notes in accordance with Shadharan Bima Corporation's Circular.

b) Re-insurance Commission

Re-insurance commission are recognized as revenue over the period in which the related services are performed. Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has been made in respect of Revenue Accounts as per Agreement made between the company and Shadharan Bima Corporation (SBC).

C) Investment Income

Interest on Short Term Deposit/Fixed Deposit Receipts (FDR) and Treasury bond are recognized as revenue on accrual basis. Dividend income is recognized on accrual basis in the period in which the dividend is declared and approved in AGM whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized and loss is incurred. Interest on Fixed Deposit Interest income from fixed deposit is recognized on an accrual base in the period in which the income is accrual.

3.13 Benefits, Claims and expenses recognition

a) Gross benefits and claims

General insurance claims include all claims occurring during the period and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries and any adjustments to claims outstanding from previous period.

b) Re-insurance Claims

Re-insurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

3.14 Employee benefit schemes

a. Contributory provident fund

The company has a contributory provident fund for its regular employees. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees and is contributed equally by the



company and the employees.

b. Workers' Participation Fund Welfare Fund

Section 234 of chapter 15 of Labor Law 2006 (as amended in 2013) requires every company to establish a workers' Participation Fund and Welfare Fund. However, BFID, on behalf of the financial institution sector, clarification from the labor ministry regarding the applicability of the provisions for the sector. Similarly, Bangladesh Insurance Association has corresponded with Financial Ministry on this matter requesting for exemption for Insurance Companies. As no decision has been yet concluded on such communications, the participation fund amount is yet to be distributed among the workers.

c. Medical assistance

The Company provide medical assistance as per health plan policy terms & condition to all Permanent

d. Performance bonus

The company has a policy namely performance bonus scheme for its employees who meets certain criteria based on their annual performance bonus is ascertained on net profit with approval in the Annual General Meeting and

e. Gratuity Scheme

The company is going to introduced gratuity scheme as "Employee's Retirement Benefit Scheme" as soon as possible.

3.15 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted.

3.16 Taxation

Income tax on earnings for the period comprise current and deferred tax and is based on the applicable tax law in Bangladesh. It is recognized in the income statement as tax expense.

Current tax

Current tax is the expected tax payable on the taxable income for the period, based on tax rates (and tax law) which are enacted at the reporting date, including any adjustment for the tax payable in previous periods. Current tax for current and prior periods is recognized as a liability (or asset) to the extent that it is unpaid (or refundable). Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time.

Deferred tax

The Company has accounted for deferred tax as per IAS – 12 "Income Taxes".

3.17 Provision, reserve and contingencies

a) Provision for outstanding claims

For non-life insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

b) Provision for un-expired risk

Surplus/(Deficit) on Revenue Accounts has been arrived at after making necessary provision for un-expired risk
@ 40% of net premium income on all business except Marine Hull insurance for which provision has been made
@ 100% on net premium income concerned.



c) Reserve for exceptional losses

A reserve is maintained as requirement of paragraph 6(2) of 4th Schedule of the Income Tax Ordinance 1984.

3.18 Amount due to other persons or bodies carrying on Insurance business

As per treaty agreement company's Re-insurance ceded premium for the period from 1st October 2021 to 30th September 2022 as well as Fire Excess of loss treaty, Fire Catastrophe X/L Facultative premium confirmed by Sadharan Bima Corporation (SBC) has been incorporated in the accounts for the period ended 30 September 2022. During this year the company has included 4 (four) Quarters of surplus treaty accounts in the following manner:

Period	Particulars of Quarter	Number
1st July 2021 to 30th September 2021	3 rd Quarter of 2021	1 (One)
1st October 2021 to 31st December 2021	4 th Quarter of 2021	1 (One)
1st January 2022 to 31st March 2022	1 st Quarter of 2022	1 (One)
1st April 2022 to 30th June 2022	2nd Quarter of 2022	1 (One)

3.19 Allocation of total management expense

As per section 63 of Insurance Act 2010 all relevant management expenses have been allocated amongst the different Revenue Accounts in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium income.

3.20 Earnings Per Share

Earnings per Share (EPS) has been calculated in accordance with International Accounting Standard – 33 “Earnings Per Share” and shown on the face of profit and loss appropriation account and computation thereof is shown in note no. 26.

Basic Earnings Per Share

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

Basic Earnings

This represents earnings for the period ended on December 31, 2022 attributable to the ordinary shareholders.

Diluted Earnings Per Share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future i.e., potential shares, without inflow of resources to the company against such issue. There was no such commitment during the period and accordingly no dilution is required in the year 2022.

3.21 Related party disclosure

As per International Accounting Standards (IAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties.

3.22 Contingent liability and contingent assets

The company does not recognize contingent liability and contingent assets but discloses the existence of contingent liability in the financial statements. A contingent liability is probable obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of uncertain future events not within the control of the company or present obligation that is not recognized because outflow of resources is not likely or obligation cannot be measured reliably.



3.23 Consistency of presentation

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, the company applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, and amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS – 8.

3.24 Comparative Information

Comparative information has been disclosed in respect of the period ended December 31, 2021 for all numerical data in the financial statements and also the narrative and descriptive information when it is relevant for better understanding of the current period's financial statements.

3.25 General

Figures appearing in these Financial Statements have been rounded off to the nearest taka.

3.26 Disclosure of departure from few requirements of IFRS due to mandatory compliance with Insurance Act's requirements

The Meghna Insurance Company Limited management has followed the principles of IFRS in preparation of the financial statements to that extent as applicable to the Meghna Insurance Company Limited. Some requirements of Insurance Act 1938 (as amended in 2010) and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the Meghna Insurance Company limited has departed from those requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below along with financial impact where applicable:

a) As per Insurance Act 1938 (as amended in 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. However as per requirements of IFRS 9 investment in shares, all equity instruments are to be measured at fair value with changes reflected in either profit or loss or other comprehensive income.

b) General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the Meghna insurance company limited has recognized provision of BDT. 330,207,168 as balance of fund and liabilities in the balance sheet.

c) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosures and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.

d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include Other Comprehensive Income (OCI) nor are the elements of other comprehensive income allowed to include in a single Comprehensive Income (OCI) Statement. As such Meghna Insurance Company Limited does not prepare the other comprehensive income statement.

