

**AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
OF
SENA KALYAN INSURANCE COMPANY LIMITED
FOR THE YEAR ENDED DECEMBER 31, 2020**

Independent Auditor’s Report

To the Shareholders of Sena Kalyan Insurance Company Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sena Kalyan Insurance Company Ltd. (the “Company”), which comprise the Balance Sheet (Statement of Financial Position) as at 31 December 2020 Profit and Loss Accounts (Statement of Profit or Loss and other Comprehensive Income), Statement of Profit and Loss Appropriation account, Consolidated Revenue Accounts, Related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2020, 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 1938 (as amended in 2010), the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk
Premium Income	
Gross general insurance premiums comprise the total premium received for the whole period of cover provided by contracts	With respect to Premium income in respect of various types of insurance we carried out the following procedures:

Risk	Our response to the risk
<p>entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p> <p>At end of the year 2020, the total gross premium income was BDT 580,522,233 (2019: BDT 576,092,516).</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. ◆ 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 reinsurer. ◆ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>See note no. 2.21, Form-XL of the financial statements</p>	
<p>Investment Fluctuation Fund</p>	
<p>Insurance company makes a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account.</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

Risk	Our response to the risk
<p>Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund 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>At end of the year 2020, the reported total balance under the head of investment fluctuation fund was BDT 408,894 (2019: BDT -1,104,091).</p>	<p>from the company and through directional testing assessed the completeness of the report.</p> <ul style="list-style-type: none"> ◆ 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 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See note no. 4.02 to the financial statements	
Property, Plant & Equipment	
<p>This represents a significant amount in the company's (Balance sheet) statement of financial position. There is a risk of Determining which costs meet the criteria for capitalization. Determining the date on which the assets is recognized to property, plant and equipment and depreciation commences. This estimation of economic useful lives and residual value assigned to fixed asset.</p> <p>We identified the carrying value of property, plant and equipment as a key audit matter because of the high level of management judgment involved and its significance to the financial statements.</p>	<p>Our audit procedures to assess the carrying value of property, plant and equipment, include the following controls testing and substantive procedures:</p> <ul style="list-style-type: none"> ◆ Assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy of property, plant and equipment including the key internal controls over the estimation of useful economic lives and residual values; ◆ Assessing, on a sample basis, costs capitalized during the year by comparing the costs capitalized with the relevant

Risk	Our response to the risk
<p>At end of the year 2020, the reported carrying value of property, plant & equipment was BDT 22,316,641 (2019: BDT 20,170,446).</p>	<p>underlying documentation, which included purchase agreements and invoices, and assessing whether the costs capitalized met the relevant criteria for capitalization.</p> <ul style="list-style-type: none"> ◆ Testing the key controls over the management's judgment in relation to the accounting estimates of the depreciable lives and residual values of property, plant and equipment. ◆ Reconcile on a sample basis the additional capitalized costs for the year to the underlying invoices and supporting documents. ◆ We reviewed minutes the company's capitalizations policy for compliance with IAS 16 and tested the expenditure capitalized against the capitalization policy. ◆ We traced payments to supporting documents. ◆ We assessed the adequacy of the disclosures of the financial statements.
<p>See note no. 2.10, 2.11, 11.00 and Annexure-"A" of the financial statements</p>	
<p>Deferred tax liability</p>	
<p>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>At end of the year 2020, the reported total balance under the head of Deferred tax liability was BDT 1,008,328 (2019: BDT 717,193).</p>	<p>Our audit procedures to assess the carrying value of Deferred Tax liability included the following:</p> <ul style="list-style-type: none"> ◆ 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. ◆ We also assessed the completeness and accuracy of the data used for the estimations of future taxable expense. ◆ We tested the mathematical accuracy in calculation of deferred tax. ◆ We evaluated the reasonableness of key assumptions, timing of reversal of

Risk	Our response to the risk
	<p>temporary differences and expiration of tax loss carry forwards, recognition and measurement of Deferred Tax Liability.</p> <ul style="list-style-type: none"> ◆ We assessed the adequacy of the company's disclosures setting out the basis of deferred tax liability balances and the level of estimation involved. ◆ We also assisted in evaluating the tax implications, the reasonableness of estimations and calculations determined by management. ◆ We also involved our internal experts from the tax area in the analysis of the reasonableness of the tax assumptions on the basis of the applicable legislation. ◆ Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Taxes.
See note no. 9.02 to the financial statements	

Emphasis of Matter

We draw attention to note no. 2.34 c to the financial statements which states that the company is yet to establish workers welfare fund. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report there on. 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 identifies 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. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the company.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- c) The Company management has followed relevant provisions of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report

have been duly debited to the related Revenue Accounts and the Statement of Comprehensive Income of the Company;

- e) We report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- f) The Statement of Financial Position, Statement of Comprehensive Income, Profit and Loss Appropriation Account, related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- g) The expenditure was incurred for the purpose of the Company's business.

Sd/-

Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Frim Reg. No. : P-46323
DVC: 2104240105AS245503

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Balance Sheet

(Statement of Financial Position)

As at December 31, 2020

Capital and Liabilities	Notes	Amount in Taka		
		31.12.2020	31.12.2019 (Restated)	01.01.2019 (Restated)
Authorized Capital				
100,000,000 Ordinary shares of Tk.10/- each		1,000,000,000	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital		240,000,000	240,000,000	240,000,000
24,000,000 Ordinary share of Tk. 10/- each fully paid up	3.00	240,000,000	240,000,000	240,000,000
Reserve or Contingency Accounts		266,203,422	194,414,777	109,234,833
Reserve for Exceptional Losses	4.00	197,792,882	139,740,659	82,131,407
Investment Fluctuation Fund (difference of market value and cost value)	4.02	408,894	(1,104,091)	-
Profit and Loss Appropriation Account	4.03	68,001,646	55,778,209	27,103,426
Total shareholders equity		506,203,422	434,414,777	349,234,833
Balance of Funds and Accounts	5.00	175,201,461	137,058,034	66,099,172
Fire insurance business		22,189,660	23,155,738	16,482,820
Marine insurance business		31,863,664	16,992,399	24,011,967
Motor insurance business		21,173,428	22,537,114	8,588,566
Miscellaneous insurance business		99,974,709	74,372,783	17,015,819
Premium Deposits	6.00	31,531,973	56,051,451	25,844,526
Liabilities and Provisions		265,355,282	119,478,063	79,399,578
Estimated liabilities in respect of outstanding claims whether due or intimated	7.00	121,385,581	39,786,514	25,632,623
Amounts due to other persons or bodies carrying on insurance business	8.00	18,366,339	2,723,643	-
Provision for Income tax	9.00	63,550,084	42,712,673	21,209,689
Deferred Tax Liability	9.02	1,008,328	717,193	680,303
Lease Liability	9.04	21,057,835	-	-
Provision for WPPF		5,711,282	-	-
Sundry Creditors	10.00	34,275,835	33,538,040	31,876,963
Total liabilities		472,088,716	312,587,548	171,343,276
Total Shareholders Equity and Liabilities		978,292,139	747,002,325	520,578,109

Sena Kalyan Insurance Company Limited

Balance Sheet

(Statement of Financial Position)

As at December 31, 2020

Assets and Properties	Notes	Amount in Taka		
		31.12.2020	31.12.2019 (Restated)	01.01.2019 (Restated)
Non-Current Assets		102,472,972	53,197,118	48,745,059
Property, Plant and Equipment	11.00	22,316,641	20,170,446	16,964,206
Investment in BGTB	12.00	51,217,510	26,500,000	26,500,000
Right of Use (RoU) Assets	12.02	21,233,585	-	-
Deferred Tax Assets	12.03	7,705,236	6,526,672	5,280,853
Current Assets		82,322,207	62,504,387	53,599,503
Investment in Shares	12.01	13,049,137	4,055,654	3,709,955
Accrued Interest	13.00	19,249,869	20,581,051	13,769,797
Amount due from other persons or bodies carrying on insurance business		-	-	675,047
Sundry Debtors (Including advances, deposits and prepayments)	14.00	49,690,624	37,604,980	34,980,968
Stationary and forms in hand		206,358	234,672	317,200
Stamps in hand		126,219	28,030	146,536
Cash and Cash Equivalents		793,496,960	631,300,820	418,233,547
Fixed Deposits: (FDR's)	15.01	711,640,471	581,500,000	370,400,000
SND Accounts	15.03	66,989,559	43,587,764	21,093,004
Current Accounts	15.03	14,844,176	6,006,329	11,690,693
Cash in hand	15.04	20,252	47,418	39,587
Brokerage Balance		2,502	159,309	2,264
Cheques in hand		-	-	15,007,999
Total Assets and Properties		978,292,139	747,002,325	520,578,109
Net Asset Value (NAV) Per Share	16.00	21.09	18.10	14.55

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited
Profit and Loss Account
(Statement of Profit or Loss and other Comprehensive Income)
For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019 (Restated)
Profit / (loss) Transferred from		66,824,517	75,490,878
Fire Insurance Revenue Account		(12,434,358)	27,582,714
Marine Insurance Revenue Account		27,351,434	23,265,578
Motor Insurance Revenue Account		37,882,536	24,595,267
Misc. Insurance Revenue Account		14,024,905	47,320
Interest, Dividend and Rents (Not applicable to any fund or account)			
Interest received and Dividend Income	17.00	54,108,941	43,946,929
Other Income	18.00	4,114,708	3,297,878
Total		125,048,166	122,735,685
Expenses of management (Not applicable to any particular fund or account)		5,111,243	4,157,595
Advertisement and Publicity		562,547	131,293
Directors fees		101,200	179,400
Donation, Levy and Subscription		833,000	340,000
Audit fees		250,000	250,000
Legal, Professional and Rating Fees		103,500	113,550
Registration and Renewal Fees		722,691	418,451
Depreciation and Amortization		2,538,305	2,724,901
Profit Before Tax & WPPF		119,936,923	118,578,090
Provision for WPPF		5,711,282	-
Profit Before Tax		114,225,641	118,578,090
		19,949,981	20,294,055
Income Tax Expenses	9.01	20,837,411	21,502,984
Deferred Tax (Income)/Expense	9.03	(887,429)	(1,208,929)
Balance for the year carried to profit and loss appropriation account		94,275,660	98,284,035
Total		125,048,166	122,735,685
Other Comprehensive Income			
Gain/(loss) from Fair Value Changes of Investment in Shares	4.02	408,894	(1,104,091)

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Profit and Loss Appropriation Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019 (Restated)
Balance Brought Forward from previous year		55,778,209	27,103,426
Balance transferred from profit and loss account		94,275,660	98,284,035
Total		150,053,869	125,387,461
		82,052,223	69,609,252
Reserve for Exceptional losses	4.01	58,052,223	57,609,252
Cash Dividend paid		24,000,000	12,000,000
Balance transferred to balance sheet		68,001,646	55,778,209
Total		150,053,869	125,387,461
Earning Per Share (EPS)	20.00	3.93	4.10

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Dhaka, 24 April, 2021

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited

Statement of Changes in Equity

For the year ended December 31, 2020

Particulars	Share Capital	Reserve for Exceptional Losses	Investment Fluctuation Fund	Retained Earnings	Total
Opening Balance	240,000,000	139,740,659	(1,104,091)	55,778,209	434,414,777
Net Profit after tax for the year	-	-		94,275,660	94,275,660
Reserve for Exceptional losses	-	58,052,223		(58,052,223)	-
Cash Dividend paid for 2019	-	-		(24,000,000)	(24,000,000)
Fluctuation Fund Adjustment			1,512,985	-	1,512,985
Closing Balance	240,000,000	197,792,882	408,894	68,001,646	506,203,422

Board of Directors proposed 10% cash dividend for the year 2020 subject to approval of shareholders of the company in its forthcoming 8th Annual General Meeting.

