

Annual Report *2018*



সোনার বাংলা ইন্স্যুরেন্স লিমিটেড
SONAR BANGLA INSURANCE LIMITED

Paramount Heights (14th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
Phone : 9574211-12, 9564086, 9571402 (PABX) Fax : +88-02-9569164
E-mail: sbi222@yahoo.com, Web : www.sonarbanglains.com

Company's Key Information

This is a Non-Life Insurance Company, incorporated as a Public Ltd. Company in Bangladesh in the year 2000 under the Companies Act 1994. The Company complies with Insurance Act. 2010 and directives as received time to time from IDRA, BSEC and others Regulatory Organisations.

The Company is listed with Dhaka and Chitagong Stock Exchange Limited as a Publicly Traded Company. The Company carries its insurance activities through 28 branches spread-over the Country.

Registered Name of the Company

Sonar Bangla Insurance Limited

Nature of Business

Non-Life Insurance Business

Chairperson

Sheikh Kabir Hossain

Chief Executive Officer

Md. Abdul Khaleque Miah

Asstt. Managing Director & CFO

A.B.M. Hasangir

General Manager & Company Secretary

Abdur Rouf Gomosta

Head of Internal Audit and Compliance

Mustafizur Rahman

Auditors

AHMAD & AKHTAR

Chartered Accountants

39, Dilkusha (4th floor), Dhaka-1000.

Compliance Auditors

Shafiq Basak & Co.

Chartered Accountants, Shatabdi Center (6th floor)

292, Inner Circular Road

Fakirapool, Dhaka-1000.

Registered Office

Paramount Heights (14th Floor)

65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000

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Fax

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E- Mail

sbi222@yahoo.com

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www.sonarbanglains.com

Subsidiary

Sonar Bangla Capital Management Ltd.

Paramount Heights (8th Floor)

65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000s



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Dear Valued Shareholders,
Assala-mu-alaikum

It is a great pleasure and a privilege for me to welcome you all on behalf of the Board of Directors of Sonar Bangla Insurance Limited in the 19th Annual General Meeting. I take the opportunity to present the financial performance of the Company for the year 2018.

The economy of Bangladesh is set to grow propelled by strong domestic demand, strengthening of exports, execution of large infrastructure projects, setting up of special economic zones and most importantly by the forthcoming initiatives in the energy sector. The Asian Development Bank (ADB), has made its growth forecast for developing Asian Countries at 6% in 2018 and 5.8% in 2019. But Bangladesh is able to attain its growth rate at 7.0% and 7.2% by failing the forecasting of ADB and established it to the category of one of the country with high growth rate in 2018 & 2019.

You will be happy to know that your Company is introducing new product for the interest of the Insured. Besides, in order to enhance business activities of the Company, we also welcome new idea or product which can be introduced as Insurance business.

The overall business performance of Sonar Bangla Insurance Limited for the year 2018 was satisfactory. As a result, your Company has been able to earn a good premium income in 2018 and maintain the growth of the Company which helps to increase its progress and success in 2018 with the guidance of the valued Shareholders, co-operation of the Board of Directors and with the tireless efforts of the experienced Management.

You will be happy to learn that during the year 2018, Sonar Bangla Insurance Ltd. has earn a gross premium of Tk 44,80,18,141/- where the underwriting profit stands at Tk 8,83,45,658/- and Net Profit before Tax stands at Tk. 9,51,69,563/- with a staggering sustainability. The Underwriting profit as well as Net profit of 2018 is satisfactory. The Board of Directors consistently monitor the state of affairs of the Company. Your Company has made sustainable progress in all areas of operation during this year.

You will also be happy to inform that Sonar Bangla Insurance Ltd. has been rated “AA” by upgrading its credit ranking which will help to procure more business and enhance the goodwill of the Company.

You know that risk is our business. An excellent risk management can mitigate it by their efficiency and keep the interest of the insured and achieve the success. Therefore we focus on customer service through a holistic relationship approach.

Your Company is working for the interest of its stakeholders. As always we shall give due attention to the suggestions of our respected shareholders. At last I have the pleasure to inform you that considering the overall situation of the industry and the company, your Board has recommended 6% cash & 6% Stock Dividend (Bonus Share) for the year-2018.

We would like to thank the Ministry of Finance, all our esteemed stakeholders, well-wishes, Insurance Development & Regulatory Authority (IDRA) who takes National Insurance Policy for developing the Insurance Industry, Bangladesh Bank, Bangladesh Insurance Association, Bangladesh Insurance Academy, Bangladesh Securities & Exchange Commission, Central Depository Bangladesh Limited, Dhaka Stock Exchange Ltd., our co-insurers and re-insurers for the support to the company. I am grateful to all of my colleagues on the Board for their valuable advices from time to time. I would also like to thank the members of staff for their loyalty and the devotion in maintaining the Company's high standard of business ethics.

Finally, I thank you all once again for placing your trust on us and I am confident your continued support and co-operation will lead Sonar Bangla Insurance Limited to grow further with professional excellence.

May Allah shower on us unending blessing at all times.


(Sheikh Kabir Hossain)
Chairperson



Dear Honorable Shareholders,

Assala-mu-alaikum

It gives me an immense pleasure to welcome you at the 19th Annual General Meeting of Sonar Bangla Insurance Ltd. I would like to express my heartfelt thanks to all of you for your active support for all times in this occasion.

The economy of Bangladesh started looking good since the very inception of the year 2018. The financial services including Insurance Company, initiated going ahead for the good economy. As a result, the financial conditions have upgraded with improvement of the country.

I would like to say a few words for the development of the Company. Since inception, Sonar Bangla Insurance Ltd. extended its continuous endeavor has increased Shareholders' interest to become the Company a financially sound organization. Moreover, your Board and Management have delivered their tireless and integrated efforts for achieving the goal.

All of you are well known that the Insurance market is very competitive where we render our vigorous initiatives to build-up our reputation for our potential clients by providing excellent services, particularly prompt settlement of claims and for this reason we put our utmost effort to maintain the overall outcome in good position.

Like previous years, the entire workforce of Sonar Bangla Insurance Ltd. put their good delivery to maintain the overall improvement. As a result, Sonar Bangla Insurance Ltd. has earned a satisfactory Gross Premium Income of Tk. 44,80,18,141/- in 2018 where Underwriting Profit is Tk. 8,83,45,658/- and Net Profit before Tax is Tk. 9,51,69,563/-

You will also be happy to know that M/s. Alpha Credit Rating Ltd. has upgraded the rating result of Sonar Bangla Insurance Ltd. to "AA". Rating "AA" is very positive which means the Company is able to settle very high claims with strong protection factors supported by good financial performance and sound solvency position, sound re-insurance arrangement and internal control etc. which will help to increase the business and image of the Company.

We always support our clients as they are the members of our family and extend all our co-operations and prompt service to them in an appropriate way. As a result our clients always repose their full trust on us. We always extend our technical support to our clients to cater their insurance requirements aiming at maximum benefit with appropriate cost.

We are ever grateful to all our regulatory bodies specially Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Bangladesh Bank and all Banks & Financial Institutions, Central Depository of Bangladesh Ltd. Bangladesh Insurance Association (BIA), Bangladesh Insurance Academy, Sadharan Bima Corporation for their continuous support, co-operation and encouragement. We are also grateful to our employees for their dedication and thoughtful work to develop the company continuously.

Sincerely thank to all our respected Shareholders, Clients for reposing their unshakeable trust and confidence in making the year 2018 a success, my sincere appreciation to the honourable members of the Board for their judicious guidance round the year and look forward to receive the same in future.

With best regards,

(Md. Abdul Khaleque Miah)
 Chief Executive Officer



COMPANY'S PROFILE

Sonar Bangla Insurance Limited (SBI) a Non Life Insurance Company was incorporated on March 14, 2000 as a Public Limited Company under the Companies Act, 1994 with the vision to become a premier non-life insurance Company. It obtained the certificate of registration for carrying insurance business from the Chief Controller of Insurance (Now IDRA) on April 26, 2000. The Company started its business with a paidup Capital of Tk. 6.00 crore against the authorized Capital of Tk. 20.00 crore being sponsored by group of re-noun business personalities and reported industrialist of the country having involvement diversified business. Presently its Authorized Capital is Tk. 100.00 crore and paidup Capital is Tk. 37,77,49,490/-

Mr. Sheikh Kabir Hossain is an eminent social personality in Bangladesh. He is the Hon'ble Chairperson of the Company and Chariman, Central Depository Bangladesh Ltd. as well as the President of the Bangladesh Insurance Association, Director FBCCI etc. He is former Chairman of Bangladesh Red Crescent Society and International Director (2005-2007) of Lions Club International Bangladesh, Vice-Chairman of Islamia Eye Hospital, Member of Board of Governors, Bangladesh Open University etc. Besides, he takes parts important role to take important policy making regarding different issues on financial matter of the Country with participation of Insurance Development and Regulatory Authority (IDRA).

Sonar Bangla Insurance Limited went into Initial Public Offering (IPO) in 2005 to raise its paidup Capital from 6.00 crore to 15.00 crore and listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in 2006. Sonar Bangla Insurance Limited obtained "AA" from Alpha Credit Rating Ltd. based on its sound financial performance and high claim paying ability. The Company has been operating its business with a network of 28 branches in different districts of the country.

Our objective is to prove our integrity and credibility to the clients by extending sincere and meritorious services to them. It is our vow to extend expert advice on prudent Underwriting of the client's insurance requirements and make expeditious settlement of Claim.

That's why, we always consider our clients as the member of our family and extend our all sorts of co-operations and prompt services to them in appropriate way. As a result our clients always repose their full trust on us. We always extend our technical support to our clients to cater their insurance requirements aiming at maximum benefit with appropriate cost.

The future plans of Sonar Bangla Insurance Limited not only development of new products and services, but also marketing activities aimed at tapping the hitherto untapped segments of the market. The Company is fully aware of its social responsibilities and would like to aim its future developments activities in the direction which bring insurance services and benefits to the reach of the common people of Bangladesh.

Historical Background



MAJOR EVENTS

Date of incorporation	14 March, 2000
Date of Registration from the Chief Controller of Insurance .	26 April, 2000
Listing with Dhaka Stock Exchange Ltd. (DSE)	
Listing with Chittagong Stock Exchange Ltd. (CSE)	15 January, 2006
First trading of shares at Dhaka Stock Exchange (DSE)	15 January, 2006
<u>Shareholding structure</u>	<u>Percentage(%)</u>
Directors	31.78%
Public Shareholders & Institutions	68.22%

CAPITAL

Authorized :	
10,00,00,000 ordinary shares of Tk. 10.00 each	Tk. 100,00,00,000
Paid-up :	
3,77,74,949 ordinary shares of Tk. 10.00 each	Tk. 37,77,49,490

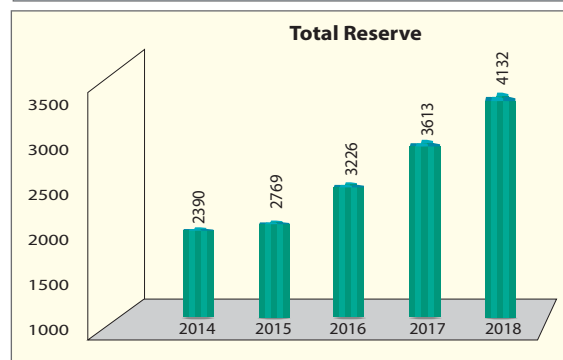
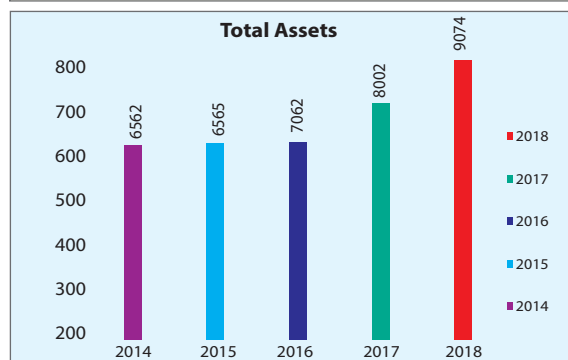
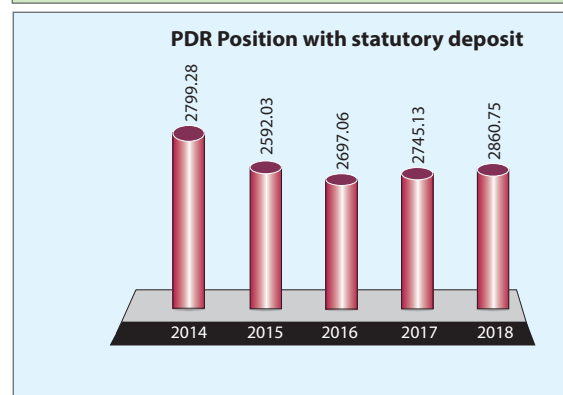
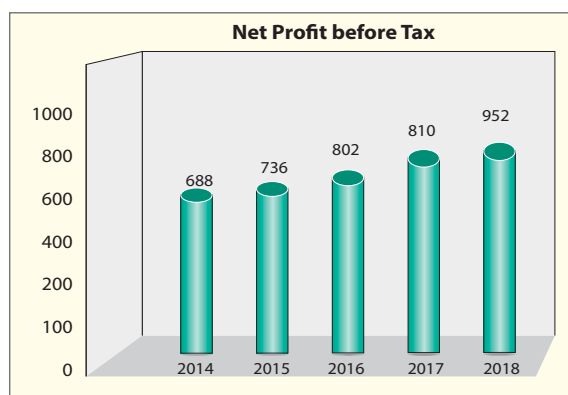
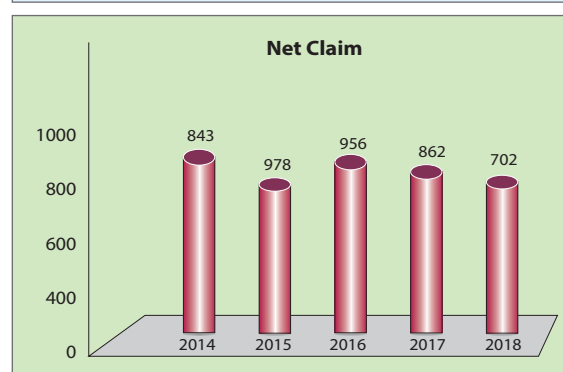
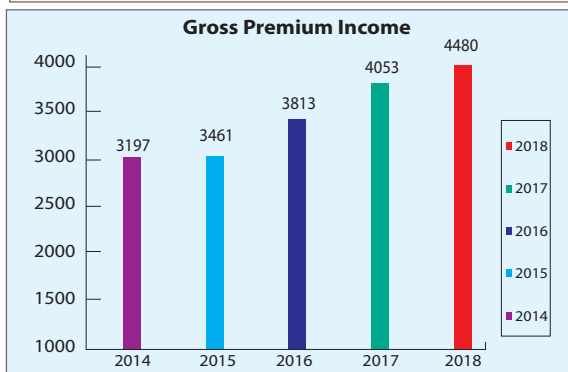
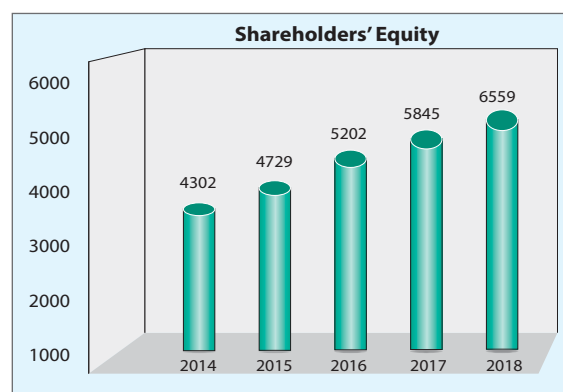
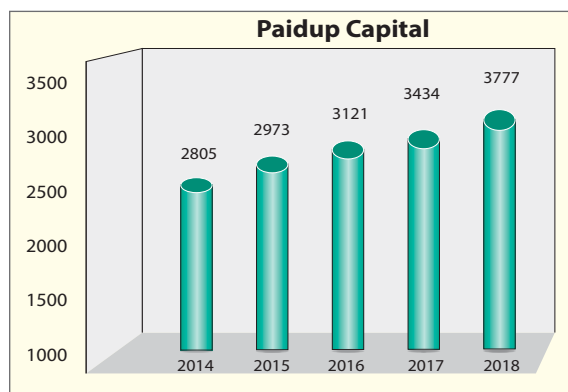
5 (FIVE) YEARS POSITION AT A GLANCE

Particulars		Year (Figure in lac)				
		2018	2017	2016	2015	2014
Paid up Capital		3777	3434	3122	2973	2805
Gross Premium Income		4480	4053	3813	3461	3197
Net premium Income		3376	2988	2803	2507	2176
Net Claim		702	862	956	978	843
Net Profit (Pre-Tax)		952	811	803	737	688
Dividend	Cash	6%	-	-	5%	6%
	Stock	6%	10%	10%	5%	6%
FDR Position with statutory deposit		2861	2745	2698	2592	2800
Reserve (Total)		4133	3613	3227	2769	2390
Assets (Total)		9074	8002	7062	6565	6562

Amount shown in Taka considering the present Number of Shares

Earning per Share (EPS)	1.65	1.30	1.35	1.31	1.23
Net Operating Cash Flow (NOCFS)	0.58	0.44	1.16	0.29	1.34
Net Asset Value (NAV)	17.36	15.47	13.77	12.52	11.39

Company's Position by Graphical Representation



Our Vision, Mission & Goal

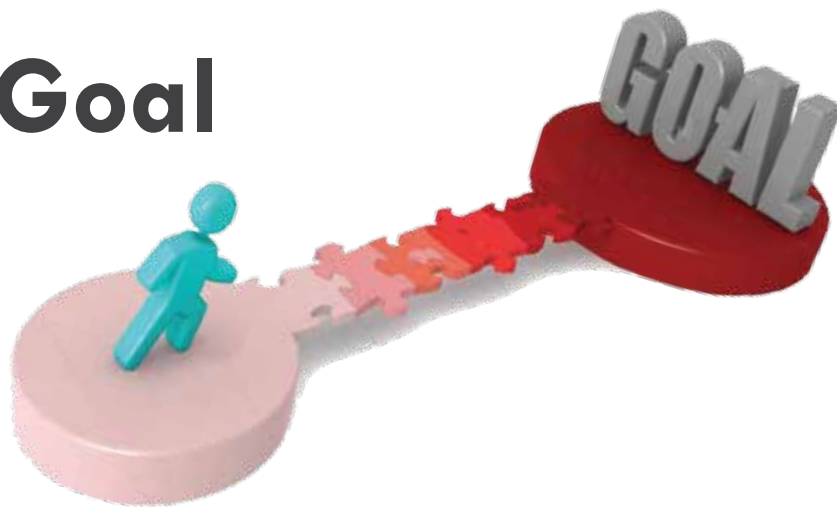
Vision

To Make the Company
an ideal institution and
create value for our
and Shareholders
and clients.

To make the Company
a glorious one by
becoming the most
caring one with
innovation dedication
dynamism and client
need based efficient
service.

Mission

Goal



- * To create trust and confidence amongst the insureds.
- * To create value added services for our clients.
- * To maximize our services for the clients.
- * To maximize profit of the Company.
- * To create a healthier environment for all our stakeholders.

OVER ALL STRATEGIC OBJECTIVES

We, at Sonar Bangla Insurance Ltd. realize that for us to prosper, we need to be flexible and responsive, to satisfy our clients by providing them with what they want, when they want it and most importantly before other competitors can offer it. It is important to recognize the elements that make our intangible resources, such as, our ability to relate to customers regarding their needs and wants, management style, corporate culture and commitment. These elements will differentiate us from our competitors and contribute towards the development of a sustainable competitive edge. Our corporate strategy and guiding principles rest firmly on this belief:

PROCESS FOCUS

- To have all products meet standard of excellence guidelines
- To continue improve internal process to realize efficiencies
- Improve system accuracy and responsiveness
- Improve organizational structure
- Improve performance measurement and reporting capability
- Reduce administrative overhead
- Improve financial analysis, controls, and audit capability

BUSINESS FOCUS

- Increase quality
- Implement changes faster
- Increase customer retention
- Increase customer loyalty
- Improve overall service and maximize market share
- Improve marketing, advertising and public relations
- Achieve and maintain outstanding customer service
- Continuously broaden customer database by obtaining new information on customer characteristics and needs

PEOPLE/LEARNING FOCUS

- To hire, develop and maintain the right people in right place
- Employee professionals who create success for customers
- Develop board set of skills useful for customer support
- To continue learn and adopt current best practices
- Transfer knowledge from leading-edge clients
- To align incentives and staff rewards with performance

OUR CORE VALUES

- Integrity
- Transparency
- Professionalism & Excellences
- Customer Focus
- Fairness
- Team Spirit
- Commitment
- Enthusiasm for work
- Business Ethics
- Quality
- Continuous self Improvement



OUR CORE STRENGTHS

- Professionally Strong Board of Directors
- Sound Capital Base
- Prompt Decision Making
- Efficient Team Work
- Customer Satisfaction
- Internal check & Control
- Professional & experienced Management
- Unique Corporate Culture
- Sound assets base
- Sound reserve base
- High claim paying ability

OUR CORE COMPETENCIES

- Knowledge
- Experience & Expertise
- Transparency
- Pursuit of Disciplined Growth Strategies
- Prompt claims settlement
- Adequate coverage from Re-Insurers from SBC.
- Reliability



BOARD OF DIRECTORS



Shahidul Islam Niru
Independent Director & Vice Chairperson
Sonar Bangla Insurance Ltd



Sheikh Kabir Hossain
Chairperson
Sonar Bangla Insurance Ltd
Chairman
Sonar Bangla Capital Management Ltd.
Central Depository Bangladesh Ltd.
President
Bangladesh Insurance Association
Chairman, Board of Trusty
Fareast International University
Managing Director
Cabico Limited
Former Chairman
Bangladesh Red Crescent Society
International Director (2005-2007)
Lions Club International
Vice Chairman
Islamia Eye Hopital
Member, Board of Governors
Bangladesh Open University



Al-haj Md. Shamsul Haque
Director & Ex-Chairman
Sonar Bangla Insurance Ltd
Chairman
Claxton Apparels & Textiles Ltd.
Butterfly Sewing Machine Mfg. Co. Ltd



Al-haj Md. Ruhul Amin
Director
Sonar Bangla Insurance Ltd.
Vice-Chairman
Sonar Bangla Capital Management Ltd.
Chairman & Managing Director
Comfort Group



Md. Rajjab Sharif
Director
Sonar Bangla Insurance Ltd.
Managing Director
Sharif Melamine Industries (Pvt.) Ltd
Sharif Housing Ltd.
Sharif Pharmaceuticals Ltd.



Ganga Charan Malakar
Director
Sonar Bangla Insurance Ltd.
Chairman
Venus Jewellers Ltd.
President
Bangladesh Jewellers Samity
Swarna Shilpa Samity
Vice Chairman
Banglaesh Gold (Pvt.) Limited
Member, FBCCI



Md. Motaleb Hossain
Director
Sonar Bangla Insurance Ltd.
Managing Director
MH Jute Mills Ltd.



Shahida Alamin
Director
Sonar Bangla Insurance Ltd.



Nargis Akter
Director
Sonar Bangla Insurance Ltd.
Sonar Bangla Capital Mgt. Ltd.



Kailash Chandra Barai
Director
Sonar Bangla Insurance Ltd.
Sonar Bangla Capital Mgt. Ltd.
Vice Chairman
Anuvab Bahumkhi Samabay Samity Ltd
Sree Sree Ramna Kali Mondir
Proprietor
Kalpana Jewellers
Member of the Executive Council
Bangladesh Jewellers Samity



Md. Haroon Kamal
Director
Sonar Bangla Insurance Ltd



Abul Kalam Azad
(Nominated by Modern Washing & Dyeing
Industries Limited)
Director
Sonar Bangla Insurance Ltd.



Farida Islam
Director
Sonar Bangla Insurance Ltd.



Delwar Hossain Raja
Director
Sonar Bangla Insurance Ltd.
Chief Advisor & Director
Gan-Bangla Television
Chairman
Raja Orchid Trade & Manufacturing Co. Ltd.
Tritech Computers & Engineers
Co-Chairman
Standing Committee on Electrical &
Electronics, FBCCI
Director
BCI (Bangladesh Chamber of Industries).



Mohammad Khairul Hassan
Director
Sonar Bangla Insurance Ltd.
Managing Director
Al-Hassan Diamond Gallery Ltd.
Al-Hassan Real Estate Ltd.



Md. Belal Hossain
Director
Sonar Bangla Insurance Ltd
Ha-Meem Group



Nesar Ahmed
Director
Sonar Bangla Insurance Ltd.
ATN Bangla, ATN News



Ehsan-E-Moazzam
Independent Director
Sonar Bangla Insurance Ltd



Dr. Bithi Rahman
Independent Director
Sonar Bangla Insurance Ltd



Sagorika Barai
Independent Director
Sonar Bangla Insurance Ltd

Chief Advisor to the Board



Quazi Sirajul Islam M.J.F
Managing Director
Amin Jewellers Ltd.
Director
Prime Bank Ltd.
Chairman
City Hospital Ltd

Board Committees

Audit Committee

01. Mr. Shahidul Islam Niru	Chairperson
Independent Director & Vice Chairperson	
02. Al-haj Md. Ruhul Amin	Member
Director	
03. Mrs. Shahida Alamin	Member
Director	
04. Mrs. Nargis Akter	Member
Director	
05. Mr. Md. Motaleb Hossain	Member
Director	
06. Mr. Ganga Charan Malakar	Member
Director	
07. Mr. Md. Haroon Kamal	Member
Director	
08. Mr. Delowar Hossain Raja	Member
Director	
09. Mrs. Sagorika Barai	Member
Independent Director	
10. Mr. Md. Abdul Khaleque Miah	Ex-Officio Member
CEO	

Nomination and Remuneration Committee

01. Mr. Ehsan-E-Moazzam	Chairperson
Independent Director	
02. Mr. Sahidul Islam Niru	Member
Independent Director & Vice Chairperson	
03. Al-Haj Md. Ruhul Amin	Member
Director	
04. Mrs. Shahida Alamin	Member
Director	
05. Mr. Kailash Chandra Barai	Member
Director	
06. Mr. Md. Motaleb Hossain	Member
Director	
07. Mr. Md. Haroon Kamal	Member
Director	
08. Mr. Delowar Hossain Raja	Member
Director	
09. Mr. Mohammad Khairul Hasan	Member
Director	
10. Mrs. Sagorika Barai	Member
Independent Director	
11. Mr. Md. Abdul Khaleque Miah	Ex-Officio Member
CEO	

Executive Committee

01. Al-haj Md. Shamsul Haque	Chairperson
Director	
02. Mr. Sahidul Islam Niru	Member
Independent Director & Vice Chairperson	
03. Al-Haj Md. Ruhul Amin	Member
Director	
04. Mrs. Shahida Alamin	Member
Director	
05. Mr. Kailash Chandra Barai	Member
Director	
06. Mrs. Nargis Akter	Member
Director	
07. Mr. Md. Motaleb Hossain	Member
Director	
08. Mr. Md. Haroon Kamal	Member
Director	
09. Mr. Delowar Hossain Raja	Member
Director	
10. Mr. Ehsan-E-Moazzam	Member
Independent Director	
11. Mr. Md. Abdul Khaleque Miah	Ex-Officio Member
CEO	

Claims Committee

01. Al-haj Md. Ruhul Amin	Chairperson
Director	
02. Mr. Sahidul Islam Niru	Member
Independent Director & Vice Chairperson	
03. Mrs. Shahida Alamin	Member
Director	
04. Mr. Md. Motaleb Hossain	Member
Director	
05. Mr. Kailash Chandra Barai	Member
Director	
06. Mr. Md. Haroon Kamal	Member
Director	
07. Mr. Delowar Hossain Raja	Member
Director	
08. Mr. Mohammad Khairul Hasan	Member
Director	
09. Mr. Md. Belal Hossain	Member
Director	
10. Dr. Bithi Rahman, Independent	Member
Director	
11. Mr. Md. Abdul Khaleque Miah	Ex-Officio Member
CEO	

Management Team



Chief Executive Officer
Md. Abdul Khaleque Miah

Additional Managing Director
Md. Wahiduzzaman
Md. Shahadat Hossain
Md. Nazim Uddin (Babul)

Deputy Managing Director
 Sheikh Quamrul Islam Bitu
 Bilkis Begum Maya
 Dipak Kumar Lala
 Md. Azizul Hoque

Asstt. Managing Director & CFO
A.B.M. Hasangir

Asstt. Managing Director
Hasina Akter Shapna
Emranul Hoque Chowdhury
Md. Shahjahan Mollah
Chowdhury Md. Yeaheya
Md. Kamal Sikder

Senior General Manager
Md. Aroj Ali Miah
Md. Jamal Uddin Hera

General Manager & Company Secretary
Abdur Rouf Gomosta

General Manager & Head of U/W & BCD
Md. Gulam Murtuza

Head of Audit
Mustafizur Rahman

Head of Claims
Syed Kamruzzaman

Head of IT
Golam Mahmud

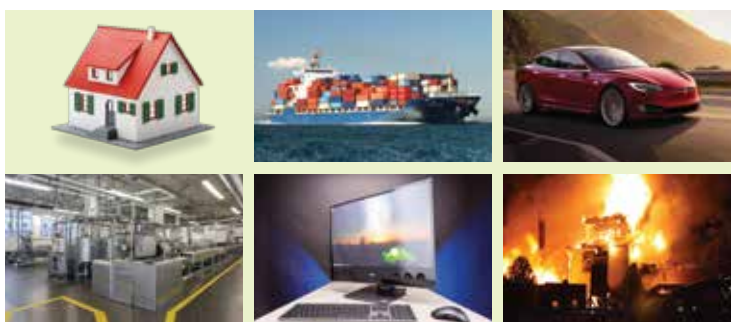
General Manager
Md. Hafiz Ullah
Md. Dulal Miah Munshi
Md. Anwaruzzaman
Md. Delower Hossain
Md. Nazrul Islam Monto
K.U.M. Mehbub Elahi
Md. Gias Uddin
Md. Yeasin Ali
Md. Fasiuzzaman Khan

Sr. Deputy General Manager
Md. Nashir Uddin
Md. Tafiqur Rahman
Md. Rezaul Karim

Asstt. General Manager
S.M. Mahfuz-Ur- Rahman
Razia Sultana

Senior Manager
Md. Neamul Aziz Khan
Md. Saiful Islam

Products that we offer



The Company deals in Fire, Marine, Motor and all kinds of Miscellaneous Insurance. The company underwrites risks involved in trade and Properties and thus provides their security through insurance and reinsurance services. Some of our popular Insurances are as follows:

Motor Insurance (Comprehensive/ Act Liability)

- Motor Insurance for Commercial Vehicle
- Motor Insurance for Private Vehicle
- Motor Insurance for Cycle/Scooter

Fire Insurance

- Fire Insurance (including Allied Perils)
- Industrial All Risks (IAR)
- Fire Insurance Consequential Loss
- Fire Insurance Dwelling, House and Contents
- Fire Insurance Hotel Combined

Marine Cargo Insurance

- Marine Cargo Insurance transit by Steamer or Powered Vessel (Import/Export)
- Marine Cargo Insurance transit by Rail/Lorry/Truck (Import/Export)
- Marine Cargo Insurance transit by Inland Rail or Road Conveyance
- Marine Cargo Insurance transit by Inland Cargoes (water borne)
- Marine Cargo Insurance transit by Air Cargo (Import/Export)

Marine Hull Insurance (TLO & TC)

Engineering Insurance

- Machinery Insurance (Machinery Breakdown)
- Deterioration of Stock (Dos)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection All Risks (EAR)
- Contractor's All Risks (CAR)
- Engineering Insurance Consequential Loss

Miscellaneous/Accident Insurance

- Burglary & House Breaking Insurance
- Cash in safe (CIS)
- Cash in Transit (CTT)
- Cash on counter (COC)
- People Personal Accident (PPA)
- Workmen's Compensation (WC)
- Business Interruption
- Fidelity Guarantee Insurance
- Personal Accident (PA)
- Public Liability (PL)
- Professional Liability

Activities of SBIL in Pictures



Partial view of 18th Annual General Meeting.



