

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED

Auditor's Report and Financial Statements
For the year ended December 31, 2019

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
R.K Tower

86, Bir Uttam C.R Datta Road, (312 Sonargaon Road), Level-10, Fathipool, Dhaka-1205.



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
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Independent Auditor's Report To the Shareholders of Islami Commercial Insurance Company Limited

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of **Islami Commercial Insurance Company Limited** ("the Company"), which comprise the Statement of Financial Position as at 31 December 2019, the Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Account, Statement of Changes in Equity and the Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of company as at 31 December 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), in the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958 and other applicable laws and regulations.

Basis for Opinion

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 (consolidated) financial statements.





(Handwritten signature)

- a) We have obtained all the information and explanation which to best of our knowledge and belief where necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion proper books of accounts, record and other statutory books as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) The company management has followed the relevant provision of laws and rules in managing the affairs of the company and proper book 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 by braches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief of According to the information and explanation given to us, all expense of management wherever incurred in and whether incurred directly or indirectly, in respect of insurance business of the company transacted in

In Accordance with Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958 and relevant Laws & Regulations, we also report that:

Report on other legal and Regulatory Requirements

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.

- 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.
- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

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

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Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company.

e) We reported that to the best of our information and as shown by its books, the company during the year under report has not been paid any commission in any form, outside Bangladesh in respect of any its business reinsured abroad.

f) The Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Accounts, related Revenue Accounts, Statement of Changes in Equity and statement of Cash Flows of the company together with annexed notes dealt with by the report are in agreement with the books of account and returns; and

g) The expenditure was incurred for the purpose of the company's business

Place: Dhaka
Dated: June 15, 2020



Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants

ISLAMIC COMMERCIAL INSURANCE COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2019

Shiraz Khan Basak & Co.
Chartered Accountants

CAPITAL AND LIABILITIES	2019		Note	2018	
	TAKA	TAKA		TAKA	TAKA
SHARE CAPITAL :					
75,00,000 Ordinary Shares of Taka 100 each	75,000,000			75,000,000	
ISSUED, SUBSCRIBED & PAID UP CAPITAL :					
29,50,648 Ordinary Shares of Taka 100 each	295,064,800		3	295,064,800	
RESERVE AND CONTINGENCY ACCOUNTS :					
Reserve for Exceptional Losses	264,824,751		4	245,910,947	
Profit & Loss Appropriation Account	133,644,927		4.01	130,644,927	
Revaluation Reserve	12,265,733		4.02	16,867,489	
Reserve for Investment Fluctuation Fund	93,854,130		4.03	93,854,130	
	25,059,961		4.04	4,544,401	
TOTAL SHAREHOLDERS' EQUITY	559,889,551			540,975,747	
BALANCE OF FUNDS AND ACCOUNTS :					
Fire Insurance Business	141,838,023		5	111,530,771	
Marine (Cargo) Insurance Business	42,915,229			42,959,685	
Marine (Hull) Insurance Business	54,554,836			35,437,476	
Motor Insurance Business	4,709,133			-	
Misc. Insurance Business	28,498,409			21,211,067	
	11,160,416			11,922,543	
PREMIUM DEPOSITS	9,021,059		6	5,953,277	
LIABILITIES & PROVISIONS :					
Estimated Liabilities in respect of Outstanding Claims whether due or intimated	244,184,026		7	301,424,458	
Amount Due to Other Persons or Bodies Carrying on Insurance Business	50,626,675		8	137,135,780	
Sundry Creditors	144,197,351		9	125,853,148	
Bank Loan against lien of FDR	49,360,000			-	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	954,932,659			959,884,253	
NET ASSETS VALUE PER SHARE (NAV)	189.75		21	183.34	
PROPERTY AND ASSETS	2019		Note	2018	
	TAKA	TAKA		TAKA	TAKA
INVESTMENTS (At Cost) :					
BGTB	224,596,375		10	25,000,000	
Investment in Share	25,000,000		10.01	193,601,258	
	199,596,375		10.02	-	
INTEREST, DIVIDEND & RENT :					
(Interest Accrued but not due)	18,865,500		11	16,370,600	
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	48,330,604		12	26,978,646	
SUNDRY DEBTORS (including advances, deposits and prepayments)	168,497,577		13	153,820,691	
CASH IN HAND AND AT BANKS :					
Fixed Deposit with Banks	331,377,941		14	371,522,858	
Cash at Bank	275,000,000			276,400,000	
Cash in Hand	42,786,823			78,881,713	
Cash With Bo Accounts	13,005,800			11,999,871	
	585,318			4,241,274	
OTHER ACCOUNTS :					
Fixed Assets	163,264,662			172,590,200	
Stamps in Hand	161,850,446		15	170,925,759	
Printing & Stationary in Hand	534,119			88,791	
	880,097			1,575,650	
TOTAL ASSETS AND PROPERTIES	954,932,659			959,884,253	

Place: Dhaka
Date: June 15, 2020

Mir Nazim Uddin Ahmed
Chief Executive Officer

MG Faruk
Director

Md. Ashik Hossain
Director

Shahida Anowar
Chairman

The annexed Notes 1 to 25 form an integral part of these financial statements.
Signed as per our annexed report of even date.



Shiraz Khan Basak
SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	Note	2018
	TAKA		TAKA

EXPENSES OF MANAGEMENT :
(not applicable to any particular fund or account)

Directors' fees	6,983,719	3,932,154
Audit fee	510,000	414,000
Legal expenses	92,000	70,000
Advertisement	13,800	141,450
Consent Fee to BSEC	115,543	34,600
Branch Licence and Training Expenses	26,824	27,386
Leavy and Annual Subscription to BIA	264,695	136,530
Registration and Renewals	225,000	300,000
Credit Rating Fee	3,255,460	319,076
Compensation to IDRA	1,037,946	889,112
IPD Expenses	160,000	160,000
Compensation to Custom, Excise & VAT	215,000	1,440,000
Depreciation (Sch-A)	1,067,451	-
	10,289,527	11,390,477

Net Profit/(Loss) for the year carried down to Profit & Loss Appropriation Account

49,915,815	7,682,111
67,189,061	23,004,742

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018
	TAKA	

Reserve for Exceptional Loss	3,000,000	2,000,000
Provision for Income Tax	16,290,012	2,272,845
Stock Dividend	-	26,824,000
Cash Dividend Paid	14,753,240	5,364,816
Reserve for Investment Fluctuation Fund	20,515,560	16,867,489
Balance Transferred to Balance Sheet	12,265,733	53,329,150
Total	66,824,545	53,329,150

Note : All expenses of management wherever incurred, whether directly or indirectly, in respect of Fire, Marine, Motor and Miscellaneous business transacted in Bangladesh have been fully debited in the respective revenue account as expenses.