For the year ended December 31, 2019

Particulars	Share Capital	Reserve for Exceptional Losses	Investment Fluctuation Fund	Retained Earnings	Total
Opening Balance	240,000,000	82,131,407	-	27,103,426	349,234,833
Net Profit after tax for the year 2019	-	-		98,284,035	98,284,035
Reserve for Exceptional losses	-	57,609,252		(57,609,252)	-
Cash Dividend paid for 2018	-	-		(12,000,000)	(12,000,000)
Investment Fluctuation Fund			(1,104,091)	-	(1,104,091)
Closing Balance	240,000,000	139,740,659	(1,104,091)	55,778,209	434,414,777

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Statement of Cash Flows

For the year ended December 31, 2020

Particulars	Notes	Amount in Taka	
		2020	2019 (Restated)
A. Cash flow from operating activities			
Collection from premium and other income	24.01	671,238,379	678,765,722
Payment for management expenses, Re-insurance, Claims and commission	24.02	(424,266,504)	(442,920,488)
Income Tax Paid	14.01	(25,256,345)	(3,394,610)
Net cash flows from operating activities		221,715,530	232,450,624
B. Cash flow from investing activities			
Acquisition of Fixed Asset	11.01	(5,670,391)	(6,348,561)
Sale of Fixed Assets	19.01	1,640,000	415,000
Investment	24.03	(32,198,008)	(1,449,790)
Net cash used by investing activities		(36,228,399)	(7,383,351)
C. Cash flows from financing activities			
Dividend paid		(24,000,000)	(12,000,000)
Loan from Sena Kalyan Sangstha		709,009	-
Net cash used by financing activities		(23,290,991)	(12,000,000)
Net increase in cash and cash equivalents during the year		162,196,140	213,067,273
Opening cash and cash equivalents during the year		631,300,820	418,233,547
Closing cash and cash equivalents at end of the year		793,496,960	631,300,820
Net operating Cash Flows Per Share	21.00	9.24	9.69

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Consolidated Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019
Balance of account of the year:			
Reserve for Unexpired risk		137,058,034	66,099,172
Premium, Less Re insurance		297,678,171	253,388,684
Commission on Re insurance		27,697,255	27,863,440
Total		462,433,460	347,351,296
Claim under policies less Re-Insurance			
Paid during the year		21,332,839	8,892,921
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7.00	121,385,581	39,786,514
Less: Outstanding at the end of the previous year		(39,786,514)	(25,632,623)
		292,677,037	248,813,606
Agency Commission	22.00	33,722,747	34,685,271
Expense of management	21.00	83,752,829	77,070,301
Reserve for unexpired risk being 40% of fire, Marine Cargo, Motor & Misc. and 100% of Marine Hull & Aviation	5.00	175,201,461	137,058,034
Premium Income of the year			
Profit Transferred to Profit and Loss account		66,824,517	75,490,878
Total		462,433,460	347,351,296

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Dhaka, 24 April, 2021

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited

Fire Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019
Balance of account of the year:			
Reserve for Unexpired risk		23,155,738	16,482,820
Premium, Less Re insurance		55,474,149	57,889,346
Commission on Re insurance		15,087,324	12,241,435
Total		93,717,211	86,613,601
Claim under policies less Re-Insurance			
Paid during the year		2,583,827	910,895
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7.00	72,857,592	23,631,666
Less: Outstanding at the end of the previous year		(23,631,666)	(16,822,950)
		54,341,816	51,311,276
Agency Commission	22.00	14,079,888	12,585,294
Expense of management	21.00	18,072,268	15,570,244
Reserve for unexpired risk being 40% of fire Premium	5.00	22,189,660	23,155,738
Income of the year			
Profit Transferred to Profit and Loss account		(12,434,358)	27,582,714
Total		93,717,211	86,613,601

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Dhaka, 24 April, 2021

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited

Marine Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019
Balance of account of the year:			
Reserve for Unexpired risk		16,992,399	24,011,967
Premium, Less Re insurance		70,143,321	35,524,115
Commission on Re insurance		4,882,825	5,307,102
Total		92,018,545	64,843,184
Claim under policies less Re-Insurance			
Paid during the year		779,691	1,021,759
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7.00	13,893,543	8,543,696
Less: Outstanding at the end of the previous year		(8,543,696)	(3,511,192)
		58,537,573	35,523,343
Agency Commission	22.00	13,103,342	10,529,044
Expense of management	21.00	13,570,567	8,001,900
Reserve for unexpired risk being 40% of Marine Cargo and 100% of Marine Hull Premium Income of the year	5.00	31,863,664	16,992,399
Profit Transferred to Profit and Loss account		27,351,434	23,265,578
Total		92,018,545	64,843,184

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

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Dhaka, 24 April, 2021

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited

Motor Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019
Balance of account of the year:			
Reserve for Unexpired risk		22,537,114	8,588,566
Premium, Less Re insurance		52,933,570	56,342,785
Commission on Re insurance		-	-
Total		75,470,684	64,931,351
Claim under policies less Re-Insurance			
Paid during the year		2,555,657	2,536,559
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7.00	11,759,525	7,473,000
Less: Outstanding at the end of the previous year		(7,473,000)	(2,180,550)
		30,745,966	32,507,075
Agency Commission	22.00	1,932,926	2,418,823
Expense of management	21.00	7,639,612	7,551,138
Reserve for unexpired risk being 40% of Motor Premium	5.00	21,173,428	22,537,114
Income of the year			
Profit Transferred to Profit & Loss account		37,882,536	24,595,267
Total		75,470,684	64,931,351

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

Sd/-
Company Secretary

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Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Dhaka, 24 April, 2021

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Sena Kalyan Insurance Company Limited

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2020

Particulars	Notes	Amounts in Taka	
		2020	2019
Balance of account of the year:			
Reserve for Unexpired risk		74,372,783	17,015,819
Premium, Less Re insurance		119,127,131	103,632,438
Commission on Re insurance		7,727,106	10,314,903
Total		201,227,020	130,963,160
Claim under policies less Re-Insurance			
Paid during the year		15,413,664	4,423,708
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7.00	22,874,921	138,152
Less: Outstanding at the end of the previous year		(138,152)	(3,117,931)
		149,051,683	129,471,911
Agency Commission	24.00	4,606,591	9,152,110
Expense of management	21.00	44,470,383	45,947,018
Reserve for unexpired risk being 40% of Misc. and 100% of Aviation Premium Income of the year	5.00	99,974,709	74,372,783
Profit Transferred to Profit & Loss account		14,024,905	47,320
Total		201,227,020	130,963,160

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

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Company Secretary

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Chief Executive Officer

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Director

Sd/-
Director

Sd/-
Chairman

Signed as per our annexed report of even date.

Sd/-
Howlader Mahfel Huq, FCA
ICAB Enrolment No. 105
Managing Partner
Mahfel Huq & Co.
Chartered Accountants
Firm Reg. No: P-46323
DVC: 2104240105AS245503

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Form AA

Classified Summary of Assets

For the year ended December 31, 2020

Sl. No.	Class of Assets	2020		Remarks
		Book value	Market Value	
01	Statutory Deposit with Bangladesh Bank (10 years period Bangladesh Government Treasury Bonds)	51,217,510	51,217,510	Not quoted in Market
02	Fixed Deposit, SND Account and other Bank Balances	793,476,708	793,476,708	Realizable value
03	Cash in hand	20,252	20,252	Realizable value
04	Interest Accrued but not due	19,249,869	19,249,869	Realizable value
05	Property, Plant & Equipment at cost less depreciation	22,316,641	22,316,641	Cost Less depreciation
06	Investment in Shares	13,049,137	13,049,137	Market Value
07	Right of Use (RoU) Assets	21,233,585	21,233,585	Realizable value
08	Deferred Tax Assets	7,705,236	7,705,236	Realizable value
09	Sundry Debtors including advance deposit & prepayments	49,690,624	49,690,624	Realizable value
10	Stamp in Hand	126,219	126,219	Cost
11	Stationary and forms in hand	206,358	206,358	Cost
Total		978,292,139	978,292,139	

Sena Kalyan Insurance Company Limited

Notes to The Financial Statements

As at and for the year ended December 31, 2020

1.00 Background of the company

Sena Kalyan Insurance Company Limited ('the company') was incorporated as a Public Limited Company by shares under the Companies Act, 1994 on 3rd September, 2013 and obtained permission for commencement of insurance business from the Insurance Development & Regulatory Authority (IDRA), Government of the Peoples Republic of Bangladesh, with effect from 10th September, 2013 for carrying out non-life insurance business.

Sena Kalyan Insurance Company Limited is a subsidiary Company of Sena Kalyan Sangstha (SKS) that holds 23,999,994 shares out of 24,000,000 shares of the Company and the balance 6 (six) shares are held by 6 (six) individuals, each holding 1 (one) share of taka 10 each fully paid up.

1.01 Address of registered office and place of business of the company

The Head office of the Company is at SKS Tower (12th Floor), 7, VIP Road, Mohakhali, Dhaka-1206, Bangladesh which is also the registered office of the Company. The operation of the company is carried out through its 6 branches located in different divisions of Bangladesh.

1.02 Principal activities of the company

The principal activities of the Company is to offer general insurance products that include fire insurance, marine hull and cargo insurance, aviation insurance, motor insurance and miscellaneous insurance. These insurances provide protection against damage to policy holder's assets if damage occurs from risk covered by policy. Premium income is primary source of revenue for this insurance business.

1.03 Date of Financial Statements authorized for issue

Financial Statement of the company for the year ended December 31, 2020 were authorized by the Board for issue on 24 April, 2021 in accordance with a resolution of the Board of Directors of the company.

1.04 Geographical area of operation

The Company carries its insurance business activities through six branches, throughout the Bangladesh.

2.00 Basis of Presenting Financial Statements Significant Accounting Policies & Relevant Information

2.01 Basis of preparation

The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable laws & regulations in Bangladesh.

The Statement of financial position has been prepared in accordance with the regulations as contained in Part-I of the First Schedule and as per Form "A" as set forth in Part-II of that Schedule. Statement of Profit or Loss and other Comprehensive Income and Profit and Loss Appropriation Account has been prepared in accordance with the regulations contained in Part-I of the second schedule and as per Form "B" & "C" as set forth in Part-II of that Schedule respectively of Insurance Act, 1938. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per form "F" as set forth in Part-II of that Schedule of the Insurance Act, 1938 (as amended in 2010). The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act. The cash Flow Statement has been included as per requirements of the Securities and Exchange Commissions Rules 1987 as well as per guideline of IAS-7.

