

ANNUAL
REPORT
2022



SENA KALYAN INSURANCE COMPANY LIMITED
সেনা কল্যাণ ইন্স্যুরেন্স কোম্পানী লিমিটেড

Your Trusted Risk Manager



Your Trusted Risk Manager

SENA KALYAN INSURANCE COMPANY LIMITED
সেনা কল্যাণ ইন্স্যুরেন্স কোম্পানী লিমিটেড

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Letter of Transmittal

All Shareholders
Insurance Development and Regulatory Authority
Registrar of Joint Stock Companies & Firms
Bangladesh Securities & Exchange Commission
Dhaka Stock Exchange Ltd.
Chittagong Stock Exchange Ltd.
Mahfel Huq & Co., Chartered Accountants
Chairman, Audit Committee

Re: Annual Report for the year ended December 31, 2022.

Dear Sir/Madam,

We are pleased to enclose a copy of the Annual Report along with the Auditors Report and Audited Financial Statements as at December 31, 2022 including Statement of Financial Position, Revenue Account, Statement of Profit or Loss and other Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity for the year ended December 31, 2022 along with notes thereon of Sena Kalyan Insurance Company Limited and all related statements for your kind record and necessary measures.

Information given in our Annual Report-2022 is complete, accurate and in line with Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority of Bangladesh (IDRA) regulations and the International Financial Reporting Standards (IFRS). We hope that the report will be of use to you today and tomorrow.

Thank you.

Yours sincerely,



M. M. Sajedul Islam, FCS
Company Secretary
Sena kalyan Insurance Company Limited

General Shareholders' Information	
AGM–Date, Time	: 11:00 a.m., Tuesday, 09 May 2023 Will be held virtually by using digital platform
Financial Year	: 01 January 2022 – 31 December 2022
Record Date	: 09 April 2023
Dividend Recommended	: 12% Cash dividend
Dividend Payment Date	: As per BSEC's Guidelines (within 30 days of approval)
Listing on Stock Exchanges	: Both DSE & CSE
Trading Code	: SKICL
Category	: A
Investors' Enquiry	: Phone: +88-02-55058455-57 Email: share@senakalyanicl.com, shareskicl@gmail.com
Special Attention	: AGM invitation will be sent to all shareholders through- <ul style="list-style-type: none"> ■ Electronic Mail (Email) ■ Two Daily Newspapers (English and Bengal) and ■ Company website https://www.senakalyanicl.com/



Notice of the 10th Annual General Meeting (Virtual)

Notice is hereby given that the **10th Annual General Meeting (AGM)** of Sena Kalyan Insurance Company Limited will be held on **Tuesday, May 09, 2023, at 11:00 a.m.** (Dhaka Time). The AGM will be held virtually by using a digital platform through the following link: <https://skicl.bdvirtualagm.com> to transact the following businesses:

(a) Ordinary Business:

1. To receive, consider and adopt the Directors' Report, Audited Financial Statements for the year ended December 31, 2022, and the Auditors' Report thereon.
2. To approve the recommended dividend for the year ended December 31, 2022.
3. To approve the appointment/re-appointment of Directors.
4. (i) To appoint the statutory auditors of the Company for the year 2023 and to fix their remuneration;
(ii) To appoint a professional to provide the certificate on compliance of the Corporate Governance Code of BSEC for the year 2023, as well as fixation of their remuneration.

(b) Special Business:

TO APPROVE THE TRANSACTIONS BETWEEN SENNA KALYAN INSURANCE COMPANY LIMITED AND SENNA KALYAN SANGSTHA

To consider and to adopt the following resolution as Special Resolution with or without any modification, addition and alteration:

"RESOLVED THAT pursuant to the notification of Bangladesh Securities and Exchange Commission (BSEC) vide no. BSEC/CMRRCD/2009-193/10/Admin/118; dated: 22 March 2021, to consider and approve the related party transactions between the Company and Sena Kalyan Sangstha, a separate partnership entity owned and directed by common Directors, as reported in Note no. 34 of the Auditor's Report & Financial Statements of the Company of clause numbers: (1)(a) for the sale or purchase of assets of 1% or above of the total tangible assets as shown in the statement of financial position as of end of the immediate preceding financial year or (b) for the sale or purchase of goods, materials or services amounting to 10% or above of the total revenue or turnover as shown in the statement of profit or loss and comprehensive income for the immediate preceding financial year is hereby considered and adopted for the year and onward."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors and/or Managing Director & CEO of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

By order of the Board

M. M. Sajedul Islam, FCS
Company Secretary

April 10, 2023

Notes:

- The Shareholders whose names appeared on the Shareholders/Depository Register of the Company as on the "Record Date" i.e. **April 09, 2023**, will be entitled to attend/participate and vote in the 10th Annual General Meeting (AGM) and to receive the dividend.
- Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March 2021, the AGM will be a virtual meeting of the Shareholders, which will be conducted via live webcast by using a digital platform.
- The Shareholders will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For login to the system, the Shareholders need to put their 16-digit Beneficiary Owners (BO) ID number and other credentials as proof of their identity by visiting the link: <https://skicl.bdvirtualagm.com>.
- Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the soft copy of the Annual Report-2022 (link) will be sent to the email addresses of the Shareholders available in their Beneficiary Owners (BO) account maintained with the Depository. The soft copy of the Annual Report-2022 will also be available on the Company's website at: www.senakalyanici.com/.
- The concerned brokerage houses are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses are also requested to provide us with their bank account name, number, routing number etc. on or before **May 2, 2023**.

About Our Integrated Report

Basis and Adoption of Integrated Reporting

Our Approach

We are pleased to present our shareholders with the Annual Report-2022 in the form of an 'Integrated Report' for Sena Kalyan Insurance Limited.

Integrated Reporting (IR) based on the framework of the International Integrated Reporting Council (IIRC) has emerged as a global best practice for corporate reporting. We have aligned ourselves to this trend and it is our second year of such reporting.

Through IR, we intend to provide our stakeholders with an all-inclusive depiction of our value creation process using both qualitative and quantitative information across financial and non-financial resources. We provide insights into our strategy, matters that are material to us, and the challenges and associated risks in achieving our long-term objectives in the context of the external operating environment. Certain IR-related data in this Report may be management estimates.

Reporting Principle

The financial and statutory data presented in this report comply to the requirements of the Bangladesh Securities and Exchange Commission (BSEC), the Insurance Development and Regulatory Authority of Bangladesh (IDRA) regulations, the International Financial Reporting Standards (IFRS) and other applicable laws & regulations in Bangladesh. The Report is also guided by the Value Reporting Foundation's (VRF's) integrated reporting framework.

Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of the Company for the year 2022. All material events during the period, have been included. Comparative figures and notable events of past years have been reported to provide a holistic view to stakeholders.

Approach to Materiality

We have identified imminent issues that are material to our operations, along with their possible impact on our value

creation, to enable investors and other stakeholders to take informed decisions on their engagement with the Company.

Board Approval

The Board, supported by the leadership team, accepts responsibility for the integrity and completeness of this Integrated Reporting (IR). The Board and the executive management in assistance with a dedicated reporting team have put in their collective minds in the preparation, presentation and validation of information of this Report. The Board is of the opinion that this Report provides a fair and balanced view of our performance and prospects within the IR framework.

Forward-looking Statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance.

These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

We believe this Report shows that we are creating sustainable value and prosperity for our stakeholders.

Availability of the Annual Report

The soft copy of the Annual Report is sent to all the shareholders, prior to holding the Annual General Meeting, giving due period of notice. Separately, for the benefit of all stakeholders, our report has been made available in the website <https://www.senakalyanicl.com/>.

Feedback

For any questions or feedback regarding this Integrated Annual Report or its content, please write to: shareskil@gmail.com

Responsibility Statement of our Integrated Reporting

This integrated report is our concise message about how the strategy, governance, performance and prospects of Sena Kalyan Insurance Company Limited (SKICL) leads to the value creation process over the short, medium and long term from the perspective of its external environment.

Acknowledgement of Our Responsibility for Integrated Report- 2022

- i). We acknowledge our responsibility to ensure the integrity of the Integrated Report- 2022;
- ii). We acknowledge that we have applied our collective mind in preparation and presentation of this integrated report;
- iii). This integrated report is presented in accordance with the International Framework;
- iv). Our management and those charged with governance were directly involved in the process of preparation and presentation of this integrated report; and
- v). We are constantly on the lookout for further development of our integrated report in future.

Matters under Consideration

Considering the limited uptake of the Integrated Reporting Framework, following factors have been superseded (as and where applicable) in this integrated report:

- Conflict with local rules & regulations (e.g. IDRA's rules & regulations, Securities Laws, Companies Act, Tax & VAT rules etc.);
- Directors' liability concerns;
- Inconsistency with the prevailing reporting approaches;
- Sign-off fatigue and additional reporting burden;
- Skepticism about the benefits provided by the statement;
- Contradiction with a principles-based approach; and
- Limited understanding of the term 'collective mind'.

We are very pleased to publish the Integrated Report-2022 for better understanding of our business and to provide improved information to the users of this report. We also believe that our integrated reporting enhances the way we think, plan and report.

Sincerely yours,



Brig Gen Md Shafique Shamim, psc (Retd)
Managing Director & CEO
Sena Kalyan Insurance Company Limited

Company Overview

Country's Leading Private General Insurer



Corporate Profile

Sena Kalyan Insurance Company Limited was incorporated as a Public Limited Company under the Companies Act, 1994 having registered office in Bangladesh on 3rd September 2013 and obtained permission for commencement of insurance business from the Insurance Development & Regulatory Authority (IDRA), Government of the Peoples Republic of Bangladesh, with effect from 10th September 2013 for carrying out general insurance business and subsequently was listed with the Dhaka & Chittagong Stock Exchanges in 2021.

Sena Kalyan Insurance Company Limited (SKICL) is a concern of Sena Kalyan Sangstha of Bangladesh Armed Forces. It is absolutely a welfare oriented organization what is designed to undertake various welfare projects dedicated to the humanity and particularly for the distressed members of retired Armed Forces. Hence, you may be encouraged to be a part of this noble initiative. Sena Kalyan Sangstha has already emerged as one of the most viable business outfits of Bangladesh and such sponsor provides this Company with a very sound financial capacity. The shareholding structure of the company is institutional, which is unique in nature in our industry.

Despite being the youngest general insurance company in the country, SKICL has a continuous process of screening the business and short-listing risk-based products and services. In this regard, the numbers of customers have been increasing day by day in last 10 years since its inception due to timely payment of insurance claims and remaining compliant with existing rules. We cherish the credible image of our beloved Armed Forces and do justice to it through our services.

SKICL will remain your trusted risk manager at all times and at the same time add value to your investments as a sustainable financial institution. We hope that our respected shareholders, valued clients & other stakeholders will always be with us in our steady and successful journey ahead.

SKICL is one of the leading and established private sector general insurance companies in Bangladesh. We offer our customers a comprehensive and well-diversified range of products and risk management solutions through multiple distribution channels, with a constant focus on value enhancement.

Core Values





Sena Kalyan Insurance Company Limited will uphold the principles of transparent perception and corporate practices thus turning it to be one of the top five viably profit oriented insurance companies in the country.



To become a leading insurance company by providing innovative products and customer friendly services through highly motivated team of dedicated professionals and ensure profit for the sponsors and shareholders.



Our Strategic Objectives

- Act as a financially sound corporate entity with high business ethics;
- Implement best human resource development practices to build a highly efficient, dedicated and motivated workforce with high morale and moral values;
- Speedy and hassle-free settlement of claims;
- Provide our Clients and Business partners with the best quality of faster service;
- Run the business profitably through prudent underwriting and efficient & proper claim management;
- Effectively manage our reinsurance operations;
- Effectively manage our investments for optimising yield;
- Improve the penetration of non-life insurance by proper underwriting, innovation & marketing;
- To evolve as a vibrant & dynamic leading non-life insurer.



Our Strengths

- Upholding the clean image of the Armed Forces of Bangladesh;
- Transforming to a service-oriented technology driven profit-earning company;
- Attract, motivate and retain high quality human resources;
- Providing integrated insurance service in the non-life sector;
- Maintaining customers' satisfaction through services;
- Upholding corporate governance practices;
- Steady and sustainable growth strategy;
- Settlement of claim in the appropriate manner;
- Maintain transparency in disclosures;
- Contribute to the National Exchequer;
- Create new job as a growing concern of Sena Kalyan Sangstha;
- Adopting the green initiative and facilitate it.



Our Corporate Culture

- SKICL has created a platform for human capital with diversified backgrounds and develop a culture of mutual respect with a slogan 'Respect your teammates'.
- Our main strength is innovation & creativity. SKICL has a strong creative team who own their job and work for continuous development.
- SKICL encourages its employees to feel others' emotion to build a humanistic & mature human capital.
- We always believe in positivity and encourage our human resources to be optimistic & progressive and avoid to be creeper.
- SKICL embraces a robust corporate social responsibility culture to improve surrounding communities, environment & stakeholders as well as benefits its own employees.
- SKICL offers a very employee-friendly work environment. They are very responsible and loyal to the Company. Their contribution is well-counted which is the spunk to our value creation process.



Corporate Responsibility

Equipped with a team of experienced professionals, this company is always ready to cater for all your insurance needs. SKICL provides protection to your property and cover unfortunate losses. We look forward to reaching you through our personalized care and assure you of quality services at the most competitive price.



Code of Conduct and Ethical Principles

Code of Conduct for the Chairperson, other Board Members and Chief Executive Officer of Sena Kalyan Insurance Company Limited (SKICL).

The Code of Conduct (the “Code”) has been formulated by the Board of Directors of SKICL to set forth principles and ethical standards for the Chairman, other Board Members and Chief Executive Officer in accordance with the Code No. 1(7)(a) of the Bangladesh Securities and Exchange Commission’s (BSEC) Corporate Governance Code-2018.

Sena Kalyan Insurance Company Limited (SKICL), a pioneer non-life insurance company of the country, firmly believes in and has consistently endeavored to practice good corporate governance and has acted as a good corporate citizen all along.

The spirit of Corporate Governance has prevailed in the Company and influenced its decisions and policies long before the guidelines became mandatory.

The Code of Conduct for the Chairman, other Board Members and Chief Executive Officer reflects the business practices and principles of behavior that support this commitment. Our Board of Directors set the standards of conduct contained in the Code and updates these standards as appropriate to reflect legal and regulatory developments. We expect every Board Member to read and understand this Code and its application to the performance of his or her responsibilities. We hold each of our Board Members accountable for adherence to this Code.

1. General Standard of Conduct:

The Code of Conduct for the Chairman, other Board Members and Chief Executive Officer of an insurance company are more important than those of other companies; because it is a legally binding agreement between two parties. A contract is entered into by one party promising to indemnify the other party. The other party enters into a contract promising to pay a premium at a fixed rate to receive compensation. The Board of Directors shall also have to strive to protect the interests of its insured as well as of the Shareholders.

This Code is not designed to be exhaustive and the standards it enumerates are in addition to and not in substitution for the Statutory, Common Law and other duties and obligations applicable to for the Chairman, other Board Members and

Chief Executive Officer. Consequently, a Director uncertain of his or her duties in any particular circumstance should raise this concern with the Chair of the Board in order to obtain appropriate guidance and advice.

2. Statutory Compliances:

The Members shall adhere to and comply with the provisions of all applicable laws, rules and regulations as well as the Company’s internal guidelines and policies framed from time to time. The members shall also endeavor to ensure that the officers of the Company are complying with the various statutory compliances efficiently and effectively and proper procedures are being followed in this regard.

3. Honest and Ethical Conduct:

The Members shall act honestly, objectively and effectively in a fair and transparent manner for advancing the interests of the Company. They must abide by the policies and procedures framed and adopted by the Company and must respect and adhere to ethical and fair business practices. The Members shall use due care and diligence in performing their duties and responsibilities attached to their respective office and exercise their powers in good faith for fulfilling their obligations towards the Company and its Stakeholders.

4. Conflict of Interest:

The Members shall avoid any situation that would lead to or tend to lead to any conflict of interest. Conflict of interest is a situation where personal interest may, in any way, interfere with the interests or benefits of the Company impacting the exercise of independent judgment while discharging one’s duties and responsibilities. In case of a situation that involves or appears to involve conflict of interest, the Members are expected to make a suitable disclosure to the Board of Directors of the Company and shall abstain from participating in any discussion for such transaction. The Members are expected not to derive any improper personal benefit or a benefit to any of their relatives from the Company, including by making or influencing decision relating to any transaction of the Company or its subsidiary. Each director must exercise his or her powers in the interests of the Company and its shareholders and not in his or her own interest or in the interest of another person or organization. However, transactions involving director conflicts of interest are not

inherently improper if they are disclosed to and approved by a Company's Board of Directors or shareholders, or if they are "just and reasonable" to the Company at the time authorized, approved, or ratified.

5. Confidentiality of Information:

"Confidentiality of information" includes all information of the Company not authorized for public dissemination. This includes information on trade, trade secrets, confidential and privileged information regarding customers, employees, information relating to mergers and acquisitions, stock splits and divestitures; non-public information about discussions and deliberations relating to business issues and decisions, between and among employees, officers and Directors in formal meetings or otherwise, and will include all such information which is not available in the public domain at that point of time.

The Company believes that protection of all confidential information is essential and is committed to protecting business and personal information of confidential nature obtained from clients, associates and employees. Directors/Senior Management shall ensure that no confidential information is disclosed inadvertently or otherwise.

Directors/Senior Management shall ensure that all confidential information are available to them by virtue of the office including Board Meeting papers, Agenda and Minutes etc. that they may hold or peruse is never directly or indirectly released or disclosed to any person or entity, or made public.

Furthermore, a director may not use confidential information to make personal profit or gain or for other personal advantage. The duty to maintain information in confidence continues after the Director ceases to be a Director of the Company.

6. Prohibition of Insider Trading:

The Chairman of the Board, Other Board Members and The Managing Director & CEO shall observe all applicable insider Trading Legislation and Regulation, including the duties of the confidentiality and prohibitions against Trading, and shall comply with the Insider Trading Manual of the Company, as amended from time to time. This includes the prohibition to purchase or sell the Company's securities on the basis of any undisclosed price sensitive information and also the prohibition to disclose such information to any other person (including relatives).

7. Protection & proper use of Company's resources:

The Members shall ensure that the assets and resources of the Company are properly, judiciously and efficiently used for its business purposes and are properly safeguarded. Any unauthorized use of the Company's assets should not be allowed and appropriate steps should be taken for the same.

8. Accounting Complaints:

The Audit Committees of the Boards of Directors are responsible for establishing procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters. Directors who have concerns or complaints regarding such matters are expected to promptly submit those concerns or complaints to the Audit Committee.

9. Public Company Reporting:

As public limited and listed Company, it is of critical importance that the Company's filings with the Bangladesh Securities and Exchange Commission be full, fair, accurate, timely, and understandable. Directors may be asked to provide information necessary to assure that the Company's public reports meet these requirements. The Company expects directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

10. Reporting any Illegal or Unethical Behavior:

Directors should promptly communicate any suspected violations of the Code, including any violation of law or government rule or regulation, to the Chairman of the Board or the Compliance Officer. Suspected violations will be investigated by the Board, the Audit Committee, or persons designated by the Board or the Audit Committee. Appropriate action will be taken in the event that a violation is confirmed.

11. Amendment, Modification and Waiver:

The Code may be amended, modified, or waived by the Company's Board of Directors, subject to the disclosure and other provisions of the Securities and Exchange Ordinance, 1969 and the Securities and Exchange Rules, 1987, and the rules thereunder and the applicable rules of any stock exchanges on which either Company's securities are traded. As a general policy, the Chairman, other Board Members and Chief Executive Officer will not grant waivers to the Code.

Corporate Directory

General information of Sena Kalyan Insurance Company Limited (SKICL)

1. Legal Information

- Nature of Business: Non-life Insurance/ General Insurance
- Date of Incorporation & Commencement of Business: 03 September, 2013
- RJSC's Registration Number: C-111100/13
- Date of getting permission of Insurance Business & Starts operation: 10 September, 2013
- IDRA's Registration Number: Non-Life 02/2013 (IDRA)
- Date of Listing in DSE & CSE: 07 November, 2021
- Registered Office: SKS Tower (12th Floor), 7 VIP Road, Mohakhali, Dhaka-1206.
PABX: +88-02-55058455, +88-02-55058456, +88-02-55058457
Fax: +88-02-55058458
E-mail: info@senakalyanicl.com
Website: www.senakalyanicl.com

2. Share Capital

- Authorized Capital: Tk. 100,00,00,000
- Paid up Capital: Tk. 40,00,00,000
- Shareholding Structure (as on December 31, 2022):

Category of Shareholders	Number of Shareholders	Number of Shares	Percentage (%)
Sponsor (Sena Kalyan Sangstha)	1	2,40,00,000	60.00
General Public	74,035	1,40,00,000	40.00
Total	74,036	400,00,000	100.00

3. Other Details:

- Credit Rating Company & Rating Status: Alpha Credit Rating Limited

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
22 August, 2022	21 August, 2023	Surveillance	AA	ST-1	Stable

- **Statutory Auditors:**
Mahfel Huq & Co.
Chartered Accountants
BGIC Tower (4th Floor), 34 Topkhana Road, Dhaka-1000.
- **Corporate Governance Compliance Auditor:**
ARTISAN, Chartered Accountants
Sonargaon Terrace (2nd Floor)
House-52, Road-13C, Block-E
Banani, Dhaka-1213
- Managing Director & CEO: Brig Gen Md Shafique Shamim, psc (Retd)
- Chief Financial Officer: Maloy Kumar Saha
- Company Secretary: M. M. Sajedul Islam, FCS
- Head of Internal Audit & Compliance: Md Firoz Sarker



The Board of Directors along with the Management Team of SKICL



Employees with the Board of Directors



Market Development Executives



Col Md Aulad Hossain, psc, G (Retd)
Deputy Managing Director
Market Development



Gp Capt Md Atiar Rahman, psc (Retd)
Deputy Managing Director
Market Development



Lt Col Kazi Halimur Rashid (Retd)
Senior Executive Vice President
Market Development

Branches Address



Lt Col Muhammad Ershad Hossain, G (Retd)
Branch In-charge, Motijheel Branch
Sena Kalyan Bhaban (20th Floor),
Room No-2004, 195, Motijheel C/A,
Dhaka-1000. Phone: + 88 223352985



Major Khondker Helaluzzaman (Retd)
Branch In-charge, Cantonment Branch
House #413, Rd #30
New DOHS, Mohakhali, Dhaka-1206.
Phone: + 88 02222262067



Cdr Md Badruddoza Chowdhury, (c), psc (Retd)
Branch In-charge, Mirpur Branch
Mirpur DOHS Cultural Centre, Level-7,
Avenue-2, Road No-9, Mirpur DOHS,
Mirpur-12, Dhaka. Phone: + 88 44806163



Capt M Majedul Haque, (N), BCGM, PCGM, psc, BN (Retd)
Branch In-charge, Karwan Bazar Branch
Room No-403, Level-5
93, Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka-1215.
Phone: + 88 01717916081



Cdr Iftekhar Hassan, C, psc, BN (Retd)
Branch In-charge, Chattogram Branch
Sena Kalyan Trade Centre, Level-4
29, Agrabad C/A, Chattogram.
Phone : + 88 02333320049



Major Md Aman-Ullah Khan (Retd)
Branch In-charge, Khulna Branch
Tayamun Center, 181/1, Jessore Road
Shibbari More, Khulna-9100.
Phone: +88 02477721230



Nazia Ferdows
Branch In-charge, Sylhet Branch
Ignite Education building (2nd Floor)
Kazitula, Masjid Market, Sylhet-3100.
Phone: + 88 01712358390

Our Products & Services

(Organisational Structure and Solutions)

As a future-facing organization, we continue to explore long-term growth opportunities, including solutions to improve insurance affordability and accessibility and products and services to commercialize our expertise in the identification and management of risk.

As a Company with a longstanding reputation, we deliver our products and services and cater to our stakeholders through four main business clusters:

Corporate Solutions Group	Government & Rural Business Group	Retail Group	Individual
<p>What we do: Provide integrated solutions to body corporates, small, micro and medium enterprises</p>	<p>What we do: Provide insurance solutions to the government or government-owned enterprises and rural customers</p>	<p>What we do: Provide insurance solutions to individuals and small enterprises through multiple channels such as Agents, Brokers, Bancassurance, Tele-Sales, Direct Alliances, Motor Insurance Service Providers (MISPs) and Online Platforms</p>	<p>What we do: Provide insurance solutions to individuals through multiple channels such as Agents, Brokers, Bancassurance, Tele-Sales, Direct Alliances, Motor Insurance Service Providers (MISPs) and Online Platforms</p>

Our Products (solutions):



Fire Insurance

- Fire and its allied perils Insurance (Riot Strike & Damage, Flood, Cyclone, Earthquake)
- Industrial All Risks Insurance
- Property All Risks (PAR) Insurance
- Hotel Owners' All Risks Insurance (HOAR)
- House Hold Insurance (Fire & Earthquake)



Motor Insurance (Comprehensive)

- Private Vehicle
- Commercial Vehicle

Travel Insurance

- Comprehensive Travel Insurance





Marine Insurance

- Marine Cargo (Transit by Steamer/Powered Vessel, Rail/Lorry/Truck, Air)
- Inland Transit Insurance (Rail/Road , Water Borne)
- Marine Hull (Total Loss Only/TLO, Sue & Labour)



Engineering Insurance

- Boiler and Pressure Vessel Insurance (BPV)
- Deterioration of Stock Insurance (DOS)
- Contractors All Risks Insurance (CAR)
- Contractors Plant & Machinery Insurance (CPM)
- Erection All Risks Insurance (EAR)
- Machinery Breakdown Insurance (MBD)
- Power Plant All Risk Insurance
- Electronic Equipment Insurance (EEI)



Aviation Insurance

- Hull Insurance
- Liability Insurance
- War Insurance
- Personal Accident to Crew of Aircraft



Miscellaneous Accident Insurance

- Overseas Mediclaim (Holiday, Study & Employment)
- Health Plan Scheme (Hospitalization)
- Burglary & House breaking Insurance
- Cash in safe
- Cash in Transit
- Cash on counter
- Personal Accident Insurance
- Fidelity Guarantee Insurance
- Product / Public Liability
- Workmen's Compensation Insurance

Shared Services

What we do:




Leverage support functions across the organisation to improve customer service and drive business efficiency

Our services:

- Underwriting and Claims
- Customer Relationship
- Technology
- Operations
- Reinsurance
- Finance and Accounts
- Human Resources
- Legal and Compliance
- Actuarial
- Marketing
- Business Analytics
- Administration
- Fraud Control

Our Re-Insurers

Sena Kalyan Insurance Company is engaged with the following worldwide Re-insurers Company/ Corporation:

	SADHARAN BIMA CORPORATION (SBC), BANGLADESH		Axa XL Insurance Company UK Ltd
	XL CATLIN (UK)		GLOBAL REINSURANCE CO. LTD., LONDON
	HID Global Specialty Se		GENERAL INSURANCE CORPORATION OF INDIA
	UNITED INDIA INSURANCE CO. LTD., INDIA		THE NEW INDIA ASSURANCE CO. LTD., INDIA
	BEST RE		TRANSIBRE Overseas Ltd
	MANDARIN RE		MALAYSIAN REINSURANCE BERHAD, MALAYSIA
	SEN-RE-SOCIETE SENEGALAISE DE REASSURANCES		KENYA REINSURANCE CORPORATION LTD, KENYA
	Himalayan Reinsurance		NEPAL REINSURANCE COMPANY LIMITED, NEPAL
	GIC Bhutan Re		ROYAL INSURANCE CORPORATION OF BHUTAN LTD.
	WAICA REINSURANCE CORPORATION PLC, AFRICA		KLAPTON REINSURANCE LIMITED, ZAMBIA
	ION INSURANCE COMPANY, COSTARICA		SWISS RE LTD., SWITZERLAND
	KLPP Insurance & Reinsurance		SOUTHERN PACIFIC INSURANCE CORPORATION, AMERICAN SAMOA
	CICA RE, TOGO		MISR INS. CO., EGYPT
	Saudi Re		AL AHLEIA

Our Wealth Our Client



Aviation

- Us-Bangla Airlines Limited
- Sky Capital Airlines Limited
- Nxt Air Limited
- Hello Airlines Limited
- Bismillah Airlines Limited
- Galaxy Flying Academy Ltd.
- Bashundhara Airways Limited



Hotels

- La Meridiana Dhaka
- Best Western Heritage
- Renaissance Dhaka Gulshan
- Hotel Radisson Blue Water Garden Dhaka
- Hotel Radisson Blue Bay View Chittagong
- Alliance Hotel & Resorts Limited
- Best Western plus Maple Leaf



Power Plants

- Energypac Power Venture Limited
- Desh Energy Chandpur Power Co.Ltd.
- Desh Cambridge Kumargaon Power Company Ltd.
- Summit Power Ltd.
- United Anwara Power Ltd.
- United Ashuganj Energy Limited
- United Energy Limited (Sylhet Plant)
- United Jamalpur Power Ltd.
- United Mymensingh Power Limited
- United Payra Power
- United Power Generation & Distribution Co. Ltd.



Others

- Sena Filling Station
- SKS LPG
- Dahmashi Trading Company Limited.
- Sweet Agrovet Limited
- Ingen Technology Limited
- International Convention Centre
- Ispahani Agro Limited
- Ispahani Marshall Ltd.
- Lark International
- Lyric Industries Ltd.
- Micro Trims Limited
- Momen Real Estates Ltd.



Pharmaceuticals

- Beximco Pharmaceuticals Ltd.
- Virgo Pharmaceuticals Ltd.
- Radiant International
- Julphar Bangladesh Limited



Marine Hull

- Nou Kollan Shipping Lines Ltd.
- Mhc Trading Ltd.
- Uni-Global Business Ltd.
- Bashundhara LP Gas Ltd.
- Deshbandhu Parcel & Logistics
- Blue Anchor Line Ltd.



Industrial Units

- Bangladesh Steel Re-Rolling Mills Limited
- Bashundhara Multi Paper Industries Ltd.
- Goldtex Limited
- Blue Planet Knit Comp. Ltd.
- Bsrn Steel Mills Ltd.
- Baizid Steel Industries Ltd.
- CSS Corporation (Bd) Ltd.
- Designtex Knitwear Ltd.
- Diamond Food Industries
- Elite Aquaculture Limited
- Fauji Flour Mill
- Global Attire Limited
- Goldtex Garments Limited
- Hamko Industries Limited
- Micro Fibre Group
- Mongla Cement Factory
- Sena Edible Oil Industries
- Sena Kalyan Electronic Industries
- Amanat Shah Fabrics Ltd.
- Amanat Shah Weaving Processing Ltd.
- Hazrat amant Shah Spinning Mills Ltd. Unit-1 & 2
- Liberty Knitwear Limited
- Max Industries Ltd.
- Max Infrastructure Limited
- Pahartali Textile & Hosiery Mills
- Rahim Steel Mills Co. (Pvt) Ltd.
- Rahim Super Extreme Limited
- South China Bleaching & Dyeing Factory Ltd.

Our key Differentiators for the Year 2022

<p>Consistent market leadership and growth</p>	<p>We are one of the leading private sector non-life insurance companies in Bangladesh on the basis of Gross (Premium) Growth (%) in the last 5 Years.</p> <p style="text-align: center;">120.02%</p>	
<p>Diverse products and multi-channel distribution</p>	<p>We have a comprehensive and diverse product portfolio and an expanding distribution network with the aim of increasing penetration in Bangladesh.</p>	
<p>Excellence in customer service and technology</p>	<p>We have a dedicated and digital arm focused on improving the speed of delivery.</p>	
<p>Risk management</p>	<p>We target profitable growth by using risk selection and data analytics, maintaining robust reserves and prudent investment management.</p>	
<p>Capital conservation</p>	<p>We maintain a high level of solvency as against the minimum regulatory requirement. A high solvency ratio means your business is in a strong financial position.</p> <p style="text-align: center;">5.59X Solvency as on December 31, 2022</p>	
<p>Ownership structure (As at December 31, 2022)</p>	<p style="text-align: center;">60% Sponsor shareholding 40% Public shareholding</p>	
<p>Annual financial results 2022</p>	<p>Gross Premium 800.57 mn</p> <p>Profit After Tax 114.33 mn</p> <p>Return On Equity 14.17%</p>	<p>Profit Before Tax 129.75 mn</p> <p>Earnings Per Share 2.86 Tk.</p> <p>Dividend @12% Cash</p>

Awards and Accolades

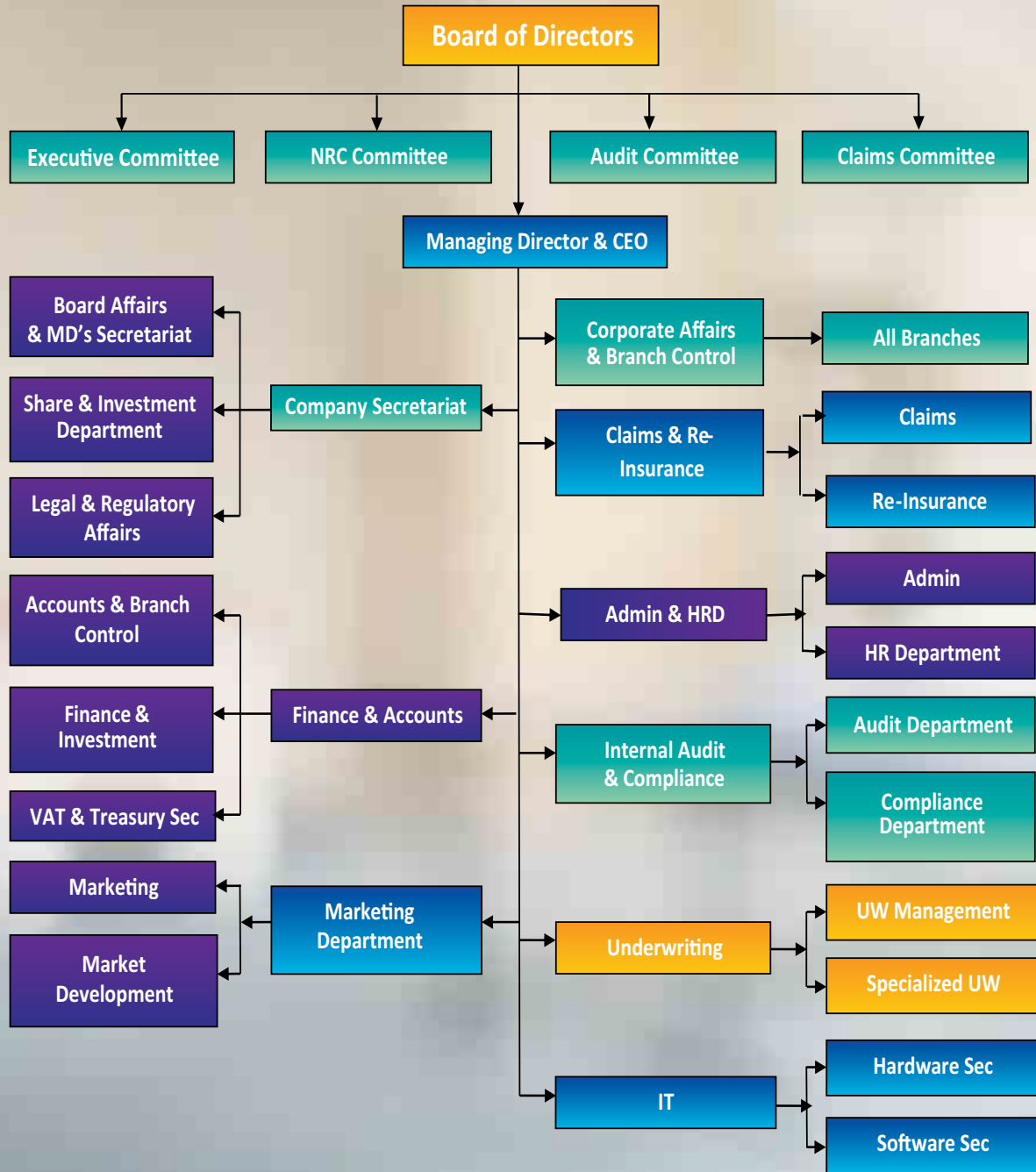
Sena Kalyan Insurance Company Limited wins ICSB National Award

Sena Kalyan Insurance Company Limited (SKICL) has won the prestigious “9th ICSB National Award for Corporate Governance Excellence, 2021” under the General Insurance Companies Category, for its outstanding corporate governance practices as well as transparency and accountability in overall management.

Since the introduction of the ICSB Corporate Governance Awards, this is the first time a company has won the award in its first year of listing in the general insurance sector. Brig Gen Mohd Muinul Haq Mamun, psc, Director, Brig Gen Md Shafique Shamim, psc (Retd), Managing Director & CEO and M. M. Sajedul Islam, FCS, Company Secretary received the award from Salman F Rahman, Private Industry & Investment adviser to the Prime Minister, and M. A. Mannan, Minister, Ministry of Planning. The Institute of Chartered Secretaries of Bangladesh has organized the award ceremony.



Our Organogram



Board of Directors



Chairman	: Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng Chairman, Sena Kalyan Sangstha
Vice Chairman	: Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc DG, Business Division-5, SKS
Directors	: Air Cdre Md Shaharul Huda, BSP, ndc, psc DG, Welfare Division, SKS Brig Gen Md Shakhawat Hossain, ndu, psc DG, Business Division-1, SKS Brig Gen Md Rashidul Alam, BGBMS, PBGMS DG, Business Division-6, SKS Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc DG, HR Division, SKS Brig Gen Mohd Muinul Haq Mamun, psc DG, Marketing Division, SKS
Independent Directors	: M. M. Mostafa Bilal Barrister Ahamed Ihteyaz Thamid
Managing Director & CEO	: Brig Gen Md Shafique Shamim, psc (ret), CII (cert), ABIA

Board Committees

Audit Committee



Name	Status in the Board	Position in the Committee
M. M. Mostafa Bilal	Independent Director	Chairman
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Member
Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	Member
Barrister Ahamed Ihteyaz Thamid	Independent Director	Member

Nomination & Remuneration Committee



Name	Status in the Board	Position in the Committee
Barrister Ahamed Ihteyaz Thamid	Independent Director	Chairman
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Nominated Director	Member
Brig Gen Mohd Muinul Haq Mamun, psc	Nominated Director	Member

Executive Committee



Name	Status in the Board	Position in the Committee
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Nominated Director	Chairman
Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	Member
Brig Gen Md Shafique Shamim, psc (Retd.)	MD & CEO SKICL	Member

Claims Committee



Name	Status in the Board	Position in the Committee
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Chairman
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Nominated Director	Member
Brig Gen Md Shafique Shamim, psc (Retd.)	MD & CEO SKICL	Member

Profile of the Chairman, Board of Trustees Sena Kalyan Sangstha



**General S M Shafiuddin Ahmed,
SBP, OSP, ndu, psc, PhD**

**Chief of Army Staff,
Bangladesh Army**

General S M Shafiuddin Ahmed, SBP, OSP, ndu, psc, PhD, Chief of Army Staff, Bangladesh Army has taken over as the Chairman of Board of Trustees of Sena Kalyan Sangstha on 24 June 2021.

The General was born on 01 December 1963 in a reputed Muslim and Freedom Fighter's family in Khulna. He was commissioned in Bangladesh Army on 23 December 1983 in the Corps of Infantry. He has been maintaining a phenomenal military career having the blend of Command, Staff and Instructional experiences at different levels of Armed Forces at home and abroad.

His diversified command credential at higher level includes commanding Army Training and Doctrine Command (ARTDOC), Infantry Division and Brigade. He also commanded the only Logistics Formation of Bangladesh Army. He also has an iconic experience of commanding multinational peace keeping forces as the pioneer Deputy Force Commander in the United Nations Mission in the Central African Republic (MINUSCA).

General Shafiuddin has attended several military courses both at home and abroad. He is a graduate of Defence Services Command and Staff College (DSCSC), Mirpur, Bangladesh. He attended International Symposium Course in National Defence University (NDU), China and Defence and Strategic Studies Course at the same University. He is also a NESA graduate from NDU, Washington DC.

General Shafiuddin attained three Master Degrees on varied disciplines. He obtained Masters in Defence Studies (MDS) from National University, Bangladesh. He has also obtained Masters of Business Administration (MBA) from Dhaka University where he secured the 1st position. He obtained a Doctor of Philosophy from Bangladesh University of Professionals (BUP) through his research on Development and Security Studies.

General Shafiuddin is a widely travelled person who has visited many countries around the globe. Happily married to Noorjahan Ahmed, the General is a proud father of two daughters, Dr. Sheikh Rubaiya Ahmed and Sheikh Rufaida Fatima.

Profile of the Board of Directors



**Maj Gen Iftekhar Anis,
BSP, awc, afwc, psc, PEng**

Chairman

Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng is the Chairman of the Board of Directors of Sena Kalyan Insurance Company Limited representing Sena Kalyan Sangstha (SKS) as the Chairman of SKS since August 2022.

Major General Iftekhar was commissioned in the Corps of Engineers on 21 December 1990 from Bangladesh Military Academy. In addition to serving at different tiers of Military Formations and Special Security Force, he has the experience of commanding a Division Engineer Battalion at home and an Engineer Contingent in Ivory Coast under UN Mandate. He served as the Additional Director General (ADG) and Director General of Special Works Organization (west). Later he served as the pioneer Commander of an Engineer Construction Brigade having wide range of experience in executing national development projects.

His staff responsibility includes serving as Platoon Commander in Kuwait Demining Operation (OKP), Deputy Assistant Military Secretary in Military Secretary's Branch and Staff Officer Grade-1 in a Division Headquarters. He also served as Director of Works & Chief Engineer of both Army and Navy in Army and Navy Headquarters. The General was awarded with the Distinguished Service Medal (BSP) for his outstanding contribution in developing and implementing

national projects including Bangabandhu Sheikh Mujibur Rahman High way.

Major General Iftekhar has been graduated from Defence Services Command and Staff College (DSCSC) and completed Armed Forces War Course (afwc) from National Defence College, Mirpur, Bangladesh. He obtained prestigious Master's Degree namely Masters in Defense Studies (MDS) from National University, Masters in Security Studies from Bangladesh University of Professionals (BUP) and Masters in Business Administration (MBA) from AIUB. He completed his BSC (Civil) Engineering from MIST and he is also a professional Engineer (P.Engg). Major General Iftekhar Anis is a graduate from the prestigious US Army War College and obtained Masters in Strategic Studies (MSS) degree from the same institute.

He is a widely travelled person and visited different countries like KSA, Kuwait, Ivory Coast, South Africa, Turkey, Germany, Sweden, Netherland, Switzerland, Denmark, Japan, Hungary, China, Indonesia Malaysia, Singapore and USA on official and personal accounts.

In personal life, Maj Gen Iftekhar Anis is happily married to Begum Afroza Akter and proud father of two daughters.



Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc

Vice Chairman

Commodore Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Business Division-5 of Sena Kalyan Sangstha.

He is one of the professional officers in Bangladesh Navy.

He did his Masters in Defence Studies and completed P Phil part 1. His carrier started on July 1987. In his service time, he attended numbers of courses at home & abroad and achieved some glorious results. He attended Sub Lt Technical Course, Surface Warfare Officers Course from USA, Junior Staff Course, Navigation Specialization Course in Pakistan and Staff Course from DSCSC. He also took part in Basic Sea Safety Course from UK, Contingent Member Course from BIPSOT, Deputy President Course at ISSB and NDC from Mirpur.

In command appointments, Commodore Mahmud served BNS UMAR FAROQQ (Frigate), BNS SANGU (Offshore Patrol vessel), BNS JAMUNA (Patrol Craft) and BNS TAWFIQ (Patrol Craft) as Commanding Officer. In staff appointments, he was Staff officer Operations to Fleet Commander, G-2 at Armed Forces Division, Deputy Director Naval Training at Naval Headquarters, Deputy President at ISSB, Director Operations and Personnel at Bangladesh Coast Guard.

Commodore Mahmud entitled with Nou Pardorshita Padak (NPP) and Bangladesh Coast Guard Medal Sheba (BCGMS).

He is happily married to Mrs. Ireen Sultana and blessed with a son.



**Air Cdre Md Shaharul Huda,
BSP, ndc, psc, GD(P)**

Director

Air Cdre Md Shaharul Huda, BSP, ndc, psc, GD(P) is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Welfare Division of Sena Kalyan Sangstha.

He is distinguished officer of Bangladesh Air force with varied experience in command, instruction and staff appointments.

He holds a strong academic attainment. In his early education, he was in Sylhet Cadet College. He did his B.Sc (Aeronautics) from BAF Academy, MDS from DSCSC Mirpur and M.Sc from DSSC, India and obtained first class in all endeavors. He also completed his M Phil (part-1) from Bangladesh University of Professionals.

Air Cdre Md Shaharul Huda started his Air Force career in

General Duty (Pilot) branch. He attended many professional courses both at home and abroad which includes India, USA, UK, Pakistan, Turkey and Spain. He participated in UN Peace Keeping Mission in Congo twice and led BAF helicopter contingent to UN Peace Keeping Mission in Haiti.

He was awarded as Four Star Green Endorsement and Aircrew Efficiency Badge as recognition to his professional excellence. He was also awarded with Chief of Air staff's Commendation certificate for four times. In 2018, he further received Biman Seba Padak (BSP) for his glorious and distinguished service in Bangladesh Air force.

Air Cdre Md Shaharul Huda is happily married to Mrs. Rahana Nafiz and blessed with two daughters.



Brig Gen Md Rashidul Alam, BGBMS, PBGMS

Director

Brig Gen Md Rashidul Alam, BGBMS, PBGMS is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Business Division-6 of Sena Kalyan Sangstha.

He holds a strong academic attainment. In his early education, he was in Rampura Ekramunnessa High School and Chittagong Govt. City College. He did BA from University of Chittagong and MBA from AIUB.

Brig Gen Md Rashidul Alam started his military carrier with 22 BMA Long Course in June 1990. In his carrier, he attended number of courses at home and abroad. He attended OW-36, BCC-5, ACC-3, JC&SC and UCSC-22 from SI&T, ISW-2 from ASC Center & School and OFC-12 from ECSME. He also took part in VIP protection Course in Thailand, DPC-06 from SSF and BCM Course from India.

He served 44 EB as Sp PI Comd, Supernumerary Str, QM and Coy 2IC, 36 EB and 16 EB as Coy Comd, SSF as Assistant Director (Protection), Assistant Director (Ops & Trg) and Deputy Director Protection Buro, RAB-1 as Coy Comd and

2IC, RAB HQ as Deputy Director of Admin & Finance Wing. 29 BIR as 2IC, He was also the CO of 8 BIR, RAB-1 and 6 Border Guard Battalion; He was posted as Director of Border Guard Battalion and HQ BGB Record Wing. He was also the DDG of SHQ, BGB, KST and DG, Business Division-6 in Sena Kalyan Sangstha.

He participated in UN Mission in BANBAT-5 (UNIKOM, Kuwait) and TECH GP (OKP-7) Kuwait.

In his carrier, he was entitled with many awards like Dabanol, Naitonal Parliamentary Election-91, Silver Jubilee, Suborna Joyonti Padok, UN Msn Padok, Jesthota Padok-1, Uttoron Padok-2004, Sadhinota Dibos Padok-07, Blood Donor, Jesthota Padok-2, Bi-Centinal Padak, BGB Punorgathan Padak, BGB Servic Medal, Shimanto Padak, PBGMS Padak and BGBMS Padak.

In his family life Brig Gen Md Rashidul Alam is happily married with Mrs Sabrina Rashid. Both of them are blessed with two daughters and one son.



Brig Gen Md Shakhawat Hossain,
ndu, psc

Director

Brigadier General Md Shakhawat Hossain, ndu, psc is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Business Devission-1 of Sena Kalyan Sangstha.

He was commissioned in Armoured Corps on 23 June 1989 with 20th BMA Long Course. He served in several armoured units at various staff and command appointments, including Army MP Unit. In staff assignments, he served as GSO-2 (Coord) of Armoured Corps Centre & School, Brigade Major of 93 Armoured Brigade, GSO-1 of Army Headquarters, Armour Directorate and Deputy Military Secretary of Military Secretary Branch at Army Headquarters. In instructor appointment he was an instructor class B of Armoured Corps Centre & School. He has commanded two

armoured regiment, Army Military Police unit and served as the Commandant of Armoured Corps Centre & School.

Brigadier General Shakhawat attended a good number of courses at home and abroad. He is a graduate of Staff College, Mirpur. He is also a graduate of National Defense University in China.

He has done United Nation mission in Sierra Leone (UNAMSIL) and DR Congo (MONUSCO). The General has visited many countries among those Pakistan, Sierra Leone, Singapore, Thailand, Turkey, Congo, Uganda, Ukraine and China is mentionable.

The General is blessed with three daughters.



Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc

Director

Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Human Resources of Sena Kalyan Sangstha.

He is one of the professional officer in Bangladesh Army, with the blend of command, instructional and staff appointments.

He possesses strong academic attainment. In his early education, he was in Rangpur Cadet College. He was graduated from Chittagong University, MBA from Royal University and MSDS from Bangladesh University of Professionals.

He started his military carrier on 21 December 1990 with 23 BMA Long Course. In his carrier, he attended number

of courses at home & abroad and achieved outstanding results. He attended OWC-37, BCC-6 and JCSC-10. He also took part in training on AOBC-5, BI-26, UCC (AC)-1, Cbt Gp Comd's and NDC-16.

He served Det ASU, Dhaka as Det Comd, 12 Lancers as CO, WE&S Det as GSO I. He also the DDG of Bangladesh Ansar, DG, Business Divission-2 of Sena Kalyan Sangstha. He was served as ADG in Joint Intelligence Operation Cell, Bangladesh Ansar & VDP also in BGB.

He participated as Ops Officer of UNUCI in IRAQ and also participated as an observer and coord in MONUSCO at DR Congo.

In his family life Brig Gen Asif is blessed with a daughter.



Brig Gen Mohd Muinul Haq Mamun, psc

Director

Brig Gen Mohd Muinul Haq Mamun, psc is a Nominated Director of Sena Kalyan Insurance Company Limited and also the Director General of Marketing of Sena Kalyan Sangstha.

He possesses strong academic attainment and completed his M.Sc (Engr). Brig Gen Mamun started his military carrier on 21 December 1990 with 23 BMA Long Course. In his carrier, he attended number of courses at home and abroad and achieved outstanding results. He attended OWC-37,

BCC-6 and JCSC-19 from SI&T, Sylhet. He also took part in YOBC-13, ORC-6, GOBE-11, MSC-22 from EMEC&S and Army Staff Course-31 from DSCSC.

He participated in UN Mission as PI Comd, BANBAT1/11 at Ivory Coast and UN staff at Mali.

In his family life Brig Gen Mamun is happily married with Col Dr. Farzana Kalam. Both of them are blessed with a son and a daughter.



M.M. Mostafa Bilal

Independent Director

M. M. Mostafa Bilal is an Independent Director of the company and also the Managing Director (Current Charge) of the UAE-Bangladesh Investment Company Ltd. (UBICO).

He completed his Master's in Business Administration (Major in Finance) from the Institute of Business Administration (IBA), Dhaka University. He has 26 years of working experience mainly in Banking and Finance Sector. Previously he worked as CEO/ Managing Director of Jamuna Bank Securities Ltd., Jamuna Bank Capital Management Ltd., Bengal Investments Ltd. and BIFC. He also worked

in Bangladesh Bank, Grameen Fund, Bank Asia Ltd., ONE Bank Ltd., Jamuna Bank Ltd., at different capacities. He has completed training on Branch Management, Credit Risk Management, Venture Financing & Factoring, and Lending Risk Analysis.

Apart from these, M. M. Mostafa Bilal has obtained the membership of IBA Alumni Association, MBA Club, JEXCA (Jhenidah Ex-cadet's Association) and Cadet College Club Limited.



Barrister Ahamed Ihteyaz Thamid

Independent Director

Barrister Ahamed Ihteyaz Thamid is an Independent Director of the company and also an associate at the Legal Edge. He completed his Bachelor of Law LLB (Honours) from the School of Oriental and African Studies (SOAS), London. After obtaining the LLB (Honours), he started Bar Professional Training course at the City University, London under Professor Stuart Sime. He was called to the Bar of England and Wales by the Honorable Society of Lincoln's Inn on the Trinity Term (2018).

Thereafter he returned to Bangladesh and started working as an associate. He mainly deals with the affairs of banking, insurance, corporate legal affairs etc. He has already established himself as a specialized Corporate Law Practitioner. He is also a trained arbitrator and a member of Chartered Institute of Arbitrators, London.