Mir Nazim Uddin Ahmed
 Chief Executive Officer


M/G Faruk
 Director


Md. Asfik Hossain
 Director


Shahida Anowar
 Chairman




SHIRAZ KHAN BASAK & CO.
 Chartered Accountants

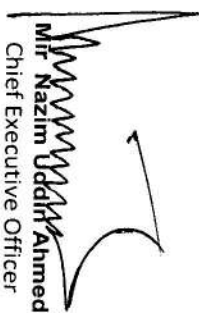
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Signed as per our annexed report on even date


ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
CONSOLIDATED REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	Note	2018	PARTICULARS	2019	Note	2018
	TAKA		TAKA		TAKA		TAKA
Claims under policies less Re-Insurance :							
Paid During the year	49,686,505		59,402,931	Balance of account at the beginning of the year (Reserve for Unexpired Risks)	111,530,771		96,259,713
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	50,626,675		38,435,530	Premium less Re-insurance	347,531,358	18	278,826,927
Less : Outstanding claims at end of the previous year	38,435,530		35,218,167	Commission on Re-insurance ceded (including profit commission)	35,522,077		31,735,508
	61,877,650		63,020,294	Total	494,584,206		406,822,148
Agent Commission	75,304,388		69,431,531				
Insurance Stamps Consumed	847,658		712,550				
Expenses of Management	180,384,597	19	167,273,051				
Balance of account at the end of the year : Reserve for Unexpired Risk being 40% of premium	141,838,023		111,530,771				
Profit transferred to Profit & Loss Account	34,331,890		(5,146,049)				
Total	494,584,206		406,822,148				

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mr. Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Mr. Asbjk Hossain
Director


Shahida Anowar
Chairman

Place: Dhaka
Date: June 15, 2020




SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018	PARTICULARS	2019	2018
	TAKA	TAKA		TAKA	TAKA
Claims under policies less Re-insurance :					
Paid During the year	36,045,057	44,188,950	Balance of account at the beginning of the year (Reserve for Unexpired Risks)	42,959,685	29,909,037
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	42,550,500	31,961,505	Premium less Re-insurance	107,288,073	107,399,213
Less : Outstanding claims at end of the previous year	31,961,505	11,085,388	Commission on Re-insurance ceded (including profit commission)	26,378,229	20,281,844
Agent Commission	31,631,294	33,636,255	Loss Transferred to Profit & Loss Account	25,725,862	69,311,485
Insurance Stamps Consumed	177,138	295,050			
Expenses of Management	80,994,136	84,945,522			
Balance of account at the end of the year : Reserve for Unexpired Risk being 40% premium Income of the year transferred to Balance Sheet	42,915,229	42,959,685			
Total	202,351,849	226,901,579	Total	202,351,849	226,901,579

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mr. Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Md. Ashik Hossain
Director


Shahida Anwar
Chairman

Place: Dhaka
Date: June 15, 2020



SHIRAZ KHAN-BASAK & CO.
Chartered Accountants

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
MARINE (CARGO) INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018	PARTICULARS	2019	2018
	TAKA	TAKA		TAKA	TAKA

Claims under policies less Re-insurance :

Paid During the year	729,971	687,699	Balance of account at the beginning of the year	35,437,476	40,296,531
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated.	3,550,650	2,648,510	(Reserve for Unexpired Risks)		
Less : Outstanding claims at end of the previous year	2,648,510	12,640,666	Premium less Re-insurance	136,387,089	88,593,689
Agent Commission	1,632,111	(9,304,457)	Commission on Re-insurance ceded (including profit commission)	5,314,119	4,478,598
Expenses of Management	23,705,712	16,611,521			
Balance of account at the end of the year :					
Reserve for Unexpired Risk being 40% of premium Income of the year transferred to Balance Sheet	58,066,822	53,436,460			
Profit Transferred to Profit & Loss Account	54,554,836	35,437,476			
Total	39,179,203	37,187,818	Total	177,138,684	133,368,818

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mir Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Mtd. Asfik Hossain
Director


Shahida Anowar
Chairman

Place: Dhaka
Date: June 15, 2020




SHIRAZ KHAN BASAK & CO.
Chartered Accountants


ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
MARINE (HULL) INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018	PARTICULARS	2019	2018
	TAKA	TAKA		TAKA	TAKA
Claims under policies less Re-insurance :					
Paid During the year	559,228	-	Balance of account at the beginning of the year (Reserve for Unexpired Risk)	-	-
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	-	-	Premium less Re-insurance	4,709,133	-
Less : Outstanding claims at end of the previous year	559,228	-	Commission on Re-insurance ceded (including profit commission)	-	-
Agent Commission	1,122,756	-	Loss transferred to Profit & Loss Account	2,717,887	-
Insurance Stamp Consumed	-	-			
Expenses of Management	1,035,903	-			
Balance of account at the end of the year :					
Reserve for Unexpired Risk being 100% of premium Income of the year transferred to Balance Sheet	4,709,133	-			
Total	7,427,020	-	Total	7,427,020	-

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mir Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Md. Ashik Hossain
Director


Shahida Anwar
Chairman




SHIRAZ KHAN-BASAK & CO.
Chartered Accountants

Place: Dhaka
Date: June 15, 2020

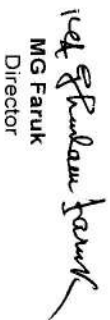
ISLAMIC COMMERCIAL INSURANCE COMPANY LIMITED
MOTOR INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018	PARTICULARS	2019	2018
	TAKA	TAKA		TAKA	TAKA
Claims under policies less Re-insurance :					
Paid During the year	11,614,908	14,416,334	Balance of account at the beginning of the year (Reserve for Unexpired Risks)	21,211,067	18,811,692
Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,525,525	3,825,515	Premium less Re-insurance	71,246,023	53,027,667
Less : Outstanding claims at end of the previous year	3,825,515	11,492,113	Commission on Re-insurance ceded (including profit commission)	220,212	496,661
Agent Commission	12,314,918	6,749,736			
Insurance Stamps Consumed	10,786,672	8,062,044			
Expenses of Management	593,755	369,600			
Balance of account at the end of the year : Reserve for Unexpired Risk being 40% premium Income of the year transferred to Balance Sheet	28,498,409	21,211,067			
Profit transferred to Profit & Loss Account	12,514,897	18,280,974			
Total	92,677,302	72,336,020	Total	92,677,302	72,336,020

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mr. Nazim Uddin Ahmed
Chief Executive Officer


MG Faruk
Director


Md. Ashik Hossain
Director


Shahida Anwar
Chairman

Place: Dhaka
Date: June 15, 2020




SHIRAZ KHAN BASAK & CO.
Chartered Accountants

ISLAMIC COMMERCIAL INSURANCE COMPANY LIMITED
MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS	2019	2018
	TAKA	TAKA

Claims under policies less Re-insurance :

Paid During the year 737,341 509,948

Add : Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated. - -

Less : Outstanding claims at end of the previous year - -

Agent Commission 737,341 509,948
 Insurance Stamps Consumed 8,057,954 11,121,711
 Expenses of Management 76,765 47,900
12,319,085 11,228,470

Balance of account at the end of the year : 11,160,416 11,922,543
 Reserve for Unexpired Risk being 40% premium 11,081,539 8,696,644
 Income of the year transferred to Balance Sheet 43,433,100 43,527,216
Profit transferred to Profit & Loss Account 11,081,539 8,696,644
Total 43,433,100 43,527,216

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mir Nazim Uddin Ahmed
 Chief Executive Officer


MG Faruk
 Director


Md. Ashik Hossain
 Director


Shahida Anowar
 Chairman




SHIRAZ KHAN BASAK & CO.
 Chartered Accountants

Place: Dhaka
 Date: June 15, 2020

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

PARTICULARS		2019	2018
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Premium Collection & Other Income		482,975,859	398,091,835
Received from Re-Insurer		412,373,319	-
Payment of Expenses, Re-Insurance & Claims		(958,772,037)	(320,796,692)
Income Tax Paid		(13,363,980)	(10,115,771)
Net Cash Provided by Operating Activities		(76,786,839)	67,179,372
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Investment in Shares		(5,995,117)	(77,791,796)
Acquisition of Fixed Assets		9,075,313	3,829,718
Security Deposit & Advances		(1,295,259)	(9,454,674)
Net Cash used in Investing Activities		1,784,937	(83,416,752)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Loan Received against Lien of FDR		49,360,000	-
Dividend paid		(14,753,240)	(5,364,816)
Net Cash used in Financing Activities		34,606,760	(5,364,816)
D. NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		(40,395,142)	(21,602,196)
E. OPENING CASH & CASH EQUIVALENTS		373,187,299	394,789,495
F. CLOSING CASH & CASH EQUIVALENTS (D+E)		332,792,157	373,187,299

Net Operating Cash Flow per Share (NOCFS) =

(76,786,839)	2,950,648	(26.02)
67,179,372	2,950,648	22.77

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.