Partial view of 18th Annual General Meeting, where Honorable Shareholders are seen.



Partial view of 18th Annual General Meeting, where Honorable Shareholders are seen.



A Honorable Shareholder give his speech in the 18th Annual General Meeting.



Honorable Shareholders Congratulats Mr. Sheikh Kabir Hossain in 18th Annual General Meeting, where Honorable Directors are seen.



Mr. Sheikh Kabir Hossain, Honorable Chairperson of the Company is presiding over the meeting of the Board of Directors.

Activities of SBIL in Pictures



Mr. Sheikh Kabir Hossain, Honorable Chairperson of the Company is handing over the award to Mr. Md. Abdul Khaleque Miah, CEO of the Company.



Mr. Sheikh Kabir Hossain, Honorable Chairperson of the Company is handing over the award to Mr. Md. Wahiduzzaman, Addl. Managing Director, Motijheel Branch, Dhaka.



Mr. Md. Khairul Hasan, Honorable Director of the Company is handing over the award to Mr. Md. Shahadat Hossain, Addl. Managing Director, Imamgonj Branch, Dhaka. Honorable Chairperson Mr. Sheikh Kabir Hossain & other Directors are seen.



Mr. Shahidul Islam Niru, Honorable Vice-Chairperson of the Company is handing over the award to Mrs. Bilkis Begum Maya, Dy. Managing Director, Local Office, Dhaka.



Mr. Dipak Kumar Lala, Dy. Managing Director, Khatungonj Branch, Chattogram, taken over his award in Annual Branch Incharges conference.



Mr. Md. Motaleb Hossain, Honorable Director of the Company is handing over the award to Mr. Md. Azizul Hoque, Dy. Managing Director, Agrabad Branch, Chattogram.

Activities of SBIL in Pictures



Mr. Sheikh Kabir Hossain, Honorable Chairperson of the Company is handing over the award to Mr. Md. Shahjahan Mollah, Asst. Managing Director, Nayapaltan Branch, Dhaka.



Al-Haj Md. Ruhul Amin, Honorable Director & Chairperson of Claims Committee of the company is handing over a cheque for settlement of a claim. Honorable Chairperson, Vice-chairperson & CEO are seen.



Mr. Md. Abdul Khaleque Miah, CEO of the company is handing over a cheque for settlement of a claim. Honorable Vice-chairperson & Directors are seen.



Mr. Md. Abdul Khaleque Miah, CEO of the company is handing over a cheque for settlement of a claim. CFO, Head of claims & underwriting are seen.



Mr. Md. Abdul Khaleque Miah, CEO of the company is handing over a cheque for settlement of a claim. CFO, Head of claims & Branch Incharge of VIP Road Branch are seen.



Mr. Md. Abdul Khaleque Miah, CEO of the company is handing over a cheque on Corporate Social Responsibility (CSR) activities. CFO, CS & Head of Underwriting are seen.

Activities of SBIL in Pictures



Partial view of Doa Mahfil on 15th August National Mourning day, where Honorable Chairperson, Vice-Chairperson, Directors, CEO and other Officials are seen.



Partial view of Iftar & Doa Mahfil of the company, where Honorable Chairperson, Vice-Chairperson, Directors, CEO and other Officials are seen.



View of get-together of Branch Incharges & Head Office Executives, where Honorable Vice-Chairperson, Director and CEO are seen.



Upadhakka Abdus Shahid, Honorable MP Handing over khoda Box Bank Bima Award to Mr. Md. Abdul Khaleque Miah, CEO of Sonar Bangla Insurance Limited for best Annual Report-2017 of the Company.



Mr. Sheikh Kabir Hossain, Honorable Chairperson of the Company offered flowers at the mazar of father of the nation Bangabandhu Sheikh Mujibur Rahman in Tungipara of Gopalganj.



Mr. Md. Abdul Khaleque Miah, CEO of the Company offered flowers at the mazar of father of the nation Bangabandhu Sheikh Mujibur Rahman in Tungipara of Gopalganj.

 Sonar Bangla Insurance Ltd.

Paramount Heights (14th Floor), 65/2/1. Box Culvert Road, Purana Paltan, Dhaka -1000.

**Notice of the 19th Annual General Meeting
&
Price Sensitive Information**

Notice is hereby given that the 19th Annual General Meeting of **Sonar Bangla Insurance Ltd.** will be held on Tuesday the 2nd day of July, 2019 at 11:00 am at Institution of Diploma Engineers Bangladesh 160/A, Kakrail, Dhaka to transact the following business.

01. To receive, consider and adopt the Directors' Report and the Audited Accounts of the Company and Auditors Report thereon for the year ended 31st December, 2018.
02. To declare Dividend for the year, 2018.
03. To appoint Auditors for the year 2019 and fix up their remuneration.
04. To appoint Compliance Auditors for the year 2019 and fix up their remuneration.
05. To elect Directors as per Articles of Association of the Company.
06. Approval appointment of Independent Directors.

By order of the Board of Directors

sd/-

Dated, Dhaka 27th April, 2019

(Abdur Rouf Gomosta)

Company Secretary

NOTES :

- i. The Board of Directors in its meeting held on 27/04/2019 has recommended **6% (six percent) Stock Dividend (bonus share) & 6% (six percent) cash Dividend** for the year, 2018.
- ii. EPS Tk. 1.65, NAV per share Tk. 17.36, NOCF per share Tk. 0.58
- iii. The Record date shall be on 27/05/2019. The Shareholders whose names would appear in the Register of members of the Company or Register of CDBL on the Record Date' will be eligible to attend the 19th AGM and receive dividend as approved.
- iv. A member of the Company entitled to attend and vote at the above Annual General Meeting may appoint a proxy who shall also be a member of the Company to attend and vote on his/her behalf.
- v. As per the above Agenda No. 05 nominations in prescribed form are invited from the eligible Shareholders expressing his/her willingness to contest the election of Directors.
 - a) Last date of submission of nomination paper is on 30/05/2019 and last date of withdrawal of candidature is on 11/06/2019
 - b) Nomination papers and criteria for qualification of the Directors and other information are available on request at the Registered Office of the Company during Office hours.

As per Bangladesh Securities and Exchange Commission's Circular No SEC/CMRRCD/2009-193/154 dated October 24, 2013, "no benefit in cash or kind other than in the form of Dividend (i.e.No Food/Box/- Gift Coupon etc)"to be distributed at the 19th AGM.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ২৪ অক্টোবর, ২০১৩ তারিখের প্রজ্ঞাপন নং এসইসি/সিএআরআরসিডি/২০০৯-১৯৩/১৫৪ আলোকে আসন্ন বার্ষিক সাধারণ সভায় কোনো প্রকার আপ্যায়ন বা উপহারের ব্যবস্থা থাকবে না।

**REPORT OF THE BOARD OF DIRECTORS OF
SONAR BANGLA INSURANCE LIMITED
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

Bismillahir Rahmanir Rahim.

Dear Shareholders,

Assalamualaikum,

The Board of Directors of Sonar Bangla Insurance Ltd. and personally I myself express my heartfelt gratitude and thanks you all in the 19th Annual General Meeting and present before you the 18th Annual Report alongwith the audited accounts and auditors' report thereon for your consideration & adoption.

Reference :

This Report of the Board of Directors of your Company has been prepared in compliance with provisions of section 184 of the Companies Act, 1994 and follow the Corporate Governance Code Issued by Bangladesh Securities and Exchange Commission on 3rd June, 2018 and applicable relevant laws & rules.

01. Background :

Sonar Bangla Insurance Limited was incorporated as per Company Act, 1994 as a Public Limited Company on 14th March, 2000 with a Paid up Capital of Tk. 6.00 (six) crore. The Company obtained its registration from the Department of Insurance, Government of the Peoples' Republic of Bangladesh (now Insurance Development and Regulatory Authority) on 26th April 2000 and started its operation for underwriting Fire, Marine, Motor and Miscellaneous Insurance Business.

02. Economy & Insurance Industry :

Global Economy

The Global Economic growth in 2018 was 3.1%. It has been forecasted the growth rate for 2019 and 2020 shall be at 3.5% and 3.6% respectively. The economic growth rate of developed countries has expanded, as a result the un-employment rate has been decreased. The growth rate of South Asia zone is also in a strong position due to for increase their export try to sustain their economy as stable. It has been possible to achieve the growth of developing countries of Asia in 2018 which forecasted of Asian Development Bank (ADB).

Bangladesh Economy :

In 2018, Bangladesh has been able to achieve its growth 7.3%. As a result, Bangladesh economy has took place its position as one of the resilient emerged and prospective economy. Bangladesh is now considering as 11th emerging market being middle class economy. For achieving this significant growth of Industry, Agriculture and service sector act as a prime momentum. Besides, favourable foreign remittance collection enriched the economy of Bangladesh. As a result, infrastructural development has also been performed a lot. For this favourable economic situation total Growth Domestic Product (GDP) has been increased a lot than previous years.

Insurance Industry :

Insurance Industry has been able to sustain its growth in 2018 due to the industry sector was favourable. Total amount of premium of the insurance industry of the current world strands at 4,891.7 billion dollar. Out of these, the premium of General Insurance i.e non-life Insurance is counted at 2,234.4 billion dollar. In Bangladesh

the non-life insurance premium is more than Tk. three thousand crore now a days. Insurance Industry of Bangladesh divided into two sectors, which are as Life and Non-Life Insurance Company. There are 46 non-life insurance companies alongwith a state owned company named Sadharan Bima Corporation. The increase of premium income of private sector was 13.40%, which is more than that of 2017 significantly. Accordingly the growth of Sonar Bangla Insurance Ltd. is also satisfactory as prescribed by insurance Development and Insurance Authority (IDRA) consequently take their positive steps to operate the insurance business to run within a certain rules and also try to bring a sound and disciplined environment in the insurance sector under a common umbrella. To execute the Insurance Act, 2010, Sonar Bangla Insurance Ltd. is very much cautious and trying to complying the steps taken by IDRA with cordially.

03. Operational Result :

For kind information of the shareholders, I would like to submit precise report on the activities of the Company for the year, 2018.

Particulars		2018	2017
Gross Premium	Tk.	44,80,18,141	40,53,16,975
Re-Insurance Premium ceded	Tk.	11,04,06,304	10,65,52,624
Net Premium less Re-Insurance	Tk.	33,76,11,837	29,87,64,351
Income from Investment	Tk.	1,96,63,199	1,52,85,872
Net Profit before Tax	Tk.	9,51,69,563	8,10,73,626
Reserve for Unexpired Risk	Tk.	13,50,68,704	12,02,14,933
Reserve for contingency	Tk.	27,81,83,538	24,11,26,220

CLASSWISE BUSINESS PERFORMANCE FOR THE YEAR, 2018

Particulars	Fire Taka	Marine Taka	Motor & Misc. Taka	Total -2018 Taka	Total -2017 Taka
Gross Premium	25,37,57,698	9,39,94,338	10,02,66,104	40,80,18,140	40,53,16,975
Less : Re-Ins. Premium	4,79,35,368	2,74,36,775	3,50,34,161	11,04,06,304	10,65,52,624
Net Premium (a)	20,58,22,330	6,65,57,564	6,52,31,943	33,76,11,837	29,87,64,351
Add : Comm. earned on Re-Ins. Ceded (b)	1,99,43,333	76,12,859	84,83,306	3,60,39,498	2,56,24,851
Less : Claim Less Re-Insurance (c)	5,19,64,583	83,78,042	99,53,823	7,02,96,448	8,62,06,721
Less : Agency Com. (d)	4,40,24,627	1,36,38,197	1,05,76,658	6,82,39,482	5,87,67,558
Less : Management Exp. (e)	7,47,17,275	2,76,76,011	2,95,22,691	13,19,15,977	9,66,80,128
Less : Reserve for unexpired claims (f)	8,23,28,932	2,66,46,995	2,60,92,777	13,50,68,704	12,02,14,933
Add : Reserve for unexpired claims (g)	5,72,42,341	4,47,76,416	1,81,96,177	12,02,14,933	11,46,06,479
Underwriting Profit/(Loss) (a+b-c-d-e-f+g)	2,99,72,587	4,26,07,594	1,57,65,477	8,83,45,658	7,71,26,341

PROFIT & LOSS ACCOUNT:

The Company earned a net profit before Tax of Tk. 9,51,69,563/- for the year, 2018, the account is as under :

Particulars	2018 Taka	2017 Taka
Income from Investment	1,59,97,664	1,39,79,959
Add : Miscellaneous Income	-	68,379
Less : Loss of Disposal from Fixed Assets	-	-
Add : Profit from share trading	36,65,535	13,05,913
Add : Underwriting profit /loss	8,83,45,658	7,71,26,341
Total	10,80,08,857	9,24,80,589
Less : Management Expenses (Not applicable to any particular fund or account)	1,28,39,294	1,14,06,963
Profit before taxation	9,51,69,563	8,10,73,626

PROFIT & LOSS APPROPRIATION ACCOUNT

Current year's Net profit	9,51,69,563	8,10,73,626
Add : Opening Balance	3,90,02,945	3,91,00,781
Total	13,41,72,508	12,01,74,407
Less : The Net Profit account has been appropriated as under :		
Reserve for exceptional losses	3,37,61,184	2,98,76,438
Provision for Taxation	2,03,59,809	1,99,51,064
Stock Dividend Paid into Capital	3,43,40,860	3,12,18,960
Deferred Tax	1,30,000	1,25,000
Balance Carried to Balance Sheet	4,55,80,655	3,90,02,945
Total	13,41,72,508	12,01,74,407

04. Assets and Reserve :

During the year total assets of the Company is Tk. 90,74,09,176/- which was Tk. 80,02,06,202/- in the year-2017 that means assets increased Tk. 10,72,02,974/- in 2018 against 2017. Further more the reserve of the Company has also increased. The reserve was Tk. 36,13,41,153/- in 2017. By increasing the reserve it stood at Tk. 41,32,52,242/- in 2017 i.e. the reserve has increased Tk. 5,19,11,089/- in 2018 against 2017.

Details as under:

Particulars	2018	2017	Increased/(Decreased)
Total Assets	90,74,09,176	80,02,06,202	10,72,02,974
Total Reserve	41,32,52,242	36,13,41,153	5,19,11,089

05. Investment :

Including Statutory Deposit of Tk. 2,50,00,000/- in the form of National Treasury Bond, investment like Fixed Deposit (FDR), Shares and amount lying with different STD and CD accounts with schedule Banks total investment of the Company is Tk. 39,61,04,539/- in 2018 which was Tk. 38,73,45,852/- in 2017.. The position of Investment at cost is as under :

Particulars	2018 Taka	2017 Taka	Increased/ (Decreased)
National Investment Bond	2,50,00,000	2,50,00,000	-
Fixed Deposit with various Banks	26,10,53,790	24,95,13,841	1,15,39,949
Balance in different STD & CD Accounts	1,65,19,007	1,54,05,281	11,13,726
Investment of Shares (at fair value)	1,58,22,817	1,97,17,805	(38,94,988)
Investment (subsidiary)	7,77,08,925	7,77,08,925	-
Total	39,61,04,539	38,73,45,852	87,58,687

N.B. : Investment in Shares have been shown in Balance Sheet as per market price according to BAS-39 of BFRS.

06. Compliance of Accounting Standards :

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and any other International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh. The Board of Directors of Sonar Bangla Insurance Limited believe the above systems..

07. Subsidiary Operations :

Sonar Bangla Insurance Ltd. has a subsidiary organization named “**Sonar Bangla Capital Management Limited (Merchant Bank)**” and the company holding the percentage of shares of its 59%. A detail of the annual business operation of accounts of this organization has been given alongwith this annual report.

08. Extraordinary Gain/(Loss) :

You are aware that Sonar Bangla Insurance Ltd. has formed a subsidiary company in 2012 named **Sonar Bangla Capital Management Ltd. (Merchant Bank)**. You will glad to know that the subsidiary company has earned a Net profit after Tax of Tk. 1,05,03,401/- in 2018. As a result Sonar Bangla Insurance Ltd. will get the profit share of 59% after distribution being Parent Company.

09. Dividend :

Dear Shareholders,

Considering the overall operational result of the Company for the year 2018, the Board of Directors of Sonar Bangla Insurance Ltd. has recommended 6% Cash & 6% Stock Dividend (Bonus Share).

10. Retirement and Election of Directors :

In accordance with the provision of clause 111 & 112 of the Articles of Association of the Company, the following 04 (four) Directors from ‘Group-A’ shall retire and being eligible may offer themselves for re-election as per provision of clause 113 of Articles of Association of the Company.

- Mr. Kailas Chandra Barai
- Mrs.Nargis Akter.
- Mr. Abul Kalam Azad
(Nominated by Modern Washing & Dying Industries Ltd.)
- Mrs. Farida Islam.

Also as per Articles of Association of the Company, the following 02 Directors from ‘Group- B’ shall retire and will be elected as per rules.

- Mr. Delowar Hossain Raja
- Mr. Nessar Ahmed

11. Independent Directors :

To comply with the BSEC's direction, your company has appointed 04 (four) Independent Directors compared with the size of the Board. On December 31, 2018 the 04 Independent Directors were as under:

- a) Mr. Shahidul Islam Niru
- b) Mr. Ehsan-E-Moazzem
- c) Dr. Bithi Rahman
- d) Mrs. Sagorika Barai

Out of the above 04 Independent Directors, Mr. Shahidul Islam Niru, Mr. Ehsan-E-Moazzem, Dr. Bithi Rahman have completed their 2nd term consecutively 02 tenures on May 06, 2019 and as per rule there is no scope to appoint them as Independent Directors. Considering the above situation, the Board has appointed 03 new Independent Directors in the vacant and placed it before the today's Annual General Meeting for approval.

12. Human Resources :

Your Board of Directors believe that efficient man power have a important role to develop and achieve the organizational goal. The prime condition of a qualitative job is to increase the efficiency and the positive attributes of the employees. For the betterment of the organization, it is necessary to obtain the professional skill and practical training is also important in addition to educational competency. For this reason, manpower are trained in a effective manner to increase the image and representation of the Company. So your Company is being improved day by day.

13. Appointment of Auditor :

The present Auditor of the Company M/s. Ahmad & Akhtar, Chartered Accountants retires in this Annual General Meeting. The Board of Directors recommended M/s. G. Kibria & Co., Chartered Accountants for appointment as Auditor at a fee of Tk. 75,000/- for the year-2019 as per their consent of expression.

14. Appointment of Compliance Auditor :

As per Corporate Governance Code issued by BSEC on 03 June, 2018 The Board of Directors recommended M/s. Shafiq Basak & Co., Chartered Accountants for appointment as Compliance Auditor at a fee of Tk. 10,000/- for the year-2019 as per their consent of expression.

15. Result of Credit Rating :

Alpha Credit Rating Ltd. has rated the Sonar Bangla Insurance Ltd. "AA" considering the gradual development on the financials statement of the Company on relevant qualitative and quantitative information. The rating reflects good claim paying ability, prudent underwriting and good financial performance etc. of the Company. The Board of Directors expressed their satisfaction for improving the result "AA" and believes that the overall development of the company to be continued and the result of Credit Rating shall increased which will help to develop the business and image of the Company day by day.

16. Re-Insurance :

The Company has its reinsurance treaty with Sadharan Bima corporation for the interest of clients. Based on the treaty the Company can underwrite any risk of whatever dimension.

17. Board of Directors & Committees :

The Size of the Board of Directors is as per limit prescribed by the Corporate Governance Code issued on

June 03, 2018 by BSEC to comply to keep the Directors within the limit & constituted of Audit and Nomination & Remuneration Committee (NRC) as sub-committee of the Board. Besides this, the Executive & Claims Committee also continue their activities as Sub-Committee.

AUDIT COMMITTEE :

Audit Committee has been constituted an Independent Director as Chairperson. The Committee consisted of 09 Members. The Committee conducts their affairs as per direction of the Corporate Governance Code of BSEC. The Report on the Audit Committee has been shown at page no. 63

NOMINATION & REMUNERATION COMMITTEE (NRC) :

Nomination & Remuneration Committee (NRC) has been constituted an Independent Director as Chairperson. The Committee consisted of 10 Members. The Committee shall conducts their affairs as per direction of the Corporate Governance Code of BSEC.

18. Outlook - 2019 :

The Board of Directors expect the Company shall achieve more business and profit in 2019 than 2018. To attract the clients, the Board try to build up the more efficiency of the employees, introduce quality service, prompt claim settlement, controlling costs, prudent underwriting, and proper Investment. The Board believes that execution the above activities can help to more business- 2019 and onward.

19. Corporate Social Responsibility (CSR) Activities :

Sonar Bangla Insurance Limited continuously extended its Corporate Social Responsibility Activities. There were no exception of 2018. Corporate Social Responsibility Activities is the part of corporate governance. The Board of Directors of Sonar Bangla Insurance Limited is very careful of Corporate Social Responsibility Activities. To strengthen the Corporate Social Responsibility, the company financial help to brilliant students and donates its substantial funds to sick and helpless affected peoples.

20. Risk Concern :

Without risk a business will not run. Any kinds of business related with risk. Risk is very much concerned with Insurance Business. So, Sonar Bangla Insurance Limited is cautious enough to investment of its fund & internal control to mitigate the risk. As a result, the wealth maximization of the company in a effective manner. The Board of Directors and all kinds of officials/staff are concerned about the matter.

21. Information Technology (IT):

Information technology is now used in the world for easy the living standard of human being and quick services. Bangladesh is also not below standard than that of others. Our Country is also doing the best to modernize the information technology. On the basis of it, Head Office is now fully worked in computerized system. All Branches of the Company are also to bring on line connectivity service. We are trying for our customer to deliver our best level for new technology. We hope that E-mail server shall be installed as soon as possible and it will be introduced online payment to develop the customer service.

22. Corporate Governance :

The Board of Directors of the Company firmly believe that practice of Good Corporate Governance and transparency is a sine qua non towards ensuring a disciplined and a sustainable organization. Sonar Bangla Insurance designed the corporate Governance systems and practices to ensure adequate internal control in operational process, transparency, and accountability. The Corporate Governance structure specifies the distribution of rights and responsibilities among different executives and spells out the rules and procedures for making decisions on corporate affairs. The role of

Regulatory Authorities is very important in respect of Corporate Governance practices. Sonar Bangla Insurance is pledge-bound to comply with all the requirements of regulatory Authorities, Parties to Corporate Governance are Board of Directors, different committees of the Board, the management, different management committee, all decision making personnel, etc. All plans, programmes, Policy decisions, as initiated by the Board are implemented by the Management under the leadership of Chief Executive Officer.

We also report that :

- i) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of accounts of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- iv) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no significant doubts upon the Company's ability to continue as a on going concern.
- vii) The BSEC's compliance Report is at annexure-C.
- viii) The key operating and financial data of preceding five years have been provided in at a glance at page no. 40
- ix) During the year ended December 31, 2018, the Board of Directors held 04 meeting and the Directors attended on the Board Meeting in aggregate 90% of the total number of meetings. The attendance particulars have been shown at page no. 107
- x) The Report on pattern of shareholding as on December 31, 2018 is given at page no. 39
- xi) There were no variances in he Quarterly Financial Performances and Annual Financial Report.
- xii) Management's Discussion and Analysis signed by CEO has been shown page no. 41-42
- xiii) Declaration on Financial Statements by CEO and CFO has been shown at annexure-A.

23. Certificate on Compliance of Corporate Governance Code :

Certificate from Professional Accountants on compliance with the Corporate Governance Code of BSEC on June 03, 2018 has been shown is at page no. 43 (Annexure-B)

24. Related Party Transactions:

There is no Related Party Transactions of Sonar Bangla Insurance Limited.

25. Remuneration of Directors (Including Independent Directors):

The Company not paid any financial benefit of the Directors except meeting fee as per rule. The meeting fee is fixed TK. 5,000/- per member of the Board. The total meeting fee has been paid Tk. 7,05,000/- for the year, 2018.

26. Utilization of Proceeds from Public Issues, Right Issues and/or Through any other instrument:

Sonar Bangla Insurance Limited floated its Ordinary Shares Initially in 2005 through IPO. The proceeds of IPO used for company's operational activities.

27. On Going Concern:

Report on going concern and liquidity management has been declared at page no. 62 of the Annual Report.

28. Protection of Minority Shareholders:

This is to certify that the interest of the Minority Shareholders of Sonar Bangla Insurance Limited have been protected. Directly or Indirectly the Board is not related any activities which hamper the interest of the Minority Shareholders.

29. Appreciation:

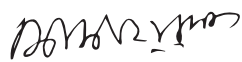
Dear Shareholders, we take this opportunity to express our deep gratitude and thanks to you, all our valued clients and well-wishers for the confidence you have placed in us. Without your encouragement, positive support and active co-operation it would not have been possible to achieve the present position.

The Board of Directors would like to record its appreciation for the general support and co-operation extended by the Government of the Peoples Republic of Bangladesh, the Ministry of Commerce, the Ministry of Finance, Insurance Development and Regulatory Authority, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Central Depository Bangladesh Ltd., Sadharan Bima Corporation, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Bangladesh Bank all scheduled Banks and financial Companies, our valued clients, patrons and well-wishers who have been graciously extending their co-operation, support, patronage and encouragement all through.

The Board of Directors record their deep appreciation to the Chief Executive Officer, all Branch Incharges, Departmental Incharges of Head Office and all other Officers/Staff for their hard work, dedication and sincerity that they have shown for the growth of the Company.

May Almighty Allah grace us with blessings.

