


DEFINING
PATHS
FOR THE
FUTURE



Transforming Tomorrow #AllTogether!

Celebrating 25 glorious years
of serving the nation

WE MAKE BANGLADESH MORE RESILIENT

At City General Insurance Company Limited, we want to deliver the best experience possible for our customers which is why we are committed to building trusted relationships that last. With more than 25 years of expertise and over 25,894 customers across Bangladesh, we aim to enable our customers to realise their dreams and aspirations and help them achieve their protection and financial goals. In effect, we enable our customers to plan their future. Celebrating our Silver Jubilee in 2021 as an insurance company for all Bangladeshis, we will continue to grow and progress with our customers, our people and the nation for the next 25 years and beyond!



ALHAJ ANWAR HOSSAIN
(1938-2021)

Founder & Former Chairman,
City General Insurance Company Limited &
Anwar Group of Industries

WELCOME TO OUR INTEGRATED ANNUAL REPORT FOR THE YEAR 2021!



It is a pleasure for us to present our Company's performance for 2021 and the future outlook, among other sections, through the pages of this report. I am proud that City General Insurance has an excellent reputation around Bangladesh, and its market position, strategic focus, quality of employees and its capital base are outstanding. With these strengths, we are committed to sustainable business growth and consistent value creation for all our stakeholders, focusing on transforming tomorrow #altogether."

- Hossain Akhtar, Chairman

INSIDE THIS REPORT

CORPORATE OVERVIEW

About this Report	08
Letter of Transmittal	10
Notice of the 26th AGM	11
Mission & Vision	12
Our Core Values	13
Overall Strategic Objectives	14
Ethics, Compliance and Transparency	15
Corporate Information	16
Key Operating & Financial Highlights 2021	17
Business Progress at A Glance	18
Our Comprehensive Product Range	24
Corporate Structure	26
Reinsurance Arrangement	27
Board of Directors & Its Composition	28
City General Insurance at A Glance	29
Code of Conduct for Directors	30
Directorship With Other Companies	32
Evaluation of Performance of The Managing Director & CEO by The Board	33
Training for Board of Directors	33
Management Team	33
Our Integrated Business Model	34
Celebrating 25 Years of Our Momentous Journey	36

● OUR THINK-TANK

Board of Directors	40
Board of Directors' profile	42
Management Team	50
Profile of Our Management Team	52

STRATEGIC INSIGHTS

Shareholder Letter from Our Chairman	60
Performance Report by Our Chief Executive Officer	63
Our Financial Performance In 2021	66
Contribution to The National Exchequer	68
Suitable Supply Chain Management Policy	69
Our Approach to Integrated Thinking	70
Responding to Covid-19	72

TRANSFORMING OUR CAPITALS

Transforming Tomorrow #Alltogether!	74
Financial Capital	75
Manufactured Capital	76
Intellectual Capital	77
Human Capital	78
Social and Relationship Capital	80
Natural Capital	80

● BUSINESS REVIEW

Dividend Distribution Policy	82
Investors/Stakeholder-Friendly Information Enquiries & Communication	83
Shareholding Pattern	84
The History of Rising Share Capital	85
Financial Calendar 2021	85
Value Added Statement	86
Stakeholder Connect	87
Redressal of Investors' Complaint	88
Redressal of Clients' Complaint	88
Market Value Added Statement	89
Disclosures Pertaining to Solvency Margin	92
Ratio Pertaining to The Insurance Sector	93
Review of Asset Quality	94
Report to The Shareholders of City General Insurance Company Limited on Compliance on the Corporate Governance Code	95
Directors' Report	98
Management Discussion and Analysis	101

● REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance	105
Compliance Report on Corporate Governance Code By BSEC	114
Management Review and Responsibilities	126
Our Operating Context and Opportunities	127
Certifications	132
Our Strategic Imperatives	134
Swot Analysis	135
Pestel Analysis	136
Audit Committee Report	138
Evaluation of The Quarterly Financials by The Audit Committee and by The Board	139
Report of The Nomination and Remuneration Committee	140
Reports on The Activities of The Nomination and Remuneration Committee	141
Claims Management and Details of Outstanding Claims (IBNR & IBNER) With Ageing Thereof	142
CEO And CFO's Declaration to The Board	144
Our Sustainability Strategy!	145
Environmental & Social Obligations	146
Environment Related Initiatives	146
City General Insurance Company	147
CSR Activities	148
Event Highlights	149
Report on Information Technology	152
Human Resource Accounting & Analytics	154
Risk Management	157

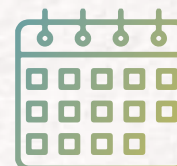
● OUR FINANCIALS

Independent Auditor's Report	161
OUR BRANCH NETWORK	200
DISCLOSURE CHECKLIST AS PER ICMA EVALUATION CRITERIA	204
DISCLOSURE CHECKLIST AS PER ICSB EVALUATION CRITERIA	205
DISCLOSURE CHECKLIST REGARDING SAFA STANDARD	208
PROXY FORM	211

26th ANNUAL GENERAL MEETING



Virtually



Monday,
April 25, 2022



at 11 a.m.



CORPORATE OVERVIEW

City General Insurance provides direct insurance and reinsurance services, as well as financial protection against uncertain events. The core principle of its commitment is to guarantee payment in the case of an unforeseen future occurrence.

ABOUT THIS REPORT

City General Insurance’s Integrated Annual Report, 2021 is our principal report and is supplemented by supporting online disclosures for our stakeholders. These disclosures include our financial statements for our fiscal year ended 31 December 2021.



Scope and boundary

Our Integrated Report for 2021 is a report on the performance of City General Insurance Company Limited for the 12 months ended 31 December 2021. It is intended for the information of our members and includes reporting on relevant events that have occurred between year-end and publication.

The report deals with the company’s strategy, operations and performance, touching on issues such as our approach to sustainability, value creation, innovation and service delivery. We aim to give a comprehensive and balanced view of both our financial and non-financial performance, as well as to provide accessible information about strategy, operational management, efficiency, quality, corporate governance, accountability and corporate social responsibility. The information provided complies with all relevant legislations and regulations.



Disclosure and assurance

The company’s executive and management teams have aimed to achieve the highest standard of disclosure in this report and to provide meaningful, accurate, complete, transparent and balanced information. The Board of Directors, together with its committees and management, was closely involved in finalising all disclosures and assume responsibility for the information they contain. The annual financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and were independently assured by our Statutory Auditor, KM Alam & Co., Chartered Accountants.



Board responsibility

The Board acknowledges its responsibility for ensuring the accuracy of all information supplied and has applied its collective expertise to the preparation of the report. In the Board’s opinion, this report addresses all issues material to members and presents a holistic view of the company’s performance in 2021.

We support the SDGs

We have a long-standing commitment to be a responsible corporate citizen. This commitment includes our focus on resilience and playing our part in driving sustainability for the benefit of all our stakeholders.

Sustainable Development Goals





Feedback

We welcome your feedback on our first Integrated Annual Report and would be delighted to hear from you. Please write to us at: info@cityinsurance.com.bd



Online version

Online version of this report can be downloaded from our corporate website: www.cityinsurance.com.bd

Please help us save the environment by reading this report online.



Forward-looking statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties, some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



LETTER OF TRANSMITTAL

To
All Shareholders
Insurance Development & Regulatory Authority
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Subject: Annual Report for the year ended December 31, 2021.

Dear Sir (s),

We are pleased to enclose a copy of the Annual Report of City General Insurance Company Limited together with the Audited Financial Statements as at December 31, 2021 for kind information and record.

Yours sincerely



(Md. Hasan Khan)

Addl. Managing Director &
Company Secretary

NOTICE OF THE 26TH AGM

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of City General Insurance Company Limited will be held on **Monday, 25 April 2022 at 11.00 a.m.** The AGM will be held **Virtually by using Digital platform** through the following link: <https://cityinsurance.bdvirtualagm.com> to transact the following business:

AGENDA:

1. To receive, consider and adopt the Directors Report and the Audited Financial Statements for the year ended 31 December 2021 together with the Auditors report thereon.
2. To approve Cash Dividend as recommended by the Board of Directors.
3. To appoint the auditors for the year 2022 and to fix their remuneration.
4. To elect Directors in place of retiring Directors.
5. To approve the appointment of Independent Directors.
6. To appoint the auditors for Corporate Governance Compliance audit for the year 2022 and to fix their remuneration.



Date: March 13, 2022

By order of the Board,

(Md. Hasan Khan)

Addl. Managing Director &
Company Secretary

Notes:

1. The members whose name will appear in the members Register of the company as on the Record Date i.e. **March 22, 2022** (Tuesday) will be eligible to participate the Annual General Meeting and qualify for Dividend.
2. Shareholders entitled to participate and vote at this virtual AGM may appoint a proxy to participate and vote. The 'Proxy Form', duly filled, signed and stamped at BDT 20/- must be sent through email to cs@cityinsurance.com.bd not later than 48 hours before commencement of the AGM.
3. Pursuant to the Bangladesh Securities and Exchange Commission's letter No. SRMIC/94-231/91 dated 31 March 2021, the AGM will be virtual meeting of the Shareholders, which will be conducted via live webcast by using digital platform.
4. Shareholders are requested to login to the system well ahead of the meeting at appointed time for the AGM on April 25, 2022. For any IT related guidance and help with the login process the respected members may contact at + 8801711660670.
5. The online (Real time) or e-Voting option shall be opened before 24 hours prior to start of general meeting.
6. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/ Admin/81 dated 20 June 2018 the soft copy of the Annual Report 2021 will sent within stipulated time to the email addresses of the Shareholders available in their Beneficial Owner (BO) accounts maintained with the Depository. The Soft copy of the Annual Report 2021 will be available in the website of the company at www.cityinsurance.com.bd
7. Shareholders are requested to update their **Bank Account number, E-mail ID, Mobile number** through their respective Depository Participants (DP).
8. The Shareholders will be able to submit their questions/comments electronically to cs@cityinsurance.com.bd 24 hours before the AGM.
9. No gift or benefit in cash or kind shall be paid/offered to the shareholders in the 26th AGM as per BSEC Circular No. SEC/ CNRRCD/2006-193/154 dated 24.10.2013.

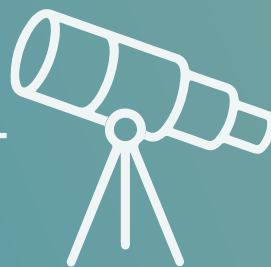
MISSION & VISION



OUR MISSION

is to provide unequal service, protect our insured interest and contribute for economic stabilization of the Country.

To maintain stakeholders interest with fair and transparent operations.



OUR VISION

is to serve our insured (policyholders) with utmost care and provide the best solution for their needs.

We will be a company with due solemnity and corporate social responsibility to the society upheld by taking property risks.

OUR CORE VALUES



Honesty and Integrity

We committed to a completely honest relationship with our insured & clients which behave with the utmost good faith to protect company's wealth.



Quality of Insurance

Our aim to insured in qualitative manner



Mutual Respect

Always, we treat our insured clients and individuals with different backgrounds with dignity and respect.



Worthy of Trust

We are static at our promise and committed for doing business at right way.



Team Work

We work together minimize the risk and ensure the clients for providing the best possible services and risk coverage.

STRATEGIC OBJECTIVES

Economic Focus

Our objective is to assist of economic developed by encouraging the growth of productive effort. We eliminate worries and miseries of losses of damage and destruction of wealth.

Focus to the Shareholders

Our strategy and objective are to continue to achieve financial strength and growth generates income for the shareholders, continue profitability by providing focus on client service.

Service Focus

Strengthen trust and partnerships with customers by focusing on the quality customer service, Professionalism, teamwork and integrity.

Client Focus

Develop client oriented service culture with special emphasis on customer client care and convenience.

Develop innovative area of insurance and service that attract our targeted clients and market segments.

Inadequacy of capital of the society is minimized to a greater extent with the help of the coverage of insurance.

Focus to The Sustainable Development Goal (SDG)

Our focus on ensuring our environment and social responsibilities extend to our clients through our policy, strengthened by Govt. Regulations and international frameworks that help communicate our rationale and ways to implement sustainable practices with many of our clients.

OVERALL STRATEGIC OBJECTIVES



Establish a long term relationship with our clients and Business Partners built on our prudent underwriting and personalized professional service with trust.



Respond quickly to new opportunities.



Eliminate the discretionary between the local and foreign trade insurance.



Maximize insurance coverage at a minimum cost but must be within legal boundary.



Assess and manage our business risk carefully.



Ensuring all industries, factories, buildings and professions under the umbrella of insurance.



Maintain strong relationship with a wide variety of partners like Re-insurance, insurance brokerage, Insurance Agent, regulatory bodies, Govt. Agency and so on.



Risk minimizing with assuring the financial coverage.



Drive for continuous improvement and developing our performance excellence at all levels.

ETHICS, COMPLIANCE AND TRANSPARENCY

City General Insurance Company Limited has a Code of Conduct and ethical guidelines for the Board of Directors and the employees of the company. The Code of Conduct is an integral part of the company's service rules. It forms a common and consistent framework across the organization for achieving company's mission and goals by protecting the interest of insureds, owners, stakeholders of all types. The aim of the Code of Conduct is to ensure fidelity. The Board guides the management on policies that should be adopted and followed by everyone in the company.

Integrity

We understand the importance of uncompromising ethics in ensuring for our clients and others. We demonstrate a consistent behavior without being unfair. We practice integrity in the company for the well-being of our corporate culture.

Client Satisfaction

Client satisfaction is one of the most important areas of our concern. We provide a transparent and detailed understanding of products and services that demonstrate the idea from the perspective of the client. Client satisfaction is thoroughly related to their understanding and expectation of our performance.

Trust & Respect

We maintain relationship with everyone surrounding to us based on mutual trust and respect.

Equal Opportunity

We applaud equal opportunity for our employees, insureds, clients and other connected parties.

Transparency

We try our best to remain transparent in our activities by providing and disclosing information in a fair, clear and decent behavior.

Teamwork

We all work toward a common goal. Individual success is defined by team success. We believe that team spirit can bring coordination and increase productivity within the company.

Diversity

We encourage diversity in our company to ensure more sharing of multi-dimensional knowledge and innovation.

Ongoing Relations

We are eagerly interested to maintain the relation with our insured, clients and allied concern on a continuous basis.

Professional Excellence

We are oriented toward success and focused on performance. We always try to reach new heights and take pride in providing reliable and professional service.

Code of Ethics and Conduct at City General Insurance Company Limited

The Code of Conduct provides guidance to employees, how to ensure their action and behavior are compatible with the values of the company. Some Code of Conduct that covers same areas are mentioned below:

- Compliance with Laws, Rules, Regulations, Orders, Notifications, Circulars etc. issued by Regulatory authority.
- Maintaining accuracy and adequacy in records, files, documents and reporting.
- Serving insured and stakeholders with the best way.
- Exercising requisite diligence in respect of Anti Money Laundering.
- Working in a professional manner and with due care.
- Avoidance of conflicts of interest.
- Prohibition of any fraud, theft, illegal work including insider trading.
- Maintaining confidentiality of company's and clients information
- Protect company's property
- Transparency and accuracy in presentation

Whistle Blowing Policy

City General Insurance Company Limited has a whistle blowing policy to uphold the codes commitment and maintain a culture of strong ethics. Any misbehavior or financial irregularities shall be reported to the appropriate authority. We are very concerned to maintain an open environment where the staff is confident in raising concerns about any misconduct and are free from the fear of victimization.

CORPORATE INFORMATION

Registered Office

Baitul Hossain Building (4th floor), 27, Dilkusha C/A, Dhaka-1000.
Phone: + 0222 3387296, 0222 3387281, 0222 3387278, 0222 3387247
Hotline: 01711695906 Fax: + 88 02 9587509
Cable: CITYINSUR, www.cityinsurance.com.bd, E-mail: info@cityinsurance.com.bd

● Date of Incorporation

18th March, 1996

● Authorized Capital

Tk. 2,000.00 million

● Paid-up Capital

Tk. 681.66 million

● Type of Organization

Non-life Insurance Company

● Nature of Business

Fire, Marine, Motor, Miscellaneous Insurance, etc.

● Number of Directors

15 (Fifteen)

● Number of Shareholders

7,500 (As on 31 December 2021)

● Number of Branches

49 (Forty nine)

● Number of Employees

396 (As on 31 December 2021)

● Business Motto

Economic development through risk minimization and effective client services.

Statutory Auditor

K.M. Alam & Co.
Chartered Accountants
46, Mohakhali, C/A, Dhaka-1212.
Tel: 8825697, Mobile: 01711-080981

Compliance Professional

Ahmed Khan & Co.
Chartered Accountants
Modhumita Building (1st Floor)
160, Motijheel C/A, Dhaka-1000
Tel: 9564896

Provident Fund Auditor

Mizan Islam & Co.
Chartered Accountants
House No. 10, Road No. 06, Sector No. 12
Uttara Model Town, Dhaka-1230

Tax Advisor

Mr. Mahbubur Rahman Azad
Ex. NBR Member & Tribunal President
Rupayan Tower (15th Floor), Kakrail, Dhaka.

Lawyers

Sheikh & Chowdhury
Barristers & Advocates
Banglar Bani Bhaban (2nd Floor)
81, Motijheel C/A, Dhaka-1000.

Barrister Anwar Ahmed Chowdhury

Lords & Law Associates
24/1-1, Khiljee Road,
Shyamoli, Dhaka-1207.

Istiuk Jewel LL.B, M.A. (Philosophy)

Advocate
Supreme Court of Bangladesh
Room No. 510, Ibrahim Mansion (4th Floor)
11, Purana Paltan, Dhaka-1000.

KEY OPERATING & FINANCIAL HIGHLIGHTS 2021

BDT in mn

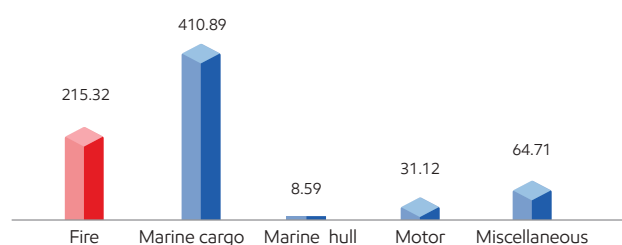
Particulars	Terms	2021	2020	2019	2018	2017
Financial position						
Total assets	Taka	1,684.81	1,606.27	1,338.48	1,314.22	1,242.20
Investments	Taka	407.37	270.05	194.23	172.84	174.11
Current assets	Taka	1,222.68	1,294.24	1,104.16	1,100.84	1,028.21
Net current assets	Taka	732.67	838.43	834.50	846.76	762.84
Fixed deposit with banks & NBFI	Taka	640.40	582.18	528.02	561.58	555.92
Cash & cash equivalents	Taka	652.92	612.03	571.66	598.10	570.93
Net assets value	Taka	1,194.81	1,150.46	1,068.82	1,060.13	976.83
Current liabilities	Taka	490.01	455.81	269.66	254.09	265.36
Total reserve	Taka	422.40	378.05	296.41	287.72	266.39
Operational results						
Gross premium	Taka	730.62	438.24	446.72	436.25	434.82
Net premium	Taka	483.41	328.37	312.37	295.63	299.57
Net claims	Taka	115.77	49.27	65.56	68.73	10.87
Underwriting profit	Taka	95.58	84.52	73.84	80.94	43.43
Profit before interest, depreciation & tax	Taka	171.02	168.09	113.08	120.03	97.19
Net profit before tax	Taka	162.61	162.06	107.24	112.15	88.93
Net profit after tax	Taka	114.72	120.75	68.55	85.63	68.43
Income from investments	Taka	111.11	88.54	46.13	43.17	58.62
Investments & other income	Taka	116.34	89.61	47.19	43.32	58.84
Cash flow from operating activities	Taka	187.30	114.88	44.68	33.38	50.83
Net operating cash flow per share	Taka	2.75	1.69	0.66	0.49	0.82
Financial ratio						
Dividend in stock	%	-	-	-	-	10.00
Dividend per share (cash)	Taka	1.00	1.00	0.50	0.50	-
Earnings per share	Taka	1.68	1.77	1.01	1.26	1.10
Cash ratio	Times	1.33	1.34	2.12	2.35	2.15
Quick ratio	Times	2.49	2.83	4.09	4.33	3.87
Debt equity ratio	Ratio	N/A	N/A	N/A	2.27	2.40
Leverage ratio	Times	N/A	N/A	N/A	52.35	33.12
Debt service coverage ratio	Times	N/A	N/A	N/A	39.09	16.76
Return on investment	Ratio	10.60	10.39	6.39	5.88	8.03
Return on equity	Ratio	9.60	10.50	6.41	8.08	7.00
Return on capital employed	Ratio	8.00	7.35	6.91	7.64	4.45
Return on average assets	Ratio	6.97	8.20	5.17	6.70	5.54
Claim ratio	Ratio	23.95	12.90	22.51	23.25	3.63
Combined ratio	Ratio	70.05	75.77	77.49	79.43	91.65
Price earnings ratio	Times	25.54	15.25	22.28	10.63	16.82
Solvency ratio	Times	5.08	5.80	7.21	8.00	8.01
Current ratio	Times	2.50	2.84	4.09	4.33	3.87
Underwriting profit ratio	Ratio	19.77	25.74	23.64	27.38	14.50
Dividend payout ratio	Ratio	59.52	56.50	49.50	39.68	90.91
Dividend yield	Times	0.02	0.04	0.02	0.04	0.05
Equity statistics						
Paid-up capital	Taka	681.66	681.66	681.66	681.66	619.69
Shareholders' equity	Taka	1,194.81	1,150.46	1,068.82	1,060.13	976.83
Market value per share	Taka	42.9	27.00	22.5	13.4	18.5
Net assets value per share	Taka	17.53	16.88	15.68	15.55	14.33

BUSINESS PROGRESS

AT A GLANCE (VERTICAL & HORIZONTAL)

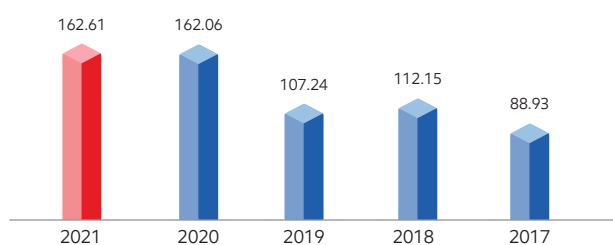
Gross premium income 2021		BDT in mn
Fire		215.32
Marine cargo		410.89
Marine hull		8.59
Motor		31.12
Miscellaneous		64.71

Gross premium income 2021 BDT in mn



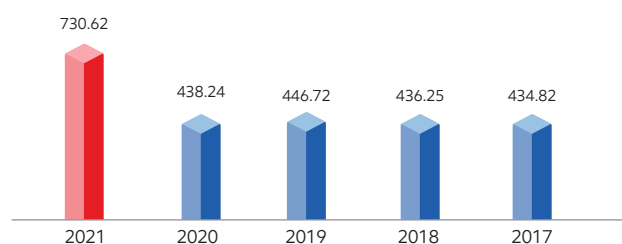
Net profit before tax		BDT in mn
2021		162.61
2020		162.06
2019		107.24
2018		112.15
2017		88.93

Net profit before tax BDT in mn



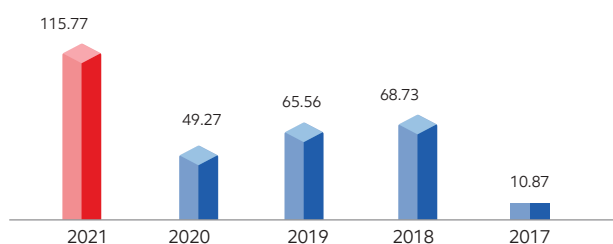
Gross premium income		BDT in mn
2021		730.62
2020		438.24
2019		446.72
2018		436.25
2017		434.82

Gross Premium Income BDT in mn



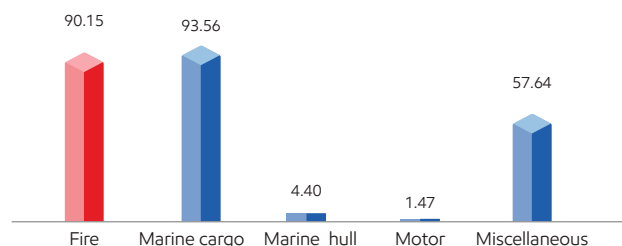
Net claims		BDT in mn
2021		115.77
2020		49.27
2019		65.56
2018		68.73
2017		10.87

Net claims BDT in mn



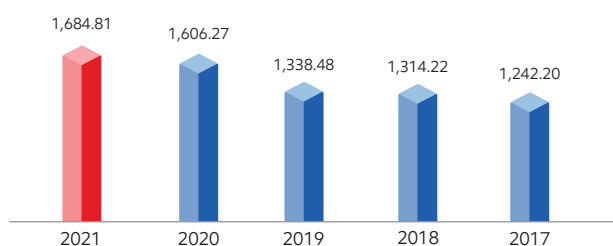
Re-insurance premium ceded 2021		BDT in mn
Fire		90.15
Marine cargo		93.56
Marine hull		4.40
Motor		1.47
Miscellaneous		57.64

Re-insurance premium ceded 2021 BDT in mn

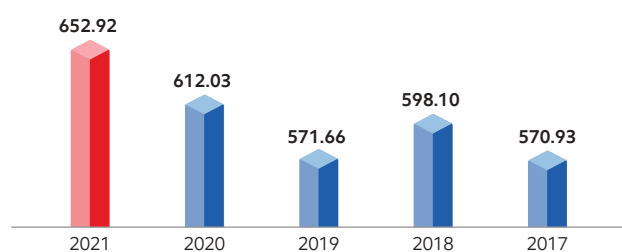


Total assets		BDT in mn
2021		1,684.81
2020		1,606.27
2019		1,338.48
2018		1,314.22
2017		1,242.20

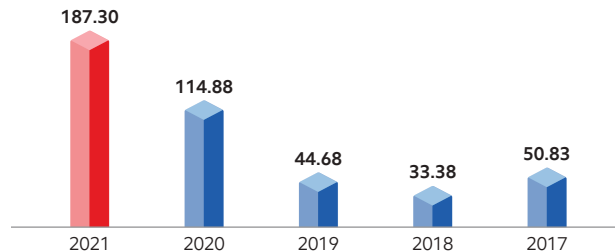
Total assets BDT in mn



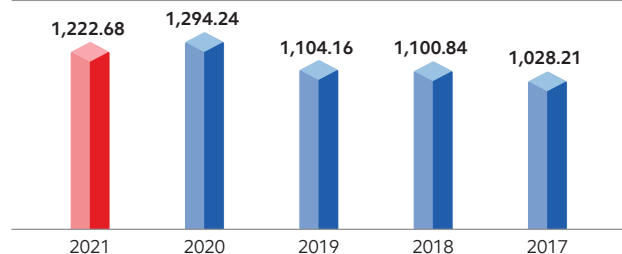
Cash & cash equivalents BDT in mn



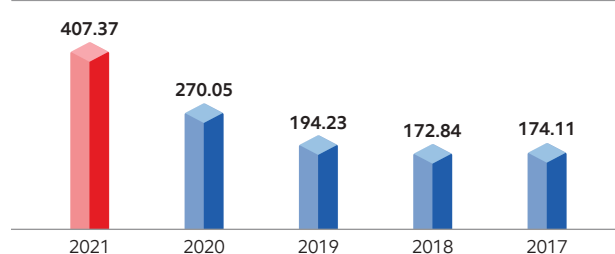
Cash flow from operating activities BDT in mn



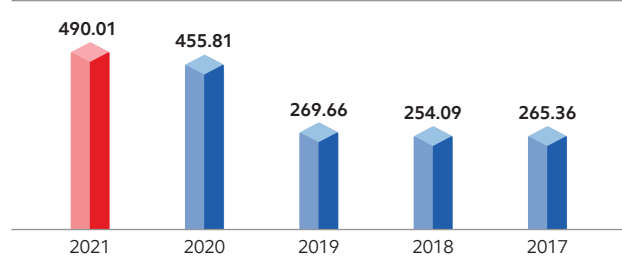
Current assets BDT in mn



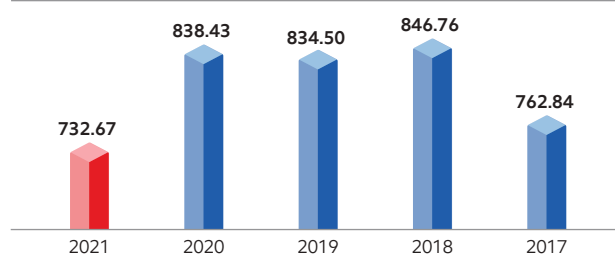
Investments BDT in mn



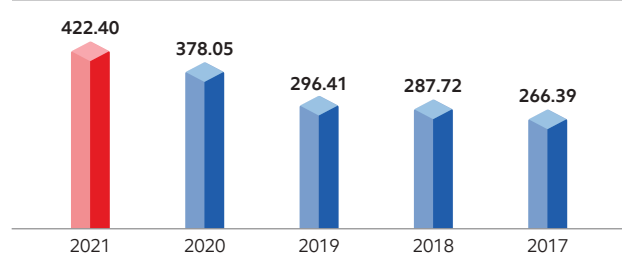
Current liabilities BDT in mn



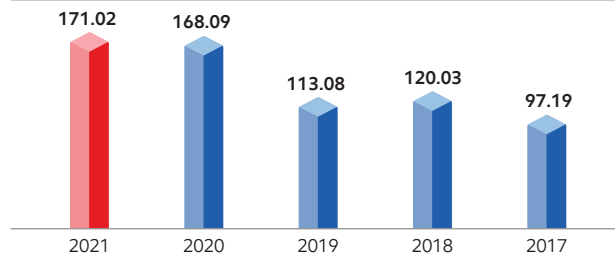
Net current assets BDT in mn



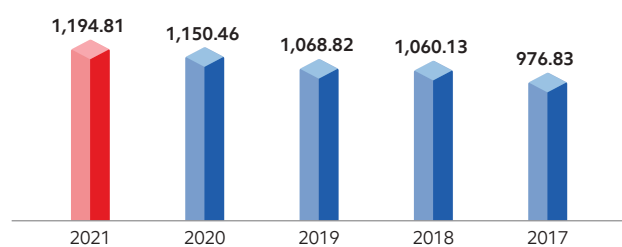
Total reserve BDT in mn



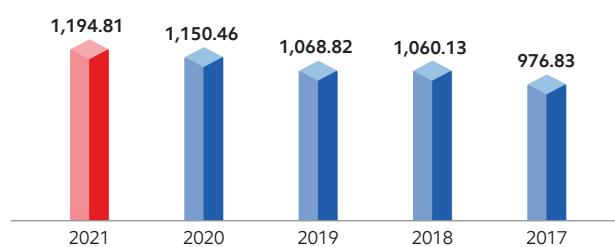
Profit before interest, depreciation & tax BDT in mn



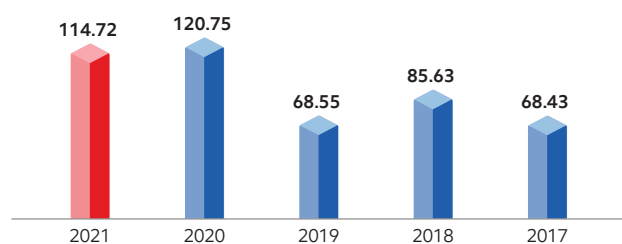
Net assets value BDT in mn



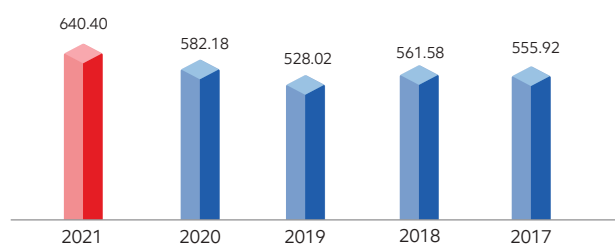
Shareholders' equity BDT in mn



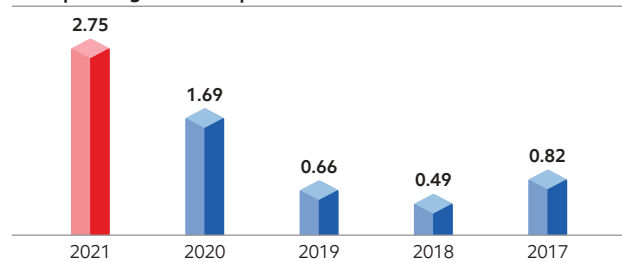
Net profit after tax BDT in mn



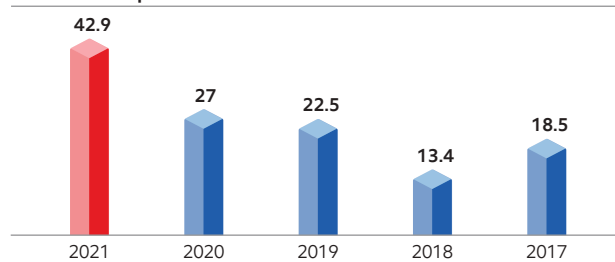
Fixed deposit BDT in mn



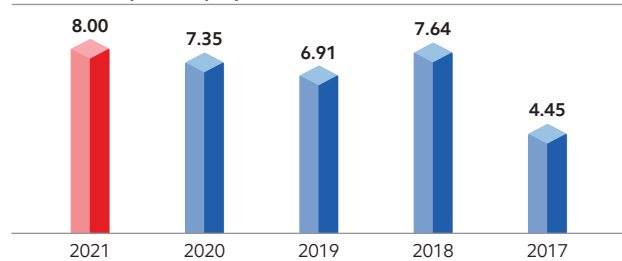
Net operating cash flow per share



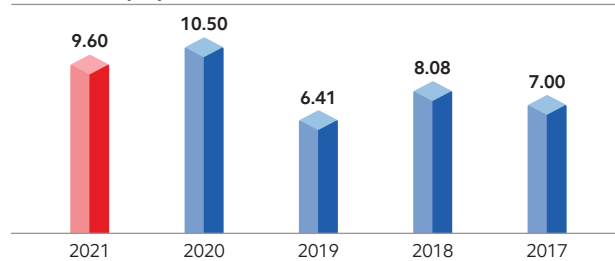
Market value per share



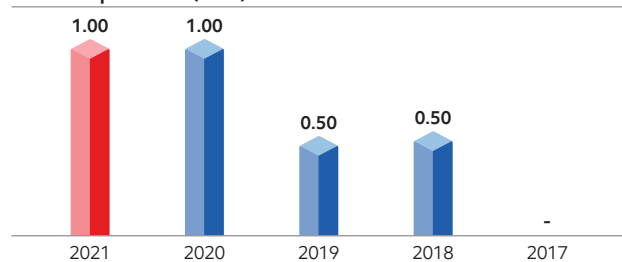
Return on capital employed



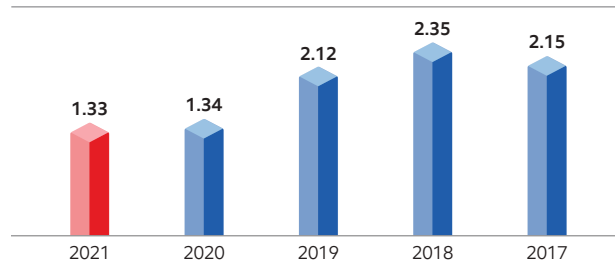
Return on equity



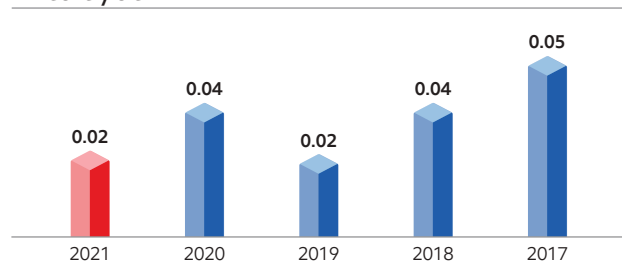
Dividend per share (cash)



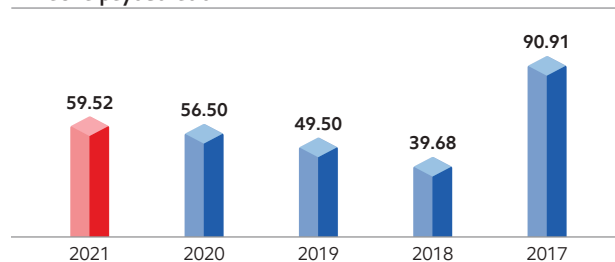
Cash ratio



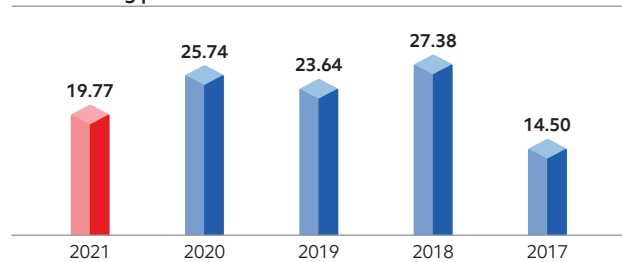
Dividend yield



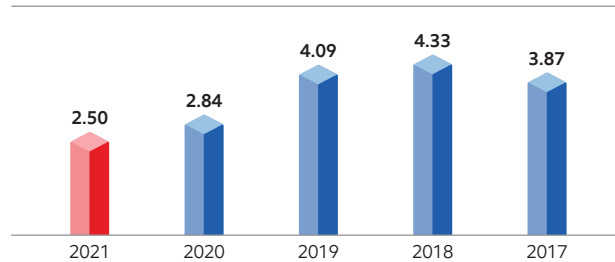
Dividend payout ratio



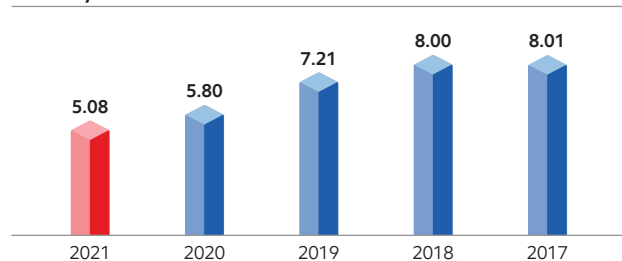
Underwriting profit ratio



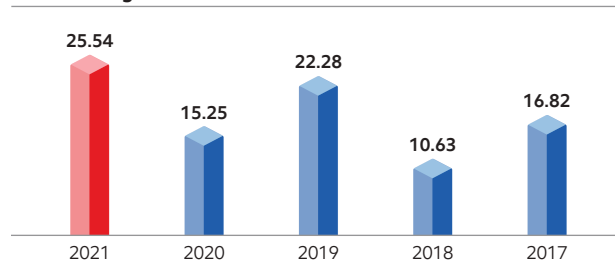
Current ratio



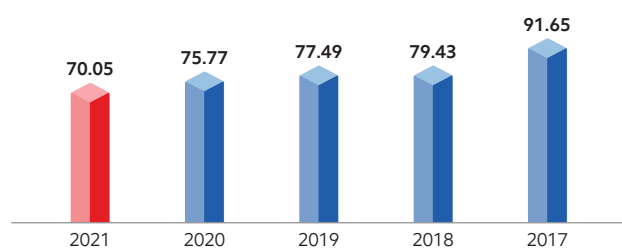
Solvency ratio



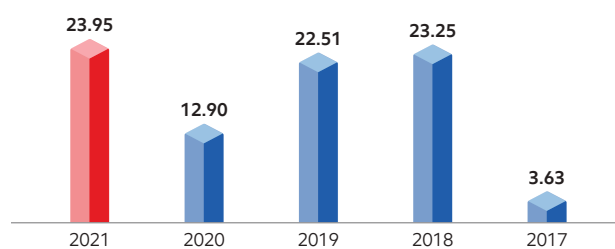
Price earnings ratio



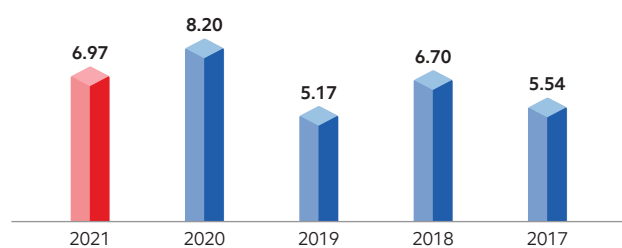
Combined ratio



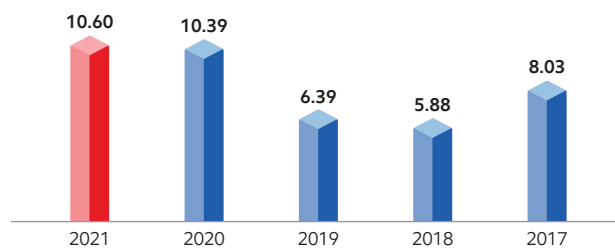
Claim ratio



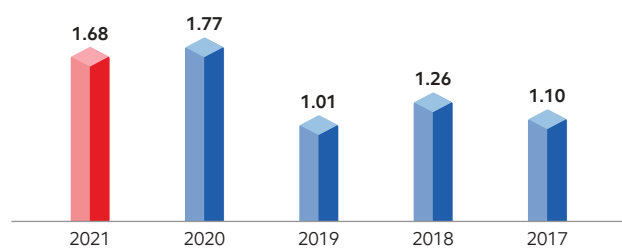
Return on average assets



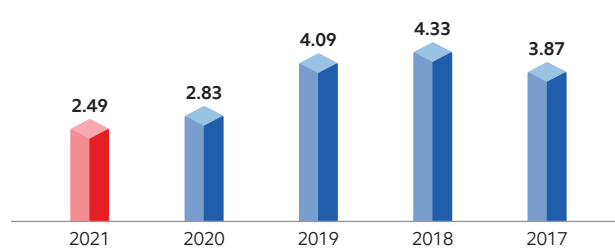
Return on investment



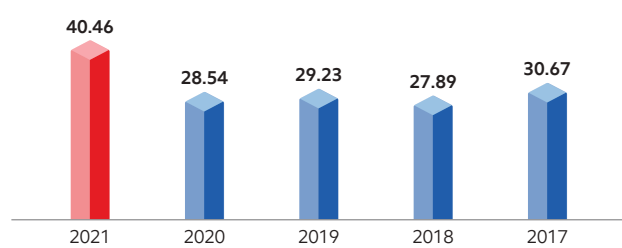
Earnings per share



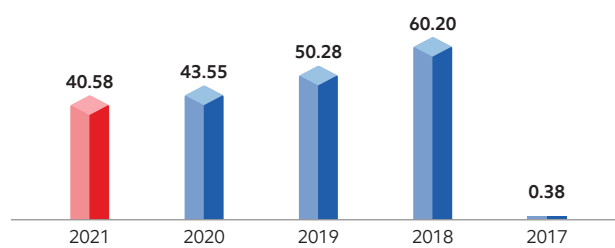
Quick ratio



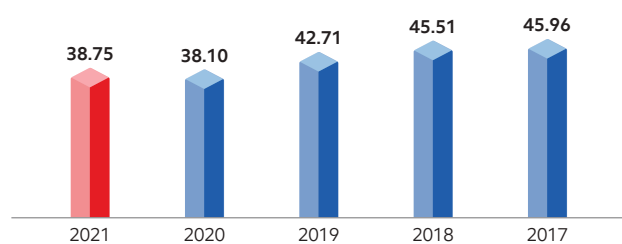
Premium to equity



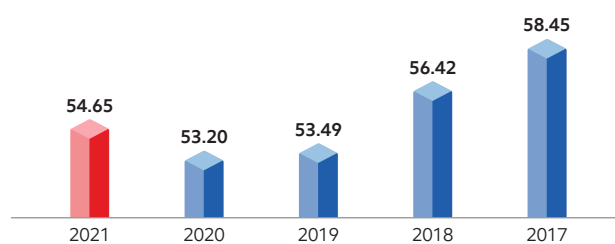
Retention ratio



Total liquid asset to total asset

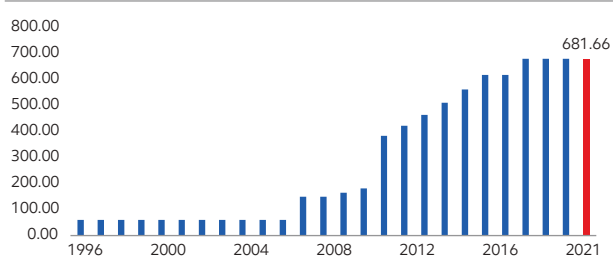


Liquid asset to total insurance fund



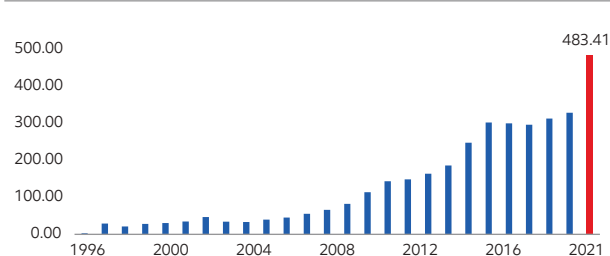
Paid up capital

BDT in mn



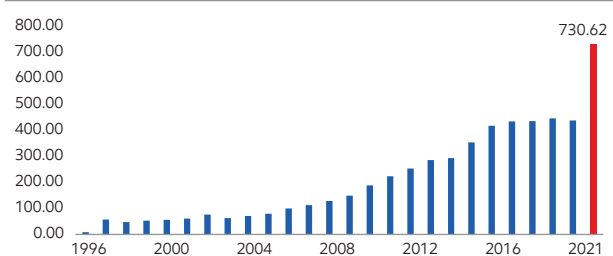
Net premium

BDT in mn



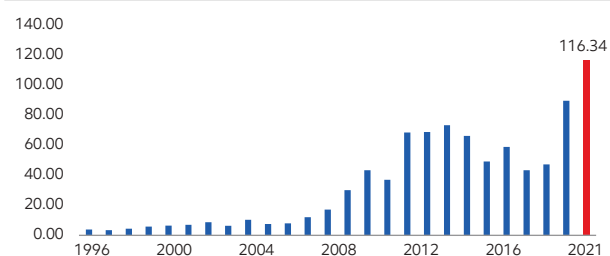
Gross premium

BDT in mn

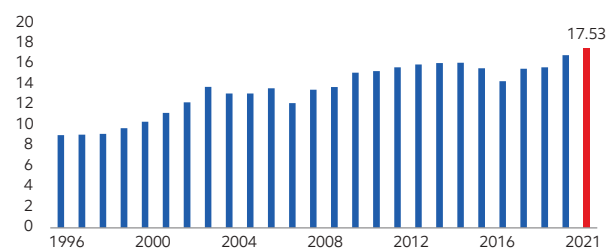


Investments & other income

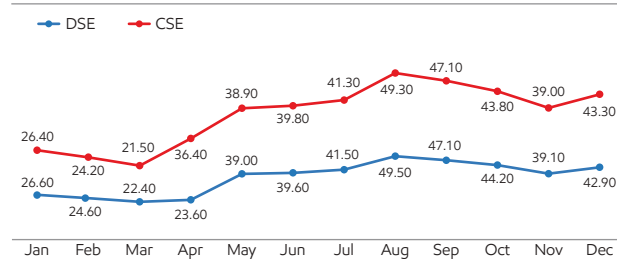
BDT in mn



Net assets value per share



Stock Performance



OUR COMPREHENSIVE PRODUCT RANGE



Fire insurance



Marine insurance



Marine hull
(Inland and ocean
going)



