

**annual
report
2011**



পিপলস্ ইন্স্যুরেন্স কোম্পানী লিমিটেড
Peoples Insurance Company Limited

A Great Name In Insurance Since 1985

পরিচালকমন্ডলীর প্রতিবেদন-২০১১

Director's Report-2011

প্রিয় শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম

পরিচালকপর্ষদ এবং আমার পক্ষ থেকে কোম্পানীর ২৭তম বার্ষিক সাধারণ সভায় সকলকে আন্তরিক অভিনন্দন জানাচ্ছি এবং আপনাদের সম্মুখে বার্ষিক প্রতিবেদনসহ ৩১শে ডিসেম্বর ২০১১ ইং তারিখে সমাপ্ত বছরের পিপলস্ ইস্যুরেন্স কোম্পানী লিমিটেড-এর নিরীক্ষিত আর্থিক বিবরণী, আর্থিক প্রতিচ্ছবি ও তৎসংশ্লিষ্ট পরিসংখ্যান উপস্থাপন করছি। এ মহতি সভায় আমি পরিচালকপর্ষদ এবং ব্যবস্থাপনার পক্ষ থেকে আপনাদের চলমান ও মিলিত সমর্থনের প্রতি আন্তরিক কৃতজ্ঞতা প্রকাশ করছি। এ প্রতিবেদন বিশ্ব অর্থনীতি ও কোম্পানীর প্রাসঙ্গিকতা তুলে ধরবে।

বিশ্ব অর্থনীতি এবং বাংলাদেশের অর্থনৈতিক উন্নয়ন

উদীয়মান ও উন্নয়নশীল দেশগুলোর উপর্যুপরি প্রবৃদ্ধি সত্ত্বেও ২০১১ সালে বিশ্ব অর্থনীতি ছিল মস্থর। আইএমএফ এর সর্বশেষ পরিসংখ্যান অনুযায়ী বিশ্ব অর্থনীতির গড় প্রবৃদ্ধি ২০১২ সালে শতকরা ৫ ভাগ থেকে ৪ ভাগে নেমে আসবে। একই সাথে আন্তর্জাতিক মুদ্রাস্ফীতি শতকরা সাড়ে তিন ভাগ হতে বেড়ে শতকরা চার ভাগে পৌঁছাবে।

আন্তর্জাতিক চাহিদাকে কাজে লাগিয়ে ২০১১ সালে বাংলাদেশের অর্থনীতি উল্লেখযোগ্য প্রবৃদ্ধির দিকে এগিয়ে যায়। বৈশ্বিক পণ্যমূল্যের স্থিরতায় অর্থনৈতিক মন্দা থাকা সত্ত্বেও আন্তর্জাতিক বাণিজ্যে বিগত দুই বছর ভাল প্রবৃদ্ধি হওয়ায় বাংলাদেশের অর্থনীতি শক্তিশালী অবস্থান বিরাজ করে।

বাংলাদেশের অর্থনীতির অনন্য বৈশিষ্ট্যের কারণে বিধৎসী বন্যা এবং ঘূর্ণিঝড়ের মতো অনেক বৈরী পরিস্থিতির মধ্য থেকেও তা বেরিয়ে আসতে পারে। কিন্তু বিশ্ব অর্থনৈতিক মন্দার প্রভাব বাংলাদেশের শিল্প খাতকে বিশেষ করে টেক্সটাইল ও তৈরী পোষাক শিল্পকে বেশ ক্ষতিগ্রস্ত করেছে, বর্হিবিশ্বে ক্রেতাদের চাহিদা পড়ে যাওয়ায় রপ্তানীমুখি শিল্পগুলোরও অবনতি হয় এবং আভ্যন্তরীণ চাহিদাতেও ভাটা পড়ে। অপরিষ্কৃত গ্যাস ও বিদ্যুৎ সরবরাহ শিল্পের প্রবৃদ্ধির ক্ষেত্রে আরেকটি বাঁধা হয়ে দাঁড়ায়। তবে অনুকূল পরিবেশ ও সরকারী সহযোগীতার ফলে কৃষি খাতে উল্লেখযোগ্য প্রবৃদ্ধি অর্জন করে। এডিপি ও পিপিপি বাস্তবায়নে ধীরগতি লক্ষ্য করা যায়। এ সত্ত্বেও বর্তমান সরকার এই বিষয়ে অবগত এবং এ অবস্থা থেকে উত্তরণের জন্য বিভিন্ন কর্মসূচী গ্রহণ করছে। জাতিকে মন্দার নেতিবাচক প্রভাব থেকে বাচানোর জন্য এ ধরনের কর্মসূচী গুরুত্বপূর্ণ ভূমিকা রাখবে।

Dear Shareholders

Assalamu Alaikum,

On behalf of the Board of Directors and on my own behalf I welcome you all to the 27th Annual General Meeting of Peoples Insurance Company Limited and present before you the annual report together with the audited financial statements, financial highlights and relevant statistical information for the year ended December 31, 2011. In this august gathering I, on behalf of the Board of Directors and the management would like to express my heartiest gratitude for your continuous support and co-operation. This report will provide you with an overview of the global and Bangladesh economy as well as the company relevance.

Global Economy & Economic Growth of Bangladesh

Despite continued robust economic growth experienced by the emerging and developing countries, the world economy slowed in 2011. The latest forecast of the IMF suggests that the world economy will slow down to average growth rate of 4% from 5% in year 2012. It also estimates the global inflation of 4% in place of 3.5% last year.

In Bangladesh economy a strong recovery in the previous year by capitalizing favourable external demand the economy moved to a path of sustained growth in the year 2011. As the economic pace is picking up, global commodity prices have staged a comeback from lows and global trade has also seen a decent growth over the last two years the Bangladesh economy demonstrated strong resilience, despite adverse effect of global slowdown.

Though Bangladesh Economy has a unique character of reliance that always helps in coming out of many adverse situations like devastating floods, cyclones etc. but the final impact of financial meltdown in the world economy touched its hands in the business activities of the country especially to the Textile and RMG sectors. The decline was noticed in export oriented industries due to poor response from external buyers which resulted in weak domestic demands for their products. Inadequate gas and power supply were the other impediments relating to supply side of industrial growth. However, the robust growth in agriculture sector was resultant effect of favorable climate condition and broad based government support. Slow pace of implementation of project under ADP and that of PPP was also observed. Even then the present Government is aware of this and contemplating various options to save the nation from the adverse effect of the recession undertaking some programs of bailing out from the adverse effect.



রপ্তানি আয় ও প্রবাসী আয়ের ঝুঁকির মাঝেও আভ্যন্তরীণ চাহিদার প্রভাবে অর্থনৈতিক প্রবৃদ্ধির হার সন্তোষজনক। মুদ্রাস্ফীতির গড় হার ২০১১ সালে ১০.৭১ শতাংশে উন্নীত হয়েছে, পূর্ববর্তী বছরে এই হার ছিল ১০.৫ শতাংশ। বাংলাদেশ পরিসংখ্যান ব্যুরোর সংশোধিত পরিমাপ অনুসারে দেশীয় জিডিপি প্রবৃদ্ধির হার পূর্ববর্তী বছরের ৫.৮ শতাংশ থেকে বেড়ে ৬.৭ শতাংশে উন্নীত হয়েছে। এই প্রবৃদ্ধির ক্ষেত্রে কৃষিকার্যের সম্প্রসারণ এবং শিল্প ও সেবাখাতে উৎপাদন বৃদ্ধি গুরুত্বপূর্ণ অবদান রেখেছে। অর্থনৈতিক প্রবৃদ্ধির হারে উন্নতির কারণ শিল্প ও কৃষিক্ষেত্রে ইতিবাচক প্রবৃদ্ধি। কৃষি, শিল্প ও সেবাখাতে প্রবৃদ্ধির হার যথাক্রমে ৫.২%, ৮.২% এবং ৬.৬%।

নন-লাইফ বীমাশিল্প এবং পিপলস ইস্যুরেন্স কোম্পানী লিঃ

বিগত বছরে সাধারণ বীমা শিল্পের প্রবৃদ্ধি ছিল ২১.১৬%। আপনারা জানেন যে বাংলাদেশের বাজারে সাধারণ বীমা কর্পোরেশন ও ৪৩টি বীমা প্রতিষ্ঠান এ বছর গড়ে প্রায় ১৪,৮৮৪ মিলিয়ন প্রিমিয়াম আয় করছে। অন্যান্য সাধারণ বীমা প্রতিষ্ঠানের ন্যায় সাধারণ বীমা কর্পোরেশনও সেবার পরিসর বৃদ্ধি করেছে এবং ব্যবসায়িক উন্নয়নে তৎপর হয়েছে। এতদসত্ত্বেও পিপলস ইস্যুরেন্স কোম্পানী লিমিটেড ২০১১ সালে অন্যান্য সাধারণ বীমা প্রতিষ্ঠানের তুলনায় ভাল করেছে যার ফলশ্রুতিতে ১৩.০৮% ব্যবসায়িক প্রবৃদ্ধি অর্জনে সমর্থ হয়েছে।

পূর্ববর্তী বছরের ন্যায় ২০১১ সালেও নন-লাইফ বীমায় তীব্র প্রতিযোগিতা বিদ্যমান থাকা সত্ত্বেও আপনারাদের কোম্পানী লক্ষ্যমাত্রা অর্জনে সক্ষম হয়েছে

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ এবং বীমা শিল্পের উন্নয়ন

নতুন বীমা আইন-২০১০ কার্যকর করার পর সরকার অর্থ মন্ত্রণালয়ের অধীনে ২০১১ সালের শুরুতে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ গঠন করেন। বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ ইতিমধ্যে দেশের বীমা বিশেষজ্ঞ এবং বাংলাদেশ ইস্যুরেন্স এসোসিয়েশন-এর সহযোগিতায় বীমা শিল্পের উন্নয়নের জন্য বীমা বিধিমালা প্রণয়ন করছেন যা এখন চূড়ান্ত পর্যায়ে রয়েছে। ইতিমধ্যে বীমা উন্নয়ন কর্তৃপক্ষ বেশ কিছু সার্কুলারের মাধ্যমে কতিপয় বলিষ্ঠ পদক্ষেপ গ্রহণপূর্বক লাইফ ও নন-লাইফ বীমায় শৃংখলা আনয়নের চেষ্টা করছেন। আশা করা যাচ্ছে উক্ত বিধিসমূহ বাস্তবায়নের মাধ্যমে বীমা কোম্পানীগুলোর অসম প্রতিযোগিতার অবসান ঘটবে এবং সঠিক পথে অগ্রসর হবে। যা এই শিল্পকে মর্যাদার আসনে বসাবে এবং বীমাশিল্পের জন্য একটি নতুন যুগের সূচনা করবে।

Amidst the risk of export earnings and the remittances inflows, the economic growth demonstrated satisfactory performance buoyed by domestic demand. The average rate of inflation has been increased to 10.71% in 2011 compared to 10.5% in the previous year. According to the revised estimates of Bangladesh Bureau of Statistics the real Gross Domestic Product (GDP) growth of the Country was 6.7% compared to 5.8% in the Preceding Year. This GDP growth was driven by a robust agricultural activities expansion and increased output in industries and services sector. Economic growth rebounded due to positive growth by all the sectors and sub-sectors of the economy, especially in the agriculture and industry sector. The growth was contributed mainly in the agriculture, industry and services sector which grew by 5.2%, 8.2% and 6.6% respectively.

Non-Life Insurance Industry & Peoples Insurance:

The growth of Non-Life insurance business in the last year was 21.16% while the life insurance by 19.02%. As you know that there are 43 Non-Life insurance companies in private sector and one state-owned Sadharan Bima Corporation (SBC) in Bangladesh market dealing with about 14,884 million of premiums on an average. Like other insurance companies SBC have also extended their customized services and efforts for business development. Despite these, Peoples Insurance Company Limited has done very good amongst the general insurance companies with a business growth of 13.08% during the year 2011.

Like previous years your company has achieved its target through efficient business operation successfully in this hard competitive Non-Life insurance market during the year 2011.

The IDRA & Development of Insurance Industry:

Bangladesh Government has formed the Insurance Development and Regulatory Authority (IDRA) at the beginning of the year 2011 under the Ministry of Finance, after promulgating the new Insurance Act 2010. The IDRA has taken over the task of development and preparation of insurance rules for industry in consultation with the insurance experts of Bangladesh and Bangladesh Insurance Association. IDRA has taken some strong steps by issuing some circulars in order to bring discipline among non-life insurers and as well as the life insurers. These efforts will hopefully bring before the insurance companies a big challenge to them along with the scope of streamlining the operational activities and getting rid of the existing unethical practices. Which obviously improve the status of the industry in a very prestigious position as the beginning of a new era in the country's business sector.