For the Board of Directors,



(Sheikh Kabir Hossain)

Chairperson

৩১শে ডিসেম্বর, ২০১৮ইং তারিখে সমাপ্ত বছরে সোনার বাংলা ইস্যুরেন্স লিমিটেড এর পরিচালকমন্ডলীর প্রতিবেদন।

বিসমিল্লাহির রাহমানির রাহিম
সম্মানিত শেয়ারহোল্ডারবৃন্দ,
আসসালামু আলাইকুম,

সোনার বাংলা ইস্যুরেন্স লিমিটেড এর ১৯তম বার্ষিক সাধারণ সভায় পরিচালকমন্ডলী ও আমার পক্ষ থেকে আপনাদেরকে আন্তরিক শুভেচ্ছা ও ধন্যবাদ জ্ঞাপন করছি এবং কোম্পানির ২০১৮ইং সালের পরিচালকমন্ডলীর প্রতিবেদন, নিরীক্ষিত হিসাব ও নিরীক্ষকের প্রতিবেদন আপনাদের বিবেচনা ও গ্রহণের জন্য উপস্থাপন করছি।

সূত্র :

পরিচালকমন্ডলীর এই প্রতিবেদন প্রস্তুতের ক্ষেত্রে ১৯৯৪ইং সালের কোম্পানি আইনের ১৮৪ ধারা, ০৩ জুন, ২০১৮ইং তারিখে বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক জারিকৃত কর্পোরেট গভর্ন্যান্স কোড এবং সংশ্লিষ্ট অন্যান্য আইন ও বিধি অনুসরণ করা হয়েছে।

০১। পটভূমি :

২০০০ইং সালের ১৪ই মার্চ সোনার বাংলা ইস্যুরেন্স লিমিটেড টাঃ ৬.০০ কোটি পরিশোধিত মূলধন নিয়ে কোম্পানি আইন ১৯৯৪ অনুযায়ী পাবলিক লিমিটেড কোম্পানি হিসাবে নিবন্ধিত হয়। ২০০০ইং সালের ২৬শে এপ্রিল তৎকালীন বীমা অধিদপ্তর (বর্তমান বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ) থেকে রেজিস্ট্রেশন প্রাপ্ত হয়ে অগ্নি, নৌ, মটর ও বিবিধ বীমা অবলিখনের কার্যক্রম শুরু করে।

০২। অর্থনীতি ও বীমা শিল্প :

বিশ্ব অর্থনীতি

২০১৮ইং সালে বিশ্ব অর্থনীতি অর্জিত প্রবৃদ্ধি ৩.১% ছিল। ২০১৯ইং ও ২০২০ইং সালে প্রবৃদ্ধির হার ৩.৫% এবং ৩.৬% আশা করা হচ্ছে। উন্নত দেশসমূহের অর্থনীতির প্রবৃদ্ধির হার বিস্তৃত হয়েছে, ফলে বেকারত্বের হার কমে এসেছে। দক্ষিণ এশিয়া অঞ্চলেরও প্রবৃদ্ধি একটা শক্তিশালী অবস্থানে রয়েছে এবং রপ্তানী বৃদ্ধির মাধ্যমে তাদের অর্থনীতি সুসংহত করার চেষ্টা অব্যাহত রেখেছে। এশিয়ান ডেভেলপমেন্ট ব্যাংক (এডিবি) ২০১৮ইং সালে এশিয়ার উন্নয়নশীল দেশসমূহের জন্য যে প্রবৃদ্ধি আশা করেছিল তা অর্জনে সক্ষম হয়েছে।

বাংলাদেশ অর্থনীতি

২০১৮ইং সালে বাংলাদেশ ৭.৩% প্রবৃদ্ধি অর্জন করতে সক্ষম হয়েছে। ফলে বাংলাদেশের অর্থনীতি বিশ্ব অর্থনীতিতে উদীয়মান ও সম্ভাবনাময় অর্থনীতি হিসাবে স্থান করে নিয়েছে। মধ্যম আয়ের অর্থনীতি হিসাবে বাংলাদেশ ১১তম উদীয়মান বাজার হিসাবে বিবেচিত হচ্ছে। বাংলাদেশের বলিষ্ঠ প্রবৃদ্ধি অর্জনের পেছনে মূল চালিকা শক্তি হিসাবে কাজ করেছে শিল্প, কৃষি এবং সেবা খাত। এছাড়া, বৈদেশিক রেমিট্যান্স সংগ্রহ আশানুরূপ হওয়ায় বাংলাদেশের অর্থনীতি আরও সমৃদ্ধি লাভ করে। এর ফলে অবকাঠামো খাতের ব্যাপক উন্নয়ন সাধিত হয়। অর্থনীতির এই অনুকূল অবস্থানের কারণে মোট অভ্যন্তরীণ উৎপাদন (জিডিপি)-এর প্রবৃদ্ধি অন্যান্য সময়ের তুলনায় বেশি হয়।

বীমা খাত

২০১৮ইং সালে শিল্পখাত অনুকূল অবস্থানে থাকায় বীমা শিল্প প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়েছে। বর্তমান বিশ্বে বীমা শিল্পে প্রিমিয়ামের পরিমাণ ৪,৮৯১.৭ বিলিয়ন ডলার। এর মধ্যে সাধারণ বীমা তথা নন-লাইফ প্রিমিয়াম ২,২৩৪.৪ বিলিয়ন ডলার। বাংলাদেশের নন-লাইফ বীমা শিল্পে বর্তমানে প্রিমিয়ামের পরিমাণ ৩ হাজার কোটি টাকার বেশি। বাংলাদেশের বীমা শিল্প বর্তমানে নন-লাইফ ও লাইফ এই দুই ভাগে বিভক্ত। সরকারী নন-লাইফ বীমা প্রতিষ্ঠান সাধারণ বীমা কর্পোরেশনসহ বর্তমানে বাংলাদেশে ৪৬টি নন-লাইফ বীমা প্রতিষ্ঠান চালু রয়েছে। প্রাইভেট খাতের বীমা কোম্পানিগুলোর প্রিমিয়াম আয় বৃদ্ধির হার ছিল ১৩.৪০%, যা ২০১৭ইং সালের তুলনায় অনেক বেশি। একইভাবে, সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের প্রবৃদ্ধিও ছিল সন্তোষজনক। এদিকে, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষও ধারাবাহিকভাবে এই শিল্পের জন্য ইতিবাচক বাস্তবমুখী পদক্ষেপ গ্রহণ অব্যাহত রাখেন এবং সকল কোম্পানিকে একই নিয়মের মধ্যে থেকে বীমা ব্যবসা পরিচালনা করা ও বীমা শিল্পে একটি সুস্থ, সুন্দর ও সুশৃঙ্খল পরিবেশ বজায় রাখার জোর প্রচেষ্টা চালান। সোনার বাংলা ইন্স্যুরেন্স লিমিটেড বীমা আইন-২০১০ কার্যকরের লক্ষ্যে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক গৃহীত পদক্ষেপসমূহ বাস্তবায়নে আন্তরিকভাবে সর্বদা সচেষ্ট রয়েছে এবং তাদের কার্যক্রমের সাথে একমত পোষণ করছে।

৩। কার্যকরী ফলাফল :

সম্মানিত শেয়ারহোল্ডারবৃন্দের অবগতির জন্য ২০১৮ইং সালের কার্যকরী ফলাফলের সংক্ষিপ্ত বিবরণী তুলে ধরি।

বিবরণী		২০১৮	২০১৭
গ্রস প্রিমিয়াম	টা :	৪৪,৮০,১৮,১৪১	৪০,৫৩,১৬,৯৭৫
পুনঃবীমাকৃত প্রিমিয়াম	টা :	১১,০৪,০৬,৩০৪	১০,৬৫,৫২,৬২৪
নীট প্রিমিয়াম বাদ পুনঃবীমা	টা :	৩৩,৭৬,১১,৮৩৭	২৯,৮৭,৬৪,৩৫১
বিনিয়োগ হতে আয়	টা :	১,৯৬,৬৩,১৯৯	১,৫২,৮৫,৮৭২
করপূর্ব নীট মুনাফা	টা :	৯,৫১,৬৯,৫৬৩	৮,১০,৭৩,৬২৬
অপ্রত্যাশিত ঝুঁকির উপর সঞ্চিতি	টা :	১৩,৫০,৬৮,৭০৪	১২,০২,১৪,৯৩৩
সম্ভাব্য দায় সঞ্চিতি/রিজার্ভ	টা :	২৭,৮১,৮৩,৫৩৮	২৪,১১,২৬,২২০

২০১৮ সালের শ্রেণী ভিত্তিক ব্যবসায়িক বিবরণী :

বিবরণ	ফায়ার টাকা	মেরিন টাকা	মটর ও বিবিধ টাকা	মোট-২০১৮ টাকা	মোট-২০১৭ টাকা
মোট প্রিমিয়াম আয়	২৫,৩৭,৫৭,৬৯৮	৯,৩৯,৯৪,৩৩৮	১০,০২,৬৬,১০৪	৪৪,৮০,১৮,১৪০	৪০,৫৩,১৬,৯৭৫
বাদ : পুনঃবীমা বাবদ প্রদান	৪,৭৯,৩৫,৩৬৮	২,৭৪,৩৬,৭৭৫	৩,৫০,৩৪,১৬১	১১,০৪,০৬,৩০৪	১০,৬৫,৫২,৬২৪
নীট প্রিমিয়াম আয় (এ)	২০,৫৮,২২,৩৩০	৬,৬৫,৫৭,৫৬৩	৬,৫২,৩১,৯৪৩	৩৩,৭৬,১১,৮৩৭	২৯,৮৭,৬৪,৩৫১
যোগ : পুনঃবীমার উপর কমিশন (বি)	১,৯৯,৪৩,৩৩৩	৭৬,১২,৮৫৯	৮৪,৮৩,৩০৬	৩,৬০,৩৯,৪৯৮	২,৫৬,২৪,৮৫১
বাদ : পুনঃবীমা বাদ দাবী পরিশোধ (সি)	৫,১৯,৬৪,৫৮৩	৮৩,৭৮,০৪২	৯৯,৫৩,৮২৩	৭,০২,৯৬,৪৪৮	৮,৬২,০৬,৭২১
বাদঃ প্রত্যক্ষ প্রিমিয়ামের উপর কমিশন (ডি)	৪,৪০,২৪,৬২৭	১,৩৬,৩৮,১৯৭	১,০৫,৭৬,৬৫৮	৬,৮২,৩৯,৪৮২	৫,৮৭,৬৭,৫৫৮
বাদ : ব্যবস্থাপনা ব্যয় (ই)	৭,৪৭,১৭,২৭৫	২,৭৬,৭৬,০১১	২,৯৫,২২,৬৯১	১৩,১৯,১৫,৯৭৭	৯,৬৬,৮০,১২৮
বাদঃ অপ্রত্যাশিত বীমা দাবীর জন্য স্থিতি (এফ)	৮,২৩,২৮,৯৩২	২,৬৬,৪৬,৯৯৫	২,৬০,৯২,৭৭৭	১৩,৫০,৬৮,৭০৪	১২,০২,১৪,৯৩৩
যোগ : অপ্রত্যাশিত বীমাদাবীর জন্য স্থিতি (জি)	৫,৭২,৪২,৩৪১	৪,৪৭,৭৬,৪১৬	১,৮১,৯৬,১৭৭	১২,০২,১৪,৯৩৩	১১,৪৬,০৬,৪৭৯
অবলিখন লাভ/(ক্ষতি) (এ+বি-সি-ডি-ই-এফ+জি)	২,৯৯,৭২,৫৮৭	৪,২৬,০৭,৫৯৪	১,৫৭,৬৫,৪৭৭	৮,৮৩,৪৫,৬৫৮	৭,৭১,২৬,৩৪১

লাভ-ক্ষতি হিসাব :

ডিসেম্বর ২০১৮ইং সমাপ্ত অর্থ বছরে কোম্পানি ৯,৫১,৬৯,৫৬৩ টাকা করপূর্ব নীট মুনাফা অর্জন করে, যার হিসাব নিম্নরূপ :

	২০১৮	২০১৭
বিনিয়োগ খাত হতে আয়	১,৫৯,৯৭,৬৬৪	১,৩৯,৭৯,৯৫৯
যোগ : বিবিধ আয়	-	৬৮,৩৭৯
বাদ : স্থায়ী সম্পদ বিক্রিজনিত ক্ষতি	-	-
শেয়ার ব্যবসা হতে আয়	৩৬,৬৫,৫৩৫	১৩,০৫,৯১৩
যোগ : অবলিখন/লাভ(ক্ষতি)	৮,৮৩,৮৫,৬৫৮	৭,৭১,২৬,৩৪১
মোট	১০,৮০,০৮,৮৫৭	৯,২৪,৮০,৫৮৯
বাদ : ব্যবস্থাপনা ব্যয়	১,২৮,৩৯,২৯৪	১,১৪,০৬,৯৬৩
(বীমা ব্যবসা সংক্রান্ত কোন রাজস্ব হিসাবের সহিত সংশ্লিষ্ট নয়)		
করপূর্ব নীট মুনাফা	৯,৫১,৬৯,৫৬৩	৮,১০,৭৩,৬২৬
লাভ/(ক্ষতি) আবন্টন হিসাব		
বর্তমান বছরের করপূর্ব নীট মুনাফা	৯,৫১,৬৯,৫৬৩	৮,১০,৭৩,৬২৬
যোগ : প্রারম্ভিক জের	৩,৯০,০২,৯৪৫	৩,৯১,০০,৭৮১
মোট	১৩,৪১,৭২,৫০৮	১২,০১,৭৪,৪০৭
বাদ : আবন্টনকৃত নীট মুনাফার বন্টনকৃত হিসাব, যা নিম্নরূপ :		
অপ্রত্যাশিত ক্ষতির সঞ্চিতি	৩,৩৭,৬১,১৮৪	২,৯৮,৭৬,৪৩৮
কর সঞ্চিতি	২,০৩,৫৯,৮০৯	১,৯৯,৫১,০৬৪
লভ্যাংশ পরিশোধ	৩,৪৩,৮০,৮৬০	৩,১২,১৮,৯৬০
ডেফার্ড ট্যাক্স	১,৩০,০০০	১,২৫,০০০
সমাপনী জের-যা স্থিতিপত্রে স্থানান্তরিত হল	৪,৫৫,৮০,৬৫৫	৩,৯০,০২,৯৪৫
মোট	১৩,৪১,৭২,৫০৮	১২,০১,৭৪,৪০৭

৪। সম্পত্তি ও রিজার্ভ :

২০১৮ইং সালে কোম্পানির মোট সম্পদের পরিমাণ ৯০,৭৪,০৯,১৭৬ টাকা, যা ২০১৭ইং সালে ছিল ৮০,০২,০৬,২০২ টাকা। অর্থাৎ ২০১৭ইং সালের তুলনায় ২০১৮ইং সালে সম্পদ বৃদ্ধি পেয়েছে ১০,৭২,০২,৯৭৪ টাকা। এছাড়া কোম্পানির রিজার্ভও বৃদ্ধি পেয়েছে। ২০১৭ইং সালে কোম্পানির মোট রিজার্ভ ৩৬,১৩,৪১,১৫৩ টাকা। ২০১৮ইং সালে তা বৃদ্ধি পেয়ে হয়েছে ৪১,৩২,৫২,২৪২ টাকা। অর্থাৎ ২০১৭ইং সালের তুলনায় ২০১৮ইং সালে মোট রিজার্ভ বৃদ্ধি পেয়েছে ৫,১৯,১১,০৮৯ টাকা।

কোম্পানির বর্তমান সম্পদ ও রিজার্ভের বিবরণ নিম্নে দেয়া হলো :

বিবরণ	২০১৮	২০১৭	বৃদ্ধি/(হ্রাস)
মোট সম্পদ	৯০,৭৪,০৯,১৭৬	৮০,০২,০৬,২০২	১০,৭২,০২,৯৭৪
মোট রিজার্ভ	৪১,৩২,৫২,২৪২	৩৬,১৩,৪১,১৫৩	৫,১৯,১১,০৮৯

৫। বিনিয়োগ :

বিধিবদ্ধ জমা ২,৫০,০০,০০০/-টাকাসহ বিভিন্ন মেয়াদী স্থায়ীআমানত (এফডিআর), শেয়ারে বিনিয়োগ ও কোম্পানির এসটিডি ও সিডি ব্যাংক হিসাবে জমাসহ ২০১৮ইং সালে কোম্পানির মোট বিনিয়োগ ৩৯,৬১,০৪,৫৩৯ টাকা, যা ২০১৭ইং সালে ছিল ৩৮,৭৩,৪৫,৮৫২ টাকা। একনজরে ২০১৮ইং সালের বিনিয়োগ নিম্নরূপ :

বিবরণ	২০১৮	২০১৭	বৃদ্ধি/(হ্রাস)
জাতীয় বিনিয়োগ বন্ডে বিনিয়োগ	২,৫০,০০,০০০	২,৫০,০০,০০০	-
স্থায়ী আমানত হিসাবে জমা	২৬,১০,৫৩,৭৯০	২৪,৯৫,১৩,৮৪১	১,১৫,৩৯,৯৪৯
এসটিডি ও সিডি ব্যাংক হিসাবে জমা	১,৬৫,১৯,০০৭	১,৫৪,০৫,২৮১	১১,১৩,৭২৬
শেয়ারে বিনিয়োগ (বাজার মূল্য)	১,৫৮,২২,৮১৭	১,৯৭,১৭,৮০৫	(৩৮,৯৪,৯৮৮)
সাবসিডিয়ারী প্রতিষ্ঠানে বিনিয়োগ	৭,৭৭,০৮,৯২৫	৭,৭৭,০৮,৯২৫	-
মোট	৩৯,৬১,০৮,৫৩৯	৩৮,৭৩,৪৫,৮৫২	৮৭,৫৮,৬৮৭

বিঃদ্রঃ ক্যাপিটাল মার্কেটে বিনিয়োগকৃত শেয়ারের মূল্যমান BAS-39 অনুযায়ী মার্কেট ভ্যালু ধরে স্থিতিপত্রে প্রদর্শিত হয়েছে।

০৬। হিসাবের মানদণ্ডসমূহ পরিপালন :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড কর্তৃক প্রণীত ২০১৮-ইং সালের হিসাব বিবরণী ইনস্টিটিউট অব চার্টার্ড একাউন্ট্যান্টস, বাংলাদেশ এবং সাধারণভাবে গৃহীত দেশী ও আন্তর্জাতিকভাবে স্বীকৃত একাউন্টিং পলিসি অনুযায়ী করা হয়েছে। কেননা, পরিচালনা পর্ষদ হিসাব প্রণয়নে উক্ত নীতিতে বিশ্বাসী।

০৭। সাবসিডিয়ারী অপারেশন :

সোনার বাংলা ইন্স্যুরেন্স লিঃ এর সাবসিডিয়ারী প্রতিষ্ঠান সোনার বাংলা ক্যাপিটাল ম্যানেজমেন্ট লিঃ (মার্চেন্ট ব্যাংক), যার ৫৯% শেয়ার সোনার বাংলা ইন্স্যুরেন্স লিঃ ধারণ করছে। বর্ণিত সাবসিডিয়ারী প্রতিষ্ঠানের বার্ষিক ব্যবসায়িক হিসাব বিবরণী অত্র প্রতিবেদনের শেষাংশে প্রদর্শিত হয়েছে।

০৮। Extraordinary Gain/Loss :

আপনারা অবগত আছেন যে, সোনার বাংলা ইন্স্যুরেন্স লিঃ ২০১২ইং সালে একটি সাবসিডিয়ারী প্রতিষ্ঠান সোনার বাংলা ক্যাপিটাল ম্যানেজমেন্ট লিঃ (মার্চেন্ট ব্যাংক) গঠন করে। আপনারা জেনে আনন্দিত হবেন যে, উক্ত সাবসিডিয়ারী প্রতিষ্ঠান ২০১৮ইং অর্থ বছরে ১,০৫,০৩,৪০১/- টাকা কর পরবর্তী নীট মুনাফা অর্জন করে। ফলশ্রুতিতে প্যারেন্ট কোম্পানি হিসাবে আপনাদের সোনার বাংলা ইন্স্যুরেন্স লিমিটেড উক্ত মুনাফার ৫৯% অংশ পাবে।

০৯। লভ্যাংশ :

প্রিয় শেয়ারহোল্ডারবৃন্দ,
সার্বিক দিক বিবেচনা করে সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের পরিচালনা পর্ষদ ২০১৮ইং সালে শেয়ারহোল্ডারবৃন্দের জন্য ৬% ক্যাশ এবং ৬% স্টক ডিভিডেন্ড (বোনাস শেয়ার) প্রদানের সুপারিশ করেছেন।

১০। পরিচালকবৃন্দের অবসর ও নির্বাচন :

কোম্পানির সংঘবিধির ১১১ ও ১১২ অনুচ্ছেদ মোতাবেক ‘গ্রুপ-এ’ পরিচালকদের মধ্যে নিম্নোক্ত ০৪ (চার) জন পরিচালক অবসর গ্রহণ করেন এবং কোম্পানির সংঘবিধির ১১৩ অনুচ্ছেদ অনুযায়ী পুনরায় নির্বাচনের যোগ্য বিধায় পুনঃনির্বাচনের জন্য আগ্রহ প্রকাশ করেছেন।

ক) মি. কৈলাশ চন্দ্র বাউড়

খ) মিসেস নাগিস আক্তার

গ) জনাব আবুল কালাম আজাদ

(মডার্ন ওয়াশিং এন্ড ডাইং ইন্ডাস্ট্রিজ লিঃ কর্তৃক মনোনীত)

ঘ) মিসেস ফরিদা ইসলাম

একইভাবে, কোম্পানির সংঘবিধির শর্তানুযায়ী ‘গ্রুপ-বি’ পরিচালক অর্থাৎ শেয়ারহোল্ডার পরিচালকদের মধ্যে নিম্নবর্ণিত ০২ জন পরিচালক ১৯তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন এবং বিধি মোতাবেক নির্বাচিত হবেন।

ক) জনাব দেলোয়ার হোসেন রাজা

খ) জনাব নেছার আহমেদ

১১. ইনডিপেনডেন্ট পরিচালক :

আপনাদের কোম্পানি বর্তমান বোর্ড সাইজের অনুপাতে ০৪ জন ইনডিপেনডেন্ট পরিচালক নিয়োগ দিয়ে বিএসইসি এর নির্দেশনা যথাযথভাবে পরিপালন করে আসছে। ডিসেম্বর ৩১, ২০১৮ইং তারিখে কোম্পানির ০৪ জন ইনডিপেনডেন্ট পরিচালক নিম্নরূপ :

- ক) জনাব শহিদুল ইসলাম নিরু
- খ) জনাব এহসান-ই-মোয়াজ্জেম
- গ) ডাঃ বিথী রহমান
- ঘ) মিসেস সাগরিকা বাউড়

উপরোক্ত ০৪ জন ইনডিপেনডেন্ট পরিচালকের মধ্যে জনাব শহিদুল ইসলাম নিরু, জনাব এহসান-ই-মোয়াজ্জেম, ডাঃ বিথী রহমান এই ০৩ জন ইনডিপেনডেন্ট পরিচালক তাঁদের দ্বিতীয় পর্বের ০৩ বছরের মেয়াদ ০৬/০৫/২০১৯ইং তারিখে সমাপ্ত করায় বিধি মোতাবেক তাঁদের নিয়োগের আর কোনো সুযোগ নাই। এমতাবস্থায়, পরিচালনা পর্ষদ তাঁদের স্থলে নতুনভাবে ০৩ জন ইনডিপেনডেন্ট পরিচালক নিয়োগ দিয়েছেন এবং নিয়োগ অনুমোদনের জন্য অদ্যকার বার্ষিক সাধারণ সভায় উপস্থাপন করা হয়েছে।

১২। মানব সম্পদ :

আপনাদের কোম্পানির পরিচালনা পর্ষদ বিশ্বাস করে যে, যোগ্য মানব সম্পদ প্রতিষ্ঠানের উৎকর্ষতা লাভে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকে। মানসম্মত কাজের অন্যতম শর্তই হচ্ছে, কর্মকর্তা-কর্মচারীদের ব্যবহারিক দক্ষতা ও গুণাবলী। প্রতিষ্ঠানের ভাল কাজের জন্য শিক্ষাগত যোগ্যতার পাশাপাশি পেশাগত শিক্ষা ও ব্যবহারিক প্রশিক্ষণ অত্যন্ত গুরুত্বপূর্ণ। এর ভিত্তিতেই কোম্পানির মর্যাদা বৃদ্ধিতে সহায়ক ও উজ্জ্বল ভাব-মূর্তি তুলে ধরতে পারে এমন জনবল গড়ে তোলার জন্য বিভিন্ন প্রশিক্ষণ কেন্দ্রে পাঠানো হয়। এর ফলে কোম্পানি উত্তরোত্তর সমৃদ্ধির পথে এগিয়ে যাবে।

১৩। নিরীক্ষক নিয়োগ :

কোম্পানির বর্তমান নিরীক্ষক মেসার্স আহমেদ এন্ড আক্তার চার্টার্ড একাউন্ট্যান্টস্ অদ্যকার বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন। পরিচালনা পর্ষদ ৭৫,০০০/- টাকা পারিশ্রমিকে ২০১৯ইং সালের জন্য মেসার্স জি. কিবরিয়া এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস্কে তাদের সম্মতিক্রমে নিয়োগের সুপারিশ করেন।

১৪। কমপ্লায়েন্স নিরীক্ষক নিয়োগ :

পরিচালনা পর্ষদ ২০১৯ইং সালের জন্য ১০,০০০/- টাকা পারিশ্রমিকে মেসার্স শফিক বসাক এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস্কে তাদের সম্মতিক্রমে কমপ্লায়েন্স নিরীক্ষক হিসাবে নিয়োগের সুপারিশ করেন।

১৫। ক্রেডিট রেটিং ফলাফল :

মেসার্স আলফা ক্রেডিট রেটিং লিমিটেড, আপনাদের কোম্পানির আর্থিক বিবরণীর গুণগত ও সংখ্যাগত মানের উপর ভিত্তি করে কোম্পানির ক্রমান্বয়ে উন্নতিতে সন্তুষ্ট হয়ে সোনার বাংলা ইস্যুরেন্স লিমিটেডকে “AA” ক্রেডিট রেটিং ফলাফল প্রদান করেন, যা কোম্পানির দক্ষ অবলিখন, ভালো বীমা দাবি পরিশোধ ক্ষমতা, উন্নত আর্থিক অবস্থার প্রতিফলন। পরিচালনা পর্ষদ কোম্পানির ক্রেডিট রেটিং ফলাফল “AA” হওয়ায় সন্তোষ প্রকাশ করেন এবং পর্ষদ আশাবাদ পোষণ করেন যে, কোম্পানির সার্বিক উন্নতি অব্যাহত থাকবে এবং ক্রেডিট রেটিং ফলাফল আরও উন্নত হবে। ফলে কোম্পানির ব্যবসা ও সুনাম ধারাবাহিকভাবে বৃদ্ধি পাবে।

১৬। পুনঃবীমা :

আপনাদের কোম্পানি সাধারণ বীমা কর্পোরেশন-এর সাথে পুনঃবীমা চুক্তি সম্পাদন করে থাকে। এই পুনঃবীমা চুক্তির অধীনে কোম্পানি ব্যাপক বীমা ঝুঁকি অবলিখনের ক্ষমতা রাখে।

১৭। পরিচালনা পর্ষদ ও কমিটিসমূহ :

আপনাদের কোম্পানি বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন কর্তৃক গত ০৩/০৬/২০১৮ইং তারিখে জারিকৃত কর্পোরেট গভর্ন্যান্স কোড অনুযায়ী কোম্পানির পরিচালনা পর্ষদের আকার নির্ধারিত সীমার মধ্যে রেখেছে এবং পর্ষদকে সাহায্যকারী উপ-কমিটি হিসাবে অডিট এবং নমিনেশন ও রেমুনারেশন (এনআরসি) কমিটি গঠন করা হয়েছে। এছাড়া, এক্সিকিউটিভ ও ক্রেইমস্ কমিটির কার্যক্রম অব্যাহত আছে।

অডিট কমিটি :

কোম্পানির ০১ জন সম্মানিত ইনডিপেন্ডেন্ট পরিচালককে চেয়ারপার্সন করে অডিট কমিটি গঠন করা হয়েছে। কমিটির সদস্য সংখ্যা ০৯ জন। কমিটি বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী কার্যক্রম পরিচালনা করে থাকে। অডিট কমিটির কার্যক্রমের উপর প্রতিবেদন ৬৩ নং পৃষ্ঠায় উপস্থাপন করা হয়েছে।

নমিনেশন এন্ড রেমুনারেশন কমিটি (এনআরসি) :

কোম্পানির ০১ জন সম্মানিত ইনডিপেন্ডেন্ট পরিচালককে চেয়ারপার্সন করে নমিনেশন এন্ড রেমুনারেশন (এনআরসি) কমিটি গঠন করা হয়েছে। কমিটি সদস্য সংখ্যা ১০ জন। নমিনেশন এন্ড রেমুনারেশন কমিটি (এনআরসি) বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী কার্যক্রম পরিচালনা করবে।

১৮। পূর্বাভাস-২০১৯ :

পর্ষদ আশা করে, ২০১৯ইং সালেও আপনাদের কোম্পানি ২০১৮ইং সালের ধারাবাহিকতা অব্যাহত রেখে অধিক ব্যবসা ও মুনাফা অর্জনে সক্ষম হবে। তাই গ্রাহক আকর্ষণ বাড়াতে আরও দক্ষ কর্মকর্তা-কর্মচারী তৈরি, উন্নত সেবা প্রদান, দ্রুত বীমা দাবী নিষ্পত্তি, ব্যয় সংকোচন, অবলিখন ব্যবস্থা আরও উন্নত, পুঁজির যথাযথ বিনিয়োগের প্রচেষ্টা অব্যাহত রেখেছে। কেননা, কোম্পানির পরিচালনা পর্ষদ মনে করে যে, ২০১৯ইং সাল ও তৎপরবর্তীতে ব্যবসা বাড়ানোর ক্ষেত্রে এ সকল কার্যক্রম সহায়তা করবে।

১৯। কর্পোরেট সোশাল রেসপনসিবিলিটি (সিএসআর) কার্যক্রম :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড প্রতিনিয়ত সিএসআর কার্যক্রম সম্প্রসারণ করে চলেছে। ২০১৮ইং সালেও এর ব্যতিক্রম ছিল না। সিএসআর কার্যক্রম কর্পোরেট সুশাসনেরই একটি অংশ। তাই সিএসআর কার্যক্রমের প্রতি সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের পর্ষদ অত্যন্ত যত্নশীল। কোম্পানি মানব সেবায় উদ্বুদ্ধ হয়ে মেধাবী ছাত্র/ছাত্রী এবং অসুস্থ ও অসহায়দের আর্থিক অনুদান প্রদান করে আসছে।

২০। ঝুঁকি ব্যবস্থাপনা :

ঝুঁকি ছাড়া ব্যবসা হয় না। যে কোনো ব্যবসার ক্ষেত্রে ঝুঁকি থাকবেই। বীমা ব্যবসার ক্ষেত্রে ঝুঁকির বিষয়টি আরও অতিমাত্রায় কার্যকরী। সোনার বাংলা ইন্স্যুরেন্স লিমিটেড ঝুঁকি মোকাবেলা তথা নিরসন বা লাঘবের জন্য অত্যন্ত সচেতনতার সাথে তহবিল বন্টন ও বিনিয়োগ করে থাকে এবং অভ্যন্তরীণ নিয়ন্ত্রণের মাধ্যমে কোম্পানির সম্পদের সর্বোচ্চ ব্যবহার নিশ্চিত করে থাকে। ফলে কোম্পানির সম্পদের অপব্যবহার রোধ হয় এবং ক্ষতির বিরুদ্ধে সুরক্ষা নিশ্চিত হয়। কোম্পানির পর্ষদসহ সর্বস্তরের কর্মকর্তা/কর্মচারীবৃন্দ এই বিষয়ে সচেতন রয়েছে।

২১। তথ্য প্রযুক্তি :

মানুষের জীবন যাত্রা সহজ ও দ্রুত সেবা প্রদানের জন্য সারা বিশ্বে উন্নততর তথ্য প্রযুক্তির ব্যবহার হচ্ছে। বাংলাদেশও এই খাতে পিছিয়ে নেই। আপনাদের কোম্পানিও দেশের সাথে তাল মিলিয়ে তথ্য প্রযুক্তির ব্যবহার আধুনিকীকরণ করে যাচ্ছে। এই ধারাবাহিকতায় কোম্পানির প্রধান কার্যালয় সম্পূর্ণ কম্পিউটারাইজড পদ্ধতিতে কাজ করছে। কোম্পানির সকল শাখাসমূহে অনলাইন সংযোগের আওতায় আনা হয়েছে। নতুন নতুন প্রযুক্তির ব্যবহারের মাধ্যমে আমরা আমাদের গ্রাহকদের সর্বোচ্চ সেবা দেয়ার চেষ্টা করে যাচ্ছি। যথাশীঘ্র কোম্পানিতে ই-মেইল সার্ভার স্থাপন করা হবে এবং গ্রাহক সেবার মান আরও উন্নত করার জন্য অনলাইন পেমেন্ট সিস্টেম চালু করা হবে।