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
4.00	Share Capital		
4.01	Authorized Capital 100,000,000 ordinary shares of Tk 10 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
4.02	Issued, subscribed & paid up capital 40,00,000 ordinary shares of Tk 10 each fully paid up	<u>400,000,000</u>	<u>240,000,000</u>

SL	Name of Shareholders	Position	Shareholding	Shareholding
1	Mr. Javed Kaiser Ally	Director	5.07%	1,217,132
2	Mr. Aiman Barik Choudhury	Director	4.31%	1,034,562
3	Ms Ainab Choudhury	Shareholder	4.31%	1,034,562
4	Mr. Anisuzzaman Chowdhury	Shareholder	5.07%	1,217,132
5	Barrister Sadat Khan	Shareholder	0.69%	165,312
6	Mr. Zeeshan Khan	Shareholder	0.69%	165,313
7	Ms. Farida Akhter	Shareholder	5.28%	1,267,845
8	Ms. Jotsna Ara Begum	Shareholder	2.76%	661,250
9	Mr. Zoynal Abedin Chowdhury	Shareholder	1.38%	330,625
10	Mrs. Marina Ahmed	Shareholder	1.38%	330,625
11	Mr. M.A. Hannan	Shareholder	1.93%	462,875
12	Mr. Mohammad Didarul Husain	Shareholder	3.80%	912,849
13	Mr. Mohammad Enayetullah	Shareholder	5.28%	1,267,845
14	Mr. Azizul Haque	Shareholder	0.28%	66,125
15	Late Abdul Wahid	Shareholder	0.28%	66,125
16	IFAD Venture Limited	Corporate Shareholder	10.11%	2,427,208
17	SW Holdings Ltd	Corporate Shareholder	5.07%	1,217,132
18	M/S. Runner Trading	Corporate Shareholder	12.56%	3,014,165
19	M/S. NAMSS motors Limited	Corporate Shareholder	4.71%	1,131,139
20	M/S. Matsy Enterprises Ltd.	Corporate Shareholder	0.83%	198,375
21	ZAMORED Investment LLC	Corporate Shareholder	12.04%	2,890,688
22	BARWAZ Investment LLC	Corporate Shareholder	12.17%	2,921,116
	Total		60.0%	24,000,000

	Category of Share Holder	%	No. of Share
1	Institute	8.21%	3,284,154
3	Foreign company	0.01%	4,054
3	Public	31.78%	12,711,792
	Sub total (B)	40.00%	16,000,000

Grand Total (A+B)	100%	40,000,000
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5.00	Reserve or contingency account		
	Reserve for exceptional losses	5.01	134,734,663
	Profit or loss appropriation account	5.02	44,019,104
	Total		<u>178,753,767</u>
			<u>145,718,530</u>

5.01	Reserve for Exceptional losses		
	Opening balance		124,734,663
	Addition during the year		10,000,000
	Total		<u>134,734,663</u>
			<u>124,734,663</u>

As per Income Tax Ordinance-1984 paragraph 6(2) of Schedule-IV , maximum 10% of net premium could be transfer to statutory reserve .



Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
5.02	Profit or loss appropriation account		
	Balance brought forward from last year	20,983,867	10,656,470
	Add: Net profit during the year	44,065,544	20,327,397
	Depreciation on Revaluation	969,693	-
		66,019,104	30,983,867
	Less: Reserve for exceptional losses	(10,000,000)	(10,000,000)
	Stock Dividend	-	-
	Cash Dividend	(12,000,000)	-
	Prior year adjustment	-	-
	Surplus carried forward	44,019,104	20,983,867

6.00	Balances of fund & accounts (Un-Expired Risk Reserve)		
	Fire insurance business	54,576,662	42,554,261
	Marine insurance business (Cargo)	238,939,576	140,875,874
	Marine insurance business (Hull)	626,240	(53,846)
	Motor insurance business	32,362,647	30,390,394
	Miscellaneous insurance business	3,702,043	1,797,662
	Total	330,207,168	215,564,345

These balances of fund have been arrived at after making necessary provision for un-expired risk based on following percentages on premium income including public sector business and excluding re-insurance ceded at the following rates.

Particulars	Net Premium	%	Balance of Fund	
			31-Dec-22	31-Dec-21
Fire insurance business	136,441,655	40%	54,576,662	42,554,261
Marine insurance business (Cargo)	597,348,941	40%	238,939,576	140,875,874
Marine insurance business (Hull)	626,240	100%	626,240	(53,846)
Motor insurance business	80,906,618	40%	32,362,647	30,390,394
Miscellaneous insurance business	9,255,107	40%	3,702,043	1,797,662
Total	824,578,561		330,207,168	215,564,345

7.00	Estimated liability in respect of outstanding claims claims whether due or intimated		
	Fire	32,800,000	52,062,220
	Marine (Cargo)	15,626,441	5,250,373
	Marine (Hull)	-	-
	Motor	11,381,860	2,887,984
	Miscellaneous	-	-
	Total	59,808,301	60,200,577

8.00	Amount due to other persons or bodies carrying on insurance business		
	Amount due to Sadharan Bima Corporation (SBC)		
	Opening Balance	214,802,697	155,432,323
	Add: Addition for the year	104,304,033	112,761,003
		319,106,730	268,193,326
	Less: Adjustment for the year	(222,705,740)	(53,390,629)
	Total	96,400,990	214,802,697

This represents the amount payable to Sadharan Bima Corporation on account of re-insurance premium as December 31,2021

9.00	Long term loan		
	Opening balance	-	33,532,603
	Add: Loan taken during the year	-	-
		-	33,532,603
	Less: Loan repaid during the year	-	33,532,603
	Total	-	-

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
10.00	Short term loan		
	Opening balance	-	17,441,247
	Add: Addition during the year	-	623,882
	Less: Loan repaid during the year	-	18,065,129
	Total	-	18,065,129
11.00	Lease Liability		
	Opening balance	17,919,377	14,384,190
	Add: Addition for the period	8,482,287	23,133,252
		26,401,664	37,517,442
	Less : Adjustment for the period	(12,092,282)	(19,598,065)
	Closing balance	14,309,382	17,919,377
11.01	Classification of Lease Liability		
	Short Term Lease Liability	6,530,431	7,251,902
	Long Term Lease Liability	7,778,951	10,667,475
	Total	14,309,382	17,919,377
12.00	Premium deposit		
	Marine cargo	53,248,671	131,697,952
	Total	53,248,671	131,697,952

This represents amount received against cover notes for which risks have not been initiated and such amount will be adjusted upon initiation of risk and issuance of policy in due course.

