

Private & Confidential

**Independent Auditor's Report
and
Financial Statements
of
Meghna Insurance Company Limited
For the year ended December 31, 2023**

Table Of Content

No	Particulars	Page No
1	Independent Auditor's Report	1-6
2	Statement of Financial Position	7
3	Statement of Profit or Loss and Other Comprehensive Income	8
4	Profit or Loss Appropriation Account	9
5	Consolidated Revenue Account	10
6	Fire Insurance Revenue Account	11
7	Marine Cargo Insurance Revenue Account	12
8	Marine Hull Insurance Revenue Account	13
9	Motor Insurance Revenue Account	14
10	Miscellaneous Insurance Revenue Account	15
11	Statement of Change in Equity	16
12	Statement of Cash Flows	17
13	Notes to the Financial Statements	18-41
14	Form--XL	42
15	Form "AA"	43
16	Schedule of Fixed Assets	44
17	Schedule of Bank Balance	45-46



Mahfel Huq & Co.

Chartered Accountants

The first registered accounting firm in independent Bangladesh



An independent member firm of AGN International

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Independent 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, 2023, 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 31 December 2023, 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 2020 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 institutions sector has sought 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 made on such communications, the participation fund amount is yet to be distributed among the workers. We further draw your attention to note no. 39.00 regarding "Contingent Liability" which describes that there is a demand of Tk. 426,394,563 by the income tax authority for payment of tax for years from 2008 to 2021. The company filed case with Honorable High Court Division of the Honorable Supreme Court of Bangladesh. 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 consolidated and separate 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.

Risks	Our response to the risks
Premium Income	
<p>Net general insurance premiums comprise the total premium received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p> <p>At end of the year 2023, the total net premium income of BDT 690,666,300 (2022: BDT 824, 578,561).</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. ➤ Applying specialist judgment ensured if there is any impairment of the reinsurer. <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</p>
See Note No. 31.00 to the financial statements.	
Property, plant and equipment	
<p>This represents a significant amount in the company's statement of financial position. There is a risk of determining which costs meet the criteria for capitalization. Determining the date on which the assets is recognized to property, plant and equipment and depreciation commences. This estimation of economic useful</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment, include the following controls testing and substantive procedures:</p> <ul style="list-style-type: none"> ➤ Assessing the design, implementation and operating effectiveness of key internal controls over the completeness,

Risks	Our response to the risks
<p>lives and residual value assigned to fixed asset.</p> <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and its significance to the financial statements.</p> <p>At end of the year 2023, the company reported the carrying value of property, plant & equipment amounts BDT 257,277,466 (2022: BDT 271,052,214).</p>	<p>existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values;</p> <ul style="list-style-type: none"> ➤ Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization. ➤ Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment. ➤ Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents. ➤ We reviewed minutes the company's capitalizations policy for compliance with IAS 16 and tested the expenditure capitalized against the capitalization policy. ➤ We traced payments to supporting documents. <p>We assessed the adequacy of the disclosures of the financial statements</p>
<p>See note no 3.05, 13.00 to the financial statements and Annexure-A</p>	
<p>Estimated liability in respect of outstanding claims whether due or intimated</p>	
<p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p> <p>At end of the year 2023, the reported total balance under the head of Estimated liability in respect of outstanding claims whether due or intimated of BDT 49,892,578 (2022: BDT 59,808,301).</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <ul style="list-style-type: none"> ➤ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ➤ Obtained a sample of claimed policy copy and cross check it with claim. ➤ Obtained a sample of survey reports cross checked those against respective register balances and in case of discrepancy carried



Risks	Our response to the risks
	<p>out further investigation.</p> <ul style="list-style-type: none"> ➤ 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 2010, Insurance Rules 1958 and other applicable rules and regulations and regulatory guidelines.
See note no. 7.00 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 2020, 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, Profit and 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 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: **2404230105AS988806**

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Statement of Financial Position
As at December 31, 2023

Particulars	Notes	Amount in Taka	
		31-12-23	31-12-22
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	400,000,000
Reserve, surplus or contingency account			
Reserve for exceptional losses	5.01	146,734,663	134,734,663
Reserve for unrealized gain/(loss)		(12,805,763)	(13,050,319)
Revaluation reserve		5,325,505	8,700,743
Profit or loss appropriation account	5.02	44,887,319	44,019,104
Total shareholders' equity		584,141,724	574,404,191
Balances of fund and accounts	6.00	279,095,203	330,207,168
Liabilities and provisions			
Estimated liability in respect of outstanding claims whether due or intimated	7.00	49,892,578	59,808,301
Amount due to other persons or bodies carrying on insurance business	8.00	118,887,378	96,400,990
Lease liability	9.00	11,531,832	14,309,382
Premium deposit	10.00	29,414,217	53,248,671
Sundry creditors	11.00	175,449,576	147,206,467
Unpaid/ Unclaimed dividend	11.04	1,339,251	12,000,000
Provision for income tax	12.01	104,211,864	84,065,827
Provision for deferred tax	12.03	4,348,665	-
Total liabilities, fund and provisions		774,170,564	797,246,807
Total shareholders' equity and liabilities		1,358,312,288	1,371,650,998
Assets and properties			
Non-current assets			
Property, plant and equipments	13.00	257,277,466	271,052,214
Intangible assets	14.00	131,222	164,028
Deferred Tax assets	12.04	-	67,219
Investments in treasury bond	15.00	84,045,410	55,100,000
Right-of-use asset	16.00	13,208,103	16,655,988
Current assets			
Stock of printing, stationery & stamps	17.00	2,084,314	3,279,382
Amount due from other persons or bodies carrying on insurance business	18.00	147,572,267	135,871,018
Advance, deposit & prepayments	19.00	207,765,938	200,052,692
Interest and dividend receivable	20.00	29,995,996	19,610,611
Short term investment	21.00	543,490,780	553,454,854
Cash and cash equivalents	22.00	72,740,791	116,342,992
Total assets and properties		1,358,312,288	1,371,650,998
Net asset value per share	27.00	14.60	17.21

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


Company Secretary


Chief Financial Officer

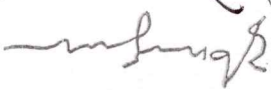

Chief Executive Officer


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: 2404230105A5988806

Dhaka, 22 April, 2024

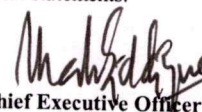
Meghna Insurance Company Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		31-12-23	31-12-22
Operating profit/(loss) transferred from:		77,392,619	76,647,649
Fire insurance revenue account		(36,154,686)	(44,984,123)
Marine cargo insurance revenue account		131,409,243	137,701,200
Marine hull insurance revenue account		(8,549,193)	(4,950,156)
Motor insurance revenue account		15,285,030	11,517,510
Miscellaneous insurance revenue account		(24,597,775)	(22,636,782)
Non-operating income		43,804,465	47,830,363
Interest /profit	25.00	36,077,551	33,040,593
Dividend income		3,130,473	2,920,637
Miscellaneous income		64,603	(245,244)
Other Income [PF Forfeiture]		1,641,618	-
Profit / (Loss) on sale of share		287,475	5,885,658
Profit / (Loss) on sale of assets		2,602,744	6,228,719
Total Income		121,197,084	124,478,012
Less: Expenses of Management (not applicable to any particular fund or account)	23.00	40,442,477	54,289,439
Less: Finance Cost	24.00	850,915	813,295
Net Profit/(Loss) before tax and WPPF		79,903,692	69,375,278
Workers' Profit Participation Fund	11.02	3,804,938	3,303,585
Net Profit after WPPF		76,098,755	66,071,693
Provision for taxation:		24,561,920	22,006,150
Current tax	12.02	20,146,036	22,647,218
Deferred tax	12.04	4,415,883	(641,068)
Profit after tax transferred to profit or loss appropriation account		51,536,835	44,065,544
Other comprehensive income			
Changes in fair value of shares	21.02	(43,057)	(17,040,383)
Revaluation Surplus		6,656,885	9,670,436
Total comprehensive income		58,150,663	36,695,597
Earning Per Share (EPS)	26.00	1.29	1.32

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


Company Secretary


Chief Financial Officer

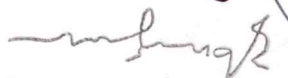

Chief Executive Officer


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: **2404230105A5988806**

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Profit or Loss Appropriation Account
For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		31-12-23	31-12-22
Net profit after tax for the year brought down		51,536,835	44,065,544
Balance brought forward from last period		44,019,105	20,983,868
Depreciation on Revaluation		1,331,380	969,693
Total		96,887,319	66,019,105
Reserve for exceptional losses		12,000,000	10,000,000
Cash Dividend		40,000,000	12,000,000
Balance transferred to statement of financial position		44,887,319	44,019,105
Total		96,887,319	66,019,105

