

LEADERSHIP  
& SUCCESS

ANNUAL | 2021  
REPORT



সাধারণ বীমা কর্পোরেশন  
SADHARAN BIMA CORPORATION

(রাষ্ট্রীয় খাতে একমাত্র নন-লাইফ বীমা ও পুনঃবীমা প্রতিষ্ঠান)

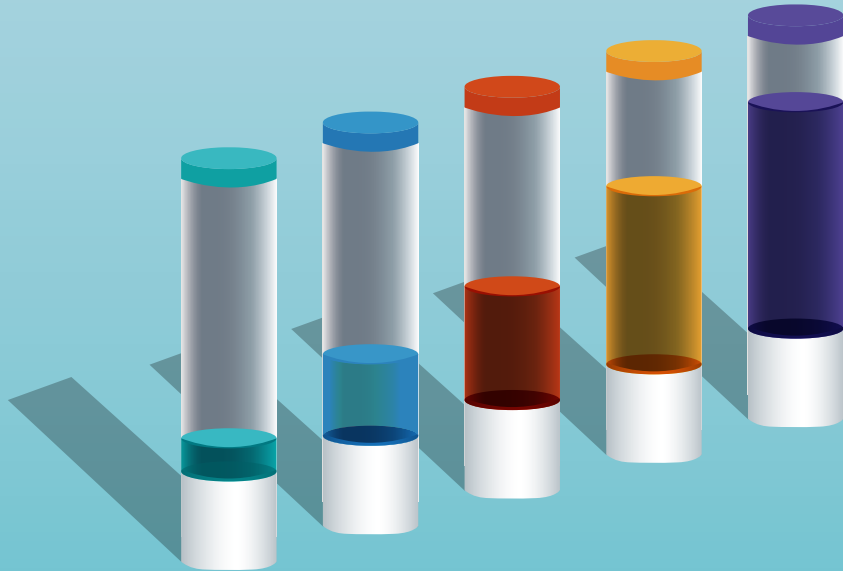
بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



ପଠନ କରୁଣାମୟ ଆଲ୍ଲାହ୍‌ର ନାମେ



# বার্ষিক প্রতিবেদন ২০২১



সাধারণ বীমা কর্পোরেশন  
SADHARAN BIMA CORPORATION

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## ACHIEVEMENT OF BANGLADESH



**GDP Growth  
Rate (2020-2021)**  
**5.43%**



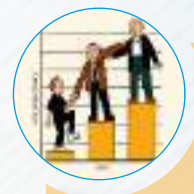
**Per Capita Income**  
**\$ 2,591**



**Foreign Exchange  
Reserves**  
**\$46.15 billion**



**Inflation Rate  
(12<sup>th</sup> months average)**  
**5.54%**



**Average Human  
Lifetime**  
**73 Years**



**Child Mortality Rate**  
**24 per  
thousand**



**Primary Education**  
**98%**



**Life and Non-life  
Insurance (Public)**  
**2**



**Life Insurance  
(Private)**  
**32**



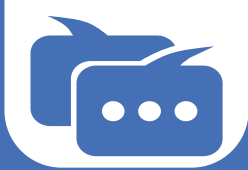
**Non-Life Insurance  
(Private)**  
**45**



**Life Insurance  
(Foreign)**  
**1**

# Key Financial Highlights

**"AAA" rated highest claims paying ability**



Gross Premium Income  
**BDT. 1,611 Crore**



Net Premium Income  
**BDT. 652 Crore**



Profit before Tax  
**BDT. 359 Crore**



Investment & other Income  
**BDT. 210 Crore**

Net Profit  
Margin (%)

14.28%

52.50%

Loss Ratio

Return on  
Assets (ROA)

3.79%

67.94%

Combined  
Ratio

Return on  
Equity (ROE)

6.05%

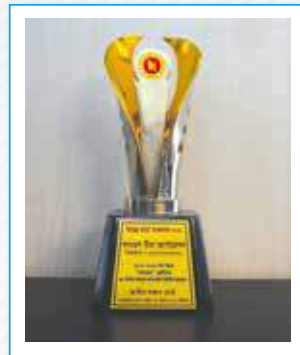
8.89  
Times

Solvency  
Ratio

# Awards & Recognition




Sadharan Bima Corporation achieved the best Taxpayer Award-2022 from National Board of Revenue Large Taxpayer Unit (LTU).



Sadharan Bima Corporation achieved the best Taxpayer Award-2021 from National Board of Revenue Large Taxpayer Unit (LTU).



Sadharan Bima Corporation has received Tax Card from NBR Large Tax payer Unit (LTU) for the special contribution of Tax Payment in the Financial year 2021-2022.



Sadharan Bima Corporation has received Tax Card from NBR Large Tax payer Unit (LTU) for the special contribution of Tax Payment in the Financial year 2020-2021.



The National Board of Revenue has awarded Sadharan Bima Corporation for highest VAT payment on behalf of Large Tax Paying Unit (VAT) on the occasion of VAT Week-2021.



Sadharan Bima Corporation achieved the Best Taxpayer Award-2019 from National Board of Revenue Large Taxpayer Unit (LTU).





<b>Established</b>	: Established in 1973 under Act VI of 1973.	
<b>Ownership</b>	: 100 % Share Owned by the Govt. of the People's Republic of Bangladesh.	
<b>Corporate Address</b>	: Head Office at 33, Dilkusha Commercial Area, Dhaka- 1000, Bangladesh.	
<b>Capital</b>	: Authorized Capital: Taka 10 billion, Paid up Capital: Taka 5 billion.	
<b>Underwriter</b>	: Sole Underwriter of all general insurance business in Bangladesh (both Public & Private Sector) till 1984.	
<b>Underwriting</b>	: Underwrites both Public and Private Sector properties.	
<b>Re-Insurer</b>	: Only Re-insurer of all Private Insurance Companies of Bangladesh in Non-Life sector.	
<b>Auditors</b>	: 1. Mahfel Huq & Co. Chartered Accountant BGIC Tower 34, Topkhana Road Dhaka-1000.	2. MABS & J. Partners Chartered Accountant 21, Purana Palton Dhaka-1000.
<b>Tax Consultant</b>	: JA Associates Avenue 5, Block-C Section 11, Mirpur Dhaka-1216	
<b>Credit Rating</b>	: AAA (Highest Claims Paying Ability) by Alpha Credit Rating Agency.	
<b>Members</b>	: 1. Asian Reinsurance Corporation, Bangkok, Thailand. 2. Federation of Afro-Asian Insurers and Reinsurers (FAIR).	

# ABOUT US

## SADHARAN BIMA CORPORATION (SBC)

Sadharan Bima Corporation (SBC) is only state-owned Non-Life Insurance Corporation operating under the direct control and supervision of the Ministry of Finance, Financial Institutions Division, the Government of the People's Republic of Bangladesh. It emerged on 14th May, 1973 under the Insurance Corporations Act (Act No. VI) of 1973 subsequently repealed by the Insurance Corporation Act 2019 to deal with all classes of general insurance & re-insurance business emanating in Bangladesh.

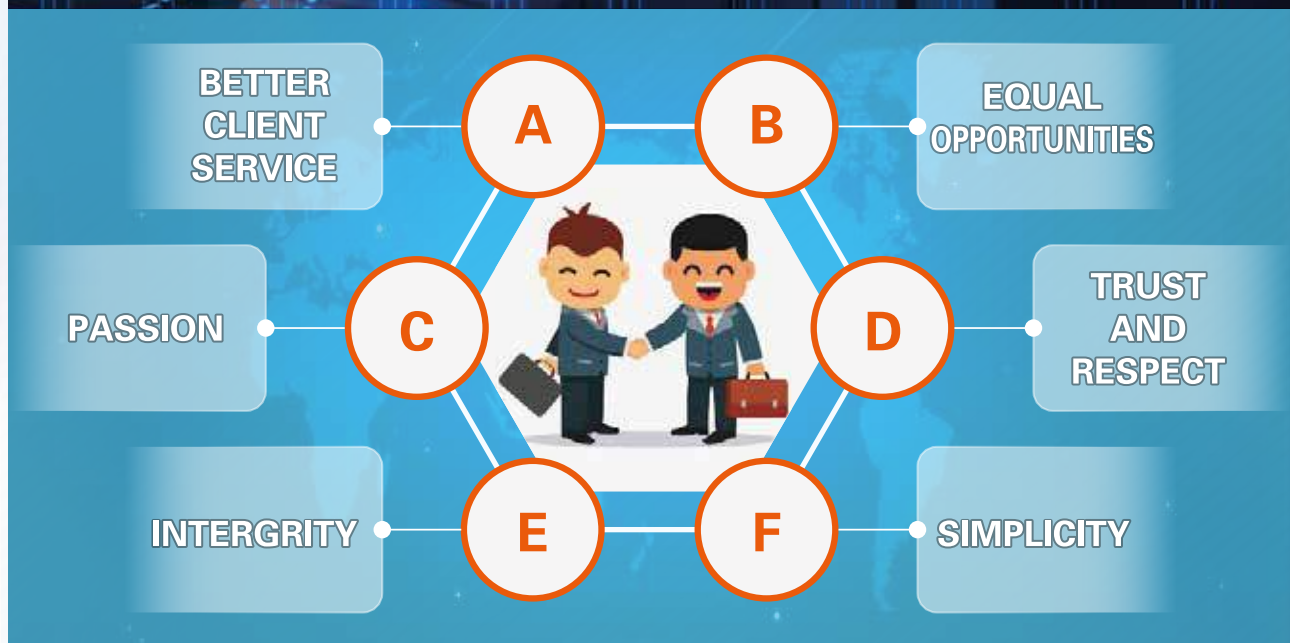
Thereafter, SBC was acting as the sole insurer of general Insurance in Bangladesh till 1984. In the year 1984 Bangladesh Government allowed insurance companies in the private sector and to that effect promulgated the insurance Corporations (Amendment) Ordinance 1984.

Sadharan Bima Corporation has a very strong financial base. It has a market share of over 20 % of the total non-life premium income of the insurance market of Bangladesh. As the largest non-life insurance enterprise in the country, SBC's authorized capital is Tk. 10 billion and paid up capital of Tk. 5 billion only as per regulatory provision in the country.





# Our Core Values



## PROFILE OF THE CORPORATION

With the emergence of Bangladesh as an independent nation, banking and other major industrial sector was nationalized along with insurance sector. At the initial stage of the nationalization of insurance industry, five Government owned insurance corporations (two in life sector and two in non-life sector) including one controlling corporation were established by the government. Due to operational difficulties, the insurance industry was further reconstructed in 1973 by passing the Insurance Corporations Act VI of 1973 and establishing two corporations - one for general insurance in the name of Sadharan Bima Corporation and one for life insurance in the name of Jiban Bima Corporation. By virtue of the Insurance Corporations Act VI of 1973, Sadharan Bima Corporation was privileged as the sole insurer for the non-life insurance business in Bangladesh. SBC enjoyed this monopoly till 1984. Then the Government amended the Insurance Corporations Act, 1973 by Ordinances No Land LI of 1984 allowing the formation of Private Insurance Companies to underwrite general insurance business for the private sector insurance business only. In the Year 1990, the Insurance Corporations Act, 1973 was further amended by the

Insurance Corporation (Amendment) Act, 1990 wherein it was provided that Sadharan Bima Corporation will underwrite 50% of all Government properties and the rest 50% of the government property will be underwritten by the private insurance companies.

Thereafter, in pursuance of the decision of the Government a Memorandum of Agreement (MOA) was signed between SBC and the non-life insurance companies where it was agreed that Sadharan Bima Corporation's business relating to public property will be distributed to the Private non-life Insurance Companies on equal basis after retaining 50%. The above change resulted in adverse impact on the direct premium income of the Corporation.

The Insurance Corporation Act, 1973 has been repealed and the Insurance Corporation Act, 2019 has been promulgated on 09 May, 2019 where in it is provided that Sadharan Bima Corporation will underwrite 100% of all Public properties and distribute 50% of the same to all the private Non-Life Insurance Companies transacting in Bangladesh on equal basis keeping 50% in its own account.

## PRODUCT & SERVICES

### (a) Property Insurance

- ❖ Fire Insurance Policy with allied perils
- ❖ Industrial All Risks Policy
- ❖ Business Interruption Policy
- ❖ Household All Risks Policy
- ❖ Power Plant Operational Package Insurance Policy
- ❖ Hotel Owners All Risks Insurance Policy

### (b) Marine Insurance

- ❖ All Types of Marine Cargo Policy
- ❖ All Types of Marine Hull Policy

### (c) Motor Insurance

- ❖ Automobile Comprehensive Policy
- ❖ Automobile Act Liability Policy

### (d) Engineering Insurance

- ❖ Machinery Insurance Policy
- ❖ Comprehensive Machinery Insurance Policy
- ❖ Contractor's All Risks Policy including TPL
- ❖ Erection All Risks Policy including TPL
- ❖ Electronic Equipment Policy
- ❖ Deterioration of Stock Policy
- ❖ Boiler & Pressure Vessel Policy
- ❖ Contractor's Plant & Machinery Policy (CPM)

### (e) Aviation Insurance

- ❖ Aviation Hull All Risks including War Risks Policy
- ❖ Aviation Primary Legal Liability Policy
- ❖ Loss of License Policy
- ❖ Airport Liability Policy
- ❖ Aviation Personal Accident Policy

### (f) Misc. Accident Insurance

- ❖ Public Liability Policy
- ❖ Burglary & House Breaking Policy
- ❖ Money Insurance Policy
- ❖ Cash in Transit Policy
- ❖ Cash in Safe Policy
- ❖ Cash on Counter Policy
- ❖ Fidelity Guarantee Policy
- ❖ Employer's Liability / Workmen's Policy
- ❖ Compensation Policy
- ❖ Personal Accident Policy
- ❖ People's Personal Accident Policy

- ❖ Personal Accident Policy for Air Travel only
- ❖ Comprehensive Air Travel Policy
- ❖ Traveler's Baggage Policy
- ❖ Professional Indemnity Policy
- ❖ Product Liability Policy
- ❖ Dread Disease Policy
- ❖ Overseas Mediclaim Policy for Business/ Holiday Tour/Study/Employment
- ❖ Livestock/Cattle Insurance Policy
- ❖ Export Credit Pre-shipment Policy
- ❖ Export Credit Post-shipment Policy
- ❖ Export Credit Comprehensive Policy
- ❖ BBB (Banker's Blanket Bond) Policy
- ❖ Bangabandhu Suraksha Bima
- ❖ Satellite Insurance

## VALUES WE DELIVER TO OUR STAKEHOLDER

We believe our first responsibility is to the customer, society, our people and country as a large. We highly admit that we have core responsibility to our different stakeholders group. We deliver values to our stakeholders at best possible ways. Our value delivery system for different stakeholders are as follows:

### Our Customer

We always try our best to serve our Customers' demands promptly and accurately. We ensure better customer service through:

- Understand well what we can deliver
- Understand our customer needs
- Respond quickly
- Respects our customer
- Never forget to say thanks to our customer
- Expects feedback from our customer and we response.

### Our Society

SBC admits the responsibility to the communities in which it operates and work as well as to the world community as well. We support good works and charities and bear our fair share of contribution to the society. We must maintain in good order the property. We are privileged to use, protecting the environment and natural resources.



### **Our People**

We are responsible to our employees. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. We highly appreciate the creativity of our employees and people. Employees feel free to make suggestions and complaints. There are equal opportunity for employment, development and advancement for those qualified.

### **Our Stakeholder**

We are finally responsible to our stakeholders. We always ready to make a sound profit. We must experiment with new ideas. We encourage innovative programs so that our ability to serve customer improved as a result our shareholder (Government) gets fair returns. We try to introduce new services in line with global needs. Each year we maintain a sound reserve to provide for adverse times. Principle of fair return is always keep in utmost importance at SBC.



# BOARD OF DIRECTOS





**Md. Ziaul Islam**  
Chairman



**Abdullah Harun Pasha**  
Director



**M. Saifullah Panna**  
Director



**A K M Ali Ahad Khan**  
Director



**Professor Abu Taleb**  
Director



**Ms. Fouzia Haque, FCA**  
Director



**A.K.M. Ehsanul Haque, FCII**  
Director



**S.M. Ibrahim Hossain, ACII**  
Director



**Syed Shahriyar Ahsan**  
Managing Director





## PROFILE OF THE CHAIRMAN

### **MD. ZIAUL ISLAM** Chairman Board of Directors Sadharan Bima Corporation



Mr. Md Ziaul Islam, Chairman, Sadharan Bima Corporation, accomplished his career in Bangladesh Civil Service as the Senior Secretary to the Government of Bangladesh. His illustrious career spans over twenty years in different posts and positions of field administration that develops his keen interest and expertise in criminal justice and land management. His learning and insights have been instilled into different echelons of civil bureaucracy through his contributions as a trainer in BPATC, NAPD, and NAEM etc. He held positions of Chief Metropolitan Magistrate, Khulna, Director General of Anti-Corruption Commission, Chairman, Trading Corporation of Bangladesh, Member of Land Appeal Board, Member of Bangladesh Planning Commission, and Senior Secretary in Planning Division. By virtue of his position in Planning Division, for more than two years Mr. Md Ziaul Islam provided secretarial services to the Executive Committee of National Economic Council (ECNEC) chaired by the

Honorable Prime Minister.

A person with plain living and high thinking, Mr. Md Ziaul Islam has been recognized for his honesty, integrity and outstanding merit. He secured the First and Sixth positions in the merit list of humanities group in SSC and HSC examinations. A Post-Grad from the Department of Public Administration, Dhaka University, Mr. Md Ziaul Islam got overseas training on 'Crisis management' from Germany, 'Training and development for the public sector' in UK, 'Managing at the top (MATT)' from Singapore, 'Strengthening public policy, service delivery and negotiation capacity for BCS cadre officials' from the Duke University, USA. He underwent several study visits and participated in international seminars in Japan, Malaysia, Morocco, South Africa, Kenya, Norway, Sweden, Denmark, UK, USA and Australia and so on.

He comes from a noble Muslim family in Barisal, and blessed with two daughters and one son.

## PROFILE OF THE BOARD OF DIRECTORS



**Abdullah Harun Pasha**  
Director  
Sadharan Bima Corporation

Mr. Abdullah Harun Pasha is an Additional Secretary of Financial Institutions Division, Ministry of Finance. Mr. Pasha obtained Masters in Economics from Jahangirnagar University, Savar, Dhaka. He also completed MBA (HR) from BRAC University, Dhaka. Mr. Pasha is a member of the 9<sup>th</sup> batch of BCS (Statistical) Cadre. He worked in different offices under Bangladesh Bureau of Statistics. After that in 2010 Mr. Pasha was appointed as Deputy Secretary at Ministry of Public Administration. He also worked in the Ministry of Public Administration, Ministry of Health and Family Welfare and Department of Public Libraries under Ministry of Cultural Affairs as Deputy Secretary and Joint Secretary.

Mr. Pasha attended many Seminar and Training held in Netherlands, Japan, Malaysia, Thailand, South Korea, Singapore, Vietnam, China and USA. His home District is Shariatpur. Mr. Pasha is married and father of one son and one daughter.



**M. Saifullah Panna**  
Director  
Sadharan Bima Corporation

Mr. Saifullah Panna is working as Additional Secretary, Finance Division, Ministry of Finance. He joined in Civil Service in 1993. He served in Cabinet Division, Internal Resources Division, Ministry of Agriculture and Bangladesh Election Commission. He gathered experiences in Upazila and District level field administration, also involved in Pay Commission related task. He got Master's in e-Governance, Business Administration and Governance Studies from home and abroad. He is the Board Member of Bangladesh Agriculture Research Institute, National Tourism Board, National Institute of Biotechnology, NAEM, Khulna University and Bangladesh Palli Daridro Bimochon Foundation.

## PROFILE OF THE BOARD OF DIRECOTRS



**A K M Ali Ahad Khan**  
Director  
Sadharan Bima Corporation

Mr. A K M Ali Ahad Khan has been working at Ministry of Commerce since 9 December, 2014. He was born at Gopalganj District in 1963. His father was a Government Officer. Mr. Ahad Khan completed Master's in Political Science and completed Master's in Education from Dhaka University.

He served both Banking and Government Sector. He started his career as an officer of Agrani Bank, then by facing 9<sup>th</sup> BCS examination he joined in BCS (Education) Cadre and served at TT College Cumilla as a Lecturer, after that by facing 10<sup>th</sup> BCS Examination he joined in BCS (Ansar) Cadre and served as ADA, DA, CO & DD in various places of Bangladesh till 2012.

He joined in BCS (Administration) Cadre as a DS in 2012; there he was posted as a Director in "National Freedom Fighter's Council" on deputation basis, after that he was posted as a DS in Ministry of Commerce.

He participated in an international trade negotiation in favor of Bangladesh delegation with UAE, he performed as a Pavilion Director in International Trade Fares held in Italy, Germany, Hong Kong and Saudi Arabia; he also attended in China International Import Fare.

He received various types of training from Bangladesh, Turkey, Thailand, Singapore, Vietnam and Australia; personally, he visited France, Switzerland, Egypt, China and Saudi Arabia.

He is blessed with a daughter who is studying B.Sc. (Hons) in Food and Nutrition under Dhaka University.



**Professor Abu Taleb**  
Director  
Sadharan Bima Corporation

Professor Abu Taleb was born on January 1, 1960 in a respectable Muslim family of Begumgonj, Noakhali. He obtained the Bachelor of Commerce Degree (1981) and the Master of Commerce Degree (1982) securing first class fifth Position in a former case and first class second position in a later case from the Department of Finance, University of Dhaka, Bangladesh. Mr. Taleb started his career in teaching in 1988 as a Lecturer of the Department of Finance and Banking, University of Rajshahi. In 1996 he joined the Department of Finance and Banking, University of Dhaka as an Assistant Professor. Currently, Mr. Taleb is a Professor of the Department of Banking and insurance, University of Dhaka. He was a Chairman of the Department for a period of three years (2016 -2019) and presently, he is in-charge of the Director of Master of Insurance and Risk Management (MIRM) Program of the Department of Banking and Insurance, University of Dhaka. He has an extensive teaching experience in finance and banking both at graduate and post-graduate levels. He published a good number of research articles in referred journals of Bangladesh. His research interest is in the areas of portfolio management, financial markets and financial reporting. Mr. Taleb Participated lot many seminars, workshops, and conferences both at home and in abroad. His contribution towards the nation is quite remarkable. Apart from Director of Sadharan Bima Corporation, he was a Member of Shariah Committee of Agrani Bank Ltd. and an Independent Director of Oimex Electrode Ltd., Copper Tech Industries Ltd. and Zaheen Spinning Ltd. of Bangladesh.

## PROFILE OF THE BOARD OF DIRECTORS



**Ms. Fouzia Haque, FCA**  
Director  
Sadharan Bima Corporation

Ms. Fouzia Haque, FCA, Qualified as a Chartered Accountant from The Institute of Chartered Accountants of Bangladesh (ICAB) in 2007. Presently she is engaged as a partner of FAMES & R, Chartered Accountants, Dhaka (Previously the Firm name was Zaman Hoque & Co. Chartered Accountant) from 1st January 2012 and continuing.

Ms. Fouzia Haque, FCA completed M.Com in Management from the University of Dhaka in 1996. She worked at BRAC & BRAC University in different position in financial discipline and control from the year 1992 and finally discontinued from BRAC University as Head of Finance in the year 2004. She Joined as Manager (Audit) at Zaman Hoque & Co. Chartered Accountants, Dhaka. She worked as Director & Consultant at ACNABIN, Chartered Accountants, Dhaka. She was Financial Consultant of World Bank Bangladesh from the month of March, 2009 to September, 2010.

She provided major professional services for many organizations. She visited Japan, Russia, India, Nepal, Myanmar, Vietnam, Singapore, Dubai, Mauritius, South-Korea, Morocco, Philippines, Egypt, Turkey and United Arab Emirates in her long professional career.

Currently she is a Director in ICB Capital Management Ltd. She was involved as Independent Director of the Acme Laboratories Limited for last six years. She is a Board Member of Campaign for Popular Education (CAMPE). She is also the Chairman of Lets Do Foundation and involved in other social & volunteer activities.



**A.K.M. Ehsanul Haque, FCII**  
Director  
Sadharan Bima Corporation

Mr. A.K.M. Ehsanul Haque, FCII obtained his Master's degree with Honours in Biochemistry from the University of Dhaka (DU).

He was a resident of U.A.E for nearly four decades during which time he worked for several multinational insurance companies in various capacities.

He is a Fellow (FCII) of The Chartered Insurance Institute (CII) in London, an Associate (AIRM) of The Institute of Risk Management (IRM) in London, and Associate (ACI Arb) of The Chartered Institute of Arbitrator (CIArb) in London.

He is a Chartered Insurance Practitioner (CIP) by profession and a life member of Insurance Institute of India (III). He has authored several books on insurance which have been acclaimed both at home and abroad.

Mr. Ehsanul Haque, FCII is a founder General Secretary of Bangladesh Insurance Professionals Society (BIPS). He is currently engaged in teaching at University of Dhaka (DU) and training insurance in various training institutes.

## PROFILE OF THE BOARD OF DIRECTORS



**S.M. Ibrahim Hossain, ACII**  
Director  
Sadharan Bima Corporation

Mr. S.M. Ibrahim Hossain, ACII obtained B.Sc (Hons) and M.Sc in Statistics from Jahangirnagar University. He started his career in the training, research and evaluation department as a program officer at the central office of Caritas Bangladesh. He joined Bangladesh Insurance Academy in 1996 as an instructor. He was later promoted to Faculty Member Grade-2 and Faculty Member Grade-1 and Chief Faculty Member. He is currently in the Additional charge of Director of Bangladesh Insurance Academy. He achieved diploma with Tyser award in both life insurance and general insurance. He obtained Graduate Diploma (GDMII) from The Malaysian Insurance Institute with distinction in several subjects. He also obtained ACII from The Chartered Insurance Institute, UK. He has participated in about 50 (fifty) training courses in various professional subjects from various training institutes in UK, Germany, Netherlands, Malaysia, Singapore, Thailand, India and at home. He won the best Rotaractor award in Rotaract District-3260 Bangladesh. He has presented papers at various seminars on professional matters and has written articles in journals on some of the contemporary issues of insurance. He was a member of the National Insurance Policy-2014 Committee and the BBA, MBA Curriculum Committee on Insurance formed by IDRA. He is a member of the Dispute Resolution Committee formed by the IDRA, member of the Curriculum Committee of the Banking & Insurance Department of Rajshahi University and member of Bangladesh Society for Training and Development (BSTD). He has written 4 books on insurance. His wife Meherun Nessa Mina is serving as an Associate Professor (Botany) in the BCS Education Cadre. His eldest daughter Ishmam Tasnim is studying in the second year at BUET and son Mahathir Mohammad is studying in 10th class at Fauzdarhat Cadet College.



**Syed Shahriyar Ahsan**  
Managing Director  
Sadharan Bima Corporation

Mr. Syed Shahriyar Ahsan joined Sadharan Bima Corporation as Managing Director in September 2016. Before joining Sadharan Bima Corporation he was the Managing Director and CEO of United Insurance Co. Ltd. - a private limited company in the non-life insurance sector of Bangladesh. He did his Masters (Finance) and MBA degree from Dhaka. He is in the insurance industry for the last 36 years having practical experience in underwriting, Re-insurance, Marketing and Claims of various exposure and complexity. He has developed expertise in handling annual re-insurance treaty, facultative arrangement of big risks to overseas market, big claims with complexity, underwriting of big mega projects of different nature. Mr. Ahsan contributed in the development of Bangladesh Insurance industry being member of different committees of Insurance Development and Regulatory Authority (IDRA), Bangladesh Insurance Association and Bangladesh Insurance Academy. He is treated as an expert of non-life insurance in the country. Mr. Ahsan regularly participate on talk show of different electronic and print media relating to insurance industry problems and prospects and also non-traditional products like crop insurance, health insurance, personal accident, cattle and poultry insurance, flood and earthquake insurance and many more to aware people of the need of insurance. Mr. Ahsan has attended different training courses and seminars in Insurance and Re-insurance both at home and abroad. During his long association with the industry, he has developed strong bondages with the overseas re-insurers and brokers and also a wide network of contacts with the local entrepreneurs of both large and medium in different sectors of industries of the country. Mr. Ahsan is also serving as Director of Investment Corporation of Bangladesh (ICB), Central Depository Bangladesh Limited (CDBL), Bangladesh Data Center and Disaster Recovery Site Ltd., IDLC Finance Limited, National Tea Company Limited (NTC), Aroma Tea Company Limited as representative of Sadharan Bima Corporation.

## COMPOSITION OF THE BOARD AND ITS COMMITTEE



### Business Development & Customer Service Committee

Ms. Fouzia Haque, FCA	Convener
M. Saifullah Panna	Member
A.K.M Ehsanul Haque, FCII	Member
Syed Shahriyar Ahsan	Member

### Finance & Investment Committee

Professor Abu Taleb	Convener
M. Saifullah Panna	Member
A.K.M Ehsanul Haque, FCII	Member
Syed Shahriyar Ahsan	Member

### Human Resources Development Committee

Abdullah Harun Pasha	Convener
A K M Ali Ahad Khan	Member
S. M. Ibrahim Hossain, ACII	Member
Syed Shahriyar Ahsan	Member

### Audit & Real Estate Committee

A K M Ali Ahad Khan	Convener
S. M. Ibrahim Hossain, ACII	Member
Syed Shahriyar Ahsan	Member



## SENIOR MANAGEMENT TEAM



**Jyotsna Bikash Chakma**  
General Manager  
Human Resources Division



**Wasiful Haque**  
General Manager  
Re-Insurance Division



**Bibekananda Saha, ACII**  
General Manager  
Finance Division and Claims Division



**S.M. Shah Alom**  
General Manager  
Dhaka Zonal Office, Dhaka



**Mohammed Salim**  
General Manager  
Chattogram Zonal Office, Chattogram



## EXECUTIVES OF THE CORPORATION



Sl. No.	Name of Executives	Designation	Division/Department/Zone
1.	Md. Jakir Hossain	DGM	Marketing, Business Development & Underwriting Division
2.	Sk. Parvin Sultana	DGM	Claims Division
3.	Nilufar Yesmin	DGM	Human Resources Division
4.	Khosru Dostagir Alam	DGM	Assets Management Division
5.	Md. Shahimul Islam Babul	DGM	Audit & Compliance Department
6.	Sudhangshu Kumar Ghosh	DGM	Re-insurance Accounts & Investment Department
7.	Md. Aminul Haque Bhuiyan	DGM	Re-insurance Division
8.	Md. Abdul Barek	DGM	Re-insurance Division
9.	Sahana Ghani	DGM	Dhaka Zonal Office
10.	A.K Maksudul Ahsan Bhuyan FCMA	DGM	Central Accounts Department
11.	Shibashis Chakma	AGM	Re-insurance Division
12.	Md. Moshiur Rahman	AGM	Khulna Zonal Office
13.	Md. Hamidul Haque	AGM	Rajshahi Zonal Office
14.	Md. Nazrul Islam	AGM	Assets Management Division
15.	Most. Hafizun Nahar	AGM	Accounts, Dhaka Zonal Office
16.	Md. Shahidul Haque	AGM	Human Resources Division
17.	Shah Mohammad Sanwar Alam	AGM	IT Division
18.	Md. Shafiul Azam Khan	AGM	Re-insurance Division
19.	Md. Anowar Hossen	AGM	Local Office, Dhaka Zone
20.	Md. Jasim Uddin Chowdhury	AGM	Dhaka Zonal Office
21.	Abul Fazal Mohammed Shahjalal	AGM	SBC Securities & Investment Ltd.
22.	Md. Abdul Matin	AGM	Human Resources Division
23.	Md. Shahinuzzaman	AGM	Dhaka Zonal Office
24.	Md. Ibrahim	AGM	Cumilla Zonal Office
25.	Nahid Aziz	AGM	Re-insurance Division
26.	Shamima Sultana	AGM	Finance & Accounts (PF & Pension) Division
27.	Md. Nazim Uddin	AGM	Narayangonj Zonal Office
28.	Syed Daulat Morshed	AGM	Board Division
29.	Md. Sah Alam ACMA	AGM	Central Accounts Department

# KEY EVENTS & MEDIA HIGHLIGHTS 2021



Managing Director of SBC and other high officials of SBC placing a floral wreath at Bangabandhu portrait on the occasion of National Mourning Day 2021.



Sadharan Bima Corporation Organised a tree plantation program at SBC Residential Quarter, Uttara, Dhaka on the occasion of Father of the Nations Bangabandhu Sheikh Mujibur Rahman's Birthday on 17 March 2021.



Sadharan Bima Corporation Organised a blanket distribution program on the occasion of Victory Day-2021.



SBC placing a floral wreath at Bangabandhu portrait on the occasion of Father of the Nations Bangabandhu Sheikh Mujibur Rahman's Birthday on 17 March 2021.



Sadharan Bima Corporation Organised a national flag hoisting program at Sadharan Bima Corporation, Head Office, Dhaka on victory day 2021.



Sadharan Bima Corporation organised a prize giving ceremony of Premium Income success among officials of Sadharan Bima Corporation.

## KEY EVENTS & MEDIA HIGHLIGHTS 2021



Sadharan Bima Corporation Organised a prize giving ceremony of Meritorious Students of SBC's Family on 2021.



Sadharan Bima Corporation organised a Candle lighting program at SBC, Head Office on the occasion of Genocide Day on 25 March 2021.



Sadharan Bima Corporation Organised a Contract Signing ceremony between SBC and SFSA Bangladesh on 10 June 2021.



Sadharan Bima Corporation Organised a food distribution program among poor and needy people on the occasion of 58th Birth Day of Father of the Nations Bangabandhu Sheikh Mujibur Rahman's youngest son Sheikh Russell on 18 October 2021.



Sadharan Bima Corporation Organised a food distribution program among poor and needy people on the occasion of National Mourning Day on 15 August 2021.



Sadharan Bima Corporation Organised a Virtual meeting on the occasion of 58th Birth Day of Father of the Nations Bangabandhu Sheikh Mujibur Rahman's youngest son Sheikh Russell on 18 October 2021.

## KEY EVENTS & MEDIA HIGHLIGHTS 2021



Sadharan Bima Karmachary Union (CBA) Observed National Mourning Day on 15<sup>th</sup> August 2021.



Sadharan Bima Karmachary Union (CBA) Celebrated International Mother Language Day 2021.



Sadharan Bima Corporation Organised a tree plantation program at SBC Residential Quarter, Uttara, Dhaka on the occasion of National Mourning Day on 15<sup>th</sup> August 2021.



Managing Director Syed Shahriyar Ahsan received the Best Tax Payer Award and Tax Card from National Board of Revenue 2021.



# DIRECTORS REPORT

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## MESSAGE FROM THE CHAIRMAN

**MD. ZIAUL ISLAM**  
**Chairman**  
**Board of Directors**  
**Sadharan Bima Corporation**



On behalf of the Board of Directors and myself I convey my heartfelt thanks and gratitude to all of you for your continued support and patronization in carrying out the business of the corporation in 2021. It's a great privilege to present the Annual Report of Sadharan Bima Corporation (SBC) for the year 2021. This report reflects the strong performance of the corporation and the strategies and policies that were undertaken to sustain that performance.

Bangladesh became qualified to graduate into a developing nation from LDC and is now scheduled to officially become a developing country in 2026 as the UN committee recommended that the country should get five years, instead of three, to prepare for the transition due to the impact of the Covid-19 on its economy. The country has met all the three eligibility criteria for the graduation involving per capita income, human assets index (HAI), and economic and environmental vulnerability index (EVI). However, this brings with it many benefits and challenges. It will enhance the confidence of the country in dealing with the international financial bodies, improve its credit rating and attract higher foreign direct investment flow. A robust economic growth covering trade, commerce and industry positively impacts on the non-life insurance business development. As a state-owned non-life Insurer Sadharan Bima Corporation has ample opportunities as well as challenges in relation to the country's graduation to Developing Country.

Being one of the fastest growing economies of the world, Bangladesh economy is expected to expand at a faster pace in 2021. SBC always remains vigilant to evolve with the changed environment and serve our customers in an integrated manner. SBC is committed to competitive, sustainable and offer solutions that will create value for our stakeholders. Corporate governance, stronger control measures and risk management practices, compliance, and ethical values have always been core components of corporate values.

Sadharan Bima Corporation started its operation as a monopoly insurer 49 years ago. It is now playing an important role in the fast-changing insurance market of Bangladesh along with 45 private general insurance companies. Apart from underwriting private sector business, Sadharan Bima Corporation stands as insurer of public sector assets on its own behalf and also on behalf of private sector non-life insurance companies and also playing a role of national reinsurer to the insurance industry. Despite the stiff competition and challenges, Sadharan Bima Corporation (SBC) came up with a growth in profit during the year 2021.

It has been possible under the prudent leadership of members of the Board of Directors, Managing Director, members of the Management team along with the effort of all the employees who carried out



their assigned responsibilities with sincerity and dedication. For this reason, I would like to express my sincere gratitude to all of them for their active support & co-operations.

With the strength of our enthusiastic and spirited management team, competent and diligent employees, well-organized deliberate support service, I am optimistic about our clients and stakeholders to attain a profitable growth. SBC has always been concerned in protecting the interest of all of its stakeholders and will continue to do so in future.

I would like to convey my sincere gratitude to the Financial Institutions Division of the Ministry of Finance, the Insurance Development and Regulatory Authority, various Government and Non-Government Organizations, Private Insurance Companies, Bangladesh Insurance Association, Bangladesh Insurance Academy and all Scheduled Banks and Non-Bank financial institutions for their kind assistance and co-operation.

I would like to extend my heartfelt thanks to our respected clients, stakeholders and well-wishers for their continued assistance and co-operation for the steady growth of SBC.

**(MD. Ziaul Islam)**

Chairman

Board of Directors

Sadharan Bima Corporation





## REVIEW FROM THE DESK OF MANAGING DIRECTOR

### **Syed Shahriyar Ahsan** **Managing Director** **Board of Directors** **Sadharan Bima Corporation**



It's my immense pleasure to present the Annual Report of Sadharan Bima Corporation (SBC) for the year ended December 31, 2021. This Annual Report contains the Director's Report along with Auditor's Report and the Audited Financial Statements for the year ended December 31, 2021.

Insurance sector plays a key role to keep an economy resilient to the financial shock through providing appropriate risk transferring mechanism. In addition to this, insurance sector is the supplier of big amount of investable funds in an economy by exploiting the benefit of its contingent nature of liability in lieu of on demand nature.

Bangladesh has had an annual GDP growth rate of over 6 per cent since 2011, going up to 8.15 per cent in 2019. According to Bangladesh Bureau of Statistics, GDP growth slowed down to 3.51 per cent in 2020 due to the effects of the COVID-19 pandemic. Nevertheless, Bangladesh economy markedly bounced back and enumerated 5.47 percent economic growth in 2021. In the long-term, the Bangladesh GDP Annual Growth Rate is projected to trend around 6.50 percent in 2022 and 7.00 percent in 2023.

The country's economic growth is particularly relevant to the growth of non-life insurance sector of Bangladesh. Regrettably, neither insurance sector of Bangladesh is as mature as other conduits of financial system of the country, nor it is in line with our national output growth. For instance, five-year CAGR of our nominal GDP is 13.4%, at the same time horizon CAGR of Gross Premium of this sector is only 6.88%. It indicates lower penetration of the insurance sector. In addition to this Bangladesh is one of the most underinsured countries of the world. As of 2020 insurance penetration ratio of Bangladesh is 0.40% which is lowest in Southeast Asia. This under penetration may be due to a lack of awareness

among the masses and mistrust characterized by the lack of good corporate governance practices in the insurance sector.

The sector had been in neglect for long for which it was lagging behind, but the present government has put emphasis on the insurance sector's growth. Till 2010, the government had thought little about the sector but that year a law was formulated and in the following year the Insurance Development and Regulatory Authority (IDRA) was established. Then a National Insurance Policy was formulated in 2014. The government stipulated that every person and asset come under it and that all stakeholders work together to implement it. Since formulating the Insurance Act in 2010, the new government has been strengthening the regulator bit by bit each year. Bangladesh Government has also taken decision to modernize the insurance sector for both Life and Non-Life by implementing the Bangladesh Insurance Sector Development Project (BISDP). Moreover, the Insurance Corporations Act-2019 has been formulated to update and repeal earlier Act of 1973. In line with the provisions of the Insurance Corporations Act-2019 the Board of Directors of the Corporation has been extended to ensure better corporate governance, and also the Authorized Capital has been increased from BDT. 200 million to BDT. 10,000 million and Paid Capital has been increased from BDT. 100 million to BDT. 5,000 million.

Sadharan Bima Corporation had a good year in 2021, again meeting or exceeding our financial metrics despite difficult conditions worldwide following the Covid-19 pandemic. Despite the various challenges in the insurance sector in Bangladesh, SBC has continued to enjoy tremendous growth in terms of Gross Premium from BDT. 12,954 million in 2020 to BDT. 16,112 million in 2021. SBC has been able to



achieve an increase in its Pre-Tax Profit to BDT. 3,592 million in 2021 from Tk 3,442 million of 2020, which amounts to an increase of BDT. 150 million. The growth rate is very satisfactory considering the continued crisis of COVID-19 across the Globe.

Our strong financial performance and profits enable us to deliver more value for customers. Many of the investments and changes we have made over the last year ensure we are well positioned for growth. Preparation and presentation of Financial Statements and Financial Performances of SBC also changes due to first time adoption of few IFRSs in 2021. Major one to mention is the adoption of IFRS-9 that states that we should present our investments in fair value, a factor that increases asset base of the Corporation. Other changes introduced include IFRS-16 to account for right-of-use assets, IAS-20 to report value of Computer and Computer Equipment received from Government under BISD Project, IAS-40 to segregate investment property from owner occupied property.

In addition to the increase of revenues and profit, the corporation has also achieved an increase of asset base from BDT 41.78 billion to BDT 79.59 billion. It is a continuous success that SBC has been achieving. There has been a significant rise of investments made by the corporation. Total investment made by the corporation stands at BDT. 53.85 billion on 2021 compared to BDT. 19.04 billion on 2020. SBC has also settled claims of BDT. 3,420.96 million in the year 2021 against BDT. 3,013.62 million of 2020. Also, as a group, Sadharan Bima Corporation has shown resilience and stability in its growth and profitability. Consolidated Pre-Tax Profit of the Corporation along with its two wholly owned subsidiaries namely Export Credit guarantee Department and SBC Securities & Investment Ltd. increased by an amount of BDT. 172.86 million from BDT. 3,537.79 million in 2020 to BDT. 3,710.65 million in 2021.

Sadharan Bima Corporation continues to develop its risk framework and has demonstrated improvements in its risk management capabilities over recent years. Despite persistent market and regulatory challenges, the Corporation continues to implement a number of strategic initiatives and business partnerships aimed at expanding its underwriting portfolio and market presence.

I have great pleasure to inform you that Sadharan Bima Corporation has been rated "AAA" in the long term and "ST-1" in the short term by Alpha Credit Rating Ltd. based on its financial statements ended December 31, 2020 which reflects corporation's financial strength and claim paying ability.

Our clients have been core to our success, and we are highly appreciative of their continued support. We will continue to meet their needs by providing them with unique solutions and unmatched experiences. We have a great brand portfolio with energized, talented people and overall, the support from the Government and other Regulators to succeed. We maintain our firm commitment to be the premier insurance and reinsurance organization of international standard by attaining the highest confidence and trust of all concerned from home and abroad through improved services, dedication, customer care and efficiency.

I would like to take the privilege to recognize and commend my team for their commitment, hard work, diligence and professionalism that has endured this success and hope they will continue those to achieve the corporate goals in the coming days.

I greatly appreciate all regulators for their continuous support and guidance which has enabled us to prosper and work for the betterment in the industry.

Finally, Special thanks to the Chairman and all Board Members for their diligence and valuable advice and support to the management.

**(Syed Shahriyar Ahsan)**

Managing Director  
Sadharan Bima Corporation

## REPORT OF THE BOARD OF DIRECTOR'S



The Board of Directors of Sadharan Bima Corporation is pleased to present the Annual Report and Audited financial statements of the Corporation for the year ended December 31, 2021 together with Auditors Report thereon along with Corporation's performance and other matters in terms of Insurance Act 2010, Insurance Corporations Act 1973 which is repealed by the Insurance Corporation Act, 2019, Section 16 of the Insurance Corporations Rules 1977 and guidelines issued by the Insurance Development and Regulatory Authority and International Accounting and Financial Reporting Standards. This report comprehensively outlines the performance of the corporation for the year ended December 31, 2021.

### Regulatory Framework for Insurance in Bangladesh

After independence of Bangladesh, the Insurance Act, 1938 was adopted in Bangladesh. The Insurance Act, 1938 and the Insurance Rules, 1958 were amended from time to time to regulate and promote orderly growth of the insurance business. In the year 2010, for further strengthening the regulatory framework and making the insurance industry operationally vibrant, the parliament passed two insurance laws namely, Insurance Act 2010 and the Insurance Development & Regulatory Authority (IDRA) Act 2010. Within the purview of IDRA Act 2010 the Government has set up the Insurance Development & Regulatory Authority (IDRA), which has replaced the office of the Chief Controller of Insurance. With an eye to boosting the insurance sector of Bangladesh, the new Insurance Act 2010 raised the paid-up capital of life and non-life insurance companies. Under the New Insurance Act the IDRA is trying to implement various rules and regulations for smooth operation of the industry. In the year 2019, the parliament passed "Insurance Corporation Act, 2019" which is made to repeal the Insurance Corporations Act, 1973, amending it in a timely manner.

### Background of Sadharan Bima Corporation (SBC)

Sadharan Bima Corporation Popularly known as SBC) is the one and only state-owned non-life Insurer and Re-insurer in Bangladesh under the Financial Institutions Division of the Ministry of Finance, Government of the People's Republic of Bangladesh. Both Sadharan Bima Corporation, the non-life insurer, and Jiban Bima Corporation, the life insurer, were created under the Insurance Corporation Act (Act No. VI) of 1973 in Bangladesh. For underwriting the non-life insurance business of Bangladesh, Sadharan Bima Corporation was formed by the government in the year 1973. SBC was the sole insurer of non-life insurance business in the country till 1984. In the same year, some private sector non-life insurance companies started operation. Since then, it is providing reinsurance support to private sector non-life insurers. With regard to regulatory control, Insurance Development & Regulatory Authority of Bangladesh regulates all insurance companies in Bangladesh including Sadharan Bima Corporation. Sadharan Bima Corporation is the only insurer of properties owned by Government of Bangladesh. No other private non-life insurance company is allowed to insure any public property. An agreement between Sadharan Bima Corporation and Bangladesh Insurance Association (BIA) was introduced for stabilizing non-life insurance market under which SBC underwrote 100% of Public Property and 50% of it was equally distributed among the private sector non-life insurance companies. Now As per Insurance Corporation Act 2019, under section-16, Sadharan Bima Corporation has sole right to underwrite 100% of Public Property Business and 50% of such Business is to be equally distributed among the private sector non-life insurance companies who, on the other hand, compulsorily re-insure half of their re-insurable business with SBC.

**Economy Analysis**



**World Economy**

Global growth is estimated to have surged to 5.5 percent in 2021—its strongest post-recession pace in 80 years, as a relaxation of pandemic-related lockdowns in many countries helped boost demand. Notwithstanding this annual increase, resurgences of the COVID-19 pandemic and widespread supply

bottlenecks weighed appreciably on global activity in the second half of last year. As the world enters the third year of the COVID-19 crisis, economic developments have been both encouraging and troubling, clouded by many risks and considerable uncertainty.



The good news is that output in many countries rebounded in 2021 after a sharp decline in 2020. Advanced economies and many middle-income countries have reached substantial vaccination rates. Progress in vaccination is key to restoring mobility and overcoming supply-chain disruptions. For most of 2021, the main obstacle was the limited access to vaccine doses, with low-income countries suffering the most.

Commodity prices soared in 2021 following the broad-based decline in early 2020, with prices of several commodities reaching all-time highs. In part, this reflected the strong rebound of demand from the 2020 global recession. Energy and metal prices generally move in line with global economic activity.