2.02 Reporting Period

Financial statements of the Company cover one calendar year from 01 January 2020 to December 31, 2020.

2.03 Going Concern

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

Challenges posed by COVID-19

COVID-19 pandemic posed serious challenges to the insurance business since March 2020. Sena Kalyan Insurance Company Ltd. saw a declining trend in most classes of business.

2.04 Structure, content and presentation of financial statements

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by Insurance Act 1938 (as amended 2010) and International Accounting Standard 1: Presentation of Financial Statements. A complete set of financial statements comprise:

- a) Balance sheet as at 31 December 2020;
- b) Profit and Loss Account for the year ended 31 December 2020;
- c) Profit and Loss Appropriation Account for the year ended 31 December 2020;
- d) Statement of Changes in Equity for the year ended 31 December 2020;
- e) Statement of cash flows for the year ended 31 December 2020;
- f) Consolidated Revenue Account for the year ended 31 December 2020;
- g) Fire Insurance Revenue Account for the year ended 31 December 2020;
- h) Marine Insurance revenue Account for the year ended 31 December 2020;
- i) Motor Insurance Revenue Account for the year ended 31 December 2020;
- j) Miscellaneous Insurance Revenue Account for the year ended 31 December 2020; and
- k) Notes comprising a summary of significant accounting policies and other explanatory information to the accounts for the year ended 31 December 2020.

The Board of Directors is responsible for preparing and presentation the financial statements, who has approved and authorized the issue of the financial statements.

2.05 Application of International Financial Reporting Standards (IAS/IFRS)

The Accounting and Financial Reporting Standards that are applicable/not applicable for the financial statements for the year under review, include the following:

IAS 1	Presentation of Financial Statements	*
IAS 7	Statement of Cash Flows	Applied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant and Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32	Financial Instruments: Presentation	*
IAS 33	Earning per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied
IAS 40	Investment Property	Applied

IFRS 4 Insurance Contracts	*
IFRS 5 Non-currents assets held for sale and discontinued operation	Applied
IFRS 7 Financial Instruments: Disclosure	*
IFRS 8 Operating Segment	Applied
IFRS 9 Financial Instruments	*
IFRS 13 Fair Value Measurement	Applied
IFRS 16 Lease	Applied

* The management of Sena Kalyan Insurance Company Limited has followed the principles of IAS & IFRS consistently in the preparation of the financial statements to that extent as applicable to Insurance Company. Some of the standards have not been complied with, about which IDRA has special guideline.

2.06 Functional and presentation currency

The financial statements are expressed in Bangladesh Currency (Taka/ Tk.), which is both functional and reporting currency of the Company.

2.07 Use of estimates and judgements

Preparation of financial statement requires management to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of asset, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

2.08 Materiality and Aggregation

Each material item considered by management significant has been presented separately in the financial statement. No amount has been set off unless Sena Kalyan Insurance Company Ltd. has legal right to set off the amounts and intends to settle on a net basis. Income and Expenses are presented on a net basis only when permitted by relevant accounting standards.

2.09 Comparative information

Comparative information has been disclosed in respect of the period ended 31 December 2020 for all numerical data in the financial statements and also for the narrative and descriptive information when it is relevant for better understanding of the current year's financial statements. Prior year figures have been restated, reclassified and rearranged whenever considered necessary to ensure comparability with the current period.

2.10 Property, Plant and Equipment

a. Recognition and measurement

Property, Plant and Equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Company and cost of the asset can be measured reliably. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. If sale of any revalued assets, the relevant amount included in the revaluation reserve will be transferred to retained earnings.

b. Subsequent cost

The cost of enhancement of an item of property, plant and equipment is recognized as separate asset if it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. All other expenditures are charges to profit and loss account during the year in which they incur.

c. Depreciation

Depreciation has been charged on Property, Plant and Equipment of the Company on the basis of reducing balance method at rates varying from 10% to 20% depending on the estimated useful life of the assets. Depreciation on newly acquired Assets during the year has been charged for six months period only irrespective of the date of acquisition of fixed assets. The annual depreciation at different rates as under:

Category of Assets	Rate of Depreciation
1. Furniture and Fixtures	10%
2. Motor Vehicles	20%
3. Office Equipment's	15%
4. Cookeries and Cutleries	15%
5. Office Decoration	10%
6. Computer and IT Equipment	10%
7. Mobile and Telephone Set	10%
8. Air Conditioner	20%

d. Sale price of fixed assets

Sale price of fixed assets are determined on the basis of fair value of the assets. Gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the asset and is recognized in profit or loss account as per provision of IAS 16.

2.11 Intangible assets

Intangible assets (Software) acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. These are amortized on reducing balance method at 10%. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

2.12 Impairment of assets

If recoverable amount is less than carrying amount, the carrying amount of asset is reduced to its recoverable amount. This reduction is an impairment loss. An impairment loss is recognized as an expense in financial statement.

2.13 Valuation of Assets

The value of all assets as at 31 December 2020 has been shown in the Balance Sheet and in the classified summary of assets on "Form AA" annexed, which has been reviewed and the said assets have been set forth in the Balance Sheet on amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

2.14 Investment

Company has several financial assets such as share, FDR, Government securities etc. Initially shares are recorded at fair value plus transaction cost. A separate Fund called Investment Fluctuation fund, which consists of unrealized gain/ loss is shown in the liability side of Balance Sheet. Dividend Income on such share is recognized in Profit and Loss Account (Statement of Profit and Loss and other comprehensive income) when right to receive the dividend is established. On the other hand, securities are initially recorded at cost. Interest income on such securities is recognized using effective interest rate as per IFRS 9.

2.15 Investments of Assets

The Section 41 of Insurance Act, 2010 has been complied by the company.

2.16 Restriction on certain investment

There is no investment by Sena Kalyan insurance company limited or the company does not hold any shares or debentures of any Company, firms or other business concern in which any director or any members of the family of such directors has any interest as Proprietor, Partner, Director and Managing Director as per Section 41(1) of Insurance Act, 2010.

2.17 IFRS-16: Leases

Sena Kalyan Insurance applies IFRS 16 for rented office space. Sena Kalyan recognizes lease liabilities calculated by determining present values of remaining rent payable as per rent agreement using effective cost of capital. Same amount is recognized as right of use asset after considering advance rent. Every year throughout of agreement period right of use asset/leased asset is depreciated on straight line basis and interest expense on lease liabilities is recognized using effective interest rate.

2.18 Cash and Cash Equivalents

Cash comprises cash in hand, demand deposit, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are what to an insignificant risk of changes in value. Cash and cash equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents.

2.19 Cash Flow Statements

Statement of Cash Flows has been prepared in accordance with IAS-7 and the cash flow from the operating activities has been presented under the direct method.

2.20 Provisions relating to collection of premium

The company has always complied with the Section 18 of the Insurance Act, 2010 as applicable in regard to provision of collection of premium.

2.21 Revenue Recognition

1. Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Reinsurance premium on PSB. Amount received against issue of marine cover notes are not recognized as income during the year unless issuance of policy. The said amount is recognized as income as and when policy is issued or after one year from the date of expiry of the cover note.
2. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement is received from Shadharan Bima Corporation (SBC).The Company's share of public sector business(PSB) for the period of 3rd and 4th quarter of 2019 and 1st & 2nd quarters of 2020 received from Sadharan Bima Corporation(SEC) has been incorporated in the company's accounts for the year ended 31 December 2020.This system of accounting of public sector business is being followed consistently.
3. Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of Cover Notes in accordance with SBC's circular.
4. Interest on Fixed Deposit Receipt (FDR), SND account and bonds are recognized as revenue on accrual basis.
5. Interest Income from government securities is accounted for using effective interest rate as per IFRS-9.

2.22 Consolidation Procedure

Accounts of all branches have been consolidated (aggregated) at the Central Accounts of the Head Office at Dhaka.

2.23 Re-insurance Accounts

While preparing the Revenue Accounts necessary adjustments in respect of re-insurance ceded in Bangladesh have been duly given.

2.24 Segment Reporting

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

2.25 Management Expenses

The management expenses charged to Revenue Accounts amounting to 83,752,829 represents approximately 14.43% of Gross Premium of Tk. 580,522,233 (Including public sector business) and 28.14% of Net Premium of Tk 297,678,171 earned during the year. The said management expenses have been apportioned to various classes of business of the company taking into account the gross premium income.

2.26 Current Taxation

Provision for current year income tax has been made at the rate of 40% as per Finance Acts 2020. The return of company's income tax for the assessment year 2021-2022 shall be filed in due time.

2.27 Deferred Tax

Since temporary differences arise between accounting profit and tax profit, deferred tax is recognized as per IAS 12. Since depreciation rates used by the Sena Kalyan Insurance Company Limited is different from those used by tax authorities, this gives rise to temporary difference between accounting and tax profit. On the other hand, Sena Kalyan Insurance Company Limited recognizes expense when contribution is made to gratuity fund or provision is created. But tax authority recognizes gratuity as expense only when employee receives gratuity payment. So this gives rise to temporary difference between accounting and tax profit. Sena Kalyan Insurance Company Limited applies IAS 12 retrospectively, restating comparative figures for previous period as per IAS 8.

2.28 Earnings per share

Earnings per share have been calculated in accordance with International Accounting Standard 33: Earnings Per Share, and shown on the face of profit and loss account and computation shown in note no. 20.

2.29 Loans and Borrowing

Sena Kalyan Sangstha sanctioned a loan amounting of Tk. 2,72,18,321/- to Sena Kalyan Insurance Company Limited to meet up establishment cost and working capital requirements which stands as loan till 31 December 2020. This loan amount is interest free and refundable within 10 (Ten) years.

2.30 Estimated Liability in respect of outstanding claim

An amount of Tk. 3,97,86,514 (Taka, three crore ninety seven lac eighty six thousand five hundred and fourteen) only which is adjusted during the year from Estimated Liability in respect of outstanding claim in the Statement of Financial Position as at 31 December 2020.

2.31 Provision for Liabilities

According to IAS 37: "Provision, Contingent Liabilities and Contingent Assets" the Company recognizes the provision when the Company has a legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefit will be required to settle the obligations.

2.32 Reserve or contingencies Accounts

a. Reserve for exceptional losses

In line with Para 6, 4th schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, Sena kalyan Insurance Company Limited set aside 10% of Premium Income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses. Detail calculations have been given in note no. 4.

b. Provision for unexpired risk

Surplus/(deficit) on Revenue Accounts has been arrived after making necessary provision for un-expired risk @ 40% of net premium on all business except Marine Hull Insurance for which provision has been made @ 100% on premium income as per section 27A (2B & 2C) of Insurance Act 1938 (as ammended in 2010).

2.33 Employees Details

During the year under review 108 employees were employed full time. As per schedule-XI part-II of the Companies Act 1994 the employees remuneration slab is given below:

Slab	Number of Employees
No. of employees received salary below Tk. 3,000 per month	Nil
No. of employees received salary above Tk. 3,000 per month	108
Total no. of employees	108

Note: There is no part time employee of the Company.