২২। কর্পোরেট সুশাসন :

th tKibv cYôðbi Rb" Acinvh elq n:jv mkymb, "QZv, mk•LjZv bðZ Ki v| tmbvi esjv BÝ"iÝ
vjgUWi cYpjbv cl` GB elq`pfðe ekvmm eJb tmbvi esjv BÝ"iÝ vjgUW KcðiU mkymb Abkjb

করে। কর্পোরেট সুশাসন কাঠামো বিভিন্ন পর্যায়ের নির্বাহীদের মধ্যে তাদের অধিকার ও দায়িত্ব সুনির্দিষ্ট করে দেয়। কর্পোরেট সুশাসন প্রক্রিয়ায় নিয়ন্ত্রক সংস্থাসমূহের নির্দেশনা বা তাদের গৃহীত পদক্ষেপ যথাযথভাবে পরিপালন করা অতি গুরুত্বপূর্ণ। তাই সোনার বাংলা ইন্স্যুরেন্স লিমিটেড নিয়ন্ত্রক সংস্থাসমূহের যাবতীয় নির্দেশনা, তাদের গৃহীত পদক্ষেপ বাস্তবায়ন ও শর্ত পূরণে সর্বাধিক গুরুত্ব দিয়ে থাকে।

পরিচালনা পর্ষদ, পরিচালনা পর্ষদকে সহায়তাকারী বিভিন্ন কমিটি ও ব্যবস্থাপনা কর্তৃপক্ষ কর্পোরেট সুশাসনের সাথে ওতপ্রোতভাবে জড়িত। তাই আপনাদের কোম্পানি কর্পোরেট সুশাসনের লক্ষ্যে পর্ষদ ও এর সহায়তাকারী কমিটির সিদ্ধান্ত বা নির্দেশনা মুখ্য নির্বাহী কর্মকর্তার নেতৃত্বে বাস্তবায়ন করে থাকে।

আরও জানাচ্ছি যে,

- (১) কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক তৈরি আর্থিক বিবরণীর অবস্থা, কার্যকরী ফলাফল, নগদ প্রবাহ বিবরণী এবং ইকুইটি পরিবর্তন সংক্রান্ত তথ্যাদি কোম্পানির আর্থিক চিত্রের প্রতিফলন।
- (২) কোম্পানির হিসাব বহি যথাযথভাবে সংরক্ষিত হয়েছে।
- (৩) হিসাববিবরণী প্রস্তুতের ক্ষেত্রে যথোপযুক্ত হিসাব নীতি ধারাবাহিকতার সাথে প্রয়োগ করা হয়েছে এবং হিসাব সংক্রান্ত অনুমোদনসমূহ সঠিক বিচার ও বিচক্ষণতার উপর ভিত্তি করে করা হয়েছে।
- (৪) আর্থিক বিবরণী প্রস্তুতের ক্ষেত্রে বাংলাদেশে প্রয়োগকৃত আন্তর্জাতিক হিসাবমান যথাযথ অনুসরণ করা হয়েছে এবং কোনো ব্যতিক্রম ঘটলে প্রকাশ করা হয়েছে।
- (৫) অভ্যন্তরীণ নিয়ন্ত্রন পদ্ধতি কাঠামোগতভাবে সুষ্ঠু এবং যথাযথভাবে বাস্তবায়ন ও তদারক করা হয়েছে।
- (৬) কোম্পানি সচলভাবে পরিচালিত হওয়ার সক্ষমতা সম্বন্ধে সন্দেহের কোনো অবকাশ নেই।
- (৭) বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি)-এর নির্দেশনা বাস্তবায়নের চিত্র Annexure-C তে প্রতিফলিত হয়েছে।
- (৮) গত পাঁচ বছরের পরিচালনাগত এবং আর্থিক ডাটা ৫ (five) years performance at a glance পৃষ্ঠা নং ৪০ এ উপস্থাপন করা হয়েছে।
- (৯) ৩১শে ডিসেম্বর, ২০১৮-ইং সমাপ্ত বছরে পরিচালনা পর্ষদের মোট ০৪টি সভা অনুষ্ঠিত হয়েছে এবং মোট সভায় পরিচালকমণ্ডলীর উপস্থিতির হার ছিল শতকরা ৯০ ভাগ। পরিচালকদের উপস্থিতির চিত্র পৃষ্ঠা নং ১০৭ এ উপস্থাপিত হয়েছে।
- (১০) ৩১শে ডিসেম্বর, ২০১৮-ইং তারিখে শেয়ার হোল্ডিং সংক্রান্ত চিত্র পৃষ্ঠা নং ৩৯ এ উপস্থাপন করা হয়েছে।
- (১১) ত্রৈমাসিক ফাইন্যান্সিয়াল পারফরমেন্স এবং বার্ষিক ফাইন্যান্সিয়াল বিবরণীর মধ্যে কোনো উল্লেখযোগ্য পার্থক্য নেই।
- (১২) কোম্পানির পজিশন ও অপারেশনের বিষয়ে ব্যবস্থাপনা কর্তৃপক্ষের আলোচনা ও পর্যবেক্ষণ পৃষ্ঠা নং ৪১-৪২ এ উপস্থাপন করা হয়েছে।
- (১৩) আর্থিক প্রতিবেদনের উপর মুখ্য নির্বাহী কর্মকর্তা ও প্রধান হিসাব কর্মকর্তার ঘোষণা Annexure-A এ উপস্থাপন করা হয়েছে।

২৩। কর্পোরেট গভর্ন্যান্স কোড পরিপালন সনদ :

কোম্পানির কর্পোরেট গভর্ন্যান্স কোড পরিপালন সনদ ৪৩ নং পৃষ্ঠায় (Annexure-B) উপস্থাপন করা হয়েছে।

২৪। রিলেটেড পার্টি লেনদেন :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের কোনো রিলেটেড পার্টি লেনদেন নাই।

২৫। পরিচালকবৃন্দের (ইনডিপেনডেন্ট পরিচালকসহ) সম্মানী প্রদান :

বিধি অনুযায়ী আপনাদের কোম্পানি পরিচালকদের মিটিং ফি ব্যতীত অন্য কোনো সম্মানী প্রদান করে না। পর্ষদ সদস্যদের মিটিং ফি জনপ্রতি ৫,০০০/- টাকা। ২০১৮-ইং সালে মিটিং ফি বাবদ কোম্পানির পরিচালকদের মোট ৭,০৫,০০০/- টাকা মিটিং ফি প্রদান করা হয়েছে।

২৬। পাবলিক ইস্যু, রাইট ইস্যু বা অন্যকোনো মাধ্যম থেকে আয়ের ব্যবহার :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড ২০০৫-ইং সালে আইপিও এর মাধ্যমে কোম্পানির পরিশোধিত মূলধন বৃদ্ধি করে। আইপিও এর নীট আয় কোম্পানির অপারেশনাল কার্যক্রমের জন্য ব্যবহৃত হয়ে থাকে।

২৭। চলমান জের :

চলমান জের ও তারল্য ব্যবস্থাপনার উপর বিবরণী ৬২ নং পৃষ্ঠায় উপস্থাপিত হয়েছে।

২৮। সংখ্যালঘু শেয়ারহোল্ডারবৃন্দের স্বার্থরক্ষা :

পরিচালনা পর্ষদ এইমর্মে প্রত্যয়ণ করছেন যে, সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের সংখ্যালঘু শেয়ারহোল্ডারবৃন্দের স্বার্থ বরাবরই সংরক্ষিত। প্রত্যক্ষ বা পরোক্ষভাবে সংখ্যালঘু শেয়ারহোল্ডারবৃন্দের স্বার্থ ক্ষুণ্ণ হয়, এমন কোনো কর্মকান্ডের সাথে পরিচালনা পর্ষদ সংশ্লিষ্ট না।

২৯। কৃতজ্ঞতা :

প্রিয় শেয়ারহোল্ডারবৃন্দ, আমাদের সকল সম্মানিত গ্রাহক এবং শুভানুধ্যায়ী যাঁরা আমাদের উপর অকুণ্ঠ সমর্থন ও আস্থা অর্পণ করেছেন তাঁদের প্রতি আমরা আমাদের গভীর কৃতজ্ঞতা প্রকাশ করছি। আপনাদের সমর্থন এবং কার্যকর সহযোগিতা ছাড়া বর্তমান এ ব্যবসায়িক সাফল্য অর্জন করা সম্ভব হতো না।

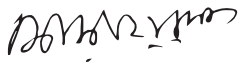
পরিচালনা পর্ষদ, কোম্পানিকে সকল ধরনের সমর্থন ও সহযোগিতা প্রদানের জন্য গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের অর্থ মন্ত্রণালয়, বাণিজ্য মন্ত্রণালয়, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশন, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, সাধারণ বীমা কর্পোরেশন, বাংলাদেশ ব্যাংকসহ সকল বাণিজ্যিক ব্যাংক ও আর্থিক সংস্থা, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিঃ, জাতীয় রাজস্ব বোর্ড, বাংলাদেশ ইনসিওরেন্স একাডেমী এবং অন্যান্য সকল এজেন্সিকে তাঁদের সকল প্রকার আন্তরিক সহযোগিতা প্রদানের জন্য কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছে।

পরিচালকমন্ডলী কোম্পানির ব্যবসা বৃদ্ধি ও উন্নতিতে মূল্যবান অবদান রাখার জন্য মুখ্য নির্বাহী কর্মকর্তা, সকল শাখা প্রধান, প্রধান কার্যালয়ের সকল বিভাগীয় প্রধান ও অন্যান্য সকল স্তরের কর্মকর্তা ও কর্মচারীবৃন্দের প্রতি গভীর কৃতজ্ঞতা প্রকাশ করছে।

সর্বশক্তিমান সৃষ্টিকর্তা আমাদের সহায় হোন।

সবাইকে ধন্যবাদ,

পরিচালনা পর্ষদের পক্ষে-



(শেখ কবির হোসেন)

চেয়ারপার্সন

Report on the Pattern of Shareholding

Sl. No.	Shares Held by	No. of Shares held	Percentage of Share holding
	Parent or subsidiary or Associates Companies	Nil	
	Directors:		
1	Mr. Sheikh Kabir Hossain	7,56,313	2.002%
2	Al- haj Md. Shamsul Haque	8,93,413	2.36%
3	Mr. Md. Rajjab Sharif	7,58,171	2.007%
4	Mr. Ganga Charan Malakar	12,59,162	3.33%
5	Mr. Md. Haroon Kamal	7,55,937	2.001%
6	Mr. Kailash Chandra Barai	7,55,942	2.001%
7	Mrs. Nargis Akter	8,10,942	2.14%
8	Al-haj Md. Ruhul Amin	9,78,282	2.58%
9	Mrs. Shahida Alamin	7,58,171	2.007%
10	Mr. Md. Motaleb Hossain	7,58,434	2.007%
11	Mr. Abul kalam Azad (Nominated by Modern Washing and Dyeing Ind. Ltd.)	21,64,826	5.73%
12	Mrs. Farida Islam	12,12,948	3.21%
13	Mr. Delowar Hossain Raja	13,448	0.035%
14	Md. Belal Hossain	56,637	0.149%
15	Mr. Nessar Ahmed	39,670	0.105%
16	Mr. Mohammad Khairul Hasan	30,166	0.079%
	Independent Directors:		
1	Mr. Shahidul Islam Niru	Nil	-
2	Mr. Ehsan-e-Moazzam	Nil	-
3	Dr. Bithi Rahman, MBBS	Nil	-
4	Mrs. Sagorika Barai	Nil	-
	CEO, CS, CFO, Head of Internal Audit and compliance and their spouses and minor children:	Nil	
	Executives:	Nil	
	General Public/Institution:	2,57,72,487	68.22%

5 (FIVE) YEARS POSITION AT A GLANCE

(Figure in Lac)

Particulars	Year				
	2018	2017	2016	2015	2014
Paid up Capital	3777.49	3434.08	3121.89	2973.23	2804.93
Gross Premium Income	4480.18	4053.16	3813.37	3461.31	3197.39
Net Premium Income	3376.11	2987.64	2802.91	2506.86	2175.99
Net Claim	702.96	862.06	955.68	978.36	843.27
Net Profit (Pre-Tax)	951.69	810.73	802.52	736.54	688.48
Reserve (Total)	4132.52	3613.40	3226.72	2769.34	2389.82
Assets (Total)	9074.09	8002.06	7061.69	6564.55	6561.54

MANAGEMENT DISCUSSION AND ANALYSIS ON COMPANY'S POSITION AND OPERATION

As per condition no. 1 (5) XX(v) of the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission on 03 June, 2018 the Management's discussion & analysis are as follows:

Accounting Standards :

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and any other International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh.

The Company has been following consistent accounting policies and estimations based on principles distinct in the IFRS or IAS. Changes in accounting policy are incorporated with the amendments, if any, in the IFRS or IAS to keep the policies in line with the principles stated to comply the requirement of the statute. During the year under audit, except the de-recognition of associate relationship under IAS-28 no change has been brought in accounting policies and estimations.

Comparative analysis of financial position & operations :

Major areas of financial position as well as cash flows of five years including current years are as follows:

(Figure in lac)

Particulars		Year				
		2018	2017	2016	2015	2014
Paid up Capital		3777	3434	3122	2973	2805
Gross Premium Income		4480	4053	3813	3461	3197
Net premium Income		3376	2988	2803	2507	2176
Net Claim		702	862	956	978	843
Net Profit (Pre-Tax)		952	811	803	737	688
Dividend	Cash	6%	-	-	5%	6%
	Stock	6%	10%	10%	5%	6%
FDR Position with statutory deposit		2861	2745	2698	2592	2800
Reserve (Total)		4133	3613	3227	2769	2390
Assets (Total)		9074	8002	7062	6565	6562

Amount shown in Taka considering the present Number of Shares

Earning per Share (EPS)	1.65	1.30	1.35	1.31	1.23
Net Operating Cash Flow (NOCFS)	0.58	0.44	1.16	0.29	1.34
Net Asset Value (NAV)	17.36	15.47	13.77	12.52	11.39

Economic and Financial Scenario

Global Economy

According to International Monetary Fund (IMF), global economic growth expansion has weakened mainly due to tariff increases enacted in USA and its continued trade friction with Europe, China and other major economies. Apart from trade tensions slowdown of Chinese economy, uncertainties associated with BREXIT deal or no-deal, tightening of financial conditions in advanced economies and continued political-economic instability in certain Latin American countries all contribute to the slow down process. World economic growth is now projected at 3.7% for 2018, 3.5% for 2019 and 3.6 for 2020, of which advanced

economies will grow at 2%, and the emerging markets and Developing countries at 4.5 percent over 2019 and 2020 years.

Meanwhile ADB has made its growth forecast for developing Asian countries at 6.0 percent in 2018 and 5.8 percent in 2019. With a projected growth rate of 7.0% and 7.2% Bangladesh falls in the category of one of the countries with high growth rate in 2018 and 2019.

Bangladesh :

Economic overview :

Bangladesh registered an impressive GDP growth rate of 7.86% in FY18 up from 7.28% in the preceding year. Both agricultural and industrial sectors grew faster than in the previous year, whereas the service sector grew by 6.39%, which was 0.3% less than in the previous year. Though both gross domestic savings and national savings decreased slightly, the investment to GDP ratio increased to 31.23 % in FY18, from 30.51% in the previous fiscal year indicating investor confidence in the economy. The involvement of the private sector in development projects through PPP initiatives also fuelled investment. The focus has been recast on the railways and inland waterways by the Government.

The inflation level continued to remain on the lower side at 5.78% in FY18 despite GDP growth reflecting the effectiveness of both fiscal and monetary policies. Revenue receipts also increased in FY18 to 11.53% of GDP from 10.00% of GDP in the last fiscal year, which is expected to encourage the authorities to take on more development projects. The stock market performed sluggishly in FY18 and the benchmark index, DSEX closed at 5,405.5 points after booking a loss of 4.4% during the year. As on June 28, 2018, the DSE market capitalization stood at BDT 3,847 billion against BDT 3,801 billion on June 29, 2017.

Financial overview :

The financial sector of the country faced tightening of liquidity in FY18 ; triggered by a decrease in the minimum Loan to Deposit Ratio by Bangladesh Bank intended to curb the excessive sub-prime lending by banks and financial institutions in 2017 which had continued into 2018, However, the monetary policy continued to remain expansionary to accommodate growth demand by keeping inflation in check.



(Md. Abdul Khaleque Miah)
Chief Executive Officer

Annexure-B

[Certificate as per condition No. 1(5)(xxvii)]

DHAKA OFFICE Shatabdi Centre (6th Floor) 292, Inner Circular Road, Fakirapool, Motijheel, Dhaka. Phone : 880-2-7192098 Tel/Fax : 880-2-7194870 E-mail : shafiq_basak@yahoo.com	শফিক বসাক এন্ড কোং SHAFIQ BASAK & Co. CHARTERED ACCOUNTANTS Partners: Md. Shafiqul Islam, FCA Sampad Kumar Basak, FCA Md. Enayet Ullah, FCA Sarwar Mahmood, FCA	CHITTAGONG OFFICE National House (1st Floor) 109, Agrabad Commercial Area Chittagong-4100, Bangladesh. Phone : 880-031-711561 Fax : 880-031-723680 E-mail : basak_sbc@yahoo.com
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REPORT TO THE SHAREHOLDERS OF SONAR BANGLA INSURANCE LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance Status to the Corporate Governance Code by Sonar Bangla Insurance Limited for the year ended on December 31, 2018. This Code relates to the notification No BSEC/CMRRCD/ 2006-158/207/Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission or not complied (if not complied, specify non-compliances);
- (b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code or not complied if not complied, specify non-compliances);
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws or not complied (if not complied, specify non-compliances); and
- (d) The governance of the company is highly satisfactory or satisfactory or not satisfactory.

Dated: Dhaka
April 30, 2019


 (Md. Enayet ullah, FCA)
 Partner
 SHAFIQ BASAK & Co.
 Chartered Accountants

Annexure-C

Corporate Governance Code

As per condition no.1 (5)(xxvii)

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CM-RRCD. 2006-158/Adniin/80 dated 03 June, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969: and as amended up to date:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
1	BOARD OF DIRECTORS			
1.(1)	Size of the Bord of Directors			
	Minimum 5 and Maximum 20	✓	-	-
1.(2)	Independent Directors			
1(2) (a)	At Least one fifth (1/5) of the total number of directors must be Independent in the Company's Board	✓	-	-
1(2) (b)	Independent Directors means who-			
1(2) (b)(i)	Does not hold any share or minimum number of shares less than 1% (one percent) of the total paid-up capital	✓	-	-
1(2) (b)(ii)	does not have any relationship with sponsors and directors of the Company or any of its associates, sister concerns, subsidiaries or parents or holding entities or relationship with family members	✓	-	-
1(2) (b)(iii)	has not been an executive immediately preceeding 2 (two) financial years	✓	-	-
1(2) (b)(iv)	does not have any relationship pecuniary or otherwise with the Company or its subsidiary or associated Company	✓	-	-
1(2) (b)(v)	is not a member or TREC (Trading Right Entitlement Certificate) holder, Director/Officer of Stock Exchanges	✓	-	-
1(2) (b)(vi)	is not a shareholder, director excepting independent director or officer or member or TREC holder of any stock exchange or an intermediary of capital market	✓	-	-
1 (2)(b)(vii)	is not a partner or an executive during the preceding 3 (three) years as a statutory audit firm or special auditor or professionals certifying compliance of the codes	✓	-	-
1(2) (b)(viii)	is not independent director in more than 5 listed companies	✓	-	-
1(2) (b)(ix)	has not been convicted by a court as a defaulter in payment of any loan to a bank or NBFi	✓	-	-
1 (2) (b) (x)	has not been convicted for a criminal offence involving moral turpitude	✓	-	-
1(2) (c)	Independent Director shall be appointed by the Board and approved by the shareholders in the AGM	✓	-	-
1(2) (d)	Post of Independent Director cannot remain vacant for more than 90 (ninety) days	✓	-	-
1(2) (e)	Tenure of office of an Independent Director shall be for a period of 3 (three) years extended for another tenure ie. for further 3 years Provided that former ID considered for reappointment for another tenure after a time gap of one tenure i.e. completion of consecutive two tenures. ID shall not be subject to retirement by rotation as per the Companies Act	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
1(3)	Qualification of Independent Director-			
1(3)(a)	Independent Director, shall be a knowledgeable individual with integrity, is able to ensure compliance with financial laws, regulatory requirements and corporate laws and, can make contribution to the business	✓	-	-
1(3) (b)	Independent Director shall have			
1(3)(b)(i)	Business leader or director of an unlisted company having minimum paid up capital of Tit. 100 million or any listed company or a member of any national or international chamber of commerce or business association	✓	-	-
1(3)(b)(ii)	Corporate leader who is or was a top level executive not less than the position of CEO or MD/ DMD/ CFO/ CS/ HIAC/ HLS who holds equivalent position & same level or ranked or salaried official of a unlisted company having paid up capital of tic 100 million or of a listed company	✓	-	-
1(3)(b)(iii)	Former official of Govt. or statutory body not below 5th grade officer at least bachelor in economics, commerce or law	✓	-	-
1(3) b(iv)	University Teacher In Economics, Commerce or Business studies and Law			
1(3) (b)(v)	Professionals like advocate of High Court, Chartered Accountants or Cost and Management Accountant or Chartered Secretary or Chartered Financial Analyst or Chartered Certified Accountant or Certified public Accountant or equivalent qualification	✓	-	-
1(3) (c)	Independent Director required at least 10 (ten) years experiences in the relevant field	✓	-	-
1(3) (d)	In special cases, the qualifications or experiences may be relaxed subject to prior approval of the Commission			Not applicable
1(4)	Duality of Chairperson of the Board and Managing Director or Chief Executive Officer-			
1(4) (a)	The position of the Chairperson of the Board and the Managing Director/Chief Executive Officer (CEO) of the Company shall be filled by different individuals	✓	-	-
1(4)(b)	MD or CEO of a listed company shall not hold the same position in another listed company	✓	-	-
1(4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors	✓	-	-
1(4) (d)	The Board shall define the roles & responsibilities of the Chairman and Managing Director/CEO	✓	-	-
1(4) (e)	In the absence of Chairperson, elect one Non Executive Director and reason of absence of regular chairperson shall be recorded in the minutes	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
1(5)	The Directors' Report to Shareholders			
1(5) (a)(i)	An industry outlook and possible future developments	✓	-	-
1(5) (ii)	The segment -wise or product -wise performance	✓	-	-
1(5) (iii)	Risk and concerns including internal and external risk factors, threat to sustainability and negative impact on environments	✓	-	-
1 (5)(iv)	A discussion on Cost of goods sold, Gross profit margin and Net profit margin where applicable	✓	-	-
1 (5) (v)	A discussion on continuity of any extraordinary activities and their implications on gain or loss	✓	-	-
1 (5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓	-	-
1 (5) (vii)	A statement of utilization of proceeds raised through public issues, right issues and/or any other instruments	✓	-	-
1(5) (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO) or Repeat Public Offering (RPO), Right Share Offer, Direct listing	✓	-	-
1(5) (ix)	If any significant variance occurs between quarterly financial performances and Annual Financial Statements.	✓	-	-
1 (5) (x)	A statement of remuneration paid to Directors including Independent Directors	✓	-	-
1(5) (xi)	The Financial Statements prepared by the management of the company present fairly its state of affairs, result of operations, cash flows and changes in equity	✓	-	-
1 (5) (xii)	Proper Books of accounts of the company have been maintained	✓	-	-
1(5) (xiii)	Appropriate accounting policies have been applied consistently in preparation of the financial statements and the accounting estimates are based on prudent judgment	✓	-	-
1(5) (xiv)	International Accounting Standards (IAS) or international Financial Reporting Standards (IFRS) have been followed in preparation of the financial statements	✓	-	-
1(5) (xv)	The system of internal controls is sound in design and has been effectively implemented and monitored	✓	-	-
1 (5) (xvi)	Minority shareholders have been protected from abusive action by controlling shareholders	✓	-	-
1(5) (xvii)	A statement regarding the business is a going concern	✓	-	-
1(5)(xviii)	Explanation of significant deviations from the previous year's operating results	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
1(5) (xix)	Summary of key operating and financial data for at least the last 5 (five) years			
1(5) (xx)	Reasons for non-declaration of dividend for the year			Not applicable
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend			Not applicable
1(5) (xxii)	Number of Board Meetings held during the year and attendance by each Director	✓	-	-
1(5) (xxiii)	A report on pattern of shareholding disclosing the aggregate no. of shares			
1(5)(xxiii)(a)	Parent or Subsidiary or Associate Companies and other related parties	✓	-	-
1 (5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children	✓	-	-
1(5)(xxxiii)(c)	Executives	✓	-	-
1 (5)(xxiii)(d)	Shareholders holding 10% (ten percent) or more voting interest in the company	✓	-	-
1 (5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure to shareholders			
1(5) (xxiv)(a)	A brief resume of the Director			Not applicable
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas	✓	-	-
1(5)(xxiv)(c)	Name of companies in which the person holds directorship or member committee of Board	✓	-	-
1 (5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operation including brief discussion	✓	-	-
1(5)(xxv)(a)	Accounting policies and estimation for preparation of Financial Statements	✓	-	-
1(5)(xxv)(b)	Any changes in accounting policies and estimation	✓	-	-
1 (5)(xxv)(c)	Comparative analysis including effect of inflation of financial performance or results and financial position as well as cash flows for current year with immediately preceding 5 (five) years explaining thereof	✓	-	-
1(5)(xxv)(d)	Compare financial performance or results and financial position with the peer industry scenario	✓	-	-
1 (5)(xxv)(e)	Briefly explain the financial & economic scenario of the country and the globe	✓	-	-
1(5)(xxv)(f)	Risks and concerns issues related to the Financial Statements, explaining such risk and concerns mitigation policy of the company	✓	-	-
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance & position, with justification thereof actual position shall be explained to the shareholders in the next AGM	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
1(5)(xxvi)	Declaration or certification by the CEO and CFO to the board as required under condition 3(3) disclosed as per Annexure-A; and	✓	-	-
1(5)(xxvii)	Certificate regarding Compliance condition no. 9 disclosed as per Annexure- B and Annexure - C	✓	-	-
1(6)	Meetings of the Board			
	Company shall conduct its Board Meetings and record the minutes of the meetings, as well as required books and records in line with the provisions of the BSS as issued bythe ICSB in so far as those standards are not inconsistent with any condition of this code	✓	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer/Managing Director			
1 (7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No.6. for the Chairperson, other Board members and CEO of the company			on process
1(7) (b)	The code of conduct as determined by the Nomination and Remuneration Committee (NRC) shall be posted on the website of the company			on process
2	Governance of the Board of Directors of Subsidiary Company-			
2(a)	Composition of the Board of holding company shall be applicable to the subsidiary company	✓	-	-
2(b)	At least 1 (one) Independent Director of the holding company shall be a Director on the Board of the subsidiary company	✓	-	-
2(c)	Minutes of the Board Meeting of the subsidiary company shall be placed for review at the board meeting of holding company	✓	-	-
2(d)	The minutes of the respective Board meeting of holding company shall stated that they have reviewed the affairs of the subsidiary company also	✓	-	-
2(e)	The Audit Committee of holding company shall review the financial statements of subsidiary company	✓	-	-
3	Managing Director/Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit & Compliance (HoIAC)-			
3(1)(a)	The Board shall appoint MD or CEO, CS, CFO and HIAC	✓	-	-
3(1)(b)	The positions of the MD or CEO, CS, CFO and HIAC shall be filled by different individuals	✓	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓	-	-
3(1)(d)	Board shall clearly define respective roles, responsibilities and duties of CFO, HIAC & CS	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
3(1)(e)	The MD/CEO, CFO, CS & HIAC shall not be removed from their position without approval of the board as well as immediate dissemination to the Commission & Stock Exchange	✓	-	-
3(2)	Requirement to attend Board of Directors' Meetings-			
	The MD, CS, CFO and HIAC shall attend the Board meetings; Provided that the CS, CFO and /or the HIAC shall not attend such part of a meeting of the Board which involves any agenda relating to their personal matters	✓	-	-
3(3)	Duties of Chief Executive Officer (CEO)/ Managing Director (MD) and Chief Financial Officer (CFO)-			
3(3)(a)	The CEO/MD and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge-	✓	-	-
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓	-	-
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	✓	-	-
3(3)(b)	The CEO and CFO also certify that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of code of conducts	✓	-	-
3(3)(c)	The certification of the CEO/MD and CFO shall be disclosed in the Annual Report	✓	-	-
4	Board of Directors' Committee			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
	(i) Audit Committee	✓	-	-
	(ii) Nomination and Remuneration Committee	✓	-	-
5	Audit Committee (AC)-			
5(1)	Responsibility to the Board of Directors-			
5(1)(a)	Sub-Committee of the Board	✓	-	-
5(1)(b)	Ensure that the financial statements reflect true and fair view of the state of affairs of the company and a good monitoring system within the business	✓	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; duties of the Audit Committee shall be clearly set forth in writing	✓	-	-
5(2)	Constitution of the Audit Committee	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
5(2)(a)	The Audit Committee shall be composed at least 3 members	✓	-	-
5(2)(b)	all members of the Committe shall be non-executive directors except the Chairperson of the Board and shall include at least 1 (one) independent director	✓	-	-
5(2)(c)	All members of the audit committee should be "financially literate' and at least one member shall have accounting or related financial management background and ten years experiences	✓	-	-
5(2)(d)	The Board shall appoint a new member to fill up the casual vacancy in the Committee immediately or within 1 (one) month from the date of vacancy	✓	-	-
5(2)(e)	The Company Secretary shall act as the Secretary of the Committee	✓	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓	-	-
5(3)	Chairperson of the Committee	✓	-	-
5(3)(a)	The Board shall select the Chairperson of the audit committee who shall be an independent director	✓	-	-
5(3)(b)	In the absence of Chairperson, elect one Non Executive Director and reason of absence of regular chairperson shall be recorded in the minutes	✓	-	-
5(3)(c)	In absence of chairperson, any other member of the Audit Committee shall be selected to be present in the Annual General Meeting (AGM) and reason for absence of the regular Chairperson of the AC shall be recorded in the minutes of the AGM	✓	-	-
5(4)	Meeting of the Audit Committee-	✓	-	-
5(4)(a)	The Audit Committee shall conduct at least 4 (four) meetings in a financial year	✓	-	-
5(4)(b)	The quorum of the Audit Committee meeting shall not constituted in presence of either two members or two third members of the AC whichever is higher, where presence of an independent director must	✓	-	-
5(5)	Role of the Audit Committee-	✓	-	-
5(5)(a)	Oversee the financial reporting process	✓	-	-
5(5)(b)	Monitor choice of accounting policies and principles	✓	-	-
5(5)(c)	Monitor internal and external audit activities	✓	-	-
5(5)(d)	oversee hiring and performance of external auditors	✓	-	-
5(5)(e)	Hold meeting with external auditor for review of the annual Financial Statements before submission to the Board	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
5(5)(f)	Review the annual financial statements before submission to the Board for approval	✓	-	-
5(5)(g)	Review the quarterly and half yearly financial statements before submission to the Board for approval	✓	-	-
5(5)(h)	Review adequacy of internal audit function	✓	-	-
5(5)(i)	Review the management's discussion and analysis before disclosing in the Annual Report	✓	-	-
5(5)(j)	Review all related party transactions	✓	-	-
5(5)(k)	Review management letters or Letter of Internal Control weakness issued by statutory auditors	✓	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise, required time and evaluate the performance of external auditor	✓	-	-
5(5)(m)	Declaration of the Committee regarding utilisation of the proceeds raised through IPO, RPO or Right Share Offer			Not applicable
5(6)	Reporting of the Audit Committee-			
5(6)(a)	Reporting to the Board of Directors-			
5(6)(a)(i)	The Committee shall report on its activities to the Board of Directors	✓	-	-
5(6)(a)(ii)	Activities of the Committee shall immediately report to the Board on	✓	-	-
5(6)(a)(ii)(a)	Conflicts of interest			Not found
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularities or material defect identified in compliance process or financial statements			Not found
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatories			Not found
5(6)(a)(ii)(d)	Material deficiency in internal control			Not found
5(6)(b)	Reporting to the authorities	✓	-	-
5(7)	Reporting to shareholders and General Investors	✓	-	-
6	Nomination and Remuneration Committee (NRC)-			
6(1)	Responsibility to the Board of Directors -			
6(1)(a)	Sub-Committee of the Board	✓	-	-
6(1)(b)	Ensure formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors top level executives	✓	-	-
6(1)(c)	The Terms of Reference (ToR) shall clearly set forth covering the areas stated in condition no-6(5)(b)	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
6(2)	Constitution of the Nomination and Remuneration Committee-			
6(2)(a)	Comprising at least three members including an independent Director	✓	-	-
6(2)(b)	All members of the Committee shall be non-executive directors	✓	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board	✓	-	-
6(2)(d)	The Board shall have the authority to remove and appoint any member of the Committee	✓	-	-
6(2)(e)	In case of casual vacancy, the Board shall fill the vacancy within 180 days of occurring the vacancy in the Committee	✓	-	-
6(2)(f)	The chairperson of the committee may appoint or co-opt any external expert to the committee as advisor who shall be non-voting member	✓	-	-
6(2)(g)	The Company Secretary shall act as secretary of the committee	✓	-	-
6(2)(h)	The Quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director	✓	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly any remuneration for any advisory or consultancy role or otherwise, other than Director's Fees or honorarium from the company	✓	-	-
6(3)	Chairperson of the Committee-	✓	-	-
6(3)(a)	The Board shall select the Chairperson of the Committee who shall be an independent director	✓	-	-
6(3)(b)	In the absence of Chairperson, elect one Non Executive Director and reason of absence of regular chairperson shall be recorded in the minutes	✓	-	-
6(3)(c)	In absence of chairperson, any other member of the NRC shall be selected to be present in the Annual General Meeting (AGM) and reason for absence of the regular Chairperson of the NRC shall be recorded in the minutes of the AGM	✓	-	-
6(4)	Meeting of the NRC-	✓	-	-
6(4)(a)	The NRC shall conduct at least one meeting in a financial year	✓	-	-
6(4)(b)	The Chairperson may convene any emergency meeting upon request by any member of NRC	✓	-	-
6(4)(c)	Quorum shall be two members or two third of the members of the committee including independent director, whichever is higher	✓	-	-
6(4)(d)	Minutes of each meeting shall be recorded and confirmed in the next meeting of the Committee	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
6(5)	Role of the NRC-			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders	✓	-	-
6(5)(b)	NRC shall oversee the followings-	✓	-	-
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the board relating to remuneration of directors and top executives considering the followings-	✓	-	-
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable & sufficient for Directors to run the Company successfully	✓	-	-
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmark	✓	-	-
6(5)(b)(i)(c)	remuneration to Director and Top Level Executive involves a balance between fixed and incentive pay reflecting short and long term performance objectives to the working of the Company and its goal	✓	-	-
6(5)(b)(ii)	Devising a policy on Board's diversity	✓	-	-
6(5)(b)(iii)	Identifying persons who are qualified to become directors and top level executives position and recommending their appointment and removal to the Board	✓	-	-
6(5)(b)(iv)	Formulating criteria for evaluation of performance of independent directors and the Board	✓	-	-
6(5)(b)(v)	Identifying the company's needs for employees at different levels selections, transfer or replacement and promotion criteria	✓	-	-
6(5)(b)(vi)	Developing and reviewing annually the company's HR and training policies	✓	-	-
6(5)(c)	The Company shall disclose the nomination and remuneration policy and activities of NRC in its annual report	✓	-	-
7	External/ Statutory Auditors-			
7(1)	The company shall not engage its external or statutory auditors to perform the following services of the company, namely-			
7(1)(i)	Appraisal or valuation services for fairness opinions	✓	-	-
7(1)(ii)	Financial information systems design and implementation	✓	-	-
7(1)(iii)	Book keeping or other services related to the accounting records or financial statements	✓	-	-
7(1)(iv)	Broker-dealer services	✓	-	-
7(1)(v)	Actuarial services	✓	-	-
7(1)(vi)	Internal audit services or special audit services	✓	-	-
7(1)(vii)	Any service that the Audit Committee determines	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		put ✓ in the appropriate column		
		Complied	Not Complied	
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition no. 9(1); and	✓	-	-
7(1)(ix)	Any other service that creates conflict of interest	✓	-	-
7(2)	No partner or employees or his or her family members of the external audit firms shall possess any share of the company during the tenure of audit	✓	-	-
7(3)	Representative of external or statutory auditors shall remain present in the shareholders' meeting (AGM)	✓	-	-
8	Maintaining of a website by the Company-	✓	-	-
8(1)	The company shall have an official website linked with the website of the Stock Exchange(s)	✓	-	-
8(2)	The company shall keep the website functional from the date of listing	✓	-	-
8(3)	Detailed disclosures on its website as required under listing regulations of the Stock Exchange(s)	✓	-	-
9	Reporting and Compliance of Corporate Governance Code			
9(1)	The Company shall obtain a certificate from a practicing professional Accountant or Secretary other than statutory auditors or audit firm on yearly basis and such certificate shall be disclosed in the Annual Report	✓	-	-
9(2)	The compliance auditor shall be appointed by the shareholders in the Annual General Meeting	✓	-	-
9(3)	Directors of the company shall state in Directors' report whether the company has complied these conditions or not and attached in the Annual Report in accordance with the Annexure-C	✓	-	-