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


Company Secretary


Chief Financial Officer



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, 22 April, 2024

DVC: 2404230105AS988806

Meghna Insurance Company Limited
Consolidated Revenue Account
For the year ended December 31, 2023

Particulars	Notes	Fire	Marine Cargo	Marine Hull	Motor	Miscellaneous	Total 31.12.23	Total 31.12.22
CLAIMS UNDER POLICIES LESS RE-INSURANCE :								
Paid during the period:	32.00	23,677,762	11,309,953	184,599	9,453,523	207,927	44,833,764	17,928,850
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		38,734,609	4,797,339	-	6,360,630	-	49,892,578	59,808,301
Less: Outstanding claims at the end of the Previous year (if any)		62,412,371	16,107,292	184,599	15,814,153	207,927	94,726,342	77,737,151
Total Claims under Policies less Reinsurances:		32,800,000	15,626,441	-	11,381,860	-	59,808,301	60,200,577
Agency Commission		29,612,371	480,851	184,599	4,432,293	207,927	34,918,041	17,536,574
Management Expenses	33.00	32,590,435	74,401,941	757,346	10,189,862	1,048,130	118,987,714	128,272,683
Profit/(Loss) transferred to Statement of Profit or Loss and Other Comprehensive income		136,561,507	335,876,765	8,718,439	43,031,622	38,351,080	562,539,412	542,348,425
Reserve for Unexpired Risks transferred to Balance of Funds and Account at the end of the year in the Statement of Financial Position		(36,154,686)	131,409,243	(8,549,193)	15,285,030	(24,597,775)	77,392,619	76,647,649
	6.00	51,339,031	191,393,833	4,714,472	27,044,352	4,603,515	279,095,203	330,207,168
Total		213,948,658	733,562,633	5,825,663	99,983,158	19,612,877	1,072,932,989	1,095,012,499
Reserve for Unexpired Risks in the Balance of Funds and Account at the beginning of the year :		54,576,662	238,939,576	626,240	32,362,647	3,702,043	330,207,168	215,564,345
Premium Less Re-insurance	31.00	128,347,578	478,484,583	4,714,472	67,610,879	11,508,788	690,666,300	824,578,561
Commission on Re-insurance ceded		31,024,418	16,138,474	484,951	9,632	4,402,046	52,059,521	54,869,593
Total		213,948,658	733,562,633	5,825,663	99,983,158	19,612,877	1,072,932,989	1,095,012,499

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


Company Secretary


Chief Financial Officer


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, 22 April, 2024

DVC: 2404230105A5988806

Meghna Insurance Company Limited
Fire Insurance Revenue Account
For the year ended December 31, 2023


Particulars	Notes	Amount in Taka	
		31-12-2023	31-12-2022
Balance of account at the beginning of the year			
Reserve for unexpired risk	6.00	54,576,662	42,554,261
Premium less re-insurance	31.00	128,347,578	136,441,655
Commission on re-insurance ceded		31,024,418	34,897,456
Total		213,948,658	213,893,372
Claims under policies less re-insurance			
Paid during the period:		23,677,762	7,492,407
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		38,734,609	32,800,000
		62,412,371	40,292,407
Less: Outstanding claims at the end of the Previous year (if any)		32,800,000	52,062,220
Total Claims under Policies less Reinsurances:	32.00	29,612,371	(11,769,813)
Agent commission		32,590,435	32,971,305
Expenses of management	33.00	136,561,507	183,099,341
Profit/(loss) transferred to profit or loss account		(36,154,686)	(44,984,123)
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	51,339,031	54,576,662
Total		213,948,658	213,893,372

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


Company Secretary

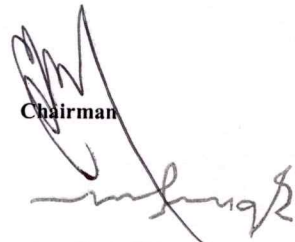

Chief Financial Officer


Chief Executive Officer


Director


Director

Signed as per our annexed report of even date.


Chairman

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

DVC: **2404230105A5988806**

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Marine Cargo Insurance Revenue Account
For the year ended December 31, 2023


Particulars	Notes	Amount in Taka	
		31-12-2023	31-12-2022
Balance of account at the beginning of the year			
Reserve for unexpired risk	6.00	238,939,576	140,875,874
Premium less re-insurance	31.00	478,484,583	597,348,941
Commission on re-insurance ceded		16,138,474	14,672,759
Total		733,562,633	752,897,574
Claims under policies less re-insurance			
Paid during the period:		11,309,953	4,310,905
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		4,797,339	15,626,441
		16,107,292	19,937,346
Less: Outstanding claims at the end of the Previous year (if any)		15,626,441	5,250,373
Total Claims under Policies less Reinsurances:	32.00	480,851	14,686,973
Agent commission		74,401,941	80,896,380
Expenses of management	33.00	335,876,765	280,673,445
Profit/(loss) transferred to profit or loss account		131,409,243	137,701,200
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	191,393,833	238,939,576
Total		733,562,633	752,897,574

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


Company Secretary

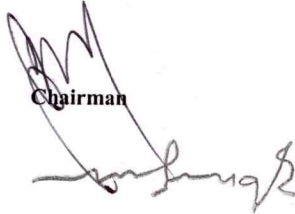

Chief Financial Officer


Chief Executive Officer


Director


Director

Signed as per our annexed report of even date.


Chairman

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

DVC: 2404230105A5988806

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Marine Hull Insurance Revenue Account
For the year ended December 31, 2023


Particulars	Notes	Amount in Taka	
		31-12-2023	31-12-2022
Balance of account at the beginning of the year			
Reserve for unexpired risk	6.00	626,240	(53,846)
Premium less re-insurance	31.00	4,714,472	626,240
Commission on re-insurance ceded		484,951	878,125
Total		5,825,663	1,450,519
Claims under policies less re-insurance		184,599	
Paid during the period:		-	-
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		184,599	-
		-	-
Less: Outstanding claims at the end of the Previous period (if any)			
Total Claims under Policies less Reinsurances:	32.00	184,599	-
Agent commission		757,346	1,018,620
Expenses of management	33.00	8,718,439	4,755,815
Profit/(loss) transferred to profit or loss account		(8,549,193)	(4,950,156)
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	4,714,472	626,240
Total		5,825,663	1,450,519

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 22 April, 2024

Howlader Mahfel Huq, FCA
 ICAB Enrolment No. 105
 Managing Partner
Mahfel Huq & Co.
 Chartered Accountants
 DVC 2404230105A5988806

Meghna Insurance Company Limited
Motor Insurance Revenue Account
For the year ended December 31, 2023


Particulars	Notes	Amount in Taka	
		31-12-2023	31-12-2022
Balance of account at the beginning of the year			
Reserve for unexpired risk	6.00	32,362,647	30,390,394
Premium less re-insurance	31.00	67,610,879	80,906,618
Commission on re-insurance ceded		9,632	106,361
Total		99,983,158	111,403,373
Claims under policies less re-insurance			
Paid during the period:		9,453,523	6,108,670
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		6,360,630	11,381,860
		15,814,153	17,490,530
Less: Outstanding claims at the end of the Previous year (if any)		11,381,860	2,887,984
Total Claims under Policies less Reinsurances:	32.00	4,432,293	14,602,546
Agent commission		10,189,862	11,320,442
Expenses of management	33.00	43,031,622	41,600,228
Profit/(loss) transferred to profit or loss account		15,285,030	11,517,510
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	27,044,352	32,362,647
Total		99,983,158	111,403,373

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


Company Secretary


Chief Financial Officer



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: 2404230105A5988806

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Miscellaneous Insurance Revenue Account
For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		31-12-2023	31-12-2022
Balance of account at the beginning of the year			
Reserve for unexpired risk	6.00	3,702,043	1,797,662
Premium less re-insurance	31.00	11,508,788	9,255,107
Commission on re-insurance ceded		4,402,046	4,314,892
Total		19,612,877	15,367,661
Claims under policies less re-insurance			
Paid during the period:		207,927	16,868
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.		-	-
		207,927	16,868
Less: Outstanding claims at the end of the Previous year (if any)		-	-
Total Claims under Policies less Reinsurances:	32.00	207,927	16,868
Agent commission		1,048,130	2,065,936
Expenses of management	33.00	38,351,080	32,219,596
Profit/(loss) transferred to profit or loss account		(24,597,775)	(22,636,782)
Balance of accounts at the end of the year			
Reserve for unexpired risk	6.00	4,603,515	3,702,043
Total		19,612,877	15,367,661