Global energy prices surged in the second half of 2021, particularly for natural gas and coal, owing to recovering demand and constrained supply. Meanwhile, non-energy commodity prices have stabilized, with some at or close to record highs.

Global trade has rebounded in tandem with global economic activity. The recovery has been swift for goods trade. Services trade has firmed; however, it is

still lagging, with travel services particularly subdued. Depressed tourism flows have weighed on activity in tourism-reliant economies, including many small-island developing states.

Global inflation surprised continuously to the upside in recent months, with median headline consumer price inflation reaching 4.6 percent on a 12-month basis in October 2021, up from a pandemic-related trough of 1.2 percent in May 2020. The rebound in global demand and activity since mid-2020, together with supply disruptions and rising food and energy prices, have pushed headline inflation to decade highs across many countries.

**Global Economic Outlook**

Just as the global economy was sailing smoothly to make a turnaround from the coronavirus pandemic, the Russia-Ukraine war has suddenly emerged as a major obstacle standing in the way of faster and full revival. Ukraine and Russia are global players in agri-food markets. Many global economic think tank has painted a rapidly worsening outlook for the world economy, underpinned by rising food, fuel and fertilizer prices, heightened financial volatility, sustainable

development divestment, complex global supply chain reconfigurations and mounting trade costs. Apart from this, the world economy is simultaneously facing Covid-19, inflation, and policy uncertainty, with government spending and monetary policies in uncharted territory. Rising inequality and security challenges are particularly harmful for developing countries. Putting more countries on a favorable growth path requires concerted international action and a comprehensive set of national policy responses. Global growth is projected to decelerate from 5.5 percent in 2021 to 4.1 percent in 2022, reflecting continued COVID-19 flare-ups, diminished policy support, and lingering supply disruptions. Growth is envisioned to slow further in 2023, to 3.2 percent, as pent-up demand is depleted and supportive macroeconomic policies continue to be unwound. These factors are expected to be only partly mitigated by the eventual removal of pandemic control measures, the drawdown of excess private

savings, and rising real wages amid a steady tightening of labor markets.

**Global Insurance Perspective**

According to Swiss Re Institute sigma No 5/2021, global insurance premiums, expecting real growth of 3.4% in 2021 and forecasting global insurance demand to grow faster than its long-term trend rate 3.2% in 2022 & 2023. Growth is benefiting from rising risk awareness in both the life and non-life segments, as consumers and businesses alike seek protection following the shock of the COVID-19 pandemic and natural catastrophes. The ongoing rate hardening in non-life insurance commercial lines will provide further support. Swiss Re institute projection, global insurance premiums should exceed USD 7 trillion for the first time by mid-2022, sooner than estimated in July 2021.

**Real insurance premium forecasts, global regions**

	Total		Non-life		Life	
	2021E	2022-23F	2021E	2022-23F	2021E	2022-23F
World	3.4%	3.2%	3.3%	3.5%	3.5%	2.8%
Advanced Economy	3.3%	2.4%	2.8%	2.4%	4.1%	2.3%
EMDEs	3.4%	6.4%	5.8%	8.2%	1.4%	4.6%

**Key Lessons of 2021:** The pandemic and economic recovery have provided key lessons for the insurance industry according to Swiss Re Institute sigma No 5/2021.

Consumer’s welcome digital and online insurance and it should grow rapidly.

Record-breaking weather extremes add urgency to the race to net-zero

The re/insurance industry remains a vital risk absorber in times of crisis



Increasing inequality risks exacerbating social inflation.

Rising risk awareness is generating demand for more insurance protection Reports.

Supply chain disruptions to business and society show that better protection is required

Source: Swiss Re Institute (sigma No 5/2021)

### Global non-life insurance

Global non-life premiums return to trend growth estimate that global non-life premiums have expanded by 3.3% in real terms in 2021 despite headwinds from the lingering impacts of the pandemic. The magnitude of the rise in inflation this year, particularly in advanced markets, erodes nominal growth of 8.7% in non-life premiums. Motor premium growth worldwide has been generally weak

this year and particularly in China, where we estimate a 7.1% motor premium decline caused by de-tariffication rate cuts. We estimate the segment globally to contract by 0.4% in real terms in 2021 but to recover both in China and worldwide in 2022. Overall, global real non-life premium growth should be above-trend at 3.7% in 2022 and slightly weaker at 3.3% in 2023.

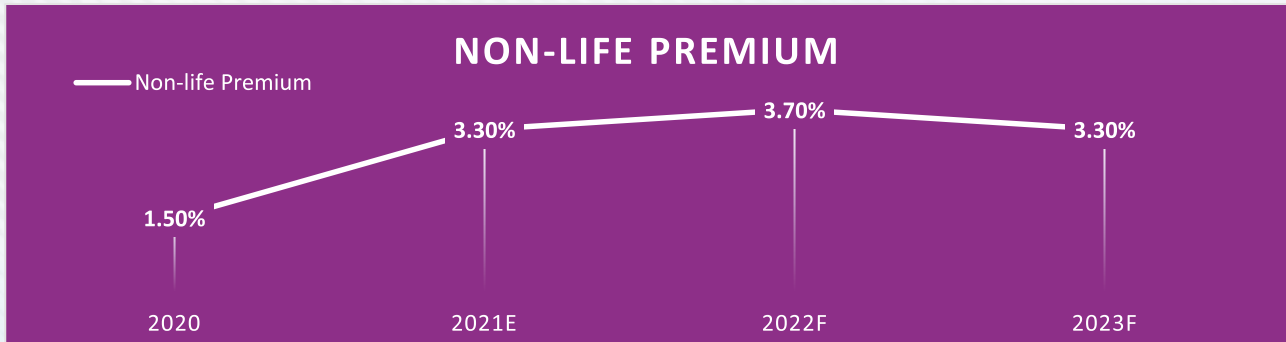


Fig: Global Non-life Premium growth rate

### Bangladesh Economy Review

Bangladesh economy rebounded notably and registered 5.47 percent economic growth in FY21 after GDP growth slowed down to 3.51 percent in FY20 because of the fallout of the COVID-19 pandemic though Bangladesh’s economy continues to fight back with the spread of the COVID-19 pandemic since March 2020 and multiple lockdowns during FY21 pushed Bangladesh off its growth trajectory. However, the economy has been showing some signs of recovery during the second half of FY21. The stimulus packages comfort the business groups, particularly big firms, which eventually helped the economy to boost again.

largely driven by activities in the agriculture and industry sectors in response to supportive monetary and fiscal policies, improved business confidence, declining COVID-19 infection rate, and increasing coverage of vaccination across the country.

In terms of US Dollar, the value of GDP in current market prices increased by 9.88 per cent to US\$355,037 million in FY21 from US\$323,111 million in the previous fiscal year. Per capita GDP stood at US\$2,097 in FY21, compared to US\$1,930 in FY20, showing an increase of 8.65 per cent. Per capita GNI also increased to US\$2,227 in FY21 from US\$2,024 in the previous fiscal year.



## Growth Driver

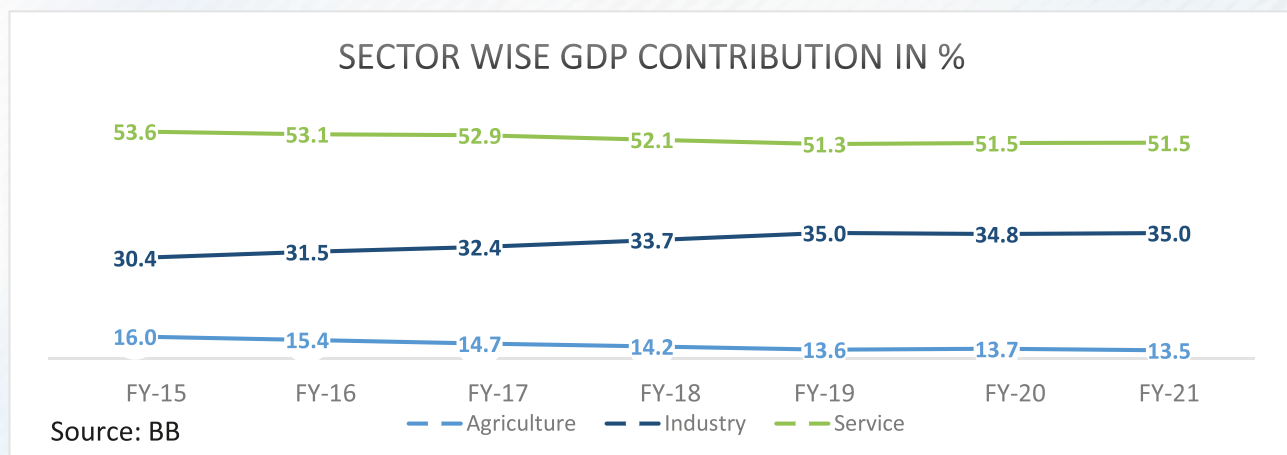
Growth driver and rates of different sectors and sub-sectors were not same and to some extent it was unequal.

## Agricultural sector

The agriculture sector, which is the most important sector in the Bangladesh economy, employs about 39 per cent of the country's total labour force. The share of the sector in GDP, according to the provisional estimate of the National Accounts Statistics, was 13.47 per cent in FY21, compared to 13.74 per cent in the previous fiscal year. It includes three sub-sectors namely: i) Crops and horticulture, ii) Animal farming, and iii) Forest and related services.

The favorable natural factors and strong government support in terms of timely availability of inputs and finance notwithstanding, the agriculture sector achieved a lower growth of 3.45 per cent in FY21, compared to 4.59 percent in FY20.

To tackle the economic losses caused by the COVID-19 pandemic, the government created a refinance scheme of Tk.50.0 billion for the agriculture sector. Accordingly, the Bangladesh Bank (BB) launched a Tk. 50.0 billion stimulus fund for agricultural farmers (small and medium) in rural areas including that of poultry, dairy and livestock sectors which was help to sustained to avert from such a prolong pandemic negative impact.



## Industrial sector

### Industrial sector

Despite the slower economic activities caused mainly by COVID-19, the industry sector recorded a growth of 6.12 per cent in FY21, compared to 3.25 per cent in FY20. Besides, the share of the industry sector in GDP increased by 0.21 percentage points to 34.99 per cent in FY21 from 34.78 per cent in FY20. Following the recovery trend, the industry sector registered a noticeable growth in CY21 reflecting largely the adaptation and adjustment of labour, capital and resources in the industrial activities in the COVID-19 era. Within the broad industry sector, the manufacturing sub-sector recorded a growth of 5.77 per cent in FY21, compared to the previous fiscal year's 1.80 percent. Within manufacturing, the large and medium scale industries sub-sector grew by 6.56 per cent in FY21, compared to 1.39 per cent in FY20. The small-scale manufacturing industries grew lower rate at 1.73 per cent in FY21 against 3.96 per cent in

FY20.

Buoyancy in growth was observed in many major industry groups such as wearing apparel textile, food products, leather and leather products, pharmaceuticals, non-metallic mineral product, and electrical equipment. High growth in the construction-allied industries of iron and steel production and cement production asserted rebounding economic activities supported by construction projects in public and private sectors.

### Service sector

The growth momentum in service sector-related activities moderated in Q1FY22 after maintaining buoyancy in the preceding three quarters as reflected by different proxy indicators. The major impetus came from strong growth of different sub-sectors such as wholesale and retail trade (6.54 percent),



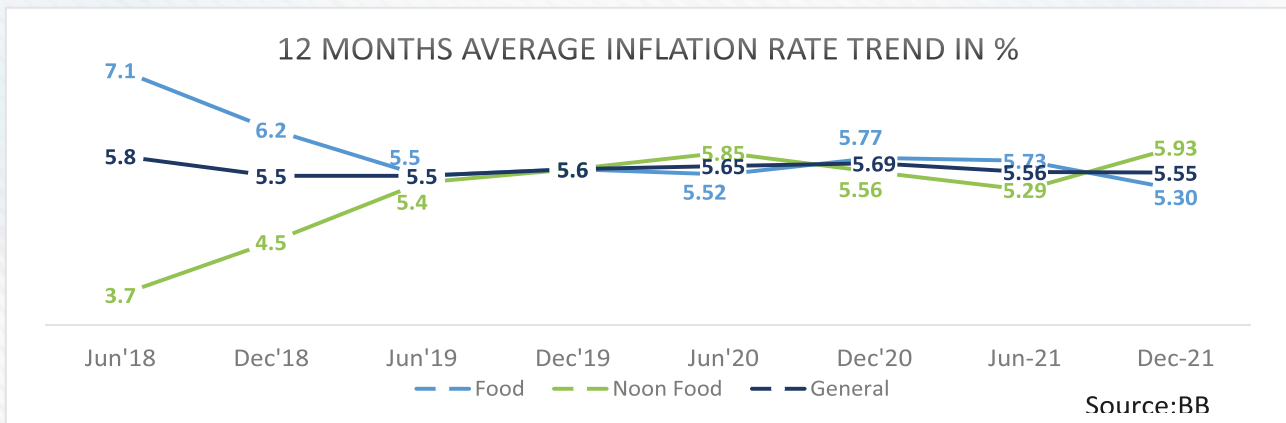
transport, storage, and communication (6.07 percent), hotel and restaurants (6.85 percent), financial intermediations (4.31 percent). Robust performance of industry sector, rise in imports, better supply chain management by the government, and sustainable agriculture production mostly benefited the service sector in FY21. Besides, policy supports coupled with positive developments in related sectors, such as healthy growth in fresh opening of import LCs, will also have positive impacts on the service sector.

### Inflation

Higher inflation has become a common phenomenon across the globe. Pent-up demand fueled by stimulus and pandemic disruptions are helping accelerated inflation which spread around the world through

global factors like higher food and energy prices, and soaring shipping costs. The oil price hike, pushed up transportation and communication cost increased significantly and high import also added to inflation in the country as commodity prices increased sharply amid global inflation

Headline CPI inflation edged up to 6.05 (p2p) percent in December 2021 from 5.29 percent in December 2020 which was attributed to an upward movement of both food and non-food inflation. The upward pressure of inflation during 2021 was partly driven by supply chain bottlenecks and resurgent of consumer demand in the domestic economy, and magnified by rising shipping charges to an unprecedented level as well as soaring prices of most of the commodities in the global markets.



As per Bangladesh Bureau of Statistics (BBS) published in the Month of December 2021, Consumer Price Index (CPI) and Inflation Rate (Point to Point) are as follows:

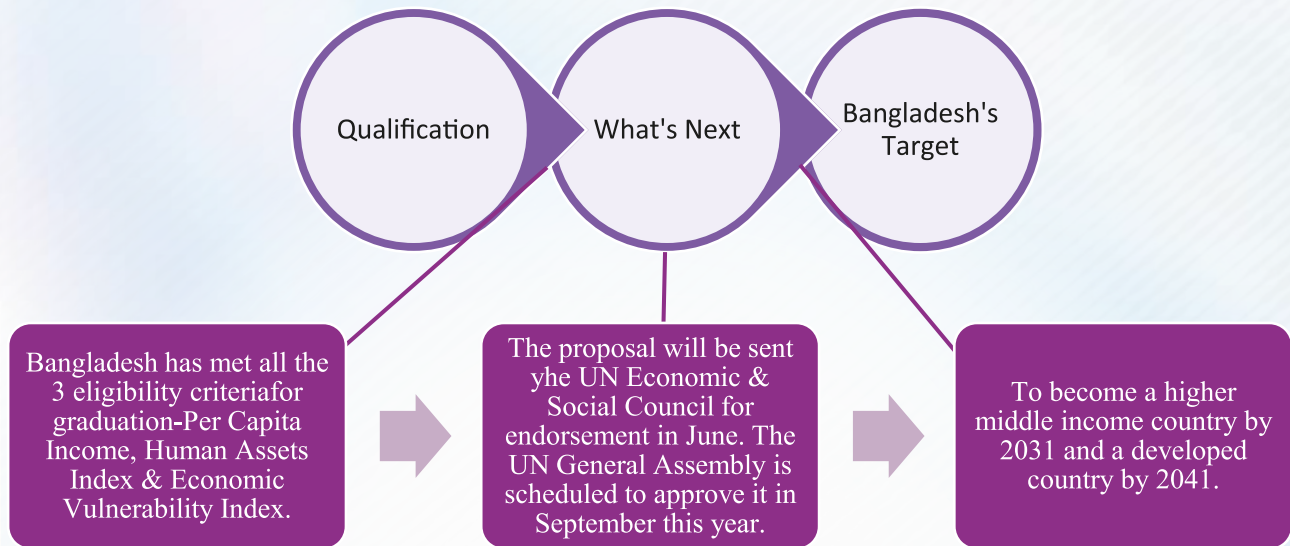
**Table: 1.1 Consumer Price Index (CPI) and Inflation Rate (Point to Point).**

Period	CPI	Inflation (General)		CPI	Inflation (Food)		CPI	Inflation (Non-food)	
	General	Point - to-Point	12- Month Average	Food	Point - to-Point	12- Month Average	Non-Food	Point - to-Point	12- Month Average
2015-16	219.86	5.53	5.92	234.77	4.23	4.91	200.74	7.50	7.47
2016-17	231.82	5.94	5.44	248.90	7.51	6.02	209.92	3.67	4.57
2017-18	245.22	5.54	5.78	266.64	5.98	7.13	217.77	4.87	3.73
2018-19	258.65	5.52	5.48	281.32	5.40	5.51	229.58	5.71	5.42
2019-20	273.26	6.02	5.65	296.86	6.54	5.52	243.00	5.22	5.85
2020-21	288.44	5.64	5.56	313.86	5.45	5.73	255.85	5.94	5.29
<b>2021-22</b>									
July	293.19	5.36	5.54	316.02	5.08	5.68	263.93	5.80	5.33
August	297.73	5.54	5.53	323.04	5.16	5.60	265.28	6.13	5.43
September	304.22	5.59	5.50	332.58	5.21	5.49	267.85	6.19	5.52
October	307.49	5.70	5.44	337.70	5.22	5.32	268.75	6.48	5.64
November	305.97	5.98	5.48	333.58	5.43	5.29	270.58	6.87	5.78
December	304.81	6.05	5.54	330.71	5.46	5.30	271.61	7.00	5.93

### Developing Country reaches a milestone

The United Nations General Assembly (UNGA) has approved resolution to allow Bangladesh to graduate to the developing country grouping from least developed country (LDC) category 45 years after it was included in the category. When the UN included

Bangladesh in the LDC group in 1975, the country's poverty rate was 83 per cent. The rate of poverty declined over the years and it was 20.5 per cent in 2019-20 before the pandemic devastated jobs and income opportunities for many.



The country has met, for the second time, all the three eligibility criteria for the graduation involving per capita income, human assets index (HAI), and economic and environmental vulnerability index (EVI).

The UN CDP in its second triennial review assessed the economy of Bangladesh and found a strong fulfillment of all three required conditions for the graduation.

Bangladesh was well ahead in the gross national income (GNI) criterion: its per capita income was

\$1,827 in 2019 against the threshold of \$1,222. In the HAI criterion, the country's score stood at 75.4 points, well above the requirement of 66. In the EVI, a country's score has to be less than 32. Bangladesh's score was 27.3.

The graduation to a developing country is a special step for the country in its efforts to achieve the Sustainable Development Goal by 2030, become a higher middle -income country by 2031 and a developed country by 2041.



**The Construction of Dhaka Metro-rail to reduce the extreme traffic jams of the capital and busiest city of Bangladesh.**

The construction of some mega projects like the Padma Multipurpose Bridge, Metrorail, Elevated Expressway, Tunnel under the Karnaphuli river, Rooppur Nuclear Power Plant, Maheshkhali–Matarbari Integrated Development Projects will be completed this year or the next. Moreover, the government has also been developing 100 special economic zones and more than two dozens Hi-Tech parks across the country. The

completion of the construction of the mega projects will create a new impetus in the economy to reach the targeted economic development of the country.

After the expiry of the transition period, Bangladesh will have to compete globally as the graduation will come to an effect officially. But the European Union previously said it would continue the same trade benefit for Bangladesh up to 2027.

## Bangladesh Insurance Market Scenario



The Bangladesh insurance industry is regulated by the Insurance Development and Regulatory Authority in accordance with the rules and regulations stipulated in the Insurance Act 2010. The government of Bangladesh passed the act in March 2010 repealing the Insurance Act 1938, which was in force since 1938 regulating the insurance industry of the country. Also in 2010, a new legislation called the Insurance Development and Regulatory Authority Act 2010 was passed by the government of Bangladesh, based on which the IDRA was established as a new regulatory body to supervise and regulate the insurance industry of the country.

In a developing country like Bangladesh, insurance companies are playing a vital role in the economy. There are many good signs for the insurance business in Bangladesh. The GDP of our country is increasing than the previous years which results in increase of per capita income. So, this growing GDP and income holds bright prospects for insurance companies. With the growth in the income more and more people are now willing to take an insurance policy for safeguarding themselves from any danger. There are so many new businesses starting every day and manufacturing sector is booming with global demand. Every business is insured under an insurance company to protect its company from any kind of accident. Therefore, growing industry, mill, factories are creating better scope for the insurance companies to flourish their business.

SBC has long been the sole reinsurer in Bangladesh and private insurance companies as per statutory compulsion placed 100% of their reinsurance business with SBC. In 1990 the government amended the relevant provisions of the Act allowing 50% of all reinsurance of general insurance business to be placed compulsorily with SBC and the rest to private reinsurance companies. The country's

economic growth is particularly relevant to the growth of non-life insurance sector of Bangladesh. A robust economic growth covering trade, commerce and industry positively impacts on the non-life insurance business development. Bangladesh Government has taken decision to modernize the insurance sector for both Life and Non-Life insurance sector by implementing the Bangladesh Insurance Sector Development Project (BISDP).

Considering the COVID-19 crisis continues to have a significant impact on individuals, society, business and the wider economy across the globe. The insurance industry has not escaped its impact but insurers have responded quickly to the crisis. As the broader economy recovers and responds to the pandemic, insurers will face a number of challenges but also see many new opportunities in the medium to long term.

The insurance industry rebounded strongly in 2021 after getting hit by the coronavirus pandemic thanks to the contraction of excessive commission to agents and digitization of services.

During the pandemic year 2020 Insurance penetration in Bangladesh in GDP percentage declined to 0.40% (Life Insurance 0.30% and Non-life Insurance 0.10%) from 0.49% a year ago (according to a Sigma report by Swiss Re Institute). Total gross premium of life and non-life insurance grew 8.45 per cent year-on-year to Tk 14,392 crore in 2021, according to the Insurance Development and Regulatory Authority (IDRA). However, premium fell 0.89 per cent to Tk 13,271 crore in 2020 due to pandemic.

There are 34 life insurance and 46 non-life insurance companies active in the country. Of them, 49 are listed with the stock market.

## Non-life Insurance sector in Bangladesh

Though Sadharan Bima Corporation started its operation as a single insurer 49 years ago, it is now playing an important role in the fast-changing insurance market of Bangladesh along with 45 private non-life insurance companies. Apart from underwriting private sector business, Sadharan Bima Corporation stands as insurer of public sector assets on its own behalf and also on behalf of private sector non-life insurance companies and also playing a role of national reinsurer to the insurance industry. The country's economic growth is particularly relevant to the growth of non-life insurance sector of Bangladesh. A robust economic growth covering trade, commerce and industry positively impacts on the non-life insurance business development.

## Prospect of Non-Life insurance in Bangladesh

Bangladesh insurance market is in an upward trend despite the low penetration rate. It has potentialities to growth and advancement as opined by the insurance expert from home and abroad. Although Bangladesh non-life insurance market is rather small, considering that current penetration rate (non-life premium as % of country's GDP) is low at around 0.1%, there is immense potential for future expansion. The future expansion of Bangladesh non-life insurance market and increase of insurance penetration in the country lies in tapping the hitherto untapped segments of the market — personal lines business in particular which has remained neglected so far. Under the Bangladesh Insurance Sector Development Project (BISDP) Deloitte (consulting firm) has quantified the protection gap for the

insurance industry of Bangladesh.

Bangladesh's insurance sector has tremendous potential for growth, especially given the country's favorable macroeconomic picture. Regulatory reforms and the introduction of bancassurance, health, expatriate, agriculture, education, coastal, and public pension insurance products along with deep distribution channels can catalyze growth in the insurance sector.

Regulations that focus on reducing the risk of insolvency can help build trust in the market at a global level, which in turn will increase the flow of funds into the economy. With adequate capital requirements in place, insurance companies will serve as a safeguard for investments in infrastructure bonds, thereby boosting infrastructure development. Strong regulations can also help strengthen the reinsurance market, which will ease the financial burden on the government arising from catastrophic events, thus directly contributing towards development opportunities for the country. Further, well-defined regulations can drive competition, enabling companies to provide the best solutions and offer more options to customers. Regulatory frameworks, ideally framed with reference to international standards and principles, will go a long way towards creating a resilient insurance sector.

A resilient insurance sector can, in turn, have far-reaching economic, commercial and social benefits for Bangladesh. Thriving against odds, it could also, in the long run, encourage entrepreneurship and innovation while facilitating risk transfer.

## Financial Performance Highlights of SBC

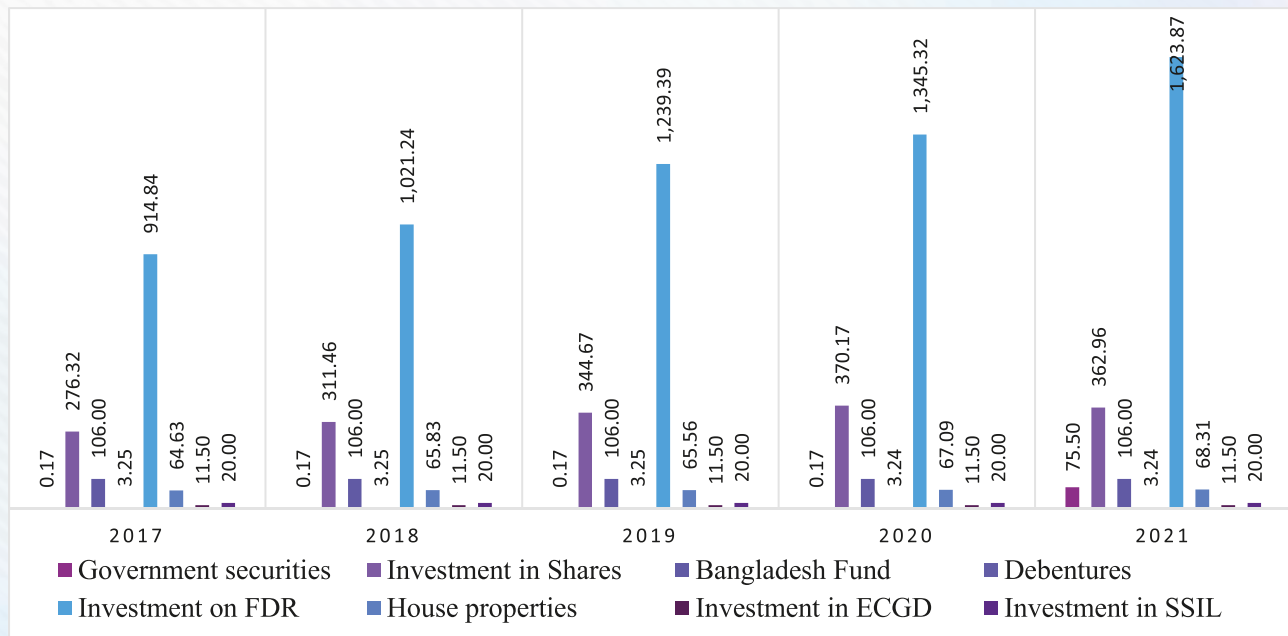
### Investment

The investment of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Government securities	755.05	1.72	1.72	1.72	1.72
Investment in Shares	34,961.25	3,701.66	3,446.68	3,114.62	2,763.20
Bangladesh Fund	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00
Debentures	32.34	32.44	32.48	32.48	32.48
Investment on FDR	16,238.70	13,453.20	12,393.88	10,212.36	9,148.43
House properties	488.28	479.26	655.59	658.33	646.28
Investment in ECGD	115.00	115.00	115.00	115.00	115.00
Investment in SSIL	200.00	200.00	200.00	200.00	200.00
<b>Total</b>	<b>53,850.62</b>	<b>19,043.27</b>	<b>17,905.35</b>	<b>15,394.50</b>	<b>13,967.11</b>

Amount in Crore Taka



### Reserves or contingency accounts

The Reserves or contingency accounts of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

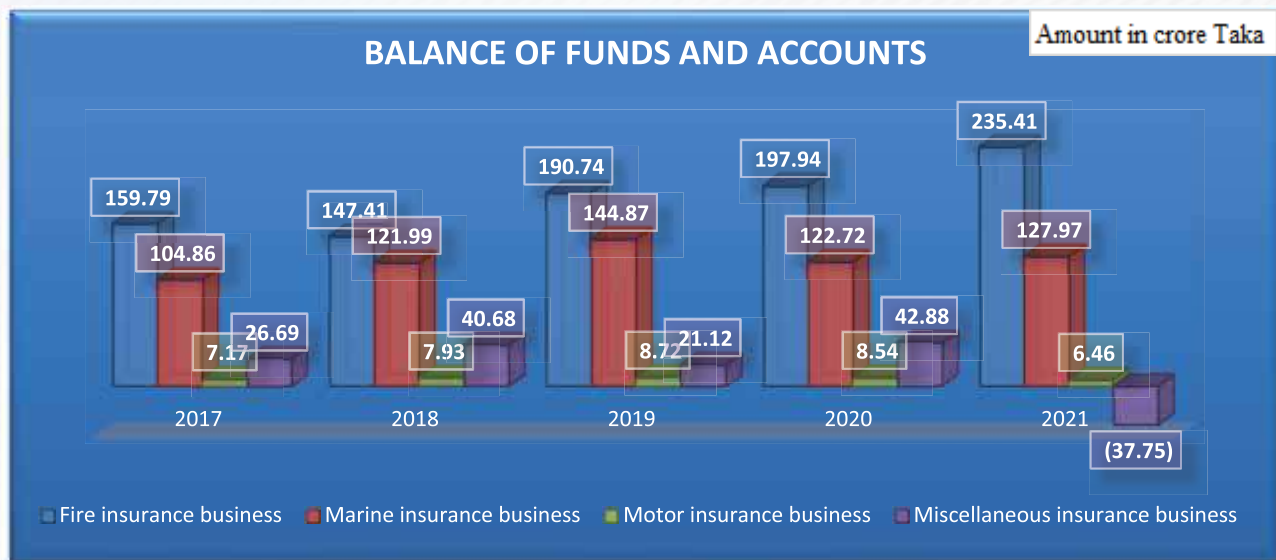
Particulars	2021	2020	2019	2018	2017
Reserve for Shrimp Insurance	36.50	36.50	36.50	36.50	36.50
Reserve for Exceptional Losses	8,170.66	8,170.66	7,445.79	6,728.85	6,103.65
General Reserve	8,264.89	6,594.35	5,420.01	9,160.14	7,951.57
Capital Reserve	40.85	40.85	40.85	40.85	40.85
Provision for payment to government	630.00	600.00	550.00	500.00	-
Reserve for Investment Fluctuation	259.01	259.01	259.01	259.01	259.01
Reserve for Crop Insurance	52.00	52.00	52.00	52.00	52.00
Reserve for bad and doubtful debts	60.00	60.00	60.00	60.00	60.00
Reserve for Employees Residential Complex	262.00	262.00	262.00	262.00	262.00
Revaluation Reserve of Securities	31,331.73	-	-	-	-
<b>Total</b>	<b>49,107.64</b>	<b>16,075.37</b>	<b>14,126.16</b>	<b>17,099.36</b>	<b>14,765.59</b>

### Balance of funds and accounts

The Balance of funds and accounts of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Fire insurance business	2,354.06	1,979.37	1,907.41	1,474.15	1,597.95
Marine insurance business	1,279.73	1,227.21	1,448.66	1,219.94	1,048.57
Motor insurance business	64.63	85.39	87.20	79.29	71.69
Miscellaneous insurance business	(377.54)	428.83	211.18	406.83	266.86
<b>Total</b>	<b>3,320.88</b>	<b>3,720.80</b>	<b>3,654.45</b>	<b>3,180.21</b>	<b>2,985.07</b>

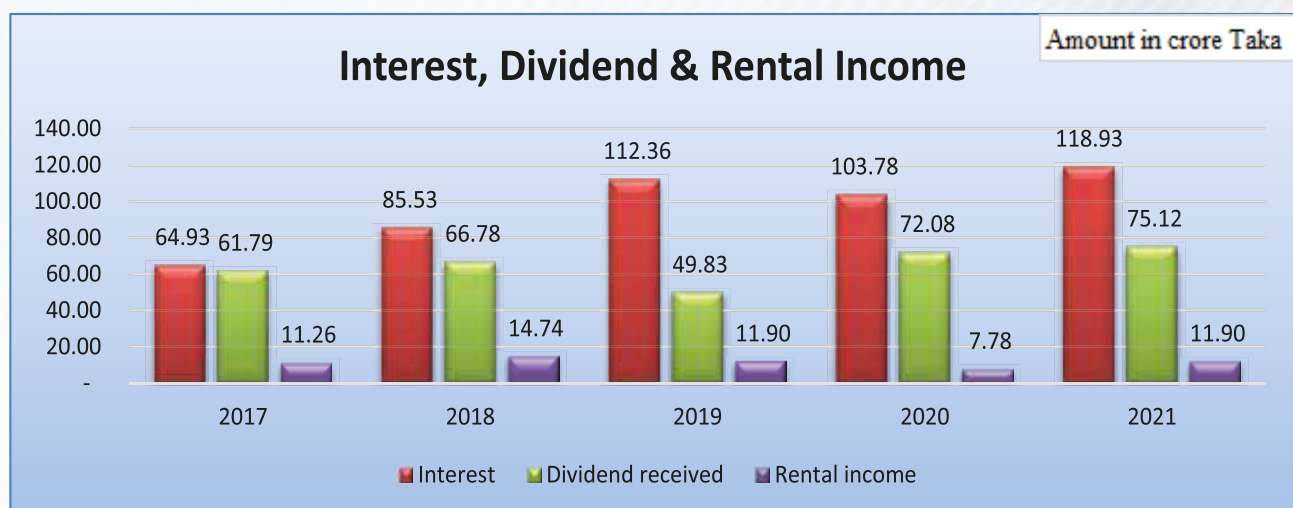


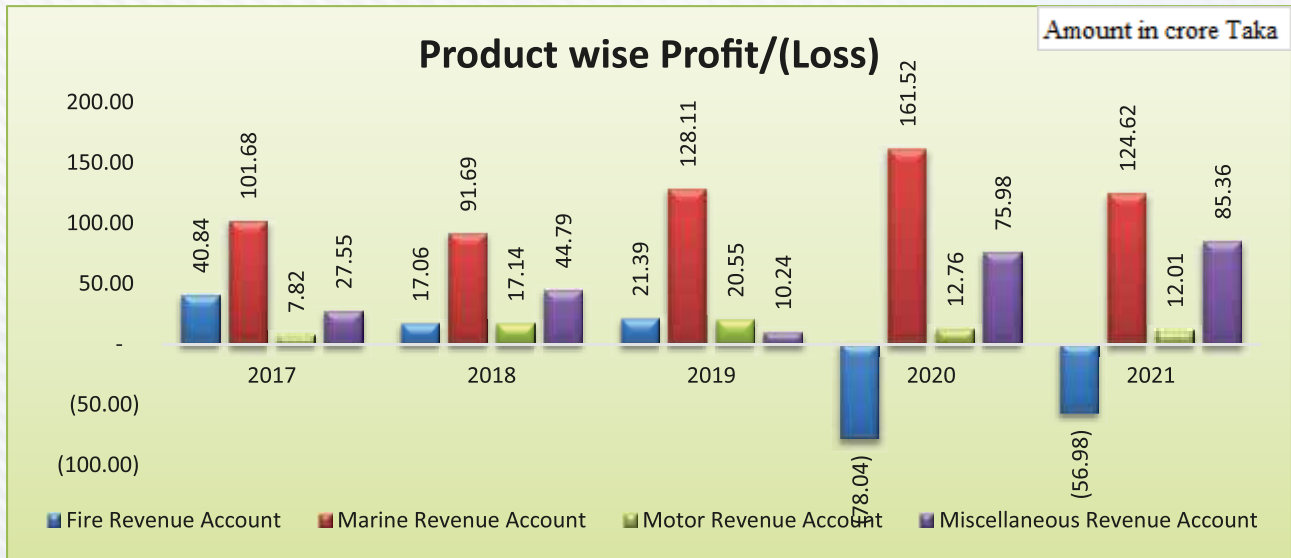
### Total Revenue

The Revenue of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Interest	1,189.26	1,037.84	1,123.58	855.27	649.27
Dividend received	751.19	720.79	498.28	667.81	617.90
Rental income	118.98	77.84	119.03	147.36	112.62
<b>Sub-Total</b>	<b>2,059.43</b>	<b>1,836.46</b>	<b>1,740.89</b>	<b>1,670.43</b>	<b>1,379.78</b>
Fire Revenue Account	(569.83)	(780.43)	213.85	170.64	408.43
Marine Revenue Account	1,246.18	1,615.21	1,281.08	916.90	1,016.82
Motor Revenue Account	120.05	127.57	205.55	171.36	78.18
Miscellaneous Revenue Account	853.61	759.80	102.40	447.93	275.46
<b>Sub-Total</b>	<b>1,649.99</b>	<b>1,722.15</b>	<b>1,802.88</b>	<b>1,706.83</b>	<b>1,778.89</b>
<b>Total Revenue</b>	<b>3,709.42</b>	<b>3,558.62</b>	<b>3,543.77</b>	<b>3,377.26</b>	<b>3,158.67</b>



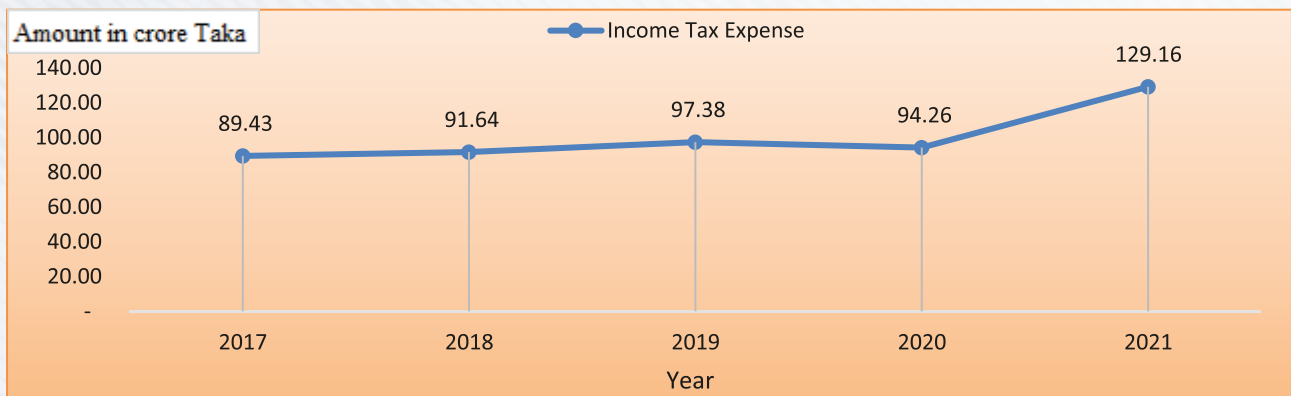
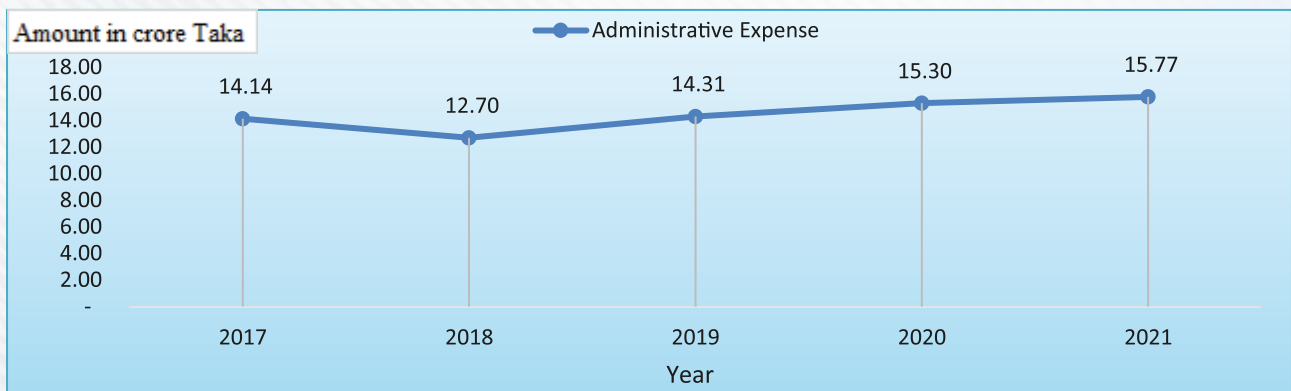


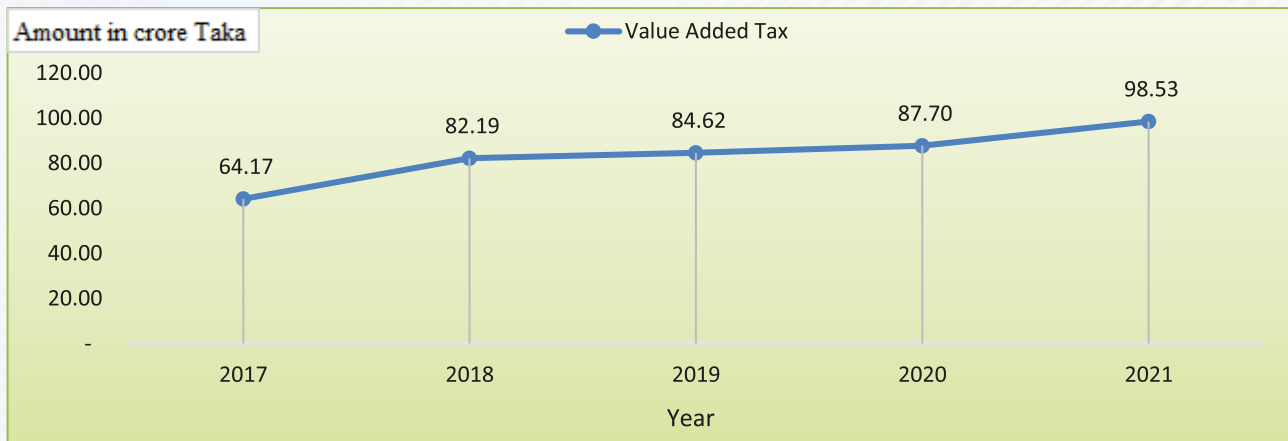
### Total Expenditure

The Expenditure of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

SL. No.	Particulars	2021	2020	2019	2018	2017
1	Administrative Expense	157.74	152.95	143.10	127.00	141.40
2	Income Tax Expense	1,291.56	942.63	973.80	916.40	894.30
3	Value Added Tax	985.29	877.00	846.20	821.90	641.70
<b>Total</b>		<b>2,434.59</b>	<b>1,972.58</b>	<b>1,963.10</b>	<b>1,865.30</b>	<b>1,677.40</b>



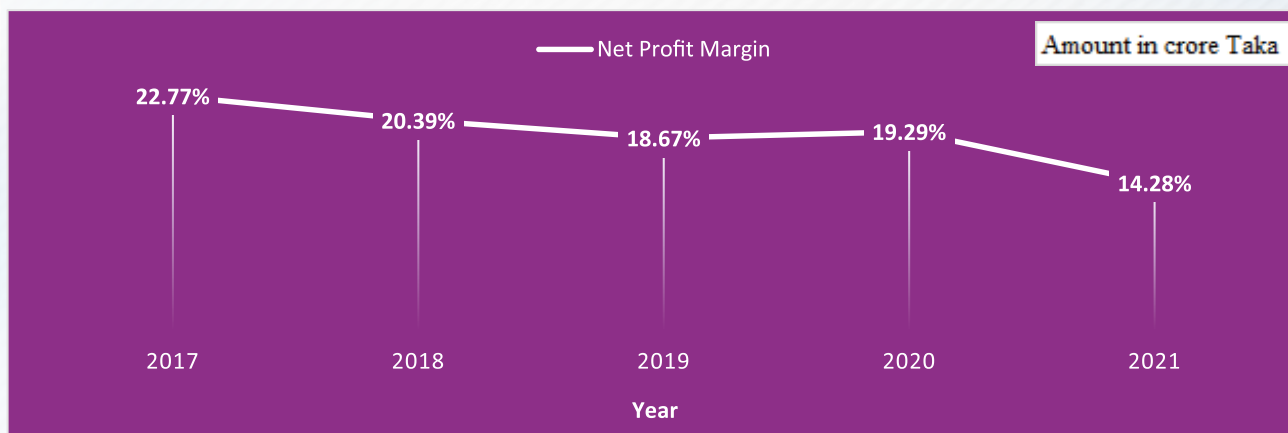


## Profitability of the Corporation

### Net Profit Margin

Sadharan Bima Corporation is a state-owned enterprise which earns profit every year since inception. Following statement shows a clear picture of increasing trend of profit margin of the Corporation.

Particulars	2021	2020	2019	2018	2017
Net Profit Margin	14.28%	19.29%	18.67%	20.39%	22.77%



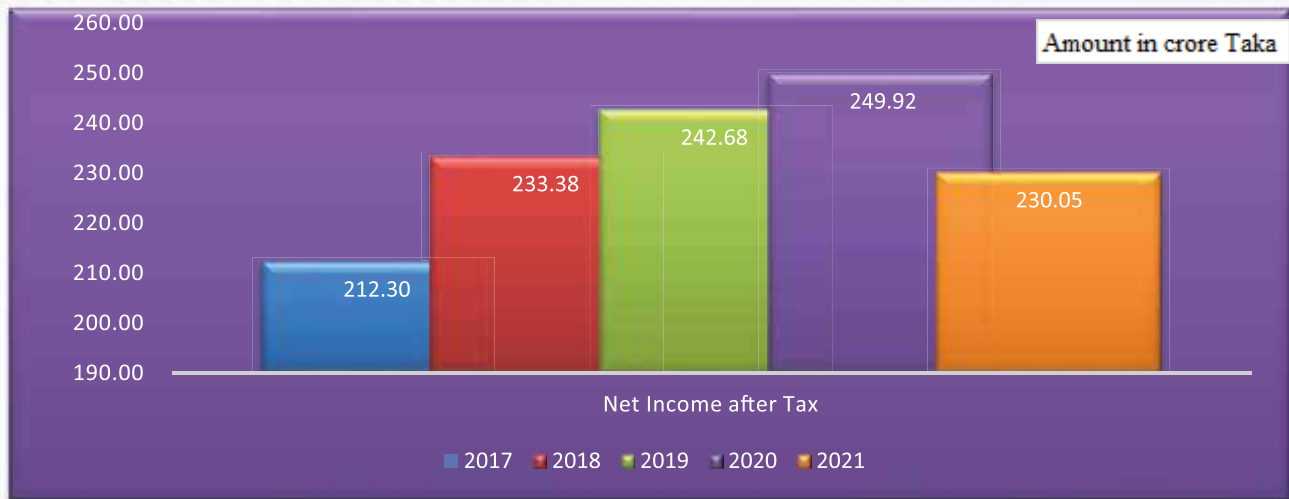
### Net Income after Tax

The statement and graph are showing a clear picture of 5 years increasing trend of net income after tax of the corporation.