Report on Corporate Governance

Corporate Governance is the system of Internal Control and procedures by which an individual Company is managed in the best interest of all stakeholders. Fairness, Transparency, Accountability & Responsibility are the minimum standard of acceptable corporate behavior today. At Sonar Bangla Insurance corporate Governance means increasing the shareholders value by being efficient, transparent, professional & accountable to the organization, society & environment, thereby ensuring better and timely financial reporting.

The primary role of corporate governance is played by the Board of Directors. It is the Board that formulates the vision, objectives and strategic goals. The Board's dynamism guidance and stewardship are all that drives the Company towards sustainable growth. The Management's role is to execute those directives in a professional, proactive and at the same time ethical manner. SBI considers that its corporate governance practices comply with all the aspects of BSEC's Notification No. BSEC/CMMR-RCD/2006-151-158/207/Admin/80 dated 03 June, 2018.

Composition of Board of Directors

Board of Directors

The Board of Sonar Bangla Insurance Ltd. has been constituted with 20 Directors and one fifth is independent Directors. The Chairperson of the Board is Mr. Sheikh Kabir Hossain.

Role and Responsibilities of the Board

The Board will initially pivot on the direction, control and governance of the insurer and in particular should articulate and entrust to a corporate philosophy and governance that will shape the level of risk adoption, standard of business conduct and ethical behavior of the company at the macro levels. The Board should also set clear and transparent policy framework for translation of the corporate objectives.

The Board is fully empowered to control over the Company's affairs and is entirely accountable to the shareholders. The Board formulates the strategic objectives and policy framework for the company. In discharging the responsibilities Board carries out the following functions as per charter of the Board.

- ☐ Determination of the strategies, policies, management performance criteria and business plan alongwith monitoring and evaluation of the same.
- ☐ Reporting on the affairs, progress and performance of the Company to the shareholders periodically and timely.
- ☐ Delegation of power to Board committee and management and approval of transaction in excess of delegated power.
- ☐ Regular review of all kinds of financial matters.
- ☐ Appointment, Evaluation and overall supervision of the performance of the Top Management.

Ensuring of necessary skill and experience of the senior executives to perform their function efficiently for the sake of best interest of the Company.

Role of the Chairperson

The Chairman is the head of the Board. He takes decision of any matter in consultation with the Board members. He is not the Chief Executive of the Company. The role of the Chairman and Chief Executive Officer are independent and separate. The Chairman runs the Board, while the Chief Executive Officer takes executive decision within the jurisdiction of power delegated by the Board.

Board Meetings

The meetings of the Board of Directors of Sonar Bangla Insurance Ltd are normally held in the Board Room of Registered Corporate Head Office of the Company. The meetings are held on the scheduled dates as per decision of the Board. The notice of the meeting is served in writing to each Director by the Company Secretary well ahead.

The Company secretary prepares the papers including necessary notes therein as per requirement which are placed before the Board meeting for threadbare discussion. The members are also at their sweet will to recommend inclusion of any matter in the agenda for discussion. The company secretary and the Chief Financial Officer always attend the Board meeting for providing additional inputs for presentations.

Internal Control

Internal control system is designed in such a way that contains self monitoring mechanism and actions are taken to correct deficiencies as they are identified. Although the Board is responsible for ensuring adequate and effective control system yet it has inherent limitation including the possibility of circumvention or overriding of controls and therefore, can provide only reasonable assurances against material misstatement or loss. The company's internal control system has been outlined to ensure the director with reasonable assurance that assets are safeguarded against unauthorized use by the employees or management or third parties; transactions are fully authentic, properly recorded and material error and irregularities are either prevented or detected for regularization within a reasonable period of time.

Appropriately designed management, properly fixation of responsibilities, reasonably delegation of power and authority, setting up of accountability at each level, periodic reporting and regular monitoring of performances are the vital component parts of internal control framework prevailed in Sonar Bangla Insurance Limited.

Audit Committee

As per delegation of power by the Board, the committee is authorized to examine any matter relating to the financial affairs of the Company, to review all audit and inspection report, internal control system and procedure, accounting policies and adherence to compliance requirements etc.

Responsibilities

- 1 Briefly analyze the financial reporting process.
- 2 Monitoring the choice of accounting policies and principles.
3. Monitor internal control risk management Process
- 4 Oversee hiring and performance of external auditors.
- 5 Review with the help of management, the annual financial statements before submission to the board for approval.
- 6 Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
- 7 Review the adequacy of internal audit function.
- 8 Review statement of significant related party transactions submitted by the management.
- 9 Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.
- 10 When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Rights Issue the company shall disclose to the Audit Committee about the uses / applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer documents / prospectus.

Human Capital

Human capital is the most vital factor of all the factors for development of an organization. Sonar Bangla Insurance Limited believes that human capital composes infrastructure of a business organization, formulates, polices, collects ingredients of output, develops quality of output. Sonar Bangla Insurance Limited has adopted the measures to develop the human capital on the following policies:

1. Establish and Administer transfer policy in order to develop and implement recruitment opportunities, promotion, remuneration benefits, rewards, recognition system, transfer, training, performance management system irrespective of age, sex, race, political entity & religion belief.
2. Create an atmosphere of trust and support within the purview and the company which will lead and encourage the employees to work all together developing a team spirit as well as inspiring them to be innovative and creative in order to achieve company goals.
3. Involve a property internal communication and involvement mechanism which inspire employees to identify them with the company and its activities.
4. Adopt a systematic plan to approach the anticipated change and gear up the employees for technologies environmental changes. Accordingly try to find out the needs for training and development of the employees providing necessary opportunities for them to promote their career.
5. To chalk out a proper planning for recruiting enough people with skills and talents as per requirement of the company to meet the current and future growths.
6. To ensure specification of people with high quality and capability irrespective of sex, religion, caste, creed, age and seniority for a the senior management position in the company.

Information available on the Website

(Sonar Bangla Insurance Limited has been maintaining a full fledged web-site over the years and the web-site is being updated regularly. Every information regarding the Company is available in the site. The web-site address of SBI is www.sonarbanglains.com

Management Committee

The management Committee is entrusted with the task of making key decisions of the Company's management and operations under the official delegation of authority from the Board. The Committee is comprised of senior Executives who are from various key functions and operation of the company.

Corporate Governance

The Board of Directors of the Company firmly believe that practice of Good Corporate Governance and transparency is a sine qua non towards ensuring a disciplined and a sustainable organization. Sonar Bangla Insurance designed the corporate Governance systems and practices to ensure adequate internal control in operational process, transparency, and accountability. The Corporate Governance structure specifies the distribution of rights and responsibilities among different executives and spells out the rules and Procedures for making decisions on corporate affairs. The role of Regulatory Authorities is very important in respect of Corporate Governance practices. Sonar Bangla Insurance is pledge-bound to comply with all the requirements of regulatory Authorities, Parties to corporate Governance are Board of Directors, different committees of the Board, the management, different management committee a decision making personnel, etc. All plans, programmes, Policy decisions, as initiated by the Board are implemented by the management under the leadership of CEO.

Corporate Social Responsibility (CSR) Activities

With the view of corporate social responsibility Sonar Bangla Insurance Ltd. has been adding due attention and making a sizeable financial contribution towards various activities as parts of its CSR efforts for regenerating fruitful contribution in the fields of health, education, support to disabled persons, supports to help the flood and winter affected peoples, social activities etc.



Information Technology (IT) Infrastructure

Sonar Bangla Insurance Ltd. is determined to use Information Technology (IT) towards utmost facilities so that it can simply be differentiated from other companies in this sector. In this regard, SBIL has made its IT department strengthened with experienced and efficient resources with a goal to reach its valued clients with latest IT facilities.

SBIL has made significant improvements in IT Infrastructure and Software. Some of the remarkable achievements of IT are introducing of Local Area Network (LAN) at Head Office and Branches computerization of all departments, flourishing implementation of all the branches situated all over the country under online network, deploying high end servers under Linux Platform, implementing fully integrated general insurance software "Computer Integrated Insurance System (CIIS) All the operational process and functionalities are included in ERP applications CIIS.

Future Plans: To become a leader in the effective use of innovative IT in Non-Life Insurance Sector.

- i) Plan and implement information Resources and Technology (IRT) collaboratively.
- ii) Establish a Data Center for providing information to the management from data archive as and when required.
- iii) Establish a Disaster Recovery Center to secure the Company's valuable data in a professional manner.
- iv) Develop resources through effective IT trainings.

Conclusion: Technology provides the ability to process a large number of information and in a way which presents the details in a clear and short and snappy manner to employees. Anticipated benefits of implementing a technology system includes improvements in profit effectiveness, and a higher degree of accuracy among information in the possible shortest time.

Value Added Statement

for the year ended December 31, 2018

The Value Added statement (VAS) provides a detailed account of total value created by the Company during the year of account and its distribution for the same period. Sonar Bangla Insurance Ltd. contributed positively to the socio-economic development through payment of salaries and allowances of employees; by paying attractive and consistent dividend to the shareholders and by paying Tax.

The Value Added Statement of Sonar Bangla Insurance Ltd. for the year 2018 mentioned below shows how the value is created and distributed among different stakeholders of the company.

Particulars	2018 Taka	2017 Taka
Premium Income	44,80,18,141	40,53,16,975
Commission on Re-Insurance Ceded	3,60,34,498	2,56,24,851
Investment & Others Income	1,96,63,199	1,53,54,248
Balance of Fund	1,48,53,771	56,08,454
Total Value Added	51,85,69,609	45,19,04,528
<u>Distribution of the Value Added</u>		
Re-insurance	11,04,06,304	10,65,52,624
Management Expenses	13,09,15,977	9,66,80,128
Agency Commission	6,92,39,482	5,87,67,558
Net Claims Incurred	7,02,96,448	8,62,06,721
Tax	2,03,59,809	1,99,51,064
Dividend	4,53,29,939	3,43,40,863
Reserve & Surplus	3,70,57,318	3,30,60,178
Total Distribution	48,36,05,277	43,55,59,136

Economic Value Added Statement

Economic Value Added (EVA) is the financial indicator of measures that show the true economic profit of an organization. It assesses a measurement of company's economic success or failure over the period of time. Such a metric is useful for investors who wish to determine how well a company has added value for its investors and it can be compared against company's peers for a quick analysis of how well the company is operating in its industry. Economic value added is calculated by taking a company's net profit after tax less cost of capital.

For the year ended 31 st December	2018 Taka	2017 Taka
Shareholders' equity at the year ended	65,59,33,028	58,45,34,850
Accumulated provision for doubtful losses	—	—
Average Shareholders' equity	65,59,33,028	58,45,34,850
Cost of equity (%)	8%	7%
Economic Value Added	4,59,15,312	3,50,72,091
Net profit after tax	7,48,09,754	6,09,97,562
Less : Cost of equity	2,88,94,442	2,59,25,471

"It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Considering the Interest on fixed deposit /Government Sanchaya Parta plus 1% premium has been assumed to be the cost of equity."

Market Value Added Statement

for the year ended December, 2018

Market Value Added (MVA) is the differences between the total Market value (based on the quoted price in the main bourse) and total book value of the Company's shares. The Higher the MVA better the Company's position. A high MVA indicates the Company has created substantial wealth for the shareholders. A Investments are less than that value of the capital contributed to the Company by the capital market (or that wealth and value have been destroyed).

As of December 31, 2017, the total share market value of Sonar Bangla Insurance Ltd. stood at Taka 63.18 crore whereas the book value of the Shareholder's Equity stood Taka 34.34 crore. The calculation of Market Value Added of Taka 28.84 crore. The Calculation Market Value is given below:

Particulars	Number of Shares	Value per Share (Taka)	Total Value (Taka)
Market Value	3,77,74,949	15.00	56,66,24,235
Book Value	3,77,74,949	10.00	37,77,49,490
Market Value Added			18,88,74,745

Accounting Ratios Pertaining to Insurance Sector

Particulars	2018	2017
Reinsurance Premium Ceded as % of Gross Premium	24.64	26.29
Commission Paid % of Gross Premium	15.45	14.50
Net R/I Commission Earned as % of Gross Premium	8.03	6.32
Net R/I Commission Earned as % of Net Premium	10.66	8.58
Management Expenses (Revenue A/C) as % of Gross Premium	29.22	23.85
Management Expenses (Revenue A/C) as % of Net Premium	38.77	32.36
Net Claims Incurred as % of Gross Premium	15.67	21.27
Net Claims Incurred as % of Net Premium	20.79	28.85
Underwriting Result as % of Gross Premium	19.70	19.03
Underwriting Result as % of Net Premium	26.15	25.82

Report on Corporate Social Responsibilities

We all have personal responsibility to each other and the world around us. Everything we do has an effect on the other people. It is the same for businesses, large or small, public or private, that their actions affect a large number of stakeholders. Such stakeholders include customers, shareholders, employees, suppliers and society in general.

With growing scrutiny of business operations organizations are increasingly being driven to satisfy the expectations of opinion of governments and customers in order to thrive. In essence, businesses adopting Corporate Social Responsibility (CSR) principles believe that by operating ethically and responsibly, they have a greater chance of success. Businesses are demonstrating that well managed CSR actually supports business objectives, especially among medium/large corporate where improved compliance, reputation and relationships have been shown to increase shareholders value and profitability. With this end in view, Sonar Bangla Insurance Ltd. (SBIL) over the years have been giving due importance & making contributions towards various activities as part of its CSR efforts. Our CSR efforts included making contributions in the fields of health, support to naturally disaster, flood and winter affected peoples, education & training etc.

Redress of Clients Complaints & Communication

Insurance being a service industry, Clients' satisfaction are always our first priority. We take care of them as they are our business partners. We treat all clients with warmth and respect. We are always ready with our online service and achieve satisfactory business growth in the long run. Being fully aware of this, Sonar Bangla Insurance always attends to its clients complaints-whether related to its services or claim Settlement. Sonar Bangla encourages its clients to come towards with any complaint they may have and the top management is completely accessible to all them. Complaints can be lodged with the management in writing, over telephone, by e-mail or through the web site.

During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual Branch Conference of the Company. Clients may contact for Complaints to the following address.

Communicated to :

Mr. Syed Kamruzzaman
Head of Claims and Re-Insurance Dept.
Phone : 7170453-4, 9564086
Mobile : 01921026475
E-mail: sbi222@yahoo.com
Web : www.sonarbanglains.com

Solvency Margin

Solvency margin is the amount by which the assets of an insurer exceeds its liabilities and will form part of the insurer's shareholder's funds. Methods of valuation of assets and liabilities of an insure are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must be maintained at all times. The solvency of an Insurance Company corresponds to its ability to pay claims. The solvency of insurance company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the company has adequate capital as security.

Moreover solvency margin assists financial investment managers when making a decision on the risk or reward capability of a company to return dividends to stakeholders.

Redress of Investors Complaints and Communication

Sonar Bangla Insurance Ltd. have separate share Department headed by Mr. Abdur Rouf Gomosta, Company Secretary to communicate with shareholders and others Stakeholders. Investors and others may contact at any time to Share Department for any sort of information and query. To make the AGM more participatory, arranging AGM in a well-known place & convenient time allowing shareholders to speak in the relating to shareholders transfer of shares, changes of name and addresses and payment of dividend etc. might be sent to the following address.

Share Department

Md. Monabber Hosssain
Dy. Manager (Share Trade and Investment).
Dhaka
Phone : 9547211-12, 9564086
Mobile : 01717163493
E-mail: sbi222@yahoo.com
Web : www.sonarbanglains.com.

Report on 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. On the other hand listed Companies are required by BSEC to report on its ability to continue as going concern.

The Board of Directors of Sonar Bangla Insurance Ltd. has made annual assessment about whether there exist material uncertainties which may cast significant doubt upon the Company's ability to continue as going concern. The director's assessment of whether the Company is a going concern involves making appropriate inquiries including review of budget, forecast assumptions and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to company's ability to continue as a going concern for the foreseeable future.

Financial Indications

- Positive net current assets
- Less reliance on short term borrowing
- Continuous financial support by lenders
- Positive operating cash flows
- Positive key financial ratios
- Consistent payment of dividends
- Credibility in payment of obligations
- Performance growth positive underwriting results and trends

Operating Indications

- key management turnover
- Good business expansion
- Spread of business across diverse clientele
- Good market reputation and clients satisfaction
- Good Corporate environment and employee satisfaction.

Other Indications

- Maintenance of sufficient capital base as required by law
- Strong reserve base
- Strong equity base
- Strong Claim Paying Ability (CPA)
- Anticipates no significant change in legislation or government policy

Report of the Audit Committee

Audit Committee of the Sonar Bangla Insurance Ltd. comprises of 09 Directors nominated by Board of Directors. It operates according to the Terms of Reference specified by Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018.

During the year 2018, 06 meetings of the Audit Committee were held.

Role of Audit Committee

- i) Review the existing risk management policies and procedures for ensuring an effective internal check and control system.
- ii) Review the annual financial statements and determine whether they are complete and consistent with the accounting standard set by the regulatory authorities.
- iii) Review the findings and recommendations made by the internal auditors for removing the irregularities detected.
- iv) Review the auditing performance of external auditors and their audit reports.

Activities:

- i) Approved annual audit planning.
- ii) Reviewed quarterly and half yearly financial statement of the company to evaluate the performance.
- iii) Reviewed significant internal audit findings with a view to taking timely corrective actions.
- iv) Reviewed and examined the Annual Financial Statements 2018 audited by the external auditors and recommended to place the same the Board for consideration.



Shadidul Islam Niru
Chairperson (Independent Director)
Audit Committee

Sonar Bangla Insurance Limited

Declaration by CEO and CFO

April 27, 2019

Annexure-A

[As per condition No. 1(5)(xxvi)]

The Board of Directors
Sonar Bangla Insurance Limited
Head Office, Dhaka.

Subject: Declaration on Financial Statements for the year ended on December 31, 2018

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BAEC/CMR-RCD/2006-158/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Sonar Bangla Insurance Limited for the year ended on December 31, 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on December 31, 2018 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours



Managing Director & CFO



(Md. Abdul Khaleque Miah)
Chief Executive Officer

AUDITOR'S REPORT TO THE SHAREHOLDERS OF SONAR BANGLA INSURANCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of the group and separate financial statements of the Company present fairly, in all material respects, the consolidated Balance sheet of the group and the separate Balance sheet of the Company as at December 31, 2018 and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended and a summary of significant accounting policies and other explanatory information thereto in accordance with Bangladesh Financial Reporting Standards (BFRSs) and complies with the Companies Act 1994, Insurance Act 2010, Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws, rules and regulations.

Emphasis of Matter

- i. As disclosed in the note 15.00 of the financial statements regarding sundry debtors, in respect of reinsurance portfolio premium amounting to Tk. 87,591,345. Management should take necessary steps to realize/adjust the balances.
- ii. The management needs to make arrangement to introduce the Workers Profit Participation Fund (WPPF) in the company with compliance of applicable rules and regulations.
- iii. As disclosed in the Balance Sheet of the financial statements regarding amount due from other persons or bodies carrying on insurance business amounting to Tk. 105,956,363 balance laying on the Sadharan Bima Corporation and having conformity with the records of the Company. Management should take proper initiative to realize the balance as early as possible.
- iv. As described in the note 9.1 in the financial statements regarding liability for taxation, in this case actual demand of the tax authority is higher than the liability recognized in the financial statements, so the actual liability is contingent and issue is under process of litigation. The Management should resolve the issue as early as possible. Also the management should adjust the amount with advance against Company Tax.
- v. Though tax assessment issues are under litigation and actual scenario is contingent, the Company calculates deferred tax as lump sum basis. The management should calculate deferred tax as per BAS-12.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key Audit matters to communicate in our report.

Other Information

The board of Directors is responsible for the other information. The other information comprises the annual Report and Management Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In this regard, the management has not prepared Annual Report and Management Report for this period.

Responsibilities of the Board of Directors for the Financial Statements

Board of Directors are responsible for the preparation and fair presentation of these consolidated financial statements of the group and also separate financial statements of the company in accordance with International financial Reporting Standards 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 reparing the financial statements, management is responsible for assessing the Company's ability to continue as a going to 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these consolidated and separate financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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 reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations. or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or condition 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 auditors' 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 auditors' report.
- 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 the Board of Directors regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors 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.

Report on other Legal and Regulatory Requirements

- 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 account as required by law have been kept by the Company so far as it appeared from our examination of those books; and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us and incorporated in the accompanying accounts;
- c) the Company management has followed relevant provision 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 purpose of our audit have been received from branches not visited by us;
- d) As per section 63 (2) of the Insurance Act 2010 as amended, we report that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or in 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 Profit or Loss Account of the Company;
- e) As per Section 59(5) of the Insurance Act 2010 as amended rule 1958, 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 of its business re-insured abroad;
- f) the consolidated balance sheet, consolidated Profit or Loss and consolidated Statements of Cash Flows of the Group and the separate balance sheet, separate Profit or Loss and separate Statements of Cash Flows of the Company dealt with by the report are in agreement with the books of account and drawn as per Insurance Act 2010;
- g) the expenditure incurred was for the purposes of the company's business;

Other Matter

The consolidated and separate financial statement of **Sonar Bangla Insurance Limited** for the year than ended 31 December 2017 were audited by another auditor who express an unmodified opinion on those consolidated and separate financial statements on 30 April 2018.

The financial statements of the company's subsidiary of **Sonar Bangla Capital Management Limited** have been audited by another auditor as at 31 December 2018 and who expressed unqualified opinion.

This report, including the opinion, has been prepared for and only for the Company's Board of Director as a by in accordance with Company Act 1994 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Kanchi Lal Das, M.Com, FCA.