Chief Executive Officer
Mr. Nazim Uddin Ahmed

Director

MG Faruk

Director

Md. Ashik Hossain

Chairman

Shahida Anwar

Chartered Accountants

SHIRAZ KHAN BASAK & CO.



Place: Dhaka
Date: June 15, 2020

ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
Statement of Changes in Equity for the Year ended 31st December, 2019

Particulars	Share Capital	Proposed Stock	Reserve for	Revaluation	Reserve for	Retained	Total
Balance as on 1st January, 2019	295,064,800	-	130,644,927	93,854,130	4,544,401	16,867,489	540,975,747
Addition during the year	-	-	3,000,000	-	20,515,560	10,151,484	33,667,044
Stock Dividend	-	-	-	-	-	-	-
Cash Dividend for the year 2018	-	-	-	-	-	(14,753,240)	(14,753,240)
Reserve Transfer	-	-	-	-	-	-	-
Total as at 31st December, 2019	295,064,800	-	133,644,927	93,854,130	25,059,961	12,265,733	559,889,551
Balance as on 1st January, 2018	268,240,800	-	128,644,927	93,854,130	4,544,401	45,114,496	540,398,754
Addition during the year	-	-	2,000,000	-	-	3,941,809	5,941,809
Stock Dividend for the year 2017	-	-	-	-	-	(26,824,000)	(26,824,000)
Cash Dividend for the year 2017	-	-	-	-	-	(5,364,816)	(5,364,816)
Reserve Transfer	-	-	-	-	-	-	-
Total as at 31st December, 2018	295,064,800	-	130,644,927	93,854,130	4,544,401	16,867,489	540,975,747

The annexed Notes 1 to 25 form an integral part of these financial statements.

Signed as per our annexed report of even date.


Mr. Nazim Uddin Ahmed
Chief Executive Officer


Mr. Faruk
Director


Mr. Ashik Hossain


Shahida Anwar
Chairman

Place: Dhaka
Date: June 15, 2020




SHIRAZ KHAN BASAK & Co.
Chartered Accountants

ISLAMI COMMERCIAL INSURANCE CO. LTD.

Notes to the Financial Statements
For the year ended December 31, 2019

1.00 LEGAL STATUS AND NATURE OF THE COMPANY

1.01 Legal Form of the Company
Islami Commercial Insurance Company Limited was incorporated as a Public Limited Company in Bangladesh on October 18, 1999 under the Companies Act, 1994 with a view to run all types of insurance business except life as per Insurance Act, 1938 (present 2010) and obtained the Certificate of Commencement of business from the Registrar of Joint Stock Companies and Firms, Bangladesh with effect from the same date. The Registration Certificate for carrying on insurance business from the Chief Controller of Insurance was obtained with effect from October 18, 1999.

1.02 Principal Activities of the Company
The Company carries its Non-Life Insurance Business with meaning of the Insurance Act, 2010.

1.03 Registered Office and Principal Place of Business
The registered office of the Company is at City Center, Level-16, 90/1, Motijheel C/A, Dhaka-1000, Bangladesh and the principal place of business as operational head quarter is also in the same address.

2.00 SUMMARY OF SIGNIFICANT ACCOUNTING AND RELATED POLICIES

2.01 Basis of Accounting:

The Financial Statements have been prepared on the basis of going concern concept under Generally Accepted Accounting Principles (GAAP) according to the historical cost convention in Bangladesh in compliance with the Insurance Act, 2010, the Insurance Rules 1958 in conformity with the Companies Act, 1994. The Financial Statements have also been prepared in accordance with applicable International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB).

2.03 Method of Preparation
The Financial Statements have been drawn on mercantile basis.

2.04 Accounting Period
The Financial Statements of the Company consistently cover one calendar year starting from 1st January to 31st December.

2.05 Reporting Currency and Level of Precision
The figures of the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

2.06 Foreign Currency Transactions
Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transaction as per IAS 21 "The Effect of Changes in Foreign Exchange Rates".

2.07 Use of Estimates and Judgements
The preparation of Financial Statements in conformity with the IAS 8 requires management to make judgements, estimates and assumptions that effect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual result may differ these estimates.

Estimates and underlying assumption are reviewed on an ongoing basis. Revision of accounting estimates are recognized in the period in which the estimate is revised and any future period of effected. The most significant areas where estimates and judgements have been made are on provision for outstanding claim, income tax and deferred tax.

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2.08 Revenue Recognition
Revenue is recognized in accordance with the International Accounting Standards (IAS-18) unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by Directive of the Regulatory Authority.

2.08.1 Premium Income

Premium income is recognized when insurance policies are issued. Amount received against issue of the cover notes that have not yet been converted into policy are not recognized as income. The cover notes which were previously issued are converted into insurance policy at the expiry of nine months as per circular of the Chief Controller of Insurance.
Gross underwriting business as well as re-insurance thereof and claim settled etc. have been reflected separately for each class of business and net underwriting result thereof have reflected in the revenue accounts after due consideration of re-insurance ceded.
Necessary adjustment in respect of re-insurance ceded accepted in Bangladesh has duly been made in the respective Revenue Account as per treaty between the company and Shadharan Bima Corporation (SBC) and foreign re-insurers.

2.08.2 Public Sector Business (PSB)

The premium in respect of the Company's share of Public Sector Insurance Business (PSB) is accounted for the year in which the relevant statements of account from SBC is received. The statement of accounts for the period from July 2918 to June 2019 have been received from the SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the PSB has been consistently followed.

2.08.3 Interest Income

Interest on Bangladesh Government Treasury Bond (BGTB) and FDRs are recognized on accrual basis. Interest on STD, SND and CD accounts are recognized as and when the amount are credited to Company's account.

2.08.4 Cash Dividend Income and Stock Dividend from Investment

Dividend income on investment in shares, if any are recognized in cash and shown in the Statement of Profit & Loss and Other Comprehensive Income. For stock dividend received by the company against its investment, number of shares increased effecting decrease in average cost of investment.

2.08.5 Other Income

Other income is recognized and accounted for on accrual basis.

2.09 Segment Reporting

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments is evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely fire, marine, motor and miscellaneous.

2.10 Recognition of Expenses

All expenses of management, including commission or remuneration incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous insurance business transacted in Bangladesh have been apportioned on the basis of respective gross premium income earned during the year and charged to the Revenue Accounts.

2.10.2 Expenses of Management (Not applicable to any particular fund or account)

Expenses of management (Not applicable to any particular fund or account) has been charged to the Statement of Profit & Loss and Other Comprehensive Income.

