

ANNUAL
REPORT
2023

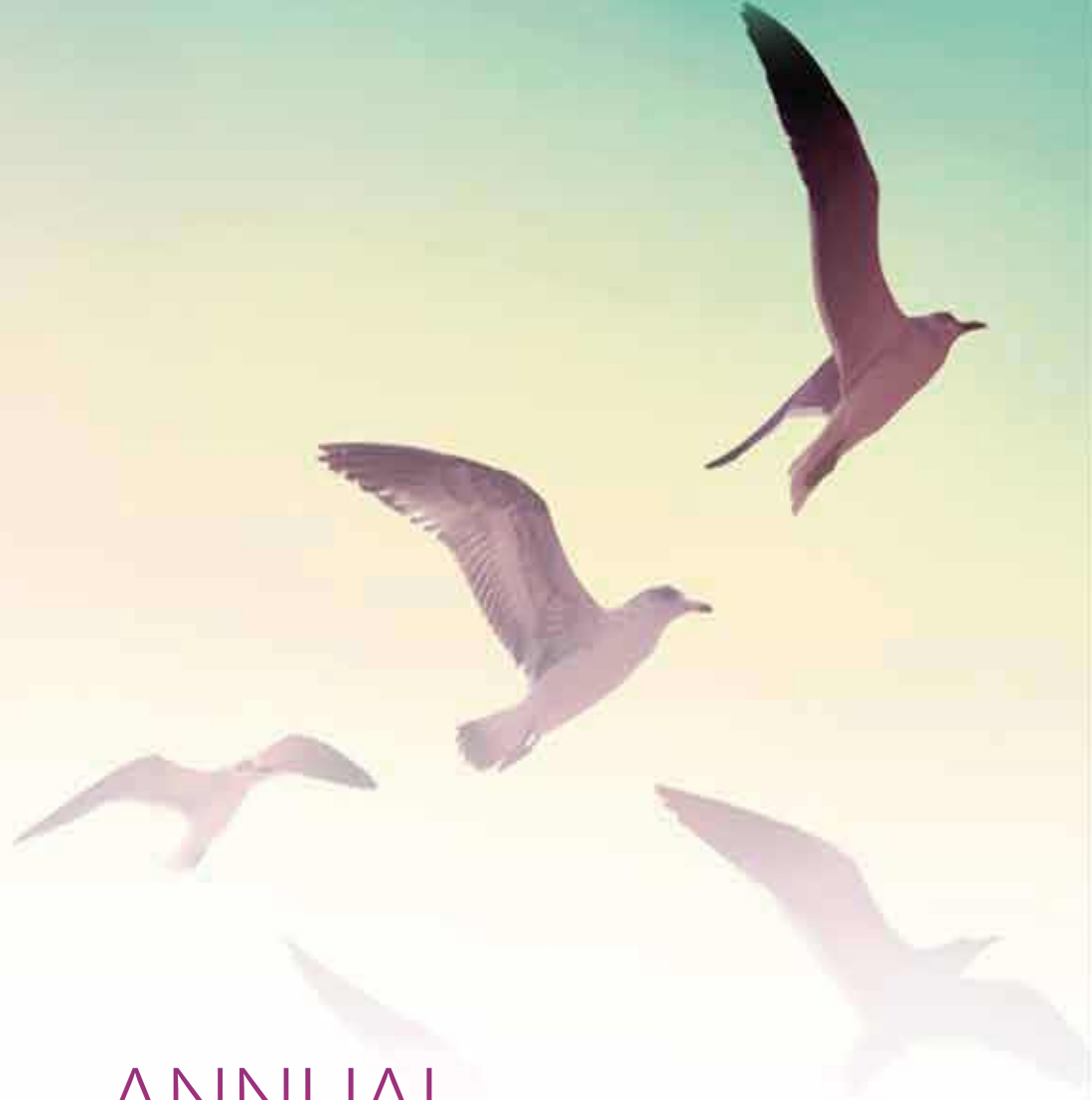
Strength
Through Diversity,
Unity In Success



কন্টিনেন্টাল ইন্স্যুরেন্স লিমিটেড

Continental Insurance Limited

Service is Ideal



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2023



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Continental Insurance Limited

Service is Ideal

Strength Through Diversity, Unity In Success



ABOUT THIS REPORT

Continental Insurance Limited (CIL) is taking a comprehensive approach to reporting by integrating various aspects of its performance and operations. By including financial, non-financial, and operational elements, as well as aspects like governance, risk mitigation, and engagement with stakeholders, the company is aiming to provide a complete picture of its activities and impact. This holistic view can help stakeholders, including investors, regulators, and the public, better understand the company's operations and its contributions to society. It also demonstrates a commitment to transparency and accountability, which are crucial in the insurance industry

This Report

This annual report aims to serve as a comprehensive communication tool, ensuring that various stakeholders are informed about the company's operations, performance, and value creation efforts. By addressing key groups such as customers, investors, regulators, employees, and others, the report strives to provide a well-rounded perspective on the company's activities and its commitment to generating and maintaining value. .

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Reporting Principles and Framework

The report adheres to a combination of mandatory and voluntary frameworks:

Mandatory Frameworks:

Financial Statements:

Prepared following International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants

of Bangladesh (ICAB).

Insurance Regulations:

Governed by the Insurance Act, 2010; Insurance Rules, 1958 and amendments; and relevant reporting format circulars issued by the Insurance Development & Regulatory Authority (IDRA).

Company Regulations:

The Companies Act, 1994 and amendments.

Tax Regulations:

Income Tax Act, 2023; Income Tax Rules, 2023; Value Added Tax & Supplementary Duty Act, 2012; Value Added Tax & Supplementary Rules, 2016 and related SROs and Finance Acts.

Voluntary Frameworks:

Internal Controls:

- A robust framework of internal controls is maintained to ensure the accuracy and reliability of financial reporting.
 - Internal audits are conducted, and reports are submitted to the Audit Committee and Board of Directors for review.
- #### Nonfinancial Reporting and Sustainability:
- Reporting on Sustainable Development Goals (SDGs) demonstrates the company's commitment to environmental and social responsibility.
 - Corporate Sustainability function assesses nonfinancial information, contributing to ESG (Environmental, Social, and Governance) reporting on responsible insurance services.

Corporate Governance:

- Corporate Governance Code, 2018 of Bangladesh issued by the Securities and Exchange Commission (BSEC).
- Listing Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange.
- Applicable circulars from IDRA, BSEC, National Board of Revenue (NBR), and other regulatory bodies.
- Company's Internal Code of Conduct for Board Members and various internal policies related to governance.



Integrated Reporting:

Follows the framework prescribed by the International Integrated Reporting Council (IIRC), which is now merged with the Value Reporting Foundation (VRF).

Additional Notes:

The report includes a narrative section likely containing additional details and explanations. By adhering to these reporting principles and frameworks, the company ensures transparency, accountability, and sustainability in its operations and reporting practices.

Reporting boundary

The reporting boundary for this annual report is the standalone basis covering the insurance operations of Continental Insurance Limited from January 1, 2023 to December 31, 2023. The information in the report only reflects the activities and progress of the insurance business of CIL during that specific period. It excludes any information from other parts of the company or its subsidiaries, if any.

Materiality Determination

Materiality determination involves identifying issues or factors that could significantly impact various aspects of the organization, such as financial performance, environmental impact, and social responsibility.

This determination typically takes into account several key factors:

Operating Context:

Understanding the broader environment in which the company operates, including market conditions, industry trends, and competitive dynamics.

Legal and Regulatory Compliance:

Ensuring that the company complies with relevant laws, regulations, and industry standards, as non-compliance can have material consequences.

Risk Management:

Assessing risks associated with various aspects of the business, such as financial risks, operational risks, environmental risks, and social risks.

Value Creation:

Identifying issues or opportunities that could significantly

affect the company's ability to create value for its stakeholders, including shareholders, employees, customers, and communities.

Stakeholder Engagement:

Involving key stakeholders in the materiality determination process to understand their perspectives, concerns, and priorities.

The identification and prioritization of material matters are typically documented in the report.

Responsibility Statement

This responsibility statement indicates that the Senior Management, Audit Committee, and Board of Directors have collaborated diligently to aggregate, prepare, present, and validate the information contained within the report according to the Integrated Reporting (IR) framework.

Forward-Looking Statements

Absolutely, forward-looking statements are essential in providing stakeholders with insight into a company's future prospects. However, it's crucial to accompany them with cautionary language, as we've done here. Factors like inflation, interest rate fluctuations, and economic downturns can indeed impact outcomes significantly. By acknowledging these risks, we're demonstrating transparency and responsibility in managing expectations. It's always wise to provide a balanced view, considering both potential opportunities and challenges ahead.

Approval

It's commendable that the Senior Management, Audit Committee, and Board of Directors have collaborated closely to ensure the integrity and accuracy of the information presented in the report. Adhering to frameworks like the Integrated Reporting (IR) framework indicates a commitment to providing stakeholders with comprehensive and transparent insights into the company's performance, strategy, and prospects.

Feedback

We can help you with the following:

Find Continental Insurance's annual report (when it's available online at www.cilbd.com).

Forward your questions or reactions to info@cilbd.com



STRENGTH THROUGH DIVERSITY UNITY IN SUCCESS



In the fast-paced world of insurance, where risk meets resilience, Continental Insurance Limited stands as a beacon of innovation and inclusivity. Founded on the principles of embracing diversity and fostering unity, CIL has carved a unique path in the industry, redefining standards and setting new benchmarks for success.

Diversity:

The Heartbeat of CIL

At the core of CIL's ethos lies a deep commitment to diversity. From its inception, the company recognized that true strength comes from harnessing the power of different perspectives, experiences, and backgrounds. CIL's workforce is a mosaic of talent, comprising individuals from various cultures, nationalities, and walks of life. This diversity isn't just a checkbox—it's a driving force behind CIL's ability to innovate, adapt, and excel in a rapidly changing marketplace.

Unity: Fueling Success

But diversity alone is not enough. CIL understands that true success stems from unity—working together towards common goals with shared purpose and determination. Across departments and disciplines, CIL fosters a culture of collaboration and teamwork, where every voice is heard, and every contribution is valued. This unity enables CIL to move forward with agility and resilience, overcoming obstacles and seizing opportunities with confidence.

Innovation: Forging the Future

Innovation is the lifeblood of CIL. With a finger on the pulse

of emerging trends and technologies, the company is constantly pushing the boundaries of what's possible in the world of insurance. From developing cutting-edge risk management solutions to leveraging data analytics for predictive insights, CIL is at the forefront of industry innovation. And it's this spirit of innovation that propels CIL towards new heights of success, driving growth and delivering value to clients and stakeholders alike.

Trust: The Cornerstone of Relationships

Central to CIL's success is the trust it has built with its clients and partners. Through transparency, integrity, and unwavering dedication to service excellence, CIL has earned a reputation as a trusted mentor and reliable ally in the journey towards risk mitigation and financial security. This trust forms the bedrock of CIL's relationships, enabling long-term partnerships built on mutual respect and shared success.

Looking Ahead: A Future of Possibilities

As CIL looks to the future, its commitment to diversity, unity, and innovation remains unwavering. With a bold vision and a relentless pursuit of excellence, CIL is poised to continue shaping the landscape of the insurance industry, driving positive change, and making a lasting impact on the communities it serves.





at A Glance

Continental Insurance Limited (CIL) has emerged as a prominent player in the private sector general insurance industry of Bangladesh since its inception on December 12, 1999. Committed to providing exceptional service and ensuring maximum protection at minimum cost, CIL has secured 5th position among the top private sector general insurance companies in the country in 2014 (as per BIA record).

Operating under the regulatory framework outlined by the Insurance Act of 2010 and directives from the Insurance Development and Regulatory Authority (IDRA), CIL has established itself as a third-generation non-life insurance company. It operates transparently, complying with all legal and regulatory requirements.

CIL's listing on the Dhaka Stock Exchange and Chittagong Stock Exchange under the prestigious "A" category in 2008 reflects its strong financial standing and market credibility. With thirty-eight branches strategically located across the nation, the company ensures widespread accessibility to its services.

One of the hallmarks of CIL is its commitment to providing a brand-new experience in general insurance. Through prudent risk management practices, including re-insurance arrangements with foreign reinsurers and Sadharan Bima Corporation, CIL safeguards the interests of its clients comprehensively.

Backed by a team of technically qualified professionals, CIL offers competitive premium rates within existing tariff frameworks. It extends technical assistance, consultancy services, and advice to clients free of charge, enhancing its value proposition.

CIL's dedication to prompt and fair claims settlement underscores its customer-centric approach. With claims settlements exceeding Tk. 150 Crore since its inception, the company has earned the trust and confidence of its clientele by delivering timely indemnity and support during unfortunate events.

"Shebai Adorsho" with this view, Continental Insurance Limited continues to exemplify excellence in the general insurance sector of Bangladesh, striving to exceed expectations and redefine industry standards.

দূরে সুগ শেরিয়ে
শাঁচিশত

আদম্য অগ্রযাত্রায়
কণিতেনোল ইন্স্যুরেন্স



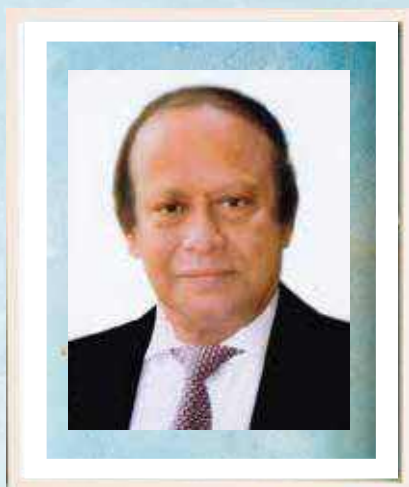
Chairman Since Inception



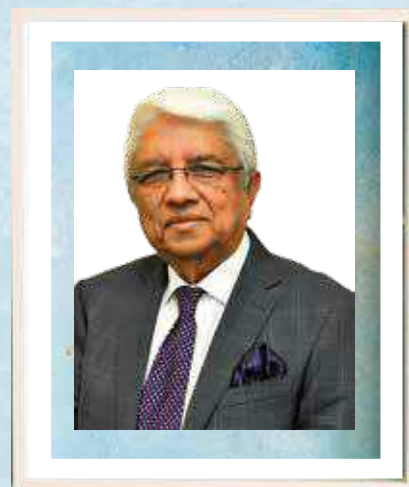
Late A.R.M. Harun-Ur-Rashid
10.01.2000-05.10.2003



Late Mohammad Musa Meah
06.10.2003-31.12.2011



S.M Abu Mohsin
01.01.2012-26.07.2015



A.K.M Azizur Rahman
27.07.2015-To Date



25 YEARS Celebrations

Celebration of Silver Jubilee of CIL

The Silver Jubilee of Continental Insurance Limited is a momentous occasion that celebrated 25 years of the company's successful operation in the insurance industry, marking 25 years of dedicated service and commitment to its clients and stakeholders. It reflected on the company's achievements, contributions to the community, and its vision for the future.

- **Galas or Award Ceremonies:** A grand gala or award ceremony was organized to recognize the company's milestones, achievements, and contributions. This event served as a platform to acknowledge and appreciate the dedication and hard work of employees, agents, and partners who have been instrumental in CIL's success.
- **Community Service Initiatives:** CIL organized or participated in community service initiatives as a way of giving back to society. This involved volunteering for a cause, organizing a blood donation camp, or sponsoring a local charity.

- **Social Media Campaign:** A social media campaign was launched to spread awareness about the Silver Jubilee celebrations and the company's achievements. The campaign used creative content, contests, and giveaways to engage the audience.
- **Employee Engagement Activities:** Employee engagement activities had been organized to boost morale and celebrate the company's success together as a team. This also involved fun activities, team-building exercises, or a company picnic.
- **Promotional Activities:** Promotional activities were also launched to generate interest in CIL's products and services. This involved special discounts, product launches, or contests.

By celebrating its Silver Jubilee, CIL had the opportunity to strengthen its brand image, connect with its stakeholders, and position itself for continued success in the years to come.





কন্টিনেন্টাল ইন্স্যুরেন্স লিমিটেড
Continental Insurance Limited
Service is Ideal



দুই যুগ পেরিয়ে
পঁচিশের
অদম্য অগ্রযাত্রায়

বাসী
শ্রী অরুণ কুমার
পরিচালক (মার্কেটিং)
বিস্তারিত তথ্য...

বৌবধ ও সাংস্কার দুই যুগ পেরিয়ে
পঁচিশের অদম্য অগ্রযাত্রায় কন্টিনেন্টাল ইন্স্যুরেন্স
কোম্পানি লিমিটেড প্রতি বছর দুই বারের মধ্যে...

বাসী
শ্রী সঞ্জয় কুমার
পরিচালক (অপারেশন)
বিস্তারিত তথ্য...

বাসী
শ্রী অরুণ কুমার
পরিচালক (মার্কেটিং)
বিস্তারিত তথ্য...

কন্টিনেন্টাল ইন্স্যুরেন্স লিমিটেড প্রতি বছর দুই বারের মধ্যে
কোম্পানি লিমিটেড প্রতি বছর দুই বারের মধ্যে...

বাসী
শ্রী অরুণ কুমার
পরিচালক (মার্কেটিং)
বিস্তারিত তথ্য...

বাসী
শ্রী অরুণ কুমার
পরিচালক (মার্কেটিং)
বিস্তারিত তথ্য...

কন্টিনেন্টাল ইন্স্যুরেন্স লিমিটেড প্রতি বছর দুই বারের মধ্যে
কোম্পানি লিমিটেড প্রতি বছর দুই বারের মধ্যে...

বাসী
শ্রী অরুণ কুমার
পরিচালক (মার্কেটিং)
বিস্তারিত তথ্য...

Rewards

for change



1.3 | Awards and Accolades

Continental Insurance Limited (CIL) stands out as a prominent and rapidly growing non-life insurance company in Bangladesh, dedicated to providing a distinctive experience in general insurance. CIL has strategically secured necessary re-insurance protection from both foreign re-insurers and the Sadharan Bima Corporation, ensuring comprehensive risk coverage for all clients' properties and interests.

Since its listing on the Dhaka Stock Exchange and Chittagong Stock Exchange in 2008, CIL has been committed to offering a wide array of general insurance services, including Marine, Fire, Burglary, Motor, Engineering, Aviation (Hull), and Miscellaneous insurance. Officially commencing operations on December 12, 1999, with the approval of the Government of Bangladesh, CIL has earned the trust of a significant portion of the insuring community, positioning itself as the largest private sector general insurance company in the country.

CIL boasts a proficient team of technically qualified professionals who ensure the most competitive premium rates within the existing tariff framework, guaranteeing maximum protection at minimal cost for clients. Additionally, the company provides clients with complimentary technical assistance, consultancy services, and advice whenever required.

The hallmark of CIL's service lies in its diligent and expeditious handling of claims, prioritizing timely indemnity for its clientele. Since its inception, CIL has settled claims totaling more than Tk. 150 Crore, demonstrating its unwavering commitment to customer satisfaction and financial security.



Award

Century International Gold Quality Era Award, Geneva 2012



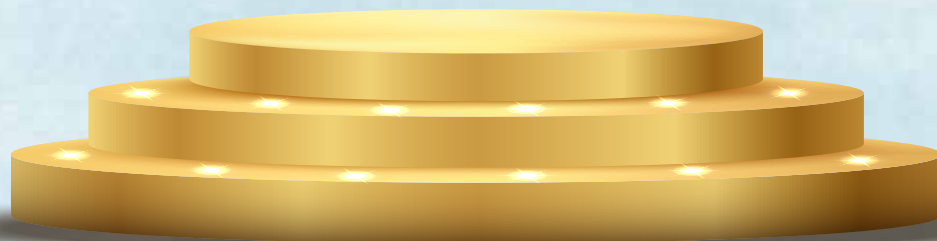
Award

World Quality Commitment Award 2013, in Platinum Category, Madrid, Spain



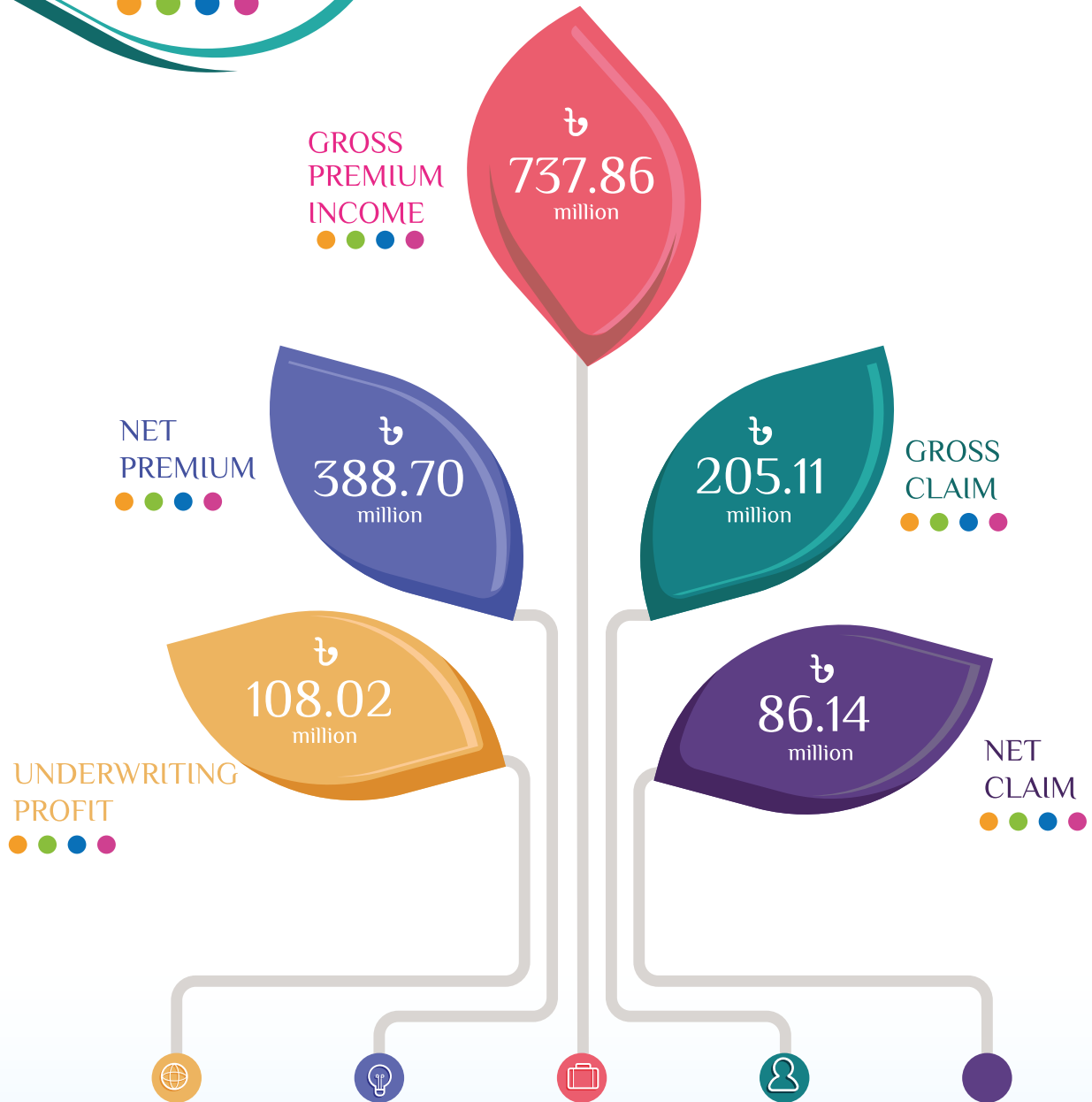
Award

Diamond Eye Award for Quality Commitment & Excellence, Berlin, Germany, 2014



Financial Highlight

FINANCIAL PERFORMANCE 2023



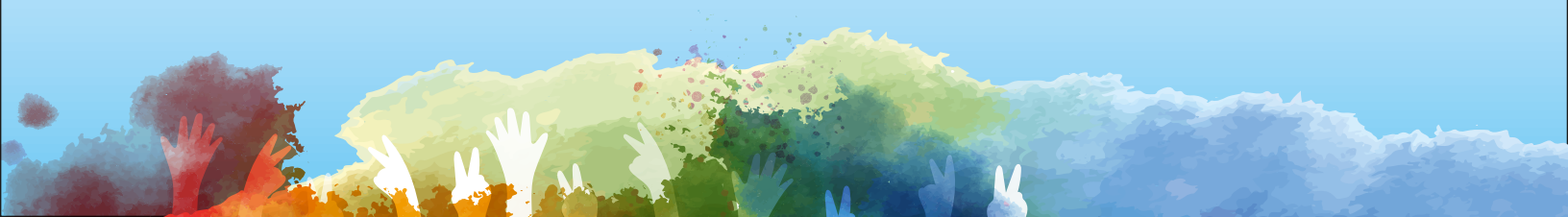
TOTAL ASSETS
1511.79 MN

TOTAL RESERVE
624.64 MN

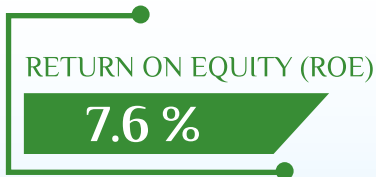
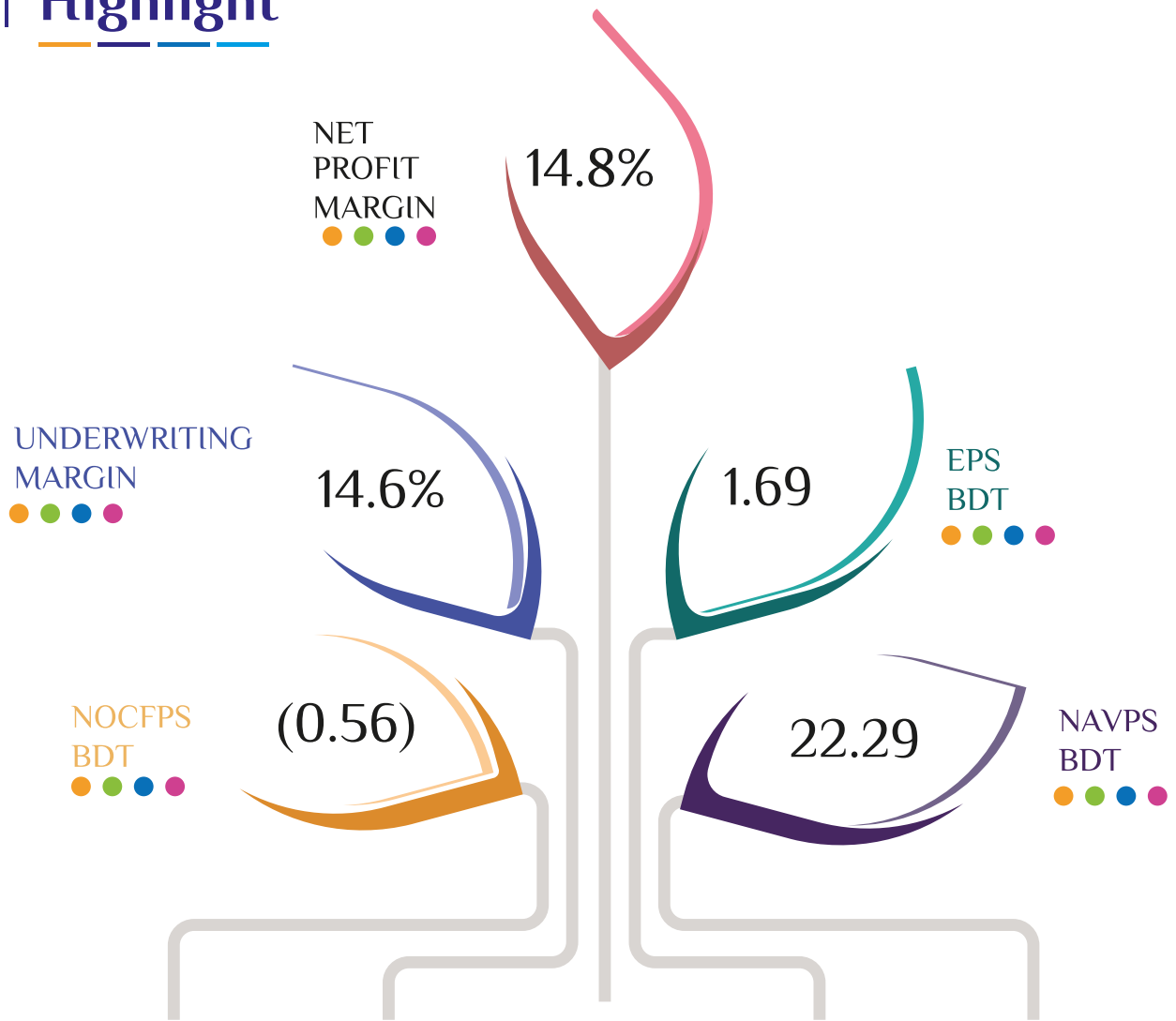
NET ASSETS
927.30 MN

PROFIT AFTER TAX
70.51 MN

PROFIT BEFORE TAX
109.15 MN



Financial Highlight



Credit Rating
AA+

Rated by ALPHA CREDIT RATING LTD



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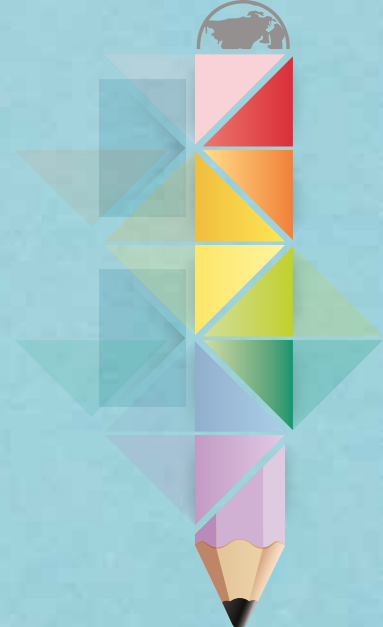
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01 | AGM INVITATION AND NOTICE



1.1 | Letter of Transmittal

Respected shareholders;
Bangladesh Securities and Exchange Commission (BSEC);
Register of Joint Stock Companies & Firms (RJSC);
Dhaka Stock Exchange Limited (DSE);
Chittagong Stock Exchange Limited (CSE);
Central Depository Bangladesh Limited (CDBL);
Insurance Development and Regulatory Authority (IDRA);

Dear Sir(s),

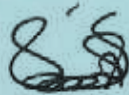
SUBJECT: ANNUAL REPORT FOR THE YEAR ENDED ON DECEMBER 31, 2023

We are pleased to enclose a copy of the Annual Report 2023 together with the Audited Annual Financial Statements including Statement of Financial Position as at December 31, 2023 and Statement of Profit or Loss and Other Comprehensive Income, Statements of Cash Flows and Statement of Changes in Shareholder's Equity for the year ended on December 31, 2023 along with the Notes thereon of Continental Insurance Limited for your kind information and record.

Information given in our Annual Report 2023 is complete, full and prepared in accordance with the applicable laws and regulations. We hope that the report will be of use to you today and tomorrow.

Best regards,

Yours sincerely,



Ataur Rahman
Company Secretary

Notice of the 24th Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of Continental Insurance Limited will be held virtually by using digital platform through the following link: <https://continins24.digitalagmbd.net> on Monday, 12th August 2024 at 11.00am (Dhaka Time) to transact the following business:

A. Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended December 31, 2023 together with Directors and Auditors Report thereon;
2. To declare dividend for the year ended December 31, 2023 as recommended by the Board of Directors;
3. To elect/re-elect Directors;
4. To Appointment/re-appointment of Independent Directors;
5. To appoint Auditors for the term until the next Annual General Meeting and fix their remuneration;
6. To approve the appointment of a compliance auditor for compliance certification on corporate governance codes issued by the Bangladesh Securities and Exchange Commission (BSEC) and the Insurance Development and Regulatory Authority (IDRA) for the year 2024 and to fix their remuneration.

B. Special Business:

To change the name of the Company to “Continental Insurance PLC” from “Continental Insurance Limited” incorporating “PLC” instead of “Limited” if deem fit by adopting the following resolution as “Special Resolution” with or without any modifications:

Resolved that the proposal:

to change the name of the Company to “Continental Insurance PLC” from “Continental Insurance Limited” incorporating “PLC” instead of “Limited” in terms of the provisions of the Company Act, 1994 [as amended (2nd) in 2020] and to amend the related Clauses/Articles to incorporate “PLC” instead of “Limited” in the memorandum and Articles of Association of the Company

Be and hereby approved to effect the change in the registered name of the Company as “Continental Insurance PLC” subject to approval of the regulatory authority(ies). If any

Dated, Dhaka:
10th July, 2024

By Order of the Board

Sd/-

(Ataur Rahman)
Company Secretary

Notes:

1. 9th June, 2024 was scheduled as Record Date. The shareholders whose names appear in the Register of members on the record date will be eligible to attend the Meeting and vote thereat and qualify for dividend.
2. Pursuant to the Bangladesh Securities & Exchange Commission's Order No. BSEC/CMRRCD/2009-193/08 dated 10 March 2021 and BSEC's Order no. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024, the AGM will be virtual meeting of the Members, which be conducted via live webcast by using digital platform.
3. The member will be able to submit their question/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging into the system, the members need to put their 16 digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the link: <https://continins24.digitalagmbd.net> and the link also sent/be sent to the email addresses of the respective shareholders.
4. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend the meeting and vote thereat on his/her behalf. The Proxy Form duly completed, must be affixed with a revenue stamps of BDT 20/- and deposited at registered office not later than 48 hours before the time of holding the meeting.
5. Pursuant to the Bangladesh Securities & Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the soft copy of the Annual Report-2023 is being sent to the email addresses of the members available in their Beneficiary Owner accounts maintained with Depository. The Members are requested to update their respective email address, mobile number & BO IDs with 12-Digit Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP). The soft copy of the Annual Report will also be available on the Company's website at www.cilbd.com.

The image features a white background filled with falling confetti. In the top right and bottom left corners, there are clusters of blue and white balloons. At the bottom of the image, a crowd of people is silhouetted against a bright, colorful light display, with many individuals raising their hands in celebration.

**03 | OUR
CELEBRATION**

3.1 Events Highlights of The Year





3.2 Media Highlights of The Year





3.3 Annual Business Conference 2023



The Annual Business Conference for Continental Insurance Limited in 2023 promises to be a dynamic and enlightening event, meticulously crafted to inspire innovation, foster collaboration, and drive success within the insurance industry. Against the backdrop of an ever-evolving landscape, this conference serves as a beacon, guiding attendees through the currents of change with confidence and resilience.

In a world where uncertainty is the only constant, CIL embraces the challenge of change head-on. The chosen theme embodies the ethos of the company, encapsulating its commitment to innovation, adaptability, and ultimately, success. By navigating the turbulent waters of transformation, CIL seeks not only to survive but to thrive in an era defined by disruption.

The conference unfolds as a tapestry of knowledge, weaving together keynote addresses, interactive workshops, thought-provoking panel discussions, and invaluable networking opportunities. Each session is meticulously curated to address the pressing issues, emerging trends, and transformative innovations shaping the insurance landscape. From cutting-edge technologies to regulatory insights, attendees are empowered with the tools and insights needed to thrive in a rapidly evolving industry.

The conference boasts an innovative showcase, featuring the latest advancements, cutting-edge solutions, and transformative technologies revolutionizing the insurance industry. From artificial intelligence to blockchain, insurtech startups to established incumbents, the showcase offers attendees a firsthand glimpse into the future of insurance and the limitless possibilities that lie ahead.



3.4 Celebration of Silver Jubilee of CLL



3.5 Celebration of Jatiyo Bima Dibosh 2023



The celebration of "Jatiyo Bima Dibosh" or National Insurance Day in Bangladesh typically honors the significant contributions of the insurance sector to the country's economy and welfare. Continental Insurance Limited celebrated the 50th Jatio Bima Dibosh or National Insurance Day on February 2, 2023, with great enthusiasm and fervor. The day marks the nationalization of the insurance industry in Bangladesh in 1973.

Continental Insurance Limited, being one of the prominent insurance companies in Bangladesh, participated in this celebration with various events and activities.

During such occasions, CIL have organized seminars, workshops, or public awareness campaigns to highlight the importance of insurance in mitigating

risks and providing financial security to individuals and businesses. They have also focused on educating the public about different insurance products and services available to them.

Moreover, CIL have used this opportunity to showcase their achievements, milestones, and contributions to the insurance industry and the nation's economic development.

Overall, the celebration of Jatiyo Bima Dibosh by Continental Insurance Limited has been a moment to reaffirm their commitment to serving their clients and the community while promoting the value of insurance in Bangladesh.



3.6 Insurance Fair



Receiving positive feedback and making notable connections at events like the Insurance Fair can greatly benefit CIL. Positive feedback indicate that attendees found their products and services appealing, their staff knowledgeable and helpful, or their presentations engaging and informative. Notable connections include potential clients, business partners, or industry experts who could lead to future collaborations or opportunities for growth. It is beneficial for CIL to follow up with these connections to further solidify relationships and explore potential synergies.

At the Insurance Fair, CIL showcased its diverse range of insurance products tailored to meet the needs of individuals, businesses, and other entities. They have highlighted any new policies or innovative coverage options they've introduced to address emerging risks or changing customer needs. Additionally, CIL used the event as a platform to emphasize their commitment to excellent customer service and their expertise in the insurance industry.

3.7 Clients Visit



Policy Renewals: CIL representatives are approaching clients whose insurance policies are due for renewal. They discuss renewal options, answer any questions, and ensure a smooth continuation of coverage.

Claims Management: CIL is sending representatives to clients who have recently filed claims. This could involve gathering information, assessing the situation, and explaining the claims process.

Service Updates: CIL has recently launched new services or benefits for its clients. They are sending

representatives to personally explain these updates and ensure clients are aware of their options.

Client Relationship Building: CIL is prioritizing building strong relationships with its clients. Representatives are visiting to discuss current coverage, identify potential future needs, and simply show appreciation for their business.

CIL is taking a proactive approach to customer service and engagement.



3.8 Visit of Foreign Reinsurer



When a foreign reinsurer visits Continental Insurance Limited, it's typically a significant event in the insurance industry.

- 1. Introduction and Welcome:** CIL's management extend a warm welcome to the visiting reinsurer. This involves formal introductions, exchange of pleasantries, and a brief overview of CIL's history, operations, and market position.
- 2. Business Discussions:** The primary purpose of the visit is to discuss potential business collaborations between CIL and the foreign reinsurer. This includes negotiating reinsurance agreements, exploring new lines of business, or discussing ways to improve existing partnerships.
- 3. Risk Assessment and Underwriting:** Both parties engage in detailed discussions about risk assessment and underwriting standards. They exchange information about their respective underwriting criteria, risk appetite, and portfolio diversification strategies.
- 4. Market Analysis:** The visiting reinsurer provide insights into global market trends, emerging risks, and regulatory developments that could impact CIL's operations. This exchange of market intelligence is valuable for both parties in making informed business decisions.
- 5. Compliance and Regulatory Matters:** Discussions also cover compliance with local and international regulatory requirements. The visiting reinsurer wants to ensure that CIL adheres to industry standards and best practices in areas such as solvency, capital adequacy, and financial reporting.

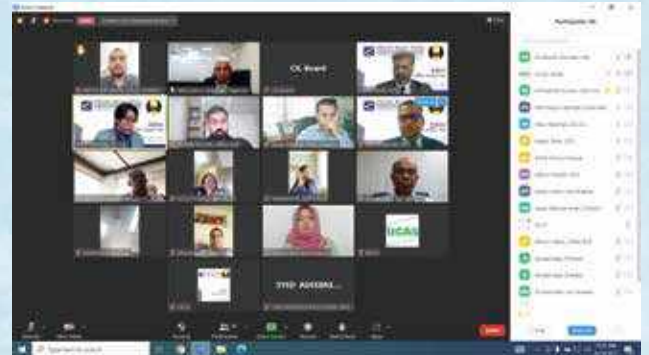
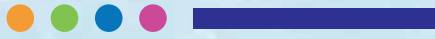
6. Technology and Innovation: In today's digital age, technology and innovation play a crucial role in the insurance industry. The visiting reinsurer share insights into cutting-edge technologies, such as artificial intelligence, data analytics, and blockchain, and discuss how these innovations can enhance CIL's operational efficiency and customer experience.

7. Networking and Relationship Building: Beyond the formal business discussions, the visit provides an opportunity for networking and relationship building between executives and key stakeholders from both organizations. Building strong personal connections is essential for fostering trust and collaboration in the reinsurance industry.

Overall, a visit from a foreign reinsurer to Continental Insurance Limited be a dynamic and collaborative exchange aimed at strengthening business ties, sharing expertise, and exploring new opportunities for growth and innovation in the insurance market.

At the Insurance Fair, CIL showcased its diverse range of insurance products tailored to meet the needs of individuals, businesses, and other entities. They have highlighted any new policies or innovative coverage options they've introduced to address emerging risks or changing customer needs. Additionally, CIL used the event as a platform to emphasize their commitment to excellent customer service and their expertise in the insurance industry.

3.9 Snapshots of Last Annual General Meeting





04

CORPORATE OBJECTIVES,
VALUES AND STRUCTURE

- 4.1 KEY INFORMATION OF THE COMPANY
- 4.2 VISION & MISSION
- 4.3 CORE VALUES
- 4.4 ETHICAL PRINCIPLES
- 4.5 GOALS & OBJECTIVES
- 4.6 STRATEGIC OBJECTIVES
- 4.7 BUSINESS PRACTICES
- 4.8 POLICY STATEMENT
- 4.9 CODE OF CONDUCT
- 4.10 VALUE CHAIN MANAGEMENT
- 4.11 VALUE CREATION PROCESS
- 4.12 VALUE CHAIN MODEL
- 4.13 PHILOSOPHY OR ETHOS
- 4.14 CORPORATE CULTURE

4.1 KEY INFORMATION OF THE COMPANY



Registered Name of the Company	:	Continental Insurance Limited
Certificate of Incorporation	:	12 December 1999, IPO-2007
Certificate of Commencement of Business	:	12 December 1999, IPO-2007
Type of Organization	:	Non-Life Insurance Company
Nature of Business	:	All type of Non-Life Insurance Business
Registered Office	:	Advanced Noorani Tower (13th Floor) 1 Mohakhali C/A, Dhaka-1212
Head Office	:	Advanced Noorani Tower (13th Floor) 1 Mohakhali C/A, Dhaka-1212
Company Registration Number	:	C-39226 (1184)/99
Tax Identification Number (TIN)	:	136901864423
VAT Registration Number	:	19101002625
Number of Branches	:	38
Credit Rating	:	AA+
Listing Year	:	Dhaka Stock Exchange Limited, 2008 Chittagong Stock Exchange Limited, 2008
Authorized Capital	:	Tk. 600.00 million
Paid up Capital	:	TK. 416.05 million
Chairman	:	A.K.M. Azizur Rahman
Vice Chairman	:	K.M Alamgir
Chief Executive Officer (C.C)	:	Golam Kamal Chowdhury
Company Secretary	:	Ataur Rahman
Chief Financial Officer	:	M.A. Malek
Auditors	:	A. Hoq & Co. Chartered Accounts
Compliance Auditor	:	G Kibria & Co., Chartered Accountants
Legal Advisor	:	Advocate Mohammad Saiful Karim
Tax Advisor	:	G Kibria & Co., Chartered Accountants
Principal Bankers	:	NCC Bank Limited Bank Asia Bank Limited Islami Bank Bangladesh Limited
Contacts	:	PABX: +8802-58817491-6
Web Address	:	www.cilbd.com
E-mail	:	info@cilbd.com
Hot Line	:	+88-01713370245

4.2 VISION & MISSION



OUR VISION

- Create reliability, dependability and sound image of Continental Insurance among the insured
- Set a Standard in Professionalism and customer service
- Contribute to national growth both in depth and dimension
- Expand our marketing network all over the country nearer to the customers for their convenience
- Expand its wing beyond national boundaries of Continental Insurance Limited

- Be a market leader in insurance sector;
- Provide prompt and personalized customer service;
- Introduce new insurance products for the benefit of society and the country;
- Maximizing shareholder's value through financial performance and returns;
- Developing rewarding employees to effectively manage client relationship;
- Add value to the national economy as well as participate in social development;
- Be a happy "Continental family"



OUR MISSION



4.3 CORE VALUES



Core values serves as guiding principles for Continental Insurance Limited, shaping their culture, behavior, and decision-making processes.



1. Integrity:

Upholding honesty and ethical behavior in all interactions, including with clients, partners, and employees.



2. Customer Focus:

Prioritizing the needs and satisfaction of clients by delivering high-quality services and solutions.



3. Innovation:

Embracing creativity and adaptability to develop new products, technologies, and processes that better serve customers and improve efficiency.



4. Excellence:

Striving for excellence in all aspects of operations, from customer service to underwriting practices, to maintain high standards of performance.



5. Teamwork:

Fostering a collaborative and supportive work environment where employees work together towards common goals and share knowledge and resources.



6. Responsibility:

Taking responsibility for actions and decisions, and considering the long-term impact on stakeholders, society, and the environment.



7. Professionalism:

Conducting business with professionalism, expertise, and respect for industry standards and regulations.



8. Community Engagement:

Engaging with and giving back to the communities in which the company operates through philanthropy, volunteerism, and sustainable business practices.

These values reflect the company's commitment to ethical conduct, customer satisfaction, innovation, and social responsibility.



4.4 ETHICAL PRINCIPLES

Ethical principles are the foundation upon which Continental Insurance Limited build their operations.

01

Integrity

Upholding honesty and fairness in all dealings, including with customers, partners, and employees.

02

Transparency

Providing clear and accurate information to all stakeholders about products, services, pricing, and terms and conditions.

03

Confidentiality

Safeguarding sensitive information provided by customers and employees, maintaining their privacy and trust.

04

Compliance

Adhering to all relevant laws, regulations, and industry standards to ensure legal and ethical conduct.

05

Fairness

Treating all customers and stakeholders fairly and without discrimination, regardless of factors such as race, gender, or socio-economic status.

06

Responsibility

Taking responsibility for the social and environmental impacts of business activities and striving to minimize negative effects while imizing positiveons.

07

Professionalism

Conducting business with competence, diligence, and professionalism, ensuring high standards of service and accountability.

08

Conflict of Interest Avoidance

Avoiding situations where personal interests conflict with the interests of customers or the company, and disclosing any potential conflicts transparently.

09

Continuous Improvement

Committing to ongoing learning and improvement in ethical practices, adapting to changes in the business environment and societal expectations.

These principles provide a framework for ethical decision-making and guide the behavior of employees and leaders within CIL.



4.5 GOALS & OBJECTIVES



- 1. Financial Growth:** Continuously strive to increase revenue and profitability through effective underwriting, risk management, and investment strategies.
- 2. Customer Satisfaction:** Provide exceptional service to policyholders, brokers, and partners, ensuring their insurance needs are met promptly and effectively.
- 3. Risk Management:** Maintain a robust risk management framework to identify, assess, and mitigate risks effectively, ensuring the company's financial stability and resilience against unforeseen events.
- 4. Innovation:** Stay ahead of the curve by adopting new technologies and innovative insurance products that meet evolving customer demands and industry trends.
- 5. Compliance and Governance:** Adhere to regulatory requirements and industry standards, maintaining high levels of corporate governance and ethical conduct in all business operations.
- 6. Talent Development:** Invest in the development of employees' skills and knowledge to foster a culture of excellence and innovation within the organization.
- 7. Market Expansion:** Explore opportunities for geographic expansion or diversification into new lines of insurance to capture additional market share and enhance the company's competitiveness.
- 8. Sustainability:** Incorporate environmental, social, and governance (ESG) principles into business practices to promote long-term sustainability and contribute positively to the communities in which the company operates.
- 9. Brand Reputation:** Build and maintain a strong brand reputation as a trusted and reliable insurance provider, earning the loyalty and confidence of customers and stakeholders.
- 10. Digital Transformation:** Embrace digitalization initiatives to streamline processes, enhance customer experiences, and improve operational efficiency across the organization.





4.6 STRATEGIC OBJECTIVES



Strategic objectives for Continental Insurance Limited revolve around key areas such as:

1. **Market Expansion:** Increasing market share by expanding into new geographic regions or tapping into underserved markets.
2. **Product Diversification:** Introducing new insurance products or enhancing existing ones to meet changing customer needs and preferences.
3. **Customer Satisfaction:** Improving customer service processes, streamlining claims handling, and enhancing overall customer experience to retain existing clients and attract new ones.
4. **Risk Management:** Strengthening risk assessment and underwriting processes to minimize exposure and maintain profitability.
5. **Operational Efficiency:** Optimizing operational processes and leveraging technology to reduce costs and improve efficiency throughout the organization.
6. **Talent Development:** Investing in employee training and development programs to attract and retain top talent, ensuring a skilled workforce capable of driving business growth.
7. **Financial Performance:** Achieving sustainable revenue growth and profitability through prudent financial management and strategic investment decisions.
8. **Compliance and Regulatory Adherence:** Ensuring compliance with regulatory requirements and industry standards to mitigate legal and reputational risks.
9. **Sustainability and Corporate Responsibility:** Integrating sustainable practices into business operations and actively contributing to the community through corporate social responsibility initiatives.
10. **Digital Transformation:** Embracing digital technologies to enhance operational agility, improve decision-making processes, and meet the evolving needs of customers in an increasingly digital world.

These objectives are aligned with CIL's overall mission and vision. Additionally, they are measurable and actionable to track progress and make necessary adjustments along the way.

4.7 BUSINESS PRACTICES



- 1. Underwriting Standards:** CIL have specific criteria and guidelines for evaluating risks and determining premiums for various types of insurance policies.
- 2. Claims Handling:** Efficient and fair processing of claims is crucial in the insurance industry. CIL have procedures in place for investigating and settling claims promptly while also guarding against fraudulent claims.
- 3. Customer Service:** Providing excellent customer service is essential for retaining clients and attracting new ones. CIL have measures in place to ensure that clients receive timely and helpful assistance with their insurance needs.
- 4. Risk Management:** As an insurance provider, CIL have its own risk exposure. They employ risk management strategies to mitigate potential losses, such as reinsurance, diversification of portfolios, and rigorous assessment of risk factors.
- 5. Compliance and Regulation:** Insurance companies operate within a highly regulated environment. CIL needs to adhere to various regulations and standards set forth by regulatory bodies to ensure legal compliance and maintain trust with stakeholders.
- 6. Investment Strategy:** Insurance companies often invest premiums collected from policyholders to generate returns. CIL have an investment strategy aimed at balancing risk and return to maximize profitability while ensuring liquidity and solvency.
- 7. Product Development and Innovation:** To stay competitive, CIL continuously assess market trends and customer needs to develop new insurance products and services or enhance existing ones.
- 8. Marketing and Distribution Channels:** CIL utilize various marketing channels to promote its insurance products and reach potential customers. This includes partnerships with brokers, online marketing, advertising campaigns, and more.
- 9. Corporate Social Responsibility (CSR):** Many modern businesses, including insurance companies, engage in CSR initiatives. CIL support community programs, environmental initiatives, or other philanthropic efforts as part of its corporate responsibility.

These are just some of the fundamental aspects of business practices that Continental Insurance Limited engage in. The specifics may vary depending on factors such as market focus, regulatory environment, and corporate culture.

4.8 POLICY STATEMENT



At Continental Insurance Limited, we are committed to providing our clients with exceptional insurance products and services while maintaining the highest standards of professionalism, integrity, and transparency.

- 1. Customer Satisfaction:** CIL prioritizes customer satisfaction above all else. We strive to understand our clients' needs and deliver tailored insurance solutions that provide them with peace of mind and financial security.
- 2. Integrity and Ethics:** We conduct our business with the utmost integrity and adhere to the highest ethical standards. CIL is committed to transparency, honesty, and fairness in all interactions with our clients, employees, partners, and stakeholders.
- 3. Innovation and Adaptability:** In a rapidly evolving insurance landscape, CIL remains agile and innovative. We continuously seek opportunities to enhance our products, services, and processes to better meet the changing needs of our clients and stay ahead of industry trends.
- 4. Risk Management:** CIL is dedicated to effective risk management practices. We employ rigorous underwriting standards and risk assessment methodologies to ensure the long-term sustainability and profitability of our business while responsibly managing risk exposure.
- 5. Compliance and Regulation:** CIL is fully committed to compliance with all applicable laws, regulations, and industry standards. We maintain robust compliance programs and regularly review our practices to ensure alignment with regulatory requirements and best practices.
- 6. Employee Development and Well-being:** Our employees are our most valuable asset. CIL is committed to fostering a supportive and inclusive work environment where employees are empowered to grow, innovate, and thrive. We prioritize employee development, training, and well-being to ensure a motivated and engaged workforce.
- 7. Community Engagement:** CIL recognizes its responsibility to give back to the communities in which we operate. Through corporate social responsibility initiatives and community engagement efforts, we strive to make a positive impact and contribute to the well-being of society.
- 8. Environmental Sustainability:** We are committed to minimizing our environmental footprint and promoting sustainability in all aspects of our business operations. CIL seeks to reduce waste, conserve resources, and implement environmentally responsible practices to help protect the planet for future generations.

4.9 CODE OF CONDUCT



Compensation and Career Development:

CIL ensures the presence of a well-defined compensation package and offers clear goal orientation for all employees. The management is dedicated to fostering both professional and career development opportunities for its workforce.

Job Satisfaction:

CIL prioritizes the satisfaction of its employees by providing a supportive work environment with strategic and logistic support. This approach aims to enhance employee loyalty to the organization and its culture.

Job Performance:

Employees must refrain from engaging in on-duty conduct that could impair job performance, cause damage to CIL or public property, jeopardize safety, or tarnish the reputation of CIL.

Compliance:

It is the responsibility of each employee to know and comply with all applicable laws, rules, and regulations governing their work activities, as well as any company guidance documents.

Prudent Conduct:

Employees are expected to behave sensibly in the workplace, maintaining a healthy work culture and adhering to the rules and regulations set forth by CIL.

Conflicts of Interest:

Employees must avoid situations where personal interests conflict with their professional duties. This includes dissatisfaction with salary, pressure from others, or any other factors that may compromise integrity.

Responsibility:

Employees should uphold the lawful interests of shareholders, prioritize customer needs, and comply with legal, regulatory, and social/community norms.

Confidentiality:

Employees must protect the confidentiality of official information, customer data, and information related to government agencies. Disclosure of sensitive information without authorization is strictly prohibited.

Independence:

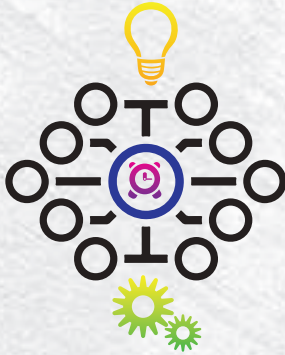
CIL encourages employees to exercise independence in decision-making and work parameters, fostering creativity and autonomy in job performance.

Diversity:

CIL values the diversity of its workforce and is committed to creating an inclusive work environment that respects the rights and unique qualities of each individual.



4.10 VALUE CHAIN MANAGEMENT



Value chain management of Continental Insurance Limited involves a series of interconnected activities aimed at delivering value to customers while optimizing operational efficiency and profitability.

1. Inbound Logistics:

- Procurement of insurance policies from reinsurance companies or underwriting agencies.
- Managing relationships with intermediaries like brokers and agents.

2. Operations:

- Assessing risks associated with potential policyholders and determining premiums.
- Creating and issuing insurance policies to customers.
- Handling claims submitted by policyholders, investigating, and settling them efficiently.
- Providing assistance, answering inquiries, and resolving issues related to policies and claims.

3. Outbound Logistics:

- Delivering policy documents and information to customers.
- Coordinating with partners for reinsurance or other risk management strategies.

4. Marketing and Sales:

- Developing marketing strategies to attract new customers.
- Sales activities through various channels like agents, brokers, online platforms, etc.
- Customer relationship management to retain existing customers and encourage policy renewals.

5. Service:

- Offering additional services such as risk assessment, consultancy, or insurance advice.
- Providing support to policyholders throughout the duration of their policies.
- Handling complaints and feedback effectively to improve service quality.

6. Procurement:

- Sourcing necessary resources for operations like IT systems, office supplies, and infrastructure.
- Negotiating contracts with reinsurers or other business partners.

7. Technology Development:

- Investing in and developing innovative insurance products and services.
- Implementing and maintaining IT systems for policy administration, claims processing, and customer relationship management.

8. Human Resource Management:

- Recruiting and training employees with the necessary skills and expertise.
- Ensuring a positive work environment and employee satisfaction to enhance productivity and service quality.

9. Firm Infrastructure:

- Establishing a robust organizational structure and governance framework.
- Managing financial resources effectively to ensure stability and growth.

10. Risk Management:

- Assessing and managing various types of risks, including underwriting risk, market risk, and operational risk.
- Implementing risk mitigation strategies and controls to protect the company's assets and reputation.

By optimizing each of these activities and aligning them with CIL's overall strategic objectives, value chain management can help the company enhance customer satisfaction, reduce costs, and gain a competitive advantage in the insurance market.

4.11 VALUE CREATION PROCESS



The Value Creation Process of Continental Insurance Limited involves several key steps and strategies that contribute to its success and attractiveness to stakeholders:

- 1. Risk Assessment and Underwriting:** CIL assesses various risks associated with potential policyholders. This involves evaluating factors such as age, health, occupation, and lifestyle to determine the likelihood of an insurance claim.
- 2. Product Development:** CIL designs insurance products tailored to the needs of different market segments. These products include fire insurance, marine insurance, property insurance, and more. The goal is to offer comprehensive coverage while managing risk effectively.
- 3. Distribution Channels:** CIL selects distribution channels through which its products will be sold. This includes agents, brokers, online platforms, or partnerships with other businesses.
- 4. Customer Acquisition:** CIL employs marketing and sales efforts to attract new customers. This involves advertising campaigns, promotional events, or targeted outreach to specific demographic groups.
- 5. Policy Issuance:** Once a customer purchases an insurance policy, CIL issues the policy documents and collects the premium payments.
- 6. Risk Management:** CIL implements strategies to manage the risks associated with its insurance policies. This involves reinsurance arrangements, investment in risk mitigation measures, or adjusting underwriting criteria based on changing market conditions.
- 7. Claims Processing:** When a policyholder experiences a covered loss or event, CIL processes the insurance claim and provides compensation according to the terms of the policy.
- 8. Customer Service and Retention:** CIL focuses on providing excellent customer service to retain existing policyholders and build long-term relationships. This includes handling inquiries, resolving issues, and offering additional support as needed.
- 9. Investment Management:** CIL manages the funds collected from insurance premiums through investment activities. This typically involves investing in a diversified portfolio of assets to generate returns that can contribute to the company's profitability and financial stability.
- 10. Regulatory Compliance:** Throughout the value creation process, CIL ensures compliance with relevant regulations and laws governing the insurance industry. This includes licensing requirements, solvency standards, and consumer protection measures.

By effectively executing each of these steps, CIL creates value for its stakeholders, including policyholders, shareholders, employees, and the broader community.

4.12 VALUE CHAIN MODEL



A value chain model helps understand the activities by which Continental Insurance Limited creates value for its customers.

Primary Activities:

Product Development & Underwriting: This involves designing insurance products, analyzing risks, and setting premiums. CIL conducts market research, develop new products, and underwrite policies based on risk assessment.

- **Marketing & Sales:** This includes promoting insurance products, building relationships with agents and brokers, and generating leads. CIL utilizes various channels like advertising, partnerships with distributors, or a direct sales force.

- **Customer Service:** This encompasses handling customer inquiries, processing claims, and providing assistance during the policy lifecycle. CIL has a customer service team to answer questions, manage claims efficiently, and ensure customer satisfaction.

- **Risk Management:** This involves activities that minimize the likelihood and impact of insured events. CIL invests in loss prevention programs, fraud detection, and reinsurance to mitigate risk.

Support Activities:

- **Infrastructure:** This includes the technology, facilities, and other resources needed to operate. CIL requires robust IT systems for data management, policy administration, and claims processing.

- **Human Resource Management:** This involves attracting, recruiting, training, and motivating employees. CIL has a skilled workforce for underwriting, claims processing, sales, and other functions.

- **Claim Settlement:** This involves investigating claims, assessing damages, and making payouts to policyholders. CIL has a claims department to manage this process efficiently and fairly.

Margin Activities:

- **Reinsurance:** CIL participates in reinsurance to share risks with other insurance companies, spreading its exposure and stabilizing finances.

- **Investments:** Premiums collected are often invested to generate additional income. CIL has an investment strategy to manage these funds for long-term profitability.

Value Creation for Customers:

- **Risk Transfer:** CIL takes on the financial burden of covered losses, providing peace of mind to customers.

- **Financial Protection:** In case of an insured event, CIL offers financial compensation to help customers recover from losses.

- **Risk Mitigation Services:** CIL offers additional services like risk assessments or safety recommendations to help customers prevent losses.

By analyzing its value chain, CIL can identify areas for improvement and create a competitive advantage. They can focus on streamlining processes, enhancing customer service, and developing innovative products to deliver superior value to their policyholders.

4.13 PHILOSOPHY OR ETHOS



Continental Insurance Limited has a philosophy or ethos that guides its operations and interactions with customers, employees, and stakeholders.

Customer-Centricity:

At CIL, our philosophy revolves around putting customers at the heart of everything we do. We believe in building long-lasting relationships based on trust, transparency, and reliability. Our commitment is to understand and meet the diverse needs of our customers, providing them with tailored insurance solutions that offer peace of mind and financial security.

Integrity and Ethics:

We uphold the highest standards of integrity and ethics in all our dealings. Honesty, fairness, and accountability are the cornerstones of our business practices. We strive to maintain the trust and confidence of our customers, employees, regulators, and other stakeholders through ethical behavior and responsible decision-making.

Innovation and Adaptability:

In an ever-evolving insurance landscape, we embrace innovation and adaptability as key drivers of our success. We continuously seek out new ideas, technologies, and approaches to enhance the value we deliver to our customers and improve the efficiency of our operations. By staying ahead of the curve, we remain agile and resilient in the face of change.

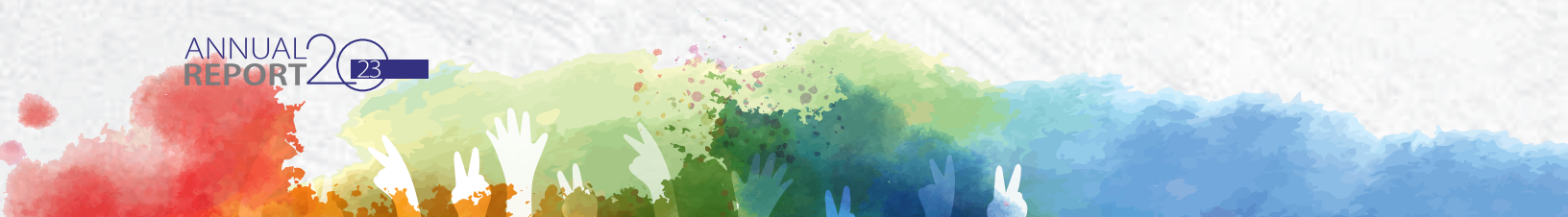
Employee Empowerment and Development:

Our employees are our most valuable asset. We foster a culture of empowerment, collaboration, and continuous learning, where every individual has the opportunity to grow, contribute, and thrive. By investing in the development and well-being of our team members, we ensure they have the skills, knowledge, and motivation to deliver exceptional service and drive organizational excellence.

Community Engagement and Social Responsibility:

As a responsible corporate citizen, we are committed to making a positive impact on the communities we serve. We actively support initiatives and causes that promote education, health, environmental sustainability, and social welfare. By giving back to society and being actively involved in community development, we fulfill our broader purpose and create shared value for all stakeholders.

This philosophy guides our decisions, actions, and relationships, driving us to continually raise the bar and exceed expectations in everything we do. At CIL, we are dedicated to building a brighter, more secure future for our customers, employees, and society as a whole.



4.14 CORPORATE CULTURE



- 1. Values and Mission:** CIL emphasizes its values and mission as guiding principles. These include integrity, customer service, innovation, and teamwork. Employees are encouraged to align their work with these core values.
- 2. Employee Empowerment:** CIL foster an environment where employees feel empowered to make decisions and take ownership of their work. This leads to a more dynamic and responsive organization.
- 3. Open Communication:** Clear and open communication channels are prioritized at CIL. Employees have opportunities to share feedback, ideas, and concerns with management, fostering transparency and trust.
- 4. Diversity and Inclusion:** CIL values diversity and inclusion, recognizing the importance of different perspectives and experiences. This is reflected in hiring practices, employee resource groups, and diversity training programs.
- 5. Work-Life Balance:** CIL promotes a healthy work-life balance, understanding that happy and fulfilled employees are more productive. Flexible work arrangements, wellness programs, and support for personal development are part of the culture.
- 6. Continuous Learning:** A culture of continuous learning and development is encouraged at CIL. This involves training opportunities, mentorship programs, and support for professional certifications.
- 7. Community Engagement:** CIL is committed to giving back to the community through corporate social responsibility initiatives and volunteer programs. This helps foster a sense of purpose and pride among employees.
- 8. Adaptability and Innovation:** Given the dynamic nature of the insurance industry, CIL values adaptability and innovation. Employees are encouraged to think creatively and embrace change to stay ahead of the curve.



05

HUMAN RESOURCES
MANAGEMENT

- 5.1 HUMAN RESOURCES POLICY
- 5.2 HUMAN RESOURCES MANAGEMENT
- 5.3 HUMAN RESOURCES VALUATION
- 5.4 HUMAN RESOURCES ACCOUNTING
- 5.5 TRAINING & DEVELOPMENT
- 5.6 RESPONSIBILITIES TO STAFFS & EMPLOYEES

5.1 Human Resources Policy

Introduction

Continental Insurance Limited is committed to fostering a positive and productive work environment where every employee is valued and respected. Our Human Resources policies are designed to promote fairness, transparency, and compliance with applicable laws and regulations. This policy manual serves as a guide for employees regarding their rights, responsibilities, and the company's expectations.

Equal Employment Opportunity

CIL is an equal opportunity employer and prohibits discrimination and harassment based on race, color, religion, gender, sexual orientation, national origin, age, disability, or any other characteristic protected by law. All employment decisions are made based on merit, qualifications, and business needs.

Recruitment and Selection

CIL is committed to attracting and retaining top talent. All recruitment and selection processes are conducted fairly and transparently. Vacancies are advertised internally and externally to ensure equal opportunity for all qualified candidates. Selection criteria are based on job-related factors, including skills, experience, and qualifications.

Employee Benefits

CIL offers a competitive benefits package to promote the health, well-being, and financial security of its employees. Benefits may include health insurance, retirement plans, paid time off, and other perks and incentives.

Employee Development

CIL values continuous learning and professional development. Employees are encouraged to pursue training and development opportunities to enhance their skills and advance their careers. The company provides financial assistance or support for relevant courses, workshops, and certifications.

Performance Management

CIL believes in regular feedback and performance evaluation to support employee growth and development. Performance

reviews are conducted annually or as needed to assess employee performance, set goals, and provide constructive feedback. Managers are expected to communicate expectations clearly and provide support to help employees succeed.

Workplace Health and Safety

CIL is committed to providing a safe and healthy work environment for all employees. We comply with all relevant health and safety regulations and strive to prevent accidents and injuries through risk assessment, training, and safety protocols.

Confidentiality and Data Protection

CIL respects the privacy and confidentiality of its employees' personal information. Employee data is handled securely and in accordance with applicable privacy laws and regulations. Employees are expected to maintain the confidentiality of sensitive information and use company resources responsibly.

Code of Conduct

CIL expects all employees to adhere to high ethical standards and conduct themselves with integrity and professionalism. Our Code of Conduct outlines expected behaviors and prohibits actions such as dishonesty, fraud, harassment, and discrimination.

Complaints and Grievances

CIL provides channels for employees to raise concerns, report grievances, or seek assistance in resolving workplace issues. Employees can approach their manager, Human Resources, or other designated individuals in confidence. Complaints will be investigated promptly and impartially, and appropriate action will be taken as necessary.

Conclusion

This Human Resources Policy is a reflection of CIL's commitment to its employees and its dedication to creating a positive and inclusive workplace culture. Employees are encouraged to familiarize themselves with these policies and reach out to HR for clarification or assistance as needed.



5.2 Human Resources Management

CIL has a comprehensive approach to Human Resource Management (HRM) that aligns with its goals and vision for the organization.

1. Recruitment Strategy: CIL emphasizes recruiting both fresh talent and experienced professionals, maintaining a balance in its workforce. Preference is given to candidates with specific educational backgrounds like CA, CMA, CS, BBA, and MBA, focusing on faculties related to Marketing, Management, or Finance. This strategy ensures a diverse pool of skills and perspectives within the organization.

2. Training Programs: The company invests in training programs, both in-house and external, for both new recruits and existing employees. These programs aim to enhance efficiency and develop necessary skills for future leadership roles. The focus on continuous learning and development indicates a commitment to employee growth and adaptability to changing business needs.

3. Expansion and New Initiatives: CIL's proactive approach to introducing new products and entering emerging sectors requires a corresponding effort in recruiting and training personnel to support these initiatives. The crash program

to recruit and train staff for new areas demonstrates agility in responding to market demands and opportunities.

4. Performance Appraisal and Incentives: CIL recognizes the importance of performance evaluation and rewards employees based on their contributions and merits. The range of benefits and incentives provided, such as provident fund schemes, insurance, bonuses, and recreational activities, reflects a comprehensive approach to employee welfare and motivation.

5. Work Environment: Maintaining a safe, clean, and healthy work environment is highlighted as a priority for CIL. A positive and friendly atmosphere fosters job satisfaction and employee engagement, contributing to overall productivity and well-being.

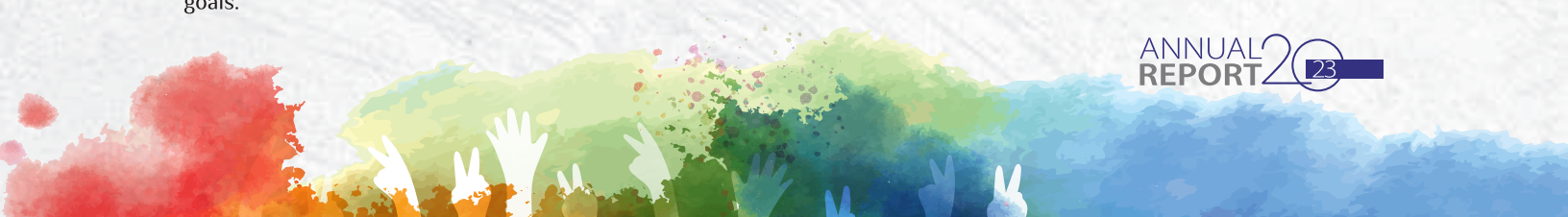
Overall, CIL's HRM policies seem well-aligned with its organizational objectives, emphasizing recruitment, training, performance management, employee welfare, and maintaining a conducive work environment. These practices can contribute to building a strong and motivated workforce to support the company's continuous growth and success.

5.3 Human Resources Valuation

Human Resources Valuation is a process used by Continental Insurance Limited to assess the worth of their human capital in terms of skills, experience, and contributions to the organization. This valuation is essential for understanding the value that employees bring to the company and for making strategic decisions regarding talent management, compensation, and resource allocation.

There are various methods for conducting human resources valuation, including financial metrics like return on investment (ROI) for training and development programs, as well as qualitative assessments of employee performance, potential, and alignment with organizational goals.

For Continental Insurance Limited, the HR valuation process may involve analyzing factors such as employee retention rates, productivity levels, employee satisfaction surveys, performance evaluations, and the cost of recruitment and training compared to the value generated by employees. This information helps CIL to identify areas for improvement, invest in talent development initiatives, and ensure that the company's human capital is effectively utilized to achieve its strategic objectives.



5.4 Human Resources Accounting

Human Resources Accounting (HRA) is a system used by organizations to quantify and report the value of human resources in financial terms. Continental Insurance Limited employs some form of HRA to assess the value contributed by its employees to the company's bottom line. This involves various methodologies to measure and represent the value of human capital, including skills, knowledge, experience, and potential future contributions.

CIL involves assessing the value of its employees in terms of their ability to generate revenue, manage risks effectively, provide excellent customer service, and contribute to the company's overall success. This includes

factors such as employee productivity, retention rates, training investments, and the impact of employee turnover on the company's financial performance.

Implementing HRA allows CIL to better understand the significance of their human capital and make informed decisions regarding recruitment, training, compensation, and performance management. By recognizing the value of their employees in financial terms, CIL can optimize their human resource management practices and ultimately enhance their competitive advantage in the marketplace.

5.5 Training & Development

Training and development are critical components for the growth and success of Continental Insurance Limited.

1. Assessment of Training Needs: CIL starts by assessing the training needs of its employees. This involves performance evaluations, skills gap analysis, and identifying areas for improvement in line with the company's goals and objectives.

2. Training Planning: Once the training needs are identified, CIL develops a training plan outlining the objectives, content, methods, and resources required for each training program. This plan would align with the overall strategic direction of the company.

3. Training Delivery: CIL employs various methods to deliver training, including:

- Instructor-Led Training (ILT): Classroom-based training sessions conducted by subject matter experts.

- Online Training: Utilizing e-learning platforms and modules to deliver training remotely, allowing employees to learn at their own pace.

- On-the-Job Training (OJT): Providing hands-on training and mentorship within the workplace.

- Workshops and Seminars: Hosting workshops or seminars focused on specific skills or topics relevant to CIL's operations.

4. Employee Development Programs: CIL also invests in employee development programs to nurture talent and prepare employees for future roles within the company.

This includes leadership development programs, mentoring initiatives, and opportunities for further education or certifications.

5. Evaluation and Feedback: After training programs are completed, CIL evaluates their effectiveness through feedback surveys, assessments, and performance reviews. This feedback loop helps identify areas of improvement and ensures that training initiatives align with the company's objectives.

6. Continuous Learning Culture: CIL fosters a culture of continuous learning where employees are encouraged to seek out learning opportunities and professional development resources. This includes providing access to online courses, hosting lunch and learn sessions, or creating internal knowledge-sharing platforms.

7. Adaptation to Changes: CIL continuously adapts its training and development initiatives to keep pace with changes in the industry, technology advancements, and evolving business needs. This agility ensures that employees remain skilled and equipped to tackle emerging challenges.

By prioritizing training and development, Continental Insurance Limited can empower its employees to reach their full potential, drive innovation, and contribute to the company's long-term success.



5.6 Responsibilities to Staffs and Employees

Continental Insurance Limited have significant responsibilities to its staffs and employees

1. Fair Compensation:

CIL provides fair and competitive compensation packages to its employees, including salaries, benefits, and incentives. This ensures that employees feel valued and motivated to contribute to the company's success.

2. Safe Working Environment:

CIL prioritizes the health and safety of its employees by providing a safe working environment. This includes adhering to workplace safety regulations, providing necessary training, and implementing appropriate safety measures.

3. Equal Opportunities:

CIL promotes diversity and inclusion within its workforce, ensuring that all employees have equal opportunities for career advancement and professional development regardless of factors such as race, gender, or background.

4. Work-Life Balance:

CIL supports work-life balance initiatives to help employees maintain a healthy equilibrium between their professional responsibilities and personal lives. This may include flexible work arrangements, parental leave policies, and wellness programs.

5. Training and Development:

CIL invests in the continuous learning and development of its employees, providing opportunities for skill enhancement, career growth, and advancement within the company.

6. Open Communication:

CIL fosters open and transparent communication channels between management and employees, allowing for feedback, suggestions, and concerns to be addressed in a timely and respectful manner.

7. Employee Wellbeing:

CIL prioritizes the overall wellbeing of its employees, including physical, mental, and emotional health. This involves providing access to resources such as counseling services, healthcare benefits, and employee assistance programs.

8. Corporate Social Responsibility (CSR):

CIL engages in corporate social responsibility initiatives that benefit both employees and the broader community. This involves supporting charitable causes, volunteering opportunities, or environmentally sustainable practices.

By fulfilling these responsibilities, CIL creates a positive work environment where employees feel valued, motivated, and empowered to contribute to the company's success.





06

CORPORATE STRATEGY

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- 6.1 Our Wealth Our Client**
6.2 Strategy Orientation Framework
6.3 Strategic Priorities
6.4 Key Strategies
6.5 Business Model
6.6 Products and Services
6.7 Product Diversification and Innovation
6.8 Market Development, Product & Service Development
6.9 Business Activities and Review of Products
6.10 Process of the Resource Allocation
6.11 Segment Information
6.12 Information Technology System & Control
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| SPENDING | +23.432 | ↑ |

6.1 OUR WEALTH OUR CLIENT



Continental Insurance Limited is a well-known insurance provider, committed to safeguarding the assets and interests of its clients. Established with a mission to offer comprehensive coverage and reliable service, Continental Insurance Limited has likely built a reputation for its expertise in various insurance products, such as fire, health, property, and casualty insurance etc.

With a focus on customer satisfaction and financial security, CIL likely strives to tailor insurance solutions to meet the diverse needs of individuals, families, and businesses. Their dedication to professionalism, integrity, and innova-

tion likely sets them apart in the competitive insurance industry, earning them the trust and loyalty of their clients.

Continental Insurance Limited likely emphasizes the importance of understanding clients' unique circumstances and providing personalized advice and support to ensure they have adequate coverage and peace of mind. Whether it's protecting assets, mitigating risks, or planning for the future, CIL likely remains committed to being a reliable partner in helping clients achieve their financial goals and aspirations.

6.2 STRATEGY ORIENTATION FRAMEWORK



Developing a strategy orientation for Continental Insurance Limited involves several key steps to ensure long-term success and competitive advantage in the insurance industry.

1. Market Analysis:

Conduct a comprehensive analysis of the insurance market, including trends, competitors, customer preferences, and regulatory landscape. Identify emerging opportunities and potential threats that could impact CIL's business.

2. Define Vision and Mission:

Clearly articulate CIL's vision for the future and its mission in serving customers and stakeholders. Ensure alignment with the company's values and commitment to excellence in insurance services.

3. Segmentation and Targeting:

- Segment the market based on demographics, psychographics, and insurance needs.
- Identify high-potential customer segments and tailor insurance products and services to meet their specific needs.

4. Product Portfolio Optimization:

- Assess the existing product portfolio and identify areas for improvement or expansion.
- Develop innovative insurance products that address

emerging risks and cater to evolving customer demands.

5. Distribution Strategy:

- Evaluate different distribution channels, including online platforms, agents, brokers, and partnerships.
- Optimize the distribution mix to reach target customers effectively and efficiently.

6. Customer Experience Focus:

- Prioritize customer satisfaction and loyalty by delivering exceptional service at every touchpoint.
- Invest in digital technologies to enhance the customer experience, streamline processes, and enable self-service options.

7. Risk Management:

- Strengthen risk management practices to mitigate potential losses and uphold financial stability.
- Stay abreast of industry regulations and compliance requirements to ensure adherence to legal standards.

8. Talent Development:

- Invest in employee training and development programs to build a skilled workforce capable of delivering on CIL's strategic objectives.
- Foster a culture of innovation, collaboration, and continuous improvement.



9. Technology Integration:

- Leverage technology solutions such as data analytics, artificial intelligence, and blockchain to enhance underwriting accuracy, claims processing efficiency, and fraud detection.
- Embrace digital transformation to stay competitive in a rapidly evolving insurance landscape.

