



Auditor's Report & **Notes To The Financial Statements**

INDEPENDENT AUDITOR'S REPORT To the Shareholders of Progressive Life Insurance Company Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Progressive Life Insurance Company Limited (the Company), which comprises the Balance Sheets as at 31 December 2019, and the Life Revenue Account, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements of the company give a true and fair view of the financial position of the company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. The Quarterly un-audited Financial Statements for the quarter ended March 31, 2019, June 30, 2019, and September 30, 2019 was sent at a time to Bangladesh Securities and Exchange Commission on June 04, 2020. The company is not in compliance with the notification (BSEC/CMRRCD/2006-158/208/Admin/81.) by Bangladesh Securities and Exchange Commission dated June 20, 2018 para 4 and the Dhaka Stock Exchange (Listing) Regulations, 2015 dated June 30, 2015 regulation no- 17;
2. An amount of Tk. 131,317,179 (Thirteen crore thirteen lac seventeen thousand one hundred and seventy-nine taka only) and Tk. 466,397,243 (Forty-six crore sixty-three lac ninety-seven thousand two hundred and forty-three taka only) was shown as a premium income from first year premium and renewal premium respectively in the Life Revenue Account of the Financial Statements of the Company. For our further verification we were not supplied with premium income from database of policy management system of the company and due to non-compliance of the IFRS 15 (Revenue from contract with customers) and the IFRS 4 (Insurance contract), the premium income is not confirmed;
3. The amount of Tk. 59,061,070 (Five crore ninety lac sixty-one thousand and seventy taka only) was shown as outstanding premium in the Balance Sheets (note 18) of the company for the provided renewal premium for the month of November and December of 2019. Whereas as per IDRA guideline the company can made provision for renewal income up to 30 days as grace period;
4. The company has incurred an excess amount of Tk. 87,900,450 (Eight crore seventy-nine lac four hundred and fifty taka only) as management expense in the year 2019 from allowable limit mentioned in Section 62 of the Insurance Act, 2010 and Rule 39 of The Insurance Rules, 1958;
5. No computation has been made for current tax as per Schedule IV of the Income Tax Ordinance, 1984. As disclosed in note 10.01 in the accompanying financial statements. Income tax provision has been made on lump sum basis. As the amount of provision could not be calculated in accordance with the provision of Schedule IV of the Income Tax Ordinance, 1984, hence profit may be overstated or understated to the extent of such provision;
6. The company has a flat in Chittagong at a cost price of Taka 34,707,416 (Three crore forty-seven lac seven thousand four hundred and sixteen taka only) ownership of which is disputed, and legal proceeding is in process. The Company could not take over any possession as yet but included in land and building deviating the principle of capitalization as IAS 16 Property, Plant, and Equipment;

7. Petty cash balance of BDT 9,142,890 (Ninety-one lac forty-two thousand eight hundred and ninety taka only) from 47 closed service cells have been shown in the consolidated petty cash balance of BDT 42,024,147 (Four crore twenty lac twenty-four thousand one hundred and forty-seven taka only). As per management of the Company the above mentioned 47 service cells have been closed between 2011 to 2019 and these petty cash balance BDT 9,142,890 (Ninety one lac forty two thousand eight hundred and ninety taka only) are lying with the respective agents of closed service cells, which they are trying to recover. But no provision has been maintained against BDT 9,142,890 (Ninety-one lac forty-two thousand eight hundred and ninety taka only) in the audited financial statements as per IAS 37, para 14;
8. The note 9 to the financial statements of the company includes an amount of Tk. 304,187,412 (Thirty crore forty-one lac eighty-seven thousand four hundred and twelve taka only) as estimated liability in respect of outstanding claims whether due or intimated. The outstanding balances include death claim, survival benefit, and maturity claim amounting Tk. 18,116,320 (One crore eighty-one lac sixteen thousand three hundred and twenty taka only), Tk. 28,381,263 (Two crore eighty-three lac eighty-one thousand two hundred and sixty-three taka only) and Tk. 253,698,909 (Twenty five crore thirty six lac ninety eight thousand nine hundred and nine taka only) respectively. The deadline of settlements of death claims is 90 days as per provision of section 72 of the Insurance Act 2010 and the maturity claim and survival benefit shall be settled as per condition of policy contract.

For instance the policy of Ms. Chhabi Rani Kundu (Policy no- 01096180) was commenced on April 10, 2006 and matured on April 10, 2018 but the claim was paid on January 02, 2019. The policy of Mr. Md. Panjab Ali Mollah (Policy no- 01092017) was commenced on December 28, 2005 and matured on December 28, 2017 but the policyholder was paid for the claim on January 02, 2019. The policy of Mst. Jahanara Begum (Policy no- 00267087) was commenced on April 30, 2003 and matured on April 30, 2018 but subsequently the policy claim was settled on January 02, 2019. From the above instance it is evident that the claims were not settled as per condition of the policy contract.
9. According to the Insurance Act 2010 Section 21 and Schedule 1, in case of registered company in Bangladesh shall maintain minimum thirty crores taka out of which 60% shall be subscribed by the sponsor and remaining 40% shall be subscribed by the general public. The company has not maintained the paid-up capital as per schedule 1 of the Insurance Act 2010;
10. According to the 157th Board of Directors meeting, dated December 02, 2019 and 19th Annual General Meeting dated February 02, 2020, the company has declared and approved 12% stock dividend for the year ended December 31, 2018 amounting Tk. 16,210,870 (One crore sixty two lac ten thousand eight hundred and seventy taka only) to its shareholders. The company have made provision for the dividend declared in the year 2019;
11. As per our review of the statement of cash flows of the financial statements, the operating cash flows of the Company was negative and as a result of the excess cash outflows pace of disbursement of maturity claim in due time is not up to the mark;
12. According to the directions of the IDRA, the premium received cannot be adjusted with the expenses (i.e.- Commission and allowance etc.) and the commission and allowance etc. should be paid through banking channel. IDRA's directions in this regard is not complied with;
13. According to the Labor Act 2006 the company should have Gratuity Fund for the employees. The company does not have any recognized gratuity fund;
14. The note 19.01 of the Financial Statements includes an amount of Tk. 1,005,563,375 (One hundred crore fifty-five lac sixty-three thousand three hundred and seventy-five taka only) as Investment in FDR. The company have investment in the People's Leasing and Financial Service amounting Tk. 10,000,000 (One crore taka only) against which the recovery of the amount is in question due to the liquidation threat. The company doesn't have made any provision regarding the investment;
15. The company have entered into an agreement on June 26, 2014 with Leadsoft Bangladesh Limited for the implementation of the InsurSoft and as per agreement the software will be implemented within twelve months and the Company has paid TK. 4,500,000 (Forty five lac taka only) as advance against the software. As per our review, the software is still yet to be implemented;

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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

- a) In Annexure A of note 14 of the financial statements, management has disclosed that, the flat in Chattogram, address # Zahura Tower, 1401 Sheikh Mujib Road, Agrabad C/A, Chattogram purchased at a price of Tk. 34,707,416 for which legal proceeding about ownership is under process in the Joint 2nd District Judge, Chattogram vide case no. 62/12;
- b) The Company has filed Schedule—X: "annual list of members and summary", Form XII and Form XV to the Registrar from 2014 to 2019 on 14 October 2020 which was not in line with section 36 of the Companies Act, 1994;
- c) The note 23 to the financial statements includes dividend income amounting Tk. 3,738,464 (Thirty-seven lac thirty-eight thousand four hundred and sixty-four taka only). The dividend income includes an amount of Tk. 1,427,952 (Fourteen lac twenty-seven thousand nine hundred and fifty-two taka only) as dividend income of CDBL for the year ended June 30, 2018. The AGM of CDBL held on December 19, 2018;
- d) The company has recognized Provident Fund which is required to be audited by a firm of Chartered Accountants. During the course of our external audit we were not provided with the Financial Statements of the Fund;
- e) The Company has a documented IT policy for media device, internet, spam mail and related support, but it doesn't cover overall IT security functions viz. password policy, network security policy, disposal of IT equipment;
- f) The Financial Statements includes an amount of Tk. 4,863,891 shown as other deposit against agents and employer of agent's license/ certificate fee. The Company should take appropriate steps to collect licenses/ certificates from IDRA as per provision of section 124 and 125 of the Insurance Act 2010;

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter	How our audit addressed the key matter
Valuation of life fund	
<p>Valuation of life fund involves complex and subjective judgments about future events, both internal and external to the business, for which small changes in assumptions can result in material impacts to the valuation of these liabilities.</p>	<p>The work to address the valuation of life fund included the following procedures:</p> <ul style="list-style-type: none"> • We understood the governance process in place to determine the life fund, including testing the associated financial reporting control framework. • We tested the design and operating effectiveness of controls over the accuracy and completeness of data used. • Using our actuarial specialist team members, we applied our industry knowledge and experience and we compared the methodology, models and assumptions used against recognized actuarial practices. • We tested the key judgements and controls over the liability, including the preparation of the manually calculated components. We focused on the consistency in treatment and methodology period-on-period and with reference to recognised actuarial practice. • We assessed the disclosures in the financial statements. As part of our consideration of the entire set of assumptions, we focused particularly on the Annuitant Mortality, Credit Default and Expense assumptions for the life fund given their significance to the Company's result and the level of judgement involved. These have been considered in greater detail below. <p>Based on the work performed and the evidence obtained, we consider the assumptions used to be appropriate.</p>