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2.11 Income Tax

The Company has made the income tax provision on the basis of IAS 12 "Income Taxes" and Income Tax Ordinance 1984 as amended from time to time. Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the Statement of Profit & Loss and Other Comprehensive Income.

2.11.1 Current Tax Provision

The tax currently payable is based on taxable profit for the year. Taxable profits differs from profit as reported in the Statement of Profit & Loss and Other Comprehensive Income because it excludes items of income or expense that are taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted on the balance sheet date. Provision for income tax has been made at the rate of 40.00% as per ITO, 1984.

2.11.2 Deferred Taxes

Deferred tax is recognized on differences between the carrying amount of assets & 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. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Adequate provision has been made for deferred tax as reported in the Statement of Profit & Loss and Other Comprehensive Income.

2.12 Property, Plant and Equipment

2.12.1 Valuation of Property, Plant and Equipment

Property, Plant and Equipment are stated as per IAS 16 "Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and directly attributable cost of bringing the asset to test working condition for its intended use inclusive of inward freight, duties and nonrefundable taxes.

2.12.2 Recognition of Property, Plant and Equipment

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

2.12.3 Revaluations

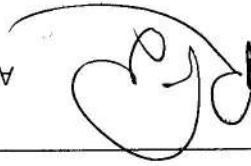
Property, Plant and Equipment (Land and Building) has been revalued by the Company as on 18-12-2013 which has been conducted by M/s. A. Hoque & Co., Chartered Accountants in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of the/ those fixed asset/ assets and the gain for such revaluation are transferred to the revaluation reserve account as per IAS 16 "Property, Plant and Property".

2.12.4 Depreciation

Property, Plant and Equipment are depreciated on reducing balance method. Depreciation on addition to Property, Plant and Equipment on or before June 30 of the year is charged for full year and no depreciation has been charged on the assets acquired afterward consistently. Asset category-wise depreciation are as follows:

Item	Rate
Office Space	2%
Office Decoration	10%
Furniture and Fixture	10%
Office Equipment	15%
Telephone Installation	15%
Air Condition	15%
Motor Vehicles	20%
Software Installation	20%

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2.12.5 De-recognition of Property, Plant and Equipment
An item of Property, Plant and Equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss and Comprehensive Income in the year the asset is de-recognized. If sale of any revalued assets, the relevant amount included in the revaluation reserve will be transferred to retained earnings.

2.12.6 Impairment of Assets
In each year the management assess whether there is any indication that the assets may be impaired in accordance with IAS 36 "Impairment of Assets" considering the current economic situation. Management concludes that there is no such indication exists.

2.13 Reserve and Contingencies Accounts

2.13.1 Reserve for Exceptional Losses
As per para 2 of the 4th schedule of Income Tax Ordinance 1984, to meet the exceptional losses, an amount of Tk 3,000,000 is set aside from the balance of the profit to the Reserve for exceptional losses.

2.13.2 Revaluation Reserve
Revaluation surplus is transferred to Revaluation Reserve after restating the assets at the revalued amount as per IAS 16 "Property, Plant and Equipment"

2.13.3 Provision for Unexpired Risks

Before arriving at the surplus of each class of business, necessary provision for unexpired risks has been made @ 40% of net premium income on Fire, Marine Cargo, Motor and Miscellaneous business and 100% on Marine Hull business.

2.14 Employee Benefit

The Company has introduced Group Insurance and Health Insurance benefit plans for its employees and have been accounted for in accordance with the provision of IAS 19 "Employee Benefit". Further, the Board of Directors of the company refers the matter of provision for Workers Profit Participation Fund (WPPF) and like to clarify that as per provision of Para (A to G) of section 233 of Bangladesh Labor Amendments Act, 2013, functions of Non-Life Insurance Companies are not similar to the functions of Industrial Relating Works' as mentioned in the aforesaid section.

2.15 Investment

Investments are recognized at cost, including acquisition charge associate with the investment.

2.15.1 Investment in Bangladesh Govt. Treasury Bond as Statutory Deposit

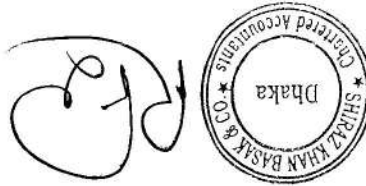
Investment in Bangladesh Govt. Treasury Bond as Statutory Deposit is classified as held to maturity. Any gain or loss on such investment is recognized in the Statement of Profit or Loss and Comprehensive Income when the investment is derecognized as per IAS 39.

2.15.2 Investment in Listed Shares and Securities

These securities are bought and held primarily for the purpose of selling in future or held for earning capital gain and dividend income. These are reported at cost value. Unrealized gain on securities are not recognized. But if required, provision for diminution in the value of securities is provided with lump sum reasonable amount in the financial statements of which the market price is below the cost price of investment as per IFRS 9.

2.16 Inventories (Stock of Stationary, Forms and Insurance Stamp)

Inventories has been valued as per IAS 2 "Inventories", which has been held for use to provide insurance services. Inventories include stock of stationary, forms and insurance stamp which have no realizable value but bearing cost value.



2.17 Cash and Cash Equivalents

According to IAS 7 "Statement of Cash Flows" cash comprises cash in hand, demand deposits, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are subject to an insignificant risk of changes in value. Cash and Cash Equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents.

2.18 Earnings Per Share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33 "Earnings Per Share", which has been shown on the face of the Statement of Profit or Loss and Comprehensive Income.

2.19 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year. In accordance with the AIS 33 "Earnings Per Share" which has been shown on the face of the Statement of Profit or Loss and Comprehensive Income.

2.20 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extraordinary items, the net profit of the year after tax has been considered as fully attributable to the ordinary shareholders.

2.21 Precaution for AML and CFT

In compliance with the Guide- Line of BFIU of Bangladesh Bank, the company has prepared and implemented the internal control guide-line for preventing AML and CFT.

2.22 Comparative Information

Comparative information has been disclosed in respect of the year 2018 for all numerical information in the financial statements. Figures of the year 2018 have been rearranged whenever considered necessary to ensure comparability with the current period.

2.23 Date of Financial Statements Authorized to Issue

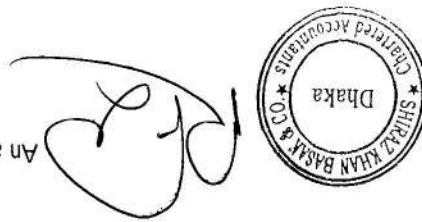
2.24 Events After reporting the period

There is no material adjusting or non-adjusting events after the reporting period.