10. Measurement and Evaluation:

- Establish key performance indicators (KPIs) to track progress towards strategic goals.
- Regularly review performance metrics and adjust strategies as needed to stay on course.

By following this strategy orientation framework, Continental Insurance Limited can position itself for sustained growth, profitability, and success in the

6.3 STRATEGIC PRIORITIES



• Risk Management:

CIL focuses on identifying, assessing, and mitigating various risks, such as underwriting risks, investment risks, and operational risks. This ensures the company's financial stability and resilience in the face of unforeseen events.

• Customer Service:

CIL is committed to providing excellent customer service by promptly processing claims, offering personalized solutions tailored to individual needs, and maintaining effective communication channels to address customer inquiries and concerns.

• Innovation and Technology:

CIL invests in cutting-edge technologies like artificial intelligence and data analytics to enhance operational efficiency, develop innovative insurance products, and provide customers with convenient digital platforms for policy management and communication.

• Market Expansion:

CIL seeks opportunities to expand its market presence by identifying and entering new geographical regions or target customer segments. This involves strategic

partnerships, acquisitions, or the introduction of specialized insurance products to meet specific market needs.

• Regulatory Compliance:

CIL prioritizes compliance with regulatory requirements and industry standards to ensure legal and ethical business practices. This involves staying updated on regulatory changes and implementing appropriate measures to adhere to them.

• Talent Development:

CIL recognizes the importance of investing in its employees' professional development to cultivate a skilled workforce capable of delivering high-quality services and driving innovation within the company.

• Sustainability Initiatives:

CIL integrates environmental, social, and governance (ESG) considerations into its business practices to promote sustainability and social responsibility. This involves initiatives such as reducing the company's carbon footprint, supporting community initiatives, and ensuring ethical business practices throughout its operations.



6.4 KEY STRATEGIES



Key strategies for Continental Insurance Limited focuses on several areas to ensure its success and growth in the insurance industry.

1. Customer-Centric Approach:

Prioritize customer satisfaction by offering personalized insurance solutions tailored to the needs of individuals and businesses. Providing excellent customer service and promptly addressing customer concerns can enhance loyalty and retention rates.

2. Product Diversification:

Continuously assess market needs and trends to develop a diverse range of insurance products that cater to different segments of the market. This includes life insurance, property insurance, health insurance, and specialized coverage for niche markets.

3. Risk Management:

Implement robust risk management practices to minimize exposure to losses and ensure the financial stability of the company. This includes careful underwriting, reinsurance arrangements, and investment strategies to mitigate risks.

4. Technology Integration:

Embrace technology to streamline operations, improve efficiency, and enhance the overall customer experience. This involves investing in digital platforms for policy management, claims processing, and data analytics to gain insights into customer behavior and market trends.

5. Market Expansion:

Explore opportunities for geographic expansion into new regions or markets where there is untapped potential for growth. This involves strategic partnerships, acquisitions, or joint ventures to establish a presence in key markets.

6. Compliance and Regulation:

Stay abreast of regulatory changes and compliance requirements to ensure adherence to legal standards and maintain the trust and confidence of policyholders and stakeholders.

7. Talent Development:

Invest in recruiting and retaining top talent in the insurance industry. This includes providing training and development programs to enhance employee skills and expertise, fostering a culture of innovation and continuous improvement.

8. Corporate Social Responsibility:

Engage in corporate social responsibility initiatives to contribute positively to the communities in which CIL operates. This involves supporting charitable causes, promoting environmental sustainability, and participating in community development projects.

9. Brand Building and Marketing:

Develop a strong brand identity and marketing strategy to differentiate CIL from competitors and attract new customers. This includes targeted advertising campaigns, sponsorships, and participation in industry events and conferences.

10. Financial Strength:

Maintain a strong balance sheet and capital reserves to withstand economic downturns and unforeseen events. This involves prudent financial management, monitoring solvency ratios, and adapting investment strategies to changing market conditions.

By focusing on these key strategies, Continental Insurance Limited can position itself for long-term success and sustainable growth in the competitive insurance industry landscape.



6.5 BUSINESS MODEL



1. Insurance Products Offered:

CIL offers a range of insurance products tailored to meet the needs of individuals, businesses, and other organizations. These include fire insurance, marine cargo insurance, marine hull insurance, engineering insurance, motor insurance and miscellaneous insurance.

2. Distribution Channels:

CIL distributes its insurance products through multiple channels to reach a wide customer base. These channels include:

- Direct Sales: Selling policies directly to customers through CIL's website, call center, or physical branches.
- Agents/Brokers: Partnering with independent insurance agents or brokers who sell CIL's products to customers in exchange for commissions.
- Corporate Sales: Offering group insurance plans to businesses and organizations for their employees or members.

3. Underwriting and Risk Management:

CIL develops robust underwriting and risk management processes to assess and price insurance policies accurately. This involves evaluating the risks associated with insuring individuals or assets and determining appropriate premiums to cover those risks while ensuring profitability.

4. Customer Service and Claims Handling:

Providing excellent customer service is crucial for retaining policyholders and attracting new customers. CIL offers efficient claims processing and resolution, as well as responsive customer support to address inquiries

and concerns.

5. Technology and Innovation:

Embracing technology and innovation can enhance operational efficiency, improve customer experience, and drive business growth. CIL invests in digital platforms for policy management, claims processing, and customer interaction. Additionally, leveraging data analytics and artificial intelligence helps in risk assessment, fraud detection, and personalized product offerings.

6. Compliance and Regulation:

CIL must adhere to regulatory requirements and industry standards to ensure legal compliance and maintain trust with customers. This includes obtaining necessary licenses, adhering to solvency regulations, and complying with consumer protection laws.

7. Profitability and Sustainability:

Ultimately, the business model aims for sustainable profitability by balancing underwriting discipline, cost management, and revenue growth. CIL would need to continuously monitor its financial performance, adjust pricing and product offerings as needed, and adapt to changing market conditions to remain competitive and viable in the long term.

By effectively executing this business model, Continental Insurance Limited can establish itself as a reliable provider of insurance solutions while achieving its financial objectives and delivering value to its stakeholders.



OUR PRODUCTS & SERVICES

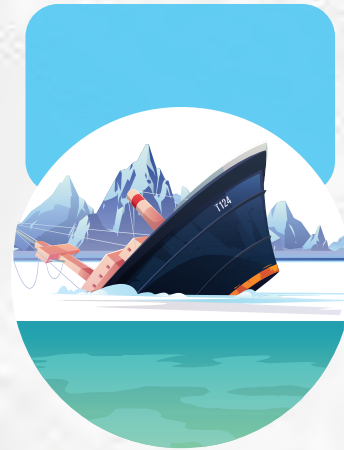


FIRE INSURANCE

- Fire Insurance (Including Allied Perils)
- Industrial All Risk (IAR) Insurance
- Property Damage All Risks (PDAR)

MARINE HULL INSURANCE

- Marine Cargo Insurance
- Marine Hull Insurance



MARINE CARGO INSURANCE

- Marine Cargo Insurance transit by steamer or Powered Vessel
- Marine Cargo Insurance transit by Rail/Lorry/Truck
- Marine Cargo Insurance transit by Inland Rail or Road
- Marine Cargo Insurance transit by Inland Cargoes (Water Borne)
- Marine Cargo Insurance transit by Air Cargo



OUR PRODUCTS & SERVICES



MOTOR INSURANCE

- Motor Insurance for Private Vehicle
- Motor Insurance for Commercial Vehicle
- Motor Insurance for Miscellaneous Vehicle
- Motor Insurance for Motor Cycle

ENGINEERING INSURANCE

- Machinery Insurance (Machinery Breakdown)
- Deterioration of Stock (DOS)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection's All Risks (EAR)
- Contractor's All Risks (CAR)
- Work Plant (WP)
- Contractors Plant & Machinery
- Hotel Owner All Risks (HOAR)
- Aviation Insurance



MISCELLANEOUS INSURANCE

- Burglary and House Breaking Insurance
- Cash In Safe Insurance
- Cash On Counter Insurance
- Cash In Transit Insurance
- Cash In Premises Insurance
- Fidelity Guarantee Insurance
- All Risks Insurance
- Personal Accident Insurance
- Personal Accident Insurance (Air Travel)
- The People's Personal Accident Insurance
- Workmen's Compensation Insurance
- Employer's Liability
- Commercial General Liability
- Third Party Liability
- Public Liability
- Comprehensive General Liability
- Product Liability
- Business Interruption
- Overseas Medclaim and Holiday Insurance
- Money Insurance

6.7 PRODUCT DIVERSIFICATION AND INNOVATION



Product diversification and innovation are essential strategies for Continental Insurance Limited to stay competitive and relevant in the market.

1. Market Research:

CIL conducts thorough market research to identify emerging trends, customer needs, and gaps in the insurance market. This research will provide valuable insights into areas where product diversification and innovation are most needed.

2. Diversification:

CIL can diversify its product offerings by expanding into new insurance lines or creating tailored products for niche markets. For example, CIL could explore offering insurance products for emerging industries such as renewable energy, cybersecurity, or telemedicine.

3. Customization:

Innovation in insurance products involves creating customizable solutions that meet the specific needs of individual customers or businesses. CIL could develop innovative underwriting models, flexible policy options, or usage-based insurance products that adapt to customers' changing circumstances.

4. Technology Integration:

Embracing technology is crucial for driving innovation in the insurance industry. CIL can leverage technologies such as artificial intelligence, data analytics, blockchain, and the Internet of Things (IoT) to streamline processes,

enhance risk assessment, and improve customer experiences.

5. Partnerships and Collaborations:

Collaborating with insurtech startups, technology providers, and other industry players can foster innovation and accelerate product development. CIL could partner with fintech companies to integrate innovative payment solutions or collaborate with data analytics firms to enhance risk management capabilities.

6. Customer Engagement:

Engaging with customers to understand their needs and preferences is key to developing innovative insurance products. CIL can leverage customer feedback, surveys, and focus groups to co-create solutions that address real-life challenges and provide added value to policyholders.

7. Regulatory Compliance:

When innovating and diversifying its product portfolio, CIL must ensure compliance with regulatory requirements and standards. Working closely with regulators and legal experts will help CIL navigate the complexities of regulatory frameworks while driving innovation responsibly.

By embracing product diversification and innovation, Continental Insurance Limited can differentiate itself in the market, attract new customers, and strengthen its position as a leading insurance provider.

6.8 MARKET DEVELOPMENT, PRODUCT & SERVICE DEVELOPMENT



Market development, product, and service development are vital strategies for Continental Insurance Limited to maintain competitiveness and drive growth in the insurance industry.

1. Market Development:

- Market development involves expanding the customer base or entering new markets with existing products or services. CIL is targeting new demographics, industries, or geographic regions.
- Strategies may include market research to identify untapped segments, partnerships or collaborations with other businesses, or innovative marketing campaigns to raise brand awareness in new markets.
- Additionally, CIL considers diversifying its distribution channels to reach customers more effectively in different markets, such as through online platforms, agents, or partnerships with banks or other financial institutions.

2. Product Development:

- Product development focuses on creating new insurance products or enhancing existing ones to better meet customer needs or address emerging risks.
- CIL is leveraging market research and customer feedback to identify gaps in coverage or areas for improvement in its product offerings.
- Development efforts might include designing new insurance packages tailored to specific industries or customer segments, incorporating innovative features such as digital claims processing or IoT-based risk monitoring, or expanding into new lines of insurance based on evolving market trends and regulatory changes.

3. Service Development:

- Service development involves improving the customer experience throughout the insurance lifecycle, from initial inquiry to claims settlement and ongoing support.
- CIL invests in technology and infrastructure to streamline processes, such as implementing self-service portals for policy management or mobile apps for claims submission.
- Training and development programs for employees ensure high-quality customer service and enhance expertise in specialized areas such as risk assessment or claims handling.
- Proactive communication with policyholders, such as providing regular updates on policy changes or offering personalized risk management advice, also help differentiate CIL's service offerings and foster long-term customer loyalty.

By focusing on market development, product innovation, and service excellence, Continental Insurance Limited can strengthen its competitive position, attract new customers, and drive sustainable growth in the dynamic insurance marketplace.

6.9 BUSINESS ACTIVITIES AND REVIEW OF PRODUCTS



1. Business Activities:

Insurance Coverage:

CIL offers various types of insurance coverage such as auto, fire, marine and engineering insurance etc.

Risk Assessment:

CIL assesses risks associated with providing insurance coverage to clients, determining premiums based on factors and the value of insured items.

Claims Management:

CIL handles claims processing and settlements for clients who experience covered losses or damages.

Customer Service:

Providing assistance and support to policyholders, answering questions, and resolving issues.

2. Product Reviews:

Customer Satisfaction:

Reviews reflect customers' experiences with the ease of purchasing insurance, the clarity of policy terms, and the efficiency of claims processing.

Coverage and Benefits:

Positive reviews highlight comprehensive coverage options, competitive pricing, and additional benefits.

Claims Experience:

Negative reviews arise from dissatisfaction with claim settlements, delays in processing, or disputes over coverage.

Customer Service:

Reviews also address the responsiveness and helpfulness of CIL's customer service representatives.

6.10 PROCESS OF THE RESOURCE ALLOCATION



Resource allocation at Continental Insurance Limited involves several steps to ensure that resources, including financial, human, and technological, are allocated efficiently and effectively to achieve the company's goals.

1. Assessment of Goals and Objectives:

CIL begins by assessing its short-term and long-term goals, as well as specific objectives it aims to achieve within a certain timeframe. These goals include financial targets, market expansion, risk management, and customer satisfaction.

2. Resource Identification:

Once goals are established, the company identifies the resources required to achieve them. This includes financial capital, skilled manpower, technology infrastructure, office space, etc.

3. Resource Analysis:

CIL evaluates its current resource pool to determine what is available and what is lacking. This analysis involves assessing the skills and capabilities of employees, financial resources, and the adequacy of technology and infrastructure.

4. Prioritization of Resources:

Given the limitations and constraints, CIL prioritizes its resources based on the importance of each goal and the

potential impact on the company's overall performance. Some goals may require more resources and attention than others.

5. Allocation Strategy Development:

CIL then develops a strategy for allocating resources. This strategy involves allocating resources across different departments, projects, or geographical regions based on need, potential return on investment, and risk factors.

6. Budgeting:

Financial resources are allocated through the budgeting process. CIL sets budgets for various departments and projects based on their resource requirements and expected outcomes. Budgets are often reviewed periodically and adjusted as needed.

7. Implementation:

Once the allocation plan is finalized, resources are allocated according to the strategy developed. This involves hiring new staff, investing in technology upgrades, or reallocating existing resources from one department or project to another.

8. Monitoring and Control:

CIL continuously monitors resource utilization and performance against established goals and budgets. This

helps identify any deviations or inefficiencies early on so that corrective action can be taken promptly.

9. Evaluation and Feedback:

Periodic evaluations are conducted to assess the effectiveness of resource allocation strategies and their impact on achieving company goals. Feedback from these evaluations is used to refine future resource allocation decisions.

10. Adaptation and Flexibility:

CIL maintains flexibility in its resource allocation process to adapt to changing market conditions, business priorities, and unforeseen challenges. This involves reallocating resources midstream or revising allocation strategies as needed.

By following these steps, CIL can ensure that its resources are allocated in a way that maximizes their impact on the company's performance and helps achieve its strategic objectives.

6.11 SEGMENT INFORMATION



Segment information provides a detailed breakdown of a company's financial performance across its various business segments, allowing investors and analysts to gain insights into the company's operations, strengths, and areas for improvement. For Continental Insurance Limited, segment information includes:

1. Insurance Lines:

Performance metrics for different types of insurance products such as auto insurance, fire insurance, marine insurance, etc. This helps stakeholders understand which lines of business are driving revenue growth and profitability.

2. Geographical Regions:

Breakdown of financial results by the regions or countries where CIL operates. This provides insights into the company's exposure to different markets, regulatory environments, and economic conditions.

3. Distribution Channels:

Analysis of sales and revenue generated through various distribution channels such as direct sales, agents, brokers, etc. Understanding the effectiveness of different distribution channels is crucial for optimizing the company's sales strategy.

4. Customer Segments:

Evaluation of performance metrics for different customer segments, such as individual consumers, small businesses, large corporations, etc. This helps CIL tailor its products and services to meet the specific needs of different customer groups.

By analyzing segment information, investors and analysts can assess the overall health and performance of CIL's business, identify potential growth opportunities, and make informed investment decisions.

6.12 INFORMATION TECHNOLOGY SYSTEM & CONTROL



Continental Insurance Limited has an extensive Information Technology (IT) system and control infrastructure to manage its insurance operations efficiently.

1. Policy Management System:

CIL has a robust policy management system in place to handle policy creation, issuance, endorsements, renewals, and cancellations. This system tracks policy details, coverage limits, premiums, and endorsements.

2. Claims Management System:

A comprehensive claims management system is essential for processing and adjudicating claims efficiently. This system handles claim registration, investigation, evaluation, and settlement.

3. Customer Relationship Management (CRM):

A CRM system helps CIL manage its interactions with existing and potential customers. It tracks customer information, communication history, policy preferences, and feedback.

4. Underwriting System:

An underwriting system assists underwriters in assessing risks and determining appropriate premiums for insurance policies. This system analyzes various factors such as applicant information, policy type, and risk assessment data.

5. Financial Management System:

CIL requires a financial management system to manage its accounting, billing, and invoicing processes. This system tracks premiums receivable, claims payable, commissions, and other financial transactions.

6. Data Analytics and Business Intelligence: Implementing data analytics and business intelligence tools allow CIL to analyze large volumes of data to identify trends, patterns, and opportunities for business optimization. These insights inform decision-making processes across various departments.

7. Security Measures:

Given the sensitivity of the data handled by insurance companies, CIL implements robust security measures to protect against cyber threats and ensure compliance with data protection regulations. This includes measures such as encryption, access controls, intrusion detection systems, and regular security audits.

8. Disaster Recovery and Business Continuity:

CIL has contingency plans and infrastructure in place to ensure business continuity in the event of disruptions such as natural disasters, cyber attacks, or system failures. This involves data backup strategies, redundant systems, and recovery protocols.

9. Compliance and Regulatory Reporting:

CIL needs to comply with various regulatory requirements imposed by insurance regulators. This involves maintaining accurate records, adhering to reporting deadlines, and implementing internal controls to ensure compliance.

Overall, CIL's IT system and control infrastructure plays a crucial role in supporting its insurance operations, enhancing efficiency, and ensuring compliance with regulatory standards.



We Mourn

We are deeply shocked and grieved at the sad demise of Mrs. Bulbul Joynab Akther, Ex. Director of Continental Insurance Limited on Monday, July 01, 2024 at 4:00 P.M (Innalillahe wa Inna illaihe Rajeun).

We, on behalf of the Chairman of the Board, the Board of Directors, all Executives, Officers & Staffs of the Continental Insurance Limited offer solemn prayers for the salvation and eternal peace of the departed soul. May Allah Almighty give her family members the courage and fortitude to overcome this irreparable loss.



কন্টিনেন্টাল ইন্স্যুরেন্স লিমিটেড
Continental Insurance Limited
Service is Ideal

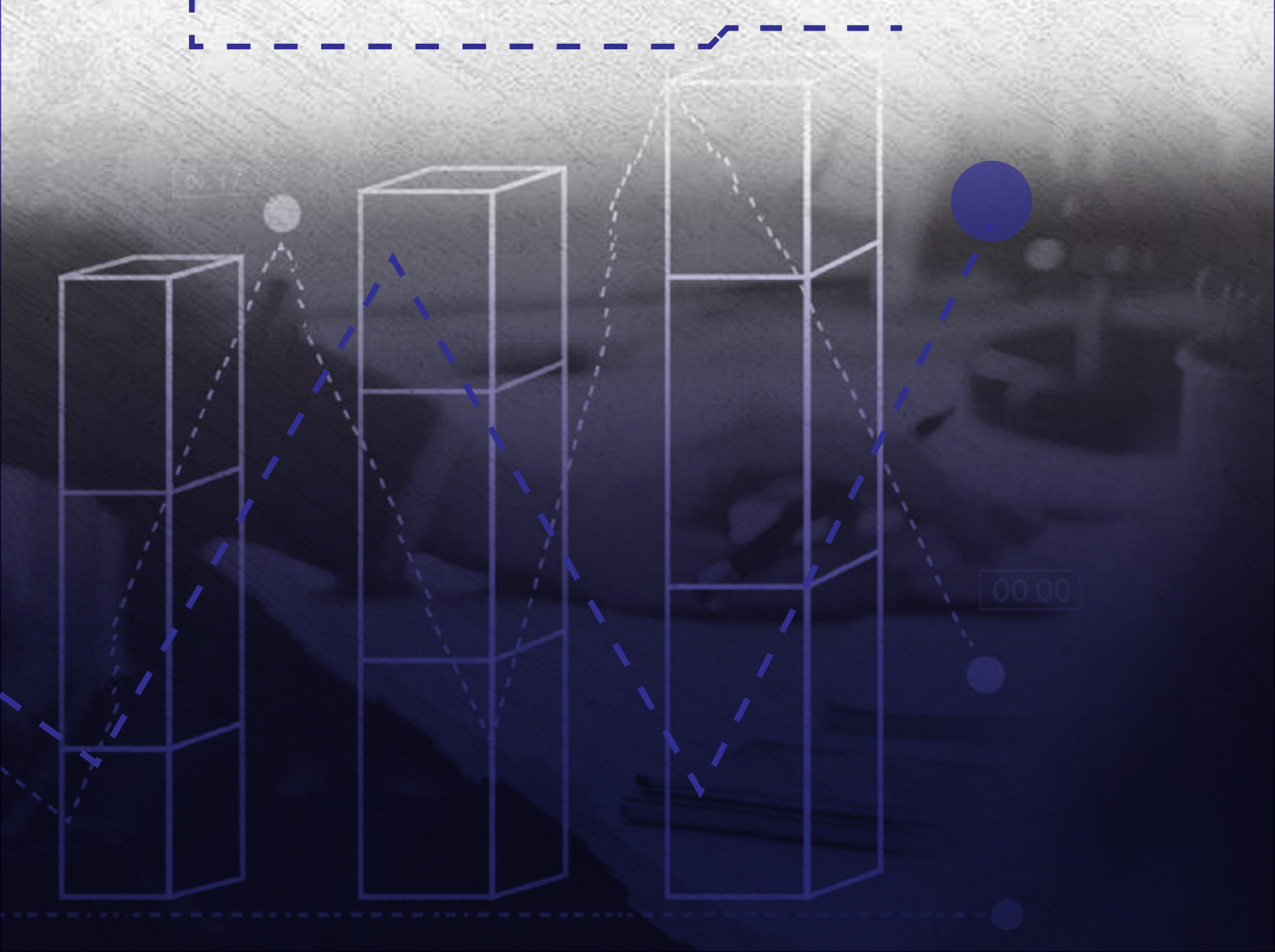


07.

PERFORMANCE ANALYSIS



- 7.1 MANAGEMENT REVIEW & RESPONSIBILITY
- 7.2 KEY OPERATING & FINANCIAL HIGHLIGHTS
- 7.3 KEY PERFORMANCE INDICATORS (KPIs)
- 7.4 HORIZONTAL & VERTICAL ANALYSIS
- 7.5 FINANCIAL RATIOS
- 7.6 GRAPHICAL & PICTORIAL PRESENTATION
- 7.7 VALUE ADDED STATEMENT
- 7.8 UNCLAIMED & UNPAID DIVIDEND
- 7.9 REVIEW OF ASSET QUALITY
- 7.10 IMPACT OF MACROECONOMIC VARIABLES ON PERFORMANCE OF THE COMPANY



7.1 MANAGEMENT REVIEW AND RESPONSIBILITY



The management review and responsibility of Continental Insurance Limited typically encompass several key areas:

1. Financial Performance:

Management would review the company's financial statements regularly to assess its profitability, solvency, and liquidity. They are responsible for ensuring that the company's financial health remains stable and meets regulatory requirements.

2. Risk Management:

Management is tasked with identifying, assessing, and mitigating risks that could affect the company's operations, finances, or reputation. This includes implementing appropriate risk management policies and procedures.

3. Operational Efficiency:

Management reviews the efficiency and effectiveness of the company's operations to ensure that resources are being utilized optimally and that operational objectives are being met.

4. Compliance and Governance:

Management is responsible for ensuring that the company complies with relevant laws, regulations, and industry standards. They also oversee corporate governance practices to ensure transparency, accountability, and ethical conduct.

5. Customer Satisfaction:

Management monitors customer satisfaction levels and takes actions to address any issues or concerns raised by customers. This includes implementing strategies to enhance the overall customer experience.

6. Employee Development:

Management is responsible for fostering a positive work environment and developing the skills and capabilities of employees. This includes providing training and development opportunities and promoting a culture of continuous learning.

7. Strategic Planning:

Management is involved in developing and implementing the company's strategic plan, which outlines its long-term goals and objectives. They regularly review and adjust the strategic plan to adapt to changing market conditions and business trends.

8. Stakeholder Communication:

Management communicates regularly with stakeholders, including shareholders, regulators, customers, employees, and the community. They provide updates on the company's performance, initiatives, and any other relevant information.

Overall, management plays a critical role in overseeing all aspects of CIL's operations and ensuring its long-term success and sustainability.

7.2 KEY OPERATING & FINANCIAL HIGHLIGHTS



Particulars	2023	2022	2021	2020	2019
Operational Position					
BDT in Million					
Gross Premium	737.86	703.79	619.24	569.66	524.14
Net Premium	388.70	345.19	272.17	321.49	247.72
R/l Premium	349.16	358.60	347.07	248.17	276.42
R/l Commission	88.91	69.76	57.09	49.05	65.17
Gross Claim Paid	205.11	66.17	159.23	66.88	239.91
Net Claim Paid	86.14	19.89	74.73	24.56	95.23
Underwriting Profit	108.02	107.65	82.43	92.87	52.28
Management Expenses	164.27	160.94	151.73	136.43	131.04
Commission	96.63	92.21	31.28	77.81	67.12
Total Income	150.28	140.76	126.41	117.28	127.42
Investment, Interest & Other Income	42.26	33.10	43.98	24.40	75.13
Total Administrative Expenses	41.13	35.86	28.45	35.48	38.91
Net Profit Before Tax	109.15	104.90	97.96	81.80	88.51
Net Profit After Tax	70.51	66.31	62.75	52.33	70.18
Net Operating Cash Flows	(23.49)	74.92	86.29	46.35	(47.79)
Financial Position					
Total Assets	1511.79	1483.24	1328.92	1145.15	1098.37
Fixed Assets	146.98	152.99	124.48	120.81	128.48
Investments	107.56	144.98	72.96	62.86	57.58
Current Assets	1253.01	1175.56	1118.32	945.02	888.57
Fixed Deposits	393.83	438.02	447.93	396.00	390.00
Cash & Cash Equivalent	476.50	537.07	537.86	481.24	455.52
Shareholders' Equity & Liabilities	1511.79	1483.24	1328.92	1145.15	1098.37
Shareholders' Equity	927.30	915.29	849.56	793.85	747.91
Paid-up Capital	416.05	416.05	416.05	400.05	381.00
Share Premium	45.38	45.38	45.38	45.38	45.38
Total Reserve	624.64	594.68	499.46	479.39	420.99
Reserve or Contingency Accounts	465.87	453.86	388.13	348.42	321.53
Balance of Funds and Accounts	158.76	140.82	111.32	130.97	99.46
Current Liabilities & Provisions	425.72	427.13	368.03	220.33	251.01
Net Current Assets	827.28	748.43	750.29	724.69	637.56

7.3 KEY PERFORMANCE INDICATORS (KPIs)



Key Performance Indicators (KPIs) are essential for measuring an organization's performance and achieving goals. Without them, it's difficult to steer the organization in the right direction. Not all metrics are equally important. Identifying the KPIs with the highest impact allows for focused analysis and resource allocation. Regularly monitoring KPIs and addressing any gaps promptly is vital for continuous improvement.

Continental Insurance Limited has a strong focus on performance management and continuous improvement. By closely monitoring key performance indicators (KPIs) and promptly addressing any gaps or lapses, they can ensure that the organization stays on track and continues to grow.

The commitment to analyzing KPIs regularly and taking necessary measures demonstrates a proactive approach to managing the business environment, especially in the face of competition. Additionally, the emphasis on individual departmental KPIs and providing training to enhance employee performance shows a dedication to nurturing talent and maximizing efficiency across the organization.

By leveraging both physical and online training methods, Continental Insurance Limited is embracing modern technology to ensure that employees have access to learning opportunities regardless of their location. This comprehensive approach to performance management and employee development likely contributes to the company's success and continued growth.



7.4 Horizontal & Vertical Analysis

Horizontal Analysis Financial Position

Particulars	2023		2022		2021		2020		2019	
	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change
SHAREHOLDERS' EQUITY AND LIABILITIES										
Paidup Capital	416,053,110	0.0	416,053,110	0.0	416,053,110	4.0	400,051,070	5.0	381,001,020	5.0
Share Premium	45,375,000	0.0	45,375,000	0.0	45,375,000	0.0	45,375,000	0.0	45,375,000	0.0
Paid-up Capital & Share Premium	461,428,110	0.0	461,428,110	0.0	461,428,110	3.6	445,426,070	4.5	426,376,020	4.4
Profit & Loss Appropriation Account	49,444,594	10.3	44,829,694	(10.4)	50,021,511	16.6	42,898,131	7.5	39,921,573	(6.8)
General Reserve	5,000,000	0.0	5,000,000	0.0	5,000,000	0.0	5,000,000	0.0	5,000,000	0.0
Share Fluctuation Fund	8,288,246	0.0	8,288,246	0.0	8,288,246	0.0	8,288,246	0.0	8,288,246	0.0
Reserve for Exceptional Losses	374,453,808	11.6	335,583,508	11.5	301,064,160	9.1	276,064,160	7.0	258,064,160	4.0
Reserve for Fair Value of Shares	(1,622,529)	(105.4)	29,844,805	(555.6)	(6,550,373)	(53.7)	(14,141,390)	(29.5)	(20,055,592)	670.1
Reserve for Disposal of Building	30,310,334	0.0	30,310,334	0.0	30,310,334	0.0	30,310,334	0.0	30,310,334	0.0
Reserve or Contingency Accounts	465,874,453	2.6	453,856,587	16.9	388,133,878	11.4	348,419,480	8.4	321,528,720	6.6
Shareholders' Equity	927,302,563	1.3	915,284,697	7.7	849,561,988	7.0	793,845,550	6.1	747,904,740	5.4

7.4 Horizontal & Vertical Analysis

Horizontal Analysis Financial Position

Fire Insurance Business Account	53,946,357	13.4	47,560,690	63.4	29,104,792	(12.9)	33,423,135	(7.3)	36,069,996	(42.3)
Marine Cargo Insurance Business Account	70,612,196	14.7	61,544,414	7.3	57,352,216	(9.3)	63,222,828	75.0	36,130,503	19.9
Marine Hull Insurance Business Account	5,466,183	19.5	4,574,861	11.9	4,089,601	3.5	3,952,895	547.1	610,832	(65.0)
Motor Insurance Business Account	21,173,772	(5.7)	22,450,716	41.4	15,877,568	(31.8)	23,274,519	6.9	21,774,599	(31.3)
Miscellaneous Insurance Business Account	7,562,401	61.2	4,691,626	(4.2)	4,896,517	(31.0)	7,092,942	45.6	4,870,549	17.1
Balance of Funds and Accounts	158,760,909	12.7	140,822,307	26.5	111,320,694	(15.0)	130,966,319	31.7	99,456,479	(23.6)
Premium Deposits	32,600,788	42.5	22,875,368	45.2	15,756,362	25.9	12,511,235	661.9	1,642,057	(37.2)
Estimated liabilities (Outstanding Claims)	32,890,891	16.3	28,275,655	20.2	23,532,205	59.0	14,803,901	98.9	7,441,236	(21.4)
Due to Persons or Bodies (Insurance)	50,865,444	(40.6)	85,701,440	8.7	78,875,622	4983.5	1,551,601	(19.3)	1,922,855	(53.7)
Sundry Creditors & Provisions for Expenses	303,100,698	8.8	278,458,619	19.0	234,079,461	36.6	171,339,633	(18.6)	210,384,683	(19.4)
Unclaimed Dividend Account	1,360,810	45.3	936,569	24.5	752,481	(25.2)	1,005,760	(57.3)	2,357,098	57.2
Lease Liability	4,233,866	(56.4)		(26.2)	13,163,248	(20.0)	16,462,861	(30.7)	23,743,268	1558.7
Deferred Tax Liability	671,166	(42.7)	1,171,244	(37.5)	1,872,695	(29.5)	2,657,923	(24.4)	3,515,567	33.0
Current Liabilities & Provisions	425,723,663	(0.3)	427,129,949	16.1	368,032,074	67.0	220,332,915	(12.2)	251,006,764	(11.2)
Total Shareholders' Equity & Liabilities	1,511,787,135	1.9	1,483,236,953	11.6	1,328,914,756	16.0	1,145,144,784	4.3	1,098,367,983	(2.2)
PROPERTY AND ASSETS										
Investment at Cost Government Bonds	30,000,000	20.0	25,000,000	0.0	25,000,000	0.0	25,000,000	(2.2)	25,538,587	(0.2)
Investment in Shares	77,563,141	(35.4)	119,980,176	150.2	47,954,956	26.7	37,857,987	18.2	32,020,127	(29.5)
Investment	107,563,141	(25.8)	144,980,176	98.7	72,954,956	16.1	62,857,987	9.2	57,578,714	(18.9)

7.4 Horizontal & Vertical Analysis

Horizontal Analysis Financial Position

Accrued Interest, Dividend & Rent	9,262,739	0.6	8,772,511	0.6	12,063,013	0.9	9,061,134	0.8	12,109,017	1.1
Due from Persons or bodies (Insurance)	236,710,605	15.7	237,252,281	16.0	239,462,743	18.0	164,971,368	14.4	180,223,193	16.4
Sundry Debtors	529,515,126	35.0	391,655,506	26.4	328,190,374	24.7	289,066,953	25.2	239,816,849	21.8
Fixed Deposit with Banks	393,824,982	26.1	438,022,700	29.5	447,932,860	33.7	396,000,000	34.6	390,000,000	35.5
Current & STD Account with Banks	68,916,479	4.6	85,303,061	5.8	75,577,039	5.7	71,653,637	6.3	49,639,300	4.5
Cash in Hand	12,963,341	0.9	12,824,833	0.9	11,855,867	0.9	11,664,755	1.0	13,543,350	1.2
Stamp in Hand	794,946	0.1	917,884	0.1	2,488,883	0.2	1,925,126	0.2	2,340,379	0.2
Stock of Printing Materials at cost	1,018,167	0.1	830,011	0.1	748,311	0.1	676,083	0.1	892,959	0.1
Current Assets	1,253,006,385	82.9	1,175,558,787	79.3	1,118,319,090	84.2	945,019,056	82.5	888,565,047	80.9
Fixed Assets (at cost Less Depreciation)	146,983,743	9.7	152,986,935	10.3	124,477,462	9.4	120,804,880	10.5	128,480,955	11.7
Right Use of Assets	4,233,866	0.3	9,711,054	0.7	13,163,248	1.0	16,462,861	1.4	23,743,267	2.2
Non-Current Assets	151,217,609	10.0	162,697,989	11.0	137,640,710	10.4	137,267,741	12.0	152,224,222	13.9
Total Property and Assets	1,511,787,135	100.0	1,483,236,953	100.0	1,328,914,756	100.0	1,145,144,784	100.0	1,098,367,985	100.0

Horizontal Analysis Comprehensive Income

Particulars	2023		2022		2021		2020		2019	
	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change
Revenue Profit										
Fire Insurance Revenue Account	2,556,779		18,806,870	(166.8)	(28,159,551)	(251.7)	18,566,568	(539.1)	(4,228,053)	(114.0)
Marine Cargo Insurance Revenue Account	88,810,648	28.7	68,993,283	(24.0)	90,830,559	32.8	68,386,490	62.6	42,055,753	1.4
Marine Hull Insurance Revenue Accounts	1,618,911	(153.8)	(3,007,463)	(5.0)	(3,164,812)	(67.8)	(9,819,060)	247.2	(2,828,281)	(14.9)
Motor Insurance Revenue Account	10,854,274	(39.6)	17,969,793	(17.6)	21,814,678	58.7	13,745,566	(56.4)	31,535,825	37.6
Miscellaneous Insurance Revenue Account	4,181,067	(14.7)	4,901,518	343.4	1,105,435	(44.6)	1,994,488	(114.0)	(14,254,280)	(288.2)
Total Revenue Profit	108,021,679	0.3	107,664,001	30.6	82,426,309	(11.2)	92,874,052	77.6	52,280,964	(47.1)
Interest, Dividend and Rents										
Interest Received	27,307,662	(11.5)	30,865,730	(20.3)	38,719,709	69.3	22,866,043	(15.0)	26,891,114	10.5
Dividend Income	2,307,247	839.9	245,474	(68.3)	774,391	(0.7)	779,537	(25.5)	1,046,154	93.5
Gain/(Loss) from Share Trade	5,050,301	(348.6)	(2,031,459)	(192.0)	2,209,128	192.1	756,373	(14.2)	881,303	(44.7)
Gain from Sale of Motor Vehicles	6,967,243	98.2	3,516,105	60.0	2,196,998	-	-	(100.0)	1,979,008	5.4
Other Income	627,602	25.6	499,719	502.4	82,957	-	-	(100.0)	44,336,472	-
Total Interest, Dividend and Rents	42,260,055	27.7	33,095,569	(24.8)	43,983,183	80.2	24,401,953	(67.5)	75,134,051	165.1
Total Income	150,281,734	6.8	140,759,570	11.4	126,409,492	7.8	117,276,005	(8.0)	127,415,015	0.2

Vertical Analysis Financial Position

Particulars	2023		2022		2021		2020		2019	
	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change
SHAREHOLDERS' EQUITY AND LIABILITIES										
Paid-up Capital	416,053,110	27.5	416,053,110	28.1	416,053,110	31.3	400,051,070	34.9	381,001,020	34.7
Share Premium	45,375,000	3.0	45,375,000	3.1	45,375,000	3.4	45,375,000	4.0	45,375,000	4.1
Paid-up Capital & Share Premium	461,428,110	30.5	461,428,110	31.1	461,428,110	34.7	445,426,070	38.9	426,376,020	38.8
Profit & Loss Appropriation Account	49,444,594	3.3	44,829,694	3.0	50,021,511	3.8	42,898,131	3.7	39,921,573	3.6
General Reserve	5,000,000	0.3	5,000,000	0.3	5,000,000	0.4	5,000,000	0.4	5,000,000	0.5
Share Fluctuation Fund	8,288,246	0.5	8,288,246	0.6	8,288,246	0.6	8,288,246	0.7	8,288,246	0.8
Reserve for Exceptional Losses	374,453,808	24.8	335,583,508	22.6	301,064,160	22.7	276,064,160	24.1	258,064,160	23.5
Reserve for Fair Value of Shares	(1,622,529)	(0.1)	29,844,805	2.0	(6,550,373)	(0.5)	(14,141,390)	(1.2)	(20,055,592)	(1.8)
Reserve for Disposal of Building	30,310,334	2.0	30,310,334	2.0	30,310,334	2.3	30,310,334	2.6	30,310,334	2.8
Reserve or Contingency Accounts	465,874,453	30.8	453,856,587	30.6	388,133,878	29.2	348,419,480	30.4	321,528,720	29.3
Shareholders' Equity	927,302,563	61.3	915,284,697	61.7	849,561,988	63.9	793,845,550	69.3	747,904,740	68.1
Fire Insurance Business Account	53,946,357	3.6	47,560,690	3.2	29,104,792	2.2	33,423,135	2.9	36,069,996	3.3
Marine Cargo Insurance Business Account	70,612,196	4.7	61,544,414	4.1	57,352,216	4.3	63,222,828	5.5	36,130,503	3.3
Marine Hull Insurance Business Account	5,466,183	0.4	4,574,861	0.3	4,089,601	0.3	3,952,895	0.3	610,832	0.1
Motor Insurance Business Account	21,173,772	1.4	22,450,716	1.5	15,877,568	1.2	23,274,519	2.0	21,774,599	2.0
Miscellaneous Insurance Business Account	7,562,401	0.5	4,691,626	0.3	4,896,517	0.4	7,092,942	0.6	4,870,549	0.4
Balance of Funds and Accounts	158,760,909	10.5	140,822,307	9.5	111,320,694	8.4	130,966,319	11.4	99,456,479	9.1

Premium Deposits	32,600,788	2.2	22,875,368	1.5	15,756,362	1.2	12,511,235	1.1	1,642,057	0.1
Estimated Liabilities (Outstanding Claims)	32,890,891	2.2	28,275,655	1.9	23,532,205	1.8	14,803,901	1.3	7,441,236	0.7
Due to Persons or Bodies (Insurance)	50,865,444	3.4	85,701,440	5.8	78,875,622	5.9	1,551,601	0.1	1,922,855	0.2
Sundry Creditors & Provisions for Expenses	303,100,698	20.0	278,458,619	18.8	234,079,461	17.6	171,339,633	15.0	210,384,683	19.2
Unclaimed Dividend Account	1,360,810	0.1	936,569	0.1	752,481	0.1	1,005,760	0.1	2,357,098	0.2
Lease Liability	4,233,866	0.3	9,711,054	0.7	13,163,248	1.0	16,462,861	1.4	23,743,268	2.2
Deferred Tax Liability	671,166	0.0	1,171,244	0.1	1,872,695	0.1	2,657,923	0.2	3,515,567	0.3
Current Liabilities & Provisions	425,723,663	28.2	427,129,949	28.8	368,032,074	27.7	220,332,915	19.2	251,006,764	22.9
Total Shareholders' Equity & Liabilities	1,511,787,135	100.0	1,483,236,95	3	1,328,914,75	6	1,145,144,78	4	1,098,367,98	3
PROPERTY AND ASSETS										
Investment at Cost - Government Bonds	30,000,000	2.0	25,000,000	1.7	25,000,000	1.9	25,000,000	2.2	25,558,587	2.3
Investment in Shares	77,563,141	5.1	119,980,176	8.1	47,954,956	3.6	37,857,987	3.3	32,020,127	2.9
Investment	107,563,141	7.1	144,980,176	9.8	72,954,956	5.5	62,857,987	5.5	57,578,714	5.2
Accrued Interest, Dividend & Rent	9,262,739	0.6	8,772,511	0.6	12,063,013	0.9	9,061,134	0.8	12,109,017	1.1
Due from Persons or bodies (Insurance)	236,710,605	15.7	237,252,281	16.0	239,462,743	18.0	164,971,368	14.4	180,223,193	16.4
Sundry Debtors	529,515,126	35.0	391,635,506	26.4	328,190,374	24.7	289,066,953	25.2	239,816,849	21.8
Fixed Deposit with Banks	393,824,982	26.1	438,022,700	29.5	447,932,860	33.7	396,000,00	34.6	390,000,000	35.5
Current & STD Account with Banks	68,916,479	4.6	85,303,061	5.8	75,577,039	5.7	71,653,637	6.3	49,639,300	4.5
Cash in Hand	12,963,341	0.9	12,824,833	0.9	11,855,867	0.9	11,664,755	1.0	13,543,350	1.2
Stamp in Hand	794,946	0.1	917,884	0.1	2,488,883	0.2	1,925,126	0.2	2,340,379	0.2
Stock of Printing Materials at cost	1,018,167	0.1	830,011	0.1	748,311	0.1	676,083	0.1	892,959	0.1

Current Assets	1,253,006,385	82.9	1,175,558,787	79.3	1,118,319,090	84.2	945,019,056	82.5	888,565,047	80.9
Fixed Assets (at cost Less Depreciation)	146,983,743	9.7	152,986,935	10.3	124,477,462	9.4	120,804,880	10.5	128,480,955	11.7
Right Use of Assets	4,233,866	0.3	9,711,054	0.7	13,163,248	1.0	16,462,861	1.4	23,743,267	2.2
Non-Current Assets	151,217,609	10.0	162,697,989	11.0	137,640,710	10.4	137,267,741	12.0	152,224,222	13.9
Total Property and Assets	1,511,787,135	100.0	1,483,236,953	100.0	1,328,914,756	100.0	1,145,144,784	1,098,367,983	100.0	

Vertical Analysis Comprehensive Income

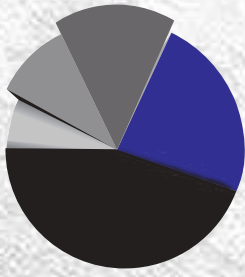
Particulars	2023		2022		2021		2020		2019	
	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change	BDT	% Change
Revenue Profit										
Fire Insurance Revenue Account	2,556,779	1.7	18,806,870	13.4	(28,159,551)	(22.3)	18,566,568	15.8	(4,228,053)	(3.3)
Marine Cargo Insurance Revenue Account	88,810,648	59.1	68,993,283	49.0	90,830,559	71.9	68,386,490	58.3	42,055,753	33.0
Marine Hull Insurance Revenue Accounts	1,618,911	1.1	(3,007,465)	(2.1)	(3,164,812)	(2.5)	(9,819,060)	(8.4)	(2,828,281)	(2.2)
Motor Insurance Revenue Account	10,854,274	7.2	17,969,793	12.8	21,814,678	17.3	13,745,566	11.7	31,535,825	24.8
Miscellaneous Insurance Revenue Account	4,181,067	2.8	4,901,518	3.5	1,105,435	0.9	1,994,488	1.7	(14,254,280)	(11.2)
Total Revenue Profit	108,021,679	71.9	107,664,001	76.5	82,426,309	65.2	92,874,052	79.2	52,280,964	41.0
Interest, Dividend and Rent										
Interest Received	27,307,662	18.2	30,865,730	21.9	58,719,709	30.6	22,866,043	19.5	26,891,114	21.1
Dividend Income	2,307,247	1.5	245,474	0.2	774,391	0.6	779,537	0.7	1,046,154	0.8
Gain/(Loss) from Share Trade	5,050,301	3.4	(2,031,459)	(1.4)	2,209,128	1.7	756,373	0.6	881,303	0.7
Gain from Sale of Motor Vehicles	6,967,243	4.6	3,516,105	2.5	2,196,998	1.7	-	0.0	1,979,008	1.6
Other Income	627,602	0.4	499,719	0.4	82,957	0.1	-	0.0	44,336,472	34.8
Total Interest, Dividend and Rent	42,260,055	28.1	33,095,569	23.5	43,983,183	34.8	24,401,953	20.8	75,134,051	59.0
Total Income	150,281,734	100.0	140,759,570	100.0	126,409,492	100.0	117,276,005	100.0	127,415,015	100.0

Vertical Analysis Comprehensive Income

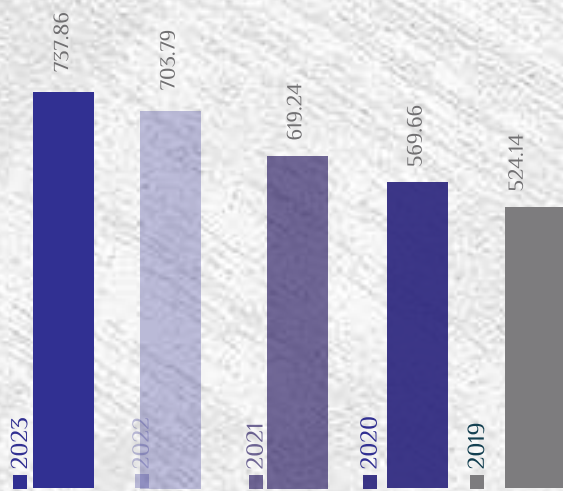
Administrative Expenses																				
Advertisement & Publicity	425,155	0.3	485,149	0.3	816,797	0.6	373,202	0.3	1,318,066	1.0										
Incentive Bonus	5,000,000	3.3	5,000,000	3.6	5,000,000	4.0	4,500,000	3.8	4,500,000	3.5										
Employees Special Benefit	162,000	0.1	92,000	0.1	180,000	0.1	150,000	0.1	170,000	0.1										
Directors Fee	1,399,200	0.9	1,522,400	1.1	1,346,400	1.1	1,091,200	0.9	1,272,000	1.0										
Director TA	118,400	0.1	310,800	0.2	310,800	0.2	103,600	0.1	518,000	0.4										
Registration & Renewal Fees	809,361	0.5	712,130	0.5	655,111	0.5	602,764	0.5	713,670	0.6										
Donation & Subscription	1,082,054	0.7	1,589,335	1.1	1,184,068	0.9	1,027,680	0.9	2,017,852	1.6										
Legal & Professional Fees	1,880,152	1.3	1,396,862	1.0	1,046,148	0.8	621,001	0.5	425,250	0.3										
Rates, Taxes & Levies	-	0.0	-	0.0	1,150,000	0.9	100,000	0.1	562,874	0.4										
Company Contribution to P.F Paid to Gratuity Fund	3,260,769	2.2	3,323,392	2.4	2,314,507	1.8	3,628,411	3.1	2,989,311	2.3										
Interest Expenses	6,500,000	4.3	6,500,000	4.6	6,500,000	5.1	4,000,000	3.4	2,800,000	2.2										
WPPF	8,364,520	5.6	6,672,605	4.7	1,154,887	0.9	7,283,235	6.2	13,100,958	10.3										
	-	0.0	-	0.0	-	0.0	4,089,968	3.5	-	0.0										
Group Insurance	907,633	0.6	922,175	0.7	-	0.0	-	0.0	-	0.0										
Depreciation	11,218,138	7.5	7,329,141	5.2	6,790,404	5.4	7,905,594	6.7	8,520,265	6.7										
Total Administrative Expenses	41,127,382	27.4	35,855,989	25.5	28,449,122	22.5	35,476,655	30.3	38,908,246	30.5										
Net Profit Before Taxes	109,154,352	72.6	104,903,581	74.5	97,960,370	77.5	81,799,350	69.7	88,506,769	69.5										
Income Taxes (Including Reserve or Losses)	38,640,203	25.7	38,598,537	27.4	35,206,882	27.9	29,472,691	25.9	18,331,632	14.4										
Net Profit After Taxes	70,514,149	46.9	66,305,044	47.1	62,753,488	49.6	52,326,659	43.9	70,175,137	55.1										

7.5 Financial Ratios

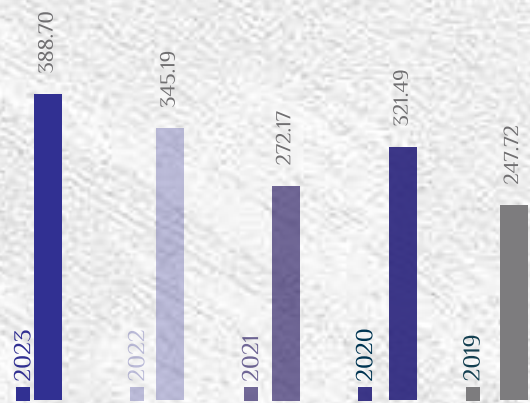
Particulars	Term	2023	2022	2021	2020	2019
Earnings Per Share (EPS)	BDT	1.69	1.59	1.51	1.24	1.69
Net Assets Value Per Share (NAVPS)	BDT	22.29	22.00	20.42	19.08	17.98
Net Operating Cash Flows Per Share (NOCFPS)	BDT	(0.56)	1.80	2.07	1.16	1.25
Market Value Per Share	BDT	40.00	30.30	47.40	46.20	23.90
Cash Dividend	%	5%	10%	12%	6%	5%
Stock Dividend	%	5%	-	-	4%	5%
Net Profit Before Tax/Gross Premium	%	14.8%	14.9%	15.8%	14.4%	16.9%
Net Profit Before Tax/Net Premium	%	28.1%	30.4%	36.0%	25.4%	35.7%
Net Profit After Tax/Gross Premium	%	9.6%	9.4%	10.1%	9.2%	13.4%
Net Profit After Tax/Net Premium	%	18.1%	19.2%	23.1%	16.3%	28.3%
Underwriting Profit/Gross Premium	%	14.6%	15.3%	13.3%	16.3%	10.0%
Underwriting Profit/Net Premium	%	27.8%	31.2%	30.3%	28.9%	21.1%
R/I Premium/Gross Premium	%	47.3%	51.0%	56.0%	43.6%	52.7%
R/I Premium/Net Premium	%	89.8%	103.9%	127.5%	77.2%	111.6%
R/I Commission/Gross Premium	%	12.0%	9.9%	9.2%	8.6%	12.4%
R/I Commission/Net Premium	%	22.9%	20.2%	21.0%	15.3%	26.3%
Net Premium/Gross Premium	%	52.7%	49.0%	44.0%	56.4%	47.3%
Gross Claim/Gross Premium	%	27.8%	9.4%	25.7%	11.7%	45.8%
Net Claim/Gross Premium	%	11.7%	2.8%	12.1%	4.3%	18.2%
Net Claim/Net Premium	%	22.2%	5.8%	27.5%	7.6%	38.4%
Management Expenses/Gross Premium	%	22.3%	22.9%	24.5%	23.9%	25.0%
Management Expenses/Net Premium	%	42.3%	46.6%	55.7%	42.4%	52.9%
Commission/Gross Premium	%	13.1%	13.1%	5.1%	13.7%	12.8%
Commission/Net Premium	%	24.9%	26.7%	11.5%	24.2%	27.1%
Return on Equity (ROE)	%	7.6%	7.2%	7.4%	6.6%	9.4%
Return on Capital Employed(ROCE)	%	7.6%	7.2%	7.4%	6.6%	9.4%
Return on Assets (ROA)	%	4.7%	4.5%	4.7%	4.6%	6.4%
Price Earnings Ratio (P/E Ratio)	Times	23.60	19.06	31.39	37.26	14.14
Current Ratio	Times	2.94	2.75	3.04	4.29	3.54
Quick Ratio	Times	2.38	2.25	2.47	3.51	3.05
Cash Ratio	Times	1.12	1.26	1.46	2.18	1.81
Equity Ratio	Times	0.61	0.62	0.64	0.69	0.68
Interest Coverage Ratio	Times	14.05	16.72	85.82	12.23	7.76



7.6 Graphical & Pictorial Presentation



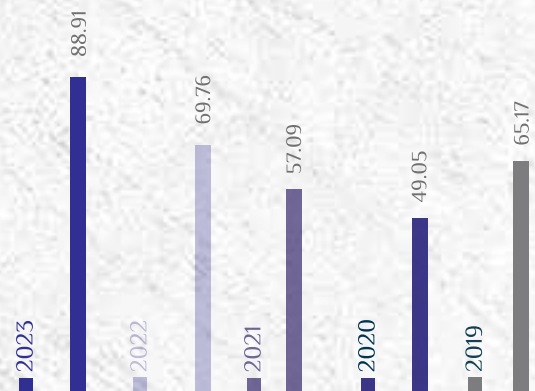
Gross Premium



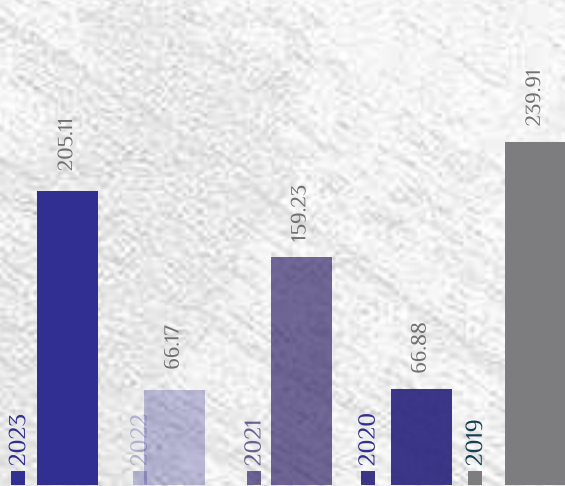
Net Premium



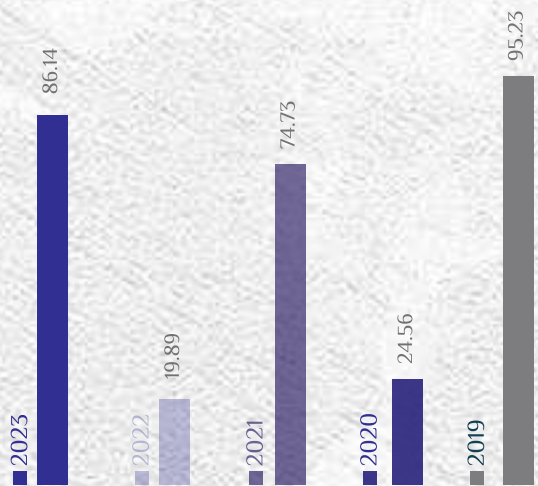
R/l Premium



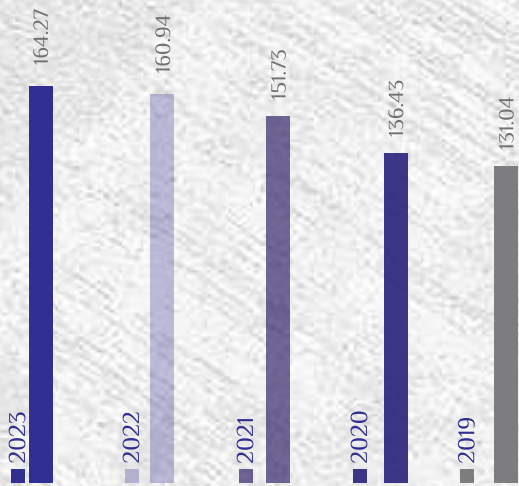
R/l Commission



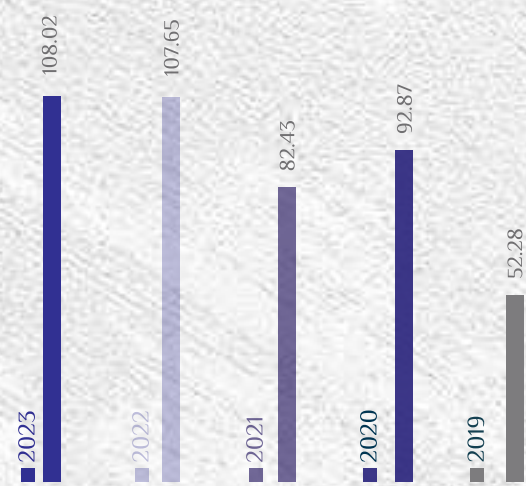
Gross Claim



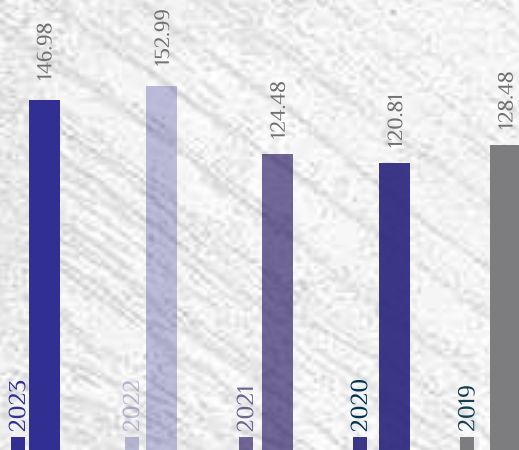
Net Claim



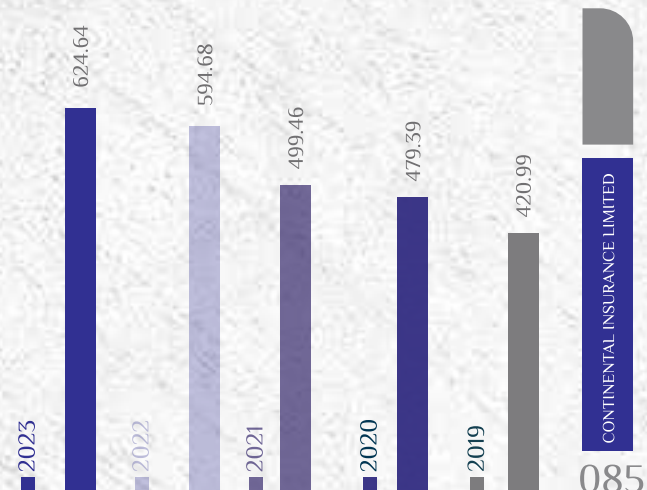
Management Expense



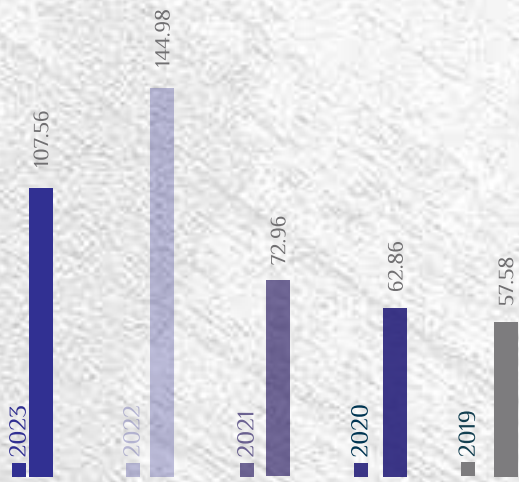
Underwriting Profit



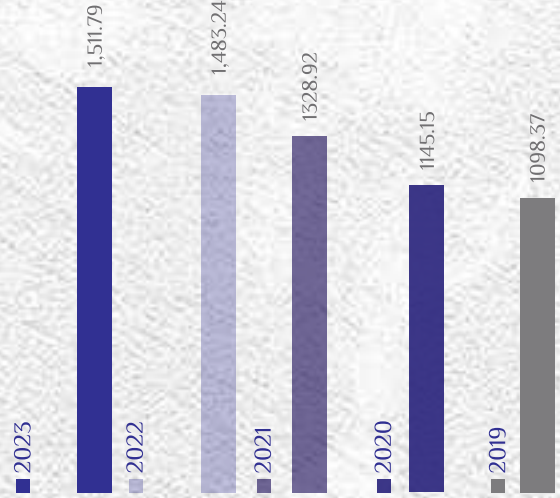
Fixed Assets



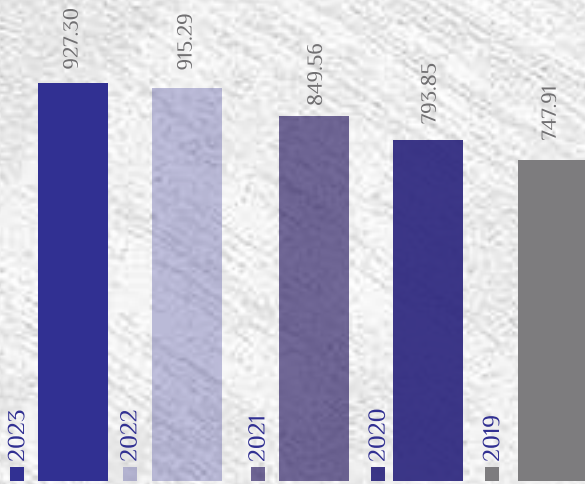
Total Reserve



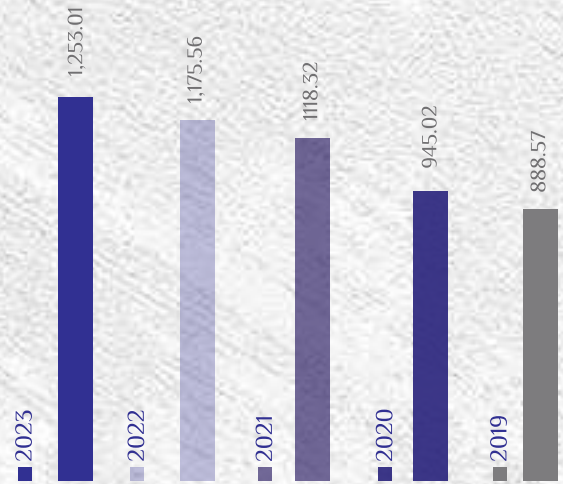
Investments



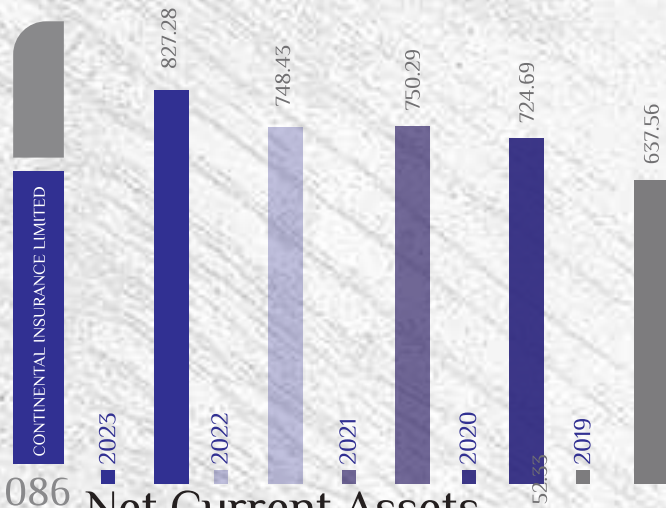
Total Assets



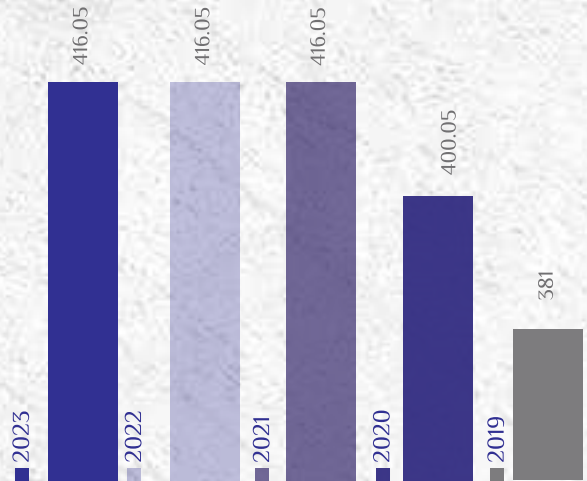
Shareholders' Equity



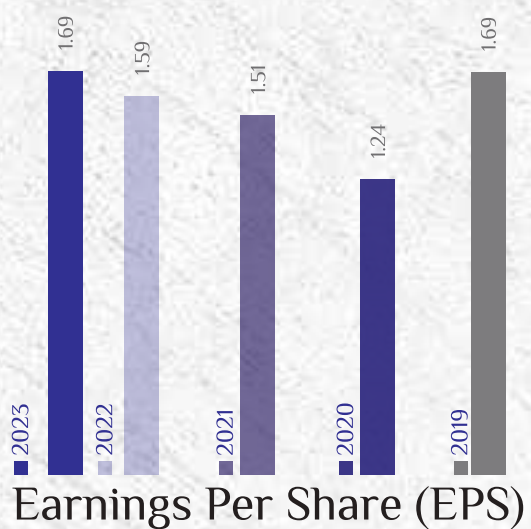
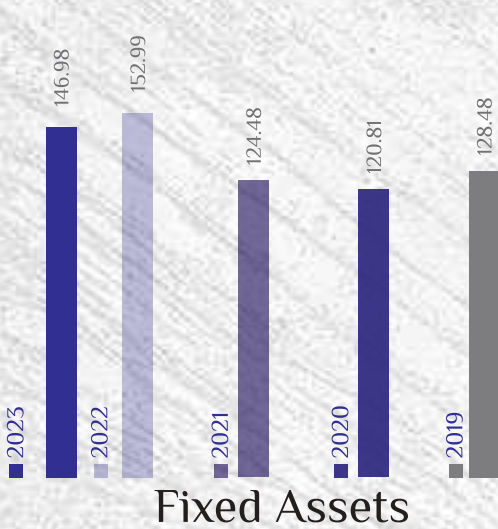
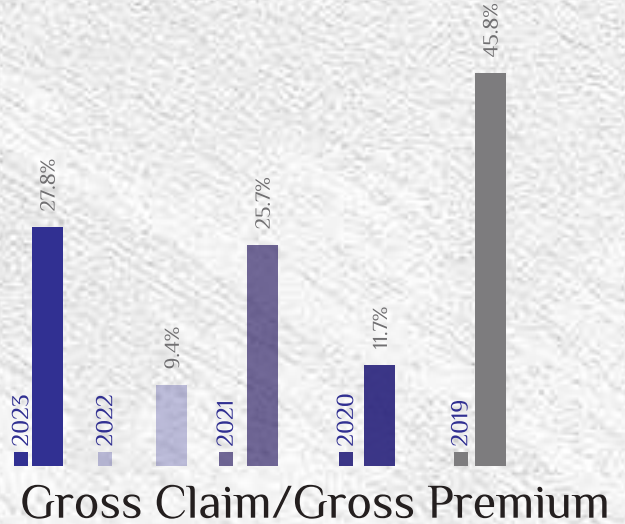
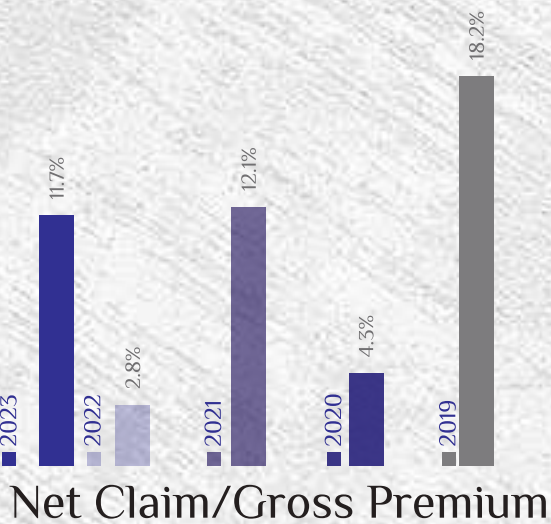
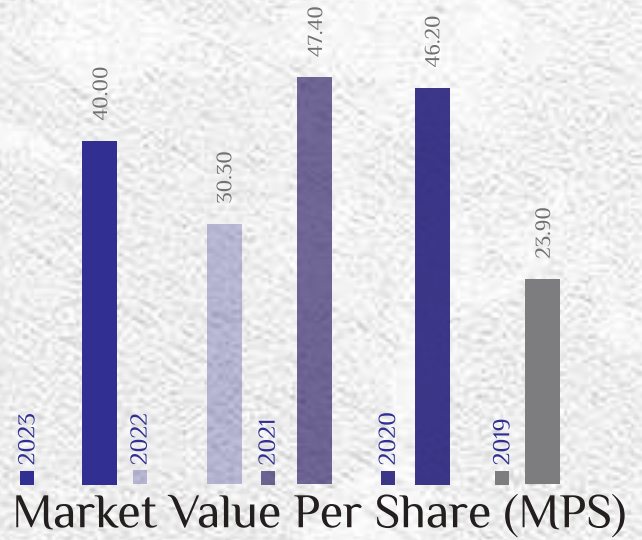
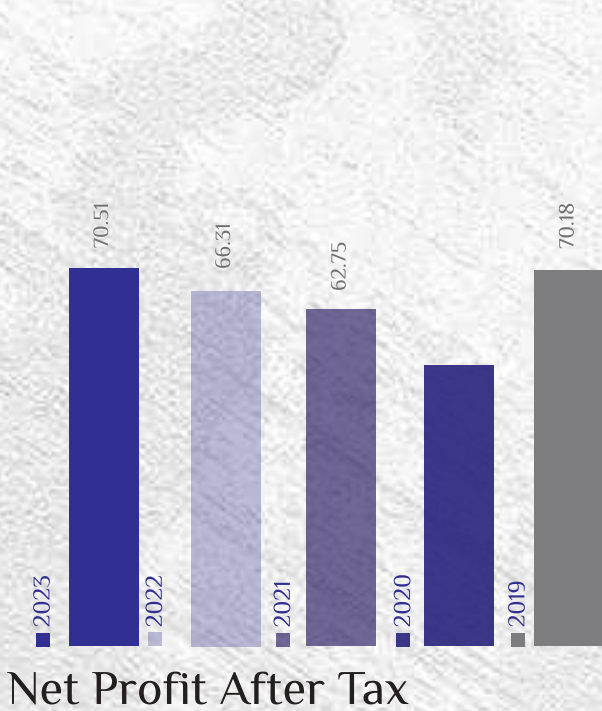
Current Assets



Net Current Assets



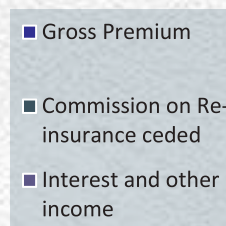
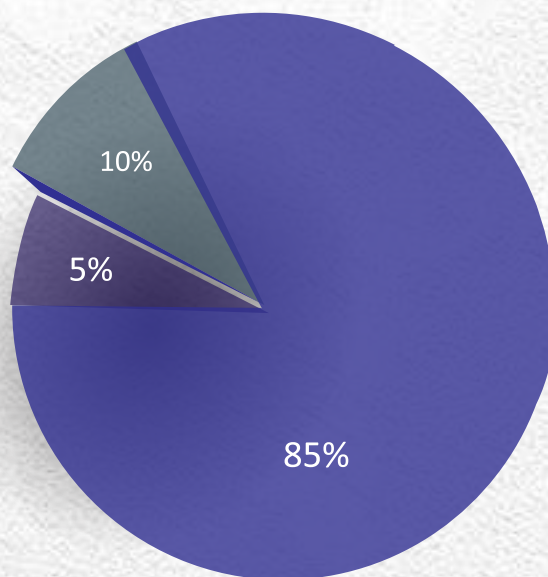
Paid-up Capital



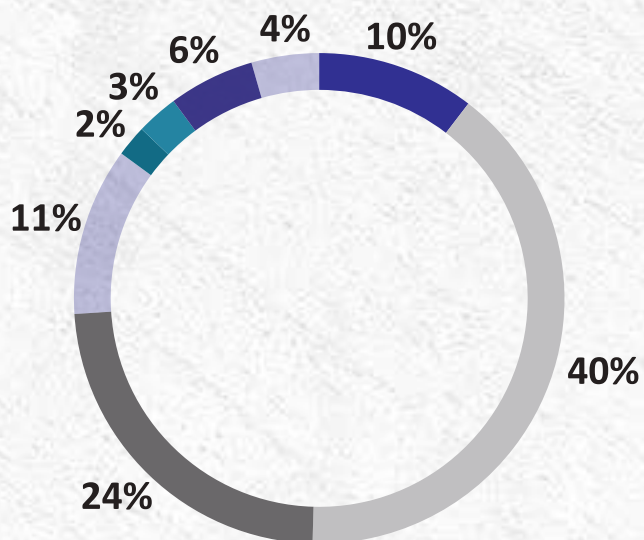
7.7 VALUE ADDED STATEMENT



Gross Premium	Tk. 737,861,945/-
Commission on Re-insurance ceded	Tk. 88,910,552/-
Interest and other income	Tk. 45,484,438/-
Total	Tk. 872,256,935/-



Net Claim	Tk. 90,752,183/-
Re-insurance Premium	Tk. 349,158,947/-
Management Expense	Tk. 205,399,141/-
Commission	Tk. 96,629,327/-
Un-expired Risk Adjustment	Tk. 17,938,602/-
Provision for Income Tax & Deferred Tax	Tk. 24,063,841/-
Profit available for Distribution	Tk. 49,444,594/-
Reserve for Exceptional Losses	Tk. 38,870,300/-
Total	Tk. 872,256,935/-



7.8 UNCLAIMED & UNPAID DIVIDEND



Summary of Unclaimed Cash Dividend For the Period From 2010 to 2022

Unclaimed Cash Dividend Year-Wise	Unpaid Amount	Remarks
2010	59,987.00	The fund has already been sent to the Capital Market Stabilization Fund (CMSF)
2012	60,434.80	
2013	55,627.20	
2014	46,265.50	
2015	124,179.40	
2016	52,069.54	
2017	56,578.91	
2018	275,828.17	
2019	98,432.59	
Net Amount Transferred to CMSF	829,401.22	
2020	3,73,497.80	
2021	474,753.66	
2022	567,916.15	

7.9 REVIEW OF ASSET QUALITY



Continental Insurance Limited's commitment to maintaining superior asset quality is evident in its strategic focus on maximizing value for the company and ensuring satisfactory returns for stakeholders while fostering sustainable development. The company implements a policy of regularly reviewing its assets, leading to continuous monitoring and improvement in asset quality, which has resulted in significant growth over the past years.

The following figures illustrate the five-year growth of Eastland's assets, showcasing how the company effectively manages its asset quality to enhance its overall value:

- CIL prioritizes high liquidity for its assets, with more than 40% of its assets consisting of cash and quickly disposable shares and securities. This liquidity ensures the company's ability to respond swiftly to opportunities and challenges in

the market.

- The company's share investment portfolio is carefully curated, focusing on investments in companies with strong fundamentals. This approach minimizes risk and enhances the potential for long-term returns.

Despite challenges, CIL has demonstrated resilience by striving to maintain its investment income at desired levels. This resilience is a testament to the prudent investment policies adopted by the company, which prioritize stability and sustainability in the face of market fluctuations.

Overall, CIL's commitment to maintaining high-quality assets, coupled with its prudent investment strategies, has been instrumental in driving the company's growth and ensuring value creation for its stakeholders.

Position of Total Assets

BDT In Million

Assets	2023	2022	2021	2020	2019
Investment	107.56	144.98	72.96	62.86	57.58
Cash & Cash Equivalent	476.50	537.07	537.86	481.24	455.52
Fixed Assets	146.98	152.99	124.48	120.81	128.48
Other Assets	780.74	648.20	593.63	480.24	456.79
Total Assets	1511.79	1483.24	1328.92	1145.15	1098.37

Position of Investable Assets

BDT In Million

Investable Assets	2023		2022		2021		2020		2019	
	BDT	%	BDT	%	BDT	%	BDT	%	BDT	%
Investment in Government Treasury Bonds	30.00	1.98%	25.00	1.69%	25.00	1.88%	25.00	2.18%	25.56	2.33%
Investment in Shares	77.56	5.13%	119.98	8.09%	47.95	3.61%	37.86	3.31%	37.02	3.45%
Fixed Deposit Receipts	393.83	26.05%	438.02	29.53%	447.93	33.71%	396.00	34.58%	390.00	35.51%
Current & STD Accounts	68.92	4.56%	85.30	5.75%	75.58	5.69%	71.65	6.26%	49.64	4.52%
Fixed Assets & Others	941.48	62.28%	814.93	54.94%	732.45	55.12%	614.63	53.67%	601.15	54.20%
Total Investable Assets	1,511.79	100.00%	1,483.24	100.00%	1,328.92	100.00%	1,145.15	100.00%	1,098.37	100.00%

7.10 IMPACT OF MACROECONOMIC VARIABLES ON PERFORMANCE OF THE COMPANY



Analyzing the impact of macroeconomic variables on the performance of Continental Insurance Limited involves considering several factors.

1. Interest Rates: Fluctuations in interest rates can significantly impact CIL's investment income and liabilities. Lower interest rates may reduce the income generated from investments, while higher rates can increase borrowing costs.

2. Inflation: Inflation can affect both CIL's revenue and expenses. Higher inflation may lead to increased insurance claims due to rising replacement costs, while it can also drive up the costs of operations. However, insurance premiums may also rise in response to higher inflation, potentially offsetting some of these increased costs.

3. Economic Growth: Economic growth is generally beneficial for insurance companies, as it leads to increased demand for insurance products. During periods of economic expansion, individuals and businesses may be more willing to purchase insurance coverage, resulting in higher premiums and revenue for CIL.

4. Unemployment Rates: High unemployment rates can lead to a decrease in demand for insurance products, particularly in segments such as property and casualty insurance. This can result in lower premium revenue for CIL.

5. Regulatory Environment: Changes in regulatory policies can have a significant impact on insurance companies. For example, changes in insurance regulations related to pricing, underwriting, or capital requirements can affect CIL's profitability and competitive position.