ব্যবসায়িক ফলাফল

২০১১ সালে মোট প্রিমিয়াম আয় বৃদ্ধি পেয়ে টাকা ৪৩৬.৭০ মিলিয়ন হয় যা ২০১০ সালে ছিল টাকা ৩৮৬.২০ মিলিয়ন অর্থাৎ পূর্ববর্তী বছরের তুলনায় ১৩.০৮% বেশী। পুনঃবীমা গ্রহণ ও প্রদান সমন্বয়ের পর এ বছর নীট প্রিমিয়াম দাঁড়ায় টাকা ২৫৩.৯৭ মিলিয়ন যা বিগত বছর ছিল টাকা ২২৯.৩৩ মিলিয়ন অর্থাৎ পূর্ববর্তী বছরের তুলনায় ১০.৭৪% বেশী। নিম্নের বিবরণীতে তুলনামূলক চিত্র তুলে ধরা হলো।

Business Performance

The gross premium income in the year 2011 has increased to Tk.436.70 million as against Tk.386.20 million in 2010 with a growth of 13.08% over the previous year. The Net premium income after adjustment of reinsurance ceded stood at Tk.253.97 million as against Tk.229.33 million in the previous year with an increase of 10.74% over the preceding year. Comparative figures are shown in the following matrix.

Some important data showing insurance-wise comparative business results of 2011 over the previous year are furnished below:

(Figures in Million Taka)

Particulars	Year	Fire	Marine	Motor	Misc.	Total
Gross Director Premium	2011	184.54	148.41	74.00	29.75	436.70
	2010	162.43	134.55	60.43	28.79	386.20
Reinsurance Ceded	2011	117.19	41.69	3.00	20.85	182.73
	2010	98.93	34.47	1.09	22.38	156.87
Net Premium Income	2011	67.35	106.72	71.00	8.90	253.97
	2010	63.50	100.08	59.34	6.41	229.33
Commission Earned on R/I Ceded	2011	42.95	13.32	0.30	4.82	61.39
	2010	33.17	11.05	0.23	4.37	48.82
Net Claim Incurred (Less R/I)	2011	(32.31)	39.11	8.00	1.02	15.82
	2010	0.44	10.48	11.24	0.16	22.32
Management Expenses	2011	76.17	60.72	28.88	7.68	173.45
	2010	72.33	60.53	25.87	7.54	166.27
Agency Commission	2011	39.20	26.00	14.29	3.18	82.67
	2010	32.13	22.71	11.89	3.15	69.88
Increase/(Decrease) in Unexpired						
Risk Reserve	2011	4.90	8.10	8.22	1.45	22.67
	2010	2.32	1.25	1.87	0.030	5.74
Underwriting Profit	2011	22.34	(13.89)	11.91	0.39	20.75
	2010	(10.54)	16.14	8.72	(0.38)	13.94



আর্থিক ফলাফল

বর্তমান বছরে কোম্পানীর অবলিখনখাতে মুনাফা হয় টাকা ২০.৭৫ মিলিয়ন যা বিগত বছর ছিল টাকা ১৩.৯৪ মিলিয়ন। সুদ, ভাড়া ও অন্যান্য খাতে আয় বৃদ্ধি পেয়ে হয় টাকা ৮৭.৩৫ মিলিয়ন যা বিগত বছর ছিল টাকা ৫৫.৩২ মিলিয়ন। তথাপি, শেয়ার বিনিয়োগ খাতের আয় এ বছর টাকা ৭৩.১১ মিলিয়ন ঋনাত্মক হয় যা বিগত বছর ছিল ধনাত্মক টাকা ৫৪.৬৭ মিলিয়ন। ফলশ্রুতিতে এ বছর নীট লাভ কমে হয় টাকা ১৭.৭৪ মিলিয়ন যা বিগত বছর ছিল টাকা ১০১.০৫ মিলিয়ন।

Financial Performance

During the current year the company earned an underwriting profit of Tk. 20.75 million against Tk.13.94 million in the previous year. Interest, rental & other income have also increased to Tk.87.35 million as against Tk.55.32 million. However, the income from share trading in the current year has shown a negative figure of (Tk. 73.11) million as against positive figure of Tk. 54.67 million in the last year. As a result this year's net profit has come down to Tk.17.74 million as against Tk.101.05 million in the previous year.

Comparative of some important information based on financial results of the year 2011 over the previous year are furnished below:

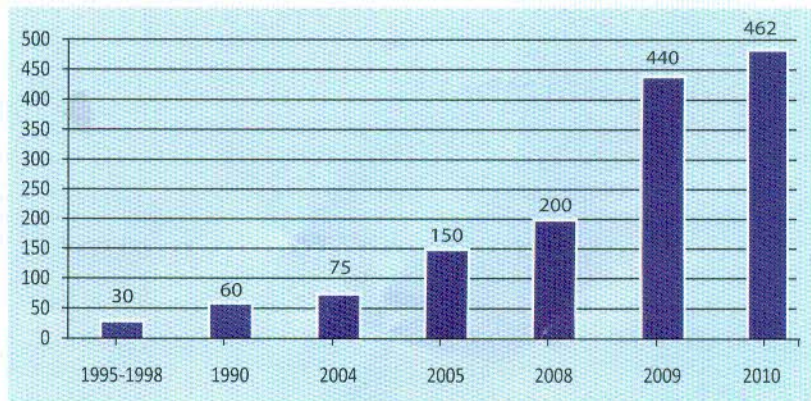
(Taka in Million)

Particulars	2011	2010
Underwriting profit	20.75	13.94
Interest, Dividend and Rent	82.24	52.23
Other Income	(68.00)	57.76
Expenses/Adjustment	(17.25)	(22.88)
Net Profit Before Tax	17.74	101.05
Retained Profit carried from last year	20.20	10.54
Reserve for exceptional losses	25.40	22.93
Provision for Taxation Including Deferred Tax	8.62	24.46
Proposed Dividend	-	44.00
Retained Profit	3.92	20.20
Capital and fund		
Paid up Capital	462.00	440.00
Reserve for exceptional losses	196.54	171.14
Reserve for Unexpired Risk	115.22	92.56

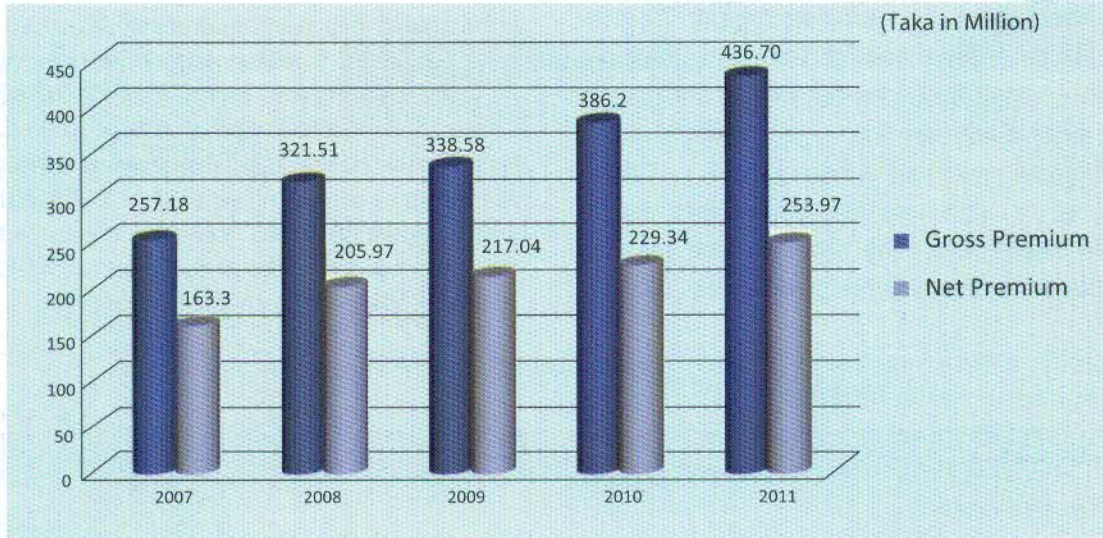
Growth of Capital (Taka in Million)

1885 - 1889	Sponsor's Capital	30.00
1990	IPO of Tk. 30.00	60.00
2004	25% Stock Dividend	75.00
2005	100% Stock Dividend	150.00
2008	33.33% Stock Dividend	200.00
2009	20% Stock Dividend and 1:1 Right Share	440.00
2010	5% Stock Dividend	462.00

(Taka in Million)



Gross and Net Premium Income 2007 to 2011



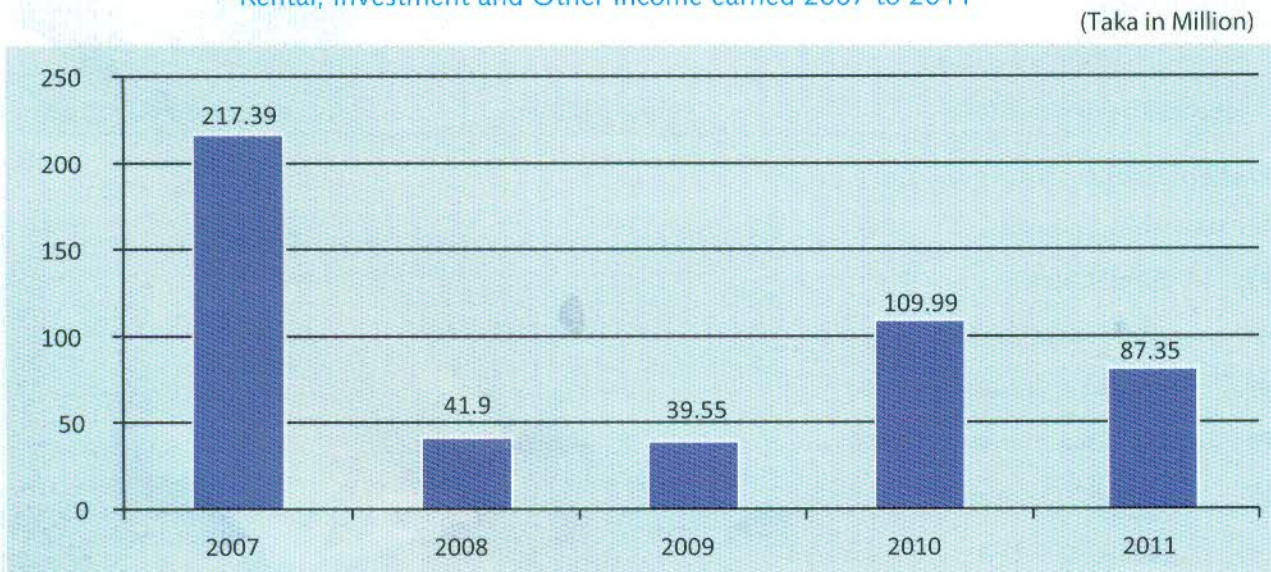
ভাড়া, বিনিয়োগ ও অন্যান্য আয়

এ বছর কোম্পানীর ভবন হতে নীট ভাড়া বাবদ আয় বৃদ্ধি পেয়ে হয়েছে টাকা ৫২.৭৬ মিলিয়ন যা ২০১০ সালে ছিল ৩৩.৫৫ মিলিয়ন। এখানে উল্লেখ্য যে, “পিপলস ইন্স্যুরেন্স ভবন” কোম্পানীর দীর্ঘ মেয়াদী একটি স্থায়ী বিনিয়োগ যা নিশ্চিতভাবে আগামী বছরগুলোতে ভাড়া বৃদ্ধির মাধ্যমে অধিক আয়ের সুযোগ সৃষ্টি করবে। কোম্পানীর প্রধান কার্যালয় ও স্থানীয় কার্যালয়ের জন্য ১৬তম তলা রেখে অবশিষ্ট সকল ফ্লোর ইতিপূর্বেই ভাড়া সম্পন্ন হয়েছে।

Rental, Investment & Other Income

The net rental income from the company's building has been increased to Tk.52.76 million in the year 2011 as against Tk.33.55 million in the previous year. It may be mentioned here that "Peoples Insurance Bhaban" is Company's long term fixed investment which will definitely generate income on an increasing rates in the coming years. The Company has let out all rentable floors of the building in it's ownership except floor # 15 which Peoples Insurance Company occupying for running business of Head Office and Local Office.