2.34 Employees Benefit

Sena Kalyan Insurance Company Limited provides a number of benefits plan for it's employees which includes Contributory Provident Fund, Worker's Profit Participation Fund, Gratuity Fund, Group Insurance Scheme and Festival Bonus etc.

a. Contributory Provident Fund

The Company operates a provident fund, recognized by the income Tax Authorities. Confirmed employees of the Company are eligible for the said provident fund. Employees of the Company contribute ten percent of their basic salary and the employer make similar contribution to the fund. The provident fund is wholly administered by a Board of Trustees and no part of the fund is included with the assets of the Company.

b. Gratuity Fund

The Company operates a gratuity fund scheme under which a regular confirmed employee is entitled to benefit at a graduated scale based on the length of service. The length of service for the purpose of gratuity shall be reckoned from the date of joining in the regular service of the Company. Calculation of gratuity is made on the basis of last drawn basic salary. An employee will receive two month's basic salary for each completed year of service if he/she complete five years. Gratuity will be payable only on their separation from the company.

c. Worker's Profit Participation fund

In accordance with the section 234(1)(b) of Bangladesh Labor Act 2006 (Amendment in 2013) and Bangladesh Labor Rules (Amendment in 2015), Within 9 (Nine) months of the close of every accounting year, 5% of profit before tax of the accounting year/period shall be transferred to Worker's Profit Participation Fund established under section 14 of the Bangladesh Workers Welfare Foundation Act 2006 at the proportion of 80:10:10 respectively. Sena Kalyan has made provision for workers profit participation fund at 5% on profit before tax. Worker's welfare fund is yet to be established.

d. Other Benefits

In addition to the above, Sena Kalyan Insurance Company Limited is providing other benefits to its employees like performance based incentive bonus, Boishakhi festival allowance, Group Insurance and Car/Motor Cycle loan scheme subject to fulfillment of certain terms and conditions.

2.35 Related party disclosures

The company in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standards 24: Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of the related party disclosures have been given in Note 23.

2.36 Prohibition of loans

As per Section 44 of Insurance Act 2010, the Company has not granted any loan to any Director or any member of their family, banking company, subsidiary company and auditor, any loan or temporary advance either and hypothecation property or personal security or otherwise.

2.37 Others

Figures have been rounded off to the nearest taka and previous year's figures have been re-arranged, wherever necessary, for the purpose of comparison.

2.38 Disclosure of departure from IFRS due to compliance with insurance act's requirements

The Sena Kalyan Insurance Company Limited management has followed the principles of IFRS in preparation of the financial statements to that extent as applicable to the Sena kalyan insurance company limited. Some requirements of Insurance Act 1938 (as amended in 2010) and Insurance Rules 1958 and regulations contradict with those of financial instruments and general provision standards of IFRS. As such the Sena Kalyan Insurance Company limited has departed from those requirements of IFRS in order to comply with the rules and regulations of IDRA which are disclosed below along with financial impact where applicable:

- a) As per Insurance Act 1938 (as amended in 2010), investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provisions has been made by netting off any unrealized gain/(loss) arising at the Balance sheet date. However as per requirements of IFRS 9 investment in shares, all equity instruments are to be measured at fair value with changes reflected in either profit or loss or other comprehensive income.
- b) General provision on insurance premium and re-insurance premium are followed as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions of provision as per IAS 37. At the year end the Sena kalyan insurance company limited has recognized provision of BDT. 175,201,461 as balance of fund and liabilities in the balance sheet.
- c) As per IDRA guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.
- d) Insurance Act 1938 has issued templates for financial statements which will strictly be followed by all general and life insurance company. The templates of financial statements issued by Insurance Act does not include Other Comprehensive Income (OCI) nor are the elements of other comprehensive income allowed to include in a single Comprehensive Income (OCI) Statement. As such Sena Kalyan Insurance company limited does not prepare the other comprehensive income statement. However Sena Kalyan Insurance company limited does not have any elements of OCI to be presented.

2.39 Anti- Money Laundering Committee

Maloy Kumar Saha, Senior Vice President & CFO of the Company has been appointed as a Chief Anti Money Laundering Compliance Officer (CAMLCO) in the Company. Anti-Money Laundering Committee addresses the prevention of money laundering & terrorist financing activities under the Money Laundering Prevention Act-2012 and the Anti Terrorism (Amended) Act-2013. The committee also arranges the training for employees, regularly monitors and ensures reporting to Bangladesh Bank regarding any suspicious and doubtful transaction.

2.40 Risk factors Relating to the company

(a) Credit Risks

Credit risk is measured as the potential economic loss in the value of our portfolio that would result from either changes in the credit quality of our counter parties or the inability or unwillingness of a counter party to fulfil its contractual obligations. Credit risks may arise from our inability to meet our claims payment obligations, or our inability to indemnify the loss to the policyholder. We focus on mitigating this risk through proper capital planning and allocation that enables us to meet our liabilities on time and maintain solvency. Credit risk may also arises from potential losses from non-recoverability of reinsurance receivables. We select our reinsurance partners carefully and also possess strong long term relationships with them, which enables us to mitigate exposure to reinsurance risks.

(b) Underwriting Risks

Underwriting risk consists of premium and reserve risks in the property- casualty business segments. As part of our property-casualty business operations, we receive premiums from our customers and provide insurance protection in return. Premium risk is the risk that actual claims for the business in the current year develop adversely relative to expected claims ratios. We mitigate premium risk by reinsurance, as well as by focusing on excellence in underwriting. Assessing risks as part of the underwriting process is a key element of our risk management framework, which is governed by clear underwriting limits and restrictions, as per our enterprise-wide risk management framework.

(c) Operational Risks

Operational risks represent losses resulting from inadequate or failed internal processes, human errors, system failures and other external events, and can originate from a wide variety of sources, including potential losses due to a failure to meet the professional obligations or from the design of our products or from misspelling or from non-compliance with internal / external requirements related to our products. Though these losses tend to be of a lower frequency, they have a potentially high financial impact. Other operational risks include fraud, financial risk or a cyber security incident causing business interruption or disruption. We focus on minimizing the occurrence of operational risks as much as possible through engaging in extensive employee training, through creating redundancies across our technology network and through ensuring regulatory compliance – in both letter and spirit.

(d) Liquidity Risks

Liquidity risk is defined as the risk that current or future payment obligations cannot be met or can only be met on the basis of compromised conditions. We manage our liquidity risks by balancing cash inflows and outflows, and by embracing the time-tested principles of maximizing cash inflows and optimizing cash outflows. We also maintain our capital buffers to as per regulatory requirements to prevent capital / liquidity shocks and ensure that there is enough space for us to meet our liability obligations to our policyholders.

(e) Strategic Risks

Strategic risks are risks that enforce depletion in the company's value, arising from adverse management decisions on business strategies and their implementation. Strategic risks are identified and discussed in various forums both at the executive and management levels. We also monitor market and competitive conditions, capital market requirements, regulatory alignment, etc., to decide if strategic adjustments are necessary. We also focus on mitigating strategic risks through realizing our aspirations of customer-centricity, going digital, technical excellence, spirit of innovation and inclusivity focus.

2.41 Restatements as per IAS 8: Accounting policies, changes in accounting estimates and errors

Deferred Tax: From 2020, company has started recognizing deferred tax as per IAS-12 and the effects of that have now been reflected in the financial statements for the relevant years.

Depreciation and Written Down Value of Assets: Due to an internal error, SKICL charged depreciation on the basis of "Straight-line Method" instead of charging depreciation on the basis of "Reducing Balance Method" from 2015 to 2019, the effects of that have now been reflected in the financial statements for the relevant years.

Additionally written down value of assets was understated by Tk. 200 in the year 2017 and overstated by Tk. 83,751 in the year 2016 both figure has now been amended and reflected accordingly in the financial statements.

Amounts in Taka	
2020	2019

3.00 Share Capital

Authorized:

10,00,00,000 ordinary shares of Tk.10 each

1,000,000,000 **1,000,000,000**

Issued, Subscribed and Paid up:

2,40,00,000 ordinary shares of Tk.10 each

240,000,000 **240,000,000**

Shareholding Patterns

Sl. No.	Range of share holding	No. of Shareholders	No. of Shares	Share par value	Value of Share in Taka 2020	Value of Share in Taka 2019
01	Less than 50,000	6	6	10	60	60
02	50,001-100,000	-	-	-	-	-
03	100,001-1,000,000	-	-	-	-	-
04	1,000,001 and	1	23,999,994	10	239,999,940	239,999,940
Total		7	24,000,000		240,000,000	240,000,000

Sl. No.	Name of the Shareholders	Position	No. of Shares	Amount in Taka	
				2020	2019
01	Maj Gen Mohammed Saidul Islam,	Chairman, SKS	23,999,994	239,999,940	239,999,940
02	Air Cdre M Moyeenuddin, ndc, afwc, psc	DG, Welfare Division, SKS	1	10	10
03	Brig Gen Mirza Md Enamul Haque, ndc	DG, HR Division, SKS	1	10	10
04	Brig Gen M A Mohy, psc, Peng	DG, BD-RED	1	10	10
05	Brig Gen Md Mustafa Kamal, SGP	DG, BD-1, SKS	1	10	10
06	Brig Gen Md Jamal Hossain, ndc,	DG, BD-6, SKS	1	10	10
07	Brig Gen Md Shaheed Iqbal, afwc, psc	DG, BD-5, SKS	1	10	10
Total			24,000,000	240,000,000	240,000,000

4.00 Reserve for exceptional losses

Reserve for exceptional losses for tk. 58,052,223 has been taken to be current year's profit before tax equivalent to 10% of premium earned during the year as per provision of Para 6 of 4th schedule of Income Tax Ordinance 1984.