Motor insurance



Engineering insurance



Bank lockers insurance



Money insurance



Bankers Blanket Bond
insurance



Contractors all-risk
insurance (CAR)



Erection all-risk
insurance (EAR)



Power plant
operational package
insurance



Fidelity guarantee
insurance



Machinery breakdown
insurance (MBD)



Deterioration of stock
insurance (DOS)



Boiler & pressure vessel
insurance



Contractor's plant &
machinery insurance
(CPM)



Electronic equipment
insurance (EEI)



Burglary & house
breaking insurance



Business interruption
insurance



Goods-in-transit
insurance (GIT)



Hotel owners' all-risk insurance



Overseas Mediclaim insurance



Personal accident insurance



The peoples' personal accident insurance



Product liability insurance



Plate glass insurance



Workmen's compensation insurance



Sports insurance



Aviation insurance



Hajj & Umrah insurance



Bangabandhu Surokkha Bima

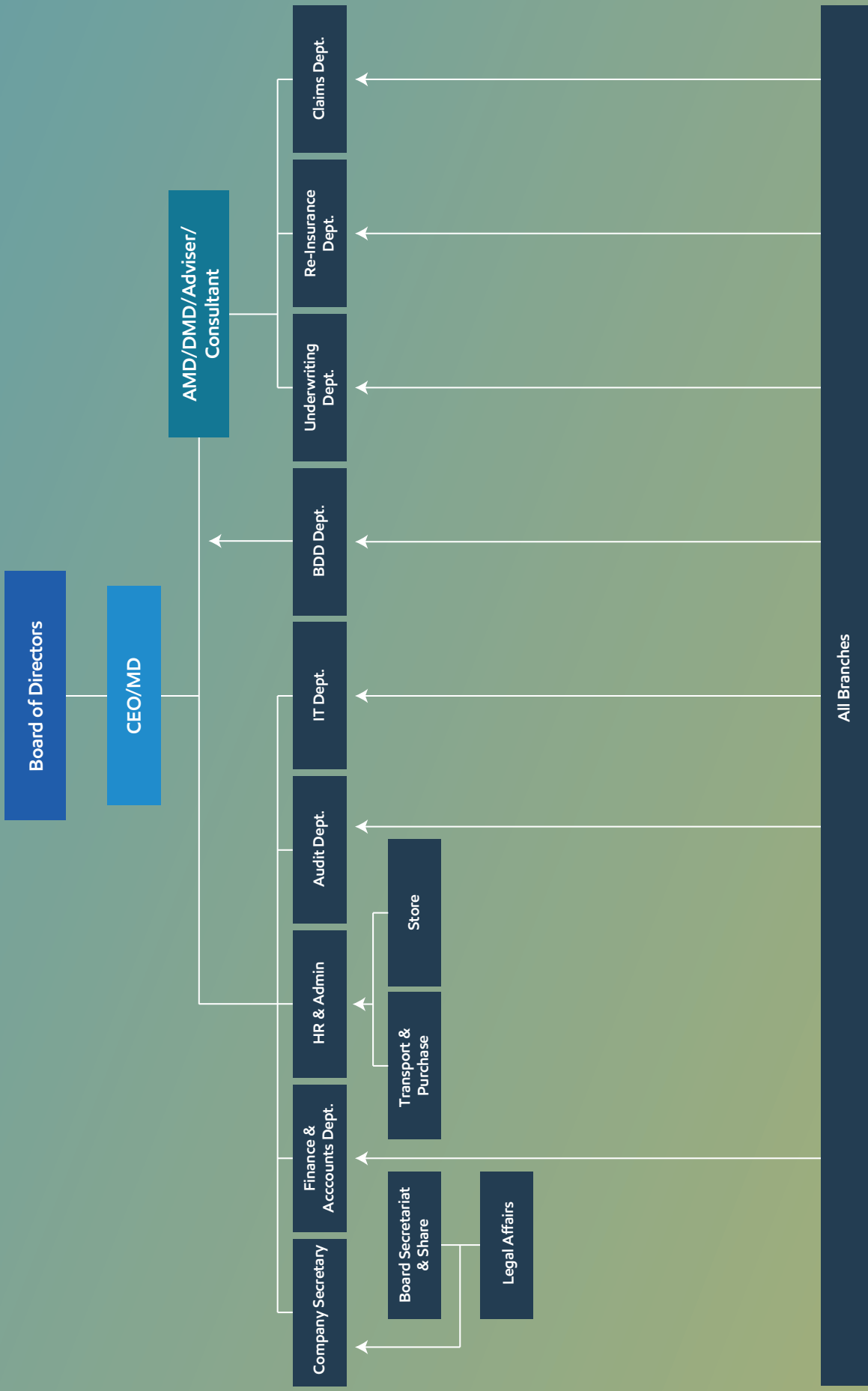


Lift insurance



Industrial all risk (IAR) insurance

CORPORATE STRUCTURE



REINSURANCE ARRANGEMENT WITH LOCAL AND REPUTED FOREIGN COMPANIES AND TREATY LIMIT

We have Reinsurance Treaty with state own organization i.e., **Sadharan Bima Corporation** and also facultative reinsurance arrangement with the undermentioned foreign companies:



Tysers Insurance
Brokers Limited



Berkshire
Hathaway Inc.



WAICA RE



CICA Re

BOARD OF DIRECTORS & ITS COMPOSITION

Chairman	Mr. Hossain Akhtar
Vice-Chairmen	Mr. Hossain Mehmood
	Mr. Mohd. Abu Taher
Directors	Mrs. Bibi Amena
	Mr. Md. Harunoor Rashid
	Mrs. Hasina Begum
	Haji Md. Yousuf
	Mr. Mohammad Amanullah
	Mrs. Hasina Parveen Manwar
	Ms. Faizah Mehmood
	Mr. Muhammad Nazirul Islam
	Mrs. Salina Ahmed
Independent Directors	Mr. Mahabubul Haque
	Mr. Tauhiduddin Md. Zahed
	Mr. Mohammad Saif Noman Khan
Chief Executive Officer	Mr. Md. Shamim Hossain

BOARD OF DIRECTORS:

The Board of City General Insurance Company Limited comprises of members from diverse professional and educational backgrounds, having adequate knowledge and experiences in finance, accounting and business growth and administration. Currently, the Board has been formed with 15 (Fifteen) Non-Executive Directors. The Directors are:

- 9 (Nine) Directors.
- 3 (Three) Shareholder Directors.
- 3 (Three) Independent Directors.

The Board is chaired by Mr. Hossain Akhtar. He is an industrialist and eminent business personality. He is the Group Executive Director of Anwar Group of Industries.

AUDIT COMMITTEE

The audit committee members are from diverse professional and educational backgrounds, having adequate knowledge and experience in Finance, Accounting and Business.

The audit committee is authorized to examine matter relating to the financial affairs of the company, to review all audit, inspection report, internal control system and procedure, accounting policies.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of 3 (Three) Non-Executive Directors. The Directors are:

Sl No	Name of member	Position in the Board	Position in the Audit Committee
01	Mr. Mahabubul Haque	Independent Director	Chairman
02	Mr. Hossain Mehmood	Vice Chairman	Member
03	Mr. Harunoor Rashid	Director	Member

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Composition of Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee (NRC) consists of 3 (Three) Non-Executive Directors. The Directors are:

Sl No	Name of member	Position in the Board	Position in the NRC
01	Mr. Tauhiduddin Md. Zahed	Independent Director	Chairman
02	Mr. Hossain Mehmood	Vice Chairman	Member
03	Haji Md. Yousuf	Director	Member

EVALUATION OF ANNUAL PERFORMANCE OF THE MANAGING DIRECTOR & CEO BY THE BOARD

The Board of Directors evaluate the performance of the Managing Director & CEO annually against present annual budget and strategic goals. Board evaluate at the end of each quarter based on the financial performance. The Board consider both financial and non-financial goals during the appraisal. The non-financial activities include clients satisfaction, clients payment, shareholders feedback, stock price, corporate relationship and searching new clients.

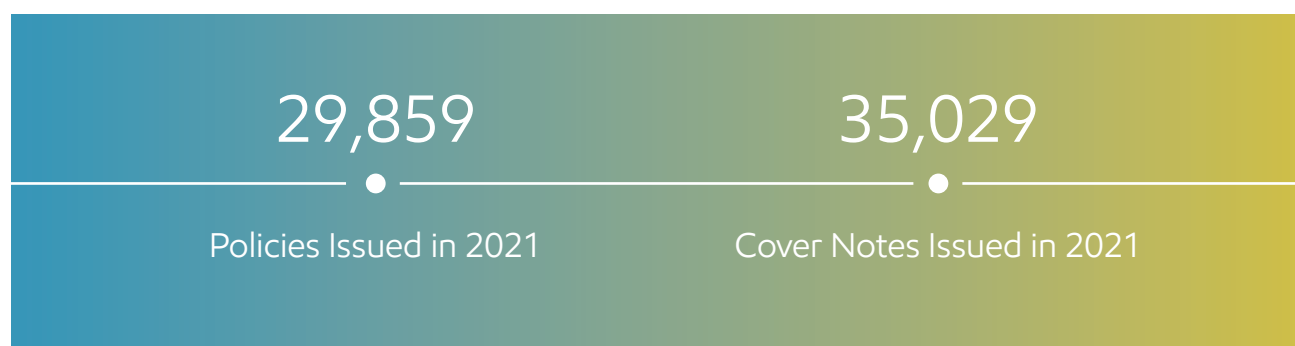
CITY GENERAL INSURANCE

AT A GLANCE

City General Insurance is one of the leading and established private sector general insurance companies in Bangladesh. We offer our customers a comprehensive and well-diversified range of products and risk management solutions through multiple distribution channels, with a constant focus on customer service and value enhancement.

Insurance is a long-term business where trust plays a critical role. We have established that trust over the years by remaining committed to providing value through our large suite of products that serve the various needs and expectations of our customers and by delivering service excellence through transparent and timely claims settlement. Over the years as we scaled up, technology was an enabler

that facilitated us to understand a customer's requirements better, ensure prudent underwriting standards and deliver faster and better service. Since then, City General Insurance has utilised technology, innovative products and superior customer service to generate trust, relevance, respect and reputation among its large stakeholder group.



COMMITTED TO MAKING A DIFFERENCE

City General Insurance is committed to being a responsible business. We recognise our role in society and are committed to conducting our business in a manner that both creates business opportunity and uplifts the socio-economic conditions of the areas in which we operate. Our approach is to balance the imperative for positive impact with the need for sustainable solutions.

During 2021, we paid particular attention to ensuring broader access to insurance solutions, skills development, enhanced levels of consumer education and local employment generation, while remaining committed to fulfilling our exchequer obligations. Due to the COVID-19 pandemic and resultant government imposed lockdowns, especially in the face of the second wave of the virus that hit in the third quarter of the year, we stood in support of our customers, while safeguarding the jobs of our employees. We also played our role in several community relief and rehabilitation efforts that showed our care and empathy to those most affected by the virus.

Since inception, the Company has steadfastly invested in new product development as an integral part of fulfilling the needs of customers. This approach has culminated in a wide range of best-fit products across the protection segments.

In addition, through our retail insurance activities, we have contributed to closing the protection gap in Bangladesh.

A robust distribution network is central to enhancing penetration and insurance inclusion in the country, in which insurance penetration is under 1%. Our distribution strategy is anchored on a framework to provide long-term sustainable growth by being present on a wide range of platforms and touch-points preferred by our customers, thus making insurance easily accessible. In order to achieve this goal, the company has, over the years, forged tie-ups with corporate agents, brokers, etc. This approach has helped increase the company's reach. Since inception, the company's operational presence has expanded from a handful of branches to 49 branches across the length and breadth of the country in 2021.

Our people are our key strength and we have over 396 people working with us. Over the past two decades, our people strategy has evolved, aligned with our strategic priorities, even as we have focused on retaining our talent, which has become of paramount importance in a competitive landscape. We have continuously nurtured talent and have built a culture of excellence and empowerment through our learning and development programs, while preserving our intellectual capital and remaining committed to our growth path.

CODE OF CONDUCT

FOR THE CHAIRPERSON AND OTHER BOARD MEMBERS

Background and Purpose

A Board of Directors is a body of elected or appointed members who collectively oversee the activities of a company. The Board may lay down a code of conduct for its members.

Bangladesh Securities and Exchange Commission (BSEC) has issued a notification regarding Corporate Governance Guidelines [Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018]. The conditions of the Corporate Governance Guidelines are imposed on 'comply' basis aiming to enhance corporate governance in the interest of investors and the capital market. The companies listed with any Stock Exchange in Bangladesh shall comply with these conditions. As per condition 1(7) of the said guidelines, the Board of Directors of a listed company shall lay down a code of conduct of all Board Members and annual compliance of the code to be recorded.

Code of Conduct:

1. The Chairman

- The Board Members shall elect a Chairman from amongst themselves for such a period as may be decided by the Board. If at any meeting of the Board, the Chairman be not present at the time appointed for holding the same, the Board Members shall choose another Director to preside over that meeting.
- The Chairman is expected to lead the Board of Directors with reasonable restraint and should at all times strive to build consensus on all contentious matters where there is divergence of opinion expressed in the course of performance of their jobs as such.
- The Chairman as the first among equals should act as an honest spokesperson of the Board and air only views already debated and decided upon by the Board. In other words, his/her personal opinions/ wish lists should be avoided in press conferences and meets. It would be proper to have certain key issues decided at the Board before they are made public.

2. General duties

- Fiduciary Duties
- The duties imposed on Board Members are fiduciary duties, similar to those that the law imposes on those in similar positions of Trust: Agents and Trustees.
- Powers vs Duties

- The duties apply to each Board Member separately, while the powers apply to the Board jointly.
- Contribution in Meetings/Debates
- The Board Members are expected to contribute to the debates in the Board without any personal biases or other prejudices with the conviction and belief that the outcome of every debate would be towards the advancement of the company.

3. Proper purpose

- Board Members must exercise their powers for a proper purpose.

4. Unfettered discretion

- Board Members cannot, without the consent of the company, fetter their discretion in relation to the exercise of their powers, and cannot bind themselves to vote in a particular way at future board meetings.

5. Transactions with the company

- A Board Member shall not enter into a transaction with a company where there is a conflict between his interest and duty without the knowledge of the Board.
- It is a statutory duty of the director(s) to declare interests in relation to any transactions, and to make proper disclosure thereof.

6. Use of corporate property, opportunity or information

- A Board Member must not, without the informed consent of the company, use company's assets, opportunities, or information for his/her own profit.

7. Competing with the company

- A Board Member must not compete directly with the company without a conflict of interest arising.
- A Board Member should not act as a director of any competing companies, as his/her duties to each company would conflict with each other.

8. Confidentiality

- Each Board Member must use utmost care and discretion in the handling of confidential information and other information not normally available to the public, generally coming to them by reason of their directorship,

office or employment. Such information shall, subject to certain limited circumstances, not be disclosed to third parties and shall not be used for personal benefit or for the benefit of family, friends, or associates.

9. Conflict of duty and interest

- As fiduciaries, the Board Members must not put themselves in a position where their interests and duties conflict with the duties that they owe to the company.
- Each and every Board Member has an obligation of loyalty to the company and should subordinate his/her personal interest when they conflict with or threaten to conflict with the best interests of the company.
- Each and every Board Member shall declare all actual or potential material conflicts that may arise between their duty to (i) the company and (ii) their personal obligations, other fiduciary duties or financial interests (direct or indirect) and these conflicts shall be reported to the Chair.
- A Board Member should not engage directly or indirectly, as a director, officer, employee, consultant, partner, agent or major shareholder in any business or undertaking that competes with, does business with or seeks to do business with the company.
- With respect to restricted party transactions, full disclosure of material transactions shall be recorded in the board's minutes and will be transacted in accordance with legislated restrictions.
- To avoid conflicts of interest, the Board Members must do more than merely act within the law. They must conduct their affairs in such a manner that their performance will at all times bear public scrutiny. The appearance of conflict of interest as well as the conflict itself must be avoided.

10. Accepting gifts

- No Board Member shall accept any gift, hospitality or favour offered or tendered by virtue of the position with the company.
- When dealing with public officials whose responsibilities

include the business of the company, acts of hospitality should be of such a scale and nature so as to avoid compromising the integrity or reputation of either the public official or the company. Such acts of hospitality should be undertaken in the expectation that they could well become a matter of general knowledge and public record.

11. Reporting of questionable or fraudulent actions

The Board Members shall report to the Board or to the audit committee about their awareness of any situation which might adversely affect the reputation of the company. This would include any questionable, fraudulent or illegal events or material actions in violation of company policy which comes to their attention.

12. Cooperation with auditors

Every Board Member is expected to comply promptly with any request from internal and/or external auditors for assistance and to provide full disclosure of any situation under investigation.

Acceptance of this code

- All members of the Board of Directors shall sign this Code of Conduct, including any new members who may assume office as from this date.
- These signed copies shall be held by the Company Secretary.

Affirmation & compliance of the code

- All Board Members shall read this Code at least annually, and shall certify in writing that they have done so and that they understand the Code.
- Annual compliance of the code by all Board Members shall be recorded in a meeting of the Board of Directors.



(Hossain Akhtar)

Chairman of The Board of Directors

DIRECTORSHIP WITH OTHER COMPANIES

SL	Name of the Directors	Companies name
1.	Mr. Hossain Akhtar	a) Chairman, City General Insurance Company Limited
		b) Group Executive Director, Anwar Group of Industries
		c) Managing Director, Anwar Galvanizing Ltd.
2.	Mr. Hossain Mehmood	a) Vice Chairman, City General Insurance Company Limited
		b) Director, Anwar Galvanizing Ltd.
		c) Director, The City Bank Ltd.
		d) Director, Anwar Group of Industries
3.	Mr. Mohd. Abu Taher	a) Vice Chairman, City General Insurance Company Limited
		b) Chairman, Taher and Company Ltd.
4.	Mrs. Bibi Amena	a) Director, City General Insurance Company Limited
		b) Director, Anwar Galvanizing Ltd.
		c) Director, Anwar Group of Industries
5.	Mr. Md. Harunoor Rashid	a) Nominated Director, City General Insurance Company Limited
		b) Director, Al-Haj Textile Mills Ltd.
		c) Director, Al-Haj Jute Mills Ltd.
6.	Mrs. Hasina Begum	a) Nominated Director, City General Insurance Company Limited
		b) Nominated Director, Anwar Galvanizing Ltd.
		c) Director, Anwar Group of Industries
7.	Mr. Haji Md. Yousuf	Director, City General Insurance Company Limited
8.	Mr. Mohammed Amanullah	Nominated Director, City General Insurance Company Limited
9.	Mrs. Hasina Parveen Manwar	Nominated Director, City General Insurance Company Limited
10.	Ms. Faizah Mehmood	Nominated Director, City General Insurance Company Limited
11.	Mr. Muhammad Nazirul Islam	Nominated Director, City General Insurance Company Limited
12.	Mrs. Selina Ahmed	Nominated Director, City General Insurance Company Limited
13.	Mr. Mahabubul Haque	Independent Director, City General Insurance Company Limited
14.	Mr. Tauhiduddin Md. Zahed	Independent Director, City General Insurance Company Limited
15.	Mr. Mohammad Saif Noman Khan	Independent Director, City General Insurance Company Limited

EVALUATION OF PERFORMANCE OF THE MANAGING DIRECTOR & CEO BY THE BOARD

The Board of Directors evaluate the performance of the Managing Director & CEO annually against present annual budget and strategic goals. Board evaluate at the end of each quarter based on the financial performance. The Board consider both financial and non-financial goals during the appraisal. The non-financial activities include clients satisfaction, clients payment, shareholders feedback, stock price, corporate relationship and searching new clients.

TRAINING FOR BOARD OF DIRECTORS

The Board recognizes the importance of training and development of the Directors to acquire the requisite knowledge and skills to discharge their duties effectively. All new Directors appointed to the Board are offered a formal introductions program to introduce themselves with City General Insurance Company Limited policies, understanding the line of business, corporate functions, key financial highlights, audit, compliance, risk management and governance framework. The Directors are constantly update on information relating to the company's strategy, plan, achievement etc. The Board is being regularly updated with laws and rules regulations, circulars, orders, directives, by placing information memorandum to the Board.

MANAGEMENT TEAM

Designation	Name
Chief Executive Officer	Mr. Md. Shamim Hossain
Advisor	Mr. Md. Azizul Islam
Addl. Managing Director & Company Secretary	Mr. Md. Hasan Khan, ABIA
Deputy Managing Director & Chief Financial Officer	Mr. Md. Mizanur Rahman
Deputy Managing Director (Business Development Department)	Mr. A.K.M Mohiuddin
Sr. Executive Vice President (Underwriting and Branch Coordination Department)	Mr. Md. Morshed Hasan
Executive Vice President (Underwriting)	Mr. Md. Idris
Sr. Vice President (Finance & Accounts Division)	Mr. Sheikh Azizul Haque ACS, CGIA
Sr. Asstt. Vice President & Head of Reinsurance	Mrs. Beauty Paul Chowdhury
Sr. Asstt. Vice President & Head of Audit	Mr. Md. Ibrahim Molla
First Asstt. Vice President and Head of HR & Admin	Ms. Farhana Hoque
First Asstt. Vice President and Head of IT	Mr. Md. Salahuddin
Manager & Head of Claims	Ms. Sharmin Akter

OUR INTEGRATED BUSINESS MODEL

Our organization’s business model represents our system of transforming capital inputs through our business activities into outcomes that aim to fulfil the organization’s strategic purposes and create value over the short, medium and long-term.



OUTPUTS



The professionalism, specialist skills and diversity of our employees



Our infrastructure assets, including offices, digital assets, etc.



Debt and equity financing and cash generated from operations.



Our culture, knowhow, experience and technology, etc.



Trust-based relationships with customers, communities and regulators, etc.



Our use of energy, land, paper, water and other such resources

OUTCOMES



Best customer experience

- Enhanced customer journeys through our touchpoints
- Retention of key talent/ employees



Enhance efficiency focus

- Expansion and retention of customers
- Leading through new technologies



Strengthen commercial performance

- Improved solvency margins and RoE
- Stronger foundations of profitability growth



Product innovation

- Personalised/ best-fit products
- Meeting met and unmet needs of customers



Grow our citizenship interventions

- Enhanced our social impact
- Bolstered our reputation as a responsible corporate citizen



Focus on resource excellence

- Improved efficiency of use of natural resources
- Advanced intent of fostering a paperless office

1996

- Commencement of Business
25th March, 1996
- License Issued by Chief
Controller of Insurance
31st March, 1996

CELEBRATING

2007

- Publication of Prospectus
for IPO
11th July, 2007
- Subscription Opened
19th August, 2007
- Subscription Closed
23rd August, 2007
- Listed with CDBL
11th September 2007
- Lottery held for Allotment
of Shares
27th September, 2007
- Listed with Chittagong
Stock Exchange Ltd.
22nd October, 2008
- Listed with Dhaka Stock
Exchange Ltd.
8th November, 2007
- Trading of shares in Dhaka
Stock Exchange Ltd.
12th November, 2007
- Trading of shares in
Chittagong Stock
Exchange Ltd.
12th November, 2007





2011

- Face value & Market lot change

16th January 2011

- Rights Share Issued

12th July, 2011

2021

- Membership (Other than DSE, CSE & CDBL)
: Bangladesh Insurance Association (BIA)
Bangladesh Association of Publicly Listed Company (BAPLC) Dhaka Chamber of Commerce & Industry (DCCI)

- Credit Rating Agency
Credit Rating Information and Services Ltd. (CRISL)
Credit Rating : AA (Double A)

December 30, 2021

YEARS OF OUR
MOMENTOUS JOURNEY



OUR THINK-TANK

A think-tank is a group of specialists brought together by an organization to discuss a variety of issues and try to come up with solutions.

BOARD OF DIRECTORS



From left to right

Mr. Hossain Akhtar
Chairman

Mr. Hossain Mehmood
Vice Chairman

Mr. Md. Abu Taher
Vice Chairman

Mrs. Bibi Amena
Director

Mr. Md. Harunoor Rashid
Director

Mr. Haji Md. Yousuf
Director

Mr. Mohammad Aman-Ullah
Director

Mrs. Hasina Begum
Director



From left to right



Mrs. Hasina Parveen Manwar
Director

Ms. Faizah Mehmood
Director

Mrs. Salina Ahmed
Director

Mr. Muhammad Nazirul Islam
Director



Mr. Mahabul Haque
Independent Director

Mr. Tauhiduddin Md. Zahed
Independent Director

**Mr. Mohammad Saif
Noman Khan**
Independent Director

Mr. Md. Shamim Hossain
Managing Director & CEO

BOARD OF DIRECTORS' PROFILE



Mr. Hossain Akhtar
Chairman

Mr. Hossain Akhtar was born in a respectable Muslim family in Dhaka. He is an industrialist and an eminent business personality. He is the Group Executive Director of the prominent Anwar Group of Industries. Mr. Hossain completed his education from Dhaka Govt. College. He stood 8th in the merit list of SSC examination in 1970 from Dhaka Board. He was Director of Bangladesh Finance Limited and BD Finance Securities Ltd. Mr. Hossain was also the Sr. Vice President of Dhaka Chamber of Commerce & Industry. He is the President of Jamila Khatun Lalbagh Girls High School and patronizes many educational and social welfare institutions. He also contributes to cultural development activities of the country. Mr. Hossain is a life member of Bangladesh Red Crescent Society, Bangladesh Diabetic Society and Anjuman Mafidul Islam.

Mr. Hossain Mehmood is an industrial entrepreneur and has established a longstanding legacy in business. He successfully set up and executed a number of industrial undertakings. He is Chairman and Director of a number of companies of Anwar Group of Industries and also holds Managing Directorship positions at Hossain Dyeing & Printing Mills Limited, Mehmud Industries (Pvt) Limited and Anwar Silk Mills Limited. He was the Chairman of Bangladesh Terry Towel and Linen Manufacturers & Exporters Association (BTTLMEA), Vice President of Bangladesh Textile Mills Association (BTMA), and Vice Chairman of Bangladesh Finance Securities Ltd. He is Director of The City Bank Ltd. He is also Director of Anwar Galvanizing Ltd. He patronizes many educational and social welfare institutions, such as Alhaj Anwar Hossain Foundation, Jamila Khatun Lalbagh Girls High School, Jamila Khatun Red Crescent Maternity Center, Alhaj Anwar Hossain NHN Diabetic Center, etc. Mr. Mehmood has sound academic credentials and is a reputed member of society.



Mr. Hossain Mehmood
Vice Chairman



Mr. Md. Abu Taher

Vice Chairman

Mr. Md. Abu Taher traces his roots to a respectable Muslim family of Chottogram. He is an industrialist par excellence. He is the Chairman of Taher & Company Limited, Golden Iron Works Ltd., Golden Brick Works Ltd., Eagle Star Textile Mills Ltd., Golden Steel Alloy Works Ltd., Al-Haj Mostafa Hakim Housing & Real Estate Ltd., Al-Haj Mostafa Hakim Cement Industries Ltd., Golden Oxygen Ltd., Golden Bricks Works Ltd., Golden Ispat Ltd. and Golden LPG Ltd. He has made remarkable contributions to social and cultural activities of the country.



Mrs. Bibi Amena

Director

Mrs. Bibi Amena is one of the leading Industrialists and business women of Bangladesh. She is the Director of Anwar Silk Mills Ltd., Hossain Dyeing & Printing Mills Ltd., Anwar Galvanizing Ltd., Mehmud Industries (Pvt.) Ltd., Anwar Jute Spinning Mills Ltd., Anwar Cement Ltd. and Anwar Landmark Ltd. She is involved with many voluntary, philanthropic and social organizations of the country.



Mr. Md. Harunoor Rashid
Director

Mr. Md. Harunoor Rashid is an eminent business personality in Bangladesh. He has been nominated on the Board by Khaled Iron & Steel Mills Ltd. He graduated from the University of Dhaka in 1981. He is the Managing Director of Al-Haj Jute Mills Ltd., Director of Al-Haj Textile Mills Ltd. and is the Chairman of Mansco International Ltd. He is associated with many social organizations around the country.



Mrs. Hasina Begum is a reputed business woman of the nation. She has been nominated on the Board by Hossain Dyeing & Printing Mills Ltd. She holds Directorship positions in a number of companies of the Anwar Group of Industries.

Mrs. Hasina Begum
Director



Mr. Mohammad Aman-Ullah
Director

Mr. Mohammad Aman-Ullah is a B.Com graduate. He has been nominated on the Board by Wazeefa Acrylic Spinning Mills Ltd. He is associated with several educational and social organizations, thus contributing to the welfare efforts of the society.



Mr. Haji Md. Yousuf is a well-known business person. He is the Proprietor of Moon Traders. He is attached with many social organizations around the country.

Mr. Haji Md. Yousuf
Director



Mrs. Hasina Parveen Manwar
Director

Mrs. Hasina Parveen Manwar traces her roots to a respectable Muslim family of Chattogram. She has been nominated on the Board by Mehmud Industries (Pvt.) Ltd. She graduated from Chittagong University in 1994. She is an accomplished woman entrepreneur of the country, leading the high-end furniture brand, Athena's Furniture & Home Décor as its Managing Director.

Ms. Faizah Mehmood is the grand daughter of the legendary business icon of Bangladesh, late Alhaj Anwar Hossain. She has been nominated as a Director of Anwar Silk Mills Ltd. She completed her B.Com degree in 2021 from the University of Toronto- Rotman School of Business. She has specialized in the fields of leadership, strategy and innovation. She has also obtained awards and certifications from Business Metrics for Data Driven Companies – Duke University Online (2020), KPMG Data Analytics Virtual Internship (2020), Business Process Improvement – LinkedIn (2020), Data Analytics for Business Professionals – LinkedIn (2020), Salutatorian – International School Dhaka (2017), First Aid, Fire Safety and Earthquake Awareness – Bangladesh Red Crescent Society (2016).

Ms. Mehmood is currently pursuing her internship in business development from Ernst and Young (EY) – Dhaka. She has working experience as a Business Development Analyst from May 2020 to May 2021 at Anwar Group of Industries, and also as a Special Project Planner from May 2019 to September 2019 at edotco. She is involved with several volunteer organizations, such as Bangladesh Apparel Youth Leaders' Association (BAYLA) –Member, UN Online – Volunteer, Bangladesh Red Crescent Society – Ambassador, Toronto Voice Magazine – Editor, Bangladeshi Students Association –ex-Director and Global Issues Network – ex-President.



Ms. Faizah Mehmood
Director



Mr. Muhammad Nazirul Islam
Director

Mr. Muhammad Nazirul Islam worked in the general insurance industry, both in the public and private sectors, for several decades. He was the Chief Executive Officer at Continental Insurance Ltd., City General Insurance Co. Ltd. and Asia Insurance Ltd. Before joining the private sector, he was Deputy General Manager (Re-Insurance) at Sadharan Bima Corporation.

Mr. Islam obtained his BSS (Hons) and MSS degree from Dhaka University. He completed his Professional Diploma in General Insurance (ABIA) from Bangladesh Insurance Academy.

Over the years, he has attended several professional training courses and workshops at home and abroad.



Mrs. Salina Ahmed is an M.A. from the University of Dhaka. She is Nominated by A-One Polymer Ltd. She is associated with various social activities for public welfare.

Mrs. Salina Ahmed
Director



Mr. Mahabubul Haque
Independent Director

Mr. Mahabubul Haque completed his M.A. from Chattogram University, LLB from Chottogram Law College, JAIBB at Institute of Bankers Bangladesh and also completed an Advance Certification Course on Human Resources Management from IBA, Dhaka University. He attended several professional courses, both at home and abroad, on Audit and Foreign Exchange Management. He has been exposed to international training in Delhi (India), Hyderabad (India), Frankfurt (Germany) and Paris (France).

Mr. Haque started his career in 1984. He was a Deputy General Manager (DGM) in Bangladesh Bank. He served at various departments across the bank, such as Audit Department, Inspection Department and Foreign Exchange Operation Department, Foreign Exchange Policy Department, International Department, Forex Reserve and Treasury Management Department and Human Resources Department.

Mr. Tauhiduddin Md. Zahed completed his Masters degree from University of Dhaka in Economics. He is an Associate Member of Bangladesh Insurance Academy (ABIA) and awarded from Tyser & Co. London.

Mr. Tauhiduddin Md. Zahed joined in Sadharan Bima Corporation as Asst. Manager in November 1983 and served in different departments as leading position. Lastly he retired as General Manager from Sadharan Bima Corporation. He has more than 34 years working experience at Sadharan Bima Corporation, insurance companies and encompassing areas such as Engineering, Reinsurance, Claims, Underwriting, Audit, Law etc.

Mr. Tauhiduddin Md. Zahed participated and successfully completed various types of trainings, workshop and seminars at home and abroad. He visited India, Pakistan, USA, Switzerland, Malayasia, Singapore, Thailand and Saudi Arabia.



Tauhiduddin Md. Zahed
Independent Director



Mohammad Saif Noman Khan
Independent Director

Mr. Mohammad Saif Noman Khan is an academician, strategy consultant and corporate trainer. He is currently serving as an associate professor at the Institute of Business Administration (IBA), University of Dhaka. He teaches in the Executive MBA, MBA, and BBA programs. He is also leading the executive education programs at IBA specially in the areas of Communication and Strategy. Mr. Noman has obtained his first MBA degree in Finance from IBA where he stood first in his batch. He has also completed a second MBA from York University, Canada majoring in Strategy. He also holds a bachelors and masters degree in English Literature from the Department of English, University of Dhaka. Being an International Strategy Consultant, Strategy & Innovation Expert; Mr. Noman has undertaken numerous strategy and business consultancy projects both in the public as well as private sector at home and abroad. He headed consultancy projects with The World Bank and The United Nations. He has undertaken research as well as published in the areas of Micro, Small and Medium Enterprises (MSMEs) in Bangladesh and the Banking & Insurance sector. He has provided strategy consulting services to numerous leading local & multinational business organizations. Mr. Noman is by far the only expert in Bangladesh now in the areas of Complexity Strategy & Design Thinking. He is a preferred consultant both for The World Bank and UN for SME capacity development in Bangladesh. His corporate training modules also includes advanced level leadership development, business strategy, sales & innovation. So far, almost all the Large Local Corporates and Multi National Organizations in Bangladesh has availed his services to develop the capacity of their respective business managers & leaders. He was one of the pioneer consultants for World Bank to prepare a detailed research in the area of introducing agriculture insurance products in Bangladesh. He served the World Bank in the capacity of a financial sector expert and conducted an in depth study regarding the insurance sector of Bangladesh. Mr. Noman has extensive financial sector expertise and worked with IDLC at the start of his career. He also worked with Citibank N.A Bangladesh & Citibank N.A. Hong Kong at various managerial capacity.

Md Shamim Hossain joined City General Insurance Company Limited as a General Manager in 2008. In his journey, he has proven himself as a dynamic, creative and accomplished sales professional with extensive experience in both B2B and B2C. With a proven track record of generating new businesses, he has a strong working experience in a highly pressured target based environment.

He has served this company in different positions and in 2018 he had taken the responsibility of current charge of Managing Director & CEO. From 2019 he has been serving this company as full placed Managing Director & CEO. Since then as a Managing Director he has held and led successfully all areas of the organization. He has around 20 years of experience in the insurance industry. He is a highly motivated and enthusiastic individual with expertise in management. He has strong leadership and communication, technical, marketing skills and innovative ideas.

During his working period he has attended many trainings seminars and symposiums on insurance and other related sectors. He obtained the degree of Master of Science in Chemistry from National University. He also completed "Post graduate diploma course in Computer Science and Engineering" and "ORACLE certification course". Before joining in insurance company, he was in teaching profession. He has professional experience in IT. He also worked as programmer. He involves himself in various social activities. He was president of "Rotary Club of Shahbag" in 2018-19. He is also "Assistant Governor" 2021-22 of rotary district 3281 Bangladesh.



Mr. Md. Shamim Hossain
Managing Director & CEO

MANAGEMENT TEAM



Standing from left to right

Mr. Sheikh Azizul Haque ACS, CGIA Sr. Vice President (Finance & Accounts Division)	Mrs. Beauty Paul Chowdhury Sr. Asstt. Vice President & Head of Reinsurance	Mr. Md. Idris Executive Vice President (Underwriting)	Ms. Farhana Hoque First Asstt. Vice President and Head of HR & Admin
Mr. Md. Ibrahim Molla Sr. Asstt. Vice President & Head of Audit	Ms. Sharmin Akter Manager & Head of Claims	Mr. Md. Salahuddin First Asstt. Vice President and Head of IT	



Sitting from left to right

Mr. A.K.M Mohiuddin
Deputy Managing Director
(Branch Development
Department)

Mr. Md. Azizul Islam
Advisor

Mr. Md. Shamim Hossain
Chief Executive Officer

Mr. Md. Hasan Khan, ABIA
Addl. Managing Director &
Company Secretary

Mr. Md. Mizanur Rahman
Deputy Managing Director &
Chief Financial Officer

Mr. Md. Morshed Hasan
Sr. Executive Vice President (Underwriting and Branch
Coordination Department)

PROFILE OF OUR MANAGEMENT TEAM



Mr. Md. Shamim Hossain
Managing Director & CEO

Md Shamim Hossain joined City General Insurance Company Limited as a General Manager in 2008. In his journey, he has proven himself as a dynamic, creative and accomplished sales professional with extensive experience in both B2B and B2C. With a proven track record of generating new businesses, he has a strong working experience in a highly pressured target based environment.