13.00	Sundry Creditors		
	Salary payable	17,145,128	45,540,702
	Audit fees payable	475,750	475,750
	Office rent payable	41,934	71,100
	Others bill payable	18,668	64,000
	Utility Bill Payable:	97,211	93,818
	Electricity	47,711	44,318
	Water	22,500	22,500
	Service Charge	27,000	27,000
	Stamp payable	106,963,935	70,553,538
	Excess deposit	39,053	39,053
	Provision for company con. to PF.	297,295	86,361
	Provision for employee con. to PF.	287,484	293,477
	Tax Payable :	1,674,162	2,481,708
	for salary	642,601	691,335
	for office rent	43,070	40,266
	for Survey fee	435,061	614,767
	for Advertisement	-	748
	Tax payable at source	170,538	68,954
	for agent commission	381,440	1,065,415
	for Printing	1,452	223
	VAT Payable:	(9,142,264)	851,455
	for Survey fee	1,064,688	995,486
	for Printing	4,987	742
	for Advertisement	-	2,804
	for Office rent	129,791	114,946
	for postage	1,326	1,287
	VAT payable at source	385,348	129,766
	for Premium	(10,728,404)	(393,576)
	Security Deposit	17,377,999	213,999
	Others Payable (Car Policy)	2,039,665	-

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
	Performance Bonus payable	-	5,000,000
	Loan from Director	39,183	39,183
	TNS Electronics	-	58,000
	BRB Securities Ltd	-	840,205
	Dividend Payable	12,000,000	-
	Contribution to WPPF 13.01	9,851,264	6,547,680
	Total	159,206,467	133,250,029

13.01	Contribution to WPPF		
	Opening Balance	6,547,680	5,306,967
	Add: Contribution to WPPF in this year	3,303,585	1,240,712
	Closing Balance	9,851,264	6,547,680

13.02	Contribution to WPPF in this year		
	Profit before WPPF	69,375,278	26,054,961
	Contribution to WPPF @ 5% of Profit	3,303,585	1,240,712

The amount is computed @ 5% of net profit before Income Tax (but after charging such contribution) as per provision of Bangladesh labour Law,2006 (as amended in July 2013) has been provided in the year.

13.03	Allocation of WPPF		
	A. Workers' Participation Fund (80%)	7,881,012	5,238,144
	B. Workers' Welfare Fund (10%)	985,126	654,768
	C. Bangladesh Labour Welfare Foundation (10%)	985,126	654,768
	Total	9,851,264	6,547,680

14.00	Provision for income tax (Current and Deferred)		
	Current tax 14.01	84,065,827	61,418,609
	Deffer tax 14.03	(67,219)	573,849
	Total	83,998,608	61,992,459

14.01	Provision for income tax		
	Opening Balance	61,418,609	55,340,774
	Add: Addition during the year 14.02	22,647,218	6,077,835
		84,065,827	61,418,609
	Less: Adjustment during the year	-	-
	Total	84,065,827	61,418,609

14.02 Provision for current income tax during the year				
Classes of income	Tax Rate	Income	2022	2021
Business income	37.50%	57,265,398	21,474,524	5,963,118
Dividend income	20.00%	2,920,637	584,127	12,256
Share income	10.00%	5,885,658	588,566	102,461
Total		66,071,693	22,647,218	6,077,835

14.03	Provision for deferred income tax		
	Opening Balance	573,849	2,164,833
	Add: Addition during the year 14.04	(641,068)	(1,590,984)
		(67,219)	573,849
	Less: Adjustment during the year	-	-
	Total	(67,219)	573,849

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21

14.04 Deferred Tax Liability/ (Assets)

Particulars	Amount (Taka) 31.12.22	Amount (Taka) 31.12.21
Book Value of Depreciable Fixed Assets (as per Financial Statements)	261,609,739	240,400,552
Less: Tax base Book Value	261,788,989	238,960,963
Taxable Temporary difference	(179,250)	1,439,589
Applicable Tax Rate	37.50%	37.50%
Deferred Tax Liabilities	(67,219)	539,846
Unrealized gain/(loss) in investment in share	-	340,027
Less: Tax base Value	-	-
Deferred Tax Liabilities	-	340,027
Applicable Tax Rate	10.00%	10.00%
Deferred Tax Liabilities	-	34,003
Total Deferred Tax Liabilities/ (Assets)	(67,219)	573,849

14.05 Deferred Tax Expenses/ (Income)

Particulars	Amount (Taka) 31-Dec-22	Amount (Taka) 31-Dec-21
Closing Deferred Tax Liabilities	(67,219)	573,849
Opening Deferred Tax Liabilities	573,849	2,164,833
Deferred Tax	(641,068)	(1,590,984)

15.00 Property, plant and equipment

A. Cost

Opening balance	327,629,344	317,830,731
Add: Revaluation of Assets	10,391,931	-
Add: Addition during the period	44,386,614	9,992,913
	382,407,889	327,823,644
Less: Disposal during the period	(39,123,489)	(194,300)
Total	343,284,400	327,629,344

B. Accumulated depreciation

Opening balance	87,349,654	73,266,458
Add: Charged during the period	18,057,441	14,239,334
	105,407,095	87,505,792
Less: Adjustment for disposal during the period	(33,174,909)	(156,138)
Total	72,232,186	87,349,654

C. Written down value (A-B)

A schedule of property, plant and equipment is given in Annexure - A.

	271,052,214	240,279,690
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16.00 Intangible Assets

A. Cost

Opening balance	910,000	910,000
Add: Addition during the period	84,000	-
	994,000	910,000
Less: Sales during the period	-	-
Total	994,000	910,000

B. Amortization

Opening balance	789,137	758,921
Add: Charged during the period	40,835	30,216
	829,972	789,137
Less: Adjustment during the period	-	-
Total	829,972	789,137

C. Written down value (A-B)

	164,028	120,863
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As per IAS-38 Intangible assets are recorded at historical cost less accumulated amortization, they are amortized on reducing balancing method using the rate at 20%

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
17.00	Investment in Treasury Bond		
	Bangladesh Government Treasury Bond (15 Years) 12.10%	9,000,000	9,000,000
	Bangladesh Government Treasury Bond (10 Years) 7.79%	16,000,000	16,000,000
	Bangladesh Government Treasury Bond (5 Years) 7.70%	24,000,000	-
	Bangladesh Government Treasury Bond (10 Years) 7.10%	6,100,000	-
		55,100,000	25,000,000

As per S.R.O. No. 353/Ain/2019 dated: 19 November 2019, regarding Investment of Assets of Non-Life Insurer the minimum required investment in Government securities is 7.5%. The company's Investment in Government securities is lower than the mentioned amount during the year ended 31 December 2022. However, the company will invest the required amount in government securities within the shortest possible time.