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Net Income after Tax	2,300.54	2,499.21	2,426.80	2,333.77	2,123.04





### Statements of Cash Flows

Statements of Cash Flows of the corporation as of December 31, 2021 are as follows:

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Net Cash Flows from Operating Activities	2,318.28	3,287.90	1,805.71	1,250.56	2,049.66
Net Cash Flows / (used) Investing Activities	(2,114.75)	(50.25)	(1,630.74)	(9,479.14)	354.93
Net Cash used in Financing Activities	(600.00)	(550.00)	(500.00)	(400.00)	(400.00)
<b>Net Increase in Cash &amp; Cash Equivalent</b>	<b>(396.48)</b>	<b>2,687.65</b>	<b>(325.03)</b>	<b>(8,628.58)</b>	<b>2,004.59</b>
Cash & Cash Equivalent at Beginning of the year	4,761.22	<b>2,073.57</b>	2,398.60	11,027.18	9,022.59
<b>Cash &amp; Cash Equivalent at End of the Year</b>	<b>4,364.74</b>	<b>4,761.22</b>	<b>2,073.57</b>	<b>2,398.60</b>	<b>11,027.18</b>





### Profit and Loss Appropriation Accounts

In 2021 Sadharan Bima Corporation has earned profit before tax of TK. 3,592 million duly taking into account underwriting profit, Interest, return on investment income from real estate and others as

against TK. 3,442 million in 2020 and TK. 3,401 million in 2019. Showing an Increase of 4.35% from previous year. The appropriation of 3 years profit is as under:

Amount in million Taka

SL. No.	Performance Indicator	Year			Growth (%)	
		2021	2020	2019	Current Year	Previous Year
1	Reserve for exceptional losses	-	724.87	716.94	-100.00%	1.11%
2	Provision for Income Tax	1,291.56	942.63	973.82	37.09%	-3.20%
3	General Reserve	1,670.54	1,174.34	1,159.86	44.90%	1.25%
4	Surplus payable to the govt. (section 15 (1) of The Insurance Corporation Act 2019.	630.00	600.00	550.00	0.00%	9.09%
Total		3,592.10	3,441.84	3,400.62	4.42%	1.21%

### Business (Underwriting) Performance of SBC

Businesses across many sectors of the economy have faced a significant decline in revenue as a result of government directives to close the businesses in order to slow the spread of the virus among employees and customers. In the year 2021, the Gross Premium Income and the overall business volume of Sadharan Bima Corporation remained almost steady despite many external challenges primarily due to the pandemic Covid-19. Gross

Premium income attained Taka 16,111 million as against Taka 12,954 million in 2020, Net Premium income attained Taka 6,516 million as compared to Taka 7,249 million in 2020 showing a decrease of 10.11%. Amidst of pandemic situation, SBC paid net claim Tk. 1,029 million. A summarized picture of 2021 insurance business operations (Underwriting & Reinsurance) of the corporation are shown in the following table:

Amount in million Taka

Sl. No.	Particulars	Fire		Marine		Misc.		Total	
		2021	2020	2021	2020	2021	2020	2021	2020
1	Gross premium against direct insurance	683	646	1,046	864	2,919	1,949	4,648	3,459
2	Premium against R/I Accepted	5,959	5,488	2,251	1,871	3,253	2,136	11,463	9,495
3	Total Premium	6,642	6,134	3,297	2,735	6,172	4,085	16,111	12,954
4	Premium Ceded Against R/I	1,934	2,175	810	441	6,851	3,089	9,595	5,705
5	Net Premium	4,708	3,959	2,487	2,294	(679)	996	6,516	7,249
6	Commission received for premium ceded against R/I	29	17	270	116	1,361	577	1,660	710
7	Commission paid for R/I premium received against R/I	1,707	1,475	602	505	190	230	2,499	2,210
8	Net Claim Incurred	2,740	2,892	396	12	284	110	3,421	3,014
9	Management Expenses	485	317	459	499	62	130	1,006	946
10	Adjustment of Reserve for Unexpired Risk	375	72	53	(221)	(827)	216	(400)	66
11	Net Profit/(loss) from underwriting and R/I	(570)	(780)	1,246	1,615	974	887	1,650	1,722


**Overall Performance of SBC**

Amount in million Taka

SL. No.	Performance Indicator	Year			Growth (%)	
		2021	2020	2019	Current Year	Previous Year
1	Pre-Tax Net Profit	3,592.10	3,441.84	3,400.62	4.42%	1.21%
2	Premium Income (Direct)	4,648.35	3,459.13	3,700.75	34.38%	-6.53%
3	Reinsurance (Commission Income)	1,659.84	709.94	841.49	133.80%	-15.63%
4	Income from Reinsurance (Home & Abroad)	11,463.14	9,494.69	9,300.98	20.73%	2.08%
5	Net Premium Income	6,516.15	7,248.67	7,169.37	-10.11%	1.11%
6	Net Claims Incurred	3,420.96	3,013.62	2,597.15	13.52%	16.04%
7	Income from Investment	2,099.84	1,872.64	1,740.89	12.22%	7.57%

**Investment in Asian Reinsurance Corporation (ARC)**

Sadharan Bima Corporation is an Associate Member of ARC. SBC holds total number of 1,480 shares in ARC, Thailand of which 500 shares of US Dollar 1,000 each worth amount of USD 500,000 which is equivalent to BDT. 7,740,000 (@BDT15.48/USD) acquired in 1980 and 500 shares of USD 2,200 each

worth amount of USD 1,100,000 which is equivalent to BDT. 76,285,000 (@BDT69.35/USD) acquired in 2009. The remaining 480 nos. shares were received from ARC as stock dividend during the period from 2000 to 2007.

**Business Performance for premium income of SBC from ARC:**

Figure in Taka

Overseas Business	Years				
	2021	2020	2019	2018	2017
Premium received from ARC	7,072,792	9,217,596	6,605,036	2,946,659	14,175,449

The performance analysis of SBC provided by ARC are given below:

- Currently ARC write treaty business from 7 direct companies and retro business from SBC
- ARC achieved significant growth in 2020 by writing 2 new companies' programs and the portfolio from SBC was strengthened by writing 2 new retro programs.
- Nat Cat-prone country and exposures are being monitored
- Country identified for selective moderate growth. Areas to focus upon new client's treaty programs, facultative business.

## NATION-BUILDING THROUGH CONTRIBUTION TO NATIONAL EXCHEQUER

Sadharan Bima Corporation recognizes that the corporation has certain responsibilities for the development of the nation as a whole. For this, corporation has contributed significant amount toward the Government exchequer in shape of Income Tax, Non-Tax revenue, VAT, Stamp duty, Excise duty etc each year. During the year 2021 corporation contributed Tk. 290.84 crore to the national exchequer as compared to Tk. 242.90 crore in 2020. Corporation also maintains timely submission of VAT return, withholding tax return, income tax return & related all others required return in due time.

Amount in million Taka

Particulars	2021	2020	2019	2018	2017
Income Tax	1,291.56	942.60	973.80	916.40	894.30
Non-Tax revenue	630.00	600.00	550.00	500.00	400.00
Value Added Tax	985.29	877.00	846.20	821.90	641.70
Others (Excise duty)	10.83	9.40	5.90	6.30	10.10
<b>Total</b>	<b>2,917.68</b>	<b>2,429.00</b>	<b>2,375.90</b>	<b>2,244.60</b>	<b>1,946.10</b>

## SBC Securities & Investment Ltd.

### Legal Status of the Company

SBC Securities & Investment Ltd. (SSIL), a public company limited by shares, was incorporated in Bangladesh with the Register of Joint Stock Companies & Firms on 23rd September 2010 under the Companies Act, 1994. The company has been established as per Bangladesh Securities & Exchange Commission's Letter # SEC/Rag/CSE/MDJ 2009/444, Dated: 20-12-2009. The registered office of the Company is situated at 33, Dilkusha C/A, Dhaka, Bangladesh.

### Business Take Over

As per vendor agreement between Sadharan Bima Corporation (SBC) and SBC Securities & Investment Limited (SSIL) for transferring DSE membership from SBC to SSIL and takeover of securities business of SBC, the brokerage and dealership business of SBC has been taken over by SSIL as on 20th April 2011.

### Nature of Business

The main objectives of the company are to carry on the business of a stock brokerage and stock dealership i.e., to buy, sell and deal in shares, stocks, debenture, bonds and other securities, and to carry on any business as permissible for a broker and dealer

house duly licensed by the Bangladesh Securities and Exchange Commission.

## Export Credit Guarantee Departments

### Background

The Ministry of Commerce, Government of the People's Republic of Bangladesh directed Sadharan Bima Corporation (SBC) to introduce Export Credit Guarantee Scheme by order # IE-15/76-EII (pt) dated on April 02, 1977. SBC introduced ECG Scheme with effect from January 01, 1978 through its Export Credit Guarantee Wing as per order of the government of the People's Republic of Bangladesh in order to promote national exports.

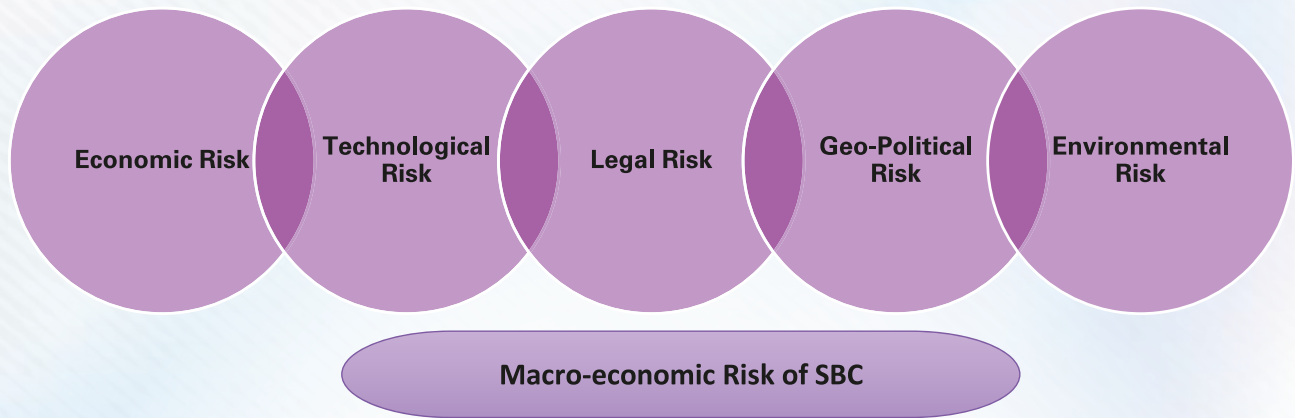
### Nature of the Business

The business of ECG Department is to ensure by executing guarantees on a certain percent of the amount of any defined loss that may be suffered by the insured (Bank) in favor of Pre-shipment and Post-shipment finance to the exporters. The ECG department also ensure by executing Comprehensive Guarantee on certain percent of amounts of any defined loss that may be sustained by the insured exporter in connection with the export from Bangladesh of any goods under certain sales contracts.

**SBC's Risk Management**

To adapt with changing environment and to mitigate diversified risk we exposed to we focus on strong governance so that we can minimize our risk to an acceptable level. The overall risk management

activities basically well managed by the efficient team of Board of Directors along with top management involves. The macroeconomic risks those are faced by SBC are:



The indemnification and the risk pooling properties of non-life insurance facilitate commercial transaction and the provision of credit by mitigating losses as well as the measurement and management of risk. The availability of insurance enables risk-averse individuals and entrepreneurs to undertake higher risk and activities that yield higher rate of return, promoting higher productivity and growth. The business of insurance involves assumption of risks of many types - physical as well as moral. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters.

The key to proper management of insurance business risks is to ensure proper selection of risks as well as of the client through a vetting process known as prudent underwriting. Non-life insurance business also closely follows the country's economic development and any slowdown in the economic activities also has adverse impact on the insurance industry's growth. Sadharan Bima Corporation, being aware of these business risk.

**The Risk Management procedure of SBC lies on the following framework**

- Identification, measurement and communication of key risks to the Board of Directors on regular basis is done.
- Board decides on the maximum amount of risk that SBC is able to take, as well as the frequency of review of risk limits.

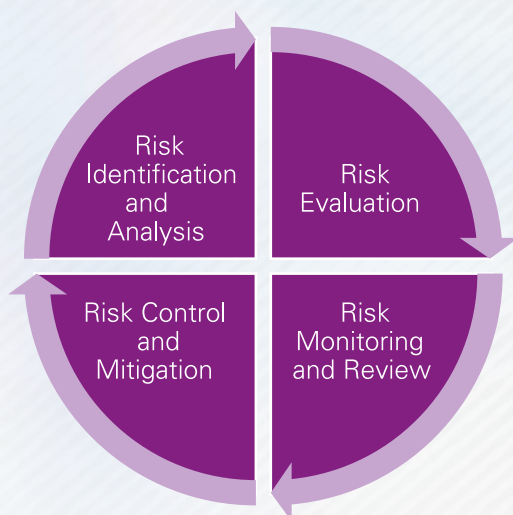
- Roles and responsibilities of the respective units and staff involved in acceptance, monitoring and management of risks are then well defined and communicated in advance.
- A Structure for product development, pricing, underwriting, claims handling and reinsurance management, including authority to approve deviations and exceptions are formed and communicated in advance.
- The principles and criteria relating to product development, pricing, underwriting, claims handling, reinsurance management and the management of concentration risk, exposures to catastrophic events, including limits, reinsurance, portfolio monitoring and stress testing are well defined and communicated in advance.

**The key principles to mitigate business risk followed here are as follows:**

- ❖ Selection of risks which have the potential of making underwriting profit.
- ❖ Diversification into many segments of business — product-wise as well as client-wise so that the organization is not over reliant on any particular segment.
- ❖ The corporation arranges adequate reinsurance back up of risks assumed by it with good securities.
- ❖ The corporation maintains a conservative

reserving policy and its various technical reserves have been created adequately to cater for unforeseen events in the future.

Four basic steps SBC follows in overall Risk Management which in a nutshell are as follows:



### CSR activities of SBC

Sadharan Bima Corporation has continued its endeavors to deliver economic and social benefits to the community in discharge of its CSR and has extended financial assistance to different Mosques, Orphanage and other Religious & Social welfare establishments and Educational Institutions. Sadharan Bima Corporation also provides Scholarships for the meritorious children of the employees of the Corporation. Sadharan Bima Corporation also provides assistance to games and sports in the country. The CSR rules for SBC is under process and after getting approval from the ministry it would be implemented which would extend the new areas of such activities.

### Board Meetings and Attendance by the Directors

During the year 2021, a total of 21 meetings of the Board were held. Attendance by the Directors has been summarized in Corporate Governance section of this Annual Report.

### Anti-Money Laundering (AML) Activities

Sadharan Bima Corporation believes in adherence to laws relating to AML and Combating Financing of Terrorism (CFT). In the AML laws, Sadharan Bima Corporation has formed six members committee as CCU and adopted policies for strict observance of AML laws by its each and every officer while discharging

their responsibilities. SBC arranges awareness programs on AML & CFT with its employees from Head Office and Zonal Offices including Branch Offices.

### Promotional Schemes of SBC

As a state-owned insurance organization Sadharan Bima Corporation has undertaken some promotional insurance schemes for the benefit of the society as well as the economic development of the country.

These schemes are:

- (a) Crop insurance for Flood-prone Areas on pilot basis.
- (b) Cattle insurance.
- (c) Peoples Personal Accident (PPA) insurance.
- (d) Bangabandhu Suraksha Bima for all class of people with double benefit of PPA policy.
- (e) Overseas Medi-claim & Dread disease insurance.
- (f) Export Credit Guarantee insurance.
- (g) Bankers' Blanket Bond Insurance for the Banking sector.
- (h) Satellite Insurance

### Training

The Corporation always realizes that as insurance is highly technical subject, it requires technically qualified people to properly administer the insurance and reinsurance business. Thus, the Corporation attaches importance on improvement of job skill and professional competence of its employees through arrangements of various programs at home and abroad. During the year 2021, a total number of 441 employees obtained training through Bangladesh Insurance Academy, different government training institutes and the Internal training center of the Corporation.

### Staff Relationship with the Employers

The Corporation attaches priority to maintain congenial relationship between employers and employees. With that end in view, the management allows the representatives of employees to keep in touch with them for addressing their genuine demands. To maintain good relationship and harmony and to improve working atmosphere arrangements are being made to stage annual drama and hold different indoor and outdoor games and other cultural events.

### First Multistoried Car Parking & Commercial Complex

To reduce the problems of traffic jam, Sadharan Bima Corporation has built a 9 (Nine) storied car parking space at 37/A, Dilkusha C/A, Dhaka. These 9 (Nine) storied cars parking facility is first time in Bangladesh. There are plans to construct the building up to 20th floor (very soon) by-phase. Car parking in Dhaka City is now a serious problem as the number of cars is increasing day by day.' SBC's initiative of making a car-parking facility is praiseworthy.

### Commercial Complex at Mohakhali Commercial Area and Khulna City Area

The corporation has taken initiative to build a 20 storied commercial complex at Mohakhali Commercial Area, Dhaka on its own lands and a multistoried building at Khulna City Area.

### Housing Complex at Uttara, Dhaka


There is a plan to build more housing complexes for officers and staffs at Uttara, Dhaka. The authority has decided to re-build the officers' quarter at Agrabad C/A, Chittagong. These are the initiatives of SBC's authority to provide a residential facility for the officers and staffs.

### Sponsor shareholding

SBC is the sponsor shareholder of Investment Corporation of Bangladesh, Industrial Development and Leasing Company, National Tea Company Limited, National Housing Finance and Investment Ltd, Aramit Ltd, Central Depository BD Ltd., CVC Finance Ltd. etc. Therefore; the contribution of SBC to the economy of Bangladesh is significant.

### Thinking Ahead

- (a) The corporation will implement the fully Automation system immediately through the help of BISD Project.



**(Syed Shahriyar Ahsan)**  
Managing Director  
Board of Directors  
Sadharan Bima Corporation

- (b) New buildings for officers and staff quarter at Dhaka and Chattogram will be constructed on need basis.
- (c) Business development activities and customer service i.e., prompt claims-settlement will be done through the active assistance of the BISD Project.
- (d) Introducing new insurance products such as Health Insurance, Delay in Start-up for various projects under construction/erection, Satellite Insurance and Crops Insurance in flood-prone areas etc.
- (e) Exploring the new overseas Reinsurance market.

The Board of Directors is pleased to place on record its appreciation for the sincere and devoted services rendered by the Corporation's officers and staff members at all levels during the period under report. The Board of Directors also pays special thanks to the Auditors who were appointed under the Insurance Corporation Act 2019 (section 28) for their in-depth audit and on time submission of their reports.

The Board of Directors also extends its gratitude and thankfulness to the Government of the Peoples' Republic of Bangladesh, especially Financial Institutions Division of the Ministry of Finance for their guidance and support from time to time. The Board also recorded with gratitude for the co-operation and patronage of the re-insurers from home and abroad and other statutory organizations, viz. Insurance Development & Regulatory Authority (IDRA), Bangladesh Insurance Academy, all the Private Sector Insurance Companies, Bangladesh Insurance Association and above all the insureds of the corporation for their co-operation and patronage.



**(Md. Ziaul Islam)**  
Chairman  
Board of Directors  
Sadharan Bima Corporation



# SUSTAINABILITY REPORTING

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# ABOUT SUSTAINABILITY REPORTING



In the corporate world, the term sustainability has come into use in a broad spectrum mainly as a result of increased environmental awareness. However, sustainability is wider than just environmental issue. Sustainability is a business strategy that drives long term corporate growth and profitability by obligating the inclusion of environmental and social issues in the business model.

This report illustrates how we bring our sustainability commitment to life through our activities; it provides information about our economic, social, environmental and governance activities and commitments up to December 31, 2021.



## Scope of this Report

This report covers all significant economic, social and environmental impacts resulting from Corporation's activities in the financial year 2021. There is no significant change regarding scope, boundary or measurement methods and explanation of the effect of any restatement of information comparing to the previous report of the year 2020.

## Content and Boundary of this Report

Sadharan Bima Corporation defines content and boundaries of the report based on internal and external factors related to business operations as well as its essence and benefits.

- 📄 Content comprises stakeholder inclusiveness, sustainability context, materiality, and completeness;
- 📄 Quality comprises accuracy, balance, clarity, comparability, reliability, and timeliness.

## Material aspect and boundaries

Material issue	Material Boundaries
Ethical Conduct	Corporate Governance is related with ethical conduct and the material boundaries extend to every aspects of economic, social and governance aspect of boundaries.
Contribution to the economy	SBC always feels responsible in providing financial support to the economy of Bangladesh. The corporation along with its stakeholders and employees participate in contributing to the national exchequer.
Market presence and product portfolio	SBC strives to penetrate in market by providing all types of non-life insurance products & services which has a direct economic, social and environmental impact.
Responsibilities to the community	SBC is educating the local communities where it is operating its business by strengthening the ecosystem of the boundaries which helps the local communities to establish themselves.
Human Development	SBC provides equal opportunity to all employees to bring out the hidden talent of employees. SBC also provides diversified trainings and education which increases the efficiency and effectiveness of every employees.
Waste management and energy efficiency	SBC believes in keeping the environment safe and clean as it helps the community to keep healthy which is ultimately beneficial for all. SBC also encourages its employees to be aware in consuming less energy which will lead our economy to a sustainable development.

### Developing Sustainability Strategy

Strategy is the agreed priorities that form part of a longer term plan, demonstrated in reporting by performance data. Developing a sustainability strategy provides an opportunity to review progress to date and take a fresh look at the risks and opportunities facing the business. It provides the framework to review, adjust and focus activities into

an authentic form that is unique to the corporation and can differentiate it from peers. Finally, it provides a clear framework for reporting and communications, allowing for a meaningful dialogue with stakeholders and a consistency of focus that makes reporting more robust.



### Sustainable Development Goals

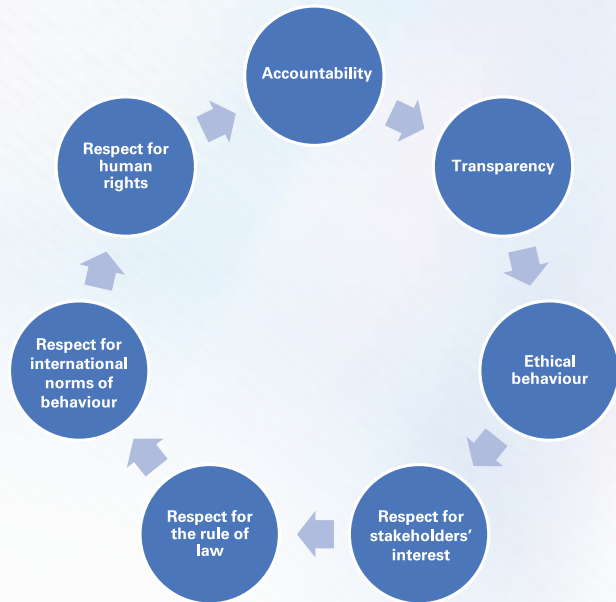
Sadharan Bima Corporation has a significant role to play in contributing to the Sustainable Development Goals (SDGs). We have been connecting our reporting to the SDGs, a 17 global goals set by the United Nations General Assembly in 2015 and a core

part of the 2030 agenda for sustainable development. In this report, we outline in more details how our activities and sustainability approach relates and contributes to the SDGs.



## Corporate Social Responsibility

Corporate Social Responsibility (CSR) refers to self-regulatory mechanism whereby a bank ensures its active compliance with the spirit of the law, ethical standards and national or international norms. CSR is mainly about the awareness of and actions in support of environmentally sustainable social development. SBC's CSR activities have been targeted at integrating economic, environmental and social aspects. Corporations use CSR as tool to address societal and environmental issues. Sustainability incorporates societal and environmental issues as building blocks within a business model. In some models, a firm's implementation of CSR goes beyond compliance and engages in actions that appear to further some social good, beyond the interests of the firm and that which is required by law.



### Guiding Principles for Corporate Social Responsibility

Every business should apply the 7 guiding principles of social responsibility, which are encapsulated in ISO 26000. Not only is it the right thing to do, but it is good for business, because the majority of customers would prefer to work with risk-free, responsible and pleasant people. Applying the 7 guiding principles is natural and should be built into everything.

### CSR strategy of SBC

CSR strategy is the comprehensive plan companies and funders use to design, execute, and analyze their corporate social responsibility initiatives. It includes specific focus areas, program design, promotion and communication approaches, and evaluation procedures.



#### Customers

- Provision of safe and secure products and services
- Fair competition and proper contracting
- Appropriate management of customers' information



#### Employees

- Employment without discrimination
- Respect fundamental human rights and assist employees' growth
- Create a comfortable working environment
- Building and sharing the values of mutual trust and responsibility
- Through implementation of ethical actions



#### Business Partners

- Build mutual confidence
- Maintain fair trade



### Stakeholders

- Enhance corporate value
- Appropriate information disclosure



### Local Communities and Global Society

- Contribute to the conservation of the global environment
- Contribute to the prevention and mitigation of natural disaster damages
- Contribute to local communities
- Stance on Anti -Social Forces
- Conduct business activities recognizing social and cultural differences
- Maintain equitable relationship with government agencies and other customers.

### CSR activities of SBC:

As part of the CSR initiatives, SBC focuses primarily on scholarships to the meritorious students, sponsors of games and sports of the country and financial assistance to different Mosques, Orphanage & other Religious and social welfare establishments. To achieve the said purpose, SBC expenses of Tk. 70,75,470/- as donation and subscription for different welfare establishments and Tk. 4,33,950/- as scholarships to meritorious students and children of its employees in the Year 2021.

### Environment related Initiatives

Bangladesh is one of the vulnerable countries in the world due to climate change related negative impacts. The natural disasters like cyclone, excessive rain, floods, droughts, river erosion are hampering the life of people and economy almost every year. In this case, green fiscal initiatives are essential for the

country in order to mitigate the climate change impacts and reduce the negative impacts of natural disasters for ensuring sustainable livelihood of people as well as sustainable development.

The GOB has taken various innovations and policy support to prevent environmental pollution and mitigate climate change negative impacts. The Bangladesh Climate Change Strategy and Action Plan (BCCSAP) has developed in 2009 to ensure low-carbon development in the country.

Government of Bangladesh (GOB) already concerned about green development. Various ministries, divisions and regulatory boards including Bangladesh Bank (BB) formulate several acts, regulations and policy initiatives in this aspect.

### Role of government institutions for green development in Bangladesh:

Institutions	Initiatives
Bangladesh Bank	Policy formulation and governance, introduction of green finance, supporting employee training, consumer awareness, and green events.
Sustainable and Renewable Energy Development Authority (SREDA)	To maintain coordination among the various organizations working on green technologies, capacity building in terms of manpower, logistics, and funds.
Planning Commission	Inter-sectoral coordination among the related ministries, allocation of resources towards implementation.
Finance Division	Preparing, analyzing, and implementing fiscal policies, budgets functions, allocate fiscal incentives.
Economic Relations Division (ERD)	External support for the socioeconomic development, securing green finance from international sources.

The following **SDG Goals of United Nations** has been complied by Corporation's environmental initiatives:



SBC committed to providing quality service in a manner that ensures a safe & healthy workplace for our employees protecting the environment, conserving energy and natural resources. With these policies in place, we believe that we can achieve a healthy and safe environment. We are committed to do and will:

- ✚ Integrate the consideration of environmental concerns and impacts into our decision making and activities.
- ✚ Develop and improve operations and technologies to minimize waste and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly.
- ✚ Minimize energy and water use within our premises and processes in order to conserve supplies and minimize the consumption of natural resources.
- ✚ Comply with all applicable environmental regulations.
- ✚ Establish procedures to ensure that all employees are knowledgeable, understand and comply with all applicable environmental laws and regulations. Train all our employees on our environmental program and empower them to contribute and participate.
- ✚ Communicate our environmental commitment

✚ to our clients, contractors, suppliers and the community.

✚ Strive to continually improve SBC's environmental management system and performance & implement corrective actions.

### Environment And Social Obligations

We have long acknowledged that a healthy environment is the foundation for economic progress and the well-being of society. As a leading Insurance corporation, we are committed to finding market solutions that benefit the environment.

Insurance policies are intended to help private individuals and companies to reduce their risk-taking and to protect against unexpected financial losses. Our strategy is to reduce the environmental impact the corporation has through constant improvements. Environmental responsibility is an integral part of our everyday business and all of our employees' responsibilities include working to promote a sustainable environment on a daily basis. Our suppliers are also included in this work since, when procuring their services and products, we specify as far as possible requirements for well-functioning environmental work.

While human beings suffered the worst since the outbreak of COVID 19 pandemic, nature and other natural creatures enjoyed the air of freedom in a care

free mode. In a roundabout way, COVID 19 taught us how cruel nature can be, if human beings do not act more responsibly. In this new context, human obligations towards environment and society have become most talked-about issue than ever before.

Due to COVID 19 following changes took place in 2021

- ✚ Email-Statement instead of hard copy of statements.
- ✚ Video Conferencing instead of physical visit.
- ✚ Zoom meeting instead of physical presence in meeting.
- ✚ Training via Zoom.
- ✚ Awareness creation for COVID 19.
- ✚ Popularizing home office instead of physical presence to ensure social distancing.
- ✚ Preparation of Sustainability Reporting for stakeholders.

### Integrated Reporting

An integrated report is a concise communication about how an organization’s strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term. The primary purpose of an integrated report is to explain to providers of financial capital how an organization creates value over time. However, an integrated report benefits all stakeholders interested in an organization’s ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policymakers.

### Strategic Focus Area

On rapidly changing the financial landscape, any corporate entity’s strategic focus areas are supposed to be determined on the basis of challenges and future prospects or potentialities which the organization may face.

To protect customers’ interest and interest of all other stake-holders, SBC constantly pursues strategies in light of present challenges and opportunities available. Strategic focus areas of SBC have been determined as follows:



### Value Added Statement of SBC

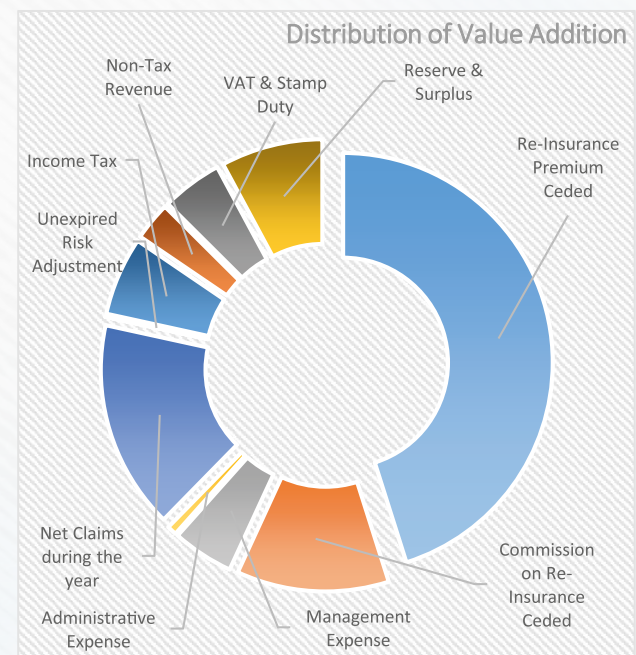
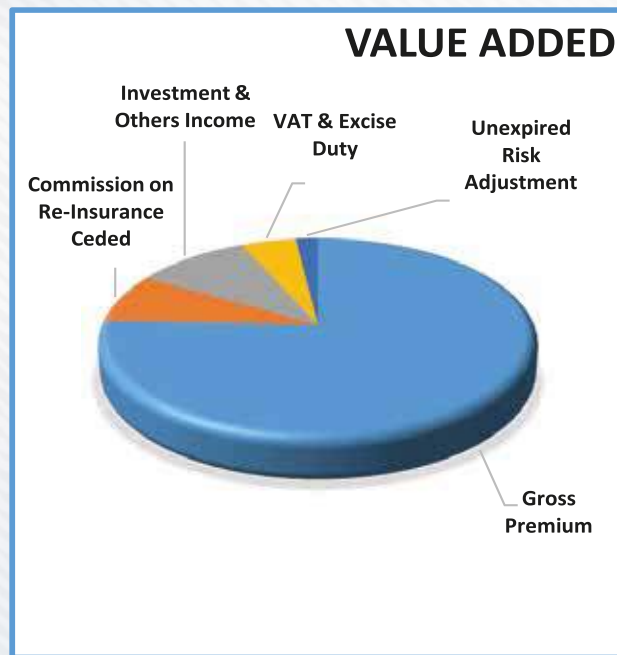
The value-added statement for the SBC shows how the value is created and distributed among different stakeholders of the SBC.

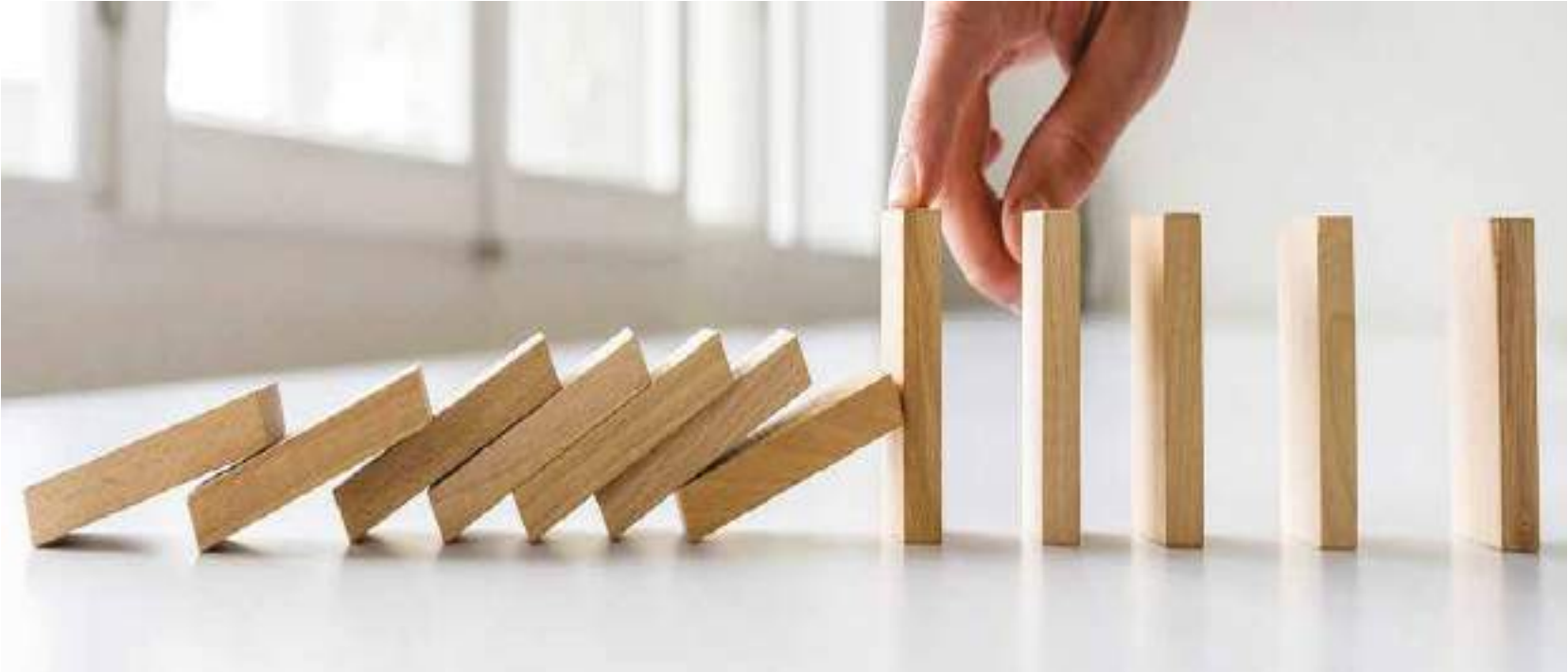
### Value Added Statement

For the year ended 31 December, 2021

Value Added	BDT in Million
Gross Premium	16,111
Commission on Re -Insurance Ceded	1,660
Investment & Others Income	2,100
VAT & Excise Duty	996
Unexpired Risk Adjustment	400
<b>Total</b>	<b>21,267</b>

Distribution of Value Addition	BDT in Million
Re-Insurance Premium Ceded	9,595
Commission on Re -Insurance Ceded	2,499
Management Expense	1,006
Administrative Expense	158
Net Claims during the year	3,421
Unexpired Risk Adjustment	-
Income Tax	1,292
Non -Tax Revenue	630
VAT & Stamp Duty	996
Reserve & Surplus	1,671
<b>Total</b>	<b>21,267</b>





# RISK MANAGEMENT REPORT

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# RISK MANAGEMENT FRAMEWORK



The insurance industry in Bangladesh, particularly, Non-life Insurance Companies are increasingly facing new challenges of different nature over the years and to encounter such challenges, proper risk management is of prime consideration. Increasing pressure is mounting up day by day on the insurers for implementation and professionalizing the existing risk management practices to cater to requirements arising under changing environment.

Risk management framework of an enterprise is greatly influenced by the risk perception of its management. Risk perception may vary from one to another among organizations depending on the risk factors pertaining to the nature of venture, socio-economic threats, volatility of political and legal environment, possibility of act of god occurring in relation to geographical strata/position, etc. and finally, on the financial strength of the entrepreneur.

## Strategy

SBC have a sound strategy to manage risks arising from its core activities. SBC determine its risk tolerance, i.e. the level of risk that it is able and prepared to bear, taking into account its business objectives and available resources. In formulating its risk management strategy, the SBC should consider the following:

- ✚ the prevailing and projected economic and market conditions and their impact on the risks inherent in its core activities;
- ✚ the available expertise to achieve its business targets in specific market segments and its ability to identify, monitor and control the risks in those market segments; and
- ✚ its mix of business/type of risks written and the resultant concentration risks which may lead to volatility in profitability.

## Structure

SBC adopt a risk management structure that is commensurate with its size and nature of its activities. The organizational structure should facilitate effective management oversight and execution of risk management and control processes.

The Board of Directors is ultimately responsible for the sound and prudent management of SBC. The

Board should approve the risk management strategy and risk policies pertaining to core insurance activities. It should ensure that adequate resources, expertise and support are provided for the effective implementation of the insurer's risk management strategy, policies and procedures.

The senior management, or a committee comprising members of senior management from both the business operations and control functions, should establish the risk management framework. The framework should cover areas such as approval of business and risk strategy, review of the risk profile, implementation of risk policies approved by the Board, delegation of authority and evaluation of the business processes.

SBC establish a risk management function, preferably independent from the operational processes, if warranted by the size and complexity of its operations. This function would be primarily responsible for the development of and ensuring compliance with the insurer's risk management policies and procedures.

## Policies & Procedures

Risk policies should set out the conditions and guidelines for the identification, acceptance, monitoring and management of risks. These policies should be well-defined and consistent with the insurer's risk strategy, as well as adequate for the nature and complexity of its activities. They should also help to explain the relationship of the risk management system to the insurer's overall governance framework and to its corporate culture. The policies should, at a minimum, cover the following:

- ✚ the identification, measurement and communication of key risks to the Board;
- ✚ the process by which the Board decides on the maximum amount of risk the insurer is able to take, as well as the frequency of review of risk limits;
- ✚ the roles and responsibilities of the respective units and staff involved in acceptance, monitoring and management of risks;
- ✚ the approval structure for product development, pricing, underwriting, claims handling and

reinsurance management, including authority to approve deviations and exceptions;

- ✚ the principles and criteria relating to product development, pricing, underwriting, claims handling and reinsurance management; and
- ✚ the management of concentration risk and exposures to catastrophic events, including limits, reinsurance, portfolio monitoring and stress testing.

### SBC's key risk area

Risk management is a continuous process that involves assessment, monitoring and managing of risk factors commensurate with the corporate philosophy and objective towards achieving ultimate goal for a particular period. SBC prefers to rightly identify its corporate risks associated with internal and external forces. Such internal/external risks as addressed by SBC include:

- 1) **Operational risks** is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. However this definition includes legal risk but excludes systematic risk and reputational risk. Apart from that SBC has also developed its Human Resource policy in view of the operational risks for procurement/ retaining its efficient workforce to effectively encounter the operational hazards faced by the corporation.
- 2) **Strategic risks** are mostly associated with the rival marketing moves for penetrating the insurance market. In order to achieve and retain its market position and steer toward betterment, SBC prefers to adopt its business strategy based on focus to market penetration and particular concentration to market segment which is greatly dependent on market intelligence or market information.
- 3) **Financial risks** involve liquidity and investment risks, and claims reserving risks. To ensure transparency and accountability within the activities of the company is essential for managing financial risks. SBC prefers a conservative investment policy guided by the Board and its performance in terms of liquidity position, investment portfolio, cash flow status, claims reserve position, etc. are regularly monitored by the Board. For such financial risk management, SBC has an efficient internal control mechanism.
- 4) **Environmental and technological risks** are also

ever emanating risks to which SBC has been always attentive. Full compliance in respect of all environmental laws and regulations are strictly observed in its operations. Besides, risks associated with technological changes are managed as well.

- 5) **Underwriting Risks** for general insurance contracts arise from uncertainty in the timing and amount of claims. The corporation addresses these risks through its underwriting and reinsurance strategy. The corporation also monitors and reacts to changes in the general economic and commercial environment in which it operates. The underwriting strategy of the corporation is to seek diversity to ensure a balanced portfolio. The underwriting functions of SBC perform and adhere to the underwriting guidelines/authority limits are measured on a periodic basis.

- 6) **Market Risk** is the risk to an institution's financial condition resulting from adverse movements in the level or volatility of market prices of interest rate instruments, equities and currencies. Market risk is usually measured as the potential gain/loss in a position/portfolio that is associated with a price movement of a given probability over a specified time horizon. Market risk is that the value of an investment will decrease due to moves in market factors and the three standard market risk factors are:

**Equity Risk:** Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money.

**Interest Rate Risk:** Interest rate risk is the risk that the relative value of an interest-bearing asset, such as fund placement to Banks as FDR, loan or bonds, will worsen due to an interest rate increase. In general, as rates rise, the price of fixed rate bond/FDR will fall, and vice versa.

**Currency Risk:** Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever investors or companies have assets or business operations across national borders, they face currency risk if their positions are not hedged.

### Risk Mitigation Methodology

Insurance Risk Management is the assessment and quantification of the likelihood and financial impact of events that may occur in the customer that require settlement by the insurer; and the ability to spread

the risk of these events occurring across other insurance underwriter's in the market. Risk Management work typically involves the application of mathematical and statistical modelling to determine appropriate premium cover and the value of insurance risk to 'hold' vs 'distribute'.

Managing pure risk entails the process of identifying, evaluating, and subjugating these risks—a defensive strategy to prepare for the unexpected. The basic methods for risk management—avoidance, retention, sharing, transferring, and loss prevention and reduction—can apply to all facets of an individual's life and can pay off in the long run. Here's a look at these five methods and how they can apply to the management of health risks.

- ✚ Avoidance means not participating in activities that could harm you; in the case of health, smoking is a good example.
- ✚ Retention acknowledges the inevitability of certain risks, and in terms of health care, it could mean picking a less expensive health insurance plan that has a higher deductible rate.
- ✚ Sharing risk can be applied to how employer-based benefits are often more affordable than if an individual gets their own health insurance.
- ✚ Transferring risk relates to healthcare in that the cost of the care is transferred to the insurer from the individual, beyond the cost of premiums and a deductible.
- ✚ Loss prevention and reduction are used to minimize risk, not eliminate it—the same concept is used in healthcare with preventative care.

## Disclosure of Risk Reporting

Risk reporting is to enhance the quality of decision-making and support management and oversight bodies in meeting their responsibilities'. Risk reporting is a key component of the risk management framework providing insight and confidence to both internal and external stakeholders. Good risk reporting offers an integrated perspective, which draws on and complements planning and performance frameworks and insights in assuring the effectiveness of the risk management approach, and highlighting areas where intervention is required.

The board of SBC, supported by the Audit and Real Estate Committee, should periodically review the quality of reporting, and provide feedback on the scope, purpose and content of reports. This may form part of an annual governance review and will enable risk professionals to optimize reporting and ensure that it supports effective decision-making.

Disclosures relating to Risk reporting ensure proper identification of physical hazards based on risk factors, analysis on appropriate measures to control risks and the last but not the least, to decide on the extent of risk financing. Sadharan Bima Corporation, through their expert professionals time and again imparts awareness to the clients toward achieving the objectives of how to analyze the risk factors associated with different activities, observe how risks can affect decision making process, and how operational risks can be managed properly by arranging adequate insurance protection. Some of SBC information's are-

Amount in million Taka

Particulars	Years		
	2021	2020	2019
Net Premium Income	6,516	7,249	7,169
Net Claims incurred	3,421	3,014	2,597
Outstanding Premium	624	613	1,077
Deposit Premium	1,256	771	774

SBC ensures/ encourages proper risk management of their clients that benefits them for saving resources. The clients' time, assets, property, income, and people - all are valuable resources that can be saved if fewer claims occur. Proper risk management also ensures protecting the reputation and public image of the clientele, preventing or

reducing legal liability and increasing the stability of operations; it creates awareness in protecting people from harmful events, and thereby protecting the environment by enhancing competence and efficiency by reducing liabilities, and also assisting in clearly defining insurance needs.



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# STAKEHOLDER'S INFORMATION



## Shareholding Structure

Sadharan Bima Corporation is only state-owned Non-Life Insurance Corporation incorporated on 14th May, 1973 under the Insurance Corporations Act 1973 which was subsequently rescinded by the Insurance Corporations Act 2019. Total authorized and paid-up capital of SBC is BDT 10,000 million and BDT 5,000 million as per provision of this Act.

The authorized and paid-up capital shall be divided by shares of Taka 100 each in accordance with section 3 (1) of the Insurance Corporation Rules-1977. The shares shall be allotted to the Government for the amount subscribed by the corporation. Total number of shares outstanding of the corporation as of December 31, 2021 is 50,000,000 nos. shares only.