6. Exchange Rates: Changes in exchange rates can affect the value of investments, revenues from international operations, and the cost of reinsurance.

7. Natural Disasters and Catastrophes: Macroeconomic variables can indirectly affect CIL's performance through their impact on the frequency and severity of natural disasters and catastrophes. Changes in climate patterns or socio-economic factors can influence the likelihood and severity of events such as hurricanes, earthquakes, and floods, which can result in significant insurance claims and losses for CIL.

Understanding how these macroeconomic variables interact and impact CIL's performance requires comprehensive analysis and modeling techniques, considering both short-term fluctuations and long-term trends in the economy. Additionally, CIL's risk management strategies and competitive position within the insurance industry will also play a crucial role in determining its resilience to macroeconomic shocks.

08

BUSINESS ANALYSIS
AND ESG



- 8.1 COMPETITIVE LANDSCAPE
- 8.2 MARKET POSITIONING
- 8.3 STRATEGY & RESOURCE ALLOCATION
- 8.4 PESTEL ANALYSIS
- 8.5 SWOT ANALYSIS
- 8.6 ESG PRINCIPLES
- 8.7 TURNING ESG PRINCIPLES INTO ACTION
- 8.8 HOW CLIMATE CHANGE AFFECTS THE BUSINESS MODEL



8.1 COMPETITIVE LANDSCAPE



The competitive landscape for Continental Insurance Limited depends on various factors such as its geographical reach, product offerings, financial strength, customer base, and regulatory environment.

1. Market Presence: CIL's market presence and penetration within its target markets will determine its competitiveness. It faces different competitors in each market segment.

2. Product Portfolio: The diversity and quality of insurance products offered by CIL compared to its competitors play a significant role. Innovative products and comprehensive coverage options gives CIL a competitive edge.

3. Financial Strength: The financial stability and solvency of CIL are crucial factors. A strong balance sheet and credit ratings enhance its competitive position, especially in terms of attracting customers and business partners.

4. Customer Service: Providing excellent customer service, claims processing efficiency, and responsiveness to client needs differentiate CIL from its competitors. Positive customer experiences lead to customer retention and word-of-mouth referrals.

5. Technological Capabilities: In the modern insurance industry, technology plays a vital role. CIL's ability to leverage technology for underwriting, risk assessment, claims processing, and customer interactions impact its competitiveness.

6. Regulatory Compliance: Compliance with regulatory requirements is essential for insurance companies. CIL's ability to navigate regulatory changes and maintain compliance efficiently affect its competitiveness.

7. Brand Reputation: The reputation and brand image of CIL compared to its competitors also influence its competitive position. Positive brand perception can attract customers and business partners, while negative publicity can have adverse effects.

8. Distribution Channels: The efficiency and reach of CIL's distribution channels, such as agents, brokers, online platforms, and partnerships, determine its ability to reach potential customers and compete effectively in the market.

8.2 MARKET POSITIONING



Market positioning for Continental Insurance Limited depend on various factors such as its target market, its competitive landscape, its unique selling proposition (USP), and its overall brand image.

1. Target Market: Who are the primary customers CIL wants to serve? Are they looking to target a specific demographic (income level, location) or industry (marine, motor, technology, etc.)?

2. Customer Needs: What are the key needs and pain points of the target market? This includes factors like affordability, coverage options, customer service, and convenience.

3. Competitors: Who are the main competitors in the insurance industry, especially those targeting the same market segment? What are their strengths and weaknesses? Identifying gaps in the market help CIL differentiate itself.

4. Unique Selling Proposition (USP): What sets CIL apart from its competitors? These are specialized coverage, innovative insurance products, exceptional customer service, or competitive pricing.

5. Positioning Statement: CIL develops a clear and concise positioning statement that communicates the unique value proposition of CIL to its target market. This statement should answer the following questions:

6. Positioning: CIL ensures that positioning statement is consistently communicated across all marketing channels, including advertising, social media, website, and customer interactions.

7. Monitoring and Adjustment: CIL continuously monitors market trends, customer feedback, and competitive activity to evaluate the effectiveness of the positioning strategy. Adjustments are made over time to stay relevant and competitive in the market.

8.3 STRATEGY & RESOURCE ALLOCATION



1. Resource Allocation Definition: CIL understands resource allocation as the process of assigning assets in a way that supports its strategic goals. This involves managing tangible assets like financial resources and inventory, as well as softer assets such as human skills and information technology.

2. Impact of External Environment: CIL proactively considers external factors like technological advancements, sustainability, and changes in demographics. These externalities shape CIL's future business strategy, influencing decisions on resource allocation and strategic planning.

3. Strategic Decisions Process: CIL employs a structured strategic planning and management system. This system ensures that strategic decisions are aligned with the company's vision and risk appetite. Decisions undergo thorough deliberation at multiple levels before approval and implementation.

4. Relation of Long-Term Strategies with Business Model: CIL recognizes the importance of the garments sector in the Bangladeshi economy and its interconnectedness with

insurance activities. Sustainability of core business operations, including insurance policy procurement and claims finance, is central to CIL's long-term strategy.

5. Resource Allocation Plans to Implement Strategy: CIL prepares resource allocation plans to achieve its strategic objectives. These plans encompass financial and human resources required to implement strategic initiatives effectively. Business planning is closely aligned with strategic planning to ensure coherence.

6. Sustainable Competitive Advantage: CIL leverages its key resources and capabilities, such as human and intellectual capital, robust financial base, efficient business procurement, and claims settlement processes, to maintain sustainable competitive advantage. This ensures resilience and differentiation in the competitive insurance market.

Overall, CIL's approach to resource allocation is strategic and adaptive, taking into account both internal capabilities and external market dynamics to drive sustainable growth and competitive advantage.

8.4 PESTEL ANALYSIS



PESTEL analysis examines the external factors affecting Continental Insurance Limited, including political, economic, social, technological, environmental, and legal aspects.

Political Factors:

Regulatory Environment:

Changes in regulations related to insurance policies, taxation, or consumer protection laws impact CIL's operations and profitability.

Political Stability:

Political instability in regions where CIL operates affect investment decisions and business continuity.

Economic Factors:

Economic Growth:

Overall economic growth rates influence consumer spending on insurance products. High growth rates may lead to increased demand for insurance.

Interest Rates:

Fluctuations in interest rates affect investment income, which is a significant revenue source for CIL.

Inflation Rates:

High inflation increases the cost of claims settlements for CIL.

Social Factors:

Demographic Trends:

Changes in demographics, such as aging populations affect the types of insurance products in demand.

Consumer Preferences:

Changing consumer preferences and lifestyles lead to shifts in insurance needs, such as increased demand for health or cyber insurance.

Public Perception:

Social attitudes toward insurance, trust in insurance companies, and awareness of risk management impact CIL's reputation and market positioning.

Technological Factors:

Technological Advancements:

Emerging technologies such as artificial intelligence, blockchain, and telematics revolutionize insurance processes, from underwriting to claims management.

Digital Disruption:

Increasing use of online platforms and digital channels for insurance transactions requires CIL to adapt its distribution strategies and customer engagement methods.

8.5 SWOT ANALYSIS



Absolutely, the SWOT analysis is indeed a fundamental tool for understanding the strategic landscape of Continental Insurance Limited. It provides a structured approach to assessing internal capabilities (strengths and weaknesses) as well as external factors (opportunities and threats) that impact CIL.

Strengths and weaknesses are internal factors that CIL directly influence. These include things like proprietary technology, talented employees, strong brand reputation, efficient processes, etc. Identifying and leveraging strengths while addressing weaknesses is crucial for maintaining and enhancing competitiveness.

On the other hand, opportunities and threats are external factors that CIL needs to monitor and respond to effectively. Opportunities arise from market trends, technological advancements, regulatory changes, etc., while threats come from competitors, economic downturns, disruptive technologies, etc. By identifying and capitalizing on opportunities while proactively mitigating threats, CIL position itself strategically for long-term success.

Utilizing the SWOT analysis as a "dashboard" enables CIL to have a comprehensive overview of its strategic position, facilitating informed decision-making and the development of effective corporate strategies. By continually reassessing and updating this analysis, CIL can adapt to changing market conditions and maintain its competitive edge in the insurance industry.

Strengths:

1. **Strong Financial Position:** CIL has a stable financial base with healthy reserves and a good track record of profitability.
2. **Diverse Product Portfolio:** CIL offers a wide range of insurance products catering to various customer needs, including property, marine and fire insurance.
3. **Established Brand:** The company has built a reputable brand over the years, which helps in attracting and retaining customers.
4. **Robust Distribution Network:** CIL has an extensive network of agents, brokers, and branches, which enhances its market reach and accessibility.
5. **Technological Advancements:** CIL has invested in advanced technology systems, enhancing its operational efficiency and customer service.

Weaknesses:

1. **Limited Market Presence:** CIL have limited market penetration compared to larger competitors, especially in certain geographic regions or niche markets.
2. **Dependency on Traditional Channels:** While CIL has a robust distribution network, it may rely too heavily on

traditional channels like agents and brokers, potentially missing out on opportunities in digital channels.

3. **Regulatory Compliance:** Like other insurance companies, CIL is subject to stringent regulatory requirements, which increase operational costs and pose compliance risks.

4. **Vulnerability to Economic Conditions:** Economic downturns or fluctuations impact CIL's business, especially if there's a decrease in demand for insurance products or an increase in claims.

Opportunities:

1. **Market Expansion:** CIL can explore opportunities to expand its market presence, either geographically or by introducing new products to target underserved customer segments.
2. **Digital Transformation:** Embracing digital technologies can enable CIL to streamline processes, improve customer experience, and tap into the growing demand for online insurance services.
3. **Strategic Partnerships:** Collaborating with other financial institutions or technology firms can open up new distribution channels and enhance CIL's competitiveness.
4. **Emerging Risks:** With the evolving risk landscape, such as cybersecurity threats or climate change-related risks, CIL can develop innovative insurance products to address emerging needs.

Threats:

1. **Intense Competition:** The insurance industry is highly competitive, with both traditional insurers and new entrants vying for market share, which put pressure on premiums and profitability.
2. **Regulatory Changes:** Changes in regulations, whether related to capital requirements, compliance standards, or tax laws, pose challenges and increase operational complexities for CIL.
3. **Technological Disruption:** Disruptive technologies like artificial intelligence and blockchain could reshape the insurance industry, requiring CIL to adapt quickly to stay competitive.
4. **Economic Uncertainty:** Economic downturns, inflation, or low-interest rates impact investment returns and premium growth, affecting CIL's financial performance.

This SWOT analysis provides a snapshot of CIL's internal strengths and weaknesses, as well as external opportunities and threats, helping the company to formulate strategies to leverage its strengths and mitigate its weaknesses while capitalizing on opportunities and managing threats.

8.6 ESG PRINCIPLES



Continental Insurance Limited adheres to Environmental, Social, and Governance (ESG) principles in its operations and decision-making processes. ESG principles guide CIL in considering the impact of their activities on the environment, society, and corporate governance.

Environmental:

CIL have policies in place to minimize its environmental footprint. This involves reducing energy consumption, managing waste responsibly, and possibly investing in renewable energy or other environmentally friendly initiatives. They also consider the environmental risks associated with their investments and underwriting practices.

Social:

CIL prioritize social responsibility, which includes initiatives to support the communities in which they operate. This involves philanthropic efforts, employee volunteer programs, diversity and inclusion initiatives, and ensuring fair labor practices throughout their supply chain.

Governance:

Good governance is crucial for CIL. They focus on transparency, accountability, and ethical decision-making at all levels of the organization. This involves having strong corporate governance structures, independent board oversight, and adherence to regulatory standards.

CIL also integrate ESG considerations into its investment decisions, offering products that align with clients' ESG preferences, or engaging with companies to encourage better ESG practices. Overall, by integrating ESG principles into its operations, CIL mitigate risks, enhance its reputation, and contribute positively to society and the environment.

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8.7 TURNING ESG PRINCIPLES INTO ACTION

Implementing ESG (Environmental, Social, and Governance) principles within Continental Insurance Limited requires a comprehensive strategy that aligns with the company's values, objectives, and stakeholders' expectations.

1. Leadership Commitment: CIL ensures top-level commitment to ESG integration by overseeing and driving ESG initiatives across the organization.

2. Stakeholder Engagement: CIL identifies and engages with key stakeholders including customers, employees, investors, regulators, and communities to understand their ESG priorities and concerns. Regular communication and feedback mechanisms have been established to foster transparency and accountability.

3. ESG Integration into Business Strategy: CIL embeds ESG considerations into its overall business strategy, risk management processes, and decision-making frameworks. This involves identifying ESG risks and opportunities relevant to the company and incorporating them into strategic planning.

4. Product and Service Innovation: CIL develops innovative insurance products and services that address emerging ESG trends and meet the evolving needs of customers. This includes offering policies that promote sustainability, resilience, and social impact, such as green insurance products or coverage for renewable energy projects.

5. Environmental Sustainability: CIL implements measures to reduce its environmental footprint and promote sustainability throughout its operations. This involves adopting energy-efficient practices, minimizing waste generation, and investing in renewable energy sources for office facilities and operations.

6. Social Responsibility: CIL demonstrates a commitment to social responsibility by supporting diversity and inclusion initiatives, promoting employee health and well-being, and engaging in community development projects. CIL also

explores partnerships with non-profit organizations and social enterprises to address social issues relevant to its stakeholders.

7. Governance and Ethics: CIL strengthens corporate governance practices and ethical standards to ensure transparency, accountability, and integrity in all aspects of its operations. This includes establishing clear policies and procedures for ESG reporting, compliance, and risk management, as well as promoting a culture of ethics and integrity among employees.

8. ESG Reporting and Disclosure: CIL enhances transparency and accountability through regular ESG reporting and disclosure. CIL considers adopting internationally recognized reporting frameworks such as the Global Reporting Initiative (GRI) or the Sustainability Accounting Standards Board (SASB) standards to communicate its ESG performance to stakeholders.

9. Continuous Improvement and Monitoring: CIL regularly monitor, evaluate, and review the effectiveness of its ESG initiatives to identify areas for improvement and ensure alignment with evolving ESG trends and best practices. This involves conducting ESG audits, engaging in benchmarking exercises, and seeking feedback from stakeholders.

10. Industry Collaboration and Advocacy: CIL collaborates with industry peers, regulators, and other stakeholders to promote ESG awareness, advocacy, and best practices. By participating in industry initiatives and working groups, CIL contributes to the development of standards, guidelines, and policies that advance sustainability and responsible business practices.

By systematically integrating ESG principles into its operations and culture, Continental Insurance Limited enhance its long-term resilience, reputation, and value creation for all stakeholders while contributing to sustainable development and societal well-being.

8.8 HOW CLIMATE CHANGE AFFECTS THE BUSINESS MODEL



Climate change can significantly impact the business model of Continental Insurance Limited in several ways:

1. Increased Frequency and Severity of Natural Disasters:

Climate change leads to more frequent and severe natural disasters such as hurricanes, floods, and wildfires. These events can result in higher insurance claims payouts for CIL due to property damage, business interruption, and loss of life.

2. Changing Risk Landscape: Climate change alters the risk landscape for insurers. Areas previously considered low-risk may become high-risk due to factors like rising sea levels, increased precipitation, or shifting weather patterns. CIL reassess their underwriting practices and pricing models to adequately account for these changing risks.

3. Regulatory and Legal Challenges: As awareness of climate change grows, governments may introduce new regulations aimed at mitigating its effects. CIL face increased compliance costs or legal liabilities related to climate change adaptation and mitigation efforts.

4. Investment Risks: CIL typically invest premiums to generate returns and pay future claims. Climate change can affect the value of these investments by creating physical

risks (e.g., property devaluation due to climate-related damage) and transition risks (e.g., stranded assets in industries transitioning to low-carbon technologies).

5. Demand for New Products: Climate change may create opportunities for CIL to develop new products and services. For example, there may be increased demand for specialized insurance products covering renewable energy projects, green infrastructure, or climate-related liability risks.

6. Reputation and Brand Risk: CIL may face reputational risks if they are perceived as not adequately addressing climate change concerns. Consumers, investors, and other stakeholders increasingly expect insurers to demonstrate environmental responsibility and sustainability in their business practices.

To adapt to these challenges and opportunities, CIL needs to incorporate climate change considerations into its risk management strategies, product development processes, and investment decisions. This involves enhancing catastrophe modeling capabilities, partnering with climate experts, engaging with regulators and policymakers, and promoting sustainable business practices throughout its operations.

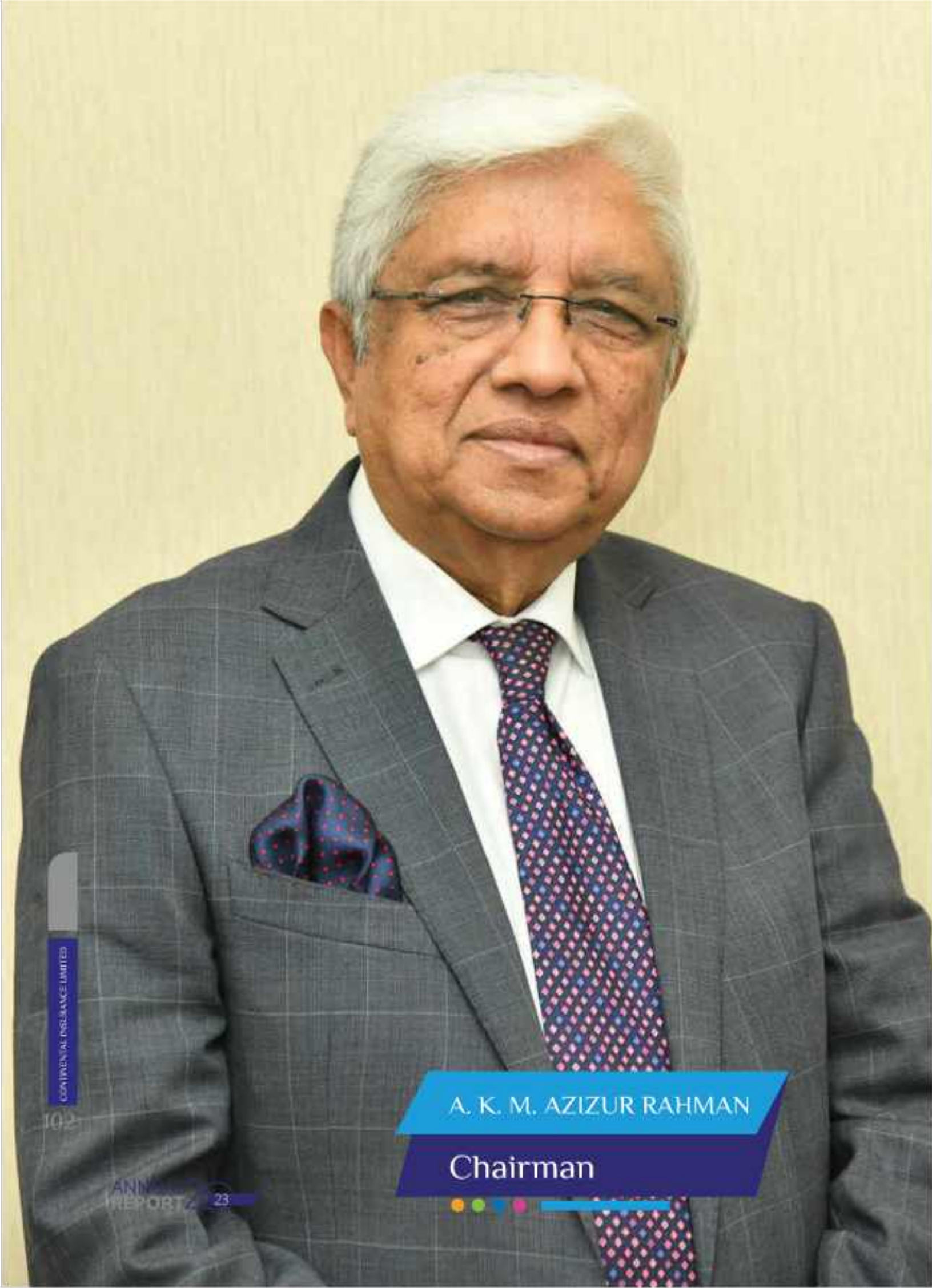
09

CORPORATE
LEADERSHIP





9.1	Message from Chairman
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A. K. M. AZIZUR RAHMAN

Chairman



Message From the

Chairman

Bismillahir Rahmanir Rahim

Dear Shareholders,
Assalamu Alaikum

I extend a warm welcome to each of you to the 24th Annual General Meeting of Continental Insurance Limited. Today, we mark a significant milestone as we present the Company's Accounts for the year 2023, celebrating Silver Jubilee of 25 years of successful operations. On behalf of the Board of Directors and myself, I wish to sincerely thank you for your enduring interest in and support for our Company. Your unwavering patronage and continued support have been pivotal in driving the sustainable development and progress that define Continental Insurance Limited. It is through your trust and partnership that we have navigated challenges and achieved significant milestones over the years. Without further ado, I am pleased to present a concise report on the Company's performance throughout 2023.

It's impressive to see how Continental Insurance Limited managed to navigate through challenging economic conditions in 2023. Despite the adversities, our team's dedication and the support from clients, shareholders, and the Board played crucial roles in achieving moderate business growth. Reflecting on the financial performance of 2023, the company demonstrated resilience and progress. Gross premium income of Tk. 757.86 million in 2023 compared to Tk. 703.79 million in 2022 and net premium income of Tk. 388.70 million in 2023 compared to Tk. 345.19 million in 2022 indicate a solid performance in generating revenue. Total Income increased to Tk. 150.28 million in 2023 from Tk. 140.76 million in 2022, net profit after tax increased from Tk. 70.51 million in 2023 from Tk. 66.51 million in 2022 and total reserve increased from Tk. 624.64 million in 2023 from Tk. 594.68 million in 2022, showcasing improved operational efficiency and risk management. Total assets standing at Tk. 1511.79 million at the end of 2023 compared to Tk. 1483.24 million at the end of 2022 signify a stable financial foundation. Net assets standing at Tk. 927.30 million at the end of 2023 compared to Tk. 915.29 million at the end of 2022 and total reserve standing at Tk. 624.64 million at the end of 2023 compared to Tk. 594.68 million at the end of 2022 indicate that the organization has managed its finances well over the year. Thereby, the market value per share increased to Tk. 40.00 at the end of 2023 from Tk. 30.30 at the end of 2022.

The decision to recommend a 5% cash dividend and 5% stock dividend totaling 10% dividend, after considering provisions for reserve, deferred tax, and taxation, underscores the company's commitment to delivering value to shareholders. Looking ahead, your optimism about future business growth is encouraging. It reflects confidence in our team's capabilities and strategic direction despite external challenges. With continued enthusiasm and strategic planning, our company appears well-positioned for further success in the coming years.

Continental Insurance Limited is always concerned about protecting the interest of all of its business partners, clients and stakeholders. Your confidence in the strength of our management team, the dedication of our employees, and the robustness of our IT and online support systems are all essential ingredients for sustainable and profitable growth. The emphasis on customer service and the support of clients and stakeholders further solidifies our foundation. Moreover, our commitment to maintaining an impressive track record and adhering strictly to regulatory requirements demonstrates a strong focus on long-term

financial performance and ethical business practices. This combination of strengths indicates that our company is not only prepared to navigate current challenges but also poised to embrace future opportunities with confidence. Continuing to leverage these strengths while remaining adaptable to changes in the business environment will be key to sustaining our growth trajectory.

Dear shareholders, I am pleased to inform you that Continental Insurance Ltd. has been recognized with a Grade "AA+" rating by Alpha Credit Rating Limited. This prestigious rating reflects our strong financial health, stability, and credibility within the industry. Achieving this rating amidst competitive pressures and challenging market conditions underscores our commitment to excellence and diligent management practices. It affirms our ability to effectively navigate complexities and deliver consistent value to our stakeholders.

Despite facing rigorous competition and navigating challenging conditions within the Bangladesh insurance sector, Continental Insurance has persevered and achieved strong performance outcomes. Our continuous efforts have significantly contributed to building a robust and stable company, positioning us as a leader in the market. Looking ahead, our focus remains firmly on enhancing customer satisfaction by understanding and addressing their evolving needs. We are dedicated to offering innovative products and services that provide comprehensive coverage and value to our clients. As we continue on this trajectory, we are optimistic about our prospects for success. We are committed to delivering sustainable benefits to our valued shareholders, as well as to all our stakeholders.

I extend my heartfelt gratitude to all our valued clients, the Office of the Insurance Development and Regulatory Authority (IDRA), Ministries of Commerce and Finance, Shadharan Bima Corporation, Bangladesh Bank, all Government and Private Commercial Banks, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Bangladesh Insurance Association, and all Government and Semi-Government institutions. Your unwavering cooperation has been invaluable to us. I would also like to express sincere thanks to our patrons, well-wishers, and, most importantly, our dedicated employees. Your contributions have been instrumental in the development and success of our company.

Thank you for your unwavering support and confidence in Continental Insurance Ltd. We look forward to advancing together towards even greater achievements.

May Allah, in His infinite mercy, guide us all towards continuous growth, prosperity, and wellbeing in the days to come. Ameen!

Allah Hafiz

With warm Regards


A.K.M. Azizur Rahman
Chairman



K.M Alamgir

Vice Chairman

Message From the

Vice Chairman

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum

It is with great pleasure that I extend a warm welcome to each of you to the 24th Annual General Meeting of Continental Insurance Limited.

On behalf of the Board of Directors, I wish to convey our heartfelt gratitude for your steadfast support to our company. Your dedication has been instrumental in our progress and success, and for that, we are deeply appreciative.

Continental Insurance Limited continues to forge ahead with a steadfast commitment to sound corporate governance, management efficiency, and unwavering accountability and transparency. These guiding principles have paved the way for our advancement, positioning us favorably for the future.

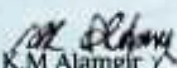
Despite facing formidable challenges in an increasingly competitive landscape, we remain resolute in our pursuit of excellence. Our ongoing efforts to enhance profitability and turnover underscore our unwavering determination to thrive in adverse conditions. The comprehensive financial report presented by the Chairman on behalf of the Board of Directors provides a clear overview of our company's performance.

Before I conclude, I would like to express my sincere gratitude to my esteemed colleagues on the Board of

Directors for their steadfast support and cooperation. I also extend heartfelt thanks to regulatory authorities, esteemed clients, and valued shareholders for their continued partnership and assistance in propelling our company forward. And let us not forget the invaluable contributions of every member of the Continental Insurance team. Your dedication and hard work are the driving force behind our success, and we are truly grateful.

As we move forward, let us seek the guidance and blessings of the Almighty. May Allah's infinite mercy illuminate our path and lead us towards continued growth, prosperity, and well-being in the days ahead.

Thank you.


K.M. Alamgir
Vice Chairman



CONTINENTAL INSURANCE LIMITED

Golam Kamal Chowdhury

CEO (C.C.)

ANNUAL REPORT 2023



Message From the

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum

It is with immense pleasure that I welcome you to the 24th Annual General Meeting of Continental Insurance Limited. I would like to express my sincere appreciation for your lively support and invaluable assistance throughout the year. Your dedication and commitment have been instrumental in our continued success.

Continental Insurance Limited has built a strong reputation in the commercial insurance industry since its establishment in 1999. Our emphasis on quality products and services at competitive rates, along with our "AA+" rating, reflects our dedication to excellence and stability in serving our clients. Maintaining leadership in commercial insurance requires consistent commitment to customer satisfaction and reliable coverage options.

Insurance forms a critical component of a robust financial strategy by providing protection against various risks that could otherwise lead to significant financial losses. Each type of insurance serves a specific purpose in mitigating financial risks associated with fire, accidents, illness, disability, or death. By incorporating appropriate insurance coverage into our financial plan, we can protect ourselves and our loved ones from unexpected financial hardships and maintain financial stability over the long term.

Insurance is often perceived as an expense that businesses, especially smaller or newer ones, might struggle to afford. However, viewing it solely as an expense overlooks its fundamental role in protecting the business and ensuring its longevity. While the cost of business insurance can vary depending on factors such as the industry, location, and size of your business, it is often much less expensive than the potential costs of damage. Moreover, insurance premiums are typically tax-deductible as a business expense, which can help offset some of the costs. Insurance should be seen as a necessary investment rather than a discretionary expense. It's a proactive measure that can help protect your business from unforeseen events and ensure its stability and resilience over the long term.

Insurance is crucial for protecting businesses from unforeseen circumstances that could otherwise lead to closure. In Bangladesh, as in many other places, natural disasters like fires, floods, hurricanes, and tornadoes pose significant risks to businesses. Without insurance, these disasters could result in permanent closure due to the financial strain of rebuilding and lost revenue during closure periods. Insurance serves as a safety net, providing financial support to repair or replace damaged property and equipment, cover lost inventory, and maintain cash flows during interruptions caused by disasters. Investing in

comprehensive business insurance isn't just about mitigating risks; it's about safeguarding the long-term viability of the business. It allows businesses to recover more quickly and effectively from setbacks, ensuring that they can continue to serve their customers and contribute to the economy even after facing significant challenges.

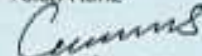
We are emphasizing the ongoing refinement of our company's risk management processes. By investing time and resources into analyzing and minimizing risks, our company aims to enhance its ability to handle unforeseen events effectively. We also emphasize the role of insurers as both assuring policyholders and professional risk managers. This dual role underscores the importance of insurers not only in providing assurance to clients but also in swiftly and efficiently processing claims when unfortunate circumstances arise. This approach reflects a commitment to proactive risk management and ensuring that clients' needs are met with urgency and efficiency.

I extend my heartfelt gratitude to the Hon'ble Chairperson, esteemed board members, shareholders, and stakeholders for their invaluable support, which was instrumental in making 2023 a resounding success. Your continued support and cooperation are pivotal as we look ahead to the future. I also wish to express profound appreciation to our dedicated branch managers and all employees whose unwavering commitment has been vital in fulfilling our corporate mission and vision. To our esteemed customers and clients, I am deeply thankful for your steadfast support throughout the year. We eagerly anticipate continuing to serve you with excellence in the days to come.

We are deeply grateful to all regulatory authorities for their continuous support and guidance, without which our progress and achievements would not have been possible. Their guidance ensures that we navigate the regulatory landscape effectively and comply with all necessary standards.

May almighty Allah's guidance and mercy lead us all towards prosperity and goodness in every aspect of our lives.

Allah Hafiz



Golam Kamal Chowdhury
Chief Executive Officer (C.E.O.)



BOARD *Of* Directors



Chairman

A.K.M. Azizur Rahman

Vice Chairman

K.M Alamgir

Directors

Tehsin Rashid
Saira Yasin
A.K.M. Alamgir
Feroz Alam
Imtiaz Bin Musa
Abrar Rahman Khan
Syed Sakib Naimuddin
Anwar Hossain
Mahrukh Chowdhury

Independent Director

Dr. Nusrat Hafiz
Brig Gen Md. Abdul Halim (Retd)

9.4 Composition of Board of Directors and It's Committes

Audit COMMITTEE

Chairman

Brig. Gen. Md. Abdul Halim (Retd)

Member

K.M Alamgir

A.K.M. Alamgir

Saira Yasin

Syed Sakib Naimuddin

Investment COMMITTEE

Chairman

K.M Alamgir

Member

Feroz Alam

Abrar Rahman Khan

Imtiaz Bin Musa

Syed Sakib Naimuddin

Policyholder PROTECTION & COMPLIANCE COMMITTEE

Chairman

K.M Alamgir

Member

Feroz Alam

Anwar Hossain

Mahrukh Chowdhury

Nomination AND REMUNERATION COMMITTEE

Chairperson

Dr. Nusrat Hafiz

Member

A.K.M. Azizur Rahman

K.M Alamgir

Anwar Hossain

Risk Management COMMITTEE

Chairman

Feroz Alam

Member

Brig. Gen. Md. Abdul Halim (Retd)

A.K.M. Alamgir

Abrar Rahman Khan

Tehsin Rashid



A. K. M. AZIZUR RAHMAN

Chairman

A.K.M. Azizur Rahman is an esteemed figure in the business landscape of Bangladesh, with an illustrious career spanning around 50 years. Graduating with an M.A. in Sociology from Dhaka University, he ventured into the business world in 1974, marking the beginning of a journey that sees him become a key player in the country's development. His leadership role in the Khansons Group, a prominent conglomerate in Bangladesh, has been instrumental in shaping the nation's economic landscape. Through his vision and strategic acumen, he has contributed significantly to the growth and diversification of the group's portfolio, spanning industries such as automobiles, insurance, properties, international trading, and more. Mr. Rahman's commitment to regional development is evidenced by his establishment of Sonargaon Textiles and Khansons Textiles Limited in Barisal, aimed at fostering economic growth and prosperity in Southern Bengal. His efforts in this regard were recognized with the award of a GOLD MEDAL in 1993-94 for his extensive industrialization program in the region. Furthermore, Mr. Rahman's achievements have been acknowledged on a national level, with prestigious accolades such as being named a Commercially Important Person (CIP) in 1989 and 1999, highlighting his significant contributions to the country's business landscape. His

exemplary contributions to industrialization earned him the C.R. DAS GOLD MEDAL in 1995-96, further solidifying his status as a distinguished industrialist of Bangladesh.

Mr. Rahman's impact on Bangladesh's economic development is significant, particularly through his adept leadership skills. His tenure as elected Vice President of the Bangladesh Association of Publicly Listed Companies during 2010-2011 saw strategic initiatives aimed at fostering growth and generating employment opportunities on a large scale. As Director of the Bangladesh Textiles Mills Association (BTMA), he contributed to the advancement of one of Bangladesh's crucial industries. His involvement as a member in the Standing Committee of the Dhaka Chambers of Commerce and Industry (DCCI) until 2014 further demonstrates his commitment to supporting the business community and driving economic progress. Additionally, his roles as an Executive Committee member of both the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in the year 1999 and the Bangladesh Insurance Association (BIA) reflect his broad influence and expertise across various sectors. Moreover, Mr. Rahman's chairmanship of Golden Life Insurance Limited and Continental Insurance Limited suggests his leadership in the insurance sector, potentially contributing to the stability and growth of Bangladesh's insurance industry.

A.K.M. Azizur Rahman's dedication to philanthropy and social development is truly inspiring. Through the establishment of educational institutions like Al-Haj B.N. Khan Degree College and Anwara Begum Girls School at Wazirpur in Barisal, he's providing invaluable opportunities for education, particularly to those who may not have had access otherwise. His commitment to supporting deserving students, alongside his contributions to mosques and orphanages, showcases a holistic approach to community welfare. Furthermore, Rahman's engagement in business tours with various government ministries across different countries reflects his desire to foster international cooperation and economic growth. By leveraging his business ventures to connect with governments worldwide, he's not only expanding his own enterprises but also potentially facilitating partnerships that benefit both local and global communities.

Overall, A.K.M. Azizur Rahman's legacy as a business leader, philanthropist, and community builder is a testament to his vision, dedication, and impact on the economic and social fabric of Bangladesh.



K.M. ALAMGIR

Vice Chairman

Mr. K. M. Alamgir, born into a respected Muslim family, has emerged as a distinguished entrepreneur and leading businessman in his country. Graduating with a degree in Mechanical Engineering in 1985, his journey from academia to entrepreneurship exemplifies his dedication and talent. Through unwavering perseverance, Mr. Alamgir has carved a niche for himself as a visionary industrialist, shaping the business landscape of his nation. Specializing in the plastic and polymer sectors, Mr. Alamgir serves as the Managing Director of Lira Group, a conglomerate renowned for its diverse portfolio and innovative ventures. His affiliations with esteemed

organizations like Samrat Industries, Samrat Packaging Industries, Lira Industrial Enterprise Ltd., Lira Polymer Industries Ltd., Lira Doors Ltd., Bari Plastic Ltd., and Saj Corporation further underscore his prominent presence and influence within the business community.

Beyond his core business interests, Mr. Alamgir extends his entrepreneurial prowess to other sectors. As the owner of Sohag Paili Resort, he contributes to the hospitality industry, providing unparalleled experiences to patrons. Additionally, his role as Director of Continental Insurance Limited highlights his engagement in the insurance sector, showcasing his multifaceted approach to business leadership. His membership in the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) signifies his dedication to advancing economic interests at a national level. Moreover, his tenure as the Former President of the Bangladesh Plastic Goods Manufacturers and Exporters Association reflects his advocacy for the growth and sustainability of the plastic industry.

Mr. Alamgir's commitment to community and industry development is evident through his involvement in various capacities. As the Director of Dhaka Mohammedan Sporting Club Ltd, he fosters sportsmanship and camaraderie within the community. In addition to his professional endeavors, Mr. Alamgir is deeply engaged in social initiatives, aligning with his values of giving back to society. Through his active participation in numerous social organizations, he demonstrates a steadfast commitment to making meaningful contributions to the betterment of society.

In summary, Mr. Alamgir's diverse engagements across sports, business, and social sectors underscore his leadership, vision, and commitment to driving positive change and fostering holistic development in Bangladesh.



TEHSIN RASHID

Director



Mr. Tehsin Rashid, born into a respected Muslim family in Dhaka, has carved a notable path for himself as an energetic business entrepreneur. His journey includes completing his Juris Doctorate from the University of Minnesota, USA, a testament to his dedication to academic excellence. As the Managing Director of Modonna Printers, he not only brings his entrepreneurial zeal but also leverages the knowledge acquired abroad to drive the organization's growth. His international education equips him with a diverse skill set and a global perspective, which he applies effectively in his role.

Furthermore, Mr. Rashid's multifaceted involvement extends to his position as a Director of Continental Insurance Limited, showcasing his versatility and leadership across different sectors. His presence on the board of a reputable insurance company suggests his strategic acumen and ability to navigate complex business environments.

In summary, Mr. Tehsin Rashid emerges as a dynamic figure in both the business and academic realms, blending his cultural heritage with international experiences to make significant contributions to the growth and development of organizations in Bangladesh.

Ms. Saira Yasin's journey is a testament to the power of education and determination. Hailing from Chittagong and born into a respected Muslim family, she pursued her legal education with fervor. Her completion of LLB Law from Brunel University London and the Bar Professional Training course from City University of London speaks volumes about her dedication to her field.

What's truly commendable is her proactive approach to professional development. By engaging in various training and workshops abroad, she not only broadened her horizons but also enhanced her professional competency. This commitment to continuous learning is undoubtedly one of the key factors behind her success.

Now, as a Director of Continental Insurance Limited, Ms. Saira Yasin is utilizing her academic knowledge and practical experience to contribute significantly to the organization's growth. Her leadership and expertise are invaluable assets, driving the company forward and ensuring its continued success.



SAIRA YASIN

Director





FEROZ ALAM

Director



Mr. Feroz Alam, a distinguished individual born into a noble Muslim family at Shibchar, Madaripur, is globally recognized not only for his business acumen but also for his contributions to society and his admirable personal qualities. He is not only a respected entrepreneur but also a man well-regarded for his familial values and his noble disposition, which has earned him respect from individuals worldwide.

Mr. Feroz embarked on his professional journey within a multinational apparel company, a position that laid the foundation for his later entrepreneurial ventures. Mr. Feroz's hard work and perseverance have consecutively led to numerous achievements in the business sector. Together with his close friends, he co-founded the Tusuka Group, thereby establishing it as one of the premier manufacturing entities within the country, where he presently holds the position of Director. His journey did not solely confine him to the apparel industry; he widened his entrepreneurial scope by venturing into the airline sector. In 2018, he ventured into the airline business with Novo Air, assuming the vital role of Deputy Managing

Director. Moreover, on a personal business front, he occupies the role of Managing Director at Jeans and Polo Limited & Colour Creation. Subsequently, this year he took directorial responsibilities at Continental Insurance Limited.

Mr. Feroz Alam, a distinguished individual born into a noble Muslim family at Shibchar, Madaripur, is globally recognized not only for his business acumen but also for his contributions to society and his admirable personal qualities. He is not only a respected entrepreneur but also a man well-regarded for his familial values and his noble disposition, which has earned him respect from individuals worldwide.

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Mr. Feroz has been fervently engaged in various charitable endeavors since his early stages. His involvement extends to numerous schools' social initiatives and charity work for underprivileged communities. He is notably involved in social clubs, diverse sporting events, and football associations. Moreover, his significant role in social activities is highlighted by his tenure as the President of Uttara Club Ltd, a role he has been elected to for the third consecutive term, reflecting his dedication and leadership within the community. Furthermore, Mr. Feroz is an active member of several social clubs across Bangladesh, continually expanding his efforts to foster social well-being and community development.

In addition to his professional and social commitments, Mr. Feroz is cherished as a remarkable family man. His steadfast dedication to his family values and morals has not only enriched his personal life but has also established him as a figure who is respected on an international scale. His story is not only a testament to successful entrepreneurship but also illustrates the potent impact of blending professional success with genuine social and familial commitment.



A.K.M. ALAMGIR

Director

Mr. A.K.M. Alamgir is undoubtedly a remarkable individual with a diverse range of accomplishments and contributions to both the business world and society at large. Born into a respected Muslim family in Chittagong, his upbringing likely instilled in him strong values of

community service and dedication.

His academic journey, culminating in a Bachelor's Degree in Commerce from Dhaka University, provided him with the necessary foundation for his entrepreneurial ventures. As the Managing Director of Bengal Remedies Ltd. and Bengal Overseas Ltd., as well as a Director of Continental Insurance Limited, Mr. Alamgir has demonstrated his adeptness at navigating the complexities of business and industry.

Moreover, his extensive involvement in various professional associations such as the former President of the Animal Health Companies Association of Bangladesh (AHCAB), former Vice President of the Dutch-Bangla Chamber of Commerce & Industry (DBCCI), and the World's Poultry Science Association-Bangladesh Branch (WPSA-BB) and EC member of the Bangladesh Poultry Industries Association (BPIA), indicates his commitment to advancing not only his own interests but also those of his peers and industries he serves.

Beyond his professional achievements, Mr. Alamgir's engagement with numerous social organizations, clubs, sports clubs, charitable organizations, madrasas, mosques, and the founding of Sakera Ali Primary School at Azim Nagar, Bhandar Sharif in Chittagong, highlight his deep-seated dedication to giving back to his community and promoting social welfare.

In summary, Mr. A.K.M Alamgir exemplifies the epitome of a dynamic entrepreneur and a compassionate community leader, whose endeavors have undoubtedly left a lasting impact on both the business landscape and the lives of those around him.

Mr. Abrar Rahman Khan, a dynamic entrepreneur hailing from a respected Muslim family in Dhaka, has made significant strides in the business world. Armed with a B.Sc. in Management from Cass Business School, City University, UK, and an MBA from Brunel University, UK, Mr. Khan has leveraged his academic prowess to contribute to the success and expansion of his family's business empire.

His multifaceted involvement spans various key roles within the family business, where he has taken on significant responsibilities. Notably, as the Director of Operations at Sonargaon Textile Ltd., Mr. Khan plays a pivotal role in steering the company towards growth and prosperity.

Beyond his corporate endeavors, Mr. Khan is actively engaged in social causes, demonstrating his commitment to giving back to the community. His role as a Director at Continental Insurance Limited underscores his versatile skill set and broad range of interests.

With his blend of academic excellence, entrepreneurial acumen, and commitment to social responsibility, Mr. Abrar Rahman Khan stands as a shining example of a modern business leader making a positive impact both within the business realm and the wider community.



ABRAR RAHMAN KHAN

Director



IMTIAZ -BIN-MUSA
Director

Mr. Imtiaz Bin Musa stands as a dynamic force in entrepreneurship, renowned for his leadership roles across various industries. Armed with a BBA from St. Francis College in New York, USA, his educational foundation underpins his success as an industrialist and businessman.

At present, he serves as the Managing Director of Kuliarchar Group, overseeing a diverse array of enterprises, including Kuliarchar Fashion Apparels Limited, Kuliarchar Sweater Industries Limited, Kuliarchar Packaging Industries Limited, Kuliarchar Seafood's (Cox's Bazar) Limited, Kuliarchar Cold Storage Limited, and Kuliarchar Property Limited. Through strategic direction and astute management, he's steered these companies toward significant growth and prosperity.

Mr. Musa's influence extends beyond corporate corridors; he actively engages with various social organizations, contributing meaningfully to societal progress. His philanthropic endeavors and civic engagement underscore his commitment to the welfare of the community and the nation at large.

In addition to his executive roles within the Kuliarchar Group, Mr. Musa serves as a Director of Continental Insurance Ltd., and as a Director of Jumuna Life Insurance Limited. His involvement in the insurance sector further showcases his breadth of expertise and his dedication to shaping diverse aspects of the business landscape.

Mr. Imtiaz Bin Musa's business acumen, coupled with his commitment to social responsibility, positions him as a notable figure in both the corporate and philanthropic spheres, making significant contributions to the advancement of his country and beyond.

Mr. Syed Sakib Naimuddin is an accomplished individual with a diverse background. His combination of a strong educational foundation in strategic marketing from Curtin University in Australia, along with his entrepreneurial spirit, suggests he's well-equipped to navigate the dynamic world of business. Coming from a respected Muslim family in Chittagong instilled values of integrity and hard work in him, which are invaluable assets in any entrepreneurial endeavor. His energy and drive are promising indicators of future success.

Mr. Syed Sakib Naimuddin's roles as Managing Partner of SAM Steel and Director of Brother Oxygen Limited, Rainbow CNG Services Station Limited, and Continental Insurance Limited demonstrate his versatility and leadership in diverse industries. His professional knowledge in strategic marketing likely plays a significant role in contributing to the growth and success of these organizations. With his expertise, he's likely driving innovation, implementing effective marketing strategies, and fostering strong relationships within the industry. His contributions are instrumental in steering these companies towards continued growth and prosperity.



SYED SAKIB NAIMUDDIN
Director



MAHRUKH CHOWDHURY

Director



Mrs. Mahrukh Chowdhury is an inspiring figure, hailing from a respected Muslim family in Chittagong. Her academic journey, culminating in a BBA degree with a specialization in Marketing from North South University, reflects her commitment to education and professional development. As a dynamic business entrepreneur in Bangladesh, she holds the position of director at Imam Network Ltd, a leading provider of Interconnection Exchange (ICX) Services in the country.

Her role in Imam Network Ltd showcases her adeptness at utilizing her academic and professional expertise to drive the growth and success of her business ventures. By leveraging her knowledge in marketing and her entrepreneurial spirit, she contributes significantly to the advancement of her company and the broader business landscape in Bangladesh.

Beyond her business pursuits, Mrs. Mahrukh Chowdhury's engagement with various social organizations highlights her commitment to giving back to her community. Her involvement in social causes underscores her multifaceted approach to making a positive impact, both in the business world and in society at large.

Mr. Md. Anwar Hossain, born into a respected Muslim family, has distinguished himself as a prominent entrepreneur and esteemed businessman within the country. Through his unwavering dedication and exceptional talent, Mr. Hossain has carved out a reputation as a visionary industrialist and a notable figure in the business community.

Currently, Mr. Hossain holds pivotal roles in several prominent enterprises. He serves as the Chairman of Advance Textile Printers, where his leadership contributes to the company's growth and success in the textile industry. Additionally, he holds the position of Managing Director at Advance World Limited and Advance Flexopack Industries, underscoring his diverse business interests and managerial acumen across different sectors.

Beyond his corporate achievements, Mr. Hossain is also actively involved in the governance and strategic direction of Continental Insurance Limited, where his role as Director reflects his commitment to the insurance sector.

Furthermore, Mr. Hossain is deeply engaged with various social organizations, demonstrating his dedication to contributing positively to society beyond business endeavors. His involvement underscores a commitment to community welfare and the broader societal impact of his activities.

Overall, Mr. Md. Anwar Hossain's multifaceted contributions as an entrepreneur, industrialist, and community leader exemplify his significant influence and leadership within the country's business landscape and social fabric.



ANWAR HOSSAIN

Director





DR. NUSRAT HAFIZ

Independent Director



Brig Gen Mohammed Abdul Halim was appointed by the Board of Directors of Continental Insurance Limited on 17th February 2021 as Independent Director of the Company. Before taking retirement from Bangladesh Army, he served as Director of Budget, Bangladesh Army. After retirement he was also served as Group Executive Director at SA Group, Consultant at Logistic Cell, UN World Food Programme (UNWFP) Dhaka, Chief Executive Officer at SKPS, a sister concern of Army Welfare Directorate of Bangladesh Army. Mr. Halim completed his MBA degree from Royal Roads University, CANADA. Besides, he did his MDS and Msc from National University, Bangladesh. He has also Comprehensive experience in Human Resource Management, Financial Management, Market Analysis & Management, Higher Level Training Management, Budget Preparation, and Disaster Management. He engaged himself in various training and workshop in abroad to enhance professional competency. With the help of his academic and professional knowledge gathered from abroad, he is contributing a lot for the growth of the organization.

Ms. Nusrat Hafiz brings a wealth of expertise and experience to her roles as an Independent Director of Continental Insurance Limited and Sonargaon Textile Ltd. Her appointment to the Board of Directors of Continental Insurance Limited on October 4th, 2018, underscores her reputation as a trusted leader in the industry.

With a strong academic background, including an MBA degree with high distinction from North South University, Bangladesh, Ms. Hafiz demonstrates a commitment to academic excellence. Currently pursuing a PhD at Putra Business School, University of Putra Malaysia, she continues to expand her knowledge and contribute to the advancement of business studies.

Ms. Hafiz's involvement in various international conferences, workshops, and publications reflects her dedication to professional development and staying abreast of global industry trends. Her expertise in areas such as small business growth and sustainability, resource management, and women entrepreneurship makes her a valuable asset to both Continental Insurance Limited and Sonargaon Textile Ltd, where she serves as an Independent Director.

As a lecturer at BRAC University, Bangladesh, and a trainer in women entrepreneurship programs like D'gix Avwg- Venture Maestros, Ms. Hafiz actively contributes to the development of future business leaders and promotes innovation and sustainability in the industry.

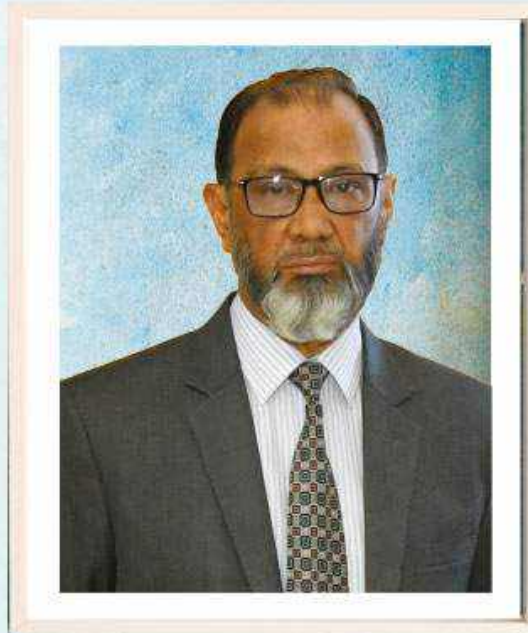
Overall, Ms. Nusrat Hafiz's multifaceted background, expertise, and dedication to continuous learning make her a highly respected and effective leader in the corporate and academic spheres.



BRIG GEN MOHAMMED ABDUL HALIM
(RETD)

Independent Director





GOLAM KAMAL CHOWDHURY

CEO (C.C)



Mr. Golam Kamal Chowdhury is a highly experienced professional within the insurance sector, currently holding the esteemed position of Additional Managing Director at Continental Insurance Limited. His extensive career at Continental Insurance spans several decades, commencing in 2002 when he first joined as Executive Vice President. Throughout the years, he has progressively assumed more senior roles within the company, ultimately reaching the pinnacle of his career as Additional Managing Director.

Mr. Kamal earned his Bachelor's degree in Commerce from the University of Dhaka in 1987, where he achieved a

second-class distinction. His commitment to the insurance industry in Bangladesh is evident through his long-standing tenure and leadership roles at Continental Insurance Limited. Presently, he serves as the Chief Executive Officer (CC), underscoring his pivotal role in directing and guiding the operations of the company.

Mr. Golam Kamal Chowdhury's career trajectory exemplifies his deep-rooted dedication, extensive expertise, and significant contributions to the insurance sector, positioning him as a key leader within Continental Insurance Limited.

9.6 Executive Management





Md. Abdul Malek

Chief Financial Officer

Mr. Md. Abdul Malek serves as the Chief Financial Officer of Continental Insurance Limited, having joined the company on May 2nd, 2005. He has amassed a robust academic background, beginning with a BBS (Honors) in Management from the University of Rajshahi, where he achieved First Class honors and was awarded a Gold Medal for outstanding results. Continuing his academic pursuits, Mr. Malek earned an M.Com in Management from the National University, an MBA in Accounting from Ashanullah University of Science & Technology, and a Master of Professional Accounting (MPA) from the University of Dhaka. He is also a Registered Accounting Technician (RAT) member of the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Malek's professional journey includes three years of article ship with M. Ali & Co., Chartered Accountants, prior to his tenure at Continental Insurance Limited. With over 18 years of experience in the insurance sector, he possesses extensive expertise in Accounting, Taxation, and Budgeting. He has further enriched his knowledge through participation in numerous training courses focused on VAT & Taxes. Additionally, Mr. Malek has completed an Advanced Level Certificate Course on International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) from the Institute of Chartered Accountants of Bangladesh (ICAB). His commitment to professional development is evident in his life membership in the Dhaka University Accounting Alumni Association.



Ataur Rahman

Company Secretary

Mr. Ataur Rahman has an extensive professional background in corporate management, administration, compliance, and board affairs, spanning over 14 years. He joined Continental Insurance in August 2017 as the Company Secretary, bringing with him a wealth of experience from previous roles. His educational qualifications include an MBA with a specialization in Finance and Banking, obtained from the International Islamic University Chittagong. Currently, Mr. Rahman is pursuing a Chartered Secretary Certification from the Institute of Chartered Secretaries of Bangladesh (ICSB), underscoring his commitment to professional development in corporate governance and secretarial practices. Before his tenure at Continental Insurance, Mr. Rahman held significant positions including Company Secretary at Desh General Insurance Company and Deputy Company Secretary at Meghna Insurance Company Limited. His career progression highlights his expertise in handling board affairs, compliance matters, and overall corporate governance. Throughout his career, Mr. Rahman has actively participated in various professional seminars and training sessions within Bangladesh, further enhancing his skills and knowledge in corporate management and regulatory compliance. Overall, Mr. Ataur Rahman's career trajectory underscores his dedication to the field of corporate secretarial practices and governance, making him a valuable asset to Continental Insurance and the broader corporate community in Bangladesh.



Dipak Kumer Das

SEVP & Head of Re-Insurance, Aviation Ins. & Specialized Underwriting Department

Mr. Dipak Kumer Das, currently serving as the Senior Executive Vice President and Head of the Re-insurance Department, has recently celebrated 18 years in the insurance industry. He holds a Master's Degree in Philosophy and has completed the prestigious ABIA course from the Bangladesh Insurance Academy, which is widely recognized across the nation for its excellence in insurance education. Throughout his career, Mr. Das has demonstrated a strong commitment to professional development by actively participating in numerous insurance-related courses and seminars conducted by reputable institutions, both domestically and internationally. His journey in the insurance sector began on 25th June, 2005, when he embarked on his career with Continental Insurance Ltd. Mr. Das's extensive experience and educational qualifications underscore his dedication and expertise in the field of insurance, making him a valuable asset in his current role as Senior Executive Vice President and Head of the Re-insurance Department.



Baktier Hayder

SVP & Head of Branch Control & Underwriting Department

Mr. Baktier Hayder, as Senior Vice President and Head of the Branch Control & Underwriting Department, brings over 18 years of extensive experience in the insurance industry. His educational qualifications include a Post Graduate Diploma in Business Management from the Bangladesh Institute of Management (BIM), complemented by a Master's Degree in Management. He has further distinguished himself by completing the Associate of Bangladesh Insurance Academy (ABIA), a prestigious professional certification awarded by the Bangladesh Insurance Academy. Throughout his career, Mr. Hayder has demonstrated a commitment to continuous learning and professional development. He has actively participated in numerous insurance-related courses, training programs, workshops, and seminars conducted by reputable institutions within the insurance sector. His journey began with Continental Insurance Ltd. on April 3rd, 2008, marking the start of his successful career trajectory in the insurance field.



Muhammed Gofour Mia

**SVP & Head of Establishment
Department**

Mr. Muhammed Gofour Mia is currently serving as the Senior Vice President and Head of the Establishment Department at Continental Insurance Ltd. He has been with the company since July 26th, 2005. Prior to joining Continental Insurance Ltd., he gained valuable experience at several other General and Life Insurance Companies, namely Image International, Alico American Life Insurance Company, Razzaque & Co., and ICIS Computer Networks (BD) Ltd. Mr. Muhammed Gofour Mia holds a BSS (Honors) and MSS in Political Science from Jagannath University, and he has also completed his L.L.B. He has accumulated a total of 24 years of working experience in the insurance sector. Throughout his career, he has actively participated in various training programs and seminars conducted by prestigious institutions such as GIC Re in Mumbai, India, and the Bangladesh Insurance Academy (BIA). His extensive tenure and diverse experience across multiple insurance companies underscore his expertise and contribution to the industry, particularly in his current role overseeing the Establishment Department at Continental Insurance Ltd.



Mahmuda Akter

**SVP & Acting In-Charge of
Claims Department**

Ms. Mahmuda Akter has built a distinguished career spanning over twenty-four years in the insurance industry. She began her professional career at Sonar Bangla Insurance Ltd. as an Officer in the Underwriting Department. At Sonar Bangla Insurance Ltd., she served as both Deputy Manager and Manager. Following her tenure at Sonar Bangla Insurance Ltd., Ms. Mahmuda Akter moved to Paramount Insurance Company Ltd. where she held the position of Assistant Vice President. Her career then led her to Islami Insurance Ltd., where she served as Deputy General Manager, with a notable focus on claims and reinsurance. In September 2014, Ms. Mahmuda Akter joined Continental Insurance Limited as Vice President. This appointment highlights her continued advancement within the industry, culminating in her current position as Vice President & Acting In-Charge of the Claims Department at Continental Insurance Limited. She holds an MBA from Northern University, which equipped her with advanced business management skills applicable to the insurance sector. Additionally, she holds a Master's and Bachelor's degree in Commerce from Jagannath University, providing her with a solid foundation in finance and economics, essential disciplines in insurance and reinsurance operations.



Md. Hasinur Rahman

**VP & Head of Information
Technology Department**

Mr. Md. Hasinur Rahman is currently serving as the Vice President and Head of the Information Technology Department at Continental Insurance Ltd. He commenced his tenure with the company on March 2nd, 2010. Mr. Rahman holds a B.Sc. degree in Computer Science from a reputable university and boasts over 13 years of professional experience within the insurance sector. Prior to joining Continental Insurance Ltd., he has worked at several other companies across various sectors. Throughout his career, Mr. Rahman has actively participated in numerous training programs and seminars, enhancing his skills and knowledge in the field of information technology and insurance. His diverse experience and educational background underscore his contributions to the company's IT department and his role as Vice President.



Md. Shahadat Hossain

**DVP & Head of Internal Audit
Department**

Mr. Md. Shahadat Hossain holds the position of Deputy Vice President and currently serves as the Head of the Internal Audit Department at Continental Insurance Ltd. His tenure with the company began on March 3rd, 2013. Before joining Continental Insurance Ltd., he accumulated experience working at two other companies within the insurance sector. Educationally, Mr. Hossain has earned a Master of Business Studies degree with a specialization in Accounting. He further enhanced his qualifications by completing an apprenticeship in Professional Financial Statement and Auditing at Shafiq Basak & Co., a Chartered Accounts Firm, from January 1st, 2011, to February 28th, 2013. With a total of 11 years of professional experience in Accounts and Audit specifically within the insurance industry, Mr. Hossain brings a robust skill set and extensive expertise to his current role. His background underscores his proficiency in overseeing and managing audit functions within a corporate setting.



Faqrul Islam

**Senior Manager & Head of
Administration Department**

Mr. Faqrul Islam holds the position of Senior Manager & Head of Administration Department at Continental Insurance Ltd., a role he has held since March 1st, 2021. Prior to joining Continental Insurance Ltd., he gained valuable experience working at Global Insurance Limited and Desh General Insurance Co. Ltd. Mr. Faqrul Islam's

educational background includes a Master's Degree in Accounting and a Post Graduate Diploma in Human Resource Management from the Bangladesh Institute of Management (BIM). He has also enhanced his professional skills through various training programs and seminars, focusing on topics such as Bangladesh Labor Law-2006 and Office Management. With over 11 years of experience in the HR & Admin field across different organizations, Mr. Faqrul brings a wealth of knowledge and expertise to his current role at Continental Insurance Ltd. His educational achievements and continuous professional development underscore his commitment to excellence in his profession.

9.7

HEAD OF BRANCH & ADDRESS



DHAKA DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address
 MR. GOLAM KAMAL CHOWDHURY Additional Managing Director & Head of Branch	Mob : 01713370169 E-mail : dil@cilbd.com	Dilkusha Branch Fazlur Rahman Centre (5th floor) 72, Dilkusha C/A Dhaka- 1000.
 MR. NURUZZAMAN Additional Managing Director & Head of Branch	Mob : 01713370208 Tel : 02224435487 Email : ngjcl@gmail.com	Narayangonj Branch 03, S.M. Maleh Road (3rd Floor) Tan Bazar, Narayangonj.
 MR. MD. ABUL BASHER CHOWDHURY Deputy Managing Director & Head of Branch	Mob : 01713370192 Tel : 02223369677 Email : newmarket@cilbd.com	New Market Branch Khan Plaza, 1st Floor, 32/1, Mirpur Road, Dhaka.
 MR. MD. MOJIBUL ALAM KHAN Assistant Managing Director & Head of Malibag Branch	Mob : 01712855370 E-mail : malibagh@cilbd.com	Gulshan/Baridhara Branch Urban Rose, House No.-61, Flat No.-4A (4th Floor) Road No.-24, Gulshan-1, Dhaka.
 MR. FARUKH AHMED Executive Vice President & Head of Branch	Mob : 01713370150 01713370213 Tel : 02224452138 Email : nsd@cilbd.com	Narsingdi Branch Mizan Market (2nd Floor) 2 No. C & B Road, Narsingdi.
 MR. K.M. MAHADI HASAN Senior Executive Vice President & Head of Branch	Mob : 01715767600 Tel : 55123658 E-mail : banasree@cilbd.com	Banasree Branch 1/A, Main Road, Block # A, 1st Floor Banasree, Rampura Dhaka-1219.
 MR. MD. REZAUL KADIR Senior Executive Vice President & Head of Branch	Mob : 01713370190 Tel/Fax : 02223388889 Email : bbavenue@cilbd.com	B.B. Avenue Branch Don Plaza (8th Floor) 9. B.B. Avenue, Dhaka.

HEAD OF BRANCH & ADDRESS



DHAKA DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address
 <p>Mr. Md. Kamrul Hasan Senior Vice President & Head of Malibag Branch</p>	<p>Mob : 01712-234420 Tel/Fax : 02223388889 Email : malibagh@cifbd.com</p>	<p>Malibag Branch Present 1/2 (Previous 1/5) Outer Circular Road (3rd floor) Malibag, Dhaka-1217.</p>
 <p>MR. S.M. MONIRUL ISLAM CHISTY Senior Vice President & Head of Branch</p>	<p>Mob : 01763771212 Tel : 7744615 Email : savar@cifbd.com</p>	<p>Savar Branch Jahangir Super Market (2nd Floor) C-95/2, Majidpur, Savar, Dhaka.</p>
 <p>MR. ABUL KALAM AZAD Senior Vice President & Head of Branch</p>	<p>Mob : 01713370200 Tel & Fax: 58953513 Email : uttara@cifbd.com</p>	<p>Uttara Branch Rajlaxmi Shopping Complex (4th Floor), Uttara Model Town Dhaka.</p>
 <p>MR. SK MD. SALAHUDDIN Vice President & Head of Branch</p>	<p>Mob : 01715309350, 01911276879 Tel : 58810310 E-mail : skmdsalahuddin20@gmail.com pragati.sarani@cifbd.com</p>	<p>Pragati Sarani Branch Venus Complex (3rd floor) 199/3 # 4 Pragati Sarani Dhaka-1212.</p>
 <p>Mr. Mohammed Afsar Hossain Vice President & Head of Siddhirgonj Branch</p>	<p>Mob : 01817083425 E-mail :</p>	<p>Siddhirganj Branch 42/1, Pathantuli, Railway Road, Siddhirganj, Narayanganj.</p>
 <p>Mr. Md. Abed Ali Shah Deputy Vice President & Head of Mohakhali Branch</p>	<p>Mob : 01716193688 E-mail : pud@cifbd.com</p>	<p>Mohakhali Branch Advanced Noorani Tower (13th floor) 1 Mohakhali C/A Dhaka-1212.</p>
 <p>Mr. K. M. Anwar Hossain Deputy Vice President & Head of V.I.P Road Branch</p>	<p>Mob : 01713370173 Tel : 02222229369 E-mail : kmanwar69@gmail.com</p>	<p>V.I.P. Road Branch 35/A, Purana Paltan Lane (3rd floor) Inner Circular Road Dhaka.</p>

HEAD OF BRANCH & ADDRESS




DHAKA DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address
 <p>MR. MD. ANISUR RAHMAN Assistant Vice President & Head of Branch</p>	<p>Mob : 01713370218 Email : kishoragonj@cilbd.com</p>	<p>Kishoregonj Branch Thana Market (1st Floor), Kalbari, Kishoregonj.</p>

CHITTAGONG DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address
 <p>MR. MD. MOIN UDDIN Assistant Managing Director & Head of Branch</p>	<p>Mob : 01731580897 01819371246 Tel : 02333321130 02333325672 Email : agbd@cilbd.com moincilctg@gmail.com</p>	<p>Agrabad Branch Noor Chamber (2nd floor) 34, Agrabad C/A Chattogram.</p>
 <p>MR. GIASH UDDIN HAIDER Executive Vice President & Head of Khatungonj Branch</p>	<p>Mob : 01819389917 Tel : 031-625406 Email : khatungonj@cilbd.com</p>	<p>Khatungonj Branch 678, Shah Amanat Mazar Road, Shah Amanat Mazar Gate, Kotwali, Chittagong.</p>
 <p>MR. MD. MURAD MAJUMDER Vice President & Head of Branch</p>	<p>Mob : 01713370222 Email : comilla@cilbd.com</p>	<p>Comilla Branch. Khan Mansion (3rd Floor), Chhati Patty, Rajgonj, Comilla.</p>

SYLHET DIVISION

 <p>MR. MD. ABDUR RAHMAN Deputy Manager & Head of Branch</p>	<p>Mob : 01714959538 Tel : 02996636562 Email : sylhet@cilbd.com</p>	<p>Sylhet Branch Abdur Rahman Building (3rd Floor) 1700 Laldighirpar, New Market, Sylhet.</p>
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HEAD OF BRANCH & ADDRESS




RANGPUR DIVISION

	<p>MR. AHSAN HABIB CHOWDHURY Executive Vice President & Head of Branch</p>	<p>Mob : 01713370227 Tel & Fax : 0531- 51691 Email : dinajpur@cilbd.com</p>	<p>Dinajpur Branch Rowshan Tower (1st floor) Holding No # 44/42, Ward No. # 03 Prannathpur, Kotwali Munshipara Dinajpur.</p>
	<p>MR. MD. EZAZUL HOQUE Assistant Vice President & Head of Branch</p>	<p>Mob : 01713763625 Email : thakurgaon@cilbd.com</p>	<p>Thakurgaon Branch Hamid Super Market (1st Floor) Bangabandhu Sarak, Thakurgaon.</p>
	<p>MR. MD. FEROZE RAYHAN Manager & Head of Branch</p>	<p>Mob : 01713370226 Tel : 02589967553 Email : rangpur@cilbd.com</p>	<p>Rangpur Branch Motahar Commercial Complex, G.L. Roy Road, Rangpur.</p>

RAJSHAHI DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address	
	<p>MR. S.M. ABDUL KHALEQUE Additional Managing Director & Head of Branch</p>	<p>Mob : 01713200952 Tel : 0721-771029 Email : raj@cilbd.com</p>	<p>Rajshahi Branch Ciash Plaza (1st Floor), Moon Studio, Shaheb Bazar Rajshahi.</p>
	<p>MR. MD. ABDUL JABBER FOKIR Deputy Vice President & Head of Branch</p>	<p>Mob : 01718659691 Tel : 02588845047 Email : pabna@cilbd.com</p>	<p>Pabna Branch A.U. Centar (3rd Floor), Sonapotti, Pabna.</p>
	<p>Mr. Md. Monsur Rahman Manager & Head of Naogaon Branch (Acting)</p>	<p>Mob : 01720497324 Email : naogaon@cilbd.com</p>	<p>Naogaon Branch Old Krishi Bank Bhaban, Hotel Patty, Naogaon.</p>
	<p>Mr. Md. Abdus Saleque Assistant Vice President & Head of Bogura Branch</p>	<p>Mob : 01716318021 E-mail : bogra@cilbd.com saleque.ins@gmail.com</p>	<p>Bogura Branch Tinpotti (1st floor), Santahar Road Borogola (South Katnarpara) Bogura.</p>

KHULNA DIVISION

Name & Designation	Telephone, Mobile Fax & Email	Branch Name & Address
 MR. MD. FARUQ-UZ-ZAMAN Additional Managing Director & Head of Branch	Mob : 01713307216 Tel & Fax : 02477782907 Email : kushtia@cilbd.com	Kushtia Branch Lovely Tower,(8th Floor), 55/1, Shiraj-Ud-Dowla Road, Kushtia.
 MR. S. M. ABU HANIF Deputy Managing Director & Head of Branch	Mob : 01713370146 Tel : 0244111288 Fax : 041-2830223 Email : khl@cilbd.com	Khulna Branch Chamber Mansion, (2nd Floor) 5, KDA C/A, Khulna.
 MR. AHSAN HABIB Executive Vice President & Head of Branch	Mob : 01711732455 Email : satkhira@cilbd.com	Satkhira Branch Tufan Company Mour (Infront of Islami Bank) (1st Floor) Satkhira.
 MR. MD. SHAFIQL KABIR Senior Vice President & Head of Branch	Mob : 01716774444 Tel & Fax : 0421- 62057 Email : jessore@cilbd.com	Jessore Branch Jess Tower(2nd floor), Room # 305, M.K. Road, Jessore.
 MR. MD. ZAHIRUL ISLAM Assistant Vice President & Head of Branch	Mob : 01713370168 Tel : 0761-81046 Email : chudanga@cilbd.com	Chudanga Branch Malik Tower (Level - 05), Flat No-5/B, Chudanga Sadar, Chudanga.

BARISAL DIVISION

 MR. MD. NURUL HAQUE Vice President & Head of Barisal Branch	Mob : 01711-237669 Tel & Fax : 02478863247 Email : barisal@cilbd.com	Barisal Branch Suravi Complex (1st Floor), 432 Parara Road, Barisal.
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MYMENSINGH DIVISION

 Mr. Md. Abul Hassan Assistant Vice President & Head of Mymensingh Branch	Mob : 01744227440 E-mail : mymensing@cilbd.com continentalmyn@gmail.com	Mymensingh Branch 42, C.K. Gosh Road, Mymensingh Town Mymensingh.
 MR. MD. AKHTARUZZAMAN Manager & Head of Jamalpur Branch	Mob : 01714876538 E-mail : jamalpur@cilbd.com	Jamalpur Branch Shawdagar Bhaban (2nd Floor), Station Road, Jamalpur.



10

DIRECTORS' REPORT

10.1 DIRECTORS' REPORT TO THE SHAREHOLDERS

10.2 PATTERN OF SHAREHOLDINGS

10.3 BOARD MEETINGS ATTENDANCE BY DIRECTORS

10.1 Directors' Report to The Shareholders

Bismillahir Rahmanir Rahim
Honorable Shareholders
Assalamu Alaikum

On behalf of the Board of Directors of Continental Insurance Limited, it is with great pleasure that I welcome you to the 24th Annual General Meeting of our esteemed company. I express my sincere gratitude for your unwavering support, cooperation, and trust in us throughout the year. Today, I am pleased to present before you the Directors' Report, along with the Audited Financial Statements and the Auditors' Report for the year ended December 31, 2023. These documents reflect our commitment to transparency and accountability, and I trust you will find them comprehensive and insightful. As we reflect on the past year's achievements and challenges, we recognize that our success is rooted in the collective efforts of our stakeholders—our shareholders, employees, customers, and partners. Together, we have navigated through dynamic market conditions and continued to uphold our commitment to excellence in service and performance. I encourage each of you to carefully review the report and provide your valuable feedback. Your insights are crucial as we chart our course for the future and strive to deliver sustained value to all our stakeholders.

Global Economic Outlook

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its prepandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

Risks to the outlook are more balanced than they were six months ago, on account of the resolution of US debt ceiling tensions and Swiss and US authorities' having acted decisively to contain financial turbulence. The likelihood of a hard landing has receded, but the balance of risks to global growth remains tilted to the downside. China's property sector crisis could deepen, with global spillovers, particularly for commodity exporters. Elsewhere, near-term inflation expectations have risen and could contribute - along with tight labor markets - to core inflation pressures persisting and requiring higher policy rates than expected. More climate and geopolitical

shocks could cause additional food and energy price spikes. Intensifying geoeconomics fragmentation could constrain the flow of commodities across markets, causing additional price

volatility and complicating the green transition. Amid rising debt service costs, more than half of low-income developing countries are in or at high risk of debt distress. There is little margin for error on the policy front.

Central banks need to restore price stability while using policy tools to relieve potential financial stress when needed. Effective monetary policy frameworks and communication are vital for anchoring expectations and minimizing the output costs of disinflation. Fiscal policymakers should rebuild budgetary room for maneuver and withdraw untargeted measures while protecting the vulnerable. Reforms to reduce structural impediments to growth - by, among other things, encouraging labor market participation - would smooth the decline of inflation to target and facilitate debt reduction. Faster and more efficient multilateral coordination is needed on debt resolution to avoid debt distress. Cooperation is needed as well to mitigate the effects of climate change and speed the green transition, including by ensuring steady cross-border flows of the necessary minerals.

Bangladesh Economic Outlook

The Bangladesh economy has been showing sustainable recovery from the impact of the global coronavirus pandemic. The GDP growth experienced a sharp fall at 3.45 percent in FY 2019-20 from 7.88 percent growth of pre-pandemic year. However, GDP growth rebounded and stood at 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. But due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of BBS, the GDP growth is expected to be 6.03 percent in FY 2022-23. During the period, the per capita GDP and GNI stood at US\$ 2,657 and US\$ 2,765 respectively. The per capita GDP and GNI of the previous fiscal year were US\$ 2,687 and US\$ 2,793 respectively.

The growth of agriculture sector was 3.17 percent in FY 2020-21, which stood at 3.05 percent in FY 2021-22. According to the provisional estimate, the growth of the agriculture sector will stand at 2.61 percent in FY 2022-23. In FY 2020-21, the growth of the industry sector was 10.29 percent, which declined to 9.86 percent in FY 2021-22. The growth of the industry sector is estimated at 8.18 percent in current fiscal year. According to the provisional data, in FY 2022-23, growth in broad service sector has been decreased to 5.84 percent as compared to 6.26 percent in the FY 2021-22.

The sectoral share of broad agriculture, industry and service stood at 11.20 percent, 37.56 percent and 51.24 percent respectively in FY 2022-23; which were 11.61 percent, 36.92 percent and 51.48 percent respectively in previous fiscal year. In demand side, the consumption expenditure stood at 73.98 percent in FY 2022-23, with significant contribution of private sector. Gross domestic savings increased to 26.02 percent of GDP in FY 2022-23, from 25.22 percent a year earlier. Similarly gross national savings as percent of GDP increased to 30.22 percent in FY 2022-23 from 29.35 percent in FY 2021-22. On the other hand, investment-GDP ratio slightly decreased to 31.25 percent in FY 2022-23 from 32.05 percent in previous fiscal year.

Bangladesh Economic Growth

Bangladesh has made significant strides in its economic development in recent years. With a large population and a growing industrial base, the country has become an important player in the global economy, particularly in the South Asian region. Its nominal GDP ranks it among the top economies globally, reflecting its expanding industrial and service sectors. Bangladesh's economic growth has been supported by sectors such as textiles and garments, agriculture, and increasingly, information technology and telecommunications.

Bangladesh has been recognized as an emerging market with considerable potential by various financial institutions. Being a member of the Next Eleven (N-11) group highlights its status as a promising economy with significant growth prospects. The country's classification as a middle-income economy underscores its evolving economic landscape, supported by robust growth in key sectors. Membership in the South Asian Free Trade Area (SAFTA) and the World Trade Organization (WTO) further enhances Bangladesh's integration into the global economy, facilitating trade and economic cooperation with other nations. With consistently high economic growth rates in recent years, Bangladesh has indeed been one of the fastest-growing economies globally, driven by sectors such as textiles, agriculture, and increasingly, services and manufacturing.

Industrialization in Bangladesh has indeed undergone significant transformations and expansions over the decades, particularly since the country's independence in 1971. After the partition of British India in 1947, East Pakistan (which later became Bangladesh) contributed significantly to Pakistan's exports. Industries and labor reforms during this period laid some foundational groundwork for future industrial development. Following independence in 1971, Bangladesh embarked on economic reforms that emphasized free market policies and encouraged foreign direct investment (FDI). These reforms aimed to stimulate industrial growth and economic development. By the 1990s, Bangladesh had witnessed the rapid growth of its ready-made garments (RMG) industry. This sector became a cornerstone of the country's industrial base and a major contributor to export earnings. Remittances from the large Bangladeshi diaspora abroad became a crucial source of foreign exchange reserves. This inflow of funds supported the economy and contributed to its stability and growth. Agriculture in Bangladesh is supported by government subsidies and policies aimed at achieving self-sufficiency in food production. This sector remains vital for the economy, providing livelihoods for a significant portion of the population. Bangladesh has pursued an export-oriented industrialization strategy, focusing on sectors like RMG and increasingly diversifying into other industries such as pharmaceuticals and information technology.

While Bangladesh has made significant strides in various economic aspects such as growth, infrastructure, and digitalization, challenges like low tax collection and banking sector vulnerabilities remain. The dominance of SMEs and the role of the private sector are strengths that can be leveraged for sustainable development. Addressing the challenges effectively will be crucial for maintaining and accelerating economic progress in Bangladesh.

Bangladesh Insurance Industry

In 1972, Bangladesh nationalized its insurance industry through the Bangladesh Insurance (Nationalization) Order 1972, excepting postal life and foreign life insurance. All 49 insurance entities were placed under five corporations. Subsequently, the Insurance Corporations Act 1973 restructured this into two entities: Sadharan Bima Corporation for general business and Jiban Bima Corporation for life business. However, in 1984, the Government amended the Insurance Act of 1938 and the Insurance Corporation Act of 1973 to allow private insurance companies to conduct insurance business. Over time, Bangladesh's insurance sector has witnessed significant growth. According to the latest data from the Insurance Development and Regulatory Authority (IDRA), the country hosts 81 insurance companies, comprising 35 life insurance firms and 46 non-life insurance entities. These insurers collectively provide coverage to approximately 18.97 million individuals across various policies.