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

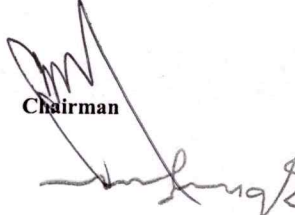

Company Secretary


Chief Financial Officer


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: 2404230105A5088006

Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Statement of Change in Equity
For the year ended December 31, 2023

Particulars	Share Capital	Reserve for Exception Losses	Reserve for unrealized gain/(loss)	Revaluation Reserve	Profit or Loss Appropriation	Total
Balance as on January 01, 2023	400,000,000	134,734,663	(13,050,319)	8,700,743	44,019,104	574,404,191
Reserve for the year	-	12,000,000	-	-	(12,000,000)	-
Adjustment for the year	-	-	-	-	-	-
IPO Share Issue	-	-	-	(2,043,858)	-	(2,043,858)
Unrealized gain/ (loss) for Investment	-	-	(43,057)	-	(43,057)	(43,057)
Adjustment on sale of share	-	-	287,613	-	-	287,613
Dividend	-	-	-	(1,331,380)	-	(1,331,380)
Profit for the year	-	-	-	-	(40,000,000)	(40,000,000)
Depreciation on Revaluation amount	-	-	-	-	51,536,835	51,536,835
Balance as on December 31, 2023	400,000,000	146,734,663	(12,805,763)	5,325,505	44,887,319	584,141,724

For the year ended December 31, 2022

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	-	-	-	(969,693)	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

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman



Dhaka, 22 April, 2024

Meghna Insurance Company Limited
Statement of Cash Flows
For the year ended December 31, 2023

Particulars	Notes	Amount in Taka	
		31-Dec-23	31-Dec-22
Cash flows from operating activities			
Collections of premium and other income		729,676,506	669,699,419
Payments for management expense, re-insurance and claims		(712,040,792)	(683,263,524)
Income tax paid		(18,972,712)	(30,843,870)
Net Cash from operating activities		(1,336,998)	(44,407,975)
Cash flows from Investing activities			
Acquisition of property, plant & equipment		(9,202,166)	(80,132,719)
Disposal of property, plant & equipment		3,020,287	48,075,265
Investment & others income		30,528,861	24,802,588
Other advance paid		11,259,466	-
Investment in share & Others		(6,145,134)	(261,446,871)
Sales of Investment		6,506,459	128,447,657
Short term investment		10,250,000	(73,650,000)
Long Term Investment		(28,945,410)	-
Net Cash used in Investing activities		17,272,363	(213,904,080)
Cash flows from Financing activities			
Issue of fresh share		-	160,000,000
Receipt of Short Term Loan		8,500,000	-
Repayment of Short Term Loan		(8,500,000)	-
Lease Liability		(8,025,902)	(7,319,817)
Interest Expenses		(850,915)	(813,295)
Cash dividend paid		(50,660,749)	(12,000,000)
Net cash from financial activities		(59,537,566)	139,866,888
Net Increase/(Decrease) in cash & cash equivalents during the period		(43,602,201)	(118,445,167)
Cash and cash equivalents at the beginning of the period		116,342,992	234,788,159
Cash and cash equivalents at the end of the period		72,740,791	116,342,992
Net Operating Cash Flows per Share (NOCFPS)	28.00	-0.03	-1.33

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Dhaka, 22 April, 2024



Meghna Insurance Company Limited
Notes to the Financial Statements
For the year ended December 31, 2023

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 2020, 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 2020 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 Act, 2023
- ii) The Income Tax Rules, 2023
- 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 2023. 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 (%)
2023	908.99	-16.64%
2022	1060.33	40.97%
2021	752.14	21.91%
2020	619.4	6.60%
2019	581.04	25.79%
2018	461.91	12.02%

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

Business Segments	2023	2022	Growth (%)
Fire Insurance	220.66	248.86	-11.33%
Marine Insurance	556.82	667.15	-16.53%
Motor Insurance	69.53	81.33	-14.50%
Miscellaneous Insurance	61.97	62.99	-1.61%

Segregation of Net Premium

Business Segments	2023		2022	
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	Business Mix of Net Premium (%)
Fire Insurance	128.35	18.51%	136.44	16.54%
Marine Insurance	483.2	69.67%	597.97	72.51%
Motor Insurance	67.61	9.57%	80.9	9.81%
Miscellaneous Insurance	11.5	2.07%	9.25	1.12%
Total	693.56	100.00%	824.57	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 year ended 31st December 2023.

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 as incurred.

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	10%
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 (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

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 recognized in OCI and 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 employees.

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 the expense is

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 2023.



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 2022 to 30th September 2023 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 2023. During this year the company has included 4 (four) Quarters of surplus treaty accounts in the following manner:

Period	Particulars of Quarter	Number
1st October 2022 to 31st December 2022	3 rd Quarter of 2022	1 (One)
1st January 2023 to 31st March 2023	4 th Quarter of 2022	1 (One)
1st April 2023 to 30th June 2023	1 st Quarter of 2023	1 (One)
1st July 2023 to 30th September 2023	2nd Quarter of 2023	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, 2023 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 2023.

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, 2022 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. 279,095,203 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.



	Particulars	Amount in Taka	
		31-12-23	31-12-22
4.00	Share Capital		
4.01	Authorized Capital		
	100,000,000 ordinary shares of Tk 10 each	1,000,000,000	1,000,000,000
4.02	Issued, subscribed & paid up capital		
	40,00,000 ordinary shares of Tk 10 each fully paid up	400,000,000	400,000,000

SL	Name of Shareholders	Position	%	Shareholding
1	Mr. Javed Kaiser Ally	Shareholder	3.04%	1,217,132
2	Mr. Aiman Barik Choudhury	Director	2.59%	1,034,562
3	Ms Ainab Choudhury	Director	2.59%	1,034,562
4	Mr. Anisuzzaman Chowdhury	Shareholder	3.04%	1,217,132
5	Barrister Sadat Khan	Shareholder	0.41%	165,312
6	Mr. Zeeshan Khan	Shareholder	0.41%	165,313
7	Ms. Farida Akhter	Director	3.17%	1,267,845
8	Ms. Jotsna Ara Begum	Shareholder	1.65%	661,250
9	Mr. Zoynal Abedin Chowdhury	Shareholder	0.83%	330,625
10	Mrs. Marina Ahmed	Shareholder	0.83%	330,625
11	Mr. M.A. Hannan	Sponsor	1.16%	462,875
12	Mr. Mohammad Didarul Husain	Shareholder	2.28%	912,849
13	Mr. Mohammad Enayetullah	Director	3.17%	1,267,845
14	Mr. Azizul Haque	Shareholder	0.17%	66,125
15	Late Abdul Wahid	Sponsor	0.17%	66,125
16	IFAD Venture Limited	Corporate Shareholder	6.07%	2,427,208
17	SW Holdings Ltd	Corporate Director	3.04%	1,217,132
18	M/S. Runner Trading	Corporate Shareholder	7.54%	3,014,165
19	M/S. NAMSS motors Limited	Corporate Shareholder	2.83%	1,131,139
20	M/S. Matsy Enterprises Ltd.	Corporate Shareholder	0.50%	198,375
21	ZAMORED Investments LLC	Corporate Director	7.23%	2,890,688
22	BARWAZ Investments LLC	Corporate Director	7.30%	2,921,116
	Total (A)		60.00%	24,000,000

4.04 Percentage of Shareholding position:

SL	Category of Share Holder	%	No. of Share
1	Public	35.53%	14211205
2	Institute	4.47%	1788690
3	Foreign	0.00%	105
	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	146,734,663	134,734,663
Profit or loss appropriation account	5.02	44,887,319	44,019,104
		191,621,982	178,753,767

5.01 Reserve for Exceptional losses

Opening balance	134,734,663	124,734,663
Addition during the year	12,000,000	10,000,000
	146,734,663	134,734,663

As per Income Tax Act -2023 paragraph 6(2) of Schedule-IV , maximum 10% of net premium could be transfer to statutory reserve.