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Mr. Md. Azizul Islam was born in a reputed Muslim family of Rajbari in the year of 1953. He was a meritorious student and obtained his B.A (Hon's) and M.A degree in Public Administration from university of Dhaka. He also obtained LL.B degree from same university. Mr. Islam has more than 34 years of experience in the insurance industry. He is an Associate of Bangladesh Insurance Academy (ABIA) and specialized fire diploma holder and a Fellow of Insurance Institute of India (FIII). He is a guest lecturer of Bangladesh Insurance Academy, Bangladesh Insurance Association and some private Universities and institution. Before joining City General Insurance Company Limited as an advisor Mr. Islam served as Managing Director & CEO in various non-life insurance companies for about 16 years. He writes in different Newspaper, Journals and Magazines. Moreover, he was a member of Central Rating Committee (CRC) of Insurance Development and Regulatory Authority. Besides, he is Associated with many social philanthropic organization and life fellow of Indian Insurance Institute.



Mr. Md. Azizul Islam
Advisor



Mr. Md. Hasan Khan, ABIA
Addl. Managing Director & Company Secretary

Mr. Md. Hasan Khan completed Master's Degree in Management from Dhaka University. He is an Associate member of Bangladesh Insurance Academy (ABIA) and also completed 4 (For) Years Articleship from M/S Patwary & Co. Chartered Accountants under ICAB.

Mr. Hasan joined in City General Insurance Company Limited on 1st September 2007 as General Manager & Company Secretary. Later he was promoted as DMD & Company Secretary and Addl. Managing Director & Company Secretary. He was Guest Lecturer of Bangladesh Insurance Academy, Bangladesh Insurance Association and Institute of Business Administration (IBA) Dhaka University. He has about 4 (four) decades of work experience in various organizations encompassing areas such as Insurance, Accounts, Administration, Company Secretarial practice etc. He is also CAMLCO of the company.

Mr. Hasan participated and successfully completed various types of training and workshops organised by Bangladesh Insurance Academy and Institute of Business Administration of (IBA) Dhaka University.

Md. Mizanur Rahman was born in a respectable Muslim family in Lakshmipur district. He completed his Master's degree in Accounting from JAGANNATH UNIVERSITY and Completed MBA (Major in finance) from DAFFODIL INTERNATIONAL UNIVERSITY. Besides that, he completed C.A intermediate examination from Huda Hossain & Co. Chartered Accountants under the Institute of Chartered Accountants of Bangladesh and completed ACGA (Associate of Certified General Accountant) degree from the Institute of Certified General Accountants of Bangladesh. Moreover Mr. Rahman obtained certificate as ITP (Income Tax Practitioner) from National Board of Revenue (NBR) & also life member of Dhaka Taxes Bar and Association of Insurance Executives.

Mr. Rahman joined City General Insurance Company Ltd. on January, 2018. He has 26 years working experience in various organizations encompassing areas such as Accounts, Insurance, administration and Money Laundering. He was CAMLCO in Express Insurance Co. Ltd.

Mr. Rahman participated & successfully completed various types of short courses, training, workshops and seminars organized by Bangladesh Insurance Academy, Bangladesh Bank, National Board of Revenue & Institute of Business Administration (IBA) of Dhaka University. Mr. Rahman visited India, Malaysia, Thailand, Singapore, KSA, China, Japan & USA for personal purposes.



Mr. Md. Mizanur Rahman
Dy. Managing Director & CFO



Mr. A.K.M. Mohiuddin
Deputy Managing Director (BDD)

Mr. A.K.M. Mohiuddin was born in a respectable Muslim family. He completed his graduation from Rajshahi University. He joined in City General Insurance on 15th July 1996. He has more than 25 years of working experience in business development in the insurance industry. Mr. Mohiuddin participated in and successfully completed various types of trainings and workshops related to insurance and banking.



Mr. Md. Morshed Hasan
Senior Executive Vice President (U/W & BCD)

Mr. Md. Morshed Hasan is the Senior Executive Vice President of Underwriting & Branch Coordination Department of the Company. He holds MA and LL.B degrees. He has participated in various training courses on underwriting and claims, arranged by Bangladesh Insurance Academy. He has vast knowledge in underwriting, with over 32 years of experience. He is also the Deputy CAMLCO of the Company.



Mr. Mohammad Idris
Executive Vice President (U/W)

Mr. Mohammad Idris is the Executive Vice President of Underwriting Department of the Company. He completed his B.Sc. (Hons) and M.Sc. in Mathematics from Chittagong University. After completing his M.Sc., he joined City General Insurance. He has 30 years of work experience in insurance. He has participated in various training courses on underwriting, arranged by Bangladesh Insurance Academy.

Mr. Sheikh Azizul Haque joined City General Insurance Company Limited in April 2019. He brings with him a dynamic career of more than 23 years of valuable experience in the insurance industry and other sectors.

Mr. Haque is a Chartered Secretary from the Institute of Chartered Secretaries of Bangladesh (ICSB), Chartered Global Investment Analyst (CGIA) from the CGIA Institute (USA) in profession. He obtained his Masters degree in Management from the Jagannath University. He completed three and half years Article Ship from the Zoha Zaman Kabir Rashid & Co., Chartered Accountants. He is partly qualified of CA Professional Level from the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Haque is a member of Bangladesh VAT Professionals Forum, The Institute of Internal Auditors Bangladesh (IIAB) and Bangladesh VAT Bar Association. He has attended a number of seminars at home regarding VAT, Income Tax, Financial Management and Audit matters.



Mr. SHEIKH AZIZUL HAQUE
CGIA, ACS
Senior Vice President (F&A) Division



Mrs. Beauty Paul Chowdhury

Sr. Asstt. Vice President

Head of Reinsurance Department.

Mrs. Beauty Paul Chowdhury was born in a respected Hindu family. She completed her M.Sc.in Botany and obtained 1st class (Thesis Group) from the University of Dhaka. She joined City General Insurance on 15th February 1999. During this time, she has held various important positions. Overall, she has 23 years of work experience encompassing areas such as Re-insurance and claims.

She has attended and successfully completed many training programs and workshops.



Mr. Md. Ibrahim Mollah was born in a reputed Muslim family in Munshigonj. He completed his B.Com Hons (Accounting) and M.Com (Accounting) from Jagannath University College under the National University. He also completed MBA (Finance) from America Bangladesh University under UGC. Mr. Mollah joined City General Insurance on 1st January 2000 and served various leading positions in the Company. He has 22 years of work experience and holds the position of Head of Audit in the Company. Mr. Mollah has participated and successfully completed various types of trainings and workshops.

Mr. Md. Ibrahim Mollah

Sr. Asstt. Vice President & Head of Audit



Ms. Farhana Hoque

First Assistant Vice President and Head of HR & Admin

Ms. Farhana Hoque comes from a respectable Muslim family in Dhaka. She completed her M.Sc. (Geography & Environment) from Jaganath College under the National University and also obtained L.L.B from City Law College, Dhaka. She joined City General Insurance in 2002. From that, she has held various important positions in the Company. She has 20 years of working experience in the Company, encompassing areas such as HR and Admin. Ms. Hoque has participated and successfully completed various types of trainings and workshops on HR and admin.



Mr. Md. Salahuddin Khan

First Assistant Vice President and Head of IT

Mr. Md. Salahuddin Khan was born in a reputed Muslim family. He completed his B.Sc.(Hons) in Computer Science from National University. Mr. Khan joined City General Insurance on 1st September, 2017. He has more than 14 years of work experience in insurance industry.

He has participated and successfully completed various types of trainings and workshops related to insurance and IT.



Ms. Sharmin Akter
Manager & Head of Claims

Ms. Sharmin Akter was born in a reputed Muslim family. She completed her B.A. (Hons) in History from Jagannath University College under National University. She joined City General Insurance on 1st December 1999. From that, she served various important positions in the Company. She has more than 22 years of work experience in the area of claims. She has participated and successfully completed various types of trainings in claims management.



STRATEGIC INSIGHTS

Strategic insights are those that can be used in the development of corporate goals. These insights usually give essential data, business information, research, and marketing insights to insurance companies.

SHAREHOLDER LETTER FROM OUR CHAIRMAN



Our all-round robust results in the pandemic year is a testament of the resilience of our differentiated business model, strongly supported by a diversified distribution model, wide range of products, specialist people skills, market-leading innovation and a trusted brand renowned across the country.

- Hossain Akhtar

BDT 68.16mn
Dividend, 2021

Dear shareholders,

I take pleasure in addressing you through the pages of this Annual Report. I hope all of you are staying safe and protected.

As I reflect on the financial year 2021, the 25th glorious anniversary year of City General Insurance, I am amazed at the remarkable progress, we have achieved in our journey of serving the nation. Thinking about 2021, the first thing that also comes to mind is the strength of the tremendous collective response shown by humanity in the fight against COVID-19. While government monetary and policy response has been robust, the global scientific fraternity has really risen to the occasion regarding the virus genome sequencing to develop a viable and effective vaccine that has blunted the worst impacts of the corona virus.

There is no doubt that the world has been going through a highly challenging period of disruption and experiences of disastrous proportions, probably not seen since World War II. The pathogen, with rapid mobility, led to a massive global health crisis and an economic fallout not witnessed since the Great Depression of 1929. Over 5 million lives have been lost and according to the International Labour Organisation (ILO), about 8.8% of global working hours, equivalent to an astounding 255 million full-time jobs, have vanished. However, in the battle against the virus, humans, though humbled, will eventually emerge better mobilised to face such shock events in the future.

In 2021, Bangladesh, similar to the rest of the world, was struck by the Delta variant of the coronavirus, which forced the government to impose fresh lockdowns around the country in the third quarter of the year. Reduced industrial activity and mobility restrictions continued to hamper business growth, as recovery after the first wave got challenged by the reimposition of shutdowns.

Thus, continued uncertainty ushered in a new era or “new normal” in the business environment. It necessitated a continuous assessment at the way businesses operated. At City General Insurance, along with this transformation in the external environment, we contemplated on our learnings and even as we moved with agility to adapt to the new realities, we looked towards the future, setting foundations for a post-pandemic tomorrow. It is our attempt to reshape the organisation and pave the way for us to explore new opportunities, as we, together with our stakeholders, move on the path of a brighter future.

Notably, our innovation efforts have enabled us to identify untapped spaces that demonstrate large unmet needs and explore related opportunities, such as individual protection in retail insurance. Our continued emphasis on execution has helped us tackle the challenges of a tough environment, while still maintaining a sound solvency position. Taking a broader view of the post-pandemic recovery environment has helped us reimagine our business model, through

product, service, process and technological innovations, to create a roadmap for sustainable profitability growth. Our financial risk management framework has allowed us to create shareholder value even in an uncertain business and economic environment, and we will continue delivering value in the hands of our shareowners.

Today, being a part of this industry endows us with a responsibility that is far greater than simply meeting the demand for insurance products. As we come to realise the limitations of the traditional insurance solutions in providing a solid defense against a pandemic-like situation, there is a need to investigate and survey ideas to address new-age as well as pandemic risks, which have a much wider impact compared to regular risk events. Indeed, the role that the pandemic has played in accelerating digitisation across sectors has been spoken at length. However, when it comes to the insurance industry, this journey began a while ago.

It continues to accelerate given the developments in the Insurance Technology space. Further, the regulatory authority, IDRA (Insurance Development and Regulatory Authority), has been encouraging technology adoption as it works towards creating a conducive environment for introduction of innovative InsurTech products and solutions. As we look ahead, innovative technology-enabled solutions will find increasing usage in the insurance sector.

Even as we hope that digital insurance gathers pace and gets the necessary attention it warrants, we are proactively adapting the new way of doing business, adjusting to the fast-paced transformation with agility and digitality, while advancing many new initiatives across our business functions during the year. As outcomes of the various initiatives undertaken during the year will help us reshape the organisation from a long-term perspective, we shall also work with our stakeholders to solve new problems facing them, all the time looking for closing the protection gap, which is vast in the country. Moving into FY 2022, we will proactively formalise new structures, systems and processes to help us in this reshaping efforts for ensuring a resurgent business.

As a company of repute, we offer a wide basket of general insurance solutions, including fire insurance, marine insurance, motor insurance, engineering insurance, miscellaneous accident insurance and other insurance services. While we shall always continue to improve our portfolio mix, we will also focus on mining for new accounts, especially where we find the scope for more profitable growth. All the while we will keep improving and augmenting our underwriting standards, focusing on enriching our actuarial capabilities and striving to retain existing business.

As we weathered the pandemic, we also focused our attention on assessing the relevance of ESG (environmental, social and governance) issues and are in the process of integrating them into our business activities. As a responsible corporate, we have found ESG to be central to the Company’s operations. In

addition, there is a growing preference amongst investors to include sustainable businesses in their investment portfolio. By identifying and assessing our material environmental, social and governance issues, we are taking appropriate measures to control the ESG risks, potentially attract long-term growth capital and build a sustainable business that can outlast any challenges.

Going forward, we believe a few key aspects will determine the long-term sustainable growth. First, the opportunity in closing the protection gap, which is expected to grow broadly in line with the country's nominal GDP. Second, leveraging the multi-decade opportunity in a recovery environment in a country that has several long-term positives. And third, optimising our product mix further along with business quality parameters, such as persistency and cost ratios.

The driving force for the last 25 years has been our strong commitment to customers. Going forward, we will continue to support and help them manage risks and achieve long-term goals.

As I close, I would like to express my deep gratitude to all our employees, partners and shareholders for their trust in City General Insurance. I would also like to thank IDRA for providing a supporting regulatory environment, in the absence of which our industry might have struggled. We are continually rethinking and realigning the future of our work environment and learning to adapt and excel in a volatile business landscape. We ensure that our 'new normal' is a better one for everyone. We will continue to transforming tomorrow, #alltogether.

I wish you safe, healthy and prosperous times ahead.

Sincerely,



Hossain Akhtar
Chairman

PERFORMANCE REPORT BY OUR CHIEF EXECUTIVE OFFICER



Right from our start as a small business back in 1996, to our 25th year Silver Jubilee in 2021, we have overcome several challenges on our way to evolve today as one of the most respected general insurance company of Bangladesh. City General Insurance's 2021 financial results and progress on strategic initiatives demonstrated the considerable changes we have made across the organization over the years.

- Md. Shamim Hossain

Dear shareholders and stakeholders,

It has been shown time and again that evolution involves stories of challenge, fortitude, agility, resilience and change. It has been no different for City General Insurance!

Right from our start as a small business back in 1996, to our 25th year Silver Jubilee in 2021, we have overcome several challenges on our way to evolve today as one of the most respected general insurance company of Bangladesh. While FY 2021 will always be remembered as the one where we reached the major milestone of successfully being in business for a quarter of a century, it will also be recalled as one where we continued to face the unimaginable – the COVID-19 pandemic.

During the year, the world continued to be disrupted and remained unpredictable for everyone and every organization. The responsibilities, accountabilities and opportunities facing commercial enterprises today, especially related to the well-being and health of colleagues, surpasses anything the business community has ever faced. The pandemic shook the foundations of our economies, our sense of normalcy and the stability of our communities. City General Insurance manages risks around Bangladesh and in 2021, the most immediate risk we continued to face was our colleagues’ health and safety while they continued to serve our clients, policyholders and distribution partners during the unprecedented time. We transitioned our workforce to a remote working environment during the second lethal wave of the virus that hit Bangladesh in the third quarter of 2021 and, about half-a-year later, continue to manage through this global health and economic crisis.

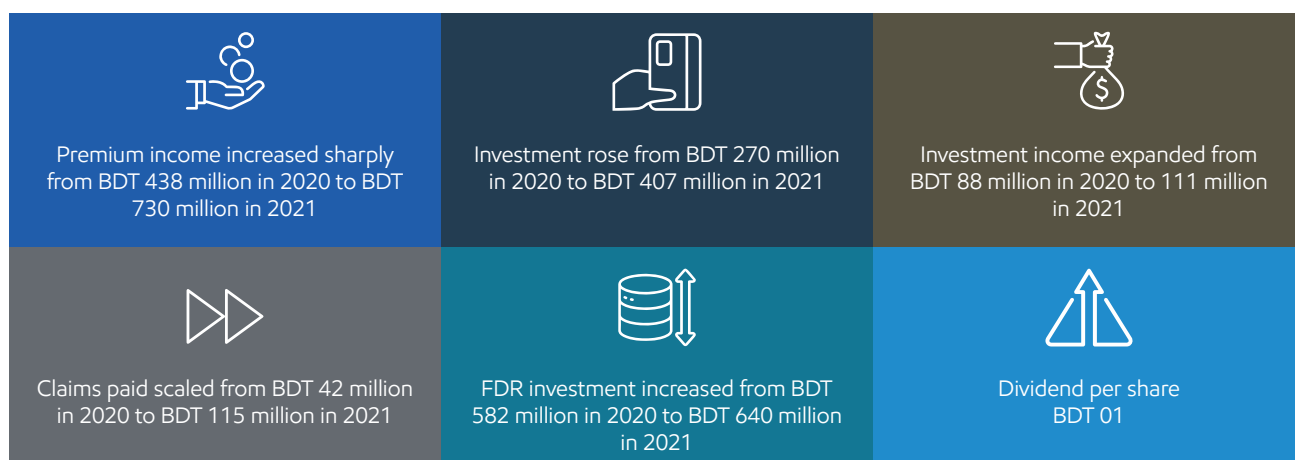
Yet, even in this uncharted environment, we remained supported by the stability of our business foundations that are anchored on our enduring passion for customer innovation, product value, operational excellence and sustainable financial management. Today, as a general insurance company with a growing pan-Bangladesh presence, we are guided by our purpose of closing the protection gap in a country that has one of the lowest insurance penetration in the world. We believe that our focus of putting our customer at the centre of our work will always ensure that our company creates value today and well over the next 25 years and beyond.

For City General Insurance, the year 2021 was also one of significant importance because of our improving financial performance and the substantial advancements we made to become a top-performing company and a leading insurance franchise. During the year, City General Insurance’s 49 strong colleagues were remarkably mobilised as we served our clients and communities, while also investing for a successful future. So I want to thank each of them for their unyielding resilience, dedication and perseverance in supporting our many stakeholders, and each other, even as their own lives and work situations were significantly disrupted.

City General Insurance’s 2021 financial results and progress on strategic initiatives demonstrated the considerable changes we have made across the organization over the years. Today, we are a significantly de-risked company with improved credit rating, stronger balance sheet, fortified reinsurance programs, enhanced underwriting capabilities, and a diverse platform of effective products and services.

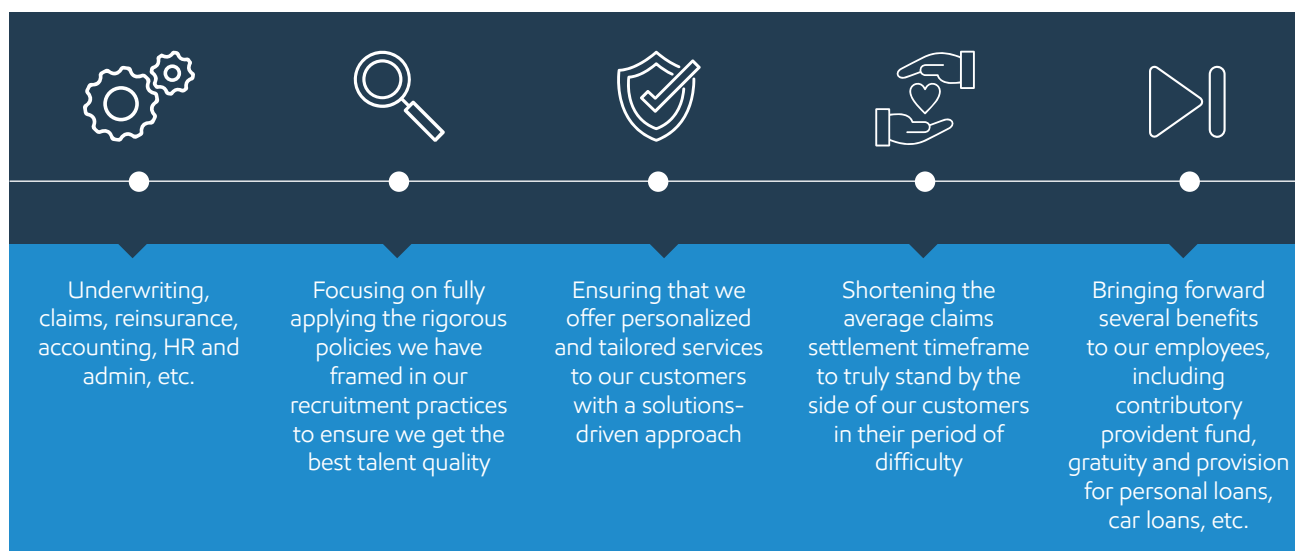
For us, I have always believed that success starts with our colleagues and for our colleagues to thrive, we must invest in them and continually develop and evolve the skill-sets required to allow us to achieve underwriting and operational excellence, and meet the changing needs of our clients and distribution partners with respect to risk management and insurance. During the year, we specifically placed emphasis on training and development, even deputing some of our staff to Bangladesh Insurance Academy for a diploma in insurance. In addition, we also embraced several programs and initiatives during the year to align our human resources closer to our corporate goals, while also instilling a one company-one spirit culture.

We have also maintained an inclusive, diverse and meritocratic work environment where we have fostered the belief that advancement for everyone is possible. Engaged and motivated employees have served our clients well, which has resulted in customer retention, acquisition, expansion and eventual value creation for our shareholders and other stakeholders, besides us achieving significant improvement in our financial performance, as reflected below:



The keys to sustainable value creation for our shareholders are to build a more focused and aligned organization that is designed to deliver sustained, industry-leading performance; to continue refining our operating fundamentals with regard to underwriting, reinsurance, risk appetite and strategic investments; and to improve the experience of working with the company for our clients and distribution partners, which will drive revenue and improved profitability, going into the future.

Overall, we are making sound progress on our financial performance, as demonstrated by the company's full-year 2021 operating results. We are also making good progress on our enterprise-wide efforts focused on underwriting excellence, modernizing our operating infrastructure, enhancing the client-employee experience, and becoming a more unified company. We are also continuing to build on our core strengths of introducing comprehensive technological facets in all major areas of the business, including:



We have believed that the real-time client experience demands digital excellence, swiftness of information exchange, and insights from data. To address this evolution, we continue to make strategic investments in people and in client-centered technology. In 2022 and over the medium-term at least, a major focus for City General Insurance will be advancing our digital strategy through the effective use of data and process-enabling technologies, which will provide us with valuable information upon which to make decisions, while also enhancing our market strategies for enabling customer acquisition.

Considering the structural growth drivers and recovery after the most devastating impacts of the pandemic, the outlook in the post-COVID era looks positive. Bangladesh is one of the fastest growing developing countries of the world with an attractive consumer demographic. Besides, sustained growth in per capita income and recovering consumer confidence bodes well for the insurance sector. Moreover, insurance is vital for the growth of the economy and we believe the government should foster a more supportive environment for the sector to realise its full potential. An enabling regulatory framework is a must for the industry to support risk-taking in the country. At present, about 79 private insurance companies and two government insurance corporations are rendering insurance services, which speaks of the depth of the sector.

Preparing the foundations for future business growth and to tap into the pool of opportunities, we are focused on

strategic planning that we are not only anchoring on product development, but also on reinforcing the capabilities of our human resources. On-the-job and off-the-job training to employees and harnessing motivational resources to improve their efficiency is a perpetual strategy of development. We are also planning to hold in-house seminars and workshops for improving our compliance standards, in cooperation with all our stakeholders.

We are also focusing on addressing our key challenges in 2022, including addressing competition and enhancing our profit margins. To effectively manage these challenges, we are continuing to invest in technological solutions and enhance our backend operational efficiencies. Our strategy for 2022 is designed to deliver sustainable, profitable growth in a changing and competitive business environment in order to maintain our challenger position in the industry.

In closing, I thank all our shareholders and stakeholders for their continuous support and cooperation. We will continue to build sustainable long-term value for all.

Best wishes,

Md. Shamim Hossain
Chief Executive Officer

OUR FINANCIAL PERFORMANCE IN 2021

BDT 730.62 mn

Gross written premium
66.72% higher than the previous year

BDT 115.77 mn

Claims settled
2021

Revenue – Gross direct premium income (BDT mn)

370.05

2019

376.45

2020

633.20

2021

Combined ratio (%)

77.49

2019

75.77

2020

70.05

2021

Claims settlement ratio (%)

99.21

2019

92.24

2020

81.88

2021

Net profit after tax (BDT mn)

68.55

2019

120.75

2020

114.72

2021

81.88%

Claims settlement ratio
2021

33

Products
2021

25,894

Total customer base
2021

Solvency ratio (%)

7.21

2019

5.80

2020

5.08

2021

Return on equity (%)

6.41

2019

10.50

2020

9.60

2021

No. of branches

52

2019

55

2020

49

2021

Employee count

414

2019

315

2020

396

2021

CONTRIBUTION TO THE NATIONAL EXCHEQUER

We recognize that City General Insurance Company Limited has certain corporate responsibilities to the society for their development and the development of the nation as a whole. The company made significant contribution to the Government each year.

OUR PRIORITIES

- Paying fair share of business VAT, withholding VAT, Corporate Tax, withholding taxes and excise duty to the National Exchequer
- Creating employment
- Maximizing shareholders value
- Taking environment initiatives
- Supporting Community
- Financial assistance to the insolvent meritorious students
- Provide attractive returns to shareholders as dividend

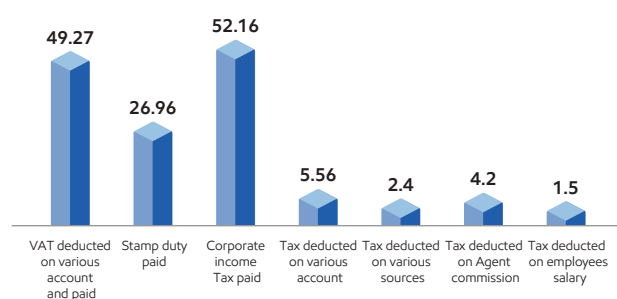
Contribution to the National Exchequer:

VAT, Stamp, Corporate Tax, Source VAT & Taxes Contribution to National Exchequer are furnished below:

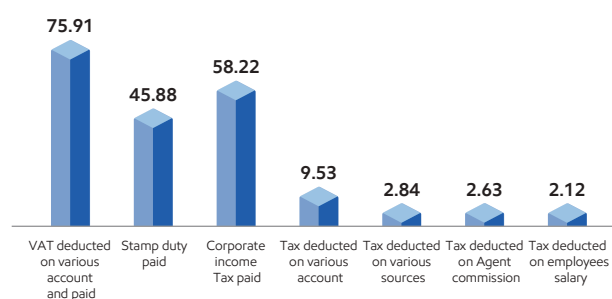
Particulars	Amount in million (BDT)			
	2021	2020	Increased/ (decreased) 2021	Increased/ decreased %
VAT deducted on various account and paid	75.91	49.27	26.64	54.07
Stamp duty paid	45.88	26.96	18.92	70.18
Corporate income tax paid	58.22	52.16	6.06	11.62
Tax deducted on various account (FDR, MTDR, Dividend, STD & others)	9.53	5.56	3.97	71.40
Tax deduction on various sources	2.84	2.40	0.44	18.33
Tax deducted on agent commission	2.63	4.20	(1.56)	(37.14)
Tax deducted on employees salary	2.12	1.50	0.63	42
Total amount paid	197.14	142.04	55.10	

Contribution to the National Exchequer is shown in Graphs for the year 2021 and 2020 as below:

Contribution to National Exchequer 2020 (in million Taka)



Contribution to National Exchequer 2021 (in million Taka)



SUITABLE SUPPLY CHAIN MANAGEMENT POLICY

City General Insurance Company Limited operates its business such as Fire, Marine, Motor & Misc. insurance in the following manner:



Prospective clients fill know your customer (KYC) form. Then the insurer verifies the KYC and assessed the risk before underwriting.



If prospective clients KYC form found correct and in order and filled with utmost good faith and disclosed all material information's than insurer first of all issues cover notes.



The insured payment mode like Cheque, Pay order, Draft and Bank Guarantee being deposited (except Bank Guarantee) to company's specific Bank Account.



After comprehensive verification/ checking whether provides adequate information by the insured in support of Cover Note and KYC form, insurer issue insurance policy in favor of insured.

OUR APPROACH TO INTEGRATED THINKING

Our value creation story demonstrates the relationship between the various elements involved in achieving our stakeholder goals. By gaining an in-depth understanding of all the factors that impact our ability to create sustainable value for our stakeholders, we are able to better plan and adjust our business in a dynamic and constantly-changing environment, filled with challenges to overcome and opportunities to explore.



Fig: Integrated thinking process at City General Insurance

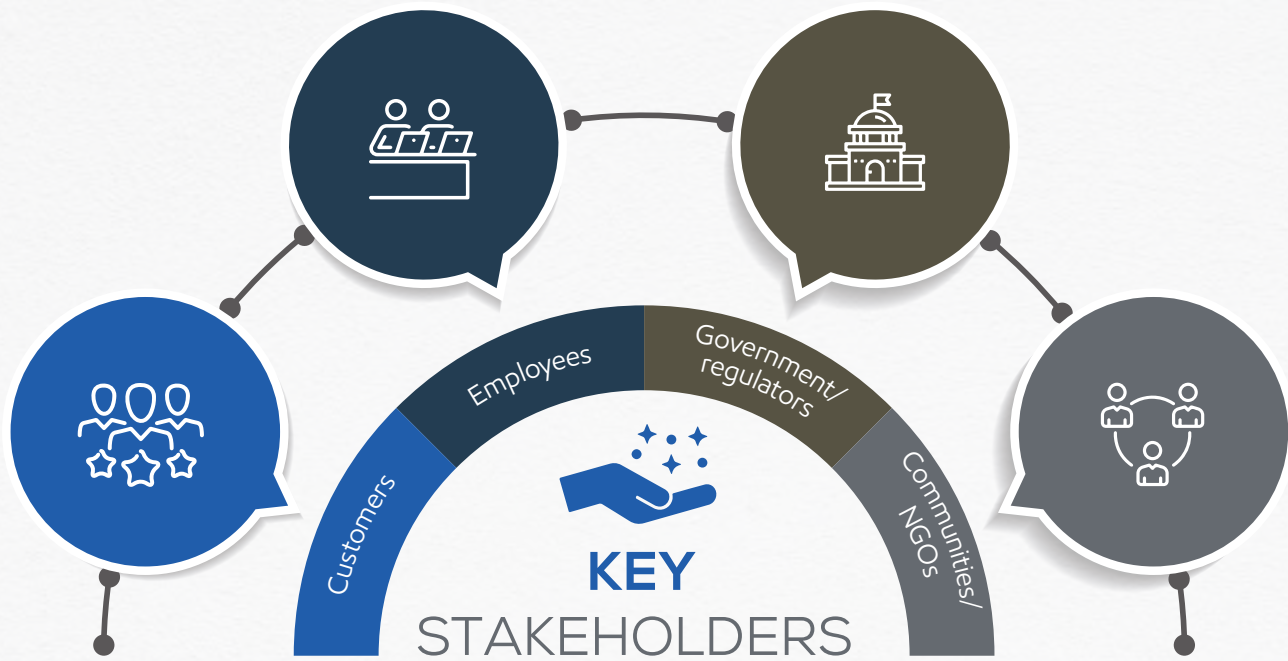


OPERATING LANDSCAPE

We analyse our operating context to determine the risks and opportunities that have the biggest impact on our ability to create value over the short, medium and long-term.

CAPITAL RESOURCES





RISKS AND OPPORTUNITIES

We examine our capabilities to effectively respond to the risks and opportunities identified in our operating context, capitals and stakeholder relationships, thus enabling us to develop a long-term strategic approach.



BUSINESS STRATEGY

We prioritise the matters that are most material to our short, medium and long-term value creation. As such, we are able to identify strategic priorities that will create value for stakeholders.



Continuous innovation for unlocking new opportunities



Robust insurance-led protection



Fair and transparent dealings



Customer excellence



New growth products/segments



VALUE CREATION

Our integrated approach allows us to deliver sustained value to all our stakeholders.

RESPONDING TO COVID-19

City General Insurance is fully operational and open for business. Our ability to serve our customers and support the market is paramount to us. We are concerned for the health and well-being of our employees, customers and communities, and we urge everyone to take precautions to protect themselves. We are actively monitoring the current situation and taking every step to help ensure a safe and sound insurance market. Continuing to fulfill our mission is our priority.

Building operational resilience

Through operational resilience, we have focused on maintaining business operations, servicing our clients, and supporting our employees amid the pandemic. Since the second lockdown in wake of the second wave of the corona virus, our staff were transitioned to work-from-home. We have provided connectivity solutions and other support to ensure uninterrupted servicing of our clients. The business has undertaken a series of simulations to increase resilience capability, agility and flexibility to ensure improved response to the uncertain times. In addition, the organisation is also conducting various risk assessments to mitigate any risk that have arisen as a result of COVID-19.

Building strategic resilience

We review our strategy on an ongoing basis on the critical themes of operational efficiency, innovation, customer service,

employment protection, digitisation and data protection, with the aim of assessing current assumptions and delivering a more agile organisation that can withstand shocks such as the COVID-19 pandemic. Though our long-term strategy has remained fixed, the pandemic has fast-tracked the implementation thereof. As an organisation that prides itself in actively putting our customer needs and ambitions at the forefront of everything we do, we have diversified our distribution channels and products.

There are projects underway to develop comprehensive action plans to unlock operational efficiencies and product innovation. These projects are aimed at fast-tracking the use of digital insurance to meet new customer needs, and exploring products that cover uninsured segments.

Building people resilience

A crucial focus area of our overall response was ensuring the physical and mental well-being of our employees, and we have taken several measures to ensure that. We have focused on employee engagement, employee wellness sessions and leadership engagements. In addition, our office locations follow all health and safety standards. We have also refrained from exercising any retrenchment because of the pandemic, thus showing solidarity with our people to cope better.



TRANSFORMING OUR CAPITALS

Transformation of Capital is a new investment logic that aims to generate and promote socio-technical system transitions.

TRANSFORMING TOMORROW

#ALLTOGETHER!

OUR OBJECTIVE IS TO MAKE BANGLADESH MORE RESILIENT.

At a time when the country is facing upheaval on account of the pandemic dragging into its third year, it is now more important than ever before to lay the foundations of a stronger economy. We believe it is time to think afresh, adopt future-facing approaches and work together to reshape the insurance industry.

The following pages describe how we have been making Bangladesh more resilient and working to transform tomorrow together.

TRANSFORMING...

BUILDING RESILIENCE AND DEXTERITY IN THE FACE OF COVID-19

In 2021, our role in helping make Bangladesh more resilient became critical. We provided support to our customers and society through our financial strength, innovative solutions and specialist risk knowledge.

It has been a challenging year, with the pandemic causing widespread lockdowns, travel/mobility restrictions and business interruption for the second time in two years. Our financial strength, combined with our intrinsic organisational capabilities placed us in a position to be able to support our

partners during these difficult times and fulfill our claims obligations. We settled BDT 115.77 million worth of claims in 2021 (BDT 49.27 million in 2020), with a claims settlement ratio of 81.88%.

Going forward, we will continue to explore opportunities to further support our clients, excelling in risk modelling and underwriting, thereby providing robust general insurance solutions to our customers.

TOMORROW...

HARNESSING TECHNOLOGY AND OUR SPECIALIST SKILLS TO MAKE INSURANCE ACCESSIBLE AND AFFORDABLE FOR ALL

Technology, data and our specialist skills facilitate us to underwrite risk prudently, keeping in mind our solvency ratio framework and other regulatory requirements. Thanks to the fast-paced digital revolution, we are looking to improve our risk insights, especially leveraging InsurTech and building a system of network partners that bring complementary

strengths to achieve our objective of reaching insurance to the masses in the most effective way possible. This we believe is the best approach for us to plug protection gaps.

This means we can address issues, such as the fact that only one in a 100 Bangladeshi is protected with an insurance cover against any kind of risk.

#ALLTOGETHER!

WE STRONGLY BELIEVE IN A SHARED FUTURE KNOWING THAT OUR TOMORROW MUST BE BETTER THAN OUR TODAY

With COP26 commitments in the spotlight, the transition to a low-carbon economy is essential in order to mitigate the effects of climate change. In this regard, we are committed to contribute to the Sustainable Development Goals (SDGs) that Bangladesh hopes to achieve by 2030. We have taken decisive actions to align our underwriting and business operations with our commitments to these goals. We also believe that partnerships give us the means to assess the risk

landscape and explore the future with confidence. The most successful journeys are the ones we take together with our partners, including our clients, companies, employees, etc.

Today, we are working on innovative solutions that close protection gaps in our chosen lines of business across the industry, and we will continue to remain on this pathway into the future.

FINANCIAL CAPITAL

At City General Insurance, our financial capital represents our pool of funds available for use in developing our products and making them accessible in the markets, in addition to developing personalised solutions for our clients. Our fund sources include those obtained through financing (debt and equity), premiums and funds generated through our day-to-day sales and operations.



MESSAGE FROM THE CFO

“The resilience demonstrated by our business in the face of the overwhelming challenges presented by COVID-19 and the second national lockdown response is testament to the solid foundations that we have built and strengthened over time, and the expertise, determination and professionalism of our managers and staff.”

Md. Mizanur Rahman
Dy. Managing Director &
Chief Financial Officer

Vital stats

Insurance premium
growth YoY

66.72%

BDT 730.62 mn

Credit rating
by CRISL

"AA"

"AA-" in 2020

Market
share

2.81%

1.69% in 2020

Harnessing our financial capital

In the wake of the global health crisis which has severely impacted economies, companies and the insurance industry, City General Insurance has done its best to curtail losses, advance profitability and provide support to all its stakeholders throughout the period under review.

Despite a challenging year, the management has remained dedicated to the pursuit of improved outcomes for all stakeholders. Given the prevailing economic impact on businesses and consumers alike, and in line with our social responsibility, we have activated multiple efforts to provide facilitation throughout the year, including community outreach. Further, we continued to maintain a strong and healthy Balance Sheet during the year. Besides, despite the challenging period, our shareholders' net worth has increased from BDT 1,150.46 million as at December 2020 to BDT 1,194.81 million at December 2021.

We are committed to maintaining financial sustainability, which refers to our ability to meet our client and other obligations as they fall due. To this end, the business performs an ongoing assessment wherein qualitative and quantitative factors such as financial position, cashflows, risk exposures, client servicing and employee elements are evaluated against our internal objectives. We also regularly assess our solvency to ensure adequate and sound financial health.

As our operational landscape evolves in the wake of the COVID-19 pandemic, we remain acutely aware of the evolving needs of our customers and the broader stakeholder base. The need for customers to reduce risk exposures and to have easy-to-access, user-friendly, digital self-service capabilities as it relates to their insurance, is shaping our current and future strategies and will support our financial and profitability expectations, going forward.

MANUFACTURED CAPITAL

At City General Insurance, our manufactured capital comprises tangible assets, such as office building, branches and resources that are together available to the Company for use in facilitating our business of insurance products and services.

Vital stats



Harnessing our manufactured capital

We use our manufactured capital with a view to conduct our day-to-day business. While our head office in Dhaka enables the overall management and stewardship of the business and organisation, our branch offices covering 26 districts of the country facilitate local presence and allow business conduct on a local/regional level. We place emphasis on local employment, as such employees have an intimate familiarity with the surroundings and hence understanding of the needs of customers and businesses better. Notably, all our 49

branches are fully integrated through online system and all our branches offer our full range of products and solutions.

As a company, we focus on the sufficient utilisation of our manufactured capital (which being relatively small since we are in the services business) to spread fixed costs better and achieve maximum utilisation of space. Further, since we are engaged in market exploration and expansion, we will continue to build our branch footprint to strategically cover more areas of the country, especially the semi-urban and hinterland regions.

INTELLECTUAL CAPITAL

At City General Insurance, our intellectual capital includes our trusted brand, technology systems and our specialist knowledge of insurance. Furthermore, it also includes our deep underwriting skills that enable us to price risk appropriately and ensure solvency margins and balance sheet strength.

Vital stats

Collective senior
management experience

25years

Underwriting guideline and
department team size

12

Harnessing our intellectual capital

For the past 25 years, the Company has remained a strong and resilient force, unwavering in its commitment to the general insurance sector of Bangladesh by providing resilience against risk. In a tough and competitive market environment, we leverage our intellectual capital to remain relevant and implement our strategies in an effective manner.

Underwriting is a critical risk mitigation mechanism adopted by us for protecting the company's books of business from risks and losses. Our income is directly influenced by our underwriting decisions, which involve consideration of the expected underwriting profit, the length of time that the reserve must be held, and the additional capital required to protect solvency.

Over the years, we have built expert capabilities in sharpening our underwriting decisions that typically entail probable maximum loss, evaluation, and the amount of reinsurance ceded on a risk. Today, we have large sum insured and reinsurance arrangement with Sadharan Bima Corporation (SBC) and also overseas reinsurance. For improving our risk,

we appoint surveyors for pre-inspection before undertaking the risk. The premium rates that are not mentioned in tariff are prepared through various data, i.e. from the Central Rating Committee. In most cases, our proposed rate is adopted by the Rating Committee, which indicates our continuously improving actuarial standards.

In addition to underwriting, we also adopt various market and trade-related initiatives that are a part of our intellectual capital. These comprised exploration of new business and retention of existing customers, quarterly visits of the senior management to branches, and meetings with prospective clients and policyholders, settlement of claims in the quickest possible time, and providing training to our officers for gaining advanced knowledge of insurance.

Furthermore, we are also making strides in digital insurance, with digital adoption increasing in the pandemic period. During the year, we forged agreements with online payment gateway service providers, with Software Shop Limited (SSL) and The City Bank Ltd. The company follows standard Tariff as adopted by the Central Rating Committee.

HUMAN CAPITAL

At City General Insurance, our human capital constitutes the company’s employees and their specialist skills, diversity, competencies, capabilities, experiences and leadership qualities. It also includes employees’ commitment to meet our corporate values and their ability to deliver on the company’s strategy for achieving sustainable performance.

Vital stats



Harnessing our human capital

Our HRD (Human Resources Department) is mandated with the crucial task of developing a professional, engaged and specialist pool of talent that is the best in the industry. Our people strategy is to retain our most talented and skilled employees, while contributing to accelerating our transformation by fostering their continuous development. An essential facet of this is continuous learning, which enables our employees to adapt to a fast-paced environment. We have a strong induction, training and development policy as well.