The insurance industry has witnessed a significant increase in the assets of both life and non-life insurance companies. By the end of 2022, the collective total assets of insurance companies rose to Tk 63,629.05 crores, marking a notable increase of 3.34% from the previous year's Tk 61,571.87 crores. Additionally, the investment amount for 2022 reached Tk 46,484.32 crores, reflecting a growth of 1.15% compared to the previous year. Despite the promising outlook for Bangladesh's insurance sector, driven by economic expansion, rapid industrialization, increased per capita income, and improved life expectancy, overall insurance penetration remains low. Currently, the insurance penetration ratio stands at a mere 0.5 percent, significantly below global standards and trailing behind

neighboring countries such as India (4.0), Sri Lanka (1.2), and Pakistan (0.8).

In a recent development, the Bangladesh Bank and the Insurance Development Regulatory Authority introduced Bancassurance agreements and accompanying guidelines in December, 2023, indicating a potential transformation in the traditional insurance landscape in Bangladesh. Both banking and insurance industry experts foresee those banks, owing to their extensive trust and vast micro-level networks, could bring about substantial positive changes through collaboration with the insurance sector, thereby impacting the overall economy significantly.

Branches

The company has expanded its operations extensively across the country, establishing 38 branches. Each branch is staffed with knowledgeable and skilled personnel who are well-versed in the insurance industry. The emphasis on the Branch In-Charges having successful insurance careers and proven track records suggests that the company values expertise and leadership at every level of its branch operations. This setup enables the company to provide high-quality service and effectively manage its operations nationwide.

Business Performance

Continental Insurance Limited had quite a successful year in 2023 despite the economic challenges. The dedication of our team, along with the support from clients, shareholders, and the Board, clearly played crucial roles in achieving moderate business growth. Demonstrating resilience and progress in such a competitive and uncertain environment is a testament to the strength and adaptability of our organization. In reflecting on our financial performance for 2023, it's evident that our strategic decisions and operational efficiency were key contributors to navigating through those adversities. Looking forward, maintaining this momentum and continuing to leverage our strengths will be essential for further growth and success.

The financial performance of the organization in 2023 showed significant improvements across several key metrics compared to 2022:

1. Premium Income: Gross premium income increased from Tk. 703.79 million in 2022 to Tk. 737.86 million in 2023, indicating a growth in revenue generation. Net premium income also saw an increase from Tk. 345.19 million in 2022 to Tk. 388.70 million in 2023.

2. Total Income: Total income rose from Tk. 140.76 million in 2022 to Tk. 150.28 million in 2023, demonstrating an overall increase in income streams.

3. Profitability: Net profit after tax showed improvement, growing from Tk. 66.31 million in 2022 to Tk. 70.51 million in 2023. This indicates enhanced profitability and efficiency in managing operational costs.

4. Reserves: Total reserves increased from Tk. 594.68 million in 2022 to Tk. 624.64 million in 2023, highlighting effective risk management and financial stewardship.

5. Assets and Net Assets: Total assets grew from Tk. 1483.24 million at the end of 2022 to Tk. 1511.79 million at the end of 2023, indicating a stable financial foundation and potential for future growth. Net assets also increased from Tk. 915.29 million to Tk. 927.30 million over the same period.

6. Market Value per Share: The market value per share increased significantly, rising from Tk. 30.30 at the end of 2022 to Tk. 40.00 at the end of 2023. This suggests improved investor confidence and a positive market perception of the organization's performance and potential.

Overall, these metrics reflect solid financial performance and effective management practices throughout 2023, positioning the organization well for future growth and stability in the market.

Financial Highlights

The financial highlights of Continental Insurance Limited over the last 5 (five) years are mentioned below:

Gross Premium

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	312.13	296.04	216.69	219.19	232.90
Marine Cargo	267.44	251.71	257.97	227.65	165.16
Marine Hull	30.01	26.09	23.47	18.92	14.60
Motor	56.68	58.63	46.51	59.67	56.81
Miscellaneous	71.60	71.33	74.60	44.23	54.67
Total Gross Premium	737.86	703.79	619.24	569.66	524.14

Net Premium

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	134.87	118.90	72.76	83.56	90.17
Marine Cargo	176.53	153.86	143.38	158.06	90.35
Marine Hull	5.47	4.57	4.09	3.95	0.61
Motor	52.93	56.13	39.69	58.19	54.44
Miscellaneous	18.91	11.73	12.24	17.73	12.18
Total Net Premium	388.70	345.19	272.17	321.49	247.72

R/I Premium

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	177.27	177.14	143.93	135.63	142.72
Marine Cargo	90.91	97.85	114.59	69.60	74.84
Marine Hull	24.54	21.51	19.38	14.96	13.98
Motor	3.74	2.50	6.81	1.49	2.38
Miscellaneous	52.69	59.60	62.36	26.50	42.50
Total R/I Premium	349.16	358.60	347.07	248.17	276.42

R/I Commission

Particulars	2023	2022	2021	2020	2019
Fire	58.70	47.64	34.39	25.80	45.24
Marine Cargo	20.89	13.00	13.46	16.62	10.91
Marine Hull	3.20	3.44	4.24	2.80	2.62
Motor	0.74	0.38	0.10	0.02	0.00
Miscellaneous	5.38	5.30	4.89	3.82	6.40
Total R/I Commission	88.91	69.76	57.09	49.05	65.17

Gross Claim Paid

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	89.32	41.03	101.48	28.23	214.43
Marine Cargo	56.61	13.68	13.05	7.05	1.51
Marine Hull	29.03	2.39	32.12	1.15	0.42
Motor	19.31	7.99	10.86	15.68	7.32
Miscellaneous	10.84	1.09	1.72	14.78	16.24
Total Gross Claim Paid	205.11	66.17	159.23	66.88	239.91

Net Claim Paid

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	64.79	9.62	57.01	3.81	70.83
Marine Cargo	3.22	1.88	4.51	3.17	0.90
Marine Hull	0.21	0.30	3.29	1.01	0.21
Motor	17.35	7.67	9.75	15.68	7.32
Miscellaneous	0.57	0.43	0.18	0.89	15.98
Total Net Claim Paid	86.14	19.89	74.73	24.56	95.23

Underwriting Profit

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	2.56	18.80	(28.16)	18.57	(4.23)
Marine Cargo	88.81	68.99	90.83	68.39	42.06
Marine Hull	1.62	(3.01)	(3.16)	(9.82)	(2.83)
Motor	10.85	17.97	21.81	13.75	31.54
Miscellaneous	4.18	4.90	1.11	1.99	(14.25)
Total Underwriting Profit	108.02	107.65	82.43	92.87	52.28

Management Expenses

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	74.90	74.18	63.27	56.56	64.41
Marine Cargo	59.38	57.22	47.93	42.52	31.07
Marine Hull	3.09	6.38	9.82	6.77	3.73
Motor	16.84	15.57	13.65	17.69	16.26
Miscellaneous	10.06	7.59	17.07	12.88	15.58
Total Management Expenses	164.27	160.94	151.73	136.43	131.04

Commission

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	44.54	42.22	12.66	30.93	33.05
Marine Cargo	37.60	35.29	13.43	32.55	21.52
Marine Hull	3.14	3.56	1.41	2.65	2.13
Motor	8.14	8.41	2.70	8.52	8.13
Miscellaneous	3.21	2.73	1.08	3.15	2.29
Total Commission	96.63	92.21	31.28	77.81	67.12

Balance of Funds and Accounts

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	53.95	47.56	29.10	33.42	36.07
Marine Cargo	70.61	61.54	57.35	63.22	36.13
Marine Hull	5.47	4.57	4.09	3.95	0.61
Motor	21.17	22.45	15.88	23.27	21.77
Miscellaneous	7.56	4.69	4.90	7.09	4.87
Total Balance of Funds and Accounts	158.76	140.82	111.32	130.97	99.46

Revenue Profit

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fire	2.56	18.81	(28.16)	18.57	(4.23)
Marine Cargo	88.81	68.99	90.83	68.39	42.06
Marine Hull	1.62	(3.01)	(3.16)	(9.82)	(2.83)
Motor	10.85	17.97	21.81	13.75	31.54
Miscellaneous	4.18	4.90	1.11	1.99	(14.25)
Total Revenue Profit	108.02	107.66	82.43	92.87	52.28

Total Income

BDT in Million

Particulars	2023	2022	2021	2020	2019
Revenue Profit	108.02	107.66	82.43	92.87	52.28
Investment, Interest & Other Income	42.26	33.10	43.98	24.40	75.13
Total Income	150.28	140.76	126.41	117.28	127.42

Total Assets

BDT in Million

Particulars	2023	2022	2021	2020	2019
Fixed Assets	146.98	152.99	124.48	120.81	128.48
Investments	107.56	144.98	72.96	62.86	57.58
Fixed Deposits	393.83	438.02	447.93	396.00	390.00
Cash & Cash Equivalents	476.50	537.07	537.86	481.24	455.52
Other Assets	386.92	210.18	145.70	84.24	66.79
Total Assets	1511.79	1483.24	1328.92	1145.15	1098.37

Total Reserve

Particulars	2023	2022	2021	2020	2019
Balance of Funds and Accounts	158.76	140.82	111.32	130.97	99.46
Reserve or Contingency Accounts	465.87	453.86	388.13	348.42	321.53
Total Reserve	624.64	594.68	499.46	479.39	420.99

Shareholders' Equity & Liabilities

Particulars	2023	2022	2021	2020	2019
Shareholders' Equity	927.30	915.29	849.56	793.85	747.91
Balance of Funds and Accounts	158.76	140.82	111.32	130.97	99.46
Current Liabilities & Provisions	425.72	427.13	368.03	220.33	251.01
Shareholders' Equity & Liabilities	1511.79	1483.24	1328.92	1145.15	1098.37

Shareholders' Equity

BDT in Million

Particulars	2023	2022	2021	2020	2019
Paid-up Capital	416.05	416.05	416.05	400.05	381.00
Share Premium	45.38	45.38	45.38	45.38	45.38
Reserve or Contingency Accounts	465.87	453.86	388.13	348.42	321.53
Shareholders' Equity	927.30	915.29	849.56	793.85	747.91

Other Indicators

BDT in Million

Particulars	2023	2022	2021	2020	2019
Total Administrative Expenses	41.13	35.86	28.45	35.48	38.91
Net Profit Before Tax	109.15	104.90	97.96	81.80	88.51
Net Profit After Tax	70.51	66.31	62.75	52.33	70.18
Net Operating Cash Flows	(23.49)	74.92	86.29	46.35	(47.79)

Reinsurance arrangement

CIL engages in reinsurance primarily with Sadharan Birna Corporation (SBC), a state-owned entity, through class-wise treaties. These treaties are structured to manage risks effectively for CIL. They enable CIL to handle insurance business of any scale, including high-value projects. The reinsurance arrangements, which include surplus treaty, excess of loss treaty, and facultative method with SBC, are designed to provide comprehensive coverage across different types of risks. This setup allows CIL to diversify its risk exposure and manage its underwriting capacity more effectively. Surplus Treaty allows CIL to cede risks above a specified threshold to SBC, thereby sharing the risk and protecting its own capital. Under Excess of Loss Treaty arrangement, SBC covers losses that exceed a predetermined limit, providing additional protection to CIL against large claims. Facultative Method involves considering individual risks on a case-by-case basis. It allows CIL to selectively reinsure specific risks with SBC based on their unique characteristics and exposure. These reinsurance strategies are integral to CIL's risk management framework, enabling the company to diversify its risk exposure across different types of insurance policies while maintaining adequate underwriting capacity. By leveraging these arrangements with SBC, CIL can effectively manage its risk portfolio and ensure financial stability in its operations.

Risk and Concerns

Continental, being exclusively in the insurance business, confronts a range of risks inherent to its industry and external economic conditions. These risks can be categorized as strategic risks, underwriting risks, reinsurance risks, reserving risks, investment risks, liquidity risks and socio-politico-economic risks. Strategic risks involve challenges related to the company's long-term goals, market positioning, and strategic decisions. It includes factors like competitive pressures, changes in consumer behavior, and technological advancements impacting the insurance landscape. Underwriting risks pertain to the risks associated with assessing and pricing insurance policies. Issues such as misjudgment of risks, inadequate underwriting standards, or unexpected claim frequency and severity can affect profitability. As Continental relies on reinsurance to mitigate large risks, it faces reinsurance risks for potential challenges such as the financial stability of reinsurers, adequacy of reinsurance coverage, and changes in reinsurance market conditions. Ensuring adequate reserves to cover future claims liabilities is crucial. Reserving risks such as inaccurate estimation of reserves can lead to financial instability if claims exceed expectations, impacting the company's solvency and profitability. Insurance companies invest premiums to generate returns. Investment risks include market volatility, credit risks associated with investment instruments, and liquidity risks related to the ability to liquidate investments when needed. Liquidity risks involve having sufficient liquid assets to meet short-term obligations such as claim payments, operating expenses, and policyholder withdrawals. Economic downturns or unexpected large claims can strain liquidity. External factors such as regulatory changes, economic fluctuations, political instability, and socio-economic trends can significantly impact the insurance industry. These factors influence market conditions, consumer behavior, and operational costs. Continental's proactive approach to monitoring these risks, staying informed about industry developments, and taking timely corrective or preventive measures is essential. By doing so, the company aims to safeguard its interests, maintain financial stability, and effectively navigate challenges in the dynamic insurance and economic environment.

Risk Management

Risk management is taking a proactive and integrated approach to identifying, assessing, and mitigating risks, whether they are current or potential future threats. By addressing risks preemptively, CIL can minimize the impact of adverse events and ensure continuity in operations. This process involves strategic planning, risk assessment, risk mitigation strategies, and continuous monitoring and reassessment to adapt to changing circumstances and emerging threats. Ultimately, effective risk management helps CIL to anticipate and prepare for challenges before they escalate into significant problems.

Related Party Transactions

The Company, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in IAS-24: Related Party Disclosures. All transactions involving relating parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Disclosing related party transactions is crucial for financial transparency and ensuring that the financial statements present a true and fair view of the company's financial position and performance. Such disclosures provide stakeholders, including investors, regulators, and other users of financial statements, with important information about the nature and extent of transactions with related parties, as well as the potential risks and benefits associated with these relationships.

The company acknowledged and complied with the requirements of IAS 24 by disclosing its transactions with related parties in its financial statements, reflecting its commitment to transparency and adherence to international accounting standards.

Extra-Ordinary Gain or Loss

There were no extraordinary gain or extraordinary loss during the year ended December 31, 2023. It typically means that there were no significant or unusual gains or losses from events or transactions that are outside of the company's ordinary course of business. In financial reporting, extraordinary items are events or transactions that are both unusual in nature and infrequent in occurrence. They are reported separately on the income statement to show shareholders that these items are not part of the company's normal operations. By stating that there were no extraordinary gains or losses, the company is indicating that its financial performance for the year was primarily driven by its regular business activities and that there were no significant one-time gains or losses that would distort the understanding of its ongoing operational performance.

Remuneration of Directors

Each Director, including Independent Directors were given only meeting attendance fee of BDT 8,000/- (Bangladeshi Taka Eight Thousand) per meeting attended of the Board and its Committees during the year 2023. The total amount disbursed to the Directors as remuneration or meeting attendance fees for the year 2023 was BDT 13,99,200/- (Bangladeshi Taka Thirteen Lac Ninety-Nine Thousand Two Hundred). This amount represents the aggregate sum paid to all Directors, including Independent Directors, for attending meetings of the Board and its Committees throughout the year.

Internal Control

The Board is responsible for overseeing Continental's business and management, which includes risk management and establishing internal controls. The Directors affirm that the internal control systems are robust, effectively implemented, and regularly monitored. The Directors are asserting that they have confidence in the mechanisms in place to manage risks and ensure compliance within the organization. They reassure stakeholders that Continental is committed to maintaining strong governance and operational standards.

Quarterly Financial Statements and Annual Financial Statements

Statement of Quarterly Financial Statements are given separately. There were some variances in the financial results from quarter to quarter and quarters to annual. But they are not very significant or material in nature. In business and financial reporting, it's normal to see fluctuations in results due to various factors such as seasonality, economic conditions, operational changes, etc. These variances are expected and are often managed within the normal course of business. Variances that are not material do not need to be highlighted extensively in financial statements or reports, as they do not impact the decision-making process significantly.

Utilization of Proceeds from Public Issues, Rights Issues and/or Any Other Instruments

The utilization of proceeds from public issues, rights issues, or other financial instruments often involves several strategic considerations. Keeping the collected funds as fixed deposits in several banks suggests a conservative approach to managing these funds. Fixed deposits are known for their low risk and high liquidity. By placing funds in fixed deposits, the organization ensures that the principal amount is safe and can be accessed relatively quickly if needed. If the organization plans to use the funds in the near future for specific projects or expenditures, keeping them in fixed deposits allows them to earn some interest without exposing the funds to market volatility.

Protection of Minority shareholders

This is to certify that minority shareholders of Continental Insurance Limited have been safeguarded from abusive actions perpetrated by or in the interest of controlling shareholders, whether acting directly or indirectly. Effective mechanisms for redress are in place, ensuring that minority shareholders have accessible means to address grievances and seek fair recourse as per established corporate governance principles.

Year-wise Performance for the Last Five Years

CIL provides a comprehensive overview of the company's performance over the last five years under titles "Key Operating & Financial Highlights" and "Accounting & Financial Ratios" in this Annual Report at page 71 "Key Operating & Financial Highlights" and "Accounting & Financial Ratios" present a summary of key financial metrics over the last five-years period. It includes data such as premium, claims paid, commission, total income, net profit, assets, liabilities, equity, earnings per share (EPS), return on investment (ROI), and other financial indicators. The statements showing steady growth in most parameters indicates that the company has been consistently improving its financial performance over the years. This is generally positive news for stakeholders as it suggests the company's operations are expanding or becoming more efficient. Segmental Performance breaks down the company's performance by different segments or classes. It provides insights into how each segment has contributed to the overall growth or performance of the company over the last five-years period. This

analysis helps stakeholders understand which parts of the business are driving growth, where there may be opportunities for improvement, and how the company's different segments compare in terms of profitability and operational efficiency. This information is valuable for investors, analysts, and stakeholders to assess the company's overall performance and make informed decisions about its future prospects.

Management's Discussion and Analysis

Management's Discussion and Analysis provides shareholders and other stakeholders with a narrative explanation from management about the company's financial condition, results of operations, and future prospects. It is shown at page 162 that includes detailed analysis of financial results over 2023, discussing key financial metrics, such as revenue, profitability, margins, etc., review of the company's operational performance, including any significant changes in business activities, expansions, or strategic shifts, explanation of any notable changes in the company's financial statements (balance sheet, income statement, cash flows statement) compared to previous periods, discussion of the industry and market conditions affecting the company, such as competition, regulatory changes, economic factors, etc. and identification and discussion of key risks and uncertainties facing the company. These documents are crucial for stakeholders to gain a deeper understanding of the company's financial health, strategic direction, and overall performance. They help investors and other interested parties make informed decisions about the company's prospects and potential future returns.

Declaration or Certification by CEO and CFO

Declaration/Certification by the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) to the Board is placed in the Annual Report at page 185 and be treated as a part of Directors' Report as per Annexure-A in accordance with the provision laid down in condition No. 3(3) read with clause xxvi of condition No. 1(5)(xxvi) of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission vide their notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June, 2018.

HR Practices

Continental Insurance Limited emphasizes professionalism and the development of robust human resource management policies to enhance employee quality and maximize their contribution to corporate goals. They view their Human Resources (HR) as a crucial source of competitive advantage due to the knowledge and experience they bring. The company maintains a commitment to recruiting top talent and implementing programs that foster the development and retention of high-quality employees. To support these objectives, CIL organizes regular and systematic internal and external training programs, both domestically and internationally, based on identified needs. This ensures that employees receive ongoing opportunities to enhance their skills and knowledge. Additionally, CIL places importance on competitive compensation and rewards packages, which include provisions for employee health and safety. This approach is designed not only to retain employees but also to enhance job satisfaction across the organization. In summary, CIL's approach to HR management focuses on creating a supportive environment that attracts, develops, and retains talented individuals who are equipped to drive the company's success while ensuring their well-being and satisfaction.

Information Technology

Continental Insurance Limited has made significant advancements in its IT infrastructure and operations. CIL has engaged highly experienced and well-trained IT professionals to maintain and develop its IT infrastructure. These professionals are constantly innovating and developing in-house programs to meet the company's needs. The completion of a Wide Area Network (WAN) signifies that CIL has established a robust communication infrastructure linking all of its 38 branch offices with the head office. This enables seamless data exchange and communication across the organization. CIL uses an Integrated Insurance Management System, which is a fully automated web-based system developed internally by its IT department. This system covers various aspects such as Underwriting, Claims, and Re-insurance. It provides high levels of data security and offers solutions for managing these critical aspects of insurance operations. The entire network system of CIL is fully computerized, indicating a modern approach to managing its operations. This setup ensures efficiency and reliability in handling data and communications between the branches and the head office. In summary, CIL's strategic investments in IT infrastructure, skilled workforce, and specialized software solutions underscore its commitment to enhancing operational efficiency, data security, and service delivery across its insurance business. These initiatives position CIL well to meet the dynamic needs of its customers and stakeholders in the insurance industry.

Corporate and Financial Reporting Framework

The Directors, in accordance with BSEC Notification No. SEC/CMRRCD/2006-158/207/admin/80 dated June 03, 2018 confirm compliance with the financial reporting framework for the following:

We report that:

- The financial statements prepared by the management of the company fairly present its state of affairs, the operational result, cash flows and changes in equity.
- Proper books of accounts of the company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS), International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements, and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt about the company's ability to continue as a going concern.
- There is no significant deviation from last year in operating result of the company.
- The key operating and financial data of preceding five years have been provided.
- Declaration or Certification by CEO and CFO to the Board as required under condition No. 3(3) is disclosed.

- The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 is disclosed.

Shareholding Pattern

Pattern of Shareholding in the company in compliance of the corporate governance guidelines has been stated separately as "Shareholding Pattern" at page-141.

Board Meeting

The Directors of CIL meet on a regular basis. A detail statement showing attendance of the Directors in the Board Meeting is placed herewith separately at page-142.

Credit Rating

The credit rating of AA+ (Double A Plus) assigned by M/s. Alpha Credit Rating Limited to the company indicates a high level of creditworthiness and financial strength. Specifically, in the context of insurance companies, this rating suggests that the company has demonstrated a strong ability to pay claims promptly and efficiently. This is crucial for policyholders who rely on the insurer to honor their claims when needed. The insurer has substantial financial resources and liquidity to meet its obligations towards policyholders. This includes not only paying claims but also providing benefits and services promised under the insurance policies. The AA+ rating indicates that the company's financial strength and claims-paying ability are superior relative to other insurance companies in the same market segment. This positions the company favorably among its competitors in terms of reliability and stability. Overall, receiving AA+ credit rating reflects positively on the company's financial health and its ability to fulfill its commitments to policyholders, which is essential in maintaining trust and confidence within the insurance market.

Dividend

The Board of Directors made a decision during their 222nd Board Meeting held on April 29, 2024, regarding the distribution of profits from the year 2023. Specifically, they recommended 5% cash and 5% stock totaling 10% dividend to be given to the shareholders. This means that shareholders will receive a dividend equal to 10% of their holdings, based on the profits the company made in 2023. Dividends are a way for companies to distribute a portion of their earnings to shareholders as a return on their investment in the company's stock. It's a common practice for profitable companies to distribute dividends to their shareholders as a reward for their investment and to attract investors seeking income from their investments.

Auditor

The Auditor of the Company M/s. A. Hoque & Co., Chartered Accountants will retire at the 24th Annual General Meeting and being eligible qualifies for re-appointment under section 210 (3) of the Company Act 1994. A resolution will be placed in the meeting for approval of re-appointment of M/S. A. Hoque & Co., Chartered Accountants and fixation of their remuneration.

Compliance Auditor

As per decision of the Bangladesh Securities and Exchange Commission (BSEC) and the Insurance Development and Regulatory Authority (IDRA) the Board of Directors, considering the overall position, have recommended M/S. Jasmin & Associates, Chartered Secretaries & Corporate Affairs Consultant as the Compliance Auditor for the Company for the year 2024 and fixation of their remuneration. Hence, the recommendation is to be placed in the 24th Annual General Meeting for approval.

Directors

Group A:

In accordance with the provisions of the Articles of Association of the Company, the following sponsor directors retire by rotation and, being eligible, offer themselves for re-election:

1. Mr. Tehsin Rashid
2. Mr. Feroz Alam
3. A.K.M. Alamgir

Group B:

In accordance with the provisions of the Articles of Association of the Company, the following Directors who were appointed from among the public subscribers will retire and offer themselves for re-election:

1. Mr. Abrar Rahman Khan
2. Mr. Syed Sakib Naimuddin

The election of directors from public subscribers (Group-B) is scheduled to take place on 12 August 2024 during the Annual General Meeting (AGM), as per the requirements of Insurance Rules which mandate a 60 days' notice period for such elections. A notification was published on 30 April 2024 in two national dailies newspaper. The above mentioned two directors from public subscribers have submitted their nomination forms.

Please be informed that the following individuals have been appointed in the Board of Directors meeting and are proposed for confirmation as directors in 'Group B'. They will subsequently retire and are eligible for re-election:

1. Ms. Mahrukh Chowdhury.
2. Mr. Anwar Hossain.

Also In accordance with the Articles of Association of the Company and as per the Bangladesh Securities and Exchange Commission's Corporate guideline dated 3rd June 2018 the appointment of additional/ new independent Director/ re-appointment independent Directors, if any, needs to be confirmed at the Annual General Meeting. In line with this, The Board of Director of Continental Insurance Limited re-appointed Brig Gen Md. Abdul Halim (Retd) as company's Independent Director for another 1 (one) tenure. Hence the re-appointment of Brig Gen Md. Abdul Halim (Retd) to be ratified at the 24th Annual General Meeting under the agenda "Appointment of Independent Directors".

Corporate Governance

Continental Insurance Limited considers good corporate governance and transparency essential for the company's disciplined and sustainable status. This implies that adhering to high standards of governance helps in maintaining operational efficiency and long-term viability. Continental Insurance has designed its corporate governance systems to ensure adequate internal controls, transparency, and accountability in its operational processes. This framework includes policies and procedures that guide decision-making and ensure compliance with regulatory requirements. The parties involved in corporate governance at CIL include the Board of Directors, various committees, management,

decision-making personnel, and possibly other stakeholders. Each of these parties has defined roles and responsibilities to contribute to effective governance. The corporate governance structure specifies the distribution of rights and responsibilities among executives, including the Board of Directors and different committees. This helps in clarifying decision-making processes and ensures that responsibilities are appropriately assigned. CIL emphasizes compliance with regulatory authorities. This indicates that the company adheres to all regulatory requirements related to corporate governance practices. Regulatory authorities play a crucial role in overseeing and enforcing these standards. Plans, programs, and policy decisions initiated by the Board of Directors are implemented by the management team, led by the Chief Executive Officer. This highlights the hierarchical structure where the Board sets the strategic direction and the management team executes these strategies.

Corporate Social Responsibility (CSR)

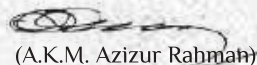
Continental Insurance Limited places significant emphasis on Corporate Social Responsibility (CSR). The company actively participates in various CSR initiatives aimed at supporting social causes. The Board of Directors is dedicated to expanding these efforts, particularly focusing on alleviating poverty and assisting the underprivileged segments of society in the future.

Conclusion

The Board of Directors extends its sincere gratitude and deep appreciation to various public and private sector banks, financial institutions, and private sector enterprises for their invaluable support and cooperation throughout the year under review. They also express heartfelt thanks to the Ministry of Finance, Ministry of Commerce, the Office of the Chairman, Insurance Development & Regulatory Authority, Sadharan Bima Corporation, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd, Bangladesh Insurance Association, Registrar of Joint Stock Companies and Firms, as well as government and non-government organizations for their unwavering assistance and cooperation. Finally, the Board of Directors acknowledges and places on record its appreciation for the valuable contributions made by the executives, officers, and staff of all ranks of the company, whose dedication has been instrumental in its continued growth.

May Almighty Allah grace us with divine blessings.

On behalf of the Board of Directors


(A.K.M. Azizur Rahman)
Chairman

10.2 Pattern of Shareholdings

A) Shares held by Parent/Subsidiary/Associated Companies and other related Parties: NIL

B) Ownership of Company's shares by the Members of the Board of Directors: As on December 31, 2023

Sl. No.	Name of the Directors	No. of Shares	% of Shareholdings
1	Mr. A.K.M. Azizur Rahman Represented for M/s Khan Sons Group Ltd.	11,69,496	2.81%
2	Mr. K.M. Alamgir	15,70,371	3.77%
3	Mr. Feroz Alam	10,16,466	2.44%
4	Mr. A.K.M. Alamgir	10,60,000	2.55%
5	Mr. Tehsin Rashid	17,95,338	4.32%
6	Mr. Imtiaz Bin Musa	8,36,649	2.01%
7	Mrs. Dolly Iqbal	8,33,402	2.00%
8	Ms. Saira Yasin	9,47,367	2.28%
9	Syed Sakib Naimuddin	8,34,641	2.01%
10	Ms. Mahrukh Chowdhury	9,61,966	2.31%
11	Mr. Abrar Rahman Khan	8,35,380	2.01%
12	Mr. Ishnad Iqbal	8,45,208	2.03%
13	Mohd. Jahangir Hussain (Sponsor Shareholder)	40,605	0.09%
14	Dr. Nusrat Hafiz	Independent Director	Nil
15	Brig Gen Md. Abdul Halim (Retd)	Independent Director	Nil
Total		1,27,46,889	30.64%

C) Shares held by Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children as on 31.12.2023.

1	Mr. Hasn Tarek, CEO Spouse/Minor Children of CEO	Nil
2	Mr. Ataur Rahman, Company Secretary Spouse/ Minor Children of Company Secretary	Nil
3	Mr. Abdul Malek, Chief Financial Officer Spouse/ Minor Children of Chief Financial Officer	Nil

D) Shares held by top five salaried Executives of the Company:

1	Hasan Tarek Chief Executive Officer	Nil
2	Golam Kamal Choudhury Additional Managing Director	Nil
3	S. M. Abdul Khaleque Additional Managing Director	Nil
4	Mr. Nuruzaman Additional Managing Director	Nil
5	Mohammad Iqbal Muzamder Assistant Managing Director	Nil

E) List of Shareholders holdings 10% and above shares in the Paid-up Capital of the Company: NIL

10.3 Board Meetings Attendance by Directors

Name of Directors	Meetings Held	Meetings Attended	Remarks
A.K.M. Azizur Rahman Representative Director of M/s Khan Sons Group Ltd.	08	08	The Directors who could not attend any meeting were granted leave of absence by the Board of Directors.
K.M. Alamgir	08	08	..
Bulbul Joynab Akther	08	06	..
AKM Alamgir (Appointed on 26.12.2023)	08	01	..
Dolly Iqbal	08	08	..
Fatema Rashid alternative Director of Tehsin Rashid	08	07	..
Syed Adeeb Ashfaquddin	08	02	..
Feroz Alma (Appointed on 26.10.2023)	08	02	..
Saira Yasin	08	08	..
Imtiaz Bin Musa	08	04	..
Ishnad Iqbal	08	07	..
Abrar Rahman Khan	08	08	..
Syed Sakib Naimuddin	08	04	..
Salman Habib	08	01	..
Mahrugh Chowdhury (Appointed on 25.07.2023)	08	05	..
Brig Gen Md. Abdul Halim (Retd)	08	08	..
Dr. Nusrat Hafiz	08	08	..

A hand in a suit sleeve is shown from the top left, holding a white tray. On the tray, a row of stylized human figures in various colors (red, blue, green, yellow, purple) is arranged. The background is dark with a subtle pattern of small white dots.

11

CORPORATE GOVERNANCE

- 11.1 Corporate Governance & CIL
- 11.2 Board of Directors
- 11.3 Code of Conduct & Ethics for Board of Directors
- 11.4 Code of Conduct of Chairperson, Board Members & Chief Executive Officer
- 11.5 Roles & Responsibilities of Chairman
- 11.6 Roles & Responsibilities of Board Members
- 11.7 Roles & Responsibilities of Chief Executive Officer
- 11.8 Audit Committee
- 11.9 Terms of Reference of Audit Committee
- 11.10 Report of Audit Committee
- 11.11 Nomination & Remuneration Committee
- 11.12 Nomination & Remuneration Policy
- 11.13 Terms of Reference of Nomination & Remuneration Committee
- 11.14 Report of Nomination & Remuneration Committee
- 11.15 Management's Discussion & Analysis
- 11.16 Certificate on Compliance with The Corporate Governance Code
- 11.17 Compliance Report on Corporate Governance Code (CGC)
- 11.18 Credit Rating Report
- 11.19 Certificate from Bangladesh Association of Publicly Listed Companies (BAPLC)
- 11.20 Statement of Ethics and Compliance
- 11.21 Statement of Internal Control
- 11.22 Statement of Internal Audit
- 11.23 CEO & CFO's Declaration in financial statement

11.1 Corporate Governance & CIL

1. Definition and Purpose: Corporate governance is defined as the system by which companies are directed and controlled in the best interest of stakeholders, ensuring transparency and timely financial reporting.

2. Priority and Commitment: Maintaining effective corporate governance is highlighted as a key priority for the Board of CIL. This underscores their commitment to ensuring that governance practices are robust and beneficial to all stakeholders.

3. Dynamic and Business-Focused: Corporate governance at CIL is described as dynamic and aligned with the company's business objectives. This alignment is crucial for ensuring that governance practices support and enhance the strategic goals of the organization.

4. Compliance and Standards: CIL asserts that its corporate governance practices comply with the requirements set forth in the BSEC Notification No. BSEC/CMMRRCD/2006-158/2007/Admin/80 dated 03 June 2018. This indicates a commitment to following regulatory guidelines and standards in corporate governance.

6. Structural Elements: The statement highlights specific structural elements that contribute to effective corporate governance at CIL:

- The roles of the Board of Directors are clearly defined.
- There is a separate and independent role for the Chairman and the Chief Executive Officer (CEO), promoting checks and balances.
- Distinct roles are maintained for the Company Secretary and Chief Financial Officer (CFO), ensuring specialized focus on governance and financial matters, respectively.
- Various Board Committees play roles that contribute to maintaining high standards of governance.

7. Objectives and Culture: Corporate governance at CIL is described as dynamic and aligned with the business objectives of the company. It aims to foster a culture of openness and accountability, which are crucial aspects of effective governance.

In summary, the statement portrays Continental Insurance Limited as committed to maintaining and enhancing corporate governance practices that not only meet regulatory requirements but also strive for excellence through best practices. The emphasis on transparency, accountability, and defined roles within the organization reflects a structured approach to governance that aims to serve the interests of all stakeholders effectively.

11.2 Board of Directors

The Board of Continental Insurance Limited (CIL) considers that its membership should comprise of Directors with an appropriate mix of skills, experience and personal attributes that allow the Directors, individually and the Board, collectively, to discharge their responsibilities and duties under the law efficiently and effectively, understand the business of the company and assess the performance of the management.

The Board of CIL comprises of 16 (sixteen) Directors who possess a wide range of skills and experience over a range of professions, business and service. All of them are nominated by their respective institutions except for 2 (two) independent directors. Each of the Directors brings in independent judgment and considerable knowledge to perform their roles effectively. The Board of directors ensure that the activities of the company are always conducted with adherence to strict and highest possible ethical standards and in the best interests of the stakeholders.

The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies if any are filled by the Board in accordance with the stipulations of the Companies Act, 1994 and Article of the Company. In addition, one third of the directors retires from the board every year in the AGM, but remains eligible for re-election.

Board Meetings

The meetings of the Board of Directors of Continental Insurance Limited are normally held at the Registered and Corporate Head Office of the Company. The meetings are held frequently to discharge its responsibilities and functions as mentioned above. Meeting is scheduled well in advance and the notice of each Board Meeting is given, in writing, to each Director by the Company Secretary.

The Company Secretary prepares the detailed agenda for the meeting. The Board papers comprising the agenda, explanatory notes and proposed regulations are circulated to the directors in advance for their review. The Members of the Board have complete access of all information of the company enabling them to work efficiently. The Members of the Board are also free to recommend inclusion of any matter in the agenda for discussion. The Company Secretary and Chief Financial Officer always attends the Board Meeting and other senior management is invited to attend Board Meeting to provide additional inputs to the items being discussed by the Board and make necessary presentations.

Properly designed management structure, clearly defined responsibilities, delegation or authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in CIL.

11.3 Code of Conduct & Ethics for Board of Directors



1. Preface:

This Code of Conduct serves as a guide for Directors of Continental Insurance Limited to uphold the company's ethical standards. The rules and principles outlined herein are of a general nature, and compliance with this Code shall be harmonized with other applicable policies and procedures of the Company. The Board reserves the right to periodically review this Code to align with regulatory changes. Any amendments to this Code shall be approved by the Board of Directors.

2. Applicability:

The Directors, whether executive or non-executive, play a crucial role in the governance and management of the company. Directors are mandated to conduct themselves with honesty, fairness, diligence, and ethical integrity. This means they must make decisions and conduct business in a manner that upholds these principles at all times. Directors are required to operate within the legal framework governing the company's operations. This includes adherence to applicable laws, rules, regulations, agreements, guidelines, standards, and internal policies and procedures. The Board of Directors holds a fiduciary duty towards the company and its stakeholders. This duty requires Directors to act in the best interests of the company, putting the interests of shareholders and other stakeholders ahead of their own personal interests when making decisions. The Board of Directors is responsible for overseeing the affairs of the company. This involves setting strategic objectives, providing leadership, monitoring performance, and ensuring accountability. Directors are entrusted with the authority to make decisions and implement policies that are in the best interests of the company and its stakeholders. This involves balancing various interests to achieve long-term sustainable success.

3. Honest & Ethical Conduct:

The Directors are required to act in accordance with the highest standards of professional integrity, honesty, ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events. It contains the following:

Act honestly, fairly, ethically with integrity and loyalty:

Directors should uphold high standards of honesty and integrity in all their actions and decisions. They are expected to behave ethically, ensuring their conduct aligns with legal requirements and ethical norms.

- Act in the best interests of the Company and enhance its reputation:
Directors must prioritize the company's best interests in all decisions. Their actions should contribute to enhancing and maintaining the company's reputation.
- Fulfill fiduciary duties to stakeholders:
Directors have fiduciary duties towards the

stakeholders of the company, including shareholders, employees, customers, and the community. This involves acting in a trustworthy manner and managing company resources responsibly.

- Act in good faith, with responsibility, due care, competence, and diligence:
Directors should make decisions with careful consideration and competence. They are expected to exercise due diligence in their roles and responsibilities.
- Treat colleagues and associates with dignity:
Directors should maintain respectful and professional relationships with colleagues and associates. Harassment of any kind is prohibited and goes against these ethical standards.

4. Conflict of Interest:

The Directors are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A Conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below.

(A) Outside Employment

Executives Directors shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without approval of the Board. Any outside activity must be strictly separated from the Company's employment and should not harm job performance at the company.
Company Ltd.

(B) Board Memberships

Acceptance of Directorship on the Boards of other Companies, which compete, with the Company amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations risk encouraged, and does not require prior approval.

(C) Family Members and Close Personal Relationships

Directors shall not use personal influence to make the Company do business with a company/ institution in which his or her relatives are interested. As a general rule, shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In cash of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained.

(D) Gifts

Gifts are not always physical objects – they might also be services, favors or other items of value. The Directors shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panelist/speaker and other customary gifts are allowed.

(E) Investments

Directors may not allow their investments to influence, appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

(F) Diversion of Business:

Directors shall not divert business opportunities of the Company, by exploiting for their own personal gain. However the Directors can pursue such business opportunities once they are fully disclosed to the company and the company declines to pursue such opportunities.

(G) Use of Company's Assets:

The assets of the Company shall be used for legitimate business purpose and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code.

(H) Others:

It would be impracticable to attempt to list all possible conflict of interest situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

5. Legal Compliance:

It is the general obligation of the Directors to conduct the business and operations of the Company in accordance with the laws, rules, regulations, agreements, guidelines; standards including accounting standards governing its operations in the geographies the Company operate. The

Directors shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited compliance with Prohibition of Insider Trading policy of the Company.

6. Corporate Disclosure Policy:

It is the Company's policy to ensure continuous, timely and adequate disclosure of Company's information. The Company is committed to full, fair, accurate, timely and understandable disclosure in reports and

Documents it files with or submits to the regulatory authorities and in other public communications. The Directors shall provide only public information to the analyst/ research person/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest. The Directors must maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

7. Competition and Fair Dealing:

The Directors are obligated to deal fairly and honestly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the marketplace.

It is the duty and obligation of every Director to comply with this code of conduct and he/she shall acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. This code of conduct shall be posted on the website of the Company.

8. Acknowledgement:

The Directors shall read and fully understand this model code of conduct any comply with the policies procedures and principles contained therein. Appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

11.4 Code of Conduct of Chairman, Board Members & Chief Executive Officer

The Chairman, Board Members and Chief Executive Officer of the Company shall act within the authority conferred upon them, in the best interests of the Company and observe the following:

Prudent Conduct and Behavior

1. The Chairman, Board Members and Chief Executive Officer shall act honestly, ethically, in good faith and in the best interest of the Company.
2. Whilst carrying out the duties, the Chairman, Board Members and Chief Executive Officer shall ensure that it is executed in terms of the authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors of the Company from time to time.
3. The Chairman, Board Members and Chief Executive Officer shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.
4. The Chairman, Board Members and Chief Executive Officer shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.
5. The Chairman, Board Members and Chief Executive Officer shall use the Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for any personal benefits or gains.

Confidentiality

1. The Chairman, Board Members and Chief Executive Officer should conduct themselves so as to meet the expectations of operational transparency of the stakeholders while at the same time maintaining confidentiality of information in order to foster a culture conducive to good decision making. "Confidential information" includes, amongst others, all information of the Company not authorized by the management of the Company for public dissemination.
2. All confidential information must be held in confidence, unless authorized by the Board or otherwise permissible in accordance with this Code; or the same is part of the public domain at the time of disclosure; or is required to be disclosed in accordance with applicable laws.

Conflict of Interest

1. The Chairman, Board Members and Chief Executive Officer shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company.
2. The Chairman, Board Members and Chief Executive Officer should disclose to the board whether they directly,

indirectly or on behalf of third parties have a material interest in any transaction or matter directly affecting the Company.

3. All transactions having conflict of interest should be carried out in accordance with law and be fully disclosed to the Board of Directors.

Compliance with Laws, Rules and Regulations

The Chairman, Board Members and Chief Executive Officer shall ensure compliance with the various legal/regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.

Prohibition of Insider Trading:

The Chairman, Board Members and Chief Executive Officer shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.

The Chairman, Board Members and Chief Executive Officer should comply with the provision of the Companies Act, 1994 and applicable rules and regulations issued by the Bangladesh Securities Exchange Commission, Dhaka Stock Exchange and Chittagong Stock Exchange, insofar as they relate to prohibitions on insider trading.

Relationship with Environment:

The Chairman, Board Members and Chief Executive Officer should cause the Company to strive to provide a safe and healthy working environment and comply, in the conduct of the business affairs of the Company, with all regulations regarding the preservation of the environment of the industry it operates in.

The Company should be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment in accordance with the applicable laws.

Relationship with Employees:

The Chairman, Board Members and Chief Executive Officer should strive for causing the Company to maintain cordial employee relations.

The Chairman, Board Members and Chief Executive Officer should cause the Company to build competency based human resource systems and maintain human resource policies that have been directed at managing the growth of the organization efficiently.

The Chairman, Board Members and Chief Executive Officer should assist the Company in further aligning its human resource policies, processes and initiatives to meet its business needs.

Relationship with Customers:

The Chairman, Board Members and Chief Executive Officer should ensure that the Company is committed to supply products and services of the highest quality standards backed by efficient after sales service consistent with the requirements of the customers to ensure their total satisfaction.

The Chairman, Board Members and Chief Executive Officer should ensure that Company will properly engage in product advertising, publicity, and sales promotion activities to avoid misleading the customers.

The Chairman, Board Members and Chief Executive Officer should ensure that the Company will engage in free and open competition with competitors to maintain its stance as a company trusted by customers and society.

Relationship with Suppliers:

This Code contains general requirements applicable to all suppliers to Company. Particular supplier contracts may

contain more specific provisions addressing some of these same issues. Nothing in this Code is meant to supersede any specific provision in a particular contract, and to the extent there is any inconsistency between this Code and any other provision of a particular contract, the other provision will prevail.

The Chairman, Board Members and Chief Executive Officer should act in the best interest of the Company. Accordingly, the Chairman, Board Members and Chief Executive Officer should have no relationship, financial or otherwise, with any supplier that might conflict, or appear to conflict, with the Chairman, Board Members and Chief Executive Officer's obligation to act in the best interest of Company.

Independency

The Chairman, Board Members and Chief Executive Officer should remain independent in all material respects.

The Chairman, Board Members and Chief Executive Officer should act impartial to the Employees, Customers, Suppliers, Shareholders and other Stakeholders.

11.5 Roles & Responsibilities of Chairman

The principal role of the Chairman of the Board is to manage and to provide leadership to the Board of Directors of the Company. The Chairman is accountable to the Board and acts as a direct liaison between the Board and the management of the Company, through the Chief Executive Officer ("CEO"). In particular, he will:

1. Chairing Meetings:

The Chairman presides over meetings of the Board of Directors and shareholders, ensuring orderly proceedings and facilitating effective discussion and decision-making.

2. Establishing Corporate Governance Practices:

The Chairman establishes and promotes good corporate governance practices and procedures across the company, emphasizing the highest standards of integrity, transparency, and accountability, particularly within the Board.

3. Board Committees Oversight:

The Chairman ensures that all the Board committees are properly constituted, operate effectively, and contribute to the overall governance and strategic direction of the company.

4. Communication with Shareholders:

The Chairman facilitates effective communication between the Board and shareholders, ensuring that directors understand and consider shareholder perspectives and concerns.

5. Board Meeting Schedule and Agenda:

In consultation with the CEO, the Chairman determines the agenda and schedule for Board meetings, ensuring that crucial and strategic issues facing the company are thoroughly discussed and addressed.

6. Information Flow to the Board:

The Chairman ensures that the Board is properly briefed on issues arising at Board meetings and receives, in a timely manner, adequate information which must be accurate, clear, complete and reliable, to fulfill its duties, such as reports on the Company's performance, the issues, challenges and opportunities facing the Company, and matters reserved to it for decision.

7. Strategy Implementation:

The Chairman oversees the execution of strategies and policies approved by the Board, working closely with the CEO and senior management to ensure alignment with corporate objectives.

8. Supporting the CEO:

The Chairman acts as a mentor and advisor to the CEO, providing guidance on strategic matters and ensuring alignment between Board decisions and management actions.

9. Annual Shareholders Meeting:

Alongside the CEO, the Chairman determines the timing,

location, and agenda for the annual meeting of shareholders, a key event for shareholder engagement and decision-making.

10. Reviewing Board Meeting Minutes:

The Chairman reviews and signs off on the minutes of Board meetings, ensuring accuracy and completeness in documenting Board decisions and discussions.

In summary, the Chairman of the Board plays a central role

in leadership, governance, and communication within the company. By overseeing Board operations, promoting ethical standards, facilitating effective communication, and supporting strategic direction, the Chairman contributes significantly to the company's overall governance and success.

11.6 Roles & Responsibilities of Board Members

The Board is committed to the Company seeking to achieve superior financial performance and long-term prosperity, while meeting stakeholder's expectations of sound corporate governance practice. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive in respect of corporate governance and puts in all place those arrangements which it consider are in the best interest of the Company and its shareholders, and consistent with its responsibilities to other stakeholders.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to the shareholders. They firmly believe that the success of the Company largely depends on the credible corporate governance practices adopted by the Company. Taking this into consideration, the Board of Directors of CIL set out its strategic focus and oversees the business and related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board carries out, the following functions as per the charter of the Board.

1. Determine, monitor and evaluate strategies, policy, management performance criteria and business plan.
2. Periodic and timely reporting to the shareholders on the affairs, progress and performance of the Company
3. Ensuring proper decision making and accountability structure throughout the Company so that the staff down the line is fully accountable to the corporate management.
4. Delegation to Board Committees and management and approval of transactions in excess of delegated level
5. Approval of annual budgets including major capital expenditure proposals
6. Critical evaluation of all proposals which require Board's approval and/or directives
7. Regular review of financial performance and overdue situation
8. Appointment and evaluation of the performance of the top management positions
9. Ensuring that the senior management team has the necessary skill and experience to perform their function effectively, in the best interest of the Company
10. Monitoring the adequacy, appropriateness and operation of internal controls.

11.7 Roles & Responsibilities of Chief Executive Officer

Chief Executive Officer shall subject to direction, supervision and control of the Board of Directors, have the following roles and responsibilities in addition to the responsibilities defined in the Articles of Association of the Company:

1. Develops a strategic plan to advance the Company's mission and vision and to promote revenue, profitability, and growth as an organization.
2. Conducts the affairs of the Company in accordance with the practices and procedures adopted by the Board and promotes the highest standards of integrity, probity and corporate governance within the Company.
3. Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations.
4. Ensures that the Company conducts all of its business activities in compliance with legal, regulatory and Company policy, controls and standards.
5. Reviews activity reports and financial statements to determine progress and status in attaining objectives and revise objectives and plans in accordance with prevailing conditions.
6. Leads the management in the day-to-day running of the Company's business in accordance with the business plans and within the budgets.
7. Implements, with the support of the management, the strategies and policies as approved by the Board and its committees in pursuit of the Company's objectives.
8. Maintains regular dialogue with the Chairman on important and strategic issues facing the Company and ensures bringing these issues to the Board's attention.
9. Ensures that the management gives appropriate priority to providing reports to the Board which contains relevant, accurate, timely and clear information necessary for the Board to fulfill its duties.
10. Leads the communication program with the shareholders.
11. The CEO shall along with CFO certify the Board that:
 - i. They have reviewed financial statements for the year and that to the best of their knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws,
 - ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
12. Evaluates performance of top executives of the Company for compliance with established policies and objectives of the Company and contributions in attaining objectives.
13. Effectively manages the human resources of the organization according to authorized personnel policies and procedures that fully conform to current laws and regulations.
14. Puts in place adequate operational planning and financial control systems.
15. Represents the Company to major customers and professional associations.
16. Promotes the Company to local and international communities.
17. Takes remedial action where necessary and informing the Board of significant changes.
18. Other roles and responsibilities as assigned by the Board of Directors.

11.8 Audit Committee



The Audit Committee performs in coherence and consistency and ensures compliance with the Corporate Governance Code promulgated by the Bangladesh Securities and Exchange Commission (BSEC). The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the Board on business risks, internal controls, compliance and audit. The Committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the Company's business is conducted in a proper and financially sound manner. The Audit Committee assists the Board of Directors to ensure that the financial statements reflect a true and fair view of the state of affairs of the Company and ensures a sound monitoring system within the business. The Audit Committee is accountable to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing.

The Audit Committee carried out for the following purpose:

- Enhance good practices in financial reporting and risk management.
- Ensure the establishment of adequate internal controls and compliance with laws and regulations.
- Ensure that the preparation, presentation and submission of financial statements have been made in accordance with the prevailing laws, standards and regulations.
- Fulfillment, discharge and execute of other stated responsibilities.

The Audit Committee is authorized by the Board to review any activity within the business as per its Terms of Reference. It is authorized to seek any information or

attendance it requires from any Director or member of management at any of its meetings. All employees are expected to cooperate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company's legal advisor, tax consultant and statutory auditor, if required. The Terms of Reference of the Audit Committee may be amended from time to time as required for the business, in line with BSEC notifications, subject to approval by the Board.

Audit Committee of Continental Insurance Limited is a Sub-Committee of the Board of Directors. Audit Committee comprises of 8 (Eight) Directors nominated by the Board of Directors. All members of the Audit Committee are Non-Executive Directors and are financially literate and possess the required qualifications in keeping with the spirit and objectives as laid down in the regulatory directives. The Committee is headed by a Director who is an Independent Director of the Company. The Company Secretary acts as the Secretary of the Audit Committee. The Chief Internal Audit & Compliance officer has direct access to the Committee and the Committee is directly reportable to the Board.

The roles and responsibilities of the Audit Committee have been defined in the Terms of Reference (TOR) of the Audit Committee. The Audit Committee is empowered to consider any matter related to the financial affairs of the Company and to review all internal and external audits, internal control systems and procedures, accounting policies, related party transaction, management letters issued by statutory auditors, determination of audit fees etc. so as to ensure that a sound financial reporting system is in place and is well managed in order to provide accurate, appropriate and timely information to the Management, the Regulatory Authorities and to the Shareholders as well.

11.9 Terms of Reference of Audit Committee

The Board of Directors of Continental Insurance Limited have approved the Terms of Reference (TOR) in compliance with Section 3 of the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, which, in turn, are shaped by directives from its principal regulators, the Insurance, Development and Regulatory Authority (IDRA) and the Bangladesh Securities and Exchange Commission (BSEC).

A. Constitution of Audit Committee

- a) The company shall have an Audit Committee as a sub-committee of the Board;
- b) The Audit Committee shall be responsible to the Board;
- c) The Audit Committee constituted by the 8 (eight) members;
- d) The Board appointed members of the Audit Committee who are non-executive Directors of the Company excepting Chairperson of the Board and included 2 (two) independent directors;
- e) All members of the Audit Committee are financially literate and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;
- f) When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons (but we have eight members), the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;
- g) The company secretary acts as the secretary of the Committee;
- h) The quorum of the Audit Committee meeting never constituted without at least 1 (one) Independent Director
- i). The Committee presents a summary of its activities to shareholders and other interested parties by means of a Report of Audit Committee
- j). he Committee is authorized to investigate any matter within its Terms of Reference, access all documents and information of the Company, seek information from any Director or employee of the Company and co-opt any resource (including external professional assistance) it sees fit in order to fulfill its duties. However, the Committee has no executive function and its primary objective is to review and challenge, rather than assume responsibility for any matters within its remit.

B. Chairperson of Audit Committee

- a) Chairperson of the Audit Committee will be an independent Non-Executive Director who is not involved in the day-to-day operations of the Company;
- b) In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of

themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;

- c) The Chairperson of the Audit Committee shall be present in the Annual General Meeting and answer the queries related to the accounts and audit;
- d) The Committee Chairman attends all general meetings of the Company's shareholders to answer any questions on the committee's activities;
- e) If in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the Annual General Meeting and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM

C. Audit Committee Meeting

The Audit Committee shall conduct at least its four meetings in a financial year: provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee.

D. Quorum of Meeting

The quorum of the meeting of the Audit Committee constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.

E. Role of Audit Committee

- a) The duties of the Audit Committee shall be clearly set forth in writing;
- b) The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;
- (i) The Audit Committee evaluate whether the management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have good understanding of their roles and responsibilities;
- c) The Audit Committee review the existing risk management policies and procedures for ensuring an effective internal control system;
- d) The Audit Committee review the quarterly and annual financial statements and determine whether they are complete and consistent with the International Financial Reporting Standards (IFRS) set by the regulatory authorities;
- e) The Audit Committee review the efficiency and effectiveness of internal audit function;

- f) The Audit Committee review the findings and recommendations made by the internal auditors for removing the irregularities detected;
- g) The Audit Committee review the auditing performance of external auditors and their audit reports.

F. Duties and Responsibilities of Audit Committee

As set out by Bangladesh Securities & Exchange Commission and Insurance Development & Regulatory Authority, in addition to any other responsibility, which may be assigned from time to time by the Board, the Audit Committee is responsible for the following matters:

a) Internal Control

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

b) Financial Reporting

- i) Review along with the management, the quarterly and half yearly financial statements and the annual financial statements before submission to the Board for approval;
- ii) Meet management and the external auditors to review the financial statements before their finalization;
- iii) Recommend to the Board about the requirement of any changes to be incorporated in the accounting policies.

c) Internal Audit

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

d) External Audit

- i) Review the findings and recommendations made by the statutory auditors for compliance of the management;
- ii) Make recommendations to the Board regarding the appointment of the statutory auditors

e) Compliance with Laws and Regulations

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

f) Other Duties & Responsibilities

- i) Place reports before the Board periodically regarding findings, recommendations, regularization of the errors and omissions, fraud and forgeries, and other irregularities as detected by the internal and statutory auditors and inspectors of regulatory authorities;
- ii) Perform other functions as may be required by the Board and evaluate the Committee's own performance on a regular basis;
- iii) Oversee the financial reporting process and adequacy of internal audit function;
- iv) Monitor choice of accounting policies and principles and Internal Control Risk management process;
- v) Review statement of significant related party transactions submitted by the management and Management Letters/ Letter of Internal Control weakness issued by statutory auditors.

G. Internal Control and Risk management

Although the Board of Directors is ultimately responsible for ensuring that adequate and effective internal control and risk management systems are place but Audit committee of the Board has a vital role to play. Although no system of internal financial control can provide absolute assurance against material misstatement or financial loss, the company's internal control system has been designed to provide the Directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees, management and/or third parties, transactions are authorized and properly recorded and material error and irregularities are either prevented or detected within a reasonable period of time.

11.10 Report of Audit Committee

An Audit Committee is a standing committee of the Board of Directors charged with oversight of financial reporting and disclosure. It assists the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business. Bangladesh Securities and Exchange Commission (BSEC) and Insurance Development and Regulatory Authority (IDRA) have issued circulars regarding corporate governance guidelines/codes. The conditions/guidelines of these are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the Board on business risks, internal controls, compliance and audit.

The Committee satisfies itself by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the Company's business is conducted in a proper and financially sound manner. The Audit Committee is accountable to the Board of Directors. The duties of the Audit Committee are clearly set forth in writing. In compliance with section 5 of the Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018, the Board has constituted an Audit Committee as a sub-committee of the Board.

The Audit Committee of Continental Insurance Limited comprise of 06 (six) members nominated by Board of Directors. All members of the Audit Committee are Non-Executive Directors. The Committee is headed by a Director who is an Independent Director of the Company. The Company Secretary acts as the Secretary of the Audit Committee. The Chief Internal Audit & Compliance officer has direct access to the Committee and the Committee is directly reportable to the Board. The Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit Department attended the meeting.

Members of Audit Committee

Chairman

Brig. Gen. Md. Abdul Halim (Retd)

Member

Dr. Nusrat Hafiz

Mr. Syed Adeeb Ashfaq Uddin

Mr. Imtiaz Bin Musa

Ms. Saira Yasin

Mr. Syed Sakib Naimuddin

The Terms of Reference of the Audit Committee clearly defines the role and responsibility of the Audit Committee. The Role and functions of the Committee are further regulated by the rules governing the Audit Committee as specified by the Corporate Governance Code-2018 issues by Bangladesh Security and Exchange Commission.

During the year 2023, 06 (Six) meetings of the Audit Committee were held.

Meetings of Audit Committee

Name of Directors	No. of Meetings	Total Attendance	Remarks
Brig Gen Md Abdul Halim (Retd)	06	06	
Dr. Nusrat Hafiz	06	06	
Mr. Imtiaz Bin Musa	06	03	
Mr. Syed Sakib Naimuddin	06	04	
Ms. Saira Yasin	06	04	
Mr. Syed Adeeb Ashfaq Uddin	06	04	

udit Committee of the Board can play an effective role in providing a bridge between the Board and Management, Shareholders and other Stakeholders. The Board of Directors of Continental Insurance recognized the importance of the Audit Committee. The key role of the Committee is to assist the Board in discharge of its responsibilities for financial and business discipline, financial reporting, corporate governance and internal control.

Summary of activities carried out by the Audit Committee during 2023 are as follows:

- Approved annual audit planning for the year 2023
- Reviewed quarterly and half yearly financial statement of the Company to evaluate the performance
- Reviewed significant internal audit findings with a view to taking timely corrective actions
- Reviewed the Management's discussion and Analysis and statement of all related party transactions submitted by the management
- Recommended the board the appointment of external auditor and compliance auditor
- Reviewed and examined the Annual financial statements 2023 audited by the external auditors and recommended to place the same before the Board for consideration
- Reviewed internal audit activities of the Company with special emphasis given on Risk management, Trust Management, Internal Control System, quality of operations and overall performance and provided direction and guidance wherever operational deficiencies had been observed
- Sat with the external Auditors to discuss on the key audit matters and findings of audit and of annual financial statements of the Company

The Audit Committee would like to express their sincere gratitude to the members of the Board, key management personnel, statutory auditors, internal audit and inspection department and all relevant employees for their highest devotion for attaining transparency in performance and all sorts of co-operation extended to the Committee in discharge of its responsibilities.

On behalf of the Audit Committee

Brig Gen Md. Abdul Halim (Retd)
Independent Director
Chairman, Audit Committee

11.11 Nomination & Remuneration Committee

Nomination and Remuneration Committee (NRC) looks after the management performance including the performance of each employee in the Company. The NRC have assisted the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top-level executive as well as a policy for formal process of considering remuneration of Directors, top level executive. The Committee confirms the salary package, promotion, special increments, incentive bonus and other facilities. The overall remuneration policy is designed to ensure that the reward and remuneration packages of the Company remain competitive so that high-quality human resources with a proven track record and experience are recruited, motivated and retained.

Pursuant to the Corporate Governance Code of Bangladesh

Securities and Exchange Commission (BSEC) and Corporate Governance Guidelines of Insurance Development and Regulatory Authority (IDRA), the Board of Directors of Continental Insurance Limited have duly constituted a Nomination and Remuneration Committee (NRC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and other top level executives. The NRC also assists the Board to formulate policy for the formal and continued process of considering remuneration/ honorarium for Directors and top-level executives. NRC Committee of Continental Insurance Limited comprises 3 (Three) members. The committee is headed by Dr. Nusrat Hafiz who is an Independent Director of the Company.

11.12 Nomination & Remuneration Policy

1. Preamble

The Nomination and Remuneration Committee (NRC) is a sub-committee of the Board. The Nomination and Remuneration Policy governs the criteria for determining qualifications, positive attributes and independence of Directors and lays down the remuneration principles for Directors, key managerial personnel and other employees.

2. Continuance

The Nomination and Remuneration Policy of the company has been formulated in terms of Corporate Governance Code by the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC).

3. Definitions

- a. These Policies may be called the Code of Conduct of Nomination and Remuneration Policy of the Company.
- b. "Board" means the Board of Directors of the Company.
- c. "Director" means a Director appointed to the Board of a Company under the definition in Company Act, 1994.
- d. "Managing Director" shall have the meaning as defined in the Company Act, 1994.
- e. "Code of Conduct" or "this Code of Conduct" means the Nomination and Remuneration Policy of the Company.
- f. "Key/ Top Level Executive" means: - Top Level Executive includes Managing Director (MD) or Chief Executive Officer (CEO), Additional or Deputy Managing Director (AMD or DMD), Chief Operating Officer (COO), Chief Financial Officer (CFO), Company Secretary (CS), Head

of Internal Audit and Compliance (HIAC), Head of Administration and Human Resources or equivalent positions and same level or ranked or salaried officials of the Company.

4. Constitution of the NRC

The NRC constituted and governed by the Corporate Governance Code, 2018.

- a. The Committee shall comprise of at least three members including an Independent Director or Board may appoint any additional member for their requirements;
- b. All members of the Committee shall be non-executive Directors;
- c. The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;
- d. The Company Secretary shall act as the Secretary of the Committee;
- e. The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;
- (i) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.

f. Chairperson of the NRC

The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an Independent Director. In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.

The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders:

Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

5. Meeting of the NRC

The NRC shall conduct at least one meeting in a financial year and any the Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC. The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an Independent Director is must as required under condition No. 6(2)(h), the Corporate Governance Code, 2018. The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

6. Appointment and Removal

The members of the Committee shall be nominated and appointed by the Board of Directors of the Company. The Board shall have authority to remove and appoint any member of the Committee. In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee.

7. Role of the NRC

Role of the NRC are made with the Conformity of the Corporate Governance Code, 2018 issued by the BSEC and according the Board of Directors of the Company, these are as follows:

- i. NRC shall be Independent and responsible or accountable to the Board and to the shareholders;
- ii. NRC shall oversee, among others, the following matters and make report with recommendation to the Board;
- iii. Formulating the criteria for determining qualifications,

positive attributes and independence of Directors and recommend a policy to the Board, relating to the remuneration of the Directors, top level executive, considering the following:

- A. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully;
 - B. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - C. Remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - D. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 - E. Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - F. Formulating the criteria for evaluation of performance of Independent Directors and the Board;
 - G. Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- iv. Analyzing, monitoring developing, recommending and reviewing annually the Company's human resources and training policies;
 - v. Determining whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors;
 - vi. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
 - vii. Reviewing and approving compensation strategy from time to time in the context of the then-current country's market following applicable laws;
 - viii. Performing such other activities as may be delegated by the Board and/or by any other competent regulatory authority.

8. Remuneration

a. Remuneration of Executive Directors:

NRC shall recommend to the Board, remuneration of Executive Directors subject to approval by the members and such other approvals, as may be necessary. While recommending remuneration, the NRC shall consider various factors such as qualifications, experience, expertise, position, leadership qualities, prevailing remuneration in the industry, volume of the Company's business and profits earned by it and the responsibilities shouldered by the Director concerned. Directors shall be paid sitting fees for attending the meetings of the Board and its Committees. The Committee shall keep in mind the following criteria that the remuneration is aligned with market when compared to relevant peer companies and understandable and valuable to the talent the Company wishes to attract, motivate, engage and retain.

b. Remuneration of Non-Executive Directors/ Independent Directors:

- i. Sitting Fees for meeting: sitting fees shall be paid for attending meetings of the Board and its Committees, provided that the same shall not exceed the maximum amount provided by the Board
- ii. The Board may at its discretion revise the sitting fees payable to the Non- Executive/Independent Directors from time to time.

9. Remuneration for other Employees

The Managing Director and/or whole-time Director with the consent or empowered by the Articles of the Company shall jointly or severally, decide and approve and/or delegate authority, from time to time, to the Human Resource Department or such other official(s) of the Company, as they may deem fit, to decide and approve the terms and conditions of the employment including payment of remuneration of the employees other than executive/non-executive Directors and Top Management Personnel (TMP) of the Company.

10. Committee Members' Interest

The Committee member(s) is/are not entitled to be present when his or her own remuneration package is discussed at a meeting or when his or her performance is being measured. The Committee may invite such personal/personnel, as it considers fit, to be present at the meetings of the Committee.

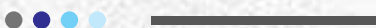
11. Disclosure

This Policy, implementation and the evaluation criteria shall be disclosed in the Annual Report of the Company. Disclose any information/policy(s) subject to the commission's directives time to time.

12. Review and Amendments

The Board reserves the right to amend, modify or review this Policy in whole or in part, unilaterally at any time, as may be deemed necessary.

11.13 Terms of Reference of Nomination & Remuneration Committee



Terms of Reference (TOR) of the Nomination and Remuneration Committee (NRC), aligned with Corporate Governance Condition no. 6(1) and other compliance requirements as per BSEC notification no. BSEC/CMRRC-D/2006-158/207/Admin/80 dated 3 June 2018 are as follows:

1. Purpose

1.1 The Committee assists the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of Directors and top level executive.

2. Authority

2.1 The Nomination and Remuneration Committee is a Committee of the Board of Continental Insurance Limited from which it derives its authority and to which it regularly reports.

2.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference.

3. Constitution

3.1 Chairperson

- a. One member of the NRC to be Chairperson of the Committee appointed by the Board, who shall be an Independent Director;
- b. In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;
- c. The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders;

- c. The Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders:

Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

3.2 Membership

- a. The Committee shall comprise of at least three members including an Independent Director;
- b. All members of the Committee shall be nonexecutive directors;
- c. Members of the Committee shall be nominated and appointed by the Board;
- d. The Board shall have authority to remove and appoint any member of the Committee;
- e. In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;
- f. The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;

3.3 Secretary

- a. The company secretary shall act as the secretary of the Committee;

4. Proceedings of Meetings

4.1 Frequency of Meetings

- a. The NRC shall conduct at least one meeting in a financial year;
- b. The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;

4.2 Quorum

- a. The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher,

- b. The quorum of the NRC meeting shall not constitute without attendance of at least an Independent Director;

4.3 Meeting Fees

- a. No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

4.4 Minutes of Meeting

- a. The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

5. Role of NRC

- 5.1 NRC shall be independent and responsible or accountable to the Board and to the shareholders;

- 5.2 NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

- a. Formulating the criteria for determining qualifications, positive attributes and independence of Directors and recommend a policy to the Board, relating to the remuneration of the Directors, top level executive, considering the following:
 - (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the company successfully;
 - (ii) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) Remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

- b. Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

- c. Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

- 5.3 The Committee shall report to the Board and disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

11.14 Report of Nomination & Remuneration Committee



Continental Insurance Limited has always been very passionate about human capital management and takes responsibility for developing employee potential and leveraging employee skills in the organization. The Company guards with care the great resource of intelligent, experienced, disciplined, clear-thinking and energetic people who continuously drive growth and innovation, within clear risk boundaries. The Company continues to implement HR policies and practices that are aimed at growing and developing employees and ensuring their active contribution towards the achievement of corporate goals. The Company believes that the skills and enthusiasm of its employees are major forces that help it to achieve sustainable results.

The Board of Directors of Continental Insurance Limited has duly constituted a Nomination and Remuneration Committee, as per the requirements of the Bangladesh Securities and Exchange Commission through its Corporate Governance Code under notification no. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 03/06/2018. The Nomination & Remuneration Committee is a subcommittee of the Board and operates independently to ensure the rights and value of the Company's human resources. The NRC assists the Board in formulating the nomination criteria for determining qualifications, positive attributes, experiences and independence of Directors and other top-level executives as well as a policy for the formal process of considering the remuneration of Directors and senior-level executives of the Company.

03 (Three) members were appointed for the Nomination and Remuneration Committee (NRC) by the Board of Directors of the Company to adhere the directives as follows:

1. Dr. Nusrat Hafiz	- Chairperson
2. Mr. A.K.M. Azizur Rahman	- Member
3. Mr. K.M. Alamgir	- Member

Ms. Nusrat Hafiz discharged the duties as Chairperson of the NRC and Mr. Ataur Rahman, Company Secretary performed as the Secretary of the NRC as per BSEC Corporate Governance Code. Chairperson of the Nomination and Remuneration Committee is an Independent Director and the Nomination and Remuneration Committee operates according to the Terms of Reference as approved by the Board and in compliance with the Code-6 of the Securities and Exchange Commission's Corporate Governance Code, Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018. The NRC members possess adequate knowledge on business management and corporate governance issues, financially literate able to analyze, understand and interpret corporate laws, finance and financial statements and have business insight.

The Nomination and Remuneration Committee focuses on the selection of rightful individuals with suitable skills and experience to develop the human resources pool of the Company and recommend to the Board for the appointment of Directors with diverse qualification. The NRC expressing its view that the nomination, re-electing, remuneration and internal control procedures are adequate to present a free and fair view of the internal governance status of the Company. The NRC also assists the Board in formulating policy for the formal and continued process of considering remuneration/honorarium of Directors and top-level executives. The NRC has a guiding role to the management to identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria.

Number of Nomination and Remuneration Committee (NRC) meetings and the attendance of members during the year 2023 are as follows:

Name of Directors	No. of Meetings	Total Attendance	Remarks
Dr. Nusrat Hafiz	01	01	
Mr. A.K.M. Azizur Rahman	01	01	
Mr. K.M. Alamgir	01	01	

The followings were discussed and reviewed in the meetings of Nomination and Remuneration Committee (NRC):

- Reviewed the status of the Board composition along with their experience and track record of Board members including Independent Directors.
- Reviewed remuneration of the top-level executives and all employees of the Company.
- Reviewed the scope and effectiveness of internal HR function and adequacy of it.
- Looked into the criteria for evaluation of performance of Independent Directors and the Board members.

- Determined the criteria for selection, transfer or replacement and promotion at different levels of the Company.
- Developed, recommended and reviewed the Company's annual human resource capital and training policies as well as the involvement of financial matters regarding the increment and promotion.
- Reviewed the plan of the company especially for the top executive positions.
- Evaluated and recommended to the Board for the rightful candidate for Chief Executive Officer.
- Supervised other issues within the Code of Conduct of NRC.

Members of the senior management of the Company were invited to participate at meetings as and when required. The proceedings of each meeting of the NRC are recorded in the minutes and such minutes are confirmed in the next meeting of the NRC. The proceedings of the NRC meetings are regularly reported to the Board of Directors. On the invitation of the Committee, Chief Executive Officer, Chief Financial Officer and Head of Human Resource attended all Committee meetings during the year.

The Chairperson of Nomination and Remuneration Committee, on behalf of all the members of the Committee extends gratitude to all the Stakeholders, Management Team and especially the Board of Directors of Continental Insurance Limited for their continued support during the year 2023 and expresses optimism for cooperation in the coming years.



Dr. Nusrat Hafiz
Chairperson
Nomination and Remuneration Committee

11.15 Management's Discussion & Analysis

Management's discussion and analysis presents detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements. As per condition no. 1(5) (xxv) of the Corporate Governance Code 2018 issued by the Bangladesh Securities and Exchange Commission (BSEC), the Management's Discussion and Analysis are as follows-

(A) Accounting Policies and Estimation for Preparation of Financial Statements

Financial statements have been prepared on a going concern basis and the Company follows International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) in preparing financial statements. Disclosure and rules, as required by the Insurance Act 2010, Insurance Rules 1958 and the Companies Act 1994, have been complied with while preparing financial statements. In addition, The Bangladesh Securities and Exchange Commission Act 1993, The Securities and Exchange Ordinance 1969, the Bangladesh Securities and Exchange Commission Rules 1987, Listing Regulations 2015 of Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC and other applicable laws and regulations in Bangladesh have been adhered to. Detailed description of accounting policies and estimation used for preparation of the financial statements of the Company are disclosed in the note 2 of the Financial

Statements. The financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value, where applicable. The financial statements provide comparative information in respect to the previous period.

(B) Changes in Accounting Policies and Estimation

The Company has been following consistent policies and estimation in preparing its financial statements. We usually change an accounting policy when the change is required by International Financial Reporting Standard (IFRS) or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance and cash flows. During the year 2023, the Company has not adopted any changes in the accounting policies and estimates.

(C) Comparative Analysis of Financial Performance or Results and Financial Position as well as Cash Flows for Current Financial Year and Immediately Preceding Five Years

The company consistently maintained attractive earnings growth for the last five years. The key operating and financial performances and financial position as well as cash flows for preceding five years are as follows:

Financial Performance

Particulars	2023	2022	2021	2020	2019
Gross Premium	737.86	703.79	619.24	569.66	524.14
Net Premium	388.70	345.19	272.17	321.49	247.72
R/I Premium	349.16	358.60	347.07	248.17	276.42
R/I Commission	88.91	69.76	57.09	49.05	65.17
Gross Claim Paid	205.11	66.17	159.23	66.88	239.91
Net Claim Paid	86.14	19.89	74.73	24.56	95.23
Underwriting Profit	108.02	107.65	82.43	92.87	52.28
Management Expenses	164.27	160.94	151.73	136.43	131.04
Commission	96.63	92.21	31.28	77.81	67.12
Total Income	150.28	140.76	126.41	117.28	127.42
Revenue Profit	108.02	107.66	82.43	92.87	52.28
Investment, Interest & Other Income	42.26	33.10	43.98	24.40	75.13
Total Administrative Expenses	41.13	35.86	28.45	35.48	38.91
Net Profit Before Tax	109.15	104.90	97.96	81.80	88.51
Net Profit After Tax	70.51	66.31	62.75	51.47	70.18
Net Operating Cash Flows	(23.49)	74.92	86.29	46.35	(47.79)

Financial Position

Particulars	2023	2022	2021	2020	2019
BDT in Million					
Total Assets	1511.79	1483.24	1328.92	1145.15	1098.37
Fixed Assets	146.98	152.99	124.48	120.81	128.48
Investments	107.56	144.98	72.96	62.86	57.58
Current Assets	1253.01	1175.56	1118.32	945.02	888.57
Fixed Deposits	393.83	438.02	447.93	396.00	390.00
Cash & Cash Equivalents	476.50	537.07	537.86	481.24	455.52
Shareholders' Equity & Liabilities	1511.79	1483.24	1328.92	1145.15	1098.37
Shareholders' Equity	927.30	915.29	849.56	793.85	747.91
Paid-up Capital	416.05	416.05	416.05	400.05	381.00
Share Premium	45.38	45.38	45.38	45.38	45.38
Total Reserve	624.64	594.68	499.46	479.39	420.99
Reserve or Contingency Accounts	465.87	453.86	388.13	348.42	321.53
Balance of Funds and Accounts	158.76	140.82	111.32	130.97	99.46
Current Liabilities & Provisions	425.72	427.13	368.03	220.33	251.01
Net Current Assets	827.28	748.43	750.29	724.69	637.56

Cash Flows

Particulars	2023	2022	2021	2020	2019
Net Cash flows from Operating activities	(23.49)	74.92	86.29	46.35	(47.79)
Net Cash flows from Investing activities	(1.10)	(32.32)	(8.27)	(0.23)	42.76
Net Cash flows from Financing activities	(35.99)	(43.39)	(21.41)	(20.40)	(17.29)
Net Increase/(Decrease) in Cash & Cash equivalents	(60.57)	(0.79)	56.61	25.72	(22.31)
Opening Cash & Cash Equivalent	537.07	537.85	481.24	455.52	477.84
Closing Cash & Cash Equivalents	476.50	537.07	537.85	481.24	455.52

The financial performance of the organization in 2023 showed significant improvements across several key metrics compared to 2022. Gross premium income increased from Tk. 703.79 million in 2022 to Tk. 737.86 million in 2023, indicating a growth in revenue generation. Net premium income also saw an increase from Tk. 345.19 million in 2022 to Tk. 388.70 million in 2023. Total income rose from Tk. 140.76 million in 2022 to Tk. 150.28 million in 2023, demonstrating an overall increase in income streams. Net profit after tax showed improvement, growing from Tk. 66.31 million in 2022 to Tk. 70.51 million in 2023. This indicates enhanced profitability and efficiency in managing operational costs. Total reserves increased from Tk. 594.68 million in 2022 to Tk. 624.64 million in 2023, highlighting

effective risk management and financial stewardship. Total assets grew from Tk. 1483.24 million at the end of 2022 to Tk. 1511.79 million at the end of 2023, indicating a stable financial foundation and potential for future growth. Net assets also increased from Tk. 915.29 million to Tk. 927.30 million over the same period. The market value per share increased significantly, rising from Tk. 30.30 at the end of 2022 to Tk. 40.00 at the end of 2023. This suggests improved investor confidence and a positive market perception of the organization's performance and potential. Overall, these metrics reflect solid financial performance and effective management practices throughout 2023, positioning the organization well for future growth and stability in the market.

(D) Financial and Economic Scenario of the Country and the Globe

Bangladesh Economy

Bangladesh has made significant strides in its economic development in recent years. With a large population and a growing industrial base, the country has become an important player in the global economy, particularly in the South Asian region. Its nominal GDP ranks it among the top economies globally, reflecting its expanding industrial and service sectors. Bangladesh's economic growth has been supported by sectors such as textiles and garments, agriculture, and increasingly, information technology and telecommunications. Bangladesh has been recognized as an emerging market with considerable potential by various financial institutions. Being a member of the Next Eleven (N-11) group highlights its status as a promising economy with significant growth prospects. The country's classification as a middle-income economy underscores its evolving economic landscape, supported by robust growth in key sectors. Membership in the South Asian Free Trade Area (SAFTA) and the World Trade Organization (WTO) further enhances Bangladesh's integration into the global economy, facilitating trade and economic cooperation with other nations. With consistently high economic growth rates in recent years, Bangladesh has indeed been one of the fastest-growing economies globally, driven by sectors such as textiles, agriculture, and increasingly, services and manufacturing.