2.27 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). While preparing and reporting the financial statements, the Company applied all applicable IASs and IFRSs as adopted by ICAB. Details are given below:

IAS NO	IAS Title	Status of Application
1	Presentation of Financial Statements	Applied
2	Inventories	Applied
7	Statement of Cash Flows	Applied
8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied



10	Events After the Reporting Period	Applied
11	Construction Contracts	Not applicable
12	Income Taxes	Applied
16	Property, Plant and Equipment	Applied
17	Leases	Not applicable
18	Revenue	Applied
19	Employee Benefits	Applied
20	Accounting for Govt. Grants and Disclosure of Govt. Assistance	Not applicable
21	The effects of changes in foreign exchange rates Applied	Applied
23	Borrowing Costs Applied	Applied
24	Related Party Disclosures	Applied
26	Accounting and reporting by retirement benefit plans	Not applicable
27	Consolidated & Separate Financial Statements	Not applicable
28	Investment in Associates	Not applicable
29	Financial Reporting in Hyperinflationary Economics	Not applicable
32	Financial instruments: presentation	Applied
33	Earnings Per Share	Applied
34	Interim Financial Reporting	Not applicable
36	Impairment of Assets	Applied
37	Provisions, Contingent Liabilities and Contingent Assets	Not applicable
38	Intangible assets	Not applicable
39	Financial Instruments: Recognition & Measurement	Not applicable
40	Investment property	Applied
41	Agriculture	Not applicable

IFRS NO.	IFRS Title	Status of Application
1	First time adoption of Bangladesh Financial Reporting Standards	Not Applicable
2	Share based payment	Not Applicable
3	Business Combination	Not Applicable
4	Insurance Contracts	Applied
5	Non-current assets held for sale and discontinued operations	Not Applicable
6	Exploration for and Evaluation of Mineral Resources	Not Applicable
7	Financial instruments: Disclosures	Applied
8	Operating segments	Applied
9	Financial instruments	Applied
10	Consolidated Financial Statements	Not applicable
11	Joint Arrangement	Not applicable
12	Disclosure of Interest in Other Entities	Not applicable
13	Fair value measurement	Applied
14	Regulatory Deferred Accounts	Applied
15	Revenue from contracts with customers	Applied

In order to comply with certain specific rules and regulations of the IDRA which are different from IAS/IFRS, some of the requirements specified in these IAS/IFRS are not applied.

Components of the Financial Statements:

According to IAS 1 "Presentation of Financial Statements" the complete set of Financial Statements include the following components:



Responsibility for maintaining Accounts:

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of The International Accounting Standards Committee (IASC) and The International Accounting Standards Board (IASB).

2.28 Compliance with the Circular of IDRA

Directions and guidelines under circulars of IDRA vide nos. Non-Life-64/2019 dated 02.07.2019 and Non-Life-65/2019 dated 04.07.2019 have been implemented in due time.

3.00 SHARE CAPITAL

a) Authorized Capital: Tk. 750,000,000.00	
2019	75,000,000
2018	7,500,000
Amount (in Taka)	

75,00,000 ordinary shares of Tk. 100.00 each.

b) Issued Subscribed & Paid up Capital: Tk. 295,064,800.00

2019	295,064,800
2018	295,064,800

2,950,648 ordinary shares of Tk. 100.00 each.

4.00 RESERVE AND CONTINGENCY ACCOUNTS: Tk. 264,824,751.00

Particulars	Notes	Amount (in Taka)	
		2019	2018

Break up of the above amount is as under:

Particulars	2019	2018
Reserve for Exceptional Losses	133,644,927	130,644,927
Profit & Loss Appropriation Account (Retained Earnings)	12,265,733	16,867,489
Revaluation Reserve	93,854,130	93,854,130
Reserve for Investment Fluctuation Fund	25,059,961	45,44,401
Total	264,824,751	241,366,546

4.01 Reserve for Exceptional Losses: Tk. 133,644,927.00

Break up of the above amount is as under:

Particulars	2019	2018
Opening Balance	130,644,927	128,644,927
Add: Addition during the year	3,000,000	2,000,000
Closing Balance	133,644,927	130,644,927

4.02 Profit & Loss Appropriation Account (Retained Earnings): Tk. 12265733.00

Details of the above has been shown in the Statement of Changes in Equity.

4.03 Revaluation Reserve [IAS-16]: Tk. 93,854,130.00

This is as per last account. The amount represents the reserve for revaluation of Land & Building.



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4.04 Reserve For Investment Fluctuation Fund: TK. 25,059,961.00

Opening balance	4,544,401
Add: Addition due to diminution in the value of	20,515,560
Closing Balance	25,059,961

Since Bangladesh Capital Market is very volatile and market price of securities is changed frequently, a reasonable lump-sum amount of TK. 20,515,560 has been transferred to Reserve for Investment Fluctuation Fund in addition to the last year's balance of provision in this respect.

5.00 BALANCE OF FUND AND ACCOUNTS : TK. 141,838,023.00

This is made up as follows:

Class of Business	%	2019		%	2018	
		Amount (Tk.)			Amount (Tk.)	
Fire	40%	42,915,229	40%	42,959,685	40%	
Marine (Cargo)	40%	54,554,836	40%	35,437,476	40%	
Marine (Hull)	100%	4,709,133.0		-		
Motor	40%	28,498,409	40%	21,211,067	40%	
Misc.	40%	11,160,416	40%	11,922,543	40%	
Total		141,838,023		111,530,771		

6.00 PREMIUM DEPOSIT: TK. 9,021,059.00

The above balance represents the amount of premium received against cover notes for which policies were not issued within 31st December, 2019.

7.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED : TK. 50,626,675.00

The class wise amount of the above is as follows:

Class of Business	Amount (in Taka)	
	2019	2018
Fire	42,550,500	31,961,505
Marine (Cargo)	3,550,650	2,648,510
Motor	4,525,525	3,825,515
Misc.	-	-
Total	50,626,675	38,435,530

All the claims against which the company received intimations within 31st December 2019 have been taken into consideration while estimating the liability in respect of outstanding claims.

8.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 00

After adjusting entire payable amounts to SBC and other Non-Life Insurance Companies on accounts of re-insurance arrangements and co-insurance scheme, the payable balance as on 31.12.2019 stood Nil.



(Signature)

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9.00 SUNDRY CREDITORS: TK. 144,197,351.00

This is made up as follows:

Amount (in Taka)	
2019	2018
92,000	70,000
232,937	142,256
5,323,020	3,532,417
136,696,864	120,406,852
1,359,503	1,350,407
-	12,648
459,633	230,931
74,515	53,517
(41,121)	120
-	54,000
144,197,351	125,853,148

9.01 Provision for Taxation: TK. 136,696,864.00

Details are as follows:

Amount (in Taka)	
2019	2018
120,406,852	118,134,007
16,290,012	2,272,845
136,696,864	120,406,852
-	-
136,696,864	120,406,852

An amount of Tk 1,62,90,012.00 has been provided during the year as provision against tax on Profit being consideration after reserve for exceptional losses and dividend income from share investment as per provision of Income Tax Ordinance 1984.

9.02 (a) Deferred Tax Liability: (Tk. 41,121.00)

Details are as follows:

Amount (in Taka)	
2019	2018
161,850,446	170,925,759
161,953,249	170,925,460
(102,803)	299
40.0%	40.0%
(41,121)	120

Deferred Tax Liability [IAS-12(44)]

(b) Deferred Tax Expense/(Income)

Closing Deferred Tax Liability	(41,121)
Opening Deferred Tax Liability	120
Deferred Tax Expense/(Income) for the year	(532,543)

Deferred tax assets and liability have been recognised and measured in accordance with the provision of IAS 12 "Income Taxes"



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10.00 INVESTMENT : TK. 224,596,375.00

25,000,000	193,601,258
224,596,375	218,601,258

Bangladesh Govt Treasury Bond-at cost
Investment in Shares- at cost price

Total

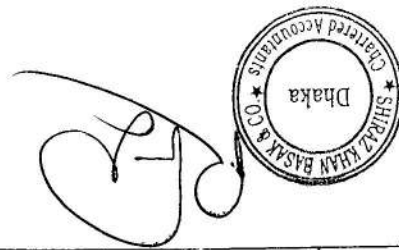
10.01 Investment in BGTB (At cost) : TK. 25,000,000.00