Signature of engagement partner

Name of engagement partner

Name of audit firm

Address

Date


 : **Kanchi Lal Das, M.Com, FCA**
 : **AHMAD & AKHTAR**, Chartered Accountants
 : BCIC Bhaban (3rd Floor),
 30-31 Dilkusha, C/A, Dhaka-1000
 : 27 April 2019

CONSOLIDATED BALANCE SHEET

CAPITAL AND LIABILITIES	NOTES	BALANCE AS AT	
		31.12.2018	31.12.2017
AUTHORIZED CAPITAL: 10,00,00,000 Ordinary Shares of Tk. 10/-each		1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 3,77,74,949 Ordinary Shares of Tk. 10/- each	2	377,749,490	343,408,630
SHARE MONEY DEPOSIT		13,405,849	13,405,849
RESERVE OR CONTINGENCY ACCOUNT Reserve for Exceptional Losses Profit & Loss Account & Appropriation Reserve for Fair Value of Share Trading A/C.	3	291,861,270 232,602,883 59,258,387 -	248,619,549 198,841,699 46,496,274 3,281,576
NON CONTROLLING INTEREST	4 (a)	72,640,260	68,321,261
BALANCE OF FUNDS AND ACCOUNTS Fire Insurance Business Marine Cargo Insurance Business Marine Hull Insurance Business Motor Insurance Business Miscellaneous Insurance Business	4	135,068,704 82,328,932 26,607,046 39,949 12,756,463 13,336,314	120,214,933 57,242,341 44,776,416 - 13,646,061 4,550,115
PREMIUM DEPOSIT	5	5,009,297	3,325,125
LIABILITY & PROVISION Loans & Advances Estimated liabilities in respect of outstanding claims whether due or intimated Amount due to other persons or bodies carrying on insurance business Sundry Creditors(Including outstanding and accruing for expenses) Deferred Tax Provision	6 7 8 9	143,090,558 75,761,759 19,281,314 - 46,610,915 1,436,570	122,616,677 44,690,900 11,231,685 24,619,552 40,767,970 1,306,570
TOTAL		1,038,825,428	919,912,025

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
Chief Executive Officer

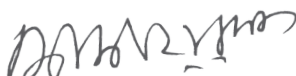

Shahidul Islam Niru
Independent Director

AS AT DECEMBER 31, 2018

PROPERTY AND ASSETS	NOTES	BALANCE AS AT	
		31.12.2018	31.12.2017
INVESTMENT		159,416,670	165,335,904
Bangladesh Government Treasury Bond	10	25,000,000	25,000,000
Investment in Shares (Fair Value)	11	134,416,670	140,335,904
INTEREST RECEIVABLES (accrued but not due)	13	11,249,157	8,204,369
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS		105,956,363	46,442,907
SUNDRY DEBTORS	14	353,350,173	320,734,001
CASH AND BANK BALANCES	15	332,365,133	298,864,865
Fixed Deposit		313,052,756	279,872,382
STD & CD A/C with Bank		17,069,589	16,522,703
Cash in Hand		992,788	844,780
Cheques in transit		1,250,000	1,625,000
OTHERS ACCOUNTS		76,487,932	80,329,979
Fixed Assets (At cost less Depr.)	16	74,177,339	78,811,491
Stock of Stationery, Stamps & Forms (Fair Value)		2,310,593	1,518,488
TOTAL		1,038,825,428	919,912,025

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

CONSOLIDATED PROFIT AND LOSS ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
EXPENSES OF MANAGEMENT (Not applicable to any particular Fund or Account)		19,290,499	18,562,439
Director's Fees		740,413	865,000
Audit Fees		108,750	306,250
Advertisement and Publicity		1,176,346	486,237
Renewal of Registration & Trade License		732,768	1,521,101
Fees & Charges		668,036	600,124
Legal Fee & Professional Fee		631,562	1,449,550
Levy Charges		—	200,000
CSR Expenses		50,000	262,000
Subscription	18	36,000	236,000
Car Rental		—	664,700
Loss on Sale of Fixed Asset		—	15,133
Depreciation		8,805,271	5,970,321
Unrealized loss of Share		1,204,185	1,445,548
Expenses of Management of SBCML		5,137,168	4,540,475
NET PROFIT/(LOSS) TRANSFERRED TO PROFIT & LOSS APPROPRIATION ACCOUNT		108,133,492	91,094,753
TOTAL		127,423,991	109,657,192

CONSOLIDATED PROFIT AND LOSS APPROPRIATION ACCOUNT

PARTICULARS	NOTES	2018 TAKA	2017 TAKA
RESERVE FOR EXCEPTIONAL LOSSES		33,761,184	29,876,438
DIVIDEND PAID		34,340,860	31,218,960
PROVISION FOR INCOME TAX		22,820,337	22,046,387
DEFERRED TAX		130,000	125,000
BALANCE TRANSFERRED TO BALANCE SHEET		59,258,387	46,496,274
NON-CONTROLLING INTEREST		4,318,998	4,997,637
TOTAL		154,629,766	134,760,696
BASIC EARNING PER SHARE	21	1.92	1.51

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2018

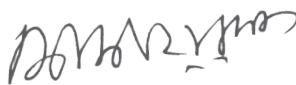
PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
INTEREST AND DIVIDEND INCOME (Not applicable to any particular Fund or Account)	17	20,874,071	16,994,573
Interest Income		19,091,113	15,069,811
Dividend income(Cash)		1,782,958	1,924,762
OTHER INCOME		18,204,262	15,536,278
Realized gain from share transaction		16,672,492	13,132,352
Misc income/Operating Income		1,531,770	2,403,926
PROFIT/(LOSS) TRANSFERRED FROM REVENUE ACCOUNT		88,345,658	77,126,341
Fire Revenue Account		29,972,587	18,137,055
Marine Cargo Revenue Account		42,677,258	41,804,238
Marine Hull Revenue Account		(69,664)	2,238,770
Motor Revenue Account		10,659,830	13,171,752
Misc. Revenue Account		5,105,647	1,774,526
TOTAL		127,423,991	109,657,192

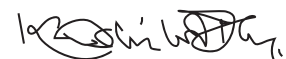
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	2018 TAKA	2017 TAKA
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		46,496,274	43,665,943
NET PROFIT FOR THE YEAR BROUGHT DOWN		108,133,492	91,094,753
TOTAL		154,629,766	134,760,696

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairperson


AHMAD & AKHTAR
Chartered Accountants

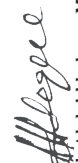
SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2018

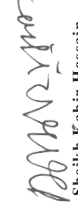
PARTICULARS	SHARE CAPITAL	SHARE MONEY DEPOSIT	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	RETAIN EARNINGS	TOTAL	NON CONTROLLING INTEREST
AT THE BEGINNING OF THE YEAR	343,408,630	13,405,849	198,841,699	3,281,576	46,496,274	605,434,028	68,321,261
Stock Dividend	34,340,860	-	-	-	(34,340,860)	-	-
Net Profit after tax	-	-	-	-	80,864,157	80,864,157	4,318,999
Share Money Deposit	-	-	-	-	-	-	-
Fair Value Reserve	-	-	-	(3,281,576)	-	(3,281,576)	-
Appropriation made during the year	-	-	33,761,184	-	(33,761,184)	-	-
AT THE END OF THE YEAR	377,749,490	13,405,849	232,602,883	-	59,258,387	683,016,609	72,640,260
AT THE END OF THE YEAR-2017	343,408,630	13,405,849	198,841,699	3,281,576	46,496,274	605,434,028	68,321,261

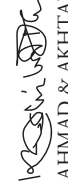
Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Shahidul Islam Niru
 Independent Director


Md. Abdul Khaleque Miah
 Chief Executive Officer


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

 Dated: Dhaka
 27 April, 2019

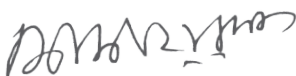
SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	AMOUNT IN TAKA	
	2018	2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Premium Collection and other Income	483,830,727	418,987,829
Payment of Expenses, Re-Insurance, Claims	(422,916,174)	(376,991,617)
Income Tax Paid	(20,217,350)	(20,690,087)
Net Cash Provided by Operating Activities	40,697,203	21,306,125
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Share	(45,858,524)	(13,593,992)
Investment in Merchant Bank	—	—
Purchase of Fixed Assets	(4,102,222)	(17,605,263)
Purchase of Property	—	—
Disposal of fixed assets	—	—
Sale proceeds of share and securities	—	—
Net Cash used in Investing Activities	(49,960,746)	(31,199,255)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
SOD/Loan Account	21,123,386	11,703,826
Increase in Share Capital	—	—
Dividend paid	—	—
Net Cash used in Financing Activities	21,123,386	11,703,826
D. NET INCREASED IN CASH & CASH EQUIVALENT (A+B+C)	11,859,843	1,810,696
E. OPENING CASH AND CASH EQUIVALENT	268,506,324	266,695,628
F. CLOSING CASH AND CASH EQUIVALENT (D+E)	280,366,167	268,506,324
Net Operating Cash Flow per Share (NOCFS) =	$\frac{\text{Net operating cash flow}}{\text{Number of shares}}$	
	$= \frac{40,697,203}{37,774,949}$	$\frac{21,306,125}{37,774,949}$
NOCFS	1.08	0.56

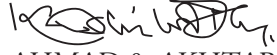

Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson

Subject to our separate report of even date


AHMAD & AKHTAR
 Chartered Accountants

Dated: Dhaka
 27 April, 2019

BALANCE SHEET

CAPITAL AND LIABILITIES	NOTES	BALANCE AS AT	
		31.12.2018	31.12.2017
AUTHORIZED CAPITAL: 10,00,00,000 Ordinary Shares of Tk. 10/-each		1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 3,77,74,949 Ordinary Shares of Tk. 10/- each	2	377,749,490	343,408,630
RESERVE OR CONTINGENCY ACCOUNT Reserve for Exceptional Losses Profit & Loss Account & Appropriation Reserve for Fair Value of Share Trading A/C.	3	278,183,538 232,602,883 45,580,655 -	241,126,220 198,841,699 39,002,945 3,281,576
BALANCE OF FUNDS AND ACCOUNTS Fire Insurance Business Marine Cargo Insurance Business Marine Hull Insurance Business Motor Insurance Business Miscellaneous Insurance Business	4	135,068,704 82,328,932 26,607,046 39,949 12,756,463 13,336,314	120,214,933 57,242,341 44,776,416 — 13,646,061 4,550,116
PREMIUM DEPOSIT	5	5,009,297	3,325,125
LIABILITY & PROVISION Loans & Advances Estimated liabilities in respect of outstanding claims whether due or intimated Amount due to other persons or bodies carrying on insurance business Sundry Creditors (Including outstanding and accruing for expenses) Deferred Tax Provision	6 7 8 9	111,398,147 59,827,065 19,281,314 - 30,853,198 1,436,570	92,131,293 29,691,706 11,231,685 24,619,552 25,281,780 1,306,570
TOTAL		907,409,176	800,206,201

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer

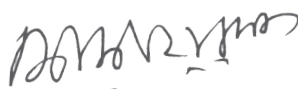

Shahidul Islam Niru
 Independent Director

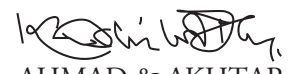
AS AT DECEMBER 31, 2018

PROPERTY AND ASSETS	NOTES	BALANCE AS AT	
		31.12.2018	31.12.2017
INVESTMENT		118,531,742	122,426,730
Bangladesh Government Treasury Bond	10	25,000,000	25,000,000
Investment in Shares (Fair Value)	11	15,822,817	19,717,805
Investment to Subsidiary	12	77,708,925	77,708,925
INTEREST RECEIVABLES (accrued but not due)	13	8,671,979	7,283,949
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS		105,956,363	46,442,907
SUNDRY DEBTORS	14	334,220,533	292,911,000
CASH AND BANK BALANCES:	15	278,475,585	265,740,756
Fixed Deposit		261,053,790	249,513,841
STD & CD A/C with Bank		15,269,007	13,780,281
Cash in Hand		902,788	821,634
Cheques in transit		1,250,000	1,625,000
OTHERS ACCOUNTS		61,552,974	65,400,859
Fixed assets (At cost less Depr.)	16	59,242,381	63,882,371
Stock of Stationery, Stamps & Forms (Fair Value)		2,310,593	1,518,488
TOTAL		907,409,176	800,206,201

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

PROFIT AND LOSS ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
EXPENSES OF MANAGEMENT (Not applicable to any particular Fund or Account)		12,839,294	11,406,963
Director's Fees		705,000	865,000
Audit Fees		86,250	286,250
Advertisement and Publicity		1,176,346	486,237
Renewal of Registration & Trade License		710,879	1,431,022
Fees & Charges		668,036	600,124
Legal Fee & Professional Fee		604,562	1,449,550
Levy Charges		-	200,000
CSR Expenses		50,000	262,000
Subscription	18	36,000	136,000
Car Rental		-	664,700
Loss on Sale of Fixed Asset		-	15,133
Depreciation		7,773,094	5,010,947
Unrealized loss of Share		1,029,127	-
NET PROFIT/(LOSS) TRANSFERRED TO PROFIT & LOSS APPROPRIATION ACCOUNT		95,169,563	81,073,626
TOTAL		108,008,857	92,480,589

PROFIT AND LOSS APPROPRIATION ACCOUNT

PARTICULARS	NOTES	2018 TAKA	2017 TAKA
RESERVE FOR EXCEPTIONAL LOSSES		33,761,184	29,876,438
DIVIDEND PAID		34,340,860	31,218,960
PROVISION FOR INCOME TAX		20,359,809	19,951,064
DEFERRED TAX		130,000	125,000
BALANCE TRANSFERRED TO BALANCE SHEET		45,580,655	39,002,945
TOTAL		134,172,508	120,174,407
BASIC EARNING PER SHARE	21	1.65	1.30

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
INTEREST AND DIVIDEND INCOME (Not applicable to any particular Fund or Account)	17	15,997,664	13,979,959
Interest Income		15,604,611	13,299,772
Dividend income(Cash)		393,053	680,187
OTHER INCOME		3,665,535	1,374,289
Realized gain from share transaction		3,665,535	1,305,913
Misc income		-	68,376
PROFIT/(LOSS) TRANSFERRED FROM REVENUE ACCOUNT		88,345,658	77,126,341
Fire Revenue Account		29,972,587	18,137,055
Marine Cargo Revenue Account		42,677,258	41,804,238
Marine Hull Revenue Account		(69,664)	2,238,770
Motor Revenue Account		10,659,830	13,171,751
Misc. Revenue Account		5,105,647	1,774,526
TOTAL		108,008,857	92,480,589

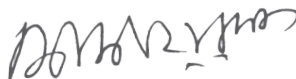
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	2018 TAKA	2017 TAKA
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		39,002,945	39,100,781
NET PROFIT FOR THE YEAR BROUGHT DOWN		95,169,563	81,073,626
TOTAL		134,172,508	120,174,407

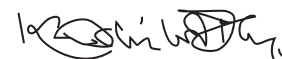
Subject to our separate report of even date



 Al-haj Md. Ruhul Amin
 Director



 Sheikh Kabir Hossain
 Chairperson



 AHMAD & AKHTAR
 Chartered Accountants

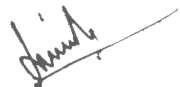
CONSOLIDATED REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		70,296,448	86,206,721
Paid during the year		62,246,819	85,139,975
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		19,281,314	11,231,685
		81,528,133	96,371,660
Less: Outstanding claims at the end of the previous year		(11,231,685)	(10,164,939)
AGENCY COMMISSION		68,239,482	58,767,558
EXPENSES OF MANAGEMENT	20	131,915,977	96,680,128
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		88,345,658	77,126,341
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income(100% Marine Hull) of the year		135,068,704	120,214,933
TOTAL		493,866,269	438,995,681

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer

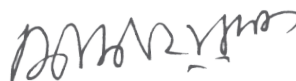

Shahidul Islam Niru
 Independent Director

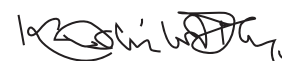
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		120,214,934	114,606,479
PREMIUM LESS RE INSURANCE	19	337,611,837	298,764,351
COMMISSION ON RE INSURANCE CEDED		36,039,498	25,624,851
TOTAL		493,866,269	438,995,681

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

FIRE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		51,964,583	75,123,954
Paid during the year		47,111,933	72,006,965
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		11,556,780	6,704,130
		58,668,713	78,711,095
Less: Outstanding claims at the end of the previous year		(6,704,130)	(3,587,141)
AGENCY COMMISSION		44,024,627	29,966,529
EXPENSES OF MANAGEMENT	20	74,717,275	46,242,424
PROFIT /(LOSS) TRANSFERRED TO PROFIT & LOSS ACCOUNT		29,972,587	18,137,055
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income of the year		82,328,932	57,242,341
TOTAL		283,008,004	226,712,303

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director

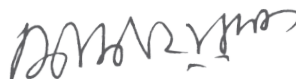
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		57,242,341	69,401,258
PREMIUM LESS RE INSURANCE	19	205,822,330	143,105,852
COMMISSION ON RE INSURANCE CEDED		19,943,333	14,205,193
TOTAL		283,008,004	226,712,303

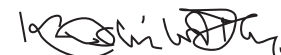
Subject to our separate report of even date



 Al-haj Md. Ruhul Amin
 Director



 Sheikh Kabir Hossain
 Chairperson



 AHMAD & AKHTAR
 Chartered Accountants

MARINE CARGO INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		8,355,933	7,005,351
Paid during the year		10,127,205	6,729,134
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		193,261	1,964,533
		10,320,466	8,693,667
Less: Outstanding claims at the end of the previous year		(1,964,533)	(1,688,316)
AGENCY COMMISSION		13,638,197	19,763,529
EXPENSES OF MANAGEMENT	20	27,620,234	33,580,596
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		42,677,258	41,804,238
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income of the year		26,607,046	44,776,416
TOTAL		118,898,668	146,930,130

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer

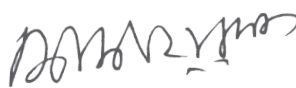

Shahidul Islam Niru
 Independent Director

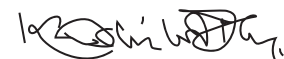
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		44,776,416	27,250,336
PREMIUM LESS RE INSURANCE	19	66,517,615	111,941,039
COMMISSION ON RE INSURANCE CEDED		7,604,637	7,738,755
TOTAL		118,898,668	146,930,130

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

MARINE HULL INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		22,109	(90,959)
Paid during the year		22,109	(90,959)
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		—	—
		22,109	(90,959)
Less: Outstanding claims at the end of the previous year		—	—
AGENCY COMMISSION		—	285,074
EXPENSES OF MANAGEMENT	20	55,777	82,256
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		(69,664)	2,238,770
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 100% of premium income of the year		39,949	—
TOTAL		48,171	2,515,141

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

Dated: Dhaka
27 April, 2019

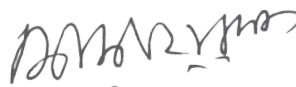

Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		-	4,149,943
PREMIUM LESS RE INSURANCE	19	39,949	(1,772,982)
COMMISSION ON RE INSURANCE CEDED		8,222	138,180
TOTAL		48,171	2,515,141


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson

Subject to our separate report of even date


AHMAD & AKHTAR
 Chartered Accountants

MOTOR INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		7,288,998	5,089,074
Paid during the year		4,820,747	6,415,534
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		3,898,081	1,429,830
		8,718,828	7,845,364
Less: Outstanding claims at the end of the previous year		(1,429,830)	(2,756,290)
AGENCY COMMISSION		5,310,638	4,961,688
EXPENSES OF MANAGEMENT	20	9,590,926	8,338,559
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		10,659,830	13,171,751
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income of the year		12,756,463	13,646,061
TOTAL		45,606,855	45,207,133

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer

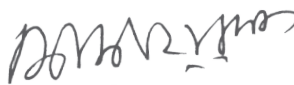

Shahidul Islam Niru
 Independent Director

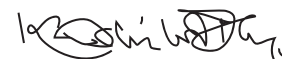
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		13,646,061	10,938,494
PREMIUM LESS RE INSURANCE	19	31,891,158	34,115,152
COMMISSION ON RE INSURANCE CEDED		69,636	153,487
TOTAL		45,606,855	45,207,133

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

MISC INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
CLAIMS UNDER POLICIES LESS RE INSURANCE		2,664,825	(920,699)
Paid during the year		164,825	79,301
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		3,633,192	1,133,192
		3,798,017	1,212,493
Less: Outstanding claims at the end of the previous year		(1,133,192)	(2,133,192)
AGENCY COMMISSION	20	5,266,020	3,790,738
EXPENSES OF MANAGEMENT		19,931,765	8,436,293
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		5,105,647	1,774,526
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income of the year		13,336,314	4,550,116
TOTAL		46,304,571	17,630,974

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

Dated: Dhaka
27 April, 2019


Md. Abdul khaleque Miah
 Chief Executive Officer

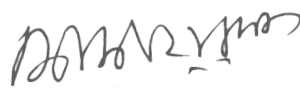

Shahidul Islam Niru
 Independent Director

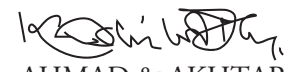
FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2018	2017
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		4,550,116	2,866,448
PREMIUM LESS RE INSURANCE	19	33,340,785	11,375,290
COMMISSION ON RE INSURANCE CEDED		8,413,670	3,389,236
TOTAL		46,304,571	17,630,974

Subject to our separate report of even date


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

SONAR BANGLA INSURANCE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2018

PARTICULARS	SHARE CAPITAL	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	RETAIN EARNINGS	TOTAL
AT THE BEGINNING OF THE YEAR	343,408,630	198,841,699	3,281,576	39,002,945	584,534,850
Stock Dividend	34,340,860	—	—	(34,340,860)	—
Net Profit after tax	—	—	—	74,679,754	74,679,754
Appropriation made during the year	—	33,761,184	—	(33,761,184)	—
Changes in Fair Value of Share	—	—	(3,281,576)	—	(3,281,576)
AT THE END OF THE YEAR	377,749,490	232,602,883	—	45,580,655	655,933,028

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2017

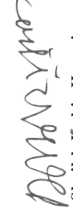
PARTICULARS	SHARE CAPITAL	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	RETAIN EARNINGS	TOTAL
AT THE BEGINNING OF THE YEAR	312,189,670	168,965,261	—	39,100,781	520,255,712
Stock Dividend	31,218,960	—	—	(31,218,960)	—
Net Profit after tax	—	—	—	60,997,562	60,997,562
Appropriation made during the year	—	29,876,438	—	(29,876,438)	—
Changes in Fair Value of Share	—	—	3,281,576	—	3,281,576
AT THE END OF THE YEAR	343,408,630	198,841,699	3,281,576	39,002,945	584,534,850

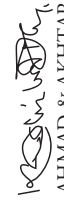
Subject to our separate report of even date


Md. Abdul Khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson


AHMAD & AKHTAR
 Chartered Accountants

Dated: Dhaka
 27 April, 2019

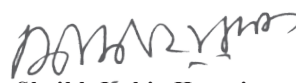
**SONAR BANGLA INSURANCE LTD.
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2018**

PARTICULARS	AMOUNT (IN TAKA)	
	2018	2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Premium Collection and other Income	438,890,743	401,216,704
Payment of Expenses, Re-Insurance, Claims	(397,694,848)	(364,364,996)
Income Tax Paid	(19,342,398)	(20,249,284)
Net Cash Provided by Operating Activities	21,853,497	16,602,424
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Share	(26,242,346)	(6,895,966)
Investment in Merchant Bank	-	-
Purchase of Fixed Assest	(3,064,207)	(17,022,663)
Disposal of fixed assets	-	-
Sale proceeds of share and securities	-	-
Net Cash used in Investing Activities	(29,306,553)	(23,918,629)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
SOD/Loan Account	20,187,885	9,691,706
Issue of Share	-	-
Dividend paid	-	-
Net Cash used in Financing Activities	20,187,885	9,691,706
D. NET INCREASED IN CASH & CASH EQUIVALENT (A+B+C)	12,734,829	2,375,501
E. OPENING CASH AND CASH EQUIVALENT	265,740,756	263,365,255
F. CLOSING CASH AND CASH EQUIVALENT (D+E)	278,475,585	265,740,756
Net Operating Cash Flow per Share (NOCFS)	=	=
	$\frac{\text{Net operating cash flow}}{\text{Number of shares}}$	
	$= \frac{21,853,497}{37,774,949}$	$\frac{16,602,424}{37,774,949}$
NOCFS	= Tk. 0.58	Tk. 0.44


Md. Abdul khaleque Miah
Chief Executive Officer

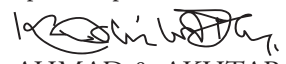

Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairperson

Dated: Dhaka
27 April, 2019

Subject to our separate report of even date


AHMAD & AKHTAR
Chartered Accountants

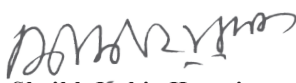
FORM "AA"
CLASSIFIED SUMMARY OF THE ASSETS
SONAR BANGLA INSURANCE LIMITED
AS AT 31ST DECEMBER, 2018

PARTICULARS	AMOUNT IN TAKA	REMARKS
Statutory Deposit	25,000,000	Realizable value
Investment in Share	15,822,817	Fair Value
Investment to Subsidiary	77,708,925	Book Value
Accured Interest	8,671,979	Book Value
Sundry Debtors	334,220,533	Book Value
Amount Due from Other Persons or Bodies Carrying on Insurance Business	105,956,363	Book Value
Fixed Deposit	261,053,790	Realizable value
Bank Balance & Cheques in transit	16,519,007	Realizable value
Cash in hand	902,788	Realizable value
Fixed Assets (at cost less depr:)	59,242,381	Book Value
Stock of Stationery, Forms & Stamp	2,310,593	Realizable value
TOTAL	907,409,176	


Md. Abdul khaleque Miah
 Chief Executive Officer

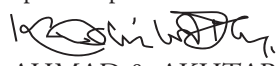

Shahidul Islam Niru
 Independent Director


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson

Dated: Dhaka
27 April, 2019

Subject to our separate report of even date


AHMAD & AKHTAR
 Chartered Accountants

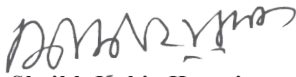
SONAR BANGLA INSURANCE LIMITED
NET ASSETS VALUE (NAV)

PARTICULARS	AMOUNT IN TAKA	
	2018	2017
A. ASSETS:		
Investment at cost (NIB)	25,000,000	25,000,000
Investment in Shares	15,822,817	19,717,805
Investment to subsidiary	77,708,925	77,708,925
Interest Accrued but not due	8,671,979	7,283,949
Amount due from other persons or bodies carrying on Insurance Business	105,956,363	46,442,907
Sundry Debtors (Including Advances, Deposits & Prepayments)	334,220,533	292,911,001
Cash and Bank Balances	278,475,585	265,740,756
Other Accounts (Fixed Assets & Stock of Stationery, Stamps)	61,552,974	65,400,859
TOTAL	907,409,176	800,206,202
B. LIABILITIES:		
Balance of Funds and Accounts	135,068,704	120,214,933
Other Sums Owing (Premium Deposit Account)	5,009,297	3,325,126
Estimated Liabilities in respect of outstanding claims whether due or intimated	19,281,314	11,231,685
Amount due to other persons or bodies carrying on Insurance Business	-	24,619,552
Sundry Creditors (Including Provision for expenses and Taxes)	32,289,768	26,588,350
Loans and Advance	59,827,065	29,691,706
TOTAL	251,476,148	215,671,352
NET ASSET (A - B)	655,933,028	584,534,850
NO OF SHARES	37,774,949	37,774,949
NET ASSETS VALUE PER SHARE	Tk. 17.36	15.47


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairperson

Dated: Dhaka
27 April, 2019

Subject to our separate report of even date


AHMAD & AKHTAR
Chartered Accountants

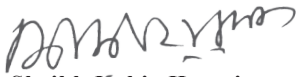
**SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED NET ASSETS VALUE (NAV)**

PARTICULARS	AMOUNT IN TAKA	
	2018	2017
A. ASSETS:		
Investment at cost (NIB)	25,000,000	25,000,000
Investment in Shares	134,416,670	140,335,904
Interest Accrued but not due	11,249,157	9,053,988
Amount due from other persons or bodies carrying on Insurance Business	105,956,363	46,442,907
Sundry Debtors (Including Advances, Deposits & Prepayments)	353,350,173	319,884,382
Cash and Bank Balances	332,365,133	298,864,865
Other Accounts (Fixed Assets & Stock of Stationery, Stamps)	76,487,932	80,329,979
TOTAL	1,038,825,428	919,912,025
B. LIABILITIES:		
Balance of Funds and Accounts	135,068,704	120,214,933
Other Sums Owing (Premium Deposit Account)	5,009,297	3,325,126
Estimated Liabilities in respect of outstanding claims whether due or intimated	19,281,314	11,231,685
Amount due to other persons or bodies carrying on Insurance Business	-	24,619,552
Sundry Creditors (Including Provision for expenses and Taxes)	48,047,485	42,074,540
Loans and Advance	75,761,759	44,690,900
TOTAL	283,168,559	246,156,736
C. NON CONTROLLING INTEREST	72,640,260	68,321,261
NET ASSET (A-B-C)	683,016,609	605,434,028
NO OF SHARES	37,774,949	37,774,949
NET ASSETS VALUE PER SHARE (Restated)	Tk. 18.08	16.03


Md. Abdul khaleque Miah
Chief Executive Officer

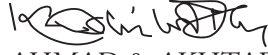

Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairperson

Dated: Dhaka
27 April, 2019

Subject to our separate report of even date


AHMAD & AKHTAR
Chartered Accountants

SONAR BANGLA INSURANCE LTD.
Notes to the Financial Statements
For the year ended December 31, 2018

1.00 Historical Background

Sonar Bangla Insurance Limited was incorporated in Bangladesh on March 14, 2000 and went into operation on 1st May, 2000 as a Public Limited Company under the Companies Act, 1994 with a view to run all types of insurance business except life as per Insurance Act, 1938 in Bangladesh. The Company went into initial public offerings (IPO) on September 2005 and raised its Share Capital to Tk. 37.77 crore. Now the Company is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office of the Company is at Paramount Heights (Level-14) 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.

The Company is engaged in Non Life Insurance Business with meaning of Insurance Act, 2010

The Company has also formed another subsidiary Company viz, Sonar Bangla Capital Management Ltd., to run business of Merchant Bank and obtained the licence from Securities and Exchange Commission for Commercial operation.

1.01 Basis of Presentation of Financial Statements(BAS 1) and Significant Accounting Policies:

1.02 Basis of Presenting Accounts:

a) The Financial Statements are prepared on a going concern basis under historical cost convention on generally accepted accounting Principles and Cash Flows Statement has been prepared on direct method and accrual basis of accounting has been followed:

b) The Balance Sheet has been prepared in accordance with the regulation contained in part I of the first schedule and as per Form "A" as setforth in part II of that schedule Profit & Loss Account(Comprehensive income statement) and Profit & Loss Appropriation Account have been prepared in accordance with the regulation contained in part I of the second schedule and as per Form "B" & "C" setforth in part II of that schedule respectively and the Revenue Accounts of each class of General Insurance Business has been prepared in accordance with the regulation as contained in part I of the third schedule and as per Form "F" as setforth the in part II of that schedule of the Insurance Act.