The Bangladesh economy has been showing sustainable recovery from the impact of the global coronavirus pandemic. The GDP growth experienced a sharp fall at 3.45 percent in FY 2019-20 from 7.88 percent growth of pre-pandemic year. However, GDP growth rebounded and stood at 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. But due to Russia-Ukraine crisis, the economic growth in FY 2022-23 has been hampered. According to the provisional estimate of BBS, the GDP growth is expected to be 6.03 percent in FY 2022-23. During the period, the per capita GDP and GNI stood at US\$ 2,657 and US\$ 2,765 respectively. The per capita GDP and GNI of the previous fiscal year were US\$ 2,687 and US\$ 2,793 respectively. The growth of agriculture sector was 3.17 percent in FY 2020-21, which stood at 3.05 percent in FY 2021-22. According to the provisional estimate, the growth of the agriculture sector will stand at 2.61 percent in FY 2022-23. In FY 2020-21, the growth of the industry sector was 10.29 percent, which declined to 9.86 percent in FY 2021-22. The growth of the industry sector is estimated at 8.18 percent in current fiscal year. According to the provisional data, in FY 2022-23, growth in broad service sector has been decreased to 5.84 percent as compared to 6.26 percent in the FY 2021-22. The sectoral share of broad agriculture, industry and service stood at 11.20 percent, 37.56 percent and 51.24 percent respectively in FY 2022-23; which were 11.61 percent, 36.92 percent and 51.48 percent respectively in previous fiscal year. In demand side, the consumption expenditure stood at 73.98 percent in FY 2022-23, with significant contribution of private sector. Gross domestic savings increased to 26.02 percent of GDP in FY 2022-23, from 25.22 percent a year earlier. Similarly gross national savings as percent of GDP increased to 30.22 percent in FY 2022-23 from 29.35 percent in FY 2021-22. On the other hand, investment-GDP ratio slightly decreased to 31.25 percent in FY 2022-23 from 32.05 percent in previous fiscal year.

The insurance industry has witnessed a significant increase

in the assets of both life and non-life insurance companies. By the end of 2022, the collective total assets of insurance companies rose to Tk 63,629.05 crores, marking a notable increase of 3.34% from the previous year's Tk 61,571.87 crores. Additionally, the investment amount for 2022 reached Tk 46,484.32 crores, reflecting a growth of 1.15% compared to the previous year. Despite the promising outlook for Bangladesh's insurance sector, driven by economic expansion, rapid industrialization, increased per capita income, and improved life expectancy, overall insurance penetration remains low. Currently, the insurance penetration ratio stands at a mere 0.5 percent, significantly below global standards and trailing behind neighboring countries such as India (4.0), Sri Lanka (1.2), and Pakistan (0.8). In a recent development, the Bangladesh Bank and the Insurance Development Regulatory Authority introduced Bancassurance agreements and accompanying guidelines in December, 2023, indicating a potential transformation in the traditional insurance landscape in Bangladesh. Both banking and insurance industry experts foresee those banks, owing to their extensive trust and vast micro-level networks, could bring about substantial positive changes through collaboration with the insurance sector, thereby impacting the overall economy significantly.

Global Economy

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its prepandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000-19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

Risks to the outlook are more balanced than they were six months ago, on account of the resolution of US debt ceiling tensions and Swiss and US authorities' having acted decisively to contain financial turbulence. The likelihood of a hard landing has receded, but the balance of risks to global growth remains tilted to the downside. China's property sector crisis could deepen, with global spillovers, particularly for commodity exporters. Elsewhere, near-term inflation expectations have risen and could contribute - along with tight labor markets - to core inflation pressures persisting and requiring higher policy rates than expected. More climate and geopolitical shocks could cause additional food and energy price spikes. Intensifying geoeconomics fragmentation could constrain the flow of commodities across markets, causing additional price volatility and complicating the green transition. Amid rising debt service costs, more than half of low-income developing countries are in or at high risk of debt distress. There is little margin for error on the policy front.

Central banks need to restore price stability while using policy tools to relieve potential financial stress when needed. Effective monetary policy frameworks and communication are vital for anchoring expectations and minimizing the output costs of disinflation. Fiscal policymakers should rebuild budgetary room for maneuver and withdraw untargeted measures while protecting the vulnerable. Reforms to reduce structural impediments to growth - by, among other things, encouraging labor market participation - would smooth the decline of inflation to target and facilitate debt reduction. Faster and more efficient multilateral coordination is needed on debt resolution to avoid debt distress. Cooperation is needed as well to mitigate the effects of climate change and speed the green transition, including by ensuring steady cross-border flows of the necessary minerals.

(E) Risks and Concerns Issues Related to the Financial Statements, Explaining Such Risk and Concerns Mitigation Plan of the Company

Understating Liabilities Risk:

There's a risk of not adequately estimating liabilities, such as insurance claims or policyholder obligations, which could lead to understated liabilities and overstated profitability.

Mitigation Plan:

- Implement rigorous actuarial reviews and methodologies for estimating liabilities.
- Regularly review and update assumptions used in liability calculations.
- Engage external actuaries to provide independent assessments.

Investment Valuation Risk:

Incorrect valuation of investments (e.g., bonds, equities) could distort the financial position and results of CIL.

Mitigation Plan:

- Establish clear valuation policies and procedures consistent with industry standards.
- Conduct regular reviews and reconciliations of investment valuations.
- Engage external experts for complex or illiquid investments.

Regulatory Compliance Risk:

Failure to comply with regulatory requirements (e.g., Solvency, insurance regulations) can lead to fines, penalties, or reputational damage.

Mitigation Plan:

- Maintain a dedicated compliance function to monitor regulatory changes and ensure adherence.
- Conduct regular compliance audits and assessments.
- Engage with regulatory authorities to stay updated on requirements and expectations.

Financial Reporting Integrity Risk:

Errors or misstatements in financial reporting can undermine the credibility of CIL's financial statements.

Mitigation Plan:

- Implement robust internal controls over financial reporting.
- Conduct periodic internal audits and external audits by reputable auditing firms.
- Provide training and guidance to finance and accounting staff on reporting standards and best practices.

Currency and Exchange Rate Fluctuations Risk:

Exposure to foreign currency fluctuations can impact the valuation of assets, liabilities, and investment income.

Mitigation Plan:

- Hedge significant foreign currency exposures where appropriate.
- Monitor and manage currency risk through diversification and hedging strategies.
- Disclose significant currency risks and their potential impacts in financial statements.

Cybersecurity and Data Protection Risk:

Breaches in cybersecurity or data protection could compromise financial data integrity and confidentiality.

Mitigation Plan:

- Implement robust cybersecurity measures, including encryption, firewalls, and intrusion detection systems.
- Conduct regular cybersecurity assessments and employee training on data protection protocols.
- Comply with relevant data protection regulations and maintain incident response plans.

By addressing these risks with comprehensive mitigation plans, Continental Insurance Limited can enhance the reliability and integrity of its financial statements. This approach not only ensures compliance with regulatory standards but also fosters trust among stakeholders, including policyholders, investors, and regulatory authorities. Regular monitoring, transparent reporting, and proactive risk management are crucial elements in safeguarding CIL's financial health and reputation.

(F) Creating a future plan, projection, or forecast for Continental Insurance Limited involves a comprehensive analysis and strategic approach across various aspects of its operation, performance, and financial position.

Operational Strategy:

- Identify key markets and segments where CIL can strengthen its presence and competitive advantage.
- Introduce new insurance products or enhance existing ones to cater to emerging customer needs and market trends.
- Expand and optimize distribution channels, including digital platforms, to reach a broader customer base efficiently.
- Implement technology-driven solutions to streamline processes, reduce costs, and enhance service delivery.

Performance Goals:

- Set ambitious but realistic targets for premium income growth based on market analysis and competitive positioning.
- Focus on underwriting discipline to maintain profitability while expanding the customer base.
- Improve claims processing efficiency to enhance customer satisfaction and retention.
- Develop strategies to attract new customers and improve retention rates through superior service and tailored solutions.

Financial Position:

- Develop detailed financial forecasts, including income statements, balance sheets, and cash flow projections.
- Define targets for underwriting profitability and investment returns, balancing risk and reward.
- Optimize capital structure and liquidity management to support growth initiatives and regulatory requirements.
- Enhance risk management frameworks to mitigate financial and operational risks effectively.

Market and Competitive Analysis:

- Analyze competitors' strategies, market share, and emerging trends to capitalize on opportunities and mitigate threats.
- Utilize data analytics and customer feedback to refine product offerings and enhance customer experience.

Technology and Innovation:

- Invest in technology to enhance operational efficiency, data analytics capabilities, and customer engagement.
- Explore partnerships with insurtech firms to leverage new technologies and improve service delivery.

Sustainability and Corporate Social Responsibility:

- Integrate sustainable practices into business operations and CSR initiatives to contribute positively to society and enhance brand reputation.

Regulatory Compliance and Governance:

- Ensure adherence to evolving regulatory requirements and standards to maintain trust and credibility.
- Strengthen governance frameworks to uphold ethical standards and enhance decision-making processes.

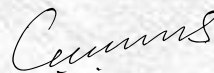
Implementation Plan and Monitoring:

- Develop a detailed implementation roadmap with clear timelines, responsibilities, and milestones.
- Establish key performance indicators (KPIs) to track progress against strategic goals and regularly review performance.

Stakeholder Communication:






- Foster a culture of transparency and communication across all levels of the organization to align teams with strategic objectives.
- Engage with shareholders, customers, regulators, and other stakeholders to build trust and support for CIL's strategic direction.

By systematically addressing these areas, Continental Insurance Limited can develop a robust future plan that ensures sustainable growth, operational excellence, and financial strength in the dynamic insurance industry landscape. Regular reviews and adjustments based on market dynamics and performance metrics will be crucial to achieving long-term success and maintaining competitive advantage.



Golam Kamal Chowdhury
Chief Executive Officer (C.C)

11.16 Certificate on Compliance with The Corporate Governance Code

	G. KIBRIA & CO. CHARTERED ACCOUNTANTS		 member an association of legally independent accounting firms partnering for success
Annexure-B [Certificate as per condition No. 1(5)(xxvii)]			
Report to the Shareholders of Continental Insurance Limited on compliance on the Corporate Governance Code			
<p>We have examined the compliance status to the Corporate Governance Code by “Continental Insurance Limited” for the year ended on December 31, 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.</p>			
<p>Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.</p>			
<p>This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.</p>			
<p>We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:</p>			
<ul style="list-style-type: none">a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except as specify in compliance status checklist;b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws andd) The governance of the Company is satisfactory.			
<p>Place: Dhaka, Bangladesh Date: 12 June 2024 Ref: GKC/23-24/A/882</p>		 A.K. Gulam Kibria, FCA (#392) Engagement Partner G. KIBRIA & CO. Chartered Accountants	
<p>Head Office: Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka - 1000, Bangladesh Branch Office: House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212 Email: gkibria@gkibriaandco.com, kibria03@hotmail.com, Web: http://gkibriaandco.com Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332</p>			

11.17 Compliance Report on Corporate Governance Code (CGC)

Annexure-C

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

Compliance Report on Corporate Governance Code (CGC)

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969: (Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.00	Board of Directors			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Director			
1.2(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors		✓	Complied with the Insurance Act, 2010 but pending with BSEC.
1.2(b)(i)	who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company	✓		Independent Directors do not hold any shares of the Company
1.2(b)(ii)	who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company	✓		
1.2(b)(iii)	who has not been an executive of the Company in the immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated companies	✓		
1.2(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1.2(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	who is not independent director in more than 5 (five) listed companies	✓		
1.2(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2(b)(x)	who has not been convicted for a criminal offence involving moral turpitude	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		

1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only	√		
1.3	Qualification of Independent Director (ID)			
1.3(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business	√		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of BDT 100 million or any listed company or a member of any national or international chamber of commerce or business association; or	.....		Not applicable
1.3(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of BDT 100 million or of a listed company; or	√		
1.3(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of Bachelor degree in economics or commerce or business or law	√		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	√		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	.....		Not applicable
1.3(c)	The independent director shall have at least 10 (ten) years' experiences in any field mentioned in clause (b)	√		
1.3(d)	In special cases, does the company relaxed above qualifications or experiences which may be relaxed subject to prior approval of the Commission	.....		Not applicable
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chair of the Board and the Chief Executive Officer (CEO) of the Company shall be filled by different individuals	√		
1.4 (b)	The Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		
1.4 (c)	The Chair of the Board shall be elected from among the non-executive directors of the company	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chair and the Chief Executive Officer	√		
1.4 (e)	In the absence of the Chair of the Board, the remaining members may elect one of themselves from non-executive directors as Chair for that particular Board's meeting; the reason of absence of the regular Chair shall be duly recorded in the minutes	√		
1.5	Directors report to shareholders			

1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product-wise performance	√		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	√		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1.5(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	.....		Not applicable
1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.	.....		Not applicable
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	√		
1.5(x)	Remuneration to directors including independent directors	√		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the results of its operation, cash flows and changes in equity	√		
1.5(xii)	Proper books of account of the issuer company have been maintained	√		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		
1.5(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		

1.5(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year	.....		Not applicable
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	.....		Not applicable
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	√		
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	√		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		
1.5(xxiii)(c)	Executives (top five salaried employees)	√		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: a brief resume of the director			
1.5(xxiv)(a)	A brief resume of the director	√		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof	√		

1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position explained to the shareholders in the next AGM	√		
1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3)	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed	√		
1.6	Meetings of the Board of Directors			
1.6	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB), in so far as those standards are not inconsistent with any condition of this Code	√		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chair of the Board, other board members and Chief Executive Officer of the Company	√		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behaviour; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		
2.00	Governance of Board of Directors of Subsidiary Company			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	.....		Not applicable
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	.....		Not applicable
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	.....		Not applicable
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	.....		Not applicable
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	.....		Not applicable
3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			

3.1 (a)	The Board shall appoint a Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		
3.1 (b)	The positions of the Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		
3.1 (c)	The CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other Company at the same time	√		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
3.1 (e)	The CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)			No such incident
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board	√		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief	√		
3.3(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		
3.3(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws	√		
3.3(b)	The CEO and CFO shall also certify that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3.3(c)	The certification of the CEO and CFO shall be disclosed in the Annual Report	√		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5	Audit Committee:			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company have an Audit Committee as a subcommittee of the Board	√		
5.1 (b)	The Audit Committee assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
5.1 (c)	the Audit Committee is responsible to the Board; the duties of the Audit Committee clearly set forth in writing	√		
5.2	Constitution of the Audit Committee			

5.2 (a)	the Audit Committee shall be composed of at least 3 (three) members;	√		
5.2 (b)	the Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be “financially literate” and at least one (1) member shall have accounting or related financial management background and ten (10) years of such experience	√		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of three (3) persons, the Board shall appoint new Committee member to fill up the vacancy immediately or not later than one (1) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such incident
5.2 (e)	The Company Secretary shall act as the secretary of the Committee	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least one (1) independent director	√		
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director	√		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.			Will be ensured by the Management
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5.5	Role of Audit Committee			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles	√		

5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		
5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
5.5 (h)	Review the adequacy of internal audit function	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
5.5 (j)	Review statement of all related party transactions submitted by the management	√		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	.....		Not applicable
5.6	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board	√		
5.6 (a)(i)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests	.....		No such incident
5.6 (a)(i)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	.....		No such incident
5.6 (a)(i)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	.....		No such incident
5.6 (a)(i)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	.....		No such incident

5.6 (b)	<p>Reporting to the Authorities</p> <p>If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier</p>	.....		No such incident
5.7	<p>Reporting to the Shareholders and General Investors</p> <p>Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company</p>	.....		No such incident
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6.1 (c)	The Terms of Reference (ToR) of the NRC clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	All members of the Committee shall be non-executive directors;	√		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board have authority to remove and appoint any member of the Committee;	√		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	.....		No such incident

6.2 (g)	The company secretary shall act as the secretary of the Committee;	√		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company;	√		
6.3	Chairperson of the NRC			
6.3 (a)	The Board select 1 (one) member of the NRC to be Chairperson of the Committee	√		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	.....		No such incident
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	√		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	√		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	.....		Not applicable
6.4 (c)	The quorum of the meeting of the NRC constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes confirmed in the next meeting of the NRC.	√		
6.5	Role of the NRC			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the emuneration of the directors, top level executive, considering the following:			
6.5(b)(i)(a)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following	√		
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate	√		

	performance benchmarks			
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√		
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√		
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	√		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transferor replacement and promotion criteria	√		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7.	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation;	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7.1 (iv)	Broker-dealer services;	√		
7.1 (v)	Actuarial services;	√		
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	Any service that the Audit Committee determines;	√		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	√		
7.1 (ix)	Any other service that creates conflict of interest.	√		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that	√		

	company; his or her family members also shall not hold any shares in the said company:			
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		Will be ensured by the Management.
8	Maintaining a website by the Company.			
8.1	The company have an official website linked with the website of the stock exchange	√		
8.2	The company keep the website functional from the date of listing	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance.			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		
9.3	The directors of the company state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

11.18 Credit Rating Report



AlphaRating

01 July, 2024

Chief Executive Officer
Continental Insurance Limited
Advanced Noorani Tower (13th Floor), 1 Mohakhali C/A, Dhaka-1212, Bangladesh.

Subject: Credit Rating of Continental Insurance Limited.

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating), vide credit rating Agreement No: 8013, has assigned the following rating to Continental Insurance Limited.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
01 July, 2024	30 June, 2025	7 th Surveillance	AA+	ST-1	Stable

The long term rating & short term rating is valid up to 30 June, 2025. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to Continental Insurance Limited, hereby solemnly declare that:

- (i) We, Alpha Credit Rating Limited as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and
- (ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope the rating will serve the intended purpose of your organization.

With kind regards,

Abdul Mannan
Chief Executive Officer

This letter is integral part of the credit rating report

Alpha Credit Rating Limited, Sadhanas Bima Bhavan-2 (2nd & 8th Floor), 139 Motijheel C/A, Dhaka-1000.
Tel: +880 2223352875, 2223353036, 2223351027, 2223353200, www.alpharating.com.bd, E-mail: info@alpharating.com.bd

Credit Rating

AA+

Rated by ALPHA CREDIT RATING LTD

11.19 Certificate from Bangladesh Association of Publicly Listed Companies (BAPLC).



Certificate from Insurance Development and Regulatory Authority (IDRA) & BIA.



11.20 Statement of Ethics and Compliance

Ethics and compliance at Continental Insurance Limited are fundamental to maintaining trust with stakeholders, ensuring legal adherence, and fostering a positive corporate culture.

1. Code of Conduct: CIL develop and maintain a robust code of conduct that outlines expected behaviors, ethical principles, and guidelines for decision-making across all levels of the organization. This code is regularly communicated to employees and stakeholders.

2. Legal and Regulatory Compliance: CIL comply with all applicable laws, regulations, and industry standards. This includes regulations related to insurance operations, financial reporting, data protection, and consumer rights.

3. Ethical Leadership: Leadership at CIL demonstrate a commitment to ethical behavior and integrity. They lead by example and promote a culture where ethical considerations are integrated into everyday business practices.

4. Training and Awareness: Regular training programs is conducted to educate employees about ethics, compliance requirements, and the importance of ethical decision-making. This helps employees understand their responsibilities and encourages a culture of compliance.

5. Whistleblower Protection: CIL establish mechanisms for employees and stakeholders to report unethical behavior, violations of the code of conduct, or compliance concerns without fear of retaliation. This includes anonymous hotlines or other reporting channels.

6. Internal Controls: Implementing strong internal controls

ensures that operations are conducted in accordance with policies, procedures, and regulatory requirements. This helps mitigate risks related to fraud, misconduct, and compliance failures.

7. Risk Management: A proactive approach to risk management helps CIL identify, assess, and mitigate risks related to ethics and compliance. This includes monitoring regulatory changes, conducting risk assessments, and implementing appropriate controls.

8. Supplier and Vendor Management: CIL ensures that ethical standards and compliance requirements are extended to suppliers, vendors, and business partners through contractual agreements and due diligence processes.

9. Transparency and Accountability: Foster a culture of transparency where decisions and actions are accountable to stakeholders. This includes transparent reporting on ethics and compliance efforts in annual reports or corporate social responsibility disclosures.

10. Continuous Improvement: Ethics and compliance efforts are continuously reviewed and improved upon. This includes updating policies and practices to reflect changes in laws, regulations, and industry standards, as well as addressing emerging ethical challenges.

By prioritizing ethics and compliance, CIL enhance its reputation, build stronger relationships with stakeholders, and mitigate risks associated with legal and ethical lapses. This commitment not only ensures regulatory compliance but also supports sustainable business practices and long-term success.

11.21 Statement of Internal Control

Introduction

Continental Insurance Limited is committed to maintaining effective internal control systems to ensure the safeguarding of assets, reliability of financial reporting, and compliance with regulations. This statement outlines the key components of our internal control framework.

Responsibility

The Board of Directors is responsible for overseeing the effectiveness of the internal control framework. Management is responsible for the design, implementation, and maintenance of internal controls, and for ensuring their ongoing effectiveness.

Components of Internal Control

1. Control Environment

- CIL promotes a culture of integrity and ethical behavior through clear policies and communication.
- Management demonstrates its commitment to internal controls through actions and decisions.

2. Risk Assessment

- CIL identifies and assesses risks that may affect the achievement of business objectives.
- Risk assessment processes are regularly updated to reflect changes in the business environment.

3. Control Activities

- Policies and procedures are established to achieve specific objectives and mitigate identified risks.
- Controls are designed to be effective and efficient, considering costs versus benefits.

4. Information and Communication

- Relevant information is identified, captured, and communicated in a timely manner.
- Communication channels ensure that internal control responsibilities are understood across the organization.

5. Monitoring Activities

- Ongoing monitoring processes assess the effectiveness of internal controls.
- Deficiencies or weaknesses are promptly identified and addressed.

Internal Control Effectiveness

CIL's internal control framework is designed to provide

reasonable assurance regarding the achievement of objectives related to financial reporting, operations, and compliance. The effectiveness of internal controls is periodically evaluated through assessments, audits, and testing procedures.

Conclusion

Continental Insurance Limited is committed to continuously improving its internal control environment to adapt to changing business conditions and regulatory requirements. Management and the Board of Directors remain dedicated to maintaining an effective internal control framework that supports the company's long-term success.

11.22 Statement of Internal Audit



At Continental Insurance Limited, the role of internal audit encompasses several key responsibilities and objectives aimed at ensuring the organization operates effectively, efficiently, and in compliance with regulations.

1. Risk Assessment and Management: Internal audit at CIL is responsible for assessing and managing risks across various aspects of the business. This includes identifying potential risks to the achievement of organizational objectives, evaluating the adequacy of risk management processes, and recommending enhancements to mitigate risks.

2. Internal Control Evaluation: Auditors at CIL evaluate the design and effectiveness of internal controls. This involves reviewing policies, procedures, and processes to ensure they safeguard assets, maintain data integrity, and promote operational efficiency.

3. Compliance Monitoring: Internal audit ensures that CIL adheres to relevant laws, regulations, and internal policies. They conduct regular reviews to verify compliance and identify areas where corrective actions are needed.

4. Financial Auditing: Auditors examine financial transactions, records, and reports to ensure accuracy, completeness, and compliance with accounting standards. They provide assurance on the reliability of financial information presented to stakeholders.

5. Operational Auditing: Beyond financial aspects, internal audit reviews operational activities and processes. This includes evaluating the efficiency of operations, identifying areas for improvement, and recommending changes to enhance organizational performance.

6. Fraud Prevention and Detection: Internal audit plays a

crucial role in detecting and preventing fraudulent activities within CIL. They investigate suspicious transactions, assess internal controls related to fraud risk, and recommend measures to strengthen anti-fraud mechanisms.

7. Reporting and Recommendations: Auditors prepare reports detailing audit findings, conclusions, and recommendations for improvement. These reports are typically shared with senior management, the Audit Committee, and the Board of Directors to facilitate informed decision-making and corrective actions.

8. Monitoring and Follow-Up: Internal audit monitors the implementation of audit recommendations by management. They track progress, provide guidance as needed, and verify that corrective actions effectively address identified issues.

9. Consultative Support: Internal audit may provide advisory services to management on risk management, governance, and internal control best practices. They offer insights and recommendations aimed at enhancing organizational resilience and efficiency.

10. Quality Assurance: The internal audit function at CIL maintains high standards of professionalism, objectivity, and independence. They adhere to industry best practices and regulatory requirements to ensure the integrity and credibility of audit activities.

Overall, internal audit at Continental Insurance Limited plays a pivotal role in promoting accountability, transparency, and sound governance practices. By evaluating risks, assessing controls, and providing strategic insights, internal audit contributes to the organization's overall success and sustainability.

11.23 CEO & CFO's DECLARATION ON FINANCIAL STATEMENT



Annexure-A
Declaration by CEO and CFO
As per condition No. 1(5)(xxvi) of CGC

The Board of Directors
Continental Insurance Limited
Advanced Noorani Tower
1 Mohakhali C/A, Dhaka-1212.

Subject: Declaration on Financial Statements for the Year Ended on December 31, 2023

Dear Sirs,

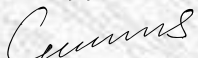
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Continental Insurance Limited for the year ended on 31 December 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the Financial Statements were made on a prudent and reasonable basis, in order for the Financial Statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its Financial Statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the Financial Statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: -

- i. We have reviewed the Financial Statements for the year ended on 31 December 2023 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,


Golam Kamal Chowdhury
Chief Executive Officer (C.C)


MD. Abdul Malek
Chief Financial Officer



12

STATUTORY FINANCIAL REPORTS



12.1 DIRECTORS' CERTIFICATE ON VALUATION
12.2 INDEPENDENT AUDITOR'S REPORT
12.3 STATEMENT OF FINANCIAL POSITION
12.4 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
12.5 PROFIT OR LOSS APPROPRIATION ACCOUNT
12.6 CONSOLIDATED REVENUE ACCOUNT
12.7 FIRE INSURANCE REVENUE ACCOUNT
12.8 MARINE CARGO INSURANCE REVENUE ACCOUNT
12.9 MARINE HULL INSURANCE REVENUE ACCOUNT
12.10 MOTOR INSURANCE REVENUE ACCOUNT
12.11 MISCELLANEOUS INSURANCE REVENUE ACCOUNT
12.12 STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY
12.13 STATEMENT OF CASH FLOWS
12.14 NOTES TO THE FINANCIAL STATEMENTS
12.16 FORM - "AA"
12.17 STATEMENT OF REVENUE ACCOUNTS
12.18 SCHEDULE OF FIXED ASSETS
12.19 SCHEDULE OF INVESTMENT IN SHARES
12.20 SCHEDULE OF OFFICE RENT


12.2 Directors' Certificate on Valuation




As per Regulations contained in the First Schedule of the Insurance Act, 1938 as amended and as per Section 40-C of the said Act, we certify that:

1. The value of investments as shown in the Balance Sheet has been taken at cost.
2. The values of all assets as shown in the Balance Sheet and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2023 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.
3. All expenses of Management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous insurance business have been duly debited to the related Revenue Accounts and Profit or Loss and other comprehensive Income.


(Hasan Tarek)
Chief Executive Officer


(Abrar Rahman Khan)
Director


(KM Alamgir)
Vice Chairman


(A.K.M. Azizur Rahman)
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CONTINENTAL INSURANCE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Continental Insurance Limited (the Company), which comprise the Statement of Financial Position as at 31st December, 2023, the Statement of Profit or loss and Other Comprehensive Income, Profit and Loss Appropriation Account, Consolidated Insurance Revenue Accounts, Fire Insurance Revenue Account, Marine Cargo Insurance Revenue Account, Marine Hull Insurance Revenue Account, Motor Insurance Revenue Account, Miscellaneous Insurance Revenue Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, Classified Summary of Assets as at 31st December, 2023 and notes to the financial statements in which the returns from the branch offices certified by the branch managers have been incorporated including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 58 and Annexure-A, Annexure-B, Annexure-C, Annexure-D & Annexure-E.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31st December, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Insurance Act, 2010, the Insurance Rules 1958, the Bangladesh Securities and Exchange Rules, 2020 and other applicable laws and regulations.

Basis for Opinion

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

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 year. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters	How our Audit Addressed the Key Audit Matters
<p>Premium Income</p> <p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting year.</p> <p>The Company has reported gross premium of Tk. 737,861,945 for the year ended 31st December, 2023 (Tk. 703,791,272 for the year ended 31st December, 2022).</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures</p> <ul style="list-style-type: none"> • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period.

Key Audit Matters	How our Audit Addressed the Key Audit Matters
<p>Given the important nature, connections to other items to the financial statements and sensibility of the item we believe this area pose high level of risk.</p> <p>Please, see note no. 3.07 and 26.00 to the financial statements.</p>	<ul style="list-style-type: none"> • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. • On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. • For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium. • Applying specialist judgment ensured if there is any impairment of the re-insurer. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act, 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Estimated liability in respect of outstanding claims whether due or intimated and claim Payment	How our Audit Addressed the Key Audit Matters
<p>This amount represents the claim due or intimated from the insured and involves significant judgment and risk of understatement. As at 31st December, 2023, the reported balance under the head of estimated liability in respect of outstanding claims whether due or intimated was Tk. 32,890,891 and claims paid in the year ended 31st December 2023 was Tk. 86,136,947 (outstanding claims as at 31st December, 2022 was Tk.28,275,655 and Claims paid in the year ended 31st December, 2022 was Tk. 19,885,314).</p> <p>This provision has a direct impact on the profitability and liquidity of the Company which makes it an important item for key stakeholders. Considering its impact on multiple line items on the financial statements, its sensitivity and importance to key stakeholders, we believe this area possesses high level of risk.</p> <p>Please, see note no. 10.00 to the financial statements.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process.</p> <p>We additionally carried out the following substantive testing around this item:</p> <ul style="list-style-type: none"> ♦ Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. ♦ Obtained a sample of claimed policy copy and cross check it with claim. ♦ Obtained a sample of survey reports cross checked those against respective 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 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

Investment In Shares	How our Audit Addressed the Key Audit Matters
<p>The balance of investment in shares of the company at the year end was Tk. 77,563,141.</p> <p>Insurance company makes a number of investments in the listed and non-listed capital market with a required regulatory limit. Income generated from the investments (realized gain and dividend received) is credited to the statement of Profit or Loss Appropriation Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Reserve subsequently or as per the policy of the company.</p> <p>This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p> <p>Please, see note no. 3.02 and 16.02 to the financial statements.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. • Ascertained the valuation of the holding as per IFRS 13. • Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. • Recalculated unrealized gain or loss at the year end. • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. • Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss. • Check the subsequent positioning of this unrealized amount after the year end. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 2010, Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Measurement and Recognition of Deferred Tax Liability	How our Audit Addressed the Key Audit Matters
<p>The Company reported net deferred tax liability totaling Tk. 671,166 as at 31st December, 2023. Significant judgment is required in relation to deferred tax liability as their liability is dependent on forecasts of future profitability over a number of years.</p> <p>See note no. 3.11 (b) and 15.00 to the financial statements.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the recognition and measurement of Deferred Tax Assets and Liabilities and the assumptions used in estimating the future taxable expense of the company.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense/income.</p> <p>We evaluated the reasonableness of key assumptions, timing of reversal of temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</p>
Measurement and Recognition of Deferred Tax Liability	How our Audit Addressed the Key Audit Matters
	<p>We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved.</p> <p>We also assisted in evaluating the tax implications, the reasonableness of estimates and calculations determined by management.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>

Other Information

Management is responsible for the other information. The other information comprises all the information included in the Annual Report but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

After going through the Annual Report, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit.
- Evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act, 2010, the Insurance Rules 1958, the Securities and Exchange Rules, 2020 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

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;

In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;

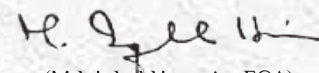
The Company's management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;

As per regulation 11 of Part I of the Third Schedule of the Insurance Act, 1938 as amended Insurance Act, 2010 we certify that to the best of our information and as shown by its books, the company during the year under report has not paid to any person any commission in any form to outside Bangladesh and that the company during the year under report has not received outside Bangladesh from any person any commission in any form in respect of its business re-insured abroad;

As per Section 63(2) of the Insurance Act, 2010, in our opinion to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever 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 Profit or Loss and Other Comprehensive Income of the Company;

The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and

The expenditure was incurred for the purpose of the Company's business.



(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528AS177658
A. Hoque & Co.
Chartered Accountants

Dated : 08.05.2024
Place : Dhaka, Bangladesh

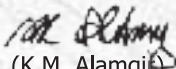
CONTINENTAL INSURANCE LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2023

PARTICULARS	NOTE	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
CAPITAL & LIABILITIES:			
Authorised Share Capital : 60,000,000 Ordinary Shares of Tk. 10/- each.	6.00	600,000,000	600,000,000
Shareholders' Equity:			
Issued, Subscribed and Paid up:		461,428,110	461,428,110
41,605,311 Ordinary Shares of Tk.10/- each.	7.00	416,053,110	416,053,110
Share Premium		45,375,000	45,375,000
Reserve or Contingency Accounts:	8.00	465,874,453	453,856,587
Profit & Loss Appropriation Account		49,444,594	44,829,694
General Reserve		5,000,000	5,000,000
Share Fluctuation Fund		8,288,246	8,288,246
Reserve for Exceptional Losses		374,453,808	335,583,508
Reserve for Fair Value of Shares		(1,622,529)	29,844,805
Reserve for Disposal of Building		30,310,334	30,310,334
Balance of Funds and Accounts:		158,760,909	140,822,307
Fire Insurance Business Account		53,946,357	47,560,690
Marine Cargo Insurance Business Account		70,612,196	61,544,414
Marine Hull Insurance Business Account		5,466,183	4,574,861
Motor Insurance Business Account		21,173,772	22,450,716
Miscellaneous Insurance Business Account		7,562,401	4,691,626
Premium Deposits	9.00	32,600,788	22,875,368
Current Liabilities & Provisions:		393,122,875	404,254,581
Estimated Liabilities in Respect of Outstanding Claims whether due or intimated	10.00	32,890,891	28,275,655
Amount due to Other Persons of Bodies Carrying on Insurance Business	11.00	50,865,444	85,701,440
Sundry Creditors (including Provision for Expenses and Taxes)	12.00	303,100,698	278,458,619
Unclaimed Dividend Account	13.00	1,360,810	936,569
Lease Liability	14.00	4,233,866	9,711,054
Deferred Tax Liability	15.00	671,166	1,171,244
Total Shareholders' Equity & Liabilities		<u>1,511,787,135</u>	<u>1,483,236,953</u>
PROPERTY & ASSETS:			
Investment:	16.00	107,563,141	144,980,176
Investment - Government Treasury Bond - at cost	16.01	30,000,000	25,000,000
Investment in Shares	16.02	77,563,141	119,980,176
Interest, Dividend & Rent (Accrued but not Due)		9,262,739	8,772,511
Amount due from other persons or bodies carrying on Insurance Business	17.00	236,710,605	237,252,281
Sundry Debtors	18.00	529,515,126	391,635,506
Cash and Cash Equivalents:	19.00	476,499,748	537,068,478
Fixed Deposit with Banks	19.01	393,824,982	438,022,700
Current & STD Account with Banks		68,916,479	85,303,061
Cash in Hand		12,963,341	12,824,833
Stamp in Hand		794,946	917,884
Other Accounts:		152,235,776	163,528,000
Fixed Assets (at cost Less Depreciation)	20.00	146,983,743	152,986,935
Stock of Printing Materials at cost		1,018,167	830,011
Right Use of Assets	21.00	4,233,866	9,711,054
Total Property and Assets		<u>1,511,787,135</u>	<u>1,483,236,953</u>
Net Asset Value per Share	27.00	<u>22.29</u>	<u>22.00</u>

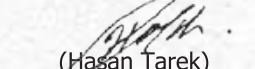
The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

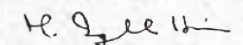

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

This is the Statement of Financial Position referred to


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI7658
A. Hoque & Co.
Chartered Accountants

Dated: 08.05.2024
Place: Dhaka, Bangladesh

ANNUAL REPORT 2023

CONTINENTAL INSURANCE LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2023

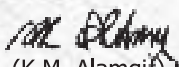
PARTICULARS	NOTE	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Expenses of Management (not applicable to any particular fund or account) :		5,587,155	5,577,149
Advertisement & Publicity		425,155	485,149
Incentive Bonus		5,000,000	5,000,000
Employees Special Benefit		162,000	92,000
Depreciation / Loss of Investment		11,218,138	7,329,141
Depreciation		11,218,138	7,329,141
Other Expenses		24,322,089	22,949,699
Directors Fee	24.00	1,399,200	1,522,400
Director TA		118,400	310,800
Registration & Renewal Fees		809,361	712,130
Donation & Subscription		1,082,054	1,589,335
Legal & Professional Fees		1,880,152	1,396,862
Company Contribution to P.F		3,260,769	3,323,392
Paid to Gratuity Fund		6,500,000	6,500,000
Interest Expenses		8,364,520	6,672,605
Group Insurance		907,633	922,175
Total Expenses		41,127,382	35,855,989
Balance for the year carried to Profit & Loss Appropriation Account		109,154,352	104,903,581
		150,281,734	140,759,570
Interest, Dividend and Rents:			
(Not Applicable to any Particular Fund or Account)	22.00	42,260,055	33,095,569
Interest Received	22.01	27,307,662	30,865,730
Dividend Income	22.02	2,307,247	245,474
Gain/(Loss) from Share Trade	22.03	5,050,301	(2,031,459)
Gain from Sale of Motor Vehicles	22.04	6,967,243	3,516,105
Other Income	22.05	627,602	499,719
Revenue Profit		108,021,679	107,664,001
Fire Insurance Revenue Account		2,556,779	18,806,870
Marine Cargo Insurance Revenue Account		88,810,648	68,993,283
Marine Hull Insurance Revenue Accounts		1,618,911	(3,007,463)
Motor Insurance Revenue Account		10,854,274	17,969,793
Miscellaneous Insurance Revenue Account		4,181,067	4,901,518
		150,281,734	140,759,570

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

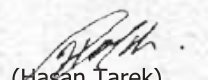
This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

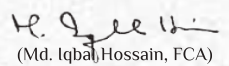

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
**PROFIT OR LOSS APPROPRIATION ACCOUNT
 FOR THE YEAR ENDED 31ST DECEMBER, 2023**

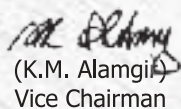
PARTICULARS	NOTE	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Reserve for Exception Losses		38,870,300	34,519,348
Provision for the Taxation	12.02	24,563,919	26,351,129
Deferred Tax	15.00	(500,078)	(701,451)
Dividend (for the year 2022 & 2021 respectively)		41,605,311	49,926,373
Balance Available		49,444,594	44,829,694
		<u>153,984,046</u>	<u>154,925,092</u>
Balance brought forward from last year		44,829,694	50,021,511
Net Profit for the year brought down		109,154,352	104,903,581
		<u>153,984,046</u>	<u>154,925,092</u>
Basic Earning Per Shares (EPS)	28.00	1.69	1.59

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

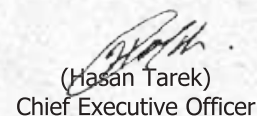
This is the Profit or Loss Appropriation Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

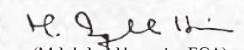

 (A.K.M Azizur Rahman)
 Chairman


 (K.M. Alamgir)
 Vice Chairman


 (Abrar Rahman Khan)
 Director


 (Hasan Tarek)
 Chief Executive Officer

Dated: 08.05.2024
 Place: Dhaka, Bangladesh


 (Md. Iqbal Hossain, FCA)
 Enrolment No. 528
 DVC -2405080528ASI77658
 A. Hoque & Co.
 Chartered Accountants

CONTINENTAL INSURANCE LIMITED
**CONSOLIDATED REVENUE ACCOUNT
 FOR THE YEAR ENDED 31ST DECEMBER, 2023**

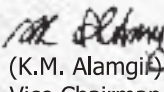
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		86,136,947	19,885,314
Total Estimated Liability in respect of Outstanding claims at the end of the year whether due or intimated		32,890,891	28,275,655
Less : Outstanding Claims at the end of the previous year		119,027,838	48,160,969
		28,275,655	23,532,205
		90,752,183	24,628,764
Agency Commission		96,629,327	92,214,306
Management Expenses	25.00	164,271,759	160,940,822
Reserve for Unexpired Risk on Premium Income of the year		158,760,909	140,822,307
Profit Transferred to Profit & Loss Account		108,021,679	107,664,001
Total		618,435,857	526,270,200
Balance of Account at the beginning of the year:			
Reserve for Unexpired Risks		140,822,307	111,320,694
Premium Less Re-Insurance	26.00	388,702,998	345,193,476
Commission on Re-Insurance Ceded		88,910,552	69,756,030
		618,435,857	526,270,200

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Consolidated Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

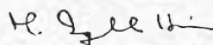

 (A.K.M Azizur Rahman)
 Chairman


 (K.M. Alamgi)
 Vice Chairman


 (Abrar Rahman Khan)
 Director


 (Hasan Tarek)
 Chief Executive Officer

Dated: 08.05.2024
 Place: Dhaka, Bangladesh


 (Md. Iqbal Hossain, FCA)
 Enrolment No. 528
 DVC -2405080528ASI77658
 A. Hoque & Co.
 Chartered Accountants

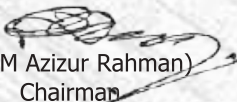
CONTINENTAL INSURANCE LIMITED
FIRE INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2023

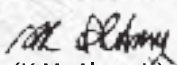
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		64,788,118	9,611,395
Total Estimated Liability in respect of Outstanding claims at the end of the year whether due or intimated		14,766,733	14,370,505
		79,554,851	23,981,900
Less : Outstanding Claims at the end of the previous year		14,370,505	11,107,912
		65,184,346	12,873,988
Management Expenses	25.00	74,903,899	74,184,576
Agency Commission		44,539,707	42,222,386
Reserve for Unexpired Risks, being 40% of the Premium Income for the year		53,946,357	47,560,690
Profit Transferred to Profit & Loss Account		2,556,779	18,806,870
		<u>241,131,088</u>	<u>195,648,510</u>
Balance of Account at the beginning of the year:			
Reserve for Unexpired Risks		47,560,690	29,104,792
Premium Less Re-Insurance	26.00	134,865,893	118,901,725
Commission on Re-Insurance ceded		58,704,505	47,641,993
		<u>241,131,088</u>	<u>195,648,510</u>

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Fire Insurance Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

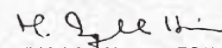

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
MARINE CARGO INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2023

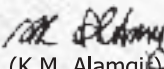
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		3,220,769	1,876,941
Total Estimated Liability in respect of Outstanding claims at the end of the year whether due or intimated		6,821,248	7,487,937
Less : Outstanding Claims at the end of the previous year		10,042,017	9,364,878
		7,487,937	8,201,937
		2,554,080	1,162,941
Management Expenses	25.00	59,383,064	57,217,599
Agency Commission		37,602,077	35,292,113
Reserve for Unexpired Risk being 40% of the Marine Cargo Premium Income for the year		70,612,196	61,544,414
Profit/(Loss) Transferred to Profit or Loss & Other Comprehensive Account		88,810,648	68,993,283
		258,962,065	224,210,350
Balance of account at the beginning of the year:			
Reserve for Unexpired Risks		61,544,414	57,352,216
Premium Less Re-Insurance	26.00	176,530,490	153,861,034
Commission on Re-Insurance ceded		20,887,161	12,997,100
		258,962,065	224,210,350

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Marine Cargo Insurance Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

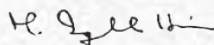

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
**MARINE HULL INSURANCE REVENUE ACCOUNT
 FOR THE YEAR ENDED 31ST DECEMBER, 2023**

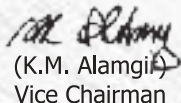
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		212,219	300,084
Total Estimated Liability in respect of Outstanding claims at the end of the year whether due or intimated		763,510	1,050,470
Less : Outstanding Claims at the end of the previous year		1,050,470	753,718
		(74,741)	596,836
Management Expenses	25.00	3,087,564	6,375,624
Agency Commission		3,139,572	3,561,031
Reserve for Unexpired Risk being 100% of the Marine Cargo Premium Income for the year		5,466,183	4,574,861
Profit/(Loss) Transferred to Profit or Loss & Other Comprehensive Account		1,618,911	(3,007,463)
		<u>13,237,489</u>	<u>12,100,889</u>
Balance of account at the beginning of the year:			
Reserve for Unexpired Risks		4,574,861	4,089,601
Premium Less Re-Insurance	26.00	5,466,183	4,574,861
Commission on Re-Insurance ceded		3,196,445	3,436,427
		<u>13,237,489</u>	<u>12,100,889</u>

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Marine Hull Insurance Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

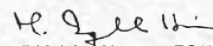

 (A.K.M Azizur Rahman)
 Chairman


 (K.M. Alamgir)
 Vice Chairman


 (Abrar Rahman Khan)
 Director


 (Hasan Tarek)
 Chief Executive Officer

Dated: 08.05.2024
 Place: Dhaka, Bangladesh


 (Md. Iqbal Hossain, FCA)
 Enrolment No. 528
 DVC -2405080528ASI77658
 A. Hoque & Co.
 Chartered Accountants

CONTINENTAL INSURANCE LIMITED
MOTOR INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2023

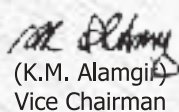
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		17,350,388	7,671,554
Total Estimated Liability in respect of Outstanding claims at the end of the year whether due or intimated		4,554,923	2,783,322
		21,905,311	10,454,876
Less : Outstanding Claims at the end of the previous year		2,783,322	2,468,638
		19,121,989	7,986,238
Management Expenses	25.00	16,837,545	15,574,805
Agency Commission		8,141,420	8,407,211
Reserve for Unexpired Risks being 40% of the Motor Premium Income for the year		21,173,772	22,450,716
Profit/(Loss) Transferred to Profit or Loss & Other Comprehensive Account		10,854,274	17,969,793
		<u>76,129,000</u>	<u>72,388,763</u>
Balance of account at the beginning of the year:			
Reserve for Unexpired Risks		22,450,716	15,877,568
Premium Less Re-Insurance	26.00	52,934,430	56,126,791
Commission on Re-Insurance ceded		743,854	384,404
		<u>76,129,000</u>	<u>72,388,763</u>

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

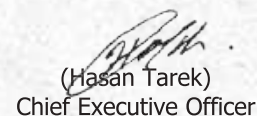
This is the Motor Insurance Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

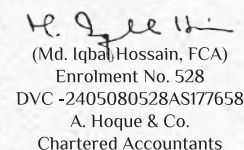

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgi)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
MISCELLANEOUS INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2023

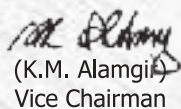
PARTICULARS	Note	AMOUNT IN TAKA	
		31.12.2023	31.12.2022
Claims under Policies Less Re-insurance :			
Paid during the year		565,453	425,340
Total Estimated Liability in respect of Outstanding Claims at the end of the year whether due or intimated		5,984,477	2,583,421
Less : Outstanding Claims at the end of the previous year		6,549,930	3,008,761
		2,583,421	1,000,000
		3,966,509	2,008,761
Management Expenses	25.00	10,059,687	7,588,218
Agency Commission		3,206,551	2,731,565
Reserve for Unexpired Risks, being 40% of the Miscellaneous Premium Income for the year		7,562,401.00	4,691,626
Profit/(Loss) Transferred to Profit or Loss & Other Comprehensive Account		4,181,067	4,901,518
		28,976,215	21,921,688
Balance of account at the beginning of the year:			
Reserve for Unexpired Risks		4,691,626	4,896,517
Premium Less Re-Insurance	26.00	18,906,002	11,729,065
Commission on Re-Insurance ceded		5,378,587	5,296,106
		28,976,215	21,921,688

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

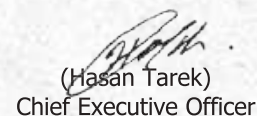
This is the Miscellaneous Insurance Revenue Account referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

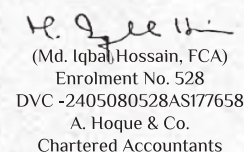

(A.K.M Azizur Rahman)
Chairman


(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31ST DECEMBER, 2023

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Share fluctuation Fund	Reserve for Fair Value of Shares	Reserve for disposal of building	Profit & Loss Appropriation Account	Total Taka
Balance at 1 January, 2023	416,053,110	45,375,000	335,583,508	5,000,000	8,288,246	29,844,805	30,310,334	44,829,694	915,284,697
Profit after tax for the year 2023	-	-	-	-	-	-	-	85,090,511	85,090,511
Dividend paid	-	-	-	-	-	-	-	(41,605,311)	(41,605,311)
Reserve for Fair Value of Shares	-	-	-	-	-	(31,467,334)	-	-	(31,467,334)
Appropriation made during the year	-	-	38,870,300	-	-	-	-	(38,870,300)	-
Balance at 31 December 2023	416,053,110	45,375,000	374,453,808	5,000,000	8,288,246	(1,622,529)	30,310,334	49,444,594	927,302,563

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve	Share fluctuation Fund	Reserve for Fair Value of Shares	Reserve for disposal of building	Profit & Loss Appropriation Account	Total Taka
Balance at 1 January, 2022	416,053,110	45,375,000	301,064,160	5,000,000	8,288,246	(6,550,373)	30,310,334	50,021,511	849,561,988
Profit after tax for the year 2022	-	-	-	-	-	-	-	79,253,904	79,253,904
Dividend paid	-	-	-	-	-	-	-	(49,926,373)	(49,926,373)
Reserve for Fair Value of Shares	-	-	-	-	-	36,395,178	-	-	36,395,178
Appropriation made during the year	-	-	34,519,348	-	-	-	-	(34,519,348)	-
Balance at 31 December 2022	416,053,110	45,375,000	335,583,508	5,000,000	8,288,246	29,844,805	30,310,334	44,829,694	915,284,697

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

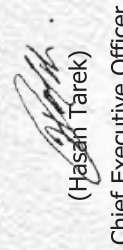
The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

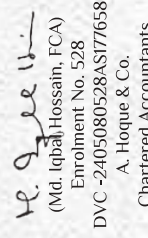
This is the Statement of Cash Flows referred to in our separate report of even date annexed


(A.K.M Azizur Rahman)
 Chairman


(K.M. Alamgir)
 Vice Chairman


(Abrar Rahman Khan)
 Director


(Hasan Tarek)
 Chief Executive Officer


(Md. Iqbal Hossain, FCA)
 Enrollment No. 528
 DVC -2405080528AS177658
 A. Hoque & Co.
 Chartered Accountants

Dated: 08.05.2024
 Place: Dhaka, Bangladesh

CONTINENTAL INSURANCE LIMITED
STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 31ST DECEMBER, 2023

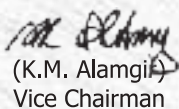
Particulars	Note	AMOUNT (TK.)	AMOUNT (TK.)
		31.12.2023	31.12.2022
Cash Flows from Operating Activities:			
Collection from Premium & Other Income		421,700,314	448,045,075
Less: Payment of Expenses:		445,186,083	373,122,818
Management Expenses		239,980,209	233,359,647
Claims		86,136,947	19,885,314
Agency Commission		96,629,327	92,214,306
Income Tax Paid or Deducted		22,439,600	27,663,551
Net Cash Generated from Operating Activities		(23,485,769)	74,922,257
Cash Flows from Investing Activities :			
Purchase of Fixed Assets		(7,230,133)	(36,362,497)
Sale of Motor Vehicle		6,132,398	4,039,986
Net Cash used in Investing Activities		(1,097,735)	(32,322,511)
Cash Flows from Financing Activities:			
Dividend Paid		(35,985,226)	(43,385,918)
Net Cash Generated/ (Used) in Financing Activities		(35,985,226)	(43,385,918)
Net Increase in Cash and Bank Balances		(60,568,730)	(786,172)
Cash and Bank Balances at the Beginning of the Period/Year		537,068,478	537,854,650
Cash and Bank Balances at the End of the Year		476,499,748	537,068,478
Net Operating Cash Flows per Shares	29.00	(0.56)	1.80

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Statement of Cash Flows referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

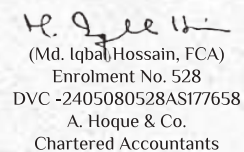

(A.K.M Azizur Rahman)
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(K.M. Alamgir)
Vice Chairman


(Abrar Rahman Khan)
Director


(Hasan Tarek)
Chief Executive Officer

Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED
FORM "AA"
CLASSIFIED SUMMARY OF ASSETS
FOR THE YEAR ENDED 31ST DECEMBER, 2023

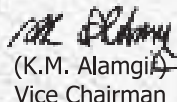
CLASS OF ASSETS	BOOK VALUE 31.12.2023	BOOK VALUE 31.12.2022	REMARKS
Statutory Deposit with Bangladesh Government Treasury Bond (BGTB)	30,000,000	25,000,000	Not Quoted in Market
Investment in Shares	77,563,141	119,980,176	At Market Value
Cash in Hand	12,963,341	12,824,833	Realizable Value
Fixed Deposit Receipt and STD Accounts with Banks	393,824,982	438,022,700	Realizable Value
STD & Current Account with Banks	68,916,479	85,303,061	Realizable Value
Stamp in Hand	794,946	917,884	Realizable Value
Amount Due from Other Persons or Bodies Carrying on Insurance Business	236,710,605	237,252,280	Realizable Value
Printing & Stationery	1,018,167	830,011	At Cost
Accrued Interest	9,262,739	8,772,511	Book Value
Sundry Debtors (Including Advance Deposit & Pre-payments)	529,515,126	391,635,506	All considered Good
Fixed Assets (At cost Less Depreciation)	146,983,743	152,986,937	At Written Down Value
	1,507,553,269	1,473,525,899	

The annexed notes from 1 to 57 and Annexure-A to Annexure-E form an integral part of these financial statements.

This is the Classified Summary of Assets referred to in our separate report of even date annexed

The financial statements were approved by the Board of Directors on the 29th April, 2024 and were signed on its behalf by:

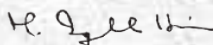

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Dated: 08.05.2024
Place: Dhaka, Bangladesh


(Md. Iqbal Hossain, FCA)
Enrolment No. 528
DVC -2405080528ASI77658
A. Hoque & Co.
Chartered Accountants

CONTINENTAL INSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2023 FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1.00 Reporting Entity

1.01 Corporate Information–Domicile, Legal Form and Country of Incorporation

Continental Insurance Limited was incorporated as Public Limited Company on 12th December, 1999 under the Companies Act, 1994 having registered office in Bangladesh. The Company obtained permission to commence Insurance business from Chief Controller of Insurance, Directorate of Insurance, Government of the People's Republic of Bangladesh on February, 2000. The principal place of business of the Company is at Ideal Trade Centre (7th Floor), 102, Shahid Tajuddin Ahmed Sarani, Tejgaon, Dhaka-1208, Bangladesh. The Company is engaged in General Insurance business within the meaning of Insurance Act, 1938 subsequent amended Insurance Act, 2010. The Company went into public issue in 2007 and its shares are listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

Address of Registered Office

The Registered Office of the Company is located at 102, Ideal Trade Centre (7th Floor), Shahid Taj Uddin Ahmed Sarani, Tejgaon, Dhaka-1208. The operation of the company are being carried out through its 56 nos. of branches located all over Bangladesh.

1.02 Other Corporate Information

- (i) Trade License: TRAD/DNCC/030982/2022, dated 09.07.2023
- (ii) e-TIN No.: 136901864423, dated 25.08.2014
- (iii) VAT Registration No.: 002058497-0203, dated 29.09.2019

1.03 Principal Activities and Nature of Operation

The main objective of the Company is to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

1.04 Structure, Content and Presentation of Financial Statements

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of financial statements. The financial statements comprise of:

- Statement of Financial Position as at 31st December, 2023;
- Statement of Profit or Loss and Other Comprehensive Income
- for the year ended 31st December, 2023;
- Profit or Loss Appropriation Account for the year ended 31st December, 2023;
- Statement of Consolidated Revenue Account for the year ended 31st December, 2023;
- Revenue Accounts (Fire, Marine Cargo, Marine Hull, Motor, Miscellaneous) for the year ended 31st December, 2023;
- Statement of Changes in Shareholders' Equity for the year ended 31st December, 2023;
- Statement of Cash Flows for the year ended 31st December, 2023;
- Form "AA", Classified Summary of Assets for the year ended 31st December, 2023;
- Notes comprising summary of significant accounting policies and other explanatory information.

2.00 Basis of Preparation of Financial Statements

2.01 Basis of Accounting

The following underlying assumptions, measurement base, laws, rules, regulations and accounting pronouncement have been considered in preparing and presenting the financial statements:

- Generally accepted Accounting Principles and Policies in Bangladesh (GAAP);
- Historical Cost Convention;
- International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB);
- International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB);
- The Companies Act, 1994;
- The Securities and Exchange Rules, 2020;

- ☒ The Bangladesh Securities and Exchange Commission Act, 1993;
- ☒ The Securities and Exchange Ordinance, 1969;
- ☒ Insurance Act, 2010;
- ☒ Insurance Rules, 1958 as no rule has yet been made in pursuance of Insurance Act, 2010.

2.02 Other Regulatory Compliances

The Company is also required to comply with the following major legal provisions in addition to Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Act, 2023;
 The Income Tax Rules, 1984;
 The Value Added Tax and Supplementary Duty Act, 2012;
 The Value Added Tax Rules, 1991;
 The Stamp Act, 1899;
 DSE/CSE Rules;
 Listing Regulations, 2015;
 Bangladesh Labour Act, 2006 (as amended to 2013)

2.03 Compliance with the Financial Reporting Standards as applicable in Bangladesh

The Company as per para-12 of Securities & Exchange Rule, 1987 with the International Accounting Standards (IAS's) and International Financial Reporting Standards (IFRS's) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements.

Sl. No.	IAS No.	IAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	11	Construction Contracts	N/A
7	12	Income Taxes	Complied
8	16	Property, Plant and Equipment	Complied
9	17	Leases	Complied
10	19	Employee Benefits	Complied
11	20	Accounting for Govt. Grants and Disclosure of Govt. Assistance	N/A
12	21	The Effects of Changes in Foreign Exchange Rates	N/A
13	23	Borrowing Costs	Complied
14	24	Related Party Disclosures	Complied
15	26	Accounting and Reporting by Retirement Benefit Plan	N/A
16	27	Separate Financial Statements	N/A
17	28	Investment in Associated and Joint Venture	N/A
18	29	Financial Reporting in Hyperinflationary Economics	N/A
19	31	Interest in Joint Ventures	N/A
20	32	Financial Instruments : Presentation	Complied
21	33	Earnings per Share	Complied
22	34	Interim Financial Reporting	Complied
23	36	Impairment of Assets	Complied
24	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
25	38	Intangible Assets	N/A
26	39	Financial Instruments: Recognition and Measurement	Complied
27	40	Investment Property	N/A
28	41	Agriculture	N/A

Sl. No.	IFRS No.	IFRS Title	Compliance Status
1	1	First-time adoption of International Financial Reporting Standards	Complied
2	2	Share based Payment	N/A
3	3	Business Combinations	N/A
4	4	Insurance Contracts	Complied
5	5	Non-current Assets held for Sale and Discontinued Operations	N/A
6	6	Exploration for and Evaluation of Mineral Resources	N/A
7	7	Financial Instruments : Disclosures	Complied
8	8	Operating Segments	Complied
9	9	Financial Instrument	Complied
10	10	Consolidated Financial Statements	N/A
11	11	Joint Arrangements	N/A
12	12	Disclosure of Interests in Other Entities	N/A
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	N/A
15	15	Revenue from Contracts with Customers	Complied
16	16	Leases	Complied

Basis of Presentation

The financial statements have been prepared in accordance with the regulations as contained in Part I and as per Form "A" as set forth in Part II of the First Schedule, Revenue Account in accordance with the regulations as contained in Part I and as per Form "F" as set forth in Part II of Third Schedule, Profit and Loss Account in accordance with the regulations as contained in Part I and as per Form "B" as set forth in Part II of the Second Schedule, Profit and Loss Appropriation Account in accordance with regulations as contained in Part I and as per Form "C" as set forth in Part II of the Second Schedule of the Insurance Act, 1938 as amended Insurance Act, 2010. The Classified Summary of the Assets has been prepared in accordance with Form "AA" as set forth in Part II of the First Schedule.

2.05 Consolidation

A separate set of records for consolidation of the statement of affairs and income and expense statement of the branches was maintained at the Head Office of the company based on which these financial statements have been prepared. All significant inter branch transactions are eliminated on consolidation.

2.06 Basis of Measurement

The financial statements have been prepared based on the accrual basis of accounting and prepare under the historical cost convention except for the revaluation of certain non current assets which are stated either at revaluated amount or fair market value as explained in the accompanying notes.

2.07 Accrual basis of Accounting

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

2.08 Functional and Presentation Currency

Functional and presentation currency items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka ("BDT") which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest BDT except otherwise indicated.

2.09 Key Accounting Estimates and Judgments in Applying Accounting Policies

The preparation of financial statements in conformity with International Financial Reporting Standards including IAS's requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure during and at the date of the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected as required by IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

In particular, the key areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include accrued expenses, inventory valuation and other payables.

2.10 Materiality, Aggregation and Off Setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Company has legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards. The values of assets or liabilities as shown in the statement of financial position are not off-set by way of deduction from another liability or asset unless there exist a legal right, therefore no such incident existed during the year.

2.11 Going Concern Assumption

The financial statements are prepared on the basis of going concern assumption. As per management assessment there is no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.12 Comparative Information

Comparative information has been disclosed in respect of 2022 in accordance with IAS-1 "Presentation of Financial Statements" for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current periods of financial statements. Prior year figure has been re-arranged wherever considered necessary to ensure comparability with the current period.

2.13 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the statement of financial position date are reflected in the financial statements as per International Accounting standards IAS-10 : 'Events after the Reporting Period'.

All material events occurring after the balance sheet date have been considered and where necessary, adjusted.

2.14 Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation and presentation of the financial statements as per requirements of Companies Act, 1994.

2.15 Reporting Period

The reporting period of the Company covers one year from 1st day of January, 2023 to 31st December, 2023.

2.16 Approval of Financial Statements

The financial statements have been approved by the Board of Directors on the 29.04.2024.

3.00 Significant Accounting Principles and Policies selected and applied for significant transactions and events

For significant transactions and events that have material effect, the Company's Directors selected and applied significant accounting principles and policies within the framework of IAS-1 Presentation of Financial Statements in preparation and presentation of financial statements that have been consistently applied throughout the year and were also consistent with those use in earlier years.

For proper understanding of the financial statements, accounting policies set out below in one place as prescribed by the IAS Presentation of Financial Statements:

3.01 Property, Plant and Equipments

3.01.1 Recognition and Measurements

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation in compliance with the benchmark treatment of 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 working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

In a situation where it can clearly be demonstrated that expenditure has resulted in an increase in future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

Cost also includes initial estimate of the costs of dismantling, removing the item and restoring this site (generally called asset retirement obligation) are recognized and measured in accordance with IAS 37: Provision, Contingent Liabilities and Contingent Assets.

On retirement or otherwise disposal of fixed assets, the cost and accumulated depreciation are eliminated and any gain or loss on such disposal is reflected in the statement of comprehensive income which is determined with reference to the net book value of assets and the net sales proceeds.

3.01.2 Maintenance Activities

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.

3.01.3 Subsequent Cost

The Cost of replacing part of an item of property, plant & equipment is recognized in the carrying amount of the item if it is possible that the future economic benefits embodied within the part will flow to the company and its cost measured reliably. The cost of the day to day servicing of property and equipment are recognized in the Statement of Profit or Loss and Other Comprehensive Income as repairs and maintenance where it is incurred.

3.01.4 Depreciation on Tangible Fixed Assets

As required in Paragraph 43 of IAS-16 Property and Equipments, depreciation in respect of all fixed assets is provided to amortize the cost of the assets after commissioning, over their expected useful economic lives in accordance with the provision of IAS 16 "Property, Plant and Equipment".

Depreciation on fixed assets excepting land is computed using diminishing balance method in amount sufficient to write-off depreciable assets over their estimated useful life. Depreciation has been charged on additions and when it is used. Expenditure for maintenance and repairs are expenses; major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed off are eliminated from the assets and accumulated depreciation and any gain or loss on such disposal is reflected in the Statement of Profit or Loss Account for the year ended. The annual depreciation rates applicable to the principal categories are:

Category of Fixed Assets	Rate of Depreciation
Land	--
Furniture & Fixtures	10%
Office Decoration	10%
Office Equipment	15%
Electrical Equipment	15%
Motor Vehicle	20%
Other Asset	25%

Full month depreciation is charged during the month of acquisition and no depreciation is charged during the month of disposal.

3.01.5 Disposal of Property, Plant and Equipment

An item of Property, Plant and Equipment is removed from the statement of financial position when it is disposed off or when no future economic benefits are expected from its use or disposal. The gain or loss on the disposal of an item of Property, Plant and Equipment is included in the statement of income of the period in which the de-recognition occurs.

3.01.6 Impairment

In accordance with the provisions of IAS 36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of the impairment loss, if any, impairment loss is recorded on judgmental basis, for which provision may differ in the future years based on the actual experience. No such indication of impairment has been observed till to date.

3.02 Investment in FDR and Shares

Investment is stated at its cost of acquisition and interest earned on statutory deposits lying with the Bangladesh Bank in the form Bangladesh Govt. Treasury Bond and the interest and profit earned on term deposit have been duly accounted for on accrual basis. The Statement of Profit or Loss and Other Comprehensive also reflects the income on account of interest on investment in FDR, Bond, Shares and Miscellaneous Income. The Statement of Profit or Loss and Other Comprehensive Income also reflects the income on account of interest on investment in FDR, Shares and Miscellaneous Income. It may be mentioned here that a fluctuation reserve had been created in order to equalize the price go down below the cost price of the shares. During the year under audit loss on realization of investment in shares for price go down below the cost price of the shares has been charged directly to statement of profit or loss appropriation account in order to equalize the price of the shares.

3.03 Sundry Debtors (Including Advance, Deposits and Pre-Payments)

These are carried at original invoice amounts which represent net realizable value.

3.04 Other Current Assets

Other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Statement of Financial Position.

3.05 Inventories

In compliance with the requirement of IAS 2 "Inventories", inventories are stated at the lower of cost and net realizable value.

Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale. The amount recognized in the financial statements has been valued by the management considering the above method.

3.06 Stock

Stock of printing materials has been valued at cost or realizable value whichever is lower.

3.07 Revenue Recognition

In compliance with the requirements of IFRS 15 "Revenue" is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue represents invoiced value of policies. Revenue recognized when the policies are made.

The Company recognizes as revenue the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services when (or as) it transfers control to the customer. To achieve that core principle, this standard establishes a five-step model as follows:

- ☒ Identify the contract with a customer;
- ☒ Identify the performance obligations in the contract;
- ☒ Determine the transaction price;
- ☒ Allocate the transaction price to the performance obligations in the contract; and
- ☒ Recognize revenue when (or as) the entity satisfies a performance obligation.

Considering the five steps model, the company recognizes revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods to a customer. Goods is considered as transferred when (or as) the customer obtains control of that goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts, rebates and Value Added Tax (VAT).

- Premium Recognition

Premium is recognized when insurance policies are issued, but the premium of company's share of public sector insurance business (PSB) is accounted for in the year in which the statements are received from Sadharan Bima Corporation.

- Revenue Account

While preparing the Revenue Account, the effect of necessary adjustment has duly been given in to accounts in respect of re-insurance business ceded and accepted. Re-Insurance Premium ceded has been accounted for into accounts.

Surplus or deficit on revenue has been arrived at after providing for un-expired risks @ 40% on all business except Marine Hull Insurance for which 100% provision has been created for un-expired risks.

- Premium and Claim

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

- Re-Insurance Commission

Re-Insurance Commission are recognized as revenue over the period in which the related services are performed.

- Interest and Dividend Income

Interest on FDR, STD Accounts and Dividend Income has been duly credited to the Statement of profit or Loss and Comprehensive Income.

- Gross Benefit & Claims

General Insurance and health claims include all claims during the year paid outstanding at the reporting alongwith related claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

- Re-insurance Claims

Re-insurance claims are recognized when the related gross insurance claims is recognized when the related gross insurance claims is recognized.

- Management Expenses

The management expenses charged to Revenue Account amounting to Tk. 164,271,759 represent approximately 22.26% of Gross Premium of Tk. 737,861,945 (including public sector business). The said management expenses have been apportioned 45.60% to fire, 36.15% to marine (cargo), 1.88% to marine (hull), 10.25% to motor, 6.12% to miscellaneous business as per activity / Premium Income.

3.08 Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and Cash Flows, cash in hand and bank balances represents cash and cash equivalents considering the IAS 1 "Presentation of Financial Statements" and IAS 7 "Cash Flow Statement" which provide, that cash and cash equivalents are readily convertible to known amounts of cash and are subject to an in significant risks of changes in value and are not restricted as to use.

3.09 Statement of Cash Flows

The Statement of Cash Flow has been prepared in accordance with the requirements IAS 7: Statement of Cash Flows. The cash generated from operating activities has been reported using the Direct Method as prescribed by the Securities and Exchange Rules, 1987 and considering the provisions of Paragraph 19 of IAS 7 which provided that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".

3.10 Operating Segments

No operating segment is applicable for the Company as required by IFRS 8: Operating Segments, as the Company has only one operating segments and the operation of Company is within the geographical territory in Bangladesh.

3.11 Lease

Accounting for Lease for Office Rent (IFRS 16 Leases)

IFRS 16 provides a single Lease accounting model requiring Leases to recognize assets and liabilities for all Leases unless the Lease term is 12 months or less or the underlying asset as a low value. A Lessee recognizes right of use asset representing its right to use the underlying asset and a Lease liability representing its obligation to make Lease payments.

Continental Insurance Company as a Lease, recognizes Right-of-Use (ROU) asset representing its right to use underlying leased assets and corresponding lease liability representing its obligation to make lease payments for office rent agreements with effect from 1st January, 2019. The ROU asset and lease liability are recognized in the financial statements considering the incremental borrowing rate.

Depreciation/Amortization:

The ROU asset is amortized using straight line method from the beginning to the end of the useful life of the ROU asset or the end of the lease term.

Subsequent Management:

The lease liability is initially measured at the present value of lease payments that are adjusted for monthly payments. Lease payments are recorded to Profit and Loss Account as Depreciation and Finance Charges.

3.12 Taxation

Income Tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity in accordance with IAS 12: Income Tax.

(a) Current Tax:

Current Tax has been provided on the estimated taxable profit for the year under review at 37.50% tax rate being the tax rate applicable for the publicly traded Insurance Company. It also includes adjustments for earlier year's short/excess provision.

(b)Deferred Tax

Deferred tax is recognized on differences between the carrying amounts 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 generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that the taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit.

Considering the practices generally followed in Bangladesh the company has reserved deferred tax assets or deferred tax liabilities in accordance with IAS 12 "Income Tax".

(c) Provision for Income Tax

Basis of Provision for Income Tax: Net Profit - Reserve for exceptional loss x tax rate.

3.13 Proposed Dividend

The Board of Directors proposed 5% cash and 5% stock dividend for the year ended 31st December, 2023 in its 222nd Board Meeting held on 29th April, 2024.

3.14 Cost of Post-Employment Benefits

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective trust deeds and rules. Both of the plans are funded and are recognized / approved under Income Tax Ordinance, 1984 by the National Board of Revenue (NBR).

(a) Employees' Benefit Plan

The company has been introduced Employees Contributory Provident Fund, Leave Encashment, Gratuity etc.

(b) Gratuity Scheme

Previously the Company had on unfunded gratuity scheme which was in the process of getting registered with the NBR. For the current year, the Company was able to obtain registration with the NBR. In a Board Meeting held in 8th December, 2021, the Board Members decided the provision shortfall for gratuity earned by the employees and amount of funds set aside in the gratuity fund will be covered by the Company within 6 years.

3.15 Other Corporate Debt, Accounts Payable, Trade and Other Liabilities

These liabilities are carried at the anticipated settlement amount in respect of policies and services received, whether or not billed by the policyholder and the supplier.

3.16 Financial Instruments and Derivatives

Primary Financial Instruments (Financial Assets and Liabilities)

The disclosure of primary financial instruments carried at the Statement of Financial Position date along with the recognition methods and risks involved are summarized in Note 33 in accordance with the provisions of IAS 32 Financial Instruments: "Disclosure and Presentation."

3.17 Derivative Financial Instruments

The Company is not a party to any derivative contract at the Statement of Financial Position date, such as forward exchange contract, currency swap agreement or interest rate option contract to hedge currency exposure related to import of raw materials and others or principal and interest obligations of foreign currency loans.

3.18 Capitalization of Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds as per IAS 23: Borrowing Costs.

3.19 Accruals, Provisions and Contingencies

The preparation of financial statements in conformity with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets" requires management to make estimates and assumption that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) Provisions

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. During the reporting year the company has made sufficient provisions where applicable.

(c) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. At the reporting date the company does not have any contingent asset.

Contingent liabilities and assets are not recognized in the statement of financial position of the company.

3.20 Earnings per Share (EPS)

Earnings Per Share (EPS) are calculated in accordance with the International Accounting Standard IAS-33 "Earnings Per Share".

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the entity by the weighted average number of ordinary shares outstanding during the year.

Diluted Earnings Per Share

For the purpose of calculating diluted earnings per shares, an entity adjusts profit or loss attributable to each ordinary equity holders of the entity, and weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares.

Diluted EPS is only calculated where the company has commitment to issue ordinary shares in future at reporting date. No such commitment is hold by company at reporting date.

3.21 Reserve for Exceptional Losses

Provision for exceptional losses has been made during the year under audit as per the fourth schedule, para-6(2) of Income Tax Act, 2023.

3.22 Recognized Gains and Losses

No gain or loss was directly dealt with through the shareholders equity without being recognized in the Statement of Comprehensive Income.

Therefore, net profit after tax for the year is the total recognized gains.

3.23 Historical Cost Income and Expenditure

As there was no extra ordinary item, there was no difference in profit from ordinary activities before taxation and the net profit before tax. Furthermore, as there was no revaluation of fixed assets in previous years and during the year under review, there was no factor like the differences between historical cost depreciation and depreciation on revalued amount, realization of revenue surplus on retirement or disposal of assets etc. Therefore, no separate note of historical cost profit and loss has been presented.

3.24 Related Party Disclosure

As per International Accounting Standard, 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 its related parties. Related party disclosures have been given in Note 31.

3.25 Statement of Profit or Loss and Other Comprehensive Income

The results for the year were not materially affected by the following:

- (a) transactions of a nature not usually undertaken by the company:
- (b) circumstances of an exceptional or non-recurring nature:
- (c) charges or credits relating to prior years:

3.26 Classified Summary of Assets

The valuation of all assets as at 31st December, 2023 as shown in the Statement of Financial Position and in the classified summary of assets in Form "AA" annexed with the report has been reviewed and the said assets have been set-forth in the Statement of Financial Position at amount not exceeding their realizable or market value in aggregate.

3.27 Share of Public Sector Business

Company's Share of Public Sector business is accounted for in the period in which the complete set of accounts from Sadharan Bima Corporation (SBC) is received. During the period the company has included 4 (Four) quarters of its share of the Public Sector business as confirmed by the Sadharan Bima Corporation (SBC) in the following manner:

Period	Particulars of Quarter	No.
1st July, 2022 to 30th Sept, 2022	3rd Quarter of 2022	1 (One)
1st Oct, 2022 to 31st December, 2022	4th Quarter of 2022	1 (One)
1st Jan, 2023 to 31st March, 2023	1st Quarter of 2023	1 (One)
1st April, 2023 to 30th June, 2023	2nd Quarter of 2023	1 (One)
Total		4 (Four)

4.00 Number of Employees

There were 330 Employees at the period ended for 31st December, 2023 whose salary exceeds Tk. 3,000 per month.

Particulars	No. of Employees
Chief Executive Officer	1
Additional Managing Director	4
Deputy Managing Director	5
Assistant Managing Director	3
Senior Executive Vice President	24
Executive Vice President	18
Senior Vice President	24
Vice President	27
Deputy Vice President	12
Assistant Vice President	18
Officers	159
Other Employees	35
Total	330

5.00 General

These notes form an integral part of the financial statements and accordingly are to be read in conjunction therewith. Figures shown in the accounts have been rounded off to the nearest taka.

	Nos. of Shares	Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
6.00	SHARE CAPITAL		
	Authorised Share Capital	600,000,000	600,000,000
	60,000,000 Ordinary Shares of Tk. 10/= each.		
7.00	ISSUED, SUBSCRIBED AND PAID UP CAPITAL	416,053,110	416,053,110

Composition of Shareholdings:

The compositions of Shareholding Position as of 31st December, 2023 are as follows:

Particulars	Number of Shareholders	% of Shares	Amount (Tk.)	Amount (Tk.)
(a) Sponsors Shareholders	12,746,889	30.64%	127,468,890	134,223,550
(b) Public Shareholders	26,187,812	62.94%	261,878,120	250,177,490
(c) Institution Shareholders	2,670,610	6.42%	26,706,100	31,652,070
Total	41,605,311	100.00%	416,053,110	416,053,110

Classification of Shareholders as per their holdings as on 31st December, 2023.

(a) Sponsors Shareholdings

Class Interval	Number of Shareholders	No. of Shareholder	% of Total holdings	% of Total Paid up Capital
100000-500000	170,126	2	1.33%	0.04%
500001-1000000	5,965,092	7	46.80%	1.43%
1000001-1500000	3,245,962	3	25.46%	0.78%
1500001-2000000	3,365,709	1	26.40%	0.81%
Total	12,746,889	13	100.00%	3.06%

(b) Public Shareholdings

Class Interval	Number of Shares	No. of Shareholder	% of Total holdings	% of Total Paid up Capital
001-5000	5,739,110	5314	21.92%	1.38%
5001-10000	3,312,747	380	12.65%	0.80%
10001-50000	8,028,108	377	30.66%	1.93%
50001-100000	3,097,478	27	11.83%	0.74%
100001-1200000	6,010,369	25	22.95%	1.44%
Total	26,187,812	6123	100.00%	6.29%

(c) Institutional Shareholdings

Class Interval	Number of Shares	No. of Shareholder	% of Total holdings	% of Total Paid up Capital
001-5000	139,188	101	5.21%	0.03%
5001-10000	224,627	31	8.41%	0.05%
10001-50000	1,212,460	49	45.40%	0.29%
50001-100000	440,040	6	16.48%	0.11%
100001-400000	654,295	4	24.50%	0.16%
Total	2,670,610	191	100.00%	6.42%
Grand Total	41,605,311	6327		15.78%

8.00	RESERVE OR CONTINGENCY ACCOUNTS	465,874,453	453,856,587
	This is made up as follows:		
	Profit & Loss Appropriation Account (Undistributed Profit upto Balance Sheet Date)	49,444,594	44,829,694
	General Reserve	5,000,000	5,000,000
	Share Fluctuation Fund	8,288,246	8,288,246
	Reserve for Exceptional Losses 8.01	374,453,808	335,583,508
	Reserve for Fair Value of Share	(1,622,529)	29,844,805
	Reserve on Disposal of Building	30,310,334	30,310,334
		<u>465,874,453</u>	<u>453,856,587</u>
8.01	RESERVE FOR EXCEPTIONAL LOSSES	374,453,808	335,583,508
	This is made up as follows:		
	Opening Balance	335,583,508	301,064,160
	Add: Addition during the year	38,870,300	34,519,348
		<u>374,453,808</u>	<u>335,583,508</u>

This represents profit set-aside up to the year under review as expenses to meet exceptional losses. This reserve has been created as per requirement of paragraph 6(2) of 4th Schedule of the Income Tax Act, 2023.