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

10.02 Investment in Shares (At cost price): TK. 199,596,375.00

The above amount represents the cost price of shares of listed securities as given below:

Name of Company	Share	Cost Price	Cost of Share	Market Price
Active Fine Chemical	560000	31.91	17,868,306	14.70
BSCCL	85000	133.24	11,325,379	93.80
DUTCHBANGL	5000	72.18	360,900	71.30
HAKKANIPUL	3000	52.13	156,399	50.10
ILFSL	150000	6.67	1,001,163	6.00
MHSMIL	11120	10.39	115,550	9.40
PHOENIXFIN	57000	23.19	1,321,596	21.50
RINGSHINE	21613	9.30	201,060	10.30
SAPORTL	10000	23.02	230,158	16.70
ADNTEL	18968	30.00	569,040	30.00
ATCSLGF	115000	7.90	908,384	7.50
BRAPPOWER	364885	29.71	10,839,366	22.70
COPPERTECH	4979	9.52	47,420	23.50
ESQUIRENIT	20890	45.00	940,050	28.30
NEWLINE	4282	9.35	40,023	14.80
NFML	100420	9.12	915,840	9.00
RUNNERAUTO	27930	91.65	2,559,900	59.50
SEAPEARL	3916	9.53	37,300	41.30
UPGDCL	2000	278.27	556,538	245.30
Central pharma	10000	12.98	129,824	9.00
QUASEM INDUSTRIES	14445	36.09	521,320	36.60
RUPALI BANK	3300	40.10	132,330	30.50
IDLC	45000	68.69	3,091,122	45.40
BSC	10000	49.13	491,331	42.30
Advent Pharma Ltd.	22000	28.95	636,999	22.40
AIBL 1st Mutual Fund	500000	10.00	5,000,000	7.20
AIBL Capital Market Services Ltd (Sponsor	5000000	10.00	50,000,000	10.00
Basunhndhara Paper Mills	15807	80.00	1,264,560	46.00
Beximco Pharma	110001	105.31	11,584,709	69.40
BRAC Bank	5000	67.56	337,779	57.10
First Security Islami Bank	143000	13.26	1,896,582	9.70
ICB Islamic Bank Ltd.	20400	10.18	207,705	3.00
IPDC	63670	27.94	1,778,851	25.60
Mercantile Bank Ltd	165115	20.86	3,445,111	13.20
Mobil Jamuna Bd Ltd	10000	105.76	1,057,592	63.30
National Bank Ltd.	830000	13.80	11,451,873	8.10



	17500	65.91	1,223,435	34.40	602,000
Navana CNG Ltd	140000	15.38	2,741,571	10.30	1,442,000
One Bank	6287	15.14	95,179	23.40	147,116
Shahjalal Islami Bank Ltd	437	22.19	97,120	30.30	132,623
SILCOPHL	110000	16.47	1,811,153	13.80	1,518,000
Social Investment Bank	79039	247.79	19,584,781	190.00	15,017,410
Squre Pharma	110000	42.22	4,643,890	27.40	3,014,000
Trust Bank	775000	19.82	15,358,931	13.30	10,307,500
UCBL	300000	36.73	11,018,255	27.20	8,160,000
Utara Bank	10,075,944	199,596,375			151,914,633
Total					

Value of stock has been taken as per cost price as on 31-12-2019 and considering the frequent ups and down of price of shares, a lump-sum amount of Tk. 20,515,560 has been provided and transferred to Reserve for investment fluctuation fund in addition to last year's balance of the said provision of Tk. 4,544,401 for diminution of value of above shares in the market for an amount of Tk.47,681,742 in compliance with the IFRS 9.

11.00 INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE): TK. 188,65,500.00

This represents accrued interest on investment in Bangladesh Government Treasury Fund and FDR realizable on maturity of the respective investment. This is made up as follows:

Amount (in Taka)	2019	2018
Interest on FDR	17,500,500	15,005,600
Interest on BGTB	1,365,000	1,365,000
Total	18,865,500	16,370,600

12.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS

This is due from the re-insurer WAICA Re (Re-Insurer) on account of claims lodged with them.

48,330,604	26,978,646
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13.00 SUNDRY DEBTORS: TK. 168,497,577.00

Amount (in Taka)	2019	2018
Security Deposit	9,001	9,001
Advance against Salary	965,000	521,452
Advance against Office Rent	8,598,977	7,350,611
Advance Director Fee VAT	6,000	-
Advance Office Rent TAX	11,647	-
Advance to Agent	7,113,114	7,509,769
Advance against Company Tax	151,793,838	138,429,858
Total	168,497,577	153,820,691

14.00 CASH AND BANK BALANCES: TK. 331,377,941.00

Amount (in Taka)	2019	2018
Fixed Deposit	275,000,000	276,400,000
Cash at Banks	42,786,823	78,881,713
Cash in hand	13,005,800	11,999,871
Cash with BO Account	585,318	4,241,274
Total	331,377,941	371,522,858

This is made up as follows:



15.00 FIXED ASSETS

161,850,446	17,044,759
-------------	------------

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

16.00 INTEREST INCOME: TK.23,815,503.00

The break up of the above is given below:

Particulars	2019	2018
Fixed Deposits	19,153,315	9,223,134
Bangladesh Government Treasury Bond	2,445,600	2,445,600
STD & CD Accounts	2,216,588	2,283,950
Total	23,815,503	13,952,684

17.00 CAPITAL GAIN : TK. 7,197,084.00

7,197,084	11,447,003
-----------	------------

Above amount represents the profit from sale of shares.

18.00 PREMIUM LESS RE-INSURANCE: TK. 347,531,358.00

Particulars	2019		2018	
	Gross Premium	Ceded Premium	Net Premium	Net Premium
Fire	210,875,293	103,587,220	107,288,073	107,399,213
Marine (Cargo)	158,038,081	21,650,992	136,387,089	88,593,689
Marine (Hull)	7,485,039	2,775,906	4,709,133	-
Motor	71,911,145	665,122	71,246,023	53,027,667
Miscellaneous	53,719,694	25,818,654	27,901,040	29,806,358
Total	502,029,252	154,497,894	347,531,358	278,826,927

19.00 MANAGEMENT EXPENSES : TK. 180,384,597.00

Allocation of management expenses is made up as follows:

Particulars	2019		2018	
	%	180,384,697	%	167,273,051
Fire insurance	44.90	80,994,136	50.78	84,945,522
Marine Insurance (Cargo)	32.19	58,066,822	31.95	53,436,460
Marine Insurance (Hull)	0.57	1,035,903	-	-
Motor Insurance	15.51	27,968,651	10.56	17,662,599
Misc. Insurance	6.83	12,319,085	6.71	11,228,470
Total		180,384,697		167,273,051

20.00 BASIC EARNING PER SHARE (EPS)

The company calculates Earning Per Share (EPS) in accordance with the IAS 33 which is shown in the face of the statement of comprehensive income.