Interest of the Board (SKICL) in other Business Concerns

Name	Position	Involvement in other organization
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	Chairman & Nominated Director	Sena Kalyan Sangstha- Chairman
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Vice-Chairman & Nominated Director	Sena Kalyan Sangstha- Director General, Business Division-7
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Sena Kalyan Sangstha- Director General, Welfare Division
Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	Sena Kalyan Sangstha- Director General, Business Division-1
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Nominated Director	Sena Kalyan Sangstha- Director General, Business Division-6
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Nominated Director	Sena Kalyan Sangstha- Director General, HR Division
Brig Gen Mohd Muinul Haq Mamun, psc	Nominated Director	Sena Kalyan Sangstha- Director General, Business Division-5
Mr. M. M. Mostafa Bilal	Independent Director	The UAE-Bangladesh Investment Company Limited- Managing Director (CC)
Barrister Ahamed Ihteyaz Thamid	Independent Director	Legal Edge-Associate H & H Eastern Agro Fisheries Limited- Chairman & Managing Director

Top Management

Name	Position
Brig Gen Md Shafique Shamim, psc (Retd)	Managing Director & CEO
Col Md Abu Masud, PBGM (Retd)	Head Of Corporate Affairs
Lt Col AKM Nazimul Islam, psc (Retd)	Head of Marketing
Maloy Kumar Saha	Chief Financial Officer
Pronab Kumar Saha	Head of Underwriting
Squadron Leader Md. Mostafa Zaman (Retd)	Head of Admin
Tajul Islam	Head of Claims & Re-Insurance
M. M. Sajedul Islam, FCS	Company Secretary
Md Shakhawat Hossain	Head of IT
Ms Khadiza Khanom Mili	Head of HR

Leadership Team Profile



**Brig Gen Md Shafique Shamim,
psc (retd), CII (cert), ABIA**

Managing Director and CEO

Brig Gen Shafique Shamim, psc (retd), CII (cert), ABIA is the Managing Director and CEO of Sena Kalyan Insurance Company Limited. After having 27 years of commissioned service in the Army, he retired as a Brigadier General. Brig Shamim Commanded an Infantry Brigade and an Infantry battalion and held important staff appointments at Army and Division Headquarters. He held instructional assignments in significant training and research institutions of the Army including Defence Services Command and Staff College, Mirpur. He has 3 years of experience with the UN in Mozambique, Liberia and West Africa including the appointment of Senior Military Advisor in West Africa.

He joined Sena Kalyan Insurance Company Limited as the Deputy Managing Director and Head of Operations on 01 August 2013 and took over the responsibility of the Managing Director & CEO on 10 March 2017. He has acquired essential qualifications on Non-Life Insurance including Certificate and Post Graduate Diploma from

Bangladesh Insurance Academy and certificate from Chartered Insurance Institute of UK. He has been awarded by Tyser & Co, UK twice for his outstanding results in the Insurance Certificate Course and Insurance Diploma Course (ABIA) of Bangladesh Insurance Academy (BIA).

He has learnt the application of modern leadership methods through staff motivation and involvement in both decision-making and target-setting. He has special qualification on Bancassurance and Aviation insurance from Malaysia. He has achieved success with his impressive strategies and outlook towards insurance sector. He is a member of Kurmitola Golf Club, Army Golf Club, Savar and Maynamoti Golf and Country Club, Dhaka Club, Cadet College Club and RAOWA.

He is happily married to Elora Sharmin and blessed with a daughter and a son.



Col Md Abue Masud, PBGM (Retd)
Head of Corporate Affairs

Mr. Md. Abue Masud, PBGM, joined Sena Kalyan Insurance Company Limited in March 2020 and has more than 35 years of professional exposure in vast areas of Leadership, Security, Risk, Policy and Management.

He was commissioned in the Bangladesh Army in 1986. He held various command and staff appointments both at home and abroad. Notably, He was posted as Deputy Director General (DDG) of SKS, Sector Commander, Commanding Officer of BGB, COL GS and Chief Instructor in DGFI. He participated in UN Peace Keeping Operation as a Security Officer in Forces Headquarters of UNIKOM and also participated as a Contingent Second in Command (2IC) in UNMIL.

His diverse experiences in the implementation of any assigned task and long time management/ administrative experiences in the Military profession, BGB, DGFI with Civil Administration e.g. and significantly contributed to be a competent candidate for undertaking HR Management, Project Management, Administrative, responsibilities and security aspect of any Organization.

In his professional exposure, he was awarded with a number of prestigious awards and commendations like the President Border Guard Medal (PBGM), Force Commander's Certificate of Appreciation and UN medals.

He was born on 23 October 1966 in a reputed Muslim Family in Sirajgonj. He is a graduate of Chittagong University. He attended number of courses at home and abroad.

The Colonel is also involved with different socio-cultural organizations.

Lt Col AKM Nazimul Islam, psc (Retd)
Head of Marketing

Lt Col A K M Nazimul Islam, psc (Retd.) is a Senior Executive Vice President and now serving as Head of Marketing in SKICL.

He was commissioned in Bangladesh Army in the year 1983. He held various command, staff and instructional appointments both at home and abroad. He served as GSO-1 in Army Training and Doctrine Command, AA & QMG in Headquarters Logistic Area and East Bangal Regimental Center; Senior Operations Officer and Team leader in UN Mission (UNOMIL, UNAMIR, UNAMSIL & UNMIL); Commanding Officer of 7 East Bangal Regiment, 13 East Bangal Regiment, 7 Rifles Battalion and 39 Rifles Battalion. He was an instructor in the School of Infantry & Tactics and Army School of Physical Training & Sports; a Company Commander in 28 East Bangal Regiment, 31 East Bangal Regiment. He served as GSO-2 in Military Training Directorate, Army Headquarters. He also served in many other capacities in the Army. He was a director of Shakti Foundation; GM of a Food and Beverage Company; Project Director of Real Estate Company.

In his education life, he completed his B.Sc from Chittagong University and MDS from Command & Staff College, Mirpur.

He attended number of courses at home and abroad. He is a member of Bhatary Golf and Country Club, Army Golf Club and Life member of Jalalabad Association, Dhaka.



Pronab Kumar Saha

Head of Underwriting



Mr Pronab Kumar Saha, EVP & Head of Underwriting Department, joined in this company on the 22nd Oct. 2013 as Vice President & Head of Underwriting Dept. There after he was promoted to the rank of SVP & Head of Underwriting Dept within 3 three months from the date of joining for his outstanding performance. Finally he was again promoted in the rank of EVP & Head of Underwriting Dept in the month of February 2019 for his honesty, loyalty, dedication & grooming up with the knowledge & competency in new product designing, underwriting of non tariff risk including Aviation insurance, broking, corporate and securities law. He has been acting as compliance officer as trustee for bonds registered by Bangladesh Securities & Exchange Commission since 2016 as approved by the Board of Directors successfully.

He obtained MBA, majoring in Finance from IBA, Dhaka University in 1985. There after he was awarded CeMAP [Certificate of Mortgage Advice & Practice] awarded by ifs School of Finance, UK & cert CII from Chartered Insurance Institute, UK. He attended seminars in Multimodal Transport Management, Hazard Evolution in Process Management, Re-Insurance & Property Risk management, the changing Pattern & Associated risks in int'l trade and role of arbitration etc at home and abroad including Lloyds in London in 2016 organized by Tysers, London. He has more than 35 years' experience in the field of Insurance, Corporate & Securities laws, Marketing, Supply Chain Management etc.

He is a proactive, adaptable, innovative, hardworking insurance professional. He faced challenges through a tenacious, analytical approach and positive attitude with enhancement of capacity of team members through their on site training & motivation since the inception of the company. He is in the process of delivering Overseas Medical Insurance & Livestock insurance using tech insures company as our ADC/ Alternative Distribution Channel.

Maloy Kumar Saha

Chief Financial Officer

Maloy Kumar Saha, Executive Vice President & Chief Financial Officer joined in this company on the 15th Dec 2013 as Chief Financial Officer (CFO). He shows an outstanding performance as CFO till the joining. With his honesty, loyalty, dedication & grooming up with the knowledge & competency he made himself as one of the key persons of the company. He has been acting as Chief Anti Money Laundering Compliance Officer (CAMLCO) of SKICL.

He obtained his M.Com major in Accounting. He completed his Chartered Accountancy course from AK Datta & Co. Chartered Accountants. He is an Income Tax Practitioner. In his early career he was the Head of Accounts and Finance in South Asia Insurance Co. Ltd. He attended some international summit and conference like Insurance India Summit & Awards 2017 at Mumbai, India & Aviation Conference offshore 2018 at Kualalampur, Malaysia. He is a member of Dhaka Taxes Bar Association, Narayanganj Taxes Bar Association and Bangladesh Moitree Kar Ainjibi Society. He is also a life member of Mohanagar Sarbajaneen Puja Committee.

He is a proactive and hardworking insurance professional and he has an excellent capacity of enhancement of his team members through their onsite training & motivation since the inception of the company.



Tajul Islam

Head of Claims & Re-Insurance



Mr. Tajul Islam joined armed forced owned prestigious organization Sena Kalyan Insurance Company Limited on 1st January, 2014. He is bearing a bright career of more than 23 years of valuable experience in the insurance industry. Before joining Sena kalyan Insurance Company, he served as Sr. Principal Officer, Claims & Reinsurance department at Agrani Insurance Company Ltd. Besides, he previously worked in various department of Bangladesh National Insurance Company Ltd. i.e Claims & Reinsurance, Admin & Board Affairs, BCD in different positions.

During his career he completed Basic Certificate course on General Insurance conducted by Bangladesh Insurance Association. He attended workshop on reinsurance treaty conducted by K.M Dastur Company, India. Successfully completed training on advanced reinsurance course jointly conducted by Asia Re, Thailand & Bangladesh Insurance Academy. He attend seminar on Technical Aspects on Reinsurance and Accounting conducted by J. B. Boda, Malaysia. Recently he participated a seminar on Risk Management in reinsurance at Maldives organized by the Protection Reinsurance Brokers.

He has obtained M.S.S degree in Political Science from University of Dhaka. He is happily married and has two daughters and one son.

Squadron Leader Md Mostafa Zaman (Retd)

Head of Admin

Sqn Ldr Md Mostafa Zaman (Retd) joined in Sena Kalyan Insuransce Company Limited on the 1st March 2017 as VP, Admin & HR Department and presently serving as SVP & Head of Admin Dept. Besides, he has long 24 years working experience in Bangladesh Air Force (BAF). He served BAF as a mid level professional in different capacities and gathered knowledge in human resource management, business process, security and logistics in both tactical and operational level. He also has exposure in business projects and organizations with working experience as a DGM HR in Regent Airlines, GM & Head of Security & Workshop Automobile in BEXIMCO Ltd and Group GM at Lockpur Group of Industries, Dhaka. He also worked as United Nation Military Observer (UNMO) in South Sudan under Sector-II (Wau) on deputation.

Mr. Zaman achieved a Bachelor of Science from Rajshahi University and Masters in Business Administration (Major in HR) from the American International University Bangladesh. Apart from the above, he attended and successfully completed a number of seminar, workshop and trainings both in home and abroad.



M. M. Sajedul Islam, FCS

Company Secretary



Mr. M. M. Sajedul Islam, FCS, joined Sena Kalyan Insurance Company Limited in March 2022 and has more than 18 years professional exposure in Corporate Affairs both in local and multinational companies in various capacities.

Prior joining in Sena Kalyan Insurance Company Limited, he also worked in DBH Finance PLC and Uttara Finance & Investments Limited in different capacities including the field of Board & Shareholders related works (BM, AGM, Rights Issue, & IPO), corporate laws and rules & regulations of Bangladesh Bank, Bangladesh Securities & Exchange Commission, Stock Exchanges and RJSC related works.

In a long career, he attended different meetings and trainings at home and abroad. He is also a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He holds a Master of Business Administration (MBA) degree from a reputed university of the country.

He is also involved with different socio-cultural organizations.

Engr Mohammad Shakhawat Hossain

Head of IT

Mohammad Shakhawat Hossain has been working in the IT sector for over 20 years with a very good reputation. Since the inception of Sena Kalyan Insurance Company Ltd, he has been successfully performing the duties as the head of IT department in the company. He has specialized skills in network, hardware and web technology.

For the past three years, Mohammad Shakhawat Hossain has been working as a resource person in the A2i, which is a very important part of the Prime Minister's Office and working as a resource person of Bangladesh Insurance Academy (BIA).

For his initiatives the IT department of Sena Kalyan Insurance Company has reached a strong position.

Mohammad Shakhawat Hossain completed his MSc From National University and Computer Engineering degree from Daffodil Institute of IT (DIIT) with special training from IT Department of Dhaka University.





Khadiza Khanom Mili

Head of HR



Khadiza Khanam Mili joined in Sena Kalyan Insurance Company Limited on the 08 Dec 2013 and she is bearing a bright career of more than 16 years of valuable experience in the insurance industry & multinational companies.

Prior join in Sena Kalyan Insurance Company Limited, she served as Deputy Manager, HR & Compliance department in Hop Lun Multinational Company. Besides, she previously worked in Hypoyed Group Limited and Development Consultant Global Complacence Initiative (DCGCI).

Today, She is focusing on coordinate & develop the sector with planning, leading and Implementing all areas of human resources that includes restructuring of the organization, performance Management, recruiting and retaining resources, employee relationship, compensation and benefits, policy and procedures, learning and professional development of the employees.

Khadiza Khanam Mili completed her MA from National University and MBA (major in HRM) from Bangladesh University. In her carrier, she attended number of courses and achieved outstanding results. She completed Training on Worldwide Responsible Apparel Production (WRAP) and International Standard Organization (ISO).



Wishing Managing Director & CEO for Receiving Tyser Awards

Management & Executives

Managing Director & CEO

Brig Gen Md Shafique Shamim, psc (Retd), CII (cert), ABIA

Deputy Managing Director

Col Md Aulad Hossain, psc (Retd)

Market Development

Gp Capt Md Atiar Rahman, psc (Retd)

Market Development

Senior Executive Vice President

Lt Col Kazi Halimur Rashid (Retd)

Market Development

Lt Col AKM Nazimul Islam, psc (Retd)

Market Development

Major Khondker Helaluzzaman (Retd)

Market Development

Executive Vice President

Pronab Kumar Saha

Head of Underwriting

Cdr Iftekhar Hassan, C, psc, BN (Retd)

Market Development

Col Md Abue Masud, PBGM (Retd)

Corporate Affairs

Maloy Kumar Saha

Chief Financial Officer

Senior Vice President

Cdr Md Badruddoza Chowdhury, (c), psc (Retd)

Market Development

Capt M Majedul Haque, (N), BCGM, PCGM, psc, BN (Retd)

Market Development Officer

Tajul Islam

Head of Re-Insurance & Claims

Squadron Leader Md Mostafa Zaman, (Retd)

Head of Admin

Lt Col Muhammad Ershad Hossain

Market Development

Vice President

Major Md Aman-Ullah Khan (Retd)

Market Development

Deputy Vice President

M M Sajedul Islam, FCS

Company Secretary

Belal Hossain

Underwriting

Engr Mohammad Shakhawat Hossain

Head of Information Technology

Assistant Vice President

Morshed Alam

Underwriting

Md Mehedi Hasan

Underwriting

Khadiza Khanom Mili

Head of HR



Celebrating SKICL's Raising Day



Annual Picnic of SKICL

Delivering Value to Our Stakeholders

SKICL aims to contribute to its safe, secure and sustainable future by keeping technology at the core of all its strategies. We deliver sustainable value to all our stakeholders by compounding equitable growth for them and creating an environment for them to thrive. Through our insurance products and services, we also support climate change mitigation and adaptation efforts of our customers, including the spread of renewable energies.

Integrated Business Model



Value Creation Approach

- Principal activities
- Strong and sustainable revenue streams



Delivering Value

- Customised and tech-enabled solutions
- By engaging with customers and supporting them in their hour of need
- Employees who are continuously upskilled and stay motivated
- Consistent financial performance and creating long-term wealth for investors by:
 - Regularly contributing to national and state exchequer
 - Making responsible use of environment and natural resources



Sustaining Value

- Our vision, mission, ethos and Vishvas policy
- Governance framework and policies
- Risk management and mitigation
- Stakeholder engagement and material issue management
- Focus on ESG and Sustainability, Business Responsibility and Corporate Social Responsibility
- Employee-friendly practices
- Responsible underwriting and investment activities





Our Principal Business Activities

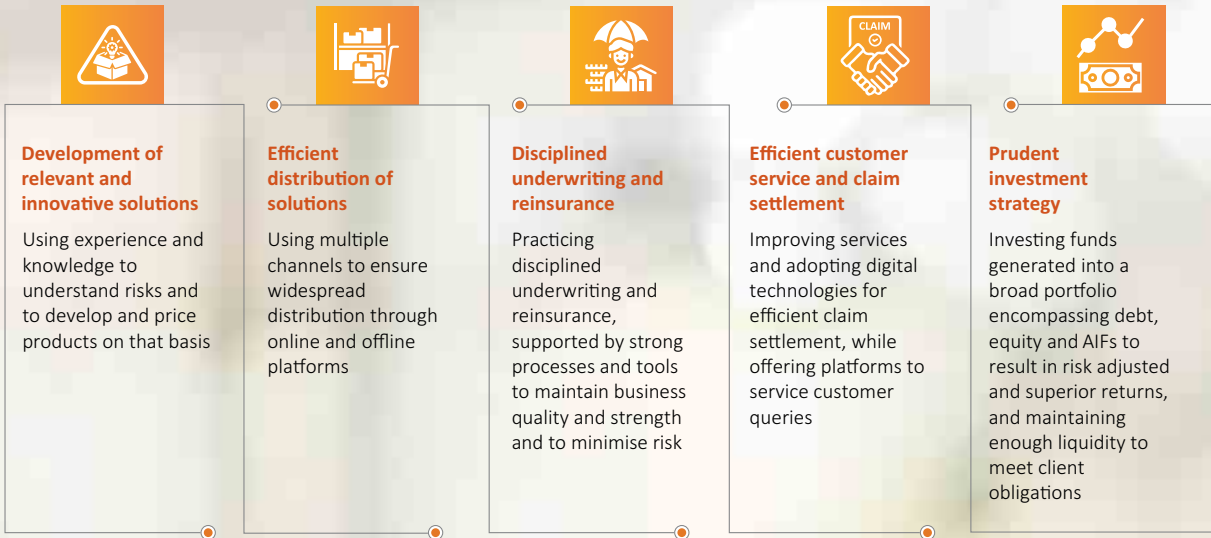




Celebrating National Insurance Day



Our Value Creation Model



We apply value driven approach in our inputs, outputs and overall business structure. Each process has a job to do and each process is measured on how effective it is in achieving the desired outcomes.



Customer's delight for receiving the claim on time

Value Chain Model

INPUT

Financial Capital

- Funds from shareholders & insurance business and provider of Capital

Human Capital

- Knowledge, Skills and Attitudes of employees
- Skilled and committed co-worker motivated by mission of the Company
- Expertise in social, culture and environmental sectors
- Supported by training and development activities
- Specialist expertise and track record in delivering, assessing and communicating sustainable insurance services

Intellectual capital

- Brand Image and reputation
- Company Culture
- Expertise knowledge
- Systems and Processes

Manufactured Capital

- Premises
- IT infrastructure

Social and Relationship Capital

- Customers
- Cross-functional departments
- Other business stakeholders and partners
- Community
- Networks, within and between the insurance sector

Natural Capital

- Utilities
- Policy Incentives from regulators
- Green Initiatives

Business Model Results in Our Value

Our Material Risks

- Volatility in interest rates affecting investment income, liability valuations, and customer preference for savings over insurance
- High inflation and falling disposable incomes affecting demand for insurance
- Severe price competition and substitutes for insurance solutions offered by other financial institutions
- Increasing the risk of man-made and act of God
- Performance in equity mark. and Exchange rate volatilities affecting investment income
- Sophisticated customer expectations with technological developments changing demographics affecting nature of products offered

Value Out



Value In

OUR PROFIT FORMULA

Revenues

- Insurance premiums
- Investment income
- Reinsurance commission and
- Other income

Costs

- Reinsurance Premiums
- Business acquisition cost
- Staff Costs
- Administration Costs
- Marketing and business development costs
- Finance costs
- Taxes

OUR VALUE PROPOSITIONS

Customer

Providing superior protection to all customers by meeting their insurance needs professionally with a spirit of caring.

Shareholders

Consistently delivering superior returns to shareholders through well-managed business operations and investment management

External Environment

Creation Process Vision and Mission

External Variables Impacting Value

- Monetary and Fiscal Policy changes
- Fluctuation in trade deficit
- Political instabilities
- Regulatory changes
- Global economic changes
- Change in demographics
- IDRA's Monitoring
- BIA's Support
- Other company's policies and market share



OUR PRODUCTS AND OUTPUTS

Fire Insurance, Motor Insurance (Comprehensive), Travel Insurance, Marine Insurance, Engineering Insurance, Aviation Insurance, Miscellaneous Accident Insurance

Employees

Ensure superior work-life balance and personal development through inculcating a culture of learning and growth to achieve personal and professional development

Society

Delivering sustainable value to all stakeholders through superior corporate stewardship

OUT COMES

Financial Capital

1. Delivering attractive shareholder returns
2. Ensuring financial stability and growth
3. Ensuring growth with better claim paying ability

Human Capital

1. Ensuring employee satisfaction and motivation
2. Ensuring a rewarding and progressive careers
3. Fair treatment and provision of equal opportunities
4. Safe working environments

Intellectual Capital

1. Building the right organizational and governance structure
2. Inculcating values promoting a performance culture
3. Enhancing knowledge and building internal capabilities
4. Investing in systems and refining process

Manufactured Capital

- Creating long term value through investments in building premises, IT infrastructure and other equipments

Social and Relationship Capital for people and planet

1. Delighting our customers
2. Creating win-win partner ships
3. Creating employment opportunities.
4. Developing communities around us through CSR and other activities
5. Aware community about Social change
6. Respond to societal challenges with innovative products.
7. Maintain transparent finances
8. Enabling value-driven enterprise
9. Products for Sustainable enterprise and Economy
10. Communication with stakeholder
11. Sustainable reinsurance

Natural Capital

1. Increased Green Insurance Portfolio
2. Tree plantation initiatives
3. Controlled Carbon Footprint

SWOT Matrix of SKICL

Situational Assessment

S W O T	<p>Strengths</p> <ul style="list-style-type: none"> ■ Sena Kalyan Insurance Company Limited (SKICL) is a concern of Sena Kalyan Sangstha of Bangladesh Armed Forces, which has already emerged as one of the most viable business outfits of Bangladesh. It has great reputation and well known to insurance industry. It provides excellent and consistent quality service in each and every sector of its operations to the clients and makes the client satisfied. ■ The Board of directors and the top management of SKICL are very experienced and well-known in the Insurance sector of Bangladesh. They are contributing heavily towards the growth and development of the Company. The higher management is formed by the experienced corporate personnel and professional staffs with sufficient employee. ■ It's Claims Paying Ability is higher than other companies. Solvency Margin of the Company is stronger than others. ■ A range of new products have been introduced for different market segments. ■ The Company has its own highly valued commercial spaces, which contribute a lot in Company's profit margin. ■ Employee turnover ratio is very low than other company.
	<p>Weaknesses</p> <ul style="list-style-type: none"> ■ Like any other business, the goal and objective of the insurance industry are also to make a profit. Insurance companies don't include everything and everyone in their plan like vulnerable businesses. However, if they do cater to such businesses, then their insurance plan is very expensive. ■ Maintaining administrative expenses and accounting challenges as per IDRA's guidelines. ■ Lack of implementation of the Company's diversified products and services. ■ The financial benefit of SKICL is not high enough related with other Financial Institutions operating in Bangladesh. ■ Insurance awareness is poor and agents are not skilled enough.
	<p>Opportunities</p> <ul style="list-style-type: none"> ■ Elderly people aren't tech-savvy. But the younger people and new businesses are very cautious about data protection and encryption. However, we are operating their businesses digitally. It is an excellent opportunity for insurance companies to offer protection insurance of digital data. ■ Demand for insurance protection against property against earthquake and fire, crop loans, livestock loans, fisheries loans and equipment loans is increasing day by day. Various agricultural insurance services are becoming common these days. ■ Bangladesh is a medium income generating country and its economy is expanding rapidly, so the need of Insurance sector is growing up. ■ IDRA is going to implementing a number of new insurance scheme/products relating to Comprehensive Motor Insurance, Health Insurance, Crop and Cattle Insurance, Shiksha Bima, Suraksha Bima etc. These are all the income-generating opportunities for the Insurance sector.
	<p>Threats</p> <ul style="list-style-type: none"> ■ The insurance industry has become very important in today's market because many insurance companies are offering their services. They all offer almost the same types of insurance plans, so it's difficult for them to differentiate their services from their competitors. First, it's difficult for them to attract customers. Secondly, it's even more difficult to retain them over time, because they would buy insurance from some other company with a better offer. As a result, the threat of new entrants is reasonably high, with so many new companies entering the market. ■ Clients possess a higher bargaining power because of a relatively higher commission offer due to the number of Insurance Company in the Industry. ■ Some insurance companies create harassment on the policyholders and the people of our country are not much motivated by the company to take insurance policy for safeguarding themselves against any kind of business. ■ The insurance industry is most susceptible and vulnerable to fraud activities. In most cases, customers try to collect maximum claims against their policies through fraud. Accordingly, some fraudulent activities create an environment of distrust in the market.



Our Actionable Strategies:

SKICL creates actionable strategies to convert its Weakness into Strengths and Threats into Opportunities. Before strategies setting, we consider SWOT analysis as shortly given below:

	Opportunities (External, Positive)	Threats (External, Negative)
Strengths (Internal, Positive)	<p>Strength- Opportunity Strategies</p> <p>Which of the Company’s strengths can be used to maximize the opportunities we identified?</p>	<p>Strength-Threat Strategies</p> <p>How can we use the company’s strengths to minimize the threats we identified?</p>
Weaknesses (Internal, Negative)	<p>Weakness-Opportunity Strategies</p> <p>What actions can be taken to minimize the company’s weaknesses using the opportunities we identified?</p>	<p>Weakness-Threat Strategies</p> <p>How can we minimize the company’s weaknesses to avoid the threats we identified?</p>



SKICL's Performance at a Glance

Operational and Financial Highlights

Taka in Million (Except Sl. No. 14-21)

Particulars	2022	2021	2020	2019	2018
Gross Premium Income	800.57	780.23	580.52	576.09	363.87
Re-Insurance Premium Ceded	456.12	503.77	282.84	322.70	216.42
Net Premium Income	344.45	276.46	297.68	253.39	147.45
Gross Claims	210.49	23.36	37.52	15.56	63.05
Investment and Other Income	67.93	54.34	58.22	47.24	33.81
Underwriting Profit or Loss	82.29	80.99	66.82	75.49	10.87
Net Profit Before Tax	129.75	115.98	114.23	118.58	39.29
Net Profit After Tax	114.33	106.15	94.28	98.28	37.85
Paid-up Capital	400.00	400.00	240.00	240.00	240.00
Shareholders' Equity	806.67	748.37	506.20	431.44	346.26
Total Investments	146.57	105.44	64.27	30.56	30.21
Total Assets	1,483.71	1,381.81	978.29	747.00	520.58
Total Reserve Fund	355.87	275.82	197.79	139.74	82.13
Rate of Dividend Cash (%)	12%	12%	10%	10%	5%
Face Value Per Share	10.00	10.00	10.00	10.00	10.00
Earnings Per Share (EPS)	2.86 *	3.83	3.93	4.10	1.58
Net Asset Value Per Share (NAV)	20.17 *	26.99	21.09	18.10	14.55
Return on Shareholders Equity (%)	14.17%	14.18%	18.62%	22.78%	10.93%
Dividend Payout Ratio (%)	41.98%	45.22%	25.46%	24.42%	31.71%
Price Earnings Ratio (Times)	20.15	20.19	-	-	-
NOCFPS	4.45*	8.89	9.24	9.69	2.23

*EPS, NAV & NOCFPS have been decreased from the last year due to increase number of shares from 27,726,027 (weighted average share) to 40,000,000.



Ratio Analysis

Name of the Ratio	2022	2021	2020	2019	2018
A. Liquidity Ratio					
Current Ratio	1.78	1.96	1.86	2.43	3.26
Quick Ratio	1.78	1.96	1.86	2.42	3.25
Debt to Equity Ratio	N/A	0.037	0.054	0.061	0.077
B. Operating Ratio					
Accounts Receivable Turnover Ratio	966.50	N/A	N/A	N/A	N/A
Inventory Turnover Ratio	N/A	N/A	N/A	N/A	N/A
Assets Turnover Ratio (Times)	0.56	0.66	0.67	0.77	0.70
C. Profitability Ratio					
Gross Margin Ratio(%)	10.28%	10.38%	11.51%	13.10%	2.99%
Operating Income Ratio (%)	16.21%	15.61%	19.68%	20.58%	10.80%
Net Income Ratio (%)	14.28%	13.61%	16.24%	17.06%	10.40%
Return on Assets Ratio (%)	7.71%	7.68%	9.64%	13.16%	7.27%
Return on Equity Ratio (%)	14.17%	14.18%	18.73%	22.78%	10.93%
Earning Per Share (EPS)	2.86	3.83	3.93	4.10	1.58
Dividend Payout Ratio (%)	41.98%	45.22%	25.46%	24.42%	31.71%
Price Earning Ratio (Times)	20.15	20.19	N/A	N/A	N/A
EBITDA Margin (Profit before interest, depreciation & tax)	18.22%	16.26%	20.22%	20.11%	9.98%
D. Coverage/Solvency Ratio					
Dedt to Total Assets Ratio	N/A	0.02	0.03	0.23	0.20
Dedt Service Coverage Ratio	N/A	4.44	4.29	N/A	N/A
Cash Debt Coverage Ratio	N/A	9.00	8.15	8.77	2.02
Times Interest Earned Ratio	N/A	N/A	N/A	N/A	N/A
Long Term Debt to Assets Ratio	N/A	0.020	0.03	0.04	0.05
Net Assets Value Per Share (NAV)	20.17	26.99	21.09	18.10	14.55
E. Cash Flow					
Net operating Cash Flows Per Share	4.45	8.89	9.24	9.69	2.23
Net operating Cash Flows Per Share/EPS	1.56	2.32	2.35	2.37	1.41

Vertical Analysis

for the latest 5 Years audited financial statements

Capital and Liabilities	2022		2021		2020		2019		2018	
	Amount in Taka	% of Total Capital and Liabilities	Amount in Taka	% of Total Capital and Liabilities	Amount in Taka	% of Total Capital and Liabilities	Amount in Taka	% of Total Capital and Liabilities	Amount in Taka	% of Total Capital and Liabilities
Paid-up Capital	400,000,000	26.96%	400,000,000	28.95%	240,000,000	24.53%	240,000,000	32.13%	240,000,000	46.10%
Reserve for Exceptional Losses	355,872,215	23.99%	275,815,487	19.96%	197,792,882	20.22%	139,740,659	18.71%	82,131,407	15.78%
Investment Fluctuation Fund (difference of market value and cost value)	(7,603,013)	-0.51%	428,468	0.03%	408,894	0.04%	(1,104,091)	-0.15%	-	0.00%
Profit and Loss Appropriation Account	58,403,363	3.94%	72,129,358	5.22%	68,001,646	6.95%	55,778,209	7.47%	27,103,426	5.21%
Total shareholders equity	806,672,565	54.37%	748,373,312	54.16%	506,203,422	51.74%	434,414,777	58.15%	349,234,833	67.09%
Balance of Funds and Accounts	158,381,271	10.67%	125,965,289	9.12%	175,201,461	17.91%	137,058,034	18.35%	66,099,172	12.70%
Fire insurance business	40,036,138	2.70%	34,612,677	2.50%	22,189,660	2.27%	23,155,738	3.10%	16,482,820	3.17%
Marine insurance business	69,849,228	4.71%	50,103,565	3.63%	31,863,664	3.26%	16,992,399	2.27%	24,011,967	4.61%
Motor insurance business	6,178,490	0.42%	10,384,170	0.75%	21,173,428	2.16%	22,537,114	3.02%	8,588,566	1.65%
Miscellaneous insurance business	42,317,416	2.85%	30,864,877	2.23%	99,974,709	10.22%	74,372,783	9.96%	17,015,819	3.27%
Premium Deposits	113,681,296	7.66%	2,036,478	0.15%	31,531,973	3.22%	56,051,451	7.50%	25,844,526	4.96%
Liabilities and Provisions	404,973,403	27.29%	505,437,164	36.58%	265,355,282	27.12%	119,478,063	15.99%	79,399,578	15.25%
Estimated liabilities in respect of outstanding claims whether due or intimated	183,122,508	12.34%	270,985,114	19.61%	121,385,581	12.41%	39,786,514	5.33%	25,632,623	4.92%
Amounts due to other persons or bodies carrying on insurance business	71,997,413	4.85%	91,454,050	6.62%	18,366,339	1.88%	2,723,643	0.36%	-	0.00%
Provision for Income tax	89,454,375	6.03%	74,267,974	5.37%	63,550,084	6.50%	42,712,673	5.72%	21,209,689	4.07%
Deferred Tax	3,284,288	0.22%	1,508,516	0.11%	1,008,328	0.10%	717,193	0.10%	680,303	0.13%
Lease Liability	3,952,285	0.27%	14,426,582	1.04%	21,057,835	2.15%	-	0.00%	-	0.00%
Unclaimed Dividend Account	574,998	0.04%	-	-	-	-	-	-	-	-
Provision for WPPF	6,487,556	0.44%	5,799,060	0.42%	5,711,282	0.58%	-	0.00%	-	0.00%
Sundry Creditors	46,099,979	3.11%	46,995,870	3.40%	34,275,835	3.50%	33,538,040	4.49%	31,876,963	6.12%
Total liabilities	677,035,970	45.63%	633,438,931	45.84%	472,088,716	48.26%	312,587,548	41.85%	171,343,276	32.91%
Total Shareholders Equity and Liabilities	1,483,708,535	100.00%	1,381,812,243	100.00%	978,292,139	100.00%	747,002,325	100.00%	520,578,109	100.00%



Vertical Analysis for the latest 5 Years audited financial statements

Assets and Properties	2022		2021		2020		2019		2018	
	Amount in Taka	% of Total Assets	Amount in Taka	% of Total Assets	Amount in Taka	% of Total Assets	Amount in Taka	% of Total Assets	Amount in Taka	% of Total Assets
Non-Current Assets	277,402,088	18.70%	139,205,667	10.07%	102,472,972	10.47%	53,197,118	7.12%	48,745,059	9.36%
Property, Plant and Equipment	175,635,979	11.84%	34,018,492	2.46%	22,316,641	2.28%	20,170,446	2.70%	16,964,206	3.26%
Investment in BGTB	87,140,494	5.87%	81,091,675	5.87%	51,217,510	5.24%	26,500,000	3.55%	26,500,000	5.09%
Right of Use (RoU) Assets	3,991,385	0.27%	15,003,062	1.09%	21,233,585	2.17%	-	0.00%	-	0.00%
Deferred Tax Assets	10,634,230	0.72%	9,092,438	0.66%	7,705,236	0.79%	6,526,672	0.87%	5,280,853	1.01%
Current Assets	172,353,173	11.62%	113,690,912	8.23%	82,322,207	8.41%	62,504,387	8.37%	53,599,503	10.30%
Investment in Shares	59,431,602	4.01%	24,346,241	1.76%	13,049,137	1.33%	4,055,654	0.54%	3,709,955	0.71%
Accrued Interest	25,163,765	1.70%	18,636,906	1.35%	19,249,869	1.97%	20,581,051	2.76%	13,769,797	2.65%
Amount due from other persons or bodies carrying on insurance business	828,315	0.06%	-	0.00%	-	0.00%	-	0.00%	675,047	0.13%
Sundry Debtors (including Advances, Deposits and Prepayments)	86,307,221	5.82%	70,238,658	5.08%	49,690,624	5.08%	37,604,980	5.03%	34,980,968	6.72%
Stationary and forms in hand	356,420	0.02%	265,943	0.02%	206,358	0.02%	234,672	0.03%	317,200	0.06%
Stamps in hand	265,850	0.02%	203,165	0.01%	126,219	0.01%	28,030	0.00%	146,536	0.03%
Cash and cash equivalents	1,033,953,274	69.69%	1,128,915,663	81.70%	793,496,960	81.11%	631,300,820	84.51%	418,233,547	80.34%
Fixed Deposits: (FDR's)	1,084,866,866	73.12%	978,813,739	70.84%	711,640,471	72.74%	581,500,000	77.84%	370,400,000	71.15%
SND Accounts	48,189,764	3.25%	72,024,082	5.21%	66,989,559	6.85%	43,587,764	5.84%	21,093,004	4.05%
Current Accounts	(100,891,264)	-6.80%	75,626,347	5.47%	14,844,176	1.52%	6,006,329	0.80%	11,690,693	2.25%
Cash in hand	55,788	0.00%	66,391	0.00%	20,252	0.00%	47,418	0.01%	39,587	0.01%
Brokerage Balance	1,732,120	0.12%	2,385,104	0.17%	2,502	0.00%	159,309	0.02%	2,264	0.00%
Cheques in hand	-	-	-	0.00%	-	0.00%	-	0.00%	15,007,999	2.88%
Total Assets and Properties	1,483,708,535	100.00%	1,381,812,243	100.00%	978,292,139	100.00%	747,002,325	100.00%	520,578,109	100.00%

Horizontal Analysis

for the latest 5 Years audited financial statements

Capital and Liabilities	2022		2021		2020		2019		2018	
	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change
Paid-up Capital	400,000,000	0.00%	400,000,000	66.67%	240,000,000	0.00%	240,000,000	0.00%	240,000,000	0.00%
Reserve for Exceptional Losses	355,872,215	29.03%	275,815,487	39.45%	197,792,882	41.54%	139,740,659	70.14%	82,131,407	44.95%
Investment Fluctuation Fund (difference of market value and cost value)	(7,603,013)	-1874.47%	428,468	4.79%	408,894	-137.03%	(1,104,091)	-	-	-
Profit and Loss Appropriation Account	58,403,363	-19.03%	72,129,358	6.07%	68,001,646	21.91%	55,778,209	105.80%	27,103,426	-17.19%
Total shareholders equity	806,672,565	7.79%	748,373,312	47.84%	506,203,422	16.53%	434,414,777	24.39%	349,234,833	6.03%
Balance of Funds and Accounts	158,381,271	25.73%	125,965,289	-28.10%	175,201,461	27.83%	137,058,034	107.35%	66,099,172	20.66%
Fire insurance business	40,036,138	15.67%	34,612,677	55.99%	22,189,660	-4.17%	23,155,738	40.48%	16,482,820	32.10%
Marine insurance business	69,849,228	39.41%	50,103,565	57.24%	31,863,664	87.52%	16,992,399	-29.23%	24,011,967	80.86%
Motor insurance business	6,178,490	-40.50%	10,384,170	-50.96%	21,173,428	-6.05%	22,537,114	162.41%	8,588,566	1.61%
Miscellaneous insurance business	42,317,416	37.11%	30,864,877	-69.13%	99,974,709	34.42%	74,372,783	337.08%	17,015,819	-17.29%
Premium Deposits	113,681,296	5482.25%	2,036,478	-93.54%	31,531,973	-43.74%	56,051,451	116.88%	25,844,526	8.35%
Liabilities and Provisions	404,973,403	-19.88%	505,437,164	90.48%	265,355,282	122.10%	119,478,063	50.48%	79,399,578	11.18%
Estimated liabilities in respect of outstanding claims whether due or intimated	183,122,508	-32.42%	270,985,114	123.24%	121,385,581	205.09%	39,786,514	55.22%	25,632,623	25.61%
Amounts due to other persons or bodies carrying on insurance business	71,997,413	-21.27%	91,454,050	397.94%	18,366,339	574.33%	2,723,643	-	-	-
Provision for Income tax	89,454,375	20.45%	74,267,974	16.87%	63,550,084	48.79%	42,712,673	101.38%	21,209,689	15.39%
Deferred Tax	3,284,288	117.72%	1,508,516	49.61%	1,008,328	40.59%	717,193	5.42%	680,303	-7.20%
Lease Liability	3,952,285	-72.60%	14,426,582	-31.49%	21,057,835	-	-	-	-	-
Unclaimed Dividend Account	574,998	-	-	-	-	-	-	-	-	-
Provision for WPPF	6,487,556	11.87%	5,799,060	1.54%	5,711,282	-	-	-	-	-
Sundry Creditors	46,099,979	-1.91%	46,995,870	37.11%	34,275,835	2.20%	33,538,040	5.21%	31,876,963	-0.06%
Total liabilities	677,035,970	6.88%	633,438,931	34.18%	472,088,716	51.03%	312,587,548	82.43%	171,343,276	14.19%
Total Shareholders Equity and Liabilities	1,483,708,535	7.37%	1,381,812,243	41.25%	978,292,139	30.96%	747,002,325	43.49%	520,578,109	8.58%

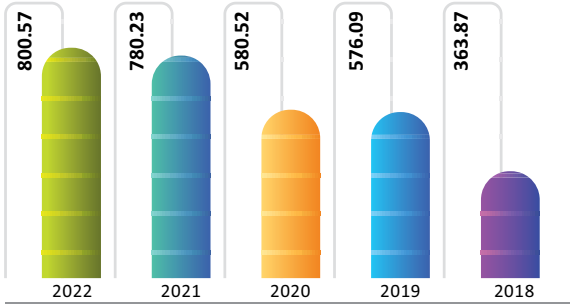


Horizontal Analysis for the latest 5 Years audited financial statements

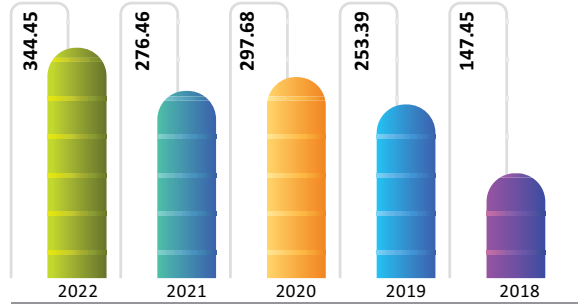
Assets and Properties	2022		2021		2020		2019		2018	
	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change	Amount in Taka	% Change
Non-Current Assets	277,402,088	99.27%	139,205,667	35.85%	102,472,972	92.63%	53,197,118	9.13%	48,745,059	-2.90%
Property, Plant and Equipment	175,635,979	416.30%	34,018,492	52.44%	22,316,641	10.64%	20,170,446	18.90%	16,964,206	-14.10%
Investment in BGTB	87,140,494	7.46%	81,091,675	58.33%	51,217,510	93.27%	26,500,000	0.00%	26,500,000	0.00%
Right of Use (RoU) Assets	3,991,385	-73.40%	15,003,062	-29.34%	21,233,585	-	-	-	-	-
Deferred Tax Assets	10,634,230	16.96%	9,092,438	18.00%	7,705,236	18.06%	6,526,672	23.59%	5,280,853	33.66%
Current Assets	172,353,173	51.60%	113,690,912	38.10%	82,322,207	31.71%	62,504,387	16.61%	53,599,503	25.94%
Investment in Shares	59,431,602	144.11%	24,346,241	86.57%	13,049,137	221.75%	4,055,654	9.32%	3,709,955	-
Accrued Interest	25,163,765	35.02%	18,636,906	-3.18%	19,249,869	-6.47%	20,581,051	49.47%	13,769,797	25.86%
Amount due from other persons or bodies carrying on insurance business	828,315	-	-	-	-	-	-	-100.00%	675,047	-92.31%
Sundry Debtors (including Advances, Deposits and Prepayments)	86,307,221	22.88%	70,238,658	41.35%	49,690,624	32.14%	37,604,980	7.50%	34,980,968	61.17%
Stationary and forms in hand	356,420	34.02%	265,943	28.87%	206,358	-12.07%	234,672	-26.02%	317,200	51.23%
Stamps in hand	265,850	30.85%	203,165	60.96%	126,219	350.30%	28,030	-80.87%	146,536	303.24%
Cash and cash equivalents	1,033,953,274	-8.41%	1,128,915,663	42.27%	793,496,960	25.69%	631,300,820	50.94%	418,233,547	8.16%
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SND Accounts	48,189,764	-33.09%	72,024,082	7.52%	66,989,559	53.69%	43,587,764	106.65%	21,093,004	31.64%
Current Accounts	(100,891,264)	0.00%	75,626,347	0.00%	14,844,176	0.00%	6,006,329	0.00%	11,690,693	0.00%
Cash in hand	55,788	0.00%	66,391	0.00%	20,252	0.00%	47,418	0.00%	39,587	0.00%
Brokerage Balance	1,732,120	-27.38%	2,385,104	95227.90%	2,502	-98.43%	159,309	6936.62%	2,264	-
Cheques in hand	-	-	-	-	-	-	-	-100.00%	15,007,999	-
Total Assets and Properties	1,483,708,535	7.37%	1,381,812,243	41.25%	978,292,139	30.96%	747,002,325	43.49%	520,578,109	8.58%

Graphical Presentation of Financial Performances

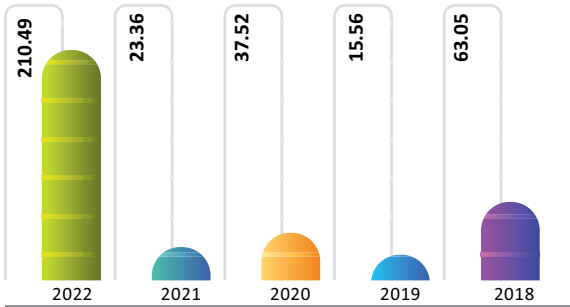
Gross Premium Income
Taka in million



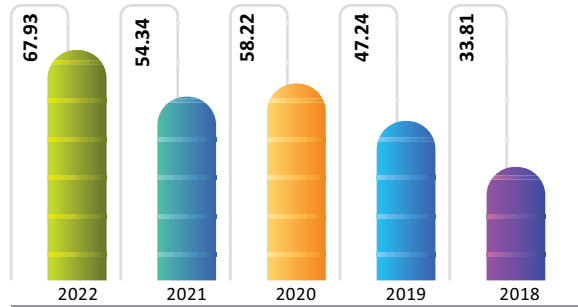
Net Premium Income
Taka in million



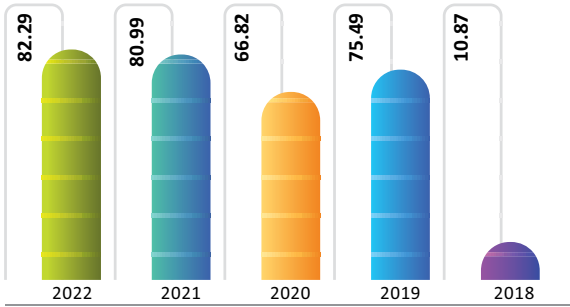
Gross Claims
Taka in million



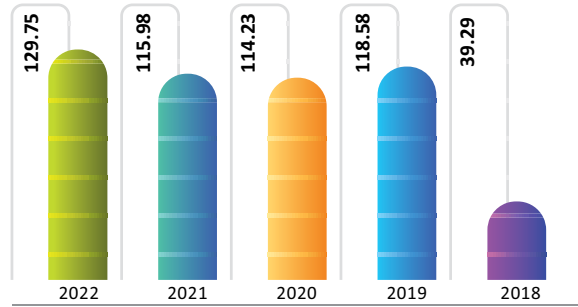
Investment and Other Income
Taka in million



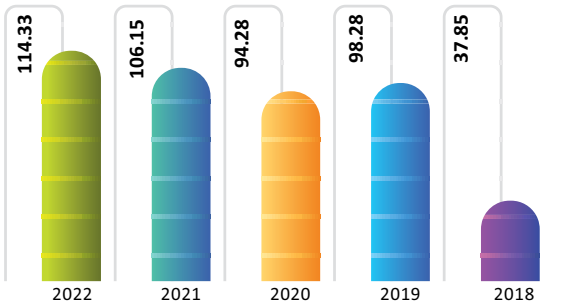
Underwriting Profit or Loss
Taka in million



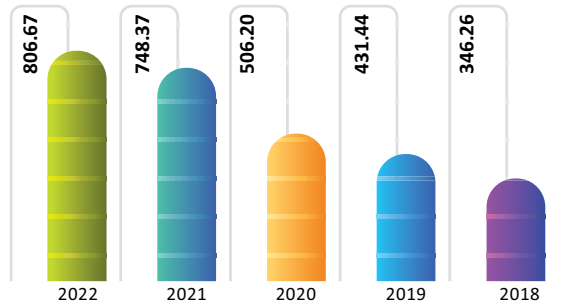
Net Profit Before Tax
Taka in million



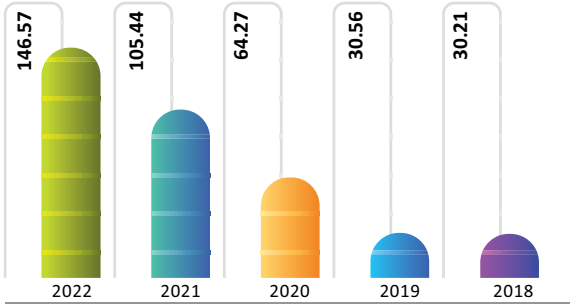
Net Profit After Tax
Taka in million



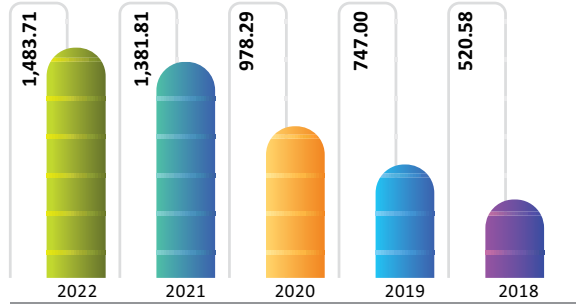
Shareholders' Equity
Taka in million



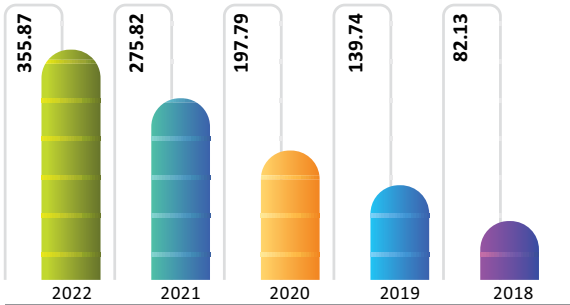
Total Investments
Taka in million



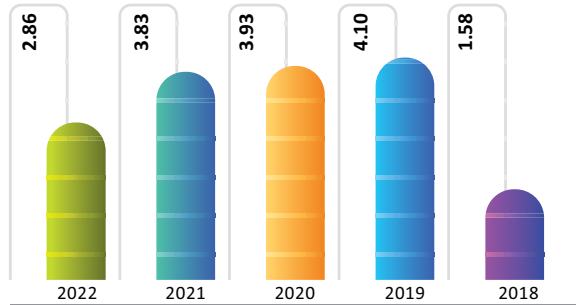
Total Assets
Taka in million



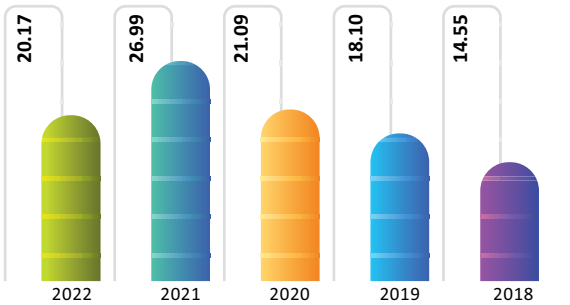
Total Reserve Fund
Taka in million



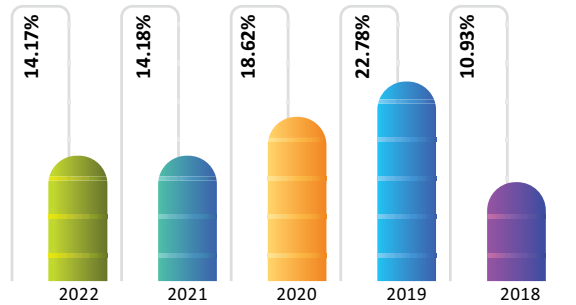
Earnings Per Share (EPS)



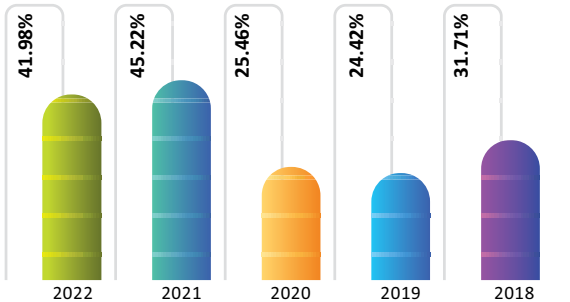
Net Asset Value Per Share (NAV)



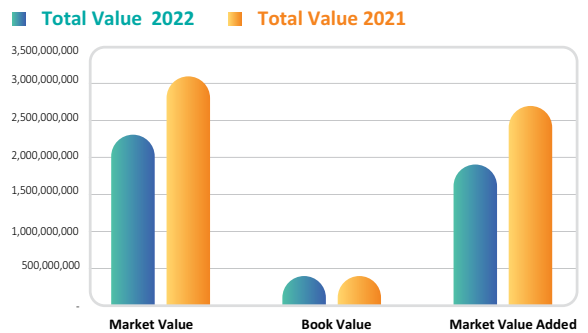
Return on Share holders Equity
Percentage



Dividend Payout Ratio
Percentage



Market Value Added Statement



Disclosures Pertaining to Solvency Margin

Available, Required Solvency Margin and Solvency Ratio

Available solvency margin of Sena Kalyan Insurance Company Limited is BDT 1,041,923,596 against Required solvency margin NDT 186,471,742 and Solvency ratio is 5.59 times.