Rental, Investment and Other Income earned 2007 to 2011



দাবীসমূহ

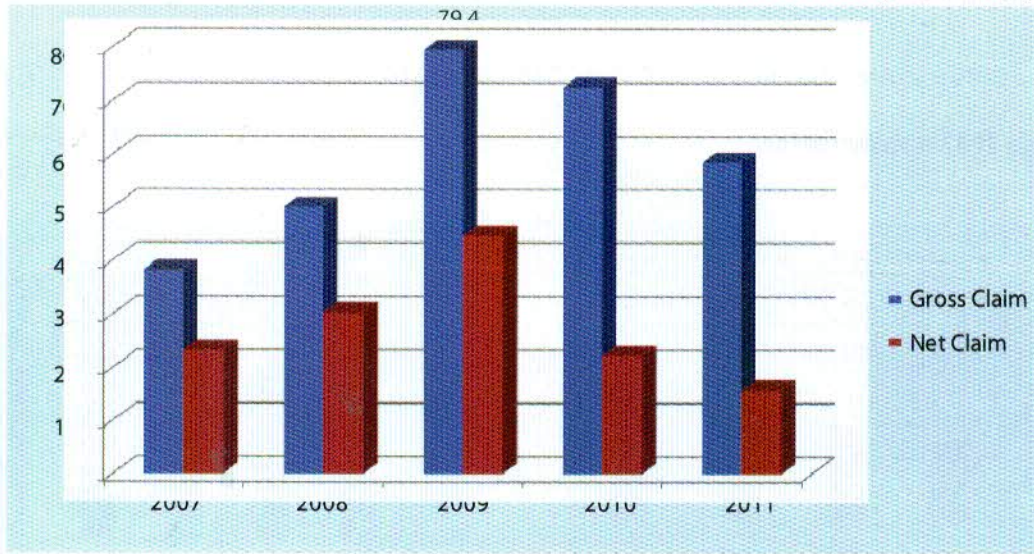
২০১১ সালে মোট বীমা দাবী ছিল টাকা ৫৮.৫৩ মিলিয়ন যা ২০১০ সালে ছিল টাকা ৭২.৪৭ মিলিয়ন অর্থাৎ বিগত বছরের তুলনায় টাকা ১৩.৯৪ মিলিয়ন হ্রাস পেয়েছে। অন্যদিকে নীট বীমা দাবী ২০১০ সালে ছিল টাকা ১৫.৮২ মিলিয়ন এবং বিগত বছরে ছিল টাকা ২২.৩২ মিলিয়ন যা বিগত বছরের তুলনায় টাকা ৬.৫০ মিলিয়ন কম। তথাপি আপনাদের কোম্পানী গ্রাহকদের সাথে ঘনিষ্ঠ ও আন্তরিক সম্পর্ক বজায় রাখতে সদা সচেষ্ট।

Claims

The gross claim for the year 2011 was for Tk.58.53 million as against Tk.72.47 million in 2010. This has been decreased by Tk.13.94 million over the previous year. The company's portion of claim for the year was Tk.15.82 million, whereas the same was Tk.22.32 million in the previous year which is Tk.6.50 million lower than that of the previous year. However, your Company is always committed to maintain close and cordial relationship with the Clients. We always keep ourselves ready to meet our valuable clients' satisfaction.

Last 5 years Gross and Net Claim are shown below:

(Taka in Million)



তারল্য বিশ্লেষণ ও ক্রেডিট রেটিং

কোম্পানীর স্বল্প ও দীর্ঘমেয়াদী তারল্য এমন একটি পর্যায়ে পৌঁছেছে যার ফলে কোম্পানী শুধুমাত্র নতুন প্রণীত বীমা আইন ২০১০ এর চাহিদাই পূরণ করছে না সাথে সাথে বিশ্লেষক ও রেটিং প্রতিষ্ঠানগুলোর সন্তুষ্টি বিধানেও সক্ষম হয়েছে। কোম্পানীর ইকুইটি ভিত্তিক টাকা ৪৬২.০০ মিলিয়ন পরিশোধিত মূলধনসহ ৩১শে ডিসেম্বর ২০১১ ইং তারিখে টাকা ৮৬২.৪৬ মিলিয়নে উন্নীত হয়েছে। এর ফলশ্রুতিতে পিপলস ইন্স্যুরেন্স কোম্পানী লিমিটেড ২০১০-২০১১ অর্থ বৎসরে আর্থিক অবস্থা ও সমৃদ্ধির মাধ্যমে ক্রেডিট রেটিং ইনফরমেশন এন্ড সার্ভিসেস লিমিটেড (ক্রিসেল) কর্তৃক ক্রেডিট রেটিং-এ সিঙ্গেল “এ” অর্জন করেছে যাহা কোম্পানীর “উচ্চমানের বীমা দাবী পরিশোধের সামর্থ্য” উন্নতমানের সুরক্ষিত অবস্থান এবং অর্থনৈতিক ও প্রতিযোগিতামূলক অবলিখনের যোগ্যতা ও প্রত্যাশিত পরিবর্তনের কারণে ঝুঁকির সহিত সামঞ্জস্যপূর্ণ অবস্থানের সহিত সঙ্গতিপূর্ণ অবস্থানেরই প্রকাশ ঘটায়।

Solvency Analysis and Credit Rating

Both short term and long term solvency of the company has reached to such a level that is needed for meeting the requirement of new Insurance Act 2010 as well as for getting satisfaction of the financial analysts and the rating agencies. The equity base of the company along with Tk 462 million of paid up capital has been rose to Tk. 862.46 million as of December 31, 2011. As a result of these Peoples Insurance Company Limited has been continued to earn a Credit Rating of single "A" based on 2010-2011 financial strength and performance by Credit Rating Information and Services Limited (CRISL) this year, which entails "High Claims Paying Ability," protection factors are good and there is an expectation of variability in risk over time due to economic and underwriting conditions.



আর্থিক বুনয়াদ

কোম্পানীর সম্পদ এবং সঞ্চিতি বিগত বছরের তুলনায় শক্তিশালী অবস্থানে আছে যা বর্তমান ও ভবিষ্যৎ সম্ভাব্য দায় দেনা পরিশোধের জন্য যথেষ্ট। নিঃসন্দেহে কোম্পানীর আর্থিক অবস্থা স্বচ্ছল; কারণ দেশের বাণিজ্যিক প্রাণ কেন্দ্রস্থল ঢাকার মতিঝিলে কোম্পানীর বিশ তলা ভবন রয়েছে এবং আগামী বছরগুলোতে এ অবস্থা আরো শক্তিশালী করতে আমাদের আন্তরিক প্রচেষ্টা অব্যাহত থাকবে। আমাদের দেশের উন্নয়নশীল অর্থনৈতিক প্রেক্ষাপটে গত ২৭ বছরের অক্লান্ত প্রচেষ্টায় রিজার্ভ ও মোট সম্পদ যথাক্রমে টাকা ০.৬১ মিলিয়ন এবং টাকা ৪২.৪১ মিলিয়ন থেকে শুরু করে কোম্পানী তার মূল্যবান গ্রাহকবৃন্দ, পৃষ্ঠপোষক, শুভানুধ্যায়ী, এবং শেয়ারহোল্ডারগণের সর্বাঙ্গিক সহযোগিতায় ২০১১ সালের সমাপ্তিতে তা যথাক্রমে টাকা ২০০.৪৬ মিলিয়ন এবং ১৩৩২.৬০ মিলিয়নে উন্নীত করতে সমর্থ হয়েছে।

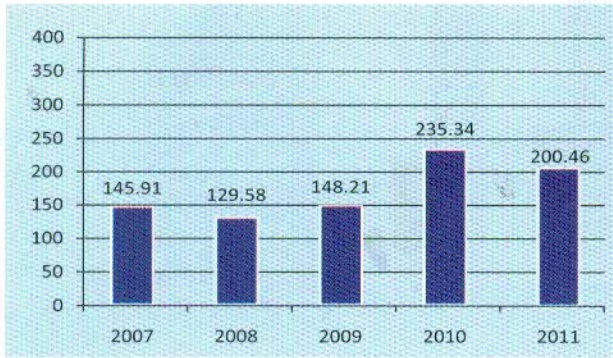
Financial Strength

The assets and reserve base of the company is stronger than previous year and are sufficient enough to meet current liabilities as well as any contingent liability that may arise in future. It is no doubt that the Company's financial strength is sound because of its own landmark 20(Twenty) storied building at commercial hub of the country's capital city and it is our earnest endeavor to strengthen it more in the years to come. We started with reserves and total Assets from Tk.0.61 million and Tk.42.41 million respectively. With your continued support and co-operations that extended by our valued clients, patrons and well-wishers during company's 27 years dedicated journey in our developing economy, it stands at Tk.200.46 million and Tk.1332.60 million respectively till the end of 2011.

5 years comparative financial strength of the Company is shown in the following graph.

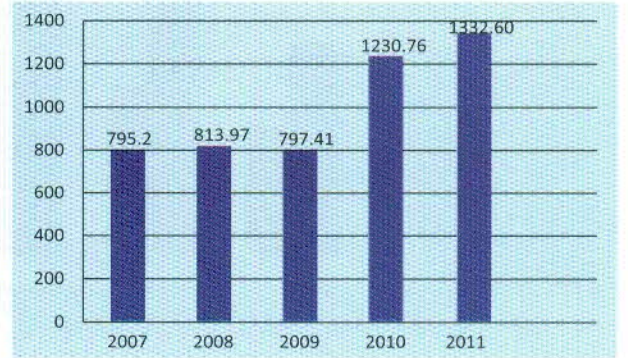
Reserve since 2007 is shown below:

(Taka in Million)



Total Assets since 2007 is shown below:

(Taka in Million)



ডিভিডেন্ড নীতিমালা

শেয়ার হোল্ডারদের জন্য আগামী বছরগুলোতে বীমা শিল্পের বাস্তব অবস্থা এবং প্রকৃত আয়ের উপর ভিত্তি করে ডিভিডেন্ডের ধারাবাহিকতার নীতি নির্ধারণের জন্য পরিচালনাপর্ষদ ব্যবস্থাপনা কর্তৃপক্ষকে নির্দেশ প্রদান করেন। তদানুযায়ী ব্যবস্থাপনা কর্তৃপক্ষ আগামী বছরগুলোতে শেয়ার হোল্ডারগণকে নিরবিচ্ছিন্নভাবে ডিভিডেন্ড প্রদানের একটি স্থায়ী নীতিমালা তৈরী করছে। যাতে করে লভ্যাংশ প্রদানের ক্ষেত্রে ধারাবাহিকতা বজায় থাকে।

Dividend Policy

The Board of Directors of the company instructed the management to chalk out a policy regarding dividends to be paid to the shareholders in the coming years in a manner that shall be in line with and in consistent to the actual income as well as the practices of the insurance industry. As such, the management is planning to find out a policy regarding payment of dividend to the shareholders in a consistent way in the coming years.



পরিচালকমন্ডলী ও কমিটির সভা

২০১১ সালে কোম্পানীর পরিচালকমন্ডলীর মোট ৯টি সভা এবং অডিট কমিটির ৯টি সভা অনুষ্ঠিত হয়। অতএব, প্রতিয়মান হয় যে, কোম্পানীর কার্যক্রমে পরিচালকমন্ডলী অংশ গ্রহণে আগ্রহী।

পরিচালকমন্ডলীর অবসর গ্রহণ ও নির্বাচন

কোম্পানীর আর্টিক্যালস অব এসোসিয়েশন অনুযায়ী পরিচালকবৃন্দের নিম্নবর্ণিত ০৪ জন উদ্যোক্তা পরিচালক ২৭তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন এবং তারা পুনর্নির্বাচনের জন্য যোগ্য হিসেবে বিবেচিত।

১. আলহাজ্ব মোঃ রহিম উদ্দিন ভরসা
২. জনাব মোঃ নূরুল ইসলাম পাটোয়ারী
৩. জনাব হাসান আহমেদ
৪. জনাব সাইফুল আরেফিন খালেদ

কোম্পানীর আর্টিক্যালস অব এসোসিয়েশন অনুযায়ী সাধারণ শেয়ারহোল্ডারবৃন্দের (গ্রুপ-বি) পক্ষ থেকে নিম্নোক্ত ০২ জন সাধারণ শেয়ারহোল্ডার পরিচালক ২৭তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন এবং তারা পুনর্নির্বাচনের জন্য যোগ্য হিসেবে বিবেচিত।

১. জনাব মোহাম্মদ আলী হোসেন
২. জনাব মোহাম্মদ আনোয়ারুল হক চৌধুরী

সাধারণ শেয়ারহোল্ডারদের জ্ঞাতার্থে ২৭তম বার্ষিক সাধারণ সভায় সাধারণ শেয়ারহোল্ডারদের মধ্য থেকে শূন্যপদে ০২ জন পরিচালক নির্বাচনের বিজ্ঞপ্তি গত ২৪শে এপ্রিল ২০১২ প্রকাশিত দু'টি দৈনিক জাতীয় পত্রিকায় যথাক্রমে “দি নিউজ টুডে” এবং দৈনিক “সংবাদ” এ ছাপানো হয়েছে।

মোট শেয়ারহোল্ডার

২০১১ সালের ৩১শে ডিসেম্বর তারিখে সিডিবিএল-এর রেকর্ড অনুযায়ী কোম্পানীর সর্বমোট শেয়ারহোল্ডারের সংখ্যা দাঁড়ায় ১৭,০৮৪ জন।

নিরীক্ষক নিয়োগ এবং নিরীক্ষা ফি নির্ধারণ

বর্তমান নিরীক্ষক মেসার্স রহমান মোস্তফা আলম এন্ড কোং চার্টার্ড এ্যাকাউন্টেন্টস এই বার্ষিক সাধারণ সভায় অবসর গ্রহণ করবেন এবং পুনর্নিয়োগ প্রাপ্তির যোগ্য হওয়ায় ২০১২ সালের জন্য নিরীক্ষক হিসাবে পুনর্নিয়োগ প্রাপ্তির ইচ্ছা ব্যক্ত করেন। একই সাথে বর্তমান বাজার মূল্য বৃদ্ধি বিবেচনায় যৌক্তিক ফি বৃদ্ধি করার জন্য অনুরোধ করেন যা ২০১১ সালের জন্য ছিল ৬০,০০০.০০ টাকা।

Board of Directors and Committee Meetings

During the year 2011 there were 9 (Nine) meetings of the Board of Directors and 9(Nine) meetings of Audit Committee were held. It is thus evident that the Directors take much interest in the affairs of the company.