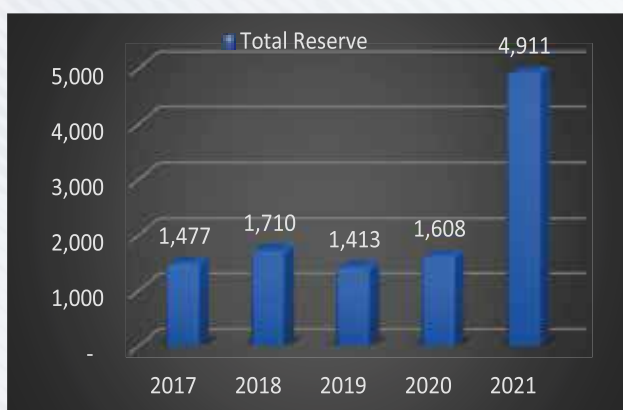
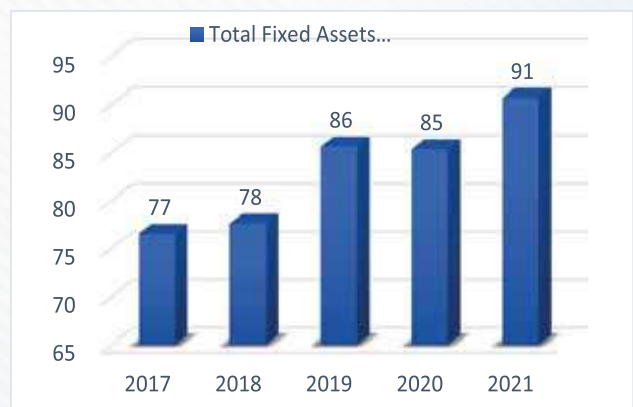
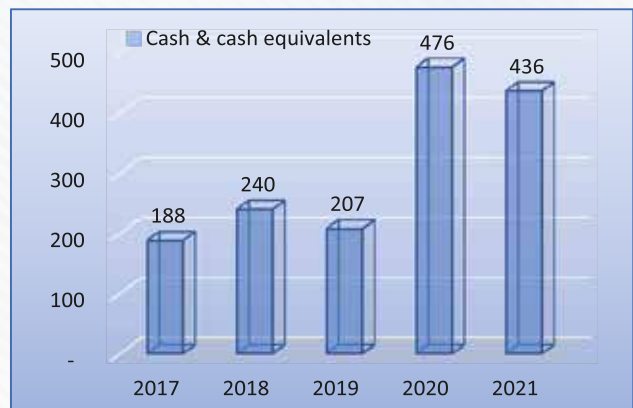
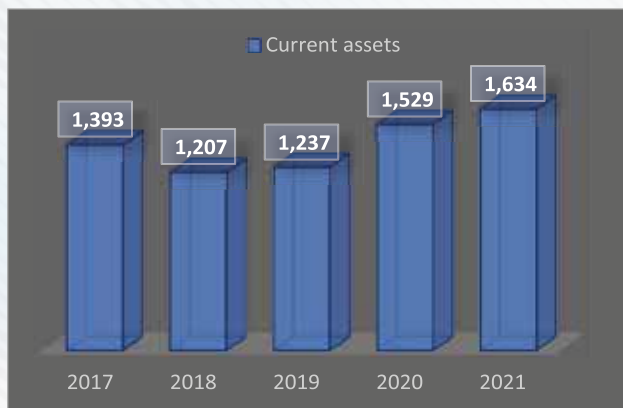
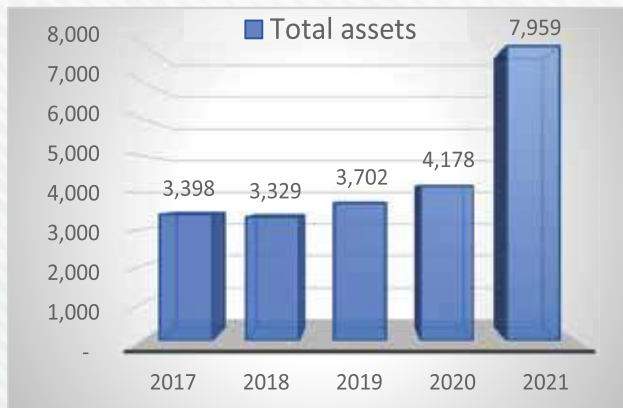
## Five Years Financial Summary

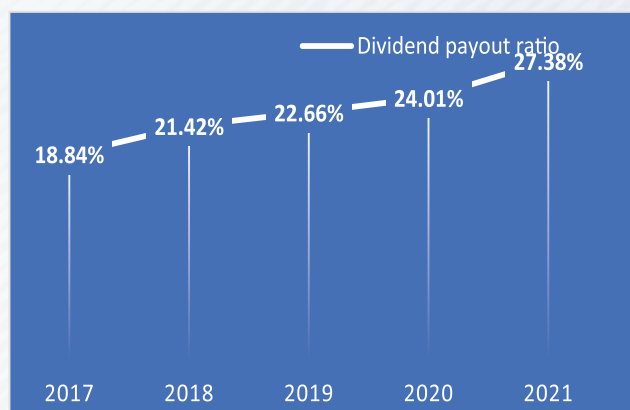
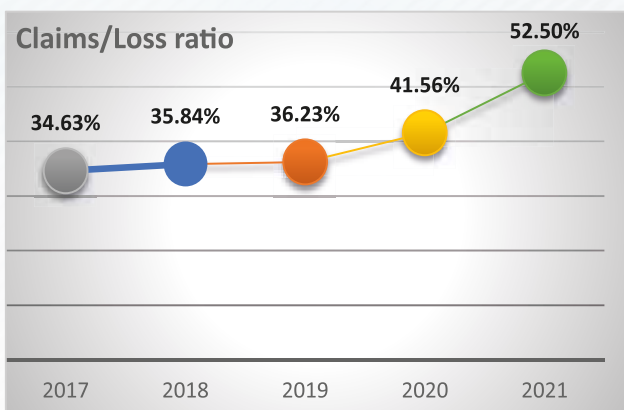
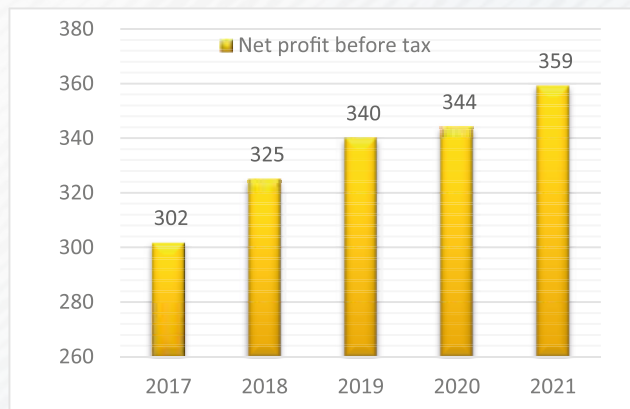
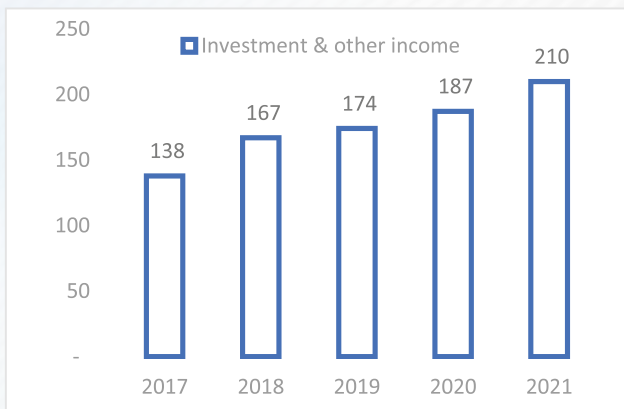
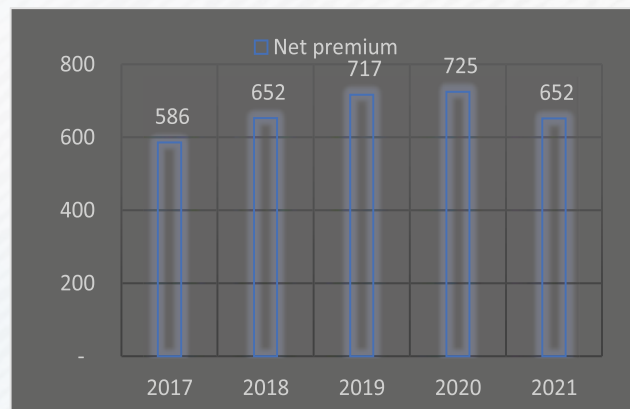
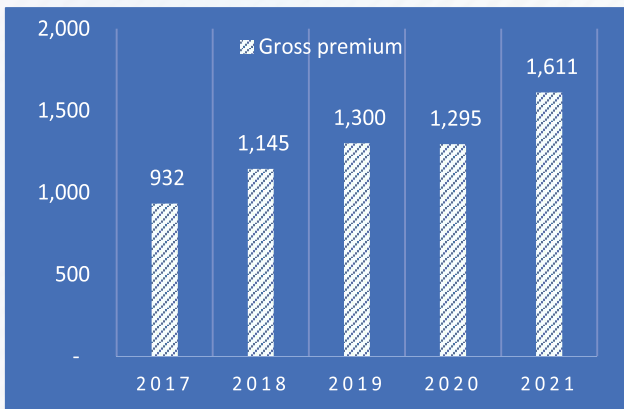
Particulars	2021	2020	2019	2018	2017
<b>Financial Position</b>					
Total assets	79,592,261,912	41,783,247,125	37,020,260,865	33,287,057,645	33,984,456,229
Investments	53,362,336,116	18,564,016,309	17,249,718,118	14,736,173,111	13,350,830,471
Current assets	16,337,805,809	15,288,279,607	12,366,233,877	12,068,020,670	13,928,198,870
Cash & cash equivalents	4,364,739,352	4,761,217,772	2,073,571,348	2,398,600,984	1,878,749,795
Current liabilities	13,865,038,641	10,669,117,767	8,185,770,162	7,379,658,638	9,672,701,883
Total Fixed Assets including investment in properties	907,043,610	853,749,683	856,367,809	776,094,952	765,529,878
Total Reserve	49,107,638,765	16,075,365,863	14,126,158,857	17,099,357,438	14,765,585,691
Total Equity	54,510,351,939	21,478,079,037	19,537,058,972	17,110,257,552	15,676,485,806
<b>Operational Result</b>					
Gross premium	16,111,489,044	12,953,812,735	13,001,731,949	11,445,294,191	9,324,342,380
Net premium	6,516,151,840	7,248,667,925	7,169,374,958	6,522,026,491	5,860,214,050
Net Claim Incurred	3,420,960,974	3,012,620,166	2,597,153,098	2,337,192,442	2,029,130,599



Management Expense	1,006,192,997	946,388,838	980,634,452	834,315,628	881,994,144
Underwriting profit	1,649,999,687	1,722,154,615	1,802,875,416	1,706,831,283	1,778,889,515
Profit before tax	3,592,103,115	3,441,838,521	3,400,617,279	3,250,215,761	3,017,303,166
Net profit after tax	2,300,543,865	2,499,207,006	2,426,801,419	2,333,771,746	2,123,035,974
Investment & other income	2,099,846,367	1,872,636,200	1,740,891,827	1,670,431,474	1,379,784,199
Cash flow from operating activities	2,318,277,155	3,287,899,532	1,805,710,909	1,250,563,330	2,049,662,010
<b>Financial Ratio</b>					
Return on equity	6.05%	12.19%	13.24%	14.24%	14.33%
Return on assets	3.79%	6.34%	6.90%	6.94%	6.94%
Net profit Margin	14.28%	19.29%	18.67%	20.39%	22.77%
Claims/Loss ratio	52.50%	41.56%	36.23%	35.84%	34.63%
Combined ratio	67.94%	54.62%	49.90%	48.63%	49.68%
Solvency ratio (Times)	8.89	1.18	0.88	0.77	0.22
Current ratio	1.18	1.43	1.51	1.64	1.44
Underwriting/Gross profit ratio	45.93%	50.04%	53.02%	52.51%	58.96%
Dividend payout ratio	27.38%	24.01%	22.66%	21.42%	18.84%
Dividend yield	12.60%	12.00%	11.00%	500.00%	400.00%

### Graphical Presentation







## Segment Analysis

A Segment is a distinguishable component of the Corporation that is engaged in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The purpose of segments reporting is to enable the users of Annual Report to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. For management, segment reporting is used to evaluate each segment's income, expenses, and assets, liabilities and so on in order to assess profitability and risk elements to the Corporation. Below, we broke down the SBC's

premium income, claim settlement, management expenses and profitability by class of business and by geographical area.

Most of the analysis is based on accounting data provided in the financial statements published in years earlier to 2021 or to be published in the year 2021. In 2021, premium less re-insurance income was BDT 6,516.15 million. Figures below display the evolution of gross premium by type of general insurance product e.g. Fire, Marine, Motor and Miscellaneous for years 2017 to 2021. This chart also indicates that the underlying composition of gross premiums has a perfect growth throughout the period except a slight decrease in the last year.

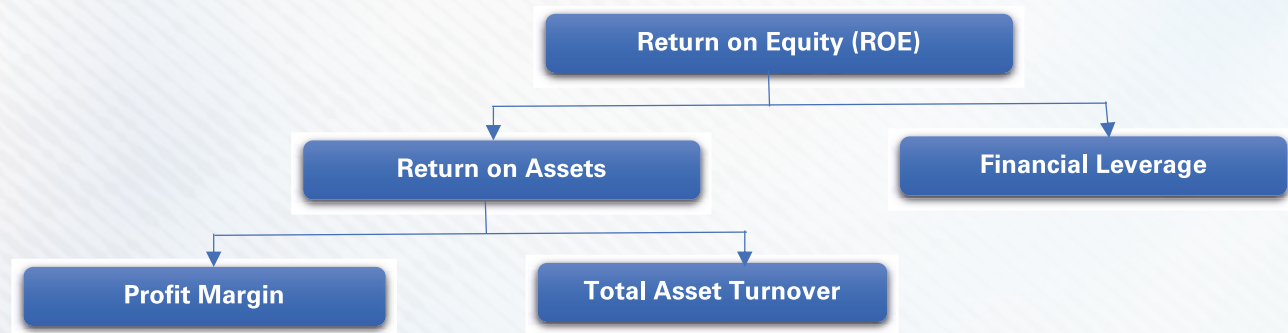
Amount in million Taka

Particulars	Years				
	2021	2020	2019	2018	2017
Fire	4,708.12	3,958.75	3,814.82	2,948.29	3,195.89
Marine	2,486.82	2,293.97	2,787.73	2,355.26	2,017.02
Motor	129.26	170.78	174.39	158.59	143.39
Miscellaneous	(808.05)	825.18	392.43	789.89	503.92
<b>Total</b>	<b>6,516.15</b>	<b>7,248.67</b>	<b>7,169.37</b>	<b>6,252.03</b>	<b>5,860.21</b>

## Dupont Analysis

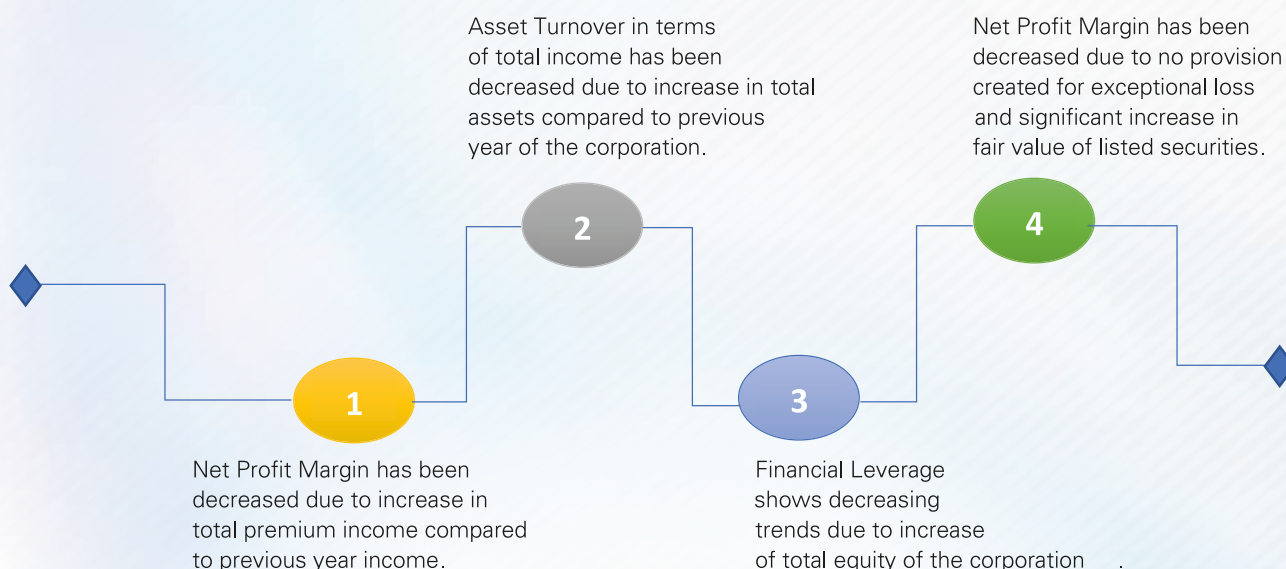
DuPont analysis is an approach that consists of a detailed examination of Return on Equity (ROE) of the corporation which analyses Net Profit Margin, Asset Turnover, and Financial Leverage. DuPont Analysis

gives a broader view of the Return the corporation in earnings on its Equity. This analysis, in turn, helps management to take various strategic and operational decisions.



Particulars	2021	2020
<b>Net Profit Margin (PAT/Total Income)</b>	14.28%	19.29%
<b>Total Asset Turnover (Total Income/Average Assets)</b>	26.55%	32.88%
<b>Return on Asset (PAT/ Average Assets)</b>	3.79%	6.34%
<b>Financial Leverage (Average Assets/Average Equity)(Times)</b>	1.60	1.92
<b>Return on Equity (PAT/Average Equity)</b>	6.05%	12.19%

The higher the value of all components of DuPont analysis indicates the higher positive impact on Return on Equity. Main Highlights of DuPont analysis:



### Credit Rating Report

Alpha Credit Rating Agency affirms long term rating “AAA” (pronounced as “Triple A”) and short term rating of “ST-1” on claim paying ability (CPA) of Sadharan Bima Corporation. The rating is based on audited financial statement of 31st December, FY 2016 to 2020 and other qualitative factors. While assigning the rating ACRA has considered both

favorable and unfavorable movement in overall performance of the company. The rating continues to draw comfort from the leading position of the corporation in the market place, long business track record of the board of directors & proficient management team.

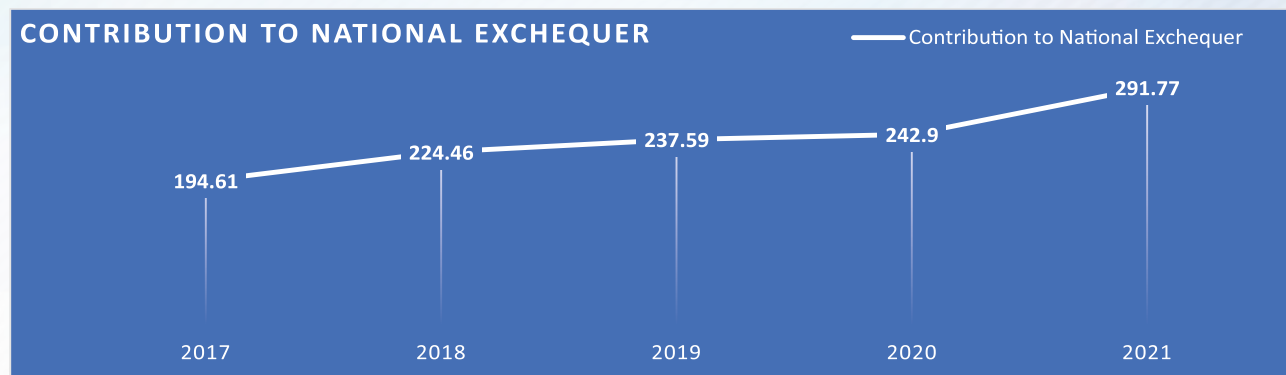
#### Credit Rating of SBC:

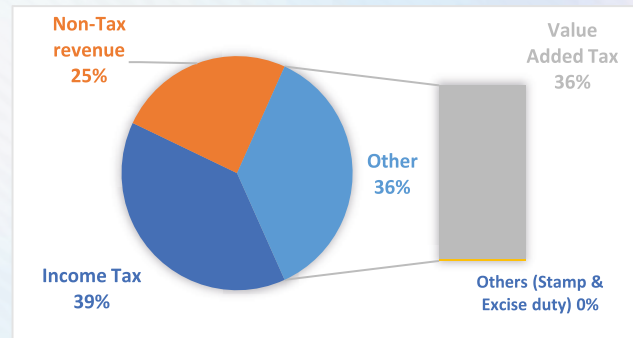
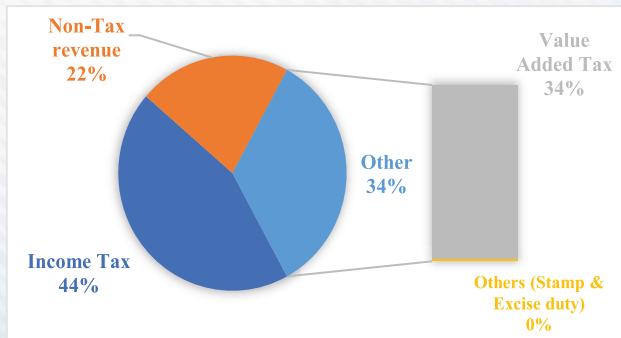
Date of Declaration	Valid Till	Rating Action	Rating Mode	Long Term Rating	Short Term Rating	Outlook
09 May, 2022	08 May, 2023	Surveillance	Government Support	AAA	ST-1	Stable
			Without Government Support	AAA	ST-1	Stable

#### Contribution to the National Exchequer

SBC has consecutively become the highest tax payer in the insurance industries of Bangladesh. Increasingly we make significant contribution to the

Government Treasury each year. In the 2021, we paid BDT 2,917 million to the national exchequer as NTR, Tax, VAT, Stamp duty etc.





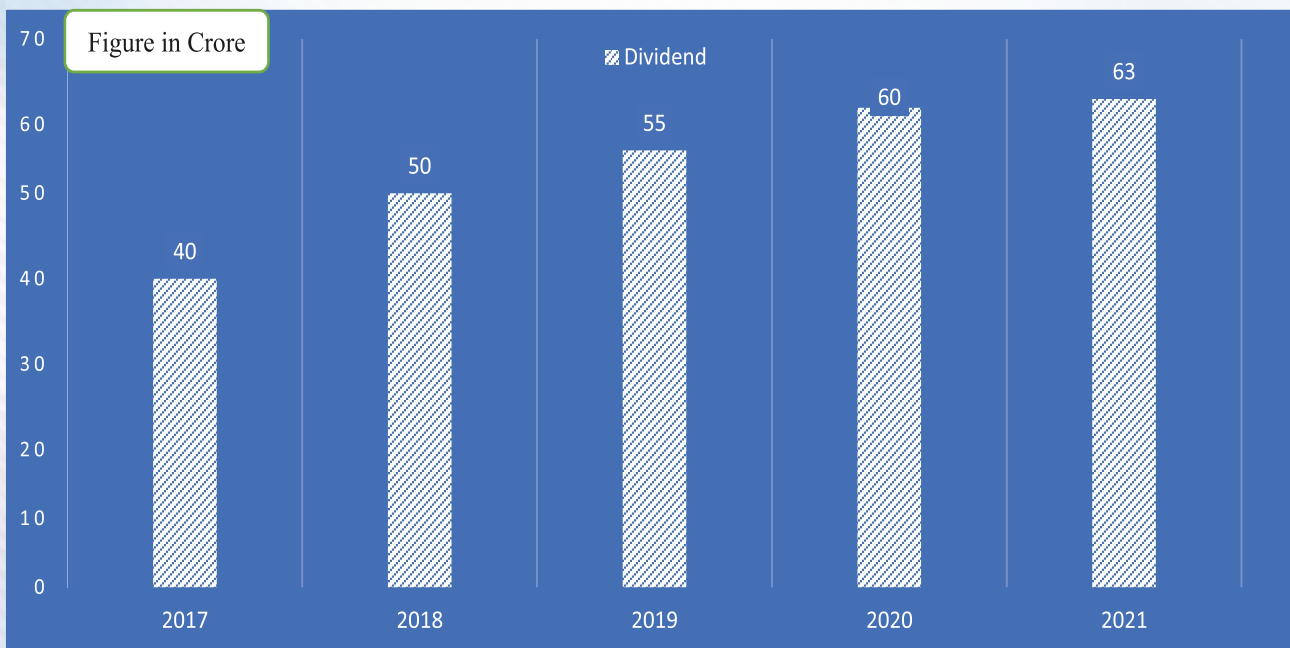
### Dividend Distribution Policy

This policy will be applicable to Sadharan Bima Corporation (SBC). This policy is for payment of dividend to the Government of Bangladesh as Non-Tax Revenue (NTR).

SBC pays dividends in BDT through treasury challan. Future dividends will depend on a variety of factors including SBC’s earnings, financial condition, applicable capital and solvency requirements, prevailing financial market conditions and the general

economic environment. Approval for dividend payments is made at the discretion of the Board of Directors.

In assessing the dividend to be paid in any given year, Management tries to strike the appropriate balance between (i) prudent capital management, (ii) reinvestment of previous results to support business development and (iii) an attractive dividend.



### Dividend Distribution Policy

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer’s funds. Under section 43 of Insurance Act 2010 the Insurance Company required to maintain adequate Solvency Margin. The solvency of an insurance Company corresponds to its ability to pay claims. The solvency of the corporation or its

financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the corporation has adequate capital as security.

In Bangladesh regulations for Solvency Margin for non-life insurance Company have been prepared by IDRA but not yet been approved by the Finance

Ministry Thereby Not Yet Promulgated Through Official Gazette.

Has Achieved Solvency Margin 8.89 Times Of Required Level. The Details As Follows:

During The Year 2021, Sadharan Bima Corporation

For the Year 2021								
(1)	Class of Business	Gross Premium	Net Premium	Factors	G.P. after application of Factor	40% of NP	25% of GPF	Figures in col. (7) & (8) Amount in million Taka whichever are higher
(1)	(2)	(3)	(4)	(5)	(6)=(3)*(5)	(7)	(8)	(9)
1	Fire	6,642	4,708	0.70	4,649	1,883	1,162	1,883
2	Marine (Cargo & Hull)	3,297	2,487	0.60	1,978	995	495	995
3	Motor	129	129	0.75	97	52	24	52
4	Miscellaneous	6,043	(808)	0.70	4,230	(323)	1,058	1,058
	<b>Total</b>	<b>16,111</b>	<b>6,516</b>					<b>3,987</b>

## Solvency Margin Position

### Available Solvency Margin based on Assets & Liabilities

Amount in million Taka

Assets	Amount	Liabilities	Amount
<b>Total Assets as per Balance Sheet</b>	79,592	Sundry Creditors	699
<b>Less: Amount due from Others</b>	(10,142)	Amount Due to Others	4,513
<b>Outstanding Premium</b>	(624)	Deposit Premium	1,256
<b>Furniture &amp; Fixture</b>	(11)	Outstanding Claims	7,367
		Balance of Fund & Accounts (Reserve for Unexpired Risk)	3,321
		Provision for bad & Doubtful Debts	60
		Provision for Income Tax	7,896
		Reserve for exceptional loss	8,171
		Provision for Crops & Shrimp	89
(A) TOTAL ASSETS	68,815	(B) TOTAL LIABILITIES	33,371
<b>Solvency Margin Available (A-B)</b>			<b>35,444</b>

### Solvency Ratio (Times)

Particulars	2021
Solvency Margin Available (A-B)	35,444
Required Solvency Margin	3,987
<b>Solvency Ratio (Times)</b>	<b>8.89</b>



# CORPORATE GOVERNANCE REPORT

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## CORPORATE GOVERNANCE REPORT



Corporate governance is crucial for the proper functionality of the insurance sector and the overall economy of a country. Insurance plays an important role in the economy by assuring client's assets from unexpected loss in exchange of premium. The primary objective of corporate governance, therefore, is to safeguard stakeholders' interests on a sustainable basis. Good governance is manifested through adherence to ethical business norms, a firm commitment to values, and compliance with applicable laws and regulations while enhancing shareholders' value.

Since its inception, SBC has been pursuing responsible and ethical insurance service. Our corporate governance report is a reflection of corporation's strong adherence and commitment to best practices of corporate governance and our full compliance with the rules and regulations of various regulatory bodies including Insurance Development & Regulatory Authority (IDRA).

Accountability

Fairness

Transparency

Responsibility

### Governance Structure of SBC

The Board recognizes the need for a strong corporate governance framework and supporting processes and believes that good governance, with tone set from the top, is a key factor in delivering sustainable business performance and creating value for all the Groups stakeholders.

The Board is assisted by four specialized Committees such as Human Resources Development and Finance & Investment Management Committee, Business Development & Customer Services Committee, Audit & Real Estate Committee and Miscellaneous Committee.

### Guiding philosophy of governance practice

Principles of good governance are embedded in the core values of SBC, the corporation that strongly believes in inclusive and sustainable growth. As a locally incorporated, the following Acts, regulatory bodies played a major role in shaping the governance structure and practices of the Corporation.

- Insurance Act 2010
- Insurance Development & Regulatory Authority (IDRA) Act 2010
- Bangladesh Securities and Exchange Commission (BSEC)
- Insurance Corporation Act 2019
- The Companies Act, 1994

- Financial Reporting Act 2015

### Appointment of Board of Directors

The Members of the Board of Directors are appointed by the Government. The Board of Directors of SBC comprise the following compositions-

- ✓ 1 (one) Chairman to be nominated by the Government;
- ✓ 2 (two) officials, not below the rank of a Joint Secretary, to be nominated by the Financial Institution Division;
- ✓ 1 (one) official, not below the rank of a Joint Secretary, to be nominated by the Finance Division;
- ✓ 1 (one) official, not below the rank of a Joint Secretary, to be nominated by the Commerce Ministry;
- ✓ 1 (one) professor of the concerned Department of Dhaka University, to be nominated by the Government;
- ✓ Director, Bangladesh Insurance Academy, ex-officio;
- ✓ 2 (two) insurance experts having experience in conducting insurance business, to be nominated by the Government;

- ✓ 1 (one) Professional Accountant experienced in audit and accounts, to be nominated by the Government; and
- ✓ Managing Director, ex-officio.

The Directors shall hold office for a term of 3 (three) years and shall be eligible for reappointment for not exceeding 1 (one) term.

### Members of the Board of Directors

The Board and its HRD, Finance & Investment Management Committee regularly monitor and manage the investment, human resource and other

management activities. In the year 2021 the Board of Directors comprised ten members: two women and eight men.

Name	Position	First Appointment
Md. Ziaul Islam	Chairman	22.07.2020
Zakia Sultana	Director	11.12.2019
Abdullah Harun Pasha	Director	18.02.2021
A K M Ali Ahad Khan	Director	08.01.2020
M. Saifullah Panna	Director	08.01.2020
Md. Tafazzal Hossain Forhad	Director	19.11.2018
Professor Abu Taleb	Director	24.09.2019
Ms. Fouzia Haque, FCA	Director	13.01.2020
A.K.M Ehsanul Haque, FCII	Director	14.09.2020
S M Ibrahim Hossain, ACII	Director	14.12.2020
Syed Shahriyar Ahsan	Managing Director	21.09.2016

### Rotation, Retirement and Removal of Directors

In accordance with the provisions of Section 91 of the Companies Act 1994, Section 79-87 of Schedule I of the Act, one-third of the Directors shall retire from office in every subsequent year and shall be eligible for re-election upon retirement immediately. As state owned organization, SBC is followed by Insurance Corporation Act 2019 for rotation, retirement and removal of Directors.

The Chairman or a Director may resign his office by writing under his hand addressed to the Government.

Such resignation shall not take effect until it is accepted or approved by the Government. Moreover, the Government may, at any time, terminate the Chairman or any Director without showing any cause.

The Chairman is unable to perform the function of his office on account of absence, illness or any other cause, any Director to be nominated by the Government shall act as the Chairman until a newly appointed Chairman takes over the Charge of his office or the Chairman is able to resume the functions of his office.

### List of the Directors who appointed, re-appointed and removal during 01-01-2021 to 31-12-2021

Name of the Director	Designation	Remarks
Abdullah Harun Pasha	Director	Appointed
Zakia Sultana	Director	Removal/ Resigned
Md. Tafazzal Hossain Forhad	Director	

### Role and Responsibilities of the Board

The Board is collectively responsible for determining the strategic orientations of the corporation, ensuring their implementation, and establishing the internal framework for oversight of Executive Management, subject to relevant laws and regulations and the Bylaws of the Corporation. Board responsibilities

(which are not limited to the following) are as follows:

- Chooses the appropriate corporate governance framework,
- Reviews and endorses the Corporations half-year and annual financial statements;
- Presents a report on corporate governance;

- Fulfills all the Board obligations set out in the Bylaws;
- Adopts and oversees the general principles of the compensation policy;
- Reviews the strategies and the policies on the taking, management and monitoring of risks as well as the conclusions of the internal assessment of risks and solvency.
- Approves non-audit services and recommends the Statutory Auditors for appointment.

### Role & Responsibilities of the Chairman of the Board

In accordance with Bangladesh Corporate Governance guidelines, the Chairman's role is to organize and oversee the work of the Board of Directors. In this context, he sets the agenda of the Board meetings, holds regular discussions with the Managing Directors and the directors, requests any document or information necessary to help the Board of Directors for the preparation of its meetings, verifies the quality of the information provided and more generally, ensures that Board members receive documentation concerning matters to be reviewed, generally eight days in advance of Board meetings. The chairman engaged wide range of responsibilities including;

- Promote the Corporation's values and culture in particular in relation to corporate responsibility and professional ethics,
- Upon request by the Managing Director, represents the Corporation's in its relations, nationally and internationally with public bodies, institutions, regulators and the Company's

main strategic partners and stakeholders;

- Consult with the Managing Director on major topics and events relating to the Corporation (including the corporate's strategy, major acquisition or divestment projects, and significant financial transactions.
- Upon invitation of the Managing directors, take part in internal meetings with executives and teams to provide his opinion on strategic issues or projects;
- Assist and advise the Different Key Executives.
- In this context, in 2021, the Chairman of the Board of Directors, notably:

- Represented the Corporation at various national and international events

- Had discussions with the main stakeholders of the Corporation, in particular prior to the Annual Meeting.

- At the request of the Managing Directors, participated in internal meetings in connection with significant events concerning the Corporation.

### Board Meeting attendance

The Board normally meets on a monthly basis, and the meeting dates are scheduled well in advance (before the commencement of each financial year) to enable the Directors to plan ahead. When required, the Board meet on adhoc basis to consider urgent matters. The statement of Board meetings held during the year 2021 and the attendance of Directors are appended below:

SL	Name of Directors	Position	Meeting Held	Attended
1	Md. Ziaul Islam	Chairman	21	21
2	Zakia Sultana	Director		6
3	Abdullah Harun Pasha	Director		18
4	A K M Ali Ahad Khan	Director		19
5	M. Saifullah Panna	Director		21
6	Md. Tafazzal Hossain Forhad	Director		12
7	Professor Abu Taleb	Director		20
8	Ms. Fouzia Haque, FCA	Director		18
9	A.K.M Ehsanul Haque, FCII	Director		16
10	S M Ibrahim Hossain, ACII	Director		21
11	Syed Shahriyar Ahsan	Managing Director		17



### Board Committee & their responsibilities

To ensure a better performance of its functions through a suitable decision-making process, the SBC's Board of Directors as per the guidelines of regulators has established specific Committees that assist it in matters falling within their remit, with a coordinated working system among them.

These Committees are essential to ensure the correct discharge of the management oversight and control functions of the Board, on the basis of a system that guarantees full independence from the top level, and therefore strengthening the checks & balances structure of SBC's Corporate Governance System.

The Board of Directors has set up three specific Committees with broad and relevant functions:

- Business Development & Customer Service Committee
- Finance & Investment Management Committee
- Human Resources Development Committee

### ➤ Audit & Real Estate Committee

As per the Section-21 of Insurance Corporation Act 2019, the apex body of SBC is assisted by several sub-committee. Each committee operates under specific Terms of Reference that sets out its responsibilities and composition. These Committees have a clear allocation of functions, both in the Regulations of the Board of Directors and, where applicable, in their specific Regulations, and have the necessary resources for their operation, free access to the SBC's Senior Management.

### Business Development & Customer Service Committee

Business development is one of the most important factors for an insurance company. Efficient & smart marketing of the corporation speaks about the corporation's goodwill in the insurance market. The committee is constituted of 4 members to innovate and develop ideas of developing business, suggest business development expenditure based on present economic condition, discuss and recommend underwriting related regulations and activities.

**During FY 2021, 14 meetings were held and attendance of the members are appended below:**

SL	Name of Directors	Position	Meeting Held	Attended
1	Ms. Fouzia Haque, FCA	Convener	14	13
2	M. Saifullah Panna	Member		14
3	A.K.M Ehsanul Haque, FCII	Member		11
4	S M Ibrahim Hossain, ACII	Member		2
5	Md. Tafazzal Hossain Forhad	Member		1
6	Syed Shahriyar Ahsan	Member		9

### Finance & Investment Management Committee

Finance & Investment Management Committee is constituted of 04 (four) members to provide financial analysis, advice, and oversight of the organizations budget as well as corporations investment portfolio.

#### The committee is responsible for-

- Monitoring corporation's investments and recommend for purchase of financial assets-bonds, debentures, shares, mutual fund and other financial investment as per investment policy.
- Ensuring proper use of corporation financial assets, recovery of rent, and payment of office rent.

- To present with recommendation a proposal of investment to the Board for approval of Tk. 5 Lac and above.
- To present with recommendation and take necessary steps for investment policy and to determine income from investment such as interest, dividend & commission.
- Sole responsibility is to ensure the organization operation with the financial resources it needs to provide programs and services to the community.

During FY 2021, 4 meetings were held and attendance of the members are appended below:

SL	Name of Directors	Position	Meeting Held	Attended
1	Professor Abu Taleb	Convener	4	4
2	M. Saifullah Panna	Member		3
3	A K M Ali Ahad Khan	Member		1
4	A.K.M Ehsanul Haque, FCII	Member		2
5	Md. Tafazzal Hossain Forhad	Member		1
6	Syed Shahriyar Ahsan	Member		4

### Human Resources Development Committee

Human capital is considered as the prime asset of the corporation. It is the combination of competencies, knowledge and personality attributes that can be enhanced through education, training and experience. During its epic journey of 48 years, SBC is able to place itself in current position with the help of loyal employees. The corporation has the privilege of having a large number of professionals and qualified employees. The corporation imposes highest importance on improvement of job skill and professional competence of its employees. Therefore, it arranges various training programs at home and abroad. During 2021, officers & staffs turnover rate was 2.73% & 31 officers & staffs were resigned/retired from SBC. In 2021 officers & staffs

were recruited 27 officers and 26 staffs. Among them 02 (two) professional accountants were directly recruited namely-

- 1) A.K Maksudul Ahsan Bhuiyan FCMA  
and
- 2) Md. Sah Alam ACMA

HRD committee is consists of 4 members. The committee is responsible for discharge, suspension of any employee. It is also the duty of the committee to make decision regarding promotion, recruitment of employees. The committee is also responsible for proper utilization of assets, rent, investment, etc. During FY 2021, 08 meetings were held by the corporation and attendance of the members are appended below:

SL	Name of Directors	Position	Meeting Held	Attended
1	Abdullah Harun Pasha	Convener	8	7
2	A K M Ali Ahad Khan	Member		8
3	S M Ibrahim Hossain, ACII	Member		8
4	Zakia Sultana	Member		2
5	Syed Shahriyar Ahsan	Member		8

### The Audit & Real Estate Committee

Sadharan Bima Corporation (SBC) shall have an Audit Committee (AC) as a sub-committee of the Board of directors (BoD). The AC shall be responsible to the Board of directors. The head of Internal Audit Department of Sadharan Bima Corporation shall act as the secretary of the Committee. The TOR i.e. Role of Audit Committee shall include the following:

1. Assist the Board of directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the SBC and in ensuring a good internal control & monitoring systems within the corporation in its all

operational activities & transactions including reinsurance, real estate, investments & fund management.

2. Oversee the financial reporting process and Oversee hiring and performance of external auditors.
3. Monitor choice of accounting policies and principles.
4. Monitor internal controls and Risk Management process.



5. Review the quarterly, half yearly & annual financial statement before submission to the Board of directors.
6. Review the adequacy & effectiveness of the services of the legal advisers, panel advocates/ attorneys` and recommending to the Board of directors for their appointment, removal and fixing their remuneration & the terms of reference (TOR).
7. Review statement of significant related party transactions.
8. Review Management Letters/Letter of internal control weakness issued by statutory auditors and management reply thereto.
9. Review of reports and observations made by C&AG (Commercial Auditors) and management reply thereto.
10. Review of IDRA/BB/SEC observations on the operations/fund management/investment in securities and management position there against.
11. Review of audit reports of the subsidiary company and management position there against.
12. Review the adequacy of internal audit function and recommending to the Board of Directors` for appointment, removal and fixing remuneration & the terms of reference (TOR) of internal auditor to carry out specific investigation/inspection; TOR for consultant for valuations, Taxation, IT & related services and Financial information systems design and implementation;

The committee's minutes shall be signed by the convener and placed before the Board for consideration of the recommendation for appropriate decision.

The Audit & Real Estate Committee is composed of at least 04 members. The Corporation Secretary acts as the secretary of the committee. The ARSC is responsible to the Board and duties of ARSC are to clearly set forth in writing as following:

SL	Name of Directors	Position	Meeting Held	Attended
1	Md. Tafazzal Hossain Forhad	Convener	2	2
2	A K M Ali Ahad Khan	Director		2
3	Ms. Fouzia Haque, FCA	Director		1
4	S M Ibrahim Hossain, ACII	Director		2
5	Syed Shahriyar Ahsan	Managing Director		1



# FINANCIAL STATEMENTS

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**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**INDEPENDENT AUDITORS' REPORT**  
TO THE SHAREHOLDERS (GOVERNMENT OF THE  
PEOPLE'S OF REPUBLIC OF BANGLADESH)  
OF SADHARAN BIMA CORPORATION (SBC)

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of Sadharan Bima Corporation (SBC) and its subsidiaries (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**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 Corporation 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 these ethical requirements. We

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

**Emphasis of Matters**

1. We draw attention to Note # 18 of the financial statements, which describes the effect of unadjusted outstanding premium BDT 624,179,659 which was carried forward since long. Our opinion is not modified in respect of this matter.
2. Reference to the Note # 19.01 to the financial statements, where the Corporation has reported outstanding rent receivables BDT 114,998,347 which was remained unrecovered since long. Our opinion is not modified in respect of this matter.
3. Reference to the Miscellaneous Insurance Revenue Account, the Corporation has reported negative Balance of Fund of BDT. (377,542,322) due to ceded premium exceeded the premium income for engineering business in 2021. Our opinion is not modified in respect of this matter.
4. Export Credit Guarantee Department (ECGD) is a subsidiary of SBC. ECGD has been adjusting the AIT and provision for tax liability from 2008-2009 to 2020-2021 without the final assessment of NBR. As per schedule of ECGD total AIT was BDT 330,015,124 and tax provision was BDT 375,446,375. Our opinion is not modified in respect of this matter.

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**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole,

and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Risk	Our response to the risk
<b>Property, Plant &amp; Equipment</b>	
<p>The carrying value of property, plant &amp; equipment and investment property amounts to Taka 907,043,610. This represents a significant amount in the corporation's statement of financial position as at December 31, 2021.</p> <p>There is a risk of:</p> <ul style="list-style-type: none"> <li>• determining which costs meet the criteria for capitalization;</li> <li>• determining the date on which the assets in recognized to property, plant &amp; equipment and depreciation commences.</li> </ul> <p>We identified the carrying value of property, plant &amp; equipment as a key audit matter because of the high level of management judgment involved and because of its significance to the financial statements.</p>	<p>Our audit procedures to assess the carrying value o property, plant &amp; equipment included to the followings: Our audit procedure included controls testing and substantive procedures covering, in particular:</p> <ul style="list-style-type: none"> <li>➤ Assessing the design, implementation and operating effectiveness of key internal controls over the completeness existing and accuracy of property, plant &amp; equipment including the key internal controls over the estimation of useful economy lives and residual values were maintained;</li> <li>➤ Assessing on a sample basis, costs capitalized during the year by comparing the costs capitalization with the relevant underlying documentation, which included purchase 'agreements and invoices, and assessing whether the costs capitalization meet the relevant criteria for capitalization;</li> <li>➤ Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and reschedule values of property, plant &amp; equipment;</li> <li>➤ Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents;</li> <li>➤ We reviewed minutes of board meetings for approval of the total capitalization cost.</li> <li>➤ We assessed the corporation capitalization policy for compliance with IAS-16 and tested the expenditure capitalized against capitalization policy.</li> <li>➤ We traced payments to supporting documents.</li> <li>➤ We assessed the adequacy of the disclosures of the financial statements.</li> </ul>

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**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 corporation.

We tested the design and operating effectiveness of controls around the due and intimated claim recording process.

We additionally carried out the following substantive testing's around this 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.

However, due to the time constraint we tested the design and operating effectiveness of controls by collecting a small volume of sample.

See note no. 09.00 to the financial statements

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Premium Income	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period .</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> <li>➤ The design and operating effectiveness of key controls around premium income recognition process.</li> <li>➤ Carried out analytical procedures and recalculated premium income for the period.</li> <li>➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.</li> <li>➤ 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.</li> <li>➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account.</li> <li>➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</li> <li>➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that reinsurance premium was deducted from the gross premium.</li> </ul> <p>Applying specialist judgment ensured if there is any impairment of the reinsurer.</p>

**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. We have not received the Annual Report for the year under audit before the date of signing the auditor's report from the management.

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.



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**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 Insurance Act 2010, the Insurance Rules 1958, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Consolidated 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

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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 Corporation'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 Corporation 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

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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 Insurance Act 2010, the Insurance Rules 1958, the Corporation Act 2019 and other applicable laws and regulation related to the Corporation, subject to our qualified opinion 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, except noted above proper books of accounts, records and other statutory books as required by law have been kept by the Corporation so far as it appeared from our examinations of those books;

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- c) The Corporation management except noted above has followed relevant provisions of laws and rules in managing the affairs of the Corporation 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 Corporation;
- e) 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 Corporation together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- f) The expenditure was incurred for the purpose of the Corporation's business.

Name of firm : **MABS & J Partners**  
Chartered Accountants

Signature of the Auditor :   
Name of the Auditor : **J C Biswas FCA**  
Partner

Enrolment No. :

DVC Number : 2206300199AS135528  
29 June 2022

**Mahfel Huq & Co.**  
Chartered Accountants

  
**Md. Abdus Sattar Sarkar FCA**  
Partner

2207021522AS394359



**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**Sadharan Bima Corporation**  
**Consolidated Statement of Financial Position**  
As at December 31, 2021

Capital and Liabilities	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Share Capital:</b>			
Authorized Share Capital (100000000 ordinary shares of TK. 100 each)		10,000,000,000	10,000,000,000
Issued subscribe and Paid-up Capital (50000000 ordinary shares of Tk. 100 each)		5,000,000,000	5,000,000,000
<b>Reserves or contingency accounts</b>		<b>49,112,540,861</b>	<b>16,078,527,465</b>
Reserve for Exceptional Losses	4.00	8,170,656,842	8,170,656,842
General Reserve	5.00	8,264,890,506	6,594,346,641
Capital Reserve	6.00	45,754,475	44,013,981
Provision for payment to government		630,000,000	600,000,000
Reserve for Investment Fluctuation		259,010,000	259,010,000
Reserve for Crop Insurance		52,000,000	52,000,000
Reserve for Shrimp Insurance		36,500,000	36,500,000
Provision for bad and doubtful Debts		60,000,000	60,000,000
Reserve for Employees Residential Complex		262,000,000	262,000,000
Revaluation Reserve of Securities		31,331,729,036	-
Government Contribution In ECGD		5,450,000	5,450,000
Retained Earnings	7.00	1,186,960,770	1,102,380,905
<b>Balance of funds and accounts:</b>		<b>3,320,881,161</b>	<b>3,720,803,696</b>
Fire insurance business		2,354,059,106	1,979,373,556
Marine insurance business		1,279,733,158	1,227,213,350
Motor insurance business		64,631,220	85,387,933
Miscellaneous insurance business		(377,542,322)	428,828,857
Premium deposits	8.00	1,256,209,759	771,180,848
Estimated liability in respect of outstanding claims whether due or intimated	9.00	7,815,271,997	5,423,295,941
Amount due to other persons or bodies carrying on insurance business.		4,512,870,076	4,085,267,559
Sundry creditors (including outstanding and accruing expenses and taxes).	10.00	8,808,431,063	6,904,005,569
Other Payable	11.00	30,198,890	29,082,410
<b>Total</b>		<b>81,048,814,578</b>	<b>43,119,994,392</b>
<b>Net Asset Value per share (NAV)</b>	32.00	<b>1,082.25</b>	<b>421.57</b>

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

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Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation**  
**Consolidated Statement of Financial Position**  
 As at December 31, 2021

Property and Assets	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
Loan	12.00	1,459,960,348	1,161,954,901
<b>Investments:</b>		<b>54,940,367,652</b>	<b>20,051,071,771</b>
Government securities	13.00	755,047,252	1,720,000
Investment in Shares	14.00	35,625,282,433	4,311,715,485
Bangladesh Fund	15.00	1,060,000,000	1,060,000,000
Debentures		32,337,967	32,436,287
Investment in FDR	16.00	17,467,700,000	14,645,200,000
Investment Properties	17.00	488,280,543	670,932,968
Outstanding premiums	18.00	624,179,659	613,079,856
Interest and rent outstanding	19.00	825,714,237	819,188,447
Amount due from other persons or bodies carrying on insurance business.		10,141,649,987	8,732,038,257
Sundry debtors(Including Advance & Deposits)	20.00	72,032,092	74,164,245
Cash & Cash Equivalent	21.00	4,453,876,853	4,837,013,429
<b>Other Accounts:</b>		<b>8,042,753,205</b>	<b>6,160,550,518</b>
Stamps in hand		7,243,152	6,540,028
Stock of stationery and printing		1,912,872	1,303,053
Stock of consumable materials		917,657	1,235,771
Advance income tax	22.00	7,612,655,431	5,967,741,077
Property, Plant and Equipment	23.00	420,024,093	183,730,588
<b>Total</b>		<b>81,048,814,578</b>	<b>43,119,994,392</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

**(Md. Ziaul Islam)**  
Chairman

Signed as per our report of same date.