18.00 Right-of-use asset

A. Cost

Opening balance	30,520,921	28,051,946
Add: Addition during the period	9,851,954	19,296,153
	40,372,875	47,348,099
Less: Adjustment during the period	(11,944,004)	(16,827,178)
	28,428,871	30,520,921

B. Amortization

Opening balance	10,226,566	11,430,683
Add: Charged during the period	8,922,548	12,276,029
	19,149,114	23,706,712
Less: Adjustment during the period	(7,376,231)	(13,480,146)
	11,772,883	10,226,566

C. Written down value (A-B)

	16,655,988	20,294,355
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A schedule of right-of-use assets is given in Annexure - A.

The Right-of-use asset has been measured following the paragraph 24 of IFRS-16 (Leases).

19.00 Stock of printing, stationery & stamps

Stationery	797,820	595,896
Insurance stamp	2,481,562	2,862,424
Total	3,279,382	3,458,320

20.00 Amount due from other persons or bodies carrying on insurance business

Opening Balance	122,973,271	111,275,061
Add: addition for the year	12,897,747	11,698,210
	135,871,018	122,973,271
Less: adjustment for the year	-	-
Total	135,871,018	122,973,271

This amount represents the receivable from commission, claim and other receivable from Sadharan Bima Corporation as at December 31, 2022

21.00 Advance, deposit and prepayments

Advance income tax	21.01	152,081,087	121,237,217
Security deposits		2,798,248	3,101,844
Advance against salary		33,349,922	43,499,313
Others Advance		117,192	74,392
Advanced to head of branch		5,076,469	5,076,469
Advanced to branch		93,321	93,321
Security deposits with T& T		127,363	127,363
Green Delta Financial Services		558	558
Elegant Stock & Securities Ltd.		1,959	1,959
Moltitude architect		459,000	459,000
Advance-codesign Ltd		600,000	600,000

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
	MANAS	800,000	800,000
	Brand Soup Ltd	2,562,000	2,562,000
	CLAN	-	1,200,000
	Hossain Farhad & Co.	387,500	500,000
	RIA Enterprise	-	500,000
	Advance-Confidence software	56,000	56,000
	Prime Bank Investment	19,695	-
	Asian Tiger Capital Partners Investment Ltd	1,083,712	-
	ANF Management Co. Ltd.	7,257	-
	Smart Technology (BD) Ltd	426,000	-
	BRB Securitirs Ltd	551	-
	DHS Motors	4,858	-
	Total	200,052,692	179,889,436
21.01	Advance Tax		
	The balance is made up as follows:		
	Opening Balance	121,237,217	97,769,134
	Add: Addition during the year	30,843,870	23,468,083
		152,081,087	121,237,217
	Less: Adjustment during the year	-	-
	Closing Balance	152,081,087	121,237,217
		21.02	
21.02	Advance tax (category wise)		
	Income tax	127,744,510	102,175,016
	Tax on FDR Interest	15,376,116	12,946,291
	Tax on STD interest	1,288,304	1,008,734
	Tax on interest on treasury bond	738,546	560,491
	Tax on car registration	6,287,169	4,507,771
	Tax on Trade License	12,000	3,000
	Tax on dividend	610,042	35,914
	Total	152,056,687	121,237,217
22.00	Interest receivable		
	Opening Balance	8,697,213	5,964,680
	Add: Addition during the year	28,183,586	20,606,617
		36,880,799	26,571,297
	Less: Adjustment during the year	17,270,188	17,874,084
	Total	19,610,611	8,697,213
23.00	Short term investment		
	Investment in FDR 23.01	447,000,000	373,350,000
	Investment in share 23.02	106,454,854	14,117,705
	Total	553,454,854	387,467,705
23.01	Investment in FDR		
	Opening Balance	373,350,000	253,350,000
	Add: Addition during the year	161,250,000	175,500,000
		534,600,000	428,850,000
	Less: Encashment during the year	87,600,000	55,500,000
	Total	447,000,000	373,350,000
	This represents the amount invested in fixed deposits with banks which are to be matured over the period of three months, break-up of which is given below:		
	6 months term FDR	317,550,000	237,300,000
	12 months term FDR	129,450,000	136,050,000
		447,000,000	373,350,000

A schedule of short term investment is given in Annexure -B.



Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21

23.02

Investment in shares

This represents company's investment in shares of the following public limited company:

Share in Public Limited Company	No. of Share	Cost as on 31.12.22	Fair Value as on 31.12.22	Un-realized gain/ (loss)
BBS	145000	3,826,452	3,132,000	(694,452)
BDCOM	24300	1,074,357	913,680	(160,677)
IFIC1STMF	100000	551,650	510,000	(41,650)
MAKSONSPIN	40000	1,031,084	892,000	(139,084)
MALEKSPIN	10000	275,825	271,000	(4,825)
METROSPIN	10000	469,404	438,000	(31,404)
SQURPHARMA	3,600	784,146	755,280	(28,866)
SUMITPOWER	50,000	1,710,123	1,700,000	(10,123)
UNITEDINS	13,000	610,133	594,100	(16,033)
EXIM1STMF	100,000	611,830	580,000	(31,830)
FORTUNE	52,500	3,986,925	3,974,250	(12,675)
INDEXAGRO	9,000	1,111,497	932,400	(179,097)
LHBL	59,290	4,572,325	3,841,992	(730,333)
PTL	15,000	1,167,693	1,155,000	(12,693)
SAIFPOWER	37,000	1,259,200	1,098,900	(160,300)
Total	668,690	23,042,644	20,788,602	(2,254,042)

Investment in shares

This represents company's investment in shares of the following public limited company:

Share in Public Limited Company	No. of Share	Cost as on 31.12.2022	Fair Value as on 31.12.2022	Un-realized gain/ (loss)
BSCCL	16500	3815463	3,611,850	(203,613)
BATBC	11000	6439190	5,705,700	(733,490)
BXPHERMA	60000	11809350	8,772,000	(3,037,350)
GP	30000	10730469	8,598,000	(2,132,469)
GPHISPAT	58025	3195152	2,599,520	(595,632)
SQUARETEXT	55000	3886196	3,712,500	(173,696)
SQURPHARMA	20000	4448312	4,196,000	(252,312)
UPGDCL	20000	5,186,856	4,674,000	(512,856)
Total	270,525	49,510,988	41,869,570	(7,641,418)

Investment in shares

This represents company's investment in shares of the following public limited company:

Share in Public Limited Company	No. of Share	Cost as on 31.12.2022	Fair Value as on 31.12.2022	Un-realized gain/ (loss)
BATBC	35000	20280299	18,154,500	(2,125,799)
BSCCL	5180	1,190,886	1,133,902	(56,984)
BSRMLTD	28000	2,958,732	2,520,000	(438,732)
GP	39900	11,634,381	11,435,340	(199,041)
SQURPHARMA	50300	10,887,243	10,552,940	(334,303)
Total	158,380	46,951,541	43,796,682	(3,154,859)

Investment in listed securities have been presented in the fair value as per IFRS-09 through Other Comprehensive Income unrealized gain /(loss) has been charged in Reserved for unrealized gain

24.00

Cash and cash equivalents

Cash in hand	24.01	14,123,638	15,194,032
Cash at bank	24.02	102,219,354	219,594,127
		116,342,992	234,788,159

The management has furnished certificate confirming the position.



Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
24.01	Cash in hand		
	Head office	36,897	31,761
	Branch office	14,086,741	15,162,271
	Total	14,123,638	15,194,032

24.02 Cash at bank

Fixed Deposit		16,500,000	2,000,000
Short term deposit	[Annexure-B]	83,826,273	163,461,846
Current deposit	[Annexure-B]	1,893,081	54,132,281
Total		102,219,354	219,594,127

A schedule of Bank Balance is given in Annexure -B.

25.00 Expenses of management

(not applicable to any particular fund or account)

Board Meeting fee & expenses		378,050	328,583
Audit fees		373,750	1,154,750
Depreciation/Amortization		18,098,276	14,269,550
Amortization on right of use asset		8,922,548	10,783,040
Advertisement and publicity		2,044,333	603,993
Donation and subscription		650,000	455,987
Fine & Penalty		12,135,000	9,600,000
Consultancy		25,000	62,500
Corporate social responsibility		1,199,792	2,122,000
Legal and professional fees		4,341,540	6,442,900
Meeting and conference		4,147,179	1,949,477
Registration fees		1,025,499	785,043
Credit Rating Fee		139,750	140,000
Web pagee Development		808,724	36,205
Total		54,289,439	48,734,032

26.00 Finance Cost

Interest on loan		-	2,571,279
Interest on Lease Liability		813,295	689,189
Total		813,295	3,260,468

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. Here incremental borrowing rate has been considered.

27.00 Investment and others income

Interest /profit		33,040,593	33,656,259
(not applicable to any particular fund or account)			
Dividend income		2,920,637	61,280
Miscellaneous income		(245,244)	-
Profit / (Loss) on sale of share		5,885,658	1,024,609
Profit / (Loss) on sale of assets		6,228,719	(15,963)
Total		47,830,363	34,726,185

28.00 Earning Per share (EPS)

A. Number of shares

Shares outstanding at the beginning of the year		24,000,000	7,935,000
Stock dividend issued during the year		-	-
Fresh Share issued during the year		-	16,065,000
IPO share issue		16,000,000	
Total		40,000,000	24,000,000

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21
	Weight		
	Shares outstanding at the beginning of the year	100.00%	100.00%
	Stock dividend issued during the year	0.00%	0.00%
	Fresh Share issued during the year	0.00%	85.51%
	IPO share issue	58.63%	0.00%
	Weighted average number of shares		
	Shares outstanding at the beginning of the year	24,000,000	7,935,000
	Stock dividend issued during the year	-	-
	Fresh Share issued during the year	-	13,736,675
	IPO share issue	9,380,800	
	Total	33,380,800	21,671,675
	B. Earnings attributable to shareholders		
	Earning attributable to ordinary share holders (profit after tax)	44,065,544	20,327,397
	C. Basic Earning per share [B/A]	1.32	0.94

Earning per share is calculated in accordance with IAS 33 "Earning Per Share" which has been shown on the face on Profit & Loss Appropriation Accounts.

29.00 Net Assets value per share (NAVPS)

Net asset value Per Share has been calculated on weighted average number of 400,00,000 shares outstanding as at December 31, 2022 after Initial Public Offer share issued. Details calculations are as follows:

Net Assets	574,404,191	387,541,577
Weighted average number of ordinary shares	33,380,800	21,671,675
Net asset value Per Share	17.21	17.88

Due to reduction of market value of investment in shares, value of investment as well as net asset value (NAV) of MICL as of December 31, 2022 has been decreased.

30.00 Net operating cash flows per share (NOCPS)

Net Operating Cash Flows Per Share(NOCFPS) has been calculated based on Weighted average number 33,380,800 shares outstanding during the period. Details calculation are as follows:

Net cash generated from operating activities	(44,407,975)	132,950,445
Weighted average number of ordinary shares	33,380,800	21,671,675
Net Operating Cash Flows per Share	(1.33)	6.13

Net Operating Cash Flows Per Share decreased due to decrease of premium collection and increase of management expenses.

31.00 Reconciliation of net profit with cash flow from operating activities

Net Profit before tax	66,071,693	24,814,249
Depreciation	27,020,824	25,052,590
(Increase)/decrease in provision for taxation	(22,647,218)	(5,670,060)
Increase/(decrease) in deferred tax	(641,068)	(1,590,985)
Increase/(decrease) the balance of fund	114,642,823	39,430,968
Increase/(decrease) the premium deposit	(78,449,281)	81,213,685
Increase/(decrease) of amount due to other person or body	(118,401,707)	59,370,374
Increase/(decrease) in estimated liabilities in respect of outstanding claims	(392,276)	(81,403,515)
Increase/(decrease) in sundry creditors	15,793,692	47,397,709
Increase/(decrease) in Lease Liability	(3,609,995)	3,535,187
(Increase)/decrease of stock of stamps	380,862	(600,577)
(Increase)/decrease of stock of printing	(201,924)	(138,601)
(Increase)/decrease in Advance, deposit & prepayment	10,680,614	(27,678,502)
(Increase)/decrease in advance income tax	(30,843,870)	(16,351,334)
(Increase)/decrease of amount due from other person or body	(12,897,747)	(11,698,210)
(Increase)/decrease in interest outstanding	(10,913,398)	(2,732,533)
Net cash flow from operating activities	(44,407,975)	132,950,445

Sl. No.	Particulars	Amount in Taka	
		31-Dec-22	31-Dec-21

32.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

A. Disclosure as per requirement of Schedule XI, Part II Note 5 of Para 3:

Employee position of the company as on 31st December 2022:

Salary (Monthly)	Total Employees
Below Tk. 3,000	-
Above Tk. 3,000	912
Total	912

B. Remuneration of Directors, Managers, Executives and Officers

Remuneration of Directors, Managers, Executives and Officers have been described as under:

Empolyess	Amount in Taka	
	2022	2021
Directors	Nil	Nil
Executives	77,575,789	62,117,433
Managers	16,675,611	12,988,328
Officer	16,943,606	37,416,435
	111,195,006	112,522,196