As per available IDRA draft Non-life Insurance Solvency Margin provisions, 2022, required solvency margin, available solvency margin and solvency ratio is shown below:

1. Assets after adjustment

Total Assets and Properties		1,483,708,535
Less:		
Furniture and Fixtures	4,976,546	
Other	15,247,885	
		20,224,431
Total		1,463,484,104

2. Liabilities after adjustment

Estimated liabilities in respect of outstanding claims whether due or intimated	183,122,508	
Balance of Funds and Accounts	158,381,271	
Reserve for exceptional losses	80,056,729	
Total		421,560,507

3. Solvency margin available (1-2)	1,041,923,596
4. Solvency margin required (higher of RSM-1 or RSM-2)	186,471,742
5. Solvency ratio (3/4) (times)	5.59

Required Solvency Margin Based on Premium & Claim

Class of Business	Gross Premium	Net Premium	Gross Claim	Net Claim	RSM-1	RSM-2	RSM
Fire	194,508,144	100,090,344	56,194,947	56,194,947	40,036,138	28,097,473	40,036,138
Marine Cargo	164,968,728	141,120,596	25,967,248	25,739,010	56,448,238	12,869,505	56,448,238
Marine Hull	17,279,081	13,400,989	44	44	5,360,396	22	5,360,396
Motor	16,391,401	15,446,224	26,656,964	26,656,964	6,178,490	13,328,482	13,328,482
Miscellaneous	407,419,932	74,390,156	101,669,072	81,079,585	71,298,488	40,539,792	71,298,488
Total	800,567,286	344,448,309	210,488,276	189,670,550	179,321,749	94,835,275	186,471,742



Value Added Statement

For the year ended 31 December 2022

The value added statement shows the total worth created and how it was distributed to meet certain obligation and the portion retained for the continued operation and expansion of the company.

Particulars	(BDT in million)		31 Dec. 2022	31 Dec. 2021
	31 Dec. 2022	31 Dec. 2021	%	%
Operating revenue	169,724,629	135,029,726	75%	75%
Other income	67,931,825	54,341,350	30%	30%
Operating expenses excluding staff costs Operating expenses excluding staff costs and depreciation	(10,818,502)	(8,459,336)	-5%	-5%
Value added	226,837,952	180,911,739	100%	100%
To employees as remuneration	73,704,337	63,970,510	32%	35%
To Government as taxes	15,420,383	9,830,876	7%	5%
To Shareholders as dividend	48,000,000	24,000,000	21%	13%
Retained in the business	89,713,232	83,110,353	40%	46%
As capital & revenue reserve	80,056,729	78,022,604	35%	43%
As depreciation	9,656,504	5,087,749	4%	3%
	226,837,952	180,911,739	100%	100%

Market Value Added Statement

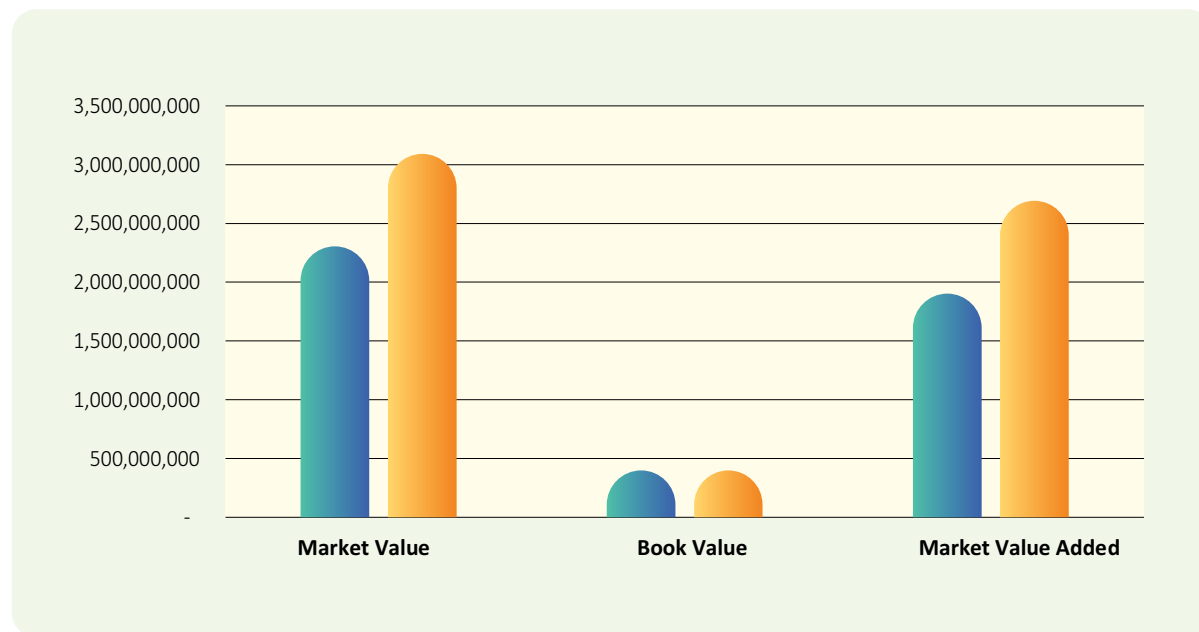
Market value added statement gives a picture of the Company’s performance evaluated by the capital market investors through the share price of the company. This statement depicts the difference between the market value of a company and the capital contributed by the investors.

Higher MVA is better for the company. A high MVA indicates that company has created substantial wealth for the shareholders. A negative MVA means that the value of management’s actions and investments is less than the value contributed to the company by the capital market.

The following statement shows how MVA has been arrived at for the year ended December 31, 2022.

Market Value Added	Total Value 2022	Total Value 2021
Market Value	2,304,000,000	3,092,000,000
Book Value	400,000,000	400,000,000
Market Value Added	1,904,000,000	2,692,000,000

MARKET VALUE ADDED



■ Total Value 2022 ■ Total Value 2021



Economic Value Added Statement

Economic Value-Added is the surplus generated by an entity after meeting an equitable charge towards providers of capital. It is the post-tax return on capital employed (adjusted for the tax shield on debt) less the cost of capital employed. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value.

The aim of EVA is to provide management with a measure of their success in increasing shareholder's wealth: a better measure than profit of how much the company had made for shareholders.

Particulars	Amount in Taka Million	
	2022	2021
Net operating profit	129.75	115.98
Provision for taxes	15.42	9.83
Net operating profit after tax (NOPAT)	114.33	106.15
Charges for capital		
Average shareholders' equity	777.52	627.29
Cost of equity (%)	5.07%	4.58%
Capital charge	39.46	28.73
Economic value added	74.88	77.42

Historical Record of Dividend Payments

The Company started its journey in early 2013 and was able to pay the dividend to its shareholders since 2015. The historical record of payment of dividends is given hereunder as general disclosure to the stakeholders of the Company.

Year	Paid-up Capital (Tk.)	Dividend (%)
2013	240,000,000.00	-
2014	240,000,000.00	-
2015	240,000,000.00	3.00% (cash)
2016	240,000,000.00	5.00%(cash)
2017	240,000,000.00	7.50%(cash)
2018	240,000,000.00	5.00%(cash)
2019	240,000,000.00	10.00%(cash)
2020	240,000,000.00	10.00%(cash)
2021	400,000,000.00	New Issue of Tk. 160,000,000.00 (IPO)
2021	400,000,000.00	12.00%(cash)

Contribution to the National Exchequer

SKICL is considered to be one of the major contributors in the economy of Bangladesh both in monetary and non-monetary terms. Being a legitimate and ethical company, SKICL continues to remain transparent in adherence with the local direct and indirect tax requirements and has contributed BDT 46.98 million to the national exchequer as Value Added Tax (VAT), Supplementary Duty (SD) & Income Tax. Some of our specific contributions to the national economy are highlighted below:

Amount in BDT

Particulars	December 31, 2022	December 31, 2021
Income Tax paid on Company's income	14,129,209.00	19,714,784.00
Tax collected at source on behalf of Government	10,950,516.00	3,717,713.00
VAT collected at source on behalf of Government	2,999,327.00	-
Value Added Tax (VAT)	17,914,850.00	21,525,415.00
Excise Duty	986,482.00	745,870.00
Total	46,980,384.00	45,703,782.00

Share Performance of SKICL

Sena Kalyan Insurance Company Limited has been listed at both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) on 7 November 2021. SKICL's market information snapshot is given below:

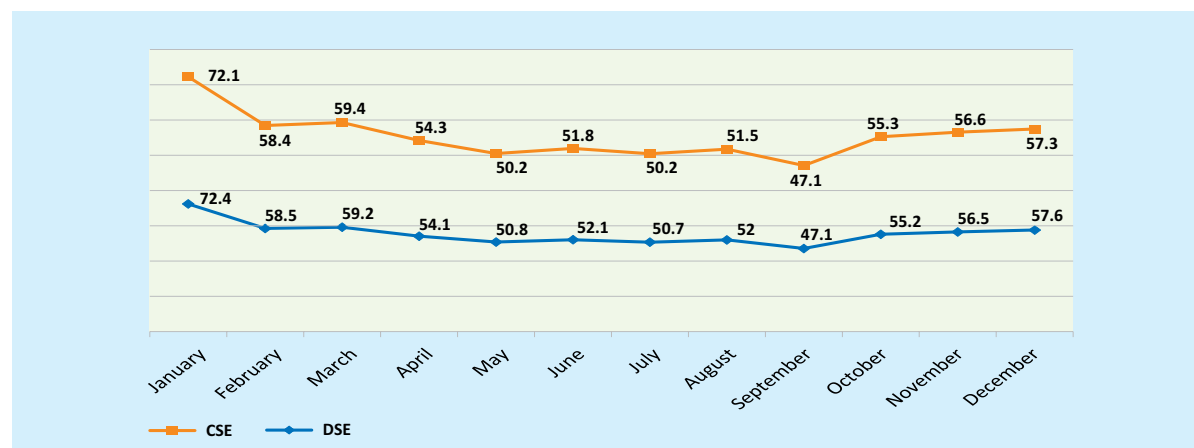
Amount in BDT

Particulars	DSE	CSE
Trading Code	SKICL	SKICL
Sector	Insurance	General Insurance
Scrip Code	25752	11044
First Trading Date	07 November, 2021	07 November, 2021
Electronic Share	Yes	Yes

Stock Market Performance

Particulars	31 December 2022	31 December 2021
Market capitalization–DSE (BDT million)	2,304,000,000	3,092,000,000
Market capitalization–CSE (BDT million)	2,292,000,000	3,072,000,000
No. of Shares	40,000,000	40,000,000
EPS (BDT)	2.86	3.83
Price earnings ratio (times)	20.15	20.19
NAV per share (BDT)	20.17	26.99
Dividend payout ratio (%)	41.98	45.22
Share price – DSE (BDT)	57.60	77.30
Share price – CSE (BDT)	57.30	76.80

Month end Share prices (DSE & CSE) from January to December 2022



Message from the Chairman



Maj Gen Iftexhar Anis, BSP, awc, afwc, psc, PEng
Chairman

Dear Shareholders,

I welcome you all to this auspicious occasion of the 10th Annual General Meeting of the Company. Though it is the 10th Annual General Meeting, but the second time with our respected general shareholders since the Company entered into the capital market in November 2021. Let me begin with my humble gratitude to Almighty Allah and my higher authority, who entrusted me with the noble task of looking after a very well reputed organization like Sena Kalyan Sangstha (SKS) and all its sister concerns as their chairman. It is indeed a great honour and pleasure to convey my felicitation to you and all members of your esteemed organizations as the Chairman of the Board of Directors of Sena Kalyan Insurance Company Limited (SKICL).

On behalf of the Board of Directors, I express my heartfelt thanks and gratitude to you all for your continued support and co-operation. I would like to mention here that your confidence and trust on us have helped Sena Kalyan Insurance Company Ltd to become the country's fastest growing insurance company in the private sector.

Historically, the insurance industry has played a significant role in ensuring societies stand firm even during the most catastrophic adversities. Insurance companies act as a source of strength for individuals and enterprises seeking to thrive against unexpected challenges. At SKICL, our purpose is to help our customers to attain financial peace of mind through reducing uncertainty. We strive to create an inclusive insurance platform that serves diverse communities. We focus

on maximising the impact of insurance by raising awareness about the importance of financial protection through insurance. We ensure protection by embracing prudent underwriting practices, by meeting claims on a timely basis and by controlling liquidity in a regulatory compliant manner that enables enhancement of our solvency.

The global insurance industry is undergoing radical transformations. Tighter regulatory norms, volatile equity markets and rapidly changing customer expectations are some of the biggest challenges that the market is sailing through. However, despite these macroeconomic challenges, the industry is poised for robust growth riding on tech-driven disruptions. While on one hand, the corona pandemic acted as a huge setback for the industry with unanticipated claims in huge amounts rallying in, on the other, it became a herald of accelerated digital transformation. Notable progress has been made in terms of adoption of automation, data collection and advanced analytics. The industry is also looking at flexible technology infrastructure and architecture that accommodates new technologies and updates without disrupting business-as-usual.

The country's insurance sector has taken a hit from the ongoing global economic slowdown caused by the Covid-19 pandemic and exacerbated by the Russia-Ukraine war. As Covid eased, the insurance business bounced back and the stock market also achieved impressive growth. But the prolonged Ukraine war, global economic instability, and the red-hot inflation have affected insurers' business along with other sectors. In the July to September quarter, the overall general insurance business suffered around 20% decline owing to a drop in opening letters of credit (LCs) and reinsurances, stock market volatility and excessive commission to their agents. Usually, general insurers provide services to their clients in fire, marine, engineering, motor, aviation insurance, overseas mediclaim and miscellaneous areas.

SKICL always emphasized on professionalism and relied on the dynamic leadership. We believe that our skilled manpower is dedicated to responding to customers' requirements with utmost sincerity, transparency and efficiency. Therefore, fostering apposite human resources remains one of our key priorities to be able to serve customers better and establish a competitive edge over our competitors. We used

equal attention in launching our latest IT infrastructure and stretched network coverage to its optimum capacity.

I'm pleased to report that despite a tangible economic crisis that hit the country in the second quarter of the year, Sena Kalyan Insurance Company generated net profit of Tk.114.33 mn in 2022, which was Tk. 106.15 mn in 2021. Our recurring revenue model proved resilient, producing record highs in annual net premiums of Tk. 344.45 mn and gross premium income of Tk. 800.57 mn. There was an impressive increase of 1.61% in underwriting profit to Tk. 82.29 mn as opposed to Tk. 80.99 mn in 2021. Despite the challenge and complying with all the instructions of our regulator IDRA, the financial strength of our Company gradually increased having the total assets standing at Tk. 1,483.71 mn against Tk. 1,084.87 mn in 2021. Accordingly, based on the operating profits for 2022 and keeping the current economic downstream in view, we have proposed 12% Cash dividend for the year 2022.

As a trusted brand with a growing footprint in Bangladesh, I believe our Company is well positioned to build on the positive and sustainable impact it has already made. Indeed, we look forward with energy, enthusiasm, and positivity to continue delivering on our mission to use our insurance expertise to do good for individuals, businesses and society as well. Though much has changed, what remains unchanged is our emphasis on creating sustainability for all our stakeholders.

I again, thank all our Shareholders and my colleagues in the Board of Directors for their guidance and support. I also convey my sincere appreciation to the Management and staff of SKICL. I am also thankful to the Insurance Development and Regulatory Authority of Bangladesh, Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Registrar of Joint Stock Companies and Firms and the DSE & CSE for their support. We look forward to another successful year with hope and confidence.

Thank you,



Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng
Chairman
Sena Kalyan Insurance Company Ltd.

Message from the Managing Director & CEO



Brig Gen Md. Shafique Shamim, psc (Retd)
Managing Director & CEO

Dear Shareholders,

Hope this letter finds you and your family in good health and spirit.

I would like to express my humble gratitude to Almighty Allah for keeping us safe and close the year 2022 as a successful business year despite all odds and challenges. I am honored and humbled to be leading our great Company. SKICL has a strong 10 years of legacy and I am proud to be associated in this journey since inception to see the Company starting from the scratch and now it is considered as one of the most promising insurance companies in the country. This has become possible only by the grace of Allah and with the continuous support of the respected Chairman & other members of the Board, respected stakeholders, valued partners, distinguished patrons and other well-

wishers. I would make a special mention of IDRA and BIA for their relentless support for this Company in growing as a vibrant and compliant insurance company in the country.

As I connect with you today through my annual shareholder letter, I would like to start with a brief overview of the current economic condition, performance and strategy of our Company. In 2022 Sena Kalyan Insurance Company Limited stepped into various business operations with its commitment to maintaining superior corporate governance practices and balancing of growth, profitability and risk.

Insurance as a Protection

Insurance is vital for a developing economy like Bangladesh since it not only ensures policyholder

protection against exigent situations, but also helps to direct long-term finance for public expenditure, thus ensuring a good social imprint. Furthermore, several measures are backed by the industry and regulator which have resulted in increase in penetration though it continues to remain very low both as a percentage of the population covered as well as premiums collected as a proportion of the GDP.

At SKICL, the Company is thus pushing for fostering greater insurance involvement in Bangladesh by making insurance more inclusive, accessible and affordable in order to contribute to closing the protection gap. This corresponds with our objective of creating a longstanding insurance institution that sensitively fulfils clients' security and long-term requirements. We want to do this by improving our understanding of the needs and wants of our clients, delivering appropriate services, and assuring continual interaction with care, compassion, and attentiveness.

Global Insurance Scenario

The world economy is undergoing paradigm shifts that will have profound long-term policy implications. Global economic growth is set to slow down and inflation rates are at multi-decade highs. The latter result from a confluence of factors, including the high levels of fiscal stimulus pumped into the economy at the height of the COVID-19 crisis, disruptions to global supply chains and soaring energy and commodity prices due to the war in Ukraine.

For the year 2022, Swiss Re estimated strong 6.1% nominal growth in total premiums (non-life and life) attaining the \$7 trillion global target. However, these times are difficult for the insurance companies, so they will need to stay abreast of tackling inflation and utilizing economic growth. The insurance industry faces pressure from high inflation this year, but higher interest rates will be a silver lining from 2023, reports Swiss Re.

Bangladesh Market and our Position

The country's insurance sector has several specific challenges. The main challenge is the crisis of confidence. The crisis has begun to ease somewhat due to the recent move by the Insurance Development and Regulatory Authority (IDRA). The second challenge is that insurance services are also important like banks, but the general public is not aware of that. The third challenge is the various commissions and other trades. However, at present, this problem has diminished to a great extent.

In spite of the hurdles, Sena Kalyan Insurance Company Limited was able to sustain their positive trend of growth in business, with the unwavering dedication of the staff & board of directors. In 2022, SKICL earned a gross premium income of Tk 800.57 million, registering a growth of 2.61% compared to the previous year. The net premium income was Tk 344.45 million, which is a 24.59% increase over the previous year, mainly due to our prudent underwriting.

Our Company is a little different than others. This Company owns 60% of the sponsored shares. All shares are owned by Sena Kalyan Sangstha (SKS). Such viable sponsor helps us to abide by the rules of the government and IDRA. You may be knowing that we commenced our business in the later part of 2013 and reached break-even within a year. We started paying dividends since 2015 and successfully reached out to our valued clients. Within a short span of 10 years, we have acquired sizeable assets and grown 5.90 times with a continuous ascending graph.

Business Strategy

We are the youngest insurance Company in the country. SKICL continuously screened the business and shortlisted the risk-based products and services. In this regard, the number of customers has been increasing day by day in the 10 years since its inception due to

timely payment of insurance claims and abiding by existing rules. We cherish the credible image of our beloved Armed Forces and do justice to it through our services.

Human Capital

Our teams are focused on delivering value for our customers and this is our biggest asset and major differentiator. It is truly the diligence, creativity, commitment and hard work of these teams that enable us to succeed. Their contribution is vital and it is the responsibility of our executive management to consider their team's interests in every decision they make.

Our teams ensure that we can continue to respond to the changing external environment, and in 2022, their resilience to perform against the odds, their enthusiasm to put in their best and their excitement to embrace our vision for insurance were crucial to achieving results. Indeed, their commitment to our customers provides me with great confidence for the future.

Future Optimistic

Every year our income and profit has been steadily increasing. We pay the insurance claims to the customers on time, and that's why customers trust us. We want to reach people's doorsteps through new services. Promulgation of Bancassurance could be a good opening in this regard. This channel, leveraging the existing banking infrastructure, has the potential to revolutionize access to insurance amongst the masses. Opening up bancassurance will also showcase the government's emphasis on making insurance commonplace, which is so important considering the learnings in the critical situation.

However, we have all witnessed that the power of togetherness, intellect and resilience can help humans to navigate even the most challenging of circumstances. We at SKICL are proactively drafting our strategies to stay ahead of the curve and are mapping out solutions for the challenges of the present and the future. We intend to expand across distribution, digital, technology & claims services and in order to provide insurance services to the majority of people in the country, we intend to focus significantly in the agriculture sector, livestock and public transports to provide insurance services.

Since our Company is owned by the Armed Forces, all our profits are spent on supporting humanitarian cases, hence, you may be encouraged to be a part of this noble initiative. Sena Kalyan Insurance Company cordially invites you to be our valued partners through availing the best possible risk management schemes for your business and affiliated facilities.

We will remain your trusted risk manager at all times and at the same time add value to your investments as a sustainable financial institution. We hope that our respected shareholders, valued clients & other stakeholders will always be with us in our steady and successful journey ahead.

Thank you for keeping us in your trust.

Brig Gen Md Shafique Shamim, psc (Retd)
Managing Director & CEO



Directors' Report

**To
The Members,
Sena Kalyan Insurance Company Limited,**

The Board of Directors of Sena Kalyan Insurance Company Limited are pleased to welcome you to the 10th Annual General Meeting of the Company and place before you the Directors' Report along with the Audited Financial Statements and the Auditors' Report for the year ended 31st December 2022 for your kind perusal and approval.

Industry Outlook and Possible Future Development

According to the Sigma Research Publication (no.6/2022) on world insurance by the Swiss Re Institute, the global insurance industry faces multiple pressures this year but we are expecting rate hardening to regain momentum in response. Higher interest rates should be a silver lining as inflation pressure abates in 2023 and 2024, supporting investment results and profitability. Inflation remains the number one industry concern. We forecast high inflation in cost components relevant for insurers, such as construction and healthcare that suggests insurers' claims and costs could rise markedly in 2022 and 2023, even without considering changes in claims frequency and natural catastrophe activity. We expect that total global insurance premiums to decline slightly in 2022, with a gradual recovery but still below-trend real premium growth for the next two years. In non-life insurance, slowing global growth and inflation will likely cut real premium growth to below 1% this year, with a recovery as inflation eases and the hard market goes on. Global non-life insurance return on equity (ROE) is expected to halve to just 3.4% in 2022 as underwriting performance and investment results are weaker, but rebound to a 10-year high in 2024 as the interest rate tailwind and potential rate hardening take effect.

Geographically Bangladesh is located in the South Asia where insurance sector is emerging due to modest GDP growth rate and high density of population in the 'SAARC' region. In the last decade, the insurance sector of the South Asian market has been rapidly emerging, particularly in Sri Lanka and in India. There is a significant insurance penetration rate i.e. 3.69% in India despite the fact that the Indian growth has been occasioned by agriculture and health insurance. However; their highest premium generating premium portfolio, is automobile insurance. So, human capital development at CRC can smooth the way for tariff revisions/adjustment that would contribute to market development. They would be determining premium based on pricing components that includes risk premium, expenses, profit and commission. In comparison with Sri Lankan market, Bangladesh insurance has a lot of scopes to expand. The market premium in Sri Lanka is higher than that of Bangladesh though Sri Lankan population is about one-third of Bangladesh.

In spite of the stable growth rate (around 4%) of the Bangladesh insurance industry in the last few years, the expansion of the insurance business, particularly the non-life sector, has experienced a downward trend in the year 2022 because of poor investment and slowdown of economic activities led by the political unrest. The experts have the fear of what the industry was likely to have the similar experience in 2023.

The Economy of Bangladesh has rapidly been shifting from agricultural to the services sector. The role so played by the service sector is burgeoning as well. Insurance is one of the ingredients of the financial services industry, which has a lot to play if it is promoted properly. In this comprehensive and ultimate guide on the insurance sector of Bangladesh, we will walk you through the itineraries of the market. Let's delve into the insurance market of Bangladesh.

According to the statistics of Bangladesh Insurance Association (BIA), the gross premium income of non-life private sector insurance companies increased from Tk. 21,038 million in 2021 to Tk. 22,670 million in 2022 with a growth rate of 7.76%. In Bangladesh, the marine insurance is considered to be the lifeguard for the non-life insurance business. Marine insurance completely depends on imports which has continuously being disturbed by the political unrest but the market is expected to improve in 2023.

Talking about the market Size and present position, the Insurance Industry of Bangladesh is promising and having huge growth potentials.

Insurance penetration rates in Bangladesh:

- Bangladesh ranks 76th in the world
- World market share is 0.02 percent
- Combined life and non-life insurance market premium is BDT 76,785 million
- Per capita spending on insurance is USD 2.6

Our non-life insurance market continues to be extremely overcrowded when compared with developing countries including our neighbors. The situation has obviously given rise to intense and unhealthy competition among the existing players. At the same time, with the deteriorating standard of clients' services, public trust on insurance continues to diminish. Much need to be done to remedy the situation. In line with the country's impressive GDP growth, the insurance industry should not grow by addressing its manifold problems.

Sena Kalyan Insurance Company Ltd, stepped into the insurance industry at the later part of 2013, when the global economy had been slowly recovering from the shock of recession. Hence, our journey into the industry didn't have an easy start. However, our Company is very different from other non-life companies in the industry with its unique shareholding structure and purposes of business. It makes our journey easier to reach our valued partners with the "Sena Kalyan" brand, which has already earned considerable respect in the business community of Bangladesh. However, non-life insurance business in the present context faces many challenges and impediments, what posed serious difficulties in our business development. In spite of such constraints, we have been able to increase our business at a steady pace due to our hard work, vigilance, strict financial discipline, good management and improved customer services. Sena Kalyan Insurance Company Limited has already established itself firmly in the industry through its potential dealings, organizational supremacy and sound claim paying ability.

Segment-wise or product-wise performance

Gross Premium Income

In the period from 03 September 2013 to 31 December 2022, the company has earned a gross premium income of Tk. 3,827,178,767.00 (including public sector business). Since our incorporation in the insurance industry of Bangladesh, we had been very careful to select business partners, what has given us a slow but steady build up.

Year	Gross premium (in Million Taka)	Growth (%)
2022	800.57	2.61%
2021	780.23	34.40%
2020	580.52	0.77%
2019	576.09	58.32%
2018	363.87	38.45%

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

Business Segments	2022	2021	Growth (%)
Fire Insurance	194.51	163.0	19.33%
Marine Insurance	182.25	134.31	35.69%
Motor Insurance	16.39	26.71	-38.63%
Miscellaneous Insurance	407.42	456.17	-10.69%



Segregation of Net Premium:

Business Segments	2022		2021		Growth (%)
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	100.09	29.06%	86.53	31.30%	15.67%
Marine Insurance	154.52	44.86%	111.69	40.40%	38.35%
Motor Insurance	15.45	4.48%	25.96	9.39%	-40.49%
Miscellaneous Insurance	74.39	21.60%	52.28	18.91%	42.29%
Total	344.45	100.00%	276.46	100.00%	24.59%

Claims

We are very prompt and sincere in respect of settlement of claims. We have been providing satisfactory customer services and continuously trying to improve it further. During the period of reporting, the company has settled the claim of Tk. 210,488,276.00, while Tk. 183,122,508.00 is already provisioned for settlement of intimated claims at the earliest.

Claim and Loss Ratio:

Year	Net Claim (in Million Taka)	Change (%)
2022	189.67	1273.43%
2021	13.81	-35.24%
2020	21.33	139.89%
2019	8.89	-85.90%
2018	63.05	498.78%

Segregation of Net Claim:

Business Segments	2022		2021		Growth (%)
	Amount (in Million Taka)	Business Mix of Net Premium (%)	Amount (in Million Taka)	% of Total Net Premium	
Fire Insurance	56.19	29.63%	(1.01)	-7.30%	5663.37%
Marine Insurance	25.74	13.57%	11.30	81.79%	127.79%
Motor Insurance	26.66	14.05%	2.81	20.33%	848.75%
Miscellaneous Insurance	81.08	42.75%	0.72	5.18%	11161.11%
Total	189.67	100.00%	13.81	100.00%	1273.43%

Financial Performance

Performance of the company in terms of key performance indicators has been shown in a separate statement under title "Five Years Financial Highlights" Moreover, some highlights are given in items below:

Capital Adequacy:

The following table shows a gradual increase in the shareholders' equity.

Year	Shareholder's Equity (in Million Taka)	Change (%)
2022	806.67	7.79%
2021	748.37	47.84%
2020	506.20	17.33%
2019	431.44	24.60%
2018	346.26	6.08%

Solvency Margin:

The following table shows that the solvency margin of the company is above the required level.

(Figures in BDT million)

Particulars	For the year 2022	For the year 2021
Available Solvency	1,041.92	877.52
Required Solvency	186.47	169.50
Solvency Margin (times)	5.59	5.18

Re-insurance Utilization and Risk Retention Ratio:

The Company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC). Besides, we place Facultative Reinsurance coverage to XL CATLIN (UK), GIC (INDIA), New India (INDIA), WACIA Re (AFRICA), MANDARIN RE(MALAYSIA), CICARE(AFRICA), KLAPTON(UK), The New India Assurance Co. (Gift City) (INDIA), Saudi Re (SAUDI ARABIA), AL AHLEIA(KUWAIT), MISR(EGYPT), BEST RE(MALAYSIA), HDI Global Specialty SE (London) through Deinon Insurance broker LLC and others broker against all classes of general insurance business.

You may be aware that usually high-risk retention level signals inadequate reinsurance protection while low risk retention level hampers profitability. Segment-wise Risk Retention Ratios of the Company for the last few years are shown in the table below:

Particulars	Year-wise Risk Retention Ratio (%)				
	2022	2021	2020	2019	2018
Fire Insurance	51.46%	53.07%	44.28%	49.74%	53.99%
Marine Insurance	84.79%	83.16%	74.57%	59.39%	74.58%
Motor Insurance	94.23%	97.20%	100.00%	99.84%	98.17%
Miscellaneous Insurance	18.26%	11.46%	38.65%	30.17%	16.50%
Total	248.74%	244.89%	257.50%	239.14%	243.24%

Reserve Adequacy:

As Sena Kalyan Insurance Company Limited embarked into the business at the end of 2013, the company was not in a position to cater for expected amount of reserve fund in 2014. However, we took all steps to ensure the appropriate quantity of reserve fund and successfully created a reserved fund of Tk. 355,872,215.00 by the end of 2022.

The following table shows reserve adequacy of the company:

Year	Amount of Reserve (in Million Taka)	Change (%)
2022	355.87	29.03%
2021	275.82	39.45%
2020	197.79	41.54%
2019	139.74	70.14%
2018	82.13	44.95%



Profitability:

Since the source of revenue of the company is premium income from underwriting business under fire insurance, marine insurance, motor insurance and miscellaneous insurance businesses and other income like income from investments, its profitability depends upon these sources.

We have earned an underwriting profit of Tk. 82,294,297.00 in 2022 compared to profit of Tk. 80,985,987.00 in 2021. Our efforts to increase more premium income and to increase our market share have proved to be efficient with overwhelming support from our partners. Our expenditure on management has increased by 15.64% but on the other hand gross premium income has increased by 2.61%. After providing for agency commission, management expenses and depreciation, the net profit before tax & WPPF stood at Tk. 136,238,672.00 in 2022, compared to profit of Tk. 121,780,251.00 in the previous year.

The following table shows the contributions of different business segments in the underwriting profit (loss):

Business Segments	Contribution to Underwriting Profit (%)				
	2022	2021	2020	2019	2018
Fire Insurance	16.58%	14.37%	-18.61%	36.54%	171.01%
Marine Insurance	55.77%	49.80%	40.93%	30.82%	203.77%
Motor Insurance	17.66%	19.94%	56.69%	32.58%	127.64%
Miscellaneous Insurance	10.00%	15.90%	20.99%	0.06%	-402.42%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Underwriting Performance/Quality:

Underwriting is the process of evaluating, prudent financial modeling, feasible risk pricing and acceptance of the risk based on the material facts disclosed by the prospect.

Underwriting process starts with the receipt of material facts/ proposal form, the concerned underwriter analyzes all the information and takes decision whether he/she accepts the risk or not, if it is accepted then he/she has to offer/quote the prospect with premium, relevant terms, conditions & exclusions.

In SKICL, we started our journey of underwriting management wef. the 5th day of November'2013 under the visionary leadership of Brig Gen Shafique Shamim, psc (Retd). It is worth noted here that Sena Kalyan Insurance Company Limited is one of the 4th Generation/youngest insurance companies in Bangladesh. At the very beginning we started to underwrite mostly tariff driven risk /business viz. Fire, Marine, Motor & Miscellaneous which is approximately 70% of the share of Bangladesh Non-life insurance market.

Since we had vision to position our company as one of the leading insurers with planned company growth level, we started to assess & accept the risk of non tariff business e.g. Aviation, 5 star hotels, Power Plant, Spinning, Composite Textile Mills, all kinds of liability business, viz. Professional Indemnity, Public Liability, Comprehensive General Liability etc.

In the light of above, corporate insured's recognized us as prudent & competent underwriter/insurer in regard to all non-tariff business portfolio & risks exceeding Bangladesh Country Limit. Currently we are the lead insurer for Aviation Risk with its allied perils in Bangladesh based on our prudent underwriting competency & facultative support from the world class reinsurer(s) through Lloyd's reinsurance broker house.

However, we are now focusing on inclusive insurance viz. Livestock insurance fostering business-oriented livestock keepers of Bangladesh using local NGO's as our alternative distribution channels i.e. NGOs. Livestock are becoming agriculture's most economically important sub sector, with demand in Bangladesh for animal foods projected to be double over the next 20 years with huge export potential. We are also in the process of underwriting Medical Evacuation Insurance to cover medical expenses with air transportation facility in a level 3 hospital in designated mission area. We are also planning to tap stand alone Health insurance compensating medical expenses for both in patients & out patients

of corporate insured. We have also plan to underwrite Freight Forwarders' Liability Insurance, Payment/Loan Protection Insurance, Bankers' Blanket Bond Insurance etc to wide our non-life insurance market share in Bangladesh.

The following table shows the segment-wise underwriting performance of the company in the last few years.

Business Segments	Year-wise Underwriting performance (million)				
	2022	2021	2020	2019	2018
Fire Insurance	13.64	11.64	(12.43)	27.58	18.59
Marine Insurance	45.89	40.33	27.35	23.27	22.15
Motor Insurance	14.53	16.14	37.88	24.60	13.88
Miscellaneous Insurance	8.23	12.88	14.02	0.05	(43.75)

Investment Profile

The size of investment portfolio of the Company as on 31 December 2022 stood at Tk. 1,231,438,961.00. The investment portfolio comprises 10-years Bangladesh Government Treasury Bonds, Fixed Deposits & Shares with various commercial banks and financial institutions.

The following table shows the status of the investment portfolio of the company in the last year comparing with those of the previous year.

Components of Investment	2022		2021	
	Amount (in Million Taka)	% of Total Investment	Amount (in Million Taka)	% of Total Investment
Fixed Deposit	1,084.87	88.10%	979	90.28%
Shares Investment	59.43	4.83%	24	2.25%
BGTB & Zero Coupon Bond	87.14	7.07%	81	7.48%
Total	1,231.44	100%	1,084	100%

Segregation of Investment Income and Other Income:

The following table shows the status of the contributions of different sources in the investment income and other income in the last year comparing with those of the previous year.

Components of Investment	2022		2021	
	Amount (in Million Taka)	% of Total Investment Income & Other Income	Amount (in Million Taka)	% of Total Investment Income & Other Income
Investment Income	57.12	84.08%	43.80	80.61%
Interest Income	0.78	1.14%	0.83	1.53%
Dividend	2.76	4.06%	0.51	0.94%
Profit from Sale of Shares	2.03	2.99%	3.74	6.89%
Other Income	5.25	7.73%	5.45	10.02%
Total	67.93	100.00%	54.34	100.00%



Motor Vehicle

The management of the company is always very careful about full compliance of relevant instructions from IDRA about provision and procurement of equipment. As such, we are procuring motor vehicles for the head office and branches gradually as per the IDRA circular on this matter. As on 31 December 2022, the company has 15 motor vehicles for its head office and branches.

Risks and Concerns

As Sena Kalyan Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large.

A detailed report on the risk management framework has been made separately on page no. 136.

Cost of Goods Sold, Gross Profit Margin & Net Profit Margin

SKICL is not a manufacturing company. It is a non-life insurance company in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin is not considered to prepare financial statements. Therefore, comparative analysis of financial performance is elaborately discussed on the presentation on financial indicators on page no. 87.

Disclosure Regarding Extra-ordinary Gain or Loss

During the year there were no such events of extraordinary nature and the company did not suffer or gain any loss or gain from such activities.

Management Expenses

Management expenses amounted to Tk. 111,945,721.00 in 2022. The expenses have been apportioned @24.30% to Fire, 22.76% to Marine Cargo & Hull, 2.05% to Motor & 50.89% to miscellaneous revenue accounts. Even after providing with our share in the Sena Kalyan Sangstha's commitment to help the distressed families of freedom fighters and retired armed forces' personnel of Bangladesh, (which is a major part of our Corporate Social Responsibility), we have successfully brought down the management expenses within appreciable limit.

Disclosure Regarding Related Party Transaction

In the ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in IAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. 34 of the notes of the financial statements.

Disclosure Regarding Utilization of Proceeds from Public Issues, Rights Issues and/or any other Instruments

After completing IPO formalities, trading of shares of our company was started in both Dhaka Stock Exchange and Chittagong Stock Exchange on 07 November 2021.

Present status of utilization of proceeds from IPO is mentioned below:

Sl No.	Area of utilization of IPO fund	Amount as per prospectus	Status of Utilization
01	Investment in Capital Market: a. Govt. Treasury Bond/ Mutual Funds b. Investment in Capital Market in Bangladesh	30,000,000 32,000,000	100%
02	Investment in FDR With Scheduled Commercial Banks	62,000,000	100%
03	Land/Real Estate	25,000,000	100%
04	IPO Expenses	11,000,000	100%
Total		160,000,000	100%

The updated report regarding utilization of proceeds of IPO of the Company is also available in the Company's website.

Deterioration of Financial Results

Not any other indicators of financial results deteriorated after the Company goes for Initial Public Offering (IPO).

Disclosure Regarding Variance in the Annual Financial Statements

Although the company had issued 1.60 crore shares through IPO in 2021, there was no significant difference in financial performance. The financial performances of the company for the last two years are given below:

Financial performance analysis:

BDT in Million except ratios & per share item

Particulars	2022	2021	Growth (%)
Gross premium	800.57	780.23	2.61%
Net premium	344.45	276.46	24.59%
Underwriting profit	82.29	80.99	1.61%
Investment & other income	67.93	54.34	25.01%
Net profit before tax	129.75	115.98	11.87%
Net profit after tax	114.33	106.15	7.71%
Earnings per share	2.86*	3.83	-25.37%
NOCFPS	4.45*	8.89	-49.94%
Paid-up capital	400.00	400	0.00%
Shareholders' equity	806.67	748.37	7.79%
Total assets	1,483.71	1,381.81	7.37%
Total liability	677.04	633.44	6.88%
NAVPS	20.17*	26.99	-25.28%

*EPS, NAV & NOCFPS have been decreased from the last year due to increase number of shares from 27,726,027 (weighted average share) to 40,000,000.

Directors' Remuneration

Directors are not eligible for any other remuneration other than the attendance fee for the Board and its committee Meetings. During the year 2022, a total amount of Tk. 236,664/= (Excluded VAT) was paid to the Directors as Remuneration / Meeting Attendance Fees and travel expenses.

Details of the Directors' attendance record are shown in Annexure-II.

Disclosure on Preparation and Presentation of Financial Statements

The Directors of SKICL, in conformance with the BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of SKICL make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure;
- Proper books and accounts of the Company have been maintained;
- Appropriate accounting policies, including International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS)/ as applicable/adopted in Bangladesh, have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed;
- Accounting estimates are based on reasonable and prudent judgment;
- Internal control processes have been properly designed and effectively implemented and monitored;
- Minority shareholders have been duly protected as have effective means of redress;
- No significant doubt exists upon the Company's ability to continue as a going concern;
- Comparative analysis of significant deviations has been highlighted and the reasons have been explained in the sections above.



Effective Internal Control System

The Board takes the responsibility for the oversight of SKICL's business and management, including risk management and putting up effective internal controls. The Directors state that the systems of internal control are sound and have been implemented and monitored effectively. Details of the Internal Control System of the Company have been reported on page no. 128.

Human Resources

At SKICL, our people are our greatest asset. It is one of our utmost priorities that the employees are taken care of. We try to provide our people a congenial work environment, opportunity to hone their skills, and apt compensation and rewards that drive their motivation and work performance- one of the key reasons for our continued success.

The Company believes that its Human Resources (HR) gives it a significant competitive edge in terms of knowledge and experience. It has continued its policy of recruiting the best people and implementing programs to develop and retain high quality human resources in its various divisions/departments. In line with this Policy, the needbased internal and external training at both home and abroad, is regularly and systematically arranged. The Company also ensures attractive compensation packages and rewards including employee's safety and health including the family members to some extent to assure their retention and provide job satisfaction.

A separate report on human resources has been presented on page no. 153 of this report.

Information Technology

The Present Condition of IT and MIS of Sena Kalyan Insurance Co. Ltd.

Sena Kalyan Insurance Company Limited has the most flexible & Secure IT department with some experienced, energetic and intelligent IT specialist.

In this modern world, IT departments have traditionally been the sole proprietor of technology within organizations with the responsibility of ensuring that all the technical aspects of an organization are running smoothly to fulfill such responsibility.

SKICL IT department's main responsibilities are -

- Managing and protecting the information technology.
- Managing and protecting the data resource.
- Managing and protecting the system applications.

IT department is strictly involved in providing the infrastructure for automation, the governance for the use of the network and operating systems, and assistance in providing the operational units the functionality we need.

The information technology department in an organization is also responsible for the architecture, hardware, software, and networking of computers of the company. IT professionals working in this department perform a number of duties to ensure that employees have full access to the computer systems. Professionals working in the department may be responsible for one area of IT for the company.

SKICL IT department have typically been organized and staffed in accordance with the below framework, which can be seen as a framework describing a traditional IT department.

Present Condition

The IT department of Sena Kalyan Insurance Company is moving forward with time. Sena Kalyan Insurance Company has been using ERP software Enterprise resource planning (ERP) since its inception as per the guidelines of company management and insurance regulatory authority. As a result, the work of the company has become much easier. Also, Sena Kalyan Insurance Company is providing e-money receipts through UMP software managed by Insurance Regulatory Authority, so customers can print money receipts online very quickly and easily.

Recently Sena Kalyan Insurance Company has almost completed the development of its own apps. With the app fully launched, any customer can easily get insurance from anywhere in the world. And if he falls into an accident, he can inform the company much faster than before and raise the claim for compensation. As a result, people's confidence in the insurance sector will increase.

Our Future Plan:

Sena Kalyan Insurance Company has been working with the time for the development of the insurance sector along with itself. Sena Kalyan Insurance Company is working with a group of young people to build an online infrastructure to provide online basic services. As a result, the day is not far away when insurance services will reach the doorstep of people. Everyone will be able to take any insurance related services including taking insurance and raising insurance claims very easily.

In this growing up insurance industry, we have some future plan to make our business more secure and user friendly. That's why we take some initiatives.

The main purpose of the MIS is to give managers feedback about their own performance; top management can monitor the organization as a whole. Information displayed by the MIS typically shows "actual" data over against "planned" results and results from a year before; thus, it measures progress against goals.

- At First, We recognize the major resource of our organization like capital, time and capacity.
- We design apps to make a smooth root between the clients, employees and the management. That's why we make some update plan so that it is possible to recognize information as a valuable resource like money and capacity.
- It is necessary to link its acquisition, storage, usage and disposal as per the business needs for meeting the business objectives. So we need MIS flexible enough to deal with the changing information, needs of the organization. It should be open system. The designing of such an open system is a complex task. It can be achieved keeping in view the plan of the business management of the organization.

Strategy for the Plan achievement

- Development Strategy: An online, a batch, a real time. Technology platform.
- System development strategy: Structured Systems Analysis and Design Method (SSADM) SSAD or Object-oriented technology (OOT) OOT. Database VS conventional etc.
- Resources for system development: In house VS external, customized development VS the use of packages.
- Manpower composition: Analyst, programmer skills and know-how.
- The architecture of the Management Information Systems MIS—It provides a system structure and their input, output and linkages. It also provides handling of systems & subsystems by way of simplification, coupling and decoupling of subsystems
- The system development schedule—A schedule is made for the development of the system. Unless the systems are fully developed, their integration is not possible.

Hardware and software plan

- Giving due regard to the technical and operational feasibility, the economics if investment is worked out. Then the plan of procurement is made after selecting the hardware and software.
- The selection of the architecture, the approach to the development and choice of hardware and software are the strategic decisions and it is needed to be taken very carefully.
- Following points to consider.
- The organization's strategic plan should be the basis for the MIS strategic plan.
- The IS development schedule should match with the implementation schedule of the business plan.
- The choice of information technology is a strategic business decision and not a financial decision.

Functional Managerial Information

- The functional information is defined as a set of information required by the functional head in conducting the administration and management of the function.
- Functional information is largely factual, statistical and detailed in multi-dimensions of the function. Such information is used for planning, budgeting and controlling the operations of the function.

- Eg. If you take sales information, it can be processed in several ways such as product, product groups, market segment, geographic zone, locations etc.
- The functional information can be accessed on the following three parameters:
 - The work design
 - The responsibility
 - The functional objectives

Credit Rating

Alfa Credit Rating Limited has rated the Company in 2022 with “AA” in the long term and ST-2 for the Short Term based on audited financial statements and other available information up to the date of rating declaration. The outlook on the rating is Stable. The rating reflects the strengths of the Company which is backed by a strong team of management.

Contribution to National Economy

SKICL contributes to the national exchequer in the form of income tax, VAT & Excise duty. The company’s contribution to the national exchequer is given below:

Amount in BDT

Particulars	December 31, 2022	December 31, 2021
Income Tax paid on Company’s income	14,129,209.00	19,714,784.00
Tax collected at source on behalf of Government	10,950,516.00	3,717,713.00
VAT collected at source on behalf of Government	2,999,327.00	
Value Added Tax (VAT)	17,914,850.00	21,525,415.00
Excise Duty	986,482.00	745,870.00
Total	46,980,384.00	45,703,782.00

Protection of Minority Shareholders

In compliance with Corporate Governance Code by BSEC, SKICL strives to establish accountability, transparency as well as protect the interest of minority shareholders. The shareholders have voting rights in proportion to the number of shares. The shareholders are entitled to dividend and paid if declared.

SKICL protects the interest of minority shareholders by providing flow of information towards and keep them updated through necessary means. The Code of Compliance followed by the company ensures the affairs of Company being conducted or the power of directors are being exercised in a manner that is not prejudicial to any of the shareholders visa- vis minority shareholders.

Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business without significant fluctuation in value. The accompanying financial statements do not include any adjustments, which indicate that Sena Kalyan Insurance Company Limited will be unable to continue as a going concern.

Deviations from the Last Year’s Operating Results

There were no significant deviations from the last year’s operating results of the Company.

Key Operating and Financial Data of Preceding Five Years

The key operating and financial data of last preceding 5 (five) years have been disclosed on page no. 52 of this annual report.

Proposed Dividend

The Board of Directors at the time of considering the financial statements for the year ending 31 December 2022 have recommended 12% cash dividend [i.e., Tk. 1.20 per share] from the distributable profits of the Company, which will be placed before the shareholders in the forthcoming AGM for approval.

The Members of the Board agreed in principle and declared that pursuant to the Corporate Governance Code 2018, the Board shall not declare bonus share or stock dividend as interim dividend.

Board meetings

The Directors of SKICL meet on a regular basis. A detail statement showing Attendance of the Directors in the Board Meetings has been shown on page no. 84.

Pattern of Shareholding

Shareholding patterns of the Company as at the end of 2022 has been shown in Annexure-iii of this report.

Directors' Appointment & Re-appointment

As per Articles of Association of Sena Kalyan Insurance Company Limited, Directors nominated by Sena Kalyan Sangstha will be Ex-officio. As per the Companies Act, any Director appointed by the Board to fill the casual vacancies since last Annual General Meeting shall retire in the next Annual General Meeting. Accordingly, the following Directors shall retire in the forthcoming Annual General Meeting and being eligible, they are seeking re-election to the Board.

■	Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng (representing SKS)
■	Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc (representing SKS)
■	Air Cdre Md Shaharul Huda, BSP, ndc, psc (representing SKS)
■	Brig Gen Md Shakhawat Hossain, ndu, psc (representing SKS)
■	Brig Gen Md Rashidul Alam, BGBMS, PBGMS (representing SKS)
■	Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc (representing SKS)
■	Brig Gen Mohd Muinul Haq Mamun, psc (representing SKS)

At present, all the Board Directors of the Company are nominated by SKS except the Independent Directors. According to the BSEC's Corporate Governance Code -2018, the appointed Independent Directors have been approved by the Shareholders in the 8th AGM of the Company.

The profiles of Directors of the Company have been presented on page nos. 26 to 34 of the Annual Report.

Appointment of Auditors

Mahfel Huq & Co., Chartered Accountants have been serving SKICL for last 3 (three) terms as statutory auditors and will retire in the forthcoming AGM. According to the BSEC's rules, they are not eligible for further re-appointment.

As a result, the audit committee has recommended to appoint FAMES & R, Chartered Accountants, as the statutory auditors at a remuneration of BDT 2.00 lac excluding VAT and the Board of Directors has endorsed the same.

Hence, the agenda for the appointment of Statutory Auditors (FAMES & R) will be placed before the shareholders for their approval.



Appointment of Complaisance Auditor

Mahfel Huq & Co., Chartered Accountants have expressed their interest to act as the Corporate Governance Compliance Auditor of the Company for the year 2023. As a result, the audit committee has recommended to appoint Mahfel Huq & Co., Chartered Accountants, as the Corporate Governance Compliance Auditor at a remuneration of BDT 50,000 excluding VAT and the Board of Directors has endorsed the same.

Hence, the agenda for the appointment of Corporate Governance Compliance Auditor (Mahfel Huq & Co.) will be placed before the shareholders for their approval.

Management's Discussion and Analysis

Management Discussion and Analysis signed by Managing Director & CEO presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements are stated at page no. 87.

Corporate Governance

The Directors of SKICL are committed in adopting the highest governance standard and implementing them in protecting the interests of shareholders, policy holders and all other stakeholders. A detailed report on corporate governance has been given herewith separately.

Acknowledgment

The Directors take this opportunity to express heartfelt gratitude to, all the valued shareholders, clients and all well-wishers in home and aboard for their wholehearted co-operation and active support in discharging the responsibilities reposed on the Board during the year under review.

The Directors express sincere gratitude would be to the Insurance Development and Regulatory Authority, Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Government and Non-Government organizations, Sadharan Bima Corporation, Dhaka and Chittagong Stock Exchanges, Bangladesh Insurance Association and all the Scheduled Banks and Leasing Companies for their sincere support and whole hearted cooperation.

The Directors express deep appreciation for the services and loyalty of the executives, officers and employees of the Company at all levels without which results could have not been achieved.

The Directors like to thank and express gratitude to Managing Director & CEO, Brig Gen Md Shafique Shamim, psc (Retd) for his hard work, commitment and dedication to the development of the Company.

At the last but not the least certainly, the Directors express their sincerest gratitude to all clients for their loyalty and patronage over the period.

With our very best regards to all our valuable shareholders, we promise to continue the growth with your support.

Thank you all.