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

**J C Biswas, FCA**  
Partner  
 ICAB Enrollment No: 0199  
 DVC: 2206300199AS135528  
 Dated, Dhaka  
 29 June 2022

Signed for & on behalf of  
**Mahfel Huq & Co.**  
 Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
Partner  
 ICAB Enrollment No: 1522  
 DVC: 2207021522AS394359

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation**  
**Consolidated Statement of Comprehensive Income**  
for the year ended December 31, 2021

Particulars	Note	Amount in BDT	Amount in BDT
		December 31, 2021	December 31, 2020
<b>Interest, dividend and rents:</b>		<b>2,158,538,209</b>	<b>1,946,343,767</b>
Interest	24.00	1,267,318,917	1,129,305,673
Dividend received	25.00	772,236,778	739,199,666
Rental income	26.00	118,982,514	77,838,427
<b>Profit/ (Loss) transferred from:</b>		<b>1,649,999,687</b>	<b>1,722,154,615</b>
Fire Revenue Account		(569,835,394)	(780,431,310)
Marine Revenue Account		1,246,175,267	1,615,214,933
Motor Revenue Account		120,049,742	127,574,776
Miscellaneous Revenue Account		853,610,072	759,796,216
Other income	27.00	81,493,671	43,419,456
		<b>3,890,031,567</b>	<b>3,711,917,837</b>
<b>Administrative Expenses</b>	<b>28.00</b>	<b>179,377,361</b>	<b>174,125,476</b>
Advertisement and publicity		5,767,240	5,836,079
Directors' fees		1,543,000	998,832
Subscription and donation		2,270,907	12,302,370
Bonus pay to Employee		70,788,343	75,000,000
Contribution to Bangladesh Insurance Academy		2,500,000	2,500,000
Audit Fees		713,500	560,000
Depreciation & Amortization		71,562,891	45,679,981
Bond Premium amortization expenses		1,941,498	-
Loss on disposal of assets		228,970	-
Legal expenses		2,900,941	10,075,032
Consolidated Other Expenses		19,160,071	21,173,182
<b>Net Income before Tax</b>		<b>3,710,654,206</b>	<b>3,537,792,360</b>
<b>Income tax expense</b>	<b>29.00</b>	<b>1,323,789,983</b>	<b>977,184,065</b>
Current Tax Expense		1,318,818,892	977,184,065
Deferred Tax Expense		4,971,091	7,193
<b>Net Income After Tax</b>	<b>30.00</b>	<b>2,386,864,224</b>	<b>2,560,608,295</b>
<b>Other Comprehensive Income</b>			
Unrealized Holding Gain (Losses) of Shares		31,331,729,036	-
<b>Total Comprehensive Income for the year</b>		<b>33,718,593,260</b>	<b>2,560,608,295</b>
<b>Earning Per Share (EPS)</b>	<b>31.00</b>	<b>47.74</b>	<b>51</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

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

**J C Biswas, FCA**

Partner  
ICAB Enrollment No: 0199  
DVC: 2206300199AS135528  
Dated, Dhaka  
29 June 2022

Signed as per our report of same date.

**(Md. Ziaul Islam)**  
Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants

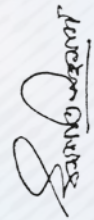
**Md. Abdus Satter Sarker, FCA**

Partner  
ICAB Enrollment No: 1522  
DVC: 2207021522AS394359

**Sadharan Bima Corporation**  
**Consolidated Statement of Changes in Equity**  
for the year ended December 31, 2021

Particulars	Paid-up Capital	Reserve for Shrimp Insurance	Reserve for Exceptional Losses	General Reserve	Provision for Payment to Govt	Capital Reserve	Reserve for Investment Fluctuation	Reserve for Crop Insurance	Reserve for bad and doubtful Debts	Reserve for Employees Residential Complex	Other Comprehensive Income	Retained Earnings	Total
Balance as on 01-01-2021	5,000,000,000	36,500,000	8,170,656,842	6,594,346,641	600,000,000	44,013,981	259,010,000	52,000,000	60,000,000	262,000,000	-	1,102,380,905	22,180,908,370
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	-	31331729036	2,386,864,224	33,718,593,260
Transferred to Reserve for exceptional losses	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to General reserve	-	-	-	1,670,543,865	-	-	-	-	-	-	-	-	-
Profit paid to the Govt during the year	-	-	-	-	(600,000,000)	-	-	-	-	-	-	(1,670,543,865)	(600,000,000)
Provision for Payment to Govt for the Year	-	-	-	-	630,000,000	-	-	-	-	-	-	(630,000,000)	-
Transfer to Paid up Capital from General Reserve	-	-	-	-	-	1,740,494	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-	-	-	-	(1,740,494)	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31-12-2021	5,000,000,000	36,500,000	8,170,656,842	8,264,890,506	630,000,000	45,754,475	259,010,000	52,000,000	60,000,000	262,000,000	31,331,729,036	1,186,960,770	55,299,501,630

Particulars	Paid-up Capital	Reserve for Shrimp Insurance	Reserve for Exceptional Losses	General Reserve	Reserve for Investment Fluctuation	Capital Reserve	Reserve for Crop Insurance	Reserve for bad and doubtful Debts	Reserve for Employees Residential Complex	Other Comprehensive Income	Retained Earnings	Total
Balance as on 01-01-2020	5,000,000,000	36,500,000	7,445,790,050	5,420,006,427	550,000,000	43,701,573	52,000,000	60,000,000	262,000,000	-	1,049,478,965	20,178,487,015
Prior Year adjustment	-	-	-	-	-	-	-	-	-	-	(8,186,941)	(8,186,941)
Net Profit during the year	-	-	-	-	-	-	-	-	-	-	2,560,608,296	2,560,608,296
Transferred to Reserve for exceptional losses	-	-	724,866,792	-	-	-	-	-	-	-	(724,866,792)	-
Transferred to General reserve	-	-	-	1,174,340,214	-	-	-	-	-	-	(1,174,340,214)	-
Profit paid to the Govt during the year	-	-	-	-	(550,000,000)	-	-	-	-	-	-	(550,000,000)
Provision for Payment to Govt for the Year	-	-	-	-	600,000,000	-	-	-	-	-	(600,000,000)	-
Transfer to Paid up Capital from General Reserve	-	-	-	-	-	312,408	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-	-	-	-	-	(3,12,408)
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31-12-2020	5,000,000,000	36,500,000	8,170,656,842	6,594,346,641	600,000,000	44,013,981	52,000,000	60,000,000	262,000,000	-	1,102,380,905	22,180,908,370



**(Syed Shahriyar Ahsan)**  
Managing Director



**(Md. Ziaul Islam)**  
Chairman



**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**Sadharan Bima Corporation**  
**Consolidated Statement of Cash flows**  
for the year ended December 31, 2021

Particulars	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>A Cash Flows from Operating Activities:</b>		
Net Income before Tax	<b>3,710,654,206</b>	<b>3,537,792,360</b>
Adjustment for Conversion into Cash Basis:		
Depreciation	71,562,891	45,679,981
Loss on disposal (write-off) of assets	228,970	-
Interest Income	(1,257,284,983)	(1,129,305,673)
Dividend Income	(751,189,844)	(739,199,666)
Rental Income	(118,982,514)	(77,838,427)
<b>Operating Profit before Changes in Working Capital:</b>	<b>1,654,988,726</b>	<b>1,637,128,575</b>
(Increase)/ Decrease in Current Assets	(1,462,462,136)	(509,489,722)
Increase/ (Decrease) in Current Liabilities	2,886,452,258	2,808,876,797
Income Tax Paid	(786,958,908)	(652,494,453)
<b>Net Cash Provided by Operating Activities (a)</b>	<b>2,292,019,940</b>	<b>3,284,021,197</b>
<b>B Cash Flows from Investing Activities:</b>		
Investment in shares	(821,086,015)	(237,536,316)
Sale of Shares	134,638,161	-
Investment in House Properties	(21,096,543)	(30,397,970)
Investment in FDR	(2,822,500,000)	(1,110,319,000)
House Building Loan Recovered	58,853,173	48,678,798
House Building Loan Disbursed	(356,858,620)	(305,673,165)
Property, Plant and Equipment (Addition)	(116,408,582)	(43,134,629)
Interest Received	1,121,377,061	990,609,954
Dividend Received	613,719,346	609,437,103
Rental Income	134,205,504	74,030,611
<b>Net Cash Used in Investing Activities (b)</b>	<b>(2,075,156,515)</b>	<b>(4,304,614)</b>
<b>C Cash Flows from Financing Activities:</b>		
<b>Divident Paid</b>	-	-
Surplus of Profit paid to the Govt. Exchequer	(600,000,000)	(550,000,000)
<b>Net Cash Used in Financing Activities ©</b>	<b>(600,000,000)</b>	<b>(550,000,000)</b>
Net Increase in Cash & Cash Equivalent (a+b+c)	(383,136,575)	2,729,716,583
Cash & Cash Equivalent at beginning of the year	4,837,013,429	2,107,296,846
<b>Cash &amp; Cash Equivalent at end of the year</b>	<b>4,453,876,853</b>	<b>4,837,013,429</b>
<b>Net operating cash flow per share (NOCFPS) (Note-32)</b>	<b>45.84</b>	<b>65.68</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

**(Md. Ziaul Islam)**  
Chairman  
Signed as per our report  
of same date.

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation****Statement of Financial Position**

As at December 31, 2021

Capital and Liabilities	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Share Capital:</b>			
Authorized Share Capital 100000000 ordinary shares of Tk. 100 each		10,000,000,000	10,000,000,000
Issued subscribe and Paid-up Capital (500000000 ordinary shares of TK. 100 each)		5,000,000,000	5,000,000,000
<b>Reserves or contingency accounts</b>		<b>49,107,638,765</b>	<b>16,075,365,863</b>
Reserve for Exceptional Losses	4.00	8,170,656,842	8,170,656,842
General Reserve	5.00	8,264,890,506	6,594,346,641
Capital Reserve	6.00	40,852,379	40,852,379
Provision for payment to government		630,000,000	600,000,000
Reserve for Investment Fluctuation		259,010,000	259,010,000
Reserve for Crop Insurance		52,000,000	52,000,000
Reserve for Shrimp Insurance		36,500,000	36,500,000
Reserve for bad and doubtful Debts		60,000,000	60,000,000
Reserve for Employees Residential Complex		62,000,000	262,000,000
Revaluation Reserve of Securities		31,331,729,036	-
<b>Retained Earnings</b>	7.00	402,713,173	402,713,173
<b>Balance of funds and accounts:</b>		<b>3,320,881,161</b>	<b>3,720,803,696</b>
Fire insurance business		2,354,059,106	1,979,373,556
Marine insurance business		1,279,733,158	1,227,213,350
Motor insurance business		64,631,220	85,387,933
Miscellaneous insurance business		(377,542,322)	428,828,857
Premium deposits	8.00	1,256,209,759	771,180,848
Estimated liability in respect of outstanding claims whether due or intimated	9.01	7,366,571,514	4,974,595,458
Amount due to other persons or bodies carrying on insurance business.		4,512,870,076	4,085,267,559
Sundry creditors (including outstanding and accruing expenses and taxes).	10.01	8,595,178,573	6,724,238,116
Other Payable	11.00	30,198,890	29,082,410
<b>Total</b>		<b>79,592,261,912</b>	<b>41,783,247,124</b>
<b>Net Asset Value per share (NAV)</b>	31.00	<b>1,082.15</b>	<b>421.51</b>

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





**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**Sadharan Bima Corporation**  
**Statement of Financial Position**  
As at December 31, 2021

Property and Assets	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
Loan	12.00	1,459,960,348	1,161,954,901
<b>Investments</b>		<b>53,362,336,116</b>	<b>18,564,016,309</b>
Government securities	13.00	755,047,252	1,720,000
Investment in Shares	14.02	34,961,250,897	3,701,660,022
Bangladesh Fund	15.00	1,060,000,000	1,060,000,000
Debentures		32,337,967	32,436,287
Investment on FDR	16.01	16,238,700,000	13,453,200,000
Investment in ECGD		115,000,000	115,000,000
Investment in SSIL		200,000,000	200,000,000
Investment Properties	17.00	488,280,543	479,256,184
Outstanding premiums	18.00	624,179,659	613,079,856
Interest and rent outstanding	19.01	789,197,155	762,461,093
Amount due from other persons or bodies carrying on insurance business.		10,141,649,987	8,732,038,257
Sundry debtors(Including Advance & Deposits)	20.01	407,965,975	410,403,776
<b>Cash &amp; Cash Equivalent</b>	21.01	<b>4,364,739,352</b>	<b>4,761,217,772</b>
Cash in hand		352,649	310,095
Short Terms & Current Deposit		4,364,386,703	4,760,907,677
Short Terms & Current Deposit		4,364,386,703	4,760,907,677
<b>Other Accounts:</b>		<b>7,953,952,775</b>	<b>6,298,818,977</b>
Stamps in hand		7,243,152	6,540,028
Stock of stationery and printing		1,912,872	1,303,053
Stock of consumable materials		917,657	1,235,772
Advance income tax	22.01	7,525,116,027	5,915,246,624
Property, Plant and Equipment	23.01	418,763,067	374,493,500
<b>Total</b>		<b>79,592,261,912</b>	<b>41,783,247,124</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

**(Md. Ziaul Islam)**  
Chairman

Signed as per our report of same date.

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

**J C Biswas, FCA**  
Partner  
ICAB Enrollment No: 0199  
DVC: 2206300199AS135528  
Dated, Dhaka  
29 June 2022

Signed for & on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
Partner  
ICAB Enrollment No: 1522  
DVC: 2207021522AS394359

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

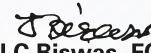
Chartered Accountants

**Sadharan Bima Corporation**  
**Statement of Comprehensive Income**  
As at December 31, 2021

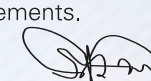
Particulars	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Interest, dividend and rents:</b>			
Interest	24.01	1,189,263,728	1,037,840,366
Dividend received	25.00	751,189,844	720,785,884
Rental income	26.00	118,982,514	77,838,427
		<b>2,059,436,086</b>	<b>1,836,464,678</b>
<b>Profit/ (Loss) transferred from:</b>			
Fire Revenue Account		(569,835,394)	(780,431,310)
Marine Revenue Account		1,246,175,267	1,615,214,933
Motor Revenue Account		120,049,742	127,574,776
Miscellaneous Revenue Account		853,610,072	759,796,216
		<b>1,649,999,687</b>	<b>1,722,154,615</b>
Other income	27.01	40,410,281	36,171,523
		<b>3,749,846,055</b>	<b>3,594,790,815</b>
<b>Administrative Expenses</b>			
Advertisement and publicity		5,648,492	5,836,079
Directors' fees		1,394,000	998,832
Subscription and donation		2,138,000	12,302,370
Bonus to be paid to Employee		69,000,000	75,000,000
Contribution to Bangladesh Insurance Academy		2,500,000	2,500,000
Audit and Professional Fees		610,000	560,000
Depreciation		71,381,039	45,679,981
Legal expenses		2,900,941	10,075,032
Bond Premium amortization expenses		1,941,498	-
Loss on disposal of assets		228,970	-
		<b>157,742,940</b>	<b>152,952,294</b>
<b>Net Income before Tax</b>		<b>3,592,103,115</b>	<b>3,441,838,521</b>
<b>Income tax expense:</b>	<b>29.00</b>	<b>1,291,559,250</b>	<b>942,631,514</b>
Current Tax Expense		1,286,603,277	942,631,514
Deferred Tax Expense		4,955,973	-
<b>Net Income After Tax</b>	<b>30.00</b>	<b>2,300,543,865</b>	<b>2,499,207,006</b>
<b>Other Comprehensive Income</b>			
Unrealized Holding Gain (Losses) of Shares		31,331,729,036	-
<b>Total Comprehensive Income for the year</b>		<b>33,632,272,901</b>	<b>2,499,207,006</b>
<b>Earning Per Share (EPS)</b>	<b>31.00</b>	<b>46.01</b>	<b>49.98</b>


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

  
**(Syed Shahriyar Ahsan)**  
Managing Director  
Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants

  
**J C Biswas, FCA**  
Partner  
ICAB Enrollment No: 0199  
DVC: 2206300199AS135528  
Dated, Dhaka  
29 June 2022

Signed as per our report of same date.

  
**(Md. Ziaul Islam)**  
Chairman  
Signed for & on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants

  
**Md. Abdus Satter Sarker, FCA**  
Partner  
ICAB Enrollment No: 1522  
DVC: 2207021522AS394359

**Sadharan Bima Corporation**  
**Statement of Changes in Equity**  
for the year ended December 31, 2021



Particulars	Paid-up Capital	Reserve for Shrimp Insurance	Reserve for Exceptional Losses	General Reserve	Provision for Payment to Govt	Capital Reserve	Reserve for Investment Fluctuation	Reserve for Crop Insurance	Reserve for bad and doubtful Debts	Reserve for Employees Residential Complex	Other Comprehensive Income	Retained Earnings	Total
<b>Balance as on 01-01-2021</b>	<b>5,000,000,000</b>	<b>36,500,000</b>	<b>8,170,656,842</b>	<b>6,594,346,641.40</b>	<b>600,000,000,000</b>	<b>40,852,379</b>	<b>259,010,000</b>	<b>52,000,000</b>	<b>60,000,000</b>	<b>262,000,000</b>	<b>-</b>	<b>402,713,174</b>	<b>21,478,079,037</b>
Total Comprehensive Income	-	-	-	-	-	-	-	-	-	-	31,331,729,036	2,300,543,865	33,632,272,901
Transferred to Reserve for exceptional losses	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to General reserve	-	-	-	1,670,543,865	-	-	-	-	-	-	-	(1,670,543,865)	-
Profit paid to the Govt during the year	-	-	-	-	(600,000,000)	-	-	-	-	-	-	-	(600,000,000)
Provision for Payment to Govt for the Year	-	-	-	-	630,000,000	-	-	-	-	-	-	(630,000,000)	-
Transfer to Paid up Capital from General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as on 31-12-2021</b>	<b>5,000,000,000</b>	<b>36,500,000</b>	<b>8,170,656,842</b>	<b>8,264,890,506.42</b>	<b>630,000,000,000</b>	<b>40,852,379</b>	<b>259,010,000</b>	<b>52,000,000</b>	<b>60,000,000</b>	<b>262,000,000</b>	<b>31,331,729,036</b>	<b>402,713,174</b>	<b>54,510,351,938.72</b>

<b>Balance as on 01-01-2020</b>	<b>5,000,000,000</b>	<b>36,500,000</b>	<b>7,445,790,050</b>	<b>5,420,006,428</b>	<b>550,000,000</b>	<b>40,852,379</b>	<b>259,010,000</b>	<b>52,000,000</b>	<b>60,000,000</b>	<b>262,000,000</b>	<b>-</b>	<b>410,900,115</b>	<b>19,537,058,972</b>
Net Profit during the year	-	-	-	-	-	-	-	-	-	-	-	2,499,207,006	2,499,207,006
Transferred to Reserve for exceptional losses	-	-	724,866,792	-	-	-	-	-	-	-	-	(724,866,792)	-
Transferred to General reserve	-	-	-	1,174,340,214	-	-	-	-	-	-	-	(1,174,340,214)	-
Profit paid to the Govt during the year	-	-	-	-	(550,000,000)	-	-	-	-	-	-	-	(550,000,000)
Provision for Payment to Govt for the Year	-	-	-	-	600,000,000	-	-	-	-	-	-	(600,000,000)	-
Transfer to Paid up Capital from General Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Year Adjustment	-	-	-	-	-	-	-	-	-	-	-	(8,186,941)	(8,186,941)
<b>Balance as on 31-12-2020</b>	<b>5,000,000,000</b>	<b>36,500,000</b>	<b>8,170,656,842</b>	<b>6,594,346,641.40</b>	<b>600,000,000,000</b>	<b>40,852,379</b>	<b>259,010,000</b>	<b>52,000,000</b>	<b>60,000,000</b>	<b>262,000,000</b>	<b>-</b>	<b>402,713,174</b>	<b>21,478,079,037.44</b>

**(Syed Shahriyar Ahsan)**  
Managing Director

**(Md. Ziaul Islam)**  
Chairman



**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Statement of Cash flows****Statement of Cash flows**

For the year December 31, 2021

Particulars	Note	Amount in BDT	Amount in BDT
		December 31, 2021	December 31, 2020
<b>Cash Flows from Operating Activities:</b>			
Net Income before Tax		3,592,103,115	3,441,838,521
<b>Adjustment for Conversion into Cash Basis</b>			
Depreciation		71,381,039	45,679,981
Loss on disposal (write-off) of assets		228,970	-
Interest Income		(1,189,263,728)	(1,037,840,366)
Dividend Income		(751,189,844)	(720,785,884)
Rental Income		(118,982,514)	(77,838,427)
<b>Operating Profit before Changes in Working Capital</b>		<b>1,604,277,037</b>	<b>1,651,053,824</b>
(Increase)/ Decrease in Current Assets		(1,419,268,561)	(516,366,310)
Increase/ (Decrease) in Current Liabilities		2,885,182,636	2,753,212,018
Income Tax Paid		(751,913,957)	(600,000,000)
<b>Net Cash Provided by Operating Activities (a)</b>		<b>2,318,277,155</b>	<b>3,287,899,532</b>
<b>Cash Flows from Investing Activities:</b>			
Investment in shares		(821,086,015)	(254,979,191)
Debenture Recovery		-	-
Sale of Shares		134,638,161	-
Investment in House Properties	17.00	(21,096,543)	(30,397,970)
House Building Loan Recovered		58,853,173	48,678,798
House Building Loan Disbursed		(356,858,620)	(305,673,165)
Investment in FDR		(2,785,500,000)	(1,059,319,000)
Property, Plant and Equipment (Addition)	23.01	(115,879,576)	(12,761,159)
Interest Received		1,044,248,995	899,144,647
Dividend Received		613,719,346	591,023,321
Rent Received		134,205,504	74,030,611
<b>Net Cash Used in Investing Activities (b)</b>		<b>(2,114,755,575)</b>	<b>(50,253,107)</b>
<b>Cash Flows from Financing Activities:</b>			
Surplus of Profit paid to the Govt. Exchequer		(600,000,000)	(550,000,000)
<b>Net Cash used in Financing Activities: C</b>		<b>(600,000,000)</b>	<b>(550,000,000)</b>
Net Increase in Cash & Cash Equivalent (a+b+c)		(396,478,420)	2,687,646,424
Cash & Cash Equivalent at Beginning of the year		4,761,217,772	2,073,571,348
<b>Cash &amp; Cash Equivalent at End of the year</b>	21.01	<b>4,364,739,352</b>	<b>4,761,217,772</b>
<b>Net operating cash flow per share (NOCFPS) (Note-32)</b>		<b>46.37</b>	<b>65.76</b>

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

(Syed Shahriyar Ahsan)  
Managing Director  
Sadharan Bima Corporation

(Md. Ziaul Islam)  
Chairman  
Sadharan Bima Corporation

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation****Consolidated Revenue Account**

For the year December 31, 2021

Particulars	Amount in BDT	Amount in BDT
	December 31, 2021	December 31, 2020
Balance of account at beginning of the year	3,720,803,696	3,654,451,207
<b>Premium Less Re-Insurance</b>	<b>6,516,151,840</b>	<b>7,248,667,925</b>
In Bangladesh	6,509,079,048	7,239,450,329
Outside Bangladesh	7,072,792	9,217,596
Commission on Re-Insurance Ceded	1,659,836,548	709,937,773
	<b>11,896,792,084</b>	<b>11,613,056,904</b>
<b>Claims under Policies less Re-insurance Paid during the year</b>	<b>1,028,984,918</b>	<b>1,652,812,415</b>
In Bangladesh	1,020,217,656	1,646,207,387
Outside Bangladesh	8,767,262	6,605,028
Total estimated liability in respect of outstanding claims <b>at end of the year whether due or intimated</b>	<b>7,366,571,514</b>	<b>4,974,595,458</b>
Less: Outstanding claims at beginning of the year	4,974,595,458	3,613,787,707
	<b>3,420,960,974</b>	<b>3,013,620,166</b>
Commission on Re-Insurance accepted	2,498,757,265	2,210,089,590
Expenses of management	1,006,192,997	946,388,838
<b>Profit/(Loss) transferred to the Statement of Comprehensive Income</b>	<b>1,649,999,687</b>	<b>1,722,154,615</b>
<b>Balance of account at end of the year as shown in the Statement of Financial Position</b>		
Reserve for unexpired risks @ 50%/100% of premium income for the year	3,320,881,161	3,720,803,696
	<b>11,896,792,084</b>	<b>11,613,056,904</b>

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

**(Syed Shahriyar Ahsan)**

Managing Director

Signed for & on behalf of  
**MABS & J Partners**  
Chartered Accountants**J C Biswas, FCA**

Partner

ICAB Enrollment No: 0199

DVC: 2206300199AS135528

Dated, Dhaka

29 June 2022

**(Md. Ziaul Islam)**

Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants**Md. Abdus Satter Sarker, FCA**

Partner

ICAB Enrollment No: 1522

DVC: 2207021522AS394359

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation**  
**Fire Insurance Revenue Account**  
 For the year ended December 31, 2021

Particulars	Amount in BDT	Amount in BDT
	December 31, 2021	December 31, 2020
<b>Balance of account at beginning of the year</b>	1,979,373,556	1,907,408,341
<b>Premium Less Re-Insurance</b>	<b>4,708,118,211</b>	<b>3,958,747,111</b>
In Bangladesh	4,706,734,794	3,951,752,566
Outside Bangladesh	1,383,418	6,994,546
Commission on Re-Insurance Ceded	28,933,754	17,387,650
	<b>6,716,425,521</b>	<b>5,883,543,102</b>
<b>Claims under policies less Re-Insurance Paid during the year</b>	<b>648,275,315</b>	<b>1,170,553,061</b>
In Bangladesh	642,362,514	1,168,037,582
Outside Bangladesh	5,912,801	2,515,479
Total estimated liability in respect of outstanding claims at end of the year whether due or intimated	5,521,444,038	3,429,312,885
	<b>6,169,719,352</b>	<b>4,599,865,946</b>
Less: Outstanding claims at beginning of the year	3,429,312,885	1,708,021,045
	<b>2,740,406,467</b>	<b>2,891,844,901</b>
Commission on Re-Insurance accepted	1,706,831,666	1,475,381,412
Expenses of management	484,963,676	317,374,543
<b>Profit/(Loss) transferred to the Statement of Comprehensive Income</b>	<b>(569,835,394)</b>	<b>(780,431,310)</b>
<b>Balance of account at end of the year as shown in the Statement of Financial Position</b>		
Reserve for unexpired risks @ 50% of the premium income for the year	2,354,059,106	1,979,373,556
<b>TOTAL</b>	<b>6,716,425,521</b>	<b>5,883,543,102</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

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

**J C Biswas, FCA**  
 Partner  
 ICAB Enrollment No: 0199  
 DVC: 2206300199AS135528  
 Dated, Dhaka  
 29 June 2022

**(Md. Ziaul Islam)**  
Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
 Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
 Partner  
 ICAB Enrollment No: 1522  
 DVC: 2207021522AS394359

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation**  
**Marine Insurance Revenue Account**  
 For the year ended December 31, 2021

Particulars	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Balance of account at beginning of the year</b>	1,227,213,350	1,448,664,842
<b>Premium Less Re-Insurance</b>	<b>2,486,819,501</b>	<b>2,293,967,130</b>
In Bangladesh	2,481,130,127	2,291,744,080
Outside Bangladesh	5,689,374	2,223,050
Commission on Re-Insurance Ceded	269,658,205	115,940,390
	<b>3,983,691,056</b>	<b>3,858,572,362</b>
<b>Claims under policies less Re-Insurance Paid during the year</b>	<b>454,196,527</b>	<b>205,459,553</b>
In Bangladesh	451,342,066	204,735,973
Outside Bangladesh	2,854,461	723,580
Total estimated liability in respect of outstanding claims at end of the year whether due or intimated	836,707,813	894,508,944
	<b>1,290,904,340</b>	<b>1,099,968,497</b>
Less: Outstanding claims at beginning of the year	894,508,944	1,088,081,784
	<b>396,395,396</b>	<b>11,886,713</b>
Commission on Re-Insurance accepted	601,996,115	505,152,451
Expenses of management	459,391,120	499,104,916
	<b>1,246,175,267</b>	<b>1,615,214,933</b>
<b>Profit/(Loss) transferred to the Statement of Comprehensive Income Balance of account at end of the year as shown in the Statement of Financial Position</b>		
Reserve for unexpired risks @ 50% of marine cargo premium and @ 100% of marine hull premium income for the year		
Cargo	1,207,086,343	1,066,753,780
Hull	72,646,815	160,459,570
	<b>1,279,733,158</b>	<b>1,227,213,350</b>
	<b>3,983,691,056</b>	<b>3,858,572,362</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

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

**J C Biswas, FCA**  
Partner  
ICAB Enrollment No: 0199  
DVC: 2206300199AS135528  
Dated, Dhaka  
29 June 2022

**(Md. Ziaul Islam)**  
Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
Partner  
ICAB Enrollment No: 1522  
DVC: 2207021522AS394359

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**Sadharan Bima Corporation**  
**Motor Insurance Revenue Account**  
 For the year ended December 31, 2021

Particulars	Amount in BDT	Amount in BDT
	December 31, 2021	December 31, 2020
<b>Balance of account at beginning of the year</b>	<b>85,387,933</b>	<b>87,197,138</b>
<b>Premium Less Re-Insurance</b>		
In Bangladesh	129,262,440	170,775,866
	<b>214,650,373</b>	<b>257,973,004</b>
<b>Claims under policies less Re-Insurance</b>		
<b>Paid during the year</b>		
In Bangladesh	6,540,929	7,222,505
Total estimated liability in respect of outstanding claims at end of the year whether due or intimated	49,577,244	39,530,920
	<b>56,118,172</b>	<b>46,753,425</b>
Less: Outstanding claims at beginning of the year	39,530,920	17,159,863
	<b>16,587,252</b>	<b>29,593,562</b>
Expenses of management	13,382,159	15,416,733
Profit/(Loss) transferred to the Statement of Comprehensive Income	<b>120,049,742</b>	<b>127,574,776</b>
<b>Balance of account at end of the year as shown in the Statement of Financial Position</b>		
Reserve for unexpired risks @ 50% of motor premium income for the year	64,631,220	85,387,933
	<b>214,650,373</b>	<b>257,973,004</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

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 Chartered Accountants

**J C Biswas, FCA**  
 Partner  
 ICAB Enrollment No: 0199  
 DVC: 2206300199AS135528  
 Dated, Dhaka  
 29 June 2022

**(Md. Ziaul Islam)**  
Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
 Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
 Partner  
 ICAB Enrollment No: 1522  
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Chartered Accountants

**Sadharan Bima Corporation**  
**Miscellaneous Insurance Revenue Account**  
 For the year ended December 31, 2021

Particulars	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Balance of account at beginning of the year</b>	428,828,857	211,180,886
<b>Premium Less Re-Insurance</b>		
In Bangladesh	(808,048,313)	825,177,817
Commission on Re-Insurance Ceded	1,361,244,589	576,609,733
	<b>982,025,134</b>	<b>1,612,968,436</b>
<b>Claims under policies less Re-Insurance Paid during the year</b>		
In Bangladesh	(80,027,852)	269,577,296
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	958,842,419	611,242,709
	<b>878,814,568</b>	<b>880,820,006</b>
Less: Outstanding claims at beginning of the year	611,242,709	800,525,015
	<b>267,571,859</b>	<b>80,294,990</b>
Commission on Re-Insurance accepted	189,929,484	229,555,727
Expenses of management	48,456,042	114,492,646
	<b>853,610,072</b>	<b>759,796,216</b>
<b>Profit/(Loss) transferred to the Statement of Comprehensive Income</b>		
	<b>853,610,072</b>	<b>759,796,216</b>
<b>Balance of account at end of the year as shown in the Statement of Financial Position</b>		
Reserve for unexpired risks @50% of miscellaneous premium income and @100% of aviation hull premium income for the year	(377,542,322)	428,828,857
	<b>982,025,134</b>	<b>1,612,968,436</b>

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

**(Syed Shahriyar Ahsan)**  
Managing Director

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

**J C Biswas, FCA**  
 Partner  
 ICAB Enrollment No: 0199  
 DVC: 2206300199AS135528  
 Dated, Dhaka  
 29 June 2022

**(Md. Ziaul Islam)**  
Chairman

Signed for & on behalf of  
**Mahfel Huq & Co.**  
 Chartered Accountants

**Md. Abdus Satter Sarker, FCA**  
 Partner  
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 DVC: 2207021522AS394359



**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

## Sadharan Bima Corporation

### Notes to the Financial Statements for the year ended December 31, 2021

#### 1 Background:

After liberation of Bangladesh in 1972, the insurance industry, which at that time comprised of 49 private insurance companies was nationalized. Initially, 5 Government owned insurance corporations including one controlling corporation was set up. However, due to difficulties experienced in operations, the industry was further consolidated in 1973 with the establishment of two corporations - one for non-life and another one for life. By virtue of the Insurance Corporation Act 1973, Sadharan Bima Corporation was thus established as the sole general insurer in Bangladesh.

#### 1.1 Nature of Business:

The principal activities of Sadharan Bima Corporation are to provide all kinds of general insurance businesses to its customers. It also provides reinsurance services to the private insurance companies as the sole reinsurer in Bangladesh. The public sector insurance business which were solely underwritten by the Corporation up to 31 March 1990, are pursuant to a directive of the Government of the People's Republic of Bangladesh, now underwritten on coinsurance basis; fifty percent of such business is retained by the Corporation and the balance 50% is equally shared by the forty five private insurance companies incorporated in Bangladesh.

#### 2 Components of the Financial Statements :

- i. Statement of Financial Position
- ii. Statement of Comprehensive Income
- iii. Statement of Changes in Equity
- iv. Consolidated Revenue Account
- v. Fire Insurance Revenue Account
- vi. Marine Insurance Revenue Account
- vii. Motor Insurance Revenue Account
- viii. Miscellaneous Insurance Revenue Account
- ix. Statement of Cash flows
- x. Classified Summary of the Assets in Bangladesh (Form AA)
- xi. Notes to the Financial Statements

#### 2.01 Basis of Preparation of Financial Statements :

The Financial Statements have been prepared on the historical cost basis and therefore, do not take into consideration of the effect of inflation. The following underlying laws, rules, regulations and accounting pronouncements have been considered in preparing and presenting the Financial Statements:

- i) The Insurance Act 1938;
- ii) The Insurance Rule 1958;
- iii) The Insurance Corporations Act 2019;
- iv) The Insurance Act 2010;
- v) The Income Tax Ordinance 1984;
- vi) The International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), details & implementation status shown in **Annexure-A**.
- vii) Any other applicable legislation.

#### 2.02 Risk and Uncertainties for use of Estimates in Preparation of Financial Statements:

Preparation of Financial Statements in conformity with the International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS) requires management to make estimates and assumption that effect the reported amounts of assets and Liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and revenues and expenses during the

period reported. Actual result could differ from those estimates. Estimates are used for Accounting of certain items such as long - term contracts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

### **2.03 Responsibility for Preparation and Presentation of Financial Statements:**

The board of the Corporation is responsible for the preparation and presentation of Financial Statements under section 28(1) of Insurance Corporation Act, 2019 and as per the provision of International Accounting standards (IAS) "The Frame work for the preparation and presentation of Financial Statements" issued by the International Accounting Standards Board (IASB).

## **3 Significant Accounting Policies:**

### **3.1 Basis of Presenting Accounts:**

"The Financial Reporting Act 2015 (FRA) was enacted in 2015 under which the Financial Reporting Council (FRC) has been formed but it is yet to issue financial reporting standards for public interest entities as per the provisions of the FRA and hence International Financial Reporting Standards (IFRSs) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), the Insurance Act 2010, the Insurance Corporation Act 2019 & Insurance Rules 1958 and other applicable laws and regulations in Bangladesh.

"The Statement of Financial Position has been prepared in accordance with the regulations contained in part I of the First Schedule and as per form "A" as set forth in part II of that Schedule and the Revenue account of each class of general insurance business has been prepared in accordance with the regulations 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.

### **3.2 Branch Accounting:**

Sadharan Bima Corporation has 88 (Eighty Eight) branches under 8 (Eight) Zonal offices. The accounts of the branches are maintained at the head office level. Petty cash book are maintained at the branch office for meeting day to day expenses. Trial balance, bank book and general ledger also prepared in the branch level & zonal offices. Financial Statements of the corporation prepared by the consolidation of those trial balances.

### **3.3 Accounting Estimates:**

Preparation of financial statements requires Management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments amount carrying values of assets and liabilities that are not readily apparent from other sources. While Management believes that the amounts included in the financial statements reflect the corporation's best estimates and assumptions, actual result could differ from estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of the accounting estimates are recognized in the period in which the estimates are revised.

### **3.4 Functional and Presentation of Currency:**

The Financial Statements are presented in Bangladeshi Taka which is the Company's functional currency.

### **3.5 Presentation of Financial Statements:**

As per IAS 1: Presentation of Financial Statements, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also

stated the entity to disclose assets and liabilities under current and noncurrent classification separately in its statement of financial position.

### 3.6 Revenue Recognition:

Revenue is recognized in accordance with International Financial Reporting Standards (IFRS-4, Insurance Contracts) unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by Directives of the Regulatory Authority.

Premium income is recognized when insurance policies are issued. Amount received against issue of the cover notes that have not yet been converted into policy are not recognized as income. Gross underwriting business as well as re-insurance thereof and claim settled etc. have been reflected separately for each class of business and net underwriting result thereof have been reflected in the revenue accounts after due consideration of re-insurance ceded. Necessary adjustment in respect of re-insurance ceded & accepted in Bangladesh has duly been made in the respective Revenue Account as per treaty between the company & foreign re-insurers.

### 3.7 Cash & Cash Equivalent:

Cash and cash equivalent items have been reported as cash items as per IAS 7: Statement of Cash Flows.

### 3.8 Statement of Cash Flows:

Cash Flow Statements has been prepared in accordance with International Accounting Standards (IAS) 7 "Statement of cash flows". The Statements shows the Structure of Changes in cash and cash equivalents during the financial year. The indirect method is used to show the operating activities.

### 3.9 Income and Expenditure Recognition:

#### i. Basis of recognition of income in respect of premium deposit

Amounts received against issuance of cover notes are recognized as income if the cover notes are converted into policy or after expiry of nine months following the issuance of cover notes in accordance with the Circular of Insurance Development and Regulatory Authority (IDRA).

#### ii. Basis of recognition of income

Income is accounted for on accrual basis including interest income on fixed deposits except in the cases of other income, dividend and interests on debenture, bridge loan, house building loan, motor cycle / bi-cycle loan, National Investment Bond as well as short term deposits which are accounted for on cash receipt basis.

#### iii. Basis of accounting in respect of expenses

Management expenses are accounted for on accrual basis except that of salary & allowance which accounted for on cash basis.

#### iv. Presentation of dividend, house rent and interest income

Dividend, house rent and interest income are stated in the Statement of Comprehensive Income at gross amounts.

### 3.10 Allocation of Management Expenses:

All expenses of management incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance business transacted in Bangladesh have been apportioned in the rates of gross premium earned by each class of business.

### 3.11 Effect of Re-Insurance:

The effect of re-insurance accepted and ceded with regard to premium, commission, claims etc. have been duly considered in preparing the final accounts.

**3.12 Investments:**

Basis of valuation of individual items are noted below:

Items	Basis of valuation
i. Government securities	At cost
ii. Debentures	At cost
iii. Shares (Listed)	Measures at fair/market value at the reporting date.
iv. Shares (Non-listed)	At cost
v. House Properties	
a) Freehold land	At cost (not revalued since inception).
b) House building	At cost less accumulated depreciation. Depreciation is charged @ 2.5% p.a. on reducing balance method and Para 3.10 below equally applies here.

**3.13 Provision for Doubtful Debts and Exceptional Losses:**

The corporation creates reserves for exceptional losses as per para 2 of 4th schedule of the Provisions of Income Tax Ordinance, 1984 and debts which are doubtful of recovery with the approval of concerned ministry. In the event of any bad/loss the same is adjusted from these reserves.

**3.14 Presentation of Assets:**

The value of all assets at December 31, 2021 as shown in the Balance Sheet and in the classified summary of assets on form "AA" annexed has been reviewed and the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market value.

**3.15 Fixed Assets:**
**a) Recognition of Fixed Assets**

As per IAS-16: 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. Fixed assets are stated at cost less accumulated depreciation. These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation as per IAS - 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its operating condition for its intended use inclusive of inward freight, duties and non-refundable taxes. Expenditure incurred after the assets have been put into operation, such as repairs & maintenance is normally charged off as revenue expenditure in the year in which it is incurred. Land is measured at cost.

**b) Depreciation of fixed assets**

No depreciation is charged on land. Depreciation is charged on straight-line as well as reducing method. Charging depreciation against fixed assets commences from the date of acquisition and ceases at the date when the assets are disposed. Asset category-wise depreciation rates are as follows:

Name of Fixed Assets	Rate of Depreciation	Methods of Depreciation
Building	2.50%	Reducing
Electrical Equipment	20.00%	Reducing
Office Equipment	20.00%	Reducing
Furniture & Fittings	10.00%	Reducing
Computer & Networks	20.00%	Straight line
Books	20.00%	Straight line
Vehicles	20.00%	Straight line
Right of use Assets		Straight line

### c) De-recognition/Written-off of Assets

An item of Fixed Assets is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the statement of comprehensive income in the year the asset is de-recognized.

### 3.16 Foreign currency:

Transactions in foreign currencies are translated into Bangladeshi Taka at the exchange rate prevailing on the date of transactions in accordance with IAS- 21 "The Effects of Changes in Foreign Exchange Rate." Foreign currencies placed on short term deposit with overseas bank are recorded in the books at the rates of exchange prevailing on the dates of transactions. The effects of fluctuations in the rates of exchange between Taka and foreign currencies have been ignored in cases of other assets and liabilities outside Bangladesh at the balance sheet date.

### 3.17 Investment in Shares & Securities:

As per requirement of IFRS 9: Financial Instruments, classification and measurement of investment in shares and securities will depend on how these are managed and their contractual cash flow characteristics. Based on these factors it would generally fall either under " fair value through profit and loss account" or under " at fair value through other comprehensive income" where any changes in the fair value (as measured in accordance with IFRS 13) at the year end is taken to profit and loss account or other comprehensive income respectively.

Investment in listed shares of the corporation has recognized in market value as per IFRS-9 and other non-listed shares, mutual fund, bonds & debentures measured at cost.

### 3.18 IFRS 16: Lease:

IFRS 16 defines that a contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or branch premises for several years with such a rental agreement being classified as the operating lease would have not been considered as a balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item.

IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (Office rent & Motor rent) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the leased asset (ROU) and the interest on the lease liability is recognized in the statement of comprehensive income over the lease term replacing the previous heading 'lease rent expenses'. On the balance sheet, right-of-use assets have been included in fixed assets and lease liabilities have been included in sundry creditors.

Although IFRS 16, Lease was effective for the annual reporting periods beginning on or after 1 January 2019 but SBC is instigated to implement for the reporting period of 2021. While implementing IFRS 16, SBC observed that IFRS 16 is expected to have an impact on various regulatory requirements. In addition, there is no direction from National Board of Revenue (NBR) regarding the treatment of lease rent, depreciation on ROU assets and interest on lease liability for income tax purposes and applicability of VAT on such items. However, paragraph 5 of IFRS 16 provides the recognition exemptions to short-term leases and leases for which the underlying asset is of low value.

### 3.18 Grants from Bangladesh Insurance Sector Development Project:

A government grant is recognized only when there is reasonable assurance that the entity will comply with all conditions attached to the grant and the grant will received. Government grants shall be recognized as income over the periods necessary to match them with related costs, which they are intended to compensate, on a systematic basis.

As per IAS 20 prescribe the accounting treatment of Grants relating to assets, Grants relating to income and Non-monetary government grants.

Government grants defined as grants from government or government agencies acting on behalf of the govt. and other similar local, national or international bodies. SBC receive Computers, Laptops, Printers, Scanner and projector from the BISD project for the development of insurance business in Bangladesh. The grants are recognized as assets as well as deferred grant income. Depreciation would be charged over the useful life of the assets & credited the same as income.

### 3.19 Investment Properties:

As per IFRS 40, Investment property is held to earn rentals or for capital appreciation or both and the future economic benefits that are associated with the investment property but not held for for sale in the ordinary course of business.

Investment property is accounted for under cost model in the financial statements. Accordingly, after recognition as an asset, the property is carried at its cost less accumulated depreciation.

### 3.2 Forms, Stamps and Stationery in hand:

This includes stock of stamps, stationery and printing materials in hand and these are valued at cost.

### 3.21 Income Tax Expense:

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Comprehensive Income.

#### Current Tax:

The tax currently payable is based on taxable profits for the year 2021. Taxable profits differs from profits as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the balance sheet date.

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the Corporation is 40.00%.

#### Deferred tax:

Deferred tax is calculated on the taxable/deductible temporary differences between tax base and carrying value of assets and liabilities as required by International Accounting Standards IAS-12: 'Income Taxes'. Deferred tax is not recognised for the following temporary differences:

- \* on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of transactions, affects neither accounting nor taxable profit or loss; and
- \* arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred tax is computed at the prevailing tax rate as per Finance Act 2021.

**3.22 Earning Per Share (EPS):**

The corporation calculates Earning Per Share (EPS) in accordance with IAS 33 "Earning per Share" which has been shown on the face of the Statement of Comprehensive Income. Net profit after tax has been considered fully attributable to the Government as a sole ownership.

**3.23 Retirement Benefit Scheme:****"Pension fund:**

The Corporation operates a funded pension scheme with its contribution alone, provision in respect of which has been made in the accompanying accounts covering all of its eligible employees."

**"Provident fund:**

The Corporation also operates a funded general provident fund scheme and contribution of which is solely made by all eligible employees of the Corporation at the rate of 10 % of their basic salary."

**3.24 Segment Reporting:**

SBC has 04 (four) revenue segment such as Marine, Fire, Motor and Miscellaneous insurance. Performance of these segment is measured based on revenue after deducting all management expenses that are reviewed by the Corporation's Management. Segment report is used to measure performance as Management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**3.25 Export Credit Guarantee Department (ECGD):**

The Export Credit Guarantee Department (ECGD) was established by the order No. 1E-15/ 76-EII(PT) dated 2 April 1977 of the Ministry of Commerce. The division is conducting its activities independently and submitting report on overall activities and audited financial statements to the concerned Ministry through Sadharan Bima Corporation (SBC). Sadharan Bima Corporation (SBC) maintaining a current account with the Division for day to day transactions. The balance on current account is disclosed on the financial statements of Sadharan Bima Corporation (SBC).

**3.26 Consolidation:**

The consolidated Financial Statements include the Financial Statements of Sadharan Bima Corporation including Export Credit Guarantee Department and the Financial Statements of its subsidiary named SBC Securities & Investment Ltd. made up to the end of the financial year. The consolidated Financial Statements have been prepared in accordance with IFRS 10. 'Consolidated Financial Statements'. The consolidated Financial Statements are prepared to a common financial year ending 31 December 2021.

**3.27 Events after Reporting Period:**

As per BAS-10: "Events after the Balance Sheet Date" there was no adjusting event after reporting period of such importance, non-disclosure of which may affect the ability of the users of the financial statements to make proper evaluations and decisions.

**3.28 Reporting period:**

The accounting period of Sadharan Bima Corporation has been determined to be from 1 January to 31 December each year. These financial statements cover one year from 1 January 2021 to December 31, 2021.