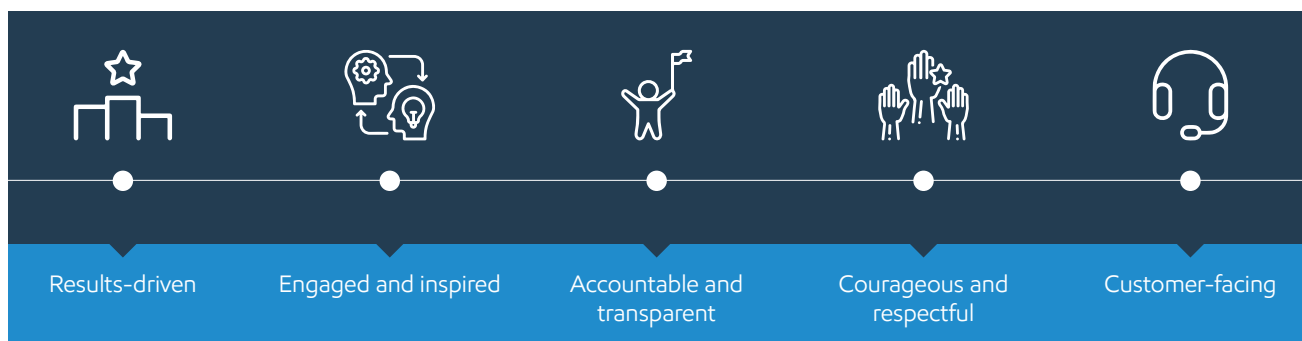
For the company’s HRD, the year 2021 was an important one as it embraced several initiatives that were critical for sustainable organization building. The year was an unprecedented period during which the HRD strived to achieve the balance between employee safety and business

continuity. While it was important to cultivate a ‘business-as-usual’ approach to enable our people to fulfill our responsibility as a public-facing institution dispensing an essential service, it was equally fundamental for us to ensure that our employees remain safe, maintaining COVID-safe behaviour at all times. We also ensured thorough sanitization of our premises as per government guidelines. Further, we have a provision for a doctor-on-call service at all times.

Beyond the pandemic-related activities, the year also marked several initiatives during which our HRD focused on creating a bridge between the management and employees, while enhancing trust and communication between all stakeholders. Thus, our strong and unified team spirit allowed us to build a collaborative work environment that enabled employees to achieve their best performance supported by a range of interventions in 2021.

Ensuring alignment to our values through our Value Envoy

At City General Insurance, our values guide our actions and day-to-day conduct, thus enabling us to set a unique culture at the company. Our core values are rooted in us being:



Further, in our quest to build an organisation that survives the test of time, we are committed to:

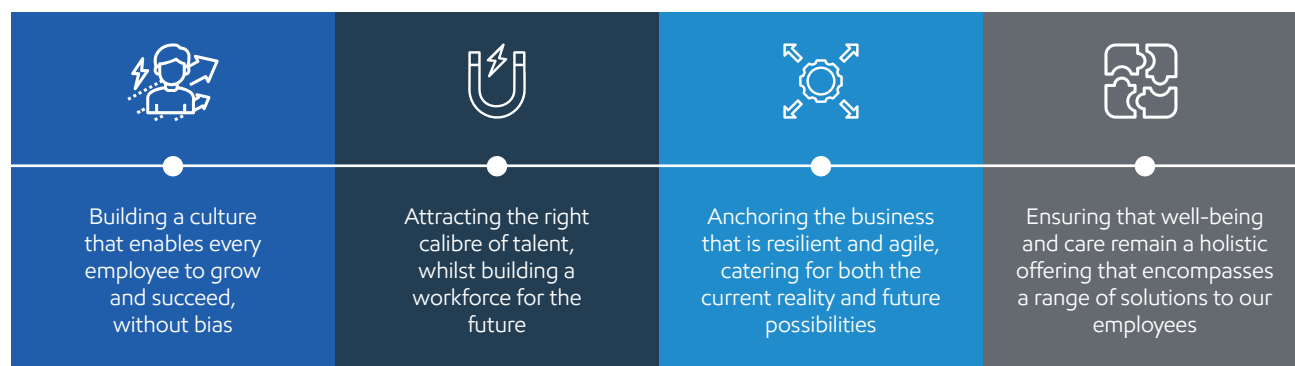
- Comprehensively assessing and aligning the right employee (as per their educational qualifications and experience) with the right job profile
- Making sufficient provisions for learning and development opportunities through effective training programs and on-the-job learning opportunities
- Performing gap analysis in our HR practices and infrastructure and the needs of our employees and our operating context
- Ensuring competitive compensation packages reviewed from time-to-time, based on performance and efficiency
- Facilitating horizontal and vertical career growth and a meritocratic environment that respects performance over everything else
- Assessing organizational, divisional and team capabilities to identify, develop and retain talent bench for the future
- Fostering quick and fair grievance settlement, including employee counselling

- Cultivating a participative and collaborative workplace environment where the company employees have a voice, thus helping generate new ideas and fostering innovation
- Instituting a comprehensive performance management program that evaluates employees' annual performance against business targets
- Enabling a well-designed rewards and recognition (R&R) program that considers employees' actions, efforts, ethical behaviour and performance

As an equal opportunity employer, we promote a culture of meritocracy. We deliver performance-based rewards and recognitions across our workforce, which is from diverse backgrounds, educational qualifications and experience. Besides our special focus on diversifying our workforce, we also strive to sensitise our people on representation and inclusion.

Further, we also seek to create a specialist work pool. Insurance is a specialised business and our focus is always on nurturing a culture of constant learning. Hence, we have arranged for insurance diploma classes for some of our promising talent at the Bangladesh Insurance Academy. Furthermore, in 2021, we also arranged a knowledge session comprising a Branch Conference, thus engaging all our branch managers and others via digital platforms.

In 2022 and beyond, our focus will be to optimise the organisation and continue to build baseline and future capabilities. Our aim is to ultimately create a thriving organisation with engaged employees through focusing on the following key areas:



The Human Capital team strives to partner and collaborate with business. In doing so, the solutions that are offered are tailored to suit the business environment and designed to pivot as the business shifts, thus enabling the organisation to remain on the path of its value creation journey.

Policy To Encourage Employee's Participation In Management

City General Insurance Company Limited believes equal participation in any matter of the Company. So, the Company prepared underneath policy to encourage employees participation in management:

- Management encourages participating management for taking any decision and gives opportunity to discuss the matter by all departmental heads.

- Any decision related to particular department being called to participate departmental heads and mid-level officers.
- Weekly meeting related to overall performance of all departments being evaluated with the extensive participation by all.
- Management encourages to build capacity building of employees those who will be able to work independently.
- Management encourages to give responsibility to mid-level officers for applying corrective decision.

SOCIAL AND RELATIONSHIP CAPITAL

At City General Insurance, our social and relationship capital signifies the key relationships, including those with our major stakeholder constituencies and other networks. It also comprises shared values, the trust we have been able to create, and other related intangibles associated with the company's brand and reputation.

Vital stats



Harnessing our social and relationship capital

At City General Insurance, we have wholeheartedly embraced the culture of social responsibility, which permeates through the organisational fabric. We have aligned our CSR initiative to support the evolving needs of the most vulnerable sections of society. Our aim is to empower communities for the

resurgence that will steer them through tough times, into a new era of hope and positivity. COVID-19 has unleashed unprecedented challenges for human lives, and in this environment, we have focused our initiatives on employee safety, uninterrupted customer convenience aided by digital advances, contribution to nation-building, and supporting the marginalised sections of the community.

NATURAL CAPITAL

At City General Insurance, our natural capital is represented by renewable and non-renewable environmental resources and processes that support the current and future prosperity of our company. Examples include natural resources that are essential for the company to execute its day-to-day operations.

As an insurance services provider, our carbon footprint and impact on the environment is almost negligible. Nevertheless, we try to minimise this even further under our environmental sustainability focus, in which we strive to reduce our environmental footprint and contribute to reducing climate change impacts.

We also inculcate good office practices / guidelines in which we sensitise our employees on the importance of resource preservation. We especially focus on minimising paper use and our thrust on process digitisation and digital insurance will contribute to this effort over time. We also emphasise on water and electricity conservation across our head office and branches and look for ways and means to optimise their use.



BUSINESS REVIEW

Business Review is a descriptive scorecard that evaluates the quality of a company's products or services so that newcomers can decide whether it's a good fit for their interests.

DIVIDEND DISTRIBUTION POLICY

This policy is for payment of dividend to shareholders of City General Insurance Company Limited.

1. The company will pay the annual dividend to the entitled shareholders those whose Names are available on record date within 30 (thirty) days from the date of Annual General Meeting.
2. Cash dividend will be distributed in the following manner:
 - i. The company will pay cash dividend directly to the Bank accounts of the entitled shareholders, as available in the BO account maintained with the Depository participant through Bangladesh Electronic Funds Transfer Network (BEFTN), provided that the company may pay off such cash dividend through Bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;
 - ii. The company, upon receiving the claim on cash dividend from a Stock Broker or a Merchant Banker or a Portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of Stock Broker or Merchant Banker or Portfolio manager, pay off such cash dividend to the Consolidated Customers' Bank Account of the Stock Broker or to the separate bank account of the Merchant through BEFTN.
 - iii. The company, in case of non-availability of Bank account Information or not possible to distribute cash dividend through BEFTN or any electronic payment system, issue cash dividend warrant and send it by post to the shareholders.
 - iv. The company will pay cash dividend to Non-resident, Sponsor, Director, Shareholder, or foreign portfolio investor through the security custodian in compliance with the rules or regulations in this regard.
 - v. The company, immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder.
 - vi. The company shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number wise or name wise of the shareholder.

Provided that the company shall publish the year-wise summary of its unpaid or unclaimed dividend in the website:

Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate Bank account of the company as maintained for this purpose, within 1 (one) year from the date of approval or record date, as the case may be.

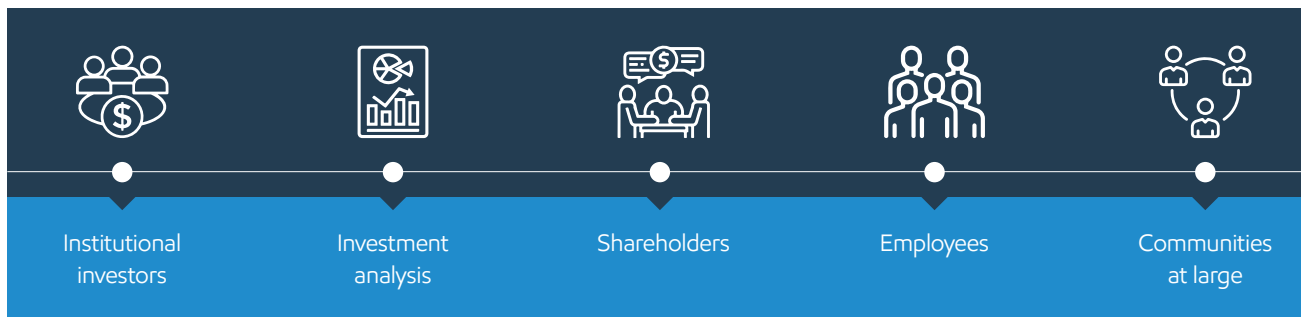
3. The company shall credit stock dividend directly to the BO account of the shareholders within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the Bangladesh Securities and Exchange Commission (BSEC) and the Central Depository Bangladesh Limited (CDBL);
4. The company shall submit a compliance report to the Bangladesh Securities and Exchange Commission (BSEC) in a specific format, within 7 (seven) working days of completion of dividend distribution: Provided that the company will also publish the compliance report in its website.
5. The company shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of land in force.

INVESTORS/STAKEHOLDER-FRIENDLY

INFORMATION ENQUIRIES & COMMUNICATION

City General Insurance Company Limited has separate share Department to communicate with shareholders and other stakeholders. Investors and others may contact at any time to Share Department for any sort of information and query regarding their investment, shareholding and dividend purpose. To make the AGM more participatory, arranging AGM in a well-known place at convenient time and allowing shareholders to speak in the AGM freely and making their valuable proposals and suggestions. The management of the company has appreciated to the shareholders and accepted their valuable proposals and advice.

We are also committed to open and timely disclosure to all shareholders and regular communication is maintained with various stakeholders in the group such as :



The group communicates to shareholders in the following way:



City General Insurance Company Limited employees work in good faith and without prejudice, towards the interest of the investors. Investors complaints if any, are treated efficiently & fairly. In this regards the management of the company has been taken effective decision against investors complaints if any, to the employees of the company or outsider.

An investor can make a written complaint through letter and e-mail number of the company. A serious complaint must be referred to the Chief Executive Officer (CEO) relating shares, payment of dividend, AGM etc. should be sent to the following address:

Share Department

City General Insurance Company Limited
 Baitul Hossain Building (4th Floor)
 27, Dilkusha C/A, Dhaka-1000
 Phone: 0222-3387296, 0222-3387281, 0222-3387278
 Email: share@cityinsurance.com.bd

Effective Investor Communication On Value Related Information

Company's daily's work increase the value of their stock for the investing public. In order to exploit this value, businesses must constantly make every efforts to extensively communicate to their investors. In view of this, investors relation are a important part of business strategy specially in the area of communication. Concerned departments involved with necessary connection between efficient communication and company's goals. So, investor communication on value related information is important for an organization.

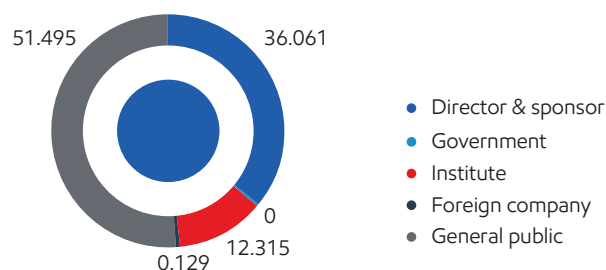
SHAREHOLDING PATTERN

(Shares as on 31 Dec 2021)

Group Name	Number of Shareholders	Percentage
Director & sponsor	17	36.061
Government	0	0
Institute	242	12.315
Foreign company	69	0.129
General public	7,172	51.495
Total	7,500	100

Shareholding Position

Shareholding pattern

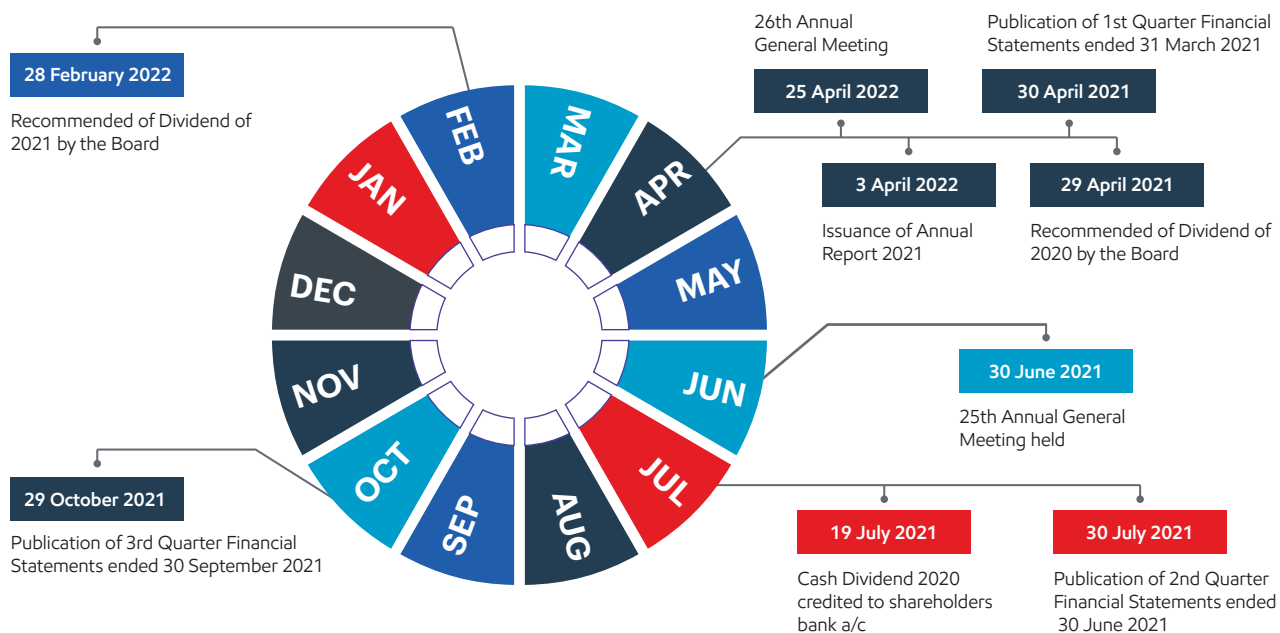


THE HISTORY OF RISING SHARE CAPITAL

The prime objective of City General Insurance Company Limited is to provide consistently good return to its shareholders. The dividend and capital raising history is furnished below. Since inception the company has been maintained a stable and attractive dividend policy in line with the sound underwriting and investment results. The company has also adhered to a policy of timely preparation of its Accounts and holding of AGM, as may be noted from the financial calendar below:

Particulars of Dividend	Number of shares increase																Value in Taka	Cummulative Paid-up capital in Tk.
	1996	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
10% Cash																-	-	681,661,222
10% Cash																-	-	681,661,222
5% Cash																		681,661,222
10% Cash													6,196,920				61,969,200	681,661,222
10% Bonus																		619,692,020
10% Cash											5,633,564						56,335,640	619,692,020
10% Bonus										5,121,422							51,214,220	563,356,398
10% Bonus									4,655,838								46,558,380	512,142,180
10% Bonus								4,232,580									42,325,800	465,583,800
10% Bonus								3,847,800									38,478,000	423,258,000
10% Bonus								20,328,000									203,280,000	384,780,000
12% Bonus (100% Rights & 12% Bonus)					165,000												16,500,000	181,500,000
10% Bonus				150,000													15,000,000	165,000,000
No Dividend																		150,000,000
IPO		900,000															90,000,000	150,000,000
As per MOA & AOA	600,000																60,000,000	60,000,000

FINANCIAL CALENDAR 2021



VALUE ADDED STATEMENT

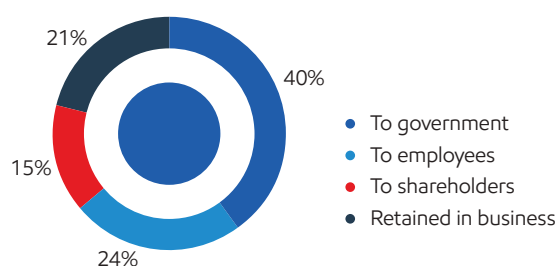
FOR THE YEAR ENDED 31ST DECEMBER 2021

Particulars	2021	2020
	BDT in mn	BDT in mn
Value Added		
Gross premium	730.62	438.24
VAT & stamp duty	115.52	70.69
Investment & other income	116.34	89.61
Net claims incurred	(115.16)	(42.35)
Net re-insurance cost	(249.82)	(127.73)
Management expenses & agent commission	(273.27)	(205.90)
Un expired risk	131.40	125.23
Total value added	455.63	347.79

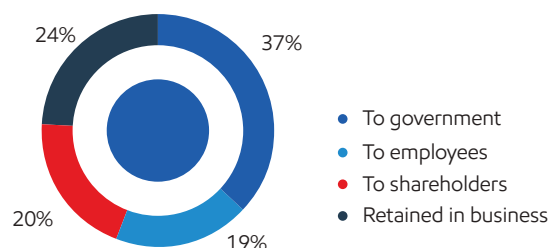
APPROPRIATION/ DISTRIBUTION OF VALUE ADDITION

Particulars	2021	%	2020	%
	BDT in mn		BDT in mn	
To government				
VAT & stamp duty	115.52	25%	70.69	20%
Tax	67.75	15%	57.72	17%
To employees				
As remuneration	109.30	24%	65.79	19%
To shareholders				
As dividends	68.17	15%	68.17	20%
Retained in business				
Retained earnings	46.55	10%	52.58	15%
Reserve for exceptional losses	48.34	11%	32.84	9%
	455.63	100%	347.79	100%

2021



2020



STAKEHOLDER CONNECT

The financial and non-financial performance of the company relies on its ability to generate value for the people impacted by our business. As such, we actively engage and interact with various stakeholder groups to better understand and serve their diverse and changing expectations. Through both internal and external platforms, we hold meaningful discussions and dialogue that shape the direction of our business strategy, allowing us to deliver solutions that enrich the lives of stakeholders far into the future. This helps us sustain a conducive business environment with a win-win situation for all.

STAKEHOLDERS	ENGAGEMENT PLATFORMS	MATERIAL TOPICS OF INTEREST
 <p>Customers</p>	<ul style="list-style-type: none"> • Branch offices • Customer satisfaction survey • Digital and online solutions • Contact centre 	<ul style="list-style-type: none"> • Customer experiences • Timely claims management • Data security • Accessibility and affordability
 <p>Employees</p>	<ul style="list-style-type: none"> • Learning and development programmes (e.g., training deputations) • Virtual seminars • One-to-one engagements • Senior management interactions • Department meetings and engagements • KPI performance review sessions 	<ul style="list-style-type: none"> • Long-term career advancement prospects • Market leading compensation standards • Inspiring workplace environment • Work-life integration • Care and wellbeing
 <p>Government/ regulators</p>	<ul style="list-style-type: none"> • Regular meetings and audits • Seminars and workshops • Feedback to regulators via consultation papers, etc. 	<ul style="list-style-type: none"> • Compliance and governance • Information reporting and communication • Insurance inclusion • Talent development and jobs creation • Upholding human rights • Treating customer equitably • Tax/exchequer contributions
 <p>Communities/ NGOs</p>	<ul style="list-style-type: none"> • Volunteering programmes • Zakat contributions • CSR activities • COVID aid and relief 	<ul style="list-style-type: none"> • Community development • Provision for basic needs • Upliftment • Local jobs creation
 <p>Shareholders</p>	<ul style="list-style-type: none"> • Annual General Meeting and Annual Report • Investor meetings and discussions • Comprehensive, audited financial statements • Media releases 	<ul style="list-style-type: none"> • Financial performance and track record • Credit ratings • Business growth • Dividend payout and capital position • Strategic imperatives • Macroeconomic outlook • Progress on ESG principles
 <p>Business partners</p>	<ul style="list-style-type: none"> • Meetings and knowledge sharing sessions • Training workshops 	<ul style="list-style-type: none"> • Business development opportunities • Timely disbursement of obligations • Fair and transparent dealings

Fig: Stakeholder connect framework of City General Insurance

REDRESSAL OF INVESTORS' COMPLAINT

City General Insurance Company Limited believes in equal treatment to every shareholder. We solve any shareholders complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders grievance within stipulated time.

City General Insurance Company Limited covers the following issues:

- Receiving the complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend.
- Transfer of shares from suspense account to the shareholders BO account.
- Clarification of any price sensitive information including other information over telephone, email, message etc.
- Grievance for not receiving Annual Report. Half-yearly financial position timely.
- Queries about and clarification on recent or upcoming price sensitive information over telephone, email, message etc.

Our Response

- Shareholders are properly communicated for collection dividend warrants which have been refunded for non-delivery by the courier or postal office.
- Dividend warrants revalidate the upon demand of the Shareholders.
- Bank account information are corrected while sending dividend through BEFTN system.
- Dividend warrants are reissued in case of failure to send dividend through BEFTN system due to inadequate information of shareholders Bank account.
- Issue shareholding certificate, dividend certificate as and when required.
- e-TIN number is collected in case of cash dividend.

Any queries relating to shareholdings for example transfer of shares, changes of name and address, and payment of dividend should be send to the following address:-

Share Department

City General Insurance Company Limited
27, Dilkusha C/A (4th floor), Dhaka-1000.

REDRESSAL OF CLIENTS' COMPLAINT

Insurance being a service industry, clients' satisfaction of foremost importance in maintaining existing client base and for new business thereby to achieve satisfactory business growth in the long run. City General Insurance Company Limited always attends to its clients complaints-whether related to its services or claim statement. City General Insurance Company Limited encourages its clients to come forward with any complaint they may have and the top management is completely accessible to all of them. Complaints can be lodged with the management in writing, over telephone, by e-mail. During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual conference of the Company.

MARKET VALUE ADDED STATEMENT

Market value added statement reflects the company's performance evaluated by the market through the share price of City General Insurance Company Limited. This statement shows the difference between the market value of the company and the capital contributed by investors.

Year	2021			2020		
	Marker value added	No. of Shares	Value per Share Tk.	Total Value BDT in mn	No. of Shares	Value per Share Tk.
Market value share outstanding	6,81,66,122	42.90	2,924.33	6,81,66,122	27.00	1,840.49
Book value of share outstanding	6,81,66,122	10.00	681.66	6,81,66,122	10.00	681.66
Market value added	6,81,66,122	32.90	2,242.67	6,81,66,122	17.00	1,158.83

ECONOMIC VALUE ADDED STATEMENT

Economic value added is a measure of a company's financial performance based on the residual wealth assessed by deducting its cost of capital from its operation profit adjusted for taxes on a cash basis. Economic value added generates from funds invested in it.

Particulars	2021 BDT in mn	2020 BDT in mn
Average shareholders' equity	1,164.01	1,104.33
Cost of equity (%)	9.33	10.70
Net profit after tax	114.72	120.75
Less: cost of equity	108.60	118.16
Economic value added	6.12	2.59

SHAREHOLDERS AS DIVIDEND

Considering the overall performance of the company, Board of Directors are very much sincere to allot fair percentage of dividend to you. The Board of directors has recommended 10% Cash Dividend out of net profit for the year 2021 to all shareholders including sponsor shareholders.

Last 5 (five) years dividend distribution to all Shareholder are furnished below:-

Year	Stock Dividend	Cash Dividend
2020	-	10% Cash
2019	-	5% Cash
2018	-	5% Cash
2017	10% Stock	-
2016	-	10% Cash

SHERESHOLDERS INFORMATION

SHAREHOLDING STRUCTURE AS ON 31 December, 2021

Category of shareholders	No. of Shareholders	No. of Shares	Percentage
Directors and Sponsor	17	24,581,629	36.061
Government	-	-	-
Institutions and Investors	242	8,394,486	12.315
Foreign Company	-	-	-
General Public	7,172	35,101,975	51.495
Non-Resident Bangladeshi (NRB)	69	88,032	0.129
Total	7,500	68,166,122	100

PROSPECTIVE INVESTORS:

Name of the Investors	No. of Shares	Percentage
National Life Insurance Co.Ltd.	950,000	1.393
Gobinda Chandra Saha	623,083	0.914
SBACBL	549,970	0.806
ICB AMCL Second NRB Unit Fund	472,000	0.692
Md. Aminul Islam	450,000	0.660
Uttara Finance and Investments	425,000	0.623

EMPLOYEES BENEFIT ANALYSIS

Motivated and Engaged Employees

City General Insurance Company Limited has a several group of motivated and engaged employees. From experience it knows that if employees are properly empowered, they become more engaged and give extra efforts to fulfill company's ambition. Engaged employees are likely to take more responsibility and accountability which helps to achieve the sustainability strategies. City General Insurance Company Limited focus on the following:

- Ensuring a balanced diversity
- Promoting human capital development
- Providing competitive benefits
- Promoting a performance centric culture
- Protecting human rights
- Ensuring workplace hygiene's and safety
- Ensuring equal opportunity

All employees in City General Insurance Company Limited are governed by the well-defined policies and procedures which are duly reviewed by the Management time to time.

Benefits

To maintain the market competitiveness, the benefits of City General Insurance Company Limited is regularly reviewed through market and peer group study. All employees are paid competitive remuneration package. The remuneration policy of City General Insurance Company Limited does not allow any discrimination between male and female employees. In addition to monthly competitive basic pay and a good number of allowances (e.g., House Rent allowance, Medical allowance, Conveyance allowance etc. are being paid), City General Insurance Company Limited has variety of market competitive benefits schemes designed to motivate the employees. The various cash and non-cash benefits include:

- Company provide car to top level Executives
- Car allowance for top level Executives
- Car loan facility
- House building loan facility
- Staff loan without interest
- Mobile phone allowance
- Travel allowance
- Festival bonus
- Incentive bonus
- Cash award for highest business achievement
- Cash award for best employee
- Maternity leave

City General Insurance Company Limited also provides long-term as well as retirement benefits to employees:

- Contributory Provident fund
- Gratuity
- Leave encashment
- Partial and full disability benefit (according to need)
- Death benefit to family members (differential options)
- Bangabandhu Surokhkha Bima to all officers and employees with company's cost

Performance Management Program

City General Insurance Company Limited has a comprehensive performance management program that evaluates employees' yearly performance against business targets at the year-end. In addition, their functional and leadership competencies are also rated by the line management.

This appraisal process also identifies the competency gap. All employees of City General Insurance Company Limited undergo annual performance appraisal process. The process ensures that clear feedback on improvement points is provided to employees by their Managers to promote employees' long term career development and improved contribution to organizational performance. All regular employees undergo the annual performance and career development review.

Work-life Balance

City General Insurance Company Limited wants its employees to balance the work in the office and personal life and has organization-wide practices and policies that actively support employees to achieve success at both office and home. Management is also open and shows flexibility in regard to a balanced work-life.

In City General Insurance Company Limited, employees are entitled to sufficient annual leave and sick leave with pay. All female employees are eligible for Maternity Leave as per service rules for each confinement but not exceeding 2 confinements. After completion of leave, they restart their duty.

Culture

Culture plays a vital role to create a high performance environment that supports sustainability strategy implementation. City General Insurance Company Limited carefully develops, shape and impact organizational culture by:

- follow working relationship and communication pattern between superior and subordinates;
- governing rules and regulations which control employees' behavior;
- promoting a strong employer brand through which employees identify with the company; and
- maintaining effective reward system that affects employees' loyalty;

Decent Workplace

City General Insurance Company Limited has a decent work environment where employees can work with dignity. They have the freedom to express opinions and can participate in the decision making process that affect their lives, and receive equal treatment and opportunity. The organization is committed to ensure the best practices in compliance with the labor code of the country. The Management of the company believes that the business can grow favorably if the organization enables employees through creating and maintaining a decent workplace.

City General Insurance Company Limited follows non-discriminatory approach in all HR policies and practices. The salary of an employee is determined based on his/her competency, experience and performance. During the period neither any incident regarding discrimination nor any grievance related to labor practices or human right has been reported. The company neither employs child labor nor has any provision for forced labor. Employees have the right to resign from their employment serving proper notice period and following the internal procedures.

Age Group	Total	Percentage
Less than 30 years	73	18.44%
30 to 50 years	254	64.14%
Over 50 years	69	17.42%
Total	396	100%

The company always prevented from appointing child employees.

We practice equal employment opportunity; for competent candidates regardless of their gender, age, locality or ethnicity. While recruiting fresh graduates, City General Insurance Company Limited sources from different recognized public, private universities and professional bodies with a view to creating a diverse work force.

Besides, our ratio of male and female employees have been increasing over the time. Currently 14% of total employees are female.

Gender	No. of Employees	Percentage
Male	341	86%
Female	55	14%
Total	396	100%

DISCLOSURES PERTAINING TO SOLVENCY MARGIN

Available, Required Solvency Margin and Solvency Ratio

Available solvency margin of City General Insurance Company Limited is BDT 530.15 million against required solvency margin BDT 104.35 million and solvency ratio is 5.08 times.

BDT in mn

1.	Assets after adjustment		
	Total assets		1,684.81
	Less:		
	Furniture, fixture & stationary	6.5	
	Others	344.56	
			351.06
	Total		1,333.75
2	Liabilities after adjustment		
	Sundry creditors	68.25	
	Amount due to others	128.82	
	Provision for current tax & deferred tax	69.24	
	Deposit premium	21.50	
	Reserve for unexpired risk	195.88	
	Reserve for exceptional losses	319.91	
	Total		803.60
3	Solvency margin available in BDT mn (1-2)		530.15
4	Solvency margin required in BDT mn (higher of RSM-1 or RSM-2)		104.35
5	Solvency ratio (times)		5.08

a. Required Solvency Margin based on Premium (RSM-1)

BDT in mn

Sl.	Class of Business	Gross Premium	Net Premium	Factor	GP after application of factor	20% of NP	20% of GPF	20% of (NP & GPF which is higher)
1	Fire	215.32	125.17	0.50	107.66	25.03	21.53	25.03
2	Marine Cargo	410.89	317.32	0.70	287.62	63.46	57.52	63.46
3	Marine Hull	8.59	4.19	0.50	4.30	0.84	0.86	0.86
4	Motor	31.12	29.65	0.85	26.45	5.93	5.29	5.93
5	Misc.	64.71	7.07	0.70	45.30	1.41	9.06	9.06
Total		730.62	483.41		471.32	96.68	94.26	104.35

b. Required Solvency Margin based on Claim (RSM-2)

BDT in mn

Sl.	Class of Business	Gross Claim	Net Claim	Factor	GC after application of factor	30% of NC	30% of GCF	30% of (NC & GCF which is higher)
1	Fire	81.93	80.74	0.50	40.97	24.22	12.29	24.22
2	Marine Cargo	32.62	31.34	0.70	22.83	9.40	6.85	9.40
3	Marine Hull	-	-	0.50	-	-	-	-
4	Motor	3.64	3.64	0.85	3.09	1.09	0.93	1.09
5	Misc.	1.59	0.05	0.70	1.12	0.02	0.33	0.33
Total		119.78	115.77		68.01	34.73	20.40	35.05

RATIO PERTAINING TO THE INSURANCE SECTOR

Particulars	2021	2020	2019	2018	2017
Financial ratio					
R/I premium ceded as % of gross premium	33.84	25.07	30.07	32.23	30.76
R/I premium ceded as % of net premium	51.14	33.46	43.01	47.57	44.65
Commission paid as % of gross premium	7.58	14.44	11.95	12.68	13.18
Net R/I commission earned as % of gross premium	6.83	5.11	5.44	6.91	7.08
Net R/I commission earned as % of net premium	10.33	6.82	7.77	10.20	10.27
Re-insurance claim recovery percentage	3.46	33.89	6.71	32.79	255.27
Management expenses (Revenue a/c) as % of gross premium	27.75	35.24	29.62	29.53	51.34
Management expenses (Revenue a/c) as % of net premium	41.94	47.04	42.35	43.58	74.52
Net claims incurred as % of gross premium	15.85	9.66	15.74	15.75	2.50
Net claims incurred as % of net premium	23.95	12.90	22.51	23.25	3.63
CSR to net income (as %)	0.32	0.74	0.36	-	-
Underwriting result as % of gross premium	13.08	19.29	16.53	18.55	9.99
Underwriting result as % of net premium	19.77	25.74	23.64	27.38	14.50
Net profit margin on net premium	23.73	36.77	21.94	28.97	22.84
External liability ratio	N/A	N/A	N/A	N/A	N/A
Internal capital generation ratio	5.85	6.07	2.96	4.62	7.00
Exceptional loss reserve to net premium	66.18	82.70	76.43	70.19	55.25
Capital & fund to total assets	70.92	71.62	79.85	80.67	78.64
Operational Cash Flow to Sales (OCFS)	25.64	26.21	10.00	7.65	11.69
Liquid asset to total assets (%)	38.75	38.10	42.71	45.51	45.96
Net worth to total assets (%)	70.92	71.62	79.85	80.67	78.64
Retention ratio	40.58	43.55	50.28	60.20	0.38
Premium to equity	40.46	28.54	29.23	27.89	30.67
Return on Average Assets(ROAA)	6.97	8.20	5.17	6.70	5.54
Return on Average Equity(ROAE)	9.78	10.88	6.44	8.41	7.00
Liquid asset to total insurance fund	54.65	53.20	53.49	56.42	58.45
Total liquid asset to total asset	38.75	38.10	42.71	45.51	45.96

REVIEW OF ASSET QUALITY

City General Insurance Company Limited always focuses on the superior assets quality so that these will bring highest value to the Company, ensure satisfactory return to the stakeholders and ensure sustainable development. To perform the said objectives, company has the policy to review of its assets periodically and as a result of continuous monitoring and development of the assets quality, Company achieved the hefty growth for the past years. Following figures showing five years growth of the assets may demonstrate how the Company maintains its assets quality to increase value to the Company.

City General Insurance Company Limited ensures high degree of liquidity of its assets - more than 63% of its assets comprise of cash and quickly disposable shares and securities. Its share investment portfolio comprises of investments into companies with strong fundamentals. Though adverse situation of stock markets in Bangladesh during the year 2021, still City General Insurance Company Limited could earned steady investment income, which bear testimony to the prudent investment policies followed by the Company.

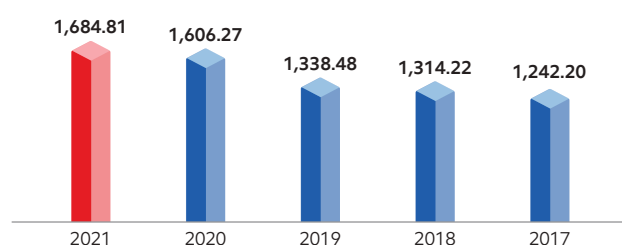
Position of total assets

BDT in mn

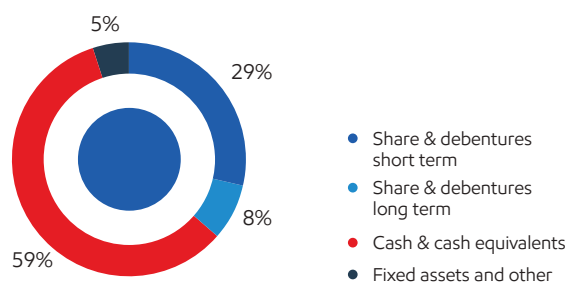
Year	Property, plant & equipments	Investments	Cash, fixed deposit and bank balances	Other assets	Total
2017	39.87	174.11	570.93	457.28	1,242.20
2018	40.54	172.84	598.10	502.74	1,314.22
2019	40.09	194.23	571.66	532.49	1,338.48
2020	41.98	270.05	612.03	682.21	1,606.27
2021	54.76	407.37	652.92	569.75	1,684.81

Total assets

BDT in mn



Investment assets



Position in investable assets

BDT in mn

Particulars	2021	%	2020	%
Share & debentures				
Short term	321.37	29	245.05	27
Long term	86.00	8	25.00	2
A.	407.37	37	270.05	29
Cash & cash equivalents	652.92	58	612.03	66
Fixed assets and other	54.76	5	41.98	5
B.	707.68	63	654.01	71
Total (A+B)	1,115.05	100	924.06	100

REPORT TO THE SHAREHOLDERS OF CITY GENERAL INSURANCE COMPANY LIMITED ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE



AHMED KHAN & CO.
CHARTERED ACCOUNTANTS

An Independent Correspondent Member of BMA & Associates, India.



Network
Member

Report to the Shareholders OF City General Insurance Company Limited On Compliance on the Corporate Governance Code

For the Year Ended on December 31, 2021

[Certificate as per condition No. 1(5) (xxvii)]

We have examined the compliance status to the Corporate Governance Code by **City General Insurance Company Limited** for the year ended on December 31, 2021. This Code relates to the Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated 03.06.2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act 1994, the Securities and Exchange Rules 1987, conditions and regulations issued by the Bangladesh Securities and Exchange Commission and other applicable laws and regulations; and
- (d) The Governance of the company is satisfactory.

Dhaka,
Date: February 23, 2022




Ahmed Khan & Co.
Chartered Accountants



DIRECTORS' REPORT

The directors prepare a concise statement or message on the company's overall actions, known as the "directors' report," after each financial year.

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim
Honorable Shareholders
Assalamu Alikum

I have the pleasure to welcome you all on behalf of the Board of Directors of City General Insurance Company Limited to its 26th Annual General Meeting. I present before you the Directors' Report, Audited Financial Position, Profit or Loss Account, Profit & Loss Appropriation Account, Revenue Account together with Auditor's Report for the year ended December 31, 2021.

Business environment and performance

The insurance market continued to remain highly competitive in Bangladesh, and we navigated this environment with a focus on growth and sustainability. Despite the challenging conditions, also triggered by the Covid-19 pandemic, business performance in 2021 remained satisfactory.

Honorable shareholders, the Department of insurance has been entrusted with Ministry of Finance from the Ministry of Commerce. The Insurance Act 2010, Insurance Development & Regulatory Authority Act, 2010 and Rules have been promulgated and Insurance Development & Regulatory Authority have started their operations since January 2011. Due to their specific principles and strong supervision, positive changes are being seen in the insurance industry of the country.

Claims

Honorable shareholders, insurance is the business of underwriting risk. Floods, cyclones and other disasters, including accidents, are beyond immediate human control. In spite of occurrences of several natural and manmade calamities, prudent underwriting standards adopted by the Company has ensured that insurance claims remain in our control.

Investments

Investments remained in satisfactory position in 2021, as reflected in our Financial Statements.

Dividend

Dear shareholders, the Board is committed to sustainable value creation in your hands. Thus, considering the overall performance of the Company, your Board is pleased to recommend **10% Cash Dividend** out of net profits for the year 2021 to all shareholders, including sponsor shareholders.

Directors' Retirement and Re-appointment Group-A

As per Article 112 of the Articles of Association of the Company, the following 03 (Three) Directors will retire from the Board by rotation at the 26th Annual General Meeting and being eligible as per Article 114 offer themselves for re-election.

Mr. Hossain Mehmood

Mr. Harunoor Rashid (Representative of Khaled Iron & Steel Mills Ltd.)

Mr. Mohammad Aman Ullah (Representative of Wazeefa Acrylic Spinning Mills Ltd.)

Brief resume and other information of the Directors as per clause 1.5 (XXIV) of BSEC Corporate Governance Code on 03 June 2018 are delimited in the Annual report.

Group-B

As per Article 112 of Articles of Association of the Company, 1 (One) Director will also retire by rotation, according to the Insurance Act and Rules from public shareholder Director, **Mrs. Hasina Parveen Manwar** (Nominated by Mehmud Industries (Pvt.) Ltd.).

Accordingly, this post will be filled by election. Necessary Notice related to the election of Director from all shareholders has already been published on 30/01/2022 in the Dainik Banik Barta" and "The Business Standard. Later amended Notice related to election of directors from all shareholders was published on 01/03/2022 in aforementioned newspapers.