Particulars	Amount in Taka	
	31-12-23	31-12-22
5.02 Profit or loss appropriation account		
Balance brought forward from last year	44,019,104	20,983,867
Add: Net profit during the year	51,536,835	44,065,544
Depreciation on Revaluation	1,331,380	969,693
	96,887,319	66,019,104
Less: Reserve for exceptional losses		
Dividend	12,000,000	10,000,000
Stock Dividend	40,000,000	12,000,000
Surplus carried forward	-	-
	44,887,319	44,019,104
6.00 Balances of fund & accounts (Un-Expired Risk Reserve)		
Fire insurance business	51,339,031	54,576,662
Marine insurance business (Cargo)	191,393,833	238,939,576
Marine insurance business (Hull)	4,714,472	626,240
Motor insurance business	27,044,352	32,362,647
Miscellaneous insurance business	4,603,515	3,702,043
	279,095,203	330,207,168

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	
			31-12-23	31-12-22
Fire insurance business	128,347,578	40%	51,339,031	54,576,662
Marine insurance business (Cargo)	478,484,583	40%	191,393,833	238,939,576
Marine insurance business (Hull)	4,714,472	100%	4,714,472	626,240
Motor insurance business	67,610,879	40%	27,044,352	32,362,647
Miscellaneous insurance business	11,508,788	40%	4,603,515	3,702,043
	690,666,300		279,095,203	330,207,168

7.00 Estimated liability in respect of outstanding claims claims whether due or intimated

The break-up of the amount is noted below:

Fire	38,734,609	32,800,000
Marine (Cargo)	4,797,339	15,626,441
Marine (Hull)	-	-
Motor	6,360,630	11,381,860
Miscellaneous	-	-
	49,892,578	59,808,301

8.00 Amount due to other persons or bodies carrying on insurance business

Amount due to Sadharan Bima Corporation (SBC)

Opening Balance	96,400,990	214,802,697
Add: Addition for the period	80,082,548	104,304,033
	176,483,538	319,106,730
Less: Adjustment for the period	57,596,160	222,705,740
	118,887,378	96,400,990

This represents the amount payable to Sadharan Bima Corporation on account of re-insurance premium as December 31, 2023

9.00 Lease Liability

Opening balance	14,309,382	17,919,377
Add: Addition for the period	5,248,352	8,482,287
	19,557,734	26,401,664
Less : Adjustment for the period	8,025,902	12,092,282
Closing balance	11,531,832	14,309,382
Short Term Lease Liability	5,112,606	6,530,431
Long Term Lease Liability	6,419,226	7,778,951
	11,531,832	14,309,382

Particulars		Amount in Taka	
		31-12-23	31-12-22
10.00	Premium deposit		
	Marine cargo	29,414,217	53,248,671
		29,414,217	53,248,671
	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.		
11.00	Sundry Creditors		
	The balance is made-up as follows:		
	Salary payable	31,132,704	17,145,128
	Audit fees payable	905,750	475,750
	Office rent payable	73,934	41,934
	Others bill payable	221,168	18,668
	Telephone bill payable	6,028	-
	Utility Bill Payable:	161,269	97,211
	Electricity	42,069	47,711
	Water	22,500	22,500
	Service Charge	96,700	27,000
	Stamp payable	107,072,447	106,963,935
	Excess deposit	39,053	39,053
	Provision for company con. to PF.	670,618	297,295
	Provision for employee con. to PF.	612,304	287,484
	Tax Payable :	1,589,089	1,674,162
	for salary	751,991	642,601
	for office rent	36,747	43,070
	for Survey fee	410,061	435,061
	for Advertisement	1,385	-
	Tax payable at source	4,738	170,538
	for agent commission	384,167	381,440
	for Printing	-	1,452
	VAT Payable :	(4,857,853)	(9,142,264)
	for Survey fee	1,018,971	1,064,688
	for Office rent	109,853	129,791
	for Printing	-	4,987
	for Advertisement	4,156	-
	for postage	-	1,326
	for Premium	(5,994,980)	(10,728,404)
	VAT payable at source	4,147	385,348
	Security Deposit	17,377,999	17,377,999
	Others Payable (Car Policy)	6,749,681	2,039,665
	Loan from Director	39,183	39,183
	Contribution to WPPF	13,656,202	9,851,264
	Total	175,449,576	147,206,467
11.01	Contribution to WPPF		
	This is made up as follows:		
	Opening Balance	9,851,264	6,547,680
	Add: Contribution this year	3,804,938	3,303,585
	Closing Balance	13,656,202	9,851,264
11.02	Contribution to WPPF in this year		
	Profit before WPPF	79,903,692	69,375,278
	Contribution to WPPF	3,804,938	3,303,585
	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 period.		
11.03	Allocation of WPPF		
	A.Workers' Participation Fund (80%)	10,924,962	7,881,012
	B.Workers' Welfare Fund (10%)	1,365,620	985,126
	C.Bangladesh Labour Welfare Foundation (10%)	1,365,620	985,126
		13,656,202	9,851,264

Particulars		Amount in Taka		
		31-12-23	31-12-22	
11.04 Unpaid/ Unclaimed Dividend				
Opening Balance		12,000,000	-	
Add: Payable during the period		42,277,480	12,000,000	
Less: Paid during the period		(52,938,229)	-	
Closing Balance		1,339,251	12,000,000	
12.00 Provision for income tax				
Current tax	12.01	104,211,864	84,065,827	
Deferred tax	12.03	4,348,665	(67,219)	
		108,560,528	83,998,608	
12.01 Provision for current income tax				
Opening Balance		84,065,827	61,418,609	
Add: Addition during the year	12.02	20,146,036	22,647,218	
		104,211,864	84,065,827	
Less: Adjustment during the year		-	-	
		104,211,864	84,065,827	
12.02 Provision for current income tax during the year				
Classes of income	Tax Rate	Income	2023	2022
Business income	37.50%	51,976,518	19,491,194	21,474,524
Dividend income	20.00%	3,130,473	626,095	584,127
Share income	10.00%	287,475	28,748	588,566
Total		55,394,466	20,146,036	22,647,218
12.03 Provision for deferred tax				
Opening Balance		(67,219)	573,849	
Add: Addition during the period	12.04	4,415,883	(641,068)	
		4,348,665	(67,219)	
Less: Adjustment during the period		-	-	
		4,348,665	(67,219)	
12.04 Deferred Tax Liability				
A. Deferred Tax liability is arrived at as follows:				
		Amount (Taka)		
	Particulars	31-12-23	31-12-22	
	Book Value of Depreciable Fixed Assets	18,956,358	261,609,739	
	Less: Tax base Value	7,359,919	261,788,989	
	Taxable Temporary difference	11,596,439	(179,250)	
	Applicable Tax Rate	37.50%	37.50%	
	Deferred Tax Liabilities	4,348,665	(67,219)	
B. Deferred Tax				
	Particulars	Amount (Taka)		
		31-12-23	31-12-22	
	Closing Deferred Tax Liabilities	4,348,665	(67,219)	
	Opening Deferred Tax Liabilities	(67,219)	573,849	
	Deferred Tax	4,415,883	(641,068)	
13.00 Property, plant and equipment				
A. Cost				
Opening balance		343,284,400	327,629,344	
Add: Revaluation of Assets		-	10,391,931	
Add: Addition during the period		9,202,166	44,386,614	
		352,486,566	382,407,889	
Less: Disposal during the period		7,155,515	39,123,489	
		345,331,051	343,284,400	
B. Accumulated depreciation				
Opening balance		72,232,186	87,349,654	
Add: Charged during the period		49,460,494	18,057,441	
		121,692,680	105,407,095	
Less: Adjustment for disposal during the period		33,639,095	33,174,909	
		88,053,585	72,232,186	
Written down value (A-B)		257,277,466	271,052,214	

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



Particulars	Amount in Taka	
	31-12-23	31-12-22
14.00 Intangible Assets		
A. Cost		
Opening balance	994,000	910,000
Add: Addition during the period	-	84,000
	994,000	994,000
Less: Sales during the period	-	-
	994,000	994,000
B. Amortization		
Opening balance	829,972	789,137
Add: Charged during the period	57,433	40,835
	887,405	829,972
Less: Adjustment during the period	-	-
	887,405	829,972
Total	24,627	-
Written down value (A-B)	862,778	829,972
	131,222	164,028

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%

15.00 Investment in Treasury Bond			
Bangladesh Government Treasury Bond (15 Years)	7.79%	9,000,000	9,000,000
Bangladesh Government Treasury Bond (5 Years)	8.75%	16,000,000	16,000,000
Bangladesh Government Treasury Bond (5 Years)	7.70%	24,000,000	24,000,000
Bangladesh Government Treasury Bond (10 Years)	7.10%	6,100,000	6,100,000
Bangladesh Government Treasury Bond (10 Years)	9.20%	15,125,629	-
Bangladesh Government Treasury Bond (5 Years)	10.35%	5,002,275	-
Bangladesh Government Treasury Bond (15 Years)	8.70%	8,817,506	-
		84,045,410	55,100,000