**3.29 General:**

- a) Amounts in these financial statements have been rounded off to the nearest Taka.
- b) Previous year's figures have been rearranged, wherever considered necessary, to conform to the current year's presentation.



**Annexure- A**
**"Status of Compliance of International Accounting Standards and International Financial Reporting Standards"**

In preparing Financial Statements, we applied following IAS and IFRS:

Name of the IAS	IAS No.	Status of Application
Presentation of Financial Statements	1	Applied
Inventories	2	N/A
Statement of cash flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Sheet Date	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants and disclosures of Govt. Assistances	20	Applied
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied
Investments in Associates	28	N/A
Financial Reporting in Hyperinflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied
Earning Per Share	33	Applied
Interim Financial Reporting	34	N/A
Impairment of Assets	36	N/A
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	Applied
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status of Application
First-time Adoption of IFRSs	1	Applied
Share Base Payments	2	N/A
Business Combinations	3	Applied
Insurance contract	4	Applied
Non- Current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidated Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferred Accounts	14	N/A
Revenue from Contracts with Customers	15	N/A
Leases	16	Applied

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>4.00 Reserve for Exceptional Losses:</b>		
Balance as at the beginning of the year	8,170,656,842	7,445,790,050
Add: Provision during the year	-	724,866,792
	<b>8,170,656,842</b>	<b>8,170,656,842</b>
Less: Adjustment during the year	-	-
<b>Balance at the end of the year</b>	<b>8,170,656,842</b>	<b>8,170,656,842</b>
<b>5.00 General Reserve:</b>		
Balance as at the beginning of the year	6,594,346,641	5,420,006,427
Add: Provision during the year	<b>1,670,543,865</b>	<b>1,174,340,214</b>
	8,264,890,505	6,594,346,641
Less: Adjustment during the year	-	-
<b>Balance at the end of the year</b>	<b>8,264,890,505</b>	<b>6,594,346,641</b>
<b>6.00 Consolidated Capital Reserve:</b>		
Sadharan Bima Corporation	40,852,379	40,852,379
SBC Securities & Investment Ltd.	4,902,096	3,161,602
	<b>45,754,475</b>	<b>44,013,981</b>
<b>7.00 Consolidated Retained Earnings</b>		
Opening Balance	1,102,380,906	1,049,478,965
Less: Prior year Adjustment	-	8,186,941
	<b>1,102,380,906</b>	<b>1,041,292,025</b>
Net profit/(Loss) during the year	2,386,864,224	2,560,608,295
Sadharan Bima Corporation	2,300,543,865	3,601,900,320
Export Credit guarantee Department	36,008,182	43,996,351
SBC Securities & Investment Ltd.	50,312,177	17,404,939
	<b>3,489,245,130</b>	<b>3,601,900,320</b>
Less Capital Reserve SBC Securities & Investment Ltd.	(3,161,602)	312,408
Less dividend Paid	-	-
	<b>3,486,083,528</b>	<b>3,602,212,728</b>
Less: Transferred to Reserve for exceptional losses	-	(724,866,792)
Less: Transferred to General reserve	(1,670,543,865)	(1,174,340,214)
Less: Govt Surplus	(630,000,000)	(600,000,000)
<b>Balance at the end of the year</b>	<b>1,185,539,663</b>	<b>1,102,380,906</b>
<b>8.00 Premium Deposit:</b>		
Premium Deposit Fire	9,423,819	11,499,729
Premium Deposit Marine Cargo	1,237,910,956	751,081,256
Premium Deposit Marine Hull	384,188	384,188
Premium Deposit Motor	764,607	751,666
Premium Deposit Misc.	7,419,854	7,342,676
Premium Deposit WBCI	3,738	-
Premium Deposit ENGG	121,619	121,333
	<b>1,256,028,781</b>	<b>771,180,848</b>
<b>9.00 Consolidated amount of Estimated Liabilities in Respect of Outstanding Claims whether Due or Intimated</b>		
Sadharan Bima Corporation	7,366,571,514	4,974,595,458
Export Credit guarantee Department	448,700,483	448,700,483
	<b>7,815,271,997</b>	<b>5,423,295,941</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>9.01 Estimated Liabilities in respect of Outstanding Claims due or intimated:</b>		
Fire	5,521,444,038	3,429,312,885
Marine Cargo	583,328,539	559,156,261
Hull	253,379,274	335,352,683
Motor	49,577,244	39,530,920
Miscellaneous	958,842,419	611,242,709
	<b>7,366,571,514</b>	<b>4,974,595,458</b>
<b>10.00 Consolidated Sundry Creditors:</b>		
Sadharan Bima Corporation (Note:10.01)	<b>8,595,178,573</b>	<b>6,724,238,117</b>
Export Credit guarantee Department	<b>96,873,015</b>	<b>72,867,580</b>
Audit fee	48,300	48,300
Other Liabilities	1,457	1,476
Liabilities for Tax Provision	96,823,258	72,817,804
SBC Securities & Investment Ltd.	<b>116,379,475</b>	<b>106,899,872</b>
Trade Payable	12,861,985	11,800,588
Interest Payable to Investors	453,699	-
Provisions for expenses	262,297	507,951
Provision for Tax	29,008,908	20,798,747
Provision for investment in Marketable Securities	73,792,586	73,792,586
	<b>8,808,431,063</b>	<b>6,904,005,569</b>
<b>10.01 Sundry Creditors:</b>		
Audit Fee Payable	450,500	450,500
Provision for Rating Fee	150,000	150,000
Recruitment and Interview Account	7,568,065	-
Group Ins. Premium	70,053	-
IT On Bills	237,906	-
Pension And Gratuity Fund	18,808	-
SFSA Fund to Promote Crops Insurance	500,005	-
Provision for B.Fund	18,505	-
Salary & Allowance	3,829	-
Service Charge	87,891	-
Union Subscription	5,565	-
Lease Rental Liability	27,391,937	-
Co-Insurance A/C	1,241,652	1,241,652
Co-Insurance Scheme	308,329,869	331,284,922
Provision for Bonus	222,672,521	216,867,685
Provision for Income tax (note-10.01.01)	7,895,990,172	6,009,386,895
Vat Payable	62,476,066	129,773,028
Crops Insurance Department	14,966,838	14,966,838
Short /Excess Collection	370,566	335,912
Recovery Providend fund Loan	15,349,019	15,352,219
Insurance Premium (Other Than Building)	-	4,428,464
O/S Refund Premium Fire	69,491	-
O/S Refund Premium Cargo	1,098,336	-
O/S Refund Premium Misc	14,035	-
Deferred Grant Income	31,140,972	-
Deferred Tax Liability	4,955,973	-
	<b>8,595,178,573</b>	<b>6,724,238,117</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>10.01.01 Provision for Income tax</b>		
Balance as on 01-01-2021	6,609,386,895	5,666,755,381
Add: Provision for the year	1,286,603,277	942,631,514
	<b>7,895,990,172</b>	<b>6,609,386,895</b>
Less: Adjustment made during the year	-	-
<b>Balance as on 31-12-2021</b>	<b>7,895,990,172</b>	<b>6,609,386,895</b>
<b>11.00 Other Payable</b>		
Opening balance	29,082,410	29,574,386
Add: security deposits from party (Head office)	3,629,292	2,231,470
Add: security deposits from party (Zonal office)	5,260,489	5,471,581
	<b>37,277,437</b>	<b>37,277,437</b>
Less: security deposits refund (Head office)	(4,898,385)	(2,032,102)
Less: security deposits refund (Zonal office)	(5,471,581)	(6,162,925)
	<b>30,198,890</b>	<b>29,082,410</b>
Represents security deposits of suppliers/contractors against various works performed.		
<b>12.00 Loans</b>		
Bridge Loan	25,792,845	25,792,845
House Building Loan	<b>1,434,167,503</b>	<b>1,136,162,056</b>
Opening balance	1,136,162,056	879,167,689
Disbursement during the year	356,858,620	305,673,165
Recovery during the year	(58,853,173)	(48,678,798)
	<b>1,459,960,348</b>	<b>1,161,954,901</b>
Bridge loan to companies is secured on mortgaged properties within Bangladesh. The loan is disbursed through a consortium led by Investment Corporation of Bangladesh(ICB).		
• Disclosure : ICB as leader will collect the Bridge loan amount from respective companies and distribute the amount to SBC as member proportionately. The distribution work is in under process according to the letter 53.13.0000.006.47.061.21.1876 dated 02.06.2021		
<b>13.00 Investment in Government Securities:</b>		
National Development Savings Certificate (NDSC)	20,000	20,000
National Investment Bond	755,027,252	1,700,000
	<b>755,047,252</b>	<b>1,720,000</b>
<b>14.00 Consolidated Investment in Shares</b>		
Sadharan Bima Corporation (Note: 14.01)	34,961,250,897	3,701,660,022
Export Credit Guarantee Department	-	-
SBC Securities & Investment Ltd.	664,031,536	610,055,463
	<b>35,625,282,433</b>	<b>4,311,715,485</b>
<b>14.01 Investment in Shares</b>		
Shares of companies incorporated in Bangladesh:	3,545,496,861	3,617,635,022
Listed	1,844,414,193	1,894,764,751
Non-listed	1,701,082,668	1,722,870,271
<b>Shares of companies incorporated outside Bangladesh:</b>		
Unlisted Asian Reinsurance Company, Thailand	84,025,000	84,025,000
<b>Total Book value</b>	<b>3,629,521,861</b>	<b>3,701,660,022</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>14.02 Market Value of listed shares</b>	33,176,143,230	25,650,935,765
Investment in Non-listed Shares at cost	1,785,107,668	1,806,895,271
<b>Total value of Investment in Shares as at 31 December 2021</b>	<b>34,961,250,897</b>	<b>27,457,831,036</b>

\*\* By virtue of the Provision of Article 18(3) and (4) of P.O. 95 of 1972, Eastern Federal Union Insurance Company (Vested Company), Karachi is vested with the Corporation. The share Scripts of Vested Company's investment of 2,500 Shares Tk.25,000 in Alpha Tobacco Manufacturing Company Limited are still lying in Karachi and as such securing possession of those scripts or that of reliability is initiated/received.

500 Shares of US Dollar 1,000 each of Asian Reinsurance Company, Thailand worth US Dollar 500,000 equivalent to Tk.7,740,000 were acquired in 1980 with the permission of the Ministry of Commerce of the People's Republic of Bangladesh. The book value in local currency of these shares is consistently shown at cost.

<b>15.00 Bangladesh Fund:</b>	<b>1,060,000,000</b>	<b>1,060,000,000</b>
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It represents the non term mutual fund created to stable as well as to enrich the capital market for bringing the confidence among the investors of the capital market as per decision of the meeting of Board of Directors held on March 16, 2011. This fund is a mere portion of the fund amounting to Tk. 500 (Five Hundred) Crore being the 10% of the "Bangladesh Fund" for 5000 (Five Thousand) Crore has been created as per decision of the Investment Corporation of Bangladesh (ICB) in the emergent meeting no. 378 held on March 09, 2011 under the following type and structure of the Fund:

Size of Fund	5000 Crore
Type of Fund	Non Term
Term of Fund	Primarily Ten Years, subsequently may be extended.
Face Value of each Certificate	Tk. 100.
Number of Certificate	50 Crore.
Market Lot	1000 Certificates.
Field of Investment	Money Market and Capital Market.
<b>Source of Fund</b>	"Investment Corporation of Bangladesh (ICB) Investment:
a) Sponsor	10% of 5000 Crore (Equivalent 500 Crore)."
b) Co-Sponsor	Sonali Bank Limited, Janata Bank Limited, Agrani Bank Limited, Rupali Bank Limited, Bangladesh Development Bank Limited, Sadharan Bima Corporation, Jiban Bima Corporation.
Name of Trustee	Investment Corporation of Bangladesh
Name of Co-Trustee	All the co-sponsors organizations.
Name of Custodian	ICB Capital Management Limited.
Asset Manager	ICB Capital Management Limited.
Principal of Dividend	At least 65% or as per approved principles of ICB.

<b>16.00 Consolidated Investment in FDR</b>		
Sadharan Bima Corporation (Note:16.01)	16,238,700,000	13,453,200,000
Export Credit guarantee Department	1,129,000,000	1,092,000,000
SBC Securities & Investment Ltd.	100,000,000	100,000,000
	<b>17,467,700,000</b>	<b>14,645,200,000</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>16.01 Investment in FDR for SBC</b>		
Balance as at the beginning of the year	13,453,200,000	12,393,881,000
Add: during the year	5,835,000,000	3,865,000,000
	<b>19,288,200,000</b>	<b>16,258,881,000</b>
Less: Encashment during the year	3,049,500,000	2,805,681,000
<b>Balance at the end of the year</b>	<b>16,238,700,000</b>	<b>13,453,200,000</b>
<b>17.00 Investment Properties</b>		
Opening balance at the beginning of the year	723,258,094	936,313,687
Add: Addition during the year	21,096,543	30,397,970
Total Assets Value at cost	744,354,637	723,258,094
Less : Accumulated depreciation at the end of the year	(256,074,094)	(244,001,910)
<b>Written Down Value</b>	<b>488,280,543</b>	<b>479,256,184</b>
Details of Investment in House Properties are shown in <b>Annexure-1</b>		
<b>18.00 Outstanding Premiums</b>		
Fire	1,910,681	7,726,247
Marine Cargo	14,585,757	13,487,421
Marine Hull	5,248,993	58,152,486
Motor	-	-
Miscellaneous	77,730,187	77,730,187
Aviation	142,904,955	122,941,930
Engineering	381,799,086	333,041,585
	<b>624,179,659</b>	<b>613,079,856</b>
<b>19.00 Consolidated Interest and Rent Outstanding</b>		
Sadharan Bima Corporation (Note:19.01)	789,197,155	762,461,093
Export Credit guarantee Department	34,232,356	43,339,163
SBC Securities & Investment Ltd.	2,284,726	13,388,191
	<b>825,714,237</b>	<b>819,188,447</b>
<b>19.01 Interest and Rent Outstanding</b>		
Rent receivable on building	114,998,347	123,279,366
Interest receivable on :		
Bridge loans	-	-
Debenture	-	-
Govt. Bond	5,357,083	-
Fixed Deposit	668,841,725	639,181,727
	<b>789,197,155</b>	<b>762,461,093</b>
<b>20.00 Consolidated Sundry Debtors (including Advances, Deposits)</b>		
Sadharan Bima Corporation(Note:20.01)	407,965,975	410,403,776
Export Credit guarantee Department	96,392	86,730
SBC Securities & Investment Ltd.	<b>458,063</b>	<b>161,876</b>
Trade & Other Receivable	31,604	37,699
Advance, Deposits and Prepayments	345,000	27,600
Deferred Tax Assets	79,959	95,077
DSE Membership at cost	1,500	1,500
<b>Sub-Total</b>	<b>408,520,430</b>	<b>410,652,382</b>
Less: Intercompany Receivables & Payables	(336,488,338)	(336,488,138)
<b>Consolidated Sundry Debtors Total</b>	<b>72,032,092</b>	<b>74,164,245</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>20.01 SBC Sundry Debtors (including Advances and Deposits)</b>		
Advances to ECG & SSIL (Note 20.01.01)	336,488,338	336,488,138
Advances from SBC (Note 20.01.02)	70,693,350	73,131,352
Deposit (Note 20.01.03)	784,287	784,287
	<b>407,965,975</b>	<b>410,403,776</b>
<b>20.01.01 Sundry Debtors (including Advances and Deposits)</b>		
Advance to ECG & SSIL		
Current account with ECG Department	617,865	617,665
Current account with SSIL	335,870,473	335,870,473
	<b>336,488,338</b>	<b>336,488,138</b>
<b>20.01.02 Advance From SBC</b>		
Advance Miscellaneous	14,180,760	9,643,927
Advance Motor Cycle	19,903,914	22,021,243
Advance Medical	663,726	895,726
Advance Purchase	1,413,365	1,518,219
Advance Travelling	911,837	900,642
Advance Legal Fee	1,647,601	573,044
Advance Office Rent	501,036	7,963,678
Advance Salary	3,231,584	3,385,086
Advance Income Tax Salary	2,474,602	1,730,941
Final Settlement	7,254,981	10,267,161
Cash and insurance stamp defalcation (law suits initiated with the court which are awaiting for decisions).	3,565,584	3,565,584
Water Charge Recoverable	1,662,566	-
Electric Charge Recoverable	971,493	-
Group Insurance Claim	1,644,200	-
Life Insurance Corporation of India (LIC)	10,666,101	10,666,101
	<b>70,693,350</b>	<b>73,131,352</b>
<b>20.01.03 Deposit</b>		
S.D. Civil Aviation Authority	5,407	5,407
Security Deposit From Telephone	136,130	136,130
Security Deposit From Printing	6,000	6,000
Security Deposit From Gas Sylinder	1,000	1,000
Security Deposit From Titas Gas	24,150	24,150
Security Deposit From Electricity	605,000	605,000
Security Deposit From Dhaka Petrol	5,000	5,000
Security Deposit From Club	1,600	1,600
	<b>784,287</b>	<b>784,287</b>
<b>21.00 Consolidated Cash and Cash Equivalent</b>		
Sadharan Bima Corporation (Note:21.01)	4,364,739,352	4,761,217,772
Export Credit guarantee Department	15,730,074	12,575,555
SBC Securities & Investment Ltd.	73,407,427	63,220,102
	<b>4,453,876,853</b>	<b>4,837,013,429</b>
<b>21.01 Cash &amp; Cash Equivalent</b>		
Cash in hand	352,649	310,095
<b>Cash at Banks :</b>		
On short term deposits	3,910,765,409	3,987,980,639
On current accounts	453,621,294	772,927,038
	<b>4,364,386,703</b>	<b>4,760,907,677</b>
	<b>4,364,739,352</b>	<b>4,761,217,772</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>22.00 Consolidated Advance Income Tax</b>		
Sadharan Bima Corporation (Note:22.01)	7,525,116,027	5,915,246,624
Export Credit guarantee Department	63,969,087	35,009,251
SBC Securities & Investment Ltd.	23,570,317	17,485,202
	<b>7,612,655,431</b>	<b>5,967,741,077</b>
<b>22.01 Advance Income Tax</b>		
Balance as on 01-01-2021	6,515,246,624	5,642,980,525
Add: Tax deducted at source during the year	257,955,447	272,266,098
	<b>6,773,202,070</b>	<b>5,915,246,624</b>
Add: Paid during the year 2021	751,913,957	600,000,000
	<b>7,525,116,027</b>	<b>6,515,246,624</b>
Less: Adjustment made during the year	-	-
<b>Balance as on 31-12-2021</b>	<b>7,525,116,027</b>	<b>6,515,246,624</b>
<b>23.00 Consolidated Property Plant and Equipment</b>		
Sadharan Bima Corporation (Note:23.01)	418,763,067	182,816,715
Export Credit guarantee Department	436,041	439,434
SBC Securities & Investment Ltd.	824,985	474,439
	<b>420,024,093</b>	<b>183,730,58</b>
<b>23.01 Property, Plant and Equipment</b>		
Opening balance	739,252,403	485,654,962
Add: Addition during the year	115,879,576	12,761,159
Disposal during the year	(10,123,275)	(2,617,281)
	<b>845,008,704</b>	<b>739,252,403</b>
Less : Accumulated depreciation	426,245,637	364,758,903
<b>Details are shown in Annexure-1</b>	<b>418,763,067</b>	<b>374,493,500</b>
<b>24.00 Consolidated Interest Income</b>		
Sadharan Bima Corporation (Note:24.01)	1,189,263,728	1,037,840,366
Export Credit guarantee Department	68,021,255	81,700,072
SBC Securities & Investment Ltd.	10,033,934	9,765,235
	<b>1,267,318,917</b>	<b>1,129,305,673</b>
<b>24.01 Interest Income:</b>		
FDR	980,905,617	976,493,492
Debenture	-	-
Saving accounts (Intt on STD)	199,841,434	53,326,912
Motor cycle loans	549,693	1,115,805
House Building loans	4,299,188	6,904,157
Interest on National Bond	14,493,321	-
	<b>1,200,089,253</b>	<b>1,037,840,366</b>
Excise Duty on Bank Interest	10,825,525	-
	<b>1,189,263,728</b>	<b>1,037,840,366</b>
<b>25.00 Consolidated Dividend Income</b>		
Sadharan Bima Corporation	751,189,844	720,785,884
Export Credit guarantee Department	-	-
SBC Securities & Investment Ltd.	21,046,934	18,413,782
	<b>772,236,778</b>	<b>739,199,666</b>



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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>26.00 Rental Income</b>		
Gross rental income	131,054,697	77,838,427
Less: Dep. Charged on investment property	12,072,183	-
	<b>118,982,514</b>	<b>77,838,427</b>
<b>27.00 Consolidated Other Income</b>		
Sadharan Bima Corporation (Note-26.01)	40,410,281	36,171,523
Export Credit guarantee Department	<b>1,459,955</b>	<b>1,484,274</b>
Premium Income	1,459,955	1,484,274
Claim Recovery & Misc. Income	-	-
SBC Securities & Investment Ltd.	<b>39,623,435</b>	<b>5,763,659</b>
Revenue (Excluding Dividend Income)	39,623,435	15,763,659
Provision for diminution in value of investment in shares written back		(10,000,000)
	<b>81,493,671</b>	<b>43,419,456</b>
<b>27.01 Other Income</b>		
Car/Bus rent received	275,437	192,000
Miscellaneous receipts	18,985,948	25,011,276
Exchange gain/Loss (Net)	42,492	24,425
Car Parking	13,321,161	10,333,467
gain or loss on disposal of assets	-	405,156
Profit on sale of Share	-	205,199
Grant Income	7,785,243	
	<b>40,410,281</b>	<b>36,171,523</b>
<b>28.00 Management Expense</b>		
Salary and Allowances	587,923,105	567,521,254
Office Operating Expenses	174,146,725	191,479,097
Other Charges	16,347,857	12,140,604
Contingencies	563,992,563	419,201,050
	<b>1,342,410,249</b>	<b>1,190,342,003</b>
Less: Expenses recovered from Co-insurers	336,217,252	243,953,165
	<b>1,006,192,997</b>	<b>946,388,838</b>
<b>29.00 Consolidated Income Tax Expense during the year</b>		
<b>Current Tax:</b>		
Sadharan Bima Corporation	1,286,603,277	942,631,514
Export Credit guarantee Department	24,005,454	29,330,900
SBC Securities & Investment Ltd.	8,210,161	5,189,380
	<b>1,318,818,892</b>	<b>977,151,794</b>
<b>Deferred Tax:</b>		
Sadharan Bima Corporation	4,955,973	-
SBC Securities & Investment Ltd.	15,118	7,193
	4,971,091	7,193
	<b>1,323,789,983</b>	<b>977,158,987</b>
<b>30.00 Consolidated Statement of Comprehensive Income</b>		
Sadharan Bima Corporation	2,300,543,865	2,499,207,006
Export Credit guarantee Department	36,008,182	43,996,351
SBC Securities & Investment Ltd.	50,312,177	17,404,939
	<b>2,386,864,224</b>	<b>2,560,608,296</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>31.00 Earning Per Share (EPS)</b>		
Net profit after tax (Consolidated)	2,386,864,224	2,560,608,295
Net profit after tax (SBC)	2,300,543,865	2,499,207,006
Number of Shares Outstanding	50,000,000	50,000,000
<b>Earning Per Share (Consolidated)</b>	<b>48</b>	<b>51</b>
<b>Earning Per Share (Solo)</b>	<b>46</b>	<b>50</b>
<b>32.00 Net Asset Value per share (NAV)</b>		
Net Asset Value (Consolidated)	54,112,540,861	21,078,527,465
Net Asset Value (SBC)	54,107,638,765	21,075,365,863
Number of Shares Outstanding	50,000,000	50,000,000
<b>NAV per share (Consolidated)</b>	<b>1,082</b>	<b>422</b>
<b>NAV per share (Solo)</b>	<b>1,082</b>	<b>422</b>
<b>33.00 Net Operating Cash Flow per share (NOCFPS)</b>		
Net Cash Provided by Operating Activities (Consolidated)	2,292,019,940	3,284,021,197
Net Cash Provided by Operating Activities (SBC)	2,318,277,155	3,287,899,532
Number of Shares Outstanding	50,000,000	50,000,000
<b>Net Operating Cash Flow per share (Consolidated)</b>	<b>46</b>	<b>66</b>
<b>Net Operating Cash Flow per share (Solo)</b>	<b>46</b>	<b>66</b>
<b>34.00 Contingent Liabilities</b>		
Corporation recognizes contingent liabilities, as per IAS 37, in respect of expected engineering ceded premium amounting <b>Tk 1,025,419,175</b>		

**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**35.00 (INCREASE)/DECREASE IN CURRENT ASSETS :**

Particulars	2021	2020	2019	(Increase) / Decrease in 2021	(Increase)/ Decrease in 2020
Outstanding premium	624,179,659	613,079,856	1,077,159,375	(11,099,804)	464,079,520
Amount due from other person or bodies carrying on insurance business	10,141,649,987	8,732,038,257	7,831,594,930	(1,409,611,731)	(900,443,326)
Sundry Debtors	407,965,975	410,403,776	470,036,155	2,437,802	59,632,379
<b>Other accounts :</b>					
Stamp in hand	7,243,152	6,540,028	8,004,361	(703,124)	1,464,333
Stock of stationary	1,912,872	1,303,053	1,303,053	(609,819)	0
Stock of materials	917,657	1,235,772	1,120,059	318,115	(115,712)
	<b>11,183,869,302</b>	<b>9,389,217,934</b>	<b>11,189,482,971</b>	<b>(1,419,268,561)</b>	<b>(375,382,808)</b>

**36.00 INCREASE/(DECREASE) IN CURRENT LIABILITIES :**

Particulars	2021	2020	2019	Increase/ (Decrease) in 2021	Increase/ (Decrease) in 2020
Premium deposit	1,256,209,759	771,180,848	774,012,543	485,028,911	(2,831,694)
Outstanding claims	7,366,571,514	4,974,595,458	3,613,787,707	2,391,976,056	1,360,807,752
Amount due to other person or bodies carrying on insurance business	4,512,870,076	4,085,267,559	3,224,665,478	427,602,517	860,602,082
Sundry creditors	7,303,619,324	7,324,238,117	1,825,616,632	(20,618,793)	5,498,621,485
Balances of Fund	3,320,881,161	3,720,803,696	3,624,876,821	(399,922,534)	95,926,876
Other sums owing	30,198,890	29,082,410	29,574,386	1,116,480	(491,976)
	<b>23,790,350,724</b>	<b>20,905,168,088</b>	<b>13,092,533,566</b>	<b>2,885,182,636</b>	<b>7,812,634,524</b>

### 37.00 RELATED PARTY DISCLOSURE

#### Profile of Related Party:

Name of Company	ADDRESS	NATURE OF BUSINESS	Relationship with SBC
SBC Security & Investment LTD	Sadharan Bima Bhabon, 3rd Floor, 33, Dilkusha C/A, DHAKA-1000	Share & Stock Broker	Subsidiary Company
Export Credit Guarantee	Sadharan Bima Bhabon, 2nd Floor, 33, Dilkusha C/A, DHAKA-1000	Bank Guarantor of Export Credit Business (Pre-Shipment, Post-Shipment & Comprehensive Finance to the Expoters)	Others Necessary Party

#### Transaction with Related Party During the year 2021

Name of Company	Relationship	Opening balance as on 01/01/2021	Addition Amount	Total (31/12/2021)
SSIL	Subsidiary	Investment Purpose	-	300,000,000
		Working capital purpose	-	35,714,327
		<b>Total</b>	-	<b>335,714,327</b>
ECG	Other Necessary Party	<b>115,000,000</b>	-	<b>115,000,000</b>

**SADHARAN BIMA CORPORATION**

33, Dilkusha C/A, Dhaka- 1000



**Schedule of Fixed Assets including Investment Property**

as at 31-12-2021

**Annexure-1**

Sl No	Class of Assets	Balance as at 01 January 2021		Cost		Disposal during the year	Rate	Balance as at 31 December 2021	Depreciation		Charged during the year	Balance as at 31 December 2021	WDV as at December 31, 2021	WDV as at 31 December 2020
		3	4	5	6=(3+4-5)				7	8				
<b>A. Investment Property</b>														
1	Building Residence	152,692,955	233,360	-	152,926,315	-	2.50%	58,930,621	-	2,344,092	61,274,713	91,651,602	93,762,334	
2	Building Office	570,565,139	20,863,183	-	591,428,322	-	2.50%	185,071,289	-	9,728,092	194,799,381	396,628,941	385,493,850	
	<b>Total "A"</b>	<b>723,258,094</b>	<b>21,096,543</b>	<b>-</b>	<b>744,354,637</b>	<b>-</b>			<b>-</b>	<b>12,072,183</b>	<b>256,074,094</b>	<b>488,280,543</b>	<b>479,256,184</b>	
<b>B. Property, Plant and Equipment</b>														
1	Land	83,828,454	-	-	83,828,454	-	0.00%	-	-	-	-	83,828,454	83,828,454	
2	Building	159,625,109	5,836,823	-	165,461,933	-	2.50%	51,776,778	-	2,721,596	54,498,374	110,963,558	107,848,331	
3	Electrical Equipment	182,433,955	8,422,986	-	190,856,941	-	20.00%	96,080,739	-	18,683,140	114,763,879	76,093,062	86,353,216	
4	Office Equipment	35,191,071	989,964	9,739,505	25,441,529	9,739,505	20.00%	29,646,631	9,636,571	1,173,396	21,283,456	5,158,073	5,544,440	
5	Furniture & Fittings	33,393,003	1,396,122	93,374	34,695,751	93,374	10.00%	22,213,278	67,589	1,161,086	23,306,775	11,388,976	11,179,725	
6	Computer & Networks	40,954,586	42,334,944	-	83,289,530	-	20.00%	27,754,580	-	10,604,182	38,358,763	44,930,767	13,200,006	
7	Books	1,777,843	29,899	-	1,807,742	-	20.00%	1,152,798	-	128,024	1,280,821	526,921	625,046	
8	Vehicles	202,048,382	65,000	290,395	201,822,986	290,395	20.00%	136,134,099	290,145	13,186,902	149,030,856	52,792,130	65,914,283	
9	Right of use Assets	-	56,803,838	-	56,803,838	-		-	-	23,722,712	23,722,712	33,081,126	-	
	<b>Total "B"</b>	<b>739,252,403</b>	<b>115,879,576</b>	<b>10,123,275</b>	<b>845,008,704</b>	<b>10,123,275</b>		<b>364,758,903</b>	<b>9,894,305</b>	<b>71,381,039</b>	<b>426,245,637</b>	<b>418,763,067</b>	<b>374,493,500</b>	
	Grand Total : (A+B)	<b>1,462,510,497</b>	<b>136,976,119</b>	<b>10,123,275</b>	<b>1,589,363,341</b>	<b>10,123,275</b>	-	<b>608,760,813</b>	<b>9,894,305</b>	<b>83,453,222</b>	<b>682,319,731</b>	<b>907,043,610</b>	<b>853,749,663</b>	

**SADHARAN BIMA CORPORATION**  
**Classified Summary of Assets in Bangladesh (Form - AA)**  
As on December 31, 2021

**Annexure-2**

SL. #	Class of Assets	2021		2020	
		Book value Taka	Market value Taka	Book value Taka	Market value Taka
1	Govt. Securities and cash deposits with Bangladesh Bank	755,047,252	-	1,720,000	-
2	Mortgage loan (house building loan)	1,434,167,503	-	1,136,162,056	-
3	Shares	34,961,250,897	<b>33,176,143,230</b>	3,701,660,022	<b>27,457,831,036</b>
4	Debenture	32,337,967	-	32,436,287	-
5	Bridge loan	25,792,845	-	25,792,845	-
6	Land and buildings	683,072,556	-	670,932,968	-
7	Fixed deposits and STD accounts with banks	20,149,465,409	-	17,441,180,639	-
8	Current accounts with banks	453,621,294	-	772,927,038	-
9	Cash and stamps in hand	7,595,801	-	6,850,124	-
10	Interest, dividend and rent accruing but not yet received	789,197,155	-	762,461,093	-
11	Amount due from other persons or bodies carrying on insurance business	10,141,649,987	-	8,732,038,257	-
12	Outstanding premium	624,179,659	-	613,079,856	-
13	Sundry debtors	407,181,688	-	409,619,490	-
14	Stock of stationery in hand (at cost)	1,912,872	-	1,303,053	-
15	Stock of materials in hand (at cost)	917,657	-	1,235,772	-
16	Sundry fixed assets	418,763,067	-	182,816,715	-
17	Other assets (Security deposit)	864,437	-	864,437	-
18	Advance income tax	7,525,116,027	-	5,915,246,624	-
19	Investment in wholly owned subsidiaries	315,000,000	-	315,000,000	-
20	Bangladesh Fund	1,060,000,000.00	-	1,060,000,000.00	-
	<b>Total</b>	<b>79,787,134,074</b>	<b>33,176,143,230</b>	<b>41,783,327,275</b>	<b>27,457,831,036</b>





**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

## SADHARAN BIMA CORPORATION

### Investment in Shares & Securities

As at 31 December 2021

**Annexure-4**

Sl. No	Name of Company	No. of Shares	Market Price per Share	Market Value as at December 2021	Cost Price as at December 2021	Unrealized Gain/(loss)
<b>Listed Shares &amp; MF</b>						
1	ACI	942,445	285.40	268,973,803	976,039	267,997,764
2	ARAMIT	1,425,909	325.30	463,848,198	14,258,377	449,589,821
3	ARAMITCEM	484,000	38.10	18,440,400	5,630,000	12,810,400
4	AZIZPIPES	81,915	102.30	8,379,905	190,050	8,189,855
5	BATASHOE	2,712	966.90	2,622,233	-	2,622,233
6	BATBC	15,228,423	635.60	9,679,185,659	21,431,962	9,657,753,697
7	BSC	35,480	71.90	2,551,012	316,800	2,234,212
8	BXPHERMA	1,100,768	192.70	212,117,994	5,248,781	206,869,213
9	CAPMBDBLM	5,000,000	9.90	49,500,000	50,000,000	(500,000)
10	CITYBANK	1,962	27.30	53,563	8,600	44,963
11	EASTRNLUB	753	2,947.50	2,219,468	7,530	2,211,938
12	FBFIF	15,522,937	5.20	80,719,272	100,000,000	(19,280,728)
13	GEMINISEA	255	277.20	70,686	-	70,686
14	ICB	94,071,691	123.90	11,655,482,515	1,289,623,000	10,365,859,515
15	IDLC	30,161,231	60.30	1,818,722,229	194,288,616	1,624,433,613
16	ISLAMIBANK	2,009	32.00	64,288	4,000	60,288
17	JUTESPINN	45,000	121.60	5,472,000	450,000	5,022,000
18	LINDEBD	203,858	1,579.80	322,054,868	6,026,626	316,028,242
19	NBL	2,948,974	7.50	22,117,305	246,823	21,870,482
20	NHFIL	5,635,604	49.70	280,089,519	41,148,200	238,941,319
21	NTC	758,710	579.50	439,672,445	5,747,900	433,924,545
22	ORIONPHAR	1,200,000	91.10	109,320,000	100,000,000	9,320,000
23	PUBALIBANK	8,248,413	26.80	221,057,468	1,250,961	219,806,507
24	RECKITT BEN	78,759	5,729.90	451,281,194	35,048	451,246,146
25	RENATA	4,689,661	1,312.00	6,152,835,232	2,034,011	6,150,801,221
26	UNILEVERCL	76,437	2,977.10	227,560,593	764,370	226,796,223
27	UTTARABAN	26,734,564	25.50	681,731,382	4,726,500	677,004,882
	<b>Total</b>			<b>33,176,143,230</b>	<b>1,844,414,193</b>	<b>31,331,729,036</b>
<b>Non-Listed Mutual Fund</b>						
1	CANDLEGFN	4,000,000	-	40,000,000	40,000,000	-
2	CAPITECPUF	3,500,000	-	35,000,000	35,000,000	-
3	CWTSBCGF	2,000,000	-	20,000,000	20,000,000	-
4	IDLCBUFUND	5,000,000	-	50,000,000	50,000,000	-
5	IDLCGFUND	5,000,000	-	50,000,000	50,000,000	-
6	MTB1STMF	9,782,816	-	99,999,993	99,999,993	-
7	PENINSULAM	7,000,000	-	70,000,000	70,000,000	-
8	SAMLUF	3,000,000	-	30,000,000	30,000,000	-
9	SECONDICB	11,034	-	3,200	3,200	-
10	THIRDICBUF	2,166	-	500	500	-
	<b>Total</b>			<b>395,003,693</b>	<b>395,003,693</b>	<b>-</b>
<b>Total as per portfolio statement</b>				<b>33,571,146,922</b>	<b>2,239,417,886</b>	<b>31,331,729,036</b>



**Other Non-listed Fund****Unit Fund:**

1	ICB Unit Fund	24,999,920	24,999,920
2	Moslin VC Fund	30,000,000	30,000,000
3	Candlestone	50,000,000	50,000,000
4	Bonds	986,302,957	986,302,957
5	OTC Market-Shares	5,432,700	5,432,700
6	D-Listed Shares	1,217,858	1,217,858
7	Non-listed Fund	106,925,440	106,925,440
8	Race-First Bangladesh Income	100,000,000	100,000,000
9	Others	1,200,100	1,200,100
	InvestmentTotal	1,306,078,975	1,306,078,975
	<b>Total Non-listed shares &amp; fund</b>	<b>1,701,082,668</b>	<b>1,701,082,668</b>
	Unlisted Asian Reinsurance Company, Thailand	84,025,000	84,025,000
	<b>Total Investment in Shares &amp; Securities</b>	<b>35,272,229,590</b>	<b>3,629,521,861</b>



# EXPORT CREDIT GUARANTEE (ECG)

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**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**INDEPENDENT AUDITORS' REPORT OF**  
**EXPORT CREDIT GUARANTEE DEPARTMENT**  
TO THE BOARD OF DIRECTORS OF  
SADHARAN BIMA CORPORATION

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Export Credit Guarantee Department (ECGD) of Sadharan Bima Corporation (SBC) which comprise the statement of financial position as at December 31, 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and 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 ECGD as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### 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 Department 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 these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

- Department had adjusted the AIT & source tax from 2008-2021 without the approval of NBR, also there is no clearance of tax assessment of ECGD from the year 2008-2009 to 2020-2021. As per schedule of ECGD total AIT was BDT 330,015,124 and tax provision was BDT 375,446,375. The current assets and the provision for tax liability have been understated in the financial statements by the amount. Our opinion is not modified in respect of this matter.
- According to the section 9 of the IFRS 16 (Leases), the ECGD shall assess whether the contract is, or contain a lease. As per section 23 and 29 of the IFRS 16, the ECGD shall measure the right-of-use assets and as per section 26 and 36, the ECGD shall measure the lease liability. However, in our audit, it reveals that the standards in this regard were not being followed.

### 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 International Financial Reporting Standards (IFRSs), where applicable Insurance Act 2010 and other applicable rules 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 Export Credit Guarantee Department (ECGD)'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 Export Credit Guarantee Department (ECGD) or to cease operations, or has no realistic alternative but to do so.

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

Those charged with governance are responsible for overseeing the Export Credit Guarantee Department (ECGD)'s financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

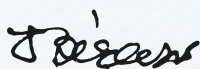
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

**Report on other legal and regulatory requirements****We also report the following:**

- i. we have obtained all the information and explanations which to the satisfaction of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii. in our opinion, proper books of account as required by law have been kept by the Export Credit Guarantee Department (ECGD) so far as it appeared from our examination of these books; and
- iii. the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Name of Firm : **MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**Signature of the Auditor :**  .....

 .....

Name of the Auditor : **J C Biswas FCA**  
Partner

**Md. Abdus Satter Sarkar FCA**  
Partner

Enrolment No. : 0199

1522

**DVC Number :**

Dated: 29 June 2022, Dhaka



**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**SADHARAN BIMA CORPORATION**  
**Export Credit Guarantee Department**  
**Statement of Financial Position**  
As at December 31, 2021

	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>ASSETS</b>			
Non-current assets			
Property, plant & equipment	4.00	436,041	439,434
		<b>436,041</b>	<b>439,434</b>
<b>Current assets</b>			
Advance & Deposit	5.00	64,065,479	35,095,981
Interest Accrued on Fixed Deposit	6.00	34,232,356	43,339,163
Investment in FDR	7.00	1,129,000,000	1,092,000,000
Cash & cash equivalents	8.00	15,730,074	12,575,555
<b>Total current assets</b>		<b>1,243,027,909</b>	<b>1,183,010,699</b>
<b>Total assets</b>		<b>1,243,463,950</b>	<b>1,183,450,133</b>
<b>FUND &amp; LIABILITIES</b>			
Fund			
Fund from Bangladesh Govt.	9.00	5,450,000	5,450,000
Fund from Sadharan Bima Corporation	10.00	115,000,000	115,000,000
Retained earnings	11.00	576,822,588	540,814,406
<b>Total Fund</b>		<b>697,272,588</b>	<b>661,264,406</b>
<b>CURRENT LIABILITIES</b>			
Estimated Liabilities in respect of outstanding claims whether due or Intimated	12.00	448,700,483	448,700,483
Liabilities for Expenses	13.00	667,621	667,440
Provision for Income Tax	14.00	96,823,258	72,817,804
<b>Total current liabilities</b>		<b>546,191,362</b>	<b>522,185,727</b>
<b>Total equity &amp; liabilities</b>		<b>1,243,463,950</b>	<b>1,183,450,133</b>

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

Jyotsna Bikash Chakma  
General Manager

J.C. Biswas, FCA  
ICAB Enrollment No. 0199  
For and on behalf of,  
MABS & J Partners  
Chartered Accountants  
Firm Registration No. P-  
DVC:

Signed in terms of our separate report of even date annexed.

Syed Shahriyar Ahsan  
Managing Director

Md. Abdus Satter Sarkar, FCA  
ICAB Enrollment No. 1522  
For and on behalf of,  
Mahfel Huq & Co.  
Chartered Accountants  
Firm Registration No. P-46323  
DVC:

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**SADHARAN BIMA CORPORATION**  
**Export Credit Guarantee Department**  
**Statement of Profit or Loss and Other Comprehensive Income**  
For the year ended December 31, 2021

	Note	Amount in BDT	Amount in BDT
		December 31, 2021	December 31, 2020
<b>Income</b>		<b>1,459,955</b>	<b>1,484,274</b>
Premium income	15.00	1,459,955	1,484,274
Claim recovery & Misc Income	16.00	-	-
<b>Expenditure</b>		<b>-</b>	<b>-</b>
Claim paid expenses	17.00	-	-
Estimated outstanding claim during the year	18.00	-	-
<b>Gross profit</b>		<b>1,459,955</b>	<b>1,484,274</b>
<b>Administrative expense</b>		<b>(9,467,574)</b>	<b>(9,857,095)</b>
Management Expenses	19.00	(9,251,773)	(9,617,522)
Business Promotion Expenses	20.00	(215,801)	(239,573)
<b>Operating profit / (Loss)</b>		<b>(8,007,619)</b>	<b>(8,372,821)</b>
Interest income	21.00	68,021,255	81,700,072
<b>Profit / (loss) before tax</b>		<b>60,013,636</b>	<b>73,327,251</b>
Income tax expense	22.00	(24,005,454)	(29,330,900)
Net profit / (loss) after tax		36,008,182	43,996,351

Jyotsna Bikash Chakma  
General Manager

J.C. Biswas, FCA  
ICAB Enrollment No. 0199  
For and on behalf of,  
MABS & J Partners  
Chartered Accountants  
Firm Registration No. P-  
DVC:

Signed in terms of our separate report of even date annexed.

Syed Shahriyar Ahsan  
Managing Director

Md. Abdus Satter Sarkar, FCA  
ICAB Enrollment No. 1522  
For and on behalf of,  
Mahfel Huq & Co.  
Chartered Accountants  
Firm Registration No. P-46323  
DVC:



**MABS & J Partners**  
Chartered Accountants

**Mahfel Huq & Co.**  
Chartered Accountants

**SADHARAN BIMA CORPORATION**  
**Export Credit Guarantee Department**  
**Statement of Cash Flows**  
For the year ended December 31, 2021

Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Cash flow from operating activities [A]</b>		
Profit before tax	60,013,636	73,327,251
<b>Adjustments for:</b>		
Depreciation	58,266	55,573
Interest income	(68,021,255)	(81,700,072)
	(7,949,353)	(8,317,248)
Adjustments for changes in working capital:		
Increase/(Decrease) in advance & deposit except income tax	(9,662)	44,775
(Increase)/Decrease in liabilities for Estimated Liabilities	-	-
(Increase)/Decrease in liabilities for other expenses	181	23,038
Increase/(Decrease) in provision for income tax		
<b>Net cash flows from operations</b>	(7,958,834)	(8,249,435)
Tax paid	(28,959,836)	(23,055,531)
<b>Net cash generated by / (used in) operating activities</b>	<b>(36,918,669)</b>	<b>(31,304,966)</b>
<b>Cash flow from investing activities [B]</b>		
Interest received from FDR during the year	77,128,062	81,187,443
Acquisition of against property, plant & equipment	(54,873)	-
<b>Net cash provided by / (used in) investing activities</b>	<b>77,073,189</b>	<b>81,187,443</b>
<b>Cash flow from financing activities [C]</b>		
Net cash provided by / (used in) financing activities	-	-
<b>Net cash Inflow / (outflow) [A+B+C=D]</b>	<b>40,154,519</b>	<b>49,882,477</b>
Cash & Cash Equivalent at beginning of the year	1,104,575,556	1,054,693,079
<b>Cash &amp; Cash Equivalent at end of the year</b>	<b>1,144,730,075</b>	<b>1,104,575,556</b>
Cash & Cash Equivalent represented by		
Investment in FDR	1,129,000,000	1,092,000,000
Cash at bank	15,729,630	12,558,564
Cash in hand	444	16,991
	<b>1,144,730,074</b>	<b>1,104,575,555</b>

The annexed notes form an integral part of this statement of financial statements.

Jyotsna Bikash Chakma  
General Manager

Dhaka, 26 June, 2022

Syed Shahriyar Ahsan  
Managing Director

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

**SADHARAN BIMA CORPORATION****Export Credit Guarantee Department****Notes to the Financial Statements**

For the year ended December 31, 2021

**1.00 Background**

The Ministry of Commerce, Government of the People's Republic of Bangladesh directed Sadharan Bima Corporation (SBC) to introduce Export Credit Guarantee Scheme by order # IE - 15/76-EII (pt) dated on April 02, 1977. Sadharan Bima Corporation (SBC) to introduce Export Credit Guarantee Scheme with the effect from 01.01.78 through its Export Credit Guarantee Wing as per order of the government of the people's Republic of Bangladesh in order to promote national exports.

**2.00 Nature of the Business**

The business of ECG Department is to ensure by executing guarantees on a certain percent of the amount of any defined loss that may be suffered by the insured (Bank) in favor of Pre-shipment and Post-shipment finance to the exporters. The ECG department also ensure by executing Comprehensive Guarantee on certain percent of amounts of any defined loss that may be sustained by the insured exporter in connection with the export from Bangladesh of any goods under certain sales contracts.

**3.00 Significant Accounting Policies:****3.01 Basis of Accounting**

The accounts are prepared under going concern assumption and on accrual basis, historical cost convention in conformance with generally accepted accounting principles (GAAP) in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs), Insurance Act, 2010 and other applicable laws and regulations.

**3.02 Recognition of Property Plant and Equipment**

Property, plant and equipment are recognized at cost of acquisition less accumulated depreciation. Cost represent the purchase price of the assets and other costs incurred in bringing the assets to their existing location and condition. Any repairs and maintenance expenses are charged to the income statement during the period when these are incurred.

**3.03 Depreciation of Property, Plant and Equipment:**

Depreciation on property, plant and equipment has been charged on the basis of reducing balance method considering the economic and technical lives of the same. Depreciation is charged on addition to property, plant and equipment during the year irrespective of their date of acquisition. No depreciation is charged in the year of disposal.