The company has made the total reserve for exceptional losses amounting to Tk. 374,453,808 of which during the year reserve for exceptional losses was made at Tk. 38,870,300 against 10% of net premium income earned during the year as detailed below:

Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
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Fire Insurance	134,865,893	118,901,725
Marine Cargo Insurance	176,530,490	153,861,034
Marine Hull Insurance	5,466,183	4,574,861
Motor Insurance	52,934,430	56,126,791
Miscellaneous Insurance	18,906,002	11,729,065
	388,702,998	345,193,476

9.00 DEPOSIT PREMIUM	32,600,788	22,875,368
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The above balance represents the premium and stamp duty received against cover notes for which policies have not yet been issued within 31st December, 2023.

10.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED	32,890,891	28,275,655
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This is made up as follows:

Fire Insurance	14,766,733	14,370,505
Marine Insurance	7,584,758	8,538,407
Motor Insurance	4,554,923	2,783,322
Miscellaneous Insurance	5,984,477	2,583,421
	32,890,891	28,275,655

11.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	50,865,444	85,701,440
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This is due to different Insurance Company on account of share of Co-Insurance business. Break up of the amount is given below:

Opening Balance	85,701,440	78,875,622
Add: Addition during the year	-	9,240,719
Less: Paid during the year	34,835,996	2,414,900
	50,865,444	85,701,440

12.00 SUNDRY CREDITORS	303,100,698	278,458,619
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This is made up as follows:

VAT on Insurance Premium	4,632,696	6,511,667
Audit fees Payable	201,250	201,250
Income Tax deduction at source	5,509,122	8,040,717
VAT Deduction at Source	524,452	277,174
Providend Fund Payable	9,039,866	6,047,080
Cash Credit Facilities(SOD)	84,993,921	80,577,151
Income tax Payable	153,538,512	134,496,287
Gratuity Payable	3,110,033	3,034,503
WPPF	24,220,385	24,220,385
Received against Car Purchase Scheme	351,497	2,385,531
Provision for Incentive bonus	5,377,329	4,803,037
Provision for Agency Commission	6,426,551	2,833,836
Provision for Office Rent	175,084	
Provision For Software Service Charge	-	30,000
Security Deposit	5,000,000	5,000,000
	303,100,698	278,458,619

12.01 CASH CREDIT FACILIITIES (SOD)	84,993,921	80,577,151
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This is made up as follows:

Name of the Bank	Account No.		
NCC Bank ,Moghbazar Branch,Dhaka	0011-0120013759	33,806,249	32,368,245
NCC Bank ,Moghbazar Branch,Dhaka	0011-0120013740	23,071,601	21,414,961
NCC Bank ,Moghbazar Branch,Dhaka	0011-0120013768	28,116,071	26,793,945
		84,993,921	80,577,151

	Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
12.02 PROVISION FOR INCOME TAX	24,563,919	26,351,129
This is made up as follows:		
Net Profit before Tax	109,154,352	104,903,581
Less: Non-business Income	81,130,355	69,646,376
Reserve for exceptional losses	38,870,300	34,519,348
Interest Income	27,307,662	30,865,730
Gain from Share trade	5,050,301	-
Dividend income	2,307,247	245,474
Gain from Sale of Vehicle	6,967,243	3,516,105
Other Income	627,602	499,719
Taxable Business Income	28,023,997	35,257,205
Tax Rate	37.50%	37.50%
Corporatr tax on business Income @37.50% (A)	10,508,999	13,221,452
Tax on other Source of Income: (B)	14,054,920	13,129,678
Tax against Interest Income@37.5%	10,240,373	11,574,649
Tax against Dividend@20%	461,449	49,095
Tax on Gain from Share Trade@10%	505,030	-
Tax against Gain from Sale of vehicle @ 37.50%	2,612,716	1,318,539
Tax against other Income @37.50%	235,351	187,395
Total Provision for taxation (A+B)	24,563,919	26,351,129
12.03 INCOME TAX PAYABLE	153,538,512	134,496,287
This is made up as follows:		
Opening balance	134,496,287	111,352,267
Add: Provision for taxation for the Current year (note 12.02)	24,563,919	26,351,129
Total Income tax Payable:	159,060,206	137,703,395
Less: paid during the year (U/S-74)	5,521,695	3,207,108
Total Income tax Payable	153,538,512	134,496,287
13.00 UNCLAIMED DIVIDEND ACCOUNT	1,360,810	936,569
The year wise break up of the above is as under:		
2019	-	98,433
2020	342,973	342,973
2021	474,753	495,164
2022	543,084	-
	1,360,810	936,569
Bangladesh Securities & Exchange Commission issued a directive on January 14, 2021 (BSEC/CMRRCD/2021-386/03) which instructed all companies to remit dividends which remained unclaimed for more than 3 years to designated fund of the BSEC. In addition, the directive also instructed Companies to transfer equivalent to dividends declared to a separate bank account dedicated for the purpose of paying dividends. In line with these regulations, the Company transferred BDT 98,433 to the BSEC Capital Market Stabilization Fund on 6 June, 2023. The Company has also transferred the unclaimed amounts for the remaining 3 years into designated dividend bank account.		
14.00 LEASES (IFRS-16)	4,233,866	9,711,054
This is made up as follows:		
Opening Balance of Lease Liability	9,711,054	13,163,248
Add: Addition during the year	4,550,038	6,500,400
Add: Rental Expenses-Lease Obligation Interest	412,364	410,004
	14,673,456	20,073,652
Less: Rental Payment for the year excluding VAT	10,439,590	10,362,598
	4,233,866	9,711,054
15.00 DEFERRED TAX LIABILITY	671,166	1,171,244
This is made up as follows:		
Written down value of Fixed Assets as per balance sheet	146,983,743	152,986,935
Written down value of Fixed Assets as per tax base	145,193,967	149,863,618
Taxable temporary difference	1,789,776	3,123,317
Tax Rate	37.50%	37.50%
Current year Deferred Tax Assets /Liabilities	671,166	1,171,244
Less: Opening Deferred Tax Liabilities	1,171,244	1,872,695
Deferred Tax Income Adjustment	(500,078)	(701,451)
16.00 INVESTMENT	107,563,141	144,980,176
This is made up as follows:		
16.01 Government Treasury Bond	30,000,000	25,000,000
16.02 Investment in Shares	77,563,141	119,980,176
	107,563,141	144,980,176

		Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
16.01	GOVERNMENT TREASURY BOND	30,000,000	25,000,000
	This represents the value of Government Treasury Bond lying with Bangladesh Bank as statutory deposit required Section-7(1) of Insurance Act, 2010.		
16.02	INVESTMENT IN SHARE	77,563,141	119,980,176
	Its represents the total balance of Investment in Shares which has been shown in Annexure-D at fair value.		
17.00	AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	236,710,605	237,252,281
	This is made up as follows:		
	Opening Balance	237,252,281	239,462,743
	Add: Addition during the year	-	-
	Less: Adjustment during the year	541,676	2,210,462
		236,710,605	237,252,281
18.00	SUNDRY DEBTORS	529,515,126	391,635,506
	This is made up as follows:		
	Advance Salary	13,341,430	9,923,890
	Advance Office Rent	11,121,846	11,437,506
	Advance against Expenses	43,778,644	44,411,896
	Advance Income Tax	126,271,939	103,832,338
	Security Deposit	1,995,146	1,873,744
	Premium against Hull Business & Bank Guarantee	289,976,121	177,126,132
	Advance against floor purchases	42,500,000	42,500,000
	Advance Printing	500,000	500,000
	Advance Continental Trade & Investment Limited	30,000	30,000
		529,515,126	391,635,506
18.01	ADVANCE AGAINST RENT	11,121,846	11,437,506
	Advance against rent relates to advance paid for office rent of branch offices in different locations of the country. The balance is made up as follows:		
	Opening balance	11,437,506	11,684,388
	Add: Advance paid during the year	502,650	592,860
	Total:	11,940,156	12,277,248
	Less: Adjustment during the year	818,310	839,742
	Total:	11,121,846	11,437,506
19.00	CASH AND BANK BALANCES	476,499,748	537,068,478
	This is made up as follows:		
	Fixed Deposit Receipts	393,824,982	438,022,700
	Current & STD Accounts	68,916,479	85,303,061
	Cash in hand	12,963,341	12,824,833
	Stamp in hand	794,946	917,884
		476,499,748	537,068,478
19.01	FIXED DEPOSIT WITH BANK	393,824,982	438,022,700
	This is made up as follows:		
	AB Bank Ltd.	12,491,407	16,936,041
	Agrani Bank Ltd.	3,041,107	6,762,228
	Al-Arafa Islami Bank Ltd.	22,223,544	25,380,184
	Bangladesh Commerce Bank Ltd.	5,021,193	4,767,189
	Bangladesh Development Bank Ltd.	2,715,143	2,715,143
	Bank Asia Ltd.	47,280,166	45,185,903
	BRAC Bank Ltd.	-	1,768,833
	Bd.Krishi Bank Ltd.	626,118	-
	City Bank Ltd.	3,315,481	3,196,395
	Dhaka Bank Ltd.	10,304,400	11,594,998
	Dutch-Bangla Bank Ltd	1,571,466	1,835,643
	Eastern Bank Ltd.	1,000,000	1,000,000
	Exim Bank Ltd.	13,764,974	16,832,992

	Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
First Security Bank Ltd.	1,266,462	5,849,757
IFIC Bank Ltd.	10,362,691	9,341,743
Islami Bank Bangladesh Ltd.	13,012,224	15,831,055
Jamuna Bank Ltd.	6,201,111	5,955,820
Janata Bank	6,989,775	7,061,914
Mercentile Bank Ltd.	13,153,893	15,736,685
Modumoti Bank Ltd.	2,588,870	1,549,670
Mutual Trust Bank Ltd.	1,000,000	4,059,911
National Bank Ltd.	7,036,704	8,385,632
NCC Bank Ltd.	30,440,175	28,059,563
One Bank Ltd.	6,443,519	4,904,715
Premier Bank Ltd.	7,184,615	14,617,867
Prime Bank Ltd.	19,757,289	19,004,423
Pubali Bank Ltd.	18,860,768	14,848,827
Rajshahi Krishi Unnayan Bank Ltd.	8,071,371	7,990,354
Rupali Bank Ltd.	8,140,362	5,666,324
Shahjalal Islami Bank Ltd.	15,235,863	13,892,077
Social Islami Bank Ltd.	8,507,310	13,371,379
Sonali Bank Ltd.	1,770,464	1,553,375
South East Bank Ltd.	8,675,941	8,809,798
Standard Bank Ltd.	7,311,956	14,195,211
Trust Bank Limited	12,409,773	12,145,986
United Commercial Bank Ltd.	11,724,763	12,445,563
Uttara Bank Ltd.	5,954,576	5,748,103
Lanka-Bangla Finance Ltd.	596,790	572,275
Global Islami Bank Ltd.	500,000	-
First Lease Finance & Investment Ltd.	3,881,390	3,580,492
Meghna Bank Limited	4,186,466	5,770,451
Union Bank Ltd.	1,573,292	2,864,666
Bengal Commercial Bank Limited	1,025,000	2,000,000
IPDC	578,925	553,075
South Bangla Bank Ltd.	11,029,739	14,280,069
NRB Bank Limited	5,565,975	4,323,317
NRB Commercial Bank Ltd.	9,431,930	15,077,054
	<u>393,824,982</u>	<u>438,022,700</u>

- (i) We have physically verified FDR's which are in agreement with balance of audited accounts.
- (ii) Bank deposit on STD Accounts and Current Accounts have been confirmed through Bank statement obtained from the management along with the reconciliation statements and also bank Confirmation Certificate.
- (iii) Physical count of cash and stamp of Head Office has been done on December 31,2023. Management has furnished certificates confirming the position of Taka- 12,963,341/= as Cash in Hand lying with different branches located in the country.

20.00	FIXED ASSET		<u>146,983,743</u>	<u>152,986,935</u>
	This is made up as follows:			
	Opening Balance		286,349,869	260,241,172
	Add: Addition during the year		<u>7,230,133</u>	<u>36,362,497</u>
			293,580,002	296,603,669
	Less: Sales Adjustment		<u>17,602,000</u>	<u>10,253,800</u>
	Accumulated Cost		275,978,002	286,349,869
	Less: Accumulated Depreciation			
	Opening Balance		133,362,934	135,763,710
	Add: Depreciation for the year		<u>11,218,138</u>	<u>7,329,141</u>
	Less: Depreciation Adjustment		<u>144,581,072</u>	<u>143,092,851</u>
			15,586,813	9,729,917
	Total Accumulated Depreciation		<u>128,994,259</u>	<u>133,362,934</u>
	Written down Value		<u>146,983,743</u>	<u>152,986,935</u>
	This represents the written down value of the fixed Assets as on 31 December, 2023 The Details of the fixed assets have been shown in the Annexure-A.			
21.00	RIGHT OF USE ASSETS		<u>4,233,866</u>	<u>9,711,054</u>
	This is made up as follows:			
	Opening Balance of Right of Use Asset		9,711,054	13,163,248
	Add: Addition during the year		<u>4,550,038</u>	<u>6,500,400</u>
			14,261,092	19,663,648
	Less: Rental Expenses-ROU Asset Amortization	21.01	<u>10,027,226</u>	<u>9,952,594</u>
			<u>4,233,866</u>	<u>9,711,054</u>
21.01	Rental Expenses-ROU Asset Amortization		<u>10,027,226</u>	<u>9,952,594</u>
	This is made up as follows:			
	Rent Paid during the year	Annexure-E	10,439,590	10,362,598
	Less: Interest during the year		<u>412,364</u>	<u>410,004</u>
			<u>10,027,226</u>	<u>9,952,594</u>

	Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
22.00 INTEREST, DIVIDENDS & RENT	42,260,055	(4,540,861)
22.01 Interest Income	27,307,662	30,865,730
Interest on STD	355,973	430,692
Interest on Fixed Deposits	24,561,069	28,341,333
Interest on Govt. Treasury Bond	2,390,620	2,093,705
Total Interest Income	27,307,662	30,865,730
22.02 Dividend Income	2,307,247	245,474
This is made up as follows:		
BBS Cables Ltd	-	40,000
Paramount Insurance Ltd.	-	23,452
CVO Petro chemicals & Refinery Ltd	-	14,000
Beacon Pharmaceuticuls Ltd	-	522
Fu-Wang Ceramics industries Ltd.	2,000	-
Bashundhara paper Mills Ltd.	10,000	-
S.Alam Cold Recolled Steels Ltd.	554	-
Pharma Aids Ltd	450	-
E Generation Limited	5,000	-
Intraco Refuleing Station Ltd	1,000	-
Mir Akter Hossain Ltd.	6,250	-
Unique Hotel And Resorts PLC	3,000	-
Bangladesh Shipping Corporation	200	-
BD com Online Ltd.	1,000	-
Mostafa Metal Industries Ltd.	13,580	-
Prime Textile Spinning Mills Ltd.	10,000	-
Sino Bangla Industries Ltd.	43,761	-
Eastern Lubricants Blenders Ltd.	1,257	-
Achia Sea Foods Ltd.	468,381	-
Rak Ceramics (Bangladesh) Ltd.	5,000	-
BD Paints Ltd.	1,500,144	-
Phoenix Finance 1st mutual Fund	144,000	-
Meghna Liife Insurance Co. Ltd.	48,400	-
Sonalí Life Insurance Company Ltd.	36,000	-
Imam Button Industries Ltd.	870	-
Trust Islami life Insurance Ltd.	6,400	-
Lafarge Holcim Bangladesh Limited	-	167,500
Total Dividend Income	2,307,247	245,474
22.03 GAIN /(LOSS) FROM SHARE TRADE	5,050,301	(39,667,889)
This is made up as follows:		
Opening Balance	90,135,369	54,530,398
Add: Purchase during the year	-	37,636,430
Less: Sale of Share	16,000,000	37,636,430
Total Cost Value	74,135,369	129,803,258
Less: Market Value	79,185,670	90,135,369
Gain From Share trade	5,050,301	(39,667,889)
22.04 GAIN FROM SALE OF MOTOR VEHICLES	6,967,243	3,516,105
This is made up as follows:		
Accumulated Cost	17,602,000	10,253,800
Less: Accumulated Depreciation	15,586,813	9,729,919
Written down Value	2,015,187	523,881
Less: Sales Value	8,982,430	4,039,986
It represents the Gain from Sale of 8 no. Motor Vehicles during the year under audit.	6,967,243	3,516,105
22.05 OTHER INCOME	627,602	499,719
This is made up as follows:		
Income from Co-Insurance Service Charge	627,602	481,634
Income from sale of Tender	-	18,085
	627,602	499,719

		Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022	
23.00	REVENUE ACCOUNTS	108,021,679	107,664,001	
	The Details Break-up of the Revenue Accounts have been shown in the Annexure-C			
24.00	DIRECTOR'S FEES	1,399,200	1,522,400	
	The aggregate amount of Tk. 1,399,200 was paid to the director of the company on account of board meeting during the year under audit.			
25.00	MANAGEMENT'S EXPENSE	164,271,759	160,940,822	
	This is made up as follows:			
	Salary & Allowance	118,860,885	118,417,991	
	Office Rent	12,005,526	11,916,987	
	Traveling TA/DA	324,595	384,792	
	Conveyance	1,251,774	1,330,091	
	Car Allowance	1,495,000	-	
	Gas, Water & Electricity	1,479,345	1,052,719	
	Office Maintenance	1,292,943	1,343,065	
	Car Maintenance	3,346,458	1,347,054	
	Car Maintenance- Fuel	4,669,547	5,892,691	
	Entertainment	873,156	735,197	
	Seminar & Training Exp.	7,000	48,450	
	Bank Charge	963,034	948,208	
	Printing	2,145,534	2,150,209	
	Stationery	1,672,437	1,235,590	
	Paper & Periodicals	263,866	136,926	
	Postage & Stamp	481,567	455,450	
	Telephone, Telex & Fax	2,797,145	3,212,145	
	Insurance Premium	870,703	906,682	
	Co-Insurance Service Charge	152,187	325,819	
	Software Service Charge	705,378	757,103	
	Branch Manager Conference	805,871	1,080,193	
		156,463,951	153,677,362	
	Sadharan Bima Corporation (PSB)	7,807,808	7,263,459	
	Total Management Expense	164,271,759	160,940,822	
25.01	OFFICE RENT	12,005,526	11,916,987	
	Rental Expense - ROU Asset Amortization (Note 14.00)	10,027,226	9,952,594	
	Rental Expense - Lease Liability Interest Expense (Note 14.00)	412,364	410,004	
		10,439,590	10,362,598	
	VAT on Rental Expense	1,565,936	1,554,389	
	Total Rental Expense for the Year	12,005,526	11,916,987	
25.02	ALLOCATION OF MANGEMENT EXPENSES			
	Fire	45.60%	74,903,899	74,184,576
	Marine Cargo	36.15%	59,383,064	57,217,599
	Marine Hull	1.88%	3,087,564	6,375,624
	Motor	10.25%	16,837,545	15,574,805
	Miscelenous	6.12%	10,059,687	7,588,218
	Total Management Expense	100.00%	164,271,759	160,940,822
25.03	LIMITATION OF MANAGEMENT			
	Management Expenses-Revenue	164,271,759	160,940,822	
	Management Expenses-P&L except Depreciation	29,909,244	28,526,848	
	Total Actual Management Expenses [A]	194,181,003	189,467,670	
	Allowable Expense [B]	226,642,704	217,126,759	
	Variance -Favourable (B-A)	32,461,701	27,659,089	
	Calculation of Allowable Expense-2023			

Class of Business	Level of Premium	Rate	Allowable Expense	Actual Rev. A/C Expense	Actual P/L A/C Expense	Total Actual Management Expense
Fire Business	150,000,000	35%	52,500,000	-	-	-
Next	150,000,000	33%	49,500,000	-	-	-
Balance	12,134,812	32%	3,883,140	-	-	-
Total Fire Business	312,134,812		105,883,140	74,903,899	12,652,389	87,556,288
Motor business	56,678,699	35%	19,837,545	16,837,545	2,297,472	19,135,017
Miscellaneous Business	71,599,106	35%	25,059,687	10,059,687	2,902,271	12,961,958
Marine Business	150,000,000	26%	39,000,000	-	-	-
Balance	147,449,328	25%	36,862,332	-	-	-
Total Marine Business	297,449,328		75,862,332	62,470,628	12,057,112	74,527,740
Overall Total	737,861,945	31%	226,642,704	164,271,759	29,909,244	194,181,003
Less:Actual Management Expense			194,181,003			
Variance-Favourable			32,461,701			

Amount (Tk.)
31.12.2023

Amount (Tk.)
31.12.2022

Actual P & L A/c Expenses of Tk. 29,909,244 (Total P/L Expense excluding Depreciation) has been allocated on the basis of Gross Premium Income.

Calculation of Allowable Expense-2022

Class of Business	Level of Premium	Rate	Allowable Expense	Actual Rev. A/C Expense	Actual P/L A/C Expense	Total Actual Management Expense
Fire Business	150,000,000	35%	52,500,000	-	-	-
Balance	146,039,767	33%	48,193,123	-	-	-
Total Fire Business	296,039,767		100,693,123	74,184,576	11,999,412	86,183,988
Motor business	58,628,983	35%	20,520,144	15,574,805	2,376,415	17,951,220
Miscellaneous Business	71,328,614	35%	24,965,015	7,588,218	2,891,170	10,479,388
Marine Business	150,000,000	26%	39,000,000	-	-	-
Balance	127,793,908	25%	31,948,477	-	-	-
Total Marine Business	277,793,908		70,948,477	63,593,223	11,259,851	74,853,074
Overall Total	703,791,272		217,126,759	160,940,822	28,526,848	189,467,670
Less:Actual Management Expense			189,467,670			
Variance-Favourable			27,659,089			

Actual P & L A/c Expenses of Tk. 28,526,848 (Total P/L Expense excluding Depreciation) has been allocated on the basis of Gross Premium Income.

26.00	PREMIUM LESS RE-INSURANCE		388,702,998	345,193,476
	This is made up as follows:			
	Premium Underwritten		641,539,363	616,842,344
	Less: Refund & Cancel Premium		7,069,268	9,199,313
	Premium U/W after refund		634,470,095	607,643,031
	Add: Premium on PSB		103,391,850	96,148,241
	Gross Premium		737,861,945	703,791,272
	Less: R/I Premium on cedence		256,334,518	274,646,248
	Less: R/I Premium on PSB		92,824,429	83,951,548
	Premium Less Re-Insurance		388,702,998	345,193,476

The details of which have been shown in Annexure-C.

27.00	NET ASSETS VALUE (NAV) PER SHARE		22.29	22.00
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Net Asset Value Per Share has been calculated basd on ordinary share outstanding no. 41,605,311as at December 31, 2023. Net asset value per share as at December 31, 2022 has also been restated based on 41,605,311 shares. Details calculation is given below:

Net Asset Value [A]	927,302,563	915,291,520
Number of Outstanding Share [B]	41,605,311	41,605,311
Net Asset Value per Share [C=A/B]	22.29	22.00

28.00	EARNINGS PER SHARE (EPS)		1.69	1.59
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Earning Per Share has been calculated based on Ordinary Share outstanding no. 41,605,311 at 31st December, 2023. Earning Per Share at 31st December, 2022 has also been restated based on 41,605,311 Shares. Details calculation is given below:

Balance Forwarded to P/L Appropriation	109,154,352	104,914,522
Provision for Tax (Current Tax Deff)	(24,063,841)	(25,653,781)
Tax on Reserve for Losses	(14,576,362)	(12,944,756)
Earnings Attributable to Shareholders	70,514,149	66,315,985
Number of Outstanding Shares	41,605,311	41,605,311
	1.69	1.59

29.00	NET OPERATING CASH FLOWS PER SHARE		(0.56)	1.80
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Net Operating Cash Flow Per Share has been calculated basd on ordinary share outstanding no. 41,605,311 as at December 31, 2023. Net asset value per share as at December 31, 2023 has also been restated based on 41,605,311 shares. Details calculation is given below:

Net Operating Cashflow [A]	(23,485,769)	74,872,682
Number of Shareholders [B]	41,605,311	41,605,311
Net Operating Cashflow per Share {C=A/B}	(0.56)	1.80

29.01	RECONCILIATION OF OPERATING CASH FLOWS		(23,485,769)	74,922,257
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Net Profit	109,154,352	104,903,581
Add: Depreciation	11,218,138	7,329,141
Less:Profit of MV	(6,967,243)	(3,516,105)
Prov. for Income Taxation	0.00	0.00
	113,405,247	108,716,617
Changes in Current Assets	(100,599,292)	(124,789,490)
Changes in Balance of Fund	17,938,602	29,501,613
Changes in Current Liabilities	(54,230,326)	61,493,517
	(23,485,769)	74,922,257

Amount (Tk.)
31.12.2023

Amount (Tk.)
31.12.2022

30.00 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE UNDER IAS 32 "FINANCIAL INSTRUMENTS: DISCLOSURE (A) PRIMARY (ON BALANCE SHEET) FINANCIAL INSTRUMENTS".

Set out below is a year ended balance of carrying amounts (book value) of all financial assets and liabilities (Financial Instruments)

Particulars	Interest Bearing		Non Interest Bearing	Total
	Maturity with in one year	Maturity after one year		
Financial Assets:				
Bangladesh Govt. Treasury Bond (BGTB)	-	30,000,000	-	30,000,000
Investment in FDR	-	393,824,982	-	393,824,982
Investment in Shares	77,563,141	-	-	77,563,141
Accounts Receivables	-	-	529,515,126	529,515,126
Cash and Cash Equivalent	-	-	476,499,748	476,499,748
Total	77,563,141	423,824,982	1,006,014,874	1,507,402,997
Financial Liabilities:				
SOD Loan	84,993,921	-	-	84,993,921
Outstanding Claims	-	-	32,890,891	32,890,891
Creditors	-	-	218,106,778	218,106,778
Total	84,993,921	-	250,997,669	335,991,590
Net Financial Assets/Liabilities	(7,430,780)	423,824,982	755,017,205	1,171,411,407

31.00 RELATED PARTY TRANSACTIONS-DISCLOSURE UNDER IAS 24 "RELATED PARTY DISCLOSURE"

In accordance with paragraph 19 of IAS 24 Related Party Disclosures, the following matters has been disclosed in the following sequential order:

- (i) Parent and Ultimate Controlling Party
There is no such parent company as well as ultimate holding company/controlling party of the company.
- (ii) Entities with joint control of, or significant influence over
There is no joint control of, or significant influence over the Company.
- (iii) Subsidiaries
There was no subsidiary company.
- (iv) Associates
There is no Associate Company of the entity (company).
- (v) Joint Venture in which the Entity is a Joint Venturer
There is no Joint Venture Company.
- (vi) Transactions with key management personnel and their compensation

(a) Loans to Director

During the year, no loan was given to the directors of Company

ii) Key Management Compensation

The break up of the Key Management Compensation is given below:

Name	Designation	Particulars	Amount (Tk.)
Hasan Tarek	Chief Executive Officer	Salary and Allowance & Other Compensation paid during the year	3,240,000
Golam Kamal Chowdhury	Addl. Managing Director	Salary and Allowance & Other Compensation paid during the year	2,116,625
Faruquazzaman	Addl. Managing Director	Salary and Allowance & Other Compensation paid during the year	2,154,900
Md. Nuruzzaman	Addl. Managing Director	Salary and Allowance & Other Compensation paid during the year	2,068,800
S.M. Abdul Khaleque	Addl. Managing Director	Salary and Allowance & Other Compensation paid during the year	1,532,200
Total			11,112,525

- i) No compensation was allowed by the Company to the Managing Director & CEO other than stated above;
- ii) The Board Meeting attendance fees @ Tk. 8,000 per Director per meeting and the total Board Meeting attendance fee incurred during the year under review was Tk. 1,399,200;
- iii) No amount of money was spent by the Company for compensating any member of the Board for special services rendered.

b) Other Related Party Transaction

During the year, the Company carried out the transactions with related parties in the normal course of business and on an arm's length basis. The name of related parties, relationship, types of transaction and their total value have been set out in accordance with the provisions of IAS 24 "Related Party Disclosures". Transaction with related parties are executed on the some terms as those of other customers of similar credentials and do not involve more than a normal risk.

Name of the related Parties	Relationship nature	Nature of Transaction	Amount (Tk.)
Olympic Cement Ltd.	Director	Insurance Business	8,820,020
Olympic Shipping Lines	Director	Insurance Business	1,296,940
Olympic Fibere Ltd.	Director	Insurance Business	538,525
Anika International	Director	Insurance Business	4,248,856
Promozen Shipping Lines	Director	Insurance Business	2,593,012
Khansons Lines Ltd.	Director	Insurance Business	52,650
Khansons Textile Mills Ltd.	Director	Insurance Business	48,010
Lira Doors Ltd.	Director	Insurance Business	2,589,972
Lira Polymer Industries Ltd.	Director	Insurance Business	3,212,571
Lira Industries Enterprties Ltd.	Director	Insurance Business	11,314,953
Samrat Industries	Director	Insurance Business	5,709,980
Samrat Packaging Industries	Director	Insurance Business	701,485
Bari Plastic Limited	Director	Insurance Business	121,454
Total			41,248,428

32.00 DISCLOSURES AS PER REQUIREMENT OF SCHEDULE XI, PART II OF THE COMPANIES ACT, 1994
(EMPLOYEE POSITION AS ON 31ST DECEMBER, 2022)

a) Disclosure as per requirement of Schedule XI, Part II, Notes 5 of Para 3

Monthly Salary Range	Head Office	Branch	No. of Employee
Above 3000	69	261	330
Below 3000	-	-	-
Total	69	261	330

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

Payment/perquisites to Directors and Officers, (Board of Directors)

Sl. No.	Name	Position	Meeting Attendance Fee	Allowance	Amount (Tk.)
1	A.K.M Azizur Rahman	Chairman & Director	64,000	-	64,000
2	Mr. K.M. Alamgir	Vice Chairman & Director	64,000	-	64,000
3	Mr. Imtiaz Bin Musa	Director	32,000	-	32,000
4	Mrs. Bulbul Jaynab Akter	Director	48,000	-	48,000
5	Mrs. Dolly Iqbal	Director	64,000	-	64,000
6	Ms. Fatema Rashid for Mr.Tehsin Rashid	Director	56,000	-	56,000
7	Syed Adeeb Ashfaq Uddin	Director	16,000	-	16,000
8	Saira Tasin	Director	64,000	-	64,000
9	AKM Alamgir	Director	8,000	-	8,000
10	Mr. Feroz Alam	Director	16,000	-	16,000
11	Mahrukh Chowdhury	Director	40,000	-	40,000
12	Mr. Ishnad Iqbal	Director	56,000	-	56,000
13	Mr. Abrar Rahman Khan	Director	64,000	-	64,000
14	Mr. Syed Sakib Naimuddin	Director	32,000	-	32,000
15	Mr. Salman Habib	Director	8,000	-	8,000
16	Brig Gen Md. Abdul Halim	Independent Director	64,000	-	64,000
17	Ms. Nusrat Hafiz	Independent Director	64,000	-	64,000
18	Hasan Tarek	Chief Executive Officer (CEO)	-	-	0
	Total		760,000		760,000

33.00 PAYMENT / PERQUISITES TO DIRECTORS

No amount of money was spent by the Company for compensating any member of the Board for services rendered other than Board Meeting Fee.

34.00 CAPITAL EXPENDITURE COMMITMENT

There was no commitment for capital expenditure and also not incurred or provided for the year ended 31st December, 2023.

35.00 CONTINGENT ASSETS

There was no contingent assets as on 31st December, 2023.

36.00 CONTINGENT LIABILITIES

The company is contingently liable as on 31st December, 2023 on account of Income Tax, the details of which are given below:

Accounting Year	Assessment Year	Tax as per Accounts	Tax as per Assessment Order	Tax Paid in Cash and Deducted at Source
2007 to 2022	2008-2009 to 2023-2024	289,470,992	289,128,326	262,830,241
Total				

The details of the above have been shown in Annexure -B.

37.00 REMITTANCE OF DIVIDEND

As there were no non-resident shareholders, no dividend was remitted to or received from abroad.

38.00 CREDIT FACILITIES NOT AVAILABLE

There was no credit facility available to the company under any contract availed of as on 31st December 2023 other than trade credit available in the ordinary course of business which has already been disclosed in the Financial Statements

39.00 SUBSEQUENT EVENTS-DISCLOSURES UNDER IAS 10 "EVENTS AFTER REPORTING PERIOD"

The directors in the meeting held on 29th April, 2024 recommended 5% cash dividend and 5% stock dividend for the Shareholders excluding sponsor Shareholders whose name will be appeared in the Shareholders registers at the date of Book closure which is subject to Shareholders approval at the forthcoming 24th annual general meeting to be held on 12th August, 2024.

"Except the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustments or disclosure in the financial statements or notes thereto.

40.00 BOARD MEETING ATTENDANCE STATUS OF DIRECTORS

Sl. No.	Name of the Directors	Position	Number of Meeting	Attendance
1	A.K.M Azizur Rahman	Chairman & Director	8	8
2	Mr. K.M Alamgir	Vice Chairman & Director	8	8
3	Mr. Imtiaz Bin Musa	Director	8	4
4	Mrs. Bulbul Jaynab Akter	Director	8	6
5	Mrs. Dolly Iqbal	Director	8	8
6	Ms. Fatema Rashid for Mr.Tehsin Rashid	Director	8	7
7	Syed Adeeb Ashfaq Uddin	Director	8	2
8	Saira Tasin	Director	8	8
9	AKM Alamgir	Director	8	1
10	Mr. Feroz Alam	Director	8	2
11	Mahrukh Chowdhury	Director	8	5
12	Mr. Ishnad Iqbal	Director	8	7
13	Mr. Abrar Rahman Khan	Director	8	8
14	Mr. Syed Sakib Naimuddin	Director	8	4
15	Mr. Salman Habib	Director	8	1
16	Brig Gen Md. Abdul Halim	Independent Director	8	8
17	Ms. Nusrat Hafiz	Independent Director	8	8
18	Hasan Tarek	Chief Executive Officer (CEO)	8	8

41.00 INFORMATION REGARDING ACCOUNTS RECEIVABLES, ADVANCE IN LINE WITH SCHEDULE XI

i. Disclosure in line with 4(a) of part I of Schedule XI

The Details of trade Receivable are given below:

Sl. No.	Particulars	Amount (Tk.) 31.12.2023	Amount (Tk.) 31.12.2022
1	Within 3 Months	17,511,458	44,149,211
2	Within 6 Months	13,133,593	-
3	Within 12 Months	8,755,729	-
4	More than 12 Months	4,377,864	1,616,085

ii. Disclosure in line with 4(b) of part I of Schedule XI

There are no debts outstanding in this respect.

42.00 DISCLOSURE IN LINE WITH INSTRUCTION F OF PART I OF SCHEDULE XI

In regard to sundry debtors the following particulars shall be given separately:

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

Within six months trade debtors occurred in the ordinary course of business are considered good but no security given by the debtors.

(II) Debt considered good for which the company holds no security other than the debtors' personal security

Within six months trade debtors have arisen in the ordinary course of business in good faith as well as market reputation of the company for the above mentioned reasons no personal security taken from debtors.

(III) Debt considered doubtful or bad

There were no such debts which considered to be doubtful.

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

There is no debt due by directors or other officers of the company.

(V) Debt due by common management

There is no debt under common management.

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

There is no such debt in this respect.

43.00 Schedule XI, Part II, Para 8(b) & Para 8(d) Foreign Currencies remitted during the year

During the year under review the company did not remit any amount as dividend, technical know-how, royalty, professional consultation fees, interest and other matters either its shareholder or others.

44.00 No single transaction of Miscellaneous expenditure exceeded Tk. 5,000.

45.00 All paid up shares have been fully paid up in Cash.

46.00 There was no bank guarantee issued by the Company on behalf of their directors.

47.00 Auditors were paid only statutory audit fee duly approved by the Shareholders in the last AGM.

48.00 There was no capital work in progress at the end of the Accounting year.

49.00 No expenses were paid as Royalty and Salary to Technical Experts etc.

50.00 During the year the Company was not entered into any agreement with the third party.

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

52.00 There was no claim against Company, which was not acknowledged as debt other than normal course of business.

53.00 There was no event occurred after Balance Sheet date, which might effect financial position of the Company as on Balance Sheet date.

54.00 FOREIGN EXCHANGE EARNED

No other income included consultancy fee, royalty, technical expert and professional advisory fee, interest, etc. was incurred or paid in foreign currencies.

55.00 SEGMENT REPORTING

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

56.00 PROPOSED DIVIDEND

In the board meeting held on 29th April, 2024 the management proposed to declare 5% cash and 5% stock dividend for the year 2023 subject to the approval by the share holders in AGM.

57.00 INTERNAL CONTROL

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

A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control.

Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect if internal control technique.

To establish an effective management system that includes planning, organizing and supervising culture in the branch as well as at Head Office.

**CONTINENTAL INSURANCE LIMITED
SCHEDULE OF FIXED ASSETS
AS AT 31ST DECEMBER, 2023**

Annexure -A

PARTICULARS	COST			RATE OF DEP.	DEPRECIATION			WRITTEN DOWN VALUE AS ON 31.12.2023	
	BALANCE AS ON 01.01.2023	ADDITION DURING YEAR	ADJUST DURING YEAR		TOTAL AS ON 31.12.2023	BALANCE AS ON 01.01.2023	CHARGED DURING YEAR		ADJUST DURING YEAR	TOTAL AS ON 31.12.2023
Land	75,771,657	-	-	-	-	-	-	-	75,771,657
Furniture & Fixture	23,928,097	-	-	10%	11,715,420	1,221,268	-	12,936,688	10,991,409
Office Decoration	71,969,914	41,256	-	10%	44,836,007	2,714,638	-	47,550,645	24,460,525
Office Equipment	13,994,922	99,871	-	15%	10,577,291	523,091	-	11,100,382	2,994,411
Electrical Equipment	22,404,265	119,280	-	15%	12,506,302	1,494,781	-	14,001,083	8,522,462
Motor Vehicle	74,323,240	6,930,000	17,602,000	20%	50,068,487	5,188,335	15,586,813	39,670,009	23,981,231
Other Assets	3,957,774	39,726	-	25%	3,659,427	76,025	-	3,735,452	262,048
Total	286,349,869	7,230,133	17,602,000		133,362,934	11,218,138	15,586,813	128,994,258	146,983,743

**CONTINENTAL INSURANCE LIMITED
SCHEDULE OF FIXED ASSETS AS AT 31ST DECEMBER, 2023 TAX BASE**

PARTICULARS	COST			RATE OF DEP.	DEPRECIATION			WRITTEN DOWN VALUE AS ON 31.12.2023	
	BALANCE AS ON 01.01.2023	ADJUST DURING YEAR	ADDITION DURING YEAR		TOTAL AS ON 31.12.2023	BALANCE AS ON 01.01.2023	CHARGED DURING YEAR		ADJUST DURING YEAR	TOTAL AS ON 31.12.2023
Land	75,771,657	-	-	-	-	-	-	-	75,771,657
Furniture & Fixture	12,892,074	-	-	10%	-	1,289,207	-	1,289,207	11,602,867
Office Decoration	29,483,000	-	41,256	10%	-	2,952,426	-	2,952,426	26,571,830
Office Equipment	4,894,232	-	99,871	10%	-	499,410	-	499,410	4,494,694
Electrical Equipment	11,300,417	-	119,280	10%	-	1,141,970	-	1,141,970	10,277,727
Motor Vehicle	14,624,255	2,015,187	6,930,000	20%	-	3,907,814	-	3,907,814	15,631,254
Other Assets	897,983	-	39,726	10%	-	93,771	-	93,771	843,938
Total	149,863,618	2,015,187	7,230,133		-	9,884,598	-	9,884,597	145,193,967

CONTINENTAL INSURANCE LIMITED
INCOME TAX ASSESSMENT POSITION
AS ON 31.12.2023

Annexure- B

Accounting Year	Assessment Year	Tax as per Accounts	TDS	Advance Tax	Tax paid/Refund	Total Tax Paid	Income Tax Payable	Tax as per Assessment Order	Remarks
2007	2008-09	7,300,000	1,311,339		2,113,564	3,424,903		6,617,406	Assessment under Tribunal
2008	2009-10	12,553,937	3,797,348	-	8,756,589	12,553,937	-	6,993,631	Writ
2009	2010-11	14,050,012	1,338,729	500,000	12,211,283	14,050,012	-	24,875,489	Writ
2010	2011-12	3,312,005	2,694,294	500,000	117,711	3,312,005	-	13,663,360	Writ
2011	2012-13	17,573,323	3,490,026	1,000,000	13,083,297	17,573,323	-	14,868,184	Assessment Completed
2012	2013-14	27,318,943	2,990,026	1,000,000	23,328,917	27,318,943	-	26,150,822	Assessment Completed
2013	2014-15	25,572,089	3,222,966	1,000,000	14,849,123	19,072,089	6,500,000	38,647,187	Assessment Completed
2014	2015-16	19,318,695	6,053,623	500,000	4,000,000	10,553,623	8,765,072	38,190,383	Assessment Completed
2015	2016-17	15,820,249	3,819,667	3,500,000	1,000,000	8,319,667	7,500,582	38,214,226	Assessment Completed
2016	2017-18	18,386,667	1,636,063	4,000,000	12,750,604	18,386,667	-	36,550,957	Writ
2017	2018-19	18,837,272	4,059,508	14,750,000	27,764	18,837,272	-	37,798,646	Assessment under rectification
2018	2019-20	19,366,454	2,630,858	13,300,000	3,435,596	19,366,454	-	2,378,601	Appeal Completed
2019	2020-21	13,512,772	5,506,257	8,006,515	-	13,512,772	-	4,179,434	Assessment under rectification
2020	2021-22	23,580,335	3,577,762	20,002,573	-	23,580,335	-	-	Full Completed
2021	2022-23	26,617,110	3,417,878	23,199,232	-	26,617,110	-	-	Full Completed
2022	2023-24	26,351,129	4,829,434	16,000,000	5,521,695	26,351,129	-	-	Return Submitted
	Total	289,470,992	54,375,778	107,258,320	101,196,143	262,830,241	22,765,654	289,128,326	

CONTINENTAL INSURANCE LIMITED
Statement of Revenue Accounts
For the year ended 31st December, 2023

Annexure- C

Particular	FIRE	MARINE			MOTOR	MISC.	Total	2022
		CARGO	HULL	Total				
Premium Underwritten	298,180,903	246,624,377	20,930,480	267,554,857	54,424,108	21,379,495	641,539,363	616,842,344
Refund & Cancel Premium	1,249,521	5,669,283	-	5,669,283	147,974	2,490	7,069,268	9,199,313
Premium U/W after refund	296,931,382	240,955,094	20,930,480	261,885,574	54,276,134	21,377,005	634,470,095	607,643,031
Add: Premium on PSB	15,203,430	26,486,586	9,077,168	35,563,754	2,402,565	50,222,101	103,391,850	96,148,241
Gross Premium	312,134,812	267,441,680	30,007,648	297,449,328	56,678,699	71,599,106	737,861,945	703,791,272
Less: R/I Premium on Cedence	163,122,542	70,286,902	15,724,179	86,011,081	3,636,626	3,564,269	256,334,518	274,646,248
Less: R/I Premium on PSB	14,146,377	20,624,288	8,817,286	29,441,574	107,643	49,128,835	92,824,429	83,951,548
Total R/I Premium	177,268,919	90,911,190	24,541,465	115,452,655	3,744,269	52,693,104	349,158,947	358,597,796
Net Premium	134,865,893	176,530,490	5,466,183	181,996,673	52,934,430	18,906,002	388,702,998	345,193,476
Opening Reserve for Unexpired Risks	47,560,690	61,544,414	4,574,861	66,119,275	22,450,716	4,691,626	140,822,307	111,320,694
R/I Commission earned on cedence	45,834,467	14,544,842	2,711,494	17,256,336	743,854	933,079	64,767,736	54,269,954
Add: Profit commission	11,251,151	2,275,814	-	2,275,814	-	542,731	14,069,696	6,658,497
Add: R/I Commission on PSB	1,618,887	4,066,505	484,951	4,551,456	-	3,902,777	10,073,120	8,827,579
Total Commission on Re-Insurance	58,704,505	20,887,161	3,196,445	24,083,606	743,854	5,378,587	88,910,552	69,756,030
Total Revenue Income	241,131,088	258,962,065	13,237,489	272,199,554	76,129,000	28,976,215	618,435,857	526,270,200
Gross Claims paid during the year	89,143,392	55,851,114	2,103,916	57,955,030	19,209,048	8,756,905	175,064,375	64,277,348
Paid / (Adjusted) on PSB	173,498	759,701	26,929,941	27,689,642	101,852	2,083,640	30,048,632	1,893,161
Total Gross Claims Paid	89,316,890	56,610,815	29,033,857	85,644,672	19,310,900	10,840,545	205,113,007	66,170,509
Less:1) R/I Recovery	24,517,536	53,250,804	2,076,296	55,327,100	1,960,512	8,249,427	90,054,575	45,242,440
2) Recovered / (Adjusted) on PSB	11,236	139,242	26,745,342	26,884,584	-	2,025,665	28,921,485	1,033,633
Total Recovery	24,528,772	53,390,046	28,821,638	82,211,684	1,960,512	10,275,092	118,976,060	46,276,073
Net Claims Paid (A)	64,788,118	3,220,769	212,219	3,432,988	17,350,388	565,453	86,136,947	19,885,314
Outstanding claim at the end of the year (B)	14,766,733	6,821,248	763,510	7,584,758	4,554,923	5,984,477	32,890,891	28,275,655
Outstanding claim at the end of last year (C)	14,370,505	7,487,937	1,050,470	8,538,407	2,783,322	2,583,421	28,275,655	23,532,205
Net Claim for the Year (A+B-C)	65,184,346	2,554,080	(74,741)	2,479,339	19,121,989	3,966,509	90,752,183	24,628,764
Management Expenses	74,903,899	59,383,064	3,087,564	62,470,628	16,837,545	10,059,687	164,271,759	160,940,822
Agency commission	44,539,707	37,602,077	3,139,572	40,741,649	8,141,420	3,206,551	96,629,327	92,214,306
Reserve for unexpired Risks	53,946,357	70,612,196	5,466,183	76,078,379	21,173,772	7,562,401	158,760,909	140,822,307
Total Revenue Expenses	238,574,309	170,151,417	11,618,578	181,769,995	65,274,726	24,795,148	510,414,178	418,606,199
U/W Income	2,556,779	88,810,648	1,618,911	90,429,559	10,854,274	4,181,067	108,021,679	107,664,001

CONTINENTAL INSURANCE LIMITED
 SCHEDULE OF INVESTMENT IN SHARE
 AS ON 31.12.2023

Annexure-D

SL No.	Name of the Company	No. of Shares	Cost Value as on 31.12.23	Market Value as on 31.12.23
01	AL- Madina Pharmaceuticals Limited	4,800	-	195,360
02	BD COM Online Ltd	52,500	1,921,368	1,811,250
03	Bashundhara Papers Mills Ltd.	8,000	498,729	488,000
04	Daffodil Computers Ltd	52,000	4,729,674	4,399,200
05	CVO Petrochemical Refinery Ltd.	5,100	969,071	850,170
06	Deshbandhu Polymer Limited	35,000	1,353,982	1,274,000
07	Dragoan Sweater and Spinning Limited	207,000	3,647,095	3,519,000
08	Eastern Insurance Company Limited	9,000	-	611,100
09	Far East knitting & Dyeing Industries Limited	7,500	131,578	129,000
10	Fu-Wang Food Ltd	30,300	987,212	833,250
11	Genex Infosys Limited	18,000	1,254,732	1,177,200
12	Jute Spinners Ltd	4,290	1,563,847	1,279,278
13	Imam Button Industries Ltd.	3,130	449,310	536,795
14	KDS Accessories Limited	3,900	353,366	300,300
15	Lafargeholcim Bangladesh Limited	60,150	4,209,826	4,168,395
16	Kattali Textile Limited	10,000	255,638	237,000
17	Metro Spinning Ltd	27,000	800,797	683,100
18	Oimex Electrode Limited	9,000	-	182,700
19	Phoenix Finance 1st Mutual Fund	412,891	4,234,273	4,087,621
20	Rangpur dairy & Food Products Ltd	38,000	1,403,552	1,375,600
21	Pharma AIDS	90	71,812	71,163
22	Prime Textile Spinning Mills Ltd.	45,000	1,774,800	1,314,000
23	Progressive Life Insurance Co.Ltd	4,500	348,720	347,850
24	RAK Ceramics (Bangladesh) Ltd	6,600	300,389	283,140
25	S. Alam Cold Rolled Steels Ltd	1,107	44,483	36,863
26	Rangamati Food Products	1,620,000	32,400,000	32,400,000
27	Rupali Life Insurance Company Ltd	17,700	1,954,151	2,106,300
28	Sonali Life Insurance Company Ltd	50,800	4,298,925	4,109,720
29	Trust Islami Insurance Company Ltd	25,813	1,473,281	1,422,296
30	Union Insurance Company Ltd	30,900	2,155,059	1,733,490
31	Union Bank Ltd	200,000	2,000,000	2,000,000
32	Rangamati Food Products	180,000	3,600,000	3,600,000
	Total	3,180,071	79,185,670	77,563,141

CONTINENTAL INSURANCE LIMITED

Schedule of Office Rent
for the year ended 31st December, 2023

Annexure - E

Sl.No.	Name of the Branch	Rent period	Rent	VAT	Gross Rent	Deed Period	Remarks
1	Headoffice(gowdoen)	Jan to Dec-2023	540,000	81,000	621,000	01.06.2021 to 30.05.2024	
		Total Rent of Head office	540,000	81,000	621,000		
2	Sylhet	Jan to Sep-2023	137,376	20,606	157,982	01.04.2022 to 31.03.2023	
		Oct to Dec-2023	47,370	7,106	54,475	01.10.2023 to 30.09.2028	
		Total Rent of Sylhet	184,746	27,712	212,457	10.10.2023 to 30.09.2028	
3	Mymensingh	Jan to Sep-2023	113,688	17,053	130,741	01.04.2021 to 30.09.2023	
		Oct to Dec-2023	31,578	4,737	36,315	01.10.2023 to 30.09.2027	
		Total Rent of Mymensingh	145,266	21,790	167,056		
4	Narayangonj Branch	Jan to Dec-2023	264,000	39,600	303,600	01.09.2022 to 31.08.2024	
		Total Rent of Narayangonj	264,000	39,600	303,600		
5	New Market Branch	Jan to Jan-2023	41,053	6,158	47,211	01.02.2021 to 31.01.2023	
		Feb to Dec-2023	506,583	75,987	582,570	01.02.2023 to 31.01.2025	
		Total Rent of Newmarket	547,636	82,145	629,781		
6	Narsingdi Branch	Jan to March-2023	48,000	7,200	55,200	01.04.2017 to 31.03.2023	
		April to Dec-2023	171,000	25,650	196,650	01.04.2023 to 31.03.2029	
		Total Office Rent of Narsingdi	219,000	32,850	251,850		
7	Banasree	Jan to Dec-2023	420,000	63,000	483,000	01.03.2022 to 29.02.2025	
		Total Office Rent of Banasree	420,000	63,000	483,000		
8	Motijheel Branch	Jan to August-2023	441,600	66,240	507,840	01.09.2021 to 31.08.2023	
		Sep to Dec-2023	230,000	34,500	264,500	01.09.2023 to 31.08.2025	
		Total Office Rent of Motijheel	671,600	100,740	772,340		
9	Pragati Sarani Branch	Jan to June-2023	180,000	27,000	207,000	01.07.2022 to 30.06.2023	
		July to Dec-2023	180,000	27,000	207,000	01.07.2023 to 30.06.2024	
		Total Rent of Pragati Sarani	360,000	54,000	414,000		
10	B.B. Avenue Branch	Jan to Feb-2023	52,000	7,800	59,800	01.03.2021 to 28.02.2023	
		March to Dec-2023	270,000	40,500	310,500	01.03.2023 to 28.02.2026	
		Total Rent of B.B.Avenue Branch	322,000	48,300	370,300		

Sl.No.	Name of the Branch	Rent period	Rent	VAT	Gross Rent	Deed Period	Remarks
11	Gulshan Baridhara	Jan to March-2023	198,000	29,700	227,700	01.04.2021 to 31.03.2023	
		April to Dec-2023	594,000	89,100	683,100	01.04.2023 to 31.03.2024	
		Total Rent of Gulshan Baridhara	792,000	118,800	910,800		
12	Siddirgonj	Nov to Dec-2023	21,054	3,158	24,212	01.11.2023 to 31.10.2025	
		Total Rent of Sirajgonj	21,054	3,158	24,212		
13	Savar Branch	Jan to Dec-2023	214,740	32,211	246,951	01.05.2021 to 30. 04.2024	
		Total Rent of Savar	214,740	32,211	246,951		
14	Uttara Branch	Jan to March-2023	130,422	19,563	149,985	01.04.2020 to 31.03.2023	
		April to Dec-2023	391,266	58,690	449,956	01.04.2023 to 31.03.2026	
		Total Rent of Uttara	521,688	78,253	599,941		
15	Kawranbazar Branch	Jan to Dec-2023	451,200	67,680	518,880	01.03.2022 to 28.02.2024	
		Total Rent of Kawranbazar	451,200	67,680	518,880		
16	Tangail branch	Jan to Dec-2023	138,948	20,842	159,790	01.02.2022 to 31.01.2025	
		Total Rent of Tangail	138,948	20,842	159,790		
17	VIP Road Branch	Jan to Dec-2023	378,000	56,700	434,700	01.03.2022 to 31.12.2023	
		Total Rent of VIP	378,000	56,700	434,700		
18	Kishoregonj Branch	Jan to Dec-2023	65,280	9,792	75,072	01.10.2022 to 30.09.2025	
		Total Rent of Kishoregonj	65,280	9,792	75,072		
19	Agrabad Branch	Jan to Dec-2023	420,000	63,000	483,000	01.01.2023 to 31.12.2024	
		Total Rent of Agrabad	420,000	63,000	483,000		
20	Khatungonj Branch	June to Dec - 2023	285,120	42,768	327,888	01.06.2022 to 31.05.2025	
		Total Rent of Khatungonj	285,120	42,768	327,888		

Sl.No.	Name of the Branch	Rent period	Rent	VAT	Gross Rent	Deed Period	Remarks
21	Comilla Branch	Jan to March - 2023	39,189	5,878	45,067	01.04.2020 to 31.03.2023	
		April to Dec - 2023	131,400	19,710	151,110	01.04.2023 to 31.03.2026	
		Total Rent of Comilla	170,589	25,588	196,177		
22	Malibag	Jan to Dec - 2023	324,000	48,600	372,600	01.01.2022 to 31.12.2023	
		Total Rent of Feni	324,000	48,600	372,600		
23	Rajshahi Branch	Jan to Feb - 2023	37,896	5,684	43,580	01.03.2020 to 28.02.2023	
		March to Dec - 2023	210,530	31,580	242,110	01.03.2023 to 28.02.2026	
		Total Rent of Rajshahi	248,426	37,264	285,690		
24	Pabna	Jan to Dec - 2023	96,000	14,400	110,400	01.06.2021 to 31.05.2026	
		Total Rent of Pabna	96,000	14,400	110,400		
25	Naogaon Branch	Jan to March- 2023	18,948	2,842	21,790	01.04.2020 to 31.03.2023	
		April to Dec - 2023	66,321	9,948	76,269	01.04.2023 to 31.03.2026	
		Total Rent of Naogaon	85,269	12,790	98,059		
26	Bogura Branch	Jan to Dec - 2023	101,052	15,158	116,210	01.10.2021 to 30.09.2024	
		Total Rent of Bogura	101,052	15,158	116,210		
27	Kushtia Branch	Jan to Dec-2023	277,200	41,580	318,780	01.09.2022 to 31.08.2025	
		Total Rent of Kushtia	277,200	41,580	318,780		
28	Khulna Branch	Jan to Dec-2023	281,688	42,253	323,941	01.04.2023 to 31.12.2025	
		Total Rent of Kulna	281,688	42,253	323,941		
29	Satkhira Branch	Jan to March - 2023	28,422	4,263	32,685	01.04.2021 to 31.03.2023	
		April to Dec - 2023	104,220	15,633	119,853	01.04.2023 to 31.03.2025	
		Total Rent of Satkhira	132,642	19,896	152,538		

Sl.No.	Name of the Branch	Rent period	Rent	VAT	Gross Rent	Deed Period	Remarks
30	Jessore Branch	Jan to Dec - 2023	175,680	26,352	202,032	01.05.2021 to 30.04.2024	
		Total Rent of Jessore	175,680	26,352	202,032		
31	Chuadanga Branch	Jan to Dec-2023	164,208	24,631	188,839	01.01.2023 to 31.12.2027	
		Total Rent of Chuadanga	164,208	24,631	188,839		
32	Barisal Branch	Jan to Dec - 2023	216,000	32,400	248,400	01.02.2020 to 31.01.2024	
		Total Rent of Barisal	216,000	32,400	248,400		
33	Dinaipur	June to Dec -2023	114,840	17,226	132,066	01.06.2021 to 30.05.2024	
		Total Rent of Dinaipur	114,840	17,226	132,066		
34	Thakurgaon Branch	Jan to Dec -2023	82,116	12,317	94,433	01.01.2022 to 31.12.2023	
		Total Rent of Thakurgaon	82,116	12,317	94,433		
		Jan to Jan-2023	17,220	2,583	19,803	01.02.2020 to 31.01.2023	
35	Rangpur Branch	Feb to Dec-2023	189,420	28,413	217,833	01.02.2023 to 31.01.2025	
		Total Rent of Rangpur	206,640	30,996	237,636		
36	Dikkusha	Jan to Dec-2023	720,000	108,000	828,000	01.11.2021 to 31.10.2026	
		Total Rent of Mymensingh	720,000	108,000	828,000		
37	Jamalpur Branch	Jan to July-2023	44,212	6,632	50,844	01.02.2021 to 31.07.2023	
		August to Dec-2023	36,750	5,513	42,263	01.08.2022 to 31.07.2028	
		Total Rent of Jamalpur	80,962	12,144	93,106		
		37	10,439,590	1,565,936	12,005,526		

13

SUSTAINABILITY REPORTING

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13.1 Sustainability Reporting

Continental Insurance Limited is to approach sustainability reporting with a focus on disclosing its efforts and impacts across environmental, social, and governance (ESG) dimensions.

1. Introduction

- Overview of Continental Insurance Limited
- Importance of sustainability in the insurance industry
- Purpose and scope of the sustainability report
- Reporting guidelines and frameworks followed

2. Governance and Ethics

- Corporate governance structure and practices related to sustainability
- Board oversight of sustainability issues
- Code of ethics and compliance with regulatory requirements

3. Environmental Performance

- Energy consumption and greenhouse gas emissions
- Water usage and conservation efforts
- Waste management practices and recycling initiatives

4. Social Impact

- Diversity, equity, and inclusion policies and initiatives
- Employee health and safety programs
- Community engagement and philanthropy activities

5. Economic Contribution

- Financial performance with respect to sustainability investments
- Contributions to local economies and job creation
- Impact of insurance products on economic resilience

6. Risk Management

- Identification and management of environmental and social risks
- Integration of ESG factors into risk assessment processes
- Strategies for climate change adaptation and resilience

7. Stakeholder Engagement

- Stakeholder inclusiveness and engagement strategies
- Feedback mechanisms and responsiveness to stakeholder concerns
- Collaborations with customers, suppliers, and communities

8. Performance Metrics and Targets

- Key performance indicators (KPIs) for sustainability goals
- Progress towards achieving targets and milestones
- Comparisons with industry benchmarks and peers

9. Innovation and Technology

- Research and development initiatives for sustainable insurance products
- Adoption of technology to enhance sustainability efforts
- Innovation in risk assessment and mitigation strategies

10. Future Outlook and Strategy

- Long-term sustainability goals and strategic priorities
- Innovation roadmap for sustainable business practices
- Anticipated challenges and opportunities in the sustainability landscape

11. Assurance and Reporting Process

- Assurance mechanisms and verification of sustainability data
- Transparency in reporting methodologies and data sources
- External audits and certifications (if applicable)

12. Conclusion

- Summary of key achievements and challenges
- Commitment to continuous improvement and sustainability leadership
- Call to action for stakeholders to collaborate on sustainability goals

This structured approach ensures that CIL provides a comprehensive view of its sustainability efforts, aligns with global reporting standards, and demonstrates transparency and accountability. Each section contributes to building trust with stakeholders and enhancing CIL's reputation as a responsible and sustainable insurer.

13.2 Corporate Social Responsibility

Continental Insurance Limited effectively demonstrate Corporate Social Responsibility (CSR) through a comprehensive strategy that aligns with its core values and business objectives.

1. Ethical Business Practices

Integrity and Transparency: Ensure all business operations adhere to the highest ethical standards. This includes fair treatment of clients, transparent policies, and honest communication.

Compliance: Strict adherence to regulatory requirements and industry standards, demonstrating commitment to legal and ethical business conduct.

2. Employee Well-being and Development

Health and Safety: Provide a safe working environment for employees through regular safety audits and training programs.

Professional Development: Offer continuous learning opportunities, mentoring programs, and career advancement initiatives to foster employee growth and satisfaction.

3. Environmental Sustainability

Green Initiatives: Implement measures to reduce environmental impact, such as energy efficiency improvements, waste reduction, and promoting sustainable practices within the organization.

Climate Action: Support initiatives that address climate change and contribute positively to environmental conservation efforts.

4. Community Engagement

Local Community Support: Invest in community development projects focused on education, healthcare, and infrastructure improvements in areas where CIL operates.

Volunteerism: Encourage employees to participate in volunteer activities and contribute their time and skills to local community initiatives.

5. Customer Relations and Product Responsibility

Customer Education: Provide clear and transparent information to customers about insurance products and services.

Customer Privacy: Safeguard customer data and uphold privacy standards to ensure trust and confidence in CIL's services.

6. Philanthropic Initiatives:

Charitable Giving: Support charitable organizations and initiatives aligned with CIL's values and community needs.

Disaster Relief: Provide timely support and assistance during natural disasters or humanitarian crises, demonstrating responsiveness and solidarity with affected communities.

7. Stakeholder Engagement and Reporting:

Regular Communication: Maintain open and constructive dialogue with stakeholders including customers, employees, investors, and regulatory bodies.

Impact Assessment: Measure and report the social, environmental, and economic impacts of CSR initiatives to demonstrate accountability and transparency.

By integrating these CSR principles into its operations, Continental Insurance Limited enhance its reputation, build stronger relationships with stakeholders, attract and retain talent, and contribute positively to society and the environment while achieving its business goals.

13.3 Climate Responsible Strategy

Developing a climate responsible strategy for Continental Insurance Limited involves integrating environmental sustainability into the core of its operations and business practices.

1. Assessment and Understanding

Carbon Footprint Analysis: Conduct a thorough assessment of CIL's direct and indirect greenhouse gas emissions, including operational activities, investments, and supply chain.

Risk Assessment: Identify climate-related risks that could impact CIL's business, such as physical risks (e.g., natural disasters affecting insured properties) and transition risks (e.g., regulatory changes impacting investments).

2. Setting Goals and Targets

Emission Reduction Targets: Establish specific, measurable targets to reduce greenhouse gas emissions across CIL's operations.

Carbon Neutrality Commitment: Develop a roadmap towards achieving carbon neutrality, considering emissions reduction initiatives and offsetting strategies.

3. Integration into Underwriting and Products

Climate Risk Underwriting: Integrate climate risk assessments into underwriting processes to better evaluate and price risks associated with climate change.

Green Insurance Products: Develop innovative insurance products that incentivize and support climate-resilient investments and practices for policyholders.

4. Investment and Asset Management

Green Investments: Allocate investments towards renewable energy projects, green bonds, and other sustainable assets.

Climate-Sensitive Asset Management: Consider climate risks and opportunities in asset allocation decisions to enhance long-term financial performance and resilience.

5. Engagement and Collaboration

Stakeholder Engagement: Engage with customers, employees, investors, and regulators on climate-related initiatives, including transparency in reporting and disclosures.

Partnerships: Collaborate with industry peers, research institutions, and NGOs to share best practices, develop standards, and advocate for climate action.

6. Operational Efficiency and Resilience

Energy Efficiency: Implement energy-saving measures in offices and facilities to reduce operational carbon footprint.

Business Continuity Planning: Incorporate climate risk scenarios into business continuity plans to ensure resilience against climate-related disruptions.

7. Monitoring, Reporting, and Accountability

Metrics and Reporting: Establish key performance indicators (KPIs) to track progress towards climate goals and regularly report on environmental impacts and initiatives.

External Assurance: Seek third-party verification or certification of sustainability efforts to enhance credibility and transparency.

8. Regulatory Compliance and Advocacy

Policy Advocacy: Advocate for policies and regulations that support climate action, resilience-building, and sustainable finance in the insurance sector.

Compliance: Ensure compliance with relevant environmental regulations and standards, staying ahead of emerging regulatory requirements.

9. Employee Education and Engagement

Training and Awareness: Educate employees on climate change impacts, CIL's sustainability strategy, and their role in achieving corporate goals.

Incentives: Offer incentives for employees who contribute ideas or actions that promote sustainability and climate resilience.

By implementing a comprehensive climate responsible strategy, CIL can enhance its resilience to climate risks, meet stakeholder expectations for sustainability, and contribute positively to global efforts to mitigate climate change. This approach not only aligns with ethical and regulatory imperatives but also positions CIL as a leader in responsible corporate governance and environmental stewardship within the insurance industry.

13.4 Disaster Management

Continental Insurance Limited focused on providing coverage and services related to disaster management and recovery.

- 1. Insurance Coverage:** CIL offer insurance policies specifically designed to cover losses and damages caused by various types of disasters such as natural disasters (earthquakes, floods, hurricanes), fires, industrial accidents, and so on.
- 2. Risk Assessment and Mitigation:** CIL conduct thorough risk assessments for its clients to evaluate potential vulnerabilities and suggest mitigation strategies to reduce risks associated with disasters.
- 3. Emergency Response Services:** CIL provide emergency response services, including immediate financial assistance, temporary housing, and other necessary support following a disaster.
- 4. Claims Processing:** Efficient and prompt claims processing is a key service of CIL, ensuring that clients receive compensation quickly to facilitate recovery and rebuilding efforts.
- 5. Consulting and Training:** CIL offer consulting services to businesses and organizations on

disaster preparedness, as well as training programs to educate individuals and businesses on how to respond effectively in case of emergencies.

- 6. Technology Integration:** Utilizing advanced technology such as satellite imaging, predictive modeling, and real-time monitoring systems to enhance disaster prediction, response, and recovery efforts.
- 7. Partnerships and Collaboration:** Collaborating with government agencies, NGOs, and other stakeholders involved in disaster management to foster a coordinated and effective response to large-scale disasters.

Overall, CIL play a crucial role in helping businesses and individuals manage and recover from disasters by providing comprehensive insurance coverage and related services aimed at minimizing the impact of disasters on their lives and livelihoods.



13.5 Regulatory Review

Reviewing the regulatory status of Continental Insurance Limited involves several key aspects to ensure compliance and assess its operational framework within the regulatory environment:

1. Legal and Regulatory Framework: Understand the specific insurance laws, regulations, and guidelines that apply to insurance companies in the jurisdiction where CIL operates. This includes licensing requirements, solvency regulations, consumer protection laws, and any other relevant statutes.

2. Licensing and Registration: Verify that CIL holds the necessary licenses and registrations from the regulatory authority to operate as an insurance company. This includes checking the status of its license, renewal dates, and any restrictions or conditions imposed.

3. Financial Stability and Solvency: Assess CIL's financial strength and solvency position. Review financial statements, including balance sheets, income statements, and cash flow statements, to ensure compliance with regulatory capital requirements and financial reporting standards.

4. Corporate Governance and Risk Management: Evaluate CIL's corporate governance structure, including the composition of the Board of Directors, management oversight, and internal controls. Assess the effectiveness of its risk management framework in identifying, measuring, and mitigating risks.

5. Compliance with Regulatory Requirements: Review CIL's compliance with regulatory requirements across various operational areas, including underwriting practices, claims management, investment activities, and reinsurance arrangements. Ensure adherence to regulatory standards for product offerings and pricing.

6. Consumer Protection and Market Conduct: Investigate any complaints or regulatory actions related to CIL's market conduct. Assess how the Company handles customer interactions, including sales practices, policyholder communications, and dispute resolution procedures.

7. Data Protection and Cybersecurity: Evaluate CIL's measures for protecting policyholder data and ensuring cybersecurity resilience. Assess compliance with data protection regulations and industry standards for safeguarding sensitive information.

8. Regulatory Reporting and Filings: Verify that CIL submits required regulatory filings accurately and on time. This includes annual financial statements, solvency reports, statistical returns, and other disclosures mandated by the regulatory authority.

9. Emerging Regulatory Issues: Consider emerging regulatory trends and developments that impact CIL's operations. Stay informed about regulatory changes in areas such as climate risk disclosure, digital transformation, and sustainability reporting.

10. Audit and Review Process: Conduct periodic audits or reviews of CIL's regulatory compliance to monitor ongoing adherence to regulatory requirements. Identify any areas of non-compliance or improvement opportunities and work with CIL to address them.

Throughout the regulatory review process, it's essential to collaborate with legal experts, regulatory consultants, and internal stakeholders to gather necessary information, assess compliance status, and develop recommendations for ensuring CIL operates in accordance with regulatory expectations. Regular updates and adjustments to compliance strategies will help mitigate regulatory risks and maintain a strong regulatory standing for Continental Insurance Limited.

13.6 Stakeholder Identification

Identifying stakeholders for Continental Insurance Limited involves recognizing individuals, groups, or entities that have a vested interest in or are affected by the operations, decisions, or performance of the Company.

Internal Stakeholders

- 1. Board of Directors:** Responsible for governance, strategic oversight, and decision-making.
- 2. Management Team:** Ensuring alignment on strategic goals, performance metrics, and addressing concerns.
- 3. Employees:** Across various departments including underwriting, claims, customer service, IT, finance, and administration.
- 4. Shareholders:** Owners of the Company's stock, both institutional investors and individual shareholders.

External Stakeholders

- 1. Customers:** Policyholders who rely on CIL for insurance coverage and services.
- 2. Insurance Brokers and Agents:** Intermediaries who sell CIL's insurance products to customers.
- 3. Regulatory Bodies:** Government agencies responsible for overseeing the insurance industry and enforcing regulations.
- 4. Reinsurance Partners:** Companies that provide reinsurance services to CIL.
- 5. Suppliers and Service Providers:** Companies providing goods and services crucial to CIL's operations, such as IT infrastructure, office supplies, etc.
- 6. Investors and Financial Analysts:** Analysts who evaluate CIL's financial performance and provide recommendations to investors.
- 7. Media and Public:** Journalists, media outlets, and the general public interested in CIL's activities, financial health, and industry impact.
- 8. Industry Associations:** Organizations representing the insurance industry, influencing policies, and setting standards.
- 9. Community and NGOs:** Local communities and non-governmental organizations impacted by CIL's operations, especially in terms of corporate social responsibility initiatives.
- 10. Legal Advisors and Consultants:** Law firms, consultants, and advisors providing legal and strategic guidance to CIL.

Special Interest Groups

- 1. Consumer Advocacy Groups:** Organizations representing the interests of policyholders and ensuring fair treatment.
- 2. Environmental Groups:** Concerned with CIL's environmental impact and sustainability practices.
- 3. Employee Unions:** Representing employee rights and

interests.

- 4. Educational and Research Institutions:** Entities conducting research relevant to the insurance industry and providing insights.

Government and Regulatory Bodies

- 1. Insurance Regulatory Authorities:** Authorities responsible for licensing, compliance, and oversight of insurance companies like CIL.
- 2. Local, State, and Federal Governments:** Governments where CIL operates, influencing policies, regulations, and business environment.

Mapping and Engagement

- 1. Stakeholder Mapping:** Evaluate the level of interest, influence, and importance of each stakeholder to prioritize engagement efforts.
- 2. Stakeholder Engagement Strategies:** Develop tailored communication and engagement strategies to address stakeholders' needs, concerns, and expectations.
- 3. Communication Channels:** Establish effective channels for ongoing communication and feedback with stakeholders.

By identifying these stakeholders effectively, CIL enhance its reputation, manage risks, and foster positive relationships critical for its long-term success in the insurance industry.

13.7 Stakeholder Engagement

Stakeholder engagement at Continental Insurance Limited plays a crucial role in fostering trust, transparency, and mutually beneficial relationships with key groups involved in or impacted by the company's operations.

Engagement Strategies

1. Communication Channels:

- Utilizing diverse channels such as newsletters, intranet portals, social media, and regular meetings to keep stakeholders informed.
- Tailoring communication methods to each stakeholder group's preferences and needs.

2. Feedback Mechanisms:

- Implementing surveys, focus groups, and dedicated feedback channels to gather insights from stakeholders.
- Acting upon feedback to improve operations, products, and services.

3. Transparency and Accountability:

Maintaining transparency in decision-making processes, financial reporting, and governance practices.

Holding regular meetings and forums to address stakeholder concerns and provide updates on key initiatives.

4. Relationship Building:

- Cultivating trust and goodwill through consistent engagement, responsiveness to queries, and proactive outreach during critical situations.
- Investing in long-term relationships based on shared values and mutual respect.

Benefits of Effective Engagement

1. Enhanced Reputation: Building a positive reputation among stakeholders as a reliable and responsible insurer.

2. Risk Mitigation: Anticipating and addressing potential risks through early stakeholder engagement and dialogue.

3. Innovation and Growth: Stimulating innovation by incorporating stakeholder insights into strategic planning and product development.

4. Regulatory Compliance: Ensuring compliance with regulatory requirements through proactive engagement with regulators and industry bodies.

By prioritizing stakeholder engagement as a strategic imperative, CIL strengthens its position in the market, fosters sustainable growth, and creates shared value for all stakeholders involved.



13.8 Communication with Shareholders & Stakeholders

Continental Insurance Limited is committed to provide a high standard of communication to its shareholders and other investors so that they can have all information reasonably required to make informed assessments of the Company's value and prospects. Some information needs to be communicated immediately in the form of price sensitive information, for which suitable procedures are in place. Directors of the Company normally attend the Annual General Meeting and shareholders are invited to ask questions during the meeting and to meet Directors after the formal proceedings have been concluded. The Directors appreciate the importance of general shareholders of the Company and use the Company's Annual General Meeting as further opportunities to communicate with them. It is the company's policy to give the shareholders the opportunity at Annual General Meeting to ask questions about its activities and prospects. The Board also so arranges that shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered. As in past years, the Chairman of the Company is available to answer questions from shareholders at the Annual General Meeting. The Company also maintains a corporate website www.cilbd.com containing a wide range of information of the Company. The website is updated on regular basis.

Communication with shareholders and stakeholders is crucial for maintaining transparency, trust, and alignment of interests within Continental Insurance Limited.

1. Clear and Timely Updates

Financial Performance: Provide regular updates on financial results, including quarterly earnings reports, annual financial statements, and key financial metrics. Ensure clarity in explaining financial performance, highlighting both achievements and challenges.

Operational Highlights: Share updates on operational milestones, strategic initiatives, and significant events that impact the company's performance.

2. Strategic Direction and Corporate Governance

Long-term Strategy: Clearly articulate CIL's strategic goals, including growth initiatives, market expansion plans, and innovation strategies.

Corporate Governance: Demonstrate commitment to strong governance practices, compliance with regulatory requirements, and ethical standards. Communicate how governance practices contribute to long-term sustainability and shareholder value.

3. Engagement and Dialogue

Shareholder Meetings: Conduct regular shareholder meetings, such as annual general meetings (AGMs), where shareholders

interact with management, ask questions, and vote on key matters.

Stakeholder Engagement: Engage with stakeholders beyond shareholders, including employees, customers, suppliers, and the community. Communicate CIL's efforts in corporate social responsibility (CSR), environmental sustainability, and community involvement.

4. Transparency and Accountability

Transparency: Transparency in communication, providing clear and accurate information about CIL's performance, risks, and opportunities.

Accountability: Take responsibility for actions and decisions, addressing any issues or challenges openly and proactively.

5. Digital Communication and Accessibility

Digital Platforms: Utilize digital channels effectively, such as a well-maintained website, social media, and email newsletters, to disseminate information to shareholders and stakeholders.

Accessibility: Ensure information is accessible and understandable for all stakeholders, including those with varying levels of financial literacy or technical knowledge.

6. Feedback Mechanisms

Feedback: Encourage feedback from shareholders and stakeholders, providing avenues for them to express concerns, ask questions, and provide input.

Response: Responsively address feedback and inquiries, demonstrating responsiveness to stakeholder concerns and priorities.

7. Consistency and Long-Term Relationships

Consistent Messaging: Maintain consistency in messaging across different communication channels and over time, reinforcing key messages about CIL's values, mission, and strategic priorities.

Relationship Building: Focus on building long-term relationships with shareholders and stakeholders based on trust, transparency, and mutual respect.

By implementing these strategies, CIL strengthen its communication with shareholders and stakeholders, fostering a supportive environment for sustainable growth and value creation.

13.9 Collaboration & Cooperation

Collaboration and cooperation are essential elements for the success of Continental Insurance Limited. By fostering these principles, CIL enhance its operational efficiency, customer service, and overall business growth.

1. Teamwork and Innovation: Encouraging collaboration among teams within CIL lead to innovative ideas and solutions. When different departments or individuals work together, they leverage their diverse perspectives and expertise to develop new products, improve processes, or streamline operations.

2. Customer Service Excellence: Cooperation among various departments such as customer service, claims processing, underwriting, and sales ensure a seamless experience for customers. By working together, teams address customer needs more effectively and provide timely solutions, enhancing overall satisfaction.

3. Risk Management and Underwriting: Collaboration between underwriting and risk management teams is crucial for assessing and mitigating risks effectively. By sharing information and insights, CIL make more informed decisions about coverage and pricing, which is essential for maintaining profitability and competitiveness.

4. Technology Integration: In today's digital age, collaboration is key to successfully implementing new technologies. IT teams working closely with business units ensure that systems are integrated smoothly, data is secure, and digital platforms enhance rather than disrupt operations.

5. Partnerships and Alliances: Collaboration extends beyond internal teams to external partnerships and alliances. Working with

reinsurers, brokers, and other stakeholders in the insurance ecosystem open up new market opportunities, expand CIL's service offerings, and improve risk management capabilities.

6. Training and Development: Cooperation between HR and various departments ensures that employees receive adequate training and development opportunities. This fosters a skilled workforce that is adaptable to industry changes and able to deliver high-quality service to clients.

7. Ethical Standards and Compliance: Collaboration between legal, compliance, and operational teams ensures that CIL adheres to regulatory requirements and ethical standards. This protects the Company's reputation and builds trust with clients and stakeholders.