16.00 Right-of-use asset			
A. Opening balance			
Opening balance		28,428,871	30,520,921
Add: Addition during the period		6,099,706	9,851,954
		34,528,577	40,372,875
Less: Adjustment during the period		8,708,123	11,944,004
		25,820,454	28,428,871
B. Accumulated depreciation			
Opening balance		11,772,883	10,226,566
Add: Charged during the period		8,561,039	8,922,548
		20,333,922	19,149,114
Less: Adjustment during the period		7,721,571	7,376,231
		12,612,351	11,772,883
Written down value (A-B)		13,208,103	16,655,988

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

17.00 Stock of printing, stationery & stamps			
Stationery		932,138	797,820
Insurance stamp		1,152,176	2,481,562
		2,084,314	3,279,382

18.00 Amount due from other persons or bodies carrying on insurance business			
Receivable from Sadharan Bima Corporation (SBC)			
Opening Balance		135,871,018	122,973,271
Add: addition for the year		11,701,249	12,897,747
		147,572,267	135,871,018
Less: adjustment for the year		-	-
		147,572,267	135,871,018

This amount represents the receivable from commission, claim and other receivable from Sadharan Bima Corporation as at September 30, 2023

Particulars		Amount in Taka	
		31-12-23	31-12-22
19.00	Advance, deposit & prepayments		
	Advance income tax	171,053,799	152,081,087
	Security deposits	2,042,816	2,798,248
	Advance against salary	22,349,663	33,349,922
	Advance Work	66,692	117,192
	Advanced to head of branch	4,810,241	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
	Multitude architect	459,000	459,000
	Advance-codesign Ltd	600,000	600,000
	MANAS	800,000	800,000
	MICL Employees' PF [Forfeiture]	1,039,065	-
	Brand Soup Ltd	2,562,000	2,562,000
	Hossain Farhad & Co.	387,500	387,500
	Advance-Confidence software	56,000	56,000
	Prime Bank Investment	21,219	19,695
	Asian Tiger Capital Partners Investment Ltd	285,346	1,083,712
	ANF Management Co. Ltd.	973,845	7,257
	Smart Technology (BD) Ltd	-	426,000
	BRB Securitirs Ltd	551	551
	DHS Motors	-	4,858
	Other Advance	35,000	-
		207,765,938	200,052,692
19.01	Advance Tax:		
	The balance is made up as follows:		
	Opening Balance	152,081,087	121,237,217
	Add: Addition during the period	19,014,261	30,843,870
		171,095,348	152,081,087
	Less: Adjustment during the period	41,549	-
	Closing Balance	171,053,799	152,081,087
19.02	Advance tax :		
	Income tax	140,935,010	127,744,510
	Tax on FDR Interest	18,741,103	15,376,116
	Tax on STD interest	1,550,615	1,288,304
	Tax on interest on treasury bond	971,056	738,546
	Tax on car registration	7,611,569	6,287,169
	Tax on Trade License	26,000	12,000
	Tax on dividend	1,218,446	610,042
		171,053,799	152,056,687
20.00	Interest receivable		
	The balance is made up as follows:		
	Opening Balance	19,610,611	8,697,213
	Add: Addition during the period	30,797,134	28,183,586
		50,407,745	36,880,799
	Less: Adjustment during the period	20,411,749	17,270,188
		29,995,996	19,610,611

Particulars	Amount in Taka	
	31-12-23	31-12-22
21.00 Short term investment		
Investment in FDR	21.01 436,750,000	447,000,000
Investment in share	21.02 106,740,780	106,454,854
	543,490,780	553,454,854

21.01 Investment in FDR
The balance is made up as follows:

Opening Balance	447,000,000	373,350,000
Add: Addition during the period	70,000,000	161,250,000
	517,000,000	534,600,000
Less: Encashment during the period	80,250,000	87,600,000
	436,750,000	447,000,000

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	323,550,000	317,550,000
12 months term FDR	113,200,000	129,450,000
	436,750,000	447,000,000

21.02 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 31.12.23	Fair Value as on 31.12.23	Un-realized gain/ (loss)
BBS	70,000	2,045,094	1,512,000	(533,094)
BBS	30,000	729,181	648,000	(81,181)
BBS	45,000	1,052,176	972,000	(80,176)
BPML	1,601	111,603	97,661	(13,942)
BSC	3,000	348,442	321,000	(27,442)
BSC	3,000	323,468	321,000	(2,468)
EXIMISTMF	100,000	611,830	580,000	(31,830)
FORTUNE	50,000	3,986,925	3,785,000	(201,925)
FORTUNE	2,500	-	189,250	189,250
GENEXIL	2,000	182,546	130,800	(51,746)
GENEXIL	80		5,232	5,232
GLOBALINS	5,000	183,549	168,000	(15,549)
IFICISTMF	100,000	551,650	510,000	(41,650)
INDEXAGRO	4,000	531,596	414,400	(117,196)
INDEXAGRO	5,000	579,902	518,000	(61,902)
INDEXAGRO	2,500	259,777	259,000	(777)
LHBL	39,290	3,255,385	2,722,797	(532,588)
LHBL	20,000	1,316,940	1,386,000	69,060
MAKSONSPIN	40,000	1,031,084	892,000	(139,084)
METROSPIN	5,000	161,994	126,500	(35,494)
METROSPIN	5,000	137,918	126,500	(11,418)
PTL	15,000	1,167,692	1,155,000	(12,692)
SAIFPOWER	20,000	724,166	594,000	(130,166)
SAIFPOWER	2,000	59,578	59,400	(178)
SAIFPOWER	15,000	475,456	445,500	(29,956)
SQURPHARMA	1,000	223,690	210,300	(13,390)
SQURPHARMA	2,600	560,456	546,780	(13,676)
SUMITPOWER	50,000	1,710,123	1,700,000	(10,123)
Total	638,571	22,322,222	20,396,120	(1,926,102)



Particulars	Amount in Taka	
	31-12-23	31-12-22

21.02 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	Fair Value as on	Un-realized gain/ (loss)
		31.12.23	31.12.23	
APEXFOOT	300	80,090	77,250	(2,840)
BSCCL	16500	3,815,463	3,611,850	(203,613)
GENEXIL	5000	419,045	327,000	(92,045)
GENEXIL	2000	164,166	130,800	(33,366)
GENEXIL	280	-	18,312	18,312
JHRML	1250	98,491	87,875	(10,616)
BATBC	11,000	6,439,190	5,705,700	(733,490)
BXPHARMA	60,000	11,809,350	8,772,000	(3,037,350)
GP	30,000	10,730,469	8,598,000	(2,132,469)
GPHISPAT	55,000	3,195,154	2,348,500	(846,654)
GPHISPAT	3,025	-	129,168	129,168
GPHISPAT	2,901	-	123,873	123,873
SQUARTEX	55,000	3,886,195	3,712,500	(173,695)
SQUARPharma	20,000	4,448,312	4,206,000	(242,312)
UPGDCL	20,000	5,186,856	4,674,000	(512,856)
Total	282,256	50,272,781	42,522,828	(7,749,953)

21.03 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	Fair Value as on	Un-realized gain/ (loss)
		31.12.23	31.12.23	
BATBC	15,300	9,981,656	7,936,110	(2,045,546)
BATBC	19,700	10,298,642	10,218,390	(80,252)
BSCCL	4,600	1,062,001	1,006,940	(55,061)
BSCCL	580	128,885	126,962	(1,923)
BSRMLTD	28,000	2,958,732	2,520,000	(438,732)
GP	39,900	11,634,381	11,435,340	(199,041)
SQURPHARMA	27,000	5,972,370	5,678,100	(294,270)
SQURPHARMA	23,300	4,914,873	4,899,990	(14,883)
Total	158,380	46,951,540	43,821,832	(3,129,708)

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.

22.00 Cash and cash equivalents

Cash in hand	22.01	12,933,870	14,123,638
Cash at bank	22.02	59,806,921	102,219,354
		72,740,791	116,342,992

The management has furnished certificate confirming the position.

22.01 Cash in hand

Head office	36,517	36,897
Branch office	12,897,353	14,086,741
	12,933,870	14,123,638

22.02 Cash at bank

Fixed Deposit	6,500,000	16,500,000
Short term deposit	48,125,480	83,826,273
Current deposit	5,181,441	1,893,081
	59,806,921	102,219,354

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



Particulars	Amount in Taka	
	31-12-23	31-12-22

23.00 Expenses of management

(not applicable to any particular fund or account)

Board Meeting fee & expenses	340,400	378,050
Audit fees	1,177,500	373,750
Depreciation	20,568,298	18,098,276
Depreciation on right of use asset	8,561,039	8,922,548
Advertisement and publicity	493,268	2,044,333
AGM Expenses	51,445	-
Donation and subscription	305,000	650,000
Fine & Penalty	800,000	12,135,000
Consultancy	460,000	25,000
Corporate social responsibility	10,000	1,199,792
Legal and professional fees	3,050,287	4,341,540
Conference	2,152,967	4,147,179
Registration fees	1,790,805	1,025,499
Credit Rating Fee	139,750	139,750
IT Enable Service	305,445	-
Web page Development	236,276	808,724
	40,442,477	54,289,439

24.00 Finance Cost :

Interest on loan	239,500	-
Interest on Lease Liability	611,415	813,295
	850,915	813,295

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.