Legal and regulatory matters	
<p>We focused on this area because the Company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Company's best estimate for existing legal</p> <p>Matters that have a probable and estimable impact on the Company's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Company's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Company's provisions and contingent liabilities disclosure.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. We have not received the Annual Report for the year under audit before the date of signing the auditor's report from the management. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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 1938 (as amended in 2010), the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 1938 (as amended in 2010), the Securities and Exchange Rules 1987 and relevant notifications issues by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the Company so far as it appeared from our examinations of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- c) As per section 62(2) of the Insurance Act 1938 (amended in 2010), in our opinion to the best of our knowledge and belief an according to the information and explanation given to us all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the Revenue Accounts of the Company;
- d) The information and explanations required by us have been received and found satisfactory;
- e) As per regulation 11 of part 1 of the third schedule of the Insurance Act 1938 (amended in 2010), in our opinion to the best of our information and as shown by its books, the company during the year under report has not paid any persons any commission in any form outside Bangladesh in respect of any its business re-insured abroad;
- f) The Balance Sheet, Life Revenue Account and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of account and returns;
- g) The expenditure was incurred for the purpose of the Company's business; and
- h) The company has complied with relevant laws and regulations pertaining to reserves.

Date : October 29, 2020



M M Rahman & Co.
Chartered Accountants
Syed Mahmud Ahmad FCA
Senior Partner

Progressive Life Insurance Co. Ltd.

BALANCE SHEET

As at 31 December, 2019

Amount (In Taka)

Capital and liabilities	Notes	31-12-2019	31-12-2018
Authorized share capital			
Authorized 75,000,000 ordinary shares of Taka 10 each	5.01	<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid-up capital			
13,509,064 ordinary shares of Taka 10 each called and paid-up in full	5.02	135,090,640	128,657,760
Balance of funds and accounts			
Life insurance fund	6.	2,769,639,282	2,756,011,175
Fair value change account			
	7.	(30,537,382)	(15,621,713)
Amounts due to other persons or bodies carrying on insurance business			
	8.	16,264,602	22,378,146
Liabilities and provisions		445,935,105	444,450,091
Estimated liabilities in respect of outstanding claims whether due or intimated	9.	304,187,412	335,937,242
Sundry creditors	10.	136,883,801	102,922,792
Premium deposits	11.	-	966,980
Other deposits	12.	4,863,891	4,623,077
		<u>3,336,392,247</u>	<u>3,335,875,459</u>

These financial statements should be read in conjunction with the annexed notes from 1 to 30


Company Secretary (In charge)

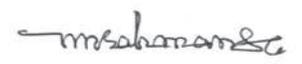

Chief Executive Officer (CC)


Director


Director


Chairman

Place: Dhaka
Dated: 29 October 2020


M M Rahman & Co.
Chartered Accountants

BALANCE SHEET

As at 31 December, 2019

		Amount (In Taka)	
Property and assets	Notes	31-12-2019	31-12-2018
Loans on insurer's policies within their surrender value	13	29,623,291	31,450,858
Investments	14	1,785,343,820	1,942,016,866
Statutory deposit with Bangladesh Bank		15,000,000	15,000,000
Investment in government securities		1,213,229,852	1,294,184,244
Investment in equity shares of the companies		5,711,810	36,566,810
Investment in shares and others		39,967,161	80,991,436
Land and building (at cost less accumulated depreciation) [Annexure - A]		511,434,997	515,274,376
Interest, dividends and rents accruing but not due	15	145,815,511	191,037,308
Amounts due from other persons or bodies carrying on insurance business		329,042	329,042
Advances and deposits	16	90,847,919	67,850,059
Sundry debtors	17	2,005,759	2,005,759
Outstanding premium	18	59,061,070	76,669,720
Cash and cash equivalents	19	1,211,059,573	1,005,864,878
Fixed assets (at cost less accumulated depreciation)	20	9,229,715	14,589,329
Stamps, printing and stationaries in hand	21	3,076,546	4,061,639
		<u>3,336,392,247</u>	<u>3,335,875,459</u>

These financial statements should be read in conjunction with the annexed notes from 1 to 30


Company Secretary (In charge)


Chief Executive Officer (CC)


Director


Director


Chairman

Place: Dhaka
Dated: 29 October 2020


M M Rahman & Co.
Chartered Accountants

Progressive Life Insurance Co. Ltd.
Life Revenue Account

For the year ended December 31, 2019

Amount (In Taka)

Particulars	Notes	31-12-2019	31-12-2018
Claim under policies (including provision for claims due or intimated) less re-insurance			
By death		15,748,672	12,652,593
By maturity		323,367,469	363,663,956
By surrender		5,698,830	10,095,144
By survival benefit		118,540,678	137,183,353
By group claim		52,276,692	2,275,572
By hospitalization		1,769,939	1,930,244
		517,402,280	527,800,862
By profit commission		2,134,703	185,284
		519,536,983	527,986,146
Expenses of management (Annexure - B)		287,710,652	299,712,584
Other expenses			
Depreciation on fixed assets		6,141,051	7,626,960
Depreciation on building		3,839,379	3,171,256
Dividend		29,076,638	-
Income tax		11,500,000	11,500,000
		50,557,068	22,298,216
Balance of fund at the end of the year as shown in the balance sheet		2,769,639,282	2,756,011,175
		3,627,443,985	3,606,008,121

These financial statements should be read in conjunction with the annexed notes from 1 to 30



 Company Secretary (In charge)



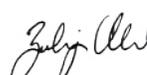
 Chief Executive Officer (CC)



 Director



 Director



 Chairman

 Place: Dhaka
 Dated: 29 October 2020



M M Rahman & Co.
 Chartered Accountants

Life Revenue Account

For the year ended December 31, 2019

Amount (In Taka)

Particulars	Notes	31-12-2019	31-12-2018
Balance of life fund at the beginning of the year		2,756,011,175	2,707,174,754
Premium less re-insurance	22		
First year premium (Individual Life)		109,030,884	99,170,618
First year premium (Sujon Bima)		18,724,175	23,880,754
First year premium (Islami Bima Takaful)		2,628,917	3,404,950
First year premium (Surrud Bima)		382,204	1,212,214
First year premium (Darussalam Bima)		550,999	-
		131,317,179	127,668,536
Renewal premium (Individual Life)		398,476,099	428,794,709
Renewal premium (Sujon Bima)		49,534,026	50,919,934
Renewal premium (Islami Bima Takaful)		11,900,637	11,178,964
Renewal premium (Surrud Bima)		5,514,552	6,361,241
Renewal premium (Darussalam Bima)		971,929	819,641
		466,397,243	498,074,489
Group life and health insurance premium		8,089,522	26,281,058
Total gross premium		605,803,944	652,024,083
Less: Re-insurance premium		1,389,108	4,242,429
Net premium		604,414,836	647,781,655
Interest, dividends and rents	23	265,123,647	248,384,902
Other income	24	1,813,258	2,687,630
		266,936,905	251,072,532
Perior year adjustment	25	81,069	(20,820)
		3,627,443,985	3,606,008,121

First year premium, where, the maximum premiums paying period is:

Single	16,070,839	16,461,518
Two years	-	-
Three years	-	-
Four years	-	-
Five years	-	1,444,756
Six years	-	-
Seven years	-	2,910,061
Eight years	-	25,499
Nine years	-	1,145,603
Ten years	90,737	377,377
Eleven years	7,465	1,424,785
Twelve years and above	115,148,138	103,878,937
Total	131,317,179	127,668,536

These financial statements should be read in conjunction with the annexed notes from 1 to 30


Company Secretary (In charge)

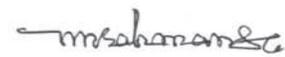

Chief Executive Officer (CC)


Director


Director


Chairman

Place: Dhaka
Dated: 29 October 2020



M M Rahman & Co.
Chartered Accountants

Progressive Life Insurance Co. Ltd.

Statement of Changes in Shareholders' Equity

For the year ended 31 December, 2019

Amount (In Taka)

Particulars	Share capital	Bonus share	General reserve	Reserve for exceptional losses	Retained earnings	Total
Equity as at 01 January 2018	109,032,000	19,625,760	-	-	-	128,657,760
Addition during the year	-	-	-	-	-	-
Equity as at 31 December 2018	109,032,000	19,625,760	-	-	-	128,657,760
Equity as at 01 January 2019	109,032,000	19,625,760	-	-	-	128,657,760
Addition during the year	-	6,432,880	-	-	-	6,432,880
Equity as at 31 December 2019	109,032,000	26,058,640	-	-	-	135,090,640

These financial statements should be read in conjunction with the annexed notes from 1 to 30.