Retirement and Election of Directors

In accordance with the provisions of the Article of Association of the Company the following 04 (Four) Sponsor Directors retire in the 27th Annual General Meeting and they are found to be eligible for re-election.

1. Alhaj Md. Rahim Uddin Bharosha
2. Mr. Md. Nurul Islam Patwari
3. Mr. Hasan Ahmed
4. Mr. Saiful Arefin Khaled

In accordance with the provisions of the Articles of Association of the Company the following 02 (Two) Directors belonging to the group "B" shareholders retire in the 27th Annual General Meeting and they are also eligible for re-election.

1. Mr. Mohamed Ali Hossain
2. Mr. Mohammed Anowarul Haque Chowdhury

With a view to inform all public subscribers we have arranged to publish notification in 2(two) national dailies namely; "The News Today" and "Dainik Sangbad" Dated 24th April 2012 for election in vacant position of 02 (Two) retiring Directors from public Shareholders in the 27th Annual General Meeting.

Total Shareholders

The total number of shareholders of the company as on 31 December 2011 was 17,084 as per CDBL records.

Appointment of Auditors & Fixing Audit Fees

Existing auditors M/s Rahman Mostafa Alam & Co., Chartered Accountants retire in this annual general meeting and being eligible they have expressed their intention and interest for re appointment for the next year. They also have requested for reasonable increase of their audit fees considering the ongoing price escalation. The audit fee for the year 2011 was Tk. 60,000.



কৃতজ্ঞতা জ্ঞাপন

কোম্পানীর কার্যক্রমে অব্যাহত সহায়তা প্রদান করার জন্য কোম্পানীর সকল শেয়ারহোল্ডারবৃন্দ, মূল্যবান গ্রাহকবৃন্দ ও শুভানুধ্যায়ীদেরকে জানাই আমাদের আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা। চেয়ারম্যান, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, অর্থ ও বাণিজ্য মন্ত্রালয়সহ সংশ্লিষ্ট সকল সরকারী দপ্তর সমূহ, সাধারণ বীমা কর্পোরেশন, বাংলাদেশ ব্যাংক, সকল বাণিজ্যিক ব্যাংক এবং আর্থিক প্রতিষ্ঠান, সেন্ট্রাল ডিপোজিটরি লিঃ, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জ এবং বাংলাদেশ ইস্যুরেন্স এসোসিয়েশনকে বিভিন্নভাবে সহযোগিতার জন্য আমরা কৃতজ্ঞতা জানাই।

আমরা কোম্পানীর নির্বাহীবৃন্দসহ সকলস্তরের কর্মকর্তা ও কর্মচারীদেরকে তাদের কঠোর শ্রম ও উৎসর্গীকৃত প্রচেষ্টার জন্য কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছি। আমাদের উচ্চমানের সেবা ও পেশাগত দক্ষতার জন্য আমাদের কোম্পানী বাংলাদেশের বীমা জগতে শীর্ষস্থানীয় প্রতিষ্ঠান সমূহের একটি। আমাদের বর্তমান সুনাম অক্ষুন্ন রাখতে হলে গ্রাহকদের প্রতি আরো দক্ষ এবং উন্নত সেবা প্রদানের ব্যাপারে আমাদেরকে সর্বদা তৎপর থাকতে হবে।

পরিচালকবৃন্দের পক্ষে



প্রকৌশলী এম. এ. রশিদ
চেয়ারম্যান

তারিখ: ঢাকা, ২৫ এপ্রিল ২০১২।

Acknowledgement

We express our sincerest thanks and deep sense of gratitude to all our Honorable Shareholders, Valued Clients, Patrons and well wishers for their continued support and active co-operation in buildup the Company. We also express our gratitude to the Office of the Chairman, Insurance Development & Regulatory Authority(IDRA), all concerned Govt. Offices including Ministry of Finance, Ministry of Commerce, Sadharan Bima Corporation, Bangladesh Bank, All commercial Banks and Financial Institutions, Securities and Exchange Commission, Central Depository Bangladesh, Dhaka & Chittagong Stock Exchanges and Bangladesh Insurance Association for their co-operation.

We express our gratitude and thanks to the executives and members of the staff for their dedicated efforts and hard work for the Company. Our strong commitment to high standard of service and professionalism has earned for the Company as one of the leading position in the Insurance Industry. In order to maintain our present reputation, we shall have to be constantly alert in rendering more efficient and improved services to our clients.

On behalf of the Board of Directors



(Engr. M. A. Rashid)
Chairman

Dated: Dhaka, 25 April 2012.



Director's Report to the Shareholders

(As per the provision of Section 184 of the Companies Act 1994)

We report that:

- i) The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and the changes on equity during the year 2011;
- ii) Proper books of account as required by law have been maintained;
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- iv) International Accounting Standard (IAS), as applicable in Bangladesh, have been followed in preparation and presentation of the financial statements;
- v) The system of internal control is sound in design and has been effectively implemented and monitored;
- vi) There are no significant doubts upon the company's ability to continue as a going concern;
- vii) The key operating and financial data of the preceding five years have been included in the annual report;
- viii) During the year 2011 the Board of Directors hold as many as 9 (Nine) meetings;
- ix) The pattern of Shareholdings at the end of the year 2011 are given in this report;
- x) Shareholding of Sponsors, Directors and others have been incorporated in this report.



Nurul Islam Patwari
Director



A.K.M. Aminul Mannan
Director



Engr. M.A. Rashid
Chairman

Dated: Dhaka, 25 April, 2012



Director's Certificate

As per regulations contained in the first schedule of the Insurance Act, 2010 as amended and as per section 63 of the said Act we certify that:

1. The value of investment as shown in the Balance Sheet has been taken at cost.
2. The value of all assets shown in the Balance Sheet has been reviewed as at 31 December 2011 and in our belief the assets setforth in the Balance Sheet are shown in the aggregate amount not exceeding their realisable or market value under the several headings enumerated therein.
3. All expenses of management wherever incurred whether directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous insurance have been fully debited to the respective revenue accounts as expenses.



Nurul Islam Patwari
Director



A.K.M. Aminul Mannan
Director



Engr. M.A. Rashid
Chairman

Dated: Dhaka; 25 April, 2012



Compliance Report on SEC Notification

Status of Compliance of Corporate Governance

Status of compliance with the condition imposed by the Commission's notification no sec/crcd/2006158/admin/02-08 dated 20th February 2006 issued under section 2cc of the Securities and Exchange Ordinance, 1969

Report under condition no 5.00

Condition No	Title	Compliance status (put in the appropriate column)		Explanation for Non-compliance with the condition
		Complied	Not Complied	
1.1	Board's size	✓		
1.2 (i)	Number of independent director		✓	Under review
1.2 (ii)	Appointment of independent director		✓	Under review
1.3	Chairman of the Board and CEO	✓		
1.4	FS present fairly its state of affairs, results of its operations, cash flow & changes in equity	✓		
1.4 (b)	Proper books of accounts maintained	✓		
1.4 (c)	Appropriate accounting policies consistently applied in FS preparation and accounting estimates are based on reasonable & prudent judgment	✓		
1.4 (d)	International accounting standards as applicable in Bangladesh, Followed in financial statements preparation & any departure adequately disclosed	✓		
1.4 (e)	The system of internal control is sound in design and effectively implemented and monitored	✓		
1.4 (f)	No significant doubt upon its ability to continue as a going concern	✓		
1.4 (g)	Significant deviations from last year in operating result	--		
1.4 (h)	Key operating and financial data of at least preceding three years	✓		Available in Annual Report
1.4 (i)	If the company has not declared dividend	-	-	No Dividend
1.4 (j)	Number of Board meeting held & attendance by each director	✓		Nine meeting with an Average 77.22% presence
1.4 (k)	Pattern of shareholding	✓		Available in Annual Report
2.1	Appointment of CFO, Head of Internal Audit, Company Secretary and defining their respective rules, responsibilities and duties	✓		
2.2	Attendance of, CFO and Company Secretary at Board of Directors Meeting	✓		



Report under condition no 5.00

Condition No	Title	Compliance status (put in the appropriate column)		Explanation for Non-compliance with the condition
		Complied	Not Complied	
3.1	Constitution of Audit Committee	✓		
3.1 (i)	Number of members of Audit Committee	✓		
3.1 (ii)	Inclusion of Independent Director in the Audit Committee		✓	Under review
3.1 (iii)	Fill the casual vacancy in audit Committee	✓		
3.2 (i)	Selection of the Chairman of Audit Committee	✓		
3.2 (ii)	Qualification of the Chairman of Audit Committee	✓		
3.3.1 (i)	Report by the Audit Committee of its Activities to the Board of Directors	✓		
3.3.1 (ii)	Report to the Board by the Audit Committee on:			
3.3.1 (ii) (a)	Conflicts of interests	--		No such incidence
3.3.1 (ii) (b)	Suspected of presumed fraud or irregularity or material defect in the internal control system	--		No such incidence
3.3.1 (ii) (c)	Suspected infringement of laws	--		No such incidence
3.3.1 (ii) (d)	Any Other Matter	--		None
3.3.2	Reporting to the regulators by the Audit committee	--		No such incidence
3.4	Reporting to the shareholders and general investors	--		No such incidence
4.00	Statutory auditors not engage in:			
4.00 (i)	Appraisal or valuation services or fairness opinions	✓		
4.00 (ii)	Financial information systems design and implementation	✓		
4.00 (iii)	Book-keeping or other services related to the accounting records or financial statements	✓		
4.00 (iv)	Broker-dealer services	✓		
4.00 (v)	Actuarial services	✓		
4.00 (vi)	Internal audit services	✓		
4.00 (vii)	Any other services that the audit committee determines	✓		



1.4 K (i) Parent/Subsidiary/Associated Companies and other related parties: N/A

1.4 K (ii) a) Shares held by Directors and their Spouses as on 31 December 2011

SL. No.	Name of the Directors	No. of Shares	Name of the Spouse	No. of Shares
1.	Engr. M.A. Rashid	792277	Qumrun Nahar	2604
2.	Md. Abul Bashar	197612	Dilruba Bashar	100000
3.	Amir Humayun Mahmud Chowdhury	769986		
4.	Engr. M. Abu Taher	882509	Begum Lutfun Nessa	202500
5.	Md. Nurul Islam Patwari	314096		
6.	Al-Haj Md. Rahim Uddin Bharosha	1163799		
7.	Md. Shamsul Alam	384982		
8.	A.K.M. Aminul Mannan	281673		
9.	Shahjada Mahmud Chowdhury	717486		
10.	Al-Haj Md. Karim Uddin Bharosha	131063	Sultana Rajia	21
11.	Hasan Ahmed	629769		
12.	Mohamed Ali Hossain	924000		
13.	Golam Faruk Ahmed	521822		
14.	Jafar Ahmed Patwari	229997		
15.	Kabir Ahmed	527394		
16.	Nazmul Ahsan Khaled (Resigned-20-02-2012)	269482	Shamsun Nahar Khaled	384982
17.	Mohammed Iqbal Hossain (Resigned-20-02-2012)	237486		
18.	Md. Farhad Ahmed Akanda (Resigned-20-02-2012)	1038547		
19.	Asif Rahman (Resigned-20-02-2012)	24318		

1.4 K (ii) b) Shares held by Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary as on 31 December 2011.

SL. No.	Name	Status	No. of Shares
01.	M.H. Khaled	Managing Director & CEO	6142
02.	Sib Sankar Saha, FCA	Deputy Managing Director & CFO	Nil
03.	Md. Shamsul Haque Khan	Head of Internal Audit	Nil
04.	Chowdhury Hamid Gaffar	Company Secretary	2000

1.4 K (iii) Shares held by Top five salaried employees other than the Directors, Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary as on 31 December 2011.