25.00 Investment & others income

(not applicable to any particular fund or account)

Interest /profit	36,077,551	33,040,593
Dividend income	3,130,473	2,920,637
Miscellaneous income	64,603	(245,244)
Other Income (PF Forfeiture)	1,641,618	-
Profit / (Loss) on sale of share	287,475	5,885,658
Profit / (Loss) on sale of assets	2,602,744	6,228,719
	43,804,465	47,830,363

26.00 Earning Per share (EPS)

The earning per share of the company is as follows:

A. Number of shares:

Shares outstanding at the beginning of the year	40,000,000	24,000,000
IPO during the year	-	16,000,000
	40,000,000	40,000,000

Weight:

Shares outstanding at the beginning of the year	100.00%	100.00%
IPO during the year	0.00%	58.63%

Weighted average number of shares:

Shares outstanding at the beginning of the year	40,000,000	24,000,000
IPO during the year		9,380,800
	40,000,000	33,380,800

B. Earnings attributable to shareholders

Earning attributable to ordinary share holders (profit after tax)	51,536,835	44,065,544
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Basic Earning per share [B/A]

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.

	1.29	1.32
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Particulars	Amount in Taka	
	31-12-23	31-12-22

27.00 Net Assets value per share (NAV)

Net asset value Per Share has been calculated on weighted average number of 400,00,000 shares outstanding as at December 31, 2023. Details calculations are as follows:

Net Assets	584,141,724	574,404,191
Paid up Capital	400,000,000	400,000,000
Reserve for exceptional losses	146,734,663	134,734,663
Reserve for unrealized gain/(Loss)	(12,805,763)	(13,050,319)
Revaluation Reserve	5,325,505	8,700,743
Profit or Loss Appropriation Account	44,887,319	44,019,104
Ordinary Share at 1st January	40,000,000	24,000,000
IPO Share issue	-	9,380,800
Weighted average number of ordinary shares outstanding during the year	40,000,000	33,380,800
Net asset value Per Share	14.60	17.21

28.00 Net operating cash flows per share (NOCFPS)

Net Operating Cash Flows Per Share(NOCFPS) has been calculated based on Weighted average number 40,000,000 shares outstanding during the period . Details calculation are as follows:

Net cash generated from operating activities	(1,336,998)	(44,407,975)
Weighted average number of ordinary shares	40,000,000	33,380,800
Net Operating Cash Flows per Share	-0.03	-1.33

Net Operating Cash Flows Per Share increased due to reduce payment for management expenses and others.

29.00 Reconciliation of net profit with cash flow from operating activities

Reconciliation of net profit to net operating cash flow

Net Profit before tax	76,098,755	66,071,693
Depreciation	29,129,337	27,020,824
Increase/(decrease) in provision for taxation	(20,146,037)	(22,647,218)
Increase/(decrease) in deferred tax	4,415,884	(641,068)
Increase/(decrease) the balance of fund	(51,111,965)	114,642,823
Increase/(decrease) the premium deposit	(23,834,454)	(78,449,281)
Increase/(decrease) of amount due to other person or body	22,486,388	(118,401,707)
Increase/(decrease) in estimated liabilities in respect of outstanding claims whether	(9,915,723)	(392,276)
Increase/(decrease) in sundry creditors	9,077,150	15,793,692
Increase/(decrease) in Lease Liability	(2,777,550)	(3,609,995)
(Increase)/decrease of stock of stamps	1,329,386	380,862
(Increase)/decrease of stock of printing	(134,318)	(201,924)
(Increase)/decrease in Advance, deposit & prepayment	5,105,495	10,680,614
(Increase)/decrease in Advance income tax	(18,972,712)	(30,843,870)
(Increase)/decrease of amount due from other person or body	(11,701,249)	(12,897,747)
(Increase)/decrease in interest outstanding	(10,385,385)	(10,913,398)
Net cash flow from operating activities	(1,336,998)	(44,407,975)

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

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

Employee position of the company as on 31st December 2023:

Salary (Monthly)	Total Employees
Below Tk. 3,000	0
Above Tk. 3,000	821
Total	821



Particulars	Amount in Taka	
	31-12-23	31-12-22

B. Remuneration of Directors, Managers, Executives and Officers

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

Empolyess	Amount in Taka	
	2023	2022
Directors	Nil	Nil
Executives	76,426,257	77,575,789
Managers	25,542,462	16,675,611
Officer	18,278,316	16,943,606
	120,247,035	111,195,006

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. Manwar-Uz-Zaman	Vice-Chairman	Nil	Nil	Nil
Mr. Aiman Barik Choudhury	Director	Nil	Nil	Nil
Mr. Javed Kaiser Ally	Director (Resigned on 16.04.23)	Nil	Nil	Nil
Ms. Farida Akhter	Director (Appointed on 16.04.23)	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 2023 to 31 December 2023

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 bene fits in cash or in kind statting	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 rettement from office	Nil	Nil

31.00 Premium less re-insurance

Class of Business	Gross Premium	Re-insurance accepted	Re-insurance ceded	Net premium 31.12.2023	Net premium 31.12.2022
Fire	220,666,485	-	92,318,907	128,347,578	136,441,655
Marine (Cargo)	542,735,262	-	64,250,679	478,484,583	597,348,941
Marine (Hull)	14,087,918	-	9,373,446	4,714,472	626,240
Motor	69,533,773	-	1,922,894	67,610,879	80,906,618
Miscellaneous	61,970,596	-	50,461,808	11,508,788	9,255,107
Total	908,994,034	-	218,327,734	690,666,300	824,578,561



Particulars	Amount in Taka	
	31-12-23	31-12-22

32.00 Claims under policies less re-insurance

Class of Business	Paid	Estimated liability	Previous period balance	Net claim 31.12.2023	Net claim 31.12.2022
Fire	23,677,762	38,734,609	32,800,000	29,612,371	(11,769,813)
Marine (Cargo)	11,309,953	4,797,339	15,626,441	480,851	14,686,973
Marine (Hull)	184,599	-	-	184,599	-
Motor	9,453,523	6,360,630	11,381,860	4,432,293	14,602,546
Miscellaneous	207,927	-	-	207,927	16,868
Total	44,833,764	49,892,578	59,808,301	34,918,041	17,536,574

33.00 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	
	31-12-23	31-12-22
Fire	136,561,507	183,099,341
Marine (Cargo)	335,876,765	280,673,445
Marine (Hull)	8,718,439	4,755,815
Motor	43,031,622	41,600,228
Miscellaneous	38,351,080	32,219,596
	562,539,412	542,348,425

34.00 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 disclosures all transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties, Details transactions with related parties and balances with them as at December 2023 are as follows:

Name of the related party	Relationship	Name of transaction	31.12.23		31.12.22	
			Premium earned	Claim paid	Premium earned	Claim paid
Aswad Composite Mills Ltd	Director's wife	Insurance	6,403,350	548,675	7,659,350	
Ayesha Clothing Co.Ltd	Director's wife	Insurance	2,606,526		2,914,398	
Arkay Knit Dyeing Mills Ltd	Director's wife	Insurance	2,361,715		5,747,479	
Safaa Sweaters Ltd	Director's wife	Insurance	6,342		92,418	
Nafa Apparels Ltd	Director's wife	Insurance	2,196,412	70,390	1,652,781	
K.M Apparels Ltd	Director's wife	Insurance	13,496		8,168	
Marina Apparels Ltd	Director's wife	Insurance	31,907	30,500	24,295	
Hamza Trims Ltd	Director's wife	Insurance	148,346		306,608	
Cortz Apparels Ltd	Director's wife	Insurance	20,091		209,003	
Hamza Clothing Ltd	Director's wife	Insurance	101,458		9,938	
Magnam Traders	Director's wife	Insurance	550		500	
Azmeri Composite Knit Ltd	Director's wife	Insurance	3,043			
Hamza Knit Dyeing Mills Ltd	Director's wife	Insurance	119,318			
Ayesha Fashion Ltd	Director's wife	Insurance	639			
Hamza Logistics Ltd	Director's wife	Insurance	1,577,712	230,500	4,121,694	
Navana Pharmaceuticals Ltd	Director	Insurance			3,481,280	815,725
Runner Lube & Energy Ltd	Shareholder	Insurance			244,545	
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	
			15,590,905	880,065	37,422,521	2,322,147



35.00 Board Meeting

During this year, the company had a Board of Directors consisting of 9 (Nine) members and held 6 (six) 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.