C. Disclosure as per requirement of Schedule XI, Part II, Para 4:

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Mr. Musfiq Rahman	Chairman	Nil	Nil	Nil
Mr. Aiman Barik Choudhury	Vice-Chairman	Nil	Nil	Nil
Mr. Javed Kaiser Ally	Director	Nil	Nil	Nil
Mr. Manwar-Uz-Zaman	Director	Nil	Nil	Nil
Ms. Nahid Zaman	Director	Nil	Nil	Nil
Mr. Mohammad Enayet Ullah	Director	Nil	Nil	Nil
Ms. Ainab Choudhury	Director	Nil	Nil	Nil
Mr. Ashim Chowdhury	Independent Director	Nil	Nil	Nil
Mr. Md. Omar-Bin-Harun Khan	Independent Director	Nil	Nil	Nil
Total				

Period of payment to Directors is from 01 January 2022 to 31 December 2022

The above Directors of the Company did not take any benefit from the company except attendance fees for Board meeting and others are as follows:

a. Expenses reimbursed to the managing agent	Nil	Nil
b. Commission or other remuneration payable separately to a managing agent or his associate	Nil	Nil
c. Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with company	Nil	Nil
d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, enter into by the company with the managing agent or his associate during the financial year	Nil	Nil
e. Any other perquisites or benefits in cash or in kind	Nil	Nil
f. Other allowances and commission including guarantee commission	Nil	Nil

Pensions, etc.

1) pensions	Nil	Nil
2) Gratuities	Nil	Nil
3) Payment from provided fund	Nil	Nil
4) Compensation	Nil	Nil
5) Consideration in connection with retirement from office	Nil	Nil

Sl. No.	Particulars	Amount in Taka				
		31-Dec-22	31-Dec-21			
33.00	Premium less re-insurance					
	Class of Business	Gross Premium	Re-insurance accepted	Re-insurance ceded	Net premium 2022	Net premium 2021
	Fire	248,860,263	-	112,418,608	136,441,655	106,385,653
	Marine (Cargo)	657,855,821	-	60,506,880	597,348,941	352,189,684
	Marine (Hull)	9,298,032	-	8,671,792	626,240	-53,846
	Motor	81,332,059	-	425,441	80,906,618	75,975,985
	Miscellaneous	62,992,110	-	53,737,003	9,255,107	4,494,155
	Total	1,060,338,285	-	235,759,724	824,578,561	538,991,631

Class of Business	Paid	Estimated liability	Previous year's balance	Net claim	
				31.12.22	31.12.21
Fire	7,492,407	32,800,000	52,062,220	(11,769,813)	36,523,168
Marine (Cargo)	4,310,905	15,626,441	5,250,373	14,686,973	18,932,856
Marine (Hull)	-	-	-	-	-
Motor	6,108,670	11,381,860	2,887,984	14,602,546	10,613,941
Miscellaneous	16,868	-	-	16,868	15,865
Total	17,928,850	59,808,301	60,200,577	17,536,574	66,085,830

35.00 Expenses of management

These expenses have been charged to revenue account on product basis of gross premium earned or direct business as under:

Class of Business	Amount in Taka	
	31-Dec-22	31-Dec-21
Fire	183,099,341	114,836,241
Marine (Cargo)	280,673,445	217,337,570
Marine (Hull)	4,755,815	1,495,915
Motor	41,600,228	42,745,442
Miscellaneous	32,219,596	34,715,462
Total	542,348,425	411,130,630

36.00 Transaction with Related Parties:

Meghna Insurance Company Ltd, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party transaction as per IAS- 24 and under the condition no.1.5(vi) of the Corporate governance guideline of the Bangladesh Securities and Exchange Commission rules and regulations discloses 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 transactions with related parties and balances with them as at December 2022 are as follows:

Name of the related party	Relationship	Name of transaction	Premium earned	Premium outstanding	Claim paid
Mills Ltd	Director's wife	Insurance	7,659,350		
Co.Ltd	Director's wife	Insurance	2,914,398		
Dyeing Mills Ltd	Director's wife	Insurance	5,747,479		
Ltd	Director's wife	Insurance	92,418		
Ltd	Director's wife	Insurance	1,652,781		
K.M Apparels Ltd	Director's wife	Insurance	8,168		
Ltd	Director's wife	Insurance	24,295		
Hamza Trims Ltd	Director's wife	Insurance	306,608		
Cortz Apparels	Director's wife	Insurance	209,003		
Ltd	Director's wife	Insurance	9,938		
Magnam Traders	Director's wife	Insurance	500		
Ltd	Director's wife	Insurance	4,121,694		

Sl. No.	Particulars			Amount in Taka	
				31-Dec-22	31-Dec-21
	Navana	Director	Insurance	3,481,280	
	Runner Lube & Energy Ltd	Shareholder	Insurance	244,545	815,725
	Runner Trading Ltd	Shareholder	Insurance	178,114	
	Runner Motors Ltd	Shareholder	Insurance	9,644,829	1,506,422
	Runner Footwear Ltd	Shareholder	Insurance	174,337	
	Runner Automobiles Ltd	Shareholder	Insurance	952,784	
	Total			37,422,521	2,322,147
				-	

37.00 Board Meeting

During this year, the company had a Board of Directors consisting of 9 (Nine) members and held 5 (five) meeting throughout the year. Board of Directors of the company has formed other committees and sub committees like Executive Committee, Claims Committee and Audit Committee. Regular meeting of these committees were also held during this year.

37.01 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994**Attendance status of Board meeting of Directors**

During the year 2022 there were 5 (five) board meeting were held. The attendance status of board meeting is as follows:

Name of Directors	Position	No. of meeting held	Attended
Mr. Musfiq Rahman	Chairman	5	5
Mr. Aiman Barik Choudhury	Vice-Chairman	5	5
Mr. Javed Kaiser Ally	Director	5	5
Mr. Manwar-Uz-Zaman	Director	5	5
Ms. Nahid Zaman	Director	5	5
Mr. Mohammad Enayet Ullah	Director	5	1
Ms. Ainab Choudhury	Director	5	3
Mr. Ashim Chowdhury	Independent Director	5	5
Mr. Md. Omar-Bin-Harun Khan	Independent Director	5	2

38.00 Capital Expenditures Commitment

There was no capital expenditure commitment as at 31st December, 2022.

39.00 Claim not acknowledged as debt

There was no claim against the company acknowledged as debt as on 31st December, 2022.

40.00 Un-availed credit facilities

There was no credit facility available to the company from any Non-Banking financial institution and Schedule Banks.

41.00 Contingent Liability

There was a demand of Tk. **36,51,19,852.00** by the income tax authority for payment of tax in excess of the amount of management expenses claimed by the company during the accounting years from 2008 to 2021. The company filed a writ to the High court division of the honorable supreme court of Bangladesh. The company is very much hopeful to get Judgement in its favor as Appellate Tribunal Bench accepted excess management expenses Tk.167,89,870 in assessment year 2008-2009. Except this there are no contingent assets or liabilities and unrecognized contractual commitments at the balance sheet date.