SL. No.	Name	Status	No. of Shares
01.	Mezbahul Karim	Deputy Managing Director	Nil
02.	Abdullah-Al-Mamoon	Deputy Managing Director	Nil
03.	M. Abu Bakar Siddique	Deputy Managing Director	Nil
04.	S.M. Azizul Hossain	Executive Director	Nil
05.	Gazi Md. Sarwarul Alam	Executive Director	Nil

1.4 (K-4) 10% or above shareholdings of the Company

Nil



Compliance Report on SEC Notification Status of Compliance of Corporate Governance

1.4 j The number of board Meetings and the Attendance of Directors during the year 2011 are follows:

Name of the Meeting	Meeting Held	Attendance (%)
Board Meeting	9	77.22% on average
Audit Committee Meeting	9	47.40% on average

Directors who could not attend the meetings were granted leave of absence by the Board



Auditor's Report and Financial Statements



Auditor's Report

TO THE SHAREHOLDERS OF PEOPLES INSURANCE COMPANY LIMITED

We have audited the accompanying financial statements of Peoples Insurance Company Limited which comprises the Balance Sheet as of December 31, 2011 and Profit and Loss Account, Profit and Loss appropriation Account, Consolidated Revenue Account, Fire Insurance Revenue Account, Marine Insurance Revenue Account, Motor Insurance Revenue Account, Miscellaneous Insurance Revenue Account, Statement of Changes in Equity, Statement of Cash Flows and Classified Summary of the Assets (Form AA) for the year then ended and a summary of significant accounting policies and other explanatory information disclosed in the Notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Insurance Act, 2010, The Companies Act 1994, Securities Exchange Rules 1987 and other applicable laws, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks of assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.



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

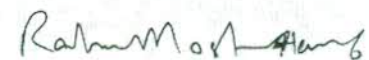
Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) relevant to the business, give a true and fair view of the state of the company's affairs as of December 31, 2011 and of the results of its operations and its Cash Flows for the year then ended and comply with the Insurance Act, 2010, the Companies Act 1994, Securities Exchange Rules 1987 and other applicable laws and regulations.

We report that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) in our opinion, proper books of account as required by law have been kept properly by the company;
- iii) the company's Balance Sheet and Profit and Loss Account and its Cash Flows dealt with by the report are in agreement with the books of account;
- iv) the expenditure incurred and payments made were for the purposes of the company's business for the year;
- v) as per Section 63(2) of the Insurance Act 2010, we certify that to the best of our knowledge and belief and according to the information and explanations 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 Profit & Loss Account of the Company; and
- vi) as per section 59(5) of the Insurance Act 2010, we certify that to the best of our information and as shown by its books, the Company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad.

Dated: Dhaka
April 25, 2012



Rahman Mostafa Alam & Co.
Chartered Accountants



BALANCE SHEET AS

PARTICULARS CAPITAL AND LIABILITIES	Notes	AMOUNT IN TAKA	
		2011	2010
AUTHORISED CAPITAL: 200,000,000 Ordinary Shares of Tk.10/- each		<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, Subscribed And Paid Up Capital: 46,200,000 Ordinary Shares of Tk. 10/- each called and paid up in full.	2	462,000,000	440,000,000
Share Premium		200,000,000	200,000,000
RESERVE OR CONTINGENCY ACCOUNTS: Reserve for exceptional losses	3	196,539,100	171,142,500
Profit and Loss Appropriation Account For Distribution		-	44,000,000
Carried Forward		3,924,203	20,200,229
		3,924,203	64,200,229
BALANCE OF FUND AND ACCOUNTS: Fire Insurance business		30,307,300	25,401,900
Marine Insurance business		48,955,200	40,855,000
Motor Insurance business		31,953,500	23,737,800
Miscellaneous Insurance business		4,002,100	2,563,700
		115,218,100	92,558,400
Estimated liabilities in respect of outstanding claim whether due or intimated		101,949,107	110,095,994
AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS Sadharan Bima Corporation and Others		58,257,646	45,448,096
Deposit Premium	4	4,089,784	3,878,922
Provision for price fluctuation of investment in share		70,012,130	-
Sundry Creditors	5	120,611,871	103,440,246
Total		<u>1,332,601,941</u>	<u>1,230,764,387</u>

The annexed notes 1 to 18 form an integral part of these Financial Statements.

Dated, Dhaka
25 April, 2012


M.H. Khaled
Managing Director



Nurul Islam Patwari
Director



AT 31 DECEMBER 2011

PARTICULARS PROPERTY AND ASSETS	Notes	AMOUNT IN TAKA	
		2011	2010
INVESTMENT (AT COST):	6		
Statutory Deposit with Bangladesh Bank			
Bangladesh Government Treasury Bond	6.01	4,500,000	4,500,000
Shares	6.02	220,061,502	240,583,506
		224,561,502	245,083,506
INTEREST, DIVIDEND AND RENTS ACCRUED BUT NOT DUE:	7	8,739,730	53,615
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS			
Sadharan Bima Corporation and Others		47,730,260	78,182,448
Sundry Debtors	8	178,336,662	116,552,030
CASH AND BANK BALANCES:	9		
Fixed deposit with Banks	9.01	379,001,000	302,401,000
Cash at Banks (Current and STD A/C)	9.02	41,034,746	23,681,966
Cash in hand	9.03	165,093	188,587
		420,200,839	326,271,553
OTHER ACCOUNTS:			
Fixed assets (At cost less depreciation)	10	452,216,438	463,864,619
Stamps in hand	11	202,842	130,473
Printing and stationery in hand (At cost)		613,668	626,143
Total		1,332,601,941	1,230,764,387


A.K.M. Aminul Mannan
Director


Engr. M.A. Rashid
Chairman


Rahman Mostafa Alam & Co.
Chartered Accountants



PROFIT & LOSS APPROPRIATION ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011.

PARTICULARS	AMOUNT IN TAKA		PARTICULARS	AMOUNT IN TAKA	
	2011	2010		2011	2010
Reserve for exceptional losses (10% of net premium income)	25,396,600	22,933,700	Balance from previous year brought down	20,200,229	10,543,784
Provision for Taxation including Deferred Tax	8,620,218	24,460,901	Net Profit for the year brought down from Profit & Loss Account	17,740,792	101,051,046
Balance transferred to Balance Sheet For Distribution	-	44,000,000			
Carried Forward	3,924,203	20,200,229			
Total	37,941,021	111,594,830	Total	37,941,021	111,594,830



Dated, Dhaka
25 April, 2012

M. H. Khaled
Managing Director



Nurul Islam Patwari
Director



A.K.M. Aminul Mannan
Director



Engr. M.A. Rashid
Chairman



Rahman Mostafa Alam & Co.
Chartered Accountants



PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011.

PARTICULARS	AMOUNT IN TAKA		Notes	AMOUNT IN TAKA	
	2011	2010		2011	2010
EXPENSES OF MANAGEMENT					
(Not applicable to any particular fund or account)					
Audit fees	160,000	160,000		28,100,196	16,614,778
Directors' fee	985,500	868,500		344,635	331,151
Legal Expenses	120,475	-		1,031,563	1,739,250
Depreciation	15,981,501	16,850,521		5,106,479	3,090,087
Right Share Expenses	-	5,004,204		(73,108,442)	54,671,296
Profit for the year carried down to Profit and Loss Appropriation Account	17,740,792	101,051,046		52,762,091	33,548,112
Total	34,988,268	123,934,271		34,988,268	123,934,271
INTEREST DIVIDENDS AND RENT					
(Not applicable to any particular fund or account)					
FDR Interest					
Interest on Govt. Treasury Bond / NIB					
Interest on STD A/C.					
Other Income			12		
Profit/(Loss) on Share trading					
Rental Income (Building)			13		
PROFIT/(LOSS) TRANSFERRED FROM:					
Fire revenue account				22,341,275	(10,545,629)
Marine revenue account				(13,893,778)	16,145,174
Motor revenue account				11,909,133	8,718,842
Miscellaneous revenue account				395,116	(378,790)
				20,751,746	13,939,597
Total				34,988,268	123,934,271

Earning Per Share (EPS) (Restated for 2010) 1.66
 Net Asset Value (NAV) Per Share (Restated for 2010) 18.95
 Net operating Cash Flow Per Share (Restated for 2010) 1.82

Myeaw

M. H. Khaled
 Managing Director

only

Nurul Islam Patwari
 Director

[Signature]

A.K.M. Aminul Mannan
 Director

[Signature]

Engr. M.A. Rashid
 Chairman

[Signature]

Rahman Mostafa Alam & Co.
 Chartered Accountants





CONSOLIDATED REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011.

PARTICULARS	AMOUNT IN TAKA		PARTICULARS	AMOUNT IN TAKA	
	2011	2010		2011	2010
CLAIMS UNDER POLICIES LESS REINSURANCE:					
Paid during the year	23,969,684	36,128,061	Balance of account at the beginning of the year	92,558,400	86,816,500
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	101,949,107	110,095,994	Premium less reinsurance	253,966,402	229,336,446
	125,918,791	146,224,055	Commission on reinsurance ceded	61,394,729	48,819,082
Less: Outstanding at the end of previous year	110,095,994	123,906,959			
	15,822,797	22,317,096			
Agency Commission	82,681,987	69,882,578			
Expenses of management	173,444,901	166,274,357			
Reserve for unexpired risks being 45% & 100% of the net premium income of the year	115,218,100	92,558,400			
Profit/(Loss) transferred to profit and loss account	20,751,746	13,939,597			
Total	407,919,531	364,972,028	Total	407,919,531	364,972,028

Dated, Dhaka
25 April, 2012

M. H. Khaled
Managing Director

Nurul Islam Patwari
Director

A.K.M. Aminul Mannan
Director

Engr. M.A. Rashid
Chairman

Rahman Mostafa Alam & Co.
Chartered Accountants

FIRE INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011.

PARTICULARS	AMOUNT IN TAKA 2011	AMOUNT IN TAKA 2010
CLAIMS UNDER POLICIES LESS REINSURANCE:		
Paid during the year	6,312,138	10,506,929
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	46,682,536	85,304,033
	52,994,674	95,810,962
	85,304,033	95,365,823
Less: Outstanding at the end of previous year	(32,309,359)	445,139
Agency Commission	39,198,519	32,130,821
Expenses of management	76,166,676	72,327,343
Reserve for unexpired risks being 45% of the net premium income of the year	30,307,300	25,401,900
Profit/(Loss) transferred to profit and loss account	22,341,275	(10,545,629)
Total	135,704,411	119,759,574
	25,401,900	23,081,600
	67,349,575	63,504,680
	42,952,936	33,173,294
Total	135,704,411	119,759,574

M. H. Khaled

Dated, Dhaka
25 April, 2012

M. H. Khaled
Managing Director

Nurul Islam Patwari

Nurul Islam Patwari
Director

A.K.M. Aminul Mannan

A.K.M. Aminul Mannan
Director

Engr. M.A. Rashid

Engr. M.A. Rashid
Chairman

Rahman Mostafa Alam

Rahman Mostafa Alam & Co.
Chartered Accountants



MOTOR INSURANCE REVENUE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011.