Company Secretary (In charge)



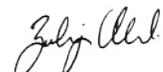
Chief Executive Officer (CC)



Director



Director



Chairman

Place: Dhaka
Dated: 29 October 2020



M M Rahman & Co.
Chartered Accountants

Progressive Life Insurance Co. Ltd.
Statement of Cash Flows

For the year ended 31 December, 2019

Amount (In Taka)

Particulars	31-12-2019	31-12-2018
Cash flows from operating activities		
Collection from premium	622,445,614	667,803,903
Other income received	1,813,258	2,687,630
Payment for claims	(551,286,813)	(579,494,325)
Payment for management expenses, commissions, re-insurance and other expenses	(294,778,242)	(290,501,551)
Perior year adjustment	81,069	(20,820)
Cash generated from operations	(221,725,114)	(199,525,163)
Tax paid during the year	(16,087,698)	(5,334,432)
Net cash used in operating activities	(237,812,813)	(204,859,595)
Cash flows from investing activities		
Acquisition of fixed assets	(795,437)	(3,210,726)
Disposal of fixed assets	14,000	-
Loans on insurer's policies within their surrender value	(2,784,800)	(3,633,320)
Collection of loans on insurer's policies within their surrender value	4,612,367	3,605,432
Investment in shares and government securities	85,737,594	177,212,347
Loan repayment received from Galaxy Capital Limited	21,325,405	-
Investment in equity shares	30,855,000	-
Investment in land and building	-	(4,695)
Interest, dividends and rents received	310,345,444	206,637,828
Net cash flows from/(used in) investing activities	449,309,573	380,606,866
Cash flows from financing activities		
Dividend Paid	(6,302,065)	-
Net cash flows from financing activities	(6,302,065)	-
Net increase/(decrease) in cash and cash equivalents	205,194,695	175,747,271
Cash and cash equivalents at the beginning of the year	1,005,864,878	830,117,607
Cash and cash equivalents at the end of the year	1,211,059,573	1,005,864,878



Company Secretary (In charge)



Chief Executive Officer (CC)



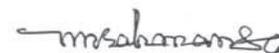
Director



Director



Chairman


M M Rahman & Co.
 Chartered Accountants

Progressive Life Insurance Co. Ltd.
Statement of Life Insurance Fund
For the year ended December 31, 2019
Amount (In Taka)

Particulars	31-12-2019	31-12-2018
A) Property and assets		
Loans on insurer's policies within their surrender value	29,623,291	31,450,858
Statutory deposit with Bangladesh Bank	15,000,000	15,000,000
Investment in government securities	1,213,229,852	1,294,184,244
Investment in equity shares of the companies	5,711,810	36,566,810
Investment in shares and others	39,967,161	80,991,436
Land and building (at cost less accumulated depreciation)	511,434,997	515,274,376
Interest, dividends and rents accruing but not due	145,815,511	191,037,308
Amounts due from other persons or bodies carrying on insurance business	329,042	329,042
Advances and deposits	90,847,919	67,850,059
Sundry debtors	2,005,759	2,005,759
Outstanding premium	59,061,070	76,669,720
Fixed deposits with banks	1,005,563,375	860,000,000
Current accounts and STD accounts with banks	162,864,347	114,709,165
Cash in hand - Head Office	607,704	115,369
Branch petty cash	42,024,147	31,040,344
Stamps, printing and stationaries in hand	3,076,546	4,061,639
Fixed assets (at cost less accumulated depreciation)	9,229,715	14,589,329
	3,336,392,247	3,335,875,459
B) Liabilities and provisions		
Amounts due to other persons or bodies carrying on insurance business	16,264,602	22,378,146
Estimated liabilities in respect of outstanding claims whether due or intimated	304,187,412	335,937,242
Sundry creditors	136,883,801	102,922,792
Premium deposits	-	966,980
Other deposits	4,863,891	4,623,077
Fair value change account	(30,537,382)	(15,621,713)
	431,662,324	451,206,524
Gross fund (A-B)	2,904,729,922	2,884,668,935
Less: Issued, subscribed and paid-up capital	135,090,640	128,657,760
	2,769,639,282	2,756,011,175



Company Secretary (In charge)


Chief Executive Officer (CC)


Director


Director


Chairman

Progressive Life Insurance Co. Ltd.

Form - AA

Classified Summary of the Assets in Bangladesh
As at December 31, 2019

Class of assets	Book Value Taka	Market Value Taka	Remarks
Loans	29,623,291	29,623,291	
Loans on insurer's policies within their surrender value	29,623,291	29,623,291	Realizable value
Investments	1,785,343,820	1,785,343,820	
Statutory deposit with Bangladesh Bank	15,000,000	15,000,000	At Cost
Investment in government securities	1,213,229,852	1,213,229,852	At Cost
Investment in equity shares of the companies	5,711,810	5,711,810	Realizable value
Investment in shares and others	39,967,161	39,967,161	Market Value
Land and building (at cost less accumulated depreciation)	511,434,997	511,434,997	Carrying amount
Cash and cash equivalents	1,211,059,573	1,211,059,573	
Fixed deposits with banks	1,005,563,375	1,005,563,375	Realizable value
Current accounts and STD accounts with banks	162,864,347	162,864,347	Realizable value
Cash in hand - Head Office	607,704	607,704	Realizable value
Branch petty cash	42,024,147	42,024,147	Realizable value
		-	
Interest, dividends and rents accruing but not due	145,815,511	145,815,511	Realizable value
Amounts due from other persons or bodies carrying on insurance business	329,042	329,042	Book Value
Other assets	164,221,009	164,221,009	
Advances and deposits	90,847,919	90,847,919	Book Value
Sundry debtors	2,005,759	2,005,759	Book Value
Outstanding premium	59,061,070	59,061,070	Book Value
Stamps, printing and stationaries in hand	3,076,546	3,076,546	At Cost
Fixed assets (at cost less accumulated depreciation)	9,229,715	9,229,715	Carrying amount
Total assets	3,336,392,247	3,336,392,247	


Company Secretary (In charge)


Chief Executive Officer (CC)


Director


Director


Chairman

Progressive Life Insurance Company Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

1 Legal Status and nature of business

1.01 Establishment and status of the Company

"Progressive Life Insurance Company Limited (hereinafter referred to as "the Company") was incorporated as a public limited Company in Bangladesh on 06 January 2000 under the Companies Act, 1994 and commenced its operation after obtaining the then registration certificate from the Chief Controller of Insurance, Government of the People's Republic of Bangladesh on 27 February 2000. The Company is listed in both Dhaka and Chittagong Stock Exchanges as a publicly traded Company. The Registered office of the Company is located at National Scout Bhaban, 70/1 Inner Circular Road, Kakrail, Dhaka-1000, Bangladesh."

1.02 Nature of business

Progressive Life Insurance Company Limited is engaged in all kinds of the life insurance business whether individual or group including pension, health, etc. It also operates micro life insurance business under name of Sujan Bima, Surrid Bima, Darussalam Bima, Progressive Deposit Pension Scheme (DPS) and Progressive Islami Bima Prakalpa (Takaful) etc.

2 Basis of presentation and statement of compliance

2.01 Basis of presentation

- (a) "These financial statements have been prepared on the format of financial statements prescribed in the Insurance Act 2010, Insurance Rules 1958, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and relevant schedules of the Companies Act, 1994, the Securities and Exchange Rules, 1987 as amended and relevant circular and directives of Securities and Exchange Commission and applicable loss and regulation in Bangladesh. Where the requirement of the companies Act, 1994, the Insurance Act, 2010, the Securities and Exchange Rules, 1987 differ with the requirement of these standards, the requirement of the Companies Act, 1994, the Insurance Act, 2010, and the Securities and Exchange Rules, 1987 take precedence;"

The elements of financial statements have been measured on "Historical Cost" basis, which provided in the "Framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Board (IASB) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

- (b) The Balance Sheet has been prepared in accordance with the regulations contained in Part I of the First Schedule and as per Form 'A' as set forth in Part II of that schedule and the Revenue Account of life insurance business has been prepared in accordance with the regulations as contained in Part I of the Third Schedule and as per Form 'D' as set forth in Part II of that schedule of the Insurance Act, 1938 as amended the Insurance Act, 2010.

2.02 Statement of compliance

The following underlying assumptions, measurement base, laws, rules, regulations and accounting pronouncement have been considered in preparing and presenting the accompanying financial statements:

- Going Concern;
- Accrual unless stated otherwise except for Cash Flow Statement;
- Historical cost convention;
- The Insurance Act, 2010;
- The Insurance Rules 1958;
- Companies Act 1994;
- The Securities and Exchange Commission (SEC) Rules 1987;
- Dhaka Stock Exchanges (listing) Regulations 2015;
- The Income Tax Ordinance 1984;

- The International Financial Reporting Standards (IFRS) Which have been adopted by the Institute of Chartered Accountants of Bangladesh (ICAB);
- Any other applicable laws, regulations, covenants, conventions and practices prevailing with the Insurance Industry in Bangladesh.

2.03 Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation and presentation of financial statements under section 183 of The Companies Act, 1994 and as per the provision of International Accounting Standard (IASs) and International Financial Reporting Standard (IFRSs) the "Framework for the preparation and presentation of financial statements" issued by the International Accounting Standards Board (IASB) as adopted in Bangladesh.

2.04 The functional and presentation currency

The financial statements are presented in Bangladeshi Taka, which is the company's functional and presentation currency.