Appointment of Auditor

As per rule, M/s. K. M. Alam & Co. Chartered Accountants, will retire at the 26th Annual General Meeting. The Board of Directors recommends **M/s. K. M. Alam & Co.**, Chartered Accountants, to be re-appointed as the Statutory Auditors of the Company for the year 2022 at a recommendation of Tk. 1,50,000.00 (One lac fifty thousand) only, excluding VAT, up to the 27th Annual General Meeting.

Appointment for Corporate Governance Compliance Certification Auditor

Ahmed Khan & Co., Chartered Accountants, had conducted the audit on compliance of the code of Corporate Governance of the Company, as issued by the BSEC Notification No. BSEC/CMRRCD/2006-158/107/Admin/80 dated 03/06/2018 for the year ended 31 December 2021. The Board of Directors of

the Company has recommended to re-appoint Ahmed Khan & Co., Chartered Accountants, as the professional to provide the certification as to the compliance to the Corporate Governance Code issued by the BSEC Notification dated 03/06/2018 for the year 2022.

Corporate Governance

The Board of Directors of City General Insurance firmly believes that the practice of good Corporate Governance and transparency ensuring discipline are essential for long-term sustainability. The Company designed the Corporate Governance systems and practices to ensure adequate internal control in operational processes, transparency and accountability. Corporate Governance structure specifies the allocation of rights and responsibilities among the concerned executives and spells out the rules and procedures for making decisions on corporate affairs. The role of the Regulatory Authority is important regarding Corporate Governance practices.

It is mentioned here that Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 has been complied with in order with a certificate from a practicing Professional Chartered Accountant and shown in this Annual Report.

Our Aims

Honorable shareholders, we assure you that by providing high-quality professional service to clients and to increase continuous quality service, the Company will always endeavor to these objectives. By virtue of sincere dedication over the

time, our honorable clients have increased their confidence in the Company.

Appreciation

On behalf of the Board of Directors, I deeply appreciate the gracious co-operation to the activities of the Company extended by the insured, well-wishers and patrons. At the same time, I am grateful to the Ministry of Finance, Insurance Development and Regulatory Authority (IDRA), the Bangladesh Securities and Exchange Commission (BSEC), Dhaka & Chittagong Stock Exchanges Ltd., Registrar of Joint Stock Companies and Firms, Central Rating Committee, Sadharan Bima Corporation, Bangladesh Bank, including all scheduled commercial banks and Bangladesh Insurance Association (BIA) for their sincere support and co-operation.

I also thank senior executives, all officers and staff for their hard work, effort and dedication.

Lastly, honorable shareholders, I request for your continued support, co-ordination and valuable advice in future.

Allah Hafaz

On behalf of the Board of Directors,



Hossain Akhtar
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is a section of the financial statements in which the company's management discusses the current year's performance using qualitative and quantitative metrics to assist consumers' in realizing aspects that would otherwise be unavailable for analysis.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and analysis presenting the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:

1.5 (xxv) a. Accounting policies and estimation for preparation of financial statements

We have applied accounting policies regularly on all periods while preparing the financial statements. International Financial Reporting Standard (IFRS), International Accounting Standards (IAS) in preparing Financial Statements have been applied to transactions, other events or conditions to their full extent as applicable. Disclosure and rules as required by Insurance Act 2010 and The Companies Act 1994 have been complied with the preparing Financial Statements. On the other hand Bangladesh Securities & Exchange Commission

(BSEC) Rules 1987, Listing Regulations 2015 of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. complied. In absence of International Financial Reporting Standard (IFRS) to any particular transactions, other events or conditions, we have applied our judgment in developing and applying on accounting policy that is relevant to the economic decision making needs of us and is reliable.

1.5 (xxv) b. Changes in accounting policies and estimations

We usually change an accounting policy when the change is required by International Financial Reporting Standard (IFRS) or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows.

1.5 (xxv) c. Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years:

The key operating and financial position and cash flows for preceding 05 (Five) years are furnished below:

BDT in mn

Particulars	2021	2020	2019	2018	2017
Gross premium	730.62	438.24	446.72	436.25	434.82
Net premium	483.41	328.37	312.37	295.63	299.57
Underwriting profit	95.58	84.52	73.84	80.94	43.43
Investment and others income	116.34	89.61	47.19	43.32	58.84
Net profit before tax	162.61	162.06	107.24	112.15	88.93
Net profit after tax	114.72	120.75	68.55	85.63	68.43
EPS	1.68	1.77	1.01	1.26	1.10
NOCPs	2.75	1.69	0.66	0.49	0.82
Paid up capital	681.66	681.66	681.66	681.66	619.69
Shareholder's equity	1,194.81	1,150.46	1,068.82	1,060.13	976.83
Total assets	1,684.81	1,606.27	1,338.48	1,314.22	1,242.20
NAVPS	17.53	16.88	15.68	15.55	14.32

1.5 (xxv) d. Main areas of financial performance or result and financial position as well as cash flows with peer industry scenario for the year 2020 are furnished below:

BDT in mn

Particulars	City General Insurance Co. Ltd.	Green Delta Insurance Co. Ltd.	Reliance Insurance Ltd.	Prime Insurance Company Limited	Central Insurance Company Limited
Gross premium	438.24	3,676.75	2,937.12	743.30	379.90
Net premium	328.37	1,609.36	1,062.50	156.18	245.83
Underwriting profit	84.52	965.40	470.98	26.04	89.07
Investment and other income	89.61	299.80	377.64	83.10	77.78
Net profit before tax	162.06	1,016.58	770.48	109.14	143.45
Net profit after tax	120.75	683.80	548.18	53.51	107.98
EPS	1.77	7.34	5.21	1.31	2.18
NOCPs	1.69	8.22	6.50	4.54	3.15
Paid up capital	681.66	931.98	1,051.61	408.77	494.37
Shareholders equity	1,150.46	6,242.22	6,386.90	720.28	1,236.83
Total assets	1,606.27	11,304.98	10,277.90	1,632.98	2,025.17
NAVPS	16.88	66.98	60.73	17.62	25.02

Source: Published Annual Report 2020.

1.5 (xxv) e. Financial and economic scenario of the country and the global

Bangladesh has been able to maintain sustained economic growth even in the face of global financial challenges. A well-balanced fiscal policy, higher private and public sector investment and stable political situation has contributed to socio-economic development in the last few years. Some of which include rapid expansion of information technology, construction and manufacturing sector. These transformations have boosted Bangladesh from a 'low-income country' to 'lower-middle income country' in the last few years. However, pressured by the coronavirus pandemic,

the Govt. of Bangladesh has cut the country's GDP growth projection at 7.40% from its earlier projection of 8.20% for the Financial Year 2020-2021.

1.5 (xxv) f. Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company.

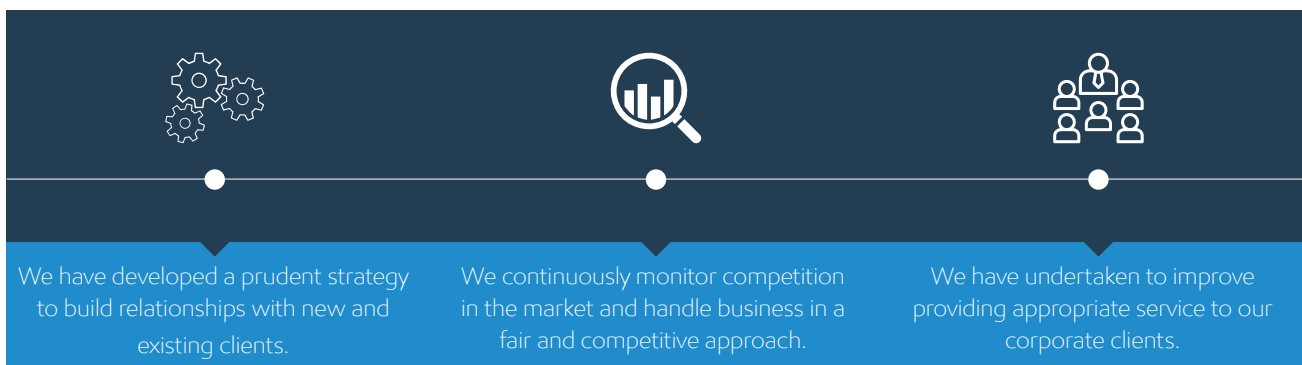
Within the context of changes in the global economy and in financial markets, including the expansion of emerging markets, the financial and economic practices have shifted in a radical pace. The risk and concern issues related to City General Insurance are as follows:



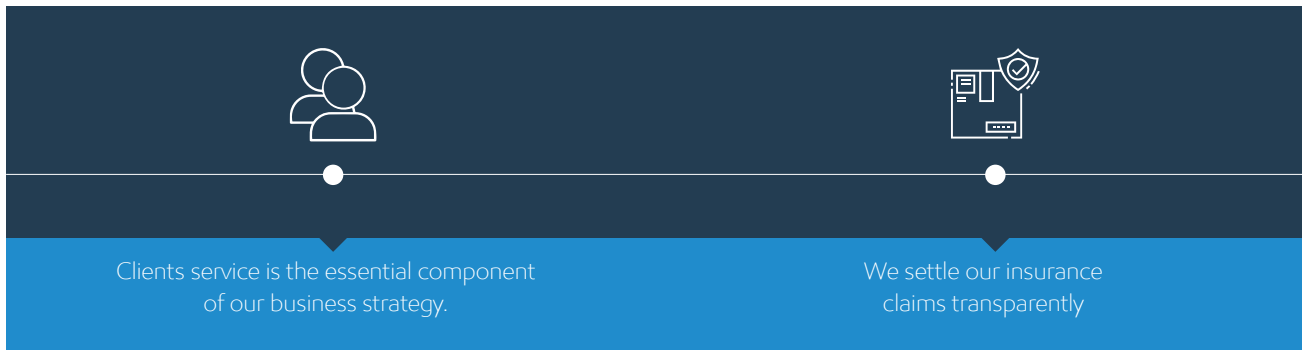
The economy of Bangladesh is set to grow, led by strong domestic demand, strengthening of exports, execution of large infrastructure projects, setting up of special economic zones and growth of the energy sector. It is expected that the Company's operations, performance and financial position will also grow in line with the country's growth trajectory. On the other hand, the Company's insurance business reflects its ability to exercise underwriting and pricing discipline and the risk management effectiveness, thus expanding our capacity in managing future business growth as a dynamic third-generation insurer.

Our principal steps to mitigate Risks

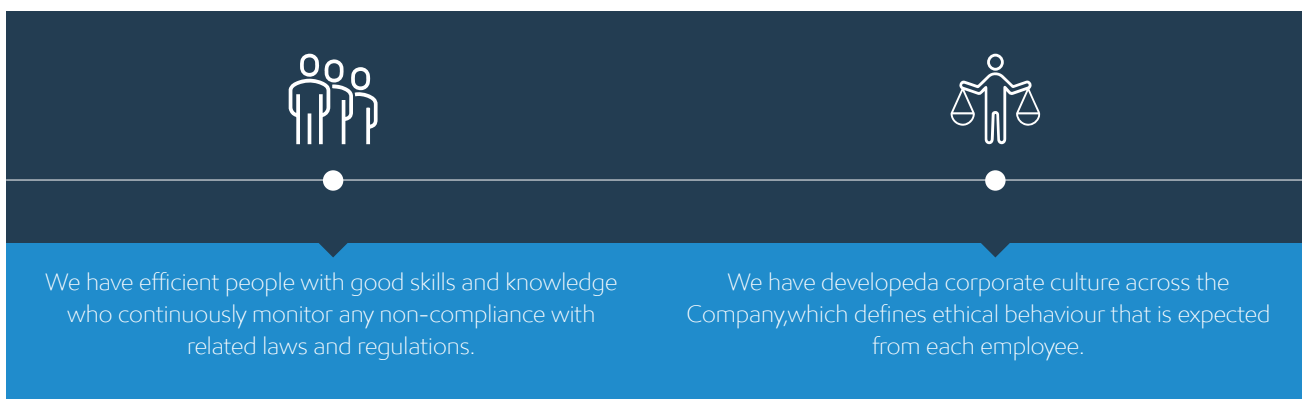
Strategic Risk



Operational Risk



Financial / Reputational Risk



1.5 (xxv) g. Future plan or projection or forecast for company's operation, performance and financial position

The year 2021 was extremely difficult for all of us. City General Insurance believes in its strength and dynamism to provide optimum service to its clients. The Company finds new pathways of providing services. It has continuously taken diversification opportunities and is continuing with the successful operations, thus securing the Company's future. We highlight the following:

- Growing sale of our products increases our revenues by providing quality services to the insured.
- Engaging more in skills development and capacity-building among our terms to enable strong functional expertise and productivity levels and also focused on capacity building.
- Optimizing our cost base through identification of functional opportunities (downsizing costs).
- Expanding shareholder value through emphasis on leveraging our management platform.
- Good practices of Corporate Governance and
- Quick claims settlement.

(Md. Shamim Hossain)
Chief Executive Officer



REPORT ON CORPORATE GOVERNANCE

The Governance Report focuses on the board's governance principles and processes, as well as how the company is managed for the long-term benefit of its shareholders.

REPORT ON CORPORATE GOVERNANCE

Responsible stewardship through sound governance

City General Insurance firmly believes in good corporate governance. Good corporate governance is a necessary condition above and beyond the legal and regulatory requirements, which is the system of rules, processes and practices that guide corporate behaviour. This is foundational for financial integrity, sustainable performance and investor confidence. Notably, the company's approach to governance is based on the Bangladesh Securities & Exchange Commission's corporate governance guidelines.

City General Insurance is robustly rooted in its values to ensure optimum management of compliance risk and ensures that strategic governance is practiced, alongside a comprehensively articulated code of conduct. This includes the framework to constantly seek new avenues in ensuring that compliance consists of going beyond mere regulatory alignment. Thus, the company has kept corporate governance at the forefront of its activities by actively and emphatically promoting ethics training, practicing and demonstrating our values in action and by recognising employees who are determined to live the company's values in the most coherent and cohesive manner. This includes leveraging the different platforms available to the company, such as whistleblowing mechanism, encouraging engagement and constructive dialogue at all levels and forums including, but not limited to, training and awareness sessions.

The Board's sub-committees are in place to assist the Board's responsibilities with the corporate governance principles. The Board of Directors is fully committed to ensure that good governance is practiced right from the apex by setting the tone from the top.

Ensuring holistic compliance with prudential norms

City General Insurance places the highest importance in its endeavour to ensure optimum management of compliance risk and prudential requirements. In this regard, the Board of Directors has formulated a detailed compliance policy that sets out the Terms of Reference (ToR) of the Chief Executive Officer (CEO) and the framework for the compliance function.

The compliance policy also ensures compliances to the extensive laws, rules and regulations, codes of conduct, guidelines issued by regulatory supervisors and self-regulatory standards that the company has adopted and thereby ensuring compliance while discharging its normal business activities. Importantly, the functions and activities of compliance are critical to the overall health of the company's business and, as such, the compliance practice's key performance benchmarks

are independent of direct business profitability targets.

The compliance practice's responsibilities include the facilitation of the day-to-day challenges in the interpretation and understanding of regulations; proactively adopt initiatives to highlight common industry-wide compliance concerns; ensure sufficient operations and administrative control of activities in alignment with laws and regulations pertaining to the insurance standards; and develop a compliance culture by emphasising on standards expected with regards to honesty, ethics and integrity.

The compliance practice additionally addresses effective compliance management across the company with the support and coordination of the CEO and senior management in order to adhere to the policies and processes of the company. In this context, the division continuously engages with the Management Committee (ManCom) and the executive management to oversee and assess the level of compliance by obtaining management confirmations and, where necessary, initiating corrective action. Additionally, the division also reviews the level of compliance to statutory requirements and the internal procedures at branches and other divisions based on periodic reviews conducted by compliance team. All exceptions identified during the reviews are escalated to the Board or its sub-committees, as applicable, and followed up to ensure that corrective action is taken as appropriate.

1.5 (i) Company Profile

City General Insurance Company Limited is a second generation non-life Insurance Company incorporated as public limited company on March 18, 1996 under the companies Act 1994. The company obtained the certificate of Registration from the Chief Controller of Insurance Govt. of The Peoples Republic of Bangladesh on March 31, 1996 for carrying Insurance business. Later the company has been listed with Dhaka and Chittagong Stock Exchanges Ltd. in last of 2007.

Business

City General Insurance Company Limited offers full protection to its business partners with all types of non-life insurance business since 1996. The company is going forward significantly to the growth and development of the non-life insurance industry of the country. The company has strong re-insurance and risk management fundamentals and a group of experienced professionals headed by Mr. Md. Shamim Hossain, Chief Executive Officer, having 20 years of experience, Md. Hasan Khan ABIA, Addl. Managing Director & Company Secretary having 39 years of experience, Mr. Md.

Mizanur Rahman, Dy. Managing Director & Chief Finance Officer having 26 years of experience, Mr. A.K.M Mohiuddin, Dy. Managing Director (BDD) having 26 years of experience, Mr. Md. Morshed Hasan, Sr. Executive Vice President (U/W & BCD) having 32 years of experience in the Insurance Industry.

Branches

The company has been operating its business through 49 branches in different important regions of the country. All branch activities are operating on the digital online system.

Credit Rating

City General Insurance Company Limited received 'AA' grade by Credit Rating Information & Services (CRISL) in 2020 based on its sound financial performance and claims paying ability.

Capital

City General Insurance Company Limited has an authorized capital of BDT 200 (Two hundred) crore and paid up capital of BDT 681,661,222 (Sixty eight crore sixteen lac sixty one thousand two hundred twenty two) only.

Assets

The total assets of City General Insurance Company Limited is BDT 1,684,814,449 which has been invested at different sectors for the development and expansion of the company.

Goal

City General Insurance Company Limited is to be the lead insurer in the non-life insurance industry of the country by providing unequal service to the insured.

Future Development

City General Insurance Company Limited has extensive plans to further reinforce its business by providing quality services to the insured. The company is mainly focused on continuous practice for internal improvement, training for capacity building, practice of Corporate Governance, efficient and excellent team work and quick claims settlement.

1.5(ii) Product-wise Performance

BDT in mn

Particulars	Fire	Marine cargo	Marine hull	Motor	Miscellaneous	2021	2020
Gross premium income	215.32	410.89	8.59	31.12	64.71	730.62	438.24
Less: R/I premium ceded	77.59	78.04	3.08	1.27	0.82	160.80	58.50
Less: R/I premium PSB	12.56	15.52	1.32	0.19	56.82	86.42	51.37
Net premium income	125.17	317.32	4.19	29.65	7.07	483.41	328.37
R/I commission earned	21.88	23.00	0.64	0.32	4.07	49.91	22.38
Net premium reserve retained	42.92	68.33	0.08	17.38	2.69	131.40	125.23
Reserve for un-expired risk	50.07	126.93	4.19	11.86	2.83	195.88	131.40
Agent commission paid	14.89	37.70	0.40	1.94	0.43	55.37	63.26
Management expenses (revenue a/c)	63.67	121.37	2.33	8.95	6.42	202.73	154.45
Management expenses (profit or loss a/c)	-	-	-	-	-	15.17	11.07
Gross incurred claims	81.93	32.62	-	3.64	1.59	119.78	63.63
Net incurred claims	80.74	31.34	-	3.64	0.054	115.77	49.27
Operating result (u/w result)	(21.69)	93.59	(2.00)	21.58	4.09	95.58	84.52
Investment income (before tax)	-	-	-	-	-	116.34	89.61
Net profit before tax	-	-	-	-	-	162.61	162.06
Shareholders' fund	-	-	-	-	-	1,194.81	1,150.46

1.5(iii) INSURANCE RISK AND ITS CONCERNS

Insurance is a mechanism of risk transfer. It has two basic characteristics: One is shifting of risk from one individual to a group and the other is sharing the losses on equitable basis by all members of the group.

City General Insurance Company Limited undertakes pre-inspection of big and complicated risks through professional and technical experts and it provides facilities to defend the insured's assets and property. The method especially helps to reduce the occurrence of incidents and minimizing the extent of loss after the incident.

The pre-underwriting survey of fire hazards to the insured property bears great importance. It is much prudent and essential to undertake surveys before accepting the risk for underwriting and re-insurance purposes. On the basis of the pre-inspection report, the underwriter may recommend segregation of risk by installation of fire-proof doors to reduce premium, cleanliness of factory premises and to reduce fire hazards. Recommended fire prevention measures not only reduce fire hazards but also help the insured to get rebate on the rate of premium. Without pre-inspection, it is difficult to segregate risk and make retention and cession to re-insurers.

City General Insurance Company Limited ensures proper risk management of their clients which benefits them insaving resources, time, assets, income, property and people (the most valuable resources) which can be saved if fewer claims occur.

City General Insurance Company Limited through its effective risk management practice, cannot eliminate risks but the endeavor shows that the company is committed to reduce the loss and prevent the same as far as possible by making clients rise to a better position in connection with risk.

The company has established a robust corporate environment with excellent work atmosphere. Communication among the employees is robust, as the company endeavors to be honest and fair in its dealings with all employees.

SOLVENCY MARGIN

Solvency margin means the amount of assets which exceed the insurer's liabilities and this will exhibit a part of the insurer's shareholders' funds. The valuation method of assets and liabilities of an insurer will be prescribed in the insurance regulation. The regulation sets the minimum level of solvency margin without which an insurer faces an unviable business. The solvency of an insurance company exposes its assets to debts.

1.5(iv) Gross profit margin are as follows:

Gross profit margin

	2021 (BDT mn)	2020 (BDT mn)
Fire	(21.69)	11.83
Marine cargo	93.59	55.46
Marine hull	(1.20)	(.31)
Motor	21.58	15.51
Miscellaneous	4.09	2.03

1.5(v) Extraordinary gain or loss.

During 2021, no event either an extra-ordinary gain or loss occurred which might require an adjustment or disclosure in the financial statements.

1.5(vi) Related party transactions.

The company in normal course of business has entered into transactions with other entities that fall within the definition of related party as contained in IAS-24 "Related party disclosures" Total transactions are available in the reports. The Audit Committee periodically carried out in-depth analysis of the transactions among the related parties.

1.5(vii) Utilization of proceeds raised through IPO and Rights issue

Initial Public offering (IPO) and Rights issues of City General Insurance Company Limited were made 2007 and 2011, respectively and fund raised thereby has already been utilized, reported to the regulators. No further issue was made since then.

1.5(viii) Deterioration of financial results after IPO and Rights issue

There is no financial results deterioration after the company's initial public offering (IPO), repeat public offering (RPO), rights offer etc.

1.5 (ix) significant variance between quarterly financial performance and Annual Financial Statements

There is no significant variance between the quarterly financial performance and the Annual Financial Statements.

1.5(x) Remuneration paid to Directors

Remuneration to Directors, including Independent Directors, are paid as Board and Board Sub-Committee Meeting attendance fee of Tk. 8,000.00 (Eight thousand) only per attendance. Other than this fee, no benefit is paid to Directors, including Independent Directors.

REPORT UNDER SECTION 184 OF THE COMPANIES ACT, 1994

- 1.5 (xi) We are pleased to confirm that The Financial Statements of the company present fairly its state of affairs, the result of its operation, cash flows and changes in equity.
- 1.5 (xii) Proper books of account of the company have been maintained .
- 1.5 (xiii) Appropriate Accounting policies have been applied in preparation of financial statements and the estimates are based on reasonable and prudent judgment.
- 1.5 (xiv) International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) have been disclosed.

1.5 (xv) Internal Control

At present insurance has enlarged its purview worldwide. Due to high risk in the insurance functions strong and effective internal control systems really important to ensure good governance, transparency and accountability. The company's internal control principle surrounds not only regulatory and legal requirements but also various internal rules, policies, procedures and practices.

Major elements of the company's internal control are follows:

- Regular Board Meeting with extensive agendas dealing with all major aspects of business.
- Regular Board Committee Meeting to discuss issues as defined in their charter.
- Delegation of authorities with job description for each department according to organogram.

- Internal Audit Department directly reporting to the Board Audit Committee in compliance with procedure and limit of authority.
- Comprehensive Annual Budget system with approval of the Board.
- Comprehensive Financial reporting system including actual performance with budget.
- Review and analysis of fund position on daily basis.

1.5 (xvi) Minority Stakeholders




The Board of Directors is concerned about the interest of stakeholders, including minority shareholders of City General Insurance Company Limited. It has affirmed to ensure fair and equal treatment to every shareholder. In order to protect the investment of minority shareholders, the company undertook various measures to establish accountability and transparency. The company communicates material disclosures of its operations under regulatory directives without delay and strives to serve minority shareholders better. It disseminates all strategic decisions through popular newspapers and website of the company to make them aware of the developments as well as activities of the company.

1.5 (xvii) Report on going concern

The Financial Statements of an organization are generally prepared on the assumption that an enterprise is a going concern and will continue its operation over the predictable future. The Financial Statements may have to be prepared on a different basis which is used to be disclosed. On the other hand, listed companies are required by BSEC to report on its capacity to run as going concern.

The Board of Directors of City General Insurance Company Limited assess annually as to whether there exist material uncertainties which may cause significant doubt upon the company's ability to continue as a going concern.

The Directors' assessment as to whether the company is a going concern involves appropriate inquiries including review of budget, forecast, assumption and future outcome of inherent and uncertainties in existence. The Directors are convinced from the following indications that focus reasonable assurance regarding companies' ability to continue as a going concern for the foreseeable future.

 FINANCIAL INDICATIONS	 OPERATING INDICATIONS	 OTHER INDICATIONS
<ul style="list-style-type: none"> • Positive net current assets • Positive operating cash flows. • Positive key financial ratios. • Consistent payment of dividends. • Credibility in payment of obligations. • Performance growth. • Positive underwriting results and trends. 	<ul style="list-style-type: none"> • Key management turnover. • Good business expansion. • Spread of business a cross diverse client's satisfaction. • Good corporate environment and employee's satisfaction. 	<ul style="list-style-type: none"> • Maintenance of sufficient capital base as required by law. • Strong reserve base. • Strong equity base. • Strong claim paying ability. • Anticipates no significant change in legislation or government policy.

1.5 (xviii) There are significant deviations from the last year's operating results of the company.

1. Significant Deviation in Earnings per Share (EPS):

EPS has been decreased for the year ended on 31st December, 2021 comparison with the previous year because of unrealized loss on share, increased of re-insurance expenses and claim expenses.

2. Significant deviation in Net Operating Cash Flow per Share (NOCFPS):

NOCFPS has been increased for the year ended 31st December, 2021 comparison with the previous year due to increased of premium income.

3. Significant deviation in Net Assets Value per share (NAV)

NAV has been increased for the year ended 31st December, 2021 comparison with the previous year due to increased of investment in share, Govt. Treasury Bond and FDR

1.5 (xiv) Key operating and financial data for last 5 (five) years have been furnished as under

BDT in mn

Particulars	2017	2018	2019	2020	2021
Financial performance					
Gross premium	434.82	436.25	446.72	438.24	730.62
Net premium less re-insurance	299.57	295.63	312.37	328.37	483.41
Net claims	10.87	68.73	65.56	49.27	115.77
Underwriting profit	43.43	80.94	73.84	84.52	95.58
Net profit before tax	88.93	112.15	107.24	162.06	162.61
Net profit after tax	68.43	85.63	68.55	120.75	114.72
Share capital & reserve					
Paid-up capital	619.69	681.66	681.66	681.66	681.66
Shareholders equity	976.83	1,060.13	1,068.82	1,150.46	1,194.81
Reserve for exceptional losses	165.50	207.50	238.74	271.57	319.91
Assets					
Investment in shares & securities	174.11	172.84	194.23	270.05	407.37
Cash, FDRs & bank balances	570.93	598.10	571.66	612.03	652.92
Other assets	497.16	543.28	572.59	724.19	624.52
Total assets	1,242.20	1,314.22	1,338.48	1,606.27	1,684.81
Financial analysis					
Dividend in percentage	10%Stock Dividend	5% Cash Dividend	5% Cash Dividend	10% Cash Dividend	10% Cash Dividend
Earnings per share (EPS)	1.10	1.26	1.01	1.77	1.68
Highest/lowest market price per share as on 31st December, 2021	18.5	13.5	22.7	31.3	44.10
	18	13.3	21.8	30	42.60

1.5 (xx) Dividend

The Board of Directors in its 201st Meeting held on 28/02/2022 has recommended 10% Cash Dividend to Sponsors and all shareholders from net profit (after tax) during the year 2021.

1.5 (xxi) Interim dividend

No bonus share or stock dividend was declared as interim dividend during the year ended 31 December 2021.

1.5 (xxii) The Number of Board Meetings and the attendance of Directors during the year 2021 are as follows:

SI No.	Name of Directors	Name of the Organization Nominated by	Position	Meeting held	Attended	Remarks
01	Mr. Hossain Akhtar	Anwar Jute Spinning Mills Ltd.	Chairman	0	0	Became Chairman on 28/10/2021
02	Mr. Anwar Hossain	Anwar Jute Spinning Mills Ltd.	Former Chairman	6	0	Due to sick he could not attend and died on 17/08/2021
03	Mr. Hossain Mehmood	N/A	Vice-Chairman	6	6	
04	Mr. Mohd. Abu Taher	N/A	Vice-Chairman	6	4	
05	Mrs. Bibi Amena	N/A	Director	6	5	
06	Mr. Furkaan Muhammad N Hossain	Anwar Silk Mills Ltd.	Director	6	2	Nominated by Anwar Silk Mills Ltd. on 21/01/2020 which was accepted by 189th Board meeting held on 24/01/2020

Sl No.	Name of Directors	Name of the Organization Nominated by	Position	Meeting held	Attended	Remarks
07	Mr. Md. Harunoor Rashid	Khaled Iron & Steel Mills Ltd.	Director	6	4	
08	Mr. Haji Md. Yousuf	N/A	Director	6	6	
09	Mrs. Hasina Begum	Hossain Dyeing & Printing Mills Ltd.	Director	6	6	
10	Mr. Mohammad Aman Ullah	Wazeefa Acrylic Spinning Mills Ltd.	Director	6	6	
11	Mrs. Hasina Parveen Manwar	Mehmud Industries (Pvt.) Ltd.	Shareholder Director	6	2	
12	Mr. Hossain Khaled	Anwar Landmark Ltd.	Shareholder Director	3	1	Nomination withdrawn by Anwar Landmark Ltd. which was accepted by 196th Board meeting held on 30/04/2021
13	Mr. Muhammad Nazirul Islam	Anwar Landmark Ltd.	Shareholder Director	2	2	Became Shareholder Director on 30/06/2021
14	Mrs. Salina Ahmed	A-One Polymer Ltd.	Shareholder Director	6	4	
15	Mr. Gopal Chandra Ghosh, FCA, FCMA, CPA	N/A	Independent Director	6	6	
16	Mr. Khandker Fazle Rashid	N/A	Independent Director	6	5	
17	Mr. Mahabubul Haque	N/A	Independent Director	6	5	

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

1.5 (xxiii) The pattern of shareholding as at December 31, 2021.

a). Parent/subsidiary/associated companies and other related parties N/A.

b) Directors' shareholding position as on December 31, 2021.

Sl. No.	Name	Status	No. of Shares held	% of Total Paid-Up Capital	Share held by the Spouse/ Children	Remarks
01	Mr. Hossain Akhtar	Chairman (Nominated by Anwar Jute Spinning Mills Ltd.)	2,602,704	3.82%	Nil	
02	Mr. Hossain Mehmood	Vice Chairman & Sponsor Director	4,005,266	5.88%	Nil	
03	Mr. Md. Abu Taher	Vice Chairman & Sponsor Director	2,065,639	3.03%	Nil	
04	Mrs. Bibi Amena	Director	1,652,508	2.42%	Nil	
05	Mr. Harunoor Rashid	Director (Nominated by Khaled Iron & Steel Mills Ltd.)	1,859,074	2.73%	Nil	In addition Mr. Harunoor Rashid is holding 227,218 shares as Sponsor Shareholder in his name.
06	Mrs. Hasina Begum	Director (Nominated by Hossain Dyeing & Printing Mills Ltd.)	2,065,639	3.03%	Nil	In addition Mrs. Hasina Begum is holding 429,424 shares in her name.
07	Mr. Mohammad Amanullah	Director (Nominated by Wazeefa Acrylic Spinning Mills Ltd.)	1,643,121	2.41%	Nil	
08	Mr. Haji Md. Yousuf	Sponsor Director	2,272,202	3.33%	Nil	

Sl. No.	Name	Status	No. of Shares held	% of Total Paid-Up Capital	Share held by the Spouse/ Children	Remarks
09	Mrs. Hasina Parveen Manwar	Shareholder Director (Nominated by Mehmud Industry Pvt. Ltd.)	1,364,254	2.00%	Nil	In addition Mrs. Hasina Parveen Manwar is holding 551,522 shares in her name.
10	Ms. Faizah Mehmood	Director (Nominated by Anwar Silk Mills Ltd.)	2,065,639	3.03%	Nil	Became Director on 11/02/2022
11	Mr. Muhammad Nazirul Islam	Shareholder Director (Nominated by Anwar Landmark Ltd.)	1,364,061	2.00%	Nil	
12	Mrs. Salina Ahmed	Shareholder Director (Nominated by A-One Polymer Ltd.)	1,394,305	2.05%	Nil	In addition Mrs. Salina Ahmed is holding 413,125 shares in her name.
13	Mr. Mahabubul Haque	Independent Director	Nil	---	Nil	
14	Mr. Tauhiduddin Md. Zahed	Independent Director	Nil	---	Nil	Appointed on 28/02/2022
15	Mr. Mohammad Saif Noman Khan	Independent Director	Nil	---	Nil	Appointed on 28/02/2022

c.) Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children are stated below:

Sl. No.	Name	No. of Shares held	Share held by the Spouse/ Children	Remarks
i)	Mr. Md. Shamim Hossain Chief Executive Officer	Nil	Nil	
ii)	Mr. Md. Hasan Khan Addl. Managing Director & Company Secretary	Nil	Nil	
iii)	Mr. Md. Mizanur Rahman Deputy Managing Director & Chief Financial Officer	Nil	Nil	
iv)	Mr. Md. Ibrahim Mollah Sr. Asstt. Vice President & Head of Audit	Nil	Nil	
v)	above officers (i-iv) spouses and minor children	Nil	Nil	

d.) Executives (Top five Salaried Employees of the Company), other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit):

Sl.	Name	Designation	Shares held
1.	Mr. A. K. M. Mohiuddin	Dy. Managing Director & Head of BDD	Nil
2.	Mr. Sher Ali Khan	Dy. Managing Director & Br. In-charge	Nil
3.	Chowdhury Md. Salahuddin	Dy. Managing Director & Branch In-charge O.R Nizam Road Branch, Chittagong	Nil
4.	Mr. Shiblal Shil	Dy. Managing Director, Local Office, Dhaka	Nil
5.	Mr. Kazi Tanvir Eyear	VP & Branch In-charge, Elephant Road Branch, Dhaka	Nil

e) Shareholders holding 10% or more voting interest in the company:

Nil

Chairperson and CEO are different individuals

The Chairman is the head of Board. He takes decision on any matter in consultation with the Board of Directors. He is not the chief executive of the company. The role of the Chairman and CEO are independent and separate. The Chairman runs the Board and the Chief Executive Officer takes executive decision within the jurisdiction of power delegated by the board.

Role and responsibilities of Chairperson

The general role and responsibilities of Chairperson are:

- Determines Board composition;
- Clarifies Board and Management responsibilities;
- Manages Board;
- Develops the effectiveness of the Board;

- Preside the Board and Shareholders meeting;
- Led the Board in all affairs of the Board's function;
- Ensures effective operation and performance of the Board and its committee in conformity with the highest standards of corporate governance and
- Keep link between the Board and the Management.

Role and responsibilities of CEO

The general role and responsibilities of Chief Executive Officer (CEO) are:

- To act as the Chief Executive Officer reporting to the Board of Directors;
- To remain accountable to the Board for the overall performance of the company;
- To develop annual business plan;
- To implement the Board's policies, decisions and strategies in effective manner;
- To report to the Board on progress against the strategic and annual business plan on a regular basis;
- To coordinate the overall management, corporate planning and business development;
- To ensure the compliances of law, rules and regulations for good corporate governance;
- To ensure appropriate internal audit and internal audit control process;
- To develop and implement a risk management plan for underwriting insurance business;
- Comply with the activities of Articles Association of the company;
- Above all to concentrate towards Transparency, Accountability, Reliability, value enhancement and Reputation.
- He does not hold CEO position in any other listed company.

The Company Secretary

Appointment of Company Secretary (CS)

The Company Secretary is appointed by the Board of Directors as per the guideline of Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code. The position of the Company Secretary (CS) must have experienced and expertise in the respective areas. The roles, responsibilities and duties of Company Secretary (CS) are clearly defined:

Role and responsibilities of Company Secretary (CS)

- To report to the Chairman of the Board and administrative to the Chief Executive Officer (CEO).
- To work as an intermediary between the company, Board of Directors, Shareholders, the government and regulatory authorities (BSEC, DSE, CSE, CDBL, RJSC, IDRA etc.)

- To work as a secretary for all Board and committee meetings, management meetings etc.
- To prepare agendas for Board meetings in consultation with the Chairman of the Board, Sub-committee chairman and management.
- To prepare Board meeting resolution, sub-committee meeting resolution within stipulated time.
- To act with the Board Chairman, sub-committee of the board and the management for implementing best Corporate Governance Practice with the organization.
- To act for filing statutory returns, reports to regulatory bodies such as BSEC, DSE, CSE, CDBL, RJSC, IDRA etc.
- To work as custodian for companies corporate records, meeting minutes, Board related information including license of the company.
- To arrange shareholders' meetings such as Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM).
- To prepare minutes of the Annual General Meeting (AGM) and Extra-ordinary General Meeting (EGM).
- To keep liaison with external regulators such as lawyers.
- To perform any other duties as assigned by the Chairman and CEO.

The Chief Financial Officer (CFO)

Appointment of Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) is appointed by the Board as the guideline of Corporate Governance Code. The position of the Chief Financial Officer (CFO) must have experienced and expertise in the respective areas. The roles, responsibilities and duties of Chief Financial Officer (CFO) are clearly defined :

Role and responsibilities of Chief Financial Officer (CFO)

City General Insurance Company Limited has a Chief Financial Officer (CFO). The Board of Directors clearly defined roles, responsibilities and duties of the Chief Financial Officer (CFO) are:

- To set and oversee long-term financial goals and plan the finances in alignment with the Company's plan and objectives.
- To develop and maintain tools and systems to provide critical financial and operational information and make actionable recommendations.
- To maintain all accounts, ledgers, and reporting systems ensuring compliance with appropriate authorities. Facilitate external audits and investigations to get done smoothly.
- To satisfy queries of regulatory Authorities such as BSEC, DSE, CSE, CDBL, RJSC, IDRA, and NBR and other government agencies regarding financial reporting matters.

- To maintain internal control safeguards by establishing appropriate internal control and ensuring effectiveness and efficiency of related processes and policies.
- To optimize the benefit of fund management techniques by properly handling of banking relationships and initiate appropriate strategies to ensure uninterrupted business operations and optimize cash positions.
- To ensure budgeting and the implementation of budgets so as to monitor progress, work closely with functions and present to the appropriate audiences. Get insights of the budget implementations and follow-up the actions/ initiatives to ensure continuous progress towards achievement of objectives.
- To improve and maintain effective coordination with the other functions/departments and establish positive working relationships to ensure value added services towards achieving mutual goals.
- To manage the company Tax and VAT matters and keep the files updated with NBR authorities.
- To monitor and develop the members of Accounts and Finance team through proper counselling, work allocation, training, performance evaluation, motivation and building of effective team dynamics and creating thrust of achieving excellence.
- To ensure accounts for all adjustment entries and provisions at the end of the year while finalizing Annual Financial Statements as per Company Law, Insurance Act & Rules, Income Tax Ordinance and applicable rules & laws.
- To finalize periodical Financial Statements i.e. 1st Quarter, 2nd Quarter, 3rd Quarter and Annual Accounts in line with IAS, IFRS.

- To moreover the CFO should be solely and wholly responsible for Finance and Accounts of the company and report to the authorities.
- To perform any other duties as assigned by the Chairman and CEO.

Head of Internal Audit and Compliance (HIAC)

Appointment of Head of Internal Audit and Compliance (HIAC)

The Board of Directors appointed the Head of Internal Audit and Compliance (HIAC). The Head of Internal Audit and Compliance (HIAC) position must have experience and expertise in the respective areas. The roles, responsibilities and duties of The Head of Internal Audit and Compliance (HIAC) are stated below :

Role and responsibilities of Head of Internal Audit & Compliance (HIAC)

- To prepare annual audit plans based on activities of the company.
- To evaluate risk management activities of the company.
- To evaluate and making recommendation for improving internal audit of the company.
- To undertake audit program for achieving specific objective.
- To conduct on special investigation on the specific allegation of fraud, forgery noticed by the management.
- To submit internal audit report to Board as well as Audit Committee.
- To perform any other duties as assigned by CEO.

f) Board meeting and maintained minutes:

Contribution in Meetings

The Board of Directors, members are expected to contribute to the Board's discussion without any personal views and members believe that the outcome of every discussion shall be towards the company's development.

Meeting and Minutes

The meetings of the Board of Directors are held on a regular basis at City General Insurance Company Limited. Management provides information, references and agenda wise working papers to all Directors for consideration within stipulated time. The Chairman of the Board of Directors allows sufficient time for the Directors to consider each agenda prudent and freely discuss and express opinions to adopt accurate decisions for

the interest of the shareholders. Due to COVID 19 pandemic, the company arranged a good number of Board meetings through virtually which may be continued in the long time if necessary.