By prioritizing collaboration and cooperation, Continental Insurance Limited strengthen internal cohesion, enhance customer satisfaction, drive innovation, and achieve sustainable growth in the insurance market. These principles not only improve operational efficiency but also position CIL as a trusted partner in meeting the evolving needs of its clients and stakeholders.

13.10 Transparency & Accountability

Transparency and Accountability are fundamental principles that Continental Insurance Limited uphold to foster trust and confidence among its stakeholders, including customers, investors, regulators, and the public.

1. Clear Communication of Policies and Terms:

Ensure that all insurance policies, terms, conditions, and exclusions are communicated clearly and comprehensively to policyholders. This transparency helps customers understand what they are covered for and minimizes misunderstandings.

2. Disclosure of Financial Information:

Provide regular and detailed financial reports, including annual financial statements audited by reputable external auditors. These reports is easily accessible to shareholders, regulators, and the public, demonstrating CIL's financial health and performance.

3. Compliance with Regulatory Standards:

Adhere strictly to all regulatory requirements and guidelines set forth by insurance regulatory bodies. This includes licensing, solvency requirements, and consumer protection regulations.

4. Ethical Standards and Governance: Maintain high ethical standards across all levels of the organization. Implement and enforce a robust code of conduct and ethics that governs the behavior of employees and management.

5. Risk Management Practices: Implement effective risk management practices to identify, assess, mitigate, and monitor risks that impact the Company's operations or financial stability. This ensures proactive management of potential risks.

6. Customer Service and Complaint Handling:

Establish efficient and responsive customer service channels to address inquiries, claims, and complaints promptly and fairly. Feedback mechanisms should be in place to continuously improve customer service delivery.

7. Board Oversight and Independence: Ensure an independent Board of Directors that oversees the

Company's strategic direction, management decisions, and financial performance. Board members should possess diverse expertise and act in the best interest of stakeholders.

8. Employee Training and Development:

Invest in training and development programs for employees to enhance their skills, knowledge, and adherence to Company's policies. This includes training on ethical conduct, compliance, and customer service excellence.

9. Corporate Social Responsibility (CSR):

Engage in CSR initiatives that contribute positively to the community and environment. These initiatives align with CIL's values and help build a positive reputation beyond financial performance.

10. Transparency in Claims Handling:

Ensure transparency in the claims handling process, providing clear explanations to policyholders about claim decisions, procedures, and timelines.

By consistently demonstrating transparency and accountability in these areas, Continental Insurance Limited build and maintain trust with its stakeholders, differentiate itself in the competitive insurance market, and achieve sustainable growth and success over the long term.

13.11 Dividend Distribution Policy

The primary objective of CIL's Dividend Distribution Policy is to provide shareholders with a stable and growing dividend over time while maintaining a prudent approach to capital management. The policy aims to reflect the company's financial performance, capital requirements, and strategic objectives. The Dividend Distribution Policy of Continental Insurance Limited typically outlines how the Company intends to distribute profits to its shareholders in the form of dividends.

This policy will be applicable to Continental Insurance Limited ("The Company"). This policy is for the declaration and payment of dividend to shareholders of the Company and it will be confirmed by the respective Board of Directors.

Declaration

Dividend shall be declared or paid out of

1. Current Year's profit

- A. After providing for depreciation and Tax in accordance with law.
- B. After transferring to the reserves such amount of Profit as may be prescribed, or

2. The Profits for any previous financial year(s)

- A. After providing for depreciation in accordance with law, and
- B. Remaining undistributed.
- C. If the current year's profit is not adequate then the Company may declare dividend out of accumulated distributable from previous year or

3. Out of (I) & (II) both

Board should avoid the practice of payment of dividend from borrowings except for meeting timing difference between payments of dividend and generating positive cash flows provided there is sufficient profit generated. Wide variation in rate of dividend should be avoided.

Dividend Equalization Reserve

A dividend equalization reserve may be created by appropriating a portion of the distributable profit from time to time to enable the Company to maintain consistency in distribution of dividend from year to year. In cases where there is inadequacy for current profit for payment of desired dividend amount then it may be transferred from this account to distributable profit to maintain consistency in dividend distribution.

Factors to be Considered Before Declaration of Dividend

The Company strive to distribute the best possible consolidated Profit after Tax (PAT) as dividend. However, since the Company is in the initial stage of growth trajectory substantial Capital including internal accruals is required to be reinvested. Therefore, Board for next 3 years would exercise discretion in declaring the dividend based upon the requirement of capital for its portfolio business.

The amounts paid as dividends in the past will not be necessarily indicative of the dividend amounts, if any that may be payable in future. The form, frequency and amount of future dividends shall be at the discretion of our Board and subject to the approval of our shareholders and will depend on various factors including but not limited to:

1. Revenues;
2. Cash Flows;
3. Financial Condition (including capital position);
4. Capital requirements;
5. Profit earned during the financial year;
6. Liquidity;
7. Future expansion plans;
8. Applicable taxes on dividend in hands of recipients including dividend distribution tax, where applicable;
9. Retained earnings vs. expected return from the business;
10. Adequate cash utilization opportunities.

Timing of Dividend

1. Interim dividends as and when decided by Board will be declared after considering the interim Profit and Loss Account and Balance Sheet statement for the period for which interim dividends are declared. Interim Profit and Loss Account and Balance Sheet Statement will be prepared considering the profit, depreciation for the full year, taxation including the deferred tax and any anticipated losses for the year.

2. Final dividends as and when declared at the AGM of the shareholders will be based on the recommendations by Board based on review of audited financial statements of the year.

13.12 Going Concern

When referring to Continental Insurance Limited as a "going concern," it indicates that the Company is currently stable and expected to continue its operations in the foreseeable future. This assumption is based on the belief that CIL has the resources and capability to continue operating into the foreseeable future without the intention or necessity of liquidation or ceasing operations. For stakeholders and investors, the going concern assumption is critical because it underpins the reliability and relevance of the financial statements. It implies that CIL's management believes the Company will be able to meet its financial obligations as they become due and continue to use its assets in the ordinary course of business.

1. Stability and Viability: CIL is believed to have the financial resources, operational capacity, and strategic plans necessary to continue operating without significant interruption or liquidation.

2. Financial Reporting: The financial statements of CIL are prepared under the assumption that the Company will continue its business activities indefinitely. This assumption affects how assets, liabilities, revenues, and expenses are recorded and reported.

3. Disclosure Requirements: If there are uncertainties or events that cast doubt on CIL's ability to continue as a going concern—such as significant financial losses, liquidity problems, or other material adverse circumstances, then these must be disclosed in the financial statements. Such disclosures are essential for stakeholders to assess the potential impact on the company's financial position and operations.

4. Impact on Stakeholders: Stakeholders, including investors, creditors, and regulators, rely on the going concern assumption to assess the Company's financial health and future prospects. It provides assurance that CIL is expected to meet its obligations and continue its operations as planned.

In summary, describing Continental Insurance Limited as a going concern means that it is expected to operate for the foreseeable future, with its financial statements prepared under the assumption that it will continue its business activities without the need for significant changes or disruptions.



13.13 Statement of Going Concern & Liquidity Management

The "Statement of Going Concern and Liquidity Management" for Continental Insurance Limited typically addresses the company's ability to continue operating in the foreseeable future and its strategy for managing liquidity risks.

1. **Going Concern:** This part of the statement asserts that management believes CIL will continue to operate for the foreseeable future, usually at least the next 12 months. It is based on assessments of financial forecasts, cash flow projections, and the availability of adequate funding.

2. **Factors Considered:** Management discuss the key factors influencing the assessment of going concern, such as:

- Financial performance and profitability trends.
- Debt levels and repayment schedules.
- Dependence on key customers or contracts.
- Market conditions and competitive landscape.
- Regulatory environment and compliance.

3. **Risk Factors:** The statement also outlines any significant risks or uncertainties that impact CIL's ability to remain a going concern. These include:

- Economic downturns affecting insurance premiums or investment returns.
- Catastrophic events leading to large claims payouts.
- Regulatory changes affecting the insurance industry.
- Adverse litigation outcomes.

4. **Liquidity Management:** This section details how CIL manages its liquidity, ensuring it has sufficient cash and liquid assets to meet its financial obligations as they come due. It covers:

- Cash flow management practices.
- Policies on maintaining adequate working capital.
- Access to credit facilities or other sources of liquidity.
- Contingency plans for unexpected liquidity needs.

5. **Conclusion:** The statement concludes with

management's overall assessment of CIL's ability to continue as a going concern, supported by the liquidity management strategies in place. If there are significant concerns, management might discuss plans to mitigate risks or seek additional financing.

The purpose of this statement is to provide transparency to stakeholders, including investors, creditors, and regulators, about the financial health and sustainability of Continental Insurance Limited in the short to medium term.

13.14 Contribution to National Economy

Continental Insurance Limited (CIL) contributes significantly to the national economy through various channels:

1. Risk Mitigation and Stability: CIL provides insurance products that mitigate financial risks for businesses and individuals. By covering losses from unexpected events such as accidents, natural disasters, or health crises, CIL enhances economic stability. Businesses can operate confidently, knowing they are protected against potential losses, which encourages investment and entrepreneurship.

2. Investment in Financial Markets: Insurance companies manage substantial funds collected as premiums. These funds are typically invested in financial markets such as stocks, bonds, and real estate. These investments not only generate returns for policyholders but also contribute to capital markets' liquidity and stability. CIL's investment activities thus support economic growth by providing capital for businesses and governments.

3. Employment and Career Opportunities: CIL is a significant employer, offering jobs across various sectors such as underwriting, claims management, actuarial science, sales, and administrative roles. By providing stable employment opportunities with competitive benefits, CIL contributes to economic development by supporting livelihoods and enhancing household incomes.

4. Corporate Social Responsibility (CSR) Initiatives: CIL engage in CSR activities that benefit society. These initiatives often focus on areas such as education, healthcare, community development, and environmental sustainability. By investing in these areas, CIL helps improve overall societal well-being and contributes to the social fabric that supports economic stability.

5. Government Revenue: Insurance companies contribute to government revenue through taxes and regulatory fees. These funds support public infrastructure, education, healthcare, and other essential services that are crucial for economic

development.

6. Promotion of Financial Literacy: Insurance companies often play a role in promoting financial literacy and awareness about risk management among individuals and businesses. This knowledge empowers consumers to make informed financial decisions, which can lead to greater economic stability and growth.

7. Support for Business and Consumer Confidence: Insurance services provided by CIL bolster confidence among businesses and consumers. Businesses can mitigate operational risks and secure financing with insurance coverage, while individuals can protect their assets and plan for the future with peace of mind. This confidence stimulates economic activity and consumption, driving overall economic growth.

8. Risk Management Expertise and Advocacy: Beyond insurance products, CIL contributes to the economy by advancing risk management expertise and advocating for best practices in the industry. By promoting risk-aware decision-making and resilience-building strategies, CIL helps businesses and individuals navigate uncertain economic environments more effectively.

In conclusion, Continental Insurance Limited plays a pivotal role in the national economy through its contributions to risk mitigation, investment, employment generation, fiscal revenue, business confidence, risk management expertise, and CSR initiatives. These efforts collectively foster economic resilience, stability, and growth, positioning CIL as a vital player in the country's economic ecosystem.

13.15 Contribution to National Exchequer

The term "Contribution to National Exchequer" generally refers to the financial contribution made by entities such as corporations, businesses, and individuals to the government's treasury through various means.

1. Taxation: This is the primary source of revenue for governments. Continental Insurance Limited contribute to the national exchequer through corporate income taxes, value added tax and other taxes, charges, fees and levies imposed by the government.

2. Employment and Income Taxes: contribute indirectly through employment generation. By hiring employees and paying them salaries and wages, they contribute to income tax revenue for the government.

3. Regulatory Fees and Licenses: CIL typically pay regulatory fees and obtain licenses to operate within the jurisdiction. These fees contribute to the operational costs of government regulatory bodies.

4. Investment Income: CIL manage large

investment portfolios composed of premiums collected from policyholders. The returns on these investments, which are often invested in government securities and other financial instruments, contribute to the national exchequer.

5. Economic Growth and Stability: By providing risk management and financial protection services, CIL contribute to economic stability. This stability supports economic growth, which in turn leads to increased tax revenues for the government.

6. Social Contributions: CIL contribute to social causes and development projects through corporate social responsibility (CSR) initiatives. While these contributions may not directly go to the national exchequer, they contribute to societal welfare and indirectly impact the economy.

For Continental Insurance Limited, its contribution to the national exchequer encompass all these facets, demonstrating its role not only in the insurance sector but also in the broader economic landscape of the country it operates in.

13.16 Women Empowerment

At Continental Insurance Limited, fostering women empowerment is approached through various strategic initiatives aimed at creating a supportive and inclusive environment.

1. Diversity and Inclusion Policies: Establish comprehensive policies that promote gender diversity and inclusion across all levels of the organization. Ensure these policies are communicated effectively and implemented consistently.

2. Leadership Development: Implement targeted leadership development programs specifically designed for women. Provide mentoring opportunities with senior executives to help women advance into leadership roles within the Company.

3. Equal Pay and Benefits: Conduct regular reviews of compensation structures to ensure equal pay for equal work. Offer competitive benefits that support work-life balance, including parental leave policies and flexible work arrangements.

4. Training and Skill Development: Provide training programs and workshops focused on building skills and confidence among female employees. Offer opportunities for professional certifications and ongoing career development.

5. Networking and Support Groups: Establish networking groups or forums where female employees connect, share experiences, and support each other professionally. Encourage participation in industry associations and external networking events.

6. Promotion of Work-Life Balance: Promote a culture that supports work-life balance, including family-friendly policies, wellness programs, and initiatives that cater to the diverse needs of women in the workforce.

7. Recognition and Visibility: Recognize and celebrate achievements of women employees through awards, public acknowledgments, and opportunities to showcase their expertise within the organization and externally.

8. Community Engagement and CSR: Engage in

community outreach programs that focus on women's empowerment, such as mentoring programs for young women, partnerships with NGOs supporting women's rights, or sponsoring educational initiatives.

9. Transparent Communication: Foster open dialogue and transparency regarding career progression, opportunities for advancement, and company policies related to gender equality. Encourage feedback from female employees to continuously improve initiatives.

10. Monitoring and Evaluation: Regularly monitor progress on diversity and inclusion goals related to women empowerment. Collect feedback through surveys and focus groups to assess the effectiveness of initiatives and make adjustments as needed.

By implementing these strategies, Continental Insurance Limited create a workplace where women feel empowered, valued, and supported in their professional growth and development. This not only enhances employee satisfaction but also contributes to the overall success and diversity of the organization.

13.17 Redressal of Clients' Complaints

Addressing clients' complaints effectively is crucial for Continental Insurance Limited to maintain customer satisfaction and trust.

1. Establish Clear Channels for Complaints

Online Platform: Develop a user-friendly online portal where clients can submit complaints.

Customer Service: Provide a dedicated phone line and email address for complaint submissions.

Branch Offices: Ensure all branch offices have complaint submission facilities.

2. Prompt Acknowledgment

Automated Response: Send an immediate automated acknowledgment upon receiving a complaint.

Personal Touch: Follow up with a personalized acknowledgment from a customer service representative.

3. Thorough Investigation

Assign Responsibility: Designate trained staff to investigate each complaint thoroughly.

Gather Information: Collect all relevant details and documentation related to the complaint.

4. Resolution Strategy

Fair Assessment: Assess complaints objectively and fairly based on CIL policies and regulatory guidelines.

Timely Resolution: Strive to resolve complaints promptly, setting realistic timelines communicated to the client.

5. Communication During Resolution

Update Regularly: Keep the client informed of the progress of their complaint at regular intervals.

Provide Options: Offer alternative solutions or compensation where appropriate.

6. Feedback and Follow-up

Client Feedback: Solicit feedback from clients on

their satisfaction with the complaint resolution process.

Learn and Improve: Analyze feedback to identify areas for improvement in CIL's products or services.

7. Documentation and Reporting

Record Keeping: Maintain comprehensive records of all complaints and their resolutions.

Reporting: Generate regular reports on complaint trends and resolutions for management review.

8. Staff Training and Empowerment

Training Programs: Conduct regular training sessions for staff on effective complaint handling techniques.

Empowerment: Empower frontline staff to make decisions within their authority to resolve complaints promptly.

9. Continuous Improvement:

Feedback Loop: Use insights from complaints to implement proactive improvements in CIL's processes and customer service.

Adaptation: Stay adaptable to changing client needs and industry regulations to prevent recurring complaints.

10. Transparency and Accountability

Transparency: Maintain open communication with clients about the status of their complaints and any actions taken.

Accountability: Hold staff and management accountable for resolving complaints in a timely and satisfactory manner.

By implementing these strategies, Continental Insurance Limited effectively manage and resolve client complaints, thereby enhancing overall customer satisfaction and loyalty. This proactive approach will also contribute positively to CIL's reputation in the insurance industry.

13.18 Redressal of Investors' Complaints

To address investors' complaints effectively, Continental Insurance Limited follow a structured approach that ensures transparency, responsiveness, and fairness.

1. Establish a Complaints Handling System: Implement a formal mechanism for receiving, recording, and resolving complaints. This system is accessible to investors through multiple channels such as email, phone, and a dedicated complaints portal.

2. Acknowledge Receipt: Ensure that every complaint received is acknowledged promptly, preferably within a specified timeframe (e.g., 24-48 hours). This acknowledgment should include a reference number for tracking purposes.

3. Investigation and Resolution: Conduct a thorough investigation into each complaint to understand the underlying issues. Assign trained personnel or a dedicated complaints resolution team to handle these investigations promptly.

4. Timely Responses: Provide timely responses to investors, outlining the findings of the investigation and the proposed resolution. Even if the resolution may take time, periodic updates is provided to keep investors informed.

5. Fair and Transparent Process: Ensure that the complaints handling process is fair, transparent, and consistent. Maintain detailed records of each complaint and its resolution for audit and review purposes.

6. Compliance with Regulations: Adhere to all regulatory requirements and guidelines related to complaints handling in the insurance sector. This includes maintaining confidentiality of complainants' information and following prescribed timelines for resolution.

7. Feedback Mechanism: Encourage feedback from investors regarding their satisfaction with the complaint resolution process. Use this feedback to continuously improve the effectiveness of the complaints handling system.

8. Training and Awareness: Train staff involved in handling complaints to be empathetic, responsive, and knowledgeable about relevant insurance products and regulations. Awareness campaigns among investors can help in setting realistic expectations about the complaints handling process.

9. Escalation Procedures: Establish clear escalation procedures for unresolved or complex complaints. Ensure that senior management or a designated committee reviews such cases and provides guidance for resolution.

10. Monitoring and Reporting: Regularly monitor key performance indicators related to complaints handling, such as resolution timeframes and customer satisfaction levels. Report on these metrics internally and, if required, externally as part of corporate governance and compliance obligations.

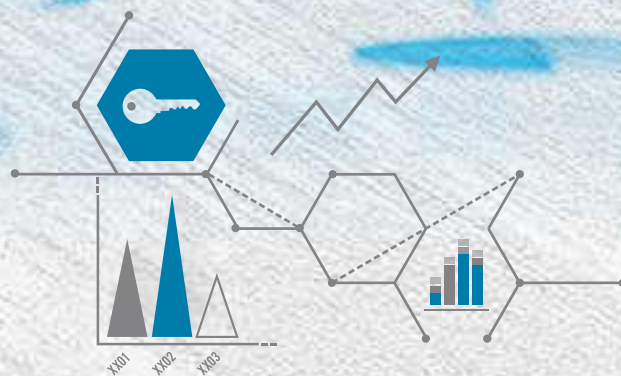
By implementing these steps, Continental Insurance Limited demonstrate its commitment to investor protection and satisfaction, thereby enhancing its reputation and trustworthiness in the market.



14

INTEGRATED REPORTING AND CAPITALS





- 14.1 Integrated Reporting Framework**
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14.1 Integrated Reporting Framework

The Integrated Reporting Framework is a structured approach developed by the International Integrated Reporting Council (IIRC) to enable organizations to communicate how they create value over time. It helps in presenting a comprehensive view of the company's strategy, governance, performance, and prospects in a holistic manner.

1. Strategic Focus and Future Orientation:

- CIL describes its mission, vision, and overall strategy, focusing on how it plans to create value in the short, medium, and long term.
- This also covers the external factors influencing its strategy, such as market trends, regulatory changes, and competitive landscape.

2. Governance Structure and Policies:

- Detailing CIL's governance framework, including the roles and responsibilities of the board and management in overseeing strategy execution and risk management.
- Highlighting key policies related to governance, ethics, compliance, and sustainability.

3. Business Model:

- Explaining how CIL creates value through its business activities, including its products/services, distribution channels, customer relationships, and key resources.
- Illustrating the interrelationships between different aspects of the business model and how they contribute to overall value creation.

4. Risks and Opportunities:

- Identifying and assessing the key risks and opportunities that could impact CIL's ability to create value over time.
- Describing how the organization manages these risks and seizes opportunities to enhance resilience and sustainability.

5. Financial Performance:

- Providing a clear overview of CIL's financial performance, including key metrics such as revenue, profitability, and cash flow.
- Contextualizing financial results within broader strategic objectives and market conditions.

6. Social, Environmental, and Other Capitals:

- Reporting on CIL's impact on social and environmental factors, including initiatives related to community engagement, diversity, inclusion, and environmental stewardship.
- Discussing how these factors contribute to long-term value creation and resilience.

7. Outlook and Future Prospects:

- Offering insights into CIL's future outlook, including anticipated challenges and opportunities.
- Discussing strategic initiatives and investments aimed at driving sustainable growth and value creation.

8. Assurance and Validation:

- Providing assurance on the accuracy and reliability of the integrated report through external validation processes, where applicable.
- Demonstrating transparency and credibility in reporting practices.

By following this framework, Continental Insurance Limited can effectively communicate its strategy, governance, performance, and prospects in an integrated manner, demonstrating its commitment to sustainable value creation and stakeholder engagement. This approach not only enhances transparency and accountability but also strengthens CIL's reputation as a responsible corporate citizen in the insurance industry.

14.2 Overview of Our Capitals

Continental Insurance Limited manages various forms of capital to support its operations and create value for stakeholders. Here's an overview of the different types of capital that are important for CIL:

1. Financial Capital: This includes the funds raised from shareholders, retained earnings, and debt financing. Financial capital is essential for CIL to underwrite insurance policies, invest in assets, and meet regulatory capital requirements.

2. Human Capital: Refers to the skills, knowledge, and expertise of CIL's employees. Human capital is crucial for underwriting policies, assessing risks, managing claims, and providing excellent customer service.

3. Intellectual Capital: Includes CIL's proprietary technologies, patents, and intellectual property related to insurance products, underwriting models, risk assessment tools, and customer analytics.

4. Manufactured Capital: Effective management and maintenance of tangible assets are essential for sustaining CIL's operations and achieving its business objectives in the competitive insurance industry.

5. Social & Relationship Capital: Involves CIL's relationships with its customers, business partners, regulators, and the broader community. Building trust and maintaining positive relationships enhances CIL's reputation and market position.

6. Reputational Capital: This is closely tied to social capital and refers to CIL's brand reputation, trustworthiness, and credibility in the insurance industry. A strong reputation attracts customers, employees, and investors.

7. Natural Capital: Natural capital includes environmental resources and sustainability practices that impact CIL's operations and corporate social responsibility efforts.

8. Structural Capital: Encompasses CIL's organizational structure, processes, and systems that support its operations.

This includes IT infrastructure, underwriting guidelines, risk management frameworks, and compliance procedures.

Effectively managing these forms of capital is crucial for Continental Insurance Limited to achieve its strategic objectives, maintain financial stability, comply with regulatory requirements, and sustain long-term profitability while creating value for its stakeholders. Each type of capital plays a role in shaping CIL's competitive advantage and ability to respond to market challenges and opportunities.

14.3 Financial Capital

Financial capital is a fundamental aspect for Continental Insurance Limited as it underpins the company's ability to operate, grow, and fulfill its obligations to policyholders and other stakeholders.

- 1. Capital Structure:** CIL manages its financial capital through a structured approach that typically includes a mix of equity capital (from shareholders), retained earnings, and some debt financing. The balance between equity and debt helps determine CIL's financial stability and capacity to absorb risks.
- 2. Underwriting Capacity:** Financial capital is crucial for CIL's underwriting activities, which involve assessing risks, pricing insurance policies, and ensuring adequate reserves to cover potential claims. A strong financial position enables CIL to underwrite policies effectively across various lines of insurance.
- 3. Investment Portfolio:** CIL invests premiums received from policyholders to generate investment income. The management of these investments is critical to enhancing overall financial returns and supporting the company's long-term financial health.
- 4. Risk Management:** Financial capital is allocated to manage various risks faced by CIL, including underwriting risks, investment risks, operational risks, and regulatory risks. Adequate financial resources enable CIL to maintain solvency and meet regulatory capital requirements.
- 5. Liquidity Management:** CIL maintains sufficient liquidity to meet its short-term obligations, such as paying claims and operational expenses. Effective liquidity management ensures that CIL operates smoothly without disruptions.
- 6. Regulatory Compliance:** Insurance regulators often set minimum capital requirements to ensure that CIL honors their obligations to policyholders. Financial capital is managed in accordance with regulatory guidelines to maintain compliance and avoid penalties.
- 7. Profitability and Growth:** Financial capital supports CIL's profitability goals by funding growth initiatives, expanding

market presence, and investing in technology and innovation to stay competitive in the insurance industry.

Overall, financial capital is a cornerstone for Continental Insurance Limited, providing the necessary resources and stability to navigate the complexities of the insurance market, manage risks effectively, and deliver value to its stakeholders over the long term.

14.4 Human Capital

Human capital, as applied to Continental Insurance Limited (CIL), encompasses the skills, knowledge, and expertise possessed by its employees. These attributes are fundamental to the company's operations across critical areas such as underwriting policies, assessing risks, managing claims, and delivering exceptional customer service.

In the context of CIL, human capital represents the collective intellectual and professional resources that drive its core functions. Underwriting policies relies on deep industry knowledge, analytical skills, and the ability to assess and mitigate risks effectively. Assessing risks requires a keen understanding of market trends, regulatory requirements, and the ability to evaluate potential liabilities accurately. Managing claims demands procedural expertise, negotiation skills, and a commitment to resolving issues promptly and fairly. Providing excellent customer service necessitates strong communication skills, empathy, and a dedication to meeting client needs.

Recognizing the importance of human capital, CIL invests in recruiting and retaining talented professionals, as well as in continuous training and development programs. These efforts are aimed at enhancing employee skills, fostering innovation, and maintaining high standards of service delivery. By nurturing its human capital, CIL adapts to market dynamics, upholds its competitive edge, and sustains long-term relationships with clients based on trust and reliability in the insurance industry.

14.5 Intellectual Capital

Intellectual Capital (IC) refers to the intangible assets of a company that contribute to its value and competitive advantage. For Continental Insurance Limited (CIL), intellectual capital encompasses various intangible assets that contribute to its competitiveness and overall value in the insurance industry. This involves the knowledge, expertise, and skills of CIL's employees, including underwriters, actuaries, claims handlers, risk managers, and other professionals. It is crucial in assessing risks accurately, providing effective customer service, and innovating new insurance products and solutions.

Intellectual capital refers to the organizational infrastructure, processes, and systems that CIL has developed. It includes its

insurance policies, risk assessment models, IT systems, customer databases, and proprietary methodologies for underwriting and claims management. This also encompasses the relationships and networks that CIL has built with its stakeholders, including policyholders, brokers, reinsurers, regulators, and the broader insurance industry to enhance reputation, brand value, and access to strategic information. CIL's ability to innovate in the insurance sector is another aspect of intellectual capital. This relates to CIL's ability to innovate and adapt in response to market changes, regulatory developments, and technological advancements. This represents the value of CIL's brand, including its reputation, recognition, and customer loyalty to lead to competitive advantages such as higher customer retention rates and easier market penetration. It includes research and development efforts, new product development, and the ability to implement cutting-edge technologies in insurance processes.

Overall, effectively managing intellectual capital at CIL involves strategies to develop human resources, protect and enhance organizational systems and processes, nurture stakeholder relationships, foster innovation, and strengthen brand reputation. These efforts collectively contribute to CIL's long-term competitiveness and sustainable growth in the insurance industry.

14.6 Manufactured Capital

Manufactured capital refers to the tangible assets that a company owns and utilizes in its operations. For Continental Insurance Limited (CIL), manufactured capital encompasses various physical and tangible assets that are essential for its business activities in the insurance sector. Here are some key examples:

1. **Office Buildings and Facilities:** CIL owns or leases office spaces, headquarters, regional offices, and branch locations, vehicles where its employees work and where client meetings are conducted.
2. **Technology Infrastructure:** This includes computers, servers, networking equipment, and software applications that support CIL's day-to-day operations, including underwriting, claims processing, customer relationship management (CRM), and financial management.
3. **Furniture and Equipment:** Desks, chairs, filing cabinets, printers, copiers, and other office equipment necessary for daily administrative tasks within CIL.
4. **Vehicles:** If CIL operates a fleet of vehicles for purposes such as claims inspections or client visits, these would also be considered part of its manufactured capital.

5. **Investments and Financial Assets:** This includes the financial instruments and investments held by CIL to generate income and provide liquidity, such as bonds, stocks, and other securities.

6. **Insurance Policies and Contracts:** The insurance policies issued by CIL to its clients represent a form of manufactured capital, as they are contractual agreements that have financial value and obligations associated with them.

Manufactured capital is crucial for CIL's ability to conduct its business operations efficiently, manage risks, and deliver services to its clients. Effective management and maintenance of these tangible assets are essential for sustaining CIL's operations and achieving its business objectives in the competitive insurance industry.

14.7 Social & Relationship Capital

Social and Relationship Capital for Continental Insurance Limited refers to the intangible assets and value derived from the company's interactions, relationships, and reputation within its ecosystem.

1. **Customer Relationships:** CIL focuses on building strong, long-term relationships with its policyholders. This includes providing excellent customer service, personalized insurance solutions, and efficient claims processing. By ensuring customer satisfaction and trust, CIL enhances customer loyalty and retention.

2. **Employee Engagement:** CIL values its employees as a crucial part of its social capital. Engaged employees contribute positively to the company's culture, productivity, and service delivery. The company invests in employee development, offers competitive benefits, and fosters a supportive work environment to retain talent and enhance performance.

3. **Supplier and Partner Relationships:** CIL maintains collaborative relationships with its suppliers and business partners. These relationships are built on mutual trust, transparency, and fair dealings. Strong partnerships with suppliers ensure smooth operations, quality services, and cost-effectiveness, which ultimately benefit CIL's customers.

4. **Community and Corporate Social Responsibility (CSR):** CIL actively engages with the community through CSR initiatives. These efforts include supporting local charities, promoting environmental sustainability, and participating in community events. By being a responsible corporate citizen, CIL enhances its reputation and strengthens its relationships with stakeholders.

5. **Brand Reputation and Trust:** Maintaining a strong brand

reputation is essential for CIL. By consistently delivering on promises, demonstrating integrity, and upholding ethical standards, CIL builds trust among customers, employees, investors, and the broader community. A positive reputation contributes to customer acquisition, employee retention, and investor confidence.

6. Investor and Shareholder Relations: CIL prioritizes transparent communication with its investors and shareholders. By providing timely and accurate financial information, strategic updates, and demonstrating sound corporate governance practices, CIL fosters trust and confidence among its investors.

In essence, Social and Relationship Capital for Continental Insurance Limited encompasses the value derived from nurturing and managing relationships with customers, employees, suppliers, and the community. It involves building trust, fostering loyalty, and maintaining a positive reputation, all of which contribute to sustainable business success and competitive advantage in the insurance industry.

14.8 Reputational Capital

Reputational capital refers to the intangible value that a company derives from its good reputation, which can positively influence its business activities and relationships. For Continental Insurance Limited, maintaining a strong reputational capital involves several key elements:

1. **Trustworthiness:** CIL needs to be perceived as trustworthy by its customers, stakeholders, and the public. This means consistently delivering on promises, providing reliable insurance coverage, and handling claims efficiently and fairly.
2. **Transparency:** Being transparent in its operations, financial dealings, and communication is crucial. This builds trust and credibility with customers and regulators.
3. **Ethical Behavior:** Upholding high ethical standards in all aspects of its business is essential. This includes fair treatment of policyholders, compliance with regulations, and responsible investment practices.
4. **Customer Service:** Providing excellent customer service enhances reputational capital. This includes responsiveness to inquiries, ease of claims processing, and proactive communication.
5. **Financial Stability:** Maintaining strong financial health is vital for an insurance company's reputation. It assures policyholders and investors that CIL fulfills its obligations over the long term.
6. **Corporate Social Responsibility (CSR):** Engaging in CSR initiatives that benefit the community and environment enhance reputational capital. This demonstrates CIL's commitment to

social and environmental stewardship.

7. **Brand Image:** Cultivating a positive brand image through effective marketing and PR efforts contributes to reputational capital. This involves managing perceptions and highlighting CIL's strengths and values.

8. **Risk Management:** Demonstrating robust risk management practices to mitigate potential losses and ensure long-term sustainability reinforces reputational capital.

Overall, for Continental Insurance Limited, protecting and enhancing its reputational capital involves a strategic focus on integrity, transparency, customer satisfaction, and responsible business practices across all operations.

14.9 Structural Capital

Structural capital refers to the organizational infrastructure, processes, and systems that contribute to Continental Insurance Limited's operational effectiveness, efficiency, and long-term sustainability.

1. **Organizational Structure:** CIL's organizational structure defines reporting relationships, responsibilities, and decision-making processes across departments and functions. A well-defined structure helps streamline operations, clarify roles, and facilitate effective communication.
2. **Risk Management Framework:** CIL maintains a robust risk management framework that encompasses policies, procedures, and methodologies for identifying, assessing, mitigating, and monitoring risks across its operations. This framework is crucial for maintaining financial stability and regulatory compliance.
3. **Underwriting Guidelines:** CIL establishes underwriting guidelines that govern the acceptance, pricing, and terms of insurance policies. These guidelines are based on actuarial analyses, risk assessments, market conditions, and regulatory requirements, ensuring consistency and profitability in underwriting decisions.
4. **IT Infrastructure:** Information technology (IT) infrastructure supports CIL's operations through systems for policy administration, claims processing, customer relationship management, financial reporting, and data analytics. A robust IT infrastructure enhances operational efficiency, data security, and customer service delivery.
5. **Knowledge Management Systems:** CIL employs knowledge management systems to capture, store, and share critical information and expertise within the organization. This includes knowledge repositories, training programs, best practices, and lessons learned, enabling continuous learning and improvement.

6. Compliance and Governance: Structural capital includes compliance frameworks and governance structures that ensure adherence to legal and regulatory requirements. CIL's governance framework outlines responsibilities of the board of directors, management, and committees in overseeing corporate affairs and strategic decisions.

7. Quality Assurance and Control: Quality assurance processes and controls are integral to structural capital, ensuring that CIL's products and services meet high standards of reliability, accuracy, and customer satisfaction. This includes internal audits, performance metrics, and feedback mechanisms.

8. Strategic Planning and Execution: Structural capital supports CIL's strategic planning efforts by providing frameworks for goal setting, resource allocation, performance monitoring, and strategic alignment across the organization. This ensures that CIL can adapt to market dynamics and achieve its long-term objectives.

Overall, structural capital plays a crucial role in shaping Continental Insurance Limited's organizational capabilities, operational resilience, and ability to deliver value to stakeholders. By investing in and optimizing its structural capital, CIL enhances its competitive position in the insurance industry and drives sustainable growth.

14.10 Natural Capital

Natural capital refers to the stock of renewable and non-renewable environmental resources that provide benefits to people and businesses. For Continental Insurance Limited (CIL), even though the direct impact might seem less compared to industries like agriculture or mining, natural capital still plays a crucial role in several aspects of their operations and corporate social responsibility (CSR) efforts:

1. Risk Assessment and Management: Insurance companies assess risks associated with natural disasters, climate change impacts, and environmental degradation. Understanding natural capital helps CIL assess the likelihood and potential severity of such risks to better manage them.

2. Underwriting and Pricing: Natural capital informs the underwriting process by providing insights into the environmental risks associated with insured assets. It helps in setting appropriate premiums that reflect the actual risk exposure.

3. Investment Decisions: CIL invest in companies or projects that are committed to sustainable practices and environmental stewardship. Understanding natural capital helps in evaluating the environmental performance of potential investments.

4. Regulatory Compliance: Regulations related to environmental protection and sustainability directly impact CIL's operations. Knowledge of natural capital helps ensure compliance with these regulations and possibly advocate for responsible policies.

5. Corporate Social Responsibility (CSR): Natural capital is increasingly becoming a focus area for CSR initiatives. CIL's commitment to sustainability includes efforts to minimize its environmental footprint, support conservation efforts, and engage in community initiatives related to natural resource management.

6. Reputation and Stakeholder Engagement: Stakeholders, including customers, investors, and regulators, are increasingly concerned about environmental sustainability. CIL's awareness and actions related to natural capital enhance its reputation and strengthen relationships with stakeholders.

In summary, while the direct operational impact of natural capital on CIL might be less obvious, its influence is significant in terms of risk management, sustainability practices, regulatory compliance, and stakeholder engagement. Understanding and integrating considerations of natural capital into their strategies helps CIL mitigate risks, enhance resilience, and contribute to broader environmental goals.

15

RISK MANAGEMENT



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15.1 Enterprise Risk Management

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.

An organization needs to analyse and comprehend critically the risks to which it is exposed and the possible quantum of loss associated with such risks. After obtaining clear understanding of the risk and consequences thereof, the management of an organization can make decisions about the acceptability or otherwise in relation to those exposures. Risk management thus enables a management to effectively deal with uncertainty and its associated risks along with the opportunity for capacity building. The fundamental objective of risk management is preservation of assets and earning power from potential loss or destruction. Learning from the impact of different casualties which occurred in the past to many organizations due to poor risk management, organizations are emphasizing on upgrading of their risk management systems at this juncture in order to be fully integrated into the day-to-day management of their business and needless to mention, Executives are encouraging risk management information to disseminate more widely throughout their organizations for better understanding and efficient implementation. The main benefit of efficient Risk Management for Insurers is that it promotes the pragmatic risk management concepts, rather than merely technical calculations and maintaining detailed theory of safety compliance, which makes easier for even a layman to understand. What's more, all concepts and terms are applied to understandable illustrative examples and developments in the regulation with supervision are simple to follow. Risk management, as appropriate, is recommended for risk managers, actuaries, controllers, as well as accountants, auditors, corporate finance managers, along with underwriting and reinsurance managers, investment managers, equity analysts and financial consultants, in particular.

Policyholders reduce uncertainty by transferring their risks on to an insurance company. It is, therefore, quite obvious that insurance companies themselves are exposed to risk and uncertainty. Most of the major uncertainties center around how many claims there could be during a particular period of time and how much the insurer would require to pay for settling those claims. These uncertainties have a big influence on determination of pricing or the premium for

the insurance protection provided and how much the insurer needs to reserve for future claims payments including Claims Incurred But Not Reported (IBNR). Other risks to the insurer include: recovery of fixed expenses, failure of other parties (e.g., brokers or reinsurers), fall in asset values and the insurance cycle, regulatory changes resulting in increase in fees and taxes. The size of the free reserves will influence the ability of the insurer to cope up with these risks as will reinsurance cover and the returns from investment of its assets.

Risk is a concept that denotes a potential negative impact to an asset which may arise from the present process or from any future event. In everyday usage, "risk" is often used synonymously with the probability of a known loss. Risk may also be perceived as the cumulative effect of the chances of uncertain occurrences that is likely to affect the project objectives adversely. More specifically, it is the degree of exposure to negative events and their probable consequences. The role of risk management in the operation of an insurance company, specially, in case of non-life insurance organizations, it is of immense importance. This is because enterprises prefer to transfer their risk on the insurer as a transfer mechanism which is part of their overall risk management and the insurer has to manage the acquired risks in such a competent way to operate their business with profitability even after adequately settling of claims to retain customer confidence as a trusted insurer. There lies the operational challenge for risk management on the part of a non-life insurance company, like Continental Insurance. The process of risk management can be viewed with the underlying five prime stages: i) Identification of Risk Factors, ii) Analysis of Risk Factors, iii) Evaluation of Risk, iv) Risk Inspection and Reporting at Regular Interval, v) Control/Mitigation of Risk, and finally risk financing upon review of the ensuing risk factors for loss minimization.

15.2 Risk Management Framework

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 and possibility of act of God occurring in relation to geographical strata/position, etc. and finally, on the financial strength of the entrepreneur. Most Companies approach with an Enterprise Risk Management (ERM) framework, which is a companywide approach to identify, assess, measure, monitor, control and mitigate risks that arises from the company's business activities.

Enterprise Risk Management (ERM) at Continental Insurance Limited (CIL) is a structured framework that enables the Company to identify, assess, monitor, and manage risks across its operations.

Risk Culture and Governance:

- Organizational Culture:

Foster a risk-aware culture throughout CIL, ensuring that employees at all levels understand their roles and responsibilities in managing risks.

Governance Structure:

There is a dedicated governance structure in place with clear roles and responsibilities for risk oversight. Establish clear roles and responsibilities for risk management at various levels of the organization, from the board of directors to operational teams.

Risk Identification:

- Risk Inventory:

CIL systematically identifies risks across various aspects of its operations, including underwriting, investment activities, market fluctuations, regulatory changes, operational risks, cybersecurity, and strategic risks.

- Risk Sources:

Identify internal sources (e.g., processes, personnel) and external sources (e.g., market trends, regulatory changes) of risks.

Risk Assessment:

- Risk Analysis:

Evaluate each identified risk based on likelihood of occurrence and potential impact on CIL's objectives.

- Risk Prioritization:

Prioritize risks based on their significance to the organization, considering factors like financial loss, reputation damage, regulatory penalties, etc.

- Risk Quantification:

Risks identified are quantified to understand their potential impact and likelihood of occurrence. CIL uses quantitative and qualitative methods to measure risks, enabling informed decision-making.

Risk Management:

- Risk Mitigation:

Develop strategies and controls to mitigate or reduce the likelihood and impact of identified risks. These strategies may include risk avoidance, risk reduction through controls and processes, risk transfer through insurance and reinsurance, and acceptance of certain risks where

appropriate.

- Risk Transfer:

Utilize insurance and other risk transfer mechanisms to shift some risks to third parties where appropriate.

- Risk Acceptance:

Decide whether to accept certain risks based on their level of severity and cost-effectiveness of mitigation measures.

Integration with Strategic Planning:

ERM is integrated into CIL's strategic planning process to ensure alignment with the company's objectives and goals. This integration helps prioritize risks and allocate resources effectively.

Risk Monitoring and Review:

Continuous Monitoring:

- CIL continuously monitors the risk environment to identify emerging risks and assess the effectiveness of risk mitigation strategies. Regular reporting to management and stakeholders ensures transparency and accountability.

- Review and Adjustment:

Periodically review the effectiveness of risk management strategies and adjust them as necessary in response to changes in the internal or external environment.

Compliance and Reporting:

Regulatory Compliance:

- Ensure that risk management practices align with relevant regulations and industry standards. This includes adhering to standards and guidelines set by regulatory bodies to safeguard the interests of policyholders and stakeholders.

Reporting:

- Provide regular reports to stakeholders (e.g., board of directors, regulators, shareholders) on the status of risks, mitigation efforts, and overall risk exposure.

Emerging Risks and Innovation:

CIL considers emerging risks such as technological advancements, climate change, and geopolitical factors. Innovation in risk management practices ensures readiness to address new challenges.

Crisis and Continuity Planning:

ERM includes crisis management and business continuity planning to ensure CIL can respond effectively to unexpected events or disruptions, minimizing their impact on operations and stakeholders.

Stakeholder Engagement: Effective ERM at CIL involves engaging with stakeholders, including policyholders, shareholders, regulators, and employees, to understand their risk concerns and expectations.

In summary, ERM at Continental Insurance Limited is a proactive and integrated approach that aims to enhance resilience, protect assets, and support sustainable business growth amid a dynamic and challenging business environment in the insurance industry.

15.3 Types of Risk

Risk is an integral part in our daily life and is associated with the probability of an unfortunate event to occur with its possible detrimental consequences. The fundamental feature of risk lies in the unpredictable and uncertain nature of the events, possible combination of hazards/threats to any venture/life causing the possibility.

1. Underwriting Risk

The key insurance risks for general insurance contracts arise from uncertainty in the timing and number of claims. The Company addresses these risks through its underwriting and reinsurance strategy. The Company also monitors and reacts to changes in the general economic and commercial environment in which it operates. The underwriting strategy of the Company is to seek diversity to ensure a balanced portfolio. The general insurance underwriting function's performance and adherence to the underwriting guidelines/authority limits are measured on a periodic basis. Insurance underwriters evaluate the risk and exposures of the prospective clients. They decide how much coverage the client should receive, how much they should pay for it, or whether to even accept the risk and insure them. Underwriting involves measuring risk exposure and determining the premium that needs to be charged to insure that risk. The function of the underwriter is to acquire or to "write" - business that will make the insurance company money, and to protect the company's book of business from risks that they feel will make a loss. In simple terms, it is the process involving decision making and processing culminating in issuing of insurance policies.

Underwriting decisions would typically be influenced by PML (Probable Maximum Loss) evaluations, and the amount of reinsurance ceded on a risk would normally be predicated on the PML valuation. PML is the anticipated value of the largest loss that could result from the destruction and the loss of use of property, given the normal functioning of protective features (firewalls, sprinklers, and a responsive fire department, among others, in the case of a fire loss). This number is usually smaller than the (MFL) maximum foreseeable loss, which assumes the failure of all protective features. At the most basic level, managing catastrophe risk involves ensuring that insurers and reinsurers are able to remain viable following losses from a 'probable maximum' event. For the most part, insurers and reinsurers approach PML management by planning for the eventuality of a large natural catastrophe and having quantified their risk accordingly.

Concentrations of Insurance risk

A key aspect of the insurance risk faced by the Company is the extent of concentration of insurance risk which may exist where a particular event or series of events could impact significantly upon the Company's liabilities. Such concentrations may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise. An important aspect of the concentration of insurance risk is that it may arise from the accumulation of risks within a number of individual classes or contracts tranche. Concentrations of risk can arise in both high-severity, low frequency events, such as natural disasters and in situations where underwriting is biased towards a particular group, such as a particular geographic or demographic trend or a particular group of companies that belong to the same shareholder. The

Company's key methods in managing these risks are as follows: Firstly, the risk is managed through appropriate underwriting procedures. Secondly, the risk is managed through the use of reinsurance.

Reinsurance Risk

Ceded reinsurances contain credit risks, and such reinsurance recoverable is reported after impairment provisions as a result of occurred recognized asset. The Company monitors the financial condition of reinsurers on an on-going basis and reviews its reinsurance arrangements periodically.

Credit Risk

Credit Risk is the risk which occurs due to an uncertainty in a counterparty's (also called an obligor's or credit's) ability to meet its obligations. In assessing credit risk from a single counterparty, an institution should consider three issues:- i) Default Probability: What is the likelihood that the counterparty will default on its obligation either over the life of the obligation or over some specified horizon, such as a year? Calculated for a one-year horizon, this may be called the expected default frequency. ii) Credit Exposure: In the event of a default, how large will the outstanding obligation be when the default occurs? iii) Recovery Rate: In the event of a default, what fraction of the exposure may be recovered through bankruptcy proceedings or some other form of settlement?

Market Risk

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: i) Equity Risk: Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money. ii) Interest Rate Risk: Interest rate risk is the risk that the relative value of an interest-bearing asset, such as a loan or a bond, will worsen due to an interest rate increase. In general, as rates rise, the price of fixed rate bond will fall, and vice versa. Longer dated bonds are more sensitive to interest rate movements than short dated bonds. It is assumed that risk adverse investors will require compensation (in the form of higher yields) for the greater risk of loss on the longer bonds. This might explain some of the excess return offered on long-terms bonds. iii) 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.

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.

Operational Risk

Operational risk 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. During the early part of the decade, much of the focus was on techniques for measuring the managing market risk. As the decade progressed, this shifted to techniques of measuring and managing credit risk. By the end of the decade, firms and regulators were increasingly focusing on risks “other than market and credit risk.” These came to be collectively called operational risks. This catch-all category of risks was understood to include.

- Employee errors
- Systems failures
- Fire, floods or other losses to physical assets
- Fraud or other criminal activity

Operational risk has primarily emerged from banking industry. In banking industry thousands of transactions are processed each day therefore the amount of data in respect of losses arising from operation failures is more abundant. This naturally lends itself to the development of frequency and severity models to evaluate the aggregate loss distribution and hence the capital requirement. Operational risk has been recognized as an important risk for insurers as well as for banks. But a challenge for insurer’s in assessing operational risk is to separate this risk from the loss experience data typically collection for the other underwriting, credit and market risk. For example, insurer will need to examine the portion of their underwriting losses that are

really due to ineffective or faulty underwriting processes or client management.

Liquidity Risk

An important aspect of the Company’s management of assets and liabilities is to ensure that cash is available to settle liabilities as they fall due. The Company is exposed to liquidity risk when it is unable to meet its obligations at a reasonable cost. The Company maintains cash and liquid deposits deemed adequate by management to finance its operations and to mitigate the effects of fluctuations in cash requirements. In normal circumstances, the majority of claims are settled with the bank balances and cash deposits available. The Company also constantly reviews its investment portfolio allocation to ensure that there are sufficient cash and liquid deposits to meet its estimated cash outflow from its insurance contracts. The Company monitors the liquidity risk through the periodic tracking of the liquidity of relevant insurance funds and through the performance of liquidity stress tests. The risk that arises from the difficulty of selling an asset is perceived as the liquidity risk. An investment may sometimes need to be sold quickly. Unfortunately, an insufficient secondary market may prevent the liquidation or limit the funds that can be generated from the asset. An institution might lose liquidity if its credit rating drops down, or it experiences sudden unexpected cash outflows, or some other event causes counterparties to avoid trading with or lending to the institution. A firm is also exposed to liquidity risk if markets on which it depends are subject to loss of liquidity. From insurance context, liquidity risk is the exposure to loss in the event that insufficient liquid assets will be available from among the assets supporting the policy obligations to meet the cash flow requirements of the policyholder obligations when they are due.

15.4 Key Components of Risk

In modeling risk, experts pay special attention to the following key components of risk for each peril. The modelling tools described later will need reflect the following components of risk resulting from each peril.

Volatility refers to the amount of uncertainty or risk about the size of changes in a security’s value. A higher volatility means that a security’s value can potentially be spread out over a larger range of values. A lower volatility means that a security’s value does not fluctuate dramatically, but changes in value at a steady pace over a period of time.

In Non-life insurance, for some types of business, the size of possible claims covers a very wide range, and there is consequent uncertainty as to whether the claims that have actually occurred can properly be regarded as typical of what might be expected to occur.

The variance of aggregate claim amounts will increase, if there is non-independence of risks. Therefore, accumulations of risk will increase the uncertainty relating to the variability in size of claims.

The higher the level of random variation, the smaller will be the portfolio of business. This problem is therefore greater for small

companies (or small classes of business) where one would expect a larger variation from year to year.

Uncertainty is the inability to predict the future with confidence. Because of the presence of uncertainty, we need to consider the effects of possible deviations from the projected figures. The greater the uncertainty, the greater the risk.

The uncertainties faced by a Non-life insurer can be considered under two main headings:

- Uncertainty as to the outcome of the business already written
- Uncertainty as to the premiums the insurer needs to charge in future to achieve a desired financial result.

Over the last decades, the insurance industry has grown increasingly sophisticated in its ability to understand and manage risk with a view to engaging in sustained development. Following a string of natural catastrophes occurring in later part of the 20th century, insurers reinforced by the activities of catastrophe modelers, rating agencies, reinsurers, and the capital markets – made a priority to quantify their risk and manage their exposures to acceptable levels. More recently, industry leaders have begun to take a more holistic view of risk, capital, and return. The more research we have in analyzing and assessing Risks from multi-dimension perspective, technical abilities to manage Risks in the most scientific and efficient ways will enhance and benefit enterprises.

15.5 Risk Identification Approach

For Continental Insurance Limited, a comprehensive risk identification approach is crucial to ensure proactive management of risks that could impact its operations, reputation, and financial stability.

1. Risk Management Framework Establishment:

Objectives:

Define clear objectives for risk identification aligned with CIL's strategic goals, such as enhancing customer trust, ensuring regulatory compliance, and maintaining financial stability.

Scope:

Determine the scope of risk identification efforts, considering all aspects of CIL's operations including underwriting, claims management, investment activities, IT infrastructure, and regulatory environment.

Governance:

Establish governance structures, roles, and responsibilities for overseeing the risk management process, including involvement from senior management and the Board of Directors.

2. Risk Identification Techniques:

Internal Workshops and Interviews:

Conduct sessions involving key stakeholders from different departments (e.g., underwriting, claims, IT, legal) to brainstorm and identify potential risks.

External Insights:

Gather insights from industry peers, regulatory bodies, and external consultants to understand emerging risks and best practices.

Risk Registers and Checklists:

Utilize standardized risk registers and checklists tailored to the insurance industry to systematically capture and categorize risks.

3. Risk Categories Relevant to CIL:

Insurance Underwriting Risks:

Risks associated with pricing models, underestimating liabilities, claims volatility, and catastrophic events.

Operational Risks:

Including IT system failures, fraud, human error, and disruptions in service delivery.

Financial Risks:

Such as investment risks, liquidity constraints, and fluctuations in interest rates and market conditions.

Compliance and Regulatory Risks:

Risks related to changes in regulatory requirements, non-compliance penalties, and legal liabilities.

Reputational Risks:

Risks affecting brand reputation due to customer dissatisfaction, public perception, or negative media coverage.

Cyber Risks:

Risks arising from data breaches, cyber attacks, and vulnerabilities in IT systems and infrastructure.

4. Risk Assessment and Prioritization:

Impact Assessment:

Evaluate the potential impact of each identified risk on CIL's operations, financials, reputation, and stakeholders.

Likelihood Assessment:

Estimate the likelihood of each risk occurring based on historical data, industry trends, and expert judgment.

Risk Scoring:

Develop a risk scoring matrix (e.g., likelihood vs. impact) to prioritize risks for further analysis and mitigation.

5. Risk Register Development and Management:

Documentation:

Maintain a centralized risk register documenting all identified risks, including detailed descriptions, potential consequences, and current mitigation measures.

Monitoring and Review:

Implement regular reviews and updates of the risk register to capture new risks, reassess existing ones, and monitor the effectiveness of mitigation actions.

6. Risk Mitigation Strategies:

Mitigation Plans:

Develop specific action plans for managing high-priority risks, assigning responsibilities, and establishing timelines for implementation.

Controls Implementation:

Implement internal controls, policies, and procedures to mitigate identified risks effectively.

7. Risk Culture and Communication:

Training and Awareness:

Conduct training programs to educate employees on risk management principles, their roles in identifying and managing risks, and the importance of reporting incidents.

Communication Channels:

Foster open communication channels across all levels of the organization to encourage reporting of risks, incidents, and near-misses.

8. Continuous Improvement:

Feedback Mechanisms:

Establish mechanisms for gathering feedback from stakeholders to continuously improve the risk identification and management process.

Benchmarking:

Benchmark CIL's risk management practices against industry standards and best practices to identify areas for enhancement.

By adopting this structured approach to risk identification, Continental Insurance Limited can strengthen its ability to anticipate, assess, and mitigate risks effectively, thereby safeguarding its operations and maintaining trust with stakeholders. Regular updates and adaptations to the risk management framework will ensure its relevance and responsiveness to evolving risks and business dynamics.

15.6 Risk Mitigation Methodology

Appropriate risk mitigation involves first identifying potential risks to a project and then planning for the risk by implementing strategies to help lessen or halt the risk. There can be five broad strategies that can be used in risk mitigation planning and monitoring:

Assume and accept risk:

It is coming to terms that the risk exists and there is nothing one will do to mitigate or change it. Instead, one understands the probability of it happening and accepting the consequences that may occur. This is the best strategy when risk is small or unlikely to happen. It makes sense to adopt risk when the cost of mitigating or avoiding it will be higher than merely accepting it and leaving it to chance.

Avoidance of risk:

If a risk is too large to accept, it may be better to avoid it. In this case, risk avoidance means not performing that activity that causes the risk. While some people are more risk-loving and others are more risk-averse, everyone has a tipping point at which things become just too risky and not worth attempting.

Risk Mitigation:

When risks are evaluated, some risks are better not to avoid or accept. Risk mitigation refers to the processes and methods of controlling risk. When risk and its probability can be identified, one can allocate resources for its management.

Controlling risk:

Businesses can assign a level at which risk is acceptable, which is called the residual risk level. Risk reduction is the most common strategy because there is usually a way to at least reduce risk. It involves taking countermeasures to decrease the impact of consequences.

Transference of risk:

When risks are identified and taken into account, mitigating the consequences through transference can be a viable strategy. The transference strategy works by transferring the strain of the risk and consequences of another party.

For Continental Insurance Limited, risk mitigation methodologies are crucial for managing exposures and ensuring stability.

1. Risk Identification:

- Conduct comprehensive risk assessments across all operational areas, including underwriting, claims, investments, and regulatory compliance.
- Use historical data, expert judgment, and scenario analysis to identify potential risks.

2. Risk Assessment:

- Prioritize risks based on their potential impact and likelihood of occurrence.
- Quantify risks where possible, using metrics such as probability and severity.

3. Risk Control:

- Implement controls and procedures to minimize identified risks.
- Examples include robust underwriting standards, claims handling protocols, investment diversification, and regulatory compliance frameworks.

4. Risk Transfer:

- Utilize reinsurance to transfer a portion of risks to other insurers.
- Purchase financial instruments like derivatives to hedge against specific risks.

5. **Risk Avoidance:

- Where feasible, avoid engaging in activities or underwriting risks that pose excessive potential losses.

6. Monitoring and Review:

- Establish ongoing monitoring mechanisms to track the effectiveness of risk mitigation strategies.
- Regularly review risk management policies and procedures to ensure they remain aligned with changing market conditions and regulatory requirements.

7. Crisis Management:

- Develop and test contingency plans to address potential crises such as catastrophic events, financial market disruptions, or regulatory changes.

8. Employee Training and Awareness:

- Educate employees at all levels about risk management principles and their roles in mitigating risks.
- Foster a culture of risk awareness and responsibility throughout the organization.

9. Compliance and Governance:

- Ensure adherence to regulatory requirements and governance standards.
- Conduct internal audits and external assessments to validate compliance and effectiveness of risk mitigation efforts.

10. Continuous Improvement:

- Foster a culture of continuous improvement in risk management practices.
- Regularly update methodologies based on lessons learned, emerging risks, and industry best practices.

Implementing these methodologies requires a coordinated effort across departments and a commitment to staying proactive in identifying and addressing risks.

15.7 Risk Mitigation Measures

A Risk can never be eliminated in full; it can merely be minimized to a certain reasonable extent. Risk management decisions, therefore, involve physical loss prevention measures and risk financing tools toward minimizing risks associated with it.

Transfer

Physical loss preventive measures include: compliance of a number of safety rules guided by Factories Act, Building Code, etc. Installation of proper fire-fighting equipment, checking performance of those equipment and apply improvements wherever required, conduct fire drill at regular intervals with proper record, Maintenance of clean, wholesome and apparently risk-free environment for the workers as well as for the overall workplace. Risk financing tools include decisions regarding partial risk retention with acceptance limit and spreading/transfer of the remaining portion of risk. It is imperative for an insurer to take different steps to lessen the risk associated with its business. These include: purchase of adequate reinsurance protection, securitization of a portion of its asset or liability portfolio, hedging of financial guarantees using derivative instruments, use of product design to pass on the risk to policyholders as well for active risk management to the extent that these measures effectively reduce a company's risk. Appropriate attention and recognition should be given in the calculation of a company's required capital. The difficulty lies in properly assessing the actual degree of risk with regard to short term and long term economic, technical, and regulatory changes that has been transferred from the insurance company in these arrangements.

Reinsurance

Reinsurance is a process of risk transfer, whereby the insurance company passes on some of its risks to another party – a reinsurer. Reinsurance is primarily a means of reducing an insurer's exposure from underwriting risk, allowing it to expand the scope of its business. The cost of transferring risk to a reinsurer is lower than the solvency capital cost the insurer would bear if it retained the risk in its portfolio, because reinsurer benefit from better risk diversification than a primary insurer.

Reasons for Using Reinsurance:

- Reducing the effects of large single losses
- Minimizing impact of risk accumulation and catastrophic losses
- Smoothing of results
- Availability of expertise
- Increasing capacity to accept risk
- Financial assistance.

Reducing the Effects of Large Single Losses

What is large to an insurer will depend on the size of the free assets available. A very large Fire Loss on a high valued industrial unit may upset the results of the portfolio for the entire year. Many risks in insurance have very high limits of liability (sums insured); many small to medium sized insurance companies would prefer to cede a top slice or potentially large pay-outs to reinsurers as cover against this eventuality. This is especially true in liability lines of business where excess of loss reinsurance is a commonplace.

Minimising Impact of Risk Accumulation and Catastrophic Losses

Losses due to conflagration, manmade disasters and natural catastrophes obviously create huge liability for an insurer and this calls for properly designed adequate Reinsurance protection from financially sound Reinsurers. The insurer's potential

liability from such events needs to be assessed properly, also taking into account of geographical spread and accumulation of losses.

Smoothing of Results

The principle whereby reinsurance covers the larger risks or accumulation of smaller risks above certain limits helps to achieve a smooth development of accounts year-on year, especially when the portfolio is relatively immature. A premium is paid to mitigate these fluctuations and the net result is more predictable for the insurer, a predictability that may also be more acceptable to shareholders and regulators. Stop loss is a form of reinsurance that is used for these purposes.

Availability of Expertise (New or Unusual Risks, New Territories)

When an insurer is adopting a strategy that will take it into new risk areas where it has little previous experience, the Reinsurer can sometimes help with rating, underwriting and claims management. Leading Reinsurers, having broad relationship with an insurer, also extend their services for developing a new class of business.

Increasing Capacity to Accept Risk (Singly or Cumulatively)

Owing to insufficient capital backing, an insurer may be reluctant to accept, or incapable of accepting, particular risks by sector or by volume. An insurer may also be reluctant to accept a particular risk if it would be exposed to an accumulation of risk as a result. Reinsurance cover can obviate this situation. The solvency requirements for a particular line of business are normally reduced in line with the proportion ceded, though this may be subject to an upper limit. Surplus treaty or excess of loss reinsurance might be used here.

Financial Assistance (New Business Merger/Acquisition, Bolstering Free-Assets)

To a lesser extent than in life insurance, reinsurance funds are available to assist financially with particular business propositions. Where a particular distribution strategy would involve substantially more cash outflow in the initial stages than premium income, reinsurance commission may be available to "factor" future surplus streams, i.e., lend now against the predicted future flows of premiums less expenses and claims.

Hedging

In finance, a hedge is an investment that is taken out specifically to reduce or cancel out the risk in another investment. Hedging is a strategy designed to minimize exposure to an unwanted business risk, while still allowing the business to profit from an investment activity. A natural hedge is an investment that reduces the undesired risk by matching cash flows, i.e., revenues and expenses. For example, writing both life insurance and life contingent annuities for similar groups of policyholders may help to provide a hedge against the impact of improving mortality. One of the oldest means of hedging against risk is the purchase of insurance to protect against financial loss due to accidental property damage or loss, personal injury, or loss of life. Introduced in 2000 by the National Stock Exchange, derivatives are a different breed of financial products whose value is derived from an underlying instrument, such as: an index, a stock, a currency or a commodity. Thus, instead of directly investing in a stock, invest in an instrument whose value is dependent on the price of that stock. Futures and options are two popular and actively traded derivative instruments in the Indian stock market. In particular, we can use derivatives to reduce the exposure of our portfolio to the risk of adverse movements in the market price of the underlying assets. If, for example, we are concerned about falls in the investment market, we might buy put options. By guaranteeing the price at which

we can sell out assets - this removes the risk of market falls. We will still, however, enjoy the resulting profits should the market instead go up.

Derivative contracts, therefore, provide us more control over the market risks that we face; thereby increasing our opportunity set of possible risk and return combinations. Moreover, if we hold suitable derivatives and the underlying assets in appropriate combinations, then we can sometimes eliminate almost all of the market risks facing our portfolio although other risks like lack of marketability or credit risks will still remain. Risk financing tools include: decisions regarding partial risk retention with acceptance limit and spreading / transfer of the remaining portion of risk. Thus, one of the vital risk-minimizing tools is insurance; because insurance is a mechanism of spreading or transferring the risk of one onto the shoulders of many. It has two fundamental features: one is shifting of risk from one individual to a group, and the other is sharing of losses on equitable basis by all members of the group. Whilst it becomes almost impossible for an individual to bear the entire loss of one's property or interest by oneself arising out of unforeseen contingency, risk financing method allows the aggrieved individual to shift the burden of loss on others within the group.

15.8 Whistle Blowing Policy



1. Purpose: The whistleblowing policy of Continental Insurance Limited aims to encourage employees, contractors, and stakeholders to report any unethical, illegal, or fraudulent activities within the organization. This policy ensures that such concerns are addressed promptly and appropriately.

2. Scope: This policy applies to all employees, contractors, vendors, and other stakeholders associated with Continental Insurance Limited.

3. Reporting Procedure:

- Any individual who has knowledge or suspicion of unethical, illegal, or fraudulent activities within CIL is encouraged to report such concerns.
- Reports can be made verbally or in writing to the designated whistleblowing officer or through the specified reporting channels.
- The whistleblowing officer will maintain confidentiality to the extent possible, considering the need to conduct a thorough investigation.

4. Protection Against Retaliation:

- CIL is committed to protecting whistleblowers from any form of retaliation or adverse consequences as a result of their report, provided the report was made in good faith.
- Retaliation against whistleblowers will not be tolerated and may result in disciplinary action.

5. Investigation and Response:

- Upon receiving a whistleblowing report, CIL will conduct a fair and objective investigation.
- The investigation will be conducted promptly, and appropriate action will be taken based on the findings of the investigation.

6. Confidentiality:

- CIL will handle all whistleblowing reports with utmost confidentiality, to the extent possible and permissible under law.
- Disclosure of information related to the report will be restricted to individuals who have a legitimate need to know or as required by law.

7. False Reports:

- Making intentionally false or malicious reports is a serious offense and may result in disciplinary action against the individual making the false report.

8. Policy Review:

- This whistleblowing policy will be reviewed periodically to ensure its effectiveness and compliance with relevant laws and regulations.

9. Communication and Awareness:

- CIL will communicate this policy to all employees, contractors, and relevant stakeholders and provide training as necessary to raise awareness about whistleblowing procedures and protections.

10. Contact Information:

- Contact details of the designated whistleblowing officer and reporting channels will be communicated to all employees and stakeholders.

By adhering to this whistleblowing policy, Continental Insurance Limited aims to uphold the highest standards of integrity and transparency in its operations.

15.9 Disclosure of Risk Reporting

Disclosure of Risk Reporting by Continental Insurance Limited typically encompasses several key aspects to ensure transparency and accountability regarding the risks the company faces and how it manages them.

1. Risk Management Framework:

CIL outlines its overall approach to risk management, including the governance structure, roles and responsibilities of key individuals or committees, and the integration of risk management into its overall business strategy.

2. Risk Identification:

CIL identifies and categorizes the key risks it faces across various aspects of its operations. This could include risks related to underwriting, investment activities, operational processes, regulatory compliance, and market conditions.

3. Risk Assessment and Measurement:

The company assesses the likelihood and potential impact of each identified risk. Quantitative measures such as risk metrics or models may be used to assess and prioritize risks based on their potential impact on financial performance and strategic objectives.

4. Risk Mitigation Strategies:

CIL describes the strategies and controls it has in place to mitigate or manage identified risks. This may include internal controls, hedging strategies, diversification of risks, and the use of reinsurance.

5. Disclosure Requirements:

The disclosure is tailored to meet regulatory requirements and industry standards, ensuring that stakeholders have access to relevant and timely information about the Company's risk profile.

6. Scenario Analysis:

CIL conduct scenario analysis or stress testing to assess its resilience to adverse events or market shocks. This helps stakeholders understand how the Company might perform under different economic or operational scenarios.

7. Disclosure of Specific Risks:

Besides general risk categories, CIL disclose specific risks that are deemed material or significant to its business operations. These could include emerging risks, cybersecurity threats, environmental risks, or changes in regulatory requirements.

8. Updates and Reporting Frequency:

The disclosure is typically included in CIL's annual reports, financial statements, and other regulatory filings. Updates may be provided quarterly or as significant changes in risk exposure occur.

9. External Assurance:

Depending on regulatory requirements or best practices, CIL's risk disclosures is subject to external assurance or audit to enhance credibility and reliability.

For precise details on Continental Insurance Limited's Disclosure of Risk Reporting, reviewing their latest annual report, regulatory filings, or corporate governance disclosures provide comprehensive insights into how the Company identifies, assesses, and manages risks while ensuring transparency to stakeholders.

15.10 Statement of Risk Management

Considering the nature of business, Continental actively seeks to retain risks as appropriate for which it has to emphasize on effective enterprise risk and capital management. Under the supervisory control of the Insurance Development and Regulatory Authority of Bangladesh (IDRA), while bolstering the operation of insurance business, Continental stone unturned to face the challenges set by not only the customers, investors, rating agencies, and auditors but also by the regulatory body IDRA.

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. Continental Insurance prefers to rightly identify its corporate risks associated with internal and external forces. Such internal/external risks as

addressed by Continental Insurance include:

Operational risks in relation to insurance underwriting risks, regulatory risks and re-insurance risks (based on which Continental has developed its underwriting policy/guideline). Apart from that Continental 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 of the company.

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, Continental insurance 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. Based on own past experience and market information, Continental's strategy also emphasizes underwriting of quality risks. Non-life insurance is a service, which is quite sensitive to overall risk perception prevailing in the country and to a great extent reliant on regulatory compliance and the countries socio-politico-economic conditions, thus managing strategic risks are quite regular phenomena.

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. Continental 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, Continental has an efficient internal control mechanism.

Environmental and technological risks are also ever emanating risks to which Continental 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. In view of the need for being adaptive to modern information technology, Continental has developed computer integrated insurance software (CIS) to ensure faster and uniform quality of service and thereby manage the modern technological risks.

The Board of Directors and senior management provide governance and oversight of our risk management framework. They establish policies, review risk management practices, and ensure alignment with strategic objectives and regulatory requirements. This governance structure reinforces our commitment to sound risk management practices and strengthens stakeholder confidence.

15.11 Claims Management



Claims Management at Continental Insurance Limited involves a series of steps designed to ensure efficient, fair, and transparent handling of claims. Here is an overview of their process:

1. Claim Notification

- Policyholders must notify CIL of an incident as soon as possible. This can usually be done via phone, email, or an online claims portal.

2. Claim Registration

- Upon notification, the claim is logged into CIL's claims management system, and a unique claim reference number is generated for tracking purposes.

3. Documentation Submission

- Policyholders are required to submit necessary documentation, which may include incident reports, photos, receipts, medical records, police records and any other relevant evidence.

4. Claim Assessment

- A claims adjuster or assessor is assigned to review the submitted information.
- The adjuster may conduct further investigations, such as site visits or interviews, to verify the claim details.

5. Evaluation

- The adjuster evaluates the claim based on the gathered evidence and the terms of the insurance policy.
- The potential payout is calculated in accordance with the

policy coverage and limits.

6. Approval and Settlement

- A decision is made regarding the approval or denial of the claim.
- If approved, the compensation amount is disbursed to the policyholder or directly to service providers, such as repair shops or medical facilities.

7. Communication

- CIL keeps the policyholder informed throughout the process, providing updates on the claim status and any additional information required.

8. Dispute Resolution

- If a policyholder disagrees with the decision, CIL has a process in place for reviewing and resolving disputes. This may involve a re-evaluation of the claim or escalation to a higher authority within the company.

9. Feedback and Improvement

- CIL solicits feedback from policyholders about their claims experience.
- The feedback is used to refine and enhance the claims management process, aiming for better efficiency and customer satisfaction.

For detailed guidance or specific questions, policyholders should refer to their policy documents or contact Continental Insurance Limited directly.

15.12 Outstanding Claims (IBNR & IBNER)



Outstanding claims, including Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER), are critical components of the claims reserves for Continental Insurance Limited.

Incurred But Not Reported (IBNR) Claims

Definition: IBNR claims are losses that have occurred but have not yet been reported to the insurer. These are estimated amounts that insurers set aside to cover claims that are anticipated based on historical data but have not yet been reported by policyholders.

Importance: IBNR reserves are crucial for ensuring that an insurance company can cover all liabilities that arise from policies that are in force. This reserve accounts for the time lag between when an event causing a claim happens and when the insurer becomes aware of it.

Estimation: Actuaries typically estimate IBNR using statistical methods, historical claims data, and actuarial models to predict future claims based on past experience. Common methods include the Chain-Ladder method, the Bornhuetter-Ferguson method, and the Loss Ratio method.

Incurred But Not Enough Reported (IBNER) Claims

Definition: IBNER claims are those that have been reported but the reserves set aside are not sufficient to cover the full amount of the eventual claims. Essentially, these are adjustments made to already reported claims because the initial reserves are found to be inadequate as more information becomes available.

Importance: IBNER reserves help ensure that an insurer remains solvent by adjusting the reserves for reported claims to reflect the actual liability more accurately as claims develop and more information is obtained.

Estimation: Estimating IBNER involves revising the reserves based on the actual development of reported claims. This often requires ongoing analysis and adjustment as claims are processed and more details become known.

For Continental Insurance Limited, effectively managing and estimating these reserves is essential to maintaining financial stability and regulatory compliance. This involves:

Data Analysis: Using historical claims data to identify trends and patterns.

Actuarial Expertise: Employing skilled actuaries to develop and refine models for estimating IBNR and IBNER.

Regular Reviews: Continuously monitoring and adjusting reserves as more information about claims becomes available.

Regulatory Compliance: Ensuring that the Company meets the regulatory requirements for reserve levels to protect policyholders and maintain solvency.



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DISCLOSURE CHECKLISTS

- 16.1 DISCLOSURE CHECKLIST
REGARDING SAFA STANDARD
- 16.2 DISCLOSURE CHECKLIST
REGARDING ICMAB EVALUATION CRITERIA
- 16.3 DISCLOSURE CHECKLIST
AS PER ICSB EVALUATION CRITERIA
- 16.4 DISCLOSURE CHECKLIST
REGARDING BANGLADESH SECRETARIAL STANDARD
- 16.5 DISCLOSURE REFERENCE OF
GLOBAL REPORTING INITIATIVE (GRI)

16.1 Disclosure Checklist Regarding SAFA Standard



Items	Page No.
Corporate Objectives, Values & Structure	
Clarity and Presentation:	
• Vision and Mission	
• Overall Strategic Objectives	
• Core Values and Code of Conduct / Ethical Principles	
• Profile of the company	
• Director's profiles and their representation on Board of other companies & Organization Chart	
Management Report/Commentary and Analysis including Director's Reports/ Chairman's Review/CEO's Review etc.	
• A general review of the performance of the Company	
• Description of the performance of the various activities /products/segments of the company and its group companies during the period under review. (Weightage to be given for pictorial/graphical/tabular presentations used for this purpose)	The aforementioned disclosure check list is elaborately discussed in the different pages of the annual report.
• A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	
• A general review of the future prospects/outlook.	
• Information on how the company contributed to its responsibilities towards the staff (including health & safety)	
• Information on company's contribution to the national exchequer & to the economy	
Sustainability Reporting	
• Corporate Social Responsibilities (CSR) and Social Responsibility Initiatives	
• Environment related Initiatives	
• Environmental & Social Obligations	
• Integrated Reporting	
Appropriateness of Disclosure of Accounting Policies and General Disclosure	
• Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	
• Any specific accounting policies	

• Impairment of assets	
• Changes in accounting policies/changes in accounting estimates	
• Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	
Segment Information	
• Comprehensive segment related information bifurcating segment revenue, segment results and segment capital employed	
• Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	
• Segment analysis of	
• Segment revenue	
• Segment results	
• Turnover	
• Operating profit	
• Carrying amount of net segment assets	
Financial Statements (Including Formats)	
• Disclosures of all contingencies and commitments	
• Comprehensive related party disclosures	
• Disclosures of remuneration & facilities provided to Directors & CEO	
• Statement of Financial Position / Balance Sheet and relevant Schedules	
• Income Statement / Profit and Loss Account and relevant Schedules	
• Statement of Changes in Equity / Reserves & Surplus Schedule	
• Disclosure of types of Share Capital	
• Statement of Cash Flows	
• Consolidated Financial Statements (CFS)	
• Extent of compliance with the core IAS/IFRS or equivalent national Standards	
• Disclosures / Contents of Notes to Accounts	
Information about Corporate Governance	
• Board Of Directors, Chairman And CEO	



• Audit Committee (Composition, role, meetings, attendance, etc.), Internal Control & Risk Management	
• Ethics And Compliance	
• Remuneration and other Committees of Board	
• Human Capital	
• Communication to Shareholders & Stakeholders	
• Information available on website	
• Other information	
• Management Review and Responsibility	
• Disclosure by Board of Directors or Audit Committee on evaluation of Quarterly Reports	
• Any other investor friendly information	
Risk Management & Control Environment	
• Description of the Risk Management Framework	
• Risk Mitigation Methodology	
• Disclosure of Risk Reporting	
Stakeholders Information	
• Distribution of Shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc.)	
• Shares held by Directors/Executives and relatives of Directors/Executives	
• Redressal of investors complaints	
Graphical/ Pictorial Data:	
• Earnings Per Share	
• Net Assets	
• Stock Performance	
• Shareholders' Funds	
• Return on Shareholders Fund	
Horizontal/Vertical Analysis including following:	
Operating Performance (Income Statement)	

• Total Revenue
• Operating profit
• Profit Before Tax
• Profit After Tax
• EPS
Statement of Financial Position (Balance Sheet)
• Shareholders Fund
• Property, Plant & Equipment
• Net Current Assets
• Long Term Liabilities and Current Liabilities
Profitability/Dividends/ Performance and Liquidity Ratios
• Claim Ratio
• Earnings before Interest, Depreciation and Tax
• Price Earning Ratio
• Solvency Ratio
• Return on Capital Employed
• Debt Equity Ratio
Statement of Value Added and Its Distribution
• Government as taxes
• Shareholders as dividend
• Employees as bonus/remuneration
• Retained by the entity
• Market share information of the company's products/services
• Economic value added
Presentation of Annual Report
• Quality of the Report/Layout of Contents
• Cover and printing including the theme on the cover page



• Appropriateness and effectiveness of photographs and their relevance	
• Effectiveness of Charts and Graphs	
• Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in Issuing Annual Report and Holding AGMs	
• 3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
• Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
• If the period is over 6 months - no marks shall be awarded	
Additional Disclosures	
For Example	
• Human Resource Accounting	
• Any other good additional disclosures (Independence certification e.g. GNV, GRI)	
Specific Areas for Insurance Sector	
• Claims management and details of outstanding claims (IBNR & IBNER) with ageing thereof	
• Disclosures pertaining to solvency margin	
• Certificate of Actuary giving details of the liabilities on account of live policies and estimates/ assumptions made for the same	
• Accounting ratios pertaining to insurance sector	
• Review of assets quality	

16.2 Disclosure Checklist Regarding ICMAB Evaluation Criteria



Sl. No.	Evaluation Criteria	Page No.
A	Capitalization and Solvency	The aforementioned disclosure check list is elaborately discussed in the different pages of the annual report.
1	External Liability Ratio	
2	Internal Capital Generation Ratio	
3	Exceptional Loss Reserve to Net Premium	
4	Capital and Fund to Total Assets	
B	Technical	
1	Retention Ratio	
2	Claim Ratio	
3	Premium to Equity	
C	Profitability & Management Efficiency	
1	Gross Underwriting Margin Return	
2	Return on Average Assets (ROAA)	
3	Return on Average Equity (ROAE)	
4	Available Solvency Margin	
5	Management Expense to Net Premium	
6	Agency Commission to Net Premium	
7	Underwriting Profit on Gross Premium	
D	Liquidity & Funding	
1	Current Ratio	
2	Liquid Assets to Total Insurance Fund	
3	Total Liquid Assets to Total Assets	
E	External Credit Rating (ECA)	
1	Short Term	
2	Long Term	
F	Corporate Governance	

1	No. of Non-Shareholding Director
2	Single Family Domination Board
3	Shareholding Concentration (Public)
4	Audit Committee Led by Independent Directors
5	Directors' Minimum Shareholding
6	Audit Opinion
G	Performance with Respect to Shareholders
1	Dividend yield
2	Net Asset Value (NAV) Growth
3	Capital Appreciation
H	Human Resources Management
1	No. of Employees
2	Per Employee Average Salary
3	Gender Diversity
4	Training Cost Per Employee
I	Corporate Social Responsibility (CSR)
1	CSR to Net Income (%)
J	Regulatory Authority
1	Contribution to National Exchequer

16.3 Disclosure Checklist as Per ICSB Evaluation Criteria

Sl. No.	Particulars	Page No.
A	Board Independence & Governance	The aforementioned disclosure check list is elaborately discussed in the different pages of the annual report.
1	If the Chairman of the Company is a Non-Executive Director	
2	Criteria for appointment of Independent Directors disclosed in the Annual Report	
3	Criteria for appointment of Independent Directors are complied with	
4	Written policy for induction of Directors	
5	Appropriate proportion of Independent Directors to total number of Directors	
6	Disclosure of policy on training of Directors as a part of assessing Board performance	
7	A report on compliance with best practices on Corporate Governance by the Directors	
8	Annual evaluation of CEO carried out by the Board	
9	Transparent Board nomination and election process	
10	Concentration of shareholding among the Board members	
11	Board members suitably qualified and experienced	
B	Board Systems and Procedures	
1	MD or CEO of the Company does not hold the same position in another listed company	
2	Written Code of Conduct for Directors and Senior Management	
3	Well attended Board and Committee Meetings	
4	Whistle Blower policy disclosed	
5	The Board contains a member with expert knowledge and responsibility for informing Board of corporate regulatory rules, responsibilities and implications.	
6	Nomination and Remuneration Committee reports are published in the Annual Report or not	
7	Board Meetings are conducted, Minutes kept and books and records are maintained in compliance with Bangladesh Secretarial Standards (BSS), as adopted by ICSB	
8	Role of Company Secretary with his or her background	
C	Board Systems, Risk and Audit Committee	
1	Existence of an Audit Committee, with competence relevant to the sector in which the company operates	
2	Financial Expert in the Audit Committee	

3	Internal Auditor reports to the Board Audit Committee
4	Sufficient number of Independent Directors in the Audit Committee
5	The Audit Committee reports conflicts of interest to the Board
6	The Chairman of the Audit Committee is present at the AGM
7	The Board carries out a robust assessment of Company's emerging and principal risks
8	Taking into account the Company's current position and principal risks, the Board explains in the annual report how it has assessed the prospects for the Company
D	Transparency & Disclosure Compliances
1	Related Party Transactions disclosed in the Annual Report
2	Statement of Compliance with IFRS/BFRS
3	Statement of Compliance with ICSB Secretarial Standards
4	No adverse remarks in the Auditors' Report
5	Disclosures for prospective Investors
6	Disclosure of details of the remuneration of Directors
7	Disclosure of the qualification, experience and remuneration of Senior Management
8	Adequate information relating to Financial Transparency and Disclosures
E	Transparency and Internal Audit Functions
1	Internal Audit Department established in the Company
2	Role and responsibility of the Head of Internal Audit provided in writing
3	Statement of Directors' responsibility to establish appropriate System of Internal Controls
4	Adequacy of Internal Control system is reviewed
5	Internal Audit reports submitted to the Audit Committee
F	Shareholders Information & Value Enhancement
1	Pattern of shareholdings (Parent/Subsidiary/Associated Companies and Other Related Parties, Directors/Executives and relatives of Directors/Executives etc.)
2	Existence of well operated "Investors Relation Desk/Department"
3	Disclosure of shares held by 10% or more voting interests in the Company (Name-wise details)
4	Process for redressing investor Complaints.