2.05 Use of critical accounting estimates and judgments

The presentation of financial statements in conformity with the generally accepted accounting principles and standards require that the Company's management make estimates and assumptions that affect the reported amounts of income and expenses for the year and reported balances of assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances on the date of financial statements. Actual results could differ from the estimates. Any revision to the accounting estimate is recognized prospectively.

2.06 Reported period

The financial statements of the Company cover one financial year from 01 January to 31 December of the calendar year.

2.07 Components of financial statements

The financial statements includes the following components:

- (a) Balance Sheet as at 31 December 2019;
- (b) Life Revenue Account for the year ended 31 December 2019;
- (c) Statements of Changes in Equity for the year ended 31 December 2019;
- (d) Statement of Cash Flows for the year ended 31 December 2019;
- (e) Statement of Life Insurance Fund as at 31 December 2019;
- (f) Classified Summary of the Assets (Form "AA") in Bangladesh as at 31 December 2019;
- (g) Accounting policies and notes to the financial statements for the year ended 31 December 2019.

2.08 Statement of cash flows

Cash flows statement is prepared in accordance with IAS-7 and Cash Flows from operating activities have been presented under direct method as outlined in the Part III of Securities and Exchange Rules, 1987 as amended which was added by the notification no SEC/Section 7/SER/03/132 dated on 29 December 1997 of Bangladesh Securities and Exchange Commission (BSEC).

3 Summary of significant accounting policies

The accounting policies adopted in the preparation of these financial statements are consistent with those followed in the preparation of the company's financial statements for the year ended 31 December 2019.

The significant accounting policies adopted in the preparation of these Financial Statements are set out below.

3.01 Revenue recognition

Revenue is recognized after satisfying all the conditions for revenue recognition as provided IFRS-15: from collection with customer in compliance with IFRS-4 "Insurance Contract." The income from premium is comprised of the total amount of premium earned on various classes of life insurance business during the year, the gross amount of premium earned against various policies, the amount of claims less re-insurance settled during the year have all been duly

accounted for in the books of account of the Company. While preparing the final statement of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims have been given effect to the accounts at the end of the year.

3.1.1 Individual life policies

Individual life first year, renewal and single premiums are recognized once the related policies are issued/ renewed against receipt and realization of premium.

First year premium against individual life business of 2019 collected within 31 December of the year 2019 has been recognized as First Year Premium income (individual life) as per directives of the IDRA.

Renewal Premium outstanding as at 31 December 2019, for which, the grace period has not been expired and collected subsequently by 31 January 2020 are also recognized as revenue.

Uncollected premium from lapsed policies is not recognized as income until such policies are revived.

3.1.2 Group life and health policies

The premiums of group policies are recorded after receipt of the premiums and in certain circumstances premiums falling due under the policies within the financial period are also recognized if this premiums are subsequently received.

3.02 Interest, dividends and rents

Investment income

Interest incomes on investments are recognized on accrual basis for the number of days held taking into account effective yield on the instruments.

- i) Loans against the security of life insurance policies are allowed to the policy holders to the extent of 90% of surrender value of the respective policy provided the policy has been enforced for not less than two years;
- ii) Interest on policy loans is accounted on cash realized basis;
- iii) Dividend income is accounted for when the dividend is received;
- iv) Profit/(loss) arising on the sale of listed equity shares is recognized on the basis of the settlement date;
- v) Rental income is recognized on accrual basis, except the cases that are under litigation.

3.03 Premium deposit

Premium deposit represents premium received but risk has not yet been accepted because of pending underwriting decision as at 31 December 2019.

3.04 Re-insurance

This represent provisional amount payable to the re-insurer for the 12 (twelve) months ended on 31 December 2019. Provision has been made on the basis of best available information.

3.05 Claims costs

Claims costs consist of the policy benefit amount and claim settlement costs, where applicable.

Death claims are accounted for on receipt of information up to the end of the period are considered for accounting of such claims.

Maturity claims also include amounts payable on lapsed policies which are accounted for on the date of maturity of policies.

Amount recoverable from re-insurers are accounted for in the same period as the related claim and are reduced from claims.

3.06 Fixed assets and depreciation

Fixed assets are reported at cost less accumulated depreciation and impairment, if any. Cost includes the purchase price and any cost directly attributable to bring the asset to its working condition for its intended use. Fixed assets of small value are fully charged to the revenue account in the year of its purchases. Subsequent expenditures incurred on existing fixed assets are expensed out except where such expenditure increases the future economic benefits from the existing assets.

Depreciation

Depreciation is calculated on straight line method to write off the assets over their expected useful lives. Depreciation on addition made during the year is charged from the month of purchase and up to the previous month of sale. Methods and rates of computing depreciation are consistently applied. The annual depreciation rates are as follows:

Category of fixed assets	Rate (%)
Furniture and fixtures	15
Electrical equipment	20
Office renovation	20
Computer and computer accessories	20
Office equipment	20
Motor vehicles	20
Accounting Software	20
Rack Server	20
Buildings	2.5

3.07 Impairment of assets

The carrying amount of its assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists, impairment loss is recognized wherever carrying amount of an asset exceeds its recoverable amounts. Impairment loss is recorded on judgmental balance sheet is, for which provision may differ in the future years based on the actual experience. There is no impairment in 2019.

3.08 Intangible assets

Expenditure incurred on major application software and their customization or further development is recognized as an intangible asset. Intangible assets are reported as acquisition value with deductions for impairment losses, if any. Intangible asset comprises system software which is stated at cost of acquisition, including any cost attributable for bringing the same to its working condition less accumulated amortization. Software are amortized using the straight line method over their useful lives (five years). Any expenses on software for support and maintenance payable annually are charged to Life Revenue Account.

3.09 Stamps, printing and stationeries in hand

Stock of stamps, printing and stationeries in hand etc. are valued at cost determined on FIFO basis as at 31 December 2019.

3.10 Investments

Classification of investments

Investment with fixed or determinable payments and fixed maturity, where the Company has positive intent and ability to hold up to its maturity are classified as Held-to-Maturity. Investments which are intended to be held for an indefinite period but may be sold in response to the need for liquidity or change in mark-up/interest rates are classified as available for sale.

Valuation of investments

i) Debt securities

Debt Securities with fixed income (Bangladesh Government Treasury Bond), private and public bonds and debentures are categorized by class and are accounted for "held to maturity" and have been valued at cost. The discount in respect of the debt securities which is the difference between the purchase price and the redemption amount is amortized and

recognized in the Revenue Account on straight line basis over the remaining period to maturity of these securities. For fair presentation, premium, if any, premium on acquisition of those bonds and debentures are however charged to Life Revenue Account over the period of investment.

ii) Investment in shares

"The valuation method of investment in shares is accounted for available for sale. Available for sale investment are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loan and receivables (b) held-to-maturity (c) financial assets at fair value through profit or loss. Listed shares are measured at fair value on the balance sheet date and the change in the carrying amount of shares is taken at ""Fair Value Change Account""."

iii) Loan

Loans in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable value.

iv) Other investment

All other investments are recognized as per Rule 7(b) of Part I of the First Schedule of the Insurance Act, 1938.

3.11 Employee benefits

The Company offers a number of benefit plans, which includes contributory provident fund and gratuity which have been accounted for in accordance with the provision of International Accounting Standard-19, "Employee Benefits." Bases of enumerating the above benefits schemes operated by the company are outlined below.

Contributory provident fund

The Company operates a contributory provident fund @ 10% for its permanent employees. The fund is administered separately by a Board of Trustees and is funded by equal contribution from the Company and the employees.

Gratuity

Employees of the Company, who served the Company for ten years or above is entitled to get gratuity benefit at rates determined by the Service Rules of the fund. The provision has been made in respect of all eligible employees and reflected in these financial statements. Presently gratuity is being paid at the time of the final settlement of the respective employees.

3.12 Management expenses, commissions and claims

Management expenses

Management expenses inclusive of commissions, salaries, office rent and training expenses, etc, have been charged to life revenue account.

Commissions

(i) Agent commissions

Commissions to insurance agents (less re-insurance) represent first year commission, renewal commission, progressive deposit pension scheme commission and group commission.

(ii) Allowances and commissions (other than commission)

Allowance and commissions (other than commissions to insurance agents less re-insurance) represent employer of agents and supervisor officers salaries and allowances including various incentives and expenses.

Claims

Claims under policies by death, survival, surrender, maturity etc. are considered to be incurred when intimation is received. Provision for outstanding claims has been made based on the intimation of claim received during the year.

3.13 Taxation

3.13.1 Current Tax

a) Provision for Taxation is based on taxable income determined under the Fourth Schedule of the Income Tax Ordinance 1984 and best judgment of the management. Provision of Income Tax is based on the best judgment of the management. Charge for the current tax is calculated according to the provision of Fourth Schedule of the Income Tax Ordinance ,1984 and using tax rate enacted at the Balance Sheet date.

3.13.2 Deferred Tax

The Company does not provide for deferred taxation as current tax has been calculated on the profits and gains based on the actuarial valuation which is computed in accordance with the provision in the Fourth Schedule of the income Tax Ordinance, 1984 and not under different heads of income. There is no effect of tax base assets and liabilities. So the management feels it is not necessary to estimate of deferred tax assets/liabilities at this stage as per the provision of IAS-12.