Resolutions taken by the Board are recorded for writing minutes. Minutes of a Board meeting is signed by the Chairman of the meeting and copy of minutes is submitted to Insurance Development & Regulatory Authority (IDRA) within 30 (Thirty) days from the date of meeting. The decisions taken by the Board are disseminated by the company secretary to whom such decision relates. All meeting related papers, documents, memos, attendance, minutes etc. are being maintained properly in line with the provisions of Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

COMPLIANCE REPORT ON CORPORATE GOVERNANCE CODE BY BSEC

AS PER CONDITION NO. 1(5)(XXVII)

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD /2006-158/ 207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1	Size of the Board of Directors :			
1(1)	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors :			
1(2) (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓		
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI); and	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		Noted
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only;	✓		Noted
1(3)	Qualification of Independent Director:			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓		
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓		Details are mentioned in "Our Directors Profile" of the report
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			Not applicable
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		Noted

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)	The Directors' Report to Shareholders :			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			No such gain/loss
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Presented in the Financial Statements note 21
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;		Not applicable as no such events occurred during 2021	
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;		Not applicable as no such events occurred during 2021	
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;		No significant variance exists between quarterly financial performance and annual financial statements	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		Ability of the company to continue as going concern
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓		Mentioned in the financial statements note 3.7.1, 3.7.2, 3.7.3
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		Dividend declared
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		Mentioned in the report
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		Mentioned in the Corporate Governance section of the report
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		Mentioned in the Corporate Governance section of the report
1(5)(xxiii)(c)	Executives; (Top five salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit)	✓		Mentioned in the Corporate Governance section of the report
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓		Mentioned in the Corporate Governance section of the report
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: -			
1(5)(xxiv)(a)	A brief resume of the director;	✓		Mentioned in the Corporate Governance section of the report

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas;	√		Mentioned in the Corporate Governance section of the report
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		Mentioned in the Corporate Governance section of the report
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√		Mentioned at Management Discussion and Analysis part
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		Mentioned at Management Discussion and Analysis part
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		5 years Comparative analysis furnished in Management Discussion and Analysis part
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		Mentioned at Management Discussion and Analysis part
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the global;	√		Mentioned at Management Discussion and Analysis part
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		Mentioned at Management Discussion and Analysis part
1(5)(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		Mentioned at Management Discussion and Analysis part

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		Mentioned at CEO & CFO's declaration to the Board part
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		Mentioned at Report to the Shareholders of GGIC on Compliance on the Corporate Governance code part
1(6)	Meetings of the Board of Directors : The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		Board meetings minutes are preserved accordingly
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		
2	Governance of Board of Directors of Subsidiary Company.			
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	Not Applicable		
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	Not Applicable		
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	Not Applicable		
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	Not Applicable		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	Not Applicable		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS) . :			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	√		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		No one has resigned or terminated during the year 2021
3(2)	Requirement to attend Board of Directors' Meetings : The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board;	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer(CEO) and Chief Financial Officer (CFO) :			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		Mentioned at CEO & CFO's responsibility statement of the report
3(3)(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		Mentioned at CEO & CFO's responsibility statement of the report
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		Mentioned at CEO & CFO's responsibility statement of the report
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		Mentioned at CEO & CFO's declaration to the Board part
4	Board of Directors' Committee.			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	✓		
5	Audit Committee.			
5(1)	Responsibility to the Board of Directors.			
5(1)(a)	The company shall have an Audit Committee as a sub committee of the Board;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	Not Applicable		
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	Not happened such situation		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	Chairperson of the Audit Committee was present at 25 th AGM		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	During the year 4 (Four) Audit Committee meetings were held		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	Monitor choice of accounting policies and principles;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5(5)(d)	Oversee hiring and performance of external auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	No such event occurred during the year		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interests;	No such event occurred yet		
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	No such event occurred yet		
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	No such event occurred yet		
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	No such event occurred yet		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
5(6)(b)	<p>Reporting to the Authorities:</p> <p>If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.</p>	No such event occurred yet		
5(7)	<p>Reporting to the Shareholders and General Investors:</p> <p>Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.</p>	No such event occurred yet		
6	Nomination and Remuneration Committee (NRC).			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓		
6(2)(b)	All members of the Committee shall be non-executive directors;	✓		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			Noted
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	No such event occurred yet		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			Noted
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			Noted
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders; provided that in absence of Chairperson of the NRC, any other matters from the NRC shall be selected to be present in the Annual General Meeting (AGM) for answering the shareholders queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM;	The Chairperson attended at 25 th AGM		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			Noted
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	✓		
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remark (if any)
		Complied	Not Complied	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7	External or Statutory Auditors.			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	Financial information systems design and implementation;	√		
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	Broker-dealer services;	√		
7(1)(v)	Actuarial services;	√		
7(1)(vi)	Internal audit services or special audit services;	√		
7(1)(vii)	Any service that the Audit Committee determines;	√		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; provided that spouse, son, daughters, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company.			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance.			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of City General Insurance Company Limited is responsible for planning, organizing, staffing, directing, and controlling in order to achieve the Company's strategic goals. A sound corporate management needs a range of skills and understanding to be able to deal with various business issues. It needs to be of sufficient size and have an appropriate level of commitment to fulfill its responsibilities and duties. The Management is responsible for managing and controlling the company's business and day-to-day operations. The Management ensure that the company's operations are in compliance with the laws and regulations.

Management is also responsible for establishing and maintaining proper internal control system, the Management having designed such control or caused such control to be designed under its supervision. The Management also has to evaluate the effectiveness of the Company's internal control system and satisfy that the internal control system were effective as of the end of the period under review.

Moreover the Management of the Company shall:

1. Demonstrate its commitment to the establishment, implementation, assessment and continual improvement of the management system and allocate adequate resources to carry out these activities.
2. Communicate to individuals the need to adopt to these individual values, Company's values and behavioral expectations as well as to comply with the requirements of the management system.
3. Upbringing the involvement of all individuals in the implementation and continual improvement of the management system.
4. Ensure that it is clear when, how and by whom decisions are to be made within the management system and that measurable objectives for implementing the goals, strategies and plans are established through appropriate processes at various levels in the company.
5. Ensure that the implementation of the plans is regularly reviewed against these objectives and that actions are taken to address deviations from the plans where necessary.
6. Determine the amount of resources necessary and provide resources to carry out the activities of the company.
7. Establish, implement, assess and continually improve the management system.
8. Determine competence requirements for individuals at all levels and provide training.
9. Ensure that individuals are competent to perform their assigned work and that they understand the consequences for safety of their activities.
10. Ensure that Individuals shall have received appropriate education and training, and shall have acquired suitable skills, knowledge and experience to ensure their competence.
11. Ensure working environment necessary for work to be carried out in a safe manner and for requirements to be met.

OUR OPERATING CONTEXT AND OPPORTUNITIES

Overview

In the Bangladeshi insurance market, the need for general insurance, that includes health care insurance, can effectively complement the social security net, which is largely absent in the country. Furthermore, the need to ensure protection through self-help options is expected to increase due to the pandemic that has generally raised consciousness around health. In addition, Bangladesh is a fast-growing developmental economy with the government's focus on trade, investment and industrialization fostering growth of business, hence necessitating protection, especially in the realm of fire, marine insurance and miscellaneous.

In line with our goal of being a lifetime partner for our customers, City General Insurance has established a multi-brand, multi-channel structure to deliver products and services that suit each individual customer. These products and services are developed in-house in affiliation with all our departments in consideration of the needs of the market and delivered through an optimal channel (own branches, agents,

etc.). Thus, we contribute to improving the economy of Bangladesh, while supporting trade and investment through our asset protection plans.

Moreover, in addition to providing customers with high-value-added products and services and building an efficient administrative system, we are making company-wide efforts to promote digital transformation, our prioritised management strategy that is rooted in leveraging cutting-edge technology. Going forward, given the impact of COVID-19, a major restructuring toward social systems that are based on non-face-to-face contact is possible. In fact, we envisage a hybrid model in the future where customer preferences will be towards both in-person discussions as well as faceless interactions and engagements.

In line with this, we will combine the company's existing sales channels and emerging digital technology to provide customers with the best products and services to suit their purposes to continue contributing to improving the quality of life of each customer.

The broader operating environment

2.8%

Projected non-life premium volumes growth in 2021

USD 7 trillion

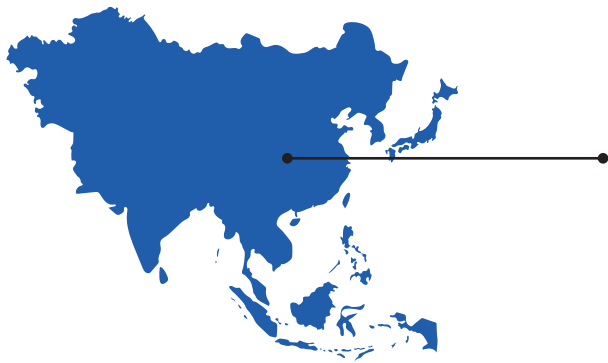
Projected size of insurance industry in 2022 (P)

As the COVID-19 crisis gave rise to immediate and potential challenges for the insurance industry and it took a hit, transformation and repivoting to the "new normal" has ensured that future prospects are positive. The sector is expected to gain momentum as the global economy stabilises, further supported by requisite measures undertaken by regulators to ensure smooth transition into a post-COVID world.

As per Swiss Re sigma No 3/2021, the world economy is recovering well from the COVID-19 crisis. The swift deployment of vaccines and large-scale fiscal stimulus, including unprecedented direct transfers to households and businesses, are fuelling a stronger economic bounce-back in 2021 than had been projected in the previous year. The report forecasts historically high global real gross domestic product (GDP) growth of 5.8% in 2021 after a 3.7% contraction in 2020. This reflects robust growth in the US (6.5%) and China (8.3%), driven by services consumption. However,

uncertainty around the emergence of more transmissible coronavirus variants (such as the Omicron variant) and the ability of vaccines to keep the pandemic under control has suggested that the recovery is likely to be more uneven and protracted than base-case forecasts. Insurance demand is expected to benefit from the growth momentum, yet a firmer inflation environment is a concern as the chorus for tapering and withdrawal of stimulus gathers pace in the face of rising inflation. Policymaking is bound to turn to fiscal consolidation.

The report has indicated that global insurance demand will grow by an above-trend 3.3% in 2021 and 3.9% in 2022, representing a much faster rebound than from the global financial crisis of 2008-09. The economic recovery and the strongest rate hardening for 20 years in non-life insurance commercial lines is projected to push premiums 10% above pre-COVID-19-crisis levels in 2021 and lift the global insurance market to more than USD 7 trillion by the end of 2022.



Emerging Asia Pacific Market:

US\$ 361.80 billion

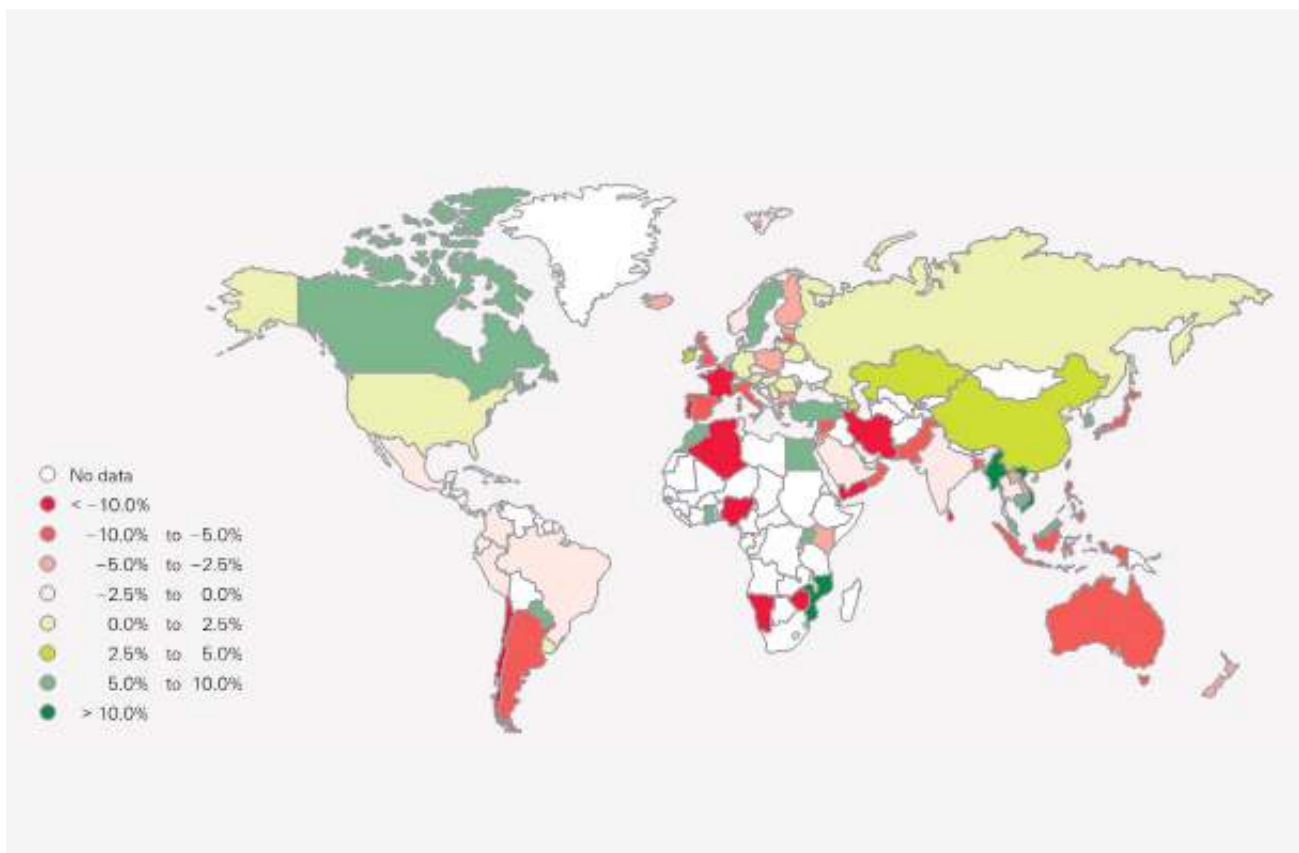
Fig: Opportunities in the Emerging Asia Pacific market of which Bangladesh is a part

The pandemic has cemented positive paradigm shifts for insurance. One is a significant rise in risk awareness as a strong demand driver. Global health and protection-type insurance premiums grew by 1.9% and 1.7%, respectively, in 2020 despite social-distancing affecting distribution. Swiss Re's consumer survey in 12 Asia-Pacific markets in early 2021 found that many feel under-insured and aim to buy more protection. For companies too, pandemic-driven disruption has heightened awareness of supply chain and cyber risks. Yet another shift is the acceleration in demand to

transact online. Insurers will need to offer digital engagement at all touchpoints as they compete with new, non-traditional players entering the consumer insurance market.

Inflation is believed to be a key medium-term risk in non-life insurance. The report expects non-life premium volumes to grow 2.8% in 2021 after 1.5% expansion in 2020, as strong price increases in commercial lines remain the dominant tailwind. Personal lines growth and profitability is expected to remain muted, as motor insurance undergoes competitive pressure.

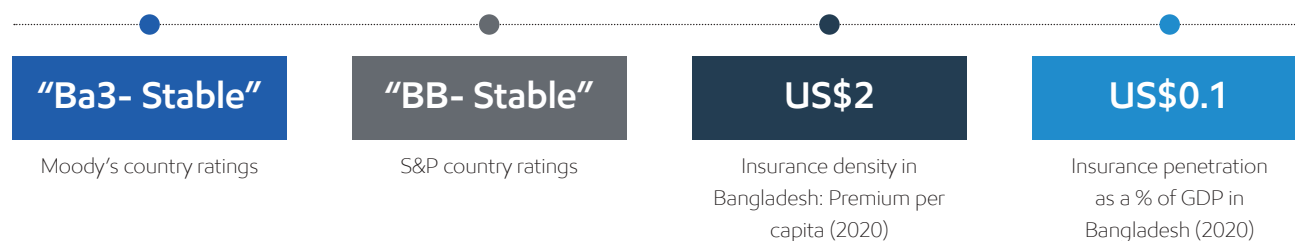
Insurance premium growth (real terms, 2020)



Source: Swiss Re

As evidenced by the above diagram, insurance premium growth rate decline remain controlled at -10% to -5% in Bangladesh, despite the disproportionate first-year impact of the COVID-19 pandemic. Besides, the domestic market also withheld the pressures well considering the size of general insurance penetration to be at under 1%. This decline was similar to those of markets, such as Australia and South America that are much larger in size, depth and penetration.

Bangladesh market overview



Key macroeconomic indicators – (BDT mn)

Ranking by GDP	Population	Marine Cargo	Marine Hull Motor		Miscellaneous 2020	
			2020	2019	2020	2019
41	164.7	327.4	5.2%	8.2%	5.6%	5.6%

Source: Swiss Re sigma No 3/2021

Key insurance stats – (BDT mn)

Metric	2020	2019	2018
Total premium volume	113,000	116,565	112,425
Non-life insurance premium volume	32,000	33,338	31,912

Source: Swiss Re sigma No 3/2021

Bangladesh's economic development journey has been a remarkable one. The country has a nearly unmatched growth rate and has emerged as one of the fastest growing economies the world over.

According to the new base year (2015-16), Bangladesh had an economy of size of BDT 34,840 billion in current prices in FY2020-21, up 15.7 per cent from BDT 30,111 billion as per the previous base year (2005-06). In constant prices, it stood at BDT 27,939 billion in FY21 as per the new base year, up sharply from BDT 12,072 billion as per the old base year, according to Bangladesh Bureau of Statistics (BBS). In terms of dollars, the GDP size stood at US\$ 409 billion in the last fiscal year at BDT 85 per USD exchange rate. Per capita income rose to US\$ 2,554 in FY2020-21 as per the new calculation, which was US\$ 2,227 as per the old one. With sustained economic growth rates, GDP per capita of Bangladesh has surpassed that of India.

As far as key macro economic indicators are concerned, poverty has rapidly reduced from over 40 per cent in 1991 to around 14 per cent in 2016-17, according to the latest available data from the World Bank. The largest least developed country (LDC) in the world in terms of both population and economic size, Bangladesh hopes to graduate

from the UN's LDC category in 2024, though this may have to be deferred because of the corona virus pandemic, without which the country was on track to reach this milestone status.

The country has been hailed by The Economist as the new Asian Tiger, and the investor appetite reflects this. Foreign direct investment (FDI) has remained consistent, which illustrates the untapped potential within the domestic market. Furthermore, with a population of about 165 million, the country has a strong consumer demand and the consumer goods market, ranging from white goods and clothes to FinTech, is growing fast. More than half of GDP – around 50-52 per cent – is generated through the service sector, and 45 per cent of Bangladeshis are employed in the agriculture sector, with rice the single-most-important product, and jute and cotton production also prevalent.

There are opportunities to develop the country's burgeoning services industry and the rise in population and GDP growth has knock-on effects into other areas of the economy, such as infrastructure development, which is gathering pace in the country. The upcoming Padma Bridge is a case in point that is expected to add as much as 1-2% to the national GDP once it becomes fully operational.

Yet, despite the progress the country has witnessed in recent years, and despite the significant investment potential, challenges remain. Whilst FDI has increased, it still accounts for less than one per cent of GDP, which the World Bank cited as insufficient. For development to continue at its current rate, it's vital that public and public-private partnerships help develop the market for the long-term.

As per Bangladesh Bank (BB), the central bank of the country, the insurance sector has emerged strongly after the advent of private sector insurance companies. Today, there are 46 non-life companies operating under the Insurance Act, 2010. One of the key characteristics of the market is that it is highly competitive, with most of the players focusing on

metropolitan regions. Thus, there is significant opportunity to mine for business in rural and hinterland areas where insurance penetration is very low or non-existent.

Furthermore, insurance penetration in Bangladesh is under 1%, which means only about 16 lakh people have any kind of an insurance cover out of a population of about 165 million. While general insurance penetration in India is also about 1%, it translates into a population coverage of about 130 lakh people since the country is much larger in size. However, there is a structural opportunity to be tapped here because insurance penetration is meagre and hence there are huge advantages to close the protection gap, especially with rising awareness brought about by COVID-19.





সুরক্ষায় পাশে আছি

ফায়ার, মেরিন, মোটর, ইঞ্জিনিয়ারিংসহ অন্যান্য সকল ইস্যুরেন্স সেবা গ্রাহকের কাছে দ্রুততম উপায়ে পৌঁছাতে আমরা বদ্ধপরিকর। তারই ধারাবাহিকতায় সাফল্যের ২৫ বছরের যাত্রায় আমরা। কথা দিচ্ছি, আপনাকে নিরাপদ রাখতে সবসময় পাশে থাকব অকৃত্রিম বন্ধু হয়ে।

সিটি জেনারেল ইস্যুরেন্স কোম্পানি লিমিটেড

CERTIFICATIONS



Credit Rating Certificate



BAPLC Renewed Certificate



BIA Membership Certificate



IDRA Registration Certificate

OUR STRATEGIC IMPERATIVES

At City General Insurance, our strategic choices and imperatives are driven by our key objectives and guided by our aspirations of creating value for all. These enablers are aimed at facilitating delivery of our strategy, with a deep understanding of our strengths and shortcomings. As we continue on our journey, we assess our progress in the execution of our strategy, while also effecting sufficient control and implementation of these strategies.

Our strategic imperatives

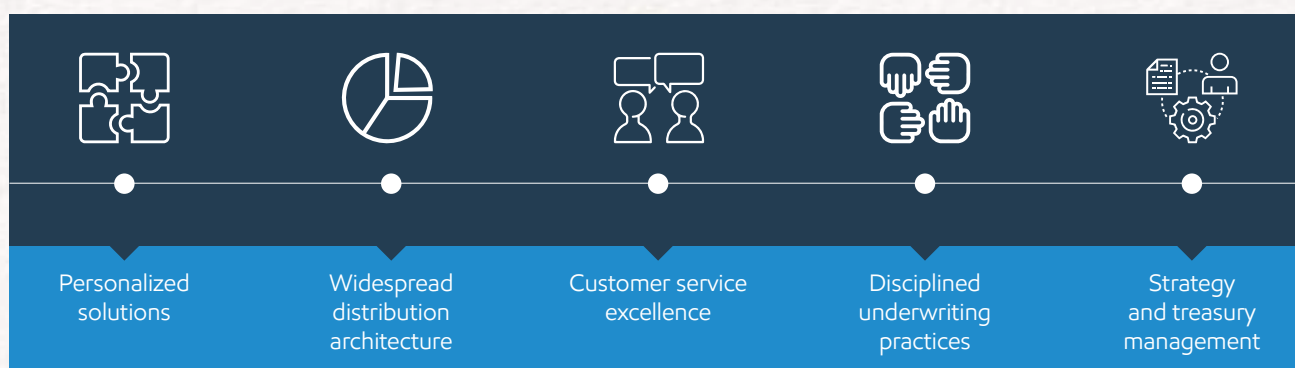


Fig: Strategic imperatives of City General Insurance

Personalized solutions

We leverage our experience and specialist knowledge to understand our customers’ risks and develop relevant insurance products and risk mitigation solutions that are aimed at solving customers’ challenges in the event of an exigency and enabling them to overcome any setback. We understand that while any monetary compensation (claims) may not be fully adequate to cover the loss our customers face, it is an important step in the right direction to enable them to surmount their challenge, while also restoring their confidence. We offer both comprehensive B2B and B2C insurance solutions.

Widespread distribution architecture

We utilise an omni-channel outreach architecture to enable widespread distribution of our products on both online and offline platforms. Furthermore, we are committed to developing the capabilities of our sales team and our agent network so that they can assist our customers to identify, explorer and shortlist the right products that are the most suitable to their needs. In this way, we are also able to ensure that there is no mis-selling, leading to service excellence and customer retention, while also enabling us to expand on our mission of retaining customers for lifetime.

Customer service excellence with regard to claim settlement

We are adopting new-age technology to provide deep and wide solutions to our customers to enable them to reduce

risks proactively, even as we look to optimise claims settlement time and improve customer service. At our company, our average claims settlement time period has declined from about 83 days in 2020 to around 76 days today, which indicates our commitment to stand shoulder-to-shoulder with our customers in their times of need. Furthermore, our average claims settlement stands at about 81.88%, reflecting our true belief in the concept and approach to insurance as a key risk management tool for our customers. The outstanding amount of claim as on 31 December 2021 is Tk. 2.74 million.

Disciplined underwriting practices

We always focus on elevating our underwriting standards, while minimising risks, with strong processes and tools to maintain business quality and strength. We also focus on formulating new and value-added products to foster responsible behaviour and drive sustainability. We also leverage our specialist insights in insurance to appropriately price risk, which has, in turn, enhanced the viability of our business over the years.

Strategy and treasury management

Investing funds into a well-diversified portfolio of debt and equity helps generate superior risk-adjusted returns. We have a robust governance framework that ensures all investment decisions are taken in accordance with regulatory and internal guidelines. To further strengthen our organisational foundations, we are building our capacity in ESG (environmental, social governance) principles, thus safeguarding the long-term sustainability of our business.

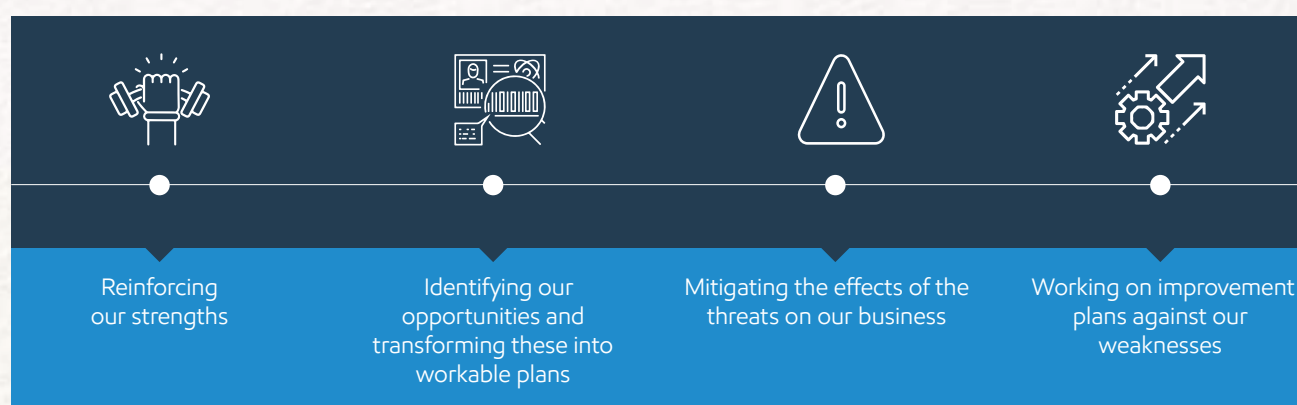
SWOT ANALYSIS

SWOT stands for “Strengths, Weaknesses, Opportunities and Threats”, and hence a SWOT analysis is an effective management technique for assessing these four aspects of a business.

The SWOT framework comprises a tool that can help a business to analyze what it does best right and how it could build upon its strengths, while formulating a successful strategy for the future. SWOT can also uncover areas of the business that are holding it back or, in other words, that competitors could exploit if these remain unprotected. In addition, a SWOT analysis examines both internal and

external factors around the organization. So, some of these factors will be within the direct control of the company and others will not.

SWOT is simple and, if used transparently, can be very revealing. As a company that places information in a transparent and open manner, we present our SWOT framework below, with an ongoing focus on:



STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Customer trust Wide product suite Multi-channel distribution Specialist underwriting capabilities Experienced leadership Timely claims settlement 	<ul style="list-style-type: none"> Relative Portfolio concentration Manpower Challenges 	<ul style="list-style-type: none"> Significant insurance under-coverage Business optimisation through InsurTech/ digital insurance Potential in retail insurance 	<ul style="list-style-type: none"> Abrupt regulatory changes Competition for talent Competition for new business Challenges in client retention Large unexpected claims

Fig: SWOT framework of City General Insurance

PESTEL ANALYSIS

A PESTEL analysis is an acronym for a management tool that is used to identify the macro (external forces) facing our organisation. The letters stand for "Political, Economic, Social, Technological, Environmental and Legal".

Our PESTEL analysis

Political factors

Explanation: These determine the extent to which government / government policy may impact on an organisation or a specific industry. This includes political policy and stability.



Economic factors

Explanation: An economic factor has a direct impact on the economy and its performance, which in turn directly impacts the organisation and its profitability.



Social factors

Explanation: This factor focuses on the social environment and identifying emerging trends. This helps us to further understand consumer needs and wants in a social setting.



Political factors affecting us:

- Unanticipated changes in trade, fiscal or taxation policies
- Changes in our regulatory environment

Economic factors affecting us:

- Sluggish trade and investment
- Pressure on discretionary incomes
- Low appetite for insurance

Social factors affecting us:

- Accelerated adoption of digital media
- Brand and reputation protection amid hyper-connectedness

In business, before any strategy or tactical plan can be implemented, it is fundamental to conduct a full situational analysis. This analysis should be repeated every few months to identify any changes in the macro-environment. At City General Insurance, we have found that successfully monitoring and responding to changes in the macro-environment can help differentiate us from the competition and thus have a competitive advantage over others. We also utilise the PESTEL framework to identify potential threats and weaknesses, in complement with our SWOT framework

Technological factors

Explanation: Technological factors consider the rate of technological innovation and development that could affect a market or industry.



Environmental factors

Explanation: Environmental factors that are influenced by the surrounding environment and the impact of ecological aspects.



Legal factors

Explanation: An organisation must understand the legal regulations in the territories they operate in.



Technological factors affecting us:

- Emergence of InsurTech and FinTech
- Changes in digital or mobile technology and automation
- New methods of distribution, such as bancassurance, which is not yet permitted in Bangladesh

Environmental factors affecting us:

- Importance of CSR, specially in the face of COVID-induced socioeconomic displacement
- Criticality of sustainability factors, including climate action, responsible resource use, and carbon footprint reduction

Legal factors affecting us:

- Sudden changes in legislation, including employment rules, service legislation, etc.
- Any adverse judicial verdicts

AUDIT COMMITTEE REPORT

For the year ended 31 December 2021

The Board of Directors has formed the Audit Committee required under the code of Corporate Governance of Bangladesh Security & Exchange Commission (BSEC). The committee is comprised of 03 (Three) Non-executive Independent Directors with the following persons. The company secretary shall act as the secretary of the committee.

Sl. No.	Name of the Members	Position in Board	Position in the Audit Committee
1.	Mr. Gopal Chandra Ghosh, FCA, FCMA, CPA	Independent Director	Chairman
2.	Mr. Hossain Mehmood	Vice-Chairman	Member
3.	Mr. Md. Harunoor Rahsid	Director	Member

During the year 2021 the Audit Committee sat in 04 (Four) nos. of meetings and the proceedings of the meetings were reported regularly to the Board of Directors.

Number of Audit committee meeting and the attendance of members during the year 2021 are as follow:

Name of member	Position	Meeting held	Attend
Mr. Gopal Chandra Ghosh, FCA,FCMA,CPA	Chairman	4	4
Mr. Hossain Mehmood	Member	4	4
Mr. Harunoor Rashid	Member	4	4

Role of the Committee

The Audit Committee of the company has been playing effective role in providing a bridge between the Board members and stakeholders. The Audit Committee during the year under review had found that the overall internal control and management process of the company was satisfactory.

During the year ended 31 December 2021 the Audit Committee of the company accomplished the following:

- Reviewing the quarterly, half-yearly, periodic and annual financial statements and other financial results of the company and, upon its satisfaction of the review, recommend them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectively and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
- Recommending to the Board the appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

Activeness of the committee on company's affairs for the year under report

The Committee during the year under reporting met every Quarter and its activities include:

- Reviewing the audited financial statements of the Company and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with required laws and regulations thereafter recommending to the Board for adoption.
- Reviewing the quarterly financial statements of the Company and recommending the same to the Board for adoption and circulation as per requirement of Bangladesh Securities & Exchange Commission (BSEC).
- Reviewing the external auditors' financial arising from audit, particularly comment and responses given by the management.
- Reviewing the matters as per requirement from the Bangladesh Securities & Exchange Commission (BSEC).

The Committee is of the opinion that reasonable controls and procedures are in place to provide assurance that the Company's assets are safeguard and the financial position of the Company is managed.

On behalf of the Committee,



(Mr. Gopal Chandra Ghosh, FCA, FCMA, CPA)

Independent Director
Chairman
Audit Committee

EVALUATION OF THE QUARTERLY FINANCIALS BY THE AUDIT COMMITTEE AND BY THE BOARD

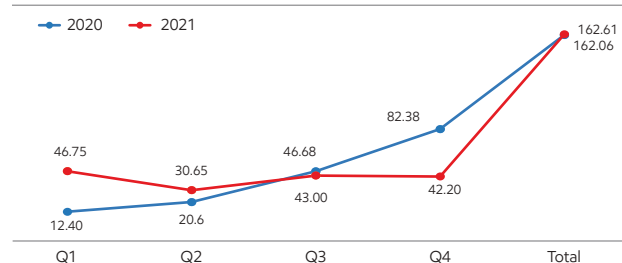
As per the regulatory requirement of Bangladesh Securities and Exchange Commission (BSEC), City General Insurance Company Limited has prepared and presented Quarterly Financial Statements. These statements are prepared in accordance with International Accounting Standard (IAS), International Financial Reporting Standards (IFRSs), the Companies Act 1994, Insurance Act-2010, The Securities and Exchange Rules 1987 and other applicable Laws and Regulations. The statements were present to Audit committee for review. After recommending by the Audit Committee, the financial statements were adopted in the Board of Directors Meeting. The statements are finally submitted to Bangladesh Securities and Exchange Commission (BSEC), Dhaka & Chittagong Stock Exchange Ltd. The quarterly Financial Statements are published in two daily newspapers one is Bangla and another one is English. The statement is also published in one online newsportal and the website of the company.

BDT in mn

Particulars	2021					2020				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross premium income	167.44	175.75	151.18	236.25	730.62	120.22	71.10	116.59	130.33	438.24
Net premium income	113.65	99.71	97.21	172.84	483.41	85.68	34.49	96.80	111.39	328.37
Re-insurance commission earned	9.64	17.95	10.94	11.37	49.91	6.81	8.94	3.67	2.96	22.38
Investment & others income	29.16	29.74	23.89	33.55	116.34	7.35	8.75	29.67	43.83	89.61
Management expenses (allocable)	39.70	70.79	48.49	43.75	202.73	49.39	30.25	33.36	41.45	154.45
Claims	8.53	35.80	29.24	41.59	115.16	2.23	9.37	23.62	7.14	42.35
Agency commission	29.85	-	-	25.52	55.37	19.05	7.08	15.50	21.64	63.26
Management expenses (unallocable)	2.68	3.13	4.05	5.30	15.17	2.70	1.97	3.31	3.10	11.07
Total expenses	80.77	109.72	81.79	116.15	388.43	73.36	48.67	75.79	73.32	271.13
Net profit before tax	46.75	30.65	43.00	42.20	162.61	12.40	20.60	46.68	82.38	162.06
Net profit after tax	34.28	20.81	31.96	27.67	114.72	4.96	12.20	33.93	69.66	120.75
EPS	0.50	0.31	0.47	0.40	1.68	0.07	0.18	0.50	1.02	1.77

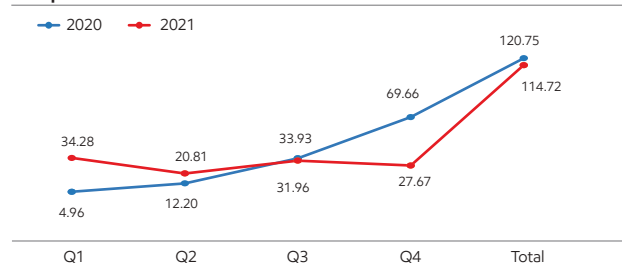
Profit before tax

BDT in mn

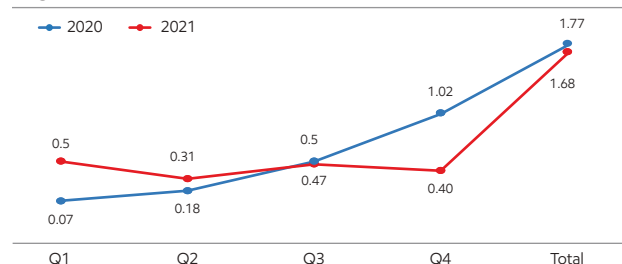


Net profit after tax

BDT in mn



EPS



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

In accordance with the directive of the Bangladesh Securities and Exchange Commission through its Corporate Governance Code under notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03/06/2018 the Nomination and Remuneration Committee (NRC) of City General Insurance Company Limited has been formed by 03 (Three) Non-executive members, appointed by the Board of Directors of the company to adhere the directive as follows:

Name of the Members	Status in Company	Position in the NRC
Mr. Khondker Fazle Rashid	Independent Director	Chairman
Mr. Hossain Mehmood	Vice-Chairman	Member
Haji Md. Yousuf	Director	Member

Independent Director of the Company Mr. Khondker Fazle Rashid discharged the duties as Chairman of the NRC and Mr. Md. Hasan Khan, Addl. Managing Director & Company Secretary performed as the Secretary of the NRC as per BSEC Corporate Governance Code.

2 (Two) meetings of the Nomination and Remuneration Committee (NRC) were held during the year 2021. 1st one was held on 24 June 2021 and 2nd one was held on 30 December 2021.

Number of Nomination and Remuneration Committee (NRC) meeting and the attendance of members during the year 2021 are as follows:

Name of member	Position	Meeting held	Attend
Mr. Khondker Fazle Rashid	Chairman	2	2
Mr. Hossain Mehmood	Member	2	2
Haji Md. Yousuf	Member	2	2

Qualification of the Committee Members

The NRC members possess adequate knowledge on business management and corporate governance issues, financially literate able to analyze, understand and interpret corporate laws, finance and financial statements and have business insight.

Roles and Responsibilities

The roles and responsibilities of the NRC have been clearly mentioned according to the said Corporate Governance Code. The Committee shall provide required advises and suggestions to the Board of Directors and Management for proper functioning of the company.

In the meeting the committee consider to assist the Board in formulation of the nomination criteria and determining of the qualifications of the prospective candidates attributes, experiences of Directors, Independent Directors and top level executives and remunerations of directors, top level executive of the company as well.

In the meeting reviewed the following:

- Reviewed the status of the Board composition along with their experience and track record of Board members including Independent Directors.
- Reviewed remuneration of the top-level executives and all employees of the company.
- Reviewed the scope and effectiveness of internal HR function and adequacy of it.
- Looked into the criteria for evaluation of performance of independent directors and the Board members.
- Determined the criteria for selection, transfer or replacement and promotion at different levels of the company.
- Reviewed the plan of the company especially for the top executive positions.
- Evaluate and recommend to the Board for the rightful candidate for Chief Executive Officer.
- Overseen other issues within the Code of Conduct of NRC.

The NRC expressing its view that the nomination, re-electing, remuneration and internal control procedures are adequate to present a free and fair view of the internal governance status of the company.



(Khondker Fazle Rashid)

Chairman,
Nomination and Remuneration Committee &
Independent Director



(Md. Hasan Khan)

Member Secretary,
Nomination and Remuneration
Committee

REPORTS ON THE ACTIVITIES OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board of Director of City General Insurance Company Limited has constituted a nomination and Remuneration Committee (NRC, as per the requirements of the corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC). The NRC assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experience for independence directors and other top-level executive as well as a policy for formal process of considering remuneration of Directors and top level executive.

Nomination and Remuneration Policies /Criteria:

The nomination and remuneration policies and the benchmark of which pursuing the business code of conduct and standards perceptible in the market context and appropriate to meet the present and future needs of the Company, is followed by the company. The criteria in this respect for the directors and top-level executives of the company are as follows.

a) The Nomination Criteria;

- i) A prescribed selection process that is transparent in all respects.
- ii) Following a process which is compatible to the recognized standards and the best practices.
- iii) Distinguishing the core competencies of the respective personnel for the different level of management and employees of the company.
- iv) Follow diversity in age, maturity, gender, experience, qualification, educational background, expertise, ethnicity.

b) Recruitment and Selection Standards

The recruitment and selection of Directors and top-level Executives of the Company are made according to the following core guiding principles.

Directors and top-level Executives:

- i) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria as per company's Service Rules.
- ii) Identifying persons who are qualified to become directors and who may be appointed in top-level executive position in accordance with the criteria laid down, and recommend their appointment.
- iii) The Board of Directors appoints Directors and top-level Executive, upon nomination and recommendation of the NRC.

Independent Director.

- i) The Independent director shall be a knowledgeable

individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws that can make meaningful contribution to the company.

ii) The Independent director should have competence of the relevant sector in which company operates and should have the qualifications as required by the code of BSEC.

iii) The Board of Directors appoints independent Directors based on the recommendation of the NRC, and subsequently approved by shareholders Annual General Meeting of the Company.

c) Remuneration Criteria for Executives

The Remuneration criteria recommended by the NRC are as follows:-

- i) The structure, scale and composition of remuneration /honorarium are reasonable considered based on the Company's policies and guidelines set by the Board of Directors to attract, retain and motivate the top level executives to run the company efficiently and successfully;
- ii) The context of packages, including remuneration/ benefits is categorically laid down which meets the appropriate performance benchmarks as per the company policies and guidelines.

d) Remuneration Criteria for Directors

- i) The NRC will recommend the Board meeting attendance fees based on regularities guidelines.
- ii) No member of the NRC shall be allowed to receive either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Board meetings and Boards sub-committee meetings attendance fees or honorarium from the company.

e) Evaluation Criteria

Top level Executives:

The performance of top level executives measurement criteria based on the respective role, profile and responsibilities through the company's annual appraisal policy at a certain time of each year.

Independent Directors:

The evaluation of performance of the independent Director's is to be carried out according to the criteria of attendance and participation at the Board meetings and committee meetings. It is also evaluate contribution of Independent Directors for the improvement of the corporate governance practices of the company.

CLAIMS MANAGEMENT AND DETAILS OF OUTSTANDING CLAIMS (IBNR & IBNER) WITH AGEING THEREOF

Excellence in claims handling is the vital competitive edge for an insurance company and it is a service that clients greatly value. Payment of legitimate insurance claims for losses that the insured have reasonably suffered is the primary reason for buying insurance. Claims management is one of the most crucial functions of an insurance company as it is the ultimate test of a responsible and efficient insurer. A client obtains an insurance policy by paying a price (termed as premium) reposing the trust that upon occurrence of any incident caused by named perils to the subject matter of insurance, the financial losses so arisen thereto would be indemnified by the insurer. Hence, by entering into any insurance contract, the client has the following expectations from the insurer:

- a) Adequate insurance coverage, which does not leave him high and dry in time of need, with right pricing.
- b) Timely delivery of defect-free policy documents with relevant guidelines endorsements/ warranties/ conditions.
- c) Should a claim happen, quick settlement to the insured's satisfaction.

Claims Management comprises of services and/or advisory support in respect of claims for compensation, restitution, repayment or any other remedy for loss or damage. Underwriting and claims settlement are the two vital aspects of operation of an insurance company. The basis of insurance is risk pooling, which carries the obligation of paying losses.

City General Insurance Company Limited has its corporate philosophy on claims management setting out broad approaches aimed at providing high quality service and expeditious settlement of claims. It specifies the nature of claims service and also the IT enabled interactive process to monitor the status of the claim.