Accounting year	Assessment year	Tax Outstanding/ Demanded	Current Status
2008	2009-10	5,582,708	Writ to High Court
2009	2010-11	6,910,938	Writ to High Court
2010	2011-12	9,394,572	Writ to High Court
2011	2012-13	8,784,979	Writ to High Court
2012	2013-14	10,980,046	Writ to High Court
2013	2014-15	23,522,314	Writ to High Court

2104	2015-16	59,353,118	Writ to High Court
2015	2016-17	73,848,066	Writ to High Court
2016	2017-18	79,198,641	Writ to High Court
2017	2018-19	44,200,628	Appeal before Tribunal
2018	2019-20	20,771,532	1 st Appeal under process
2019	2020-21	22,572,310	1 st Appeal under process
2020	2021-22	-	Assessment under process
2021	2022-23	-	Return submitted
Total		365,119,852	

42.00 Insurance Act Relevant Information

- During the year under review nothing was paid to the directors of the company other than board meeting and committee meeting attendance fee.
- During the year under review no compensation was allowed to the chief executive officer of the company or any member of the board for special service rendered.
- During the year nothing was earned as per premium against guarantees issued.

43.00 Events after Reporting Period

Board of Directors in its meeting held on 16 April, 2023 proposed 10% cash dividend for the year 2022 subject to approval of shareholders of the company in its forthcoming 27th Annual General Meeting.

44.00 Date of Authorisation

Financial statements of the company for the year ended December 31, 2022 were authorized by the Board for issue on 16 April, 2023 in accordance with a resolution of the Board of Directors of the company



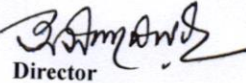
Meghna Insurance Company Limited
Classified Summary of Assets Form "AA"
For the year ended December 31, 2022

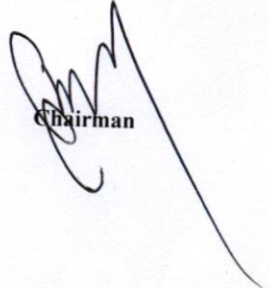
Class of assets	Amount in Taka		Remarks
	31-Dec-22	31-Dec-21	
Investments in treasury bond			
i) Bangladesh Treasury Bond.			
(10 years Investment Bond @ 12.10% Interest)	55,100,000	25,000,000	At Cost
(15 years Investment Bond @ 7.79% Interest)	16,000,000	16,000,000	
(5 years Investment Bond @ 7.70% Interest)	9,000,000	9,000,000	
(10 years Investment Bond @ 7.1% Interest)	24,000,000	-	
	6,100,000	-	
iii) Amount due from other persons or bodies carrying on	135,871,018	122,973,271	Book Value
Cash, cash equivalent & short term investment:	669,797,846	622,255,864	
i) Short term investment	553,454,854	387,467,705	Book Value
ii) Cash at Bank	102,219,354	219,594,127	Book Value
iii) Cash in hand	14,123,638	15,194,032	Book Value
Interest and dividend receivable	19,610,611	8,697,213	Book Value
Advance, deposit and prepayments	200,052,692	179,889,436	Book Value
Property, plant and equipments	271,052,214	240,279,690	Written down value
Intangible Assets	164,028	120,863	Written down value
Right-of-use asset	16,655,988	20,294,355	Written down value
Stock of printing, stationery & stamps	3,279,382	3,458,320	Book Value
	1,371,583,779	1,222,969,012	


 Company Secretary


 Chief Executive Officer


 Director


 Director


 Chairman

Dhaka, 16 April, 2023



Meghna Insurance Company Limited
Schedule of Fixed Assets
As at 31 December, 2022

Annexure - A

Sl. No.	Particulars	Cost				Revaluation				Closing Amount after Revaluation	Rate of Dep. (%)	Depreciation				Written Down Value as on 31.12.2022	Written Down Value as on 31.12.2021
		Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance	Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance			Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance		
1	Furniture and Fixture	16,492,475	277,730	22,800	16,747,405					16,747,405	10%	4,554,049	1,209,519	14,676	5,748,892	10,998,513	11,938,426
2	Motor Vehicles	70,696,463		37,972,494	32,723,969	-	10,391,931	721,495	9,670,436	42,394,405	20%	52,553,078	4,649,965	32,782,446	24,420,597	17,973,808	18,143,385
3	Motor Vehicles on HP	-	37,183,405	-	37,183,405	-				37,183,405	20%	-	3,687,152	-	3,687,152	33,496,253	
4	Office Decoration	22,631,131	2,698,379	9,500	25,320,010					25,320,010	20%	9,498,428	3,115,890	1,734	12,612,584	12,707,426	13,132,703
5	Computer	5,025,018	491,339	349,200	5,167,157					5,167,157	30%	3,423,118	565,507	333,255	3,655,370	1,511,787	1,601,900
6	Air Conditioner	9,665,318	532,415	48,000	10,149,733					10,149,733	20%	4,924,808	1,023,894	42,798	5,905,904	4,243,829	4,740,510
7	Office Equipment	22,361,148	3,203,346		25,564,494					25,564,494	15%	10,398,554	2,132,658		12,531,212	13,033,282	11,962,594
8	Crockeries	150,323	-		150,323					150,323	25%	141,376	2,237		143,613	6,710	8,947
9	Land	162,045,034	-		162,045,034					162,045,034	0%	-	-		-	162,045,034	162,045,034
10	Office Space	18,562,434	-		18,562,434					18,562,434	10%	1,856,243	1,670,619		3,526,862	15,035,572	16,706,191
	Total-2022	327,629,344	44,386,614	38,401,994	333,613,964	-	10,391,931	721,495	9,670,436	343,284,400		87,349,654	18,057,441	33,174,909	72,232,186	271,052,214	240,279,690
	Total-2021	317,830,731	9,992,913	194,300	327,629,344					327,629,344		73,266,458	14,239,334	156,138	87,349,654	240,279,690	

Schedule of Intangible Assets
As at 31 December, 2022

Sl. No.	Particulars	Cost				Rate of Dep. (%)	Amortization				Written Down Value as on 31.12.2022	Written Down Value as on 31.12.2021
		Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance		Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance		
1	Software	910,000	84,000	-	994,000	20%	789,137	40,835	-	829,972	164,028	120,863
	Total-2021	910,000	-	-	910,000		758,921	30,216	-	789,137	120,863.00	