	2019	2018
Net Profit before Tax	49,915,815	7,682,111
Less: Provision for Income Tax	(16,290,012)	(2,272,845)
Deferred Tax	41,241	532,543
Income	33,667,044	5,941,809
Net Profit after Taxation attributable to ordinary shareholders	33,667,044	5,941,809
Number of ordinary shares outstanding during the year	2,950,648	2,950,648
Earning Per Share(EPS)	TK.11.41	TK.2.01

An associate firm of D.N. Gupta Associates



21.00 NET ASSETS VALUE PER SHARE (NAV)

Shareholders Equity at the end of the year	559,889,551	540,975,747
Number of outstanding shares	2,950,648	2,950,648
Net Assets Value Per Share (NAV) at the Financial Position Date	189.75	183.34

22.00 NET OPERATING CASH FLOW PER SHARE

Net Cash Flows From Operating Activities	(76,786,839)	67,179,372
Number of outstanding shares	2,950,648	2,950,648
Net Operating Cash Flow Per Share	(26.02)	22.77

23.00 Transaction With Related Parties:

Details transactions with related parties and balances with them for the year 2019 were as follows:

Name of the related Parties	Relationship	Nature of Transaction	Premium Earned	Claim Paid
Khinoor Chemical Co. (BD) Ltd.	Common Director	Insurance	1,592,818	151,594
Reedisha Blended Yarn Ltd.	Common Director	Insurance	1,062,140	140,390
Reedisha Food and Beverage Ltd.	Common Director	Insurance	3,323,416	
Reedisha Knitex Ltd.	Common Director	Insurance	3,644,594	
Reedisha Tex-Stripe Ltd.	Common Director	Insurance	73,419	
Dubai Bangla Cement Mills Ltd.	Common Director	Insurance	9,757,866	
Dubai Bangla Bag Factory Ltd.	Common Director	Insurance	11,018,186	

24.00 Events after The Reporting Period

The Board of Directors recommended 3% dividend for the year ended December 31st, 2019 in its 13rd Meeting held on 15-06-2020 subject to Shareholders' approval at the forthcoming annual general meeting.

25.00 Disclosure as per requirement of Companies Act, 1994 and Securities & Exchange rules:

- (1) Number of employees received upto Tk. 4,500/- per month is Nil.
- (2) Number of employees received salary above Tk. 4,500/- is 397 nos.
- (3) The company has no contingent liabilities
- (4) During the year under review no compensation was allowed by the company to the Chief Executive and Officers of the company except their regular remuneration.
- (5) No Amount of money was spent by the company for compensating any member of the Board for special service rendered.
- (6) During the year under review an amount of Tk. 5,10,000/- was paid to the Directors of the company for Board meeting attendance fees as per allowable rate of the IDRA.
- (7) No transaction of Miscellaneous expenditure exceeded Tk. 1,000/-
- (8) There was no Bank guarantee issued by the Company on behalf of their Directors.
- (9) Auditors were paid only statutory audit fee duly approved by the shareholders in the last A.G.M.
- (10) There was no capital work in progress at the end of the accounting year.
- (11) No expenses were paid as royalty and salary to technical experts etc.
- (12) During the year Company was not entered into any agreement with the third party.
- (13) There was no Capital expenditure commitment as at December 31, 2019
- (14) There was no claim against Company, which was not acknowledgement as debt other than normal course of business.
- (15) There was no credit facility available to the Company under any contract availed of as on December 31, 2019 other than trade credit availed in the ordinary course of business.
- (16) There was no event occurred after Balance Sheet date, which might have effected financial position of the Company as per Balance sheet date.

An associate firm of D. N. Gupta Associates



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ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED
SCHEDULE OF FIXED ASSETS AS AT DECEMBER 31, 2019

Sch-"A"

Particulars	COST					Rate	Amount in Taka				
	At Jan. 01, 2019	Written down value on 01.01.2019	Sold during the period	Additions before June 30, 2019	Additions after June 30, 2019		Total at December 31, 2019	At Jan. 01, 2019	Depreciation for the year 2019	At December 31, 2019	Written down value.
Furniture & Fixture	7,435,221	4,364,991		147,794	127,600	7,710,615	3,070,230	451,279	3,521,509	4,189,106	
Office Equipment	11,131,116	5,194,281		418,100	397,800	11,947,016	5,936,835	841,857	6,778,692	5,168,324	
Vehicles	63,500,207	27,252,861				63,500,207	36,247,346	5,450,572	41,697,918	21,802,289	
Crockeries & Cutleries	167,590	71,634		5,700	8,360	181,650	95,956	15,467	111,423	70,227	
Office decoration	9,641,734	4,929,173		23,730	83,950	9,749,414	4,712,561	495,290	5,207,851	4,541,563	
Air conditioner	4,739,065	2,287,180				4,739,065	2,451,885	343,077	2,794,962	1,944,103	
Software Installation	1,491,400	902,477				1,491,400	588,923	180,495	769,418	721,982	
Telephone Installation	291,440	172,689		1,180		292,620	118,751	26,080	144,831	147,789	
Building	39,796,000	32,293,426	-			39,796,000	7,502,574	645,869	8,148,443	31,647,557	
Land	1,480,000	1,480,000	-			1,480,000	-			1,480,000	
Revaluation Reserve- Building	97,724,000	91,977,047				97,724,000	5,746,953	1,839,541	7,586,494	90,137,506	
Total Tk.	237,397,773	170,925,759	-	596,504	617,710	238,611,987	66,472,014	10,289,527	76,761,541	161,850,446	

Note : Depreciation of fixed assets has been charged on Reducing Balance Method at the rates varying from 2% to 20%. Full years depreciation have been claimed on assets acquired on or before June 30, of the year otherwise no depreciation has been charged on assets acquired afterward.



(Signature)

Statement showing details of Re-insurance ceded and accepted by the Islami Commercial Insurance Co. Ltd. during the year ended December 31, 2019

Class of Business	PREMIUM				COMMISSION				CLAIMS				Amount in Taka	
	Received on		Paid on		Paid on		Received on		Paid on		Received on			
	Direct Business	Re-Insurance	Direct Business	Re-Insurance	Direct Business	Re-Insurance	Direct Business	Re-Insurance	Direct Business	Re-Insurance	Direct Business	Re-Insurance		
Fire														
Private	202,119,089		84,971,192											
Public	8,756,204		7,584,739											
Total	210,875,293		92,555,921											
Marine														
Private	140,004,516		6,576,586											
Public	18,033,565		15,074,406											
Total	158,038,081		21,650,992											
Marine Hull														
Private	7,485,039													
Public														
Total	7,485,039													
Misc. & Engg														
Private	30,742,007		1,591,754											
Public	22,977,687		24,226,900											
Total	53,719,694		25,818,654											
Motor														
Private	69,795,155		503,864											
Public	2,115,990		161,258											
Total	71,911,145		665,122											
Total Private	450,145,806		93,643,386											
Total Public	51,883,446		47,047,303											
Grand Total	502,029,252		140,690,689											



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FORM - "AA"

Classified Summary of Assets of
Islami Commercial Insurance Company Limited
As at December 31, 2019

Amount in Taka

Class of Assets	Book Value	Realisable Value	Remarks (if any)
Bangladesh Govt. Treasury Bond (BGTB)	25,000,000	25,000,000	At Cost
Investment in Shares	199,596,375	151,914,633	Market Value
Interest accrued but not due	18,865,500	18,865,500	Realizable Value
Amount due from Other Persons or Bodies Carrying on Insurance business	48,330,604	48,330,604	Realizable Value
Sundry Debtors (including Advance deposit & prepayments)	168,497,577	168,497,577	Realizable Value
Cash in hand and at banks :	331,377,941	331,377,941	
Fixed Deposit with Banks	275,000,000	275,000,000	
Cash at Bank	42,786,823	42,786,823	
Cash in Hand	13,005,800	13,005,800	
Cash With Bo Accounts	585,318	585,318	
Inventories	1,414,216		At cost
Stamps in hand	534,119		
Printing and Stationary in hand	880,097		
Fixed Assets	161,850,446	161,850,446	At cost less depreciation
Total Tk.	954,932,659	905,836,701	