The amount has been arrived at as under:

Balance as at January 01 2020

139,740,659 82,131,407

Addition made during the year

4.01 58,052,223 57,609,252

Total

197,792,882 **139,740,659**

4.01 Reserve for Exceptional losses (addition during the year)

Particulars	Gross Premium	%	Amounts in Tk	
			2020	2019
Fire	125,269,399	10%	12,526,940	11,638,991
Marine Cargo	84,097,831	10%	8,409,783	5,462,903
Marine Hull	9,969,045	10%	996,905	518,765
Motor	52,933,570	10%	5,293,357	5,643,097
Miscellaneous	308,252,388	10%	30,825,239	34,345,495
Total	580,522,233		58,052,223	57,609,252

4.02 Investment Fluctuation Fund

Market Price of Shares

13,049,137 4,055,654

Cost Price of Shares

(12,640,243) (5,159,745)

Closing Balance

408,894 **(1,104,091)**

		Amounts in Taka	
		2020	2019
4.03 Profit and Loss Appropriation Account			
Opening Balance		55,778,209	27,103,426
Add : Profit during the year		94,275,660	98,284,035
Total		150,053,869	125,387,461
Less : Reserve for Exceptional Losses.		(58,052,223)	(57,609,252)
Less: Dividend distributed from last year profit		(24,000,000)	(12,000,000)
Closing Balance		68,001,646	55,778,209
5.00 Balance of funds and accounts			
Fire Insurance Revenue Account		22,189,660	23,155,738
Marine Insurance Revenue Account		31,863,664	16,992,399
Motor Insurance Revenue Account		21,173,428	22,537,114
Miscellaneous Insurance Revenue Account		99,974,709	74,372,783
Total		175,201,461	137,058,034
The amount represents reserve for unexpired risks @40% of net premium income on Fire, Marine Cargo, Motor and Misc. and 100% of Marine Hull and Aviation.			
6.00 Premium Deposits			
Marine Insurance Account		27,029,207	48,047,304
Stamp Collection		4,502,766	8,004,147
Total		31,531,973	56,051,451
The above amount received against cover notes for which risks have not been initiated and such amount will be adjusted upon initiation of risk and issuance of policy in due course.			
7.00 Estimated liabilities in respect of Outstanding claims whether due or intimated			
Fire		72,857,592	23,631,666
Marine		13,893,543	8,543,696
Motor		11,759,525	7,473,000
Miscellaneous		22,874,921	138,152
Total		121,385,581	39,786,514
All the claims against which the Company received intimations within 31st December 2020 have been taken into consideration while estimating the liability in respect of outstanding claims.			
8.00 Amounts due to other persons or bodies carrying on insurance business			
Sadharan Bima Corp. reinsurance ceded		15,549,826	2,723,643
Overseas		2,816,513	-
Total		18,366,339	2,723,643
The above balance refers to amount due to re-insurance by Sadharan Bima Corporation and Overseas.			
9.00 Provision for Income Tax			
Opening Balance		42,712,673	21,209,689
Add: Provision during the year (9.01)		20,837,411	21,502,984
Closing Balance		63,550,084	42,712,673
9.01 Calculation of Provision for Income Tax			
Net Profit (as per Profit and Loss Account)		114,225,641	118,578,090
Less: Exceptional Losses Reserve		(58,052,223)	(57,609,252)
		56,173,418	60,968,838
Less: Income from Bangladesh Govt. Treasury Bond (Tax Free)		(3,918,036)	(3,206,499)
Less: Dividend Income		(101,199)	(39,306)
Less: Realized Gain on Sales of Share		(178,009)	(671,176)
Business Income		51,976,174	57,051,857

	Amounts in Taka	
	2020	2019
Provision on Business Income	20,790,469	21,394,446
Provision on Dividend Income	20,240	7,861
Provision on Realized Gain on sales of Shares	26,701	100,676
Total	20,837,411	21,502,984

9.02 Deferred Tax (IAS-12)

Company recognizes deferred tax as per IAS -12. Temporary differences arise in respect of depreciation. Company has calculated deferred tax as on 31.12.2020. Deferred tax has also been included in current year accounts.

Deferred Tax Liability/(Assets)

Written Down Value as per financial statements	22,316,641	20,170,446
Written Down Value as per Tax Base	19,795,822	18,257,932
Taxable Temporary Difference	2,520,819	1,912,514
Tax Rate	40%	37.50%
	1,008,328	717,193

Deferred Tax Liability

Opening Balance	717,193	680,303
Deferred Tax (Income)/Expense	291,135	36,890
Closing Balance	1,008,328	717,193

9.03 Deferred Tax (Income)/Expense

Deferred Tax Income - 12.03	(1,178,564)	(1,245,819)
Deferred Tax Expense - 9.02	291,135	36,890
	(887,429)	(1,208,929)

9.04 Lease Liability

Opening Balance	-	-
Addition During the Year	28,521,246	-
Adjustment During the Year	(7,463,412)	-
Closing Balance	21,057,835	-

10.00 Sundry Creditors

Provision for Audit Fees including VAT and Tax at Source	250,000	200,000
Provision for Office Rent	758,447	779,188
Value Added Tax (VAT) on Premium	2,032,677	2,061,496
Tax and VAT at Source Payable	590,512	565,859
Expenses for PF & GF (Audit fee)	40,000	-
Sena Kalyan Sangstha	27,218,321	26,509,312
Provision for Gratuity fund expenses	3,385,878	3,422,184
Total	34,275,835	33,538,040

Sundry creditors are liabilities and provisions that the company has to pay in due course. It also includes Company's liability for current tax which is calculated using tax rates that have been enacted at the balance sheet date.

*VAT payable for the month of December- 2020 for Tk. 20,32,677/- only which was subsequently paid on January 13, 2021 vide Sonali Bank Limited Challan No. T- 42 & T-40 dated 13/01/2021.

11.00 Property, Plant and Equipment

Tangible Assets	21,912,204	19,721,072
Intangible Assets	404,437	449,374
Written down value at December 31, 2020	22,316,641	20,170,446

Amounts in Taka	
2020	2019

11.01 Tangible Assets

Opening Balance at Cost	42,072,038	36,651,077
Addition during the year	5,670,391	6,348,561
	47,742,429	42,999,638
Less: Disposal during the year	(3,343,000)	(927,600)
Closing Balance	44,399,429	42,072,038
Less: Accumulated Depreciation	(22,487,225)	(22,350,966)
Written down value	21,912,204	19,721,072

11.02 Intangible Assets

Opening Balance at Cost	863,250	863,250
Less: Accumulated Amortization	458,813	413,876
Written down value	404,437	449,374

Detail schedule of property, plant and equipment in Annexure- A

12.00 Investment

Statutory Deposit	Issue Date	Maturity Date	2020	2019
10-Years Period BGTB	08-Oct-13	07-Oct-23	26,500,000	26,500,000
05-Years Period BGTB	15-Jul-20	15-Jul-25	24,717,510	-
Investment in BGTB			51,217,510	26,500,000
Investment in Shares	Note-12.01		13,049,137	4,055,654
Total			64,266,647	30,555,654

The amount represents the investment in 10 years period Bangladesh Government Treasury Bonds which is held with Bangladesh Bank as Statutory Deposit under the Insurance Act, 2010, under section 23 & 24 and as per direction of Insurance Development Regulatory Authority (IDRA).

Investment in 05-Years Period BGTB

Face Value of 05-Years Bangladesh Govt. Treasury Bonds	22,500,000	-
Premium value for 05 Years Bangladesh Govt. Treasury Bonds	2,217,510	-
Less: Adjustment of Premium value	-	-
Total	24,717,510	-

12.01 Investment in Shares

SI No.	Name of Company	No. of Shares	Average rate	Cost Price	Market Price 2020	Market Price 2019
01	Ifad Autos	58,140	57.90	3,366,176	2,784,906	625,548
02	Singer BD	15,000	168.24	2,523,673	2,656,500	1,145,540
03	Square Pharma	22,050	223.74	4,933,538	4,809,105	1,626,400
04	Coopertech	-	-	-	-	99,428
05	Ring Shine	18,248	8.61	157,117	116,787	170,568
06	Confidence	10,000	118.51	1,185,139	1,187,000	-
07	Robi	43,730	10.00	437,300	1,185,083	-
08	Sea Pearl Beach	3,916	9.53	37,300	309,756	161,731
09	Silco Pharma	-	-	-	-	145,440
10	SS Steel	-	-	-	-	6,052
11	New Line	-	-	-	-	74,947
Total				12,640,243	13,049,137	4,055,654

The Company has made investment in capital market this year and unrealized gain is transferred to investment subsequently. Investment in shares that do not have any quoted market price in the active market and whose fair value cannot be measured reliably, where recognized at cost.

Amounts in Taka	
2020	2019

12.02 Right of Use (RoU) Assets

Opening Balance

Addition During the Year

Amortization

Closing Balance

-	-
28,734,796	-
(7,501,212)	-
21,233,585	-

12.03 Deferred Tax Assets

Opening Balance

Add: Deferred Tax Income

Closing Balance

6,526,672	5,280,853
1,178,564	1,245,819
7,705,236	6,526,672

Gratuity Provision

Gratuity Payment

3,385,878	3,324,963
(439,468)	-

Tax Rate

Deferred Tax Income

2,946,410	3,322,184
40%	37.50%
1,178,564	1,245,819

13.00 Accrued Interest

Fixed Deposit Receipt (FDR's)

Interest on Bangladesh Govt. Treasury Bonds

Received from SKICLEPF Capital Reserve Fund

Total

16,283,707	19,623,494
1,405,546	957,557
1,560,616	-
19,249,869	20,581,051

14.00 Sundry Debtors (Including advance, deposits and prepayments)

Advance against office rent

Security Deposit against telephone

Security Deposit (Others)

Advance Income Tax (Note-14.01)

Other Receivables

Advance to Office Staff

IDLC Securities Limited

ICDDR

Astha Life Insurance Company Limited

Total

337,929	593,471
19,695	19,695
200,000	175,000
48,845,467	23,589,122
-	1,015,177
185,033	514,075
-	2,000
102,500	500,000
-	11,196,440
49,690,624	37,604,980

Astha Life Insurance Company Limited has repaid the entire outstanding amount of their loan.

14.01 Advance Income Tax

Income Tax from Financial year 2015 to 2020 (Assessment Year 2016-2017 to 2021-2022) of Sena Kalyan Insurance Limited not yet finalized by the Income Tax Authority. Advance Tax pays U/S-64, Tax paid U/S-74, Tax (TDS) in particular years where showing Advance Tax in assets side under the head Sundry debtors. In course of finalization or assessment by the Income Tax Authority then the Advance Tax will be adjusted. Details of Advance tax payments are given below:

Opening Balance

Add: Paid during the year

Closing Balance

23,589,122	20,194,512
25,256,345	3,394,610
48,845,467	23,589,122

SI No.	Financial Year	Assessment Year	Advance Tax	Amounts in Taka	
				2020	2019
				Tax Payment with return	Total Tax Paid during the year
1	2013	2014-2015	45,000	-	45,000
2	2014	2015-2016	1,668,008	-	1,668,008
3	2015	2016-2017	2,284,088	1,613,000	2,284,088
4	2016	2017-2018	1,602,286	6,058,389	3,215,286
5	2017	2018-2019	2,687,600	6,913,024	8,745,989
6	2018	2019-2020	2,933,213	-	9,846,237
7	2019	2020-2021	3,394,610	18,002,149	3,394,610
8	2020	2021-2022	7,254,196	-	25,256,345

15.00 Cash and cash equivalents

Cash at banks

Fixed Deposits: (FDR's) (Note-15.01)

SND Accounts (Note-15.03)

Current Accounts (Note-15.03)

Cash in hand (Note-15.04)

Brokerage Balance

Total

711,640,471	581,500,000
66,989,559	43,587,764
14,844,176	6,006,329
793,474,206	631,094,093
20,252	47,418
2,502	159,309
793,496,960	631,300,820

15.01 Fixed Deposit Receipt (FDR)

Balance at the beginning of the year

Add: Addition during the year

Less: Encashed during the year

Balance at the end of the year

581,500,000	370,400,000
240,140,471	341,500,000
(110,000,000)	(130,400,000)
711,640,471	581,500,000