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

Attendance status of Board meeting of Directors

During the year 2023 there were 6 (Six) 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	6	6
Mr. Manwar-Uz-Zaman	Vice-Chairman	6	6
Mr. Aiman Barik Choudhury	Director	6	5
Mr. Javed Kaiser Ally	Director (Resigned on 16.04.23)	6	2
Ms. Farida Akhter	Director (Appointed on 16.04.23)	6	0
Ms. Nahid Zaman	Director	6	6
Mr. Mohammad Enayet Ullah	Director	6	1
Ms. Ainab Choudhury	Director	6	3
Mr. Ashim Chowdhury	Independent Director	6	6
Mr. Md. Omar-Bin-Harun Khan	Independent Director	6	2

36.00 Capital Expenditures Commitment

There was no capital expenditure commitment as at 31st December, 2023.

37.00 Claim not acknowledged as debt

There was no claim against the company acknowledged as debt as on 31st December, 2023.

38.00 Un-availed credit facilities

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

39.00 Contingent Liability

There was a demand of Tk. 426,394,563.00 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	61,274,711	1 st Appeal under process
2021	2022-23	-	Assessment under process
2022	2023-24	-	Return Submitted
Total		426,394,563	

40.00 Insurance Act Relevant Information

- a) During the year under review nothing was paid to the directors of the company other than board meeting and committee meeting attendance fee.
- b) 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.
- c) During the year nothing was earned as per premium against guarantees issued.

41.00 Events after Reporting Period

Board of Directors in its meeting held on 22 April, 2024 proposed 10% cash dividend for the year 2023 subject to approval of shareholders of the company in its forthcoming 27th Annual General Meeting.

42.00 Date of Authorisation

Financial statements of the company for the year ended December 31, 2023 were authorized by the Board for issue on 22 April, 2024 in accordance with a resolution of the Board of Directors of the company.



Meghna Insurance Company Limited
Form - XI

Statement Showing Details of Re-Insurance Ceded and Accepted for the year ended December 31, 2023


CLASS OF BUSINESS	PREMIUM				COMMISSION				CLAIMS					
	Received on		Paid on Re-Ins. Ceded		Received on Re-Ins. Ceded		Paid on Re-Insurance Accepted		Received on Re-Ins. Ceded		Paid ON Re-Insurance Accepted		NET	
	Direct Business	Out side B. desh	In B. desh	Out side B. desh	In B. desh	Out side B. desh	Direct Business	Out side B. desh	In B. desh	Out side B. desh	In B. desh	Out side B. desh		
FIRE														
Private	205,463,056	-	78,172,530	-	127,290,526	-	32,590,435	-	29,405,532	-	24,729,514	-	1,214,014	-
Public	15,203,429	-	14,146,377	-	1,057,052	-	1,618,886	-	1,618,886	-	173,498	-	11,236	-
Total	220,666,485	-	92,318,907	-	128,347,578	-	32,590,435	-	31,024,418	-	24,903,012	-	1,225,250	-
MARINE														
Private	521,259,425	-	44,474,315	-	476,785,110	-	75,159,287	-	12,071,968	-	21,371,555	-	10,686,398	-
Public	35,563,755	-	29,149,810	-	6,413,945	-	4,551,457	-	4,551,457	-	27,693,978	-	26,884,583	-
Total	556,823,180	-	73,624,125	-	483,199,055	-	75,159,287	-	16,623,425	-	49,065,533	-	37,570,981	-
MOTOR														
Private	67,131,209	-	1,523,488	-	65,607,721	-	10,189,862	-	9,632	-	10,978,239	-	1,626,568	-
Public	2,402,564	-	399,406	-	2,003,158	-	10,189,862	-	9,632	-	101,852	-	1,626,568	-
Total	69,533,773	-	1,922,894	-	67,610,879	-	10,189,862	-	9,632	-	11,080,091	-	1,626,568	-
MISC.														
Private	11,748,495	-	1,332,973	-	10,415,522	-	1,048,130	-	508,902	-	-	-	(149,951)	-
Public	50,222,101	-	49,128,835	-	1,093,266	-	3,893,144	-	3,893,144	-	2,083,640	-	2,025,664	-
Total	61,970,596	-	50,461,808	-	11,508,788	-	1,048,130	-	4,402,046	-	2,083,640	-	1,875,714	-
TOTAL														
Private	805,602,185	-	125,503,306	-	680,098,879	-	118,987,714	-	41,986,402	-	57,079,308	-	13,377,029	-
Public	103,591,849	-	92,824,429	-	10,567,421	-	118,987,714	-	10,073,119	-	30,052,968	-	28,921,483	-
GRAND Total	908,994,034	-	218,327,734	-	690,666,300	-	118,987,714	-	52,059,521	-	87,132,276	-	42,298,513	-
NET														
Private	23,515,500	-	-	-	3,184,903	-	-	-	-	-	-	-	-	-
Public	162,262	-	-	-	(1,618,886)	-	-	-	-	-	-	-	-	-
Total	23,677,762	-	-	-	1,566,017	-	-	-	-	-	-	-	-	-

 Company Secretary
 Chief Financial Officer
 Chief Executive Officer
 Director
 Chairman




Meghna Insurance Company Limited
Classified Summary of Assets Form "AA"
For the year ended December 31, 2023

Class of assets	Amount in Taka		Remarks
	31-Dec-23	31-Dec-22	
Investments in treasury bond			
i) Bangladesh Treasury Bond.	84,045,410	55,100,000	At Cost
(15 years Investment Bond @ 7.79% Interest)	9,000,000	9,000,000	
(5 years Investment Bond @ 7.70% Interest)	24,000,000	24,000,000	
(5 years Investment Bond @ 8.75% Interest)	16,000,000	16,000,000	
(10 years Investment Bond @ 7.1% Interest)	6,100,000	6,100,000	
(10 years Investment Bond @ 9.2% Interest)	15,125,629	-	
(5 years Investment Bond @ 10.35% Interest)	5,002,275	-	
(15 years Investment Bond @ 8.70% Interest)	8,817,506	-	
Amount due from other persons or bodies carrying on insurance business	147,572,267	135,871,018	Book Value
Cash, cash equivalent & short term investment:	616,231,571	669,797,846	
i) Short term investment	543,490,780	553,454,854	Book Value
ii) Cash at Bank	59,806,921	102,219,354	Book Value
iii) Cash in hand	12,933,870	14,123,638	Book Value
Interest and dividend receivable	29,995,996	19,610,611	Book Value
Advance, deposit and prepayments	207,765,938	200,052,692	Book Value
Property, plant and equipments	257,277,466	271,052,214	Written down value
Intangible Assets	131,222	164,028	Written down value
Right-of-use asset	13,208,103	16,655,988	Written down value
Stock of printing, stationery & stamps	2,084,314	3,279,382	Book Value
	1,358,312,288	1,371,583,779	



Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Dhaka, 22 April, 2024



Meghna Insurance Company Limited
Schedule of Fixed Assets
As at 31 December 2023

Sl. No.	Particulars	Cost			Revaluation			Amount Before Charging Dep	Closing Amount after Revaluation	Rate of Dep. (%)	Opening Balance	Depreciation			Written Down Value as on 31.12.2022
		Opening Balance	Addition during the period	Adjustment during the period	Opening Balance	Addition during the period	Adjustment during the period					Closing Balance	Written Down Value as on 31.12.2023		
1	Furniture and Fixture	16,747,405	156,214	94,455	16,899,164	7,998,805	10,998,513	16,899,164	10%	5,748,892	1,102,445	44,108	6,807,229	10,998,513	
2	Motor Vehicles	32,723,969	8,500,000	4,499,814	36,724,155	2,271,631	17,973,808	44,127,960	20%	24,420,597	5,117,775	4,220,051	25,318,321	17,973,808	
3	Motor Vehicles on HP	37,183,405	-	-	37,183,405	-	33,496,253	37,183,405	20%	3,687,152	6,699,251	-	10,386,403	18,804,639	
4	Office Decoration	25,320,010	40,743	100,431	25,360,322	-	12,707,426	25,360,322	20%	12,612,584	2,443,005	74,537	15,081,052	26,797,002	
5	Computer	5,167,157	88,969	-	5,256,126	-	1,511,787	5,256,126	30%	4,749,483	870,441	-	5,619,924	10,179,270	
6	Air Conditioner	10,149,733	180,280	156,384	10,179,299	-	4,243,829	10,179,299	20%	5,905,904	1,975,474	115,926	6,660,419	4,243,829	
7	Office Equipment	25,564,494	239,020	32,900	25,770,414	-	13,033,282	25,770,414	15%	12,531,212	1,678	11,719	14,694,967	13,033,282	
8	Crockeries	150,323	-	-	150,323	-	6,710	150,323	25%	143,613	-	-	145,291	6,710	
9	Land	162,045,034	-	-	162,045,034	-	162,045,034	162,045,034	0%	3,526,862	1,303,557	-	5,030,419	162,045,034	
10	Office Space	18,562,434	-	-	18,562,434	-	15,035,572	18,562,434	10%	77,832,186	20,287,739	4,466,341	89,653,584	15,035,572	
	Total-2022	333,613,964	9,202,166	4,883,884	337,699,246	2,271,631	7,998,805	334,531,051		87,549,654	18,057,441	33,174,909	77,232,186	271,052,214	
	Total-2023	377,629,344	44,386,614	38,401,994	333,613,964	10,891,931	771,495	343,284,400		87,549,654	18,057,441	33,174,909	77,232,186	271,052,214	

Schedule of Intangible Assets
As at 31 December 2023

Sl. No.	Particulars	Cost			Amortization			Written Down Value as on 31.12.2022
		Opening Balance	Addition during the period	Adjustment during the period	Opening Balance	Additional during the year	Adjustment during the period	
1	Software	994,000	-	-	994,000	829,972	32,806	164,028
	Total-2022	910,000	-	-	994,000	789,137	40,835	164,028
	Total-2023	994,000	-	-	994,000	829,972	32,806	164,028

Schedule of Right-of-use asset
As at 31 December 2023

Sl. No.	Particulars	Cost			Amortization			Written Down Value as on 31.12.2022
		Opening Balance	Addition during the period	Adjustment during the period	Opening Balance	Charged during the period	Adjustment during the period	
1	Right-of-use asset	28,228,871	6,095,706	8,708,123	25,820,454	8,561,039	7,721,571	13,208,103
	Total-2022	30,520,921	9,851,954	28,428,871	25,820,454	8,922,548	11,772,883	16,655,988
	Total-2023	30,520,921	9,851,954	28,428,871	25,820,454	8,922,548	11,772,883	16,655,988



Meghna Insurance Company Limited
Schedule of Bank Balance
As at 31 December 2023

Annexure - B
Amount in Taka

List of Short Notice Deposit

SL	Bank Name	Branch Name	Account Number	2023	2022
01	BASIC Bank Ltd	Main Branch	216-01-0000443	8,860,869	24,789,696
02	BASIC Bank Ltd	Main Branch	0216-01-0001531	18,977,307	12,353,445
03	NCC Bank Ltd	NCC Bhaban Branch	0103-032-5000535	14,995,099	17,844,955
04	Social Islami Bank Ltd	Corporate office Branch	127-136-0000-258	3,735,769	13,897,794
05	IFIC Bank Ltd	Gulshan Branch	180048947041	8,768	2,822,922
06	AB Bank Ltd	Kakrail Branch	4009-780993-430	-	69,187
07	UCBL	Gulshan Branch	541301000000666	1,529,630	-
08	Prime Bank	Foreign Exchange Br	2126318011379	18,037	12,048,274
Total				48,125,479	83,826,273

List of Current Deposit

SL	Bank Name	Branch Name	Account Number	2023	2022
01	BASIC Bank Ltd	Main Branch	0210-01-0012310	-	-
02	BASIC Bank Ltd	Main Branch	0210-01-0012297	199,485	245,795
03	BASIC Bank Ltd	Bogura Br	1210-01-0005302	1,993	1,061
04	BASIC Bank Ltd	Feni Br	721-01-0000-260	681	1,982
05	BASIC Bank Ltd	Jashore Br	1810-01-0015030	1,020	(411)
06	BASIC Bank Ltd	Jubilee Rd	1310-01-0003385	19,495	173,024
07	BASIC Bank Ltd	Kawran Bazar Br	3110-01-0007734	-	-
08	BASIC Bank Ltd	Main Branch	0210-01-0012304	2,486	671
09	BASIC Bank Ltd	Tan Bazar Br	1410-01-0003790	9	2,119
10	BASIC Bank Ltd	Main Branch	0210-01-0012281	1	290
11	NCC Bank Ltd	NCC Bhaban Branch	01030210004481	63,508	204,668
12	NCC Bank Ltd	Agrabad	0003-0210031336	1,564	942
13	NCC Bank Ltd	Banani Br	0050-0210009604	2,747	2,747
14	NCC Bank Ltd	Nawabpur Br	0047-0210039765	342	2,750
15	NCC Bank Ltd	Kadamtoli Br	00190210021492	2,564	4,106
16	NCC Bank Ltd	Dilkusha Br	0028-0210021339	6,632	1,415
17	NCC Bank Ltd	Elephant Rd	00430210014188	2,983	1,374
18	NCC Bank Ltd	faridpur br	0115-02-10001408	2,453	994
19	NCC Bank Ltd	Darus-Salam Br	01020210007881	2,843	5,033
20	NCC Bank Ltd	Bhaban Br	0103-0210004276	3,878	3,938
21	NCC Bank Ltd	Dilkusha Br	0028-0210021348	(3,050)	1,553
22	NCC Bank Ltd	Maghbazar Br	00110210031354	(1,766)	2,212
23	NCC Bank Ltd	Motijheel Main Br	00020210033657	1,522	897
24	NCC Bank Ltd	Mymensingh Br	00720210010990	4,414	892
25	NCC Bank Ltd	Bangshal Br	00220210022816	275	1,055
26	NCC Bank Ltd	Motijheel Br	0002-0210033675	-	768
27	NCC Bank Ltd	Foreign Exchange	0031-021-0024528	1,676	6,862
28	NCC Bank Ltd	Toynbee Br	0031-0210024537	-	1,307
29	NCC Bank Ltd	Foreign Exchange	0031-021-0024500	3,736	266
30	Social Islami Bank Ltd	Bagerhat	0881330006135	4,359	889
31	Social Islami Bank Ltd	Barishal Br	0731330005521	3,452	(151)
32	Social Islami Bank Ltd	corporate Br	1271330003495	98,940	104,258
33	Social Islami Bank Ltd	dewanhat br	0801330005809	1,388	492
34	Social Islami Bank Ltd	Joydebpur Chowrasta Br	1231330002433	4,806	2,261
35	Social Islami Bank Ltd	Moulvi Bazar Br	0101330015059	(2,700)	(8,747)
36	Social Islami Bank Ltd	Foreign Exchange	0181330018232	1,567	1,523
37	Social Islami Bank Ltd	Khatungong Br	0141330020735	8,018	2,298
38	Social Islami Bank Ltd	khulna br	0051330019159	915	(2,090)
39	Social Islami Bank Ltd	Kakrail Br	1031330002431	5,550	2,887
40	Social Islami Bank Ltd	Mohakhali Br	0701330007081	2,250	1,765
41	Social Islami Bank Ltd	Bangshal Br	0711330010794	448	892
42	Social Islami Bank Ltd	Gausia Br	0981330005877	1,112	1,028
43	Social Islami Bank Ltd	Foreign Exchange	0181330018287	92	(563)
44	Social Islami Bank Ltd	Rangpur Br	0681330006739	645	175
45	Social Islami Bank Ltd	Savar Br	0301330014692	545	2,075
46	Social Islami Bank Ltd	Tongi Br	0741330007355	759	1,850



47	Agrani Bank Ltd	Manikgonj Br	0200009018675	7,836	9,371
48	Islami Bank BD Ltd	Matuail Br	20507770101040600	2,068	2,068
49	Islami Bank BD Ltd	Kurigram Br	1950100262214	4,524	1,217
50	Mutual Trust Bank	Principal Branch	00020210034147	509,537	129,483
51	Premier Bank	Motijheel Branch	111-17656	4,167,627	516,557
52	Sonali Bank Ltd	NCTB Branch	1601402000657	30,679	451,664
53	Social Islami Bank Ltd	Pabna Br.	0751330008627	2,810	2,809
54	Social Islami Bank Ltd	corporate Br	1271330006443	3,138	-
55	Social Islami Bank Ltd	Principal Branch	0021330458064	(408)	760
Total				5,181,441	1,893,081