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**Mahfel Huq & Co.**

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The rates of depreciation applied are as follows:

SL	Name of the Assets	Rate
1	Computer	20%
2	Photocopy Machine	20%
3	Type Writer Machine	15%
4	Calculator Machine	15%
5	PABX Board	10%
6	Furniture and Fixture	6%
7	Cabin	6%
8	Fan	10%
9	Books	6%
10	Motor Car	20%
11	Office Equipments	10%
12	Air Condition	10%
13	Fax Machine	10%

**3.04 Revenue Recognition:**
**3.04.1 Pre-Shipment Guarantee:**

The policy provides bankers, who become the policyholders, with a guarantee against losses resulting from pre-shipment advances or loans against irrecoverable L/C of firm contracts of sales for export. All loans advanced to one exporter may be insured under this guarantee.

**3.04.2 Post-Shipment Guarantee**

The export finance (Post-shipment) guarantee helps exporters remain in export business after shipment without being constrained by inadequacy of working capital and on the other, projects commercial banks by giving guarantee to exporters at the post-shipment stage.

**3.04.3 Comprehensive Income**

The Export finance (Comprehensive) guarantee helps exporters remain in export business that interrupts for the purpose or:

- War, revolution, coup, insurrection or civil disturbance in the buyer's country and out break the war between the buyer's county and Bangladesh.
- Restrictions on remittance, moratorium on payments or any Government action in the buyer's country which may block or delay payments.
- Any other cause of loss occurring outside Bangladesh, not normally covered by commercial insures and beyond the control of the exporter of buyer.
- New import restrictions on the buyer or cancellation of existing licences.

**3.05 Advance & Deposits**

These are carried at original invoice amount which represents net realizable value. Entire amount is considered good and collectible and therefore no amount was written off as the bad debt and no bad debt was considered doubtful.

**3.05.1 Margin Against Claim**

Margin Against Claim for TK. 50m625 was kept in deposit at Janata Bank Limited, Local Office, Dhaka on account of guarantee it ECG/FG (pre) - 43 favoring Snow Xing Frozen Fund for Tk. 8,313,791.

**3.06 Investment in Fixed Deposit**

Investment is stated at its cost of acquisition and interest on fixed deposit has been accounted for on accrual basis. The statement of comprehensive income also reflects the income on accounts or interest on investment only to extent for amount which has been accrued.

**3.07 Cash & Cash Equivalents:**

Cash and cash equivalents include cash in hand, in transit and with banks on current and deposit accounts which are held available for use by the company without any restriction. There is insignificant risk of change in value of the same.

**3.08 Recoveries Against Claims**

Recoveries Against paid Claims are recognized on realization value.

**3.09 General**

- a) The financial information is presented in Bangladesh Taka in the Financial Statements, which is ECG Department's functional currency. Except as indicated, financial information have been rounded off to the nearest Taka.
- b) Comparative information is disclosed in respect of every year including all the numerical information in the financial statements, and also descriptive information is given when it is relevant to an understanding of the current year's financial statements.
- c) These Financial Statements cover twelve month period from 1st January to 31st December.
- d) Figured in these notes and annexed Financial Statement have been rounded off to the nearest taka.



**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>4.00 Property, plant and equipment</b>			
Balance at cost (A):			
Opening balance		3,315,617	3,315,617
Add: Addition during the year		54,873	-
		3,370,490	3,315,617
Less: Disposal during the year		-	-
Closing balance		<b>3,370,490</b>	<b>3,315,617</b>
<b>Accumulated depreciation (B):</b>			
Opening balance		2,876,183	2,820,610
Add: Charged during the year		58,266	55,573
		2,934,449	2,876,183
Less : Adjustment during the year		-	-
<b>Closing balance</b>		<b>2,934,449</b>	<b>2,876,183</b>
<b>Written down value : (A-B)</b>		<b>436,041</b>	<b>439,434</b>
Details of property, plant & equipment and depreciation charged thereon have been presented in Annexure - A.			
<b>5.00 Advances and deposits</b>			
Advances	5.01	64,004,854	35,035,356
Deposits	5.02	60,625	60,625
		<b>64,065,479</b>	<b>35,095,981</b>
<b>5.01 Advances</b>			
Advance income tax (Corporate)	5.01.01	48,133,819	26,906,085
Advance Income Tax Deducted At Source	5.01.02	15,835,268	8,103,166
Medical advance		19,400	6,500
Advance Income tax payable (O & S)		16,367	14,039
Travelling advance		-	5,566
		<b>64,004,854</b>	<b>35,035,356</b>
<b>5.01.01 Advance income tax (Corporate)</b>			
Opening balance		26,906,085	26,906,085
Addition during the year		21,227,734	14,952,365
		48,133,819	41,858,450
Adjustment made during the year		-	(14,952,365)
<b>Closing balance</b>		<b>48,133,819</b>	<b>26,906,085</b>
<b>5.01.02 Advance income tax deducted at source</b>			
Opening balance		8,103,166	6,969,748
Addition during the year		7,732,102	8,103,166
		<b>15,835,268</b>	<b>15,072,914</b>
Adjustment made during the year		-	(6,969,748)
Closing balance		<b>15,835,268</b>	<b>8,103,166</b>

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

	Note	Amount in BDT	Amount in BDT
		December 31, 2021	December 31, 2020
<b>5.02 Deposits</b>			
Security deposit for PABX		10,000	10,000
Margin against bank claim		50,625	50,625
		<b>60,625</b>	<b>60,625</b>
<b>6.00 Interest accrued on Fixed Deposit</b>			
Opening balance		43,339,163	42,826,533
Addition during the year		34,232,356	43,339,163
		<b>77,571,519</b>	<b>86,165,696</b>
Adjustment made during the year		(43,339,163)	(42,826,533)
<b>Closing balance</b>		<b>34,232,356</b>	<b>43,339,163</b>
<b>7.00 Investment in FDR</b>			
Opening balance		1,092,000,000	1,041,000,000
Addition during the year		37,000,000	51,000,000
		<b>1,129,000,000</b>	<b>1,092,000,000</b>
Adjustment made during the year		-	-
<b>Closing balance</b>		<b>1,129,000,000</b>	<b>1,092,000,000</b>
<b>8.00 Cash &amp; cash equivalents</b>			
Cash in hand		444	16,991
Cash at bank	8.01	15,729,630	12,558,564
		<b>15,730,074</b>	<b>12,575,555</b>
<b>8.01 Cash at bank</b>			
Agrani Bank (STD)		1,125,927	1,100,445
Agrani Bank (Current A/C)		959,355	1,049,254
Rupali Bank Ltd (SND-224)		13,700,873	7,421,894
Rupali Bank Ltd (Current A/C-279)		(56,524)	2,986,971
IFIC, Motijheel (STD)		-	-
Basic Bank Main Branch (STD)		-	-
		<b>15,729,630</b>	<b>12,558,564</b>
<b>9.00 Fund from Bangladesh Govt.</b>			
		5,450,000	5,450,000
		<b>5,450,000</b>	<b>5,450,000</b>
The Ministry of Commerce, Government of the People's Republic of Bangladesh, allowed sanctioned a sum of Taka 5,450,000 as Working Capital for financing Export Credit Guarantee Department vide memo # 7(35)/ 76-ins-11.			
<b>10.00 Fund from Sadharan Bima Corporation</b>			
		115,000,000	115,000,000
		<b>115,000,000</b>	<b>115,000,000</b>

An amount of Taka 115,000,000 was distributed by Sadharan Bima Corporation for working capital vide SBC memo # AC/D-465/88 dated 31 August 1988 as well as Ministry of Commerce letter # Baniii/ Bima-2/1 (7)/ 87/ 268 dated 30 August 1988.



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Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

	Note	Amount in BDT	Amount in BDT
		December 31, 2021	December 31, 2020
<b>11.00 Retained earnings</b>			
Opening balance		540,814,406	496,818,055
Profit / (loss) for the year		36,008,182	43,996,351
		<b>576,822,588</b>	<b>540,814,406</b>
Adjustment for the previous year		-	-
		<b>576,822,588</b>	<b>540,814,406</b>
<b>12.00 Estimated Liabilities in respect of outstanding claims whether due or Intimated</b>			
Pre-Shipment Guarantee		417,819,771	417,819,771
Post-Shipment Guarantee		10,387,318	10,387,318
Comprehensive Guarantee		20,493,394	20,493,394
		<b>448,700,483</b>	<b>448,700,483</b>
<b>13.00 Liabilities for expenses</b>			
Sadharan Bima Corporation		617,864	617,664
Other Expenses		1,457	1,476
Audit Fee	13.01	48,300	48,300
		<b>667,621</b>	<b>667,440</b>
<b>13.01 Audit Fe</b>			
Opening balance		48,300	34,500
Addition during the year		48,300	48,300
		<b>96,600</b>	<b>82,800</b>
Adjustment made during the year		(48,300)	(34,500)
<b>Closing balance</b>		<b>48,300</b>	<b>48,300</b>
<b>14.00 Provision for income tax</b>			
Opening balance		72,817,804	65,409,017
Addition during the year		24,005,454	29,330,900
		<b>96,823,258</b>	<b>94,739,917</b>
Adjustment made during the year		-	(21,922,113)
<b>Closing balance</b>		<b>96,823,258</b>	<b>72,817,804</b>
<b>15.00 Premium Income</b>			
Finance Guarantee (Pre-Shipment)		392,736	343,404
Finance Guarantee (Post-Shipment)		-	-
Finance Guarantee (Comprehensive)		1,067,219	1,140,870
		<b>1,459,955</b>	<b>1,484,274</b>
<b>16.00 Claim recovery &amp; Misc Income</b>			
		-	-
		-	-
<b>17.00 Claim paid expense</b>			
		-	-
		-	-
<b>18.00 Estimated outstanding claim during the year</b>			
Outstanding Claim during the Year		-	-
		-	-

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

Note	Amount in BDT	Amount in BDT
	December 31, 2021	December 31, 2020
<b>19.00 Management expenses</b>		
Basic Salary	3,350,969	3,687,976
House rent allowance	1,532,429	1,530,845
Medical, conveyance, washing & Mobile allowances	239,375	245,230
Recreation Leave Allowances	24,960	81,700
Education Allowances	26,500	24,000
Entertainment Allowances	13,800	15,325
Lunch subsidy	453,600	394,800
Bonus (Incentive, Festival & Bangla Nabobarsho Allowance )	892,668	1,413,983
Travelling expenses	14,461	28,166
Revenue/postage Stamp expenses	3,000	4,050
Overtime	102,451	22,442
Office contingency & Misc Expns	51,450	56,233
Subscription & Donation/Credit Report	127,907	146,102
Printing Expns	20,207	5,750
Stationery, Seal and Stamps	81,716	63,972
Office rent	240,638	294,113
Electricity charge and maintenance	143,066	90,393
Uniform and liveries	11,700	18,180
Telephone Bill & Maintenance	23,475	23,659
Conveyance expenses	69,870	69,960
Audit fee	48,300	48,300
House Rental Ceiling (Area Bill)	61,542	-
Car fuel	199,186	64,963
Car maintenance & Car Insurance Fitness	61,287	7,568
Air cooler maintenance & Health Protection	17,197	5,900
Office Equipments Maintenance	15,114	-
Bank charges	1,156,297	1,088,898
Repairs and maintenance	33,680	12,500
General entertainment expenses	95,720	58,427
Paper & Periodical	23,834	14,084
Computer maintenance and Toner	57,107	44,430
Depreciation	58,266	55,573
	<b>9,251,773</b>	<b>9,617,522</b>
<b>20.00 Business Promotion Expenses</b>		
Business development	115,453	78,073
Publicity & Advertisement	100,348	161,500
Export Fair/Seminar/Training	-	-
	<b>215,801</b>	<b>239,573</b>
<b>21.00 Interest Income</b>		
Interest Received During the year		
Fixed Deposit Receipts (FDR)	76,496,340	81,002,934
Agrani Bank (STD)	32,925	61,785
Rupali Bank Ltd. (SND)	598,797	122,723
Basic Bank Ltd. (STD)	-	-
IFIC Bank Ltd. (STD)	-	-
	77,128,062	81,187,442
Closing interest receivable on FDR	34,232,356	43,339,163
Opening interest receivable on FDR	(43,339,163)	(42,826,533)
	<b>68,021,255</b>	<b>81,700,072</b>

**MABS & J Partners**

Chartered Accountants

**Mahfel Huq & Co.**

Chartered Accountants

Note

Amount in BDT  
December 31, 2021Amount in BDT  
December 31, 2020**22.00 Income tax expense**

Net Income Tax 40%

24,005,454

**23.00**

The Claim # ECG/7/45 dated 07-04-1985 against which the suit was pending in the court amounting to Tk 2,025,000 on which bank guarantee for Tk 1,012,500 issued on 08-11-1992 against Mansur Knitting and Hosiery Industries Ltd., Sylhet. This bank guarantee includes FDR of Tk 1,500,000 only as lien with Janata Bank Ltd., Local Office, Dhaka under the court case favouring Sylhet Artha Rin Adalat, Sylhet.

**24.00**

ECG department had adjusted advance income tax & sources tax of BDT. 330,015,124 against tax provision of BDT. 375,446,375 from 2008 to 2020 without final settlement through tribunal by Tax Authority. No adjustment was made by payment of AIT & sources tax to NBR during the year 2021.

**SADHARAN BIMA CORPORATION**  
**Export Credit Guarantee Department**  
Schedule of Property, Plants and Equipment  
As at December 31, 2021

**Property, plant and equipmenta**

**Annexure - A**

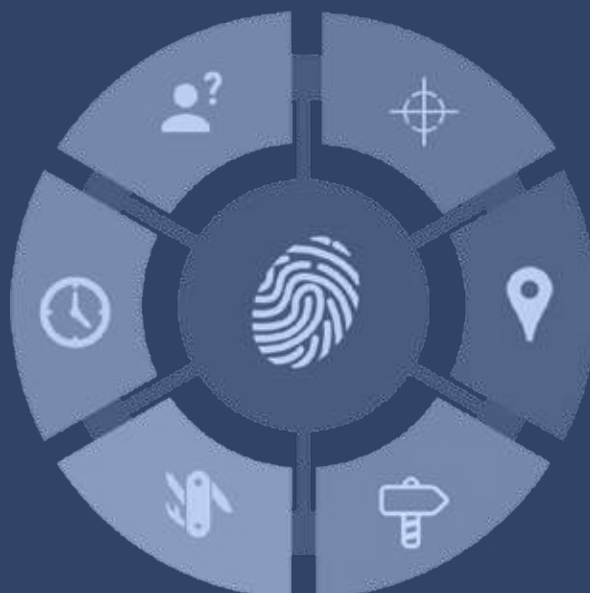
Sl. No.	Category of Assets	Historical Cost			Rate	Depreciation			Written down value as 31 December 2021
		Balance at 1 January 2021	Additions during the year	Disposal during the year		Balance at 31 December 2021	Charged during the year	Disposal during the year	
		Taka	Taka	Taka	%	Taka	Taka	Taka	Taka
1	Computer	690,100	54,873	-	20%	37,371	-	595,490	149,483
2	Photocopy Machine	109,000	-	-	20%	42	-	108,832	168
3	Type Writer Machine	139,100	-	-	15%	115	-	138,448	652
4	Calculator Machine	64,611	-	-	15%	352	-	62,617	1,994
5	PABX Board	527,310	-	-	10%	1,887	-	510,329	16,981
6	Furniture and Fixture	632,734	-	-	6%	10,293	-	471,470	161,264
7	Cabin	209,224	-	-	6%	1,796	-	181,087	28,137
8	Fan	60,680	-	-	10%	402	-	57,064	3,616
9	Books	147,825	-	-	6%	3,205	-	97,606	50,219
10	Motor Car	704,630	-	-	20%	341	-	703,268	1,362
11	Office Equipments	30,400	-	-	10%	2,462	-	8,238	22,162
12	Air Condition	2	-	-	10%	-	-	-	2
13	Fax Machine	1	-	-	10%	-	-	-	1
<b>Total as at December 31, 2021</b>		<b>3,315,617</b>	<b>54,873</b>	<b>-</b>		<b>58,266</b>	<b>-</b>	<b>2,934,449</b>	<b>436,041</b>
<b>Total as at December 31, 2020</b>		<b>3,315,617</b>	<b>-</b>	<b>-</b>		<b>55,573</b>	<b>-</b>	<b>2,876,183</b>	<b>439,434</b>





# SBC SECURITIES & INVESTMENT LTD.

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**K. M. HASAN & CO.**

Chartered Accountants

**INDEPENDENT AUDITOR'S REPORT**

**To The Shareholders Of  
Sbc Securities & Investment Ltd.**

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of SBC SECURITIES & INVESTMENT LTD., which comprise the statement of financial position as at December 31, 2021 and statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 2020, BSEC's Risk Based Capital Adequacy Rules, 2019 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 together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act, 1994, the Securities and Exchange Rules, 2020, 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 scepticism 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 Company's 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.

#### Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and the BSEC's Risk Based Capital Adequacy Rules, 2019 we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statement of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- d) Capital to total risk requirement ratio as required by BSEC has been maintained by the company adequately; and
- e) the expenditure incurred was for the purposes of the Company's business.

Place : Dhaka.  
Dated : May 23, 2022

For K. M. Hasan & Co.  
Chartered Accountants

**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

**K. M. HASAN & CO.**

Chartered Accountants

**SBC SECURITIES & INVESTMENT LTD.****Statement Of Financial Position**

As at 31 December 2021

	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank balances	4	173,407,427	163,220,102
Receivables from securities trading	5	-	429,883
Receivable from others	6	31,604	37,699
Proprietary position in securities & other investments- dealer account	7	623,265,191	583,025,587
Other advances and receivables	8	26,200,043	20,458,110
		<b>822,904,265</b>	<b>767,171,380</b>
<b>Non-current assets</b>			
Fixed assets	9	669,984	436,846
Intangible assets	10	155,001	37,593
Investment in exchange membership	11	1,500	1,500
Proprietary position in securities strategic investment- account	12	40,766,345	37,042,876
Other long term assets	13	79,959	95,077
		41,672,790	37,613,892
<b>Total assets</b>		<b>864,577,054</b>	<b>804,785,272</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Payable to clients	14	12,776,524	11,769,669
Payable to exchange	15	85,461	30,919
Other liabilities and provisions	16	439,387,963	430,969,757
		452,249,948	442,770,344
<b>Shareholders' equity</b>			
Share capital	17	200,000,000	200,000,000
Capital reserve	18	4,902,096	3,161,602
Retained earnings	19	207,425,010	158,853,327
		412,327,106	362,014,929
<b>Total Liabilities and Shareholders' Equity</b>		<b>864,577,054</b>	<b>804,785,272</b>
<b>Net asset value per share</b>	<b>24</b>	<b>206.16</b>	<b>181.01</b>

**A.F.M. Shahjalal**  
Chief Executive Officer

**Bibekananda Saha**  
Director

**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

For K. M. Hasan & Co.  
Chartered Accountants

**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

**Place : Dhaka.**  
Dated : May 23, 2022

**K. M. HASAN & CO.**

Chartered Accountants

**SBC SECURITIES & INVESTMENT LTD.**  
**Statement Of Profit Or Loss And Other Comprehensive Income**

	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
Revenue	20	60,670,369	34,177,441
Less: Operating expenses	21	1,236,043	833,972
<b>Gross profit</b>		<b>59,434,326</b>	<b>33,343,469</b>
Less: Administrative expenses	22	10,930,804	10,482,115
<b>Profit from operation</b>		<b>48,503,522</b>	<b>22,861,354</b>
Add: Non-operating income	23	10,033,934	9,765,235
		58,537,456	32,626,589
Less: Provision for investments in marketable securities:			
Dealer account		-	(8,000,000)
Strategic investment account		-	(2,000,000)
		-	(10,000,000)
<b>Profit before tax</b>		<b>58,537,456</b>	<b>22,626,589</b>
Current tax		8,210,161	5,208,074
Deferred tax	13.1	15,118	13,577
		8,225,279	5,221,651
<b>Net profit for the year</b>		<b>50,312,177</b>	<b>17,404,939</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>50,312,177</b>	<b>17,404,939</b>
Earnings per share	25	25.16	8.70

the financial statements should be read in conjunction with the annexed notes.

**A.F.M. Shahjalal**  
Chief Executive Officer

**Bibekananda Saha**  
Director

**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

For K. M. Hasan & Co.  
Chartered Accountants

**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

**Place : Dhaka.**  
Dated : May 23, 2022

**K. M. HASAN & CO.**

Chartered Accountants

**SBC SECURITIES & INVESTMENT LTD.****Statement Of Changes In Equity**

For the year ended 31 December 2021

**Amount in Taka**

Particulars	Share capital	Capital Reserve	Retained earnings	Total
<b>Balance as at 01 January 2021</b>	200,000,000	3,161,602	158,853,327	362,014,929
Dividend paid	-	-	-	-
Transferred to capital reserve	-	1,740,494	(1,740,494)	-
Net profit for the year	-	-	50,312,177	50,312,177
<b>Balance as at 31 December 2021</b>	<b>200,000,000</b>	<b>4,902,096</b>	<b>207,425,010</b>	<b>412,327,106</b>

For the year ended 31 December 2020

**Amount in Taka**

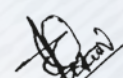
Particulars	Share capital	Capital Reserve	Retained earnings	Total
<b>Balance as at 01 January 2020</b>	200,000,000	2,849,194	141,760,796	344,609,990
Dividend paid	-	-	-	-
Transferred to capital reserve	-	312,408	(312,408)	-
Net profit for the year	-	-	17,404,939	17,404,939
<b>Balance as at 31 December 2020</b>	<b>200,000,000</b>	<b>3,161,602</b>	<b>158,853,327</b>	<b>362,014,929</b>



**A.F.M. Shahjalal**  
Chief Executive Officer




**Bibekananda Saha**  
Director



**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

For K. M. Hasan & Co.  
Chartered Accountants



**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

Place : Dhaka.

Dated : May 23, 2022



**K. M. HASAN & CO.**  
Chartered Accountants

## SBC SECURITIES & INVESTMENT LTD.

### Statement Of Cash Flows

For the year ended 31 December 2021

	Note	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from commission and others		71,140,280	45,622,706
Payment for operating expenses and others		(54,393,709)	3,086,764
Income tax paid		(6,085,115)	(5,947,285)
<b>Net cash used in operating activities</b>	27	<b>10,661,455</b>	<b>42,762,182</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(474,133)	(24,500)
<b>Net cash used in investing activities</b>		<b>(474,133)</b>	<b>(24,500)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		-	-
Net cash flow from financing activities		-	-
<b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>10,187,323</b>	<b>42,737,682</b>
<b>E. OPENING CASH AND CASH EQUIVALENTS</b>		163,220,102	85,032,419
<b>F. CLOSING CASH AND CASH EQUIVALENTS (D+E)</b>		<b>173,407,427</b>	<b>127,770,101</b>
Net operating cash flow per share	26	5.33	21.38

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

**A.F.M. Shahjalal**  
Chief Executive Officer

**Bibekananda Saha**  
Director

**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

For K. M. Hasan & Co.  
Chartered Accountants

**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

Place : Dhaka.  
Dated : May 23, 2022

**K. M. HASAN & CO.**

Chartered Accountants

**SBC SECURITIES & INVESTMENT LTD.****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2021

**1 LEGAL STATUS OF THE COMPANY SBC**

Securities & Investment Ltd. (SSIL), a public company limited by shares, was incorporated in Bangladesh with the Register of Joint Stock Commissions Via Registration no. C-87121/10 on 23rd September 2010 under the Companies Act, 1994. The company has been established as per Bangladesh Securities & Exchange Commission's Letter # SEC/ Reg-72/DSE-71/2011/607, Dated: 08-03-2011.

The registered office of the Company is situated at 33, Dilkusha C/A in Dhaka, Bangladesh

**1.01 Business Take Over**

As per vendor agreement between Sadharan Bima Corporation (SBC) and SBC Securities & Investment Limited (SSIL) for transferring DSE membership from SBC to SSIL and take over of securities business of SBC, the brokeship and dealership business of SBC has been taken over by SSIL as on 20th April 2011.

**1.02 Nature of Business**

The main objectives of the company is to carry on the business of a stock brokeship and stock dealership that is to buy, sell and deal in shares, stocks, debenture, bonds and other securities, and to carry on any business as permissible for a broker and dealer house duly licensed by the Bangladesh Securities and Exchange Commission.

**2 SIGNIFICANT ACCOUNTING POLICIES & BASIS OF PREPARATION OF FINANCIAL STATEMENTS****2.01 Statement of Compliance**

The financial statements has been prepared on a "going concern" basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) and in compliance with the Companies Act, 1994, The Securities and Exchange Rules, 2020, BSEC Notification dated 21 May 2019 on Risk Based Capital Adequacy Rules 2019 conditions and regulations issued by the Bangladesh Securities and Exchange Commission and other applicable laws and regulations.

The disclosures of information have been made in accordance with the requirements of the above mentioned standards and the statement of financial position has been prepared according to IAS-1 Presentation of Financial Statements based on accrual basis and other applicable laws and regulations.

**2.02 Use of Estimates and Judgments**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provisions and accrued expenses are recognized in the financial statements in line with the International Accounting Standard IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- The Company has a legal or constructive obligation as a result of past event.
- It is probable that an outflow of economic benefit will be required to settle the obligation.
- A reliable estimate can be made for the amount of the obligation.



The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

### 2.03 Going Concern

The Company has adequate resources to continue in operation for foreseeable future. for this reason the directors continue to adopt going concern basis in preparing the financial statements. the current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

### 2.04 Components of Financial Statements

The financial statements referred to here comprise:

- a) Statement of financial position as at 31 December 2021
- b) Statement of profit or loss & other comprehensive income for the year ended 31 December 2021
- c) Statement of changes in equity for the year ended 31 December 2021
- d) Statement of cash flows for the year ended 31 December 2021 and
- e) Notes to the financial statements including a summary of significant accounting policies.

### 2.05 Statement of Cash Flows

Statement of cash flows is prepared in accordance with the IAS 7 "Statement of Cash Flows" applying direct method.

### 2.06 Fixed Assets

All fixed assets are stated at cost less accumulated depreciation in accordance with IAS 16. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The Company recognizes the cost of purchasing new assets or cost of replacing new assets in the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred.

### 2.07 Depreciation on Fixed Assets

Depreciation for all fixed assets are charged using reducing balance method according to respective percentage.

On disposal of fixed assets, the cost and accumulated depreciation is eliminated from the PP&E schedule and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sale proceeds.

#### Rates of depreciation on various classes of property, plant and equipment:

Items	Rate (%)
Furniture & fixture	20
Computer & projector	25
Office equipment	25
Electric equipment	25
Office decoration	20



## 2.08 Intangible Asset

Intangible assets are stated at cost less accumulated amortization. Amortization is charged on diminishing balance method based on estimated useful life of each item of intangible assets at the following annual rate.

Items	Rate (%)
Software	25

Amortization is charged on the addition of intangible assets from the date when such assets are available for use during the year up to the date of disposal.

## 2.09 Investment in Marketable Securities

Investment in marketable securities means purchase shares of quoted/listed companies in DSE through stock dealer account. Investment is valued at cost price and a provision for investment in marketable securities has been kept based on portfolio as on 31 December 2021. Investment in marketable securities comprises proprietary position in securities & other investments- dealer account, proprietary position in securities strategic investment- account.

## 2.10 Investment in DSE Shares

Company subsequently measured Investment in DSE shares at cost price as these have not a quoted market price in an active market and its fair value can not be reliably measured.

## 2.11 Cash and Bank Balances

Cash & bank balances represent petty cash, bank balances and short term investment in FDR as on 31 December 2021.

## 2.12 Tax deducted at source

Tax deduction at source is tax at source by DSE on daily turnover, dividend income received against investment in securities and interest on bank deposit deducted by the particular banks.

## 2.13 Provision for Tax

Current tax: Provision for current tax is made in accordance with the Income Tax Ordinance, 1984, the Finance Act, 2019, and subsequent amendments made thereto from time to time. Current tax calculation has been disclosed in Annexure- E

### Deferred tax:

Deferred tax is calculated as per International Accounting Standard (IAS) 12 "Income taxes". Deferred tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences. Deferred tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

## 2.14 Revenue Recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the entity during the year and in accordance with the (IFRS) 15 "Revenue" from contracts with customer.

## 2.15 Brokerage Commission

Brokerage Commission is recognized as income when selling or buying order is signed and trade is executed.

## 2.16 Dividend Income

All cash dividends received against the securities held under dealer account have been considered as dividend income in statement of profit or loss and other comprehensive income. Recognition of dividend is based on dividend declaration record date and AGM during the financial year.

**2.17 Gain or Loss on Sale of Marketable Securities:**

Gain or loss arising from the sale of securities is accounted for only when securities are sold. The difference between cost price and sales price of the securities owned by the company is considered as capital gain.

**2.18 Interest Income:**

Interest income from bank deposit is recognized on accrual basis.

**2.19 Interest income earned from CCA**

Net interest income Consolidated Customer's Account (CCA) is calculated and kept in separate account for distribution among the eligible customers following the guidelines contained in the BSEC Directive No. BSEC/CMRRCD/2009-193/21 date June 21, 2021

**2.20 Related party disclosure**

As per International Accounting Standards (IAS)-24 "Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party transactions have been disclosed under note - 28.

**2.21 Earning per share**

The Company calculates earning per share in accordance with International Accounting Standard (IAS) 33: "Earning per Share" which has been shown in the face of Statement of Profit or Loss and Other Comprehensive Income.

**2.22 Net Asset value per share**

NAV per share of the company is calculated on the basis of net asset value divided by number of ordinary shares outstanding during the year.

**2.23 Net operating cash flow per share**

Net operating cash flow per share of the company is calculated on the basis of net operating cash flow divided by number of ordinary shares outstanding during the year.

**2.24 Reporting Period**

The reporting period of financial statements of the company cover from 1st January to 31st December 2021.

**2.25 Reporting Currency**

All monetary figures presented in the financial statements are in Taka.

**3 General**

- a) Previous year's figures have been rearranged/ reclassified/ regrouped, where necessary, to conform to current year's financial statement presentation.
- b) Figures have been rounded off to the nearest taka.

**K. M. HASAN & CO.**

Chartered Accountants

	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>4 Cash and Bank Balances</b>		
Cash in Hand / Petty Cash	4,702	385
Cash at Banks (Note: 4.1)	73,402,725	63,219,717
Investment in FDR (Note: 4.2)	100,000,000	100,000,000
	<b>173,407,427</b>	<b>163,220,102</b>

**4.1 Cash at Banks**

<u>Name of Bank</u>	<u>Name of the Branch</u>	<u>Account No.</u>		
Jamuna Bank Ltd. (Disbursement A/c)	Dilkhusa Branch	Current A/c # 0006-0210016298	440,006	33,988.00
One Bank Ltd. (Dealer A/c)	Dilkhusa Principal Branch	SND A/c # 0013000001459	49,506,366	43,529,601.84
One Bank Ltd. (Client A/c)		SND A/C # 0013000001473	21,755,973	14,948,009.24
One Bank Ltd. (IPO A/c)		SND A/C # 0013000000922	23,848	3,669,773.61
IFIC Bank Ltd. (Strategic A/c)	Stock Exchange	SND & CD A/C# 0170230926041	1,676,531	1,038,344.22
			<b>73,402,725</b>	<b>63,219,717</b>

**4.2 Investment in FDR**

Basic Bank Ltd., Dhaka Cant. Branch	15,000,000	15,000,000
Premier Bank Ltd., Dilkusha Branch	-	5,000,000
SBAC Bank Ltd., Nawabpur Branch	5,000,000	-
First Security Islami Bank Ltd., Dilkusha Branch	15,000,000	15,000,000
First Security Islami Bank Ltd., Dilkusha Branch	5,000,000	5,000,000
First Security Islami Bank Ltd., Dilkusha Branch	20,000,000	20,000,000
IFIC Bank Ltd., Tanbazar Branch	25,000,000	25,000,000
IFIC Bank Ltd., Moulvibazar Branch	15,000,000	15,000,000
	<b>100,000,000</b>	<b>100,000,000</b>

**5 Receivable from Securities Trading**

Receivable from DSE	-	-
Dealer account Receivable against Z category	-	429,883
Broker account Receivable against A.B.G and N category	-	-
		<b>429,883</b>

**6 Receivable from others**

Receivable arises from fees, commission and CDBL charges	31,604	37,699
	<b>31,604</b>	<b>37,699</b>

**7 Proprietary position in securities & other investments-dealer account**

Proprietary position in equity securities (Note: 7.1)	589,212,560	563,786,958
Proprietary position in MFs (Note: 7.2)	12,015,131	9,225,629
Own subscription in IPOs but yet to allotted in EI (Note: 7.3)	22,037,500	10,013,000
	<b>623,265,191</b>	<b>583,025,587</b>



**K. M. HASAN & CO.**

Chartered Accountants

	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>7.1 Proprietary position in equity securities</b>		
Value of "A" category instruments	520,278,029	475,233,492
Value of "B/G/N" category instruments	41,177,048	47,459,656
Value of "Z" category instruments	27,757,483	41,093,810
Value of non-listed funds	-	-
	<b>589,212,560</b>	<b>563,786,958</b>
Investment in securities at cost	600,358,353	572,143,249
Investment in securities at market value	614,310,961	476,698,504
<b>Diminution in value of investment in shares</b>	<b>(13,952,608)</b>	<b>95,444,745</b>
<p>These investments are classified by management at fair value through profit and loss as per IFRS 9: Financial Instruments , Accordingly, The unrealized loss has been recognized in profit and Loss Account.</p>		
<b>7.2 Proprietary position in MFs</b>		
Value of listed funds	4,194,256	1,404,754
Value of non-listed funds	6,951,537	6,951,537
ICB AMCL ISLAMIC UNIT FUND	869,338	869,338
	<b>12,015,131</b>	<b>9,225,629</b>
<p><b>Details of proprietary position in mutual funds are shown in "Annexure-C"</b></p>		
<b>7.3 Own subscription in IPOs but yet to allotted in EI</b>		
EPGL	-	5,005,000
LRBDL	-	5,008,000
BDTHAIFOOD	637,500	-
UNIONBANK	21,400,000	-
	<b>22,037,500</b>	<b>10,013,000</b>
<b>8 Other advances and receivables</b>		
Advance against Broker and Dealer Registration fees	115,000	23,000.00
Advance against DP Registration fees	230,000	4,600.00
Advance income tax (Note: 8.1)	23,570,317	17,485,202
Interest on FDR	2,284,726	2,945,308
	<b>26,200,043</b>	<b>20,458,110</b>
<b>8.1 Advance income tax</b>		
Opening balance	17,485,202	11,537,916
Add: Addition during the year (Note: 8.1.1)	6,085,115	5,947,285
	23,570,317	17,485,202
Adjustment during the year	-	-
Closing balance	<b>23,570,317</b>	<b>17,485,202</b>
<b>Year wise advance for income tax</b>		
Income year 2017-2018	63,849	63,849
Income year 2018-2019	7,345,944	7,345,944
Income year 2019-2020	4,901,710	4,901,710
Income year 2020-2021	5,173,699	5,173,699
Income year 2021-2022	6,085,115	-
	<b>23,570,317</b>	<b>17,485,202</b>

**K. M. HASAN & CO.**

Chartered Accountants

	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>8.1.1 Advance tax paid during the year</b>		
Brokerage commission	750,339	264,361
Dividend	4,185,509	3,666,664
Bank interest	1,114,821	1,242,674
Payment for assessment year 2020-2021	-	773,586
Payment for assessment year 2021-2022	34,447	-
	<b>6,085,115</b>	<b>5,947,285</b>
<b>9 Fixed assets net off depreciation</b>		
Furniture & fixtures	133,436	124,374
Computer equipment	189,962	213,029
Office equipment	263,947	45,334
Electric equipment	60,242	26,111
Office decoration	22,398	27,998
	<b>669,984</b>	<b>436,846</b>
<b>Details are shown in "Annexure-D"</b>		
<b>10 Intangible assets</b>		
System software	<b>155,001</b>	<b>37,593</b>
<b>Details are shown in "Annexure-D"</b>		
<b>11 Investment in exchange membership</b>		
Investment at cost	<b>1,500</b>	<b>1,500</b>

Dhaka Stock Exchanges Ltd. allotted 7,215,106 shares of Tk. 10.00 each in favor of SBC Securities & Investment Ltd. against its existing 1(one) ordinary share in pursuance of DSE Demutualization Scheme under the provision of Exchange Demutualization Act, 2013 .

Dhaka Stock Exchange Ltd. (DSE) sale 25% (Twenty five percent) of DSE shares (1803777 shares) to Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) Ref-19/10-071 dated January 23, 2018. The present shareholding position is as under:

40% ordinary shares of Tk. 10 each credited to BO Account of SBC Securities & Investment Ltd.	28,860,420	28,860,420
35% ordinary shares of Tk. 10 each credited to the " DSE Demutualization Blocked Account" maintained by Dhaka Stock Exchange Ltd.	25,252,870	25,252,870
<b>Total</b>	<b>54,113,290</b>	<b>54,113,290</b>

<b>12 Proprietary position in securities strategic investments</b>		
Value of "A" category instruments	27,475,433	36,309,696
Value of "B/C/N" category instruments	13,290,913	489,489
Value of "Z" category instruments	-	243,691
	<b>40,766,345</b>	<b>37,042,876</b>
<b>13 Other long term assets</b>		
<b>Deferred tax assets (Note: 13.1)</b>	<b>79,959</b>	<b>95,077</b>

**13.1 Deferred tax assets**

Deferred tax assets have been recognized and measured in accordance with the provisions of 'IAS 12: Income Taxes'. Related deferred tax expense/(income) & (assets)/liabilities has been provided for during the year as shown below:

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>Fixed assets</b>		
Accounting base written down value	824,985	474,439
Tax base written down value	1,091,515	766,983
<b>Deductible temporary difference on written down value</b>	<b>(266,530)</b>	<b>(292,544)</b>
Applicable tax rate	30.00%	32.50%
Closing deferred tax (assets)/liabilities	(79,959)	(95,077)
Opening deferred tax (assets)/liabilities	(95,077)	(108,654)
<b>Deferred tax (income)/expenses</b>	<b>15,118</b>	<b>13,577</b>
<b>14 Payable to clients</b>		
Trading	10,456,524	7,388,669
IPO Application	2,320,000	4,381,000
	<b>12,776,524</b>	<b>11,769,669</b>
<b>15 Payable to exchanges</b>		
Payable to DSE (dealer)	-	1,531.24
Payable to DSE (broker)	85,461	29,387.97
	<b>85,461</b>	<b>30,919</b>
<b>16 Other liabilities and provisions</b>		
Payable to Sadharan Bima Corporation (Note: 16.1)	335,870,473	335,870,473
Provision for income tax (Note: 16.2)	29,008,908	20,798,747
Provision for investment in marketable securities (Note: 16.3)	73,792,586	73,792,586
Other liabilities (Note: 16.4)	262,297	507,951
Interest payable to investors (CCA) -(Note: 2.19)	453,699	-
	<b>439,387,963</b>	<b>430,969,757</b>
<b>16.1 Payable to sadharan bima corporation</b>		
Borrowing for investment	100,000,000	100,000,000
Expenses paid by SBC	8,478,899	8,478,899
Investment in securities	224,213,544	224,213,544
Fixed Assets	3,176,030	3,176,030
DSE membership at cost	2,000	2,000
	<b>335,870,473</b>	<b>335,870,473</b>
Borrowing from Sadharan Bima Corporation for investment in capital market is interest free and there is no repayment period.		
<b>16.2 Provision for income tax</b>		
Opening balance	20,798,747	15,590,673
Add: Provision for the year	8,210,161	5,208,074
Add/less: Prior years provision	-	-
	29,008,908	20,798,747
Less: Adjustment during the year	-	-
<b>Closing Balance</b>	<b>29,008,908</b>	<b>20,798,747</b>
<b>Income tax adjustment details :</b>		
<b>Year wise Provision for Income Tax</b>		
Income year 2017/Assessment year 2018-2019	3,330,027	3,330,027
Income year 2018/Assessment year 2019-2020	7,345,944	7,345,944
Income year 2019/Assessment year 2020-2021	4,914,702	4,914,702
Income year 2020/Assessment year 2021-2022	5,208,074	5,208,074
Income year 2020/Assessment year 2022-2023	8,210,161	-
	<b>29,008,908</b>	<b>20,798,747</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>16.3 Provision for investment in marketable securities</b>		
Opening balance	73,792,586	63,792,586
Add: Provision for investment in marketable securities:		
Dealer account	-	8,000,000
Strategic investment account	-	2,000,000
	73,792,586	73,792,586
Less: Adjustment during the year	-	-
<b>Closing balance</b>	<b>73,792,586</b>	<b>73,792,586</b>

As Per Bangladesh Securities and Exchange Commission's Directive No. BSEC/CMRRCD/2009-193/196 dated 28-12-2016 & Directive No. BSEC/SRI/POLICY/3/2020/68 dated 12-01-2020, the company may keep 20% provision for unrealized loss in company's own investment portfolio account. Total unrealized profit in company's own investment portfolio account stood at Tk. 3,424,458 as on 31-12-2021 against which the provision already maintain at Tk 73,792,586 as on 31-12-2021 leaving as excess provision of tk 73,792,586 as on 31.12.2021. As such no provision is required to be made for the year.

**16.4 Other liabilities**

Salary & others	-	284,621
Audit fee (Note 16.4.1)	55,200	55,200
CDS fee (Note 16.4.2)	500	500
BO account opening/renewal expense	1,400	5,600
VAT/Source tax	64,396	29,403
Network connectivity(telnet)	21,912	21,912
CDBL charges (Note 16.4.3)	9,804	9,430
AIT on Salary	7,800	-
Dividend payable	34	34
H.Rent & Union Subscription deduction Payable to SBC	101,251	101,251
	<b>262,297</b>	<b>507,951</b>
<b>16.4.1 Audit fee</b>		
Opening balance	55,200	55,200
Add: Addition during the year	55,200	55,200
	110,400	110,400
Less: Paid during the year	(55,200)	(55,200)
<b>Closing balance</b>	<b>55,200</b>	<b>55,200</b>
<b>16.4.2 CDS fee</b>		
Opening balance	500	500
Add: Addition during the year	6,000	6,000
	6,500	6,500
Less: Paid during the year	6,000	6,000
<b>Closing balance</b>	<b>500</b>	<b>500</b>
<b>16.4.3 CDBL charges</b>		
Opening balance	9,430	2,929
Add: Addition during the year	188,228	65,936
	197,658	68,865
Less: Paid during the year	187,854	59,435
<b>Closing balance</b>	<b>9,804</b>	<b>9,430</b>
<b>16.5 Interest Payable to Investors(CCA)</b>	<b>453,699</b>	<b>-</b>

Details calculation of Interest Payable to Investors(CCA) has been shown in "Annexure-F2"



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			Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>17. Share capital</b>				
<b>Authorized:</b>			<b>500,000,000</b>	<b>500,000,000</b>
5,000,000 ordinary shares of Tk. 100 each				
<b>Issued, subscribed and paid up:</b>			<b>200,000,000</b>	<b>200,000,000</b>
2,000,000 ordinary shares of Tk. 100 each				
<b>Shareholding position:</b>				
<b>Sl. No.</b>	<b>Name of shareholders</b>	<b>No. of shares</b>		
1	Sadharan Bima Corporation (SBC) Represented by its Managing Director Mr. Syed Shahriyar Ahsan - Chairman	1,999,994	199999400	199999400
2	Mr. Syed Shahriyar Ahsan	1	100	100
3	Mr. Jyotsna Bikas Chakma-Director	1	100	100
4	Mr. Bibekananda Saha-Director	1	100	100
5	Mr. S.M. Shah Alom-Director	1	100	100
6	Mr. Md. Jakir Hossain-Director	1	100	100
7	SK. Parveen Sultana-Director	1	100	100
	<b>Total</b>	<b>2,000,000</b>	<b>200,000,000</b>	<b>200,000,000</b>
<b>17.1 Capital to regulatory capital requirement as on 31.12.2021</b>				
<b>A. Eligible capital</b>				
(i) Core capital				
Paid up capital			200,000,000	200,000,000
Capital reserve			4,902,096	3,161,602
Retained earnings			207,425,010	158,853,327
			<b>412,327,106</b>	<b>362,014,929</b>
(ii) Supplementary capital				
General provision			-	-
Specification provision			-	-
Investment in marketable securities			51,654,810	51,654,810
<b>B. Total eligible capital (i+ii)</b>			<b>463,981,916</b>	<b>413,669,739</b>
<b>C. Total risk requirement</b>			<b>68,755,659</b>	<b>66,538,769</b>
<b>D. Required capital (120% of total risk requirement)</b>			<b>82,506,790</b>	<b>79,846,523</b>
<b>E. Capital surplus (B-D)</b>			<b>381,475,126</b>	<b>333,823,216</b>
<b>F. Capital adequacy ratio</b>			<b>675%</b>	<b>622%</b>
Core capital to total risk requirement			600%	544%
Supplementary to total risk requirement			75%	78%
<b>G. Operational risk requirement</b>			<b>2,918,381</b>	<b>3,102,881</b>
<b>H. Core capital to operational risk requirement (minimum 100%)</b>			<b>141</b>	<b>117</b>
Details calculation of capital adequacy has been shown in "Annexure-A"				

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**17.2 Net capital to aggregate liabilities ratio as on 31.12.2021****A. Liquid assets**

Cash in hand or in bank	173,407,427	163,220,102
Customer's debit balances receivable (within 30 days)	-	-
Interest, dividend or commission receivable ( within 30 days)	-	-
Clearing house deposits (DSE)	-	-

Amounts receivable in the ordinary course of business, but excluding amounts which are due to be settled against delivery of security and remain outstanding for more than five banking days.

Market value of net investment in securities traded in a stock exchange.

**Total liquid assets****B. Designated liabilities**

Amount payable in the ordinary course of dealing in securities	12,861,985	11,800,588
Overdraft & loan from banks	-	-
Accrued expenses	262,297	507,951
Tax payable	5,438,590	3,313,545

**Total designated liabilities**

Aggregate liabilities (Total liabilities-Shareholders equity)

**C. Net capital (A-B)**

D. Net capital to aggregate liabilities ratio

E. Maximum permissible ratio

**18 Capital reserve**

Opening balance	3,161,602	2,849,194
Add: Addition during the year	1,740,494	312,408

**Closing balance**

The above capital reserve has been created @10% of profit after tax of last year as prescribed by Part 'B' of Schedule 'C' of BSEC's Risk Based Capital Adequacy Rules, 2019.