15.02 Statement of bank wise Fixed Deposit Receipt (FDR) as at December 31, 2020 & 2019

Sl. No.	Name of bank	Amounts in Tk	
		2020	2019
01	Trust Bank Ltd.	315,400,000	245,400,000
02	Pubali Bank Ltd.	10,000,000	10,000,000
03	IFIC Bank Ltd.	32,000,000	32,000,000
04	AB Bank Ltd.	43,000,000	30,000,000
05	Standard Bank Ltd.	40,000,000	40,000,000
06	Social islami Bank Ltd.	2,500,000	2,500,000
07	Mutual Trust Bank Ltd.	30,000,000	15,000,000
08	The Dhaka Mercantile Co-operative Ltd.	-	1,000,000
09	Shahjalal Islami Bank Ltd.	5,000,000	5,000,000
10	Shimanto Bank Ltd.	55,000,000	45,000,000
11	Exim Bank Ltd.	24,205,846	13,000,000
12	Eastern Bank Ltd.	-	5,000,000
13	National Bank of Pakistan	-	2,000,000
14	First Security Islami bank Ltd.	10,000,000	10,000,000
15	NRB Global Bank Ltd.	20,000,000	20,000,000
16	Southeast Bank Ltd.	-	9,000,000
17	Brac Bank Ltd.	40,434,625	15,000,000
18	United Commercial Bank Ltd.	9,500,000	8,500,000
19	One Bank Ltd.	20,000,000	42,500,000
20	Al Arafah Islami Bank Ltd.	-	20,000,000
21	Meghna Bank Ltd.	12,000,000	7,500,000

		Amounts in Taka	
		2020	2019
22	People Leasing & Financial Services Ltd.	3,100,000	3,100,000
23	Delta Brac Housing Ltd.	24,000,000	-
24	NRB Bank Ltd.	2,500,000	-
25	Islami Bank Bangladesh Ltd.	1,000,000	-
26	IPDC Finance Ltd.	1,000,000	-
27	United Finance Ltd.	500,000	-
28	Community Bank	10,000,000	-
29	ICB Islamic Bank Ltd.	500,000	-
Total		711,640,471	581,500,000

15.03 Statement of Bank wise Short Notice Deposit and Current Deposit with Banks as at December 31, 2020 & 2019

Sl. No.	Name of bank	SND Account	CD Account	Total 2020	Total 2019
01	Trust Bank Ltd. Motijheel Branch, Dhaka. A/C - 0003-0210013534		443	443	683
02	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0030-0320000337	36,929,682		36,929,682	23,846,616
03	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0030-0210005719		4,463,610	4,463,610	1,722,640
04	Trust Bank Ltd. SKB Branch, Dhaka. A/C - 0003-0210013123		1,088,971	1,088,971	1,078,019
05	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0030-0210005004		7,819,643	7,819,643	3,044,288
06	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0030-0210008850		121,609	121,609	76,885
07	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0030-0210009082		1,340,847	1,340,847	62,326
08	Trust Bank Ltd. Millennium Branch, Dhaka. A/C - 0022-0210012612		1,729	1,729	1,663
09	Trust Bank Ltd. Agrabad Branch, Chittagong. A/C - 0012-0210009600		264	264	592
10	Trust Bank Ltd. Khulna Branch, Khulna. A/C - 00400-320000451	3,326		3,326	2,322
11	Trust Bank Ltd. Millennium Branch, Dhaka. A/C - 0022-0210013684		1,967	1,967	745
12	Trust Bank Ltd. Kawran Bazar Branch, Dhaka. A/C - 0044-0210003135		563	563	18,488
13	EXIM Bank Ltd. DOHS Branch, Dhaka. A/C - 1241-3100005298	30,055,894		30,055,894	19,738,826
14	Sonali Bank Ltd. Farmgate Branch, Dhaka. A/C - 011-4902000884		4,530	4,530	-
15	Trust Bank Ltd. Chowhatta Branch, Sylhet. A/C - 0021-0320000794	657	-	657	-
Total		66,989,559	14,844,176	81,833,735	49,594,093

15.04 Cash in hand

Head Office	16,270	45,791
Branches	3,982	1,627
Total	20,252	47,418

	Amounts in Taka	
	2020	2019
16.00 Net Asset Value per share		
Investment	64,266,647	30,555,654
Accrued Interest	19,249,869	20,581,051
Sundry Debtors	49,690,624	37,604,980
Property, Plant and Equipment's	22,316,641	20,170,446
Cash and Bank Balances	793,496,960	631,300,820
Right of Use (RoU) Assets	21,233,585	-
Deferred Tax Assets	7,705,236	6,526,672
Stationary and forms in hand	206,358	234,672
Stamp in Hand	126,219	28,030
Total Assets (A)	978,292,139	747,002,325
Balance of Funds and Accounts	175,201,461	137,058,034
Premium Deposits	31,531,973	56,051,451
Estimated liabilities in respect of outstanding claims	121,385,581	39,786,514
Amounts due to other persons	18,366,339	2,723,643
Provision For Income tax	63,550,084	42,712,673
Deferred Tax Liability	1,008,328	717,193
Lease Liability	21,057,835	-
Provision for WPPF	5,711,282	-
Sundry Creditors	34,275,835	33,538,040
Total Liabilities (B)	472,088,716	312,587,548
Net Assets(A-B)	506,203,422	434,414,777
Number of Share	24,000,000	24,000,000
Face Value Per Share	10	10
Net Assets Value Per Share(A-B)/C	21.09	18.10

17.00 Interest received and Dividend Income

Bangladesh Government Treasury Bond	3,918,036	3,206,499
Fixed Deposit Receipt (FDR)	48,944,742	40,178,562
Short Notice Deposit (SND) Accounts	1,144,964	522,562
Dividend on Share received during the year	101,199	39,306
Total	54,108,941	43,946,929

Dividend Income represents the amount received from investment in share of public limited company.

18.00 Other Income

The other income comprises of receipt during the year from co-insurance service charge sale of paper, wastage goods, service charges and trustee fees.

Trustees Fees	1,320,000	1,695,000
Sales of Paper and Wastage Goods	7,700	13,140
Service Charges (Co-Insurance)	394,274	832
Miscellaneous Income	-	917,730
Received from SKICLPF Capital Reserve Fund (PF-forfeited amount)	1,560,616	-
Profit on sale of Fixed Assets	654,109	-
Profit on sale of primary shares	178,009	671,176
Total	4,114,708	3,297,878

	Amounts in Taka	
	2020	2019
19.00 Management Expenses: Allocation of management expenses as per follows		
Salary and Allowances	45,838,234	40,430,095
Festival Bonus	3,676,179	3,716,824
Telephone, Mobile and Internet Bill	983,802	922,732
Car Fuel	1,210,494	1,595,725
Entertainment, Annual Picnic and Lunch Expenses	46,895	176,096
Conveyance and TA/DA Allowance	317,743	201,617
Utility Bill and Service Charges	2,955,790	2,650,489
Postage, Courier and Revenue Stamp	35,022	147,791
Books, Papers and Periodicals	25,199	24,868
Office Rent and Garage Rent	2,317,688	10,274,356
Amortization of RoU Assets	7,501,212	-
Finance Cost	871,148	-
Bank Charges	1,045,852	521,901
Co-Insurance Service Charges	5,277,722	5,982,462
Miscellaneous and General Expenses	139,657	193,434
Repairs and Maintenance (Office)	113,277	131,694
Fees and Charges	225,442	197,776
Incentive Bonus	2,841,609	1,990,224
Medical Expenses	30,270	896
Staff Tea and Water Bill	243,970	275,784
Staff Training fee	21,425	33,500
Trade License Renewal Fee	16,117	83,245
Printing and Office Stationary Supplier Expenses	1,075,855	700,159
Repair, Maintenance and Renewal fee (Motor)	1,006,311	1,012,451
Office Cleaning and Up-Keep-Supplier	210,938	163,991
Uniform & Liveries	8,090	-
Gratuity Expenses	3,385,878	3,422,184
Gardening Supplier	25,840	-
Contribution to Provident Fund	1,706,119	1,763,256
Insurance Premium	85,657	11,226
Bima Mela / Business Procurement Expenses	206,411	50,870
Pre-Inspection Survey fee	25,040	
Board Meeting and AGM Expenses	120,535	12,971
Issue Manager Fees	-	375,000
Expenses for PF & GF audit fees	40,000	-
Loss on sales of assets (19.01)	-	2,420
Stamp Expense and Revenue Stamp	107,883	4,264
Co-Insurance Mgt.& Business Expense	13,525	-
Total	83,752,829	77,070,301
19.01 Profit or (Loss) on sales of assets		
Cost Price	(3,343,000)	(927,600)
Less: Accumulated Depreciation	2,357,109	510,180
Less: Sales Price	1,640,000	415,000
	654,109	(2,420)

Amounts in Taka	
2020	2019

19.02 Appropriation of management expenses

Class of Business	Gross premium	Stamp	Mgt. Exp.	2020	2019
Fire	125,269,399	266	18,072,002	18,072,268	15,570,244
Marine Cargo	84,097,831	-	12,132,382	12,132,382	7,307,929
Marine Hull	9,969,045	-	1,438,185	1,438,185	693,971
Motor	52,933,570	3,145	7,636,467	7,639,612	7,551,138
Miscellaneous	308,252,388	322	44,470,061	44,470,383	45,947,018
Total	580,522,233	3,733	83,749,096	83,752,829	77,070,301

19.03 Key Management Personnel Compensation

The Compensation of Key management personnel of Sena Kalyan Insurance Company Ltd. are as follows:

Name of employee	Short employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share based payment
Brig Gen Shafique Shamim (Retd.) Managing Director & CEO	Salary Tk. 38,05,000 Bonus Tk. 4,97,650	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Col Md Aulad Hossain, psc, G (Retd.) Deputy Managing Director, Development Officer	Salary Tk. 18,48,000 Bonus Tk. 87,500	NO	NO	NO	NO
Gp Capt Md Atiar Rahman, psc (Retd.) Assistant Managing Director, Development Officer	Salary Tk. 16,50,000	NO	NO	NO	NO
Lt. COI AKM Nazimul Islam, Psc, (Retd.) Head of Marketing	Salary Tk. 12,59,400 Bonus Tk. 1,80,096	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Mr. Pranab Kumar Saha Head of Underwriting	Salary Tk. 11,64,000 Bonus Tk. 1,80,096	NO	NO	NO	NO
Maloy Kumer Saha Chief Financial Officer (CFO)	Salary Tk. 9,33,600 Bonus Tk. 1,50,750	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Squadron Leader Md. Mostafa Zaman (Retd.) Head of HR and Admin	Salary Tk. 10,68,500 Bonus Tk. 1,73,530	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Mr. Tajul Islam Head of Claim and Reinsurance	Salary Tk. 7,95,000 Bonus Tk. 1,30,625	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Md. Shakhawat Hossain Head of IT	Salary Tk. 6,39,600 Bonus Tk. 1,08,708	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO
Lasmin Akter Company Secretary	Salary Tk. 4,15,500 Bonus Tk. 75,360	P.F @ 10% of Basic Salary.	NO	P.F, Gratuity & Group insurance coverage	NO

Key Management Personnel Compensation included in management expenses and no other remuneration or special payment except as mentioned above was made to the key Management Personnel during the year 2020.