3.14 Risk minimization strategies

3.14.1 Individual life product

Insurance underwriting risk is the risk that the company will suffer losses due to economic situation or the rate of occurrence of an incident contrary to the forecast made at the time of setting up the premium rate.

"The underwriting risk arises from death and sometimes due to permanent disability and critical illness. The company may get exposed to poor risk due to unexpected experience in terms of claim severity or frequency. This can be a result of anti-selection, fraudulent claims or poor persistency. The Company may also face the risk of poor investment return and inflation of business expenses. The Company faces the risk of under pricing particularly due to nature of long term contract. In addition to this, due to poor persistency, the Company would be unable to recover expense of policy acquisition. The Company manages this risk through its underwriting, re-insurance, claims handling policy and other related internal control mechanisms. The Company has a well-defined policy and avoids selling policies to high risk individuals. Underwriting procedures and rules are structured to enable the Company to strike a balance between mitigating risk, ensuring control and providing better service. This puts a check on anti-selection. The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with renowned re-insurance SCOR GLOBAL LIFE SE, SINGAPORE BRANCH. The Company also provides quality service to the policyholders and checks to minimizing fake sale and avoids poor persistency. A regular monitoring of lapse rate is conducted. The Company has procedures in place to ensure avoidance of payment of fraudulent claim. The claim committee reviews high sum assured and early claims for verification and detailed investigation of all doubtful and early claims are conducted. The Company maintains adequate liquidity to cater for potentially sudden and high cash requirement. "

3.14.2 Group life Insurance

"The major risk underwritten by the Company is death which depends on mortality. Other risk underwritten includes disability and major diseases. Risk increase as a result of business procurement without following underwriting guidelines, business procurement at low premium rate due to tough market competition and fraudulent claims. Non receipt of premium in due time is an additional factor. The Company manages these risks through proper underwriting, re-insurance, effective claims handling and other claim control mechanism. The Company also avoids underwriting group business with employees exposed to hazardous profession pricing is done in line with actuarial guideline, experience and the mortality exposure the concerned group facts. Moreover, premium rates of existing groups are also reviewed from time to time on the basis of claim experience, re-insurance arrangement are made by the Company with renowned reinsurer to limit the risk at affordable level. Besides, the company avoids payment of fraudulent claims through claim investigation strict monitoring is in place to keep the outstanding balance of premium at a minimum."

3.14.3 Group Health Insurance

"The major risk underwritten by the Company is death which depends on mortality. Other risk underwritten includes disability and major diseases. Risks increase as a result of increasing incidences of fatal diseases, accident and catastrophic events, fraudulent practices, health over consciousness of insured etc. Consistent increase in charges of various hospital services, lack of adequate claim control mechanism and business procurement at low price in the competitive market are additional factors."

The Company manages these risks through proper underwriting and other related claim control mechanism, premium rate review on claim experience and hospital agreements with discount facility etc.

The Company has a well-defined medical underwriting policy to avoid underwriting Group Health business with potentially high health risk. Any pre-existing conditions are also screened at this stage. Health plans are designed and terms conditions are set in such a way that abuses of benefit utilization are minimized. Pricing is done in consultation with actuarial department on the basis of actual claim experience. Company has also pre-determined charges for certain illness and investigations with its panel hospitals. Those are treated as "Standard Rate" which is applied to restrict settlement of inflated bills. The Company avoids settlement of any fraudulent claims through claims investigations which is managed by experienced technical staff.

3.14.4 Liquidity risk

Liquidity risk means the Company is unable to meet funding requirements. Company has diversified funding sources to mitigate the risk and assets are managed considering balance of cash and cash equivalents and readily marketable securities.

3.14.5 Interest rate risk

The risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company invests in securities and deposits considering change of interest rate in the market, minimize risks by monitoring changes in interest rates and diversifying investment.

3.14.6 Credit risk

Credit risk represents the financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The management monitors credit risk by review of credit exposure and assessment of credit worthiness.

3.14.7 Market risk

"Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Company is exposed to market risk with respect to its investment. The Company continues to adopt a prudent policy in respect of investments. The fund of the Company has been invested as per provision of the Insurance Act. The investments are mainly in Government Securities. Fixed Deposit Receipts (FDR) with various commercial banks and financial institution having acceptable performance parameters and rating and equity shares in listed companies having good and positive fundamental and technical attributes. The Company also limits market risk maintaining a diversified profile and by continuous monitoring of developments in Government Securities (Bonds) equity and term finance certificates market. In addition, the Company actively monitors the key factors that affect the underlying value of these securities."

3.14.8 Re-insurance risk

The Company seeks to reduce its risk exposure by reinsuring certain levels of risk with re-insurer. Re-insurer does not relieve the Company from its obligation to policyholders and as a result, the Company also remains liable for the portion of outstanding claims reinsured to the extent that re-insurer does not meet the obligations ultimately under the reinsurance agreements. In order to minimize the risk the Company has obtained re-insurance cover from renowned re-insurer Score Global-SE, Singapore Branch with proven sound financial health.

3.14.9 Foreign currency risk

As at the balance sheet date there are no financial instruments denominated in foreign currency. Therefore, the Company is not exposed to risk from any foreign currency exchange rate risk fluctuation.

3.14.10 Operational risk

Operational risk arise from error and fraud due to lack of internal control and compliance. Management through internal audit and compliance department controls operational procedures of the Company. Internal audit and compliance department undertakes periodic and special audit of the service cells, agency offices and departments at the head office for review of the operation and compliance of statutory requirements. The audit committee of the board subsequently reviews the reports of the Internal Audit and Compliance Department.

4 Additional information on financial statements

4.01 Date of authorization for issue of the financial statements

On 29 October 2020 the Board of Directors reviewed the financial statements and authorized for issuance of the same.

4.02 Directors' responsibility

The Board of Directors' take the responsibility for the preparation and fair presentation of the financial statements.

4.03 Segment reporting

The company operates only life insurance business.

4.04 Events after the reporting period

Dividend

Except the below matter there was no significant event that has occurred between the balance sheet date when the financial statements are authorised for issued by the Board of Directors.

The Board of Directors in its 164th Board Meeting held on 29 October 2020 has recommended 10% stock dividend against the share of Tk.10 each for the year ended 31 December 2019. This will be placed in the 20th AGM of the Company for approval by the shareholders.

4.05 Quarterly Financial Statements to the Exchange and the Commission

The Company has submitted its all un-audited Quarterly Financial Statements up to the 3rd Quarter of 2019 to the BSEC on 04 June 2020.

4.06 Actuarial Valuation and Investigation

On October 1, 2020 the Company has been appointed Dr. Mohammad Sohrab Uddin, Ph.D, AIA, Consulting Actuary, to Complete Actuarial valuation of the policy liabilities as at 31 December 2019.

4.07 General

"Previous year's figures have been regrouped, rearranged or reclassified wherever considered necessary with conform to current period presentation. Amounts and others disclosures for the preceding year are included as an integral part of the current financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Amount presented have been rounded off to the nearest taka. figures in brackets () indicate deduction/ negative balances."

Amount (In Taka)

Notes	31-12-2019	31-12-2018
-------	------------	------------

5.00 Share capital

5.01 Authorized capital

<u>750,000,000</u>	<u>750,000,000</u>
--------------------	--------------------

The authorized capital of the Company is Taka 750,000,000 divided into 75,000,000 ordinary shares of Taka 10 each.

5.02 Issued, subscribed and paid up capital

13,509,064 ordinary shares of Taka 10 each fully paid up.

Category of shareholders

Category of shareholders	Share holding		
Sponsors	45.30%	61,193,410	58,261,200
General public including institutional investors	54.70%	73,897,230	70,396,560
	<u>100%</u>	<u>135,090,640</u>	<u>128,657,760</u>

Distribution schedule of paid up capital

As per listing rule of the Stock Exchanges, a distribution schedule of each class of equity shares and the number of shareholders and percentage as at 31st December 2019 are given below :

"Category of share holders"	Shareholding range	No. of shares	No. of share holders	Share holdings %
Sponsors	50000-100000	90,059	1	0.67
	100001-200000	163,014	1	1.21
	200001-300000	853,953	3	6.32
	300001-400000	327,491	1	2.42
	400001-500000	3,116,083	7	23.07
	500001-1000000	1,568,741	2	11.61
Sub total		6,119,341	15	45.30
General public including institutional investors	001-50000	3,625,091	1744	26.83
	50001-100000	523,649	7	3.88
	100001-200000	614,354	5	4.55
	200001-300000	277,932	1	2.06
	300001-400000	-	0	-
	400001-500000	-	0	-
	500001-1000000	778,050	1	5.76
	1000001-2000000	1,570,647	1	11.63
Sub total		7,389,723	1759	54.70
Grand total		13,509,064	1774	100

6.00 Life insurance fund

Opening balance	2,756,011,175	2,707,174,755
Add: Surplus of Life Revenue Account during the year	13,628,107	48,836,421
	<u>2,769,639,282</u>	<u>2,756,011,175</u>

The surplus of Life Revenue Account after adjusting the re-insurance premium, commission and claims thereon and setting of the management expenses has been carried forward to the life fund along with the surplus brought forward from previous year.