On behalf of the Board

Maj Gen Iftekhhar Anis, BSP, awc, afwc, psc, PEng
Chairman

Directors' Meeting & Attendance

During the financial year under reporting total six (6) Board Meetings were held and the attendance of the Directors are noted below:

Annexure-i

Name of Directors	Nominated by	Total Meetings	Meetings Attended	Changes during 2022 with the date of Board Acceptance	
				Date of Board Acceptance	
				Joining	Leaving
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	Chairman (Nominated by SKS)	6	3	25 August 2022	-
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Vice-Chairman (Nominated by SKS)	6	4	26 June 2022	-
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Director (Nominated by SKS)	6	4	26 June 2022	-
Brig Gen Md Shakhawat Hossain, ndu, psc	Director (Nominated by SKS)	6	4	26 June 2022	-
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Director (Nominated by SKS)	6	3	26 June 2022	-
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Director (Nominated by SKS)	6	4	26 June 2022	-
Brig Gen Mohd Muinul Haq Mamun, psc	Director (Nominated by SKS)	6	4	26 June 2022	-
Maj Gen Mohammed Saidul Islam, ndc, psc	Immediate past Director (Nominated by SKS)	6	3	09 September 2021	25 August 2022
Air Cdre M Moyeenuddin, ndc, afwc, psc	Immediate past Director (Nominated by SKS)	6	2	10 July 2019	26 June 2022
Brig Gen Mirza Md Enamul Haque, ndc	Immediate past Director (Nominated by SKS)	6	2	23 August 2020	26 June 2022
Brig Gen M A Mohy, psc, PEng	Immediate past Director (Nominated by SKS)	6	2	23 August 2020	26 June 2022
Brig Gen Md Mustafa Kamal, SGP	Immediate past Director (Nominated by SKS)	6	2	15 July 2020	26 June 2022
Brig Gen Md Jamal Hossain, ndc, afwc, psc	Immediate past Director (Nominated by SKS)	6	2	23 August 2020	26 June 2022
Brig Gen Md Shaheen Iqbal, afwc, psc	Immediate past Director (Nominated by SKS)	6	2	15 July 2020	26 June 2022
Mr. M. M. Mostafa Bilal	Independent Director	6	4	09 September 2020	-
Barrister Ahamed Ihteyaz Thamid	Independent Director	6	6	09 September 2020	-



Directors’ Remuneration

The statements of remuneration paid to the Directors during the financial year under reporting are noted below:

Annexure-ii

Name of Directors	Board		Audit Committee		Nomination & Remuneration Committee		Total Fees Paid (Tk.)
	Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	Attendance	Fees (Tk.)	
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng (Joined as on 25 August 2022)	3	11,111*					11,111
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc (Joined as on 26 June 2022)	4	16,666*					16,666
Air Cdre Md Shaharul Huda, BSP, ndc, psc (Joined as on 26 June 2022)	4	16,666*	2	6,666			23,332
Brig Gen Md Shakhawat Hossain, ndu, psc (Joined as on 26 June 2022)	4	16,666*	2	6,666			23,332
Brig Gen Md Rashidul Alam, BGBMS, PBGMS (Joined as on 26 June 2022)	3	11,111*					11,111
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc (Joined as on 26 June 2022)	4	16,666*			1	0*	16,666
Brig Gen Mohd Muinul Haq Mamun, psc (Joined as on 26 June 2022)	4	16,666*			1	0*	16,666
Maj Gen Mohammed Saidul Islam, ndc, psc (Resigned on 25 August 2022)	3	11,111*					11,111
Air Cdre M Moeenuddin, ndc, afwc, psc (Resigned on 26 June 2022)	2	5,556*	2	6,666			12,222
Brig Gen Mirza Md Enamul Haque, ndc (Resigned on 26 June 2022)	2	5,556*					5,556
Brig Gen M A Mohy, psc, PEng (Resigned on 26 June 2022)	2	5,556*					5,556
Brig Gen Md Mustafa Kamal, SGP (Resigned on 26 June 2022)	2	5,556*	2	6,666			12,222
Brig Gen Md Jamal Hossain, ndc, afwc, psc (Resigned on 26 June 2022)	2	5,556*					5,556
Brig Gen Md Shaheen Iqbal, afwc, psc (Resigned on 26 June 2022)	2	5,556*	2	6,666			12,222
Mr. M. M. Mostafa Bilal	4	11,111*	4	13,335			24,446
Barrister Ahamed Ihteyaz Thamid	6	22,223*	2	6,666	1	0*	28,889
Total		183,333		53,331			236,664**

* Directors didn't take their remunerations for a few meetings.

** Excluded VAT.

Pattern of Shareholdings

As on 31st December 2022

Annexure-iii

i. Shareholding position of Sponsor:

Name	No of Share	Percent (%)
Sena Kalyan Sangstha	24,000,000	60.00%
Total	24,000,000	60.00%

ii. Shareholding status of Directors/CEO/CS/CFO/HIAC & their spouses & minor children:

Name of the Directors	Nominated by	No. of Share(s) held	Percent (%)
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	Sena Kalyan Sangstha	0	0.00%
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Sena Kalyan Sangstha	0	0.00%
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Sena Kalyan Sangstha	0	0.00%
Brig Gen Md Shakhawat Hossain, ndu, psc	Sena Kalyan Sangstha	0	0.00%
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Sena Kalyan Sangstha	0	0.00%
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Sena Kalyan Sangstha	0	0.00%
Brig Gen Mohd Muinul Haq Mamun, psc	Sena Kalyan Sangstha	0	0.00%
M.M. Mostafa Bilal	Independent Director	0	0.00%
Barrister Ahamed Ihteyaz Thamid	Independent Director	0	0.00%

Name of the Executives	Status	No. of Share(s) held	Percent (%)
Brig Gen Md Shafique Shamim, psc (Retd)	Managing Director & CEO	0	0.00%
Maloy Kumar Saha	Chief Financial Officer	0	0.00%
M. M. Sajedul Islam, FCS	Company Secretary	0	0.00%
Md Firoz Sarker	Head of Internal Audit & Compliance	0	0.00%

iii. Top five salaried persons other than the Directors, CEO, CS, CFO & HIAC

Name of the Executives	Status	No. of Share(s) held	Percent (%)
Gp Capt Md Atiar Rahman, psc (Retd)	DMD, Market Development	0	0.00%
Col Md Aulad Hossain, psc, G (Retd)	DMD, Market Development	0	0.00%
Maj. Khandaker Helaluzzaman (Retd)	SEVP, Marketing	0	0.00%
Lt Col AKM Nazimul Islam, psc (Retd)	SEVP, Marketing	0	0.00%
Cdr Iftekhar Hassan, C, psc, BN (Retd)	EVP, Marketing	0	0.00%

iv. Shareholders holding 10 % or more voting interest in the Company:

Name of the Shareholders	No. of Share(s) held	Percent (%)
Sena Kalyan Sangstha	24,000,000	60.00%



Management's Discussion and Analysis

As per condition no. 1(5)(xxv) of the Corporate Governance Code 2018 issued by BSEC, the Management's Discussion and Analysis of Sena Kalyan Insurance Company Limited are as follows:

A. Accounting Policies and Estimation for Preparation of Financial Statements

We have applied accounting policies regularly for all periods while preparing the financial statements. International Financial Reporting Standard (IFRS), International Accounting Standards (IAS) in preparing Financial Statements have been applied to transactions, other events or conditions to their full extent as applicable. Disclosure and rules as required by Insurance Act 2010 and The Companies Act 1994 have been complied with the preparing Financial Statements. On the other hand, Bangladesh Securities & Exchange Commission (BSEC) Rules 1987, Listing Regulations 2015 of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. complied. In absence of the International Financial Reporting Standard

(IFRS) to any particular transactions, other events or conditions, we have applied our judgment in developing and applying on accounting policy that is relevant to the economic decision making needs of us and is reliable.

B. Changes in Accounting Policies and Estimation

The Company has been following consistent policies and estimations in preparing its financial statements. There has been no change to the accounting policies adopted by the Company during the year 2022.

C. Comparative Analysis of Financial Performance or Results and Financial Position as well as Cash Flows for Current Financial year and Immediately Preceding five years

The key operating and financial position and cash flows for the preceding 05 (Five) years of Sena Kalyan Insurance Company Limited are furnished below

BDT in Million except ratios & per share item

Particulars	2022	2021	2020	2019	2018
Gross premium	800.57	780.23	580.52	576.09	363.87
Net premium	344.45	276.46	297.68	253.39	147.45
Underwriting profit	82.29	80.99	66.82	75.49	10.87
Investment & other income	67.93	54.34	58.22	47.24	33.81
Net profit before tax	129.75	115.98	114.23	118.58	39.29
Net profit after tax	114.33	106.15	94.28	98.28	37.85
Earnings per share	2.86	3.83	3.93	4.10	1.58
NOCFPS	4.45	8.89	9.24	9.69	2.23
Paid-up capital	400.00	400.00	240.00	240.00	240.00
Shareholders' equity	806.67	748.37	506.20	431.44	346.26
Total assets	1,483.71	1,381.81	978.29	747.00	520.58
Total liability	677.04	633.44	472.09	312.59	171.34
NAVPS	20.17	26.99	21.09	18.10	14.55

The financial year 2022 has been challenging with an operating environment, due to the Russia's war in Ukraine related uncertainties. Nonetheless, we have managed to end the year with satisfactory results.

Considering our management excellence in understanding the insurance business and specialization in human capital, we are pleased with the progress of the Company.

D. Comparison of such Financial Performance or Results and Financial Position, as well as Cash Flows with the Peer Industry Scenario

The insurance industry is marked by high levels of competition with 46 non-life insurance companies operating in the space. Though few insurance companies were struggling throughout the year, there

are good and established players in the industry that have earned good reputations and customers’ trust.

However, in this section, we’ll mention comparative financial performances and financial position, as well as cash flows with peer industry scenario for the year 2022, with three other established general insurance companies, are as follows:

BDT in Million except ratios & per share item

Particulars	Sena Kalyan Insurance Co. Ltd.	Reliance Insurance Ltd.	Green Delta Insurance Co. Ltd.	City General Insurance Co. Ltd.
Gross premium	800.57	3,523.63	4,227	888.01
Net premium	344.45	1,274.24	1,723	567.91
Underwriting profit	82.29	615.20	1,090	145.46
Investment & other income	67.93	321.97	307	81.38
Net profit before tax	129.75	882.68	1,079	212.61
Net profit after tax	114.33	615.93	727	153.5
Earnings per share	2.86	5.86	7.25	2.25
NOCFPS	4.45	6.60	6.53	5.59
Paid-up capital	400.00	1,051.61	1,002	681.66
Shareholders' equity	806.67	6,745.71	6,764	1,265.76
Total assets	1,483.71	11,605.59	13,369	1,939.89
Total liability	677.04	4859.88	6,606	674.14
NAVPS	20.17	64.15	67.51	18.57

Source: Published Annual Report -2022

E. Financial and Economic Scenario of the Country and the Globe

Bangladesh Economy

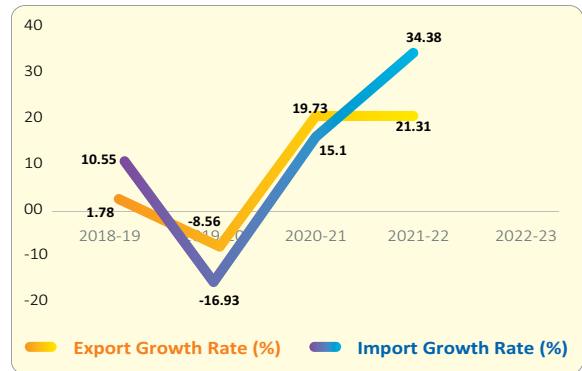
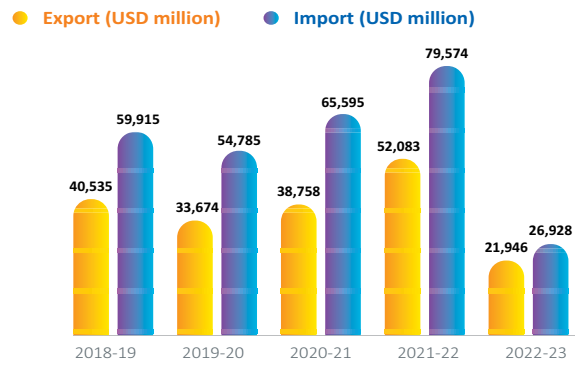
Export:

Like many other third-world countries, Bangladesh relies heavily on exports to fulfill the needs of its densely populated nation. The country’s export earnings witnessed 26.01 percent increase in November 2022 as compared to same period in the previous year, mainly driven by increased exports of agricultural products, chemical products, specialized textile, plastic products, woven garments, knitwear and frozen & live fish. On the other hand, total export earnings increased by 16.89 percent in November 2022 (USD million 5092.56) from the export earnings (USD million 4,356.62) of previous month October 2022.

Import:

Generally, in developed countries, exports are greater than or closer to import payments. But in Bangladesh Exports always fall short of Import payments at a good margin. However, import payments during the month of October 2022 in the FY 2022-23 stands lower by 6.41 percent to USD 6,654.70 million, against USD 7,110.80 million during the same month of FY 2021-22.

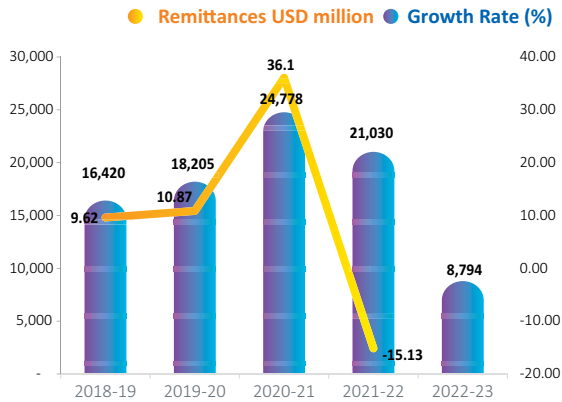
Export & Import of Bangladesh



Workers' Remittance:

Workers' remittance is the key foreign earning source of Bangladesh to fill-up the huge gap between foreign exchange earnings and expenditure. Total remittances receipts during the month of November 2022 in the FY 2022-23 increased by 2.64 percent to USD 1,594.73 million against USD 1,553.70 million of the same month from the previous year.

Remittances of Bangladesh

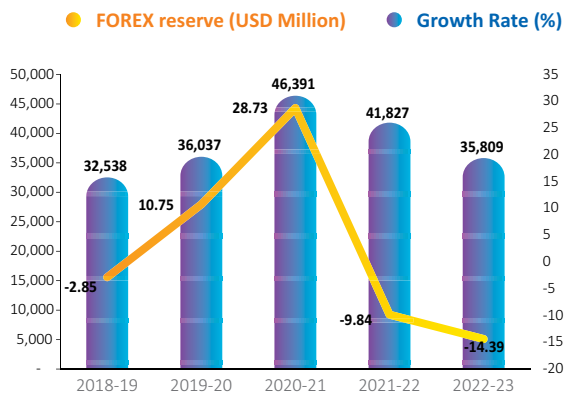


Source: Bangladesh Bank,
Up to November 2022, Growth rate represents same period of the previous year.

Foreign Exchange Reserves:

In November, 2022 the gross foreign exchange reserves decreased by 5.64 percent to USD 33,789.62 million against USD 35,808.70 million in October 2022.

Forex reserve of Bangladesh

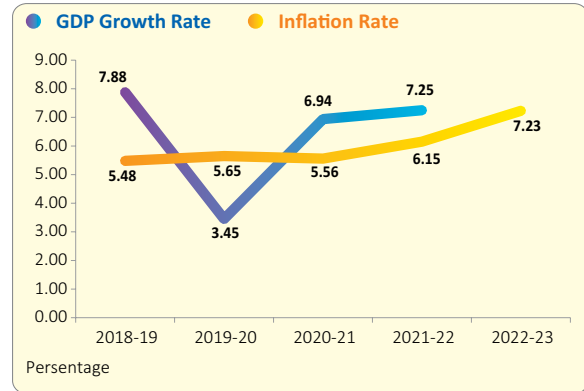


Source: Bangladesh Bank,
As of November 2022

Inflation:

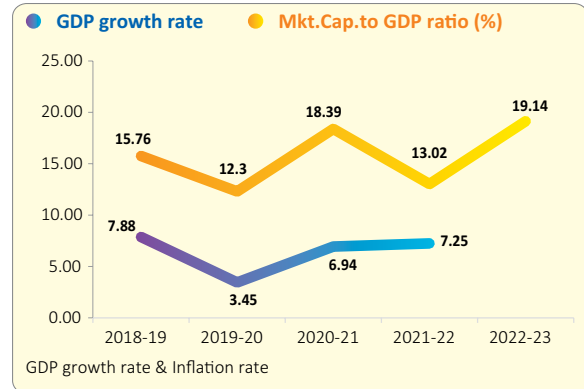
The average inflation in November 2022 stood at 7.48 percent as 7.23 percent in October 2022. Although, Bangladesh has never experienced a negative economic growth during the last 47 years since its independence and maintained around 6% GDP growth rate for last one and half decade, the high rate of inflation always lessened the benefit of good GDP rate.

GDP Growth Rate and Inflation Rate



Source: Bangladesh Bank and budget speech FY 2021-22,
Inflation as on November 2022

GDP growth rate and market capitalization to GDP:



Source: Bangladesh Bank and budget speech FY 2021-22,
Mkt. cap to GDP ratio as on December 2022. For ratio calculation, we considered the GDP of FY 2021-22 (P). Mkt. cap to GDP has been increased from October 2022 since market capital increased due to trading of Government Securities.

Economic Outlook

Item	UoM*	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
GDP at Current Market Price	BDT Crore	3,170,469	3,530,184	3,976,462	No data available from authentic source
Annual Per Capita GDP	USD	2,234	2,462	2,723	
Annual Per Capita GNI	USD	2,326	2,591	2,824	
Domestic Savings Rate (% of GDP)	Percent	27.08	25.34	21.56	
National Savings Rate (% of GDP)	Percent	31.42	30.79	25.45	
Agricultural Growth Rate of GDP	Percent	3.42	3.17	2.20	
Services (% of GDP)	Percent	52.54	51.92	51.44	
Total Financing (% of GDP)	Percent	4.44	3.72	1.98	
FDI Inflow	USD Million	2,370.45	2,507.31	2,179.00	609.00(up to Oct)
Portfolio Investment (Net)	USD Million	44.00	(269.00)	(158.00)	(20.00) (up to Oct)
Domestic Credit	BDT Crore	1,307,633.80	1,439,899.00	1,671,748.80	1,733,085.90 (Oct)
Revenue Collection (NBR)	BDT Crore	218,406.05	259,881.80	301,312.41	67,124.45(up to Sept)
Reserve Money	BDT Crore	284,483.40	348,071.80	347,162.10	335,476.60(Oct)
Deposit Rate (weighted average)	Percent	5.06	4.13	3.97	4.13 (Oct)
Inflation Rate (weighted average)	Percent	5.65	5.56	6.15	7.48(Nov)
Value of Import	USD Million	48,518.00	54,332.10	89,162.30	27,560.00 (up to Oct)
Value of Export	USD Million	33,674.12	38,758.31	52,082.66	16,853.50 (up to Oct)
Balance of Trade	USD Million	14,843.88	15,573.79	37,079.64	(10,706.50)
Foreign Exchange Reserve	USD Million	36,037.03	46,391.40	41,826.70	33,789.62 (Nov)
Remittances	USD Million	18,205.01	24,777.71	21,031.68	8,793.12 (up to Nov)

Source: DSE Monthly Review, December 2022
Economic Trends, Annual Report of Bangladesh Bank & Website
Economic Review, MCCI, Ministry of Finance & Website
Bureau of Statistics Website (Base 2015-16)

Global Economy

The global economy is poised to slow this year, before rebounding next year. Growth will remain weak by historical standards, as the fight against inflation and Russia's war in Ukraine weigh on activity. Despite these headwinds, the outlook is less gloomy than in our October forecast, and could represent a turning point, with growth bottoming out and inflation declining.

Economic growth proved surprisingly resilient in the third quarter of last year, with strong labor markets, robust household consumption and business investment, and better-than-expected adaptation to the energy crisis in Europe. Inflation also showed improvement, with the overall measure now falling in most countries—even if core inflation, which excludes more volatile energy and food prices, is still high in many countries.

Elsewhere, China's sudden re-opening paves the way for a rapid rebound in activity. And global financial conditions have improved as inflation pressures started to abate. This, and a weakening of the US dollar from its November high, provided some modest relief to emerging and developing countries.

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent.

For advanced economies, growth is projected to decline sharply from 2.7 percent in 2022 to 1.2 percent in 2023 before rising to 1.4 percent in 2024, with a downward revision of 0.2 percentage point for 2024. About 90 percent of advanced economies are projected to see a decline in growth in 2023.

For emerging market and developing economies, growth is projected to rise modestly, from 3.9 percent in 2022 to 4.0 percent in 2023 and 4.2 percent in 2024, with an upward revision of 0.3 percentage point for 2023 and a downward revision of 0.1 percentage point for 2024. About half of emerging market and developing economies have lower growth in 2023 than in 2022.

The rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China

dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

The balance of risks to the global outlook remains tilted to the downside, with scope for lower growth and higher inflation, but adverse risks have moderated since the October 2022 World Economic Outlook.

Latest World Economic Outlook growth Projections (real GDP, annual percent change)

	Year over Year				Difference from October 2022		Q4 over Q4		
	2021	Estimate	Projections		2023	2024	Estimate	Projections	
		2022	2023	2024			2022	2023	2024
World Output	6.2	3.4	2.9	3.1	0.2	-0.1	1.9	3.2	3.0
Advanced Economies	5.4	2.7	1.2	1.4	0.1	-0.2	1.3	1.1	1.6
United States	5.9	2.0	1.4	1.0	0.4	-0.2	0.7	1.0	1.3
Euro Area	5.3	3.5	0.7	1.6	0.2	-0.2	1.9	0.5	2.1
Germany	2.6	1.9	0.1	1.4	0.4	-0.1	1.4	0.0	2.3
France	6.8	2.6	0.7	1.6	0.0	0	0.5	0.9	1.8
Italy	6.7	3.9	0.6	0.9	0.8	-0.4	2.1	0.1	1.0
Spain	5.5	5.2	1.1	2.4	-0.1	-0.2	2.1	1.3	2.8
Japan	2.1	1.4	1.8	0.9	0.2	-0.4	1.7	1.0	1.0
United Kingdom	7.6	4.1	-0.6	0.9	-0.9	0.3	0.4	-0.5	1.8
Canada	5.0	3.5	1.5	1.5	0.0	-0.1	2.3	1.2	1.9
Other Advanced Economies	5.3	2.8	2.0	2.4	-0.3	-0.2	1.4	2.1	2.2
Emerging Market and Developing Economies	6.7	3.9	4.0	4.2	0.3	-0.1	2.5	5.0	4.1
Emerging and Developing Asia	7.4	4.3	5.3	5.2	0.4	0	3.4	6.2	4.9
China	8.4	3.0	5.2	4.5	0.8	0	2.9	5.9	4.1
India	8.7	6.8	6.1	6.8	0.0	0	4.3	7.0	7.1
Emerging and Developing Europe	6.9	0.7	1.5	2.6	0.9	0.1	-2.0	3.5	2.8
Russia	4.7	-2.2	0.3	2.1	2.6	0.6	-4.1	1.0	2.0
Latin America and the Caribbean	7.0	3.9	1.8	2.1	0.1	-0.3	2.6	1.9	1.9
Brazil	5.0	3.1	1.2	1.5	0.2	-0.4	2.8	0.8	2.2
Mexico	4.7	3.1	1.7	1.6	0.5	-0.2	3.7	1.1	1.9
Middle East and Central Asia	4.5	5.3	3.2	3.7	-0.4	0.2	-	-	-
Saudi Arabia	3.2	8.7	2.6	3.4	-1.1	0.5	4.6	2.7	3.5
Sub-Saharan Africa	4.7	3.8	3.8	4.1	0.1	0	-	-	-
Nigeria	3.6	3.0	3.2	2.9	0.2	0	2.6	3.1	2.9
South Africa	4.9	2.6	1.2	1.3	0.1	0	3.0	0.5	1.8
<i>Memorandum</i>									
World Growth Based on Market Exchange Rates	6.0	3.1	2.4	2.5	0.3	-0.1	1.7	2.5	2.5
European Union	5.5	3.7	0.7	1.8	0.0	-0.3	1.8	1.2	2.0
ASEAN	3.8	5.2	4.3	4.7	-0.2	-0.2	3.7	5.7	4.0
Middle East and North Africa	4.1	5.4	3.2	3.5	-0.4	0.2			
Emerging Market and Middle-Income Economies	7.0	3.8	4.0	4.1	0.4	0	2.5	5.0	4.1
Low-Income Developing Countries	4.1	4.9	4.9	5.6	0.0	0.1	-	-	-
World Trade Volume (goods and services)	10.4	5.4	2.4	3.4	-0.1	-0.3	-	-	-
Advanced Economies	9.4	6.6	2.3	2.7	0.0	-0.4	-	-	-
Emerging Market and Developing Economies	12.1	3.4	2.6	4.6	-0.3	0	-	-	-
Commodity Prices									
Oil	65.8	39.8	-16.2	-7.1	-3.3	-0.9	11.2	-9.8	-5.9
Nonfuel (average based on world commodity import weights)	26.4	7.0	-6.3	-0.4	-0.1	0.3	-2.0	1.4	-0.2
World Consumer Prices	4.7	8.8	6.6	4.3	0.1	0.2	9.2	5.0	3.5
Advanced Economies	3.1	7.3	4.6	2.6	0.2	0.2	7.8	3.1	2.3
Emerging Market and Developing Economies	5.9	9.9	8.1	5.5	0.0	0.2	10.4	6.6	4.5

Source: IMF, World Economic Outlook Update, January 2023

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 5.4 percent in 2023 and 6.8 percent in 2024 based on calendar year.

F. Risks and Concerns Issues Related to the Financial Statements, Explaining Such Risk and Concerns Mitigation Plan of the Company

As Sena Kalyan Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large.

To face the ongoing challenges of increased competition and expansion of diversified business of SKICL, it has undertaken some principles on risk management. The risk mitigation areas are liquidity risk, market risk, operational risk, strategic risk, anti-money laundering risk (ALM), environmental risk, etc. Mitigating all risk, the Company maximizes wealth in Financial Statements. The risk identification and mitigation process are elaborately discussed on page no. 133.

G. Future Plan or Projection or Forecast for Company's Operation, Performance and Financial Position

Sena Kalyan Insurance believes in its strength and dynamism to provide optimum service to its clients. The Company finds new pathways for providing services. It has continuously taken diversification opportunities and is continuing with successful operations, thus securing the Company's future. .

Like last year, keeping those intentions in mind, our focus will also remain on:

- Striving for making clients (policyholders) permanent;

- Growing sale of our products increases our revenues by providing quality services to the insured;
- Engaging more in skills development and capacity-building among our terms to enable strong functional expertise and productivity levels and also focused on capacity building;
- Optimizing our cost base through the identification of functional opportunities (downsizing costs);
- To be a trusted insurer in the insurance business;
- Quick claims settlement;
- To acquire a large market share in the insurance business;
- Good practices of Corporate Governance

Though growth potential seems to be high, we intend to focus more on sustainability and we believe, our well-grounded management principles and our commitment to strong governance will aid us to achieve it.

Brig Gen Md Shafique Shamim, psc (Retd)
Managing Director & CEO

Letter from the Board of Directors Presented by the Company Secretary

Dear Respected Shareholders,

We are delighted to present you the Annual Corporate Governance Report 2022 of Sena Kalyan Insurance Company Limited (SKICL) for the year ended December 31, 2022.

This report will provide insights into SKICL's corporate governance activities throughout the year and explain how the company is directed and governed in order to uplift the corporate governance culture.

This year highlighted the value of our diverse and long-term business approach. The framework and policies are reviewed at regular intervals to maintain alignment with the Company's strategy, regulatory requirements, dynamic business environment, and technological advancements.

The principal corporate governance rules applying to SKICL are not only contained to the Corporate Governance Code (CGC) issued by Bangladesh Securities and Exchange Commission (BSEC), but also covers the global best practices applicable for us. The report along with the compliance status are enclosed with our annual report- 2022 on page no. 94.

With the continuing pandemic crisis, SKICL was well prepared with a wide range of measures to keep its people safe and support its communities. By continuing to be creative, flexible, and adaptive in our approaches, we carried on with our mission to generate strong financial results for our shareholders, our people, and partners.

Emphasizing on the commitment to remain compliant with all the regulations, SKICL will continue to uphold the high standards in governance and sustainable development of our country.

Yours faithfully,

On behalf of the board



M. M. Sajedul Islam FCS
Company Secretary



Statement of Corporate Governance

Corporate Governance is about commitment to values and ethical business conduct. It is also about how an organization is managed vis-à-vis the corporate and business structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the Company, its performance and ownership form part of effective corporate governance.

The organization conducts business in a fair, transparent and ethical manner which is the bedrock of good Corporate Governance. The Company is fully committed to follow sound Corporate Governance practices and uphold the highest business standards in conducting its business. The Company's governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximizing the stakeholders' value ethically and on a sustainable basis. The Company's Corporate Governance architecture has been strengthened through various policies, frameworks and codes adopted by the Company.

Company's philosophy on Corporate Governance

The Company's philosophy on Corporate Governance has been influenced by its Promoters, Sena Kalyan Sangstha (SKS) of Bangladesh Armed Forces, which has already emerged as one of the most viable business outfits of Bangladesh. The Company endeavors to adhere to the well-established and proven practices of SKS in maintaining corporate culture and the spirit in managing the business. Corporate Governance at the Company is not just adherence to legal statutes, mandatory rules and guidelines; it is the Company's philosophy to observe the spirit behind the letter.

The Company believes in nurturing its long-term commitment and sustainable relationships with Policyholders, Shareholders and other stakeholders and views Corporate Governance as a continuous journey towards sustainable value creation for all the stakeholders and is driven by its values of People, Empathy, Passion, Integrity, Performance, Customer First. The Company's vision is to be the leader in the private sector general insurance industry by 2025, by caring for our customers and offering them innovative risk solutions.

The Company endeavours to abide by its value system guided by the principles of accountability, honesty,

transparency, quality of service, anticipating customer priorities and exceeding their expectations and timely disclosure of matters of interest to the stakeholders and ensuring thorough compliance with the applicable laws and conducting business in best ethical manner. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the SKS.

The Company is not only committed to follow the Corporate Governance practices embodied in various regulatory provisions, but is constantly striving to adopt and adhere to the emerging best practices and benchmarking itself against such practices.

The Board of Directors has taken cognizance of various regulatory changes in the overall governance framework and remains committed to ensure that the spirit of governance permeates to all spheres of the Company's business. The Company has complied with the applicable provisions of the Companies Act, 1994, Rules & Regulations of IDRA, BSEC's Corporate Governance Code- 2018, Listing Regulations- 2015 of Stock Exchanges, Articles of Association of the Company and in accordance with good governance practices.

Key elements of Corporate Governance in the Company includes the following:

- Seeking to conform to applicable laws, at all times;
- Number of Board meetings more than the statutory requirement, including a meeting dedicated to discussing strategy and operating plan;
- Board is composed of directors from military services and with substantial experience, who are able to provide appropriate guidance to the executive management as required;
- Independent directors from diverse backgrounds with outstanding track record and reputation;
- Pre-Audit Committee meetings of Chairperson of Audit Committee with Statutory auditors, Internal auditor and members of executive management who are the process owners;
- Separate meeting of independent directors without presence of non-independent directors or executive management;



- Confidential Board evaluation process where each Board member evaluates the performance of every other Director, Committees of the Board, the Chairman of the Board and the Board;
- Complete and detailed information provided to Board members, sufficiently before the meetings, to enable them to evaluate matters brought to the Board carefully so that discussions are meaningful;
- Adoption of governance policies by the Board which are in line with the best practice;

It is the Company's belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website linked with the website of the Exchanges (www.senakalyanici.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Company's strategy, financial performance, operational performance and the latest press releases.

1. BOARD INDEPENDENCE & GOVERNANCE

Good Governance not only depends upon laws but also upon the personal qualities of those who govern. The Board of Directors of the Company are responsible for ensuring fairness, transparency and accountability of the Company's business operations and they provide appropriate directions, with regard to leadership, vision, strategies, policies, monitoring, supervision, accountability to shareholders and to achieve greater levels of performance on a sustained basis as well as adherence to the best practices of Corporate Governance. The Board plays a pivotal role in creation of

stakeholder value and ensures that the Company adopts sound and ethical business practices and that the resources of the Company are optimally used. The Board periodically reviews and approves the strategy and oversees the decisions of the Management.

SKICL's Board makes independent judgments and decisions, with directors appointed through a transparent and regulatory-compliant procedure. To enhance the independence of our Board, we have ensured that our Board is adequately represented by Independent Directors – every four Non-Executive Directors are represented by one Independent Director, which makes a total of two Independent Directors on our Board. In the spirit of transparency and compliance, this meets the requirements prescribed under BSEC's guidelines, which states that Independent Directors must constitute one-fifth of the total strength of the Board of a publicly listed company.

The Board plays a key role in setting the strategic direction of the Company. The Board also provides continuous oversight of material matters, acting as an independent check and balance for the executive management team, whose main responsibility remains in the management of the business. The Directors of the Company are eminent personalities having diverse experience and, significant expertise in the fields of insurance, marketing, technology, accounting & auditing, investment, risk management, consumer insights, corporate planning, strategy, law & governance, banking, finance, alternate dispute resolution business advisor and economics. This diversity encourages robust debate and dialogue at Board and committee-level meetings to ensure that appropriate and effective judgment and supervisory guidance are provided to the management in facilitating the delivery of the Company's strategic objectives.

The Board has identified following skills/expertise/competencies for the effective functioning of the Company.



a) Composition and Category

The Company's Board is constituted in compliance with the provisions of the Act and Rules made thereunder, Companies Act-1994, Guidelines of IDRA and BSEC, Listing Regulations, Articles of Association of the Company and in accordance with good governance practices. The Board has an optimum combination of Non-Executive and Independent Directors. The Board comprises of total nine

(9) Directors, out of which seven (7) are Non – Executive Directors and two (2) are Independent Directors.

The Composition of the Board of Directors of the Company with their qualification, field of specialization/ core skills/expertise is as set out in the below table:

Name	Position	Qualification	Field of Specialization/ Involvement in other organization
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	Chairman & Nominated Director	Masters of Defense Studies (MDS), MBA, MSS	Sena Kalyan Sangstha-Chairman
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Vice-Chairman & Nominated Director	Masters of Defense Studies (MDS), P phil (part-1)	Sena Kalyan Sangstha-Director General, Business Division-7
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Masters of Defense Studies (MDS), MSc, M phil (part-1)	Sena Kalyan Sangstha-Director General, Welfare Division
Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	Masters of Defense Studies (MDS)	Sena Kalyan Sangstha- Director General, Business Division-1
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Nominated Director	MBA	Sena Kalyan Sangstha-Director General, Business Division-6
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Nominated Director	MSDS, MBA	Sena Kalyan Sangstha-Director General, HR Division
Brig Gen Mohd Muinul Haq Mamun, psc	Nominated Director	MSc (Engr)	Sena Kalyan Sangstha-Director General, Business Division-5
Mr. M. M. Mostafa Bilal	Independent Director	MBA- Major in Finance, IBA, University of Dhaka	The UAE-Bangladesh Investment Company Limited-Managing Director (CC)
Barrister Ahamed Ihteyaz Thamid	Independent Director	Bachelor of Law LLB (Honours) University of London	Legal Edge-Associate H & H Eastern Agro Fisheries Limited-Chairman & Managing Director

Diversity of Board Committees:

Name	Position in the Board	Audit Committee	Executive Committee	Claims Committee	Nomination & Remuneration Committee
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	Chairman & Nominated Director				
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Vice-Chairman & Nominated Director		Chairman		
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Member		Chairman	
Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	Member	Member		
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Nominated Director				
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Nominated Director			Member	Member
Brig Gen Mohd Muinul Haq Mamun, psc	Nominated Director				Member
Mr. M. M. Mostafa Bilal	Independent Director	Chairman			
Barrister Ahamed Ihteyaz Thamid	Independent Director	Member			Chairman
Brig Gen Shafique Shamim, psc (Retd.)	Managing Director & CEO		Member	Member	

b) Board nomination and election process

In relation to the selection and appointment of new Director, SKICL follows the Articles of Associations of the Company. The Board of Directors of the Company shall be composed of 7 (seven) Directors; 4 (four) members from the Board of Sena kalyan Sangstha and 3 (three) members from the Management of Sena Kalyan Sangstha as nominated by Sena Kalyan Sangstha for so long as they hold their positions in the Sena Kalyan Sangstha and upon ceasing for any reason to hold that position they will automatically cease to be directors of the Company.

The Directors are appointed/re-appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board as nominated by SKS in accordance with the stipulations of the Articles of SKICL. Minimum shareholding of the Directors' would be as per Articles of Associations of the Company.

The Directors of SKICL are:

Nominated Non-Executive Directors- 4 (four) members from the Board of Sena kalyan Sangstha and 3 (three) members from the Management of Sena Kalyan Sangstha as nominated by Sena Kalyan Sangstha for so long as they hold their positions in the Sena Kalyan Sangstha.

Non-executive Independent Directors- The Board received recommendation from various sources for highly capable and seasoned professionals and they are appointed by the board and be approved by the shareholders in the AGM.

c) SKICL's Policy for Induction of Directors

All new Directors appointed to the Board attend a formal induction programme to familiarize themselves with the Company's strategy and aspiration, understanding of the line of businesses and corporate functions, key financial highlights, audit, compliance and risk management.

The programme is conducted by the Managing Directors & CEO/Company Secretary and also provides the new Directors with an information kit regarding disclosure obligations of a Director, Board Charter, Code of Ethics, and the Constitution of the Company, Board Committees' Terms of Reference, and Schedule of Matters Reserved for the Board, amongst others.

Changes to the Board of Directors must be reported to IDRA, Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges.

d) Board's Effectiveness Policy

Directors possess a wide range of skills and experience over an array of professions, businesses and services. All the Non-Executive Directors are nominated by Sena Kalyan Sangstha except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders.

None of the directors of the Board, except the Managing Director & CEO, are involved in the day-to-day operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

Broadly, the responsibilities of the Board include the followings:

- Reviewing and approving overall business strategy, as well as organization structure, developed and recommended by management;
- Ensuring that decisions and investments are consistent with long-term strategic goals;
- Ensuring that SKICL is operated to preserve its financial integrity and in accordance with policies approved by the Board;
- Overseeing, through the Audit Committee, the quality and integrity of the accounting and financial reporting systems, disclosure, controls & procedures and internal controls;
- Providing oversight in ensuring that SKICL's risk appetite and activities are consistent with the strategic intent, operating environment, effective internal controls, capital sufficiency and regulatory standards;
- Overseeing, through the internal Risk Management Committee, the establishment and operation of an independent risk management system for managing risks on an enterprise-wide basis, the adequacy of the risk management function (including ensuring that it is sufficiently resourced to monitor risk by the various risk categories and that it has appropriate independent reporting lines) and the quality of the risk management processes and systems;

- Reviewing any transaction for the acquisition or disposal of material assets;
- Ensuring that the necessary human resources are in place to meet its objectives, as well as appointing and removing executive officers, as deemed necessary;
- Reviewing management performance and ensuring that management formulates policies and processes to promote fair practices and high standards of business conduct by staff;
- Establishing corporate values and standards, emphasizing integrity, honesty and proper conduct at all times with respect to internal dealings and external transactions, including situations where there are potential conflicts of interest;
- Providing a balanced and understandable assessment of SKICL's performance, position and prospects, and this extends to interim and other price-sensitive public reports, and reports to regulators;
- Ensuring that obligations to shareholders and others are understood and met; and
- Maintaining records of all meetings of the Board and Board Committees, in particular records of discussion on key deliberations and decisions taken.

e) Chairman

The Chairman of the Board of Sena Kalyan Sangstha will become the Chairman of the Board of the Company. He is a Non-executive Director, the Board considers that the Chairman works independently.

The Chairman serves as the primary link between the Board and Management, and works with the CEO and Company Secretary to set the agenda of the Board Meeting. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

Roles and Responsibilities of the Chairman

The primary role of the Chairman is to ensure that the Board is effective in its task of setting and implementing the Company's direction and policy. The principal structures of the role of the Chairman comprise the following:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;

- Ensuring proper information for the Board;
- Planning and conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and
- Supporting the Managing Director & CEO.

The Chairman of the Board shall be responsible for the management, development and effective performance of the Board of Directors and provides leadership to the Board for all aspects of the Board's functions. The Chairman is responsible for leadership of the Board. In particular, he will:

- Ensure effective operations of the Board and its committees in conformance with the highest standards of corporate governance;
- Ensure effective communication with shareholders, governments and other relevant constituencies and ensure that the views of these groups are understood by the Board;
- Set the agenda, style and tone of Board discussions to promote constructive debate and effective decision making;
- Ensure that all Board Committees are properly established, composed and operated;
- Support the Managing Director & CEO in strategy formulation and more broadly, provide support and give advice;
- Ensure an effective relationship among Directors, acting as the principal conduit for communication and issues relating to business strategy, planned acquisitions and corporate governance;
- Establish a harmonious and open relationship with the Managing Director & CEO;
- Ensure that Board Committees are properly structured and all corporate governance matters are fully addressed; and
- Encourage active engagement by all members of the Board.

f) Criteria for Appointment of Independent Directors

As per the Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors.

In the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in the Act and BSEC’s Code. Thus, in compliance with the Code, two (2) Directors out of the total nine (9) Directors are independent, having no share or interest in SKICL. Independence of the respective Independent Directors is confirmed during selection and appointment and they remain committed to continue with such independence throughout their tenure.

In compliance with BSEC’s notification to get approval for the appointment or reappointment of the Independent Director, SKICL will apply through the Commission’s Online Regulatory Submission Form.

Role of Independent Directors

The Independent Directors bring an independent judgment to bear on the Board’s deliberation and objectivity in the Board’s decision making process. The Independent Directors participate constructively and actively in the Committees of the Board in which they are members. The Independent Directors are committed to acting in what they believe are in the best interest of the Company and its stakeholders.

The Independent Directors bring a wide range of experience, knowledge and judgment as they draw on their varied proficiency in economics, finance, management, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

g) Written Code of Conduct for the Chairperson, other Board members and CEO

The Board of Directors of SKICL is committed to the highest standards of conduct in their relationship with SKICL’s employees, customers, members, shareholders, regulators and the public. The Code provides a set of guiding principles to help us make the right decisions. This refers to conducting our business in accordance with all applicable laws and regulations and also represents our commitment to the spirit of the law. Our actions should reflect SKICL’s values, demonstrate ethical leadership and promote a work environment that

upholds SKICL’s reputation for integrity, ethical conduct and trust. This Code is intended to provide a statement of the fundamental principles applicable to our Directors.

Our Directors are encouraged to bring forth questions about particular circumstances that may involve one or more of the provisions of this Code to the Chairman of the Board.

Ethics and Compliance

The Board is committed to establish the highest levels of ethics and compliance.

SKICL remains committed to upholding the highest standards of ethics and compliance by its employees. This commitment is reflected in its Code of Conduct that covers, among other issues, the following areas:

- Their relationship with and responsibilities to SKICL;
- Their relationship with and responsibilities to customers;
- Compliance with laws and regulations;
- Acting in a professional and ethical manner;
- Protection of business assets;
- Disclosure of conflicts of interest;
- Prohibition of any conduct involving dishonesty, fraud, deceit or misrepresentation including insider trading.

In compliance with the corporate governance code issued by the BSEC, the Board shall lay down the Code of Conduct of all Board members and annual compliance of the Code has to be recorded.

The complete Code of Conducts are available in the Company’s website, link of which are: <https://www.senakalyanicl.com/1478-2/>

h) Annual Appraisal/Performance Evaluation of the Board, its Committees, Chairperson and Individual Directors

The Company has in place a Board approved performance evaluation framework which lays down Guidelines for annual performance evaluation of the Board, its Committee(s), Chairperson and individual Directors.

Pursuant to the provisions of the BSEC’s corporate governance codes-2018, the Company with the approval

of its Board of Directors on the basis of Board Nomination and Remuneration Committee has put in place an evaluation framework for evaluation of the Board, its Committees, Chairperson and individual Directors.

Some of the key factors against which the Board's performance is assessed:

- Discharge of responsibilities and obligations
- Effectiveness in overseeing the material issues
- Providing strategic supervision
- Quality and timeliness of information flow between the management and the Board for decision-making

The evaluation of the Board, Board Committees, Chairperson and the Directors are carried out through circulation of different questionnaires, for each group through the survey.

Evaluation of Board

The performance of the Board is assessed basis by its roles, responsibilities and obligations, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management, and assessing the quality, quantity and timeliness of flow of information between the management and the Board to effectively and reasonably perform their duties.

Evaluation of Board Committee(s)

The evaluation of the Board Committees is based on assessment of the clarity with which their mandate is defined, effective discharge of terms of reference and assessing effectiveness of contribution of their deliberation/ recommendations to the functioning/ decisions of the Board.

Evaluation of Chairperson

The evaluation criteria for the Chairperson of the Board besides the criteria for assessment of all Directors, focuses incrementally on leadership abilities, effective management of meetings, preservation of interest of stakeholders, ability to guide the Company in key matters and knowledge & understanding of relevant areas.

Evaluation of Directors

The evaluation of Directors is assessed on the basis of their participation, contribution and guidance to Board

and understanding of areas in their capacity as its members.

Results of Evaluation

The Board Nomination and Remuneration Committee evaluated performance of the Board as a whole and individual directors including chairperson of the Board. In a separate meeting of Independent Directors, performance of Non-independent Directors and of the Board as a whole was evaluated. Performance of the Chairperson was evaluated taking into account the views of Executive Directors and Non-executive Directors.

At the Board meeting held on July 25, 2022 the results of the performance evaluation for the year 2021 was discussed and the Board determined that the performance evaluation of Board, its Committees, Chairperson and individual Directors was satisfactory.

The Board suggested special discussions on some business and performance-related matters. The outcome of the Board evaluation is discussed with the members of the Board Nomination & Remuneration Committee and the Board of Directors of the Company. In addition, the requisite actionable(s) arising from the outcome of Board evaluation are communicated to the respective stakeholders within the Company.

i) Training and Continuing Development Program of Directors

A formal letter of appointment is given to Independent Directors at the time of appointment which lays the role and duties of Independent Director. The terms and conditions of appointment of Independent Directors are posted on the website of the Company. With a dynamic regulatory scenario, regulatory changes impacting the Company are briefed at every meeting on a quarterly basis.

At the time of appointment of a Director to the Board of the Company, the Director is provided with a Director's handbook comprising the compendium of the role, powers, duties and responsibilities of a Director including code of conduct of the Company, the compliance obligations and disclosure requirements from the Director under the Companies Act, IDRA's & BSEC's regulations, and other relevant applicable regulations. The Board recognizes the importance of ensuring that Directors are continuously being developed to acquire or enhance the requisite knowledge and skills to discharge their duties effectively. The Board also attends offsite



strategic meetings to gain a deeper understanding and continuous engagement with management regarding the company's strategic direction.

In addition, the Directors are constantly updated on information relating to the Company's development and industry development through discussion at Board meetings with the Senior Management team.

The Board ensures that it has a structured director learning and education program for its members. This programme shall ensure members have access to an appropriate continuing education programme and are kept up to date with current business, industry, regulatory and legislative developments and trends that will affect the Company's business operations.

Every member of the Board has access to the Managing Director & Company Secretary's advice or services about Board processes and any clarification on applicable rules and regulations. The MD & CS cover a multitude of tasks and responsibilities acting as a mediator and providing advice on economic and social sustainability matters as well.

j) Financial and accounting knowledge and expertise of Directors

All the directors except the independent director of the company are currently serving in the Bangladesh Armed Forces, so they have various knowledge and experience in finance, economy, management, business administration, marketing and law matters. This ensures that together, they formulate the right policy for the development of the business while having the specialized skills and the ability to foresee developments across a larger perspective and with enough independence to audit the management in a balanced manner.

Among them, Mr. M. M. Mostafa Bilal, Independent Director & Chairman of Audit Committee of SKICL, who is serving in UAE as Managing Director (CC) and holds Masters Degree in Finance from IBA, University of Dhaka and Barrister Ahamed Ihteyaz Thamid, Independent Director of SKICL, who is serving as a Barrister in Legal Edge- Associate H & H. They provide guidance in matters applicable to accounting, audit and law related issues to ensure compliance and reliable financial reporting.

Respective qualifications of the Directors are appended in Directors' profile on page nos. 26-34 of this annual report.

k) Chairman & Managing Director/CEO of the Company are different persons

The Chairman of the Board is not the Chief Executive of the Company. The Chairman and the Managing Director & CEO are different individuals. The Chairman is a Non-executive Director while the Managing Director is an Executive, ex-officio Director. The role of the Chairman and the Managing Director & CEO are independent and separate, however, there's a very positive and constructive work relationship between them.

Criteria for Appointment of Managing Director & CEO

The Managing Director & CEO is appointed by the Board subject to the approval of IDRA and the consent of the shareholders in the Annual General Meeting. The Managing Director & CEO does not hold the same position in another listed company.

Role of the Managing Director & CEO

The Managing Director & CEO is the key person and is responsible for running the business of the Company. He is also responsible for formulating as well as implementing Board strategy and policy. The Managing Director is responsible for establishing and executing the Company's operating plan that is necessary to achieve the Company's objectives. He has overall control on the Company's day-to-day affairs and is accountable to the Board for the financial and operational performance of the Company.



l) Annual evaluation of Managing Director & CEO by the Board

The Board of Directors evaluates the Managing Director & CEO's performance based on the goals set for him, considering the company's vision and mission at the beginning of each year. The annual financial budget and other job objectives are discussed, reviewed and finalized by the Board at the start of the financial year. The Board considers financial and non- financial goals during the appraisal.

Evaluation based on financial performance

At the end of each quarter, the Managing Director & CEO is evaluated based on the financial targets. The evaluation is done based on both:

- Achievement of targets against budget;
- Achievement of targets against the achievement of those targets in the previous year.

Evaluation based on non-financial goals

The Managing Director & CEO is also evaluated based on non-financial goals in an ongoing basis. The non-financial criteria include, but are not constricted to things such as:

- The confidence of the shareholders in the CEO, as reflected in the stock price of the Company;
- The relationship of the Company with the regulators;

m) Management Structure

The Company has a multi-tier management structure, comprising the Board of Directors at the apex followed by personnel/executives at the top management, senior management, middle management and junior management positions to ensure that:

-  **Strategic supervision is provided by the Board;**
-  **Control and implementation of Company’s strategy is achieved effectively;**
-  **Operational management remains focused on implementation;**
-  **Information regarding the Company’s operations and financial performance is made available to the stakeholders;**
-  **Delegation of decision making with accountability is achieved;**
-  **Financial and operating control and integrity are maintained at an optimal level;**
-  **Risk is suitably evaluated and dealt with;**
-  **Compliance with applicable acts and regulations is achieved;**
-  **Corporate culture that recognizes and rewards adherence to ethical standards is developed.**

This multi-tier management structure, besides ensuring greater management accountability and credibility, facilitates increased autonomy of businesses, performance discipline and development of business leaders, leading to enhanced public confidence.

n) Company Secretary- Bridge between Board and Management

The primary link between the Board and the Management is served by the Company Secretary (CS). The CS is responsible for ensuring that good governance standards are implemented by the Company at all times. CS, sets the agenda for board meetings and ensures that the board works effectively. Every member of the Board has access to the CS’s advice or services about Board processes and any clarification on applicable rules and regulations. CS covers a multitude of tasks and responsibilities acting as a mediator and providing advice on economic and social sustainability matters as well. He is also acting as bridge between the regulators/stakeholders and the Company.