Amounts in Taka	
2020	2019

20.00 Earnings Per Share (EPS)

The Company calculates Earnings per Share (EPS) in accordance with IAS-33: "Earnings Per Share", which has been shown on the face of the income statement and this has been calculated by dividing the basic earnings by the number of ordinary shares outstanding for the year. Details calculations were as follows

Net Profit before Tax	114,225,641	118,578,090
Less: Provision for Taxation	(19,949,981)	(20,294,055)
Net Profit after Taxation	94,275,660	98,284,035
Number of Ordinary Share	24,000,000	24,000,000
Earnings Per Share (EPS)	3.93	4.10

21.00 Net Operating Cash Flow Per Share

Net Operating Cash Flows Per Share (NOCFPS) has been calculated based on net cash generated from operating activities and number of shares outstanding during the period as at December 31, 2020. Details calculations are as follows:

Net Cash Generated From Operating Activities	221,715,530	232,450,624
Number of Shares	24,000,000	24,000,000
Net Operating Cash Flow Per Share (NOCFPS)	9.24	9.69

22.00 Agency Commission

As per Insurance Development & Regulatory Authority's (IDRA) circular No. non life-32/2012 date: 01 April 2012 the agency commission for non life insurance business were fixed up @ 15% for all classes of non life insurance business. The agency commission for different classes of business are furnished as under.

Class wise segregation of agency commission

Fire	14,079,888	12,585,294
Marine Cargo	12,427,157	10,055,171
Marine Hull	676,185	473,873
Motor	1,932,926	2,418,823
Miscellaneous	4,606,591	9,152,110
Total	33,722,747	34,685,271

23.00 Related Party disclosure

Sena Kalyan Insurance Co. Ltd. In normal course of business carried out number of transactions with other entities that fall within the definition of related party contained in International Accounting standard 24 Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balance with them are as follows:

Name of the related party	Nature of Transactions	Nature of Relationship	Amount in Taka	
			2020	2019
Sena Kalyan Sangstha	Insurance	Common Director	598,586	1,101,695
Mongla Cement Factory	Insurance	Common Director	6,097,130	8,222,702
Sena Hotel Developments	Insurance	Common Director	2,502,437	469,958
Sena Kalyan Construction and Developments	Insurance	Common Director	23,278	-

			Amounts in Taka	
			2020	2019
Annanya Shopping Complex	Insurance	Common Director	106,744	124,274
Chittagong Flour Mills	Insurance	Common Director	310,468	723,090
Sena Kalyan Electric Industry	Insurance	Common Director	67,231	798,381
Fauji Flour Mills	Insurance	Common Director	21,942	176,685
Diamond Food Industries	Insurance	Common Director	421,866	40,058
Amin Mohiuddin Foundation	Insurance	Common Director	63,138	78,012
Sena kalyan Bhaban	Insurance	Common Director	228,715	142,164
SKS Trading House	Insurance	Common Director	84,911	5,428
Eastern Hosiery Mills	Insurance	Common Director	331,588	274,855
SKS LPG	Insurance	Common Director	5,552,043	5,783,189
SKS Ready Mix Concrete	Insurance	Common Director	1,294	1,294
Sena Edible Oil Industries	Insurance	Common Director	9,465,448	680,105
SKS Sales Promotion Office	Insurance	Common Director	7,202	20,428
Sena Kalyan Commercial Complex	Insurance	Common Director	52,322	69,839
Sena Filling Station (C.N.G)(SKS)	Insurance	Common Director	386,106	403,858
Fecto Yamagen Electronics (SKS)	Insurance	Common Director	2,746	2,819
Sainik Lamps Distribution & SKS Display Centre	Insurance	Common Director	3,307	-
Sena Kalyan Business Mart	Insurance	Common Director	218,310	-
Sena Kalyan Sangstha	Loan taken	Common Director	709,009	-
Total			27,255,821	19,118,834

23.01 Aggregate amount of remuneration paid to all Directors and officers during the accounting year is as follows

Particulars	Nature of Payment	Amounts in Taka	
		2020	2019
1. Directors	Board Meeting fee	101,200	179,400
2. Directors	Remuneration	-	-
3. Chief Executive Officer	Salary, Bonus and other Allowances	4,302,650	4,172,400
4. Officers and Executives	Salary, Bonus and other Allowances	53,145,369	47,150,183
Total		57,549,219	51,501,983

		Amounts in Taka	
		2020	2019
24.00	Disclosures on reconciliation between Net Profit & Net operating cash flows		
	Net Profit after Tax	94,275,660	98,279,725
	Depreciation	2,538,305	2,724,901
	Changes in Current assets/liabilities		
	Increase of Balance of Funds & Accounts	38,143,427	70,958,862
	Increase of Premium Deposits	(24,519,478)	30,206,925
	Increase of Estimated liabilities in respect of outstanding claims whether due or intimated	81,599,067	14,153,891
	Increase of Amount due to other persons or bodies carrying on insurance business	15,642,696	2,723,643
	Increase/ (Decrease) of Provision for Income Tax	20,837,411	21,507,294
	Increase/ (Decrease) of Provision for WPPF	5,711,282	-
	Increase/ (Decrease) of Deferred Tax Liability	291,135	36,890
	Increase/ (Decrease) of Deferred Tax Assets	(1,178,564)	(1,245,819)
	Increase/(Decrease) of Sundry Creditors	28,786	1,661,077
	Increase of Accrued Interest	1,331,182	(6,811,254)
	Decrease of Amount Due from Other Persons or Bodies Carrying on Insurance Business	-	675,047
	Decrease/ (Increase) of Sundry Debtors	(12,261,394)	(2,624,012)
	Decrease/ (Increase) of Stationary and forms in hand	28,314	82,528
	Decrease/ (Increase) of Stamps in hand	(98,189)	118,506
	Loss on Sale of Assets	(654,109)	2,420
	Net cash generated from operating activities	221,715,530	232,450,624
24.01	Collection from premium and other income		
	Gross Premium collection	556,002,755	606,299,441
	Commission on Re-Insurance	27,697,255	27,863,440
	Sundry Income	3,460,599	3,297,878
	Interest and Dividend Income & Rent outstanding (interest/profit Accrued but not due)	55,440,124	37,135,675
	Sundry Debtors	12,994,951	770,598
	Amount Due from Other Persons or Bodies Carrying on Insurance Business	-	675,047
	Amount due to other persons or bodies carrying on insurance business	15,642,696	2,723,643
	Total	671,238,379	678,765,722
24.02	Payment for management expenses, Re-insurance, Claims and commission		
	Expenses of management : (Not Applicable to any particular fund or Account)	2,572,938	1,432,694
	Expenses of management (with stamp used)	83,793,918	75,205,770
	Agency commission	33,722,747	34,685,271
	Paid on Re- Insurance Ceded	282,844,062	322,703,832
	Claim paid during the year	21,332,839	8,892,921
	Total	424,266,504	442,920,488
24.03	Investment		
	Investment in BGTB	24,717,510	-
	Investment in Shares	7,480,498	1,449,790
	Total	32,198,008	1,449,790

Amounts in Taka	
2020	2019

25.00 Directors Remuneration

The company has paid TK.101,200 to the Directors as Board meeting attendance fee during the year 2020. Other than this, no amount of money has spent by the company for compensating any member of Board for special service rendered.

Sl. No.	Name of Directors	Position	Number of	Total Fees
1	Maj Gen Mohammed Saidul Islam, ndc, psc	Chairman	1	-
2	Air Cdre M Moyeenuddin, ndc, afwc, psc	Vice Chairman	5	21,000
3	Brig Gen Mirza Md Enamul Haque, ndc	Director	2	9,000
4	Brig Gen M A Mohy, psc, PEng	Director	2	9,000
5	Brig Gen Md Mustafa Kamal, SGP	Director	4	17,000
6	Brig Gen Md Jamal Hossain, ndc, afwc, psc	Director	2	9,000
7	Brig Gen Md Shaheen Iqbal, afwc, psc	Director	4	17,000
8	M.M Mostafa Bilal	Director (Independent)	1	5,000
9	Ahamed Ihteyaz Thamid	Director (Independent)	1	5,000
Add: VAT				9,200
Total				101,200

26.00 Credit Rating

Year	Validity Date	Rating date	Long Term	Short Term
2019	Aug 05, 20 to Aug 04, 21	05-Aug-20	A+	ST-2
2018	May 06, 19 to May 06, 20	06-May-19	A	ST-2
2017	May 06, 18 to May 06, 19	06-May-18	A	ST-3
2016	May 04, 17 to May 04, 18	04-May-17	A-	ST-4

27.00 Capital Expenditure Commitment

There was no commitment for capital expenditure at the end the year.

28.00 Claims not acknowledged as debt

There was no claim against the company nor acknowledged as debt by the company at the end the year.

29.00 Credit Facility

There was no credit facility available to company under any contract and also not availed at the end of the year other than trade credit available in the ordinary course of business.

30.00 Guarantee

There was no insurance guarantee made during the period.

31.00 Contingent Liabilities

Custom Excise & VAT Commissioner as per audit report of director of audit intelligence and investigation demanded BDT 10,762,320. (1). গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, আভ্যন্তরীণ সম্পদ বিভাগ, ঢাকা কর্তৃক জারিকৃত মূল্য সংযোজন কর, প্রজ্ঞাপন -তারিখ ২৮ জৈষ্ঠ্য, ১৪২৭ বঙ্গাব্দ/১১ জুন ২০২০ খ্রীষ্টাব্দ, এস.আর.ও.নং-১৪৪-আইন/২০২০/১০৫-মুসক এ প্রদত্ত ক্ষমতাবলে বীমা কোম্পানী কর্তৃক এজেন্সি কমিশন বাবদ পরিশোধিত অর্থের বিপরীতে মূল্য সংযোজন কর কর্তন বিষয়ে অব্যাহতি দেয়া হয়েছে। যার সেবার কোড - বা০২৭.০০। (২). পুনঃবীমা কমিশনের বিপরীতে ১৫% উৎসে মূল্য সংযোজন কর আদায় বা কর্তন সম্পর্কিত আইনের একটি লিখিত ব্যাখ্যা গত জুন ২, ২০২০ ইং তারিখে বাংলাদেশ ইন্সুরেন্স এসোসিয়েশনের প্রেসিডেন্ট কর্তৃক চেয়ারম্যান, জাতীয় রাজস্ব বোর্ড বরাবর প্রদান করা হয়। However, SKICL has not settled which is pending for the decision of the Commissioner of Custom Excise & VAT

32.00 Receivables to/from directors

Nothing was due to/from any of the Directors of the company as on the date of statement of financial

33.00 Events after the Balance Sheet

Board of Directors in its meeting held on 24 April, 2021 proposed 10% cash dividend for the year 2020 subject to approval of shareholders of the company in its forthcoming 8th Annual General Meeting.

Due to Second wave COVID-19 number of people affected rapidly from April 2021. However, Government take various steps to handle the impact. The management is constantly assessing the impact of COVID-19 on the business.