**19 Retained earnings**

Opening balance	158,853,327	141,760,796
Add: Net profit for the year	50,312,177	17,404,939

Less: Dividend paid

Less: Amount transferred to capital reserve

**Closing balance**

	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>17.2 Net capital to aggregate liabilities ratio as on 31.12.2021</b>		
<b>A. Liquid assets</b>		
Cash in hand or in bank	173,407,427	163,220,102
Customer's debit balances receivable (within 30 days)	-	-
Interest, dividend or commission receivable ( within 30 days)	-	-
Clearing house deposits (DSE)	-	-
Amounts receivable in the ordinary course of business, but excluding amounts which are due to be settled against delivery of security and remain outstanding for more than five banking days.	-	429,883
Market value of net investment in securities traded in a stock exchange.	644,549,156	502,842,306
<b>Total liquid assets</b>	<b>817,956,582</b>	<b>666,492,291</b>
<b>B. Designated liabilities</b>		
Amount payable in the ordinary course of dealing in securities	12,861,985	11,800,588
Overdraft & loan from banks	-	-
Accrued expenses	262,297	507,951
Tax payable	5,438,590	3,313,545
<b>Total designated liabilities</b>	<b>18,562,872</b>	<b>15,622,083</b>
Aggregate liabilities (Total liabilities-Shareholders equity)	<b>452,249,948</b>	<b>442,770,343</b>
<b>C. Net capital (A-B)</b>	<b>452,249,948</b>	<b>442,770,343</b>
D. Net capital to aggregate liabilities ratio	1 : 0.55	1 : 0.67
E. Maximum permissible ratio	1 : 20	1 : 20
<b>18 Capital reserve</b>		
Opening balance	3,161,602	2,849,194
Add: Addition during the year	1,740,494	312,408
<b>Closing balance</b>	<b>4,902,096</b>	<b>3,161,602</b>
The above capital reserve has been created @10% of profit after tax of last year as prescribed by Part 'B' of Schedule 'C' of BSEC's Risk Based Capital Adequacy Rules, 2019.		
<b>19 Retained earnings</b>		
Opening balance	158,853,327	141,760,796
Add: Net profit for the year	50,312,177	17,404,939
	<b>209,165,504</b>	<b>159,165,734</b>
Less: Dividend paid	-	-
Less: Amount transferred to capital reserve	1,740,494	312,408
<b>Closing balance</b>	<b>207,425,010</b>	<b>158,853,327</b>

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
<b>20 Revenue</b>		
Brokerage commission	3,440,468	1,170,653
IPO service charge income	59,285	16,435
Investment income (Note: 20.1)	56,642,692	31,888,528
BO account opening fee	45,400	29,000
CDBL charge income	119,708	40,177
BO account renewal income	348,750	331,200
BO Closing income	14,066	-
Misc. Income	-	701,449
	<b>60,670,369</b>	<b>34,177,441</b>
<b>20.1 Investment income</b>		
Capital gain on sale of shares	35,595,758	13,474,746
Dividend income	21,046,934	18,413,782
	<b>56,642,692</b>	<b>31,888,528</b>
<b>21 Operating expenses</b>		
Transaction service charge	375,165	132,381
CDBL charges	188,228	65,936
TREC certificate Renewal	65,834	50,000
CDS	6,000	6,000
BO account opening	24,500	16,100
BO account renewal	271,250	258,650
Investor protection fund	1,364	104
Trade license renewal	18,230	18,230
Broker and dealer registration	23,000	23,000
Network connectivity (CDBL,DSE,internet)	157,372	131,472
Annual membership subscription to DBA.	12,500	12,500
DP registration	4,600	4,600
Software maintenance	50,000	50,000
Traders certificate (TC)/Reg Of( AR)renewal	-	25,000
IPO service charges	38,000	40,000
	<b>1,236,043</b>	<b>833,972</b>
<b>22 Administrative and general expenses</b>		
Salary (officer)	5,500,500	5,203,127
Salary (staff)	1,580,567	1,574,780
Festival allowance(officer)	565,000	547,480
Festival allowance(staff)	153,454	145,590
Incentive bonus(officer)	706,250	669,850
Incentive bonus(staff)	189,425	177,500
Nababarsha vata (officer)	56,500	52,996
Nababarsha vata (staff)	15,154	14,200
Entertainment(CEO)	-	150
Lunch & others subsidy	560,150	507,400
Recreation allowance	61,310	180,420
Repair and maintenance	83,200	7,045
Printing	93,500	73,214
Stationery	131,630	102,749
Non Judicial/revenue stamp	9,600	3,000
Conveyance	78,928	46,580
Entertainment	252,695	173,603

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	Amount in BDT December 31, 2021	Amount in BDT December 31, 2020
Telephone and mobile bill	18,000	56,369
Director remuneration	149,000	129,600
VAT	265,345	335,211
Excise duty	81,000	73,500
Miscellaneous expense	10,811	31,427
Advertisement	18,400	-
Annual return submission & consultancy fee	57,500	112,909
Bank charges	83,299	70,217
Audit fee	55,200	55,200
Depreciation	112,694	125,467
Amortization on software	10,892	12,531
Training Fee	25,800	-
Donation	5,000	-
	<b>10,930,804</b>	<b>10,482,115</b>
<b>23 Non-operating income</b>		
Interest on FDR	7,168,064	7,616,711
Interest on SND bank A/C	2,865,870	2,148,524
	<b>10,033,934</b>	<b>9,765,235</b>
<b>24 Net asset value per share</b>		
Net asset value (NAV)	412,327,106	362,014,928
Number of shares each 100	2,000,000	2,000,000
	<b>206.16</b>	<b>181.01</b>
<b>25 Earnings per share</b>		
Net profit during the year	50,312,177	17,404,939
Number of shares of each 100	2,000,000	2,000,000
	<b>25.16</b>	<b>8.70</b>
<b>26 Net operating cash flow per share</b>		
Net cash flows from operating activities	10,661,455	42,762,182
Number of shares each 100	2,000,000	2,000,000
	<b>5.33</b>	<b>21.38</b>
<b>27 Cash flow from operating activities (indirect method)</b>		
Net profit before tax	58,537,456	22,626,589
Adjustment for non-cash items:		
Depreciation	112,694	125,467
Amortization on software	10,892	12,531
	<b>58,661,042</b>	<b>22,764,587</b>
<b>Adjustment for changes in working capital:</b>		
(Increase)/Decrease receivable from security trading	429,883	1,638,857
(Increase)/Decrease receivable from others	6,095	41,172
(Increase)/Decrease other advances and receivables.	343,182	1,556,586
Increase in provision for investment in marketable securities	-	10,000,000
(Increase)/Decrease in investment in marketable securities	(40,239,604)	7,870,059
(Increase)/Decrease in investment in strategic	(3,723,469)	(440,184)
(Increase)/Decrease in other long term assets	-	-
Increase/(Decrease) payable to clients	1,006,855	4,958,024
Increase/(Decrease) payable to exchanges	54,542	(66,221)
Increase/(Decrease) other liabilities and provision.	208,046	386,590
	<b>(41,914,473)</b>	<b>25,944,881</b>
	16,746,569	48,709,468
Less: Income tax paid	(6,085,115)	(5,947,285)
<b>Net cash flows used in operating activities</b>	<b>10,661,454</b>	<b>42,762,182</b>

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**28 Transactions with related parties ( IAS-24**

Related party name	Relationship	Opening Balance	Addition during the year	Paid during the year	Closing balance	Nature of transactions
Sadharan Bima Corporation	Parent Company	100,000,000	-	-	100,000,000	Borrowing for investment
Sadharan Bima Corporation	Parent Company	8,478,899	-	-	8,478,899	Expenses paid by SBC
Sadharan Bima Corporation	Parent Company	224,213,544	-	-	224,213,544	Acquisition of marketable securities
Sadharan Bima Corporation	Parent Company	3,176,030	-	-	3,176,030	Acquisition of Fixed Assets
Sadharan Bima Corporation	Parent Company	2,000	-	-	2,000	Acquisition of DSE membership
Sadharan Bima Corporation	Parent Company	101,251	-	-	101,251	H. Rent & Union Subscription Deduction Payable

## 29 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- a) Liquidity risk
- b) Market risk
- c) Covid 19 risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

### a) Liquidity risk:

Liquidity risk is that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, 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 based on the time schedule of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

### b) Market risk:

Market risk arises when the fair value or future cash flows of financial instruments of the company fluctuate due to changes in market variables, mainly equity price. SBC Securities & Investment Ltd. (SSIL) defines market risk as the risks taken in relation to price fluctuations in the financial market.

Equity risk is the potential loss due to an adverse change in the stock price and any negative change in stock price either leads to a loss or diminution in investment value. Equity risk remains the main market risk considering the company has an equity portfolio in excess of taka 0.610 billion as at the balance sheet date. This is managed on a portfolio basis based on trading or strategic investment. The company's accounting policies ensure to reflect investments in marketable securities at fair value recognizing any realized gain or loss through profit and loss.

The risk of exchange rate movement doesn't impact this company directly because the SSIL doesn't deal with foreign currency. The risk due to changes of interest rate on borrowing is insignificant.

### c) Covid-19 risk :

The Novel Coronavirus has already claimed thousands of lives and carried noteworthy difficulties to nations from everywhere throughout the world. It has presented genuine dangers to the economic commonality just as capital market strength. The financial markets have seen dramatic movement on an uncommon scale. We have to determine the impact of COVID-19 on the stock market returns of Bangladesh. Stock market returns react negatively to the COVID-19 by analyzing DSEX and growth of daily confirmed cases of COVID-19. At the early period after the first confirmed case of COVID-19, the market responds more than the later period. However, it varies over time. Including other factors, for example, interest rate, economic growth and inflation rate as with the COVID-19 related variables.

**30 Director's responsibilities of the financial statements.**

The Board of Directors takes the responsibility for the preparation and presentation of these Financial statements.

**31 Events after the reporting period**

i) The Board of Directors in its 55<sup>th</sup> meeting held on 23<sup>rd</sup> May 2022 approved the financial statements of the company for the year ended 31 December 2020 and authorized the same for issue. The Board of Directors also recommended cash dividend @ 5% for the year 2021 which is subject of the shareholders in the next Annual General Meeting.

ii) No other material events occurred after the date of statement of financial position, non-disclosure of which could effect the ability of the users of these financial statements to make appropriate evaluation.

**A.F.M. Shahjalal**  
Chief Executive Officer

**Bibekananda Saha**  
Director

**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

**Place : Dhaka.**  
Dated : May 23, 2022

**K. M. HASAN & CO.**  
Chartered Accountants

**SBC SECURITIES & INVESTMENT LTD.**  
**Statement Showing Computation of Capital Adequacy**  
As at 31 December 2021


Annexure-A

A. Eligible Capital	Components	Amount	Haircut %	Haircut Amount	2021	2020
					Taka	Taka
					Eligible Amount	Eligible Amount
	Paid-up-capital	200,000,000	-	-	200,000,000	200,000,000
	Capital reserve	4,902,096	-	-	4,902,096	3,161,602
	Retained earnings	207,425,010	-	-	207,425,010	158,853,327
	<b>Sum of core capital</b>	<b>412,327,106</b>			<b>412,327,106</b>	<b>362,014,929</b>
	General provision	-	20%	-	-	-
	<b>Specific provision:</b>					
	Margin investment	-	30%	-	-	-
	Investment in marketable securities	73,792,586	30%	22,137,776	51,654,810	51,654,810
	<b>Sum of supplementary capital</b>	<b>73,792,586</b>			<b>51,654,810</b>	<b>51,654,810</b>
	<b>Total Capital</b>	<b>486,119,692</b>			<b>463,981,916</b>	<b>413,669,739</b>


## B. Total risk requirement

Particulars	Risk Factor	Applicable Amount	Applicable Amount
<b>Operation Risk Requirement (ORR):</b>			
Based on average annual gross income (see clause (b) of sub-rule (7.1) of rule 7)	5%	2,918,381	3,102,881
<b>Position Risk Requirement (PRR):</b>			
<b>i. Proprietary positions in equity securities:</b>			
Value of "A" category securities	10%	52,027,803	47,523,349
Value of "B/G/N/," category securities	12%	4,941,246	5,695,159
Value of "Z" category instruments	15%	4,163,623	6,164,072
Value of non-listed instruments	25%	-	-
<b>ii. Proprietary positions in MFs &amp; CISs:</b>			
Value of listed funds	10%	419,426	140,475
Value of non-listed funds	3%	208,546	208,546
<b>iii. Proprietary position in strategic investments</b>			
Value of listed strategic investment	10%	4,076,635	3,704,288
<b>Counterparty Risk Requirement (CPRR):</b>			
i. Exposure of credit facilities to Clients	8%	-	-
<b>Total risk requirement</b>		<b>68,755,659</b>	<b>66,538,769</b>

$$\begin{aligned}
 \text{C. Capital Adequacy Ratio (CAR)} &= \frac{\text{Total Capital (TC)}}{\text{Total Risk Requirement (TRR)}} \times 100 \\
 &= \frac{463,981,916}{68,755,659} = 675\% \quad \text{i. e. 6.75 times} \\
 &= \frac{413,669,739}{66,538,769} = 622\% \quad \text{i. e. 6.22 times}
 \end{aligned}$$

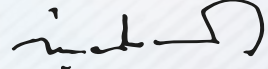
  
**A.F.M. Shahjalal**  
Chief Executive Officer

  
**Bibekananda Saha**  
Director

  
**Syed Shahriyar Ahsan**  
Chairman

Signed in terms of our separate report of even date annexed.

For K. M. Hasan & Co.  
Chartered Accountants

  
**MD. AMIRUL ISLAM FCA, FCS**  
Senior Partner, Enrol. No. 331  
DVC No. 2205250331AS590551

Place : Dhaka.  
Dated : May 23, 2022



**SADHARAN BIMA CORPORATION**  
**SCHEDULE OF FDR**  
 As at 31 December 2021

**Annexure-B-1**

Sl. No.	Bank Name	Branch	FDR No.	Opening Date	Duration	Closing date	Amount in Taka	Interest rate
1	First Security Islami Bank Ltd.	Dilkhusha Branch	24600092864	09.08.2021	1 Year	09.08.2022	20,000,000	6.5%
2	First Security Islami Bank Ltd.	Dilkhusha Branch	MTDR-24600093214	13.09.2021	1 Year	13.09.2022	5,000,000	6%
3	First Security Islami Bank Ltd.	Dilkhusha Branch	24600093808	23.08.2021	1 Year	23.08.2022	15,000,000	6.25%
4	SBAC Bank Ltd.	NAWABPUR	0032244001425	15.07.2021	1 Year	15.07.2022	5,000,000	6%
5	IFIC Bank Ltd.	Moulvi Bazar	1304137/127	27.06.2021	1 Year	27.06.2022	15,000,000	6%
6	IFIC Bank Ltd.	Tanbazar Branch	1357192/AF0033	30.06.2021	1 Year	30.06.2022	25,000,000	6%
7	Basic Bank Ltd.	Dhaka Cant. Branch	117914/6418-01-0006899	27.12.2021	1 Year	27.12.2022	15,000,000	6.25%
							<b>100,000,000</b>	

**SADHARAN BIMA CORPORATION**  
**SCHEDULE OF FDR**

As At 31 December 2021

**Annexure-B-2**

Sl. No.	Bank Name	FDR No.	Opening Date	Amount in Taka	Closing date	Interest rate	Gross Interest	TDS @ 10%	Excise duty	Interest receipt
1	IFIC Bank	1357192/AF0033	27.06.2020	25,000,000	30.06.2021	7.75%	1,953,645.83	195,364.58	12,000	1,746,281
2	IFIC Bank	1304137/127	27.06.2020	15,000,000	27.06.2021	7.75%	1,162,500	116,250	15,000	1,031,250
3	Premier Bank Ltd.	PB FDR NO: 0328824	12.07.2020	5,000,000	12.07.2021	7.75%	387,500	38,750	6,000	342,750
4	First Security Islami Bank Ltd.	24600093808	23.08.2020	15,000,000	23.08.2021	8%	1,200,000	120,000	15,000	1,065,000
5	First Security Islami Bank Ltd.	MTDR-24600092864	09.08.2020	20,000,000	09.08.2021	8%	1,600,000	160,000	15,000	1,425,000
6	First Security Islami Bank Ltd.	MTDR-24600093214	06.09.2020	5,000,000	06.09.2021	8%	400,000	40,000	3,000	357,000
7	Basic Bank Ltd.	117914/6418-01-0006899	21.12.2020	15,000,000	21.12.2021	7.50%	1,125,000	112,500	15,000	997,500
				<b>100,000,000</b>			<b>7,828,646</b>	<b>782,865</b>	<b>81,000</b>	<b>6,964,781</b>



**SADHARAN BIMA CORPORATION**  
**SCHEDULE OF FDR**

As at 31 December 2021

**Annexure-B-3**

Sl. No.	Bank Name	FDR No.	Opening Date	Amount in Taka	Maturity date	Interest rate	Closing date	Maturity days	Interest Accrued
1	First Security Islami Bank Ltd.	24600092864	09.08.2021	20,000,000	09.08.2022	6.5%	31.12.2021	144	512,877
2	First Security Islami Bank Ltd.	24600093808	23.08.2021	15,000,000	23.08.2022	6.25%	31.12.2021	130	333,904
3	Basic Bank Ltd.	117914/6418-01-0006899	27.12.2021	15,000,000	27.12.2022	6.25%	31.12.2021	4	10,274
4	First Security Islami Bank Ltd.	MTDR-24600093214	13.09.2021	5,000,000	13.09.2022	6%	31.12.2021	102	83,836
5	IFIC Bank Ltd.	1304137/127	27.06.2021	15,000,000	27.06.2022	6%	31.12.2021	187	461,096
6	IFIC Bank Ltd.	1357192/AF0033	30.06.2021	25,000,000	30.06.2022	6%	31.12.2021	181	743,836
7	SBAC Bank Ltd.	PB FDR NO:00322444001425	15.07.2021	5,000,000	15.07.2022	6%	31.12.2021	169	138,904
				<b>Sub- Total</b>	<b>100,000,000</b>				<b>2,284,726</b>
				<b>Grand Total</b>					<b>10,113,372</b>

Total- Interest Accrued

10,113,372

Less: Interest Received (previous year)

2,945,308

Non-operating Income (current year)

**7,168,064**



**SBC SECURITIES & INVESTMENT LTD.**  
**Schedule of Investment in Marketable Securities- Dealer Account**  
 As at 31st December 2021

## Annexure-C

SL	Instrument	Category	Quantity	Avg. cost per share	Total Cost	Market price per share	Total Market Value	Unrealized Gain/Loss
1	ACI*	A	72,737	76.98	5,599,568.06	285.40	20,759,139.80	15,159,571.74
2	ACMELAB*	A	100,000	86.54	8,654,002.92	86.50	8,650,000.00	-4,002.92
3	AFTABAUTO*	A	162,750	47.06	7,658,959.99	27.30	4,443,075.00	-3,215,884.99
4	ALARABANK*	A	150,000	11.39	1,708,283.46	26.60	3,990,000.00	2,281,716.54
5	APEXFOOT*	A	119	298.88	35,566.27	268.10	31,903.90	-3,662.37
6	BANKASIA	A	300,000	17.62	5,286,819.43	21.80	6,540,000.00	1,253,180.57
7	BATASHOE*	A	1,000	571.34	571,336.01	966.90	966,900.00	395,563.99
8	BATBC*	A	50,000	349.78	17,488,945.02	635.60	31,780,000.00	14,291,054.98
9	BERGERPBL*	A	3,394	518.52	1,759,863.91	1,765.90	5,993,464.60	4,233,600.69
10	BRACBANK*	A	200,000	15.06	3,012,742.22	55.30	11,060,000.00	8,047,257.78
11	BSRMSTEEL	A	150,000	82.25	12,337,085.65	71.10	10,665,000.00	-1,672,085.65
12	BXPHARMA*	A	100,000	63.02	6,302,067.96	192.70	19,270,000.00	12,967,932.04
13	CITYBANK*	A	350,000	23.34	8,168,283.94	27.30	9,555,000.00	1,386,716.06
14	CONFIDCEM*	A	25,000	145.57	3,639,227.38	121.90	3,047,500.00	-591,727.38
15	DESCO*	A	75,000	32.63	2,446,933.07	35.50	2,662,500.00	215,566.93
16	DHAKABANK	A	500,000	15.98	7,991,425.54	14.00	7,000,000.00	-991,425.54
17	EXIMBANK*	A	500,000	13.04	6,521,938.04	12.70	6,350,000.00	-171,938.04
18	FAREASTLIF	A	36,867	113.95	4,201,168.31	53.70	1,979,757.90	-2,221,410.41
19	FEKDIL*	A	70,000	19.16	1,341,006.56	15.60	1,092,000.00	-249,006.56
20	FIRSTSBANK	A	262,500	11.06	2,904,298.43	12.90	3,386,250.00	481,951.57
21	GHALI*	A	100,000	18.97	1,897,304.91	16.50	1,650,000.00	-247,304.91
22	GP*	A	10,000	174.82	1,748,207.50	349.50	3,495,000.00	1,746,792.50
23	GPHISPAT*	A	100,000	54.57	5,457,336.69	53.00	5,300,000.00	-157,336.69
24	GSPFINANCE	A	25,000	26.62	665,498.75	27.00	675,000.00	9,501.25
25	IBP	A	75,000	21.75	1,631,222.50	17.60	1,320,000.00	-311,222.50
26	IDLC*	A	115,000	62.56	7,194,892.13	60.30	6,934,500.00	-260,392.13
27	IFADAUTOS	A	25,500	96.66	2,464,847.25	47.30	1,206,150.00	-1,258,697.25
28	IFC*	A	500,000	18.45	9,226,915.00	16.90	8,450,000.00	-776,915.00
29	ISLAMIBANK*	A	100,000	6.57	656,516.93	32.00	3,200,000.00	2,543,483.07
30	JAMUNABANK*	A	250,000	16.70	4,174,504.66	23.40	5,850,000.00	1,675,495.34
31	JAMUNAOIL*	A	15,000	131.77	1,976,621.69	171.10	2,566,500.00	589,878.31
32	JANATAINS	A	100,000	50.43	5,042,983.00	47.70	4,770,000.00	-272,983.00
33	KPCL	A	25,000	39.58	989,393.63	29.90	747,500.00	-241,893.63
34	LHBL*	A	100,000	29.75	2,975,384.34	71.10	7,110,000.00	4,134,615.66
35	LINDEBD*	A	800	211.06	168,848.00	1,579.80	1,263,840.00	1,094,992.00
36	MEGHNALIFE	A	40,250	77.63	3,124,509.90	71.20	2,865,800.00	-258,709.90
37	MERCANBANK*	A	500,000	16.01	8,006,800.39	17.10	8,550,000.00	543,199.61
38	MJLBD*	A	50,000	65.91	3,295,617.35	88.30	4,415,000.00	1,119,382.65
39	MPETROLEUM*	A	30,000	142.72	4,281,493.14	196.80	5,904,000.00	1,622,506.86
40	MTB*	A	330,000	14.35	4,735,450.05	19.60	6,468,000.00	1,732,549.95
41	NATLIFEINS*	A	13,000	29.32	381,220.36	220.60	2,867,800.00	2,486,579.64
42	NAVANACNG	A	556,500	48.66	27,081,881.93	29.50	16,416,750.00	-10,665,131.93
43	NBL	A	1,050,000	12.90	13,540,245.59	7.50	7,875,000.00	-5,665,245.59
44	NCCBANK	A	1,000,000	16.04	16,038,598.87	15.30	15,300,000.00	-738,598.87
45	NPOLYMER	A	50,000	58.61	2,930,604.32	50.20	2,510,000.00	-420,604.32
46	OIMEX	A	250,870	28.92	7,256,287.41	17.30	4,340,051.00	-2,916,236.41
47	OLYMPIC*	A	20,362	190.28	3,874,389.48	160.60	3,270,137.20	-604,252.28
48	ONEBANKLTD*	A	1,000,000	18.21	18,207,561.96	13.80	13,800,000.00	-4,407,561.96
49	PHARMAID	A	3,000	507.13	1,521,376.78	600.40	1,801,200.00	279,823.22
50	POPULARLIF*	A	25,000	46.75	1,168,813.27	78.60	1,965,000.00	796,186.73
51	POWERGRID*	A	1,000,000	45.46	45,458,488.03	59.60	59,600,000.00	14,141,511.97
52	PRAGATLIF	A	30,000	78.98	2,369,508.57	89.10	2,673,000.00	303,491.43
53	PREMIERBAN	A	600,000	13.76	8,254,469.21	14.90	8,940,000.00	685,530.79
54	PRIMEBANK	A	500,000	25.49	12,746,023.28	21.50	10,750,000.00	-1,996,023.28
55	PRIMELIFE	A	10,254	86.52	887,141.00	57.50	589,605.00	-297,536.00
56	PTL*	A	500	79.68	39,839.00	94.10	47,050.00	7,211.00
57	QUASEMIND	A	35,000	57.40	2,008,991.11	45.30	1,585,500.00	-423,491.11
58	RAHIMTEXT	A	29,947	361.70	10,831,723.42	269.40	8,067,721.80	-2,764,001.62



58	RAHIMTEXT	A	29,947	361.70	10,831,723.42	269.40	8,067,721.80	-2,764,001.62
59	RAKCERAMIC	A	100,000	48.54	4,853,868.62	44.40	4,440,000.00	-413,868.62
60	RECKITTBEN*	A	300	996.30	298,889.07	5,729.90	1,718,970.00	1,420,080.93
61	RENATA*	A	1,010	470.65	475,356.25	1,312.00	1,325,120.00	849,763.75
62	RSRMSTEEL	A	181,250	52.70	9,551,257.24	23.10	4,186,875.00	-5,364,382.24
63	RUNNERAUTO	A	15,000	64.95	974,228.49	51.30	769,500.00	-204,728.49
64	SALAMCRST	A	50,000	29.78	1,489,015.12	25.20	1,260,000.00	-229,015.12
65	SAPORTL	A	525,840	36.85	19,377,101.55	24.50	12,883,080.00	-6,494,021.55
66	SHAHJABANK*	A	210,000	13.93	2,925,026.39	21.80	4,578,000.00	1,652,973.61
67	SHASHADNIM*	A	166,000	51.20	8,498,369.00	24.50	4,067,000.00	-4,431,369.00
68	SIBL*	A	500,000	15.76	7,881,610.89	14.80	7,400,000.00	-481,610.89
69	SINGERBD*	A	10,000	108.64	1,086,388.58	169.90	1,699,000.00	612,611.42
70	SKTRIMS*	A	200,000	47.40	9,480,408.98	29.80	5,960,000.00	-3,520,408.98
71	SOUTHEASTB	A	1,000,000	17.58	17,577,781.73	15.50	15,500,000.00	-2,077,781.73
72	SQURPHARMA*	A	130,000	69.69	9,060,167.28	214.30	27,859,000.00	18,798,832.72
73	SSSTEEL	A	125,000	23.18	2,897,606.88	18.90	2,362,500.00	-535,106.88
74	STANDBANKL	A	350,000	12.00	4,200,913.31	10.70	3,745,000.00	-455,913.31
75	SUMITPOWER*	A	200,000	41.94	8,387,971.66	38.90	7,780,000.00	-607,971.66
76	TITASGAS	A	800,000	42.35	33,877,987.08	36.30	29,040,000.00	-4,837,987.08
77	TRUSTBANK*	A	220,000	19.29	4,244,854.51	33.30	7,326,000.00	3,081,145.49
78	UCB	A	300,000	21.80	6,540,692.85	15.30	4,590,000.00	-1,950,692.85
79	UTTARABANK	A	250,000	25.52	6,379,166.19	25.50	6,375,000.00	-4,166.19
80	UTTARAFIN	A	80,000	44.09	3,527,251.55	40.90	3,272,000.00	-255,251.55
81	WMSHIPYARD	A	235,750	20.15	4,751,081.77	10.70	2,522,525.00	-2,228,556.77
<b>Total</b>				<b>520,278,028.56</b>			<b>565,022,166.20</b>	<b>44,744,137.64</b>
1	ABBANK	B	200,000	31.76	6,351,872.62	13.50	2,700,000.00	-3,651,872.62
2	BENGALWTL*	B	150,000	32.56	4,883,587.93	21.20	3,180,000.00	-1,703,587.93
3	CENTRALPHL*	B	325,000	18.74	6,089,108.12	13.20	4,290,000.00	-1,799,108.12
4	CITYGENINS	B	50,000	47.84	2,391,792.50	42.90	2,145,000.00	-246,792.50
5	ILFSL	B	27,471	27.47	754,685.56	6.60	181,308.60	-573,376.96
6	KBPPWBIL	B	125,000	24.47	3,058,757.21	11.80	1,475,000.00	-1,583,757.21
7	MALEKSPIN	B	69,575	67.83	4,719,505.76	26.10	1,815,907.50	-2,903,598.26
8	PREMIERLEA	B	42,000	34.83	1,462,963.10	8.00	336,000.00	-1,126,963.10
9	PRIMEFIN	B	50,229	33.88	1,701,627.55	15.80	793,618.20	-908,009.35
10	UNIONCAP	B	30,318	29.41	891,637.55	9.90	300,148.20	-591,489.35
<b>Total</b>				<b>32,305,537.90</b>			<b>17,216,982.50</b>	<b>-15,088,555.40</b>
1	ACMEPL	N	5,000	10.00	50,000.00	26.80	134,000.00	84,000.00
2	EPGL	N	100,000	35.00	3,500,000.00	39.60	3,960,000.00	460,000.00
3	LRBDL	N	50,000	32.00	1,600,000.00	37.70	1,885,000.00	285,000.00
4	MASTERAGRO	N	26,649	10.00	266,490.00	9.60	255,830.40	-10,659.60
5	MOSTFAMETL	N	26,960	10.00	269,600.00	10.70	288,472.00	18,872.00
6	NIALCO	N	41,298	10.00	412,980.00	0.00	0.00	-412,980.00
7	ORYZAAGRO	N	27,244	10.00	272,440.00	10.40	283,337.60	10,897.60
8	ROBI	N	250,000	10.00	2,500,000.00	34.60	8,650,000.00	6,150,000.00
<b>Total</b>				<b>8,871,510.00</b>			<b>15,456,640.00</b>	<b>6,585,130.00</b>
1	EMERALDOIL	Z	50,000	33.80	1,690,162.02	41.50	2,075,000.00	384,837.98
2	FAMILYTEX	Z	315,000	9.84	3,100,056.33	4.60	1,449,000.00	-1,651,056.33
3	FIRSTFIN	Z	21,008	40.33	847,263.11	6.70	140,753.60	-706,509.51
4	GOLDENSON	Z	300,000	25.77	7,732,362.64	19.10	5,730,000.00	-2,002,362.64
5	MITHUNKNIT	Z	250,000	47.99	11,997,130.00	12.20	3,050,000.00	-8,947,130.00
6	PLFSL*	Z	24,648	59.67	1,470,728.88	3.00	73,944.00	-1,396,784.88
7	SUNLIFEINS*	Z	13,000	41.81	543,545.94	34.10	443,300.00	-100,245.94
8	USMANIAGL	Z	2,750	136.81	376,234.46	55.70	153,175.00	-223,059.46
<b>Total</b>				<b>27,757,483.38</b>			<b>13,115,172.60</b>	<b>-14,642,310.78</b>
1	ICBSONALI1*	A	50,000	7.79	389,736.46	8.00	400,000.00	10,263.54
2	JANATAMF	A	500,000	7.61	3,804,519.38	6.20	3,100,000.00	-704,519.38
<b>Total</b>				<b>4,194,255.84</b>			<b>3,500,000.00</b>	<b>-694,255.84</b>
1	ICB2NDUF	A	387,100	17.43	6,746,882.03	0.00	0.00	-6,746,882.03
2	SECONDICB	Non listed	27,586	7.42	204,655.02	0.00	0.00	-204,655.02
<b>Total</b>				<b>6,951,537.05</b>			<b>0.00</b>	<b>(6,951,537.05)</b>
<b>Grand total</b>				<b>600,358,352.73</b>			<b>614,310,961.30</b>	<b>13,952,608.57</b>

**SBC SECURITIES & INVESTMENT LTD.**  
**Schedule of Investment in Marketable Securities- Strategic Investments**  
 As at 31st December 2021

## Annexure-C1

SL	Instrument	Category	Quantity	Avg. cost per share	Total Cost	Market price per share	Total Market Value	Unrealized Gain/Loss
1	AOL	A	25,000	56.28	1,407,106.00	41.90	1,047,500.00	-359,606.00
2	BANGAS	A	10,500	324.95	3,412,021.60	121.10	1,271,550.00	-2,140,471.60
3	BATBC*	A	7,000	479.88	3,359,157.04	635.60	4,449,200.00	1,090,042.96
4	GPHISPAT	A	19,540	58.07	1,134,756.94	53.00	1,035,620.00	-99,136.94
5	IFADAUTOS	A	61,200	104.96	6,423,527.52	47.30	2,894,760.00	-3,528,767.52
6	IDLC*	A	50,000	68.52	3,426,150.00	60.30	3,015,000.00	-411,150.00
7	IFIC*	A	50,000	17.93	896,421.40	16.90	845,000.00	-51,421.40
8	JANATAINS	A	25,000	55.56	1,388,923.40	47.70	1,192,500.00	-196,423.40
9	MONNOCERA	A	1,732	191.93	332,430.23	112.20	194,330.40	-138,099.83
10	OLYMPIC	A	5,000	232.79	1,163,937.20	160.60	803,000.00	-360,937.20
11	PHENIXINS*	A	17,000	60.79	1,033,467.40	59.90	1,018,300.00	-15,167.40
12	POWERGRID*	A	11,000	58.34	641,694.55	59.60	655,600.00	13,905.45
13	PURABIGEN	A	25,000	46.76	1,169,084.30	41.30	1,032,500.00	-136,584.30
14	QUASEMIND	A	10,000	59.44	594,368.00	45.30	453,000.00	-141,368.00
15	RUPALIBANK	A	10,000	34.83	348,288.00	31.90	319,000.00	-29,288.00
16	SHASHADNIM	A	13,781	53.99	744,099.40	24.50	337,634.50	-406,464.90
<b>Total</b>					<b>27,475,433</b>		<b>20,564,495</b>	<b>(6,910,938)</b>
1	CENTRALPHL*	B	225,000	19.32	4,347,320.00	13.20	2,970,000.00	-1,377,320.00
2	SKTRIMS	B	25,000	41.84	1,046,042.50	29.80	745,000.00	-301,042.50
<b>Total</b>					<b>5,393,363</b>		<b>3,715,000</b>	<b>(1,678,363)</b>
1	EPGL	N	140,000	53.15	7,440,479.00	39.60	5,544,000.00	-1,896,479.00
2	LRBDL	N	11,000	41.55	457,071.00	37.70	414,700.00	-42,371.00
<b>Total</b>					<b>7,897,550</b>		<b>5,958,700</b>	<b>(1,938,850)</b>
<b>Grand Total</b>					<b>40,766,345.48</b>		<b>30,238,194.90</b>	<b>(10,528,150.58)</b>

**SBC SECURITIES & INVESTMENT LTD.**  
**Schedule of fixed assets & intangible asset**  
 as at 31 December 2021

**Annexure-D**

**Amount in taka**

Particulars	COST		Rate (%)	DEPRECIATION		Written Down value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year		Balance as at 31.12.2021	Charged during the year	
<b>Tangible assets</b>						
Furniture & Fixtures	690,815	37,707	20%	566,441	28,646	133,436
Computer Equipment	1,929,225	34,503	25%	1,716,196	57,570	189,962
Office Equipment	191,318	232,655	25%	145,984	14,042	263,947
Electric Equipment	385,670	40,968	25%	359,560	6,836	60,242
Office Decoration	297,490	-	20%	269,492	5,600	22,398
<b>Total as at 31 December 2021</b>	<b>3,494,518</b>	<b>345,833</b>		<b>3,057,673</b>	<b>112,694</b>	<b>669,984</b>
<b>Total as at 31 December 2020</b>	<b>3,470,018</b>	<b>24,500</b>		<b>2,932,205</b>	<b>125,467</b>	<b>436,846</b>

Particulars	COST		Rate (%)	AMORTIZATION		Written Down value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year		Balance as at 31.12.2021	Charged during the year	
<b>Intangible assets</b>						
System Software	655,500	128,300	25%	617,907	10,892	155,001
<b>Total as at 31 December 2021</b>	<b>655,500</b>	<b>128,300</b>		<b>617,907</b>	<b>10,892</b>	<b>155,001</b>
<b>Total as at 31 December 2020</b>	<b>655,500</b>	<b>-</b>		<b>605,376</b>	<b>12,531</b>	<b>37,593</b>



**SBC SECURITIES & INVESTMENT LTD.**  
**Computation of Total Income and Tax Liability**

Year ended on 31st December 2021

Assessment year: 2022-2023

**Annexure-E**

Particulars	Taka	Taka
Net Profit as per Profit and Loss Account before Tax		58,537,456
Less: Dividend Income	21,046,934	
Capital Gain on Sale of Shares	35,595,758	
Provision for Investment in Marketable Securities Wrtten Back	-	56,642,692
		<b>1,894,764</b>
Add: Provision for Investment in Marketable Securities		-
		1,894,764
Less: Brokerage Commission		<b>3,440,468</b>
	<b>Business Loss without brokerage</b>	(1,545,704)
Add: Dividend Income		<b>21,046,934</b>
	<b>Balance Div Income</b>	<b>19,501,230</b>
Add: Brokerage Commission	$\frac{7,50,339 \times 100}{30}$	2,501,130
	<b>Net Business Income</b>	22,002,360
Add: Capital Gain on Sale of Shares		35,595,758
	<b>Total Income</b>	<b>57,598,118</b>
<b>Tax Calculation:</b>	<b>Tk.</b>	<b>Tk.</b>
Tax on Business Income	(1,545,704)	-
Tax on Balance of Business Income (Dividend)	19,501,230	20% 3,900,246
Tax on Capital Gain on Sale of Shares	35,595,758	10% 3,559,576
Tax on Brokerage Commission	2,501,130	30% 750,339
	56,052,413	<b>Total Tax Liability 8,210,161</b>



**SBC SECURITIES & INVESTMENT LTD.**  
**Status of the Consolidated Customer Account****Annexure-F1**

Particulars on specific date	Liability (B)	Source of Fund (A)
Payable to clients	12,776,524	
Payable to DSE & CSE as per CNS Report	85,461	
Cheque issued to clients but not debited from the Bank Account	107,100	
Balance of the Consolidated Customer Account as per Bank Statement		21,863,073
Cheque deposited by clients but not credited to the Bank Account		-
Receivables from DSE & CSE as per CNS Report		-
<b>Total</b>	<b>12,969,085</b>	<b>21,863,073</b>
<b>Surplus/(Deficit) (A - B) as on December 31, 2021</b>		<b>8,893,988</b>



**SBC SECURITIES & INVESTMENT LTD.**  
**Status of Interest payable to Customers**

Annexure-F2

Sl.No.	Month	Name of Bank	A/c No.	Bank Interest	AIT	Bank Charge	Balance	Amount Payable to Clients
1	January	One Bank Ltd. (Client A/c)	SND A/C # 0013000001473	-	-	70		
2	February			-	-	215		
3	March			-	-	-		
4	April			-	-	605		
5	May			-	-	50		
6	June			358,392	35,839	760		
<b>Total</b>				<b>358,392</b>	<b>35,839</b>	<b>1,700</b>	<b>320,853</b>	<b>217,111</b>
7	July			-	-	70		
8	August			-	-	60		
9	September			-	-	13,000		
10	October			-	-	60		
11	November			-	-	20		
12	December			475,302	47,530	15,725	412,047	
<b>Total</b>				<b>475,302</b>	<b>47,530</b>	<b>28,935</b>	<b>398,837</b>	<b>236,588</b>



## ZONAL, BRANCH, SUB BRANCH & UNIT OFFICES

### DHAKA ZONE

Sadharan Bima Sadan  
24-25 Dilkusha C/A  
Dhaka-1000

#### BRANCHES :

01. SBC Bhaban-2 Branch  
139, Motijheel C/A
02. Amin Court Branch  
80, Motijheel C/A
03. Motijheel Branch  
56-57, Motijheel C/A
04. SBC Tower/Dilkuha Branch  
37/A, Dilkusha
05. Gulistan Branch  
11, Bangabandhu Avenue
06. Babu Bazar Branch  
144, Mitford Road
07. Farmgate Branch  
155/A, Airport Road Farm Gate
08. New Market Branch  
29, Jahan Mansion  
Mirpur Road
09. Tongi Branch  
Jalil Market, Tangi
10. Mirpur Branch  
Plot-6/A, Mirpur-1
11. Paltan Branch  
15, Purana Paltan
12. Jatrabari Branch  
123/1-A, South Jatra Bari
13. Mouchak/Malibagh Branch  
80/A, Shiddeswari Circular  
Road, Ramna, Dhaka
14. Mohakhali Branch  
18, Mohakhali
15. Savar Branch  
Dilkusha Super Market,  
Savar Bazar, Dhaka
16. Gazipur Branch  
Siddik Super Market  
Chandna Chowrasta,  
Dhaka Road, Gazipur

### NARAYANGONJ ZONE

Sadharan Bima Corporation  
26, S.K. Road  
Narayanganj

#### BRANCHES :

01. Narsingdi
02. Mirkadim
03. Gudnail
04. Shitalakhya

### CHITTAGONG ZONE

Sadharan Bima Corporation  
13, Sheikh Mujib Road  
Chittagong

#### BRANCHES :

01. Branch No-1  
120, Agrabad C/A
02. Branch No-2  
Laldighi East
03. Branch No-3  
Jubily Road
04. Chowkbazar
05. Rangamati
06. Cox's Bazar
07. Potia

### RAJSHAHI ZONE

Sadharan Bima Corporation  
Gratter Road, Kazi Hatta  
Rajshahi

#### BRANCHES :

01. Gratter Road  
Kazi Hatta, Rajshahi
02. Bogra
03. Rangpur
04. Dinajpur
05. Pabna
06. Sirajgonj
07. Gaibandha
08. Iswardi
09. Thakurgaon
10. Kurigram
11. Nilfamari
12. Joypurhat
13. Chapai Nawabgonj
14. Natore
15. Nawgaon

### KHULNA ZONE

Sadharan Bima Corporation  
23-24, K.D.A. C/A  
Khulna

#### BRANCHES :

01. Jessore
02. Kushtia
03. Barisal
04. Faridpur
05. Patuakhali
06. Rajbari
07. Madaripur

08. Bhola
09. Pirojpur
10. Jhalkathi
11. Gopalganj
12. Bagerhat
13. Satkhira
14. Jhainadah
15. Magura
16. Meherpur

### MYMENSINGH

Sadharan Bima Corporation  
61/1, Rambabu Road  
Mymensingh

#### BRANCHES :

01. Mymensingh
02. Tangail
03. Jamalpur
04. Kishoregonj
05. Netrokona
06. Madhupur
07. Sherpur
08. Mirzapur

### COMILLA ZONE

Sadharan Bima Corporation  
Chawlkazar  
Comilla

#### BRANCHES :

01. Mogoltuli, Comilla
02. Chandpur
03. Feni
04. Brahmanbaria
05. Chowmuhani
06. Maijdee
07. Sonagazi
08. Laxmipur
09. Akhaura

### SYLHET ZONE

Sadharan Bima Corporation  
Chowhatta  
Sylhet

#### BRANCHES :

01. Station Road, Sylhet
02. Sreemangal
03. Moulavi Bazar
04. Habiganj

## জোনাল, শাখা, উপশাখা ও ইউনিট অফিসসমূহ

### ঢাকা জোনাল অফিস

সাধারণ বীমা সদন  
২৪-২৫, দিলকুশা বা/এ  
ঢাকা-১০০০

### শাখা অফিসসমূহ :

০১. এসবিসি ভবন-২ শাখা  
১৩৯, মতিঝিল বা/এ
০২. আমিন কোর্ট শাখা  
৮০, মতিঝিল বা/এ
০৩. মতিঝিল শাখা  
৫৬-৫৭, মতিঝিল বা/এ
০৪. এসবিসি টাওয়ার শাখা/দিলকুশা শাখা  
৩৭/এ, দিলকুশা
০৫. গুলিস্তান শাখা  
১১, বঙ্গবন্ধু এভিনিউ
০৬. বারু বাজার শাখা  
মোনা কমপ্লেক্স  
২১, আরমেনিয়ান স্ট্রীট, ঢাকা
০৭. ফার্মগেট শাখা  
১১৫/এ, এয়ারপোর্ট রোড, ফার্মগেট
০৮. নিউ মার্কেট শাখা  
জাহান ম্যানশন, ২৯, মিরপুর রোড
০৯. টঙ্গী শাখা  
জলিল মার্কেট, টঙ্গী
১০. মিরপুর শাখা  
প্লট-৬/এ, মিরপুর-১
১১. পল্টন শাখা  
১৫, পুরানা পল্টন
১২. যাত্রাবাড়ি শাখা  
১২৩/১-এ, দক্ষিণ যাত্রাবাড়ী
১৩. মৌচাক শাখা/মালিবাগ শাখা  
৮০/এ, সিদ্ধেশ্বরী সার্কুলার রোড, রমনা, ঢাকা
১৪. মহাখালী শাখা  
১৮, মহাখালী
১৫. সাভার শাখা  
দিলকুশা সুপার মার্কেট, সাভার বাজার, ঢাকা
১৬. গাজীপুর শাখা  
ছিদ্দিক সুপার মার্কেট, চন্দনা চৌরাস্তা  
ঢাকা রোড, গাজীপুর

### নারায়ণগঞ্জ জোনাল অফিস

সাধারণ বীমা কর্পোরেশন  
২৬, এস.কে. রোড  
নারায়ণগঞ্জ

### শাখা অফিসসমূহ :

০১. নরসিংদী
০২. মীরকাদিম
০৩. গোদনাইল
০৪. শীতলক্ষ্যা

### চট্টগ্রাম জোনাল অফিস

সাধারণ বীমা ভবন  
১৩, শেখ মুজিব রোড  
পাঠানটুলী, চট্টগ্রাম

### শাখা অফিসসমূহ :

০১. শাখা নং-১, ১২০, আত্মবাদ বা/এ
০২. শাখা নং-২, লালদীঘি পূর্ব
০৩. শাখা নং-৩, জুবলী রোড
০৪. চকবাজার
০৫. রাঙ্গামাটি
০৬. কক্সবাজার
০৭. পটিয়া

### রাজশাহী জোনাল অফিস

সাধারণ বীমা ভবন  
থ্রেটার রোড  
রাজশাহী

### শাখা অফিসসমূহ :

০১. রাজশাহী
০২. বগুড়া
০৩. রংপুর
০৪. দিনাজপুর
০৫. পাবনা
০৬. সিরাজগঞ্জ
০৭. গাইবান্ধা
০৮. ঈশ্বরদী
০৯. ঠাকুরগাঁও
১০. কুড়িগ্রাম
১১. নীলফামারী
১২. জয়পুরহাট
১৩. চাঁপাইনবাবগঞ্জ
১৪. নাটোর
১৫. নওগাঁ

### খুলনা জোনাল অফিস

সাধারণ বীমা কর্পোরেশন  
২৩-২৪, কে.ডি.এ. বা/এ  
খুলনা

### শাখা অফিসসমূহ :

০১. যশোর
০২. কুষ্টিয়া
০৩. বরিশাল
০৪. ফরিদপুর
০৫. পটুয়াখালী
০৬. রাজবাড়ী
০৭. মাদারীপুর
০৮. ভোলা
০৯. গোপালগঞ্জ

১০. বাগেরহাট
১১. সাতক্ষীরা
১২. ঝিনাইদহ
১৩. মাগুড়া
১৪. মেহেরপুর

### ময়মনসিংহ জোনাল অফিস

সাধারণ বীমা কর্পোরেশন  
৬১/১, রামবাবু রোড  
ময়মনসিংহ

### শাখা অফিসসমূহ :

০১. ময়মনসিংহ
০২. টাঙ্গাইল
০৩. জামালপুর
০৪. কিশোরগঞ্জ
০৫. নেত্রকোনা
০৬. মধুপুর উপশাখা
০৭. শেরপুর
০৮. মির্জাপুর

### কুমিল্লা জোনাল অফিস

সাধারণ বীমা কর্পোরেশন  
চকবাজার  
কুমিল্লা

### শাখা অফিসসমূহ :

০১. কুমিল্লা
০২. চাঁদপুর
০৩. ফেনী
০৪. ব্রাহ্মণবাড়িয়া
০৫. চৌমুহনী
০৬. মাইজদী
০৭. লক্ষ্মীপুর
০৮. চৌমুহনীগঞ্জ উপশাখা

### সিলেট জোনাল অফিস

সাধারণ বীমা কর্পোরেশন  
চৌহাট্টা  
সিলেট

### শাখা অফিসসমূহ :

০১. স্টেশন রোড, সিলেট
০২. শ্রীমঙ্গল
০৩. মৌলভীবাজার
০৪. হবিগঞ্জ

# ZONAL OFFICES

- Dhaka • Narayanganj • Rajshahi
- Mymensingh • Comilla • Sylhet
- Khulna • Chittagong





সাধারণ বীমা কর্পোরেশন  
SADHARAN BIMA CORPORATION

(রাষ্ট্রীয় খাতে একমাত্র নন-লাইফ বীমা ও পুনঃবীমা প্রতিষ্ঠান)