Schedule of Right-of-use asset
As at 31 December 2022

Sl. No.	Particulars	Cost				Opening Balance	Amortization			Written Down Value as on	Written Down Value as on 31.12.2021
		Opening Balance	Addition during the year	Adjustment During The Year	Closing Balance		Charged during the year	Adjustment during	Closing Balance		
1.	Right-of-use asset	30,520,921	9,851,954	11,944,004	28,428,871	10,226,566	8,922,548	7,376,231	11,772,883	16,655,988	20,294,355
	Total-2021	28,051,946	19,296,153		30,520,921		12,276,029		10,226,566	20,294,355.00	



Meghna Insurance Company Limited
Schedule of Bank Balance
As at 31 December 2022

Annexure - B

List of Short Notice Deposit

Amount in Taka

SL	Bank Name	Branch Name	Account Number	Amount in Taka	
				2,022	2,021
01	BASIC Bank Ltd	Main Branch	# 216-01-0000443	24,789,696	1,451,644
02	BASIC Bank Ltd	Main Branch	# 0216-01-0001531	12,353,445	55,372,535
03	NCC Bank Ltd	NCC Bhaban Branch	# 0103-032-5000535	17,844,955	43,316,992
04	Social Islami Bank Ltd	Corporate office Branch	# 127-136-0000-258	13,897,794	60,529,706
05	IFIC Bank Ltd	Gulshan Branch	# 0180048947041	2,822,922	2,785,969
06	AB Bank Ltd	Kakrail Branch	# 4009-780993-430	69,187	-
07	Prime Bank	Foreign Exchange Br	#2126318011379	12,048,274	5,000
Total				83,826,273	163,461,846

List of Current Deposit

Amount in Taka

SL	Bank Name	Branch Name	Account Number	Amount in Taka	
				2,022	2,021
01	BASIC Bank Ltd	Main Branch	0210-01-0012310	-	1,524
02	BASIC Bank Ltd	Main Branch	0210-01-0012297	245,795	50,555,077
03	BASIC Bank Ltd	Bogura Br	1210-01-0005302	1,061	2,128
04	BASIC Bank Ltd	Feni Br	721-01-0000-260	1,982	3,283
05	BASIC Bank Ltd	Jashore Br	1810-01-0015030	(411)	850
06	BASIC Bank Ltd	Jubilee Rd	1310-01-0003385	173,024	(481)
07	BASIC Bank Ltd	Kawran Bazar Br	3110-01-0007734	-	2,433
08	BASIC Bank Ltd	Main Branch	0210-01-0012304	671	1,855
09	BASIC Bank Ltd	Tan Bazar Br	1410-01-0003790	2,119	3,769
10	BASIC Bank Ltd	Main Branch	0210-01-0012281	290	1,480
11	NCC Bank Ltd	NCC Bhaban Branch	01030210004481	204,668	4,975
12	NCC Bank Ltd	Agrabad	0003-0210031336	942	473
13	NCC Bank Ltd	Banani Br	0050-0210009604	2,747	2,747
14	NCC Bank Ltd	Nawabpur Br	0047-0210039765	2,750	2,243
15	NCC Bank Ltd	Kadamtoli Br	00190210021492	4,106	5,233
16	NCC Bank Ltd	Dilkusha Br	0028-0210021339	1,415	1,211
17	NCC Bank Ltd	Elephant Rd	00430210014188	1,374	2,762
18	NCC Bank Ltd	faridpur br	0115-02-10001408	994	1,971
19	NCC Bank Ltd	Darus-Salam Br	01020210007881	5,033	6,542
20	NCC Bank Ltd	Bhaban Br	0103-0210004276	3,938	444
21	NCC Bank Ltd	Dilkusha Br	0028-0210021348	1,553	1,652
22	NCC Bank Ltd	Maghbazar Br	00110210031354	2,212	592
23	NCC Bank Ltd	Motijheel Main Br	00020210033657	897	2,278
24	NCC Bank Ltd	Mymensingh Br	00720210010990	892	1,979
25	NCC Bank Ltd	Bangshal Br	00220210022816	1,055	1,640
26	NCC Bank Ltd	Motijheel Br	0002-0210033675	768	5,505
27	NCC Bank Ltd	Foreign Exchange	0031-021-0024528	6,862	1,766
28	NCC Bank Ltd	Toynbee Br	0031-0210024537	1,307	(601)
29	NCC Bank Ltd	Foreign Exchange	0031-021-0024500	266	4,876
30	Social Islami Bank Ltd	Bagerhat	0881330006135	889	2,419
31	Social Islami Bank Ltd	Barishal Br	0731330005521	(151)	4,133
32	Social Islami Bank Ltd	corporate Br	1271330003495	104,258	14,024
33	Social Islami Bank Ltd	dewanhat br	0801330005809	492	998
34	Social Islami Bank Ltd	Joydebpur Chowrasta Br	1231330002433	2,261	114



SL	Bank Name	Branch Name	Account Number	2,022	2,021
35	Social Islami Bank Ltd	Moulvi Bazar Br	0101330015059	(8,747)	(1,865)
36	Social Islami Bank Ltd	Foreign Exchange	0181330018232	1,523	1,401
37	Social Islami Bank Ltd	Khatungong Br	0141330020735	2,298	4,409
38	Social Islami Bank Ltd	khulna br	0051330019159	(2,090)	2,290
39	Social Islami Bank Ltd	Kakrail Br	1031330002431	2,887	54
40	Social Islami Bank Ltd	Mohakhali Br	0701330007081	1,765	1,835
41	Social Islami Bank Ltd	Bangshal Br	0711330010794	892	678
42	Social Islami Bank Ltd	Gausia Br	0981330005877	1,028	868
43	Social Islami Bank Ltd	Foreign Exchange	0181330018287	(563)	55
44	Social Islami Bank Ltd	Rangpur Br	0681330006739	175	1,505
45	Social Islami Bank Ltd	Savar Br	0301330014692	2,075	1,605
46	Social Islami Bank Ltd	Tongi Br	0741330007355	1,850	381
47	Agrani Bank Ltd	Manikgonj Br	0200009018675	9,371	4,918
48	Islami Bank BD Ltd	Matuail Br	20507770101040600	2,068	2,068
49	Islami Bank BD Ltd	Kurigram Br	1950100262214	1,217	367
50	Mutual Trust Bank	Principal Branch	# 00020210034147	129,483	146,418
51	Premier Bank	Motijheel Branch	# 111-17656	516,557	3,192,694
52	Sonali Bank Ltd	NCTB Branch	# 1601402000657	451,664	130,706
53	Social Islami Bank Ltd	Pabna Br.	#0751330008627	2,809	
54	Social Islami Bank Ltd	Principal Branch	#0021330458064	760	
Total				1,893,081	54,132,281