City General Insurance Company Limited prefers rather to manage the claims than merely handling them. The claim handling process starts with the notification of loss to City General Insurance Company Limited and the company appoints a licensed loss adjuster immediately upon receipt of the intimation. In order to ensure speedy disposal of claims, the insured and/or their agent are always requested to submit all available supporting documents without delay.

A list of minimum requirement of supporting documents/ papers for claims arising under each class of business is maintained at the Head Office. City General Insurance

Company Limited undertakes all necessary steps expeditiously in an orderly sequence: contact the insured, arrange to inspect the loss through a loss adjuster, ascertain quantum of loss and company's liability etc. City General Insurance Company Limited also suggests their clients the preventive measures to be adopted to avert/minimize the loss and to take steps to protect the salvage.

As soon as City General Insurance Company Limited receives all necessary papers along with survey report from the loss adjuster, the company quickly scrutinizes all documents against its check list of requirements, verifies the loss adjustment made by the surveyor and if in order, proceeds with the settlement of claim without any loss of time. Besides settlement of claims that are possible to dispose off during the accounting period, adequate provision for outstanding claims, if any, are also maintained against unsettled claims.

In recognition to the claims services, City General Insurance Company Limited has been awarded a Credit Rating of AA in claims payability by the Credit Rating Information and Services Limited (CRISL).

Outstanding Claims (IBNR and IBNER) with ageing thereof:

Apart from claims settled in an accounting period, outstanding liabilities against insurance claims may exist or arise in respect of claims which have been reported but not yet settled (IBNER) or against which have been incurred but not yet reported (IBNR).

In general, there might be delay in settlement of the claims on the part of the insurer, typical reasons of which are: (i) delay in reporting (time gap between claims occurrence and claims reporting by the insured at the insurance company); and (ii) delay in settlement due to the fact that it usually takes time to evaluate the whole size of the claim in case of claims of complicated nature or claim of big volume. The time gap between claims occurrence and claims closing (final settlement) may take days (e.g., in case of property insurances) but it may also take years (typically in case of liability insurances). Provisions are created by setting aside a portion of net premium so that the insurer is able to settle all the outstanding claim liabilities that are proximately caused by perils falling within the scope of insurance contracts. The following formula is usually applied to calculate the provision for such outstanding claims:

Total IBNR = "Pure IBNR" + "IBNER"

For sake of proper accounting practice, reserve for each outstanding claims are maintained in respect of the financial years. Reserve for claims incurred but not reported (IBNR) and Reserve for claims incurred but not enough reported (IBNER) are the two terms that can be regarded as of identical meaning.

In some types of work, especially in reinsurance and in the London market, IBNR provisions include any IBNER provisions. Sometimes, the provision for claims incurred on or before the valuation date is referred to as the True IBNR or the pure IBNR.

The liability for outstanding claims in the Balance Sheet of a non-life insurance company includes a provision for both IBNR and IBNER. Technically, there is a practice of creating reserve against future liability arising out of claims which have occurred but have not yet been settled.

INCURRED BUT NOT REPORTED (IBNR) LOSSES RESERVE

IBNR refers to the losses that are not filed with the insurer or re-insurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but have still to be reported to the insurer by that date. In case of a re-insurer, the reserve needs also to provide for claims that, although known to the cedant, have not yet been reported to the re-insurer as being liable to involve the re-insurer.

IBNR reflects the total amount owed by the insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer knows neither how many of these losses (the frequency) have occurred, nor the severity of each loss, IBNR is necessarily an estimate. The quality of this estimation is often used as a tool in assessing the financial accounting skills of a given insurer. Insurers track IBNR by policy periods (when inception), along with other categorizations.

The characteristics of IBNR makes it look more like a reserve or provision for the particular types of losses not reported, hence gives a better estimation of profits for the insurer's current business period.

INCURRED BUT NOT ENOUGH REPORTED (IBNER) LOSS RESERVE

IBNER refers to a reserve reflecting expected changes (increases and decreases) in estimates for reported claims only. The abbreviation is sometimes stated as applying to "incurred but not enough reserved".

Some liability claims may be filed long after the event that caused the injury/financial loss to occur. Asbestos related

diseases, for instance, do not show up until decades after the exposure. Directors' & Officers' Liability claims may also arise long after expiry of the policy period if they found liable for compensation upon court order. General Average claims in case of marine cargo and/or hull losses may be assessed long after occurrence of the incident. Reserve for such outstanding claims also has to be created adequately against IBNER losses. IBNER also refers to estimates made about claims already reported but where the full extent of injury is not yet known, such as, workmen's compensation claim where the degree to which work-related injuries prevents a worker from earning what he or she earned before the injury that unfolds over time. City General Insurance Company Limited regularly adjusts reserves for such losses as and when such new information becomes available.

As per the existing directives of our local Insurance Regulatory body, i.e., IDRA (Insurance Development and Regulatory Authority) of Bangladesh, quarterly reporting of all outstanding claims with aging thereof including their specific reasons for delay in settlement of such respective outstanding claims is mandatory. City General Insurance maintains an adequate provision against each of such outstanding City General Insurance Company Limited with respective aging thereof.

DISCLOSURES PERTAINING TO SOLVENCY MARGIN

Solvency margin is the amount by which the assets of an insurer exceed its liabilities, and will form part of the insurer's shareholder's funds. Method of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of Insurance Company corresponds to its ability to pay claims. The solvency of insurance Company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the Company has adequate capital as security. The solvency margin functions as the company's safeguard particularly against the risks related to investment activities. At City General Insurance Company Limited management is ever-aware of maintaining its solvency up to a standard level. The solvency ratio of an insurance company is the size of its capital relative to all risks it has taken. The solvency ratio is most often defined as: Net Assets is divided by Net Written Premium to arrive at the solvency ratio of a particular insurance company.

Certificate of actuary giving details of the liabilities on account of live policies and estimates/ assumptions made for the same

Certificate of actuary at present is not applicable since it is not a requirement under the Insurance Act 2010 due to non-life insurance company.

CEO AND CFO'S DECLARATION TO THE BOARD

Under Condition No. 1(5)(xxvi) of the Corporate Governance Code, 2018.

Date: February 24, 2022
The Board of Directors
City General Insurance Company Limited
27, Dilkusha C/A,
Dhaka-1000.

Subject: Declaration on Financial Statements for the year ended on 31 December 2021.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03.06.2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of **City General Insurance Company Limited** for the year ended on 31 December 2021 have been prepared in compliance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31 December 2021 and that to the best of our knowledge and belief.
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



(Md. Mizanur Rahman)
Dy. Managing Director &
Chief Financial Officer



(Md. Shamim Hossain)
Chief Executive Officer

OUR SUSTAINABILITY STRATEGY!

COMMITTED TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

City General Insurance has a longstanding commitment to be a responsible corporate citizen. This commitment includes our focus on resilience and playing our part in driving sustainability for the benefit of all our stakeholders. In the face of the ongoing COVID-19 pandemic and the uncertainties it brings, key elements of our sustainability strategy have never been more important to help us pivot through these challenging times that have effected all.

At our company, we remain agile, reinvent ourselves and lead the way with fair outcomes for our customers who are at the centre of everything we do. The company's business outlook remains positive, rooted on the country's several structural long-term drivers. Our insurance and risk management solutions help address environmental and social challenges, and an innovative and values-based culture ensures that we can offer value-for-money products which are accessible through digital platforms and that address the needs of our customers. We are also committed to serving responsibly our corporate (B2B) clients.

Our products and social support aim to play a part in reducing societal vulnerabilities. Resilience is offered to society through insurance solutions and also through risk management and corporate social investment. Thus, we are continuously aiming to mitigate climate-related risks, minimising the environmental impact of our operations by progressing energy-savings and carbon footprint reduction solutions.

As part of a reputed organisation, our people come together to offer diverse talents, skills and perspectives and thus creating sustainable value. As such, our employees remain valued beyond any other asset and they have truly been the engine that keeps our business running at full steam, even amid the pandemic.

Leadership adapted during COVID-19 where our employees were divided into two main groups comprising those working from the office under strict risk-mitigating protocols, and those working from home. This brought unique challenges, including staying connected and maintaining our distinctive corporate culture and sense of collaboration and empowerment. We found solutions and our employees have shown that they can achieve anything when they have the end goal in mind. As a group we are determined to flatten the curve. Our COVID-19 response evolves as required and robust protocols remain in place. We are wholly dedicated to maintaining measures to ensure that our people are safe during this daunting period.

Our sustainability strategy supports the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015, to be achieved by 2030. The SDGs are the blueprint to achieve a better and more sustainable future for all. In order to bring about the change that we believe would ensure a sustainable future, the report shows how our activities and efforts are coming together to make a difference towards achieving the SDGs.

Our business operations particularly impact the following 6 SDGs:



ENVIRONMENTAL & SOCIAL OBLIGATIONS

Insurance policies are issued to help private individuals and companies to reduce their risk-taking and to protect against unexpected financial losses. Whether it is a matter of building a house or running a company, insurance policies provide increased security to the individual person, the company and the community in general. Insurance policies contribute to increased freedom of action and are therefore an important foundation of a community that is functional well.

In our role as a leading insurance company, we fulfill an important function in the everyday lives of our large no. of our clients. We are mindful of the communities around us and our obligations and abilities to make a positive contribution to society and the environment that is sustainable in the long run.

We are actively involved in community issues that have a natural link to its business. By working with the right organizations we aim to bring about positive changes for the communities in which we operate. We strive for supporting safety initiatives in the broad meaning of the term in the communities within which we operate. The objective is, in the long term, to counteract negative social error such as traffic accidents. We also work actively to assist our clients personally to prevent accidents and incidences of damage.

Our strategy is to reduce the environmental impact the company has through constant improvements. Environmental responsibility is an integral part of our everyday business and all of our employees' responsibilities include working to promote a sustainable environment on a daily basis. Our suppliers are also included in this work since, when procuring their services and products, we specify as far as possible requirements for well-functioning environmental work.

We firmly believe that we have a shared responsibility to address the key environmental, social and governance issues relevant to our business and stakeholders.

ENVIRONMENT RELATED INITIATIVES

Human activity may have harmful effects on ecological systems, climate and public health. Recognizing this, City General Insurance Company Limited fully supports the principles of its commitment to promoting good environmental practice and sustainability of its activities. City General Insurance Company Limited committed for providing quality service in a manner that ensures a safe & healthy workplace for our employees protecting the environment, conserving energy and natural resources. With these policies in place, we believe that we can achieve a healthy and safe environment. We are committed to do and will:

1. Integrate the consideration of environmental concerns and impacts into our decision making and activities.
2. Improve operations and technologies to minimize waste and other pollution, minimize health and safety risks, and dispose of waste safely and responsibly.
3. Minimize energy and water use within our premises and processes in order to conserve supplies and minimize the consumption of natural resources.
4. As far as possible, we will try to identify and purchase preferable products, supplies and services for all our daily operational needs that do the least damage to the environment.
5. Comply with all applicable environmental regulations.
6. Establish procedures to ensure that all employees are knowledgeable of, understand and comply with all applicable environmental laws and regulations. Train all our employees on our environmental program and empower them to contribute and participate.
7. Communicate our environmental commitment to our clients, contractors, suppliers and the community.
8. Strive to continually improve City General Insurance Company Limited's environmental management system and performance & implement corrective actions.

CITY GENERAL INSURANCE FOUNDATION

We have a Foundation name and style "City General Insurance Foundation". The objectives of the foundation are stated here:

- To help and support financially the unprivileged children for their proper medication and education as well to help the disable children of the society;
- To support all walks of people suffering from vision retardation and to establish them in the society;
- To grant, pay or give award scholarship, stipends, prizes, rewards, allowance and other financial assistance or help in cash or kind to students with a view to help them in prosecuting their students in universities, schools, colleges, educational institutions, technical institutions, art schools, institutions teaching commercial and other arts including teaching of cultural arts or other training, research or educational works in Bangladesh or abroad subject to such terms and conditions as shall from time to time be prescribed by the Governing Bodies for advancement and promotion of education;
- To give, provide and/or render food, medicine and other help and assistance in any shape or form to the poor deserving and needy person;
- To organize meetings, seminars, symposium etc. to create awareness among the people aimed at spreading and upholding the ideals, values and spirit of the humanitarian conscious and related products and services;
- To help workers/employees of the organization if they become victim of accident or they are attacked with fatal diseases, workers/employees children education & other purposes. It is also applicable for workers/employees father, mother and spouse (Subject to the availability of the Funds)

CSR ACTIVITIES



Md. Hasan Khan, Addl. Managing Director & Company Secretary of City General Insurance Company Limited handing over donation cheque on behalf of City General Insurance Foundation to Haji Altaf Hossain, Secretary, Children Fresh Air Excursion Society-Bangladesh.



Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited distributing quilt to under privileged children of Switch Tahmina Banu Bidda Niketon on behalf of City General Insurance Foundation.



A partial view of distributing quilt to under privileged children of Switch Tahmina Banu Bidda Niketon on behalf of City General Insurance Foundation.



Md. Shamim Hossain, Managing Director & CEO and other high officials of the company are planting trees at Gazipur on National Martyred Day 15 August 2021.



A partial view of distributing quilt to under privileged children of Switch Tahmina Banu Bidda Niketon on behalf of City General Insurance Foundation.



EVENT HIGHLIGHTS



Mr. Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over the Marine Claim cheque to the client.



Mr. Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited (Second from left) handing over the Marine Claim cheque to the client.



Mr. Md. Shahenur Hossain Rubel, VP & Branch Incharge of Benapole Branch of City General Insurance Company Limited (Second from left) handing over the Marine Claim cheque to the client.



Managing Director & CEO of City General Insurance Company Limited Md. Shamim Hossain handing over Fire Claim cheque to Gulam Rabbani Chowdhury, Managing Director of Baraka Potenga Power Limited.



Mr. Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over the Fire Claim cheque to the client.



Mr. Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over the Fire Claim cheque to the client.



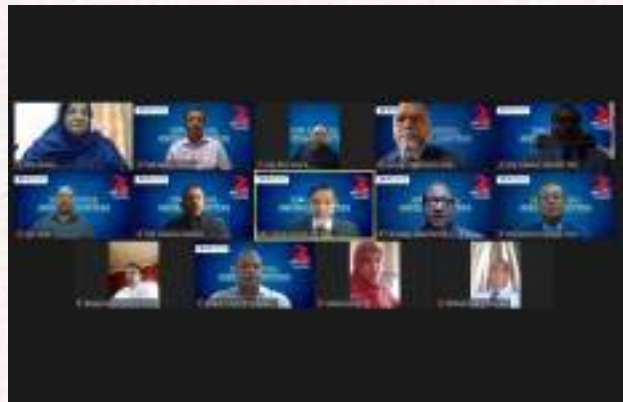
Mr. Md. Shamim Hossain, Managing Director & CEO of City General Insurance Company Limited handing over the Marine Claim cheque to the client.



Hossain Akhtar, Chairman of City General Insurance Company Limited (Second from left) handing over the Marine Claim cheque to the client. Md. Shamim Hossain, Managing Director & CEO of the company (Third from left) was present.



Mr. Ahmed Asif, EVP & Branch In-charge of B.B. Avenue branch (First from Left) handing over Marine Claim Cheque to Mr. Khokon Chandra Das, CFO, RENATA Ltd. (Third from left) Head of Finance and Tax Mr. Ashraf was also present.



Vice Chairman Mr. Hossain Mehmood, City General Insurance Company Limited presiding over 25th Annual General Meeting (Virtually). Directors and CEO of the company are seen.



Annual Branch Managers Conference held at Grand Sultan Tea Resort & Golf, Srimongal.



Mujib corner at City Insurance Head Office



Mr. Hossian Mehmood, Vice Chairman addressing at Annual Branch Managers Conference of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.



Mr. Manwar Hossian, Group Chairman of Anwar Group of Industries and former Director of City Insurance addressing at Annual Branch Managers Conference of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.



Mr. Md. Morshed Hasan, SEVP (UW & BCD) delivering lectures on Anti Money Laundering to Branch Managers at Annual Branch Managers Conference of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.



A partial view of Annual Branch Managers attending at Anti Money Laundering Training program of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.



Branch Managers and other officials of the company are at joyful moments at play ground of Annual Branch Managers Conference of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.



A partial view of playing badminton at Annual Branch Managers Conference of CGIC at Grand Sultan Tea Resort & Golf, Srimongal.

REPORT ON INFORMATION TECHNOLOGY

Background

City General Insurance Company Limited had a computerized General Ledger for Central Accounts Department only since 2018. But like most other insurance companies, its' operation was based on stand alone PC's and manual system. There was no IT enabled MIS system in place to help City General Insurance Company Limited analyze the business figures and to track performance of products, customers, branches, department and people. As a result City General Insurance Company Limited was severely handicapped in the field of IT, resulting in inefficiency and improper management negatively impacting its endeavor to maintain its' position at the top of the Insurance fraternity.

Formation of IT Division

Against the backdrop of the above mentioned situation, City General Insurance Company Limited management decided in the year 2017 to introduce a modern computer system to cater to future prospects of the Company. As part of that vision, an Information Technology Division was established to make the dream come true.

The information technology's role in the business sector certainly can hardly be over emphasized. It is of utmost importance, which enables businesses to effectively and successfully plan, manage, execute strategies which lead to profit. Therefore the mission of this Division is to completely re-engineer and automate City General Insurance Company Limited business processes to achieve higher productivity, lower cost, improved quality, enhanced service and efficient management.

IT mainly deals with computer applications which are now completely automated. The technology has not only made communication cheaper, but also much faster.

Information Technology Division has taken pragmatic approaches to bring the technological boon and advancement into City General Insurance Company Limited business process to make it more competitive and adaptive for the 21st century.

The software applications and the hardware devices are the main elements of use in information technology. So a modern and dynamic IT Division was created with two departments like Hardware and Software including a structured LAN for its smooth operation and getting the technical advantage. Operating the IT system at City General Insurance Company Limited, there are four experienced and professional IT personnel.

Software Development & Implementation

Software is an important integral part of information technology which relates to computer applications that enable a company to generate, store, program, and retrieve data as and when needed. Like an ERP Software, Integrated Insurance Business System (IIBS) was developed by Confidence Software Ltd. Under which all the business process and functionalities were included. After 6 months of development by Confidence Software Ltd. it was completed and from 1st of January 2018 IIBS implemented successfully at City General Insurance Company Limited. On the job training was also provided to all end users.

Key Benefits of City General Insurance Company Limited IT system

- Huge saving in working time in preparing insurance documents, Money Receipt and some large informative monthly reports with excellent print quality.
- Getting 1,000 Plus system generated MIS report which helps management to take decisions properly and timely.
- Integrated Accounts where 100% Journal Voucher are passing through system as well as Final Accounts report like Balance Sheet, Profit or Loss Account, Revenue Account, General Ledger, Cash Flows and Trial Balance are generating automatically through system.
- Controlling business procurement through Integrated Insurance Business System (IIBS) Software.
- Quick accessing the underwriting documents through IIBS for departmental integration with Underwriting department like Co-Insurance, Claims, Agent Commission, Re-Insurance and Accounts department.
- Backup system has been established to secure the company's valuable data in a professional manner.

Online Branches

Including Head Office and Local Office all the branches are already connected to the IT Division through optical fiber and data modem since 2018.

Future Plan

Making sure that, all the City General Insurance Company Limited online branches have redundancy connectivity to operate their daily business smoothly through the system and get all the IT benefits.

- By this time management decided to sale insurance product though online. A new web based motor module

is operating which is fully comply to e-commerce. More insurance product will be added in to our digital insurance platform in near future.

- Advanced Training on latest information technology to be provided to the IT professionals for development of new software to meet the users demand by using present technology.
- In coming days we are going to operate our official activities paperless and in this regard necessary steps have been taken to introduce soon.
- We have plan to establish Data center for protecting our data.

City General Insurance Company Limited has highly experienced and trained professionals working on maintaining and developing the company's IT infrastructure. The IT professionals are constantly innovating and producing in-house programs to meet the needs of the company's ever increasing and diversified products and services industry. IT division has successfully implemented a Wide Area Network (WAN) to connect all of the branch offices among the country on real time basis, thereby providing seamless connectivity and prompt customer services. We have also purchased a new high configured server for running our oracle Web-logic application server to build-up three tier applications and to enhance the facilities of network & hardware architecture.

We have already upgraded our oracle Front End Application from 9i to Weblogic web version for and now we are

working on Oracle Web-logic application server for getting more advantage of modern technology. As a result our IIBS software can be accessed from anywhere through any web browser even though smart phone also, as well as our connectivity cost has already reduced significantly.

We have also plan to introduce Artificial Intelligence (AI) based apps for providing better service to our clients.

Corporate IT & Website Information

The company has a Corporate **Website: www.cityinsurance.com.bd** to publish the updated information of the company. The website of the company is always open for stakeholders, shareholders, investors and valuable clients to provide updated corporate information. The website of City General Insurance Company Limited focuses on company profile such as: Company's Capital Structure, Assets and Investment, Corporate Governance, Price Sensitive Information with a view to knowing all stakeholders with all regular features of the company. City General Insurance Company Limited website also focuses Board of Directors profile, Management team's profile. Visiting the website viewers can inform about the position of the Branches information. The website also focuses all the latest financial statements including financial position, income statement, cash flow statement and changes in shareholder's equity. The Annual reports of different years are also made available in the website of the company. Despite of this our clients can avail the opportunity for having digital insurance service.

HUMAN RESOURCE

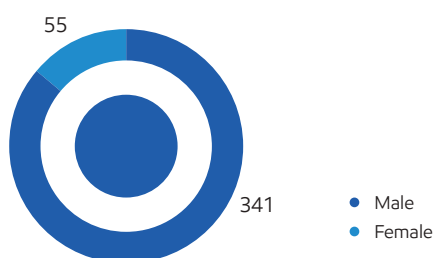
ACCOUNTING & ANALYTICS

City General Insurance Company Limited is a large organization with a centralized HR department. In total, we currently have a total of 396 employees. Out of this, 55 employees are female and 341 are male. The Company has been endeavored to seek a balance between male and female employees, which is not only our Board's top priority, but also a key focus area for the management. We give opportunities to everyone according to their skills, experience and performance, without any differentiation against gender, thus fostering a balanced and gender-friendly culture.

Employee breakdown

Particulars	Employee	Percentage (%)
Male	341	86
Female	55	14
Total	396	100

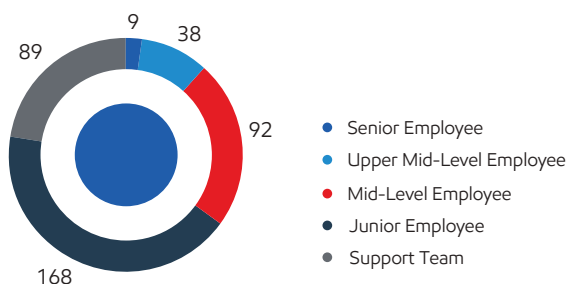
Employee Breakdown



Role Position-Wise Headcount

Role Position	Headcount
Senior employee	9
Upper mid-level employee	38
Mid-level employee	92
Junior employee	168
Support team	89
Total	396

Role Position-Wise Headcount



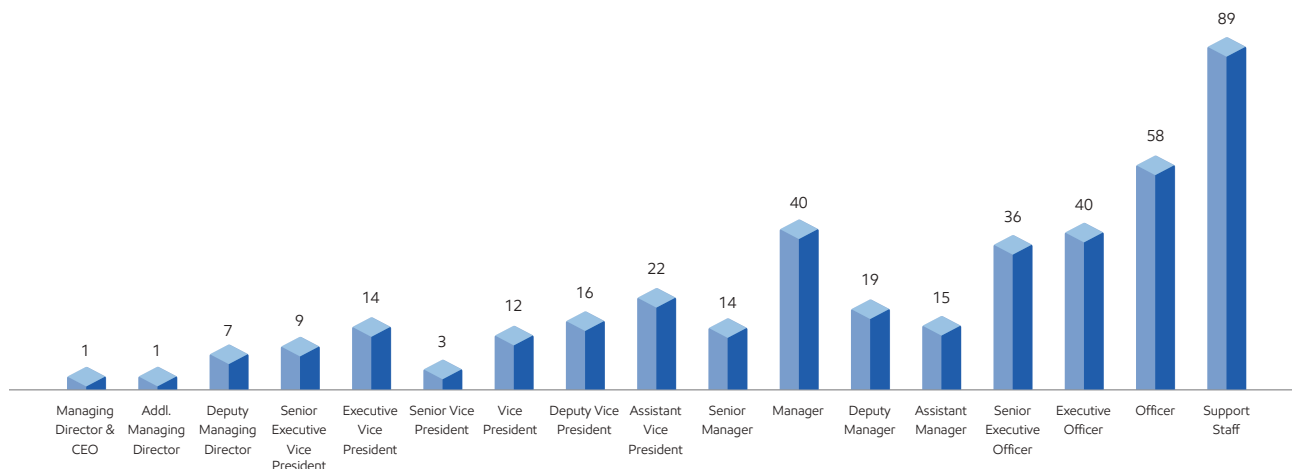
- The average cost of training per employee is Tk. 225.00
- Per employee average salary is Tk. 23,000.00

1. Employment Status

As of 2021, we had 388 permanent employees and 8 probationary employees. This is an outcome of our steep learning curve, which helps us to increase our market share without acquiring additional headcount.

Designation	No of Employees	Designation	No of Employees
Managing Director & CEO	1	Senior Manager	14
Addl. Managing Director	1	Manager	40
Deputy Managing Director	7	Deputy Manager	19
Senior Executive Vice President	9	Assistant Manager	15
Executive Vice President	14	Senior Executive Officer	36
Senior Vice President	3	Executive Officer	40
Vice President	12	Officer	58
Deputy Vice President	16	Support Staff	89
Assistant Vice President	22		

Employment Status



2. Employee Age Analysis

We have wide range of employees segregated as per age and experience. While the experienced possess knowledge and skills, the youth bring energy and understanding of new-age technologies. This combination not only enhances cooperation and knowledge and expertise sharing among both generations, but also helps close the gap between them. Age distribution among the employees is indicated below.

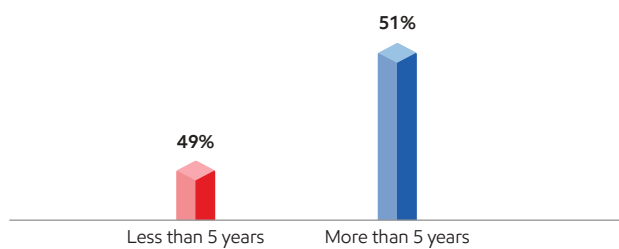
Age	Male	Female	No of Employees
Below 30 Years	70	3	73
30 to 50 Years	204	50	254
Above 50 Years	67	2	69
Total	341	55	396

3. Employee Service Analysis:

We have our high retention rate. Even though employee turnover has increased over the years, the Company has managed to secure employee loyalty. The Company ensures that all its employees are satisfied with their job. The average service period at our Company is 15 years, which only means that job satisfaction is very high.

Length of Service	Male	Female	Total Employee	Employee % with Service Tenure More Than 5 Years
Less than 5 Years	156	37	193	51%
6-10 Years	100	8	108	
11-20 Years	60	4	64	
Above 20 Years	25	6	31	

Employee Service Analysis



4. Other Key Facts & Figures

FY'2021 Retention Rate	84%
Increment Budget increased By	37%
Promotion Given for the Appraisal Period 2021	20
Average Training Hours/Employee	0.50
Retrenchment Headcount During COVID-19 in FY'2021	0

RISK MANAGEMENT

Risk and opportunity identification and management are integral to the successful delivery of our business strategy and are key elements of our corporate culture. It enables us to deliver on our objectives of being lifelong partners of our customers, while serving them with speed, sensitivity and surety at all times.

Our risk appetite

A business profits from taking desired risks within its appetite. Risk appetite describes the nature and level of risk that the company is willing to take in pursuit of its strategic objectives. At City General Insurance, we have a risk appetite framework in place that provides the parameters within which our management operates and manages risk. Reports to the Board and other governance structures on the risk profile with reference to the agreed risk appetite assess whether risk-taking is within acceptable boundaries. Yet, the key intent of our risk appetite framework is to foster a culture of awareness and caution, while ensuring that we exercise all relevant initiatives to tap into the opportunities available in our operating environment.

Risk governance

Our corporate risk management strategy and framework describes the structures, risk management systems, policies and processes to effectively identify, monitor and manage the current and emerging material risks that the business faces that might affect our goals or our ability to meet our obligations to our customers. The impact of risks is understood, and appropriate internal control mechanisms are in place to mitigate our exposure to such risks.

Furthermore, our governance framework ensures that governance structures, assignment of roles and delegation of responsibilities and appropriate policies are set in place to support the management of risk affecting the Group and creating a risk-aware culture.

Importantly, governance over the risk management system and system of internal controls is supported by the control functions in the Group: risk management, compliance, internal audit and actuarial function. Our Chief Risk Officer's (CRO's) independence and segregation of duties from operational line responsibilities are supported by suitable reporting lines. A key function of the CRO role is to assist the Board and its sub-Committees to maintain an effective organisation-wide risk management framework and risk governance processes.

The Board, senior management and the risk management department collaborate with the business risk owners with a view to ensure that risk management is embedded in all operations whilst managing the shared business strategy and

goals. This approach is key to an effective risk management system and practices and also to ensure that risks are managed in line with the Board-approved risk appetite. Moreover, regular risk management reports are submitted to the Board, its committees, to our regulators (IDRA, for instance), the senior management and other internal stakeholders to provide oversight and as a matter of fostering operational transparency.

Risk culture

Our risk culture is defined as a system of values and norms of behaviour that influence decisions and actions of our staff and their ability to identify, understand, act and report on the risks that the company faces, to make educated risk-related decisions on a consistent basis within the risk appetite and ultimately achieve the strategic goals and objectives of the company. We have always believed that risk control is a values-based and ethics-driven activity at our company.

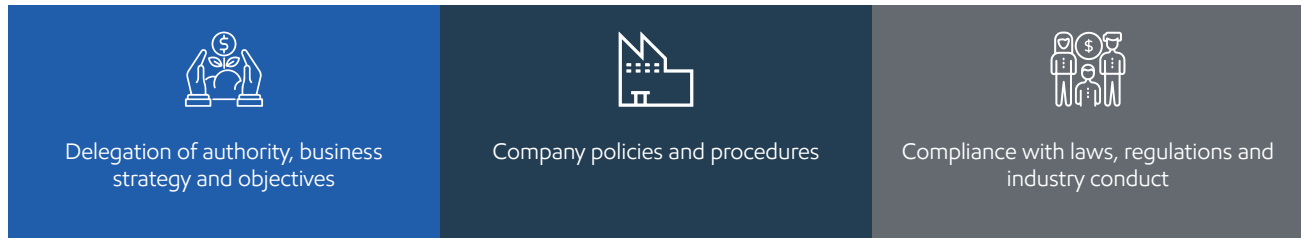
The tone for risk governance is set from the top. Leadership communication is critical to ensure that our purpose, values, acceptable behaviours and risk appetite is communicated and understood by everyone. All important information is documented in policies, processes, procedures, guidelines and training. These serve as culture enablers that reinforce and support the leadership messages shared around the desired risk culture.

Maintaining risk control

We maintain an effective control environment to manage material risks facing our business. The Company has the following control functions in place:



Our robust internal control systems serves to provide our Board and other stakeholders with reasonable assurance that our business is managed and operated in accordance with:



The evaluation of the effectiveness of the control functions takes place on a continuous basis. Our Internal Audit team performs regular reviews of the company’s control functions, as per our enterprise risk management framework.

Mitigating risk at City General Insurance

Material risks can hinder or prevent the achievement of our business objectives or values. The main risk classes used to categorise risks in our risk classification system are strategic, financial, operational and compliance risk classes. Via the delivery of robust risk management practices across the business, risk owners and the risk management function combine forces to maintain a risk register for the company. Besides, appropriate action plans and tasks are developed in response to the identified risks. The main risks affecting our business are summarised below.

Risk type	Context and impact	Mitigation measures
 <p>Pandemic risk</p>	<p>COVID-19 pandemic risk continued to manifest in 2021 as a global threat. It still remains an ongoing threat and it continuously evolves and impacts virtually all aspects of the environment we operate in and our business operations.</p>	<p>Our pandemic response plans as well as a variety of protocols and measures are designed to protect all our stakeholders, including a work-from-home strategy. These are updated as required. We remain agile as we continue to monitor and respond appropriately. Furthermore, we have implemented the learnings of the first year of the pandemic (2020), which has enabled us to maintain operational stability and continuity.</p>
 <p>Reputation risk</p>	<p>Our brand and reputation are important to us. We have built these carefully over the past few decades. We believe our stakeholders should associate our name with a credible and trustworthy insurance group where they find openness and transparency. Our reputation and brand may be threatened on account of our inability to honour claims.</p>	<p>As a business, we are committed to honouring our claims on time. Our corporate value of providing sensitive and delightful service to our customers remains a key focus area where we seek continuous improvement as it is crucial to our efforts to protect our brand and reputation. Furthermore, we also listen and engage with our customers and other stakeholders to gauge their feedback, while always seeking opportunities to improve our operating standards and our business.</p>
 <p>Economic risk</p>	<p>Poor economic conditions may result in less favourable business environment, leading to spending cuts and cancellation of policies.</p>	<p>Our inherently low-cost operating model offering value-for-money products and our scientific and accurate underwriting model, which is based on the risk profile of each customer, ensure that we manage costs, offer appropriate premiums and that our client base is resilient as they manage financial risks well. Moreover, Bangladesh has seen strong recovery post the worst effects of the pandemic and hence this provides us with an opportunity-filled environment to conduct our business in.</p>

Risk type	Context and impact	Mitigation measures
 <p>Talent attrition risk</p>	<p>Lack of talent, both young and the more experienced, and the resulting inadequacy of key skills, will have an impact on any business in our sector.</p>	<p>While this is not within our direct control, our employee value propositions and retention strategies, as well as our endeavours to remain a great company to work for are in place and are constantly reviewed and updated. Moreover, we also strive to offer the most competitive compensation standards, along with a stimulating work environment, that assist in our talent retention goals.</p>
 <p>Operational risk</p>	<p>Operational risk refers to the exposure to potential losses caused by internal failures of processes, people and systems. Internal shortcomings may also include errors and fraud.</p>	<p>We have strong experience in the insurance business, which helps us to minimise operational risk. In addition, any occurrence of these risks are managed through various set processes and procedures. Besides, regular and detailed monitoring and reporting takes place on an ongoing basis.</p>
 <p>Underwriting risk</p>	<p>Due to us operating in a highly competitive and uneven industry with frequent claims incidents, underwriting risk is a major consideration for us to ensure long-term sustainability and protecting the interest of policyholders. Specifically, climate change and global warming factors may, over time, impact our business as Bangladesh is especially prone to natural calamities.</p>	<p>The risk is mitigated through our business model, which includes centralised systems, automated underwriting and pricing decisions, systemised mandates and controls. We have within our control core insurance disciplines, such as pricing, underwriting, product design, IT and claims management. Underwriting processes are based on a time-tested underwriting philosophy of prudent consideration of risk factors, including assistance of Government surveyors. We insure only risks that we can scientifically price accurately. Product design and underwriting risk indicators are monitored closely. Diversification by product and geographic location reduce the impact of risk accumulation. Besides, reinsurance programs (both with a state reinsurance company as well as overseas reinsurers) are also in place.</p>
 <p>Disruptive / competitor risk</p>	<p>Disruptive technology, which include trends and changes in the industry or in business in general can adversely affect us if we do not evolve and innovate. Changes in the competitive environment can put pressure on our company to make changes to product offerings, processes, systems or policies.</p>	<p>We have a large product basket and cater to various customers across diverse regions. Our innovation focus spearheaded by digital insurance, proactive monitoring of technological and industry trends ensure that our products and service offerings remain relevant. By virtue of Bangladesh being a price-conscious market, product affordability is crucial. In this context, we always focus on value-driven offerings by which we are able to reach to the masses via our strong distribution network. Besides, the emergence of FinTech and InsurTech can always accelerate market growth for all players.</p>
 <p>Cyber security risk</p>	<p>There are various risks linked to cyber security risks, including data protection and keeping our technology safe from any cyberattacks. These can cause costly disruptions in our operations.</p>	<p>We have numerous technology governance policies and processes in place to ensure the continuity and stability of our information technology systems. Further, redundancy makes data recovery possible in disaster situations. We also make continued investments in our technology to remain up-to-date with the latest developments.</p>



FINANCIAL STATEMENTS

The purpose of financial statements is to convey information about a company's operating results, financial situation, and cash flows. The information contained in these statements is used by potential investors to make resource allocation decisions.



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY GENERAL INSURANCE COMPANY LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of City General Insurance Company Limited (the Company), which comprise the Statement of Financial Position as at 31 December 2021, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Appropriation Account, Statement of Consolidated Revenue Accounts, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities

for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current 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 matters were identified 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. We summarize below the key audit matters in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public limited entities, our results from those procedures.

Risk	Our response to the risk
Premium Income	
<p>Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to Premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> • The design and operating effectiveness of key controls around premium income recognition process. • Carried out analytical procedures and recalculated premium income for the period. • Carried out cut-off testing to ensure unearned premium income has not been included in the premium income. • On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. • Ensured on a sample basis that the premium income was being deposited in the designated bank account. • Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. • For a sample insurance contracts tested to see if appropriate level of reinsurance was done and whether that re-insurance premium was deducted from the gross premium. • Applying specialist judgment ensured if there is any impairment of the reinsurer. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.



Investment Fluctuation Fund	
<p>The company made a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Investment Fluctuation Fund subsequently or as per the policy of the company.</p> <p>This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.</p>	<p>We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:</p> <ul style="list-style-type: none"> • Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report. • Ascertained the valuation of the holding as per IFRS13. • Reviewed and challenged the assumptions used for the valuation models for any unquoted securities. • Recalculated unrealized gain or loss at the year end. • Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period. • Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss. • Check the subsequent positioning of this unrealized amount after the year-end. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Estimated liability in respect of outstanding claims whether due or intimated and claim payment	
<p>This account represents the claim due or intimated from the insured and involves significant management judgment and risk of understatement. In extreme scenario this item may have going concern implications for the company.</p>	<p>We tested the design and operating effectiveness of controls around the due and intimated claim recording process. We additionally carried out the following substantive testings around the item:</p> <ul style="list-style-type: none"> • Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis. • Obtained a sample of claimed policy copy and cross check it with claim. • Obtained a sample of survey reports and cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. • Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate. • Reviewed the claim committee meeting minutes about decision about impending claims. • Tested a sample of claims payments with intimation letter, survey report, bank statements, claim payment register and general ledger. • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
Sundry Creditors	
<p>This account represents the Sundry Creditors Tk. 68,250,349 balance payable to third parties throughout the next fiscal year. Some creditors, such as banks and other lenders, have lent to the company. The rest are accounted for as vendors/suppliers and accrued liabilities. Other creditors include the company's employees, regulatory bodies, and customers. There are secured creditors who have a registered lien on some of the company's assets.</p>	<p>We have tested the design and operating effectiveness of controls around the due and payable recording process. We carried out the following audit procedures:</p> <ul style="list-style-type: none"> • Obtained the creditors register and tested for completeness of credits recorded in the register on a sample basis. • Obtained a sample of bill payable recording process and cross check it with ledger. • Obtained a sample of provision create process and cross checked those against respective ledger balances and in case of discrepancy carried out further investigation. • Obtained and discussed with management about their basis for provision and challenged their provision creation where appropriate.



Please see Note no. 19	<ul style="list-style-type: none"> Reviewed on a sample basis payment calculations owed to regulatory bodies. Tested a sample of lease payable with intimation letter, report, bank statement, register and general ledger. <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</p>
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Deferred Liability for Gratuity	
The company has been made the provision for Employee's Gratuity Fund during the year Tk. 4,488,071 as per International Accounting Standard (IAS)-19 under Employee's Retirement Benefit Scheme.	<p>We tested the operating effectiveness of the fund and liability position held by the company from trusted sources. Additionally, we performed the following activities:</p> <ul style="list-style-type: none"> Discussed with management regarding their basis for estimation and challenged their assumptions where appropriate. Tested on a sample basis to check that appropriate employee contribution was being collected and deposited to bank. <p>Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Income Tax Ordinance 1984.</p>

Sundry Debtors (Advance Deposit & Others)	
<p>The company has reported an amount of Tk. 263,596,126 as sundry debtors. This line item is the accumulation of various items including office rent, security deposits, co-insurance commission, tax and collection control accounts and agents Balance</p> <p>Please see Note no. 09</p>	<p>We tested the design and operating effectiveness of key controls around reporting, updating and adjusting of advance deposit held by the company. Additionally, we performed the following audit procedures:</p> <ul style="list-style-type: none"> Obtained office rental agreement and scrutinized the terms and conditions of the agreement and tallied against the advance reported. Recalculated tax deduction and obtained sample of treasury challan pertaining to rent. Obtained and reviewed documentations related to letter of credit, invoices. Obtained documentation related to co-insurance and re-calculated commission and corresponding premium on a sample basis. Obtained and confirmed the list of agents and verified their balances against their enlistment. <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than financial statements and our auditors' report thereon. 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other

information; we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue



K. M. ALAM & CO.
CHARTERED ACCOUNTANTS



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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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's 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 the mall 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 doings would reasonably be expected to out weight the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Insurance Act 2010, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and the other applicable Laws and Regulations, 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 examination of those books;
- c) The Company's management has followed relevant provisions of laws and rules in managing the affairs of the company and proper books of accounts records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us;
- d) As per section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge



K. M. ALAM & CO.
CHARTERED ACCOUNTANTS



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and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been fully charged to the related Revenue Account and the statement of profit or loss & other comprehensive income of the company; and

- e) As per section 54(5) of Insurance Act 2010 as amended, we report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission is any

form outside Bangladesh in respect of any of its business re-insured abroad;

- f) The Company's Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of , Related Revenue Accounts, Statement of Changes in Equity and Statement of Cash Flows of the Company together with the Annexed Notes dealt with by the report are in agreement with the books of accounts and returns; and
- g) The expenditure incurred was for the purpose of the Company's business.