Amount (In Taka)

	Notes	31-12-2019	31-12-2018
7.00 Fair value change account			
Market value (quoted market price) of listed shares	14.4.2	37,117,161	56,816,031
Less: Book value of listed shares		67,654,542	72,437,744
		<u>(30,537,382)</u>	<u>(15,621,713)</u>
8.00 Amounts due to other persons or bodies carrying on insurance business			
Opening balance		22,378,146	19,638,383
Add: Provision made during the year		729,979	2,739,763
		23,108,125	22,378,146
Less: Adjustment made during the year		6,843,523	-
		<u>16,264,602</u>	<u>22,378,146</u>
The amount represents the balance payable to General Insurance Corporation of India (GIC) and Score Global Life SE, Singapore Branch on account of share of re-insurance premium.			
8.01 Amounts due to other persons or bodies carrying on insurance business			
General Insurance corporation of India (GIC)		14,476,932	14,476,932
Score global Life SE, Singapore		1,787,670	7,901,214
		<u>16,264,602</u>	<u>22,378,146</u>
9.00 Estimated liabilities in respect of outstanding claims whether due or intimated			
Death claim		18,116,320	13,151,142
Survival benefit		28,381,263	21,854,771
Maturity claim		253,698,909	299,337,329
Group Claims		3,990,920	1,594,000
		<u>304,187,412</u>	<u>335,937,242</u>
10.00 Sundry creditors			
Office rent		2,010,811	963,083
Auditors' fees		1,000,900	960,400
Actuarial fees		1,867,500	2,700,000
Tax deducted at source		8,956,367	6,628,486
Income tax payable	10.01	64,071,149	52,571,149
Provident fund payable		2,525,658	1,350,746
Provident fund loan payable		2,022,304	721,334
Excess deposits		130,343	130,343
Security deposits		1,341,532	181,207
VAT payable		351,361	332,504
Gas, Electricity & Water		416,131	291,830
Group life endowment scheme payable		1,762,897	1,594,688
Commission payable		3,789,928	4,756,457
Provision for gratuity		23,719,461	21,734,543
Provision for AGM expenses		1,700,000	1,000,000
Salary and allowances		33,903	3,893,076
Salary and allowances (development)		4,447,402	-
Other Liabilities		394,461	-
Provision for Dividend		16,210,870	3,112,946
Unclaimed Dividend- 2015		130,823	-
		<u>136,883,801</u>	<u>102,922,792</u>

Amount (In Taka)

Notes	31-12-2019	31-12-2018
10.01 Income tax payable		
Opening Balance	52,571,149	41,071,149
Add: Provision made during the year	11,500,000	11,500,000
	64,071,149	52,571,149
Less: Paid during the year	-	-
	64,071,149	52,571,149

The company is engaged in life insurance business and its taxation is based on taxable income determined under the Fourth Schedule of the income tax ordinance, 1984. Provision of Income Tax is based on the best judgment of the management. Charge for the current tax is calculated according to the provision of Fourth Schedule of the Income Tax Ordinance, 1984 and using tax rate enacted at the Balance Sheet date.

11.00 Premium deposits

The figures has been arrived at as under:

Individual Life -Renewal	-	341,493
Sujon Bima-Renewal	-	532,300
Islami Bima Takaful-Renewal	-	80,600
Surrid Bima-Renewal	-	6,587
Darussalam Bima-Renewal	-	6,000
	-	966,980

This represents payments made by policyholders awaiting adjustment against the policy premiums

12.00 Other deposits

Opening balance	4,623,077	4,447,930
Add: Deposit received during the year	240,814	175,147
	4,863,891	4,623,077
Less: Adjustment made during the year	-	-
	4,863,891	4,623,077

13.00 Loans on insurer's policies within their surrender value

Opening balance	31,450,858	31,422,970
Add: Loan disbursed during the year	2,784,800	3,633,320
	34,235,658	35,056,290
Less: Realized during the year	4,612,367	3,605,432
	29,623,291	31,450,858

14.00 Investments

Statutory deposit with Bangladesh Bank	14.01	15,000,000	15,000,000
Investment in government securities	14.02	1,213,229,852	1,294,184,244
Investment in equity shares of the companies	14.03	5,711,810	36,566,810
Investment in shares and others	14.04	39,967,161	80,991,436
Land and building	Annexure -A	511,434,997	515,274,376
		1,785,343,820	1,942,016,866

14.01 Statutory deposit with Bangladesh Bank

15,000,000 **15,000,000**

The above amount is invested in 5 years National Investment Bond and deposited with Bangladesh Bank as statutory deposit.

14.02 Investment in government securities

1,213,229,852 **1,294,184,244**

The above balance is invested in the form of 10 years Bangladesh Government Treasury Bond (BGTB).

Amount (In Taka)

14.03 Investment in equity shares of the companies

Central Depository Bangladesh Limited
Equity shares of 51 % of Galaxy Capital Limited
(a member of the Chittagong Stock Exchange)

Notes	31-12-2019	31-12-2018
	5,711,810	5,711,810
	-	30,855,000
	<u>5,711,810</u>	<u>36,566,810</u>

14.04 Investment in shares

Investment in Shares
Loan to Galaxy Capital Limited

Notes	31-12-2019	31-12-2018
14.4.1	39,967,161	59,666,031
	-	21,325,405
	<u>39,967,161</u>	<u>80,991,436</u>

14.4.1 Investment in shares

a) Investments made in placement shares
(i) Energy Prima (within the lock in period)
b) Investments in listed shares

Notes	31-12-2019	31-12-2018
14.4.2	2,850,000	2,850,000
	37,117,161	56,816,031
	<u>39,967,161</u>	<u>59,666,031</u>

14.4.2 Investment in listed shares (as at 31 December 2019)

Sl. no.	Name of instruments (code names)	No. of shares	Average cost (per unit)	Book value	Market value (quoted price)
1	RUPALILIFE	10,209	97.05	990,751	503,304
2	GENNEXT	24,200	9.95	240,720	65,340
3	ARGONDENIM	134,214	31.88	4,278,609	2,227,952
4	GHAIL	2,090	32.76	68,478	40,128
5	CENTRALPHL	119,522	20.11	2,403,476	1,075,698
6	SAIFPOWER	617,495	18.77	11,588,864	8,274,433
7	NFML	77,624	22.83	1,771,852	698,616
8	TOSRIFA	159,915	27.78	4,442,892	2,174,844
9	EMERALDOIL	62,050	38.84	2,410,258	769,420
10	KEYACOSMET	401,500	12.87	5,168,975	1,244,650
11	ACTIVEFINE	24,000	36.94	886,491	352,800
12	ITC	1,979	40.07	79,293	67,088
13	DOREENPWR	175,676	88.83	15,604,990	10,347,316
14	FORTUNE	33,155	33.10	1,097,469	762,565
15	PDL	292,763	14.95	4,376,482	2,869,077
16	BBSCABLES	25,897	99.96	2,588,579	1,522,744
17	CVOPRL	35,562	219.76	7,815,131	3,211,249
18	ETL	68,310	17.91	1,223,381	655,776
19	JAMUNAOIL	250	222.11	55,526	35,475
20	SPCL	27	130.94	3,535	1,890
21	GREENDELTA	1,998	81.24	162,317	104,296
22	PRIMEFIN	15,000	26.43	396,473	112,500
	Total	2,283,436	29.63	67,654,542	37,117,161

		<i>Amount (In Taka)</i>	
Notes	31-12-2019	31-12-2018	
15.00 Interest, dividends and rents accruing but not due			
The break-up of the figure is as follows:			
Bangladesh Govt. Treasury Bond (BGTB)	38,271,574	41,470,328	
Fixed Deposit with Banks	105,930,285	140,203,928	
Rents From House Property	124,852	91,016	
Interest on policy loan and Others	60,847	9,272,036	
Dividend Receivable	1,427,953	-	
	<u>145,815,511</u>	<u>191,037,308</u>	
16.00 Advances and deposits			
Office rent	16.01	5,235,824	4,770,933
Travelling and conveyance		597,944	714,499
Salary and allowances (staff)		312,332	677,650
Salary and allowances (Development)		42,000	-
Advance income tax	16.02	72,213,381	56,125,683
Other advance		1,931,631	1,069,355
LeadSoft Bangladesh Limited		4,500,000	3,500,000
Ledger balance with brokerage house	16.03	5,846,476	823,608
Security deposit - T & T		168,330	168,330
		<u>90,847,919</u>	<u>67,850,059</u>
16.01 Office rent			
Opening balance		4,770,933	5,873,324
Add: Advance made during the year		1,579,635	721,700
		6,350,568	6,595,024
Less: Adjustment made during the year		1,114,744	1,824,091
		<u>5,235,824</u>	<u>4,770,933</u>
16.02 Advance income tax			
Opening balance		56,125,683	50,791,251
Add: Advance income tax paid during the year		16,087,698	5,334,432
		72,213,381	56,125,683
Less: Adjustment made during the year		-	-
		<u>72,213,381</u>	<u>56,125,683</u>
16.03 Ledger balance with brokerage house			
		5,846,476	823,608
This amount represents money lying with Parkway Securities Limited, Galaxy Capital Limited and Green Delta Securities Limited as at the end of outline and normal investment activities in shares as at 31 December 2019.			
17.00 Sundry debtors			
Opening balance		2,005,759	1,995,759
Add: Addition during the year		-	11,766
		2,005,759	2,007,525
Less: Realized during the year		-	1,766
		<u>2,005,759</u>	<u>2,005,759</u>

Notes	31-12-2019	31-12-2018
-------	------------	------------

"Following legal proceedings are running regarding above mentioned sundry debtors.