Background of the Company Secretary of SKICL

Mr. M. M. Sajedul Islam, FCS holds the position of Company Secretary of Sena Kalyan Insurance Company Limited. He joined the Company in March 2022. As a Professional Chartered Secretary, he possessed wide knowledge in the area of corporate affairs and holding the Fellow Membership of the Institute of Chartered Secretaries of Bangladesh (ICSB). Prior to joining at SKICL, he served two different public listed Financial Institutions in various capacities and experienced with managing IPO & Rights of those Fls.



o) Key Roles and Responsibilities of CS, CFO and Head of Internal Audit & Compliance

Key roles and responsibilities of Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit & Compliance (HIAC) are highlighted below:

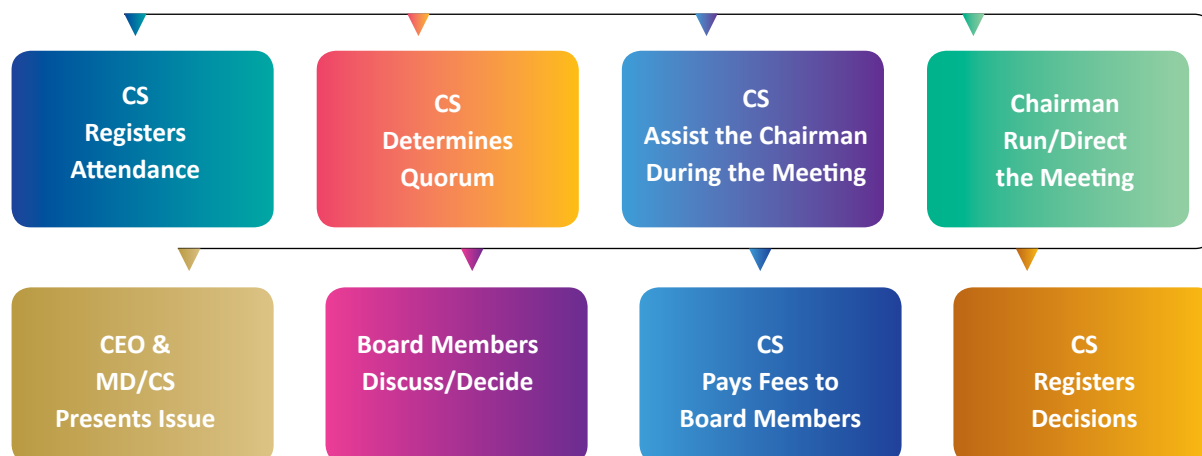
Roles and Responsibilities of the Company Secretary (CS)	Roles and Responsibilities of the Chief Financial Officer (CFO)	Roles and Responsibilities of the Head of Internal Audit & Compliance (HIAC)
Ensures compliance & manages the corporate governance framework	Responsible for overall financial management	Ensure proper internal control system
Oversees, conducts induction trainings for newly elected directors	Regulates, supervises and implements accounting & audit requirements	Check compliance to internal and external regulation
Statutory reporting to Bangladesh Bank and other regulatory bodies	Ensures overall accuracy of budgetary & financial control system	Coordinate analysis of risk in different area of operations
Conscience of the company	Alerts of any irregularity concerning financial system	Prepare annual audit plans based on the result of the risk analysis
Liaison with outside Stakeholders for company affairs	Ensures proper tax management and compliance system	Prepare audit programs and approaches that meet the objectives of audit
Manages and administers board meetings	Liaison with external auditor & oversee the audit procedure	Prepare draft audit report and conduct exit meetings
Ensures compliance with legal requirements	Prepares and circulates statutory annual report to stakeholders	Prepare final audit reports and circulate the reports
Mediator between board and management	Assists in corporate tax planning & ensures effective tax management	Conduct special investigation on the megaton of fraud
Liaison with external regulators and advisers	Statutory reporting to IDRA, Bangladesh Bank and others regulatory bodies	Works on special projects as assigned by CEO or Audit Committee

2. BOARD SYSTEMS, PROCEDURES AND COMMITTEES

(a) Process of holding Board meetings

The Board meets at least four (4) times a year, once in every 3 (three) months, inter-alia, to discuss and review the financial results, business policies, strategies etc. The maximum interval between two Board meetings is not more than 3 months. Additional Board Meetings are held by the Company as and when the Company needs merit oversight and guidance. However, in case of business exigency or an urgent matter, approval of the Board is sought through resolution by circulation, which is noted in the subsequent Board Meeting.

The Company circulates the Board/Committee Meeting agenda and related notes/documents well in advance which provides for quick and easy accessibility. As a practice, the Company Secretary reports the compliance status of all the laws applicable to the Board of Directors on quarterly basis. All significant decisions taken by the Board/ Committee Members is communicated to the functional heads of the concerned departments. The Board/Committee Members are apprised of the action taken or proposed to be taken by the Company on the observations/directions given in the previous meeting.



(b) Attendance in Board of Directors and Committee Meetings

During the financial year under reporting total six (6) Board Meetings, four (4) Audit Committee Meetings and one (1) Nomination & Remuneration Committee Meeting were held and the attendance of the Directors are noted below:

Name of Directors	Attendance at 9 th AGM	Board		Audit Committee		Nomination & Remuneration Committee		Changes During 2022 with the date of Board Acceptance	
		Total Meetings	Meetings Attended	Total Meetings	Meetings Attended	Total Meeting	Meeting Attended	Joining	Leaving
Maj Gen Iftekhar Anis, BSP, awc, afwc, psc, PEng	x	6	3					25 August 2022	-
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	x	6	4					26 June 2022	-
Air Cdre Md Shaharul Huda, BSP, ndc, psc	x	6	4	4	2			26 June 2022	-
Brig Gen Md Shakhawat Hossain, ndu, psc	x	6	4	4	2			26 June 2022	-
Brig Gen Md Rashidul Alam, BGBMS, PBGMS	x	6	3					26 June 2022	-
Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	x	6	4			1	1	26 June 2022	-
Brig Gen Mohd Muinul Haq Mamun, psc	x	6	4			1	1	26 June 2022	-
Maj Gen Mohammed Saidul Islam, ndc, psc	√	6	3					09 September 2021	25 August 2022
Air Cdre M Moyeenuddin, ndc, afwc, psc	√	6	2	4	2			10 July 2019	26 June 2022
Brig Gen Mirza Md Enamul Haque, ndc	√	6	2					23 August 2020	26 June 2022
Brig Gen M A Mohy, psc, PEng	√	6	2					23 August 2020	26 June 2022
Brig Gen Md Mustafa Kamal, SGP	√	6	2	4	2			15 July 2020	26 June 2022
Brig Gen Md Jamal Hossain, ndc, afwc, psc	√	6	2					23 August 2020	26 June 2022
Brig Gen Md Shaheen Iqbal, afwc, psc	√	6	2	4	2			15 July 2020	26 June 2022
Mr. M. M. Mostafa Bilal	√	6	4	4	4			09 September 2020	-
Barrister Ahamed Ihteyaz Thamid	√	6	6	4	2	1	1	09 September 2020	-



(c) Key Activities of the Board in 2022

The following table shows a breakdown of the matters considered by the Board in 2022, in addition to business agenda.

Quarter-wise Overview of Main Recurring Board Activities of 2022

January – March	<ul style="list-style-type: none"> Follow up the IPO funds
April – June	<ul style="list-style-type: none"> Authorization of Financial Statements and Annual Report 2021 Adoption of Directors' Report of 2021 Dividend declaration for 2021 Appointment of Statutory and Corporate Governance Auditors and determination of Audit Fees Holding Annual General Meeting Amend the Articles of Association of the Company Endorsement of First Quarter Financial Statements 2022 (January – March) Purchase of office space of SKICL for Chattogram Branch and commercial floor space at SK Business Mart, Tejgaon
July – September	<ul style="list-style-type: none"> Endorsement of Second Quarter Financial Statements 2022 (April – June) General guidelines on anti money laundering and terrorist financing
October – December	<ul style="list-style-type: none"> Endorsement of Third Quarter Financial Statements 2022 (July – September) Revised the Rules of the Provident Fund of SKICL

(d) Directors' Report on Preparation and Presentation of Financial Statements and Corporate Governance

The Companies Act, 1994, requires the Directors to prepare financial statements for each accounting year.

The Board of Directors accept the responsibility for the preparation of the financial statements (as well as the quarterly financial statements), maintaining adequate records for safeguarding the assets of the Company, preventing and detecting fraud and/or other irregularities, selecting suitable accounting policies and applying those policies consistently and making reasonable and prudent judgments and estimates where necessary.

The Board of Directors is also responsible for the implementation of the best and the most suitable corporate governance practices. A separate statement of the Directors' responsibility for financial reporting and corporate governance has been presented on page no. 139 of this Annual Report.

(e) Particulars of Whistle Blower Policy

The Company is committed to high standards of conduct

for its employees. The Company has in place Whistle Blower Policy ("the Policy") to encourage employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy provide a formal mechanism to its employees for communicating instances of breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected/ actual fraud and criminal offences. Such complaints are investigated and addressed through a formalized procedure.

(f) Information Applied to the Board

SKICL has incorporated its Governance Framework pursuant to the guidelines prescribed in the Code of Best Practices on Corporate Governance issued by the Bangladesh Securities and Exchange Commission (BSEC).

Related Acts, Regulations and Guidelines:

SL No	Particulars
1.	The Companies Act, 1994;
2.	The Insurance Act 2010;
3.	The Insurance Rules 1958;
4.	Securities & Exchange Ordinance-1969 and Securities & Exchange Rules- 1987;
5.	Corporate Governance Code- 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC);
6.	Policies, Procedures, Directives of IDRA & BSEC;
7.	Listing regulations 2015 of Stock Exchanges.

Related internal principles and guidelines:

SL No	Particulars
1.	Articles of Association;
2.	Code of Conduct for the employees & the Board;
3.	Board and Board Sub Committee Charters;
4.	Different approved Manual of the Company.

(g) Disclosure of Board Committees

The Board of Directors have constituted four committees namely – Audit Committee, Executive Committee, Claims Committee and Nomination & Remuneration Committee, which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their duties and responsibilities.

Detailed composition, meetings and other information of all the Committees of the Board are herein below:

Audit Committee

The primary role of the Audit Committee is overseeing the financial reporting process and disclosure of financial information, reviewing the financial statements before submission to the Board, reviewing adequacy of internal control systems and reviewing findings of internal investigations besides recommending appointment/ removal of statutory auditors and fixing their remuneration.

The Audit Committee of the Board was last reconstituted on October 3, 2022 in compliance with the condition 5(2) of the Bangladesh Securities and Exchange Commission's (BSEC) Corporate Governance Code-2018. All the Members of the Audit Committee have the required qualifications and expertise to be a member of the Committee and possess requisite knowledge of accounting and financial management.

(i) Financial Expert in the Audit Committee

All the Members of the Audit Committee have the required qualifications and expertise for appointment in the Committee and possess requisite knowledge of accounting, financial management and laws.

(ii) Proportion of Independent Directors in the Audit Committee

The Audit Committee of SKICL has been formed pursuant to the Bangladesh Securities and Exchange Commission's Corporate Governance Code- 2018.

The Board of Directors has been very meticulous in the formation of the Audit Committee, which consists of 4 (four) members. All the members are financially literate and possess the required qualifications in keeping with the spirit & objectives as laid down in the regulatory directives.

The present members of the Audit Committee are:

Name	Position in the Committee
M. M. Mostafa Bilal	Chairman
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Member
Brig Gen Md Shakhawat Hossain, ndu, psc	Member
Barrister Ahamed Ihteyaz Thamid	Member

Mr. M. M. Sajedul Islam, FCS, Company Secretary is also the Secretary of the Audit Committee. The Head of Internal

Audit concurrently reports to the Managing Director & CEO as well as to the Audit Committee.

(iii) Reporting of Internal Auditor to the Audit Committee

The Company's internal control system was commensurate with its size and business nature. The system minimized operational risks through effective control, systemic review and ongoing audit. The internal auditors undertook a comprehensive audit of all functional areas and operations, their findings referred to the Audit Committee of the Board.

The Company internalized its legal and technical appraisal functions to ensure optimum control. The Company's multi-level authorization structure ensured that higher exposure levels were duly authorized by personnel and committees with requisite experience and authority. Training programs and guidelines helped to implement linkage between goals and operations.

The Board has ultimate responsibility for establishing an effective system of internal control. The internal control system holds all business risks, including financial, operational and strategic risks. To mitigate all the risks as well as to establish control environment, the board holds its meeting regularly with comprehensive agenda dealing with all major aspects of business. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

A separate report on Internal Control has been given on page nos. 128 and 129 of this report.

(iv) Report by the Audit Committee to the Board about the matters related to Conflict of Interest

The Audit Committee reports directly to the Board of Directors and under certain circumstances, can also report to the BSEC.

The Audit Committee shall immediately report to the Board of Directors in the following cases:

- On conflict of interest;
- Suspected and presumed fraud or irregularity or material defect in the internal control system;
- Suspected infringement of laws, including securities-related laws, rules and regulations and
- Any other matter which should be disclosed to the Board of Directors immediately

No such issues arose at SKICL during the year ended on 31 December 2022.



(v) Presence of the Chairman of the Audit Committee at the AGM

The Chairman of the Audit Committee is an Independent Director and was present at the last (9th) Annual General Meeting of the Company.

A separate report on the activities of the Audit Committee has been presented on the page no. 130 of this annual report.

Executive Committee

The board of directors does the strategic planning and decision-making for their organizations according to the mission, vision and values of the organization. An executive committee is a smaller group with close ties through leadership who can get together, often within short notice, to address pressing issues that affect the organization substantially, such as an emerging crisis. The executive committee has the power to act on behalf of the full board.

The members of Executive Committee are:

Name	Position in the Committee
Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Chairman
Brig Gen Md Shakhawat Hossain, ndu, psc	Member
Brig Gen Shafique Shamim, psc (Retd.)	Member

Claims Committee

Claims handling is the process by which an insurance company processes and pays claims in accordance to the terms and conditions specified in the insurance contracts. The process generally comprises registering new claims, selecting the surveyor, setting and revising reserves, obtaining essential information to assess, manage and settle the claim, making reinsurance and other recoveries, and reviewing and closing claim files.

The members of the Claims Committee are:

Name	Position in the Committee
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Chairman
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Member
Brig Gen Shafique Shamim, psc (Retd.)	Member

Nomination and Remuneration Committee (NRC)

Pursuant to the Corporate Governance Code of Bangladesh Securities and Exchange Commission, the Board of Directors of Sena Kalyan Insurance Company Ltd. has duly constituted a Nomination and Remuneration Committee (NRC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for the formal and continued process of considering remuneration/ honorarium for Directors and top level executives. A separate report on the activities of the Nomination and Remuneration Committee (NRC) has been presented on the page no. 133 of this annual report.

The members of Nomination and Remuneration Committee (NRC) are:

Name	Position in the Committee
Barrister Ahamed Ihteyaz Thamid	Chairman
Brig Gen Mohd Muinul Haq Mamun, psc	Member
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Member

(h) Independence of the Chairman of all Board Committee

All the Non-Executive Directors are nominated by SKS except for the Independent Directors. All the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. The Chairmen of the Committees are selected by the Board. The Board considers that the Chairmen of the committees are independent. None of the directors of the Board, are involved in the day-to-day operations of the Company, rather they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

3. TRANSPARENCY AND INTERNAL AUDIT FUNCTIONS

(a) Establishment of Internal Audit Department in the Company

The Board takes responsibility for the oversight of SKICL's business and management, including risk management and putting up internal controls. The Directors state that the systems of internal control are sound and have been implemented and monitored effectively.

The system minimized operational risks through effective control, systemic review and on-going audit. There is an internal control and compliance department directly reporting to the Board Audit Committee which looks after compliance with the organizational policies by different departments.

The internal auditors undertook a comprehensive audit of all functional areas and operations, their findings referred to the Audit Committee of the Board.

(b) Written Role and Responsibility of the Head of Internal Audit

The Head of Internal Audit (HIA) is the key person who is responsible for ensuring the appropriate level of assurance in relation to the operation of internal controls, risk management and governance. Hence, appropriate governance arrangements would include the HIA having direct, unrestricted access to the accountable officer; a service level agreement (or similar) in place; and a strong audit committee in operation. The duties and responsibilities will also include to oversee the following functions:

1.	Financial reporting including disclosures
2.	Internal control
3.	Internal audit
4.	Compliance with relevant ethical requirements, in particular independence and objectivity
5.	The statutory audit or external audit
6.	Remedial actions

(c) Statement of Directors' Responsibility to Establish Appropriate System on Internal Controls

The Company has taken proper steps and sufficient care in building a system of internal control, which is reviewed, evaluated and updated regularly. The internal audit department of the Company conducts periodic audit to provide reasonable assurance that the established policies and procedures of the Company were consistently followed. However, a Statement of Directors' responsibility to establish appropriate system on internal controls has been presented on page no. 139 of this report.

(d) Review of the Adequacy of Internal Control System

SKICL has an adequate system of internal controls for business processes, with regard to operations, financial reporting, fraud control, compliance with applicable laws and regulations, etc. These internal controls and systems are devised as a part of the principles of good governance

and are accordingly implemented within the framework of proper check and balances.

Your Company ensures that a reasonably effective internal control framework operates throughout the organization, which provides assurance with regard to safeguarding the assets, reliability of financial and operational information, compliance with applicable statutes, execution of the transactions as per the authorization and compliance with the internal policies of the Company.

The internal audit adopts a risk-based audit approach and conducts regular audits of all the branches/offices of the Company and evaluates on a continuous basis, the adequacy and effectiveness of the internal control mechanism, adherence to the policies and procedures of the Company as well as the regulatory and legal requirements. The internal audit department places its findings before the Audit Committee of the Board of Directors at regular intervals. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the control systems according to the changing business needs from time to time.

(e) Report of the Internal Audit to the Audit Committee

The internal auditors undertook a comprehensive audit of all functional areas and operations, their findings/report referred to the Audit Committee of the Board for appropriate actions/review.

4 TRANSPARENCY & DISCLOSURE COMPLIANCES

(a) Particulars of Purchase/ Sale of Goods/ Materials/ or Services by the Company for/ to Directors and/ or their Relatives etc.

No such issues arose at SKICL during the year ended 31 December 2022.

(b) Disclosure in the Annual Report about Related Party Transaction

In the ordinary course of business, related party transactions take place with other entities that fall within the term related party as defined in IAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no. 25 of the notes of the financial statements.

(c) Disclosure regarding Compliance of IFRS

In accordance with the Bangladesh Securities & Exchange Commission's Corporate Governance Code- 2018, Sena



Kalyan Insurance Company Limited management has followed the principles of IFRS consistently in preparation of the financial statements to that extent as applicable to the company. Some requirements of Insurance Act 2010 and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the SKICL has departed from those contradictory requirements of IFRS in order to comply with the rules and regulations of IDRA.

(d) Disclosure regarding Compliance of ICSB Secretarial Standards

The Company has complied with the applicable Secretarial Standards adopted by the 'Institute of Chartered Secretaries of Bangladesh (ICSB)'.

(e) Adverse Remarks in the Auditors' Report

The audit report 2022 contained no adverse observations of the activities by the Statutory Auditors of the Company.

(f) Certification of Annual Financial Statements by the CEO & CFO

The Managing Director & CEO and Chief Financial Officer provide a certification on annual basis to the Board of Directors under Condition No.3 (3) (C) of the Corporate Governance Code- 2018 of BSEC. The CEO and CFO's declaration to the Board is appended on page no. 115.

(g) Presentation of Financial Statements on the Website

The Company's financial results and official news releases have been displayed on the Company's website and also on the websites of the Dhaka Stock Exchange and Chittagong Stock Exchange.

(h) Information relating to Compliance Certificate

ARTISAN, Chartered Accountants have certified that the Company has complied with the conditions of Corporate Governance as stipulated under BSEC's Corporate Governance Code- 2018. The said certificate forms part of this Annual Report as an annexure to the Corporate Governance Report of the Board of Directors.

(i) Disclosure made to the prospective foreign/ local investors

SKICL made relevant mandatory disclosure in its financial statements and all price sensitive information under the regulatory framework, including compliance with the provisions of International Financial Reporting Standards (IFRS) as adopted in Bangladesh, besides that it submits

all the reports/statements regularly, which are required to submit to the regulators as well as the other stakeholders of the Company and also displayed on the Company's website and on the websites of the Dhaka and Chittagong Stock Exchanges for the prospective foreign/ local investors.

(j) Disclosure Pertaining to the Remuneration Package of Directors in the Annual Report

The remuneration for the Non-executive, Independent Directors of the Company would be a sitting fee for attending each meeting of the Board/Committee as approved by the Board from time to time within the limits as provided under the Act and related rules.

The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 5,556 per Meeting of the Board and Committees. The details of attendance along with the amount of remuneration of Directors in the meeting of the Board and its committees have been presented in Annexure-II of the Directors' Report. The amount of remuneration paid to the Directors is also disclosed in Note No. 29.03 of the audited financial statements.

5 SHAREHOLDERS INFORMATION & VALUE ENHANCEMENT

Pattern of shareholdings as on 31st December 2022 are given below:

On the basis of Shareholders types:

Group Name	No. of shareholders	No. of Shares	Percent (%)
Sponsor	1	24,000,000	60.00
General Public	73701	13,289,636	33.22
Financial Institutions & other Companies	334	2,710,364	6.78
Foreign	0	0	00.00
Total:	74036	40,000,000	100.00

(a) Number of Shareholdings (Parent/ Subsidiary/ Associated Companies and Other Related Parties)

The shareholding position of each Sponsor of the Company has been presented in Annexure-iii on page no. 86 of this annual report.

(b) Shares held by Directors/ Executives and Relatives of Directors/ Executives

Shares held by the Directors/ Executives and relatives of Directors/ Executives of the Company have been shown in Annexure-iii on page no. 86 of this annual report.

(c) Shares held by Ten Percent (10%) or more Voting Interests in the Company

The shareholding position of ten percent (10%) or more voting interests in the Company has been shown in Annexure-iii on page no. 86 of this annual report.

(d) Redressal of Investors Complaints

SKICL has a formal complaint and recommendation management process that is open to all stakeholders including both investors and customers. A dedicated complaints cell is headed by a senior member of the management for dealing with complaints and recommendations. These can be dropped in the complaint box kept at all SKICL branches or sent to SKICL's email address: info@senakalyanicl.com.

Company Secretariat Department of SKICL is engaged to redress the complaints of the Shareholders and Investors' related to dividends and other share related matters.

The department also observes the monthly status of the number of shares in the dematerialized form.

(e) Growth/ Net Worth of the Company during the last 5 years

Key operating and financial data of last preceding 5 (five) years has been shown under the heading of Operational and Financial Highlights on page no. 52 of this annual report.

(f) Cash/ Stock Dividend Paid for the last 5 years

The Company started its journey in early 2013 and commenced to pay the dividend to its shareholders since 2015, thereafter the Company has been paying dividends regularly. The historical record of payment of dividend has been given on page no. 64 of this annual report as general disclosure to the stakeholders of the Company.

(g) EPS of the Company for the last 5 years

The Earnings per Share (EPS) for the year 2022 stood at Tk. 2.86 in place of Tk. 3.83 in the previous year.

The last preceding 5 (five) years EPS have been shown under the heading of Operational and Financial Highlights on page no. 52 of this annual report.

(h) Periodic Reminders to Shareholding who have not encashed their dividend

In case of unpaid/unclaimed dividend, we serve our shareholders from our share department throughout the year on the working days. We also try to communicate with

them with the addresses available to send the dividend properly.

(i) To view the level of Shareholders' Satisfaction and Confidence toward the Company

Market value added statement gives a picture of the Company's performance evaluated by the capital market investors through the share price of the company. This statement depicts the difference between the market value of a company and the capital contributed by the investors.

The level of Shareholders satisfaction and confidence toward the Company has been shown under the heading of Market value added (MVA) statement which has been included on page no. 62 of this annual report.

(j) Means of Communication with the Shareholders

As the owners of SKICL, our shareholders are one of our main stakeholders. In order to accommodate shareholders information, we regularly communicate with them across various channels – Stock Exchanges, face to face meetings, Website, Print Media etc.

6 STAKEHOLDERS' VALUE ENHANCEMENT

Identification of stakeholders is the key to understanding the expectations from the Company and as such helps pave the pathway towards delivering value and fulfilling those expectations. While shareholders, customers, developers, depositors, suppliers, employees and the government are the prime stakeholders; the regulators, local community, and the environmentally interested groups complete the stakeholder circle of SKICL.

(a) Policy to Encourage Employee's Participation in Management

Employees are considered SKICL's most valuable asset and key to SKICL's continued success. Employees are deemed key stakeholders as they drive SKICL's business forward. They wish to grow with the Company and develop their careers to that they aspire to be, hand-in-hand, whilst the Company progresses.

The employees (officers/ executives/ management personnel) are the main participant in the management decision and they are guided by the principle of individual opportunity, responsibility and reward based on merit.

(b) Payment to Vendors on Time

SKICL pays its vendors on time and the procurement policy is to maintain a good business relationship with all its service providers and material suppliers.

(c) Payment of Taxes to the Govt. / Authorities on time

As a responsible corporate citizen, SKICL continues to remain transparent in adherence with the local direct and indirect tax requirements and has contributed BDT 46.98 million to the national exchequer as Value Added Tax (VAT), Supplementary Duty (SD) & Income Tax. Also, SKICL maintains timely submission of VAT return, withholding tax return, income tax return & related all others required return in due time.

The Company's contribution to the national exchequer has been given on page no. 64 of this annual report.

(d) Dispute/ Default in Respect of Payment of Govt. Taxes

The report of dispute/ default in respect of payment of Govt. taxes has been shown under the heading of Contingent liabilities on page no. 202 of this annual report.

(e) Policy of Supply Chain

Management SKICL rigorously follows up its internal procurement policy and upgrades the policy regularly to ensure strong control and fair treatment of suppliers.

and externally. That's why, we promote the use of emails, meetings through video conferencing and the intranet for internal communication.

(c) Policy to Prevent Employment of Child Labour in Company's Plants

We prefer to work with enterprises that have a green consciousness and cultivate an emphasis on environmental protection and preservation. They ensure they don't use child labor or engage in practices that are in deviation of the law.

(d) Whether Employees and their Immediate Family Members take part in the Community Welfare Initiative of the Company

We believe that our people are our core assets. In this context, we reinforce our human resource capacities and capabilities in ensuring a motivated and loyal workforce, while also simultaneously providing them with dependable career progression benefits. For our other key stakeholders, we maintain an ongoing dialogue with them, informing them of key developments, while also disseminating information on material developments.

(e) Scheme Maintain under CSR Programs

Sena Kalyan Insurance has always been a very supportive organization towards the deprived and struggling community of the society. At SKICL, we earnestly believe that it's the responsibility of the privileged to help the deprived community of the society in order to help them get a better life. As Corporate Social Responsibility (CSR) activities, SKICL has been introduced like PROYASH Schools for Autistic children of Retired Armed Forces Personnel, Cancer Centre at CMH Dhaka and other institutions related to defense services are providing financial support from CSR fund. Besides, all types of humanitarian helps are also given from CSR fund through SKS.

7. CORPORATE SOCIAL RESPONSIBILITY

(a) Policy of CSR

Sena Kalyan Insurance Company is a concern of Sena Kalyan Sangstha. The Company is building an image in the insurance sector of Bangladesh. Although the youngest Company, the Company continues to expand its CSR / welfare activities throughout the year. The depth of the Company's dedication to the service of humanity is far-reaching and unbelievable, but the ultimate truth. To confirm Transparency and accountability, this Company of the present generation is completely unrivaled and irresistible. This Company is always ready and determined to win the hearts of people by providing insurance services.

The report of Corporate Social Responsibility has been given on page no. 151 of this annual report.

(b) Particulars of the Forestation and Plantation of Trees

At SKICL, we have been relentlessly promoting green insurance for such businesses. As a prudent, forward-looking practice, we take up only those projects that are environmentally-compliant and sustainable. We are also pursuing paper-less operations, even as we firmly believe that saving on and optimizing the use of resources is a key towards achieving a sustainable environment, both internally

8. CORPORATE OBJECTIVES, GOVERNANCE INITIATIVES/ RECOGNITIONS

(a) Vision and Mission Statement of the Company in the Annual Report

The Vision and Mission statement of the Company has been given on page no. 9 of this annual report.

(b) Overall Strategic Objectives

The strategic objectives of the Company have been given on page no. 9 of this annual report.

(c) Core Values and Code of Conduct/ Ethical Principles

The core values and code of conduct/ ethical principles of the Company have been given on page no. 11 of this annual report.

(d) Directors’ Profiles and their Representation on the Board of other Companies & Organization

The brief resume of the Directors have been included on page nos. 26 to 34 of this Annual Report and as well as their representation on Board of other Companies & organization has also been given in the page no. 35 of the report.

(e) Award

Since its inception in 2013, Sena Kalyan Company Limited has been leading the winds of change in the insurance industry of Bangladesh in terms of service standard, innovative products and legislative restructuring. Being the pioneer has enabled SKICL to achieve many milestones, many of which are first of its kind in the insurance industry of Bangladesh. For the good corporate governance practices of the Company, it has been receiving various awards from the beginning.

Sena Kalyan Insurance Company Limited (SKICL) has won the prestigious “9th ICSB National Award for Corporate Governance Excellence, 2021” under the General Insurance Companies Category, for its outstanding corporate governance practices as well as transparency and accountability in overall management.

Since the introduction of the ICSB Corporate Governance Awards, this is the first time a company has won the award in its first year of listing in the general insurance sector.

9. TIMELINESS IN ISSUING FINANCIAL STATEMENTS AND HOLDING AGMs

SKICL holds a General Meeting of members once a year and the meeting is being held within 6 (six) months of completion of the respective financial year, as per the guidelines of BSEC as well as the permitted time limit of the Companies Act-1994. The Company ensures effective interaction with the members at the Annual General Meeting. The Directors pay special attention in answering the various queries raised by the members at the Annual General Meeting.

As required under “Bangladesh Secretarial Standard-2” issued by ICSB, particulars of last three Annual General Meetings are disclosed hereunder:

9th Annual General Meeting:

Date & Time: June 20, 2022 at 11:00 AM.

Venue: The AGM was held on virtually by using digital platform.

Participants: 114 Shareholders which represent 24,010,091 shares being 60.03% of paid-up shares of the Company.

Resolutions were passed by the shareholders on the following:

(a) Ordinary Resolutions:

- i. Consideration and adoption of Directors’ Report, Audited Financial Statements for the year ended December 31, 2021 and the Auditors’ Report thereon;
- ii. Dividend @ 12% cash;
- iii. Appointment/re-appointment of Directors;
- iv. Re-Appointment of Mahfel Huq & Co., Chartered Accountants as statutory auditors and appointment of ARTISAN, Chartered Accountants as a professional to provide the certificate on compliance on the BSEC’s Corporate Governance Code- 2018.

(b) Ordinary Resolution:

- i. To amend Article no. 89 of the Articles of Association of the Company.

8th Annual General Meeting:

Date & Time: June 24, 2021 at 11:00 AM.

Venue: SKS Tower (12th Floor), Dhaka-1206.

Participants: 7 Nominated Directors of SKS which represent 24,000,000 shares being 100% of paidup shares of the Company.

Resolutions were passed by the shareholders on the following:

- i). Consideration and adoption of Directors’ Report, Audited Financial Statements for the year ended December 31, 2020 and the Auditors’ Report thereon;
- ii). Dividend @ 10% cash;
- iii). Re-Appointment of Mahfel Huq & Co., Chartered Accountants as statutory auditors and re-appointment of Ahmed Zaker & Co., Chartered Accountants as a professional to provide the certificate on compliance on the BSEC’s Corporate Governance Code- 2018.

7th Annual General Meeting:

Date & Time: August 12, 2020 at 11:00 AM.

Venue: SKS Tower (12th Floor), Dhaka-1206.

Participants: 7 Nominated Directors of SKS which represent 24,000,000 shares being 100% of paidup shares of the Company.

Resolutions were passed by the shareholders on the following:



- i. Consideration and adoption of Directors' Report, Audited Financial Statements for the year ended December 31, 2019 and the Auditors' Report thereon;
- ii. Dividend @ 10% cash;
- iii. Re-Appointment of Mahfel Huq & Co., Chartered Accountants as statutory auditors and appointment of Ahmed Zaker & Co., Chartered Accountants as a professional to provide the certificate on compliance on the BSEC's Corporate Governance Code- 2018.

10. DELEGATION OF AUTHORITY

This separation of duties strengthens the oversight functions of the Board of Directors and delegation of authority regarding business execution to the Managing Director & CEO's with the aim to accelerate the SKICL's decision-making process.



11. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

As a listed Company, SKICL must comply with the BSEC's Corporate Governance Code (CGC), which requires the Company to provide a statement in the Annual Report disclosing the extent to which it has complied with the BSEC Code. The status of compliance shall be certified by a practicing Professional Accountant/Secretary. The tables summarizing SKICL's compliances are provided in Annexure-C of this report. ARTISAN, Chartered Accountants have certified that the Company complied with the conditions of Corporate Governance as stipulated under the Corporate Governance Guidelines except as stated in the remarks column, which has been annexed on page no. 116 of this report.

12. RISK MANAGEMENT

As Sena Kalyan Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy agenda at large. A detailed report on risk management framework has been described at notes 2.40 of the Financial Statements on page no. 183 of this report.

13. GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business without significant fluctuation in value. The accompanying financial statements do not include any adjustments, which indicate that Sena Kalyan Insurance Company Limited will be unable to continue as a going concern.

14. DIVIDEND DISTRIBUTION POLICY

SKICL is devoted to driving superior value creation for all its stakeholders through an appropriate capital strategy, the focus will continue to be on sustainable returns for long term value creation ensuring the immediate, as well as long term needs of the business.

Accordingly, we have formulated a dividend distribution policy in line with the Directive of Bangladesh Securities and Exchange Commission's (BSEC), No. BSEC/CMMRRCD/2021-386/03, dated on January 14, 2021. This policy seeks to lay down a broad framework for the distribution of dividend by the Company to its shareholders. The detail dividend distribution policy of the Company has been disclosed on page no. 140 of this annual report and also available in the Company's website.

15. SUMMARY OF UNPAID OR UNCLAIMED DIVIDEND

Unclaimed dividends are kept in a separate bank account and disbursed to the shareholder upon a legitimate claim. Now additionally in pursuant to the directive on "Dividend Distribution and management of Unpaid and Unclaimed Dividend" of Bangladesh Securities and Exchange Commission, notification no. BSEC/CMMRRCD/2021-386/03, dated January 14, 2021, SKICL will continue to maintain a Separate Bank Account to keep an unclaimed dividend for a period of 3 (three) years from the date of approval in AGM. After elapse of the afore-mentioned period, if any Dividend remains unclaimed will be transferred to Capital Market Stabilization Fund (CMSF) established by Bangladesh

Securities Exchange Commission. Later on, in case of any claim, SKICL will verify and arrange to collect the unclaimed dividend and handover to the respective shareholders.

Since SKICL was listed on the stock exchanges in 2021, we will transfer unclaimed dividends including the undistributed IPO shares of the Company beyond 3 (three) years to CMS Fund in due course.

Summary of unclaimed dividends and undistributed IPO shares of the Company are given hereunder (As of December 2022):

Period	Undistributed IPO shares		Unclaimed dividends	
	Nos. of Shareholders	Nos. of Share	Nos. of Shareholders	Amounts in Taka
Up to 1 year	3	58	15,568	669,481.44

We always try our level best to complete the dividend distribution process within the time schedule. At first, we distribute all the dividends through BEFTN and within 3 to 4 working days, we receive the returned BEFTN report from the respective Bank. Then, we sort out the data and issue dividend warrants and request the shareholders through DSE & CSE to collect the physical dividend warrants within a specified time. Thereafter, for those who fail to collect their dividend physically, we send the warrants to their respective addresses through courier. But finally, some of the warrants return as the shareholders do not correctly mention their addresses in the BO set up. As a result, last year a portion of dividends remain undistributed. We have also failed to distribute the IPO's shares against 3 shareholders due to close BO accounts.

16. Anti-Money Laundering Compliance

In order to ensure the proper execution of Anti Money Laundering compliance, we have a Central Compliance Unit

(CCU) and nominated officers in each Branch for analysis and control purpose. Central Compliance Unit (CCU) works directly under the Chief Executing Officer (CEO) of the Organization. CCU issues the instructions to be followed by the branches. These instructions are prepared combining the issues related to monitoring of transactions, internal control, self assessment report, policies and procedures from the point of preventing money laundering and terrorist financing. As per the instructions of Bangladesh Financial Intelligence Unit (BFIU), the Central Compliance Unit (CCU) of SKICL is comprised of the following Personnel:

- Maloy Kumar Saha—Chief Anti Money Laundering Compliance Officer (CAMLCO) and Chief of CCU
- Pronab Kumar Saha—Member of CCU & Head of Underwriting Department
- Tajul Islam—Member of CCU & Head of Claim & Re-Insurance Department
- Md Shakhawat Hossain—Member of CCU & Head of IT Department.

Mr. Maloy Kumar Saha, CFO has been appointed as a Chief Anti Money Laundering Compliance Officer (CAMLCO) in our company. CCU addresses the prevention of money laundering & terrorist financing activities under the Money Laundering Prevention Act-2012 and the Anti Terrorism Act-2013 (Amended). This includes an AML/CFT risk assessment and practices, procedures and controls for establishing business relationship, KYC procedures and ongoing transaction monitoring for detecting suspicious transactions/policy activity, regularly monitors and ensures reporting to BFIU. CCU has to prepare Self Assessment Report semiannually on the basis of BFIU's Master Circular 16 section 8.1. CCU organizes quarterly meeting and training for all the employees on AML and CFT.



Annexure-A
[As per condition No. 1(5) (xxvi)]
Sena Kalyan Insurance Company Ltd.
Declaration by CEO and CFO

Date: March 14, 2023

The Board of Directors
Sena Kalyan Insurance Company Ltd.
SKS Tower (12th Floor)
7 VIP Road, Mohakhali , Dhaka-1206

Subject: Declaration on Financial Statements for the year ended on 31st December, 2022.

Dear Sir(s),

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

- (1) The Financial Statements of Sena Kalyan Insurance Company Ltd. for the year ended on 31st December, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31st December, 2022 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,

Brig Gen Md Shafique Shamim, psc (retd), CII (cert), ABIA
Managing Director & CEO

Maloy Kumar Saha
Chief Financial Officer

Annexure-B
[Certificate as per condition No.1(5)(xxvii)]
Report to the Shareholders
of
Sena Kalyan Insurance Company Limited
on compliance of the corporate governance code

We have examined the compliance status of the Corporate Governance Code by **Sena Kalyan Insurance Company Limited** for the year ended December 31, 2022. This code relates to the notification no. BSEC/CMRRCD/2006-158/207/ Admin/80 dated June 03, 2018 of the Bangladesh Securities & Exchange Commission (the 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 provision of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this 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.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code.
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Date: Dhaka
02 April 2023



Md. Selim Reza **FCMA, FCS**
Partner
ARTISAN-Chartered
Accountants



Annexure-C

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

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

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	BOARD OF DIRECTORS:			
1(1)	Size of the Board of Directors: The total number of members of the company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty)	✓		Board comprises 9 Members including 2 Independent Directors
1(2)	Independent Directors:			
1(2) (a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	✓		2 (two) Independent Directors namely: (1). Mr. M. M Mostafa Bilal and (2). Mr. Ahamed Ihteyaz Thamid
1(2)(b)	Independent Director means a Director:			
1(2)(b)(i)	Who either does not hold share in the company or holds less than one (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non- Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	✓		
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)	Independent director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	✓		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			N/A
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			N/A
1(5)	The Directors' Report to Shareholders:			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		Page no. 71
1(5)(ii)	The segment-wise or product-wise performance;	✓		Page no. 72
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Page no. 77
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Page no. 77
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		Page no. 77
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;	✓		Page no. 77
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		Page no. 77
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	✓		Page no. 77
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		Page no. 78
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Page no. 78
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		Page no. 78
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓		Page no. 78
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		Page no. 78
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		Page no. 78
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		Page no. 78
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		Page no. 81
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		Page no. 78

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		Page no. 81
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		Page no. 81
1(5)(xx)	An explanation on the reasons, if the issuer company has not declared dividend (cash or stock) for the year;	✓		Page no. 82
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;	✓		Page no. 82
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		Page no. 82
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by :-	✓		Page no. 82
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);			N/A
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		Page no. 86
1(5)(xxiii)(c)	Executives; and	✓		Page no. 86
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		Page no. 86
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	A brief resume of the director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;'	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on :-	✓		Page no. 87
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		Page no. 115
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		Page no. 116
1(6)	Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		
2.	GOVERNANCE OF BOARD OF DIRECTORS OF SUBSIDIARY COMPANY:			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;			N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;			N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;			N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;			N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A
3.	MANAGING DIRECTOR (MD) OR CHIEF EXECUTIVE OFFICER (CEO), CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPLIANCE (HIAC) AND COMPANY SECRETARY (CS):			
3(1)	Appointment:			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).			N/A
3(2)	Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief :			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	BOARD OF DIRECTORS' COMMITTEE:			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5.	AUDIT COMMITTEE:			
5(1)	Responsibility to the Board of Directors:			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee:			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be nonexecutive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee:			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	✓		
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of 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 Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	✓		
5(6)	Reporting of the Audit Committee:			
5(6)(a)	Reporting to the Board of Directors:			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	Report on conflicts of interests;			N/A
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			N/A
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5(7)	Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
6.	NOMINATION AND REMUNERATION COMMITTEE (NRC):			
6(1)	Responsibility to the Board of Directors:			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC:			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All 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 authority to remove and appoint any member of the Committee;	✓		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			N/A
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC:			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	✓		
6(4)	Meeting of the NRC:			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	✓		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		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, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	✓		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		
7.	EXTERNAL OR STATUTORY AUDITORS:			
7(1)	The issuer 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 or 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;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)(ix)	Any other service that creates conflict of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		
8.	MAINTAINING A WEBSITE BY THE COMPANY:			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓		
8(2)	The company shall keep the website functional from the date of listing.	✓		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9.	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		The professional who provided the certificate for the year 2022 was appointed in the 9 th AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

Statement on Internal Control

Internal control is the process designed and affected by those charged with governance, management and other personnel to provide reasonable assurance about the achievement of the entity's objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

The main objectives of the internal control process can be categorized as follows:

- Efficiency and effectiveness of operation;
- Reliability, completeness and timeliness of financial and management information; and
- Compliance with applicable laws and regulations.

Key features of Internal Control System are as follows:

1. Management oversight and the control culture
2. Risk recognition and assessment
3. Control activities and segregation of duties
4. Information and communication
5. Monitoring activities and correcting deficiencies

Management oversight and the control culture

An essential element of an effective system of internal control is a strong control culture. It is the responsibility of the board of directors and senior management to emphasize the importance of internal control through their actions and words. This includes the ethical values that management displays in their business dealings, both inside and outside the company.

Risk recognition and assessment

An effective internal control system requires that the material risks that could adversely affect the achievement of the company's goals are being recognized and continually assessed. This assessment should cover all risks facing the insurance (which are Fire risk, Marine, Motor risk,

Insurable risk, Uninsurable risk, Market risk, liquidity risk, operational risk, legal risk and reputational risk). Internal controls may need to be revised to appropriately address any new or previously uncontrolled risks.

Control activities and segregation of duties

Control activities should be an integral part of the daily activities of a company. An effective internal control system requires that an appropriate control structure has set up, with control activities defined at every business level. These should include; top-level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non-compliance; a system of approvals and authorizations and, a system of verification and reconciliation.

Information and communication

An effective internal control system requires there are adequate and comprehensive internal financial, operational and compliance data, as well as external market information about events and conditions that are relevant to decision making. Information should be reliable, timely, accessible, and provided in a consistent format.

Monitoring activities and correcting deficiencies

The Board of Directors of SKICL performs the following activities to monitor the Internal Control System:

1. Periodic discussions with management concerning the effectiveness of the internal control system.
2. Timely review of evaluations of internal controls made by management, internal auditors, and external auditors.
3. Periodic efforts to ensure that management has promptly followed up on recommendations and concerns expressed by auditors and supervisory authorities on internal control weaknesses.
4. Periodic review of the appropriateness of SKICL's strategy and risk limits.

Through the establishment of the Audit Committee, the Board of Directors monitors the effectiveness of internal control system. The Audit Committee evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control among the employees. They also review the corrective measures taken by the management relating to operational lapses.

Report of the Audit Committee

Scope of work of Audit Committee

An Audit Committee is a standing committee of the Board of Directors charged with oversight of financial reporting and disclosure. It assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/ CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018]. The conditions of these are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall have to comply with these conditions. As per code no. 4 of the said guidelines, "every listed company shall have an Audit Committee as a sub-committee of the Board of Directors and the duties of the Audit Committee shall be clearly set forth in writing".

In view of the above, the Board of Directors of SKICL has approved the Terms of Reference (ToR) which, in turn, are shaped by directives from its principal regulators, the Insurance Development and Regulatory Authority (IDRA) and the Bangladesh Securities and Exchange Commission (BSEC).

These include, but are not limited to, exercising oversight over:

> The internal control system of the company

> Financial reporting

> The Internal Control and Compliance department

> Compliance with regulatory requirements

Composition of the Committee

The Board of Directors has been very meticulous in the formation of the Audit Committee, which consists of 4 (four) members. All the members are financially literate and possess the required qualifications in keeping with the spirit & objectives as laid down in the regulatory directives.

The current Audit Committee was last reconstituted on October 3, 2022, and the present members of the Committee are:

Name	Position in the Committee	Status in the Board
M. M. Mostafa Bilal	Chairman	Independent Director
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Member	Nominated Director
Brig Gen Md Shakhawat Hossain, ndu, psc	Member	Nominated Director
Barrister Ahamed Ihteyaz Thamid	Member	Independent Director

Mr. M. M. Sajedul Islam, Company Secretary is also the Secretary of the Audit Committee. The Head of Internal Audit reports to the Audit Committee as well as keeps the Managing Director & CEO apprised about it.

The Committee is authorized to investigate any matter within its terms of reference, access all documents and information of the company, seek information from any director or employee of the Company and co-opt any resource (including external professional assistance) it sees fit in order to fulfill its duties. However, the Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its remit.

The Committee presents a summary of its activities to shareholders and other interested parties by means of this report, and the committee Chairman attends all general meetings of the Company's shareholders to answer any questions on the committee's activities.

Activities of the Audit Committee during the year

The Committee normally meets quarterly, but an emergency meeting of the Committee may be called if required. However, during the period under review, 4 (four) meeting of the Committee were held. The Committee reviewed the financial reporting process, the system of internal control, management of financial & operational risks through the audit process, report of management discussion & analysis prior to its publication in the Annual Report, report of the Audit Committee for publication in the Annual Report. The committee evaluated all the quarterly and annual accounts before being placed in the respective Board Meetings. It also recommended the appointment of Statutory Auditors for the year 2022 and the appointment of auditors for certification on compliance with the conditions of Corporate Governance Codes (CGC) for the year 2022.

Based on the review, the Audit Committee is of the view that the internal control and compliance procedures are adequate to present a true and fair view of the activities and financial status of the Company and to ensure that its assets are safeguarded properly.

Roles and Responsibilities of the Committee

As set out by Bangladesh Securities & Exchange Commission, in addition to any other responsibility, which may be assigned from time to time by the Board, the audit committee is responsible for the following matters:

(a) Internal Control

- i. Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management

of risk and ensuring that all employees have an understanding of their roles and responsibilities;

- ii. Review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its applications;
- iii. Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management;
- iv. Review the existing risk management procedures for ensuring an effective internal check and control system;
- v. Review the corrective measures taken by the management as regards the reports relating to fraud-forgery, deficiencies in internal control, or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and inform the board on a regular basis.

(b) Financial Reporting

- i. Review the quarterly and annual financial statements and determine whether they are complete and consistent with the accounting standards set by the regulatory authority;
- ii. Meet management and the external auditors to review the financial statements before their finalization;
- iii. The chairman of the audit committee shall be present in the annual general meeting and answer the queries related to the accounts and audit;
- iv. Recommend to the Board about the requirement of any changes to be incorporated in the accounting policies.

(c) Internal Audit

- i. Review the activities and organizational structure of the internal audit function.
- ii. Review the efficiency and effectiveness of internal audit function;
- iii. Review and ensure that the findings and recommendations made by the internal auditors are duly considered by the management.

(d) External Audit

- i. Review the auditing performance of the statutory auditors and their audit reports;
- ii. Review the findings and recommendations made by the statutory auditors for compliance of the management;
- iii. Make recommendations to the Board regarding the appointment of the statutory auditors.

(e) Compliance with existing Laws and Regulations

Review whether the laws and regulations framed by the regulatory authorities (IDRA and other bodies) and internal regulations approved by the Board have been complied with.

(f) Other Responsibilities

- i. Place reports before the Board periodically regarding findings, recommendations, regularization of the errors & omissions, fraud and forgeries, and other irregularities as detected by the internal and statutory auditors and inspectors of regulatory authorities;
- ii. Perform other functions as may be required by the Board and evaluate the Committee's own performance on a regular basis.

Reporting to the Board and the Shareholders

The Committee reports to the Board following each meeting. In addition, the Committee also provides:

- Copies of minutes of the meeting to the Board;
- A report annually to the Board/ Shareholders;

Acknowledgment

Based on its reviews and above mentioned discussions, the Audit Committee is of the view that the internal control and compliance system of the company is adequate for the purposes of presenting a true and fair view of the activities and financial status of the company and for ensuring that its assets are safeguarded properly against business and operational risks.

The Audit Committee expressed its sincere thanks to the members of the Board, management, and the statutory auditors for their support in carrying out its duties and responsibilities effectively.



M. M. Mostafa Bilal
Chairman
Audit Committee



Reports of the Nomination and Remuneration Committee (NRC)

Pursuant to the Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), the Board of Directors of Sena Kalyan Insurance Company Ltd. has duly constituted a Nomination and Remuneration Committee (NRC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives. The NRC also assists the Board to formulate policy for the formal and continued process of considering remuneration/ honorarium for Directors and top-level executives. .

Nomination and Remuneration Committee (NRC):

The Nomination and Remuneration Committee (NRC) of Sena Kalyan Insurance Company Ltd. has been formed pursuant to the BSEC's Corporate Governance Code- 2018. The current NRC was last constituted on October 3, 2022 and the present members of the Committee are:

Name	Position in the Committee	Status in the Board
Barrister Ahamed Ihteyaz Thamid	Chairman	Independent Director
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Member	Nominated Director
Brig Gen Mohd Muinul Haq Mamun, psc	Member	Nominated Director

Role and Responsibilities:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Review the framework for the remuneration and terms and conditions of employment of the chairman of the board and the directors;
- Monitor the level and structure of the remuneration of senior managers;
- Set detailed remuneration of the directors and chairman;
- Ensure that directors are fairly rewarded for their contribution to the performance of the Company;
- Ensure transparency to shareholders that remuneration of the directors is set by individuals with no personal interest in the outcome of the committee decisions.

Nomination and Remuneration Policy/ Criteria:

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive levels in order to achieve the Company's strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behavior that is focused on long term value creation, while adopting the highest standards of good corporate governance. The policy is built on the following principles:

A) The Nomination Criteria:

- i. The company policies as well as guidelines and applicable laws/ regulations for the Company;
- ii. A prescribed selection process that is transparent in all respects;
- iii. Following a process which is compatible with the recognized standards and the best practices;
- iv. Distinguishing the core competencies of the respective personnel for the different levels of management and employees of the Company;
- v. Follow diversity in age, maturity, gender experience, qualification, educational background, expertise, ethnicity and nationality.

B) Recruitment and Selection Standards:

The recruitment and selection of Directors and Top-level Executives of the Company are made according to the following core guiding principles:

Directors and Top-Level Executives:

- i. At first, identifying Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- ii. Then, identifying persons who are qualified to become directors and who may be appointed in the top-level executive position in accordance with the criteria laid down and recommend their appointment and removal to the Board of directors;
- iii. The Board of Directors appoints Directors' and top-level executives, upon nomination recommendation of the NRC.

Independent Director:

- i. The Independent Directors shall be knowledgeable individuals with integrity who are able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the business;
- ii. The Independent Directors should have competence of the relevant sector in which Company operates and should have the qualifications as required by the Code of BSEC;
- iii. The Board of Directors appoints Independent Director upon nomination and recommendation of the NRC, which is then approved by shareholders at the Annual General Meeting of the Company.

C) Remuneration Criteria:

The key features of the Remuneration criteria recommended by the NRC are as follows:

- i. The structure, scale and composition of remuneration/ honorarium are reasonably considered based on the Company's policies and guidelines set by the Board of Directors to attract, retain and motivate the top-level executives to run the company efficiently and successfully;
- ii. The context of packages, including remunerations/ benefits is categorically laid down which meets the appropriate performance benchmarks as per the Company policies and guidelines ratified by the Board as and when required.;
- iii. The remuneration to directors, top-level executives involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- iv. The NRC will recommend the Board meeting attendance fees, honorarium including incidental expenses, if any; and
- v. No member of NRC will be allowed to receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meetings and Board's sub-committee meetings attendance fees from the Company.



D) Evaluation Criteria:

Board of Directors/ Top-Level Executives:

The respective authority of the Directors and Top-Level Executives sets the performance measurement criteria based on the respective role profile and responsibilities through the Company's annual appraisal policy/process at a certain time of each calendar year.

Independent Director:

The evaluation of the performance of the Independent Directors is to be carried out according to the criteria of attendance and participation in the Board meetings and committee meetings and contribute to the improvement of the corporate governance practices of the Company.

E) Conflict in Policy:

In the event of a conflict between this policy and the extant regulations, the regulations shall prevail.

F) Amendments / Modifications:

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. Such amended policy shall be placed before the Board for noting and necessary ratification.

G) Review of Policy:

The Board of Directors of the Company may review the policy, if the Board proposes on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's Annual Report.

H) Disclosure of Policy:

The policy will be disclosed in the Company's Annual Report.

The activity of the Nomination and Remuneration Committee during the year:

In 2022, the Committee held 1 (one) meeting. The activities of the NRC during the year were as follows:

- i. Followed the Terms of Reference (ToR) of NRC, as approved by the Board of directors;
- ii. Evaluated the annual performance of the Board and its committees, chairpersons, and directors;
- iii. Discussed the policy relating to the remuneration of the retiring and contract renewal to the top-level executives of the Company;
- iv. Developed, recommended and reviewed the Company's annual human resource capital and training policies as well as the involvement of financial matters regarding the increment and promotion.

Barrister Ahamed Ihteyaz Thamid

Chairman

Nomination and Remuneration Committee

Risk Management Report

Overview

In general terms, risk management is the assessment and quantification of the likelihood and financial impact of events that may occur in the customer's world that require settlement by the insurance company; and the ability to spread the risk of these events occurring across other insurance underwriters in the market. Risk management involves managing to achieve appropriate balance between realizing opportunities for gains while minimizing losses. Risk management work typically involves the application of mathematical and statistical modeling to determine appropriate premium cover and the value of insurance risk. Sena Kalyan Insurance Company Limited has, as part of its overall corporate governance framework, effective systems of risk management. This guideline has been prepared taking into consideration the rules and guidance of Insurance Development and Regulatory Authority (IDRA).