PARTICULARS	AMOUNT IN TAKA		PARTICULARS	AMOUNT IN TAKA	
	2011	2010		2011	2010
CLAIMS UNDER POLICIES LESS REINSURANCE:			Balance of account at the beginning of the year	23,737,800	21,873,100
Paid during the year	10,539,923	18,980,528	Premium less reinsurance	71,007,797	59,344,544
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	7,248,628	9,785,563	Commission on reinsurance ceded	297,195	229,726
Less: Outstanding at the end of previous year	17,788,551	28,766,091			
	9,785,563	17,528,576			
	8,002,988	11,237,515			
Agency Commission	14,294,610	11,886,580			
Expenses of management	28,882,561	25,866,633			
Reserve for unexpired risks being 45% of the net premium income of the year	31,953,500	23,737,800			
Profit/(Loss) transferred to profit and loss account	11,909,133	8,718,842			
Total	95,042,792	81,447,370	Total	95,042,792	81,447,370



Dated, Dhaka
25 April, 2012

M. H. Khaled
Managing Director

Nurul Islam Patwari
Director

A.K.M. Aminul Mannan
Director

Engr. M.A. Rashid
Chairman

Rahman Mostafa Alam & Co.
Chartered Accountants

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2011

Particulars	Share Capital	Share Premium	Reserve for Exceptional losses	Profit & Loss Appropriation A/c	Bonus Share	Total
Balance as on 01 January 2010	200,000,000	-	148,208,800	10,543,784	40,000,000	398,752,584
Addition this year	240,000,000	200,000,000	22,933,700	53,656,445	(40,000,000)	476,590,145
Balance as on 31 December 2010	440,000,000	200,000,000	171,142,500	64,200,229	-	875,342,729
Balance as on 01 January 2011	440,000,000	200,000,000	171,142,500	64,200,229	-	875,342,729
Bonus Share issue	22,000,000	-	-	(22,000,000)	-	-
Cash Dividend Paid for 2010	-	-	-	(22,000,000)	-	(22,000,000)
Adjustment this year	-	-	-	(20,200,229)	-	(20,200,229)
Addition this year	-	-	25,396,600	3,924,203	-	29,320,803
Balance as on 31 December 2011	462,000,000	200,000,000	196,539,100	3,924,203	-	862,463,303

Dated, Dhaka
25 April, 2012

M. H. Khaled
Managing Director

Nurul Islam Patwari
Director

A.K.M. Aminul Mannan
Director

Engr. M.A. Rashid
Chairman

Rahman Mostafa Alam & Co.
Chartered Accountants



STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2011

Particulars	Amount in Taka	
	2011	2010
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Collection from Premium & Other Income	582,341,956	545,017,436
Payment for Management Expenses, Re-Insurance & Claims	(464,094,721)	(456,879,273)
Payment for Income Tax	(20,433,167)	(4,119,539)
Net Cash Flow from Operating Activities	97,814,068	84,018,624
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(4,333,320)	(10,896,780)
Other Receivable	1,926,534	20,457,998
Disposal of Shares	125,054,604	545,105,507
Purchase of Shares	(104,532,600)	(741,458,155)
Net Cash Flow from Investing Activities	18,115,218	(186,791,430)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Decrease in Bank Overdraft	-	(96,638,965)
Issue of Right Share with Premium	-	400,000,000
Dividend Paid	(22,000,000)	-
Net Cash Flow from Financing Activities	(22,000,000)	303,361,035
Increase in Cash and Bank Balance (A+B+C)	93,929,286	200,588,229
Cash and Bank Balance at Opening	326,271,553	125,683,324
Cash and Bank Balance at Closing	420,200,839	326,271,553


Dated, Dhaka
25 April, 2012



A.K.M. Aminul Mannan
Director



M. H. Khaled
Managing Director



Engr. M.A. Rashid
Chairman



Nurul Islam Patwari
Director



Rahman Mostafa Alam & Co.
Chartered Accountants




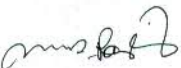
"FORM-AA"**CLASSIFIED SUMMARY OF THE ASSETS IN BANGLADESH
AS AT 31 DECEMBER 2011**

Assets	Book Value as per Balance sheet Taka	Market Value Taka	Remarks
Statutory Deposit with Bangladesh Bank			
(Bangladesh Government Treasury Bond)	4,500,000	4,500,000	Not quoted in Market
Share	220,061,502	150,049,373	At Cost
Cash at Bank (including FDR)	420,035,746	420,035,746	Realisable Value
Cash in Hand	165,093	165,093	Realisable Value
Stamps in hand	202,842	202,842	At Cost
Interest, Dividend and Rents accrued but not due	8,739,730	8,739,730	Realisable Value
Amount due from other persons or bodies carrying on Insurance Business:			
Shadharan Bima Corporation and Others	47,730,260	47,730,260	Realisable Value
Other Assets:			
Sundry Debtors	178,336,662	178,336,662	Book Value
Printing and Stationery	613,668	613,668	At cost
Fixed Assets	452,216,438	452,216,438	Depreciated Value
Total	1,332,601,941	1,262,589,812	

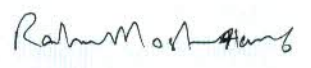
Dated, Dhaka
25 April, 2012


A.K.M. Aminul Mannan
Director


M. H. Khaled
Managing Director


Engr. M.A. Rashid
Chairman


Nurul Islam Patwari
Director


Rahman Mostafa Alam & Co.
Chartered Accountants



Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

Name of the BAS	BAS No.	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Cash Flow Statements	7	Applied
Accounting Policies, Changes in Accounting estimates & Errors	8	Applied
Events after the Balance Sheet Date	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Segment Reporting	14	N/A
Property, Plant and Equipment	16	Applied
Leases	17	N/A
Revenue	18	Applied
Employees Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The effects of changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosure	24	Applied
Accounting and Reporting by Retirement Benefits Plan	26	Applied
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates	28	N/A
Interest in Joint Ventures	31	N/A
Earning per share	33	Applied
Interim Financial Reporting	34	N/A
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	N/A
Agriculture	41	N/A

Name of the BFRS	BFRS No	Status
First-time Adoption of Bangladesh Financial Reporting Standards	1	N/A
Share Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	Applied
Non-Current Assets Held for Sale and Discontinued Operations	5	N/A
Exploration for and Evaluation of Mineral Resource	6	N/A
Financial Instruments: Disclosures	7	N/A
Operating Segments	8	N/A



NOTES TO THE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

01.A. BACKGROUND:

The Company was incorporated on 31 March 1985 and obtained the Certificate of Commencement of business of 31 March 1985 from the Registrar of Joint Stock Companies & Firms, Bangladesh and the Certificates of Commencement of Insurance Business from the Chief Controller of Insurance, Government of the Peoples Republic of Bangladesh on 31 July 1985.

With the permission of Securities and Exchange Commission the Company issued 300,000 Ordinary shares at Tk. 100/- each to public in 1990 and was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

B. SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF PREPARATION:

- i) These financial statements of the PICL have been prepared on a going concern basis under historical cost convention and in accordance with the requirements of the schedule to the Securities and exchange Rules 1987 and the Insurance Act, 2010 and Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).
- ii) The Insurance Act, 1938 has prescribed format for presenting accounts. Accordingly the Balance Sheet has been prepared in the format (Form-A) set out in Part-ii of the First Schedule, Revenue Account of each class of business in die format (Form-F) given in Part-ii of the Third Schedule, Profit & Loss Account and Profit and Loss Appropriation Account as per format (Form- B & C) prescribed in the Second Schedule, Part-II and other disclosure requirements are fully followed.
- iii) Last year's figures have been re-arranged to confirm to current year's presentation.
- iv) Figures have been rounded off to nearest taka.

(b) PERIOD OF ACCOUNTS:

The accounts have been prepared for the year ended 31 December 2011.

(c) DEPRECIATION OF ASSETS:

Depreciation on the depreciable assets has been charged on diminishing balance method at the rates varying from 2.5% to 20%. Depreciation on addition to fixed assets has been charged fully year irrespective of the date of acquisition. The rate applied on such assets are follows:

Particulars	Rate
Land and Land Development	-
Civil Construction	2.5%
Elevator, Generator, Furniture & Fixture, Building	10%
Central Air Conditioner, Electric Sub-Station	7.5%
Office Equipment	15%
PABX, Car, Bi-Cycle, Air Conditioner, Office Furnishing, Computer Net Work	20%



(d) REVENUE RECOGNITION AS PER BFRS-18.

- (i) Premium earned less re-insurance during the year was Tk.253,966,402 (net) against Tk.229,336,446 (net) of previous year on account of Fire, Marine, Motor and Miscellaneous business.
- (ii) 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 Re-insurance premium on PSB.
- (iii) The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which the relevant statement of accounts received from Shadharan Bima Corporation. The statements of account for the period from July 2010 to December 2010 and January to June 2011 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly.
- (iv) Interest on Fixed Deposit Receipts (FDR) and Bangladesh Govt. Treasury Bond are recognized as revenue on cash basis.
- (v) Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh and outside Bangladesh have duly been made in respective Revenue Accounts as per Treaty Agreement made among the Company, Shadharan Bima Corporation (SBC) and the foreign re-insurers.

(e) RELATED PARTY DISCLOSURE BAS#24:

Related party relationships are a normal feature of commerce and business. In case of the company a few transactions with the related parties like directors etc. occurred during the year 2011 were in the normal course of business and on an arm's length basis, which have no significant effect on the operational result and/or financial position of the Company for year 2011.

(f) EXPENSES OF MANAGEMENT:

Total Expenses of Management amounted Tk.173,444,901 includes business development expenses of Tk. 68,330,407 stamps expenses of Tk. 620,500 and expenses against Government business Tk. 2,256,531 which was solely dealt by SBC and the Company has taken the expenses into accounts as confirmed by SBC through quarterly statements. Business development expenses and stamps expenses were allocated to different classes of business as actually incurred and the rest of the expenses of management as per policies issued as below:

Class of Business	Amount of Policies (Issued)	%	Expenses of Management (Company's)	Expenses of Management Govt.	Business Development Expenses	Stamps	Total
Fire	181,524,352	44.58%	45,577,461	231,037	29,990,978	367,200	76,166,676
Marine	136,516,569	33.52%	34,269,998	908,090	25,542,303	-	60,720,391
Motor	72,958,000	17.92%	18,320,953	82,927	10,263,171	215,510	28,882,561
Miscellaneous	16,215,256	3.98%	4,069,051	1,034,477	2,533,955	37,790	7,675,273
Total	407,214,177	100%	102,237,463	2,256,531	68,330,407	620,500	173,444,901

Stamps expenses incurred for Marine Policies were realized from the concerned Policy holders.



(g) PROFIT AND LOSS ACCOUNT:

During the year under audit the Company earned net profit of Tk.17,740,792 before making provision for exceptional losses @10% of all classes of business but after making reserve for unexpired risk being 45% of the net premium except Marine Hull which is 100% of the net premium income of the year.

(h) INCOME TAX:

Due to differences between accounting and tax depreciation, the Company is not liable to pay any tax for assessment year 2005-2006 on ward and as such for taxes on income upto 2009 corresponding to assessment year 2010-2011 is under appeal made. However, provision for taxes payable on current year's income has been made as per Taxes Law. The Directors are of the view that if on finalisation of tax assessment the Company is required to pay taxes then the amount of un-appropriated profit and the reserves are sufficient to take care of tax liabilities.

(i) DEFERRED TAXES:

Although there is a difference between accounting depreciation and depreciation allowable as per tax law but due to a huge loss incurred in the year 2006, the incidence of deferred tax has not resulted in any reduction of tax liabilities and as such no provision was made in the financial statements upto 2009. However, provision for deferred taxes have been made for the year 2010 and 2011 in the financial Statements.

(j) EARNING PER SHARE:

The Company calculates Earning per share (EPS) in accordance with BAS 33: "Earning Per Share", which has been shown on the face of Profit and Loss Account and calculated as follows:

	31.12.2011	31.12.2010
Net Profit after Tax	9,120,574	76,590,145
Number of Shares Outstanding (Restated for 2010)	46,200,000	46,200,000
Earning Per Share (EPS) (Restated for 2010)	0.20	1.66

This has been calculated by dividing the net profit after tax by number of share outstanding.

Diluted earning per share:

Diluted earning per share was not required to calculate as there were no dilution possibilities occurred during the year.



(k) CASH FLOW STATEMENT:

Cash flow statement is prepared principally in accordance with BAS- 7 "Cash Flow Statements" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchanges Commission Rules, 1987.

(l) EMPLOYEE BENEFIT:**GRATUITY:**

The Company operates an unfunded gratuity scheme, provision in respect of which has been made in the accompanying accounts covering all of its eligible employees. The management is taking steps for an upto date evaluation of liabilities on this account and started keeping provision out of surplus from current year. As such during the year 2011 Tk.1,000,000 has been transferred to provision for gratuity account.

PROVIDENT FUND:

Under defined contribution scheme, company operates provident fund managed by independent Board of Trustees for all permanent employees. The company's contributions to the scheme are charged to profit and loss account in the year in which they relate.

02. ISSUED, SUBSCRIBED AND PAID UP CAPITAL: Tk. 462,000,000

The balance represents:

Particulars	Amount in Taka	
	2011	2010
46,200,000 Ordinary Share of Tk. 10 each fully paid-up cash	462,000,000	440,000,000
Total	462,000,000	440,000,000

Classification of shareholders by holdings as on 31.12.2011

This is as under:

Group	No. of Shares	No. of Shares
Sponsor / Director	21,339,384	22,400,450
General Public	21,392,971	18,562,330
Institution	3,467,645	3,037,220
Total	46,200,000	44,000,000



Range-wise Shareholdings as on 31.12.2011 are as follows:

Range of holding of Shares	No. of Shares	No. of Shareholders	% of holding of Shares
1-5000	10,697,749	16,442	23
5001-10000	2,268,345	339	5
10001-50000	4,159,876	207	9
50001-100000	2,164,003	29	5
100001-200000	3,249,410	23	7
200001-Above	23,660,617	44	51
Total	46,200,000	17,084	100

03.00 RESERVE FOR EXCEPTIONAL LOSSES: Tk. 196,539,100

The balance represents accumulated reserve for exceptional losses on fire, marine, motor and miscellaneous business and is made as follows:

Class of Business	Balance as on 01.01.2011	Addition during the year	Total as on 31.12.2011
Fire	56,543,074	6,734,956	63,278,030
Marine	65,799,439	10,671,506	76,470,945
Motor	43,677,432	7,100,780	50,778,212
Miscellaneous	5,122,555	889,358	6,011,913
Total	171,142,500	25,396,600	196,539,100

Reserve for exceptional lossess was made @ 10% of total Premium Less re-insurance during the year under audit.