Sena Kalyan Insurance Company Limited
Schedule of Property, Plant and Equipment

As at December 31, 2020

A. Tangible Assets

Annexure-"A"

Particulars	COST				Rate	DEPRECIATION				Written Down Value as at 31.12.2020
	Balance as at 01.01.2020	Addition during the year	Sold/Adj. during the year	Total as at 31.12.2020		Balance as at 01.01.2020	Charged during the year	Sold/Adj. during the year	Total as at 31.12.2020	
Furniture and Fixtures	4,338,057	221,676	-	4,559,733	10%	1,563,044	288,585	-	1,851,629	2,708,104
Motor Vehicle	21,703,500	5,147,500	3,343,000	23,508,000	20%	15,761,470	1,034,556	2,357,109	14,438,917	9,069,083
Office Equipments	141,725	60,771	-	202,496	15%	71,807	15,046	-	86,853	115,643
Cookeries and Cutleries	80,223	17,191	-	97,414	15%	28,196	9,093	-	37,289	60,125
Office Decoration	11,718,584	-	-	11,718,584	10%	2,955,613	876,297	-	3,831,910	7,886,674
Computer and IT Equipment	2,309,584	220,853	-	2,530,437	10%	857,823	156,219	-	1,014,042	1,516,395
Mobile and Telephone Set	346,074	2,400	-	348,474	10%	145,889	20,139	-	166,028	182,447
Air Conditioner	1,434,291	-	-	1,434,291	20%	967,124	93,433	-	1,060,557	373,734
Total	42,072,038	5,670,391	3,343,000	44,399,429		22,350,966	2,493,368	2,357,109	22,487,225	21,912,204

B. Intangible Assets

Particulars	COST				Rate	AMORTIZATION				Written Down Value as at 31.12.2020
	Balance as at 01.01.2020	Addition during the year	Sold/Adj. during the year	Total as at 31.12.2020		Balance as at 01.01.2020	Charged during the year	Sold/Adj. during the year	Total as at 31.12.2020	
Software	863,250	-	-	863,250	10%	413,876	44,937	-	458,813	404,437
Total	863,250	-	-	863,250		413,876	44,937	-	458,813	404,437

As at December 31, 2020	42,935,288	5,670,391	3,343,000	45,262,679		22,764,842	2,538,305	2,357,109	22,946,038	22,316,641
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Sena Kalyan Insurance Company Limited

Schedule of Property, Plant and Equipment

As at December 31, 2019

A. Tangible Assets

Particulars	COST				Rate	DEPRECIATION				Written Down Value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Sold/Adj. during the year	Total as at 31.12.2019		Balance as at 01.01.2019	Charged during the year	Sold/Adj. during the year	Total as at 31.12.2019	
Furniture and Fixtures	3,575,557	875,000	112,500	4,338,057	10%	1,372,071	252,848	61,875	1,563,044	2,775,013
Motor Vehicle	21,703,500	-	-	21,703,500	20%	14,275,962	1,485,508	-	15,761,470	5,942,030
Office Equipments	131,995	9,730	-	141,725	15%	60,327	11,480	-	71,807	69,918
Cookeries and Cutleries	50,243	29,980	-	80,223	15%	21,660	6,536	-	28,196	52,027
Office Decoration	7,408,684	5,125,000	815,100	11,718,584	10%	2,764,788	639,130	448,305	2,955,613	8,762,971
Computer and IT Equipment	2,062,392	247,192	-	2,309,584	10%	710,249	147,574	-	857,823	1,451,761
Mobile and Telephone Set	337,896	8,178	-	346,074	10%	124,101	21,788	-	145,889	200,185
Air Conditioner	1,380,810	53,481	-	1,434,291	20%	857,017	110,107	-	967,124	467,167
Total	36,651,077	6,348,561	927,600	42,072,038		20,186,175	2,674,971	510,180	22,350,966	19,721,072

B. Intangible Assets

Particulars	COST				Rate	AMORTIZATION				Written Down Value as at 31.12.2019
	Balance as at 01.01.2019	Addition during the year	Sold/Adj. during the year	Total as at 31.12.2019		Balance as at 01.01.2019	Charged during the year	Sold/Adj. during the year	Total as at 31.12.2019	
Software	863,250	-	-	863,250	10%	363,946	49,930	-	413,876	449,374
Total	863,250	-	-	863,250		363,946	49,930	-	413,876	449,374

As at December 31, 2019	37,514,327	6,348,561	927,600	42,935,288		20,550,121	2,724,901	510,180	22,764,842	20,170,446
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Sena Kalyan Insurance Company Limited

XL-Form

Statement Showing the details of Class wise Premium Income, Accepted & Ceded, Commission Earned & Paid
Claim Paid, Losses Recovered & Recoverable For the Year ended December 31, 2020

Direct Business									
Class of Business	Premium Income			Commission			Claims		
	Gross Premium	Re-Insurance Ceded	Net Premium	Direct Business	Received on Re-Insurance Ceded	Net Commission	Paid in Direct Business	Received on Re-Insurance Ceded	Net Claim
Fire	112,296,075	58,525,652	53,770,423	14,079,888	13,826,064	253,824	4,117,906	1,615,268	2,502,638
Marine Cargo	62,578,394	3,928,852	58,649,542	12,427,157	1,080,434	11,346,723	617,956		617,956
Marine Hull	8,742,825	2,423,700	6,319,125	676,185	462,400	213,785	-		-
Motor	50,080,971	-	50,080,971	1,932,926	-	1,932,926	2,489,038		2,489,038
Miscellaneous	285,034,516	166,591,806	118,442,710	4,606,591	5,462,483	(855,892)	14,922,814		14,922,814
Sub Total	518,732,781	231,470,010	287,262,771	33,722,747	20,831,381	12,891,366	22,147,714	1,615,268	20,532,446
Public Sector Business									
Fire	12,973,324	11,269,598	1,703,726	-	1,261,260	(1,261,260)	170,846	89,657	81,189
Marine Cargo	21,519,437	16,369,550	5,149,887	-	3,273,911	(3,273,911)	758,731	596,996	161,735
Marine Hull	1,226,220	1,201,453	24,767	-	66,080	(66,080)	-	-	-
Motor	2,852,599	-	2,852,599	-	-	-	66,619	-	66,619
Miscellaneous	23,217,872	22,533,451	684,421	-	2,264,623	(2,264,623)	14,377,836	13,886,986	490,850
Sub Total	61,789,452	51,374,052	10,415,400	-	6,865,874	(6,865,874)	15,374,032	14,573,639	800,393
Grand Total-2020	580,522,233	282,844,062	297,678,171	33,722,747	27,697,255	6,025,492	37,521,746	16,188,907	21,332,839
Grand Total - 2019	576,092,516	322,703,832	253,388,684	34,685,271	27,863,440	6,821,831	15,564,157	6,671,236	8,892,921

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Sd/-
Howlader Mahfel Huq, FCA

ICAB Enrolment No. 105
Managing Partner

Mahfel Huq & Co.

Chartered Accountants

Firm Reg. No: P-46323

DVC: 2104240105AS245503

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dhaka, 24 April, 2021

Sena Kalyan Insurance Company Limited

Company's Income Tax & VAT Assessment Position

Income Tax: The TIN number of the Company is 8336 7961 9109. Year wise income tax status of the Company is depicted below as per the audited accounts of December 31, 2020:

Sl. No.	Income Year	Assessment Year	Tax liability as per income tax return	Advance Income Tax Paid	Income Tax Paid by PO	Refundable Tax	Adjustment	Remarks
01	2013	2014-2015	-	45,000	-	45,000	-	Return submitted as per clause 82BB (Refundable tax adjusted with AY 2016-2017) Loss
02	2014	2015-2016	-	1,668,008	-	1,668,008	-	Return submitted as per clause 82BB (Refundable tax adjusted with AY 2016-2017) Loss
03	2015	2016-2017	5,610,096	2,284,088	1,613,000	-	-	Return submitted as per clause 82BB (Advance tax adjusted with AY 2016-2017)
04	2016	2017-2018	8,139,467	1,602,286	6,058,389	-	-	Return submitted as per clause 82BB. Tax provision higher in accounts due to 42.5% but as per return 40%
05	2017	2018-2019	10,240,665	2,687,600	6,913,024	-	-	Return submitted as per clause 82BB. Tax provision higher in accounts due to 40% but as per return 37.50%
06	2018	2019-2020	2,822,678	2,933,213	-	110,535	-	Return submitted as per clause 82BB.
07	2019	2020-2021	21,507,294	3,394,610	18,002,149		110,535	Return submitted as per clause 82BB. Advance Tax adjusted of tk. 1,10,535 against Income year 2018
08	2020	2021-2022						Return submission date 15 September, 2021

VAT: The VAT registration number of the Company is BIN No. 001108614-0101 under area code no. Year wise VAT status of the Company is depicted below as per the audited financial statements of December 31, 2020:

Sl. No.	Income Year	As per audit intelligence and investigation demanded		Total	Current Status
		VAT on Commission on Re-Insurance Ceded	VAT on Agency Commission		
01	2013	-	-	-	<p>Custom Excise & VAT Commissioner as per audit report of director of audit intelligence and investigation demanded BDT 10,762,320. (১). গণপ্রজাতন্ত্রী বাংলাদেশ সরকার, আভাস্তরীন সম্পদ বিভাগ, ঢাকা কর্তৃক জারিকৃত মূল্য সংযোজন কর, প্রজ্ঞাপন -তারিখ ২৮ জৈষ্ঠ্য, ১৪২৭ বঙ্গাব্দ/১১ জুন ২০২০ খ্রীষ্টাব্দ, এস.আর.ও.নং-১৪৪-আইন/২০২০/১০৫-মুসক এ প্রদত্ত ক্ষমতাবলে বীমা কোম্পানী কর্তৃক এজেন্সি কমিশন বাবদ পরিশোধিত অর্থের বিপরীতে মূল্য সংযোজন কর কর্তন বিষয়ে অব্যাহতি দেয়া হয়েছে। যার সেবার কোড - S০২৭.০০। (২). পুনঃবীমা কমিশনের বিপরীতে ১৫% উৎসে মূল্য সংযোজন কর আদায় বা কর্তন সম্পর্কিত আইনের একটি লিখিত ব্যাখ্যা গত জুন ২, ২০২০ ইং তারিখে বাংলাদেশ ইন্সুরেন্স এসোসিয়েশনের প্রেসিডেন্ট কর্তৃক চেয়ারম্যান, জাতীয় রাজস্ব বোর্ড বরাবর প্রদান করা হয়। However, SKICL has not settled which is pending for the decision of the Commissioner of Custom Excise & VAT (South).</p>
02	2014	583,197	1,913,853	2,497,050	
03	2015	2,031,542	1,965,332	3,996,874	
04	2016	1,647,671	2,620,725	4,268,396	
05	2017	-	-	-	
06	2018	-	-	-	
07	2019	-	-	-	
08	2020	-	-	-	
Total		4,262,410	6,499,910	10,762,320	

Customs Duty: Not applicable for SKICL.

Other Tax Liability: There was no other tax liability up to December 31, 2020.

DIRECTOR'S CERTIFICATE

As per Regulations contained in the first Schedule of the Insurance Act 2010 (previously 1938) as per Section 40-C of the said Act, we certify that:

The values of investment in shares & debentures have been taken at market price

The values of all assets as shown in the Financial Statement and as classified on Form "AA" annexed have been duly reviewed as at December 31, 2020 and in our belief, the said assets have been set forth in the Financial Statement at amounts not exceeding their realizable or market values under the several headings as enumerated in the annexed form.

All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance business have been duly debited to the related Revenue Accounts and Profit & Loss Account.

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Dhaka, 24 April, 2021