Objectives

The objective of this guideline is to ensure that Sena Kalyan Insurance Company is managed in a sound and prudent manner by having in place systems for identifying, assessing, monitoring, and mitigating the risks that affect their ability to meet their obligations to policyholders.

The objectives of issuing this guideline are:

- To ensure that company is run and managed in sound and prudent manner.
- To ensure that company have the system for identifying, assessing, monitoring and mitigating risks.
- To ensure that company have in place the policy and procedures for managing risks.
- To ensure that the board and top level management are responsible for managing risks.

The Dimension of Risk Management

Importance of Risk Management taking risk is an integral part of financial intermediation and insurance business.

However, failure to adequately access and manage risks may lead to losses endangering the soundness of company and affecting the stability of the overall financial system. Weak risk management is often identified along with weak internal governance as an underlying cause of insurance company's failure. There is a strong link between good corporate governance and sound risk management. It is an essential part of helping the company to grow and promote sustainability and resilience. The setting of an appropriate risk strategy and risk appetite/ tolerance levels, a holistic risk management approach and effective reporting lines to the management and supervisory functions, enable company to take risks knowingly and treat risks where appropriate.

Risk Culture

The key element of effective risk management of Sena Kalyan Insurance Company is sound and consistent risk culture. We develop an integrated and institution-wide risk culture, based on a full understanding of the risks it faces and how are managed, considering risk appetite and tolerance. In this regard, we develop through policies, communication, and training of staff regarding their responsibilities for risk.

Risk Capacity

Sena kalyan consider that Risk Appetite and Risk Tolerance, Risk capacity is the maximum amount of risk an insurance company is able or not to bear considering its available financial resources. Risk appetite describes the absolute risks an insurance company is open to take a priority, considering its exposures and business activities, its business objectives and its obligations to stakeholders. Risk tolerance relates to the maximum amount of risks an insurance company is ready to tolerate above its risk appetite. Risk tolerance shall be based on the use of series of risk limits and indicators that serve as early warning mechanisms to alert management of threats to strategy and objectives.

Risk Assessment

Risk assessment is the overall process of risk identification, analysis, and evaluation. Risk identification is the starting point for identifying the nature, sources and cost of risk, areas of impacts, events, causes, and potential consequences. Attention should be given not only to existing risks but also



to those arising from new activities. Risk analysis involves developing and understanding of the risk that will help make the decisions most appropriate for risk treatment. Risk analysis involves measuring risk by considering consequences of an unfavorable event and likelihood of such event occurring. Factors that affect consequences and likelihood shall also be identified. Risk evaluation helps in making decisions, based on the outcomes of the risk analysis, in particular to inform senior management. It mainly involves comparing the level of risk found during the analysis process with the company's risk appetite.

Reinsurance

Reinsurance is an arrangement where a portion of the risks assumed by a direct insurance entity is ceded to other insurance entities. The mechanisms to transfer risks include traditional reinsurance and other alternative risk transfer approaches. The insurer must specifically demonstrate that material and catastrophic risks are appropriately covered by reinsurance treaties and facultative arrangements. This forms part of insurance risk. For this Sena Kalyan Insurance Company takes step in risk management as well as home and abroad considering the followings:

1. Risk Identification and Measurement

The company analyzes risk profile to decide what and how much risks are to be retained, taking into consideration its risk appetite and the availability and cost of reinsurance. Department is also mindful of possible gaps in the reinsurance program, resulting in more risks being retained than intended. Another potential material risk is the risk that the reinsurance contract wording does not accurately reflect the intent for the reinsurance cover, or the contract is not legally enforceable. Insurance company may also face credit risk arising from potential defaults by its reinsurers. In addition, they are exposed to liquidity risk in the event of large losses whereby they may have to pay the claims prior to receiving all the reinsurance recoverable.

2. Risk Control and Mitigation

In designing the reinsurance program, Sena Kalyan Insurance Company take into account relevant factors including business plans and strategies; underwriting philosophy and capabilities; size and profile of each line of business; frequency and size of loss by line of business; geographical distribution of the business; and financial strength. The company ensures reinsurance contracts cover all applicable lines of business and the limits of cover are adequate. The reinsurance management policy and procedures shall spell out clear criteria for the selection of reinsurers and outline

the information that is required to assess the financial soundness of a reinsurer.

3. Risk Monitoring and Review

The company monitor that only reinsurers as per reinsurance directive issued by IDRA are used and track aggregate exposures to individual reinsurers or groups of related reinsurers against established exposure limits. We monitor the outstanding balances from our reinsurance counterparties and the credit standing of the reinsurers on their panel on an ongoing basis. The company reviews whether their reinsurance program has, over a period of time, supported their business objectives and strategies, and helped to mitigate their losses to within their risk tolerance level.

The Company had to face many challenges due to outbreak of COVID-19 Pandemic. By invoking Business continuity plan in lockdown period, critical users along with other users were able to work from home. This led to smooth functioning of the core activities as well as reinsurance coverage from home and abroad of the valued clients of the company.

Insurance Claims

An insurance claim is a formal request to an insurance company asking for a payment based on the terms of the insurance policy. The company reviews the claim for its validity and then pays out to the insured or requesting party (on behalf of the insured) once approved.

Sena Kalyan Insurance Company belief that in a highly competitive insurance market, differentiation through new and more effective claims management practices is one of the most important and effective ways to maintain market share and profitability. The company earns premium by selling policies/cover note but the largest outflow of money goes through settling claim. So, smooth and swift claim settlement of the claim play vital role market development of the company.

In our Company, the claim process is built on:

- Claim document & content management tool
- Mobile based & smart phone based technology solutions the key
- STP processing to minimize delay
- The claims department is efficient and staffed by competent and professional claims personnel.

In our website we clearly mentioned to provide all relevant information relating how to intimate a claim:

- How to lodge a claim
- What documents to be kept in possession
- Whom to be contacted to lodge a claim
- What information needs to be provided in lodging a claim
- Claim process adopted by the insurer
- How to follow up on claims lodged
- Help desk details to support customer service

This information are also included as part of policy document in every sales brochure or communication.

Claim Settlement process followed by the Company:

- At first an insured or the claimant shall give notice to the company of any loss arising under contract of insurance at the earliest or within such extended time as may be allowed by the company.
- On receipt of such a communication, we respond immediately and give clear indication to the insured on the procedures that he should follow.
- In cases where a surveyor has to be appointed for assessing a loss/ claim, we appoint surveyor immediately or within 72 hours of the receipt of intimation.

- Where the insured is unable to furnish all the particulars required by the surveyor or where the surveyor does not receive the full cooperation of the insured, we inform in writing the insured about the delay that may result in the assessment of the claim.
- Our claim department also follow whether the surveyor comply the code of conduct laid down by Insurance Development and Regulatory Authority while assessing the loss.

The following steps also follow by the Claims Department:

- After checking the policy, a claim is registered and a claim number is allocated to the Insured. This claim number is used in all future correspondences for easy reference.
- A claim form is issued to the Insured for completion and return with some relevant papers/documents in support of the loss.
- Maintain close relationship with reinsurers for recovery.
- On scrutiny received documents & final survey report, we placed the claim before the management for approval.
- A loss voucher is issued against approved amount in favour of the insured.
- After getting duly signed and sealed loss voucher, our accounts department issue the cheque immediately as per voucher.

Claims Committee:

A claims committee was formed by the Chairman of the company comprising following Board of Directors:

Name	Status in the Board	Status in the Committee
Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	Chairman
Brig Gen A K M Asif Iqbal, BVM, BAMS, ndc	Nominated Director	Member
Brig Gen Shafique Shamim, psc (Retd.)	Managing Director & CEO	Member



Statement of Directors' Responsibilities

Responsibility for financial statements

The Directors are responsible for ensuring that the Company keeps proper books of accounts of all the transactions and prepares financial statements, which give a true and fair view of the state of its affairs and profit/ loss for the year.

The Board of Directors accepts responsibility for the integrity and objectivity of the financial statements. It ensures that the estimates and judgments relating to the financial statements were made on a prudent and reasonable basis so that they reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's true state of affairs.

The Board of Directors confirm that the International Financial Reporting Standard (IFRS) and International Accounting Standards, as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh, have been adhered to, subject to any material departure being disclosed and explained in the notes to the accounts.

The Board also confirms that the Company keeps accounting records, which disclose with reasonable accuracy, the financial position of the Company, and which enables it to ensure that the financial statements comply with the requirements of the Companies Act, 1994, Securities and Exchange Rules, 1987, the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958, and Listing Regulations of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited and amendments thereto.

Responsibility for internal control systems

To ensure this, the Company has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The internal control and compliance department of the Company conducts periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed.

Responsibility for Corporate Governance

At SKICL, we view the governance and oversight of our distinctive business model and prudent strategy as key to the

ongoing creation and delivery of value to our stakeholders, particularly in an economic environment that remains both uncertain and challenging.

At our Company, the Board's primary role is to provide leadership, ensure that it is appropriately managed and deliver long-term shareholder value. It also sets the Company's strategic objectives and provides direction as a whole. A number of key decisions are reserved for and may only be made by the Board, which enables it and the executive management to operate within a clear governance framework.

At SKICL, we have also established and embraced - both in letter and spirit - our Code of Conduct, signed by each and every member as an acceptance to adhere to the principles of the Code during all business dealings. The Code also sets out guidance on best practices in the form of principles and provisions on how we should adopt and follow good governance practices. It has been the Board's view that the Company's governance regime has been fully compliant with the best practices set out in the Code during the year under review.

Opinion of External Auditors

The auditors of the Company, Mahfel Huq & Co., Chartered Accountants, have carried out annual audit to review the system of internal controls, as they consider appropriate and necessary, for expressing their opinion on the financial statements. They have also examined the financial statements made available by the management together with all the financial records, related data, minutes of shareholders and Board meetings, relevant policies and expressed their opinion.

Moreover, in compliance with the conditions of the revised Corporate Governance Code (CGC) notification No. SEC/ CMRRCD/2006-158/207/ Admin/80, dated June 3, 2018, and notification No. SEC/CMRRCD/2006-158/208/ Admin/81, dated June 20, 2018, on financial reporting and disclosure issued by Bangladesh Securities and Exchange Commission (BSEC), ARTISAN, Chartered Accountants, have examined the compliance with the said conditions of Corporate Governance and certified that Sena Kalyan Insurance Company Limited has complied with the conditions of Corporate Governance Code stipulated in the above mentioned notification.

Dividend Distribution Policy of Sena Kalyan Insurance Company Limited

Objective

The objective of this policy is to lay down the criteria to be considered by the Board of Directors of the Company before recommending dividend to its shareholders for a financial year. The policy is framed in compliance with the Bangladesh Securities and Exchange Commission's Directive dated on January 14, 2021.

Criteria to be Considered before Recommending Dividend

The Board will consider the following factors before recommending dividend:

Statutory and Regulatory Compliance:

The Company shall declare dividend only after ensuring compliance with the regulatory guidelines on dividend declaration e.g. in line with the directives of the Finance Act- 2019 and or by fulfilling other restrictions, if there is any, from the regulators like Insurance Development and Regulatory Authority of Bangladesh, Bangladesh Bank and Bangladesh Securities Exchange Commission (BSEC) etc.

Financial Criteria:

- Financial performance of the Company for the year for which dividend is recommended
- Internal capital planning framework/policy;
- Dividend payout trends (the dividend payout ratio will be calculated as a percentage of dividend (including dividend tax) recommended for the year to the net profit for that year);
- Tax implications if any, on distribution of dividends;
- Cost of raising funds from alternate sources of capital;
- Corporate actions including mergers/demergers, acquisitions and additional investments including expansion plans and investment in subsidiaries/ associates of the Company;

- Such other factors and/or material events which the Company's Board may consider

External Factors:

- Shareholders' expectations including individual shareholders
- Macro-economic environment

Circumstances under which Shareholders May or May not Expect Dividend

The Board of the Company may not recommend any dividend if the eligibility criteria for recommendation of dividend has not been met by the Company, including any regulatory restriction placed on the Company on declaration of dividend or if the Board strongly believes the need to conserve capital for growth or other exigencies which will be spelled.

Dividend Distribution:

- Company shall pay off the dividend (cash/stock) to the shareholders within 30 days of declaration or approval or record date as the case may be;
- Company shall pay off the cash dividend to the bank account of the entitled shareholder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible through BEFTN;
- Dividend of the margin client of stock broker or merchant banker shall pay off to the Consolidated Customer's Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN;



- In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder;
- Company shall credit the stock dividend to the BO account or issue the bonus share certificate of the entitled shareholder;
- Company shall follow the directives/circulars in force of the securities regulator, related to dividend distribution from time to time.

Utilisation of Retained Earnings

The Company would utilize the retained earnings of the Company in a manner which is beneficial to the interest of the Company and its stakeholders, including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth/expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

Parameters for Various Classes of Shares

Currently, the Company does not have any other class of shares (including shares with differential voting rights/preference shares) other than equity shares. In the absence of any other class of shares and/or shares with differential voting rights, the entire distributable profit for the purpose

of declaration of dividend is considered for the equity shareholders.

Conflict in Policy

In the event of a conflict between this policy and the extant regulations, the regulations shall prevail.

Amendments / Modifications

To the extent any change/amendment is required in terms of any applicable law or change in regulations, the regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law. Such amended policy shall be placed before the Board for noting and necessary ratification.

Review of Policy

The Board of Directors of the Company may review the policy, if the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's website and in the Annual Report.

Disclosure of Policy

The policy will be available on the Company's website and will also be disclosed in the Company's Annual Report.

Stakeholder Perspectives

(STAKEHOLDERS IDENTIFICATION & ENGAGEMENT)

Stakeholder identification is the first step in stakeholder management. Identifying and understanding stakeholders is important because it allows us to recruit them as part of our effort to succeed. It encourages us to think about others rather than being confined to a bubble. As we address each of the stakeholders’ expectations, we gain their wholehearted support. This lends us credibility as an organization as well as raises the chances of our success as our success becomes their success. At SKICL, we identify and analyze stakeholders under three sustainability dimensions - economic, social and environmental.

At SKICL, we balance stakeholder needs from short and long-term perspective. Our aim is to deliver stakeholder value through sustainable performance.



Customer Engagement

How we engage with customers

- Engagement at every stage of the product lifecycle through multiple direct contact avenues
- Trained customer relationship managers and toll-free numbers
- Measuring customer satisfaction
- Executing sales, service and claims processes on the digital platform

Fulfil their needs and meet their expectations

- Innovative products
- Customised solutions
- Value-added, technology-enabled services
- Customer service and experience
- Competitive pricing
- Simplified processes
- Efficient claim settlement



Business Partner Engagement

How we engage with business partners

- Conducting one-to-one meetings
- Reaching out through phone and e-mail
- Organising channel partner events such as meets and conferences, setting up portals and forums

Fulfil their needs and meet their expectations

- Defining the product and value proposition
- Quick and efficient settlement of sourcing costs
- Speedy response to queries



Employee Engagement

How we engage with employees

- Through workshops, training interventions, learning and development initiatives
- Intranet, mobile platforms
- Employee satisfaction survey
- Townhall meetings
- Wellness initiatives

Fulfil their needs and meet their expectations

- Assuring them of an inclusive Company culture
- Creating a safe and secure work environment
- Offering quality training and mentoring
- Providing opportunities for career development



Shareholder and Investor Engagement

How we engage with shareholders & investors

- Corporate earnings – annual and quarterly
- Annual reports
- Investor presentations
- Annual General Meeting
- Investor/Analyst meet

Fulfil their needs and meet their expectations

- Strong governance, ethics and transparency
- Consistent financial performance
- Long-term business value
- Clear business strategy



Regulators Engagement

How we engage with Regulators

- Business associations
- Industry workshops
- Presentations
- Written communication
- One-to-one meetings

Fulfil their needs and meet their expectations

- Responsible development of insurance players
- Efficient management of regulatory change
- Full disclosure of business activities
- Statutory and legal compliance
- Inclusion in insurance



Rating Agencies Engagement

How we engage with rating agencies

- Written communication
- Presentations

Fulfil their needs and meet their expectations

- Robust risk management and risk mitigation
- Adequacy in solvency
- Conservatively managed and stable balance sheet



Community Engagement

How we engage with communities

- CSR initiatives
- Community welfare
- Awareness workshops
- Employee volunteerism

Fulfil their needs and meet their expectations

- Proactive engagement
- Safety and health matters
- Community welfare



Addressing Material Issues

Material matters

What matters to our stakeholders	Why it matters	How we are addressing these issues
Product pricing	Attractive product pricing is the key to engage with more customers in a competitive market scenario	<ul style="list-style-type: none"> ■ Continuous evaluation and effecting relevant changes ■ Risk-based pricing with a balance in protecting shareholder and policy-holder ■ Robust actuarial division
Risk modeling	Determining and better managing risk levels based on statistical methods and tools	<ul style="list-style-type: none"> ■ Prudent underwriting and benchmarking against best practices ■ Using technology, data and analytics ■ Supervising emerging risks and strategizing risk mitigation
Responsible underwriting, finance and investment policies	Helps reduce environment footprint, enhance reputation and meet sustainability goals	<ul style="list-style-type: none"> ■ Improving risk selection through predictive model and managing risk retention through reinsurance ■ Well-diversified portfolio across products and regions across the country ■ Alfa Rating has assigned the company long-term issuer rating of AA with a Stable Outlook. Issuers with this rating are considered to have the safety regarding timely servicing of financial obligations.
Reserving	An accurate reserving process increases credibility and enables in determining the value of claim and assists in decisions on better planning and underwriting	<ul style="list-style-type: none"> ■ Compliance with reserving and solvency guidelines ■ Maintaining robust reserves
Financial performance	Shareholders expect us to deliver increased returns on investment and maximise shareholder value	<ul style="list-style-type: none"> ■ Enabling higher profitability through prudent risk selection and data analytics ■ Prudent investment practices ■ Aligning business model and strategy in line with the external environment
Ethical practices, anti-bribery and corruption	Focusing on enhancing market reputation through responsible practices, high ethical standards and pro-activeness in managing risks and emphasising on interests of stakeholders	<ul style="list-style-type: none"> ■ Code of conduct ■ Anti-bribery and corruption policies ■ Robust corporate governance ■ Keeping up with industry rules and regulations ■ Encouraging a culture of ethics and fair practices

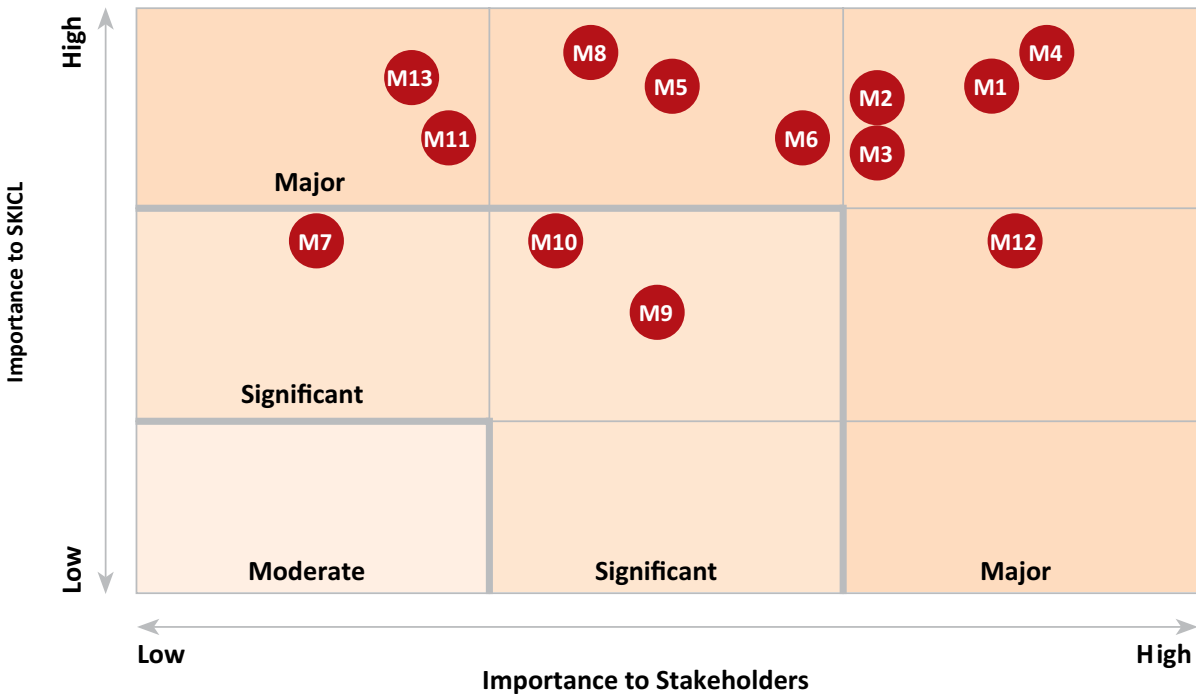


What matters to our stakeholders	Why it matters	How we are addressing these issues
Transparency	Maintaining transparent business practices to enhance credibility and instill confidence among stakeholders	<ul style="list-style-type: none"> ■ Demonstrating accountability and transparency through reporting standards ■ Best disclosure practices ■ Through <IR> and ESG reporting ■ Increased use of technology
Advancing sustainability	Sustainability is a key evaluation criteria for global investors and impacts market credibility	<ul style="list-style-type: none"> ■ Maintaining an over-arching policy on environment management
Employee engagement	Effective employee engagement helps realise strategic objectives	<ul style="list-style-type: none"> ■ Improving employee engagement activities ■ Conducting training and development programs ■ Ensuring employee recognition and rewarding excellence ■ Motivating employees through incentive schemes
Innovation and IT deployment	Enables operational excellence and helps deliver better customer experience	<ul style="list-style-type: none"> ■ Investing in latest technologies including artificial intelligence, machine learning and chatbots ■ Augmenting knowledge-based resources
Stability of systems and processes	Helps ensure smooth, efficient and uninterrupted operations	<ul style="list-style-type: none"> ■ Continuously evaluating and upgrading internal control systems
Customer privacy and data protection	Inability to protect customer data saved on cloud can lead to litigation issues and may lead to lack of reputation	<ul style="list-style-type: none"> ■ Implementing good practices for cyber security and fraud prevention ■ Maintaining controls for confidentiality, integrity and availability ■ Implementing control mechanism for information assurance
Customer service and claim settlement	Increases reputation as a customer-friendly insurance player meeting adequate customer needs	<ul style="list-style-type: none"> ■ Using advanced technologies ■ Empowering employees ■ Offering value-added services and customized solutions ■ Simplifying customer interactions

Materiality Matrix

At SKICL, there is continuous evaluation of the operating environment and engagement with stakeholders to identify and respond to existing and emerging material ESG issues. This internal listing and assessment of material topics is done through a year-round engagement of internal teams with various stakeholders, peer analysis and on our own domain expertise and analysis.

The findings of our materiality analysis are presented in the matrix below. This reflects the significance of each topic in terms of stakeholder interest and its potential impact on the business.



- M1** Product pricing
- M2** Risk modelling
- M3** Reserving
- M4** Financial performance
- M5** Ethical practices, anti-bribery and corruption
- M6** Transparency
- M7** Advancing sustainability
- M8** Responsible underwriting, finance and investment policies
- M9** Employee engagement
- M10** Innovation and IT deployment
- M11** Stability of systems and processes
- M12** Customer privacy and data protection
- M13** Customer service and claim settlement

Report on Going Concern

Going concern is a fundamental accounting concept that underlies the preparation of financial statements of companies. Under the going Concern concept, it is assumed that a Company will continue in operation and that there is neither the intent nor the need to either liquidate it or to cease trading.

The purpose of this going concern statement is to bring together the requirements of Company law, accounting standards and Listing Rules on going concern.

The management of Sena Kalyan Insurance Company Limited (SKICL) has made this assessment based on the accounting period ended on or after December 31, 2022. The management's assessment of whether the Company is a going concern involves making appropriate inquiries including review of budgets and future outcome of inherent risks involved in the business.

Considering the following major indicators, SKICL's management has reached the conclusion that the financial statements for the year 2022 is prepared based on going concern assumption:

Financial Indications:

- Positive Net Current Assets
- Speedy settlement of Claims
- Fixed term debt with realistic renewal or repayment
- Less reliance on short term borrowing / current liabilities
- Continuous financial support by lenders/ valued investors
- Positive/Negative 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:
- Strengthening of Human Capital

- No key Management turnover
- Good business expansion
- Quickly claims and settlement to the clients
- Good market reputation and clients satisfaction
- Good corporate environment and employees satisfaction

Other Indications:

- Strong equity base
- Strong claim paying ability (CPA)
- Anticipates no significant change in legislation or government policy
- Maintenance of sufficient capital base as required by law.

Based on the above indications, the Management of the Company strongly believes that there is no need to premeasure the impairment of non-financial assets, fair value of assets and liabilities, potential decrease in the net realizable value of inventories, deficiency in cash flows from working capital, any adverse impact on employee benefits or any potential obligations and the entity's ability to continue as going concern. In addition, the Company does not have any plan to defer any capital expenditures, dividends and other distributions or require seeking any financial support from shareholders or taking financial stimulus of government. Overall, there is no mentionable impact of the present pandemic on the business for the year ended 31 December 2022 rather than general market impacts.

As per our Auditors Review, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business without significant fluctuation in value. The accompanying financial statements do not include any adjustments, which indicate that Sena Kalyan Insurance Company Limited will be unable to continue as a going concern.

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and future operations of the Company

Our Approach to ESG

Smartly and sustainably fulfilling our commitments

In times of uncertainty, customers and investors alike are focused on companies that are resilient and actions centered on environmental, social and ethical norms. At SKICL, we are actively adopting a holistic approach towards ESG and building a better future for all.

Environmental, social and governance (ESG) reporting is no longer just a buzzword nowadays. The focal areas include limitation of harm to environment, greening of market offers and the supply chain that delivers it, the health and safety of employees, community development and the overall sustainability of the economy. The corporate sector in the past ten years has witnessed a sharp acceleration in the trend toward sustainability in investment management and the embrace of ESG factors in financial analysis. The World Economic Forum's ESG metrics say that it is not only the right thing to do, it is the right business thing to do. As the pandemic made clear, business can only thrive if society thrives. Here the requirement for the companies is to disclose their climate risks.

We have since long understood the importance of Environmental, Social and Governance (ESG) related non-financial factors to identify material risks and growth opportunities. Global Reporting Initiative (GRI) is working to form standards and define materiality to facilitate incorporation of these factors into the investment process.

SKICL feels that the transition from CSR to ESG enabled it to widen the scope of initiatives. Today's business agenda for any responsible company is definitely compliance, eco-efficiency, corporate social responsibility, socially responsible investing, green, clean, sustainability, regenerative, net zero, net positive, and many more. Among those the ESG has been the language used to distinguish investment funds that screen companies for a high level of sustainability performance.

Our ESG Report highlights our initiatives, efforts and practices as we progress towards becoming a truly sustainable corporate citizen. The starting point of our ESG actions is a comprehensive stakeholder analysis exercise to priorities actions according to their impact and influences on our business. The framework enables us to continually and closely collaborate with all our stakeholders to address

challenges in ESG to ensure meaningful impact. Our approach to ESG is also aligned to the principle of materiality as described in the GRI standards.

Our actions in these regards are:

Environment

Our environmental initiatives are continually focused on making our operations green and sustainable to tackle environmental challenges and facilitate our progress towards a low carbon economy. The Company has been measuring its carbon emissions for last years with an objective of reducing its overall carbon emissions.



Our actions towards reducing carbon emissions include using technology to minimize energy consumption, carving our exclusion list towards responsible investment and engaging with the management of investee companies in order to help to drive positive changes including careful evaluation of stakeholders' proposals on various kinds of climate issues. The Company is also actively promoting sustainable underwriting by products and providing value-added services to customers that help them mitigate risks while achieving climate sustainability.

ESG factors are accounted for in our core operations as we adopt:

- Sustainable practices by leveraging technology, efficient use of resources by reducing energy emissions, reducing water consumption, reduce waste eliminating plastic, higher adoption of renewable energy sources and offsetting mechanisms.
- Influence positive environment friendly product choices and practices amongst our stakeholders
- Facilitate our corporate customers through value-added services that help them mitigate risks while achieving climate sustainability.



Employee Practices

Social

At SKICL, we are committed to empowering people and ensuring their welfare. We recognise that we have an obligation to be a sustainable business for the benefit of all our stakeholders. People are at the heart of our business and their well-being is paramount to us. For customers, we strive to offer the best customer experience while continuing to innovate on products, platforms and services to be the preferred general insurance provider. For the community, all our initiatives are focused on creating opportunities that offer meaningful development around healthcare, road safety and wellness. We also continue to partner with our sponsor, SKS on various skill development, sustainable development programmes.

Our employee practices are aimed at building resilience, agility and flexibility while we strive to achieve more diversity and inclusiveness in our journey to being regarded as one of India's top employers. We are focused on "Future of Work" and creating new and empowered methods of working to increase productivity and be seen as a more compelling and differentiated employer brand.

We are doing this by:

- Building a responsible work culture
- Making our Diversity, Equity and Inclusion (DEI) approach more contemporary and focused to promote higher representation of diversity in the areas of gender, generation and people with disabilities. We are taking specific efforts on increasing the representation of women at work.
- Focusing on initiatives for all round employee well-being and safety
- Ensuring fair performance reviews and recognition
- Talent management – from hiring to learning, leadership development and succession planning.

Our business model is centered around customer-centricity. Our customer first approach is aimed at using pioneering technologies while prioritising their long-term interests. Our sustained efforts have resulted in deep customer relationships, satisfaction and loyalty.

Customer-Centric Initiatives

Our customer-centric initiatives are based on:

- A robust CRM framework building, renewing and enhancing our customer relationships
- Redressing customer grievances
- Focusing on customer satisfaction
- Financial inclusion
- Delivering superior experiences through a digital first approach
- Ensuring we leverage technology for speedy claim settlements
- Advising customers on opting for sustainable product solutions
- Educating customers on ESG

Empower communities

Business growth and community development are interlined at SKICL. It is our endeavour to make prosperity scalable so that every citizen can lead a healthy life with equal rights and opportunities. We are making responsible investments in the community to drive inclusive development and social harmony alongside fostering a culture of mutual trust and care. In our pursuit of advancing human development, we have adopted a unified and strategic approach across SKICL to ensure maximum impact from our CSR interventions.

We are committed to empower communities through well-devised actions and programmes aimed at:

- Providing access to preventive healthcare
- Promoting sensible road safety behaviour
- Facilitating health and hygiene with clean drinking water and improved sanitation
- Inspiring healthy living and wellness



Governance

SKICL remains committed to following sound corporate governance practices and upholding the highest governance standards. Our actions on corporate governance are driven through a robust governance framework and a deep focus on doing business with integrity, ethics and transparency. It ensures that we conduct business responsibly while effectively managing social and environmental impact. Our regulatory framework ensures transparency, protects stakeholders' interests and maximises stakeholder's value.

Our policies, frameworks and codes make our corporate governance architecture robust. We aim to build trust with stakeholders through:



All our policies, frameworks and codes are actively monitored and reviewed annually or half-yearly or as and when required as per regulatory guidelines. The Company benchmarks the best practices in peer groups in order to implement more effective corporate governance towards all stakeholders and be an ideal corporate citizen that leads by example.

We are actively working towards achieving our goal of creating a better tomorrow, together with and for all our stakeholders. We are confident our ESG actions will trigger positive, long-lasting changes in our business and the communities we serve. At SKICL, ESG is about making an impact through action.



Corporate Social Responsibility (CSR) at SKICL

Corporate Social Responsibility (CSR) is the practice of integrating social and environmental goals into business operations. The key idea behind CSR is for organizations to pursue other pro-social objectives, in addition to maximizing profits. CSR also aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders.

Sena Kalyan Insurance Company Limited (SKICL) is a concern of Sena Kalyan Sangstha (SKS) of Bangladesh Armed Forces. Born through the Great War of Liberation, Bangladesh Armed Forces have earned a time tested confidence of the people of the country and with that sky high image, Sena Kalyan Insurance Company Limited is serving all sections of the people by upholding the principles of transparent perception and corporate practices in the field of insurance.

As part of the CSR initiatives, Sena Kalyan Insurance Company Limited (SKICL) focuses primarily on underprivileged children and physically challenges peoples of the society for their physical, mental and educational improvement.

To achieve the said purpose, SKICL worked with the following social development organizations for the last few years:

The Company pays dividends to its sponsor (Sena Kalyan Sangstha), which the sponsor spends directly on the various CSR sectors. As per the Scheme of Admin of SKS, Retd Armed Forces Personnel and their dependents are entitled to get various types of welfare from this Sangstha. As Corporate

Social Responsibility (CSR) activities has been introduced like PROYASH Schools for Autistic children of Retired Armed Forces Personnel, Cancer Centre at CMH Dhaka and other institutions related to defense services are providing financial support from CSR fund. Besides, all types of humanitarian help are also given from CSR fund.

The Company is building an image in the insurance sector of Bangladesh. Although the youngest Company, the Company continues to expand its CSR / welfare activities throughout the year. SKICL is recognized as a responsible corporate body for its continuous effort to its employees to provide contemporary insurance knowledge to the officers & employees of the Company. SKICL expects its employees to become familiar with the Company's mission and contribute to its achievement by living the organizational values, and observing their duty as well as sharing joint responsibility with the Company for their individual growth and development and avail themselves of the opportunities that SKICL offers to keep their expertise up-to-date. Accordingly, every year 2 officers will get an opportunity to take admission in insurance diploma degree and post graduate courses at Public Universities, where 60% of the cost of this course will be borne under the CSR fund of the Company.

The depth of the Company's dedication to the service of humanity is far-reaching and unbelievable, but the ultimate truth. To confirm Transparency and accountability, this Company of the present generation is completely unrivaled and irresistible. This Company is always ready and determined to win the hearts of people to provide insurance services.

Statement on Ethics and Compliance

The Board of Sena Kalyan Insurance Company Limited is committed to upholding the highest standards of ethics and compliance by its employees through due diligence. The Code of Conduct reflects the commitment. It majorly addresses all the issues relating to conduct and apart from law and regulations touches on prime issues such as Conflict of Interest, Insider Trading, and Other general obligations. .

Our corporate culture is rooted in ethical conduct

At Sena Kalyan Insurance, our code of conduct for business ethics and compliance and the internal compliance policies and guidelines as its outgrowth provide all employees, managers and Board members with clear and practical guidance, enabling them to act in line with the values espoused by our Company. The rules of conduct established by the code are binding for all employees and build the basis for our compliance programs.





Our strong reputation as Bangladesh's most respected general insurance company is built on the trust of our customers, shareholders, employees and the general public in our integrity. This trust originates on the quality of our products and services, the sustainable impact we create

through insurance, the way we inform and advise our customers, the way our policies are transparently worded, the way we approach claims settlement, and the personal conduct and capability of our employees and representatives.

We have a compliance program that articulates standardized processes and controls for communication, monitoring and review. The program is directly supervised by our senior leadership team. Some of the ways by which we further trust through ethical conduct is by engaging in the enhancement of product governance principles, in building the skills and capabilities of our employees and in continually testing the robustness of our risk framework, etc.

Our un-deviated approach to compliance fulfillment

At SKICL, integrity is at the core of our compliance programs and management systems and the basis for the trust of our customers, shareholders, business partners and employees. The compliance function fosters a corporate culture of individual and collective responsibility and ownership for ethical conduct and adherence to the rules by several ways, including:

 <p>Advising the Board, managers and employees on business conduct that is lawful, ethical and within the perimeter of the prescribed rules and guidelines.</p>	 <p>Identifying and assessing material compliance risks and overseeing the implementation of adequate and effective internal controls to mitigate them</p>	 <p>Providing facility where employees and third- parties can speak up to confidentially address any irregularities or misdemeanors</p>	 <p>Communicating transparently and trustfully with supervisory authorities, including IDRA</p>
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As a Company with nationalistic interests at heart, we focus on ensuring exchequer value through compliance and ethical conduct that has come to be expected of us. As the leader in the general insurance business, we view it as our responsibility to ensure that we comprehensively embrace the principles of insurance excellence. Further, with a

customer first philosophy, we always ensure that we keep the best interest of our customers at heart in all our dealings with them. This sense of culture has emerged as a natural and authentic way to ensure compliance with all regulatory rules and guidelines – in both letter and spirit.

Report on Human Capital & Human Resource Accounting

An Important Pillar to Achieve Organizational Goals

At SKICL, we believe that our employees are the driving force behind our success which they enable through their collective knowledge, skills, experience and abilities. Hence, our people practices are constantly evolving to the rapidly changing business environment.

Impetus is placed on building robust talent management processes across the entire landscape right from hiring the right fit, developing talent for higher productivity to creating an overall engaged workforce. This is a dynamic, on-going process comprising multiple sub-processes and systems with digitisation at the core. To adapt to the changing work norms, agile methodologies were leveraged to enable smooth transition to flexible, virtual working so as to ensure high performance. Our organization's value further acts as compass for employees across level to deliver their responsibilities towards internal and external customers effectively. As an outcome, our talent management processes empower employees to realize their full potential, while enabling the organization to achieve its goals.

At SKICL, our people are our greatest asset. It is one of our utmost priorities that the employees are taken care of. We try to provide our people a congenial work environment, opportunity to hone their skills, and apt compensation and rewards that drive their motivation and work performance - one of the key reasons for our continued success and 10 years of existence.

Talent Development Plan

Our key learning philosophy focuses on grooming and developing employees for better performance on the job and building their readiness for higher responsibilities for future. Thus, the HR department always tries to play a pivotal role in driving strength from diversity and inclusion of SKICL's core values and leadership behaviors within our talents.

Major focus areas of personnel training and development:

- Increasing employee motivation thorough assigning realistic goals, empowerment and industry standard compensation & benefits;
- Improving retention rates through managing expectations and delivering what was promised to the employees;

- Developing employee engagement through events and activities throughout the year;
- Improving Return on Investment (ROI) through proper performance management;
- Improving organizational communication by allowing two-way communication and idea sharing;
- Recruitment and Selection keeping Equal Employment Opportunities, hiring biases, necessary & additional skill set and development prospect into account.
- Foster Performance Based Culture to increase in house competitiveness.

Succession Planning

Our integrated talent management strategy to identify our talent requirements, hire the right talent, provide need-based development and career growth opportunities and reward for high performance, has been a critical enabler for business performance and long-term growth. The current talent management framework, systems and processes have been operational for several years now and have helped to build a robust talent pipeline which continues to be our enduring strength.

A comprehensive review of the existing Talent Management processes and the interlinked HR systems and processes were carried out during the year to understand if it continues to reflect the overall talent and leadership philosophy, its alignment with the business needs, and the state of readiness for the future.

The succession planning process too has been accordingly refreshed to give us a visibility on talent available in the short & long term, identify existing and emerging talent for roles and also agree on the specific need-based developmental interventions to improve their readiness.

Merit Based Recruitment

As SKICL focuses on hiring the right person for the right position and also concentrates on the proper development and motivation of the personnel, HR Professionals are allowed to track every detail which is related to hiring

and recruiting processes. In order to maintain protocols, SKICL forms a board composed of the Managing Director & CEO, concerned department head and head of HR for interview. So, the selection process can determine which job-seeker has the skills, abilities and knowledge deemed to be most suitable for the job. In our recruitment and selection process, the Company places importance on equal employment opportunity for all applicants, irrespective of race, religion, ethnicity, gender, sexual orientation, veteran status, age, disability or political affiliation/influence. The recruitment and selection process are consistently applied, is nondiscriminatory and promotes fairness, diversity and integrity, in compliance with the State's labor laws. Across our recruitment system, applicants effectively compete for a job. Besides this, the Company places high emphasis on strategy for retention of good performers as well.

SKICL's organizational chart outlines the internal structure of the Company. It emphasizes on the roles, responsibilities and relationships between individuals within the Company. It is used to depict the structure of SKICL as a whole as well as the Company segregated by divisions and departments.

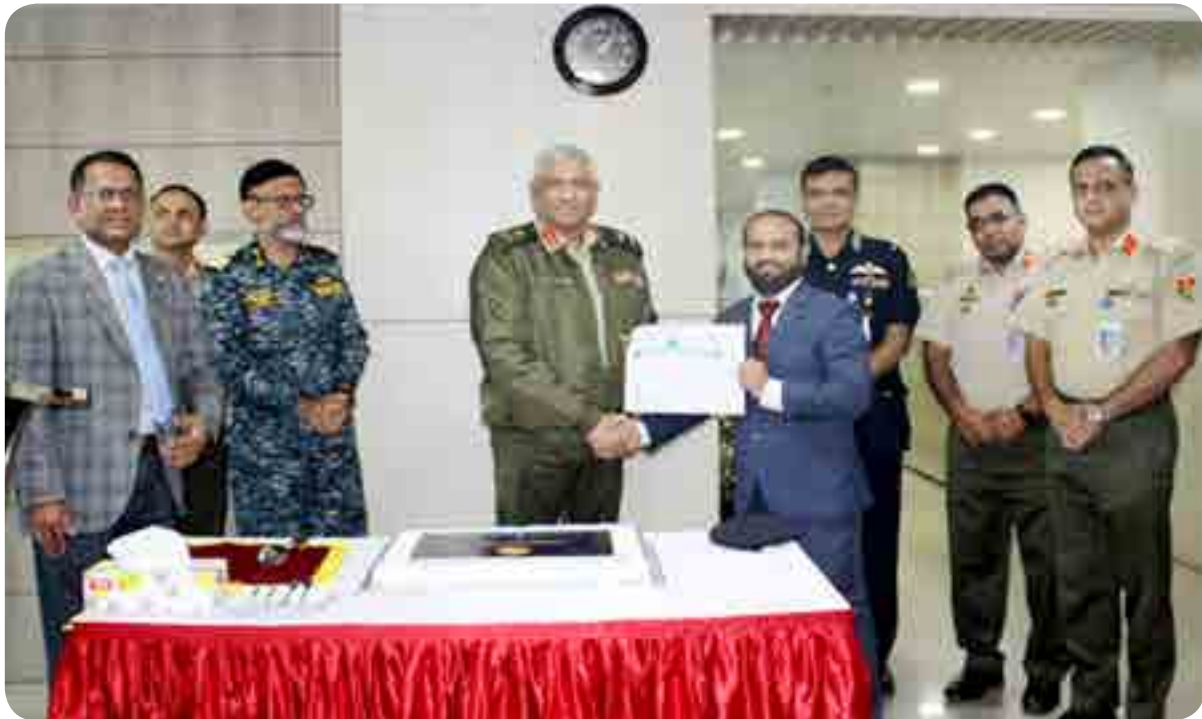
In the year under review, total 13 (thirteen) new regular employees were hired of which number of male employees were 11 (eleven) and female employees were 02 (two).

During the year 2022, 04 (four) regular employees were separated from the services of the Company.

Promotion, Reward and Motivation

Our employees are integral to the ongoing success of our organization. So, our HR department works to encourage and optimize employee productivity on a continual basis. Performances appraisals are the process by which we evaluate productivity of the employees in the organization. In this process, the key elements such as absenteeism, overtime, training costs, performances improvement, career planning and development, external challenges relating to the personnel matters of the organization and overall employee productivity rates help to ensure the proper performance evolution. In turn, this employee management sample provides a perfect storm of information for keeping our business as productive as humanly possible.

To make effective reward management, we have prepared an appropriate reward system. Attractive and transparent reward system that has the quality to motivate and empower the dedicated and reliable employees. This reward management also assists in planning the long-term financial management.



Mr. M. M. Sajedul Islam, FCS, Company Secretary of SKICL received a certificate of appreciation from the Board of Directors for his outstanding performance in 2022.



Training and Development

The ultimate goal of SKICL's HR planning & development is to increase the organization's competitiveness in order to create a business environment that wins in the marketplace by supporting to build and develop the corporate culture. Sena Kalyan Insurance Company Limited is continuously investing to create on smarter solutions for performance management, talent management, diversity, employee wellness, and so on. The company offering a strong platform for employees to grow in the careers, HR provides training and development support to not only foster a competitive culture, but also ensure that the organization remains on its defined strategic path. Thus, HR designs and develops training programs to meet the Company's overall goals while keeping business goals in focus to ensure that all training and development efforts are aligned with the Company's overall business strategy and strategic road map.

During the year 2022, 61 in-house and 11 external training programs were conducted where employees participated in both categories of training programs.

Higher Education Policy for Employees of SKICL

Since its beginning in 2013, Sena Kalyan Insurance Company Limited (SKICL) has embraced values that have helped the Company grow into what it is today. This policy presents the foundations that have served as both our inspiration and our guidance. To consolidate and strengthen our identity, we must ensure that our Company's values and principles guide our activities and the way in which we operate.

This policy applies to all Officials of SKICL, hereinafter referred to as 'Employees' whether permanent or on contractual/probation but not sub staff. The policy supplements but does not mandatory and does not exclude, limit or replace the employee's rights, duties & obligations under the employee's terms of employment and/or any other legal/regulatory requirements applicable to SKICL.

As our vision is, within a very short time we want to be one of the top five companies in the premier general insurance sector of the country, this policy is to lay down the criteria to be considered to develop technical insurance education, training & research, and continuous professional development in the organization.

SKICL is recognized as a responsible corporate body for its continuous effort to its employees to provide contemporary insurance knowledge to the officers & employees of the Company.

SKICL expects its employees to become familiar with the Company's mission and contribute to its achievement by living the organizational values, and observing their duty as well as sharing joint responsibility with the Company for their individual growth and development and avail themselves of the opportunities that SKICL offers to keep their expertise up-to-date.

Accordingly, every year 2 officers will get an opportunity to take admission in insurance diploma degree and post graduate courses at Public Universities, where 60% of the cost of this course will be borne under the CSR fund of the Company.

National Integrity Strategy (NIS)

The Government of Bangladesh believes that the issue of integrity should not stop at the top level of institutions. Rather, each institution is expected to find mechanisms to implement institution specific strategies at different tiers. The idea is to let the obligations of integrity reach down to each individual of the institutions. In that respect, every citizen will be part of the NIS.

To support the total activities of the Government of Bangladesh in establishing NIS, Insurance Development and Regulatory Authority (IDRA) has formed a National Integrity Implementation Cell and under which all insurance companies have come together to implement the NIS within the organization. Accordingly, SKICL has formed a 4 (four) members committee called "Ethics Committee of SKICL" headed by Managing Director & CEO of the Company and Head of HR is Focal Point of the committee. The committee has undertaken the responsibilities to work closely with the IDRA to implement the NIS and in this regards finalizes the annual work plans as per their guidelines for every year.

Each year our Company nominates two to four individuals for the Integrity Award.

Ethics & Culture

Corporate culture sets the direction for our teams. We follow the highest ethical values and make it a key business priority to do so. We expect our employees to fully uphold statutory compliances. As a result, it is compulsory for all our employees to read and sign the Code of Conduct every year as a sign of recurrence to the values enshrined in it. Additionally, SKICL encourages employees to act with honesty and spread the message of social responsibility to the community. Furthermore, SKICL puts effort in creating an organizational environment through the implementation of policies and programs that help individuals and teams

to grow and sustain. In order to achieve these, a safe, supportive environment for employees is ensured. For proper engagement and motivation, our focus is to help employees maintain work-life balance. It is only possible because we exercise objective-based performance appraisal system that enables employees to maintain standard operating time for different job roles and improve efficiency.

Equal Opportunity, Grievances and Counseling

At SKICL, overall work environment may get affected by any employee’s behavior or sometimes an employee may be aggrieved about his/her personal employment position. Hence, the Company encourages employees to speak out under the grievance procedure. Employees also receive periodic counseling for their particular functions and roles in the Company. Human Resources Management Department quickly address the grievance and response that through proper counseling. A zero-tolerance policy is maintained across the Company against any sort of

discrimination. Further, all employees, irrespective of their gender, are presented with equal opportunities in the spirit of meritocracy and not subjected to any deprivation of work opportunities.

Gender Equality and Women’s Empowerment

At SKICL, equality means making sure each employee has been given an equal opportunity, equal pay (as per function) and is accepted for their differences. Our goal is to create an inclusive and conducive work environment where our employees feel secure and content. We have strived to ensure removal of any discrimination in the workplace, thus fostering diversity and inclusivity, which represents a key facet of our preferred employer proposition. To us, diversity is like understanding, accepting and valuing differences. We believe that, it’s critical to be aware of diversity to acquire differing approaches to business innovation and gain competitive assets. Establishing the culture of equality was one of our top focus areas.



SKICL promotes professionalism irrespective of gender

Health, Safety and Employee Well-being

SKICL is always concerned regarding the health and well-being of its employees. We are aware of the rising medical expenses and hence ensure that all in our regular cadre are under health insurance coverage. This not only helps

employees financially, but also encourages them to undergo regular medical check-ups without worrying about the cost. Currently we are working on the matter with some hospitals for health care facilities where employees and their families will get discounts from there.



The Company maintains a clean and hygienic office environment to ensure a healthy workplace for employees. Further, we have a well-equipped cleaning staff as well. In order to further maintain safety within the office premises, we are willing to take all the necessary steps as early as possible.

The office building itself was built through keen inspection, ensuring resistance to natural disasters or any threats like robbery. Within the building we have installed fire alarms, smoke detectors, water sprinklers, fire extinguishers, etc., too in every corner. We also have a sufficient security apparatus that properly check visitors and their vehicles before they are allowed inside the premises. Further, 24x7 security cameras offer a sweeping protective cover over the office premises for the detection on any irregular activities. Scheduled maintenance of office premises, especially

elevators, is conducted to ensure user safety.

Sena Kalyan Insurance remains engaged in developing employees' living standards. We already offer industry standard remuneration packages, yet at times it is not sufficient motivation for them. Most importantly we provide commodity items at subsidy to our employees. To fulfill their needs holistically, we are providing many extra facilities and benefits, like Provident and Gratuity fund depending upon their service period. Employees can also avail loans from their Provident Fund during any financial crisis.

All our employees enjoy earned leave of 30 days (maximum) as require with gross pay and they enjoy mandatory Govt. leave (Festival leave) of 22 days. Our female employees are entitled to get maternity leave of six months with gross pay.

Fringe Benefits

SKICL's employees are provided with the following fringe benefits:

Promotion	Increment and Pay Fixation	Festival Bonus
Provident Fund	Gratuity	Annual Incentive Bonus based on performance
Boishakhi Vata	Commodity items at subsidy for the employees	Integrity Award
Travels/Tour Allowance	Mobile/Telephone Allowance	Vehicles Support (individual and pool)
Employee loan facilities (personal loan)	Group insurance and health insurance coverage	Farewell/Donation/stipend
Higher education opportunity	SKICL bears the cost of Higher education	Reward and recognition for employees' hard work, dedication, Virtue and Ethics to the Company

Human Resource Accounting

Human Resources Accounting, also known as Human Asset Accounting, involved identifying, measuring, capturing, tracking and analyzing the potential of the human resources of a company and communicating the resultant information

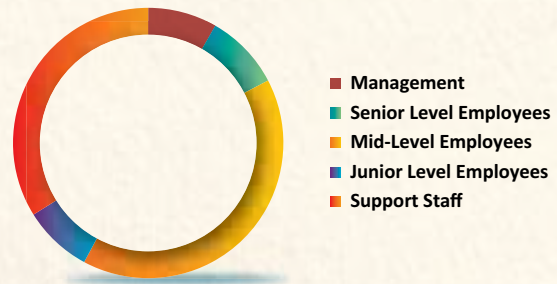
to the stakeholders of the company. Human Resource Accounting reflects the potential of the human resources of an organization in monetary terms, in its financial statements, i.e.:

Analysis of Key Metrics

SI No.	Particulars	Amount (in Million)
a.	Consolidated Revenue Account	4.23
b.	Operating Cost Per Employee	3.55
c.	Operating Profit Per Employee	0.68
d.	Profit Before Tax per Employee	1.07
e.	Profit After Tax per Employee	0.94

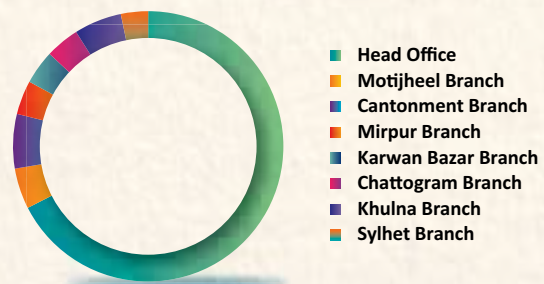
Manpower Spread

Category	No of Employee
Management Team	10
Senior Level Employees	12
Mid-Level Employees	49
Junior Level Employees	10
Support Staff	41



Branch Employee Distribution

	No Of Employee
Head Office	83
Motijheel Branch	6
Cantonment Branch	8
Mirpur Branch	5
Karwan Bazar Branch	5
Chattogram Branch	5
Khulna Branch	7
Sylhet Branch	4





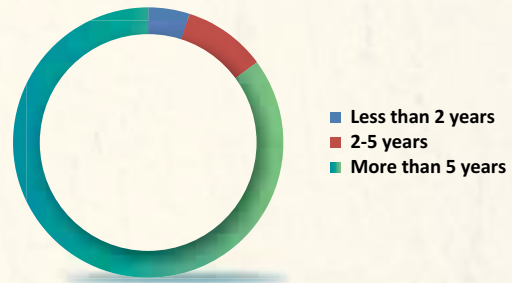
Gender Diversity

Category	No Of Employee
Male	103
Female	19



Length of Service

Category	No Of Employee
Less than 2 years	6
2-5 years	12
More than 5 years	103



Analysis of Key Metrics

Sl No	Particulars	Outcome
01.	Total Employees in Beginning of 2022	113 employees
02.	Total Employees in ending of 2022	121 employees
03.	Total New Recruits in 2022	13 employees
04.	Total New Male Recruits in 2022	11 employees
05.	Total New Female Recruits in 2022	2 employees
06.	Male-Female Ratio	5:1
07.	Total Permanent Employees	111 employees
08.	Total Probationary/Contractual Employees	10 employees
09.	Average Length of Service	6.15 year
10.	Total Training	72 trainings
11.	Internal Training	61 trainings
12.	External Training	11 trainings
13.	Total Employees Received Training	55 employees
14.	Average Training Hours / Employee	2 Hours



**Auditor's Report
and Financial
Statements
of**

**Sena Kalyan Insurance
Company Limited**

For the year ended 31 December, 2022



Independent Auditor's Report

To the Shareholders of Sena Kalyan Insurance Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sena Kalyan Insurance Company Limited (the 'company'), which comprise the Balance Sheet (Statement of Financial Position) as at 31 December 2022, the Profit and Loss Account (Statement of Profit or Loss and Other Comprehensive Income), Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of Matters

We draw attention to the note no. 2.34(C) to the financial statements regarding "Worker's Profit Participation Fund" which states that the participation fund is yet to be distributed among the workers. and to note no. 17.01 to the financial statements regarding "Tangible Assets" which states that purchase agreement between Sena Kalyan Sangstha (SKS) and the company was made at 01 March 2022 however, the asset is yet to be registered in the name favor of the company. Furthermore, we draw attention to the note no. 34 to the financial statements regarding "Related Party Disclosures" which states that the company has purchased office spaces from related parties, using the proceeds of the IPO funds as consented by the BSEC, for which the company will take approval in the Annual General Meeting (AGM). However, our opinion is not modified in respect of these matters.