04.00 DEPOSIT PREMIUM: Tk. 4,089,784

The amount represents the balance of premium received against some open cover notes and cover notes over the years for which Policies have not been issued within 31 December 2011.



05.00 SUNDRY CREDITORS: Tk. 120,611,871

SI No	Particulars	Amount in Taka	
		2011	2010
1	Income Tax Deduction from Salary	327,288	382,206
2	Employees Contribution to P.F.	1,846,075	2,375,346
3	P.F. Loan Realised (Payable to Provident Fund)	3,697,649	4,773,367
4	Provision for Employers Contribution to P.F.	1,543,021	2,276,514
5	Employees Contribution to B.F.	400,429	171,764
6	Provision for Employers Contribution to B.F.	400,161	171,764
7	VAT Payable	4,365,873	3,001,629
8	Security Deposit (Printing)	110,000	110,000
9	Income Tax (Company)	48,397,459	40,929,378
10	Audit fee	315,900	345,900
11	Payable to other Insurance Co. (CO-INS.Fire)	41,294	-
12	Unclaimed Dividend	4,099,030	2,280,926
13	Gratuity	2,237,290	1,237,290
14	Security Deposit against (Lift Maintenance)	60,000	60,000
15	Advance received against Office Rent	44,302,165	33,411,949
16	Payable to Electric Bill (Building)	1,523,954	1,097,003
17	Payable to WASA Bill (Building)	229,307	119,204
18	Provision for other Finance	5,564,506	10,479,500
19	Security Deposit (Cleaner of Building)	25,000	25,000
20	Security Deposit against Central AC Maintenance	80,000	80,000
21	VAT at source Building Maintenance	-	506
22	Provision for Office Rent (Munshigonj)	-	111,000
23	Excess Deposit Premium	561,621	-
24	VAT at source Supplier	483,849	-
	Total	120,611,871	103,440,246



06.00 INVESTMENT (AT COST) Tk.224,561,502

Details are as follows:

Particulars	Amount in Taka	
	2011	2010
Statutory Deposit with Bangladesh Bank (Bangladesh Government Treasury Bond)	4,500,000	4,500,000
Shares	220,061,502	240,583,506
Total	224,561,502	245,083,506

(i) STATUTORY DEPOSIT WITH BANGLADESH BANK: Tk. 4,500,000

The amount was deposited with Bangladesh Bank as per the provision of section 23 of Insurance Act, 2010 in Bangladesh Government Treasury Bond vide no. BDH000002570 dated 06.10.2010 .

(ii) SHARES: Tk. 220,061,502

The above has been fully invested in shares of listed and non-listed companies. A detail statement giving book and market value of shares invested is shown in Annexure- B. The amount is made up of as follows:

Particulars	Amount in Taka	
	2011	2010
Balance as on 01.01.2011	240,583,506	44,230,858
Add: Addition during the year:	104,532,600	741,458,155
	345,116,106	785,689,013
Less: Sales during the year	125,054,604	545,105,507
Balance as on 31.12.2011	220,061,502	240,583,506

An amount of Tk.70,012,130 has been provided for unrealised loss arisen due to the fall in market price of investment in shares as of December 31, 2011.

07.00 INTEREST, DIVIDEND AND RENT ACCRUED BUT NOT DUE: Tk. 8,739,730

Particulars	Amount in Taka	
	2011	2010
Opening Balance	53,615	816,349
Add: Addition during the year (BGTB)	8,739,730	331,151
	8,793,345	1,147,500
Less: Received during the year	53,615	1,093,885
Closing Balance	8,739,730	53,615



08.00 SUNDRY DEBTORS: Tk.178,336,662

Particulars	Amount in Taka	
	2011	2010
Advance Income Tax (Office Rent)	13,648,225	11,122,925
Advance against TA/DA	6,000	6,000
Advance Income Tax against FDR Interest	13,909,278	11,985,012
Advance against Office Rent	2,240,525	2,129,113
Advance Income Tax (Company)	56,207,927	40,962,102
Advance Income Tax on Dividend Income	958,390	219,715
Advance Agency Commission	17,919,742	-
Telephone Security	328,611	328,611
Short Deposit Premium		1,173,677
Office Rent Security	286,000	286,000
Security Deposit (PDB)	13,300	13,300
Motor Cycle on Hire Purchase	1,012,100	1,028,250
Car on Hire Purchase	18,364,415	17,195,165
Advance Income Tax against Bank Interest	133,964	133,964
Advance against legal fees	25,000	25,000
House Property Loan	5,851,680	6,281,378
Advance against car	90,000	90,000
Security Money (DESA) Building	954,000	954,000
Electric Bill Receivable (Building)	1,509,685	547,774
WASA Bill Receivable (Building)	193,925	29,719
Other Advance	20,278,328	748,328
Rent Receivable (Building)	2,967,417	1,027,647
Advance against Godown Rent	50,000	50,000
City Corporation Tax (Deffered)	3,160,400	4,740,600
Advance against Claim	-	10,000,000
Advance against Electrical & Electronic Expenses	-	75,000
Advance against Land Purchase	18,115,750	5,398,750
Receivables from Federal Insurance (Against Share)	112,000	-
Total	178,336,662	116,552,030

09.00 CASH AND BANK BALANCES: Tk. 420,200,839

Particulars	Amount in Taka	
	2011	2010
Fixed Deposit with Banks	379,001,000	302,401,000
C/D and STD with Banks	41,034,746	23,681,966
Cash in Hand	165,093	188,587
Total	420,200,839	326,271,553



09.01 FIXED DEPOSIT WITH BANKS: Tk. 379,001,000

Fixed deposit with Banks totaled Tk. 379,001,000. Bank-wise details of FDR are given below:

Particulars	Amount in Taka	
	2011	2010
Arab Bangladesh Bank Ltd.	12,781,000	11,831,000
Agrani Bank Ltd.	1,000,000	200,000
Al-Arafah Islami Bank Ltd.	15,175,000	7,825,000
Bangladesh Commerce Bank Ltd.	100,000	100,000
Bangladesh Development Bank Limited	500,000	500,000
Bangladesh Krishi Bank	200,000	-
Bank Asia Ltd.	21,975,000	14,475,000
BASIC Bank Ltd.	7,200,000	4,050,000
BRAC Bank Ltd.	8,000,000	1,000,000
City Bank	1,000,000	-
Dhaka Bank Ltd.	5,725,000	1,425,000
Dutch Bangla Bank Ltd.	900,000	600,000
Eastern Bank	3,000,000	-
EXIM Bank Ltd.	7,100,000	4,600,000
First Security Islami Bank Ltd.	800,000	800,000
IFIC Bank Ltd.	25,950,000	12,900,000
Islami Bank Bangladesh Ltd.	10,720,000	6,020,000
Jamuna Bank Ltd.	28,300,000	12,950,000
Janata Bank Ltd.	1,750,000	1,750,000
Lankabangla Finance Ltd.	5,000,000	-
Mercantile Bank Ltd.	10,750,000	8,200,000
Mutual Trust Bank Ltd.	1,950,000	1,450,000
NCC Bank Ltd.	3,600,000	2,600,000
National Bank Ltd.	16,550,000	10,250,000
National Bank of Pakistan	5,000,000	-
ONE Bank Ltd.	800,000	-
Phoenix Finance & Investment Ltd.	-	50,000,000
Premier Bank Ltd.	9,050,000	12,200,000
Prime Bank Ltd.	8,200,000	3,200,000
Pubali Bank Ltd.	7,700,000	4,900,000
Rajshahi Krishi Unnayan Bank	765,000	765,000
Rupali Bank Ltd.	200,000	200,000
Shahjalal Islami Bank Ltd.	5,500,000	2,600,000
Social Islami Bank Ltd.	13,050,000	4,150,000
Southeast Bank Ltd.	12,260,000	8,260,000
Standard Bank Ltd.	3,100,000	1,700,000
The Trust Bank Ltd.	8,900,000	3,900,000
United Commercial Bank Ltd.	10,450,000	6,000,000
Union Capital Limited	100,000,000	100,000,000
United Leasing Company Ltd.	3,000,000	-
Uttara Bank Ltd.	1,000,000	1,000,000
Total	379,001,000	302,401,000



09.02 CURRENT AND STD A/C WITH BANKS TK. 56,303,053

"Current and STD Account with Banks totaled Tk. 56,303,053. Bank-wise details of STD/CA/SND/CD A/C are given below:"

Particulars	Amount in Taka	
	2011	2010
AB Bank Ltd.	6,654,901	2,965,912
Agrani Bank Ltd.	681,964	1,185,288
Al-Arafah Islami Bank Ltd.	2,720,512	1,353,617
American Express Bank	-	2,706
Bangladesh Development Bank Limited	-	12,457
Bank Al-Falah Ltd.	3,290	5,052
Bank Asia Ltd.	1,461,586	1,754,307
BASIC Bank Ltd.	538,575	1,407,226
Bangladesh Commerce Bank Ltd.	28,984	12,427
Bangladesh Krishi Bank	2,859	3,765
Bangladesh Development Bank Ltd.	1,153	-
BRAC Bank Ltd.	167,150	215,983
BSRS	11,589	-
Commercial Bank of Ceylon	18,768	396,250
Dhaka Bank Ltd.	580,505	255,512
Dutch Bangla Bank Ltd.	1,495,981	335,931
Eastern Bank Ltd.	1,461,925	914,303
EXIM Bank Ltd.	3,554,264	1,709,220
First Security Islami Bank Ltd.	34,611	23,919
Habib Bank Ltd.	10,392	121,400
HSBC	909,906	736,826
ICB Islamic Bank Ltd.	563,059	611,203
IFIC Bank Ltd.	2,127,064	1,796,866
Islami Bank Bangladesh Ltd.	2,121,410	862,918
Jamuna Bank Ltd.	533,823	447,422
Janata Bank Ltd.	264,697	290,544
Mercantile Bank Ltd.	1,218,880	882,090
Mutual Trust Bank Ltd.	10,465	10,465
National Bank Ltd.	2,616,407	2,405,034
NCC Bank Ltd.	13,675	13,370
ONE Bank Ltd.	36,933	31,564
Premier Bank Ltd.	1,559,044	741,708
Prime Bank Ltd.	1,164,026	676,508
Pubali Bank Ltd.	4,050,518	2,130,743
Rajshahi Krishi Unnayan Bank	60,887	241,596



Particulars	Amount in Taka	
	2011	2010
Rupali Bank Ltd.	347,825	415,002
Shahjalal Islami Bank Ltd.	207,092	40,773
Social Islami Bank Ltd.	182,317	237,517
Sonali Bank Ltd.	150,149	316,442
Southeast Bank Ltd.	807,525	483,372
Standard Bank Ltd.	543,770	468,305
Standard Chartered Bank Ltd.	393,227	117,396
State Bank of India	7,208	7,208
The City Bank Ltd.	765,184	992,537
The Trust Bank Ltd.	13,548,136	16,263,160
UCBL	1,860,235	3,126,563
Uttara Bank Ltd.	450,265	549,793
BLDG TRUST BANK	360,317	-
Total	56,303,053	47,572,200

Share Investment Account

Particulars	Amount in Taka	
	2011	2010
AB Bank Limited	86,326	23,396
Al-Arafha Islami Bank Limited	(16,600,886)	(28,036,226)
Prime Bank Limited	10,320	10,320
PHP Stock & Securities Limited	9,341	1,137,063
IDLC Finance Limited	1,204,469	(104,747)
Rapid Securities Limited	22,123	3,079,960
Total	(15,268,307)	(23,890,234)
Net Balance	41,034,746	23,681,966

09.03 CASH IN HAND: Tk. 165,093

The amount represents aggregate balance of all the branches as on 31 December 2011. The amount was made as follows:

Particulars	Amount in Taka	
	2011	2010
Branches	69,639	93,431
Head Office	95,454	95,156
	<u>165,093</u>	<u>188,587</u>



10.00 FIXED ASSETS:

COST:

Particulars	Amount in Taka	
	2011	2010
Opening Balance	589,154,751	578,265,720
Addition during the year	6,189,320	10,898,456
Adjustment during the year	(2,320,000)	(9,425)
Closing Balance	593,024,071	589,154,751

DEPRECIATION:

Particulars	Amount in Taka	
	Taka	Taka
Opening Balance	125,290,132	108,447,360
Addition during the year	15,981,501	16,850,521
Adjustment during the year	(464,000)	(7,749)
Closing Balance	140,807,633	125,290,132

Written Down Value as on 31.12.2011**452,216,438 463,864,619**

Details of Fixed Assets shown in Annexure- A

11.00 STAMPS IN HANDS: Tk. 202,842

Stamps in hand was Tk. 202,842 on 31.12.2011 for which a certificate was furnished by the management. However we have checked the purchase register with challan and also the issue register.