Net Assets Value per Share-2019

The price of the common stock of Islami Commercial Insurance Co. Ltd. Has been determined on the basis of net assets value, the break up of which is given below:

Particulars	Amount (Tk.)
-------------	--------------

A. ASSETS:

Investment in Bangladesh Govt. Treasury Bond (BGTB) - at cost

Investment in Shares - at cost

Interest Accrued but not due

Amount due from other persons or bodies carrying on Insurance Business

Sundry Debtors (Including Advances, Deposits & Prepayments)

Cash in hand and at Banks

Printing & Stationeries and Stamp in Hand

Fixed Assets and Others Accounts

Total

B. LIABILITIES:

Balance of Funds and Accounts

Estimated Liabilities in respect of outstanding claims whether due or intimated

Sundry Creditors (Including Provision for Expenses and Taxes)

Bank Loan against Lien of FDR

Premium Deposite

Total

Net Assets (A-B)

No. Of Shares

Intrinsic Value / Net Assets Value per Share

25,000,000	189.75
199,596,375	2,950,648
18,865,500	559,889,551
48,330,604	395,043,108
168,497,577	9,021,059
331,377,941	49,360,000
1,414,216	144,197,351
161,850,446	50,626,675
	141,838,023

We have examined the above calculation of net Assets Value (NAV) of the Company which appears to be correct.




বীমা আইন, ২০১০ এর ৪১ ধারা অনুযায়ী দায় ও পরিসম্পদ বিনিয়োগ বিবরণী

বীমাকারীর নাম :- ইসলাহা মী কমার্শিয়াল ইন্স্যুরেন্স কোঃ লিঃ


২০১৯ ইং সালের ৩১শে ডিসেম্বরের তথ্য।

ক্রমিক নং	দায়	পরিমাণ (টাকায়)	ক্রমিক নং	সম্পদ বিনিয়োগ	পরিমাণ (টাকায়)
০১	অপরিশোধিত দাবীর পরিমাণ	৫০,৬২৬,৬৭৫	০১	বাংলাদেশ গভ: ত্রেজারী বন্ড (বিজিটিবি)	২৫,০০০,০০০
০২	অগ্নি বীমার নীট প্রিমিয়ামের ৪০%	৪২,৯১৫,২২৯	০২	মেয়াদী হিসাবে ব্যাংকে জমা (এফডিআর)	২৭৫,০০০,০০০
০৩	বিবিধ বীমার নীট প্রিমিয়ামের ৪০% (মোটর বীমা সহ)	৩৯,৬৫৮,৮২৫	০৩	শেয়ারে বিনিয়োগ	১৯৯,৫৯৬,৩৭৫
০৪	নৌ কার্গো বীমার নীট প্রিমিয়ামের ৪০%	৫৪,৫৫৪,৮৩৬	০৪	অন্য বীমাকারীর নিকট থেকে পাওয়ার পরিমাণ	৪৮,৩৩০,৬০৪
০৫	নৌ স্থল বীমার নীট প্রিমিয়ামের ১০০%	৪,৭০৯,১৩৩			
০৬	অন্য বীমাকারীর নিকট দায়ের পরিমাণ	-			
০৭	অন্যান্য পাওনাদারকে দেয়	১৪৪,১৯৭,৩৫১			
০৮	এফডিআর এর বিপরীতে ঋণ গ্রহণ	৪৯,৩৬০,০০০			
	মোট দায়ের পরিমাণ	৩৮৬,০২২,০৪৯	(খ)	মোট সম্পদের পরিমাণ	৫৪৭,৯২৬,৯৭৯
	অথবা	৩৪,৭৫৩,১৩৬			
	নেট প্রিমিয়ামের ১০%	৩৮৬,০২২,০৪৯			

(ক) মোট দায় এবং নেট প্রিমিয়ামের ১০% যাচা বংশী

অতিরিক্ত বিনিয়োগ (খ - ক)

অডিটরের নাম, স্বাক্ষর ও সীল :


শিরাজ খান-বসাক এন্ড কোঃ
চার্টার্ড একাউন্ট্যান্টস




শিরাজ খান-বসাক এন্ড কোঃ
মুখ্য নির্বাহী কর্মকর্তা

১৬১,৯০৪,৯৩০

Islami Commercial Insurance Co Ltd

Head Office, Dhaka

Schedule of Management Expenses as on 31st December, 2019

Sl. No	Particulars	Taka	
		2019	2018
01	Salary & Allowance	90,906,381.00	75,500,874.00
02	Bonus & Exgratia	10,457,840.00	9,988,268.00
03	Car Fuel	6,587,968.00	6,213,474.00
04	Staff Tea & Refreshment	635,852.00	-
05	Printing & Stationary	3,494,752.00	4,258,013.00
06	Entertainment	1,356,290.00	2,340,285.00
07	Conveyance	2,627,080.00	2,834,568.00
08	Telephone Bill	607,682.00	595,833.00
09	Mobile Bill	1,324,150.00	1,238,138.00
10	Internet Bill	480,999.00	526,360.00
11	Office Maintenance	1,924,219.00	1,362,837.00
12	Office Cleaner	342,600.00	304,670.00
13	Revenue Stamp	381,510.00	381,740.00
14	Postage Expenses	320,250.00	354,176.00
15	Insurance Premium	9,552.00	7,784.00
16	Garage Rent	647,000.00	623,700.00
17	Paper & Periodicals	168,703.00	162,865.00
18	Repair & Maintenance -AC	102,900.00	170,434.00
19	Car Maintenance/Spare Parts	4,763,278.00	4,275,557.00
20	Bank Charge	1,007,052.00	756,919.00
21	Excise Duty	278,265.00	336,210.00
22	Training Expenses	-	76,200.00
23	Electricity Bill	2,026,585.00	1,845,276.00
24	Gas Bill	29,925.00	27,200.00
25	WASA	155,608.00	129,819.00
26	Dinking/Mineral Water	81,495.00	62,560.00
27	Service Charge	2,457,752.00	2,565,779.00
28	Software (service charge)	400,000.00	475,000.00
29	Calendar	1,599,040.00	1,304,100.00
30	Yearly Dairy	430,000.00	400,000.00
31	Primary Share Application Fee	-	48,000.00
32	Hospitality Expense	1,255,418.00	1,163,355.00
33	Labour and Carrying	127,054.00	11,050.00
34	Office Rent	11,147,303.00	10,699,112.00
35	Business Dev Exp	30,602,997.00	34,343,275.00
36	Tour Bill	389,519.00	533,019.00
37	Board Meeting Exp	603,988.00	418,391.00
38	Gift	389,090.00	456,710.00
39	Wages	264,500.00	481,500.00
Total=		180,384,597.00	167,273,051.00

Allocation of Management Expenses to different Class of Business

Sl. No	Class of Business	%	Taka
1	Fire	44.90	80,994,136
2	Marine (Cargo)	32.19	58,066,822.00
3	Marine (Hull)	0.57	1,035,903.00
4	Motor	15.51	27,968,651.00
5	Misc	6.83	12,319,085.00
Total		100.00	180,384,597.00



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