1.03 Significant Accounting Polices:

a) Underwriting Business:

Gross underwriting business as well as Re-Insurance thereof and claim settled etc. have been recorded separately for each class of business and the net underwriting results thereof have been reflected in the revenue accounts after due consideration of Re-Insurance ceded.

b) Segment of reporting (IFRS-8)

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 are 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.

c) Balance of Fund and Accounts:

These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all business except Marine Hull where provision has been made @100% on net premium income.

d) Management expenses :

Management expenses of Total Tk. 13,19,15,977 have been charged into 56.64% to Fire for Tk. 7,47,17,275, 20.94% to Marine Cargo for Tk. 2,76,20,234, 0.04% to Marine Hull for Tk. 55,777, 7.27% to Motor for Tk. 95,90,926 and 15.11 % for Tk. 1,99,31,765 to Miscellaneous revenue account respectively during the year.

e) Compliance of Local Laws:

The financial statements have been prepared in compliance with requirement of the Companies Act, 1994, Bangladesh Securities and Exchange Rules 1987, Insurance Act, 1938 and subsequently followed by Insurance Act. 2010, Anti Money Laundering Act.-2012 and other relevant Local Laws.

f) Compliance with Bangladesh Accounting Standards (BAS):

The financial statements have been prepared as at December 31, 2018 in compliance with requirement of the Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) approved by the Instituted of Chartered Accountants of Bangladesh (ICAB) and other regulations applicable in Bangladesh.

g) Reporting Currency:

The financial statements are presented in Bangladesh Currency (Taka) which have been rounded off to the nearest taka where indicated otherwise.

h) Accounting Period:

The financial period of the Insurance Company covers one year from January 01, 2018 to December 31, 2018.

i) Fixed Assets:

All Assets of the Company shown in financial statements that are within the scope of BAS-36, are in physical existence and valued on more than their recoverable amount. Following International Accounting Standards adopted by ICAB, discloser with regards to "Impairment of Assets" as per BAS - 36 have not been considered necessary.

These are stated at cost less accumulated depreciation. Depreciation on Fixed Assets have been charged on reducing balance method at rates varying from 2.5% to 30% depending on the estimated useful lives of the assets and are consistently applied in relation to previous year. Depreciation of Fixed Assets have been charged proportionately on addition of Fixed Assets when it is available for use as per paragraph 55 of BAS 16.

Category of Assets:	Rate of Dep.
Office Decoration	10%
Furniture & Fixture	10%
Telephone Installation	15%
Computer A/C	30%
Office Equipment	15%
Motor Vehicles	20%
Software Installation	30%
Air Condition	20%
Motor Cycle	20%
Office Space	2.5%

j) Stock of Stationery & Forms:

Stock of Stationery, Forms & stamps have been shown lower of cost and net realizable value.

k) Public Sector Business:

Company's share of Public sector business is accounted for the year in which the statement of accounts from the Sadharan Bima Corporation are received up to 31st December, 2018. Statement of accounts for the period from 1st July, 2017 to 30th June, 2018 have been received from the Sadharan Bima Corporation and accordingly, the Company's share of Public Sector Business for the year has been accounted for the accompanying accounts. This practice is being followed consistently.

L) Provision for Income Tax (BAS 12):

Provision for income tax for the year under audit has been made on the basis of Finance Act.

M) Deferred Taxation (BAS-12): Tk. 14,36,570

This has arrived as under:

Opening Balance	1,306,570
Add: Provision during the year	130,000
Total :	1,436,570

Deferred Tax has been calculated as lump sum basis to follow with BAS - 12.

N) Revenue Recognition (IFRS-15)

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have

been duly accounted for the books of accounts of the company and while preparing the final statements of accounts, the effect of re-insurance as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting result for the year.

O) Employee's Benefit Plan (BAS-19)

The Company has introduced a Employees Service Rules-2012 where a new attractive pay-scale has already been executed from January, 2012 for the interest of the Employees. Besides, Group Insurance Policy has been introduced as employees benefit scheme and provident fund is in under process.

P) Earning per Share (BAS-33)

The Company has calculated earning per share (EPS) in accordance with the Bangladesh Accounting Standards (BAS) -33 "Earning per Share" as adopted by ICAB.

Q) Investment:

- * Investment for statutory deposit is stated in respect of market value.
- * Income on Investment, other than shares, is accounted for on accrual concept basis.
- * Dividend Income on Investment on shares are accounted for the year of receiving of such dividend.
- * Gain /(Loss) on sold Fixed Assets are accounted for on a actual realization basis.

R) Reserve for Exceptional Losses:

Reserve for exceptional losses as appropriated out of current year's profit before tax for Tk.3,37,61,184 as per 4th schedule of income Tax ordinance.

S) Interest on FDR & STD:

Interest received from Banks on STD Accounts and FDR Accounts have been duly credited to the Profit and Loss Account.

T) Reserve for un-expired risks:

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

U) Precaution for Anti Money Laundering:

The Company has prepared and implemented the internal control guide line to prevent Money Laundering activity following the Bangladesh Bank's guide line in this behalf.

V) Disclosure of key Management personnel compensation

As per paragraph 17 of BAS 19, the company shall provide short term employee benefits, post employment benefits, other employment benefits and termination benefits as deem fit as per service rule of the company as well as the interest of the employee of the company.

W) Disclosure of Related Party Transaction(Paragraph 18,BAS 24)

There is no related party transaction.

2.00 SHARE CAPITAL**a) Authorized Capital Tk. 100,00,00,000**

Divided into 10,00,00,000 ordinary shares of Tk. 10/- each.

b) Issued Subscribed & Paid up Capital Tk. 37,77,49,490

Divided into 3,77,74,949 ordinary shares of Tk. 10/- each.

This balance represents:

Category	No. of Shareholder	No. of Share	Percentage (%)
Sponsors	16	12,002,462	31.78
Institutional Investors	62	7,799,597	20.65
General Public Including	3,525	17,972,890	47.57
	3,603	37,774,949	100.00

Classification of Shareholder by holding:

Class Interval	No. of Shareholders	No. of Share	Percentage (%)
0000000001-0000000499	1,528	216,694	0.57
0000000500-0000005000	1,618	2,620,163	6.94
0000005001-0000010000	203	1,402,122	3.71
0000010001-0000020000	107	1,487,765	3.94
0000020001-0000030000	36	856,068	2.26
0000030001-0000040000	33	1,152,338	3.05
0000040001-0000050000	14	628,055	1.66
0000050001-0000100000	31	2,223,809	5.89
0000100001-0004000000	33	27,187,935	71.98
	3,603	37,774,949	100.00

CASH AND CASH EQUIVALENTS (BAS-07)

Cash and cash equivalents comprise cash in hand and demand deposit and cash equivalents are short term, high Liquid investments that we are ready to convertable to know amount of cash and which are subject to an insignificant risk of change in value, BAS-1 "Presentation of Financial Statements" also provides that Cash equivalents are those who have no restriction.

3.00 RESERVE OR CONTINGENCY ACCOUNTS: TK. 27,81,83,538

Particulars	Notes	Amount	
		2018	2017
Reserve for Exceptional Losses	3.01	232,602,883	198,841,699
Profit & Loss Appropriation	3.02	45,580,655	39,002,945
Fair Value Reserve (Share Trading)		-	3,281,576
		278,183,538	241,126,220

3 (a) CONSOLIDATED RESERVE OR CONTINGENCY : Tk. 29,18,61,270

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	278,183,538	241,126,220
Sonar Bangla Capital Management Ltd.	13,677,732	7,493,329
Total	291,861,270	248,619,549

3.01 Reserve for Exceptional Loss: TK. 23,26,02,883

This is made up as follows:

Particulars	Amount	
	2018	2017
Opening Balance	198,841,699	168,965,261
Provision during the year	33,761,184	29,876,438
	232,602,883	198,841,699

3.02 Profit & Loss Appropriation Accounts: Tk. 4,55,80,655

This is made up as follows:

Particulars	Amount	
	2018	2017
Opening Balance	39,002,945	39,100,781
Net Profit during the year	95,169,563	81,073,626
Total balance for the Appropriation	134,172,508	120,174,407
Less : Appropriations		
Reserve for Exceptional Loss	33,761,184	29,876,438
Provision for income tax	20,359,809	19,951,064
Provision for Deferred Tax	130,000	125,000
Dividend Paid	34,340,860	31,218,960
	88,591,853	81,171,462
Amount transfer to Balance Sheet	45,580,655	39,002,945

3(2)(a) CONSOLIDATED PROFIT & LOSS APPROPRIATION ACCOUNTS : Tk. 5,92,58,387

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	45,580,655	39,002,945
Sonar Bangla Capital Management Ltd.	13,677,732	7,493,329
Total	59,258,387	46,496,274

3.03 Proposed Dividend :

The Board of Directors recommended 6% Stock(Bonus Share) & 6% Cash Dividend on the Audited Financial Statements for the year ended 31st December, 2018 in its 122th Meeting held on April 27, 2019 subject to the approval from the Hon'ble Shareholders of the Annual General Meeting .

4.00 BALANCE OF FUND AND ACCOUNTS :TK. 13,50,68,704

Particular	%	Amount	%	Amount
		2018		2017
Fire	40%	82,328,932	40%	57,242,341
Marine Cargo	40%	26,607,046	40%	44,776,416
Marine Hull	100%	39,949	100%	-
Motor	40%	12,756,463	40%	13,646,061
Misc.	40%	13,336,314	40%	4,550,115
Total		135,068,704		120,214,933

4(a) NON CONTROLLING INTEREST OF SONAR BANGLA CAPITAL MANAGEMENT LTD. : Tk. 7,26,40,260**5.00 PREMIUM DEPOSIT: TK. 50,09,297**

The above balance represents the amount received against cover notes for which policies were not issued within the year 31st December, 2018.

6.00 LOANS AND ADVANCE (SOD ACCOUNT): TK. 5,98,27,065

Tk. 5,98,27,065/- has been used to deposit the paid up capital for Sonar Bangla Capital Management Ltd. (Merchant Bank) being parent company and meetup the expenses of the Company.

6 (a) CONSOLIDATED LOANS AND ADVANCE : Tk. 7,57,61,759

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	59,827,065	29,691,708
Sonar Bangla Capital Management Ltd.	15,934,694	14,999,192
Total	75,761,759	44,690,900

7.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED : TK. 1,92,81,314

This is made up as follows:

Particulars	Amount	
	2018	2017
Fire	11,556,780	6,704,130
Marine	193,261	1,964,533
Marine Hull	-	-
Motor	3,898,081	1,429,830
Misc.	3,633,192	1,133,192
Total	19,281,314	11,231,685

8.00 SUNDRY CREDITORS: TK. 3,08,53,198

Particulars	Notes	Amount	
		2018	2017
O/S. Audit Fee		435,750	435,750
VAT Payable		1,095,008	1,098,412
Dividend Payable		393,309	-
Initial Deposit Premium		3,569,942	-
Company Tax Liabilities	8.01	25,359,189	23,747,618
Total		30,853,198	25,281,780

8.01 Liability for Taxation : Tk. 2,53,59,189

Particulars	Amount	
	2018	2017
Opening Balance	23,747,618	23,388,405
Add: Provision during the year	20,359,809	19,951,064
	44,107,427	43,339,469
Less: Paid and adjusted during the year	18,748,238	19,591,851
	25,359,189	23,747,618

An amount of Tk.1,87,48,238 has been provided during the year as against tax on Profit as per provision of Income Tax Ordinance 1984.

8 (a) CONSOLIDATED SUNDRY CREDITORS : Tk. 4,66,10,915

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	30,853,198	25,281,780
Sonar Bangla Capital Management Ltd.	15,757,717	15,486,190
Total	46,610,915	40,767,970

09.00 PROVISION FOR DEFERRED TAX: TK. 14,36,570

This is made up as follows:

Particulars	Amount	
	2018	2017
Opening Balance	1,306,570	1,181,570
Provision during the year	130,000	125,000
	1,436,570	1,306,570

This represents the amount invested as statutory deposit under Insurance Act, 2010

10.00 INVESTMENT OF STATUTORY DEPOSIT : TK. 2,50,00,000
11.00 INVESTMENT IN SHARES AT FAIR VALUE: TK. 1,58,22,817
11 (a) CONSOLIDATED INVESTMENT IN SHARES : TK. 13,44,16,670

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	15,822,817	19,717,805
Sonar Bangla Capital Management Ltd.	118,593,853	120,618,099
Total	134,416,670	140,335,904

This is made up as follows:

BO Account: DBL Securities Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	BRAC Bank Ltd.	817	14.48	11,830.86	72.70	59,395.90	47,565.04
02	Meghna Petroleum Ltd.	583	-	-	188.60	109,953.80	109,953.80
03	Social Islami Bank Ltd.	40,782	20.57	839,007.25	15.40	628,042.80	(210,964.45)
04	United Commercial Bank Ltd.	170,257	52.32	8,907,846.24	17.60	2,996,523.20	(5,911,323.04)
05	Beximco Ltd.	17,214	91.25	1,570,804.95	23.50	404,529.00	(1,166,275.95)
06	EXIM Bank Ltd.	2,085	17.20	35,862.00	11.80	24,603.00	(11,259.00)
07	ICB Islamic Bank Ltd.	100	5.91	591.45	4.80	480.00	(111.45)
08	Jamuna Bank Ltd.	673	6.91	4,647.84	17.60	11,844.80	7,196.96
09	National Bank Ltd.	121,887	23.55	2,870,882.64	9.30	1,133,541.10	(1,737,341.54)
Total				14,241,473.23		5,368,913.60	(8,872,559.63)

BO Account: E-Securities Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	Queensouth textile Mills Ltd.	268	9.09	2,436.87	38.10	10,210.80	7,773.93
02	Intraco Refueling Station	266	9.53	2,533.65	26.80	7,128.80	4,595.15
03	Sk. Trims & Industries Ltd.	5,550	9.09	50,456.16	46.30	256,965.00	206,508.84
04	VFS Thread Dyeing Ltd.	4,222	9.09	38,385.58	57.80	244,031.60	205,646.02
05	M.L. Dyeing Ltd.	4,229	8.33	35,241.53	29.70	125,601.30	90,359.77
06	Silva Pharmaceuticals Ltd.	9,194	10.00	91,940.00	30.10	276,739.40	184,799.40
07	Indo Bangla Pharmaceuticals Ltd.	294	9.09	2,673.14	31.10	9,143.40	6,470.26
08	Kattali Textile Ltd.	11,076	9.09	100,697.45	25.30	280,222.80	179,525.35
09	SS Steel Ltd.	13,492	10.00	134,920.00	10.00	134,920.00	-
10	People's Leasing and Financial Services Ltd.	201,830	65.11	13,141,575.14	5.60	1,130,248.00	(12,011,327.14)
11	Beximco Ltd.	18,074	86.94	1,571,417.86	23.50	424,739.00	(1,146,678.86)
12	EXIM Bank Ltd.	20,000	17.19	343,710.00	11.80	236,000.00	(107,710.00)
13	Islami Bank (BD.) Ltd.	20,000	33.97	679,380.00	24.20	484,000.00	(195,380.00)
14	Khulna Power Co. Ltd.	8,672	-	-	59.30	514,249.60	514,249.60
15	Meghna Petroleum Ltd.	172	101.54	17,464.19	188.90	32,439.20	14,975.01
16	National Bank Ltd.	74,047	15.81	1,170,726.88	9.30	688,637.10	(482,089.78)
17	RAK Ceramic Ltd.	113	6.11	690.00	39.00	4,407.00	3,717.00
18	United Commercial Bank Ltd.	12,324	25.03	308,451.23	17.60	216,902.40	(91,548.83)
19	BD Finance	5,000	16.48	82,410.00	16.30	81,500.00	(910.00)
20	City Bank Ltd.	5,000	32.26	161,302.50	30.20	151,000.00	(10,302.50)
21	Delt Life Insurance Ltd.	1,000	116.18	116,178.00	109.80	109,800.00	(6,378.00)
22	Jamuna Bank Ltd.	5,000	18.29	91,455.00	17.60	88,000.00	(3,455.00)
23	NCC Bank Ltd.	5,000	15.08	75,375.00	15.90	79,500.00	4,125.00
24	Popular Life Insurance Ltd.	1,000	109.55	109,545.00	113.80	113,800.00	4,255.00
25	Prime Bank Ltd.	5,000	16.98	84,922.50	18.10	90,500.00	5,577.50
26	Southeast Bank Ltd.	5,000	15.28	76,380.00	15.50	78,000.00	1,620.00
27	Uttara Bank Ltd.	5,000	31.66	158,287.50	28.50	142,500.00	(15,787.50)
Total				18,648,555.18		6,011,185.40	(12,637,369.78)

BO Account: Sonar Bangla Capital Management Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	A.B. Bank Ltd.	34278	20.57	705,159.52	12.00	411,343.50	(293,816.02)
02	Beximco Ltd.	13886	52.16	724,244.50	23.50	326,326.88	(397,917.62)
03	City General Insurance Ltd.	8052	23.89	192,348.61	13.40	107,896.80	(84,451.81)
04	National Bank Ltd.	74807	11.82	884,361.80	9.30	695,705.47	(188,656.33)
05	Titas Gas Transmission & Distribution Co. Ltd.	57550	85.87	4,941,818.50	36.40	2,094,820.00	(2,846,998.50)
06	Uttara Bank Limited	12100	30.53	369,440.03	28.50	344,850.00	(24,590.03)
07	RSRM Steel Mills Ltd.	7722	40.31	311,302.00	59.80	461,775.60	150,473.60
Total				8,128,674.96		4,442,718.25	(3,685,956.71)
Grand Total				41,018,703.37		15,822,817.25	(25,195,886.12)

Investment of Shares have been shown as per market price i.e. fair value as per BAS-39

12.00 INVESTMENT TO SUBSIDIARY : TK. 7,77,08,925

Sonar Bangla Insurance Ltd. has invested Tk. 7,77,08,925 to Sonar Bangla Capital Management Ltd. as 58.99% paid up Capital being its subsidiary organization. The Company has started its operation from July, 2013.

13.00 INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE) TK. 86,71,979

This represents accrued interest on investment in national investment bond and FDR realizable on maturity of the respective investment.

13 (a) CONSOLIDATED INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE) : Tk. 1,12,49,157

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	8,671,979	7,283,949
Sonar Bangla Capital Management Ltd.	2,577,178	920,420
Total	11,249,157	8,204,369

14.00 SUNDRY DEBTORS: TK. 33,42,20,533

Particulars	Amount	
	2018	2017
Security Money	1,769,000	1,776,500
Advance against Salary	848,267	309,508
Advance against Office Rent	9,163,154	9,402,724
Advance to Securities House	1,404,918	5,884,762
Advance against Company Tax	105,565,779	104,971,619
Deposit Clearing & Pre-payments	96,084,712	96,712,852
IPO Application	104,670	-
Re-Insurance portfolio losses	87,591,345	42,043,819
Agent Balance	6,815,218	6,935,747
Re-Insurance LPC Account	24,873,470	24,873,470
Total	334,220,533	292,911,000

14(a) CONSOLIDATED SUNDRY DEBTORS : Tk. 35,33,50,173

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	334,220,533	292,911,000
Sonar Bangla Capital Management Ltd.	19,129,640	27,823,001
Total	353,350,173	320,734,001

15.00 CASH AND BANK BALANCES: TK. 27,84,75,585

This is made up as follows:

Particulars	Amount	
	2018	2017
Fixed Deposit	261,053,790	249,513,841
STD & CD Accounts with Bank	15,269,007	13,780,281
Cash in hand	902,788	821,634
Cheques in transit	1,250,000	1,625,000
Total	278,475,585	265,740,756

15(a) CONSOLIDATED CASH AND BANK BALANCE : Tk. 33,23,65,133

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	278,475,585	265,740,756
Sonar Bangla Capital Management Ltd.	53,889,548	33,124,109
Total	332,365,133	298,864,865

16.00 FIXED ASSETS (AT COST LESS DEPCR:) TK. 5,92,42,381

A details of the above balance have been shown in the Schedule-"A"

16(a) CONSOLIDATED FIXED ASSETS (AT COST LESS DEPCR.) : Tk. 7,41,77,339

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	59,242,381	63,882,371
Sonar Bangla Capital Management Ltd.	14,934,958	14,929,120
Total	74,177,339	78,811,491

17.00 INTEREST INCOME: TK. 1,56,04,611

Particulars	Amount	
	2018	2017
FDR	12,198,951	10,284,397
Bangladesh Govt. Treasury Bond	3,009,700	3,015,375
STD & SND Accounts	395,960	680,187
Total	15,604,611	13,979,959

17(a) CONSOLIDATED INTEREST INCOME : Tk. 1,90,91,113

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	15,604,611	13,979,959
Sonar Bangla Capital Management Ltd.	3,486,502	1,089,852
Total	19,091,113	15,069,811

18.00 SUBSCRIPTION : TK. 36,000

This represents the payment as the yearly subscription of Association of Publicly Listed Companies and Bangladesh Chamber of Industries as proposed to their budget.

18(a) CONSOLIDATED SUBSCRIPTION : Tk. 36,000

Particulars	Amount	
	2018	2017
Sonar Bangla Insurance Ltd.	36,000	136,000
Sonar Bangla Capital Management Ltd.	-	100,000
Total	36,000	236,000

19.00 PREMIUM LESS RE-INSURANCE: TK. 33,76,11,837

Particulars	Gross Premium	Ceded Premium	Net Premium	
			2018	2017
Fire	253,757,698	47,935,368	205,822,330	143,105,852
Marine Cargo	93,804,906	27,287,291	66,517,615	111,941,039
Marine Hull	189,433	149,484	39,949	(1,772,982)
Motor	32,573,074	681,916	31,891,158	34,115,152
Miscellaneous	67,693,030	34,352,245	33,340,785	11,375,290
Total	448,018,141	110,406,304	337,611,837	298,764,351

20.00 MANAGEMENT EXPENSES (for Consolidation Revenue Account) : Tk. 13,19,15,977

a) Particulars	%	2018	%	2017
Fire insurance	57	74,717,275	48	46,242,424
Marine Insurance	21	27,676,011	35	33,662,852
Motor & Misc.	22	29,522,691	17	16,774,852
		131,915,977		96,680,128

No provision has been made in the accounts for the excess Management expenses as per 4th Schedule of Income Tax Ordinance, 1984 because the Management has applied to the Chairperson of Insurance Development and Regulatory Authority (IDRA) for excess expense of management where the Insurance Regulator is now recently give us a new regulation by a gazette notification for limitation of Management Expenses.

21.00 Basic EPS of SBIL

$$= \frac{\text{Earnings attributable to ordinary shareholders}}{\text{Weighted average number of shares outstanding during the year-2018}}$$

	2018	2017
Tk. =	62,149,310	49,171,986
	37,774,949	37,774,949

Tk. = **1.65** **1.30**

21.(a) Consolidated Basic EPS

Tk. =	72,652,711	57,097,789
	37,774,949	37,774,949

Tk. = **1.92** **1.51**

22.00 GENERAL :

- (1) Number of employees received salary upto Tk 4,500/- per month is nil.
- (2) Number of employees received salary above Tk 4,500/- are 586 nos. (Approx.)
- (3) The Company has no contingent liability.

Comments :

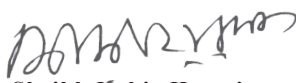
Thus as per above calculation it is found that the actual investment is excess compared to its prescribed investment guide line.

- (1) During the year under review no compensation was allowed by the company to the chief executive and officers of the company except their regular remuneration.
- (2) No Amount of money was spent by the company for compensating any member of the Board for special service rendered.
- (3) During the year under review an amount of Tk. 705,000/- was paid to the Directors of the company for Board meeting attendance fees as per allowable rate of the IDRA.
- (4) No transaction of Miscellaneous expenditure exceeded Tk. 2,000/-
- (5) There was no Bank guarantee issued by the Company on behalf of their Directors.
- (6) Auditors were paid only statutory audit fee duly approved by the shareholders in the last A.G.M.
- (7) There was no capital work in progress at the end of the accounting year.
- (8) No expenses were paid as royalty and salary to technical experts etc.
- (9) During the year Company was not entered into any agreement with the third party.
- (10) There was no Capital expenditure commitment as at December 31, 2018.
- (11) There was no claim against Company, which was not acknowledgement as debt other than normal course of business.
- (12) There was no credit facility available to the Company under any contract availed of as on December 31, 2018 other than trade credit availed in the ordinary course of business.
- (13) There was no event occurred after Balance Sheet date, which might have effected financial position of the Company as per Balance sheet date.


Md. Abdul khaleque Miah
 Chief Executive Officer


Shahidul Islam Niru
 Independent Director


Al-haj Md. Ruhul Amin
 Director


Sheikh Kabir Hossain
 Chairperson

23.00 Contingent Liabilities

There was no contingent liabilities a on 31.12.2018

24.00 Payment of Foreign Currency

There was no foreing currency payment during the year-2018

25.00 Foreign Exchange Earned

There was no foreing currency earned during the year-2018

26.00 Commission, Brokerage or Discount against sales

Commission was incurred or paid to agents as per insurance Act. 1938 as amended Act. 2010 but no brokerage or discount was incurred or paid against sales.

27.00 Segment Reporting

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

28.00 Attendance Status of Borad Meeting of Directors

During the period from 01.01.2018 to 31.12.2018 there were 4 Board Meettings were held. The attendance status of the Directors to the meeting are as follows:

Name of Directors	Position	Meeting Held	Attended
Mr. Sheikh Kabir Hossain	Chairperson	4	4
Mr. Md. Shahidul Islam Niru	Vice-Chairperson & ID	4	4
Al-haj Md. Ruhul Amin	Director	4	4
Al -haj Md. Shamsul Haque	Director	4	4
Mrs. Shahida Alamin	Director	4	2
Mr. Ganga Charan Malaker	Director	4	4
Mr. Rajjab Sharif	Director	4	3
Mr. Md. Motaleb Hossain	Director	4	4
Mrs. Nargis Akter	Director	4	3
Mr. Abul Kalam Azad (Nominated by Modern Washing & Dyeing Ind.)	Director	4	4
Mrs. Farida Islam	Director	4	3
Mr. Kailash Chandra Baroi	Director	4	4
Mr. Delowar Hossain Raja	Director	4	4
Mr. Md. Belal Hossain	Director	4	3
Mr. Nessar Ahmed	Director	4	4
Mohammad Khairul Hasan	Director	4	4
Mr. Md. Haroon Kamal	Director	4	2
Mr.Ehsan-E-Moazzam	Independent Director	4	4
Dr. Bithi Rahman,MBBS,	Independent Director	4	3
Mrs Sagorika Barai	Independent Director	4	4

29.00 Disclosure as per requirement of Schedule XI, Part II of the Company Act. 1994
a. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3
a(i) Employee Position for Sonar Bangla Insurance Limited (As at 31st December, 2018)

Salary Range (Monthly)	Officer & Staff		Employee	Total Employee
	Head Office	Branches		
Below Tk.	-	-		-
Above Tk.				
Total				

b Disclosure as per requirement of Schedule XI, Part II, Para 4

Name of Directors	Designation	Remuneration	Total Payment
Mr. Sheikh Kabir Hossain	Chairperson	Paid Tk. 5,000/- for Board Meeting per person and Committee Meeting per person as per attendance of them after deduction of 15% VAT & 10% Tax	-
Mr. Md. Shahidul Islam Niru	Vice-Chairperson		-
Al-haj Md. Ruhul Amin	Director		-
Al -haj Md. Shamsul Haque	Director		-
Mrs. Shahida Alamin	Director		-
Mr. Ganga Charan Malaker	Director		-
Mr. Rajjab Sharif	Director		-
Mr. Md. Motaleb Hossain	Director		-
Mrs. Nargis Akter	Director		-
Mr. Abul Kalam Azad (Nominated by Modern Washing & Dyeing Ind.)	Director		-
Mrs. Farida Islam	Director		-
Mr. Kailash Chandra Baroi	Director		-
Mr. Delowar Hossain Raja	Director		-
Mr. Md. Belal Hossain	Director		-
Mr. Nessar Ahmed	Director		-
Mohammad Khairul Hasan	Director		-
Mr. Md. Haroon Kamal	Director		-
Mr. Ehsan-E-Moazzam	Independent Director		-
Dr. Bithi Rahman, MBBS,	Independent Director		-
Mrs. Sagorika Barai	Independent Director		-
Total			

b(i) Period of payment to Directors is from 1st January, 2018 to 31st December, 2018.

b(ii) The above Directors of the Company did not take any benefit from the Company other than the Board Fee.

a. Expense reimbursed to the Managing Agent-Nil.

b. Commission or other remuneration payable separately to a Managing Agent or his associate-Nil

c. Commission received or receivable by the Managing Agent or his associate as selling or buying agent of their concerns in respect of contracts entered into such concerns with the Company-nil.

d. The money value of the contracts for the sale of premium or services, entered into by the Company with the Managing Agent or his associate during the financial year is not applicable.

e. Any other perquisites or benefit in cash or in kind stating-nil.

f. Other allowances and commission including guarantee commission-nil

g. Pensions, etc.-

1) Pensions - Nil

2) Gratuties - Nil

3) Payment from Provident Fund - Nil

4) Compensation for loss of office - Nil.

C Disclosure as per requirement of Schedule XI, Part II, Para-7

Details of production capacity utilization Not Applicable

Particulars	Licence Capacity	Installed Capacity in MT	Actual Production in MT from 1st January, 2018 to 31st December, 2018		Capacity Utilization from 1st January 2018 to 31st December, 2018

d Disclosure as per requirement of Schedule XI, Part II, Para-8

i) Raw Materials, Spare Parts, Packing Materials and Capital Machinery

Items	Purchase in Taka			Consumption in Taka	% of Consumption of total purchase
	Import	Local	Total		
Raw Materials					
Spare Parts					
Packing Materials					
Total	-	-	-		

The value of imported raw materials is calculated on CIF basis.