Key Audit Matters

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

Premium Income

Net general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.

Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk. At year end the 2022, the total net premium income of BDT. 344,448,309 (2021: BDT. 276,456,566) to the financial statements.

Our Responses to the Risks

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

- The design and operating effectiveness of key controls around premium income recognition process.
- Carried out analytical procedures and recalculated premium income for the period.
- Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.
- On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register.
- Ensured on a sample basis that the premium income was being deposited in the designated bank account.
- Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.
- For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium.
- Assessed the appropriateness and presentation of disclosures in accordance with relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Estimated Liability in Respect of Outstanding Claims Whether due or Intimated and Claim Payment

This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company. At year end the 2022, the total Estimated Liabilities in Respect of Outstanding Claims Whether Due or Intimated of BDT 183,122,508 (2021: BDT 270,985,114) to the financial statements. See note no. 9 to the financial statements.

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

- Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.
- Obtained a sample of claimed policy copy and cross check it with claim.
- Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.
- Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.
- Reviewed the claim committee meeting minutes about decision about impending claims.
- Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. The Annual Report is expected to be made available to us after the date of this auditor's report.

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



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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

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

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



Howlader Mahfel Huq, FCA

ICAB Enrolment No. 105

Managing Partner

Mahfel Huq & Co.

Chartered Accountants

DVC: 2303150105AS724848

Dhaka, 14 March, 2023



Sena Kalyan Insurance Company Limited
Balance Sheet
(Statement of Financial Position)
As at 31 December, 2022

Capital and Liabilities	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Authorised Capital			
100,000,000 Ordinary shares of Tk.10/- each		1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital		400,000,000	400,000,000
40,000,000 Ordinary share of Tk. 10/- each fully paid up	3.00	400,000,000	400,000,000
Reserve or Contingency Accounts		406,672,565	348,373,312
Reserve for Exceptional Losses	4.00	355,872,215	275,815,487
Investment Fluctuation Fund	5.00	(7,603,013)	428,468
Profit and Loss Appropriation Account	6.00	58,403,363	72,129,358
Total shareholders equity		806,672,565	748,373,312
Balance of Funds and Accounts	7.00	158,381,271	125,965,289
Fire insurance business		40,036,138	34,612,677
Marine insurance business		69,849,228	50,103,565
Motor insurance business		6,178,490	10,384,170
Miscellaneous insurance business		42,317,416	30,864,877
Premium Deposits	8.00	113,681,296	2,036,478
Liabilities and Provisions		404,973,403	505,437,164
Estimated liabilities in respect of outstanding claims whether due or intimated	9.00	183,122,508	270,985,114
Amounts due to other persons or bodies carrying on insurance business	10.00	71,997,413	91,454,050
Provision for Income tax	11.00	89,454,375	74,267,974
Deferred Tax Liability	12.00	3,284,288	1,508,516
Lease Liability	13.00	3,952,285	14,426,582
Unclaimed Dividend Account	14.00	574,998	-
Provision for WPPF	15.00	6,487,556	5,799,060
Sundry Creditors	16.00	46,099,979	46,995,870
Total liabilities		677,035,970	633,438,931
Total Shareholders Equity and Liabilities		1,483,708,535	1,381,812,243

Sena Kalyan Insurance Company Limited

Balance Sheet

(Statement of Financial Position)

As at 31 December, 2022

Assets and Properties	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Non-Current Assets		277,402,088	139,205,667
Property, Plant and Equipment	17.00	175,635,979	34,018,492
Investment	18.00	87,140,494	81,091,675
Right of Use (RoU) Assets	19.00	3,991,385	15,003,062
Deferred Tax Assets	20.00	10,634,230	9,092,438
Current Assets		172,353,173	113,690,912
Investment in Shares	21.00	59,431,602	24,346,241
Accrued Interest	22.00	25,163,765	18,636,906
Amount due from other persons or bodies carrying on insurance business	23.00	828,315	-
Sundry Debtors (Including advances, deposits and prepayments)	24.00	86,307,221	70,238,658
Stationary and forms in hand		356,420	265,943
Stamps in hand		265,850	203,165
Cash and Cash Equivalents	25.00	1,033,953,274	1,128,915,663
Fixed Deposits: (FDR's)		1,084,866,866	978,813,739
SND Accounts		48,189,764	72,024,082
Current Accounts		(100,891,264)	75,626,347
Cash in hand		55,788	66,391
Brokerage Balance		1,732,120	2,385,104
Total Assets and Properties		1,483,708,535	1,381,812,243
Net Asset Value per share (NAV)	30.01	20.17	26.99

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

Sena Kalyan Insurance Company Limited
Profit and Loss Account
(Statement of Profit or Loss and other Comprehensive Income)
For the year ended 31 December, 2022

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Profit / (loss) Transferred from		82,294,297	80,985,987
Fire Insurance Revenue Account		13,642,303	11,635,184
Marine Insurance Revenue Account		45,893,570	40,329,904
Motor Insurance Revenue Account		14,531,629	16,144,679
Misc. Insurance Revenue Account		8,226,795	12,876,220
Interest, Dividend and Rents (Not applicable to any fund or account)		67,931,825	54,341,350
Interest received and Dividend Income	26.00	60,649,963	45,149,089
Other Income	27.00	7,281,862	9,192,261
Total		150,226,122	135,327,337
Expenses of management (Not applicable to any particular fund or account)			
Advertisement and Publicity		651,188	147,074
Directors fees		260,332	134,464
Donation, Levy and Subscription		965,000	600,000
Audit fees		448,805	814,444
Legal, Professional and Rating Fees		136,694	119,444
Registration and Renewal Fees		1,868,226	784,702
IPO Expenses		702	5,859,208
Depreciation		9,656,504	5,087,749
		13,987,450	13,547,085
Profit Before WPPF & Tax		136,238,672	121,780,251
Provision for WPPF		6,487,556	5,799,060
Profit Before Tax		129,751,116	115,981,192
		15,420,383	9,830,876
Income Tax Expenses	11.01	15,186,402	10,717,890
Deferred Tax (Income)/Expense	12.01	233,981	(887,014)
Balance for the year carried to profit and loss appropriation account		114,330,734	106,150,316
Total		150,226,122	135,327,337
Other Comprehensive Income			
Gain/(loss) from Fair Value Changes of Investment in Shares	5.00	(7,603,013)	428,468

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


Company Secretary

Director


Chief Financial Officer

Director

Signed as per our annexed report of even date.


Chief Executive Officer

Chairman

Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

Sena Kalyan Insurance Company Limited
Profit and Loss Appropriation Account

For the year ended 31 December, 2022

Assets and Properties	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance Brought Forward from previous year		72,129,358	68,001,646
Balance transferred from profit and loss account		114,330,734	106,150,316
Total		186,460,091	174,151,962
		128,056,729	102,022,604
Reserve for Exceptional losses	4.01	80,056,729	78,022,604
Cash dividend paid 2021		48,000,000	24,000,000
Balance transferred to balance sheet		58,403,363	72,129,358
Total		186,460,091	174,151,962
Earnings Per Share (EPS)	31.00	2.86	3.83

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

Sena Kalyan Insurance Company Limited
Statement of Changes in Equity
For the year ended 31 December, 2022

Particulars	Share Capital	Reserve for Exceptional Losses	Investment Fluctuation Fund	Retained Earnings	Total
Balance As at 1 January, 2022	400,000,000	275,815,487	428,468	72,129,358	748,373,312
Net Profit after tax for the year	-	-	-	114,330,734	114,330,734
Reserve for Exceptional losses	-	80,056,729	-	(80,056,729)	-
Cash Dividend paid	-	-	-	(48,000,000)	(48,000,000)
Fluctuation Fund Adjustment	-	-	(8,031,481)	-	(8,031,481)
Balance As at 31 December, 2022	400,000,000	355,872,215	(7,603,013)	58,403,363	806,672,565

Board of Directors proposed 12% cash dividend for the year 2022 subject to approval of shareholders of the company in its forthcoming 10th Annual General Meeting..

For the year ended 31 December, 2021

Particulars	Share Capital	Reserve for Exceptional Losses	Investment Fluctuation Fund	Retained Earnings	Total
Balance As at 1 January, 2021	240,000,000	197,792,882	408,894	68,001,646	506,203,422
IPO Fund	160,000,000	-	-	-	160,000,000
Net Profit after tax for the year	-	-	-	106,150,316	106,150,316
Reserve for Exceptional losses	-	78,022,604	-	(78,022,604)	-
Cash Dividend paid	-	-	-	(24,000,000)	(24,000,000)
Fluctuation Fund Adjustment	-	-	19,574	-	19,574
Balance As at 31 December, 2021	400,000,000	275,815,487	428,468	72,129,358	748,373,312

Board of Directors proposed 12% cash dividend for the year 2021 which was approved by the shareholders in the 9th Annual General Meeting of the Company.

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023

Sena Kalyan Insurance Company Limited

Statement of Cash Flows

For the year ended 31 December, 2022

Assets and Properties	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Cash flows from operating activities			
Collection from premium & Sundry Income	33.01	1,020,322,643	846,647,393
Payment for management expenses, Re-insurance & Claims	33.02	(828,083,367)	(580,418,847)
Income tax paid	24.01	(14,129,209)	(19,714,784)
Net cash flows from operating activities		178,110,068	246,513,763
Cash flows from investing activities			
Acquisition of fixed assets	17.00	(152,068,383)	(17,888,966)
Sales of Fixed Assets	27.01	3,562,990	3,340,000
Investment made in share & Treasury bond	33.03	(49,165,659)	(41,151,696)
Net cash used in investing activities		(197,671,052)	(55,700,662)
Cash flows from financing activities			
Cash dividend paid		(48,000,000)	(15,577,481)
IPO Fund		-	160,000,000
Loan from Sena Kalyan Sangstha		(27,401,405)	183,084
Total cash flows from financing activities		(75,401,405)	144,605,603
Net increase in cash & Cash equivalents during the year		(94,962,389)	335,418,703
Opening cash & Cash equivalents at beginning of the year		1,128,915,663	793,496,960
Closing cash & Cash equivalents at end of the year		1,033,953,274	1,128,915,663
Net Operating Cash Flows Per Share (NOCFPS)	32.00	4.45	8.89

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023

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

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance of account at the beginning of the year Reserve for Unexpired risk		125,965,289	175,201,461
Premium, Less Re insurance		344,448,309	276,456,566
Commission on Re insurance		41,230,164	37,805,895
Total		511,643,763	489,463,922
Claim under policies less Re-Insurance		101,807,944	163,414,074
Paid during the year		189,670,550	13,814,541
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9.00	183,122,508	270,985,114
Less: Outstanding at the end of the previous year		(270,985,114)	(121,385,581)
		327,541,522	245,063,861
Agency Commission	28.00	57,214,530	22,295,783
Expense for management	29.01	111,945,721	96,802,788
Reserve for unexpired risk being 40% of fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull & Aviation Premium Income of the year	7.00	158,381,271	125,965,289
Profit Transferred to Profit & Loss account		82,294,297	80,985,987
Total		511,643,763	489,463,922

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

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

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance of account at the beginning of the year		34,612,677	22,189,660
Reserve for Unexpired risk			
Premium, Less Re insurance		100,090,344	86,531,692
Commission on Re insurance		20,282,379	16,812,241
Total		154,985,400	125,533,593
Claim under policies less Re-Insurance		48,464,091	53,007,055
Paid during the year		56,194,947	(1,009,090)
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9.00	119,142,881	126,873,737
Less: Outstanding at the end of the previous year		(126,873,737)	(72,857,592)
		92,879,006	60,891,355
Agency Commission	28.00	25,644,868	6,051,046
Expense for management	29.01	27,198,000	20,227,632
Reserve for unexpired risk being 40% of fire Premium Income of the year	7.00	40,036,138	34,612,677
Profit Transferred to Profit and Loss account		13,642,303	11,635,184
Total		154,985,400	125,533,593

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Chief Executive Officer


Director


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Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

Sena Kalyan Insurance Company Limited
Marine Insurance Revenue Account
For the year ended 31 December, 2022

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance of account at the beginning of the year Reserve for Unexpired risk		50,103,565	31,863,664
Premium, Less Re insurance		154,521,585	111,689,301
Commission on Re insurance		5,469,021	4,549,623
Total		210,094,172	148,102,588
Claim under policies less Re-Insurance		49,469,149	33,067,727
Paid during the year		25,739,054	11,298,781
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9.00	59,392,584	35,662,489
Less: Outstanding at the end of the previous year		(35,662,489)	(13,893,543)
		114,731,452	74,704,957
Agency Commission	28.00	19,398,754	7,938,290
Expense for management	29.01	25,483,471	16,663,101
Reserve for unexpired risk being 40% of Marine Cargo and 100% of Marine Hull Premium Income of the year	7.00	69,849,228	50,103,565
Profit Transferred to Profit and Loss account		45,893,570	40,329,904
Total		210,094,172	148,102,588

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


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Chief Executive Officer


Director


Director


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Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

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

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance of account at the beginning of the year Reserve for Unexpired risk		10,384,170	21,173,428
Premium, Less Re insurance		15,446,224	25,960,426
Commission on Re insurance		-	-
Total		25,830,394	47,133,854
Claim under policies less Re-Insurance		1,554,164	16,641,874
Paid during the year		26,656,964	2,809,099
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9.00	489,500	25,592,300
Less: Outstanding at the end of the previous year		(25,592,300)	(11,759,525)
		9,744,601	14,347,301
Agency Commission	28.00	1,271,346	646,171
Expense for management	29.01	2,294,766	3,316,960
Reserve for unexpired risk being 40% of Motor Premium Income of the year	7.00	6,178,490	10,384,170
Profit Transferred to Profit & Loss account		14,531,629	16,144,679
Total		25,830,394	47,133,854

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023

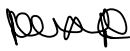

Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
DVC: 2303150105AS724848

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

Particulars	Notes	Amount in Taka	
		31 December, 2022	31 December, 2021
Balance of account at the beginning of the year Reserve for Unexpired risk		30,864,877	99,974,709
Premium, Less Re insurance		74,390,156	52,275,146
Commission on Re insurance		15,478,764	16,444,031
Total		120,733,797	168,693,886
Claim under policies less Re-Insurance		2,320,540	60,697,417
Paid during the year		81,079,585	715,750
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	9.00	4,097,543	82,856,588
Less: Outstanding at the end of the previous year		(82,856,588)	(22,874,921)
		110,186,462	95,120,249
Agency Commission	28.00	10,899,562	7,660,276
Expense for management	29.01	56,969,484	56,595,096
Reserve for unexpired risk being 40% of Misc. and 100% of Aviation Premium Income of the year	7.00	42,317,416	30,864,877
Profit Transferred to Profit and Loss account		8,226,795	12,876,220
Total		120,733,797	168,693,886

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


Company Secretary


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Chief Executive Officer


Director


Director


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Dhaka, 14 March, 2023


Howlader Mahfel Huq, FCA
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Sena Kalyan Insurance Company Limited

Form AA

Classified Summary of Assets

As at 31 December, 2022

Sl. No	Class of Assets	2022		Remarks
		Book value	Market Value	
01	Property, Plant & Equipment at cost less depreciation	175,635,979	175,635,979	Cost Less depreciation
02	Statutory Deposit with Bangladesh Bank (10 years period Bangladesh Government Treasury Bonds)	87,140,494	87,140,494	Not quoted in Market
03	Right of Use (RoU) Assets	3,991,385	3,991,385	Realizable value
04	Deferred Tax Assets	10,634,230	10,634,230	Realizable value
05	Investment in Shares	67,034,615	59,431,602	Market Value
06	Interest Accrued but not due	25,163,765	25,163,765	Realizable value
07	Sundry Debtors including advance deposit & prepayments	86,307,221	86,307,221	Realizable value
08	Stamp in Hand	356,420	356,420	Cost
09	Stationary and forms in hand	265,850	265,850	Cost
10	Fixed Deposit, SND Account and other Bank Balances	1,033,897,486	1,033,897,486	Realizable value
11	Cash in hand	55,788	55,788	Realizable value
Total		1,490,483,233	1,482,880,220	

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


Company Secretary


Chief Financial Officer


Chief Executive Officer


Director


Director


Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023



Sena Kalyan Insurance Company Limited **Notes to The Financial Statements**

As at and for the year ended 31 December, 2022

1.00 Background of the company

Sena Kalyan Insurance Company Limited ('the company') was incorporated as a Public Limited Company by shares under the Companies Act, 1994 on 3rd September, 2013 and obtained permission for commencement of insurance business from the Insurance Development & Regulatory Authority (IDRA), Government of the Peoples Republic of Bangladesh, with effect from 10th September, 2013 for carrying out non-life insurance business. The company went for public issue in 2021 and shares of the company is listed on both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Sena Kalyan Insurance Company Limited is a subsidiary Company of Sena Kalyan Sangstha (SKS) that holds 24,000,000 shares out of 40,000,000 shares of the Company and the balance 16,000,000 shares are held by Public and Institution of taka 10 each fully paid up.

1.01 Address of registered office and place of business of the company

The Head office of the Company is at SKS Tower (12th Floor), 7, VIP Road, Mohakhali, Dhaka-1206, Bangladesh which is also the registered office of the Company. The operation of the company is being carried out through its 7 branches located in different divisions of Bangladesh..

1.02 Principal activities of the company

The Principal activity of the Company is to offer general insurance products that include fire insurance, marine hull and cargo insurance, aviation insurance, motor insurance and miscellaneous insurance. These insurances provide protection against damage to policy holder's assets if damage occurs from risk covered by policy. Premium income is primary source of revenue for this insurance business.

1.03 Date of Financial Statements authorized for issue

Financial Statement of the company for the year ended December 31, 2022 were authorized by the Board for issue on 14 March, 2023 in accordance with a resolution of the Board of Directors of the company.

1.04 Geographical area of operation

The Company carries its insurance business activities through six branches, throughout the Bangladesh.

2.00 Basis of Preparation and Summary of Significant Accounting Policies

2.01 Basis of preparation

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

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

2.02 Reporting Period

Financial statements of the Company cover one calendar year from 01 January 2022 to December 31, 2022.

2.03 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business without significant fluctuation in value. The accompanying financial statements do not include any adjustments, which indicate that Sena Kalyan Insurance Company Limited will be unable to continue as a going concern.

Challenges posed by COVID-19

Due to Second wave COVID-19 number of people affected rapidly from April 2021. However, Government take various steps to handle the impact. The management is constantly assessing the impact of COVID-19 on the business.

2.04 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by Insurance Act 1938 (as amended 2010) and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

a)	Balance sheet as at 31 December 2022;
b)	Profit and Loss Account for the year ended 31 December 2022;
c)	Profit and Loss Appropriation Account for the year ended 31 December 2022;
d)	Statement of Changes in Equity for the year ended 31 December 2022;
e)	Statement of cash flows for the year ended 31 December 2022;
f)	Consolidated Revenue Account for the year ended 31 December 2022;
g)	Fire Insurance Revenue Account for the year ended 31 December 2022;
h)	Marine Insurance revenue Account for the year ended 31 December 2022;
i)	Motor Insurance Revenue Account for the year ended 31 December 2022;
j)	Miscellaneous Insurance Revenue Account for the year ended 31 December 2022; and
k)	Notes to the Financial Statements

The Board of Directors is responsible for preparing and presentation the financial statements, who has approved and authorized the issue of the financial statements.

2.05 Application of International Financial Reporting Standards (IAS/IFRS)

The Accounting and Financial Reporting Standards that are applicable/not applicable for the financial statements for the year under review, include the following:

IAS 1 Presentation of Financial Statements	*
IAS 7 Statement of Cash Flows	Applied
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10 Events after the Reporting Period	Applied
IAS 12 Income Taxes	Applied
IAS 16 Property, Plant and Equipment	Applied
IAS 19 Employee Benefits	Applied
IAS 24 Related Party Disclosures	Applied
IAS 26 Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32 Financial Instruments: Presentation	*
IAS 33 Earning per Share	Applied
IAS 34 Interim Financial Reporting	Applied
IAS 36 Impairment of Assets	Applied
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38 Intangible Assets	Applied
IAS 40 Investment Property	Applied
IFRS 4 Insurance Contracts	*
IFRS 5 Non-currents assets held for sale and discontinued operation	Applied
IFRS 7 Financial Instruments: Disclosure	*
IFRS 8 Operating Segment	Applied
IFRS 9 Financial Instruments	*
IFRS 13 Fair Value Measurement	Applied
IFRS 16 Lease	Applied

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



2.06 Functional and presentation currency

The financial statements are expressed in Bangladesh Currency (Taka/ Tk.), which is both functional and reporting currency of the Company.

2.07 Use of estimates and judgements

Preparation of financial statement requires management to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of asset, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

2.08 Materiality and Agregation

Each material item considered by management significant has been presented separately in the financial statement. No amount has been set off unless Sena Kalyan Insurance Company Ltd. has legal right to set off the amounts and intends to settle on a net basis. Income and Expenses are presented on a net basis only when permitted by relevant accounting standards.

2.09 Comparative information

Comparative information has been disclosed in respect of the period ended 31 December 2021 for all numerical data in the financial statements and also for the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated, reclassified and rearranged whenever considered necessary to ensure comparability with the current period.

2.10 Property, Plant and Equipment

a. Recognition and measurement

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

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

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

b. Subsequent cost

The cost of enhancement of an item of property, plant and equipment is recognized as separate asset if it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. All other expenditures are charges to profit and loss account during the year in which they incur.

c. Depreciation

Depreciation has been charged on Property, Plant and Equipment of the Company on the basis of reducing balance method at rates varying from 5% to 20% depending on the estimated useful life of the assets. Depreciation on newly acquired Assets during the year has been charged of the date of acquisition of fixed assets. The annual depreciation at different rates as under:

Category of Assets	Rate of Depreciation
1. Land & Building	5%
2. Furniture and Fixtures	10%
3. Motor Vehicles	20%
4. Office Equipment's	15%
5. Cookeries and Cutleries	15%
6. Office Decoration	10%
7. Computer and IT Equipment	10%
8. Mobile and Telephone Set	10%
9. Air Conditioner	20%

d. Sale price of fixed assets

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

2.11 Intangible assets

Intangible assets (Software) acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. These are amortized on reducing balance method at 10%. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

2.12 Impairment of assets

If recoverable amount is less than carrying amount, the carrying amount of asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognized as an expense in financial statement.

2.13 Valuation of Assets

The value of all assets as at 31 December 2022 has been shown in the Balance Sheet and in the classified summary of assets on "Form AA" annexed, which has been reviewed and the said assets have been set forth in the Balance Sheet on amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

2.14 Investment

Company has several financial assets such as share, FDR, Government securities & Bond etc. Initially shares are recorded at fair value plus transaction cost. A separate Fund called Investment Fluctuation fund, which consists of unrealized gain/ loss is shown in the liability side of Balance Sheet. Dividend Income on such share is recognized in Profit and Loss Account (Statement of Profit and Loss and other comprehensive income) when right to receive the dividend is established. On the other hand, securities are initially recorded at cost. Interest income on such securities is recognised using effective interest rate as per IFRS 9.

2.15 Investments of Assets

The Section 41 of Insurance Act, 2010 has always been complied by the company.

2.16 Restriction on certain investment

There is no investment by Sena Kalyan insurance company limited or the company does not hold any shares or debentures of any Company, firms or other business concern in which any director or any members of the family of such directors has any interest as Proprietor, Partner, Director and Managing Director as per Section 41(1) of Insurance Act, 2010.

2.17 IFRS-16: Leases

Sena Kalyan Insurance applies IFRS 16 for rented office space. Sena Kalyan recognises lease liabilities calculated by determining present values of remaining rent payable as per rent agreement using effective cost of capital. Same amount is recognised as right of use asset after considering advance rent. Every year throughout of agreement period right of use asset/leased asset is depreciated on straight line basis and interest expense on lease liabilities is recognised using effective interest rate.

2.18 Cash and Cash Equivalents

Cash comprises cash in hand, demand deposit, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are what to an insignificant risk of changes in value. Cash and cash equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents.

2.19 Cash Flow Statements

Statement of Cash Flows has been prepared in accordance with IAS-7 and the cash flow from the operating activities has been presented under the direct method.

2.20 Provisions relating to collection of premium

The company has always complied with the Section 18 of the Insurance Act, 2010 as applicable in regard to provision of collection of premium.



2.21 Revenue Recognition

1. Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Reinsurance premium on PSB. Amount received against issue of marine cover notes are not recognized as income during the year unless issuance of policy. The said amount is recognized as income as and when policy is issued or after one year from the date of expiry of the cover note.
2. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement is received from Shadharan Bima Corporation (SBC). The Company's share of public sector business (PSB) for the period of 3rd and 4th quarter of 2021 and 1st & 2nd quarters of 2022 received from Sadharan Bima Corporation (SBC) has been incorporated in the company's accounts for the year ended 31 December 2022. This system of accounting of public sector business is being followed consistently.
3. Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of Cover Notes in accordance with SBC's circular.
4. Interest on Fixed Deposit Receipt (FDR), SND account and bonds are recognized as revenue on accrual basis.
5. Interest Income from government securities is accounted for using effective interest rate as per IFRS-9.

2.22 Consolidation Procedure

Accounts of all branches have been consolidated (aggregated) at the Central Accounts of the Head Office at Dhaka.

2.23 Re-insurance Accounts

While preparing the Revenue Accounts necessary adjustments in respect of re-insurance ceded in Bangladesh have been duly given.

2.24 Segment Reporting

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

2.25 Management Expenses

The management expenses charged to Revenue Accounts amounting to 111,945,721 represents approximately 13.98% of Gross Premium of Tk. 800,567,286 (Including public sector business) and 32.50% of Net Premium of Tk 344,448,309 earned during the year. The said management expenses have been apportioned to various classes of business of the company taking into account the gross premium income.

2.26 Current Taxation:

Provision for current year income tax has been made at the rate of 37.50% as per Finance Acts 2022. The return of company's income tax for the assessment year 2023-2024 shall be filed in due time.

2.27 Deferred Tax

Since temporary differences arise between accounting profit and tax profit, deferred tax is recognised as per IAS 12. Since depreciation rates used by the Sena Kalyan Insurance Company Limited is different from those used by tax authorities, this gives rise to temporary difference between accounting and tax profit. On the other hand, Sena Kalyan Insurance Company Limited recognises expense when contribution is made to gratuity fund or provision is created. But tax authority recognises gratuity as expense only when employee receives gratuity payment. So this gives rise to temporary difference between accounting and tax profit. Sena Kalyan Insurance Company Limited applies IAS 12 retrospectively, restating comparative figures for previous period as per IAS 8.

2.28 Earnings per share

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in note no. 31.

2.29 Loans and Borrowing

The company has no loans and borrowing as at 31 December 2022.

2.30 Estimated Liability in respect of outstanding claim

An amount of Tk. 183,122,508 (Taka, three crore ninety seven lac eighty six thousand five hundred and fourteen) only which is adjusted during the year from Estimated Liability in respect of outstanding claim in the Statement of Financial Position as at 31 December 2021.

2.31 Provision for Liabilities

According to IAS 37: "Provision, Contingent Liabilities and Contingent Assets" the Company recognizes the provision in the balance sheet when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

2.32 Reserve or contingencies Accounts

a. Reserve for exceptional losses

In line with Para 6, 4th schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, Sena kalyan Insurance Company Limited set aside 10% of Premium Income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses. Detail calculations have been given in note 4.

b. Provision for unexpired risk

Surplus/(deficit) on Revenue Accounts has been arrived after making necessary provision for un-expired risk @ 40% of net premium on all business except Marine Hull & Aviation Insurance for which provision has been made @ 100% on premium income as per section 27A (2B & 2C) of Insurance Act 1938 (as ammended in 2010).

2.33 Employees Details

During the year under review 121 employees were employed full time. As per schedule-XI part-II of the Companies Act 1994 the employees remuneration slab is given below:

Slab	Number of Employees
No. of employees received salary below Tk. 3,000 per month	Nil
No. of employees received salary above Tk. 3,000 per month	121
Total no. of employees	121

There is no part time employee employed at the Company.

2.34 Employees Benefit

Sena Kalyan Insurance Company Limited provides a number of benefits plan for it's employees which includes Contributory Provident Fund, Worker's Profit Participation Fund, Gratuity Fund, Incentive bonus, Group Insurance Scheme and Festival Bonus etc.

a. Contributory Provident Fund

The Company operates a provident fund, recognized by the income Tax Authorities. Confirmed employees of the Company are eligible for the said provident fund. Employees of the Company contribute ten percent of their basic salary and the employer make similar contribution to the fund. The provident fund is wholly administered by a Board of Trustees and no part of the fund is included with the assets of the Company.

b. Gratuity Fund

The Company operates a gratuity fund scheme under which a regular confirmed employee is entitled to benefit at a graduated scale based on the length of service. The length of service for the purpose of gratuity shall be reckoned from the date of joining in the regular service of the Company. Calculation of gratuity is made on the basis of last drawn basic salary. An employee will receive two month's basic salary for each completed year of service if he/she complete five years. Gratuity will be payable only on their separation from the company.

c. Worker's Profit Participation Fund

In accordance with the section 234(1)(b) of Bangladesh Labor Act 2006 (Amendment in 2013) and Bangladesh Labor Rules (Amendment in 2015), Within 9 (Nine) months of the close of every accounting year, 5% of profit before tax of the accounting year/period shall be transferred to Worker's Profit Participation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act 2006 at the proportion of 80:10:10 respectively. Sena Kalyan has made provision for workers profit participation fund at 5% on profit before tax.

d. Other Benefits

In addition to the above, Sena Kalyan Insurance Company Limited is providing other benefits to its employees like performance based incentive bonus, Boishakhi festival allowance and Car/Motor Cycle loan scheme subject to fulfillment of certain terms and conditions.

2.35 Related party disclosures

The company in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standards 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of the related party disclosures have been given in Note 34.

2.36 Prohibition of loans

As per Section 44 of Insurance Act 2010, the Company has not granted any loan to any Director or any member of their family, banking company, subsidiary company and auditor, any loan or temporary advance either and hypothecation property or personal security or otherwise.

2.37 Others

Figures have been rounded off to the nearest taka and previous year's figures have been re-arranged, wherever necessary, for the purpose of comparison.

2.38 Disclosure of departure from IFRS due to mandatory compliance with insurance act's requirements:

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

- a) As per Insurance Act 1938 (as amended in 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. However as per requirements of IFRS 9 investment in shares, all equity instruments are to be measured at fair value with changes reflected in either profit or loss or other comprehensive income.
- b) General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010). However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the Sena kalyan insurance company limited has recognized provision of BDT. 158,381,271 as balance of fund and liabilities in the balance sheet.
- c) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.
- d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include Other Comprehensive Income (OCI) nor are the elements of other comprehensive income allowed to include in a single Comprehensive Income (OCI) Statement. As such Sena Kalyan Insurance company limited does not prepare the other comprehensive income statement. However Sena Kalyan Insurance company limited does not have any elements of OCI to be presented.

2.39 Anti- Money Laundering Committee

Maloy Kumar Saha, Executive Vice President & CFO of the Company has been appointed as a Chief Anti Money Laundering Compliance Officer (CAMLCO) in our Company. Anti-Money Laundering Committee addresses the prevention of money laundering & terrorist financing activities under the Money Laundering Prevention Act-2012 and the Anti Terrorism (Amended) Act-2013. The committee also arranges the training for employees, regularly monitors and ensures reporting to Bangladesh Financial Intelligence Unit (BFIU) regarding any suspicious and doubtful transaction.

2.40 Risk factors Relating to the company

(a) Credit Risks

Credit risk is measured as the potential economic loss in the value of our portfolio that would result from either changes in the credit quality of our counter parties or the inability or unwillingness of a counter party to fulfil its contractual obligations. Credit risks may arise from our inability to meet our claims payment obligations, or our inability to indemnify the loss to the policyholder. We focus on mitigating this risk through proper capital planning and allocation that enables us to meet our liabilities on time and maintain solvency. Credit risk may also arises from potential losses from nonrecoverability of reinsurance receivables. We select our reinsurance partners carefully and also possess strong long term relationships with them, which enables us to mitigate exposure to reinsurance risks.

(b) Underwriting Risks

Underwriting risk consists of premium and reserve risks in the property-casualty business segments. As part of our property-casualty business operations, we receive premiums from our customers and provide insurance protection in return. Premium risk is the risk that actual claims for the business in the current year develop adversely relative to expected claims ratios. We mitigate premium risk by reinsurance, as well as by focusing on excellence in underwriting. Assessing risks as part of the underwriting process is a key element of our risk management framework, which is governed by clear underwriting limits and restrictions, as per our enterprise-wide risk management framework.

(c) Operational Risks

Operational risks represent losses resulting from inadequate or failed internal processes, human errors, system failures and other external events, and can originate from a wide variety of sources, including potential losses due to a failure to meet the professional obligations or from the design of our products or from misspelling or from non-compliance with internal / external requirements related to our products. Though these losses tend to be of a lower frequency, they have a potentially high financial impact. Other operational risks include fraud, financial risk or a cyber security incident causing business interruption or disruption. We focus on minimising the occurrence of operational risks as much as possible through engaging in extensive employee training, through creating redundancies across our technology network and through ensuring regulatory compliance – in both letter and spirit.

(d) Liquidity Risks

Liquidity risk is defined as the risk that current or future payment obligations cannot be met or can only be met on the basis of compromised conditions. The company manages its liquidity risks by balancing cash inflows and outflows, and by embracing the time-tested principles of maximising cash inflows and optimising cash outflows.

(e) Strategic Risks

Strategic risks are risks that enforce depletion in the company's value, arising from adverse management decisions on business strategies and their implementation. Strategic risks are identified and discussed in various forums both at the executive and management levels. We also monitor market and competitive conditions, capital market requirements, regulatory alignment, etc., to decide if strategic adjustments are necessary. We also focus on mitigating strategic risks through realising our aspirations of customer-centricity, going digital, technical excellence, spirit of innovation and inclusivity focus.



3.00 Share Capital

Authorized:

100,000,000 ordinary shares of Tk.10 each

Issued, Subscribed and Paid up:

40,000,000 ordinary shares of Tk.10 each

Amounts in Taka	
31 December, 2022	31 December, 2021
1,000,000,000	1,000,000,000
400,000,000	400,000,000

3.01 Shareholding Patterns

Classification of Shareholders as per their share holdings

Sl. No	Category of Shareholder	No. of Shares	% of Holding	Amount (Tk.) 2022	Amount (Tk.) 2021
01	Sponsors/Directors	24,000,000	60.00%	240,000,000	240,000,000
02	General Public	13,289,636	33.22%	132,896,360	132,896,360
03	Institution	2,710,364	6.78%	27,103,640	27,103,640
	Total	40,000,000	100.00%	400,000,000	400,000,000

Classification of Shareholders

Sl. No	Range of share holding	No. of Shareholders	No. of Shares	Share par value	Value of Share in Taka 2022	Value of Share in Taka 2021
1	00001-10000	73,790	7,692,827	10	76,928,270	143,496,490
2	10001-20000	136	1,905,670	10	19,056,700	16,300,500
3	20001-30000	41	1,041,543	10	10,415,430	203,070
4	30001-40000	26	936,718	10	9,367,180	
5	40001-50000	10	444,311	10	4,443,110	
6	50001-60000	6	322,513	10	3,225,130	
7	60001-70000	6	408,032	10	4,080,320	
8	70001-80000	3	220,150	10	2,201,500	
9	80001-90000	2	169,100	10	1,691,000	
10	90001-100000000	16	26,859,136	10	268,591,360	239,999,940
	Total	74,036	40,000,000		400,000,000	400,000,000

Shareholders (Sponsors)

Sl. No.	Name of the Shareholders	Position	No. of Shares	Value of Share in Taka 31 December, 2022
1	Sena Kalyan Sangstha	Sponsor	24,000,000	240,000,000
2	Maj Gen Iftexhar Anis, BSP, awc, afwc, psc, Peng	Chairman & Nominated Director	-	-
3	Cdre Mahmud Hossain, (ND), NPP, BCGMS, ndc, psc	Vice-Chairman & Nominated Director	-	-
4	Air Cdre Md Shaharul Huda, BSP, ndc, psc	Nominated Director	-	-
5	Brig Gen Md Shakhawat Hossain, ndu, psc	Nominated Director	-	-
6	Brig Gen Md Rashidul Alam, BGBMS, PBGMS	Nominated Director	-	-
7	Brig Gen AKM Asif Iqbal, BVM, BAMS, ndc	Nominated Director	-	-
8	Brig Gen Mohd Muinul Haq Mamun, psc	Nominated Director	-	-
9	M. M. Mostafa Bilal	Independent Director	-	-
10	Barrister Ahamed Ihteyaz Thamid	Independent Director	-	-
	Total		24,000,000	240,000,000

All nominated directors are nominated by Sena Kalyan Sangstha

Share holding of CEO, Company Secretary, CFO & Executives

Sl. No	Name	Designation	Share Holding (Nos)	Percentage (%)
01	Brig Gen Shafique Shamim (Retd)	Managing Director & CEO	Nil	Nil
02	Col Md Aulad Hossain, psc, G (Retd)	Deputy Managing Director (Development Officer)	Nil	Nil
03	Gp Capt Md Atiar Rahman, psc (Retd)	Deputy Managing Director (Development Officer)	Nil	Nil
04	Lt. Col AKM Nazimul Islam, Psc, (Retd.)	Head of Marketing	Nil	Nil
05	Mr. Pranab Kumar Saha,	Head of Underwriting	Nil	Nil
06	Maloy Kumar Saha	Chief Financial Officer (CFO)	Nil	Nil
07	Squardon Leader Md. Mostafa Zaman (Retd.)	Head of HR and Admin	Nil	Nil
08	Mr. Tajul Islam	Head of Cliam and Re-insurance	Nil	Nil
09	Md. Shakhawat Hossain	Head of IT	Nil	Nil
10	M.M. Sajedul Islam, FCS	Company Secretary	Nil	Nil
11	Md. Firoz Sarker	Head of Internal Audit & Compliance	Nil	Nil

Amounts in Taka

**31 December,
2022**

**31 December,
2021**

4.00 Reserve for exceptional losses

Reserve for exceptional losses for tk. 80,056,729 has been taken to be current year's profit before tax equivalent to 10% of premium earned during the year as per provision of Para 6 of 4th schedule of Income Tax Ordinance 1984.

The amount has been arrived at as under:

Balance as at 01 January 2022		275,815,487	197,792,882
Addition made during the year	4.01	80,056,729	78,022,604
Total		355,872,215	275,815,487

4.01 Reserve for Exceptional losses (addition during the year)

Particulars	Gross Premium	Percentage (%)	31 December, 2022	31 December, 2021
Fire	194,508,144	10%	19,450,814.41	16,303,923.31
Marine Cargo	164,968,728	10%	16,496,872.75	12,234,930
Marine Hull	17,279,081	10%	1,727,908.14	1,196,027
Motor	16,391,401	10%	1,639,140.11	2,670,846
Miscellaneous	407,419,932	10%	40,741,993.21	45,616,877
Total	800,567,286		80,056,729	78,022,604

5.00 Investment Fluctuation Fund (difference of market value and cost value)

Market Price of Shares	59,431,602	24,346,241
Cost Price of Shares	(67,034,615)	(23,917,774)
Closing Balance	(7,603,013)	428,468

6.00 Profit and Loss Appropriation Account

Opening Balance	72,129,358	68,001,646
Add : Profit during the year	114,330,734	106,150,316
Total	186,460,091	174,151,962
Less : Reserve for Exceptional Losses.	(80,056,729)	(78,022,604)
Less: Dividend distributed from last year profit	(48,000,000)	(24,000,000)
Closing Balance	58,403,363	72,129,358

7.00 Balance of funds and accounts

Fire Insurance Revenue Account	40,036,138	34,612,677
Marine Insurance Revenue Account	69,849,228	50,103,565
Motor Insurance Revenue Account	6,178,490	10,384,170
Miscellaneous Insurance Revenue Account	42,317,416	30,864,877
Total	158,381,271	125,965,289

The amount represents reserve for unexpired risks @40% of net premium income on Fire, Marine Cargo, Motor and Misc. and 100% of Marine Hull and Aviation.



8.00 Premium Deposits

	Amounts in Taka	
	31 December, 2022	31 December, 2021
Marine Insurance Account	113,605,509	1,792,490
Stamp Collection	75,787.53	243,988
Total	113,681,296	2,036,478

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

9.00 Estimated liabilities in respect of Outstanding claims whether due or intimated

Fire	119,142,881	126,873,737
Marine	59,392,584	35,662,489
Motor	489,500	25,592,300
Miscellaneous	4,097,543	82,856,588
Total	183,122,508	270,985,114

All the claims against which the Company received intimations within 31 December 2022 have been taken into consideration while estimating the liability in respect of outstanding claims.

10.00 Amounts due to other persons or bodies carrying on insurance business

Sadharan Bima Corporation (SBC)	55,710,252	52,814,824
Overseas Re-insurer	16,287,161	38,639,226
Total	71,997,413	91,454,050

The above balance refers to amount due to of re-insurance by Sadharan Bima Corporation and Overseas.

11.00 Provision for Income Tax

Opening Balance	74,267,974	63,550,084
Add: Provision during the year- 11.01	15,186,402	10,717,890
Closing Balance	89,454,375	74,267,974

11.01 Calculation of Provision for Income Tax

Net Profit (as per Profit and Loss Account)	129,751,116	115,981,192
Less: Exceptional Losses Reserve	(80,056,729)	(78,022,604)
	49,694,388	37,958,588
Less: Income from Bangladesh Govt. Treasury Bond (Tax Free)	(6,421,537)	(5,048,043)
Less: Dividend Income	(2,758,759)	(512,152)
Less: Profit of sale of Fixed Assets	-	(2,240,634)
Less: Realised Gain on Sales of Share	(2,029,581)	(3,744,709)
Business Income	38,484,511	26,413,050
Provision on Business Income	14,431,692	9,904,894
Provision on Dividend Income	551,752	102,430
Profit of sale of Fixed Assets	-	336,095
Realised Gain on sales of Shares	202,958	374,471
Total	15,186,402	10,717,890

Amounts in Taka

**31 December,
2022**

**31 December,
2021**

12.00 Deferred Tax (IAS-12)

Company recognizes deferred tax as per IAS-12. Temporary differences arise in respect of depreciation. Company has calculated deferred tax as on 31 December 2022. Deferred tax has also been included in current year accounts.

Deferred Tax Liability/(Assets)

Written Down Value as per financial statements

175,635,979

34,018,492

Written Down Value as per Tax Base

166,877,877

29,995,783

Taxable Temporary Difference

8,758,102

4,022,709

Tax Rate

37.50%

37.50%

3,284,288

1,508,516

Deferred Tax Liability

Opening Balance

1,508,516

1,008,328

Deferred Tax (Income)/Expense

1,775,773

500,188

Closing Balance

3,284,288

1,508,516

12.01 Deferred Tax (Income)/Expense

Deferred Tax Income- Note No. 20

(1,541,792)

(1,387,202)

Deferred Tax Expense- Note No. 12

1,775,773

500,188

233,981

(887,014)

13.00 Lease Liability

Opening Balance

14,426,582

21,057,835

Addition During the Year

3,785,221

1,568,908

Adjustment During the Year

(14,259,518)

(8,200,161)

Closing Balance

3,952,285

14,426,582

The company has purchased Chittagong Branch office (SKTC tower, 4th floor, Doublenoring, Chittagong) and Head Office (SKS Tower, 12th Floor, Mohakhali, Dhaka) during the year and the lease liability amount is adjusted during the year.

14.00 Unclaimed Dividend Account

For 2021 up to 31 December, 2022

574,998

-

574,998

-

This amount represents unclaimed dividend for the year ended 2021, up to 31 December, 2022.

15.00 Provision for WPPF

Opening Balance

5,799,060

5,711,282

Addition During the Year

6,487,556

5,799,060

Adjustment During the Year

(5,799,060)

(5,711,282)

Closing Balance

6,487,556

5,799,060



16.00 Sundry Creditors

	Amounts in Taka	
	31 December, 2022	31 December, 2021
Provision for Audit Fees	250,000	580,000
Provision for Office Rent	12,065	4,387,074
Dividend Payable	-	8,422,519
VAT on Premium*	1,049,994	1,516,199
Tax and VAT at Source Payable	513,119	832,467
Claim Payable	39,390,597	-
Survey fee Payable	702,760	
Provision for PF & GF Expenses	70,000	70,000
Sena Kalyan Sangstha	-	27,401,405
Provision for Gratuity fund expenses	4,111,444	3,786,206
Total	46,099,979	46,995,870

Sundry creditors are current liabilities and provisions that the company has to pay in due course. It also includes Company's liability for current tax which is calculated using tax rates that have been enacted at the balance sheet date.

*VAT payable for the month of December- 2022 for tk. 10,49,994/- only which was subsequently paid on January 11, 2023 vide Sonali Bank Limited Challan No. T-49, T-40, T-41 dated 11/01/2022.

17.00 Property, Plant and Equipment

Tangible Assets	173,188,723	32,924,634
Intangible Assets	2,447,256	1,093,858
Written down value at 31 December, 2022	175,635,979	34,018,492

17.01 Tangible Assets

Opening Balance at Cost	56,159,395	44,399,429
Addition during the year	150,502,729	17,153,966
	206,662,124	61,553,395
Less: Disposal during the year	(5,042,990)	(5,394,000)
Closing Balance	201,619,134	56,159,395
Less: Accumulated Depreciation	(28,430,411)	(23,234,761)
Written down value	173,188,723	32,924,634

The company Purchased 7,069 SFT office space at 13th Floor and Eight Car Parking at Ground Floor of SKS Tower, Mohakhali, Dhaka during the year 2022 from Sena Kalyan Sagnstha. A Purchase agreement between Sena Kalyan Sangstha and the company has made at 01 March 2022.

17.02 Intangible Assets

Opening Balance at Cost	1,598,250	863,250
Addition during the year	1,565,654	735,000
Less: Accumulated Depreciation	(716,648)	(504,392)
Written down value	2,447,256	1,093,858

For details schedule for the detail of property, plant and equipment may be seen in Annexure- A

		Amounts in Taka	
		31 December, 2022	31 December, 2021
18.00 Investment			
Investment in BGTB	Note- 18.01	81,091,675	81,091,675
Zero Coupon Bond	Note- 18.02	6,048,818	-
Total		87,140,494	81,091,675

The amount represents the investment in 10 years period Bangladesh Government Treasury Bonds which is held with Bangladesh Bank as Statutory Deposit under the Insurance Act, 2010, under section 23 & 24 and as per direction of Insurance Development Regulatory Authority (IDRA).

18.01 Investment in BGTB

Face Value of 05-Years BD0925021059	22,500,000	22,500,000
Face Value of 05-Years 2021005951	27,500,000	27,500,000
Face Value of 10-Years BD0923341103	26,500,000	26,500,000
Face Value of 10-Years BD0931561106	2,300,000	2,300,000
Premium value for Bangladesh Govt. Treasury Bonds	2,356,903	2,356,903
Discount value for Bangladesh Govt. Treasury Bonds	(65,228)	(65,228)
Less: Adjustment of Premium value	-	-
Total	81,091,675	81,091,675

The amount represents the investment in Bangladesh Government Treasury Bonds for 05-10 years period. To comply with the direction of Insurance Development Regulatory Authority (IDRA) instrument no. BD0923341103 amounting BDT. 2.65 crore is held as Statutory Deposit as per section 23 & 24 of the Insurance Act, 2010.

18.02 Zero Coupon Bond

Zero Coupon Bond (DBH)	7,019,692	
Less: Adjustment	970,874	
Closing Balance	6,048,818	

19.00 Right of Use (RoU) Assets

Opening Balance	15,003,062	21,571,514
Addition During the Year	3,785,221	1,651,708
Amortisation and Adjustment	(14,796,898)	(8,220,160)
Closing Balance	3,991,385	15,003,062

20.00 Deferred Tax Assets

Opening Balance	9,092,438	7,705,236
Add: Deferred Tax Income	1,541,792	1,387,202
Closing Balance	10,634,230	9,092,438

20.01 Deferred Tax Income

Gratuity Provision	4,111,444	3,786,206
Gratuity Payment	-	(87,000)
	4,111,444	3,699,206
Tax Rate	37.50%	37.50%
	1,541,792	1,387,202



Amounts in Taka

31 December,
2022

31 December,
2021

21.00 Investment in Shares

Sl No.	Name of Company	No. of Shares	Average rate	Cost Price	Market Price 31 December, 2022	Market Price 31 December, 2021
1	Ifad Autos	42,000	54.48	2,288,040	1,852,200	1,767,459
2	Singer BD	20,000	176.89	3,537,861	3,038,000	3,398,000
3	Square Pharma	45,000	221.52	9,968,463	9,441,000	7,500,500
4	Ring Shine	180	8.61	1,550	1,764	1,728
5	Sea Pearl Beach	-	-	-	-	175,437
6	DBH	11,000	70.50	775,548	635,800	-
7	BERGERPBL	3,000	1,778.26	5,334,772	5,167,800	-
8	BATBC	36,750	596.28	21,913,321	19,062,225	6,356,000
9	GP	45,000	330.10	14,854,298	12,897,000	2,446,500
10	Olympic	15,000	147.57	2,213,483	1,860,000	377,410
11	SBACBANK	-	-	-	-	216,007
12	UNIONBANK	-	-	-	-	-
13	BRACBANK	16,125	52.40	844,962	620,813	-
14	IBNSINA	-	-	-	-	-
15	MJLBD	14,000	94.45	1,322,318	1,213,800	-
16	BEXGSUKUK	20,000	100.00	2,000,000	1,780,000	2,000,000
17	ACMEPL	-	-	-	-	107,200
18	MEGHNAINS	-	-	-	-	-
19	PBLPBOND	396	5,000.00	1,980,000	1,861,200	-
Total				67,034,615	59,431,602	24,346,241

The Company has made investment in capital market this year and unrealized gain is transferred to investment subsequently. Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured reliably, where recognized at cost.