1. Accused: **Mr. Alamgir Hossain**, Cases No. 133/17, C.M.M Court No. 15, Dhaka, was on 09.12.2018 for pronounce of newspaper for attendance of accused to the court.
2. Accused: **Mr. Shfiqul Islam Sabuj**, cases No. 13818/17, The Environment Sub-Judge Court Dhaka was on 22.11.2018 for witnesses."

18.00 Outstanding premium

Opening balance	76,669,720	91,482,560
Add: Accrued during the year	59,061,070	76,669,720
	135,730,790	168,152,280
Less: Realized during the year	76,669,720	91,482,560
	<u>59,061,070</u>	<u>76,669,720</u>

Premium outstanding as at 31 December 2019, for which, the grace period has not been expired and collected subsequently by 31 January 2020 are also recognized as revenue.

19.00 Cash and cash equivalent

Fixed deposits with banks	19.01	1,005,563,375	860,000,000
Current accounts and STD accounts with banks	19.02	162,864,347	114,709,165
Cash in hand - Head Office	19.03	607,704	115,369
Branch petty cash	19.04	42,024,147	31,040,344
		<u>1,211,059,573</u>	<u>1,005,864,878</u>

Amount (In Taka)

Notes	31-12-2019	31-12-2018
19.01 Fixed deposits with banks	1,005,563,375	860,000,000

The above balance comprises are as under:

Sl. No.	Name of Bank & Other Financial Institutions	31-12-2019	31-12-2018
1.00	Southeast Bank Ltd.	55,000,000	30,000,000
2.00	Shahjalal Islami Bank Ltd.	45,000,000	45,000,000
3.00	NRB Commercial BL	20,000,000	40,000,000
4.00	Modhumoti Bank Ltd.	10,000,000	10,000,000
5.00	One Bank Ltd.	55,000,000	50,000,000
6.00	First Security Islami Bank	20,000,000	20,000,000
7.00	Union Bank Ltd.	10,000,000	20,000,000
8.00	Social Islami Bank	15,000,000	15,000,000
9.00	Standard Bank Ltd	20,000,000	20,000,000
10.00	Bank Asia Ltd	10,000,000	10,000,000
11.00	Al-Arafah IBL	10,000,000	10,000,000
12.00	EXIM Bank	50,000,000	40,000,000
13.00	Mercantile Bank Ltd	25,000,000	5,000,000
14.00	BRAC Bank Ltd	20,000,000	10,000,000
15.00	Jamuna Bank Ltd	15,415,500	-
16.00	IFIC Bank Ltd	20,000,000	-
17.00	Union Capital Ltd.	92,971,000	90,000,000
18.00	People's Leasing and Financial Service	10,000,000	10,000,000
19.00	BD Finance (BFICL)	15,000,000	15,000,000
20.00	Prime Finance & Invest.	95,000,000	85,000,000
21.00	Lanka Bangla Finance	55,000,000	45,000,000
22.00	Ind. & Infrast. Dev. Finance	45,000,000	35,000,000
23.00	International Leasing	15,000,000	15,000,000
24.00	Phoenix Finance & IL	30,000,000	40,000,000
25.00	IPDC	40,000,000	55,000,000
26.00	First Finance Ltd	10,000,000	10,000,000
27.00	Bay Leasing and Invest.Ltd	10,000,000	20,000,000
28.00	CAPM Venture CFL	20,000,000	20,000,000
29.00	IDLC Finance Ltd	57,176,875	45,000,000
30.00	United Finance Ltd	30,000,000	50,000,000
31.00	Delta Brac Housing Ltd	50,000,000	-
32.00	National Housing Finance	30,000,000	-
Total:		1,005,563,375	860,000,000

The Company has an investment amount of Tk. 10,000,000 in People's Leasing and Financial Service (PLFS) as at 31 December 2019. We are already known that, the Honorable High Court has directed Bangladesh Bank to appoint a liquidator to liquidate the People's Leasing and Financial Service. We have communicated with the liquidator and confirmed that, we have higher possibility to recover the whole amount of Tk. 10,000,000 from the PLFS.

	<i>Amount (In Taka)</i>	
Notes	31-12-2019	31-12-2018
19.02 Current accounts and STD accounts with banks		
The above balance comprises are as under:		
Short Term Deposits with banks	117,276,028	97,462,809
Current accounts with banks	45,588,319	17,246,357
	<u>162,864,347</u>	<u>114,709,165</u>
19.03 Cash in hand - Head Office		
Head office - Corporate	607,704	115,164
Central office - Sujon Bima Division	-	205
	<u>607,704</u>	<u>115,369</u>
19.04 Branch petty cash		
Individual Life Product (ILP)	31,341,090	21,127,777
Sujon Bima Division	7,934,382	7,136,997
Islami Bima (Takaful)	2,554,346	2,588,827
Surrid Bima	192,004	190,431
Darussalam Bima	2,325	(3,688)
	<u>42,024,147</u>	<u>31,040,344</u>

20.00 Fixed assets (at cost less accumulated depreciation)

(Amount in Taka)

Sl. No.	Particulars	C O S T			Rate (%)	D E P R E C I A T I O N			Written Down Value as at 31 December 2019	Written Down Value as at 31 December 2018	
		Balance as at 01 January 2019	Addition during the period	Disposal		Balance as at 31 December 2019	Charged during the period	Disposal			Balance as at 31 December 2019
01	Furniture and fixtures	39,637,037	79,500	-	15	37,659,405	559,655	-	38,219,060	1,497,477	1,977,632
02	Electrical equipments	9,309,347	34,250	-	20	7,015,401	784,554	-	7,799,955	1,543,642	2,293,946
03	Office renovation	28,499,992	8,000	-	20	26,308,842	1,690,795	-	27,999,637	508,355	2,191,150
04	Computer and computer accessories	16,624,330	284,902	(41,040)	20	13,751,696	1,200,061	(27,040)	14,924,717	1,943,475	2,872,634
05	Office equipments	15,197,516	10,165	-	20	14,502,547	396,086	-	14,898,633	309,048	694,969
06	Motor vehicles	112,753,810	-	(5,449,070)	20	110,772,395	746,590	(5,449,070)	106,069,915	1,234,825	1,981,415
07	Accounting software	85,000	-	-	20	66,583	17,000	-	83,583	1,417	18,417
08	Rack Server	3,700,000	-	-	20	1,140,833	740,000	-	1,880,833	1,819,167	2,559,167
09	Data Center	-	378,620	-			6,310		6,310	372,310	-
Balance as at 31 December 2019		225,807,032	795,437	(5,490,110)		211,217,703	6,141,051	(5,476,110)	211,882,644	9,229,715	14,589,329
Balance as at 31 December 2018		222,596,306	3,210,726	-		203,590,743	7,626,960	-	211,217,703		

Notes	31-12-2019	31-12-2018
-------	------------	------------

21 Stamps, printing and stationeries in hand

Policy and revenue stamps	341,935	1,210,895
Printing materials and stationeries	2,734,611	2,850,744
	<u>3,076,546</u>	<u>4,061,639</u>

22 Premium less re-insurance

Types of premium	2019			2018
	Gross premium	Re-insurance	Net premium	Net premium
First year premium	131,317,179	226,843	131,090,336	127,511,763
Renewal premium	466,397,243	138,021	466,259,222	498,021,848
Group premium	8,089,522	1,024,244	7,065,278	22,248,043
Total	605,803,944	1,389,108	604,414,836	647,781,654

23 Interest, dividends and rents

Interest on government securities	131,985,834	152,960,700
Interest on fixed deposit receipts (FDR)	110,065,593	82,093,586
Interest on short term deposits	1,344,334	1,859,029
Interest on loan and advances	13,196,893	1,836,692
Rent income from house property	2,773,109	2,251,874
Realized gain on investments	2,019,420	5,146,256
Share dividend	3,738,464	2,236,765
	<u>265,123,647</u>	<u>248,384,902</u>

24 Other income

Alteration fees	80,791	95,754
Duplicate policy documents fees	104,603	96,337
Miscellaneous income	1,624,928	2,491,052
Late fees	2,936	4,487
	<u>1,813,258</u>	<u>2,687,630</u>

25 Prior Year adjustment

Pubali Bank Ltd, Mohila College SND-29	-	(20,820)
Training Fees	(30,000)	-
Laps Premium with Score global Life SE, Singapore	(238,802)	-
Refund premium	240,353	-
Uttara Bank Ltd, Nasirabad Br CD-1157	(52,620)	-
	<u>81,069</u>	<u>(20,820)</u>

26 Payments/perquisites to directors/officers

The aggregate amounts paid/provided during the year in respect of directors and officers of the Company as defined in the Securities and Exchange Rule, 1987 are disclosed below:

Board meetings fee	1,355,200	251,400
Basic salary	45,405,848	48,413,019
House rent	22,390,924	23,896,689
Other allowances and perquisites	13,461,525	11,703,399
	<u>82,613,497</u>	<u>84,264,507</u>

27.00 Related party transactions

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per International Accounting Standard-24 "Related Party Disclosures". The terms of related party transactions are not significantly different from those that could have been obtained from third parties. The significant related party transactions are as follows:

Name of the related parties	Nature of transaction	Opening balance as at 01 January 2019	Transaction during the year		Closing balance as at 31 December 2019
			Debit	Credit	
Galaxy Capital Limited	Loan paid	21,325,405		21,325,405	-
		21,325,405	-	21,325,405	-

28.00 Disclosure as per requirement of Schedule XI, Part II of the Company Act, 1994

Amount (In Taka)

	31-12-2019	31-12-2018
Employee position for Progressive Life Insurance Company Limited		
(i) Number of employees drawing salary below Taka 36,000 per year	10	11
(ii) Number of employees drawing salary of Taka 36,000 or above per year	553	722
	563	733

Employee position for Progressive Life Insurance Company Limited

- (i) Number of employees drawing salary below Taka 36,000 per year
(ii) Number of employees drawing salary of Taka 36,000 or above per year

Disclosure as per requirement of Schedule XI, Part II, Para 4

There is no payment to directors of the Company, other than meeting attendance fees. The directors of the Company did not take any benefit from the Company.

- (a) Expense reimbursed to the managing agent - Nil
(b) Commission or other remuneration payable separately to a managing agent or his associate - Nil
(c) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the Company - Nil
(d) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year - Not applicable
(e) Any other perquisites or benefit in cash or in kind stating - Nil
(f) Other allowances and commission including guarantee commission - Nil
(g) Employees' benefits-
(i) Pensions - Nil
(ii) Gratuities - Yes
(iii) Payment from provident fund - Yes
(iv) Compensation for loss of office - Nil
(v) Consideration in connection with retirement from office - Nil

29.00 Capital expenditure commitment

The Company has entered into a contract with the Lead Soft Bangladesh Limited as on 26 June 2014 for procurement of accounting software. The agreement value is Taka 9,000,000 out of which Taka 4,500,000 was paid and thereby, remaining amount of Taka 4,500,000 will be paid as per terms and conditions of the contract.

30.00 Contingent liability

We are acknowledge that there is no such claim against the Company as at 31 December 2019.



Company Secretary (In charge)



Chief Executive Officer (CC)



Director



Director



Chairman

Progressive Life Insurance Company Limited Schedule of Land and Building

As at 31 December, 2019

Annexure - A

Sl. No.	Particulars	Area	C O S T			Rate (%)	D E P R E C I A T I O N			Written Down Value as at 31 December 2019	Written Down Value as at 31 December 2018
			Balance as at 01 January 2019	Addition during the year	Balance as at 31 December 2019		Balance as at 01 January 2019	Charged during the year	Balance as at 31 December 2019		
01	Narana Rahim Ardeni, 39, Kakrail (st floor) Dhaka - 1000	1690 Sft.	27,958,320	-	27,958,320	2.5	4,193,748	698,958	4,892,706	23,065,614	23,764,572
02	Eastern Arzoo (P-1), 61, Bijoynagar, Dhaka - 1000	2732 Sft.	39,664,349	-	39,664,349	2.5	1,983,218	991,609	2,974,826	36,689,523	37,681,131
03	Eastern Arzoo (P-2), 61, Bijoynagar, Dhaka - 1000	3777 Sft.	59,227,576	-	59,227,576	2.5	2,961,378	1,480,689	4,442,068	54,785,508	56,266,198
04	Zahura Tower, 1401, Sheikh Mujib Road, Agrabad CA, Chittagong	9500 Sft.	34,707,416	-	34,707,416	-	-	-	-	34,707,416	34,707,416
05	Land at Alfabnagar, L# 44, Road # 18, Avenue # 12, Sector # 3, Rampura, Dhaka	7.08 Kathas	89,478,761	-	89,478,761	-	-	-	-	89,478,761	89,478,761
06	Land at Alfabnagar, M# 39, Road # 18, Avenue # 12, Sector # 3, Rampura, Dhaka	8.54 Kathas	108,592,915	-	108,592,915	-	-	-	-	108,592,915	108,592,915
07	Land at Alfabnagar, K# 7, Main Road, Sector # 1, Rampura, Dhaka	5 Kathas	62,163,615	-	62,163,615	-	-	-	-	62,163,615	62,163,615
08	Land at Simongai Bus Malik Samity, Moulvibazar	30 Kathas	65,776,475	-	65,776,475	-	-	-	-	65,776,475	65,776,475
09	Building at Moulvibazar, Building floor 1 to 10 th floor (19850 Sft)	19950 sft	26,724,903	-	26,724,903	2.5	-	668,123	668,123	26,056,780	26,724,903
10	Land measuring 5 decimal at Moulvibazar	5 Decimal	10,118,390	-	10,118,390	-	-	-	-	10,118,390	10,118,390
Balance as at 31 December 2019			524,412,720	-	524,412,720	-	9,138,344	3,839,379	12,977,723	511,434,997	515,274,376
Balance as at 31 December 2018			524,408,025	4,695	524,412,720	-	5,967,088	3,171,256	9,138,344	515,274,376	515,274,376

Progressive Life Insurance Company Limited
Schedule of Expenses of Management

For the year ended 31 December, 2019

Annexure - B

Particulars	Amount (In Taka)	
	31-12-2019	31-12-2018
Expenses of management		
a) Commission to insurance agents (less that on re-insurance)	83,870,130	83,615,472
b) Allowances and commission [other than commission included in sub-item (a) preceding]	44,687,297	50,960,683
Sub-total	128,557,427	134,576,155
Salaries [other than to agents and those contained in item (b) above]	81,258,297	84,013,107
Gratuity	2,371,120	6,209,491
Festival bonus	8,018,497	7,976,808
Contribution to employees provident fund	4,379,056	4,284,040
Travelling and conveyance	3,458,288	3,187,940
Directors' fees	1,355,200	251,400
Auditors' fees	351,000	440,000
Actuarial fees	720,000	700,000
Medical fees	135,528	156,246
Legal and professional fees	4,559,020	531,105
Insurance policy stamps	1,430,505	1,484,760
Revenue and non judicial stamps	467,595	731,935
Advertisement and publicity	1,034,412	414,758
Printing and stationery	1,618,191	1,700,817
Office rent	29,689,109	30,292,033
Fuel, oils and lubricants	1,331,371	1,441,602
Repair and maintenance (car)	2,525,184	3,779,018
Papers, periodicals and books	144,360	181,244
Telephone, fax and internet	1,305,751	1,458,642
Gas, electricity and water	2,824,017	3,008,934
Postage and telegram	419,399	510,652
Recruitment and training expenses	136,855	41,040
Conference and seminars	-	3,486,161
Fees, subscription and donation	1,166,288	574,288
Company registration and renewal fee	749,828	1,735,681
Entertainment	885,985	740,435
Employees' group and hospitalization insurance premium	115,912	105,748
Insurance premium (car)	155,250	114,516
AGM Expenses	1,110,010	500,000
Carriage and wages	49,850	83,778
Bank charges	2,420,850	1,798,449
Repairs and maintenance (computer)	605,810	511,097
Prize and award	213,970	382,100
Crockeries and cutleries	11,206	10,712
CDBL charges	4,754	7,526
Repair and maintenance (office)	1,375,974	1,763,169
Development meetings	173,625	69,674
Board Meeting expenses	328,866	112,390
Holding Tax	27,931	82,563
Iftar Mahfil	76,013	93,288
Bima Mela	116,818	90,444
Picnic Expenses	-	7,124
General expenses	31,530	71,714
Sub-total	159,153,225	165,136,429
Total	287,710,652	299,712,584

Progressive Life Insurance Company Limited
Schedule of Allowable Management Expenses
For The Year Ended 31 December, 2019

Annexure - C

Particular's	Allowable Percentage (%)	Gross Premium	Allowable Management Expenses	%	Actual Management Expenses	%	More than allowable expenses	
							Amount	%
Fist Year Premium								
Single	7.50%	16,070,839	1,205,313					
Two Years	15.00%	-	-					
Three Years	22.50%	-	-					
Four Years	30.00%	-	-					
Five Years	37.50%	-	-					
Six Years	45.00%	-	-					
Seven Years	52.50%	-	-					
Eight Years	60.00%	-	-					
Nine Years	67.50%	-	-					
Ten Years	75%	90,737	68,053					
Eleven Years	83%	7,465	6,159					
Twelve Years & Above	90%	115,148,138	103,633,324					
Total First Year		131,317,179	104,912,849					
Renewal Premium	20%	466,397,243	93,279,449					
Group Premium	20%	8,089,522	1,617,904					
Total (31-12-2019)		605,803,944	199,810,202	32.98	287,710,652	47.49	87,900,450	43.99%
Total (31-12-2018)		652,024,083	179,009,669	27.45	299,712,584	45.97	120,702,915	67.43%