Not Applicable

ii) The Company has not incurred any expenditure in foreign currency for the period from 1st January 2018 to 31 December 2018 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii) No Foreign exchange earned during the year 2018 from selling of Insurance Business.

iv) The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

v) There was no export as per course of business from the period from 1st January 2018 to 31st December, 2018.

e Disclosure as per requirement of Schedule XI, Part II, Para-3

	Compliance status of Disclosure of Schedule XI, Part II, Para-3		
3(i)(a) The turnover	Gross premium Income including P.S.B. is for Tk. 448,018,141		
3(i)(b) Commission paid to selling agents	Tk. 68,239,482		
3(i)(c) Brokerage and discount of sales, other than the usual trade discount	Not Applicable	Tk.	-
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	Not Applicable	Tk.	-
3(i)(d)(ii) The opening and closing stocks of goods produced	Not Applicable	Tk.	-
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Not Applicable	Tk.	-
3(i)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable	Tk.	-
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity breakup for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Not Applicable	Tk.	-
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable		
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Not Applicable		
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Was made during the year		
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable		
3(i)(l) Charge for income tax and other taxation on profits	Has been made during the year	Tk.	20,489,809

3(i)(m) Reserved for repayment of share capital and repayment of loans	Not Applicable	Tk.	-
3(i)(n)(i) Amount set aside on proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	No		
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	No		
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Complied		
3(i)(p) Expenditure incurred on each of the following items,	Not Applicable		
Separately for each item; (i) Consumption of stores and spare parts	Not Applicable		
(ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of	Not Applicable		
Machinery (vi)(1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provisions or reserve.	Not Applicable		

30.00 Subsequent Disclosure of Events after the Balance Sheet Date - Under IAS-10

There is no non-adjusting post balance sheet event of such importance, non disclosure of which would effect the ability to the users of the financial statements to proper evaluation and decision.

31.00 Details of Lease Agreement:

There is no lease assets. So, no lease agreement was required or signed.

32.00 Disclosure as per requirement of schedule XI, Part-I (A. Horizontal Form) of Companies Act. 1994
Accounts Receivable

Not Applicable

F. In regard to sundry debtors the following particulars' shall be given separately.

33.00 (I) Debt considered good in respect of which the company is fully secured:

Not Applicable

The debtors occurred in the ordinary course of business are considered good and secured.

II) Debt considered good for which the company hold no security other than the debtors personal security.

There is no such debt in this respect as on 31st December, 2018

III) Debt considered doubtful or bad

The Company does not make any provision for doubtful debts as on 31st December, 2018, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

IV) Debt due by directors or other officers of the Company.

There is no such debt in this respect as on 31st December, 2018.

V) Debt due by Common Management

There are no amount due from sister company under common management as on 31st December, 2018.

VI) The maximum amount due by directors or other officers of the Company.

There is no such debt in this respect as on 31st December, 2018.

34.00 Approval of the financial statements:

These financial statements were authorized for issue in accordance with a resolution of the company's Board of Directors on April 27, 2019 in its 122th Board Meeting.

35.00 Proposed Dividend

The Board of Directors in its 122th meeting held on April 27, 2019, proposed 6% Stock (Bonus Share) & 6% Cash Dividend for the year 2018 subject to the approval by the shareholders in AGM.

36.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the Company:

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control. Regular review of internal audit reports with view to implement the suggestions of internal auditors in respect of internal control technique. To establish an effective management system that includes planning, organizing and supervising to establish of its internal Control.

37.00 General Comments and Observations

Previous period's figure have been regrouped/reclassified wherever considered necessary to confirmed to current period's presentation. Figures have been rounded off to the nearest taka, as the currency represented in this financial statement. All shares have been fully called and paid up.

Auditor's are paid only statutory audit fees.

No foreign exchange remitted to the relevant shareholders during the period under audit.

No amount of money was expended by the company of recompensating any members of the Board for special service rendered. There was no bank guarantee issued by the Company on behalf of Directors.

SONAR BANGLA INSURANCE LTD.
Schedule of Fixed Assets as on 31st December, 2018

Sl. No.	Particulars	C			S	T	Rate of dep	DEPRECIATION			Written down value as on 31.12.2018
		Balance as on 01.01.2018	Addition	Adjustment during the period				Balance as on 01.01.2018	Charged for the period	Adjustment for the year	
		1	2	3		4= (1+2-3)	5	6	7	8	9= (6+7-8)
01	Office Decoration	26,277,911	332,289			26,610,200	10%	16,929,939	968,026		17,897,965
02	Furniture & Fixture	10,791,633	67,397			10,859,030	10%	6,802,648	405,638		7,208,286
03	Telephone Installation	1,352,120	1,500			1,353,620	15%	1,188,562	24,759		1,213,321
04	Office Equipment	5,324,236	167,251			5,491,487	15%	3,401,582	297,153		3,698,735
05	Motor Vehicle A/C	33,798,459	1,791,724			35,590,183	20%	16,015,202	3,914,996		19,930,198
06	Air conditioner	4,302,088	485,373			4,787,461	20%	3,507,381	245,530		3,752,911
07	Motor Cycle A/C	36,800				36,800	20%	34,255	511		34,766
08	Floor Purchase	31,444,360				31,444,360	2.50%	5,765,266	641,977		6,407,243
09	Software Installation	9,472,000				9,472,000	30%	6,406,735	919,578		7,326,313
10	Computer	2,380,006	287,570			2,667,576	30%	1,245,672	354,926		1,600,598
	TOTAL TAKA	125,179,613	3,133,104	-	-	128,312,717		61,297,242	7,773,094	-	69,070,336
											59,242,381



As per Regulations contained in the First Schedule of the Insurance Act, 2010, and as per Section 63(2) of the said Act, we certify that:

01. The value of investments in shares has been taken at fair value and the quoted value thereof mentioned wherever available.
02. The Values of all assets as shown in the Balance Sheet and as classified Form "AA" annexed have been duly reviewed as at 31st December, 2018 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values under the several headings as enumerated therein.
03. All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Profit & Loss Account.



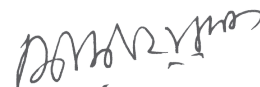
Md. Abdul Khaleque Miah
Chief Executive Officer



Shahidul Islam Niru
Independent Director



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairperson

BAPLC Membership Certificate

As per SES Notification # SEC/CMRRCD/2006-161/324 dated April 11, 2010, we present the below Membership Certificate given by Bangladesh Association of Publicly Listed Companies (BAPLC):



Branch Networks

Local Office

82, Motijheel (4th Floor), Dhaka Mrs.
 Ms. Bilkis Begum Maya
 Dy. Managing Director & In-charge
 Ph : 9561096, 9564452

Motijheel Branch

Ali Bhaban (6th Floor)
 9, Rajuk Avenue
 Motijheel, Dhaka
 Mr. Md. Wahiduzzaman
 Addl. Managing Director & In-charge
 Ph : 9569023, 9554424

Imamgonj Branch

18, Imamgonj (3rd Floor), Dhaka
 Mr. Md. Shahadat Hossain
 Addl. Managing Director & In-charge
 Ph : 7310388, 9554424

Bijoy Nagar Branch

Paltan Tower (5th Floor), Room No.
 504/87, Purana Paltan, Dhaka-1000.
 Mr. Sheikh Kamrul Islam (Bitu)
 Dy. Managing Director & In-charge
 Ph : 9342853

Principal Branch

Paramount Heights (14th Floor)
 65/2/1, Purana Paltan, Dhaka-1000.
 Ms. Hasina Akter Shapna
 Asst. Managing Director & In-charge
 Ph : 7126323.

Uttara Branch

A.B. Super Market
 Plot # 41. Sector # 03, Road # 02
 Mymensing Road, Uttara. Dhaka.
 Mr. Md. Emranul Hoque Chowdhury
 Asst. Managing Director & In-charge
 Ph : 55094090

Nayapaltan Branch

Mollik Tower (2nd Floor)
 12/1 Paltan. Dhaka
 Mr. Md. Shahjahan Mollah
 Asst. Managing Director & In-charge
 Ph : 7173635

Dilkusha Branch

BSS Bhaban (3rd Floor)
 4. Dilkusha C/A, Dhaka
 Mr. Aroj Ali Miah
 Sr. General Manager & In-charge
 Ph : 7174275

Purana Paltan Branch

Nawab Ali Tower (3rd Floor)
 Suite # W- 303
 24, Purana Paltan, Dhaka-1000
 Mr. Nazim Uddin (Babul)
 Addl. Managing Director & In-charge
 Ph : 9515432

Kawran Bazar Branch

Dhaka Trade Centre
 99, Kazi Nazrul Islam Avenue (13th Floor)
 Kawran Bazar, Dhaka
 Mr. Md. Hafizullah
 General Manager & In-charge
 Ph : 9145279

Fakirapool Branch

Rahmania Int'l Complex (9th Floor)
 28/1 /C, Toyenbee Circular Road
 Paltan. Dhaka
 Mr. Md. Kamal Sikder
 Asst. Managing Director & In-charge
 Ph : 9560406, 9558384

VIP Road Branch

70/C. Purnapaltan, Dhaka
 Mr. Delwar Hossain
 General Manager & In-charge
 Ph : 8333742

New Market Branch

Mahmud Mansion (2nd Floor)
 27, Mirpur Road. Dhaka Mr. K. U. M.
 Mehbub Elahi, General Manager & In-charge
 Ph : 9669696

Malibag Branch

Mouchak Tower. Room No. 1301 83/3.
 Malibag, Dhaka Mr. Dulal Mia Munshi
 General Manager & In-charge
 Ph: 9336165

Nawabpur Branch

Babylon Centre (2nd Floor)
 26, Bangabandu Avenue, Dhaka
 Mr. Md. Anwaruzzaman
 General Manager & In-charge
 Ph: 9511143

Hatkholra Branch

2/2. R. K. Mission Road (2nd Floor),
 Dhaka Mr. Md. Nazrul Islam
 General Manager & In-charge.
 Ph : 7174573

Rajshahi Branch

226, Shaheb Bazar (2nd Floor) Rajshahi
 Ms. Razia Sultana
 Asstt. General Manager & In-charge
 Mob: 01719417495

Sylhet Branch

208, Surma Tower, (2nd Floor), Surma
 Point, VIP Road, Taltola, Sylhet
 Mr. S. M. Mahfuz-Ur-Rahman
 Asstt. General Manager & In-Charge
 Ph : 01680510214

Mohakhali Branch

H-42, Bir Uttam Ziaur Rahman Road
 (2nd floor) Mohakhali Amtoli, Dhaka-1212.
 Mr. Md. Tafiqur Rahman
 Sr. Dy. General Manager
 Ph : 01736034460

B. B. Avenue Branch

Don Plaza (6th Floor)
 9, B. B. Avenue, Dhaka
 Mr. Md. Jamal Uddin Hera
 Sr. General Manager & In-charge
 Ph : 7161731

Narayangonj Branch

Sattar Tower (3rd Floor)
 Room No. 404, 50, S. M. Maleh
 Road Tanbazar, Narayangonj
 Mr. Md. Fasiuzzaman Khan
 General Manager & In-charge
 Ph : 7631702

Khatungonj Branch

A. K. Tower
 599. Romjoy Mohajon Lane
 Khatungonj. Chittagong
 Mr. Dipok Kumar Lala
 Dy. Managing Director & In-charge
 Ph : 031-286208

Agrabad Branch

Progressive Tower (2nd floor)
 1837 Sk. Mujib Road Badamtoli,
 Agrabad, Chittagong, Mr. Azizul
 Hoque, Deputy. Managing Director &
 In-charge, Ph : 031-2522722

Khulna Branch

Noorjahan Plaza (2nd Floor)
 155, Sir Iqbal Road, Khulna
 Mr. Md. Gias Uddin
 General Manager & In-charge
 Ph : 041-729403

Jessore Branch

Shafiullah Complex (2nd Floor)
 27, M.K. Road
 Mr. Md. Rezaul Karim
 Sr. Dy. General Manager & In-charge
 Phone: 01716-082490

Faridpur Branch

House # 124, Mujib Road
 Arju Super Market (2nd Floor),
 Faridpur. Mr. Md. Nasir Uddin
 Sr. Deputy General Manager & In-charge
 Mobile : 01716544051

Gazipur Chowrasta Branch

Shahjilani Tower (3rd Floor) Holding No-34
 (Ita Hata), Block-A, Outpara, Tangali Road,
 Gazipur Chowrasta, Gazipur-1702.

Narsingdi Branch

City Center Shopping Mall Room# 19, (2nd
 Floor) C&B Road 9 (Near pourasava Gate)
 Narsingdi Bazar, Narsingdi
 Mr. Chowdhury Md. Yeaheya
 Asstt. Managing Director & In-Charge.



Independent Auditors' Report

To the Shareholders of Sonar Bangla Capital Management Limited

We have audited the accompanying financial statements of **Sonar Bangla Capital Management Limited**, which comprise the statement of financial position as at December 31, 2018 and the related statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards of Auditing (BSAs). Those standards require that we comply with relevant ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Sonar Bangla Capital Management Limited** as at December 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and complying with the Companies Act 1994 and other applicable laws and regulations.

Report on Other legal and Regulatory Requirements

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 as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The company's statement of financial position, statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Dated: Dhaka
27 April, 2019


G.KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Limited
Statement of Financial Position
As at December 31, 2018

Particulars	Note	Amounts in Taka	
		Dec 31, 2018	Dec 31, 2017
<u>Assets:</u>			
<u>Non-Current Assets:</u>			
Property, Plant & Equipment	4.00	13,968,846	14,531,480
Intangible Assets	4.01	966,112	397,640
		14,934,958	14,929,120
<u>Current Assets:</u>			
Investment on FDR	5.00	51,998,966	30,358,541
Investment in Shares	6.00	118,593,853	120,618,099
Profit Receivable from FDR		2,577,178	1,770,039
Advance, deposit and prepayments	7.00	18,729,640	2,701,919
Accounts Receivable	8.00	400,000	24,271,462
Cash & Cash equivalents	9.00	1,890,582	2,765,568
		194,190,219	182,485,628
Total Assets		209,125,177	197,414,748
<u>Equity & laibilities:</u>			
<u>Capital and Reserve:</u>			
Share capital	10.00	142,249,000	131,712,000
Retained Earning	11.00	12,457,365	12,490,964
Share Deposit	12.00	22,726,400	22,726,400
Total Equity		177,432,765	166,929,364
<u>Current Liabilities:</u>			
Loan from Bank Asia Ltd.(SOD)	13.00	15,934,694	14,999,194
Income Tax Provision	14.00	15,064,265	12,603,737
Account payable	15.00	673,453	2,862,453
Liability for Expenses	16.00	20,000	20,000
Total current liabilities		31,692,412	30,485,383
Total Equity & Liabilities.		209,125,177	197,414,748

The annexed notes from an integral part of these financial statements


Managing Director (c.c)


Director


Director


Director

Subject to our separate report of even date


G.KIBRIA & CO.
Chartered Accountants

SONAR BANGLA CAPITAL MANAGEMENT LIMITED
Statement of profit or loss and other comprehensive income
 For the year end 31st December-2018

Particulars	Notes	Amounts in Taka	
		Dec 31, 2018	Dec 31, 2017
<u>INCOME:</u>			
Interest income	18.00	3,486,502	1,770,039
Total interest income		3,486,502	1,770,039
Dividend Income	19.00	1,389,905	1,244,575
Income from Investment	20.00	13,006,957	11,826,439
Other operating income	21.00	1,531,770	2,335,550
		15,928,631	15,406,564
Total Operating Income (A)		19,415,133	17,176,603
<u>EXPENDITURE:</u>			
Salaries & Allowances,Festival Bouns		2,155,600	1,663,900
Interest paid on borrowings		1,783,431	1,685,923
Rent, taxes,insurance, electricity, etc		113,197	119,211
Legal expenses, Subscription,etc.		27,000	100,000
Postage, stamp, telecommunication etc.		100,025	89,920
Stationery, printing, general charges etc.		66,215	50,256
Entertainment, Meeting Exp,		35,413	35,539
Depreciation, amortisation/Ple		1,032,177	959,374
Un -realized Loss in Share		175,058	1,445,548
Audit Fee		22,500	20,000
Renewal & Registration		21,889	90,079
Bank Charges		23,740	24,454
Conveyance,Carring,Car & Others		894,960	871,272
Total Operating expenses (B)		6,451,205	7,155,476
Profit /(Loss) before provision and tax (C=A-B)		12,963,929	10,021,126
Provision for Taxation		2,460,528	2,095,324
Net Profit after tax		10,503,401	7,925,803
Other Comprehensive Income		-	-
Total Comprehensive Income		10,503,401	7,925,803

The annexed notes from an integral part of these financial statements


 Managing Director (c.c)


 Director


 Director

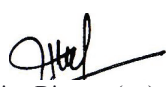

 Director

Subject to our separate report of even date


G. KIBRIA & CO.
 Chartered Accountants

Sonar Bangla Capital Management Limited
Statement of Cash Flow
 as at December 31, 2018

Particular	Amounts in Taka	
	Dec 31, 2018	Dec 31, 2017
<u>A. Cash Flow from opening activities:</u>		
Cash Collection from Turnover	18,607,994	17,771,125
Paid to Customers, Suppliers, Employees & others	(7,004,604)	(12,626,621)
Income Tax paid	(874,952)	(440,803)
Increase/decrease in receivable	23,871,462	-
Increase/decrease in Advance, deposit and prepayments	(16,027,722)	-
Increase/decrease in Account payable	(2,189,000)	-
Increase/decrease in Income Tax Provision	2,460,528	-
Net Cash receipt from/(used) operating activities	18,843,707	4,703,701
<u>B. Cash flows from investing activities :</u>		
Fixed Assets addition during the year	(1,038,015)	(582,600)
Investment	(19,616,178)	(6,698,026)
Net cash flows from/(used) investing activities	(20,654,193)	(7,280,626)
<u>C. Cash flows from financing activities:</u>		
Increase in Share Capital	-	-
Share deposit	-	-
Loan paid/Received	935,501	2,012,120
Net cash flows from financing activities	935,501	2,012,120
D. Net increase/(decrease) in cash and cash equivalent (A+B+C)	(874,986)	(564,805)
E. Opening cash and cash equivalent	2,765,568	3,330,373
F. Closing cash and cash equivalents (D+E)	1,890,582	2,765,568


 Managing Director (c.c)


 Director


 Director


 Director

Sonar Bangla Capital Management Ltd.
Statement of Changes in Equity
 For the Year ended December 31, 2018

Particulars	Share Capital Taka	Share Deposit Taka	Retained Earning Taka	Total Taka
Balance as at January 01, 2018	131,712,000	22,726,400	12,490,964	166,929,364
Share Deposit	-	-	-	-
Stock Dividend Paid	10,537,000	-	(10,537,000)	-
Net Profit after Tax	-	-	10,503,401	10,503,401
Balance as at Dec. 31, 2018	142,249,000	22,726,400	12,457,365	177,432,765

For the Year ended December 31, 2017

Particulars	Share Capital Taka	Share Deposit Taka	Retained Earning Taka	Total Taka
Balance as at January 01, 2017	131,712,000	-	4,565,162	136,277,162
Share Deposit	-	22,726,400	-	22,726,400
Stock Dividend Paid	-	-	-	-
Net Profit after Tax	-	-	7,925,803	7,925,803
Balance as at Dec. 31, 2017	131,712,000	22,726,400	12,490,964	166,929,364


 Managing Director (c.e)


 Director


 Director


 Director

Sonar Bangla Capital Management Limited

FORM "AA"
Classified Summary of the Assets
As at 31st December 2018

Particulars	Amount	Remark's
Investment in Share	118,593,853.00	Fair Value
Accrued Interest	2,577,178.00	Book Value
Fixed Deposit	51,998,966.00	Realizable Value
Sundry Debtors	19,129,640.00	Book Value
Bank Balance	1,859,708.00	Realizable Value
Cash in Hand	30,874.00	Realizable Value
Fixed Assets (at cost less dep;)	14,934,958.00	Book Value
Total.	209,125,177.00	

Notes to the Financial Statements

For the Year ended 31st December, 2018

01. Significant Accounting Policies and other materials information

a) Legal form of the Enterprise:

The Company is incorporated under the companies Act. 1994 as a Public Limited Company namely Sonar Bangla Capital Management Ltd. on 21 June, 2010. The Company is a subsidiary company of Sonar Bangla Insurance Ltd.

b) Address of Registered Office and Principal Place of Business :

Presently the principal place of the business is the Registered Office at Paramount Height's 14th floor, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.

c) Nature of Business Activities :

The main objective of the Company as per the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996, can go for the following products and services:

- i. Underwriting public issue of shares, bond, and debentures.
- ii. Issue Management including arranging of pre-IPO placement and participation thereto.
- iii. Portfolio Management
- iv. It may be mentioned that though corporate advisory services is one of the functions a Merchant Banker can do we in Sonar Bangla Capital Management Limited, will undertake this product, once we build up our capacity by recruiting proper manpower later on.

02. Basis for preparation of financial statements :

a) Statement of Compliance

The financial statement of SBCML has been prepared in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). Companies Act. 1994 and other applicable laws and regulations.

b) Measurement basis used in preparing the Financial Statements

The elements of financial statements have been measured on 'Historical Cost' basis, which is one of the most commonly adopted base provided in 'the framework for the preparation and presentation of financial statements' issued by the international Accounting Standard Board (IASB)

c) Going Concern

Financial statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the Company in the foreseeable future.

d) Components of financial statements :

According to International Accounting Standard (IAS)-1, as adopted by ICAB as BAS-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 and other comprehensive income
- iii) Statement of Cash flow
- iv) Statement of Changes in Equity and
- v) Notes to the Financial Statements

03. Principal Accounting Policies:

a) Statement of Cash flow

Cash flow statement is prepared in accordance with BAS 7 "Statement of Cash Flow". The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of BAS-7 which provides that "Enterprise are encouraged to report Cash Flow from Operating Activities using the Direct Method"

b) Reporting Currency and level of Precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

4.0 Property, Plant and Equipment

(Net off accumulated depreciation)

	2018	2017
Air-Condition	186,049	232,561
Office Equipment	850,774	848,706
Office Decoration	749,554	832,838
Motor Vehicle	708,838	886,047
Furniture & Fixture	459,936	435,230
Office Premises	11,013,695	11,296,099
	13,968,846	14,531,480

Details are given in Annexure-1

4.1 Intangible assets (Net off accumulated depreciation)

Software and System	966,112	397,640
---------------------	---------	---------

5.00 Investment on FDR

		2018	2017
Exim Bank Limited	Paltan Branch	30,881,459	29,303,884.73
Jamuna Bank Limited	Aganagar Branch	1,117,507	1,054,656.00
Bank Asia Limited	MCB Dilkusha	20,000,000	-
		51,998,966	30,358,540.73

6.00 Investment in Shares

Details are given in Annexure-2

118,593,853	120,618,099
--------------------	--------------------

7.00 Advance, deposit and Prepayments

Security Deposit (CDBL)	200,000	200,000.00
Advance Company Tax	13,478,669	25,01,918.72
Receivable from Investor	50,50,977	2,36,84,201.00
Receivable from IPO	-	10,36,880.00
	18,729,640	1,707,280.09

8.00 Account Receivable

Receivable from Mimco Jute (Issue Management Fee)

400,000	400,000.00
----------------	-------------------

9.00 Cash & Cash equivalent

Cash in Hand	30,874	72,733.00
Cash at Bank & Broker House	1,859,708	1,106,680.70
Cash and Bank Balance	1,890,582	1,179,413.70

10.00 Share Capital

10.01 Authorized Capital

35,00,00,000	15,00,00,000
---------------------	---------------------

The Authorized capital of the Company is to Tk. 35,00,00,000.00 Divided into 35,00,000 ordinary Shares @Tk. 100/- each

It is noted that The Board of Directors has approved its Authorized Capital from 15.00 Crore to 35.00 Crore in its 2nd Extra Ordinary General Meeting held on August 24 August, 2015.

10.02 Issued, subscribed and fully paid-up Capital:

Tk. 142,249,000/-

(Divided into 1,422,490 ordinary Shares @Tk. 100/- each)

The increased in the Share Capital is subject to approval of BSEC from Tk. 10.00 crore to 14.22 crore.

10.03 Share Holding Position:

Name of the Share holders	% of Shareholdings	No. of Shares	Taka
Sonar Bangla Insurance Ltd.	58.9988%	839,259	83,925,900
Mrs. Masuda Kabir	7.80%	110,954	11,095,400
Mr.Md.Abdullah	7.80%	110,954	11,095,400
Mr. Mahfuzur Rahman Mita	7.80%	110,954	11,095,400
Mr.Mohammed Amirul Islam	7.80%	110,954	11,095,400
Mr.Kaushik Hossain Taposh	7.80%	110,954	11,095,400
Sheikh Kabir Hossain	2.00%	28,449	2,844,900
A F M Kazi Kamrul Hasan	0.0001%	01	100.00
Mr. Rajjab Sharif	0.0001%	01	100.00
Mr. Ganga Charan Malaker	0.0001%	01	100.00
Al-haj Md. Ruhul Amin	0.0001%	01	100.00
Al-haj Md. Shamsul Haque	0.0001%	01	100.00
Mr. Kailas Chandra Barai	0.0001%	01	100.00
Mr. Md. Harun Kamal	0.0001%	01	100.00
Mr. Sumit Barai	0.0001%	01	100.00
Ms. Nirgis Akter	0.0001%	01	100.00
Modern Washing & Dying	0.0001%	01	100.00
Ms. Shahida Alamin	0.0001%	01	100.00
Mr. Motaleb Hossain	0.0001%	01	100.00
Total	100%	1,422,490	142,249,000

	<u>2018</u>	<u>2017</u>
11.00 Retained Earning	Tk.12,457,365	Tk12,490,964
12.00 Share Deposit		
Mr. Mohammed Amirul Islam	TK. 60,00,000.00	
Mr. Md. Abdullah	Tk. 92,26,400.00	
Mr. Mahfuzur Rahman Mita	Tk. 75,00,000.00	
	Tk. 227,26,400.00	
13.00 Loan from Bank Asia Limited (SOD)	Tk. 15,934,694	Tk. 14,999,194
14.00 Provision for Corporate Income Tax		
Balance at the beginning of the Year	Tk. 12,603,737	Tk. 1,05,08,413
Add: Provision made during the year	Tk. 2,460,528	Tk. 20,95,324
Balance as at end of period	Tk. 15,064,265	Tk. 12,603,737
15.00 Accounts Payable		
Clients	Tk. 673,453	Tk. 2,862,453
16.00 Liability for Expenses		
Audit Fee	Tk. 20,000	Tk. 20,000

17.00 During our audit the Company has act it license from SEC and start it business which we have physically based.

		2018 3,486,502	2017 1,770,039
18.00	<u>Interest Income</u>		
	FDR Interest	3,137,852	1,593,035
	Tax deduted at source	348,650	177,004
19.00	<u>Dividend Income</u>	1,389,905	1,244,575
	Net Income	1,111,924	995,660
	Tax deduted at source	277,981	248,915
20.00	<u>Income from Investment</u>	13,006,957	11,826,439
	Capital Gain	13,076,647	11,888,605
	Unrealised Gain/Loss	(69,690)	(62,166)
21.00	<u>Other operating income</u>	1,531,770	2,335,550
	Seam Taxtile	1,225,000	1,500,000
	Union Insurance Company Ltd	306,770	-
	Crystal Insurance Ltd	-	835,550

Sonar Bangla Capital Management Limited

Fixed Assets Schedule As at December 31, 2018

Particulars	C O S T			Rate of dep.	DEPRECIATION			Net Book value as at 31.12.18	
	Opening balance as on 01.01.2018	Additions during the Year	disposals/adjust; during the year		Total Balance cas at 31.12.18	Charged for the Year	disposals/a djustments during the		Total Balance as at 31.12.18
Air-Condition	476,800		-	476,800	20%	244,239	46,512	290,751	186,049
Office Equipment	1,661,420	152,205	-	1,813,625	15%	812,714	150,137	962,851	850,774
Software	1,500,000	810,000	-	2,310,000	20%	1,102,360	241,528	1,343,888	966,112
Office Decoration	1,546,500		-	1,546,500	10%	713,662	83,284	796,946	749,554
Motor Vehicle A/C	3,380,000		-	3,380,000	20%	2,493,953	177,209	2,671,162	708,838
Furniture & Fixture	659,650	75,810	-	735,460	10%	224,420	51,104	275,524	459,936
Office Premises	12,500,000	-	-	12,500,000	2.5%	1,203,902	282,402	1,486,304	11,013,696
Total as on 31 Dec. 18	21,724,370	1,038,015	-	22,762,385		6,795,250	1,032,177	7,827,427	14,934,959
Total as on 31 Dec. 17	21,141,770	582,600	-	21,724,370		5,835,876	959,374	6,795,250	14,929,120



Credit Rating Result of Sonar Bangla Insurance Ltd.

AA

Sonar Bangla Insurance Limited has been rated by Alpha Credit Rating Limited. The result of the Credit rating is Long Term AA (Very Strong Capacity), Short Term ST-1 (Superior Capacity), **Outlook Stable**.

 SONAR BANGLA INSURANCE LIMITED

Paramount Heights (14th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.

PROXY FORM

I/We
of
being a member of Sonar Bangla Insurance Limited do hereby appoint

Mr./Mrs
of
as my /our proxy, to vote for me/ us and on my/ our behalf at the 19th Annual General Meeting of the Company to be held on 2nd July, 2019 at 11:00 AM at the Institution of Diploma Engineers, Bangladesh, 160/A, Kakrail, Dhaka and any adjournment thereof.

Signed this..... day of 2019.

Signature of Proxy
BO A/c No.

Revenue
Stamp
Tk. 20.00

Signature of Shareholder (s)
BO A/c No.

N.B.: IMPORTANT:

1. This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder and the Proxy should agree with the Specimen Signature registered with the Company.
3. As per Articles of Association of the Company, Proxy can be given only to the person who is a member (Shareholder) of the Company.

 SONAR BANGLA INSURANCE LIMITED

Paramount Heights (14th Floor), 65/2/1. Box Culvert Road, Purana Paltan, Dhaka.

ATTENDANCE SLIP

I hereby record my attendance at the 19th Annual General Meeting of the Company to be held on 2nd July, 2019 at 11:00 AM at the Institution of Diploma Engineers, Bangladesh, 160/A, Kakrail, Dhaka.

Name of Shareholder (s) I Proxy
BO / A/C No. holding of ordinary shares of **Sonar Bangla Insurance Ltd.**

Signature of Shareholder (s) / Proxy

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ২৪ অক্টোবর ২০১৩ তারিখের প্রজ্ঞাপন নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪ আলোকে আসন্ন বার্ষিক সাধারণ সভায় কোনো প্রকার আপ্যায়ন বা উপহারের ব্যবস্থা থাকবে না।