5	Positive growth in Net Worth of the Company over the last 5 years
6	Cash or Stock Dividends paid in previous 5 financial years.
7	Satisfactory EPS growth of the Company over the last 5 years
8	Effective Investor Communication on Value-related Information
9	Detailed disclosures, as per listing rules, available on the Company's Website
G	Stakeholders Value Enhancement
1	Policy to encourage employee's participation in Management
2	Payment to Vendors on time
3	Payment of Taxes on time
4	No dispute or default in payment of Taxes
5	Suitable Supply Chain Management Policy
H	Corporate Social Responsibility
1	Disclosure of CSR activities
2	Particulars of tree plantation and forestation
3	Compliance with labour law to prevent employment of child labour
4	Employees and their immediate family take part in community welfare initiatives of the Company
5	Compliance with Labour Law relating to gratuity, provident fund and WPPF
I	Corporate Objectives, Governance Initiatives/Recognitions
1	Any award won by the Company for Corporate Governance
2	Vision and Mission statement of the Company in the Annual Report
3	Overall Strategic Objectives
4	Core Values and Code of Conduct and Ethical Principles
5	Director's profiles and their representation on Board of other Companies and Organization Chart
J	Timeliness in Publishing Financial Statements and Holding AGM
1	3 months to produce the Annual Report and hold the AGM
2	More than 3 months but less than 6 months
3	If more than 6 months

K	Claim Settlement
1	Satisfactory Record of Claim Settlement
2	Outstanding Claim position
3	Litigation arisen out of Outstanding Claims
L	Underwriting, Reinsurance & Policy Bonus
1	Re-insurance arrangement with local and reputed foreign Companies and Treaty Limit
2	Existence of detailed Underwriting Manual/Guideline
M	Profitability (%)
1	Return on Average Assets (ROAA)
2	Return on Average Equity (ROAE)
3	Net Profit Margin
4	Net Underwriting Margin
N	Leverage & Solvency
1	Leverage Ratio
2	Debt Service Coverage Ratio (DSCR)
O	Liquidity & Operational Efficiency
1	Quick Ratio
2	Operational Cash Flow to Sales (OCFS)
3	Cash & Cash Equivalentents
4	Liquid Assets to Total Assets (%)
P	Capital Strength & Solvency
1	Paid-up Capital
2	Solvency Margin
3	Net Worth to Total Assets (%)
Q	Technical /Operating Performance (%)
1	Claim/Loss Ratio
2	Expenses Ratio

R	Credit Rating	
1	AAA to AA-/AAA to AA3	
2	A+ to A-/A1 to A3	
3	BBB+ to BB-/BBB1 to BB3	
4	B+ to D/B1 to D	
5	Unrated	

16.4 Disclosure Checklist Regarding SAFA Standard



Reporting Framework	Compliance Status	
	Complied	Not Complied
BSS – 1		
MEETINGS OF THE BOARD OF DIRECTORS		
1. Convening of a Meeting		
1.1 Authority		
Any Director of a company including the Chairman may, and the Secretary on the requisition of a Director shall, at any time, summon a Meeting of the Board unless the Articles of the company provide otherwise.	√	
1.2 Notice		
Every Director of the company shall be entitled to get the Notice of every Meeting in writing in any mode including by hand or by post or by facsimile or by e-mail or by any other electronic mode. A Director may specify any particular mode to receive such notices. If any of the Directors so specifies, the Notice shall be sent to him by such mode.	√	
The Notice of the Meeting shall specify the day, date, time and full address of the venue wherein the Meeting be held. A Meeting may be held at any place, any time, on any day	√	
The Notice of a Meeting shall be given in respect of all meetings including the Meetings which are held on pre-determined dates or at pre-determined intervals.	√	
Notice shall be given at least seven (7) days before scheduled date of the Meeting unless the Articles of the company denote a longer period for such Notice.	√	
Unless a Notice has not been given to the Directors then no business shall be transacted at a Meeting.	√	
The Agenda as to be transacted at the Meeting along with Notes to the Agenda shall be circulated or sent at least three (3) days before the date of the Meeting.	√	
Each Agenda to be transacted in the meeting shall be supported by notes, details of the item and, where a Resolution is required to be passed, the draft Resolution shall be attached with the Notice.	√	
The Notice may be given at shorter period of time than those respectively stated above if the majority of members of the Board or Committee so agree. The proposal to hold the Meeting at a shorter Notice shall, be stated in the Notice and the fact that consent thereto was obtained shall also be recorded in the Minutes.	√	
Notice, Agenda and Notes on Agenda shall be given to all Directors or to all Members of the Committee, as the case may be, at their respective addresses as provided by them, whether in	√	

Bangladesh or abroad, and shall also be given to the Original Director, even when the Notice, Agenda and Notes on Agenda have been sent to the Alternate Director.	√	
Any supplementary item not originally included in the Agenda may be taken up for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the Meeting. However, no supplementary item which is of significance or is in the nature of unpublished price sensitive information shall be taken up by the Board without prior written Notice.	√	
The items of business to be transacted shall be arranged in order of those items that are of a routine or general nature or which merely require to be noted by the Directors, and those items which require discussions and specific approval.	√	
Besides the items of business that are required by the Act or any other applicable law to be considered at a Meeting of the Board and all material items having a significant bearing on the operations of the company, there are certain items which if applicable, shall also be placed before the Board. An illustrative list of such items is given at Annexure 'A'	√	
There are certain specific items which shall be placed before the Board at its first Meeting and there are certain items which shall be placed before the Board at the Meeting held for consideration of the year-end accounts.	√	
2. Frequency of Meetings		
2.1 Meetings of the Board		
The Board shall meet at least once in every quarter of a calendar year i.e. in three months, and at least four Meetings are to be held in each year. The maximum interval between any two Meetings shall not be more than 90 days.	√	
Each Meeting shall be of such duration to enable proper deliberations to take place on Agenda or items placed before the Board.	√	
2.2 Meetings of Committees		
Committees shall meet at least as often as stipulated by the Board or as prescribed by any other authority.	√	
3. Quorum		
3.1 Meetings of the Board		
Quorum shall be present throughout the Meeting. No business shall be transacted unless the Quorum is so present.	√	
The Quorum for a Meeting of the Board shall be one-third of the total strength of the Board (any fraction contained in that one-third being rounded off as one), or two Directors, whichever is	√	



higher.	√	
Where the requirements for the Quorum, as provided in the Articles, are stricter, then the Quorum shall conform to such requirements. If the number of Interested Directors exceeds or is equal to two-thirds of the total strength, the remaining Directors present at the Meeting, being not less than two, shall be the quorum during such time.	√	
Where the number of Directors is reduced below the minimum fixed by the Articles, no business shall be transacted unless the number is first made up by the remaining Director(s) or through a general meeting.	√	
If a Meeting of the Board could not be held for want of Quorum, then, unless the Articles otherwise provide, the Meeting shall automatically stand adjourned to the same day in the next week, at the same time and place.	√	
3.2 Meetings of Committees		
The presence of all the members of any Committee constituted by the Board is necessary to form the Quorum for Meetings of such Committee unless otherwise stipulated by the Board while constituting the Committee.	√	
Certain guidelines. Rules and Regulations framed under the Act or by any statutory authority may contain provisions for the Quorum of a Committee and such stipulations shall then be followed.	√	
4. Attendance at Meetings		
4.1 Attendance Register		
An Attendance Register shall be maintained containing the names and signatures of the Directors present. If an attendance register is maintained in loose-leaf form, it shall be bound at reasonable intervals	√	
4.2 Leave of Absence		
Leave of absence shall be granted to a Director only when a request for such leave has been communicated to the Secretary or to the Board or to the Chairman.	√	
5. Chairman		
5.1 Meetings of the Board		
Every company shall have a Chairman who will preside over the Meetings of the Board.	√	
It will be the duty of the Chairman to look into that the Meeting is duly convened and constituted as per the provisions of the Act or any other applicable guidelines, Rules and Regulations before it proceeds to transact business.	√	
The Chairman shall then conduct the proceedings of the Meeting and ensure that only those items of business as have been set out in the Agenda are transacted and ideally in the order in which the	√	

items appear on the Agenda.	√	
The Chairman shall encourage deliberations and debate and assess the sense of the Meeting. The Chairman shall ensure that the proceedings of the Meeting are correctly recorded and, in doing so, he may include or exclude any matter as he deems fit.	√	
In the case of a public company, if the Chairman himself is interested in any item of business, he shall entrust any other dis-interested Director present to conduct the proceedings in respect of such item. After the transaction of the item of business is over then the Chairman may resume his position.	√	
5.2 Meetings of Committees		
The Board, while constituting any Committee, shall also appoint the Chairman of the Committee so constituted.	√	
6. Passing of Resolution by Circulation		
6.1 Circulation of Resolution and Supporting Papers		
A Resolution proposed to be passed by Circulation shall be sent in draft, together with supporting papers to all the Directors separately, and in the case of a Committee, to all the members of the Committee.	√	
It only those matters, which are of an urgent nature are approved through the Resolutions by Circulation.	√	
The Resolution as to be passed by Circulation and the supporting papers shall be circulated by hand, or by post, or by facsimile, or by e-mail or by any other electronic mode.	√	
6.2 Passing and Recording of Resolutions by Circulation		
The Resolution shall be deemed to have been passed on the date on which it is signed and dated as approved by all the Directors then in Bangladesh, being not less than the Quorum, or on the date on which it is approved by the majority of the Directors entitled to vote on the Resolution, whichever is earlier.	√	
Resolutions sent for passing by Circulation shall be noted along with the decision thereof, at the next Meeting of the Board or Committee, as the case may be, and to be recorded in the Minutes of such Meeting.	√	
6.3 Resolutions Not to be Passed by Circulation		
The annual accounts of a Company shall be approved at a Meeting of the Board and shall not be by a Resolution by Circulation.	√	
Quarterly or half-yearly financial results shall be approved at a Meeting of the Board or its Committee and shall not be by a Resolution by Circulation.	√	



In the case of a listed company, if there is any material variance between un-audited and audited results, the review report of the Auditors shall also be discussed and approved at a Meeting of the Board and not approved by a Resolution by Circulation.	√	
7. Minutes		
7.1 Recording of Minutes		
Within fifteen days from the date of the Meeting of the Board or Committee or of an adjourned Meeting, the draft Minutes thereof shall be circulated to all the members of the Board or the Committee, as the case may be, for their necessary comments.	√	
The Directors shall forward their comments on the draft Minutes within seven days from the date of circulation thereof, so that the Minutes are finalized and entered in the Minutes Book within the specified time limit of thirty days.	√	
The Minutes of proceedings of a Meeting shall be entered in the Minutes Book within thirty days from the conclusion of the Meeting.	√	
In any case a Meeting is adjourned; the Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the date of the respective Meetings. In respect of a Meeting adjourned for want of Quorum, a statement to that effect shall be recorded in the Minutes Book by the Chairman or any Director as designated by the Board who was physically present at the Meeting.	√	
The date of entering the Minutes shall be specified in the Minutes Book by the Secretary.	√	
The Chairman shall put his initial on each page of the Minutes, and put his full signature on the last page of the Minutes along with the date of signing of the Minutes.	√	
While the law requires that Minutes of the proceedings shall be entered in the Minutes Book within thirty days of the Meeting, there is no prescribed time limit within which such Minutes have to be signed. They could be signed beyond a period of thirty days if the succeeding Meeting is held after a period of thirty days from the date of the earlier Meeting. However, it is also not obligatory to wait for the next Meeting in order to have the Minutes of the previous Meeting signed. Such Minutes may be signed by the Chairman of the Meeting at any time before the next Meeting is held.	√	
The Minutes of Meetings of the Board can be inspected by the Directors only. While the Auditors of the company or Chartered Secretary in Practice appointed by the company can also inspect the Minute Books in the course of their audit or certification. A member of the company or any other person has no right to inspect the Minutes of Meetings of the Board or any Committee thereof.	√	
Officers of the Registrar of Joint Stock Companies & Firms, other duly authorized in this behalf under law, during the course of an inspection, can also inspect the Minutes for discharging of their official duties.	√	

Minutes shall not be pasted or attached to the Minutes Book.	√	
Minutes, if maintained in loose-leaf form, shall be bound at intervals coinciding with the financial year of the company.	√	
The pages of the Minutes Book shall be serially numbered and there shall be proper locking device to ensure security and proper control to prevent any sort of removal of the loose leaves of the Minutes Book.	√	
Extracts of the Minutes shall be given only after the Minutes have duly been signed. However, certified copies of any Resolution passed at a Meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting and was duly approved.	√	
Minutes of an earlier Meeting shall be noted at the next Meeting.	√	
Any alteration, other than grammatical, typographical or minor corrections, in the Minutes as entered, shall be made only under the approval taken in the subsequent Meeting in which such Minutes are sought to be altered.	√	
The Minutes of Meetings of any Committee shall be circulated to the Members of the Board along with the Agenda for the Meeting of the Board next following such Meeting of the Committee and shall be noted at the Board Meeting.	√	
7.2 Recording in the Minutes		
The names of the Directors present in the Meeting along with the names of persons who were in attendance and the names of invitees in the Meeting, if any, shall be recorded in the Minutes.	√	
Apart from the Resolution or the decision, the Minutes shall mention the brief background of the proposal and the rationale for passing the Resolution or taking of the decision.	√	
The names of the Directors who have dissented or have abstained from the decision shall be recorded. Similarly, the fact that an interested Director who did not participate in the discussion or vote on the Agenda shall also be recorded in the Minutes.	√	
Wherever any approval of the Board or of the Committee is taken on the basis of certain papers laid before the Board or the Committee, proper identification by initialing of such papers by the Chairman or any Director shall be made and a reference thereto shall be made in the Minutes.	√	
7.3 Preservation of Minutes and Supporting Papers		
The Minutes of all Meetings shall be preserved permanently.	√	
If a Company has been merged or amalgamated with any other Company, the Minutes of all Meetings of the Board and Committees of the transferor Company shall be preserved permanently by the transferee Company for any future references notwithstanding the fact that the identity of the transferor Company may not survive under such arrangement.	N/A	

All office copies of Notice, Agenda and Notes to Agenda and other related papers shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may not be destroyed thereafter without the authority of the Board.	√	
8. Disclosure regarding Meeting of the Board and Committees	√	
The Annual Report of a Company shall disclose the number of Meetings of the Board and Committees held during the year indicating the number of Meetings attended by each Director.	√	
BSS – 2	√	
SECRETARIAL STANDARD ON GENERAL MEETINGS	√	
1. Convening of a General Meeting	√	
1.1 Authority	√	
As per the provisions of the Act, a General Meeting shall be convened on the authority of the Board.	√	
The Board of its own accord or on the requisition of Members shall, either at a Meeting of the Board or by passing a resolution by Circulation, convene or authorize the convening of a General Meeting.	√	
If, on a requisition having been made in this behalf, the Board fails to call a Meeting, the requisition may themselves call the Meeting in the same manner, as nearly as possible, as that in which Meetings are to be called by the Board.	√	
1.2 Notice		
Notice of every General Meeting shall be given to every Member of the company in writing. Such Notice shall also be given to every Director and the Auditors of the company, and to the Practicing Company Secretary, if any, who has given the Compliance Certificate, to Debenture Trustees, if any, and, wherever applicable or so required, to any other specified recipients.	√	
Notice shall be given to all persons entitled to receive such Notice, at the address provided by them in Bangladesh or outside Bangladesh. In the case of joint-shareholders, the Notice shall be given to the person whose name appears first in the Register of Members or in the records of the depository, as the case may be.	√	
On receipt of intimation of death of a Member, the Notice of a Meeting shall be sent to the surviving first joint-holder or to the nominee of the sole shareholder or to the person entitled to a share in consequence of the death of the Member In case of insolvency of a Member, the Notice shall be sent to the assignees of the insolvent or to the person entitled to a share in consequence of the insolvency of the Member.	√	
Notice shall be given by hand or by post and shall also be placed on the website, if any, of the	√	

company.	√	
The Notice shall specify the day, date, time and venue of the General Meeting with complete address.	√	
General Meetings shall commence during business hours, on a working day, at the Registered Office of the company or at some other place within the city, town or village in which the Registered Office is situated. If the venue of the Meeting is not a prominent place, a site map of the venue shall be enclosed with the Notice.	√	
The Notice shall prominently contain a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that, except in the case of a private company and a company not having a share capital where the Articles may provide otherwise, a Proxy need not be a Member.	√	
The Notice shall clearly specify the nature of the Meeting and the business to be transacted thereat.	√	
In respect of items of Special Business, each such item shall be in the form of a Resolution and shall be accompanied by an explanatory statement which shall set out all such facts as will enable a Member to take an informed decision on the matter.	√	
In respect of items of Ordinary Business, Resolutions are not required to be specified in the Notice except where the appointment of Auditors has to be made by a Special Resolution, or where the Auditors or Directors to be appointed are other than the retiring Auditors or Directors, as the case may be.	√	
All Resolutions and the explanatory statement shall be framed in simple and intelligible language so as to enable Members to understand the meaning, scope and implications of the proposed items of business.	√	
The nature of the concern or interest, if any, of Directors in any item of business or in a proposed Resolution shall be disclosed in the explanatory statement, along with the extent of such concern or interest where the item relates to transactions with any other company.	√	
Where reference is made to any document, contract, agreement or the Memorandum of Association and Articles, the relevant explanatory statement shall state that such documents are available for inspection and such documents shall be so made available for inspection for not less than two hours during business hours at the Registered Office of the company and copies thereof shall also be made available at the head/ corporate office of the company, if such office is situated elsewhere, and also at the Meeting.	√	
In all cases relating to the appointment or re-appointment of Directors, details of each such Director shall be given, including age, qualifications, experience, date of first appointment on the	√	

Board, shareholding position in the company, relationship with other Directors of the company, Directorship in other companies, Membership/ Chairmanship of Committees of Boards of other companies and the number of Meetings of the Board attended during the year.	√	
In the case of appointment/re-appointment or varying of the terms of remuneration of managerial personnel of the company, their personal resume, terms and conditions of appointment/reappointment including full details of remuneration sought to be paid and the remuneration last drawn by such person shall be stated in the explanatory statement.	√	
For the listed companies the Notice of the General Meeting shall be published in at least two national daily newspapers, one in Bangla and another in English, having a wide circulation within Bangladesh.	√	
No business shall be transacted at a Meeting if Notice in accordance with this Standard has not been given.	√	
At the General Meeting no items of business other than those specified in the Notice shall be taken up for consideration.	√	
In respect of an item of business if not contained in the Notice convening the Meeting, then no Resolution shall be valid if it is passed in the General Meeting.	√	
Where Special Notice is required of any Resolution and Notice of the intention to move such Resolution is received by the company at least fourteen days before the Meeting, such item of business shall be placed for consideration at the Meeting after giving Notice of the Resolution to Members in the manner specified.	√	
Any amendment to the Notice, including the addition of any item of business, can be issued provided the notice of amendment is sent to all persons entitled to receive the Notice of the Meeting and is sent within the time limit prescribed for giving of the original Notice.	√	
A General Meeting convened upon due Notice shall not be postponed or cancelled	√	
If, for reasons beyond the control of the Board, a Meeting cannot be held on the date originally fixed, the Board may defer the Meeting. The Meeting shall be reconvened after giving not less than seven days fresh Notice published in a newspaper having a wide circulation within Bangladesh.	√	
1.3 Sending of Notice and Supporting Documents to Members		
The Notice shall be accompanied by an Attendance slip and a Proxy form with clear instructions for filling, stamping, signing and depositing of the Proxy form.	√	
Notice and supporting documents shall be sent to all the members at least 21 days before the scheduled date of the Meeting.	√	
Where the Notice also is to be published in a newspaper, it shall appear at least twenty-one days	√	

before the date of the Meeting and such Notice need not be accompanied by an explanatory statement	√	
Notice and accompanying documents may be given at a shorter period of time if consent in writing, in the prescribed form, is given thereto by, in the case of an Annual General Meeting, all the Members entitled to vote at the Meeting and, in the case of any other Meeting, Members holding ninety-five percent of the paid-up share capital carrying voting right or, where the company has no share capital, ninety-five percent of the total voting power.	√	
2. Frequency of General Meetings		
2.1 Statutory General Meeting		
Every public company having a share capital and every public company limited by guarantee and having a share capital shall, after one month but not later than six months from the date on which it is entitled to commence business, hold a Meeting called the Statutory Meeting.	√	
2.2 Annual General Meeting		
Every company shall, in each year, hold a Meeting called the Annual General Meeting. Every company shall hold its first Annual General Meeting within eighteen months of the date of incorporation and thereafter in each year within six months of the close of the financial year, with an interval of not more than fifteen months between two successive Meetings. The aforesaid period of six months or interval of fifteen months may be extended by a period not exceeding three months with the prior approval of the Registrar of Companies.	√	
2.3 Extra-Ordinary General Meeting		
Items of business of an urgent nature which need to be transacted before the next Annual General Meeting shall be considered at an Extra-Ordinary General Meeting.	√	
3. Quorum		
To conduct a valid meeting Quorum shall be present at the commencement and throughout the Meeting.	√	
In the case of a public company a minimum of five Members personally present and entitled to vote, and in the case of a private company, two Members personally present and entitled to vote, shall constitute the Quorum for a valid General Meeting.	√	
Where more stringent requirements for Quorum is prescribed in the Articles then the Quorum shall conform to such requirements.	√	
A Meeting must be constituted of at least two individuals present in person. The Quorum requirement of five Members in the case of a public company will be fulfilled where a person acting as an authorized representative of five bodies corporate is present in the Meeting along with another Member personally present. However, if there is no such other Member personally	√	

present, the Quorum requirement will not be fulfilled.	√	
At a General Meeting since Members need to be personally present to constitute the Quorum, Proxies are to be excluded for determining the Quorum. However, a duly authorized representative of a body corporate is deemed to be a Member personally present and enjoys all the rights of a Member present in person.	√	
4. Entitlement of Others to Attend the Meeting		
The Directors of the company shall attend all Meetings of the company, particularly the Annual General Meeting, and shall be seated with the Chairman.	√	
If any Director is unable to attend the Meeting for reasons beyond his control, the Chairman shall explain such absence at the Meeting.	√	
The Chairman of the Audit Committee, where such a Committee exists, shall attend the Annual General Meeting.	√	
The Auditors of the company are entitled to attend the Annual General Meeting, the Auditors, represented by the proprietor or a partner, as the case may be, shall attend the Meeting if there are any reservations, qualifications or adverse remarks in the Auditor's Report.		
The Chartered Secretary in Practice who has given the Compliance Certificate to a company shall be entitled to attend the Annual General Meeting of that company.	√	
5. Chairman		
5.1 Appointment of Chairman		
The Chairman of the Board shall take the chair of a general meeting and conduct the Meeting.	√	
If there is no Chairman or if he is not present within twenty minutes after the time as appointed for holding of the general meeting, or if he expresses his inability or is unable to act as Chairman of the Meeting, the Directors present shall elect one of themselves to act as the Chairman of the Meeting.	√	
If the Directors fails to elect or if no Director is willing to take the chair, then the Members present shall elect one of themselves to be the Chairman of the Meeting.	√	
In the absence of any express provision contained in the Articles, the Members personally present at the Meeting shall elect one of themselves to be the Chairman of the Meeting.	√	
5.2 Duties of Chairman	√	
The Chairman shall ensure that the Meeting is duly constituted in accordance with the Act and the Articles or any other applicable laws, before it proceeds to transact business. The Chairman shall then conduct the Meeting in a fair and impartial manner and ensure that only such business as has been set out in the Notice is transacted.	√	

The Chairman shall explain the objective and implications of each Resolution before the Resolution is put to vote.	√	
The Chairman shall provide a fair opportunity to Members who are entitled to vote to raise questions and/or offer comments and ensure that these are answered.	√	
The Chairman shall not propose any Resolution in which he is deemed to be concerned or interested nor shall he participate in the discussion or vote on any such Resolution.	√	
If the Chairman is interested in any item of business, he shall entrust the conduct of the proceedings in respect of such item to the Vice Chairman, if there is one, or to any dis-interested Director or to a Member and resume the Chair after that item of business has been transacted. A person who so takes the Chair can exercise his casting vote in the event that a vote on such item of business results in a tie.	√	
6. Voting		
6.1 Proposing a Resolution		
Every Resolution shall be proposed by a Member and seconded by another Member entitled to vote thereon.	√	
Every Member holding equity shares and, in certain events as specified in the Act, every Member holding preference shares, shall be entitled to vote on a Resolution.	√	
A Director shall not propose any Resolution in which he is deemed to be concerned or interested nor shall he participate in the discussion or vote on any such Resolution.		
6.2 Vote on Show of Hands		
Every Resolution shall, in the first instance, be put to vote on a show of hands. Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him. Unless the Articles otherwise provide, a Proxy cannot vote on a show of hands.	√	
6.3 Vote by Poll		
A Member present in person or by Proxy shall, on a poll, have votes in proportion to his share of the paid-up equity capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares. While a Proxy cannot speak at the Meeting, he has the right to demand or join in the demand for a poll.	√	
When a poll is demanded on any Resolution, the Chairman shall get the validity of the demand verified and shall order the poll forthwith if it is demanded on the question of appointment of the Chairman or adjournment of the Meeting and, in any other case, within forty-eight hours of the	√	



demand for poll.	√	
In the case of a poll which is not taken forthwith, the Chairman shall announce at the Meeting the date, venue and time of taking the poll to enable Members to have adequate and convenient opportunity to exercise their vote. The Chairman shall also announce that any Member who so desires may be present at the time of counting of votes.	√	
A Member who did not attend the Meeting cannot participate and vote in the poll.	√	
Each Resolution on which a poll is demanded shall be put to vote separately.	√	
One ballot paper may be used for two or more items for which poll has been ordered.	√	
The Chairman shall appoint at least two scrutinizers to ensure that the scrutiny of the votes cast on a poll is conducted fairly, accurately and properly. At least one of the two scrutinizers shall be a Member who is present at the Meeting and is not an officer or employee of the company.	√	
Based on the scrutinizers' report, the Chairman shall declare the result of the poll, with details of the number of votes cast for and against the Resolution and the final result as to whether the Resolution has been carried or not .	√	
The result of the poll shall be displayed on the notice board of the company at its Registered Office and its Corporate/Head Office, if such office is situated elsewhere, and also placed on the website, if any, of the company. In the case of listed companies with more than 5,000 Members, the result of the poll shall also be published in a newspaper having a wide circulation within Bangladesh.	√	
6.4 Casting Vote		
The Chairman shall have a casting vote in a poll.	√	
If the Articles otherwise provide or restricts on any casting vote, then the Chairman shall have no such casting vote.	√	
7. Proxies		
7.1 Notice of Right to Appoint Proxies		
Every Notice calling a Meeting of a Company which has a share capital or the Articles of which provide for voting at a Meeting by Proxy, shall prominently contain a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that, unless the Articles provide otherwise, a Proxy need not be a Member.	√	
7.2 Form of Proxy		
An instrument appointing a Proxy shall be either in the Form specified in the Articles or in any of the Forms set out in the Act.	√	
If the Articles do not provide a forum for 'two-way voting' as per the format set out in 'Annexure-	√	

A', the Articles shall be amended so as to provide accordingly.	√	
An instrument of Proxy duly filled, stamped and signed, is valid only for the Meeting to which it relates including any adjournment thereof.	√	
7.3 Stamping of Proxies		
An instrument of Proxy is valid only if it is properly stamped. Unstamped or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.	√	
7.4 Execution of Proxies		
In addition to the Member appointing a Proxy, the Proxy-holder also shall sign the instrument of Proxy.	√	
An authorized representative of a body corporate, holding shares in a Company, may appoint a Proxy.	√	
7.5 Proxies in Blank and Incomplete Proxies		
A proxy form shall not be considered valid if it does not state the name of the Proxy.	√	
In case of an undated Proxy, if it is found otherwise complete in all respects, is lodged within the prescribed time limit, it shall be considered valid.	√	
If a Company receives multiple Proxies for the same holdings of a Member, which are either not dated or bear the same date without specific mention of time, all such multiple Proxies shall be treated as invalid.	√	
7.6 Deposit of Proxies		
Proxies shall either be deposited with the company in person or received through post not later than forty-eight hours before the commencement of the Meeting at which they are to be used and a Proxy shall be accepted even on a holiday if the last date by which it could be accepted is a holiday.	√	
Proxies may be accepted at a shorter period, being not less than twenty- four hours before the commencement of the Meeting, if the Articles so provide.	√	
A Member who has not appointed a Proxy to attend and vote on his behalf at a Meeting may appoint a Proxy for any adjournment of such Meeting, not later than forty-eight hours before the time of such adjourned Meeting.	√	
7.7 Revocation of Proxies		
If a Proxy had been appointed for the original Meeting and such Meeting is adjourned, any Proxy given for the adjourned Meeting revokes the Proxy given for the original Meeting.	√	

A Proxy later in date revokes any Proxy/Proxies dated prior to such Proxy.	√	
A Proxy is valid until written notice of revocation has been received by the company before the commencement of the Meeting or adjourned Meeting, as the case may be.	√	
7.8 Inspection of Proxies		
Requisitions, if any, for inspection of Proxies shall be received in writing from a Member at least three days before the commencement of the Meeting.	√	
Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.	√	
A fresh requisition, conforming to the above requirements, shall be given for inspection of Proxies in case the original Meeting is adjourned.	√	
7.9 Record of Proxies		
All Proxies received by the company shall be recorded chronologically in a register kept for that purpose.	√	
In case any Proxy entered in the register is rejected, the reasons therefore shall be entered in the remarks column of the register.	√	
8. Withdrawal/Rescinding of or Modifications to Resolutions		
8.1 Withdrawal of Resolutions		
Any Resolution on an Agenda or items of business which are likely to affect the market price of the securities of the company or regarded as price sensitive if passed shall not be withdrawn.	√	
8.2 Rescinding of Resolutions		
A Resolution passed at a Meeting shall not be rescinded other than by a specific Resolution passed at a subsequent Meeting.	√	
8.3 Modifications to Resolutions		
Modifications to any Resolution which do not change the purpose of the Resolution materially may be proposed, seconded and adopted by the requisite majority at the Meeting and, thereafter, the amended Resolution shall be duly proposed, seconded and put to vote.	√	
No amendment to any proposed Resolution shall be made if it in any way alters the substance of the Resolution as set out in the Notice. Grammatical and clerical errors may be corrected or words translated into more formal language and, if the precise text of the Resolution was not included in the Notice, it may be corrected into a formal Resolution, provided there is no departure from the substance as stated in the Notice.	√	

9. Reading of Report/Certificate	✓	
9.1 Auditors Report	✓	
The entire Auditor's Report including the Statement pursuant to the Manufacturing and Other Companies Auditor's Report Order shall be read at the Annual General Meeting.	✓	
9.2 Compliance Certificate		
The Compliance Certificate given by the Chartered Secretary in Practice and attached to the Directors' Report shall also be read at the Annual General Meeting.	✓	
10. Adjournment/Dissolution of Meetings		
10.1 Procedure of Adjournment		
A duly convened Meeting shall not be adjourned arbitrarily by the Chairman. The Chairman may adjourn a Meeting with the consent of the Members and shall adjourn a Meeting if so decided by the Members.	✓	
Meetings may be adjourned for want of requisite Quorum. The Chairman may adjourn a Meeting in the event of disorder or other like causes, where it becomes impossible to conduct the Meeting and complete its business.	✓	
If a Meeting is adjourned sine-die or for a period of thirty days or more, a Notice of the adjourned Meeting shall be given in accordance with the provisions contained herein above relating to Notice.	✓	
If a Meeting is adjourned for a period of less than thirty days, in the case of listed companies with more than 5,000 Members, Notice thereof specifying the day, date, time and venue of the Meeting shall be published immediately in a newspaper having a wide circulation within Bangladesh.	✓	
If a Meeting, other than a requisitioned Meeting, stands adjourned for want of Quorum, the adjourned Meeting shall be held on the same day, in the next week at the same time and place or on such other day and at such other time and place as may be determined by the Board. In the case of listed companies with more than 5,000 Members, Notice thereof, specifying the day, date, time and venue of the Meeting, shall be published immediately in a newspaper having a wide circulation within Bangladesh.	✓	
10.2 Holding of Adjourned Meeting		
If, at an adjourned Meeting, a Quorum is not present within half an hour from the scheduled time, the Members present, being not less than two in number, will constitute the Quorum.	✓	
At an adjourned Meeting, only the unfinished business of the original Meeting shall be considered and transacted.	✓	
Any Resolution passed at an adjourned Meeting shall be deemed to have been passed on the date	✓	

of the adjourned Meeting and not on any earlier date.	√	
10.3 Requisitioned Meeting		
If, within half an hour from the time appointed for holding a requisitioned Meeting, a Quorum is not present, the Meeting shall stand dissolved.	√	
11. Minutes		
11.1 Recording of Minutes		
Minutes shall contain a summary of the proceedings of the Meeting, recorded fairly, correctly, completely and in unambiguous terms, and shall be written in third person and past tense.	√	
The Minutes shall be entered and signed within thirty days from the conclusion of the Meeting. In case a Meeting is adjourned, Minutes shall be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the dates of the respective Meetings.	√	
The pages of the Minutes Book shall be consecutively numbered. The Minutes shall be dated and signed by the Chairman of the Meeting within a period of thirty days or, in the event of death or inability of the Chairman within that period, by a Director who was present in the Meeting and authorized by the Board for the purpose.	√	
The Chairman shall initial each page of the Minutes, sign the last page of the Minutes and append to such signature the date on which he has signed the Minutes.	√	
Minutes, once entered in the Minutes Book, shall not be altered. However, minor errors may be corrected and initialed by the Chairman even after the Minutes have been signed.	√	
Minutes shall not be pasted or attached to the Minutes Book.	√	
Minutes, if maintained in loose-leaf form, shall be bound at reasonable intervals.	√	
11.2 Recording in the Minutes		
The name of the Chairman of the Meeting and the names of Directors including the Chairman of the Audit Committee, if any, present at the General Meeting shall be recorded.	√	
The number of Members required to form the Quorum and the fact that the required Quorum was present shall be recorded.	√	
The number of Members present in person and through representatives and Proxies shall be recorded.	√	
The presence, at the Annual General Meeting, of the Auditor and the Practicing Company Secretary who has given the Compliance Certificate, shall be recorded.	√	
If the Chairman was interested in an item of business at the Meeting, the fact that he vacated the Chair and requested the Vice-Chairman, if any, or some other Director or Member to Chair the	√	

Meeting to transact such business, shall be recorded.	√	
11.3 Preservation of Minutes and Supporting Papers		
Minutes Book shall be kept separately from those books used to record Minutes of any other meetings to record the Minutes of Meetings and shall be kept at the Registered Office of the company.	√	
The Minutes of all Meetings shall be preserved permanently.	√	
Minutes can be inspected by any Member.	√	
The Statutory Auditors or Cost Auditors of the company or Secretary In Practice appointed by the company can also inspect the Minutes Book in the course of their audit or certification.	√	
A company if has been merged or amalgamated with any other company, under a scheme of amalgamation, the Minutes of all Meetings of the transferor company shall be preserved permanently by the transferee company, notwithstanding the fact that the identity of the transferor company may not survive such arrangement.	√	
Office copies of Notices and supporting papers relating to the Notice shall be preserved in orderly manner for as long as they remain current or for twelve years, whichever is later, and may be destroyed thereafter, on the authority of the Board.	√	
12. Distribution of Gifts, etc.		
At or in connection with the General Meeting no gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members.	√	
13. Disclosure regarding General Meeting		
The Annual Report of a company shall disclose particulars of all Meetings held during the last three years.	√	
BSS - 3		
SECRETARIAL STANDARD ON MINUTES	√	
1. Maintenance		
1.1 Minutes of Meetings should be recorded in the Books maintained for that purpose.		
1.2 A separate Minutes Book should be maintained for each type of Meeting.		
1.3 The pages of the Minutes Book should be numbered consecutively.		
1.4 Minutes should not be loosely pasted or loosely attached to the Minutes Book.		
1.5 Minutes Books should be kept at the Registered Office of the company.		

1.6 Minutes of Board Meetings should be kept in bound form. Minutes of other meetings, if maintained in loose-leaf form, should be bound at reasonable intervals. The Minutes Books should be kept under proper lock and key system to ensure security and control.	√	
2. Contents		
2.1 Minutes should contain the name of the company and the number of the particular Meeting, type of the Meeting, and day, date, venue, time of commencement and conclusion of the Meeting.	√	
2.2 Minutes should record the names of the Directors, Members, Company Secretary and other participants attending the Meeting.	√	
2.3 Minutes should mention the brief background of the proposal, summarize the deliberations and the rationale for taking the decisions.	√	
The Agenda items discussed should be recorded and numbered appropriately. The decisions should be recorded in the form of resolution, where it is statutorily or otherwise required. In other cases, the decision can be recorded in a narrative form.	√	
Where a resolution was passed pursuant to the Chairman of the Meeting exercising his second or casting vote, the Minutes should record the same and also refer to the Article's which empowers the Chairman to exercise the second or casting vote.	√	
2.4 Minutes of Meeting of Directors should contain:	√	
(a) The names of officers in attendance and invitees for specific items;	√	
(b) The names of Directors who sought and were granted leave of absence;	√	
(c) If any Director has participated only for a part of the Meeting, the Agenda items in which he had participated;	√	
(d) In case of a Director joining through video or tele conference the place from and the Agenda items in which he participated;	√	
(e) The appointment of officers made by the Board;	√	
(f) The resolutions sent for passing by Circulation along with the decisions thereon;	√	
(g) The fact that an interested Director did not participate in the discussion or vote;	√	
(h) The fact of the dissent and the name of the Director who dissented or abstained from the decision; and	√	
(i) Noting about confirmation of the Minutes of the last Meeting.	√	
2.5 Minutes of Members should contain:	√	
(a) The name of the Chairman of the Meeting;	√	

(b) A Statement regarding constitution of Quorum;	√	
(c) The number of members present in person including representatives;	√	
(d) The number of proxies and the number of shares represented by them;	√	
(e) The presence of the Chairman of the Audit Committee at the Annual General Meeting;	√	
(f) The presence if any, of the Auditors, the Practicing Chartered Secretary who issued the Compliance Certificate, and the observers;	√	
(g) A Statement regarding reading or placement of the Notice of the meeting;	√	
(h) Summary of the opening remarks of the Chairman;	√	
(i) Summary of the clarifications provided;	√	
(j) In respect of each resolution, the type of the resolution, the names of the persons who proposed and who seconded and the unanimity or majority (simple or absolute) with which such resolution was passed;	√	
(k) In respect of modification of a proposed resolution, the result of voting on such motion and the details of voting for such modified resolution; and	√	
(l) In the case of a poll, the number of votes cast in favour and against.	√	
2.6 If the Chairman is interested in respect of any specific item and if he vacates the Chair during the transaction of such item, the Minutes should contain the fact that he did so and the name of the other Director or member who took the Chair in his place.	√	
3. Recording		
3.1 Minutes should contain a fair summary of the proceedings of the Meeting in unambiguous terms and should be clear, concise and in plain language.	√	
3.2 Minutes should be written in third person and past tense.	√	
3.3 In Minutes, Resolutions should be written in the present tense.	√	
3.4 Each item of business transacted at the Meeting should be appropriately numbered.	√	
3.5 Minutes of the Meetings of all Committees held after a Meeting of the Board should be placed and reviewed at a subsequent Meeting of the Board.	√	
4. Alteration/Modification		
4.1 If a resolution or decision supersedes or modifies any previous resolution or decision, the reference of the previous resolution or decision should be mentioned.	√	
4.2 Minutes, once entered in the Minutes Book, should not be altered. Any modification in the Minutes entered, should be effected only by way of approval in the subsequent Meeting in which	√	

such Minutes are sought to be modified.	√	
5. Finalization & Signing		
5.1 Minutes should be finalized within seven working days from the date of conclusion of the Meeting, or earlier to meet any regulatory requirements.	√	
5.2 Minutes of the Meeting of Directors should be signed by the Chairman of the Meeting or the Chairman of the next Meeting.	√	
5.3 Minutes of a General Meeting should be signed and dated by the Chairman of the meeting or in the event of death or inability of the Chairman, by any Director duly authorized by the Board for the purpose.	√	
5.4 The Chairman or the authorized Director should initial each page and sign the last page of the Minutes.	√	
6. Inspection		
6.1 Directors are entitled to inspect Minutes of all Meetings. Members are entitled to inspect the Minutes of all General Meetings.	√	
Unless the articles otherwise provide, a member has no right to inspect the Minutes of Meeting of the Board or a Committee.	√	
When a member requested in writing for a copy of any Minutes, which he is entitled to inspect, the company should furnish the same within seven days, subject to payment of such fee as may be prescribed.	√	
Extracts of the minutes should be given only after the Minutes have been duly signed, However, certified copies of any Resolution passed at a meeting may be issued even pending signing of the Minutes by the Chairman, if the draft of that Resolution had been placed at the Meeting.	√	
The Auditor or cost auditor or the Practicing Company Secretary appointed by the company may inspect the Minutes in the course of audit or certification.	√	
Officer of the Register of Joint stock Companies and Firms, or other Government or regulatory bodies duly authorized in this behalf under law, during the course of an inspection, can also inspect the minutes.	√	
7. Preservation		
7.1 Minutes of all Meetings should be preserved permanently.	√	
7.2 Office copies of Notices, Agenda, Notes on Agenda and other related papers should be preserved in good order for as long as they remain current or for ten years, whichever is later, and may be destroyed thereafter under the authority of the Board.	√	
7.3 Where, under a scheme of arrangement, a company has been merged or amalgamated with	N/A	

another company, Minutes of all Meetings of the transferor company should be preserved permanently by the transferee company, notwithstanding the fact that the transferor company might have been dissolved.	N/A	
7.4 Office copies of Notices, Agenda, Notes on Agenda and other related papers of the transferor company should be preserved in good order for as long as they remain current or for ten years, whichever is later, and may be destroyed thereafter under the authority of the Board of the transferee company.	N/A	
7.5 Minutes Books should be kept in the custody of the Secretary of the company or any Director duly authorized for the purpose by the Board.	√	
BSS - 4		
SECRETARIAL STANDARD ON DIVIDEND		
1. Declaration / Recommendation of Dividend		
1.1 Dividend should be declared by the Members at an Annual General Meeting on the basis of recommendation of the Board.	√	
The recommendation for Dividend should not be made by any Committee of the Board or by way of a 'Resolution by Circulation'.	√	
Unless the Dividend has been recommended by the Board, the Members in General Meeting cannot on their own, declare any Dividend.	√	
Where a company has an Audit Committee, this Committee should consider the financial statements before its submission to the Board. Dividend should be recommended by the Board after consideration and approval of the financial statements. All requisite approvals and clearances, where necessary as applicable, should be obtained before the declaration of Dividend. Members may declare a lower rate of Dividend than what is recommended by the Board. The amount or rate of Dividend recommended by the Board cannot be increased by the Members.	√	
1.2 Dividend should relate to a financial year.	√	
1.3 No Dividend should be declared on equity shares for previous year(s) in respect of which annual financial statements have already been adopted at the respective Annual General Meeting(s).	√	
1.4 Interim Dividend should be declared by the Board of Directors. Declaration of Interim Dividend should not be made by any Committee of the Board or by way of a Resolution by Circulation. Interim Dividend should be a part of the Final Dividend. Where a company has an Audit Committee, it should review the periodic financial statements which should then be submitted to the Board.	√	

1.5 Dividend, once declared, becomes a debt of the company and cannot be revoked in any way.	√	
2. Dividend out of Profits		
2.1 Dividend should be paid out of the profit of the company for the financial year or out of profit(s) for the previous financial year(s). Dividend, being a portion of the profits of the company, is distributable amongst the Members of the company in accordance with the provisions of the Act. The Act requires a company to prepare a profit and loss account or income statement which should give a true and fair view of the profit or loss of the company for a financial year.	√	
2.2 Dividend should not be declared out of the Share Premium Account or the Capital Reserve Account or Revaluation Reserve Account or out of profit earned prior to the incorporation of the company.	√	
Revaluation Reserve is neither profit of the business nor created out of such profit, and hence cannot be applied in the payment of Dividend. Profit earned prior to incorporation is one type of capital reserve and hence it should not be applied for distribution as dividend.	√	
2.3 Where applicable, no Dividend should be declared unless the prescribed percentage of profit is transferred to reserve(s).	√	
2.4 Interim Dividend should be declared out of profit after considering the audited periodic financial statements.	√	
3. Dividend out of Reserves		
3.1 In a year in which the profits are inadequate, the company may declare and pay Dividend out of Free Reserves.	√	
3.2 Interim Dividend should not be declared out of reserves.	√	
4. Entitlement to Dividend		
4.1 Only the Members of the company are entitled to receive Dividend.	√	
Dividend should be paid (i) in respect of shares held in electronic form, to those members whose names appear as Beneficial Owners (BO) in the statement(s) furnished by the Depository as on the record date; (ii) in respect of shares held in physical form, to those Shareholders whose names appear on the company's Register of Members after giving effect to all valid share transfers in physical form lodged with the company before the date of book closure; and (iii) in respect of share warrants, to the holders of such warrants.	√	
4.2 Dividend should be paid to the Preference Shareholders before payment of Dividend to the Ordinary Shareholders.	N/A	
Preference shares carry a preferential right as to Dividend in accordance with the terms of issue and the Articles. However, this right is subject to the availability of distributable profits.	N/A	

In the case of Interim Dividend, while Preference Shareholders need not necessarily be paid Dividend before Interim Dividend is paid to Ordinary Shareholders the Board should set aside such sum as would be necessary to pay Dividend to Preference Shareholders at the contracted rate.	N/A	
5. Payment of Dividend		
5.1 Dividend should be paid within thirty days of declaration.		
The amount of Dividend after deducting tax at source, if applicable, should be deposited in a separate bank account immediately after declaration of Dividend.	√	
5.2 Dividend should be paid by Cheques or Dividend Warrants or through Electronic Transfer.		
Payment of Dividend through Electronic Transfer should be made to the bank accounts of the Members concerned as per depository record / to the bank account given by the Members concerned.	√	
The Cheque or Dividend Warrant should be sent to the registered address of the Member and, in the case of joint holders, to the registered address of the person named first in the register of members or to such person or to such address as the Member or the joint holders have directed in writing.	√	
5.3 Initial validity of the Dividend Warrant should be for six months.		
A Cheque or Dividend Warrant may be revalidated or a fresh instrument may be issued. The company should revalidate the Dividend Warrant or issue a fresh Dividend Warrant in lieu thereof upon receipt of a request for revalidation.	√	
Particulars of every revalidated Dividend warrant should be entered in a Register of Revalidated Dividend Warrant indicating the name of the person to whom the Dividend Warrant is issued, the number and amount of the Dividend Warrant and the date of revalidation.	√	
5.4 A duplicate Dividend Warrant should be issued, in case the original instrument is not tendered to the company, only after obtaining requisite declaration from the Member.	√	
In the case of defaced, torn or decrepit Dividend Warrants, a duplicate warrant may be issued on surrender to the company of such defaced, torn or decrepit warrant.	√	
Particulars of every duplicate Dividend Warrant issued as aforesaid should be entered in a Register of Duplicate Dividend Warrants, indicating the name of the person to whom the Dividend Warrant is issued.	√	
5.5 The Dividend Warrant must be accompanied by a statement in writing showing the amount of Dividend paid and the amount of tax deducted at source, if any.	√	
6. Unpaid / Unclaimed Dividend	√	
6.1 The amount of Dividend which remains unpaid or unclaimed after one year from the date of declaration should be transferred to a special dividend account, to be called 'Unclaimed Dividend	√	

Account' of the company.	√	
The company should maintain the details of unpaid or unclaimed dividend and reconcile the amounts thereof with the concerned bankers, periodically.	√	
6.2 The amount of Dividend in respect of shares for which an instrument of transfer has been tendered to the company but which have not been registered for any valid reason should be transferred to Unclaimed Dividend Account.	√	
If a Member authorizes the company in writing to pay the Dividend to the transferee specified in the instrument of transfer, the company should act upon such authorization. However, in the case of shares which have not been transferred because the ownership thereof is in dispute, or where attachment / prohibitory orders have been passed by a court or statutory authority, Dividend should be held in abeyance by transferring to the unclaimed Dividend Account.	√	
6.3 The Financial Statements of the company should disclose the amount lying in the Unclaimed Dividend Account.	√	
BSS - 5		
SECRETARIAL STANDARD ON MEETING THROUGH ELECTRONIC MODES		
1. Convening a Meeting Through Electronic Modes	√	
1.1. The Notice of the meeting should state clearly about:	√	
a) the type of meeting i.e. whether it would be a hybrid or fully virtual meeting	√	
b) whether any physical document would be tabled or not, and	√	
c) how the attendance record would be made.	√	
1.2. The Notice of the meeting should be sent to all the Directors in accordance with the provisions of the Act or the Articles. Notice of the Meeting, wherein the facility of participation through Electronic Mode is provided, shall clearly mention a venue, whether registered office or otherwise, to be the venue of the Meeting and it shall be the place where all the recordings of the proceedings would be made.	√	
1.3. The Notice should inform the Directors regarding the option available to them to participate through Electronic Modes, and should provide all the necessary information to enable the Directors to participate through Electronic Modes.	√	
1.4. A Director intending to participate through Electronic Modes should communicate his intention to the Chairperson or the company Secretary of the company. The Notice also contain the contact number or e-mail address (es) of the Chairperson or the company Secretary, to whom the Director shall confirm in this regard.	√ √	
1.5. If the Director intends to participate through Electronic Modes, he should give prior intimation to that effect sufficiently in advance so that the company is able to make suitable arrangements in	√	

this behalf.	√	
Any Director who intends to participate in the meeting through Electronic Modes may intimate such intention well ahead of the meeting concerned:	√	
Provided that such declaration should not debar him from participation in the meeting in person in which case he should intimate the company sufficiently in advance of his intention to participate in person.	√	
In the absence of any intimation to the contrary by any Director, it should be assumed that the Director should attend the meeting in person.	√	
1.6. If a Meeting is called in Electronic Modes only, Director does not require giving prior intimation to the company. Notice of the Meeting must inform Directors of the availability of that form of participation and provide necessary information to enable Directors to access the available medium or means of Electronic Modes. As the Electronic Modes only Meeting does not have a physical location and are accessible only through remote communication, in that case Notice of the Meeting does not require to mention venue of the Meeting. The web-link path or virtual address location may be deemed to be the place of the meeting.	√	
2. Special Cares to be Taken for Conducting a Meeting Through Electronic Modes	√	
2.1. Capable and constant IT supports should be present during meeting time to follow-up connectivity failure at any time.	√	
2.2. Convenient log-in from any device must be ensured.	√	
2.3. All necessary arrangements should be made and precautions be taken to avoid failure of video or audio visual or any other voice transmitting connection under Electronic Modes of Communication.	√	
2.4. From the commencement of the meeting and until the conclusion of such meeting, no person other than the Chairperson, Directors, Company Secretary and any other person whose presence is required by the Board should be allowed access to the place where any Director is attending the meeting either physically or through any Electronic Modes without the permission of the Chairperson.	√	
2.5. The registers which are required to be placed in the Board meeting as per the provisions of the Act should be placed at the scheduled venue of the meeting and where such registers are required to be signed by the Directors, the same should be deemed to have been signed by the Directors participating through Electronic Modes, if they have given their consent to this effect and it is so recorded in the minutes of the meeting.	√	
2.6. The Chairperson of the meeting and the company Secretary should take due and reasonable care:		
(a) to safeguard the integrity of the meeting by ensuring sufficient security and identification	√	



procedures;	√	
(b) to ensure availability of proper teleconferencing or video conferencing or other audio visual equipment or facilities for providing transmission of the communications for effective participation of the Directors and other authorized participants at the Board meeting;	√	
(c) to ensure that no person other than the concerned Director are attending or have access to the proceedings of the meeting through Electronic Modes of Communication;	√	
(d) to ensure that participants attending the meeting through Electronic Modes are able to hear and see the other participants clearly during the course of the meeting;	√	
Provided that a differently abled person may make request to the Chairperson to allow another person to accompany him being his aide.		
(e) to ensure that the required quorum is present throughout the meeting; If there is lack of quorum in the meeting at any point, the meeting shall be adjourned and reconvened when everyone can be present; Notice of an adjourned Meeting shall be given to all Directors including those who did not attend the Meeting on the originally convened date.	√	
(f) to ensure that necessary arrangements are employed for proper recording of the proceedings of the meeting under Electronic Modes. The company may prepare a detailed ground rules for participants and it should be circulated to all those joining the Meeting. A suggested ground rules for participants is placed at Annexure-1 to this paper.	√	
3. Conducting a Meeting Through Electronic Modes		
3.1. At the commencement, the Chairperson should place the meeting to order and call the Directors by name who would be participating through Electronic Modes to register themselves by mentioning the following:	√	
(a) name;	√	
(b) the location from where he is participating;	√	
(c) that he has received the Agenda and all the relevant materials for the meeting; and	√	
(d) that no one other than the concerned Director is attending or having access to the proceedings of the meeting at the location mentioned in item (b).	√	
3.2. After the roll of order, the Chairperson or the company Secretary should inform the Board about the names of persons other than the Directors who are present in person for the said meeting as per law; at the request or with the permission of the Chairperson and confirm that the required quorum is complete.	√	
A Director participating in a meeting through Electronic Modes should be counted for the purpose of quorum unless he is to be excluded for any items of business under any provisions of the Act or the Articles.	√	

3.3. Every participant should identify himself for the purpose of recording of the Proceedings of the meeting before speaking on any item of business on the Agenda.	√	
3.4. If a statement of a Director in the meeting through Electronic Modes is interrupted or distorted, the Chairperson or the company Secretary should request for a repeat or reiteration by the Director.	√	
3.5. If a motion is objected to and there is a need to put it to vote, the Chairperson should call the roll and note the vote of each Director who should identify himself while casting his vote. The votes, yes or no should be clearly recorded under the specific Agenda item.	√	
3.6. At the end of discussion on each Agenda item, the Chairperson of the meeting should announce the summary of the decision taken on such item along with names of the Directors, if any, who dissented from the decision taken by majority.	√	
4. Minutes and Proceedings of a Meeting Through Electronic Modes		
4.1. With respect to every hybrid meeting conducted through Electronic Modes authorized under this Standard, the scheduled venue of the meeting as set forth in the Notice convening the meeting, should be deemed to be the place of the said meeting and all recordings of the proceedings at the meeting should be deemed to be made at such place.	√	
4.2. The Chairperson of the meeting and/or the company Secretary should take due and reasonable care to store for safekeeping and marking the audio-visual recording(s) or other electronic recording mechanism as part of the records of the company till the time of completion of audit of that particular year or at least till the confirmation of the minutes of that meeting or as per requirement of the primary regulator of the company, if any.	√	
4.3. The Chairperson of the meeting and the company Secretary should take due and reasonable care to prepare the minutes of the meeting.	√	
4.4. The minutes should mention whether it was a hybrid or virtual meeting.	√	
4.5. The minutes should disclose the particulars of the Director(s) who attended the meeting through Electronic Modes and the place(s) from where he/they attended.	√	
4.6. The attendance register shall be deemed to have been signed by the Directors participating through Electronic Mode, if their attendance is recorded by the Chairperson or the company Secretary in the Attendance Register and the Minutes of the Meeting.	√	
4.7. A company shall make its own arrangement for payment of Directors virtual meeting attendance fees, if any.	√	
BSS - 5		
SECRETARIAL STANDARDS FOR MEMBERS MEETINGS		
The following is the next of “Bangladesh Secretarial Standards on Meetings Through Electronic		

Modes” issued by the Council of the Institute of Chartered Secretaries of Bangladesh and called Bangladesh Secretarial Standards-5 (BSS-5)		
1. Guidance for General Meeting Through Electronic Modes		
1.1 Primary requirements		
Members at a Hybrid or Virtual meeting should be given the same opportunity that they would have had if attending in person. Accordingly, in addition to the requirements of the Companies Act and other subsidiary rules and regulation, the company organizing a Hybrid or Virtual meeting should also ensure that:	√	
The right technology mode is in operation that allows all members of the company to conveniently log-in. Connectivity from any device should also be ensured.	√	
The right infrastructure is in place that allows smooth conducting of the meeting including enabling members to interact and exercise their rights to ask questions, make comments and vote at the meeting.	√	
All members have equal access to discuss and raise any concerns that they might have.	√	
Adequate guidance is there for the members about ways of participation at the general meeting and/or adjourned meeting using any Electronic Mode.	√	
Only eligible members or their duly appointed proxy would participate through foolproof access verification.	√	
Proper system is in place to warrant participation by a member or his proxy.	√	
Member can access to the Board members virtually i.e. by seeing or hearing them which is easy.	√	
The Electronic mode can cope up with the volume of meeting attendees and that sufficient technical support is available for remote participants during the entire meeting.	√	
there is in place the option of one-way live or live streaming or webcast of the proceedings of entire meeting.	√	
In case of listed companies, an entity enlisted with the Commission shall provide the service of digital platform for conducting the general meeting through online or e-voting platform or system.	√	
There is in place a facility for e-voting through online platform or system or digital platform for the shareholders holding shares in physical and/or dematerialized form to exercise member's voting right on any resolution proposed to be considered at the general meeting.	√	
1.2 Notice Requirements		

Before serving a Notice it is to be ascertained whether all legal and regulatory requirements are covered in convening a members meeting through Electronic modes. Proper dissemination of Notice is also to be ensured.	√	
The exact mode of the meeting i.e. whether a hybrid or fully virtual meeting - this is to be clearly mentioned in the Notice of the meeting.	√	
If it is a hybrid meeting, then the Notice should explicitly mention the day, date, time and venue of the meeting. The venue should be fixed at a convenient location which would be reckoned to be the place of the meeting.	√	
In case of a virtual meeting the Notice should clearly mention the day, date and time of the meeting. The web-link path or virtual address location may be deemed to be the place of the meeting.	√	
Pre-meeting arrangement for question/comments submission should be allowed in advance (minimum for 1 day and maximum for 3 days prior to the meeting) so as to ensure convenient engagement by members. This aspect should also be explicitly mentioned in the Notice for general dissemination of the members.	√	
For security reasons mode of access verification should be clearly set forth and mentioned well ahead of the meeting.	√	
Permissibility, whether or not, of non-members at the meeting to be clearly outlined and circulated in advance.	√	
Notes on the Notice: There should be adequate guidelines in the Notice on how to use the technology to send proxy form, access the meeting, raise questions and make comments prior and during the meeting and vote on Agenda resolutions. The instructions should be clear, concise and effective. An email address should be given (or other online submission facility) in the Notice for submission of questions/comments/proxy form. Companies may provide a dedicated contact number to seek technical assistance to participate in the hybrid or virtual General Meeting.	√	
1.3 Quorum Requirements		
Whether at a physical, hybrid or virtual general meeting, the minimum acceptable number of attendances known as quorum has to be ensured in order for it to be a valid meeting. However, attendance by means of proxy may be excluded in determining the presence of quorum.	√	
In case of hybrid general meeting, a quorum is constituted by the presence of those attending in person at the beginning, plus those who log-in at the start of the meeting. If the number together fulfills the minimum required presence, the quorum is constituted for transaction of business.	√	
For a fully virtual general meeting, quorum is determined by the number of members who log-in at the start of meeting. If the log-in number satisfies the minimum required presence at the start, the quorum is constituted for transaction of business.	√	



A quorum established whether by way of personal presence or through online log-in, it should be present at the beginning of the meeting. The law, however, does not require that the quorum at general meeting has to be present throughout the meeting.	√	
1.4 At Meeting Requirements		
Deliberations:		
It should be clearly communicated to the members when the question and answer session (Q&A session) shall start.	√	
All members are to be equally treated at Q&A session irrespective of their holdings or mode of participation.	√	
Queries and questions may be encouraged in all forms, namely: in advance / during meeting by mail, text message or written letter, or verbal at real time without any moderation. Such pre-meeting/ during meeting submissions of text message or written letter or email should also be sufficiently revealed during meeting time for general information of all.	√	
The company may, however, reserve the right to oversee decorum and decency and language suitability of comments/questions before revelation at meeting.	√	
Ensure that all participants can see and/or hear the answers to those question by the Board and Management.	√	
1.5 Voting & Polling		
Voting is a means by which resolutions are arrived at and members may demand the use of voting as a matter of right. The company shall provide online (real time) or e-voting (offline) facility to members to exercise their voting rights. Arrangement has to be there for Agenda-wise online (real time) or e-voting (offline) voting option either for or against each resolution and which shall remain open minimum for 1 day and maximum for 3 days prior to the meeting. Such online (real time) or e-voting (offline) is kept open up to the closure of the meeting on the day of the general meeting.	√	
Although 'show of hands' is a common type of voting, but at a meeting conducted through Electronic modes, because of the 'virtual' or latent limitations, show of hands cannot be resorted to.	√	
Therefore, voting at a hybrid or virtual general meeting is to be arranged only under a duly demanded poll	√	
At a general meeting poll may be demanded by a) the Chairman of the meeting, b) five members present in person or by proxy, or c) any member or members holding not less than one-tenth of the issued capital which carries voting rights.		
Voting by means of poll is, therefore, an obligatory option at a hybrid or virtual meeting. It is the Chairman of the meeting who provides directives as to how the polling would be organized. He will	√	

at the same time announce the scrutinizer who would conduct the poll. Conventionally, it is the company Secretary who is assigned to the task. In case of listed companies, however, an independent Commission approved scrutinizer shall be assigned to the task. But he has to ensure that such polling is held in an orderly, disciplined and transparent manner conducive to all members alike.	√	
At a poll votes are cast based on actual holding of shares. The system should be able to generate instant result of a poll by full counting of the respective shares of those who cast their votes.	√	
The Chairman or the company Secretary should announce the poll result immediately after the votes count on the basis of actual shareholding. The process is to be completed in real time and the passing of or not about the resolution on the Agenda item, in case of voting online (real time), is also to be webcast at the same time. If any member does not have access to the internet but wants cast his vote, he may appoint a proxy to vote on his behalf. In that case, the proxy form is to be submitted in advance and within the stipulated time and in a manner (for example through electronic means or physically) as determined by the company.	√	
Every Agenda on which poll is demanded should be put to vote separately and has to be scrutinized and result, in favour or against, to be announced unambiguously in real time. Such poll result is to be deemed to be the decision of the meeting on that resolution on which the poll was demanded.	√	
In case of listed companies, the detailed information about offline e-voting results is to be authenticated by an independent scrutinizer as approved by the Commission, who shall report about it to the Exchange(s) within 48 (forty-eight) hours of conclusion of the general meeting	√	
Although the conventional practice of moving a motion for proposing and seconding are not very necessary at a hybrid or virtual general meeting, but the Chairman may consider those at his absolute discretion. In that case, the chat function of the system should allow to record motions. The company Secretary may ask for a motion verbally and/or on screen. Members should type “propose” or “second” with their BO ID to indicate their support.	√	
1.6 Post Meeting Requirements	√	
There should be thorough and uninterrupted audio-visual recording of the whole program for internal use as well as for regulatory submissions. In case of listed companies, the company may as well make those recording available on its website for minimum 15 (fifteen) days from the date of the meeting, subject to restrictions, if any.	√	
Such audio-visual recording of the meeting may be stored /preserved till the time of completion of audit of that particular year or at least one (1) month from the date of the meeting or as per requirement of the primary regulator of the company, if any.	√	
The Chairperson of the meeting and the company Secretary should take due and reasonable care	√	



to prepare the minutes of the meeting. The minutes of the meeting should mention whether it was a hybrid or virtual meeting.	√	
Along with the Director(s), the names of the Statutory and Corporate Governance Compliance Auditors and the Scrutinizer (if any) should also be recorded in the minutes of the meeting and the mode of their attendance at the meeting.	√	
The attendance register shall be deemed to have been signed by the Director(s), External Auditors, Corporate Governance Compliance Auditor participating through Electronic Mode, if their attendance is recorded by the Chairperson or the company Secretary in the Attendance Register and the Minutes of the Meeting.	√	
Adequate and fool proof documentation has to be maintained for regulatory submission and future reference in particular for the following respects:	√	
Attendance record of those joining in the meeting supported by their identifications viz: name, BO ID number, shareholding and log-in time.	√	
Voting details namely: Agenda number and item on which poll was taken, poll results supported by voter identifications viz: name, BO ID number, vote-type and log-in time etc.	√	
Agenda wise voting results with votes in favour or against.	√	
Full details of comments and questions with respective member name and BO ID number along with the responses made by the Board and Management during the meeting.	√	
1.7 Backup Services		
Realizing the fact that all members may not be equally affluent with the cyber world, the company should also arrange for helpline in the event of need by the members.	√	
To that end, the virtual log-in may start half an hour early to facilitate easy and secured entry into the program.		
Competent stand-in support may be there throughout the whole program to backup any virtual disruptions or to provide instant help to anybody facing midcourse log-in problems.	√	
A hybrid or virtual meeting is virtually entirely dependent on the performance of the telecommunication scenario of the country, which is often unpredictable. So, there are indeed some latent risks involved: Namely connectivity risk, disruption risk, technical risk, weather risk etc. But still things have to go together with it.	√	
The company planning for a virtual meeting should therefore consider every problem possibility involved well ahead of time, in particular whether it has the technological abilities and resources	√	

to handle an online program.	√	
Sufficient backup solutions may often mitigate not-too-big technical issues. One way to overcome it could be to ensure that in the event of any technical failure at the primary log-in stage, it could be supplemented by any secondary backup communication channel.	√	
In the event of technical failure, the company should have detailed plan about how to mitigate the situation and to communicate the participants about company's action. Also, in an incapacitating situation to adjourn the meeting as per legal requirements followed by immediate communication to the participants. The participants should know before the meeting about company's such plan of action in case of technical limitations.	√	
To anticipate likely glitches, some early online rehearsal sessions may be arranged to assess the potential problems and how to remove those in real time.	√	
To ensure that necessary arrangements are employed for proper audiovisual recording of the proceedings of the meeting under Electronic Modes. The company may prepare a detailed ground rules for the participants and it should be published in the company website before the meeting.	√	
2. Standards for Convening and Conducting of Members Meeting Through Electronic Modes	√	
2.1 The Notice of the meeting shall be sent to all the members in accordance with the provisions of Law.	√	
2.2 The Notice shall inform the members regarding the option available to them to participate through electronic mode and shall provide all the necessary information to enable them to participate accordingly.	√	
2.3 All enclosures necessary for a member should be attached with Notice of the meeting.	√	
2.4 Sufficient clarification should be provided in the Notice for members understanding about the meeting.	√	
2.5 Transparency should be ensured in queuing questions from the members.	√	
2.6 All legal rights of the members namely: receiving Notice and report of the meeting, attending and voting, appointing proxy, questioning, and deliberating have to be carefully ensured.	√	
2.7 Full and thorough deliberation on all Agenda should be ensured.		
2.8 Full and complete documentation should be ensured for post-meeting return and regulatory submissions.	√	
2.9 Copy of previous minutes (if demanded) should be provided.	√	
BSS - 6		
SECRETARIAL STANDARD ON RESOLUTIONS BY CIRCULATION		

1. Authority		
1.1 The Chairman of the Board of the company should decide whether the approval of the Board for a particular business should be obtained by means of a Resolution by Circulation.	√	
1.2 If the resolution is proposed by any other Director, the approval of the Chairman or in his absence consent of the majority of the Directors should be obtained before the draft resolution is circulated to all the Directors.	√	
2. Procedure		
2.1 A resolution proposed to be passed by Circulation should be sent in draft form, together with the necessary papers/clarifications, individually to all the Directors at the same time. There should be a date of the proposed resolution and a date by which the resolution is to be returned, signed or otherwise. The resolution together with all papers should be sent to all resident and non-resident Directors. Notice and Agenda are not necessary for passing of a Resolution by Circulation.	√	
2.2 Each business proposed to be passed by way of Resolution by Circulation should be explained by a note setting out the details of the proposal and the draft of the exact resolution proposed. The note should also indicate how to signify assent or dissent to the resolution proposed.	√	
2.3 The draft of the resolution to be passed and the necessary papers should be circulated by hand, or by post or courier, or by facsimile, or by email or by any other recognized electronic modes.	√	
It is preferable that one resolution is sent under one covering letter or one e-mail.	√	
If more than one resolution is sent under the same covering letter or e-mail, the approval of the Directors should be individually obtained for each resolution.	√	
3. Approval		
3.1 The resolution is passed, when it is approved by a majority of Directors (not being less than the number fixed for 'signature quorum') entitled to vote on the resolution other than interested Directors on the resolution.	√	
If any special majority or the affirmative vote of any particular Director or Directors is specified in the Articles, the resolution should be passed only with the assent of such special majority or such affirmative vote.	√	
3.2 Directors signify their assent or dissent by signing the resolution to be passed by circulation or by e-mail or any other electronic means. A scanned copy of the signed response may also be sent. Any dissent to the resolution must be categorically mentioned on the paper concerned. The date of the resolution is to be taken as the date of the resolution passed.	√	
In cases where the interest of a Director is yet to be communicated to the company, the Director concerned should disclose his interest and abstain from signing the resolution mentioning the	√	

reason thereof.	√	
If the approval of the Directors required under signature quorum is not received by the date specified for receipt of such approval, the resolution should be considered not passed.	√	
4. Recording		
4.1 Resolutions passed by Circulation should be noted at the next meeting of the Board and the decision recorded in the minutes of such meeting.	√	
The minutes should record the exact text of the resolution passed, and the note of dissent, if any.	√	
Minutes should also record the fact that an interested Director did not vote on the resolution. The names of Directors who have abstained from signing on the resolution should also be recorded.	√	
5. Validity		
5.1 Passing of resolution by Circulation should be deemed valid as if it had been passed at a duly convened meeting of the Board.	√	
This does not, however, dispense with the requirement for the Board to meet at the specified frequency.	√	



16.5 Disclosure Reference of Global Reporting Initiative (GRI)

Disclosure	Items	Page No.
2-1	Organizational details	The aforementioned disclosure check list is elaborately discussed in the different pages of the annual report.
2-2	Entities included in the organization's Sustainability Reporting	
2-3	Reporting period, frequency and contact point	
2-4	Restatements of information	
2-5	External assurance	
2-6	Activities, value chain and other business relationships	
2-7	Employees	
2-9	Governance structure and composition	
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	
2-12	Role of the highest governance body in overseeing the management of impacts	
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in Sustainability Reporting	
2-15	Conflicts of interest	
2-16	Communication of critical concerns	
2-17	Collective knowledge of the highest governance body	
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-22	Statement on sustainable development strategy	
2-23	Policy commitments	
2-24	Embedding policy commitments	
2-26	Mechanisms for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	
2-28	Membership associations	

2-29	Approach to stakeholder engagement	
2-30	Collective bargaining agreements	
3-1	Process to determine material topics	
3-2	List of material topics	
3-3	Management of material topics	
201-1	Direct economic value generated and distributed	
201-2	Financial implications and other risks and opportunities due to climate change	
201-3	Defined benefit plan obligations and other retirement plans	
203-1	Infrastructure investments and services supported	
203-2	Significant indirect economic impacts	
205-2	Communication and training about anticorruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
207-1	Approach to tax	
207-2	Tax governance, control, and risk management	
207-3	Stakeholder engagement and management of concerns related to tax	
207-4	Country by country reporting Swiss Re Tax Policy	
302-1	Energy consumption within the organization	
302-2	Energy consumption outside of the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	
303-5	Water consumption	
304-2	Significant impacts of activities, products and services on biodiversity	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	

305-3	Other indirect (Scope 3) GHG emissions
305-4	GHG emissions intensity
305-5	Reduction of GHG emissions
306-1	Waste generation and significant waste-related impacts
306-2	Management of significant waste-related impacts
306-3	Waste generated
308-1	New suppliers that were screened using environmental criteria
401-1	New employee hires and employee turnover
403-1	Occupational health and safety management system
403-3	Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
404-1	Average hours of training per year per employee
404-2	Programs for upgrading employee skills and transition assistance programs
404-3	Percentage of employees receiving regular performance and career development reviews
405-1	Diversity of governance bodies and employees
405-2	Ratio of basic salary and remuneration of women to men
406-1	Incidents of discrimination and corrective actions taken
414-1	New suppliers that were screened using social criteria
415-1	Political contributions

17.1 List of Acronyms



AVTS	Automatic Vehicle Tracking System	GRI	Global Reporting Initiative
BAPLC	Bangladesh Association of Publicly Listed Companies	HIAC	Head of Internal Audit & Compliance
BB	Bangladesh Bank	IAIS	International Association of Insurance Supervisors
BEFTN	Bangladesh Electronic Fund Transfer Network	ICP	Insurance Core Principles
BFIU	Bangladesh Financial Intelligence Unit	IDRA	Insurance Development and Regulatory Authority
BIA	Bangladesh Insurance Academy	IFRS	International Financial Reporting Standard
BIA	Bangladesh Insurance Association	IM	Information Memorandum
BIDA	Bangladesh Investment Development Authority	IT	Information Technology
BIF	Bangladesh Insurance Forum	ICAB	Institute of Chartered Accountants of Bangladesh
BSEC	Bangladesh Securities and Exchange Commission	ICMAB	Institute of Cost & Management Accountants of Bangladesh
BAS	Bangladesh Accounting Standard	ICSB	Institute of Chartered Secretaries of Bangladesh
BSA	Bangladesh Standard on Auditing	IPO	Initial Public Offering
BSS	Bangladesh Secretarial Standard	LCR	Liquidity Coverage Ratio
CG	Corporate Governance	MCR	Minimum Capital Requirement
CAMLCO	Chief Anti Money Laundering Officer	MOU	Memorandum of Understanding
CAR	Capital Adequacy Ratio	MIS	Management Information System
CIB	Credit Information Bureau	NBFI	Non-Banking Financial Institutions
CDBL	Central Depository Bangladesh Limited	NBR	National Board of Revenue
CRAB	Credit Rating Agency of Bangladesh Limited	NIS	National Integrity and Strategy
CRC	Central Rating Committee	NRB	Non-Resident Bangladeshi
CRISL	Credit Rating Information and Services Limited	NRC	Nomination and Remuneration Committee
CSR	Corporate Social Responsibility	CIL	Continental Insurance Limited
CSE	Chattogram Stock Exchange Limited	PV	Present Value
CSR	Corporate Social Responsibility	ROA	Return on Assets
DP	Depository Participants	ROE	Return on Equity
DSE	Dhaka Stock Exchange Limited	ROI	Rate of Interest
EPS	Earnings Per Share	RJSC	The Register of Joint Stock Companies and Firms
ECRL	Emerging Credit Rating Limited	SCB	Shippers Council of Bangladesh
ERM	Enterprise Risk Management	SOP	Standard Operating Procedure
Fls	Financial Institutions	SWOT	Strength Weakness Opportunity Threat
FRC	Financial Reporting Council	VAT	Value Added Tax



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