22.00 Accrued Interest

Fixed Deposit Receipt (FDR's) Opening	16,766,355	16,283,707
Add: During the period	50,694,613	38,756,697
Less: Cash Receipts	44,213,177	38,274,049
Total Accrued Interest During the period	23,247,791	16,766,355
Interest on Bangladesh Govt. Treasury Bonds Opening	1,870,551	1,405,546
Add: During the period	6,421,537	5,048,043
Less: Cash Receipts	6,429,744	4,583,038
Total Accrued Interest During the period	1,862,344	1,870,551
Zero Coupon Bond Opening	-	-
Add: During the period	82,756	-
Less: Cash Receipts	29,126	-
Total Accrued Interest During the period	53,630	-
Received from SKICLEPF Capital Reserve Fund (PF-forfeited amount)	-	1,560,616
Less: Cash Receipts	-	1,560,616
Total Balance During the period	-	-
Total	25,163,765	18,636,906

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

Sadharan Bima Corporation (SBC)
Total

Amounts in Taka	
31 December, 2022	31 December, 2021
828,315	-
828,315	-

24.00 Sundry Debtors (Including advance, deposits and prepayments)

Security Deposit
Advance Income Tax (Note- 24.01)
Dividend Receivable
Advance to Supplier
Received from SKICLPF Capital Reserve Fund (PF-forfeited amount)
Advance to Office Staff
Total

734,195	123,195
82,689,460	68,560,251
578,800	263,794
1,500,000	348,900
-	479,516
804,767	463,002
86,307,221	70,238,658

24.01 Advance Income Tax

Income Tax from Financial year 2015 to 2022 (Assessment Year 2016-2017 to 2023-2024) of Sena Kalyan Insurance Limited not yet finalized by the Income Tax Authority. Advance Tax pays U/S-64, Tax paid U/S-74, Tax (TDS) in particular years where showing Advance Tax in assets side under the head Sundry debtors. In course of finalization or assessment by the Income Tax Authority then the Advance Tax will be adjusted. Details of Advance tax payments are given below:

Opening Balance
Add: Paid during the year
Closing Balance

68,560,251	48,845,467
14,129,209	19,714,784
82,689,460	68,560,251

Sl No.	Financial Year	Assessment Year	Advance Tax	Tax Payment with return	Total Tax Paid 31 December, 2022	Total Tax Paid 31 December, 2021
1	2013	2014-2015	45,000	-	45,000	45,000
2	2014	2015-2016	1,668,008	-	1,668,008	1,668,008
3	2015	2016-2017	2,284,088	1,613,000	2,284,088	2,284,088
4	2016	2017-2018	1,602,286	6,058,389	3,215,286	3,215,286
5	2017	2018-2019	2,687,600	6,913,024	8,745,989	8,745,989
6	2018	2019-2020	2,933,213	-	9,846,237	9,846,237
7	2019	2020-2021	3,394,610	18,002,149	3,394,610	3,394,610
8	2020	2021-2022	7,254,196	13,583,215	25,256,345	25,256,345
9	2021	2022-2023	6,131,569	4,586,322	19,714,784	19,714,784
10	2022	2023-2024	9,542,887	-	14,129,209	-

25.00 Cash and cash equivalents

Cash at banks
Fixed Deposits: (FDR's) (Note-25.01)
SND Accounts (Note- 25.02)
Current Accounts (Note- 25.02)

Cash in hand (Note- 25.03)
Brokerage Balance
Total

1,084,866,866	978,813,739
48,189,764	72,024,082
(100,891,264)	75,626,347
1,032,165,366	1,126,464,168
55,788	66,391
1,732,120	2,385,104
1,033,953,274	1,128,915,663



25.01 Fixed Deposit Receipt (FDR)

Balance at the beginning of the year
Add: Placed during the year
Less: Encashed during the year
Balance at the end of the year

Amounts in Taka	
31 December, 2022	31 December, 2021
978,813,739	711,640,471
286,000,000	401,673,268
(179,946,873)	(134,500,000)
1,084,866,866	978,813,739

Statement of bank wise Fixed Deposit Receipt (FDR) as at 31 December, 2022

Sl. No.	Name of bank	31 December, 2022	31 December, 2021
1	Pubali Bank Ltd.	-	30,000,000
2	Trust Bank Ltd.	423,900,000	387,900,000
3	IDLC Finance Ltd.	32,000,000	22,000,000
4	AB Bank Ltd.	11,000,000	16,000,000
5	Standard Bank Ltd.	40,000,000	40,000,000
6	Bank Asia Ltd.	9,000,000	-
7	Delta Brac Housing Ltd. (DBH)	54,000,000	25,000,000
8	Premier Bank	2,000,000	-
9	First Security Islami bank Ltd.	10,000,000	100,000,000
10	NRB Bank Ltd.	3,000,000	71,879,114
11	Shimanto Bank Ltd.	100,000,000	11,000,000
12	Lanka Bangla Finance Ltd.	17,000,000	12,434,625
13	People Leasing & Financial Services Ltd.	3,100,000	29,500,000
14	Meghna Bank Ltd.	57,500,000	34,500,000
15	Mutual Trust Bank Ltd.	10,000,000	3,100,000
16	United Commercial Bank Ltd.	24,500,000	54,000,000
17	Eastern Bank Ltd.	11,000,000	
18	Exim Bank Ltd.	114,366,866	11,000,000
19	IFIC Bank Ltd.	20,000,000	5,500,000
20	Islami Bank Bangladesh Ltd.	11,000,000	35,000,000
21	IPDC Finance Ltd.	2,000,000	-
22	Community Bank Ltd.	35,000,000	25,000,000
23	United Finance Ltd.	8,500,000	5,000,000
24	Perime Bank Ltd.	-	2,000,000
25	Bengal Commercial Bank Ltd.	60,000,000	2,000,000
26	Bank Al-Falah Ltd.	26,000,000	55,000,000
27	Social islami Bank Ltd.	-	1,000,000
Total		1,084,866,866	978,813,739

Amounts in Taka

**31 December,
2022**

**31 December,
2021**

25.02 Statement of Bank wise Short Notice Deposit and Current Deposit with Banks as at 31 December, 2022

Sl. No.	Name of bank	SND Account	CD Account	Total 31 December, 2022	Total 31 December, 2021
01	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0030-0320000337	41,334,850		41,334,850	18,281,793
02	EXIM Bank Ltd. DOHS Branch, Dhaka. A/C- 1241-3100005298	6,850,283		6,850,283	53,738,604
03	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0030-0210005719		884,703	884,703	2,612,915
04	Trust Bank Ltd. SKB Branch, Dhaka. A/C- 0003-0210013123		1,099,600	1,099,600	1,095,015
05	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0030-0210005004		201,067	201,067	8,486,722
06	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0030-0210008850		(105,243,356)	(105,243,356)	180,437
07	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0030-0210009082		1,232,579	1,232,579	315,443
08	Sonali Bank Ltd. Farmgate Branch, Dhaka. A/C- 011-4902000884		345,066	345,066	1,068,094
09	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 7030-0322000053		574,998	574,998	-
10	Trust Bank Ltd. Motijheel Branch, Dhaka. A/C- 0003-0210013534		2,229	2,229	629
11	Trust Bank Ltd. Millennium Branch, Dhaka. A/C- 0022-0210012612		4,623	4,623	7,247
12	Trust Bank Ltd. Agrabad Branch, Chittagong. A/C- 0012-0210009600		4,540	4,540	4,095
13	Trust Bank Ltd. Khulna Branch, Khulna. A/C- 00400-320000451	4,151		4,151	3,150
14	Trust Bank Ltd. Millennium Branch, Dhaka. A/C- 0022-0210013684		1,070	1,070	1,277
15	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C- 0044-0210003135		1,617	1,617	-
16	Trust Bank Ltd. Chowhatta Branch, Sylhet. A/C- 0021-0320000794	480		480	535
17	Trust Bank Ltd. Millennium Branch, Dhaka. A/C- 0022-0210021675 IPO-BDT	-		-	61,854,473
	Total	48,189,764	(100,891,264)	(52,701,500)	147,650,429

25.03 Cash in hand

Head Office	52,629	42,851
Branches	3,159	23,540
Total	55,788	66,391

26.00 Interest and Dividend Income

Bangladesh Government Treasury Bond	6,421,537	5,048,043
Fixed Deposit Receipt (FDR)	50,694,613	38,756,697
Zero Coupon Bond	82,756	-
Short Notice Deposit (SND) Accounts	692,299	832,197
Dividend on Share received during the year	2,758,759	512,152
Total	60,649,963	45,149,089

Dividend Income represents the amount received from investment in share of public limited company.



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2021**

27.00 Other Income

The other income comprises of receipt during the year from co-insurance service charge sale of paper, wastage goods, service charges and trustee fees.

Trustees Fees	2,250,000	2,135,000
Sales of Paper and Wastage Goods	24,100	-
Service Charges (Co-Insurance)	209,583	482,402
Fees & Charges Refund		110,000
Received from SKICLPF Capital Reserve Fund (PF-forfeited amount)		479,516
Profit of sale of Fixed Assets	2,768,598	2,240,634
Profit of sale of shares	2,029,581	3,744,709
Total	7,281,862	9,192,261

Notes- 27.01

27.01 Profit or Loss on Sales of Assets

Cost Price	4,910,000	5,394,000
Less: Accumulated Depreciation	4,241,411	4,294,634
Less: Adjdtment Accumulated Depreciation	7,188	
Less: Sales Price	3,430,000	3,340,000
Gain on Sales of Assets	2,768,598	2,240,634

28.00 Agency Commission

As per Insurance Development & Regulatory Authority's (IDRA) circular No. non life-84/2021 date: 24 October 2021 the agency commission for non life insurance business were fixed up @ 15% for all classes of non life insurance business. The agency commission for different classes of business are furnished as under:

Class wise segregation of agency commission

Fire	25,644,868	6,051,046
Marine Cargo	17,534,113	7,767,647
Marine Hull	1,864,641	170,643
Motor	1,271,346	646,171
Miscellaneous	10,899,562	7,660,276
Total	57,214,530	22,295,783

Amounts in Taka

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2022**

**31 December,
2021**

29.00 Management Expenses: Allocation of management expenses as per follows:

Salary and Allowances	57,880,365	50,747,911
Festival Bonus	5,429,992	4,333,264
Telephone, Mobile and Internet, Software Bill	1,176,075	1,037,568
Car Fuel	2,119,712	1,785,530
Entertainment, Annual Picnic and Lunch Expenses	483,056	182,336
Conveyance, TA/DA and Vehicle Allowance	1,531,869	1,333,303
Utility Bill	449,515	431,899
Postage, Courier and Revenue Stamp	156,844	177,667
Books, Papers and Periodicals	46,877	32,227
Office Rent, Garage Rent and Service Charges	2,955,915	4,449,097
Amortisation of RoU Assets	3,323,136	8,232,011
Finance Cost	321,424	931,639
Bank Charges	1,221,080	1,316,898
Co-Insurance Service Charges	677,473	935,548
Miscellaneous and General Expenses	2,249,578	1,058,396
Repairs and Maintenance (Office)	196,762	222,687
Fees and Charges	22,115	382,633
Incentive Bonus	3,664,608	3,150,395
Medical Expenses	2,596	36,312
Staff Training fee	7,667	7,720
Printing, Packaging & Expenses	1,069,032	417,756
Repair, Maintenance and Renew. (Vehicle)	705,982	1,133,465
Office Stationary, Cleaning, Gardening and Up-Keep-Supplier	1,221,078	647,311
Office Staff Tea and Water Bill	317,684	464,160
Uniform & Liveries	7,425	-
Gratuity Expenses	4,111,444	3,786,206
Gardening Supplier	26,568	-
Contribution to Provident Fund	2,357,596	1,818,270
Insurance Premium	-	2,696
Unified Messaging Platform (UMP)	82,033	97,598
Bima Mela / Business Procurement Expenses	233,844	116,744
Pre-Inspection Survey fee	1,362,207	-
Board Meeting and AGM Expenses	1,113,727	133,384
Expenses for PF & GF audit fees	33,000	40,000
PSB Management & Business Expense	7,260,007	7,356,020
Re-Insurance Expenses	8,123,982	-
Total	111,942,268	96,798,650

29.01 Appropriation of management expenses

Class of Business	Gross premium	Stamp	Mgt. Exp.	31 December, 2022	31 December, 2021
Fire	194,508,144	183	27,197,817	27,198,000	20,227,632
Marine Cargo	164,968,728	-	23,067,360	23,067,360	15,179,251
Marine Hull	17,279,081	-	2,416,111	2,416,111	1,483,850
Motor	16,391,401	2,778	2,291,988	2,294,766	3,316,960
Miscellaneous	407,419,932	493	56,968,992	56,969,484	56,595,096
Total	800,567,286	3,453	111,942,268	111,945,721	96,802,788



Amounts in Taka

31 December,
2022

31 December,
2021

29.02 Key Management Personnel Compensation

The Compensation of Key management personnel of Sena Kalyan Insurance Company Limited are as follows

Name of employee	Short employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share based payment
Brig Gen Shafique Shamim (Retd) Managing Director & CEO	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Col Md Aulad Hossain, psc, G (Retd) Deputy Managing Director (Development Officer)	Salary Bonus	NO	NO	NO	NO
Gp Capt Md Atiar Rahman, psc (Retd) Assistant Managing Director (Development Officer)	Salary Bonus	NO	NO	NO	NO
Lt. Col AKM Nazimul Islam, Psc, (Retd.) Head of Marketing	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Mr. Pranab Kumar Saha, Head of Underwriting	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Maloy Kumar Saha Chief Financial Officer (CFO)	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Squardon Leader Md. Mostafa Zaman (Retd.) Head of HR and Admin	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Mr. Tajul Islam Head of Cliam and Reinsurance	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Md. Shakhawat Hossain Head of IT	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
M.M. Sajedul Islam, FCS Company Secretary	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Md. Firoz Sarker Head of Internal Audit & Compliance	Salary Bonus	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO

29.03 Aggregate amount of remuneration paid to all Directors and officers during the accounting year is as follows

Particulars	Nature of Payment	Amounts in Taka	
		2022	2021
1. Directors	Board Meeting fee/Remuneration	260,332	134,464
2. Chief Executive Officer, Executive & Officers	Salary, Bonus and other Allowances	73,444,005	63,836,046
Total		73,704,337	63,970,510

29.04 Directors Remuneration

The company pays fees to its Directors for attending the Board meeting and its Committee meetings as permitted by Insurance Development and Regulatory Authority. As per IDRA circular no-Pro:Bi:Ni:-15/01/96/Part-1 dated 26-08-2010, a Director may be paid fees for attending Board meeting or its Committee meetings which shall not exceed Tk. 5,000 (five thousand) per attending each meeting since 2010. This year, IDRA has issued new circular No-53.03.0000.009.014.18.123 dated 31-05-2018 to be paid Director's fees per attending Tk. 8,000 (Eight thousand) only effected from May 31, 2018. Details are as given below:

Amounts in Taka

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31 December,
2021

Sl. No.	Name of Directors	Position	Number of Meeting	Total Fees 2022
1	Board Meeting	6	57	183,333
2	Audit Committee meeting	4	16	53,331
3	NRC Meeting	1	3	-
Total				236,664
Add: VAT				23,668
Grand Total				260,332

30.00 Net Asset Value per share

Property, Plant and Equipment's	175,635,979	34,018,492
Investment in BGTB	87,140,494	81,091,675
Right of Use (RoU) Assets	3,991,385	15,003,062
Deferred Tax Assets	10,634,230	9,092,438
Investment in Shares	59,431,602	24,346,241
Accrued Interest	25,163,765	18,636,906
Amount due from other persons or bodies carrying on insurance business	828,315	-
Sundry Debtors	86,307,221	70,238,658
Cash and Bank Balances	1,033,953,274	1,128,915,663
Stationary and forms in hand	356,420	265,943
Stamp in Hand	265,850	203,165
Total Assets (A)	1,483,708,535	1,381,812,243
Balance of Funds and Accounts	158,381,271	125,965,289
Premium Deposits	113,681,296	2,036,478
Estimated liabilities in respect of outstanding claims	183,122,508	270,985,114
Amounts due to other persons	71,997,413	91,454,050
Provision For Income tax	89,454,375	74,267,974
Deferred Tax Liability	3,284,288	1,508,516
Lease Liability	3,952,285	14,426,582
Unclaimed Dividend Account	574,998	-
Provision for WPPF	6,487,556	5,799,060
Sundry Creditors	46,099,979	46,995,870
Total Liabilities (B)	677,035,970	633,438,931
Net Assets(A-B)	806,672,565	748,373,312

30.01 Net Assets Value Per Share (NAVPS)

Net Assets	806,672,565	748,373,312
Number of Ordinary Shares	40,000,000	27,726,027
Net Assets Value Per Share (NAVPS)	20.17	26.99

31.00 Earnings Per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with IAS-33: "Earnings Per Share", which has been shown on the face of the income statement and this has been calculated by dividing the basic earnings by the number of ordinary shares outstanding for the year. Details calculations were as follows

Earnings Per Share (EPS)		
Net Profit after Taxation	114,330,734	106,150,316
Number of Ordinary Shares	40,000,000	27,726,027
Basic Earnings Per Share (EPS)	2.86	3.83



Amounts in Taka

31 December, 2022 **31 December, 2021**

32.00 Net Operating Cash Flow Per Share (NOCFPS)

Net Operating Cash Flows Per Share (NOCFPS) has been calculated based on net cash generated from operating activities and number of shares outstanding during the period as at 31 December, 2022. Details calculations are as follows

Net Cash Generated From Operating Activities	178,110,068	246,513,763
Number of Ordinary Shares	40,000,000	27,726,027
Net Operating Cash Flow Per Share (NOCFPS)	4.45	8.89

33.00 Disclosures on reconciliation between Net Profit & Net operating cash flows

	114,330,734	106,150,316
Net Profit after Tax		
Depreciation	9,656,504	5,087,749
Changes in Current assets/liabilities		
Increase of Balance of Funds & Accounts	32,415,981	(49,236,172)
Increase of Premium Deposits	111,644,819	(29,495,495)
Increase of Estimated liabilities in respect of outstanding claims whether due or intimated	(87,862,606)	149,599,533
Increase of Amount due to other persons or bodies carrying on insurance business	(19,456,637)	73,087,711
Increase/ (Decrease) of Provision for Income Tax	15,186,402	10,717,890
Increase/ (Decrease) of Lease Liability	(10,474,296)	(6,631,253)
Increase/ (Decrease) of Unclaimed Dividend Account	574,998	-
Increase/ (Decrease) of Provision for WPPF	688,496	87,778
Increase/ (Decrease) of Deferred Tax Liability	1,775,773	500,188
Increase/ (Decrease) of Sundry Creditors	26,505,514	4,114,432
Increase/ (Decrease) of Deferred Tax Assets	(1,541,792)	(1,387,202)
Increase of Accrued Interest	(6,526,859)	612,963
Decrease of Amount Due from Other Persons or Bodies Carrying on Insurance Business	(828,315)	-
Decrease/ (Increase) of Sundry Debtors	(16,068,564)	(20,885,963)
Decrease/ (Increase) of Right of Use (RoU) Assets	11,011,676	6,568,452
Decrease/ (Increase) of Stationary and forms in hand	(90,477)	(59,585)
Decrease/ (Increase) of Stamps in hand	(62,685)	(76,946)
Loss on Sale of Assets	(2,768,598)	(2,240,634)
Net cash generated from operating activities	178,110,068	246,513,763

33.01 Collection from premium and other income

Gross Premium Income	800,567,286	780,226,042
Comission on Re-Insurance	41,230,164	37,805,895
Sundry Income	4,513,264	6,951,627
Interest and Dividend Income & Rent outstanding (interest/profit Accrued but not due)	53,544,304	45,498,258
Amount Due from Other Persons or Bodies Carrying on Insurance Business	(828,315)	-
Right of Use (RoU) Assets	11,011,676	6,568,452
Sundry Debtors	(1,360,555)	(907,385)
Premium Deposits	111,644,819	(29,495,495)
Total	1,020,322,643	846,647,393

33.02 Payment for management expenses, Re-insurance, Claims and commission

	Amounts in Taka	
	31 December, 2022	31 December, 2021
Expenses of management : (Not Applicable to any particular fund or Account)	10,818,502	14,258,396
Expenses of management (with stamp used)	111,945,721	96,802,788
Agency commission	57,214,530	22,295,783
Paid on Re- Insurance Ceded	456,118,977	503,769,476
Claim paid during the year	189,670,550	13,814,541
Stationary and forms in hand	90,477	59,585
Stamps in hand	62,685	76,946
Lease Liability	10,474,296	6,631,253
Unclaimed Dividend Account	(574,998)	-
Provision for WPPF	(688,496)	(87,778)
Amount due to other persons or bodies carrying on insurance business	19,456,637	(73,087,711)
Sundry Creditors (Including provision for expenses)	(26,505,514)	(4,114,432)
Total	828,083,367	580,418,847

33.03 Investment

Investment in BGTB	6,048,818	29,874,165
Investment in Shares	35,085,360	11,297,104
Investment Fluctuation Fund	8,031,481	(19,574)
Total	49,165,659	41,151,696

34.00 Related Party disclosure

Sena Kalyan Insurance Company Ltd. In normal course of business carried out number of transactions with other entities that fall within the definition of related party contained in International Accounting standard 24 Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balance with them are as follows

Name of the related party	Nature of Transactions	Nature of Relationship	Amounts in Taka	
			2022	2021
Sena Kalyan Sangstha	Insurance	Common Director	1,250,226	16,070
	Purchase of Office Space		127,200,000	-
	Loan taken		-	183,084
Mongla Cement Factory	Insurance	Common Director	3,435,808	6,349,766
Sena Hotel Developments	Insurance	Common Director	4,051,684	1,983,088
Sena Kalyan Construction and Developments	Insurance	Common Director	21,124	20,189
Annanya Shopping Complex	Insurance	Common Director	77,970	96,882
Chittagong Flour Mills	Insurance	Common Director	354,989	348,364
Sena Kalyan Electric Industry	Insurance	Common Director	104,600	278,291
Fauji Flour Mills	Insurance	Common Director	181,649	169,220
Diamond Food Industries	Insurance	Common Director	454,489	454,210
Amin Mohiuddin Foundation	Insurance	Common Director	50,304	59,454
Sena kalyan Bhaban	Insurance	Common Director	260,201	921,518
SKS Trading House	Insurance	Common Director	45,224	185,869
Eastern Hosiery Mills	Insurance	Common Director	158,685	144,396
SKS LPG	Insurance	Common Director	7,075,993	6,788,805
Sena Edible Oil Industries	Insurance	Common Director	6,672,609	1,732,862
SKS Sales Promotion Office	Insurance	Common Director	12,245	22,933
Sena Kalyan Commercial Complex	Insurance	Common Director	51,269	56,994
Sena Filling Station (C.N.G)	Insurance	Common Director	418,060	387,144
Sainik Lamps Distribution & SKS Display Centre	Insurance	Common Director	2,933	-
Sena Kalyan Business Mart	Insurance	Common Director	213,330	213,330
Sena Kalyan Trade Centre	Insurance	Common Director	200,521	200,521
Sena Kalyan Sangstha Real Estate Division	Insurance	Common Director	-	11,882
Total			152,293,913	20,624,872

The company has purchased 964 SFT (4th floor) office space of SKTC tower Doublemoring Chittagong, 7,069 SFT (12th Floor) office space and 8 car parking of SKS Tower Mohakhali Dhaka and 6,992 SFT (8th Floor) office space and 2 car parking (252 SFT) of Sena Kalyan Business Mart from Sena Kalyan Sangstha during the year. The company has purchased office spaces from related parties, using the proceeds of the IPO funds as consented by the BSEC, for which the company will take approval in the Annual General Meeting (AGM).



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35.00 Credit Rating

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**31 December,
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Year	Validity Date	Date of Rating	Long Term	Short Term
2022	Aug 22, 22 to Aug 21, 23	22-Aug-22	AA	ST-1
2021	Aug 18, 21 to Aug 17, 22	18-Aug-21	AA-	ST-2
2020	Aug 05, 20 to Aug 04, 21	5-Aug-20	A+	ST-2
2019	May 06, 19 to May 06, 20	6-May-19	A	ST-2
2018	May 06, 18 to May 06, 19	6-May-18	A	ST-3
2017	May 04, 17 to May 04, 18	4-May-17	A-	ST-4

36.00 Capital Expenditure Commitment

There was no commitment for capital expenditure at the end the year.

37.00 Claims not acknowledged as debt

There was no claim against the company nor acknowledged as debt by the company at the end the year.

38.00 Financial Risk Management

The company's financial risk management is governed by direct monitoring of Finance and Monitoring Section. Company's financial assets include other receivables, cash and short-term deposits that arise directly from its operations and financial liabilities include provision, accruals and loans. The main purpose of these financial liabilities is to finance the company's operations.

The Company's activities are mainly exposed to the following risks from its use of financial instruments:

- i. Credit Risks;
- ii. Market Risks; and
- iii. Liquidity risks.

Risk Management Framework

The management is responsible for the establishment and oversight of the company's risk management policies that are established to identify and analyze the risks faced by the company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Management discloses the exposures to risk and how they arise as well as its objectives, policies and processes for managing the risk and the methods used to measure the risk. The company has exposures to the following risks from its use of financial instruments.

38.01 Credit Risks

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company has allowed to debtors with the terms & conditions and the exposure to credit risk is monitored on an ongoing basis to ensure collection within stipulated time. Debtors are categorized according to their risk profile-i.e. frequency of payment, legal status, financial condition etc. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

Other Receivables

Accrued Interest on FDR	23,247,791	16,766,355
Dividend Receivable	578,800	263,794
Total	23,826,591	17,030,149

Cash and Cash Equivalents

Cash in hand	55,788	66,391
Brokerage Balance	1,732,120	2,385,104
Cash at Bank	(52,701,500)	147,650,429
Investment in FDR	1,084,866,866	978,813,739
Total	1,033,953,274	1,128,915,663

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31 December, 2021

38.02 Market Risks:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

38.03 Interest risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the financial assets and financial liabilities are as follows:

Financial Instruments:

Financial Assets:

Investment in FDR

1,084,866,866

978,813,739

Cash at Bank

(52,701,500)

147,650,429

Total

1,032,165,366

1,126,464,168

Financial Liabilities:

Long Term Loan (Current and Non-Current Portion)

-

-

Short Term Loan

-

-

Total

-

-

38.04 Liquidity Risks:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on timeline of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Relevant non-derivative financial liabilities at the reporting date are as follows:

Long Term Loan

-

27,401,405

Provision and Accruals

6,006,622

19,594,465

Total

6,006,622

46,995,870

39.00 Guarantee

There was no insurance guarantee made during the period.

40.00 Contingent Liabilities

Custom Excise & VAT Commissioner as per audit report of director of audit intelligence and investigation demanded BDT 10,762,320. (1). গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, আভ্যন্তরীণ সম্পদ বিভাগ, ঢাকা কর্তৃক জারিকৃত মূল্য সংযোজন কর, প্রজ্ঞাপন -তারিখ ২৮ জৈষ্ঠ্য, ১৪২৭ বঙ্গাব্দ/১১ জুন ২০২০ খ্রীষ্টাব্দ, এস.আর.ও.নং-১৪৪-আইন/২০২০/১০৫-মুসক এ প্রদত্ত ক্ষমতাবলে বীমা কোম্পানী কর্তৃক এজেন্সি কমিশন বাবদ পরিশোধিত অর্থের বিপরীতে মূল্য সংযোজন কর কর্তন বিষয়ে অব্যাহতি দেয়া হয়েছে। যার সেবার কোড - ৯০২৭.০০। (২). পুনঃবীমা কমিশনের বিপরীতে ১৫% উৎসে মূল্য সংযোজন কর আদায় বা কর্তন সম্পর্কিত আইনের একটি লিখিত ব্যাখ্যা গত জুন ২, ২০২০ ইং তারিখে বাংলাদেশ ইন্সুরেন্স এসোসিয়েশনের প্রেসিডেন্ট কর্তৃক চেয়ারম্যান, জাতীয় রাজস্ব বোর্ড বরাবর প্রদান করা হয়। However, SKICL has not settled which is pending for the decision of the Commissioner of Custom Excise & VAT (South)

41.00 Receivables to/from directors

Nothing was due to/from any of the Directors of the company as on the date of statement of financial position.

42.00 Events after the Balance Sheet

Board of Directors in its meeting held on 14 March, 2023 proposed 12% cash dividend for the year 2022 subject to approval of shareholders of the company in its forthcoming 10th Annual General Meeting.

Sena Kalyan Insurance Company Limited

XL-Form

Statement Showing the details of Classwise Premium Income, Accepted & Ceded, Commission Earned & Paid Claim Paid, Losses Recovered & Recoverable For the year ended 31 December, 2022

Direct Business

Class of Business	Premium Income		Commission			Claims		Net Claim
	Gross Premium	Re-Insurance Ceded	Net Premium	Paid on Direct Business	Received on Re-Insurance Ceded	Net Commission	Paid on Direct Business	
Fire	179,950,952	82,715,926	97,235,026	25,644,868	18,917,576	6,777,292	55,974,785	55,974,785
Marine Cargo	141,422,104	5,949,924	135,472,180	17,534,113	1,636,230	15,897,883	25,331,685	25,331,685
Marine Hull	14,933,750	1,572,100	13,361,650	1,864,641	188,652	1,675,989	-	-
Motor	13,810,488	848,700	12,961,788	1,271,346	-	1,271,346	26,566,500	26,566,500
Miscellaneous	354,301,751	281,080,772	73,220,979	10,899,562	11,660,125	(760,563)	100,972,439	19,926,442
Sub Total	704,419,045	372,167,422	332,251,623	57,214,530	32,402,583	24,811,947	208,845,409	19,926,442

Public Sector Business

Fire	14,557,192.11	11,701,874.28	2,855,317.83	-	1,364,802.45	(1,364,802.45)	220,161.88	-	220,161.88
Marine Cargo	23,546,623.52	17,898,207.67	5,648,415.85	-	3,517,309.77	(3,517,309.77)	635,563.29	228,238.48	407,324.81
Marine Hull	2,345,331.36	2,305,992.04	39,339.33	-	126,829.56	(126,829.56)	44.22	-	44.22
Motor	2,580,913.12	96,477.05	2,484,436.08	-	-	-	90,464.05	-	90,464.05
Miscellaneous	53,118,181.09	51,949,003.82	1,169,177.28	-	3,818,638.72	(3,818,638.72)	696,633.38	663,046.29	33,587.09
Sub Total	96,148,241	83,951,555	12,196,686	-	8,827,581	(8,827,581)	1,642,867	891,285	751,582

Direct business & public sector Business

Fire	194,508,144	94,417,800	100,090,344	25,644,868	20,282,379	5,362,489	56,194,947	-	56,194,947
Marine Cargo	164,968,728	23,848,132	141,120,596	17,534,113	5,153,540	12,380,574	25,967,248	228,238	25,739,010
Marine Hull	17,279,081	3,878,092	13,400,989	1,864,641	315,482	1,549,159	44	-	44
Motor	16,391,401	945,177	15,446,224	1,271,346	-	1,271,346	26,656,964	-	26,656,964
Miscellaneous	407,419,932	333,029,776	74,390,156	10,899,562	15,478,764	(4,579,202)	101,669,072	20,589,488	81,079,585
Grand Total	800,567,286	456,118,977	344,448,309	57,214,530	41,230,164	15,984,366	210,488,276	20,817,726	189,670,550

Total 31 December, 2021	780,226,042	503,769,476	276,456,566	22,295,783	37,805,895	(15,510,112)	23,356,432	9,541,891	13,814,541
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The accompanying notes form an integral part of these financial statements.



Company Secretary



Chief Financial Officer



Chief Executive Officer



Director



Director



Chairman

Signed as per our annexed report of even date.

Dhaka, 14 March, 2023

Sena Kalyan Insurance Company Limited
Schedule of Property, Plant and Equipment
As at 31 December, 2022

Annexure-"A"

Particulars	COST			Rate	DEPRECIATION			Written Down Value as at 31.12.2022		
	Balance as at 01.01.2022	Addition during the year	Sold/Adj. during the year		Total as at 31.12.2022	Balance as at 01.01.2022	Charged during the year		Sold/Adj. during the year	Totals at 31.12.2022
Land & Building	-	140,118,000	-	140,118,000	5%	-	2,846,965	-	2,846,965	137,271,035
Furniture and Fixtures	4,757,368	219,178	-	4,976,546	10%	2,133,552	276,027	-	2,409,580	2,566,966
Motor Vehicle	34,248,638	9,643,160	4,910,000	38,981,798	20%	13,802,904	5,265,802	4,241,411	14,827,295	24,154,503
Office Equipments	202,496	-	-	202,496	15%	104,199	14,745	-	118,944	83,552
Cookeries and Cutleries	105,497	18,299	-	123,796	15%	47,222	9,872	-	57,094	66,702
Office Decoration	11,993,318	-	-	11,993,318	10%	4,640,538	735,278	-	5,375,816	6,617,502
Computer and IT Equipment	3,064,658	498,773	132,990	3,430,441	10%	1,186,626	218,765.80	7,188	1,398,205	2,032,236
Mobile and Telephone Set	353,129	5,319	-	358,448	10%	184,415	16,996	-	201,411	157,037
Air Conditioner	1,434,291	-	-	1,434,291	20%	1,135,304	59,797.38	-	1,195,101	239,190
Total	56,159,395	150,502,729	5,042,990	201,619,134		23,234,761	9,444,248	4,248,598	28,430,411	173,188,723

Particulars	COST			Rate	AMORTIZATION			Written Down Value as at 31.12.2022		
	Balance as at 01.01.2022	Addition during the year	Sold/Adj. during the year		Total as at 31.12.2022	Balance as at 01.01.2022	Charged during the year		Sold/Adj. during the year	Totals at 31.12.2022
Software Installation	1,598,250	1,565,654	-	3,163,904	10%	504,392	212,256	-	716,648	2,447,256
Total	1,598,250	1,565,654	-	3,163,904		504,392	212,256	-	716,648	2,447,256
As at 31 December, 2022	57,757,645	152,068,383	5,042,990	204,783,038		23,739,153	9,656,504	4,248,598	29,147,059	175,635,979
As at 31 December, 2021	45,262,679	17,888,966	5,394,000	57,757,645		22,946,038	5,087,749	4,294,634	23,739,153	34,018,492

Particulars	COST			Rate	DEPRECIATION/ AMORTIZATION			Written Down Value as at 31.12.2022		
	Balance as at 01.01.2022	Addition during the year	Sold/Adj. during the year		Total as at 31.12.2022	Balance as at 01.01.2022	Charged during the year		Sold/Adj. during the year	Totals at 31.12.2022
Land & Building	-	140,118,000	-	140,118,000	5%	-	7,005,900	-	7,005,900	133,112,100
Furniture and Fixtures	4,757,368	219,178	-	4,976,546	10%	2,248,952	272,759	-	2,521,711	2,454,835
Motor Vehicle	34,015,856	9,643,160	4,910,000	38,749,016	20%	15,790,376	5,441,926	4,250,991	16,981,311	21,767,705
Office Equipments	202,496	-	-	202,496	10%	84,677	11,782	-	96,459	106,037
Cookeries and Cutleries	105,497	18,299	-	123,796	10%	38,576	8,522	-	47,098	76,698
Office Decoration	11,993,318	-	-	11,993,318	10%	5,014,530	697,879	-	5,712,409	6,280,909
Computer and IT Equipment	3,064,658	498,773	-	3,563,431	30%	2,331,322	369,633	-	2,700,954	862,477
Mobile and Telephone Set	353,129	5,319	-	358,448	10%	190,575	16,787	-	207,362	151,086
Air Conditioner	1,434,291	-	-	1,434,291	10%	792,565	64,173	-	856,738	577,553
Software Installation	1,598,250	1,565,654	-	3,163,904	30%	1,037,508	637,919	-	1,675,427	1,488,477
As at 31 December, 2022	57,524,863	152,068,383	4,910,000	204,683,246		27,529,080	14,527,280	4,250,991	37,805,369	166,877,877
As at 31 December, 2021	45,029,897	17,888,966	5,394,000	57,524,863		25,234,075	6,557,801	4,262,796	27,529,080	29,995,783

Tax Base



Directors' Certificate

As per Regulations contained in the first Schedule of the Insurance Act 2010 (previously 1938) as per Section 40-C of the said Act, we certify that:

The values of investment in shares & debentures have been taken at market price

The values of all assets as shown in the Financial Statement and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2022 and in our belief, the said assets have been set forth in the Financial Statement at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.

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.

Company Secretary

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

Dhaka, 14 March, 2023

Disclosures

Annual Report Review Checklist

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Quality of the Report/ Layout of Contents	Qualitative
Cover and printing including the theme on the cover page	Qualitative
Appropriateness and effectiveness of photographs and their relevance	Qualitative
Effectiveness of Charts and Graphs	Qualitative
Clarity, simplicity and lucidity in presentation of Financial Statements	Qualitative

Particulars	Page No.
Timeliness in issuing Financial Statements and holding AGMs	
3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
N.B.: Due to some unavoidable circumstances, we could not hold the AGM by 31st March, 2022. But the AGM is scheduled to be held on May 09, 2023	5
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Checklist Regarding Integrated Reporting

Reporting Framework	Page No.
A. Organizational overview and external environment	
Organizational overview	6-24
An integrated report identifies the organization's purpose, mission and vision, and provides essential context by identifying matters such as: The organization's: <ul style="list-style-type: none"> • Culture, ethics and values • Ownership and operating structure • Principal activities and markets • Competitive landscape and market • Positioning Position within the value chain 	
External environment	
Significant factors affecting the external environment include aspects of the legal, commercial, social, environmental and political context that affect the organization's ability to create value in the short, medium or long term. They can affect the organization directly or indirectly	71-92
These factors occur in the context of the particular organization, in the context of its industry or region, and in the wider social or planetary context. They may include, for example: <ul style="list-style-type: none"> • The legitimate needs and interests of key stakeholders • Macro and micro economic conditions, such as economic stability, globalization, and industry trends • Market forces, such as the relative strengths and weaknesses of competitors and customer demand • The speed and effect of technological change • Societal issues, such as population and demographic changes, human rights, health, poverty, collective values and educational systems • Environmental challenges, such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached • The legislative and regulatory environment in which the organization operates • The political environment in countries where the organization operates and other countries that may affect the ability of the organization to implement its strategy. 	
B. Governance	94-147
An integrated report provides insight about how such matters as the following are linked to its ability to create value: <ul style="list-style-type: none"> • The organization's leadership structure, including the skills and diversity (e.g. range of backgrounds, gender, competence and experience) of those charged with governance and whether regulatory requirements influence the design of the governance structure • Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues • Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management • How the organization's culture, ethics and values are reflected in its use of and effects on the capitals, including its relationships with key stakeholders • Whether the organization is implementing governance practices that exceed legal requirements • The responsibility those charged with governance take for promoting and enabling innovation • How remuneration and incentives are linked to value creation in the short, medium and long term, including how they are linked to the organization's use of and effects on the capitals. 	
C. Business model	44-49
An organization's business model is its system of transforming inputs, through its business activities, into outputs and outcomes that aims to fulfill the organization's strategic purposes and create value over the short, medium and long term.	

Reporting Framework	Page No.
Inputs	
An integrated report shows how key inputs relate to the capitals on which the organization depends, or that provide a source of differentiation for the organization, to the extent they are material to understanding the robustness and resilience of the business model.	
The focus is on those that have a material bearing on the ability to create value in the short, medium and long term, whether or not the capitals from which they are derived are owned by the organization.	
Business activities	
An integrated report describes key business activities. This can include: <ul style="list-style-type: none"> • How the organization differentiates itself in the market place (e.g. through product differentiation, market segmentation, delivery channels and marketing) • The extent to which the business model relies on revenue generation after the initial point of sale (e.g. extended warranty arrangements or network usage charges) • How the organization approaches the need to innovate • How the business model has been designed to adapt to change. 	
When material, an integrated report discusses the contribution made to the organization's long-term success by initiatives such as process improvement, employee training and relationships management.	
Outputs	
An integrated report identifies an organization's key products and services. There might be other outputs, such as by-products and waste (including emissions), that need to be discussed within the business model disclosure depending on their materiality.	
Outcomes	
An integrated report describes key outcomes. Outcomes are the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs. The description of outcomes includes: <ul style="list-style-type: none"> • Both internal outcomes (e.g. employee morale, organizational reputation, revenue and cash flows) and external outcomes (e.g. customer satisfaction, tax payments, brand loyalty, and social and environmental effects) • Both positive outcomes (i.e. those that result in a net increase in the capitals and thereby create value) and negative outcomes (i.e. those that result in a net decrease in the capitals and thereby erode value). 	
D. Risks and opportunities	136
An integrated report identifies the key risks and opportunities that are specific to the organization, including those that relate to the organization's effects on, and the continued availability, quality and affordability of, relevant capitals in the short, medium and long term.	
The specific steps being taken to mitigate or manage key risks or to create value from key opportunities, including the identification of the associated strategic objectives, strategies, policies, targets and key performance indicators.	
The organization's approach to any real risks (whether they be in the short, medium or long term) that are fundamental to the ongoing ability of the organization to create value and that could have extreme consequences is ordinarily included in an integrated report, even when the probability of their occurrence might be considered quite small.	
E. Strategy and resource allocation	142-146
An integrated report ordinarily identifies: <ul style="list-style-type: none"> • The organization's short-, medium and long-term strategic objectives • The strategies it has in place, or intends to implement, to achieve those strategic objectives • The resource allocation plans it has to implement its strategy • How it will measure achievements and target outcomes for the short, medium and long term. 	
What differentiates the organization to give it competitive advantage and enable it to create value, such as: <ul style="list-style-type: none"> • The role of innovation • How the organization develops and exploits intellectual capital • The extent to which environmental and social considerations have been embedded into the organization's strategy to give it a competitive advantage • Key features and findings of stakeholder engagement that were used in formulating its strategy and resource allocation plans. 	
F. Performance	87



Reporting Framework	Page No.
<p>An integrated report contains qualitative and quantitative information about performance that may include matters such as:</p> <ul style="list-style-type: none"> Quantitative indicators with respect to targets, risks and opportunities, explaining their significance, their implications, and the methods and assumptions used in compiling them The organization's effects (both positive and negative) on the capitals, including material effects on capitals up and down the value chain The state of key stakeholder relationships and how the organization has responded to key stakeholders' legitimate needs and interests The linkages between past and current performance, and between current performance and the organization's outlook. 	
<p>G. Outlook</p>	69-70
<p>An integrated report ordinarily highlights anticipated changes over time and provides information, built on sound and transparent analysis, about:</p> <ul style="list-style-type: none"> The organization's expectations about the external environment the organization is likely to face in the short, medium and long term How that will affect the organization How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise. 	
<p>The discussion of the potential implications, including implications for future financial performance, ordinarily includes discussion of:</p> <ul style="list-style-type: none"> The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives The availability, quality and affordability of capitals the organization uses or affects (e.g. the continued availability of skilled labour or natural resources), including how key relationships are managed and why they are important to the organization's ability to create value over time. 	
<p>H. Basis of preparation and presentation</p>	6-7, 144-146
<p>Summary of materiality determination process</p>	
<p>An integrated report includes a summary of the organization's materiality determination process and key judgments. This may include:</p> <ul style="list-style-type: none"> Brief description of the process used to identify relevant matters, evaluate their importance and narrow them down to material matters Identification of the role of those charged with governance and key personnel in the identification and prioritization of material matters 	
<p>Reporting boundary</p>	
<p>An integrated report identifies its reporting boundary and explains how it has been determined.</p>	
<p>Material risks, opportunities and outcomes attributable to or associated with entities that are included in the financial reporting entity, are reported on in the organization's integrated report.</p>	
<p>Risks, opportunities and outcomes attributable to or associated with other entities/ stakeholders are reported on in an integrated report to the extent they materially affect the ability of the financial reporting entity to create value.</p>	
<p>Practical issues might limit the nature and extent of information that can be presented in an integrated report. For example:</p> <ul style="list-style-type: none"> The availability of reliable data with respect to entities the financial reporting entity does not control The inherent inability to identify all risks, opportunities and outcomes that will materially affect the ability of the financial reporting entity to create value, particularly in the long term. 	
<p>Summary of significant frameworks and methods</p>	
<p>An integrated report includes a summary of the significant frameworks and methods used to quantify or evaluate material matters included in the report.</p>	
<p>When information in an integrated report is similar to or based on other information published by the organization, it is prepared on the same basis as, or is easily reconcilable with, that other information.</p>	

Checklist Regarding Corporate Governance

Title	Page No.
Board of Directors, Chairman and CEO	
• Company's policy on appointment of directors disclosed.	97
• Adequate representation of non-executive directors i.e. one third of the board, subject to a minimum of two	97
• At least one independent director on the board and disclosure/ affirmation of the board on such director's independence.	97
• Chairman to be independent of CEO	98
• Responsibilities of the Chairman of the Board appropriately defined and disclosed.	98
• Disclosure of independence of Non-Executive Directors	97
• Existence of a scheme for annual appraisal of the board's performance and disclosure of the same.	99
• Disclosure of policy on annual evaluation of the CEO by the Board.	101
• Disclosure of policy on training (including details of the continuing training program) of directors and type and nature of training courses organized for directors during the year	100
• Existence of a scheme for annual appraisal of the boards performance	99
• At least one director having thorough knowledge and expertise in finance and accounting to provide guidance in the matters applicable to accounting and auditing standards to ensure reliable financial reporting.	101
• Disclosure of number of meetings of the board and participation of each director (at least 4 meetings are required to be held)	104
• Directors issue a report on compliance with best practices on Corporate Governance that is reviewed by the external auditors	116
Vision / Mission and Strategy	
• Company's vision / mission statements are approved by the board and disclosed in the annual report.	9
• Identification of business objectives and areas of business focus disclosed	9
• General description of strategies to achieve the company's business objectives	9
Audit Committees	
• Appointment and Composition	106
• Whether the Audit Committee Chairman is an independent Non- Executive Director and Professionally Qualified	106
• Whether it has specific terms of reference and whether it is empowered to investigate / question employees and retain external counsel	106
• More than two thirds of the members are to be Non Executive Directors	106
• All members of the audit committee to be suitably qualified and at least one member to have expert knowledge of finance and accounting.	106
• Head of internal audit to have direct access to audit committee	106
• The committee to meet at least four times a year and the number of meetings and attendance by individual members disclosed in the annual report.	130
Objectives & Activities	130-132
• Statement on Audit Committee's review to ensure that internal controls are well conceived properly administered and satisfactorily monitored	
• Statement to indicate audit committees role in ensuring compliance — with Laws, Regulations and timely settlements of Statutory dues	
• Statement of Audit committee involvement in the review of the external audit function	
○ Ensure effective coordination of external audit function	
○ Ensure independence of external auditors	
○ To review the external auditors findings in order to be satisfied that appropriate action is being taken	



Title	Page No.
<ul style="list-style-type: none"> ○ Review and approve any non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditors. 	
<ul style="list-style-type: none"> ○ Recommend external auditor for appointment/ reappointment 	
<ul style="list-style-type: none"> • Statement on Audit committee involvement in selection of appropriate accounting policies that are in line with applicable accounting standards and annual review. 	
<ul style="list-style-type: none"> • Statement of Audit Committee involvement in the review and recommend to the board of directors, annual and interim financial releases 	
<ul style="list-style-type: none"> • Reliability of the management information used for such computation 	
Internal Control & Risk Management	107-108, 128-129
<ul style="list-style-type: none"> • Statement of Director’s responsibility to establish appropriate system of internal control 	
<ul style="list-style-type: none"> • Narrative description of key features of the internal control system and the manner in which the system is monitored by the Board, Audit Committee or Senior Management 	
<ul style="list-style-type: none"> • Statement that the Director’s have reviewed the adequacy of the system of internal controls 	
<ul style="list-style-type: none"> • Disclosure of the identification of risks the company is exposed to both internally & externally 	
<ul style="list-style-type: none"> • Disclosure of the strategies adopted to manage and mitigate the risks 	
Ethics and Compliance	152
<ul style="list-style-type: none"> • Disclosure of statement of ethics and values, covering basic principles such as integrity, conflict of interest, compliance with laws and regulations etc. 	
<ul style="list-style-type: none"> • Dissemination / communication of the statement of ethics & business practices to all directors and employees and their acknowledgement of the same 	
<ul style="list-style-type: none"> • Board’s statement on its commitment to establishing high level of ethics and compliance within the organization 	
<ul style="list-style-type: none"> • Establishing effective anti-fraud programs and controls, including effective protection of whistle blowers, establishing a net line reporting of irregularities etc. 	
Remuneration Committee	107,133
<ul style="list-style-type: none"> • Disclosure of the charter (role and responsibilities) of the committee 	
<ul style="list-style-type: none"> • Disclosure of the composition of the committee (majority of the committee should be non-executive directors, but should also include some executive directors) 	
<ul style="list-style-type: none"> • Disclosure of key policies with regard to remuneration of directors, senior management and employees 	
<ul style="list-style-type: none"> • Disclosure of number of meetings and work performed 	
<ul style="list-style-type: none"> • Disclosure of Remuneration of directors, chairman, chief executive and senior executives. 	
Human Capital	153-159
<ul style="list-style-type: none"> • Disclosure of general description of the policies and practices codified and adopted by the company with respect to Human Resource Development and Management, including succession planning, merit based recruitment, performance appraisal system, promotion and reward and motivation, training and development, grievance management and counseling. 	
<ul style="list-style-type: none"> • Organizational Chart 	
Communication to Shareholders & Stakeholders	109-110
<ul style="list-style-type: none"> • Disclosure of the Company’s policy/strategy to facilitate effective communication with shareholders and other stake holders 	
<ul style="list-style-type: none"> • Disclosure of company’s policy on ensuring participation of shareholders in the Annual General Meeting and providing reasonable opportunity for the shareholder participation in the AGM. 	
Environmental and Social Obligations	148
<ul style="list-style-type: none"> • Disclosure of general description of the company’s policies and practices relating to social and environmental responsibility of the entity 	
<ul style="list-style-type: none"> • Disclosure of specific activities undertaken by the entity in pursuance of these policies and practices 	

Checklist Regarding SAFA Standard

Particulars	Page No.
Corporate Objectives, Values & Structure	
• Clarity and presentation	6
• Vision and Mission	9
• Overall strategic objectives	9
• Core values and code of conduct/ethical principles	8,11
• Profile of the Company	8
• Director's profiles and their representation on Board of other companies & Organization Chart	22-34
Management Report/Commentary and analysis including Director's Reports/	
Chairman's Review/CEO's Review etc.	
• A general review of the performance of the company	54
• Description of the performance of the various activities /products/segments of the company and its group companies during the period under review. (Weightage to be given for pictorial/graphical/tabular presentations used for this purpose)	70
• A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	183
• A general review of the future prospects/outlook.	70,92
• Information on how the company contributed to its responsibilities towards the staff (including health & safety)	153
• Information on company's contribution to the national exchequer & to the economy	64
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• Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	178
• Any Specific accounting policies	177
• Impairment of Assets	180
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• Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	N/A
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• Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	72, 171-175
• Availability of information regarding different segments and units of the entity as well as non- segmental entities/units	171-175
• Segment analysis of	171-175
• Segment Revenue	
• Segment Results	
• Turnover	
• Operating profit	
• Carrying amount of Net Segment assets	
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• Disclosures of all contingencies and commitments	182
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• Statement of Financial Position / Balance Sheet and relevant schedules	165
• Income Statement / Profit and Loss Account and relevant schedules	167
• Statement of Changes in Equity / Reserves & Surplus Schedule	169
• Disclosure of Types of Share Capital	187
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• Extent of compliance with the core IAS/IFRS or equivalent National Standards	178
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Information about Corporate Governance	
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• Description of the Risk Management Framework	136
• Risk Mitigation Methodology	137
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• Property Plant & Equipment	
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• Earnings before Interest, Depreciation and Tax	
• Price earnings ratio	
• Solvency Ratio	
• Return on Capital Employed	
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Statement of Value Added and Its Distribution	61
• Government as Taxes	
• Shareholders as dividend	
• Employees as bonus/remuneration	
• Retained by the entity	
• Market share information of the Company's product/services	
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For Example	
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Checklist as Per ICMAB Evaluation Criteria

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• Return on Average Assets (ROAA)	
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• Training Cost per Employee	
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• Contribution to National Exchequer	64



Your Trusted Risk Manager

SENA KALYAN INSURANCE COMPANY LIMITED
সেনা কল্যাণ ইন্স্যুরেন্স কোম্পানী লিমিটেড

HEAD OFFICE:

SKS Tower (12th Floor)
7, VIP Road, Mohakhali, Dhaka-1206.
PABX: + 88 02 5505855
+88 02 5505856 +88 02 5505857
FAX: + 88 02 5505858

Proxy Form

I/We
of being a member of **Sena Kalyan Insurance Company Limited** and a holder of shares do hereby appoint Mr./Ms of as my/our proxy to vote for me/us and on my/our behalf at the **10th Annual General Meeting (Virtual)** of the Company to be held on **May 09, 2023 (Tuesday)** and any adjournment thereof.

Signed this day of 2023.

Signature

Signature

Name

Name

Folio/BO ID No.

Folio/BO ID No.

Member

Revenue
Stamp

Proxy

NOTES:

- 1) This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the registered office. Proxy is invalid if not duly signed and stamped.
- 2) Signature of the Shareholders should agree with the Specimen Signature registered with the Company and Depository Register.



Your Trusted Risk Manager

SENA KALYAN INSURANCE COMPANY LIMITED
সেনা কল্যাণ ইন্স্যুরেন্স কোম্পানী লিমিটেড

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+88 02 5505856 +88 02 5505857
FAX: + 88 02 5505858

Attendance Slip

I/We hereby record my/our attendance at the **10th Annual General Meeting (Virtual)** of **Sena Kalyan Insurance Company Limited** on **May 09, 2023 (Tuesday)** at 11.00 a.m. by using online digital platform as a holder of shares of the Company.

Signature

Name

(Member/Proxy)

Folio/BO ID No.



Your Trusted Risk Manager

SENA KALYAN INSURANCE COMPANY LIMITED

Head Office

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