12.00 OTHER INCOME: Tk. 5,106,479

Particulars	Amount in Taka	
	2011	2010
Dividend Income	3,793,687	520,724
Rent earning (Aptt. At 28, Dilkusha C/A)	874,800	1,927,800
Misc. Income and Service Charges	215,061	173,258
Interest on House Property Loan	378,931	468,305
Under writing Commission	50,000	-
	5,312,479	3,090,087
Less: Loss on sale of motor Car	206,000	-
Net Other Income	5,106,479	3,090,087



12.01 DIVIDEND INCOME: Tk.3,793,687

Details are as follows:

Particulars	Amount Taka	
	2011	2010
Central Depository BD Ltd.	200,000	100,000
Power Grid Co. Ltd.	15,000	-
Progati Life Insurance Co.Ltd.	-	7,000
Mutual Trust Bank Ltd.	92	-
BOC Bangladesh Ltd.	78,000	94,250
Titas Gas Co.Limited	157,750	33,750
DBH Finance Company Ltd.	950	1,700
DESCO	15,300	2,500
Bata Shoe Company Ltd.	10,500	26,950
British American Tobacco BD Company Ltd.	265,500	70,000
Islami Bank Bangladesh Ltd.	621	9,050
Grameen Phone	-	87,900
Khulna Power Company Ltd.	-	40,382
ACI Formulation Ltd.	-	2,500
Navana CNG Ltd.	66,960	5,000
Prime Life Insurance Company Ltd.	-	5,369
IDLC Finance Ltd.	17,500	34,374
Malek Spinning Mill	200,000	-
Rohima Foo Cop. Ltd	30,000	-
Hakkani Pulp and Paper Mill	750	-
RAK ceramics	260	-
Singar Banglaesh	1,109,170	-
Asia Insurance	12,500	-
Jomuna Oil	12,000	-
Meghna Ltd	36,000	-
MJL BD Ltd	60,387	-
United Hospital	1,181,250	-
Megana Petroleum Ltd.	9,000	-
EXIM bank	27	-
Green delta Ins	36,000	-
LINDE BD Ltd	141,250	-
Square Pharma	15,000	-
Golden Son Ltd	5,000	-
Glaxo Smith Kaline BD	70,000	-
Bay Leasing Investment	5,000	-
AB Bank	41,920	-
	3,793,687	520,725

Dated: Dhaka, 25 April, 2012



13.00 RENTAL INCOME (BUILDING) :Tk. 52,762,091

Particulars	Amount in Taka	
	2011	2010
Total Rent earned during the year	53,622,013	44,292,125
Less: Interest on Term Loan	-	4,856,200
Net Rental Income	53,622,013	39,435,925
Less: Other Expenses of Building	859,922	5,887,813
	52,762,091	33,548,112

14.00 GENERAL:

The total number of employees as on 31.12.2011 was 277 of whom 274 Nos. were drawing monthly salary of Tk. 3,000 and above and 3 below Tk.3,000.

15.00 CREDIT FACILITIES:

There was no credit facility that has been availed of at the date of balance sheet.

16.00 AGGREGATE AMOUNT DUE BY DIRECTORS AND OFFICERS:

There was no such amount in the balance sheet

17.00 CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:

here was no contractual claim against the company not acknowledged as debt.

18.00 EVENT AFTER BALANCE SHEET DATE:

There was no significant event that has occurred between balance sheet date and the date when the financial statements are authorized for issue by the Board of Directors except the following:

The Board of Directors of the Company in it's meeting held on April 23, 2012 at 3.00 PM has recommended no dividend for the year ended December 31, 2011.



SCHEDULE OF FIXED ASSETS AS AT 31 DECEMBER 2011

Amount in Taka Annexure- A

Sl. No.	Particulars	COST			DEPRECIATION			Written Down Value as on 31.12.2011			
		Balance as on 01.01.11	Addition during the year	Adjustment during the year	Total as on 31.12.11	Rate of Dep.	Balance as on 01.01.11		Addition during the year	Adjustment during the year	Total as on 31.12.11
01	Land and Land Development	48,073,882	-	-	48,073,882	N/A	-	-	-	-	48,073,882
02	Land at Cox's Bazar	5,744,381	39,408	-	5,783,789	N/A	-	-	-	-	5,783,789
03	Civil Construction	379,482,485	728,500	-	380,210,985	2.5%	52,864,310	8,183,667	-	61,047,977	319,163,008
04	Elevator	33,838,205	479,321	-	34,317,526	10%	15,843,385	1,847,414	-	17,690,799	16,626,727
05	Central Air Conditioner	59,768,381	2,857,905	-	62,626,286	7.5%	22,173,098	3,033,989	-	25,207,087	37,419,199
06	Electric Sub-Station	21,265,033	-	-	21,265,033	7.5%	7,674,260	1,019,308	-	8,693,568	12,571,465
07	Electrical & Electronic Equipment	200,000	339,880	-	539,880	20%	40,000	99,976	-	139,976	399,904
08	Generator	5,379,648	-	-	5,379,648	10%	2,520,684	285,897	-	2,806,581	2,573,067
	A.Total Land & Building	553,752,015	4,445,014	-	558,197,029		101,115,737	14,470,251	-	115,585,988	442,611,041
09	Furniture & Fixtures	11,901,894	950,436	-	12,852,330	10%	7,983,414	486,892	-	8,470,306	4,382,024
10	Office Equipments	8,277,142	449,190	-	8,726,332	15%	5,120,262	540,911	-	5,661,173	3,065,159
11	PABX	323,960	-	-	323,960	20%	320,316	729	-	321,045	2,915
12	Car	4,879,410	-	2,320,000	2,559,410	20%	1,975,075	209,667	464,000	1,720,742	838,668
13	Bi-Cycle	35,720	-	-	35,720	20%	21,714	2,801	-	24,515	11,205
14	Air Conditioner	3,142,374	246,470	-	3,388,844	20%	2,966,548	84,459	-	3,051,007	337,837
15	Building (Flat at 28 Dilkusha)	3,073,225	-	-	3,073,225	10%	2,624,375	44,885	-	2,669,260	403,965
16	Office Furnishing	2,838,286	98,210	-	2,936,496	20%	2,427,153	101,869	-	2,529,022	407,474
17	Computer Network	930,725	-	-	930,725	20%	735,538	39,037	-	774,575	156,150
	B. Others Assets	35,402,736	1,744,306	2,320,000	34,827,042		24,174,395	1,511,250	464,000	25,221,645	9,605,397
	Total Assets (A+B)	589,154,751	6,189,320	2,320,000	593,024,071		125,290,132	15,981,501	464,000	140,807,633	452,216,438



PEOPLES INSURANCE COMPANY LIMITED
SCHEDULE OF INVESTMENT IN SHARES AS AT 31 DECEMBER 2011

Annexure- B

Sl. No	Particulars	No. of Shares	Cost Price	Market Value
1	ARAB BANGLADESH BANK LTD.	72,010	8,258,072	4,918,283
2	AFTAB AUTO	950	253,999	134,805
3	AL-ARAFAH ISLAMI BANK LTD.	90	3,889	6,586
4	BEXIMCO LTD.	79,500	18,306,999	9,023,250
5	BEXPHARMA	37,460	4,306,623	3,506,256
6	BRITISH AMERICAN TOBACO CO. LTD.	2,500	1,676,094	1,565,750
7	BAY LEASING LTD	10,750	1,704,778	753,575
8	BSRM STEELS LTD	2,000	250,159	237,400
9	BD FINANCE AND INVESTMENT	2,000	241,562	125,600
10	BIFC	20,000	1,445,601	488,000
11	DBH FINANCE COMPANY LTD.	367.5	20,118	33,663
12	DHAKA ELECTRIC SUPPLY CO.(DESCO)	25,120	3,892,396	2,851,120
13	EASTERN BANK LTD	101,060	9,107,527	6,649,748
14	EASTLAND INSURANCE COMPANY LTD	209.2	10,444	19,184
15	EXIM BANK LTD	60,000	2,475,815	1,668,000
16	FAREAST ISLAMI LIFE INS.CO.LTD	9,200	1,722,550	1,490,400
17	FIRST LEASE FINANCE AND INVESTMENT	25,000	3,114,714	1,925,000
18	GLAXO SMITH KLINE BANGLADESH LTD.	3,500	4,666,866	2,325,750
19	GREEN DELTA INSURANCE LTD	11,500	3,535,151	1,752,600
20	ICB ISALAMI BANK LTD. (OBL)	400	3,795	4,000
21	IFIC BANK LTD	33,020	3,415,544	2,232,152
22	IDLC	10,450	2,790,151	1,447,325
23	ISLAMI BANK BD. LTD	400	9,524	21,800
24	JAMUNA BANK LTD	16,000	566,003	552,000
25	KHULNA POWER CO. LTD	75,698	9,332,831	4,753,834
26	LANKA BANGLA FINANCE LTD.	44,175	12,626,036	7,518,585
27	LINDE BANGLADESH LTD	4,900	3,594,848	2,999,780
28	MEGHNA PETROLEUM LTD	10,500	2,268,846	1,972,950
29	MUTUAL TRUST BANK LTD	88	1,517	3,036
30	MI CEMENT	51	4,241	5,635
31	MOBIL JAMUNA LTD	46,220	4,638,157	4,617,378
32	NAVANACNG	42,408	8,273,768	3,545,309
33	NATIONAL BANK LTD	46,000	3,301,022	3,072,800
34	NATIONAL LIFE INS. LTD	4,000	1,784,447	1,457,200
35	NATIONAL HOUSING FIN. INV. LTD	10,000	1,245,718	957,000
36	PLFSL	40,500	5,372,774	2,806,650



PEOPLES INSURANCE COMPANY LIMITED
SCHEDULE OF INVESTMENT IN SHARES AS AT 31 DECEMBER 2011

Annexure- B (Continued)

Sl. No	Particulars	No. of Shares	Cost Price	Market Value
37	PROVATI INSURANCE CO. LTD.	80	6,304	3,808
38	POPULAR LIFE INS.CO.LTD	24,023	6,050,233	5,926,583
39	PRAGATI LIFE INS. CO.LTD	5,600	1,523,467	1,153,040
40	PREMIER BANK LIMITED	15,100	698,185	465,080
41	PRIME FINANCE & INVESTMENT LTD.	27,100	6,927,860	2,666,640
42	PROGRESIVE LIFE INS. CO.LTD	5,600	1,194,943	930,720
43	PREMIER LEASING AN FINANCE	20,000	963,870	664,000
44	PRIME BANK LTD.	10,000	522,580	445,000
45	PRIME LIFE INS. CO. LTD.	4,900	1,151,066	1,041,250
46	R.A.K.CERAMIC (BD) LTD.	129	5,664	10,114
47	SHAHJALAL ISLAMI BANK LTD.	2,000	85,340	65,000
48	SINGER BD.LTD.	32,280	14,066,657	9,277,272
49	SOCIAL ISLAMI BANK LTD	28.2	441	739
50	SQUARE PHARMACEUTICALS LTD.	2,550	667,971	604,605
51	STANDARD INSURANCE LTD	300	23,469	12,810
52	SUMMIT POWER LTD	93,325	10,219,626	6,943,380
53	TITAS GAS CO. LTD	130,500	12,169,077	8,821,800
54	TRUST BANK LTD	17,800	1,106,319	763,620
55	UCBL	40,000	2,415,235	1,756,000
56	UTTARA FINANCE LTD.	5,000	856,466	571,000
57	CENTRAL DEPOSITORY BD. LTD.	456,945	1,569,450	1,571,408
58	EXCLSIOR SHOES LTD.	43	4,300	4,300
59	ECHO COTTON MILLS LTD.	250,000	2,500,000	2,500,000
60	MARK BD SILPA ENGG LTD	270	5,400	5,400
61	POPULAR LIFE INS. CO. LTD (1st Mutual Fund)	1,000,000	10,000,000	6,900,000
62	PHP 1st Mutual Fund	500,500	5,005,000	3,403,400
63	UNITED HOSPITAL LTD. (Including Right Share)	157,500	15,750,000	15,750,000
64	GBB POWER LTD.	5,000	350,000	350,000
	TOTAL	3,654,600	220,061,502	150,049,373