Place: Dhaka

Date: 20 February 2022

Md. Belayet Hossian FCA

Partner, Enrolment no. 1480 (ICAB)

K. M. Alam & Co.

Chartered Accountants

DVC: 2202201480AS349389

STATEMENT OF FINANCIAL POSITION

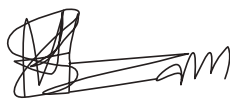
As at 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Share Capital			
Authorized capital : 200,000,000 Ordinary Shares of Tk. 10.00 each.	11.00 (A)	2,000,000,000	2,000,000,000
Shareholder's Equity		1,194,808,248	1,150,457,946
		772,411,222	772,411,222
Paid up share capital	11.00 (B)	681,661,222	681,661,222
Premium on rights share		90,750,000	90,750,000
Reserve and Surplus :		352,530,903	308,202,782
Reserve for exceptional losses	12.00	319,914,424	271,573,752
General reserve		26,000,000	26,000,000
Investment fluctuation fund	13.00	6,616,479	10,629,030
Profit & Loss Appropriation Account Balance		69,866,123	69,843,942
Current Liabilities		490,006,201	455,811,228
Balance of Funds and Accounts :	14.00	195,875,910	131,397,575
Fire insurance business		50,068,854	42,921,038
Marine (cargo) insurance business		126,929,848	68,330,046
Marine (hull) insurance business		4,188,707	83,831
Motor insurance business		11,860,773	17,376,769
Miscellaneous insurance business		2,827,728	2,685,891
Premium Deposits	15.00	21,495,407	60,370,771
Liabilities and Provision		272,634,884	264,042,882
Estimated liabilities in respect of outstanding Claims whether due or intimated	16.00	2,738,526	3,345,773
Amount due to other persons or bodies carrying on insurance business	17.00	128,816,153	113,470,258
Provision for CGIC foundation		1,967,814	1,967,814
Provision for income tax	18.00	65,346,012	56,802,359
Sundry creditors	19.00	68,250,349	79,575,080
Deferred tax liability	25.00	3,882,301	7,687,657
Un-claimed dividend account	28.00	1,633,729	1,193,941
Total Shareholder's Equity and Liabilities		1,684,814,449	1,606,269,174
Net Assets Value Per Share	22.00	17.53	16.88

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Particulars	Notes	Amount in Taka	
		2021	2020
Non-Current Assets		462,135,194	312,027,353
Property, plant & equipment	04.00	54,763,465	41,976,748
Investment :	05.00	407,371,729	270,050,605
BD Govt. treasury bond		86,000,000	25,000,000
Investment in shares		321,371,729	245,050,605
Current Assets		1,222,679,255	1,294,241,821
Inventories	06.00	4,106,389	2,983,146
Stamps in hand	06.00(A)	1,746,113	622,870
Stock of stationery and forms	06.00(B)	2,360,276	2,360,276
Interest, dividends and rent receivable (accrued but not due)	07.00	67,708,928	66,024,228
Amount due from other persons or bodies Carrying on insurance business	08.00	234,343,456	234,343,456
Sundry debtors	09.00	263,596,126	378,856,020
Cash & Cash Equivalents	10.00	652,924,356	612,034,971
Fixed deposit with banks		640,396,016	582,184,879
Short term deposit with banks & current account		12,234,704	29,392,106
Cash in hand		293,636	457,986
Total Assets		1,684,814,449	1,606,269,174



Director



Chairman


K. M. ALAM & CO.Chartered Accountants
DVC:2202201480AS349389

City General Insurance Company Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Expenses of management (not applicable to any particular fund of accounts) :	15,168,234	11,074,400
Directors fee	695,200	678,773
Advertisement	3,881,462	1,019,430
Donation & subscription	370,000	897,500
Audit Fee & legal expenses	386,277	863,733
Interest expenses	1,220,116	427,051
Registration & renewal	503,981	513,726
Fees & charges	922,012	1,067,102
Depreciation	7,189,186	5,607,085
Less: Unrealised loss on share investment	33,122,089	-
Less: Written off (GMG Airlines) & others	1,021,704	1,000,000
Net profit before tax	162,611,165	162,055,830
Less: Deferred tax expenses (Note: 26)	2,811,123	278,793
Less: Provision for income tax (Note: 27)	45,080,224	41,026,701
Net profit after tax transferred to statement of appropriation account	114,719,818	120,750,336
Total	211,923,192	174,130,229

City General Insurance Company Limited

STATEMENT OF APPROPRIATION ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Reserve for exceptional losses	48,340,672	32,836,819
Cash dividend paid	31,941,020	13,519,021
Amount to be distributed as dividend (Note:32)	34,415,945	36,225,101
Balance transferred to financial position	69,866,123	69,843,942
Total	184,563,760	152,424,883
Earnings per share (EPS Taka.10.00 each) profit after tax (Note:24)	1.68	1.77
Total number of outstanding shares	68,166,122	68,166,122

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

City General Insurance Company Limited

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Interest, dividend & rent (Not applicable to any particular fund or account):	116,342,765	89,612,136
Interest income on FDR, BD G.T. Bond & STD account (Note-20)	45,335,421	43,788,551
Dividend income	18,242,846	3,491,762
Profit/(loss) on sale of share	47,529,902	41,262,802
Miscellaneous income	5,234,596	1,022,346
Profit/(loss) on sale of fixed assets (Motor car & cycle)	-	46,675
Profit/(loss) transferred from revenue account :	95,580,427	84,518,093
Fire revenue account	(21,689,048)	11,831,250
Marine cargo revenue account	93,590,943	55,458,434
Marine hull revenue account	(1,996,532)	(313,207)
Motor revenue account	21,580,227	15,509,509
Miscellaneous revenue account	4,094,837	2,032,107
Total	211,923,192	174,130,229

City General Insurance Company Limited

STATEMENT OF APPROPRIATION ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance brought forward from previous year	69,843,942	31,674,547
Net profit after tax for the year transferred from profit or loss and other comprehensive income	114,719,818	120,750,336
Total	184,563,760	152,424,883



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2202201480AS349389

City General Insurance Company Limited
CONSOLIDATED REVENUE ACCOUNT
 For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	115,162,958	42,353,134
Claims paid during the year	115,770,205	49,272,616
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	31,636,520	14,471,709
Less : outstanding at the end of the previous year	(32,243,767)	(21,391,191)
Agent commission	55,365,744	63,263,873
Expenses of management	201,942,610	153,209,669
Insurance stamp expenses	790,113	1,240,909
Profit/(loss) transferred to profit or loss account	95,580,427	84,518,093
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% & 100% of hull on premium income of the year	195,875,910	131,397,575
Total	664,717,762	475,983,253

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

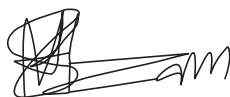
City General Insurance Company Limited
FIRE INSURANCE REVENUE ACCOUNT
 For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	83,036,144	24,041,210
Claims paid during the year	80,737,065	27,737,647
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	7,804,771	671,926
Less : outstanding at the end of the previous year	(5,505,692)	(4,368,363)
Agent commission	14,891,903	21,863,285
Expenses of management	63,010,510	59,151,896
Insurance stamp expenses	657,789	692,516
Profit/(loss) transferred to profit or loss account	(21,689,048)	11,831,250
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	50,068,854	42,921,038
Total	189,976,152	160,501,195

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

City General Insurance Company Limited

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	131,397,575	125,226,307
Premium less re-insurance	483,406,715	328,368,188
Commission on re-insurance ceded	49,794,039	22,309,791
Profit commission	119,433	78,967
Total	664,717,762	475,983,253

City General Insurance Company Limited

FIRE INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	42,921,038	40,582,772
Premium less re-insurance	125,172,133	107,302,594
Commission on re-insurance ceded	21,882,981	12,615,829
Total	189,976,152	160,501,195



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2202201480AS349389

City General Insurance Company Limited
**MARINE CARGO INSURANCE
REVENUE ACCOUNT**
For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	29,055,914	14,180,898
Claims paid during the year	31,342,235	17,585,198
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	22,382,142	12,442,019
Less : outstanding at the end of the previous year	(24,668,463)	(15,846,319)
Agent commission	37,704,589	33,910,519
Expenses of management	121,372,822	71,624,408
Profit/(loss) transferred to profit or loss account	93,590,943	55,458,434
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 40% of premium income of the year	126,929,848	68,330,046
Total	408,654,116	243,504,305

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

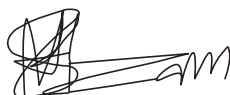
City General Insurance Company Limited
MARINE HULL INSURANCE REVENUE ACCOUNT
For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	-	-
Claims paid during the year	-	-
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	-	-
Less : outstanding at the end of the previous year	-	-
Agent commission	398,476	307,625
Expenses of management	2,325,172	901,350
Profit/(loss) transferred to profit or loss account	(1,996,532)	(313,207)
Balance of account at the end of the year as shown in the statement of financial position: reserve for unexpired risks being 100% of premium income of the year	4,188,707	83,831
Total	4,915,824	579,599

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

City General Insurance Company Limited
**MARINE CARGO INSURANCE
REVENUE ACCOUNT**
For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	68,330,046	66,377,430
Premium less re-insurance	317,324,620	170,825,115
Commission on re-insurance ceded	22,999,450	6,301,760
Total	408,654,116	243,504,305

City General Insurance Company Limited
MARINE HULL INSURANCE REVENUE ACCOUNT
For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	83,831	464,295
Premium less re-insurance	4,188,708	83,830
Commission on re-insurance ceded	643,285	431,474
Total	4,915,824	579,599



Director



Chairman



K. M. ALAM & CO.
Chartered Accountants
DVC:2202201480AS349389

City General Insurance Company Limited

MOTOR INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	3,017,230	3,145,383
Claims paid during the year	3,637,235	2,964,128
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	1,449,607	1,357,764
Less : outstanding at the end of the previous year	(2,069,612)	(1,176,509)
Agent commission	1,938,534	6,358,801
Expenses of management	8,854,005	16,941,929
Insurance stamp expenses	95,827	524,087
Profit/(loss) transferred to profit or loss account	21,580,227	15,509,509
Balance of account at the end of the year as shown in the statement of financial position:	11,860,773	17,376,769
reserve for unexpired risks being 40% of premium income of the year		
Total	47,346,595	59,856,478

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.

City General Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

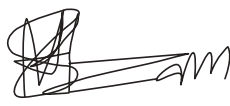
For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Claims under policies, less re-insurance:	53,670	985,642
Claims paid during the year	53,670	985,642
Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated	-	-
Less : outstanding at the end of the previous year	-	-
Agent commission	432,242	823,643
Expenses of management	6,380,101	4,590,086
Insurance stamp expenses	36,497	24,307
Profit/(loss) transferred to profit or loss account	4,094,837	2,032,107
Balance of account at the end of the year as shown in the statement of financial position:	2,827,728	2,685,891
reserve for unexpired risks being 40% of premium income of the year		
Total	13,825,075	11,141,676

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

City General Insurance Company Limited

MOTOR INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	17,376,769	16,055,723
Premium less re-insurance	29,651,933	43,441,923
Commission on re-insurance ceded	317,893	358,832
Total	47,346,595	59,856,478

City General Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31 December 2021

Particulars	Amount in Taka	
	2021	2020
Balance of account at the beginning of the year:		
Reserve for unexpired risks	2,685,891	1,746,087
Premium less re-insurance	7,069,321	6,714,726
Commission on re-insurance ceded	3,950,430	2,601,896
Profit commission	119,433	78,967
Total	13,825,075	11,141,676



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants
DVC:2202201480AS349389

STATEMENT OF CHANGES IN EQUITY

As at 31 December 2021

Particulars	Share Capital (paid-up)	Share Premium	Reserve for Exceptional Losses	General Reserve & Others	Investment Fluctuation Fund	Retained Earnings	Total
Balance as at 1st January 2021	681,661,222	90,750,000	271,573,752	26,000,000	10,629,030	69,843,942	1,150,457,946
Cash dividend paid during the year	-	-	-	-	-	(31,941,020)	(31,941,020)
Profit after tax during the year	-	-	-	-	-	114,719,818	114,719,818
Amount to be distributed as dividend	-	-	-	-	-	(34,415,945)	(34,415,945)
Appropriation made during the year	-	-	48,340,672	-	6,616,479	(48,340,672)	6,616,479
Adjustment of changes in fair value of share investment	-	-	-	-	(10,629,030)	-	(10,629,030)
Balance as at 31 December 2021	681,661,222	90,750,000	319,914,424	26,000,000	6,616,479	69,866,123	1,194,808,248

STATEMENT OF CHANGES IN EQUITY

As at 31 December 2020

Particulars	Share Capital (paid-up)	Share Premium	Reserve for Exceptional Losses	General Reserve & Others	Investment Fluctuation Fund	Retained Earnings	Total
Balance as at 1st January 2020	681,661,222	90,750,000	238,736,933	26,000,000	-	31,674,547	1,068,822,702
Cash dividend paid during the year	-	-	-	-	-	(13,519,021)	(13,519,021)
Profit after tax during the year	-	-	-	-	-	120,750,336	120,750,336
Amount to be distributed as dividend	-	-	-	-	-	(36,225,101)	(36,225,101)
Appropriation made during the year	-	-	32,836,819	-	10,629,030	(32,836,819)	10,629,030
Balance as at 31 December 2020	681,661,222	90,750,000	271,573,752	26,000,000	10,629,030	69,843,942	1,150,457,946

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants

DVC:2202201480AS349389

Auditors' report to the shareholders :

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Dated: Dhaka, 20 February, 2022

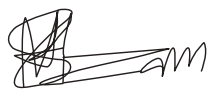
City General Insurance Company Limited
STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

Particulars	Amount in Taka	
	31-12-2021	31-12-2020
A. Cash flow from operating activities:		
Cash receipts from premium and others income	758,636,922	463,013,431
Cash payment for management exp., Re-insurance, claim & other exp.	(513,117,616)	(315,135,940)
Income tax paid	(58,219,305)	(32,994,778)
Net cash generated from operating activities	187,300,001	114,882,713
B. Cash flow from investing activities:		
Acquisition of fixed assets	(19,975,903)	(7,960,056)
Disposal of fixed assets	-	511,000
(Increase)/ decrease investment in shares	(72,923,760)	(35,772,470)
Dividend income	14,655,169	2,793,410
Net cash used in investing activities	(78,244,494)	(40,428,116)
C. Cash flow from financing activities:		
Dividend paid	(68,166,122)	(34,083,061)
Net cash used in financing activities	(68,166,122)	(34,083,061)
D. Net cash inflows/(out flows) for the year (A+B+C)	40,889,385	40,371,536
E. Opening cash and cash equivalents	612,034,971	571,663,435
F. Closing cash and cash equivalents	652,924,356	612,034,971
Net operating cash flow per share (NOCFPS) (Note:23)	2.75	1.69

* The accounting policies and other notes from 1 to 33 form an integral part of the financial statements.



Chief Financial Officer



Chief Executive Officer



Director



Director



Chairman

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022



K. M. ALAM & CO.

Chartered Accountants
DVC:2202201480AS349389

Form-"AA"

CLASSIFIED SUMMARY OF ASSETS

As at 31 December 2021

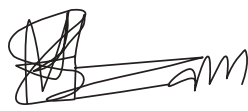
SL. No.	Particulars	Amount in Taka		Remarks
		2021	2020	
A	Non-current assets	462,135,194	312,027,353	
	Property, plant & equipment	54,763,465	41,976,748	Written down value
	Investment :	407,371,729	270,050,605	
	BD Govt. treasury bond	86,000,000	25,000,000	Not quoted in market
	Investment in shares	321,371,729	245,050,605	Quoted at market value
B	Current assets	1,222,679,255	1,294,241,821	
	Inventories	4,106,389	2,983,146	
	Stock of stationery and forms	2,360,276	2,360,276	Realizable value
	Stamps in hand	1,746,113	622,870	At cost
	Sundry debtors	263,596,126	378,856,020	Realizable value
	Interest, dividends and rent receivable (accrued but not due)	67,708,928	66,024,228	Realizable value
	Amount due from other persons or bodies carrying on insurance business	234,343,456	234,343,456	Realizable value
	Cash & cash equivalents	652,924,356	612,034,971	
	Fixed deposit with banks	640,396,016	582,184,879	Realizable value
	Short term deposit with banks & current a/c	12,234,704	29,392,106	Realizable value
	Cash in hand	293,636	457,986	Realizable value
	Total assets (A+B)	1,684,814,449	1,606,269,174	

Certificate under regulation 7 (a) & (b) of part 1 of the first schedule of the Insurance Act 2010.

Certified that the values of all assets have been reviewed, that the said assets except the shares in listed companies, have been set forth in balance sheet at amounts not exceeding their realizable of market value, and that the investments in shares have been valued at fair value.



Chief Financial Officer



Chief Executive Officer



Director



Director



Chairman



K. M. ALAM & CO.

Chartered Accountants

DVC:2202201480AS349389

Auditors' report to the shareholders :

This is the financial position referred to in our report annexed.

Dated: Dhaka, 20 February, 2022

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2021

1.0 LEGAL STATUS AND NATURE OF THE COMPANY**1.1 Legal Status and Country of Operation**

The company was incorporated on March 18, 1996 and obtained the certificate for commencement of business on March 25, 1996 from the Registrar of Joint Stock Companies and Firms and the License for Insurance Business from the Chief Controller of Insurance, Government of the People's Republic of Bangladesh on March 31, 1996. With the permission of Securities and Exchange Commission the company issued 900,000 ordinary shares at Tk.100 each to public in 2007 and was listed with Dhaka and Chittagong Stock Exchanges.

The registered office of the company is located at Baitul Hossain Building (4th floor), 27, Dilkusha C/A, Dhaka-1000, Bangladesh. The operation of the company is being carried out through its 49 branches located in different division in Bangladesh.

1.2 Nature of Business

The principal activities of the company are to offer general insurance products like as fire, marine cargo, marine hull, motor, engineering and miscellaneous insurance. These products offer protection to policyholder's assets. Revenue under above activities is derived primarily from insurance premiums. There were no significant changes in the nature of the principal activities of the company during the year 2021 under review.

2.0 SIGNIFICANT ACCOUNTING POLICIES, BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS AND OTHER RELATED POLICY INFORMATION**2.1 Basis of Preparation of Financial Statements**

A summary of the principle accounting policies which have been applied consistently (Unless otherwise stated), is set out below:

- a) The accompanying financial statements have been prepared on a going concern basis under Generally Accepted Accounting Principles according to the historical cost convention, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.
- b) International Accounting Standards as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) and International Financial Reporting Standards and as are applicable in case of Insurance Business have been adopted by the Company.
- c) The statement of financial position has been prepared in accordance with the section 27 of Insurance Act 2010 and regulation contained in part I of the first schedule and as per form "A" as set forth in part II of that schedule, statement of profit or loss and other comprehensive income and profit and loss appropriation account have been prepared in accordance with the regulation contained in part I of the second schedule and as per form "B" & "C" as set forth in part II of that schedule respectively and the revenue accounts of each class of general insurance business has been prepared in accordance with the regulation as contained in part i of the third schedule and as per form "F" as set forth in part i of that schedule of the then Insurance Act 1938.
- d) The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 2010, the Insurance Rules 1958 and in conformity with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 (as amended in 2014), the Listing Regulations 2015 of Dhaka and Chittagong Stock Exchange Ltd. and other applicable laws & regulations in Bangladesh and practice generally followed by the insurance sector.
- e) Status of compliance of International Accounting Standards and International Financial Reporting Standards which were applied preparing financial statements.

Name of Adopted IAS	IAS No.	Status of application
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Statement Cash Flows	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant & Equipment's	16	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Govt. Grants and Discloser of Govt. Assistants	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	N/A
Related Party Disclosures	24	Applied

Name of Adopted IAS	IAS No.	Status of application
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Consolidated and Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyper inflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition & Measurement	39	N/A
Investment Property	40	N/A
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status of application
First Adoption of IFRSs	1	N/A
Share Based Payment	2	N/A
Business Combination	3	N/A
Insurance Contracts	4	Applied
Non- Current Assets Held for Sales and Discontinued Operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments Disclosure	7	Applied
Operating Segments	8	Applied
Financial Instruments	9	Applied
Consolidate Financial Statements	10	Applied
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied
Regulatory Deferred Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied
Lease	16	N/A

2.2 Basis of Presentation of Financial Statements

The presentations of financial statements are prepared in accordance with the guidelines provided as per requirement of Insurance Act 2010 and IAS 1: "Presentation of Financial Statement". A complete set of financial statements comprising of the following:

- i) Statement of financial position as at December 31, 2021;
- ii) Statement of profit or loss and other comprehensive income for the year ended December 31, 2021;
- iii) Statement of appropriation account for the year ended December 31, 2021;
- iv) Statement of changes in equity as at December 31, 2021;
- v) Statement of cash flows for the year ended December 31, 2021;
- vi) Consolidated revenue account for the year ended December 31, 2021;
- vii) Fire insurance revenue account for the year ended December 31, 2021;
- viii) Marine cargo insurance revenue account for the year ended December 31, 2021;
- ix) Marine hull insurance revenue account for the year ended December 31, 2021;
- x) Motor insurance revenue account for the year ended December 31, 2021;
- xi) Miscellaneous insurance revenue account for the year ended December 31, 2021;
- xii) Notes comprising a summary of significant accounting policies and other explanatory information to the financial statements for the year ended December 31, 2021.

2.3 SIGNIFICANT ACCOUNTING POLICIES

2.3.1 Going Concern:

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements does not include any adjustments so, the City General Insurance Company Limited be unable to continue as a going concern.

2.3.2 Underwriting Business

Gross underwriting business as well as re-insurance thereof and claim settled etc. have been recorded separately for each class of business and the net underwriting results thereof have been reflected in the revenue accounts after due consideration of re-insurance ceded.

2.3.3 Balance of Funds and Accounts

These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.

2.3.4 Property, Plant & Equipment

a) Recognition, Measurement

The cost of an item of property, plant & equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably. An item of PPE that qualifies for recognition as an asset shall be measured at its cost. Cost is measured as the cash price at the time of recognition, with discounting if payment is deferred beyond normal credit terms. Where there is an exchange of items of PPE such that there is no cash price, cost should be measured at fair value.

b) Subsequent Cost

Subsequent costs of enhancement of an existing asset are recognized as a separate asset; only when it is probable that future economic benefits associated with the items will flow to the company and the cost of such items can be measured reliably. All other expenditure is charged to the profit or loss account during the financial period in which they are incurred.

c) De-recognition

The carrying amount of an item of PPE shall be de-recognized on disposal and retirement, which means the assets, is permanently withdrawn from use or sold or scrapped; or when no future economic benefits are expected from its use or disposal.

d) Impairment of Assets

As per IAS 36, if the assets recoverable amount is lower than its carrying amount, the carrying amount of the assets is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss on non-revalued assets is recognized in profit or loss. However, an impairment loss on a revalued asset is recognized in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduced the revaluation surplus for that asset.

e) Leases

Financial Reporting Principles IFRS-16 leases effective from amount proceeds beginning on or after January 1, 2019 in place of old Accounting Standard IAS-17. However, the company not yet introduced IFRS-16, lease in its financial statements. Most of the rental agreement of the company is for temporary basis. As such, there has no material impact in the financial statements for incorporating IFRS-16 in compare with the accounting treatment under IAS-17.

f) Depreciation

Depreciation on newly acquired assets are calculated on the basis of assets when it is available for use as on IAS-16 and no depreciation is charged for the year in which the assets are disposed off. Depreciation on all fixed asset are computed using the reducing balance method in amounts sufficient to write off depreciable assets over their estimated useful life.

The annual depreciation rates applicable to the principal categories are

Office and electrical equipment's	15%
Furniture and fixture	10%
Motor vehicles	20%
Office decoration	10%
Air conditioner	10%
Books	20%
Telephone	15%
Software	20%

2.3.5 Cash and Cash Equivalents

According to IAS 7 "Statement of Cash Flows" comprises cash in hand and demand deposits and cash equivalents are short term, highly liquid investments that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value. IAS 1 "Presentation of Financial Statements" provides that cash and cash equivalents are not restricted in use. Considering the provisions of IAS 7 and IAS 1, cash in hand, bank balances and FDR have been considered as cash and cash equivalents.

2.3.6 Public Sector Business (PSB)

As per government decision effective from April 1990, 100% Public Sector Insurance Business (PSB) is being underwritten by Sadharan Bima Corporation (SBC), 50% premium being retained by SBC and the remaining balance is equally distributed among 45 private sector insurance companies. Company's share of Public Sector Business (PSB) is accounted for in the year, in which the statement of accounts from the Sadharan Bima Corporation (SBC) is received up to 30 June, 2021. Statements of accounts for the period from 1st July 2020 to 30th June 2021 have been received from the Shadharan Bima Corporation and accordingly, the company's share of public sector business for that period has been accounted for in the accompanying accounts. This practice is being followed consistently.

2.3.7 Stocks of Stationery and Forms

Stocks of stationery and forms have been valued at lower of cost and net realizable value.

2.3.8 Provision for Income Tax

Provision for income tax has been made on the basis of Income Tax Ordinance 1984 & Finance Act 2021-2022.

2.3.8.1 Status of Income Tax Assessment

The status of income tax assessment of the company is summarized in the table below:

SL. No	Income Year	Status of the disputed tax liabilities	Disputed Tax Liability
1.	2006	Applied in the High Court via application no. 384/2010	2,664,828
2.	2007	Applied in the High Court via application no. 642/2019	2,530,480
3.	2008	Applied in the High Court via application no. 643/2019	6,803,967
4.	2009	Applied in the High Court via application no. 644/2019	10,644,316
5.	2010	Applied in the High Court via application no. 232/2020	8,935,394
6.	2011	Applied in the High Court via application no. 233/2020	21,147,485
7.	2012	Applied in the High Court via application no. 234/2020	21,062,377
8.	2013	Applied in the High Court via application no. 916/2019	20,863,242
9.	2014	Assessment completed and received income tax certificate	Settled
10.	2015	Assessment completed and received income tax certificate	Settled
11.	2016	Undergoing appellate tribunal	Yet to settled
12.	2017	Assessment completed and received income tax certificate	Yet to settled
13.	2018	Return submitted on 07.10.2019	Yet to settled
14.	2019	Return submitted on 21.09.2020	Yet to settled
15.	2020	Return submitted on 15.09.2021	Yet to settled
Total:			94,652,089

2.3.9 Employees Retirement Benefit Scheme

City General Insurance Company Limited offers a number of retirement benefit plans for all permanent employees of the company which include contributory provident fund and gratuity fund which have been accounted for in accordance with the provision of International Accounting Standard (IAS)-19, "Employee's Retirement Benefit"

(i) Provident Fund

The company has a contributory provident fund for its eligible employees. The eligible employees will contribute @ 10% of their basic salary and the company will make a matching contribution. The fund is approved by the National Board of Revenue (NBR), administered separately by a Board of Trustees.

(ii) Gratuity Fund

The company also operates a funded gratuity scheme for all eligible employees who complete minimum 5 years of confirmed service with the company in accordance with the provisions specified in IAS 19. Required amount of gratuity is calculated on the basis of last basic pay depending on the length of service for every completed years as well as proportionate to the fraction period of service as of respective financial year. This scheme is approved by the National Board of Revenue (NBR) and administered by an independent Board of Trustees.

(iii) Incentive Bonus

The company has a policy namely incentive bonus scheme for its employees who meets certain criteria based on their annual performance bonus is ascertained on net profit with approval in the Board meeting and the expense is accounted for the year to which same relates.

2.3.10 Valuation of Assets

The value of all assets at December 31, 2021 as shown in the financial position have been reviewed and the said assets have been set forth in the financial position on amounts at their respective book value which in the aggregate do not exceed their aggregate market value.

2.3.11 Collection Control Account

Collection control account is the outstanding premium for both policy and cover note in respect of fire, marine and miscellaneous classes of business as at reporting date under bank guarantee which will be subsequently received and adjusted.

2.3.12 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with IAS 33 which has been shown on the face of statement of profit or loss and other comprehensive income. Note: 24

2.3.13 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the ordinary shares outstanding during the year. In accordance with IAS 33 "Earnings Per Share" which has been shown on the face of statement of profit or loss and other comprehensive income.

2.3.14 Basic Earnings

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

2.3.15 Diluted Earnings Per Share

Diluted EPS is calculated if there is any commitment for issuance of equity shares in foreseeable future, i.e., potential shares, without inflow of resources to the company against such issue. There was no such commitment during the year and accordingly no dilution is required in the year 2021.

2.3.16 Statement of Cash Flows

Statement of cash flows is prepared principally in accordance with IAS 7 and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules 1987.

2.3.17 Investment in Share

The investment in securities has been valued at fair value as on December 31, 2021 in accordance with the IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 13 "Fair Value Measurement".

2.3.18 Revenue Recognition

Revenue is recognized in accordance with International Financial Reporting Standard (IFRS-15). Revenue from contracts with customers, unless otherwise mentioned or otherwise guided by the separate IAS/IFRS or by directives of the regulatory authority.

a) Gross Premium

Gross general insurance premiums comprise the total premiums received for the whole period of cover provided by contracts entered into during the accounting period. They are recognized in the year on which the policy issued. Re-insurance premium are deducted from the gross premium to present the net premium income from insurance business.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated as required by the Insurance Act 2010. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

b) Cover Notes Converted into Policy (CCP)

Amounts received against issue of cover notes that have not been converted into policy are not recognized as income. The cover notes which were previously issued are converted into insurance policy at the expiry of nine months from the date of issue of such cover notes as per circular of the then Insurance Development & Regulatory Authority (IDRA).

c) Investment Income

i) Interest on FDRs, 5-years, 10- years & 15- years Bangladesh Government Treasury Bond (BGTB) are recognized on accrual basis. Interest Income is recognized in the profit or loss account as it accrues and calculated using the effective interest rate method. Fees and commission that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

ii) Cash Dividend Income and Stock Dividend from Investment:

Dividend income on investment in shares are recognized when the company is entitled to dividend from the investee and shown in the statement of profit or loss and other comprehensive income. For stock dividend, the number of related shares of investee increases effecting decrease in average cost of investment.

d) Sale of Fixed Assets

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

e) Re-insurance Commission

Re-insurance commissions are recognized as revenue over the period in which the related services are performed.

2.3.19 Benefits, Claims and Expenses Recognition:

a) Gross Benefits and Claims

All insurance claims were occurring during the year and related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

b) Re-insurance Ceded:

Necessary adjustment in respect of re-insurance ceded and accepted in Bangladesh has duly been made in respective revenue account as per treaty between the company and Sadharan Bima Corporation (SBC) and foreign re-insurances.

c) Re-insurance with Foreign Re-insurer:

Fifty percent (50%) of the re-insurable non-life insurance business shall be re-insured with Sadharan Bima Corporation (SBC) and the remaining fifty percent (50%) of such business may be re-insured either with the SBC or with any other insurer whether in or out of Bangladesh.

d) Re-insurance Claims

Re-insurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

e) Interest Expense

The Company has incurred interest and related expenses on account of overdraft and short term loan. In terms of provision of the International Accounting Standard (IAS) -1 "Presentation of Financial Statements" interest expenses are recognized on accrual basis.

f) Borrowing Costs

In accordance with International Accounting Standard (IAS-23)- borrowing costs include interest on bank overdraft and borrowings, finance charges on finance leases and exchange differences on foreign currency borrowings where they are regarded as an adjustment to interest costs.

g) Provision for Outstanding Claims

For general insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date.

h) Expenses of Taxes

i) Provision for Income Tax:

Provision for income tax has been made at best estimate keeping in view the provisions of Income Tax Ordinance 1984 and amendment made thereto from time to time. Applicable rate of income tax for the company is 37.5%.

ii) Current Tax Provision

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expenses that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates as per Income Tax Ordinance 1984, that have been effective on the balance sheet date.

2.3.20 Accounting for Changes in Accounting Estimates

IAS-8 states that the effect of a change in an accounting estimate is to be applied prospectively/retrospectively by inclusion in the current accounting period and if relevant, in future accounting period. The carrying amount of assets, liabilities or equity may be changed following a change in accounting estimates in the period of the change.

2.3.21 Related Party Disclosure

As per International Accounting Standards (IAS) 24 "Related Party Disclosures", parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in note: 21.00

2.3.22 Events after the Financial Position Date

There is no material adjusting or non adjusting events after the financial position date.

2.3.23 Reserve or Contingencies

a) Reserves for Exceptional Losses

As per Income Tax Ordinance 1984 (ITO) Para-6 of the 4th Schedule, to meet the exceptional losses, company sets aside 10% of the net premium income of the year which is set aside from the balance of the profit to the reserve for exceptional losses.

b) General Reserve

The company created a general reserve to avoid future contingency

c) Investment Fluctuation Fund

The company made investment in the capital market having large portfolio and income generated from the investment is credited to profit or loss account as realized basis. The company has created an investment fluctuation fund out of un-realized gain from capital market. As capital market of bangladesh is volatile and market price of the stock and shares are changed very frequently.

2.3.24 Contingent Liabilities

Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity.

The claim of tax liability by the Taxes Appellate Tribunal for the financial years sum up to BDT. 94,652,089. The company has disclaimed the liability and is defending the action by making writ petition with the High Court Division against the tribunal order. Legal advice obtained indicates that it is likely that the tax liability can be avoided.

2.3.25 Amount Due to Other Persons or Bodies Carrying on Insurance Business

Any amount is payable to foreign re-insurers, sadharan bima corporation and other private sector insurance companies in respect of reinsurance arrangement with them. It also includes all the amount payable to local insurance companies under co-insurance premium.

2.3.26 Sundry Creditors

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

2.3.27 Branch Accounting

The company has 49 branch offices with no overseas branch as on December 31, 2021. Accounts of the branches are maintained at the head offices which are included in the accompanying financial statements.

2.3.28 Contribution to Worker's Profit Participation Fund:

A Workers Profit Participation Fund (WPPF) has been maintaining from 2014 for meeting up its obligation in accordance with Bangladesh Labor Law 2006 as amended 2018. Total sum of Taka. 7,070,768 has been provided in the financial statements in earlier years under the head "Provision for WPPF Fund". Required provision has not been made during the year due to non insertion of any clause in regard to WPPF in Insurance Act 2010.

2.3.29 Consistency of Presentation:

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, City General Insurance Company Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, correction of errors, the amounts involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. We however have applied the same accounting and valuation principles in 2021 in the financial statements.

2.3.30 Deferred Taxes:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all taxable temporary differences and for all deductible temporary differences to the extent that is probable that taxable profit will be available against which such differences can be utilized. Required provision has been made in during the period.

3.0 ADDITIONAL INFORMATION ON FINANCIAL STATEMENTS:

3.1 Responsibility for Preparation and Presentation of Financial Statements:

The Management and Board of Directors are responsible for the preparation and presentation of the financial statements.

3.2 Risk and Uncertainties for Use of Estimates in Preparation of Financial Statements:

The preparation of financial statements in conformity with the international accounting standards requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the affect financial statements and revenue and expenses during the year reported. Actual results could differ from those estimates. Estimates are used for accounting of certain items such as long term contracts, provision for doubtful accounts, depreciation and amortization, employees benefit plans, taxes, reserves and contingencies.

3.3 Foreign Currency

All foreign exchange transactions are converted to Bangladeshi Taka, at the exchange rate prevailing on the date of transactions in accordance with IAS-21 "The Effects of Changes in Foreign Exchange Rate". Foreign currency balance have been translated into taka at prevailing rate of cutoff date and the difference between translation value or realization value and initial recognition is recognized in the face in statement of profit or loss and comprehensive income. Insurance contracts which were underwritten in foreign currency are converted to Bangladeshi Taka at the rate of exchange prevailing at the time of underwriting and revenue is recognized accordingly.

3.4 Reporting Period:

Financial statements of the company cover on calendar year from 1st January, 2021 to 31st December, 2021 (12 months).

3.5 Segment Reporting

Segment reporting is the disclosure of financial detail of key units of our company business such as fire, marine, motor & miscellaneous insurance that is based on certain regulatory requirements. Such segment wise reporting helps. The company's stake holder understands revenue expense and other ratios for each business unit and can decide about their investment accordingly.

3.6 Reporting Currency and Level of Precision:

The figures in the financial statements represent Bangladesh currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

3.7 Comparative Information:

Comparative information have been disclosed in respect of the year 2021 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current years financial statements. Figure of the year 2021 have been rearranged whenever considered necessary to ensure comparability with the current year.

3.7.1 Significant Deviation in Earnings per Share (EPS):

EPS has been decreased in the current year ended on 31st December, 2021 with comparison to the previous year because of un-realized loss on share has been increased and re-insurance expenses and claim expenses have been increased .

3.7.2 Significant Deviation in Net Operating Cash Flow per Share (NOCFPS):

NOCFPS has been increased in the current year ended 31st December, 2021 with comparison to the previous year because the company's premium income has been increased sharply.

3.7.3 Significant Deviation in Net Assets Value per Share (NAV)

NAV has been increased in the current year ended 31st December, 2021 with comparison to the previous year because the company's investments in share, BD Govt. Treasury Bond and FDR have been increased.

3.7.4 Materiality and Aggregation:

Each material item as considered by management significant has been presented separately in financial statements. No amount has been set off unless the CGICL has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

3.7.5 Authorization date for Issuing Financial Statements

The financial statements were authorized by the Board of Directors in their 201st meeting held on 28th February, 2022.

3.8 Regulatory Compliances:

As required, City General Insurance Company Limited complied with following major legal provision in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984

The Income Tax Rules, 1984

The Value Added Tax and Supplementary Duty Act, 2012

The Value Added Tax and Supplementary Rules, 2016

Securities & Exchange Commission Rules, 1987

Insurance Rules, 1958

Insurance Act, 2010

International Accounting Standards

International Financial Reporting Standards

Rules and Regulations issued by the Insurance Development & Regulatory Authority (IDRA)

3.9 General:

Figures appearing in these financial statements have been rounded off to the nearest Taka.

Notes	Particulars	Amount in Taka	
		31 December 2021	31 December 2020
04.00	PROPERTY, PLANT AND EQUIPMENT: TK. 54,763,465		
	Details of the above have been shown in Annexure-A. Depreciation has been charged on all fixed assets at reducing balance method.		
	Cost of Fixed Assets as on December 31, 2020	131,186,736	125,645,180
	Add: Addition during the year 2021	19,975,903	7,960,056
	Less: Disposal during the year 2021	-	2,418,500
	Cost of Fixed Assets as on December 31, 2021	151,162,639	131,186,736
	Less: Accumulated depreciation as on December 31, 2020	89,209,988	85,557,078
	Add: Disposal of accumulated depreciation during the year 2021	-	1,954,175
	Less: Depreciation during the year 2021	7,189,186	5,607,085
	Balance as on December 31, 2021	54,763,465	41,976,748

05.00 INVESTMENTS: Tk. 407,371,729

A. BD Govt. Treasury Bond:

SL. NO	Particulars of Investment	Amount in Taka	
		31 December 2021	31 December 2020
1	BD Govt. Treasury Bond (deposit with National Bank Ltd.)	86,000,000	25,000,000
Sub-Total		86,000,000	25,000,000

A sum of Tk. 86,000,000 was invested in Bangladesh Govt. Treasury Bond at cost kept with National Bank Ltd. as statutory deposit as required under Section 23 and 24 of the Insurance Act, 2010 (The First Schedule item 2B). The above investment consisting six Bangladesh Govt. Treasury Bond. The details of the each investment is mentioned below:

Sl. No.	Particulars of Investment					
	Nature of Security	ISIN No.	Interest Rate	Issue date	Maturity date	Amount (In Taka) 31 December 2021
10Y BGTB	BD0923341103	12.10%	13.03.2013	13.03.2023	16,000,000	16,000,000
15Y BGTB	BD0931401154	7.79%	27.04.2016	29.06.2031	9,000,000	9,000,000
05Y BGTB	BD0926321052	4.25%	18.03.2021	18.03.2026	10,000,000	-
10Y BGTB	BD0931401105	5.80%	19.05.2021	19.05.2031	15,000,000	-
20Y BGTB	BD0941451207	6.07%	30.06.2021	30.06.2041	14,000,000	-
10Y BGTB	BD0931561106	6.08%	19.10.2021	19.10.2031	22,000,000	-
Grand Total					86,000,000	25,000,000

Accrued interest on such bond up to December 31, 2021 has been accounted for.

B. (i) Shares of Listed Companies:

Investment has been recorded at cost. Market value of securities has been determined on the basis of the value of securities of last trading day of the year as follows-

SL. NO	Name of the Company	No. of Share	Cost Value (Tk.)	Market Value (Tk.) 2021	Market Value (Tk.) 2020
1	ACME Prestiside Limited	13,380	133,800	358,584	-
2	Anwar Galvanizing Limited	24,161	8,779,071	9,173,932	618,050
3	Bangladesh Finance Limited	757,000	36,204,268	41,180,800	-
4	LafargeHolcim Bangladesh Limited	2,207,000	218,520,397	156,917,700	21,543,747
5	Sena Kollan Insurance Company Limited	6,995	69,950	540,714	-
6	Confidence Cement Limited	-	-	-	982,530
7	Crystal Insurance Company Limited	-	-	-	428,633
8	Fortune Shoes Limited	-	-	-	4,640,000
9	IFAD Autos Limited	-	-	-	5,923,600
10	Information Technology Consultants Limited	-	-	-	15,140,061
11	One Bank Limited	-	-	-	5,103,900
12	Orion Pharma Limited	-	-	-	19,041,070
13	Reliance Insurance Limited	-	-	-	17,074,428
14	Runner Automobiles Limited	-	-	-	5,660,742
15	SAIF Powertec Limited	-	-	-	905,742
16	S. Alam Cold Rolled Steels Limited	-	-	-	2,140,963
17	Summit Power Limited	-	-	-	13,033,950
18	JMI Syringes & Medical Devices Limited	-	-	-	10,529,820
19	Robi Axiata Limited	-	-	-	8,083,369
Sub-Total			263,707,486	208,171,729	130,850,605

The company made investment in the capital market having large portfolio as stated above. It is the companies policy to account for any losses or gain in the profit or loss account on realization basis. Since Bangladesh capital market is very volatile and market price of securities is changed frequently, the securities are valued at fair value according to the IAS 39 & IFRS 13. In this regard the company has created a investment fluctuation fund from un-realized share profit for the year 2021.

B (ii) Shares of Non- Listed Companies:

SL. No	Particulars Of Investment	No. of Shares	Amount in Taka	
			31 December 2021	31 December 2020
1	GMG Airlines Ltd. (Note-05-C)	219,998	7,000,000	8,000,000
2	BD Finance Securities Ltd.	9,327,500	91,000,000	91,000,000
3	Al Faruqe Bags Ltd.	499,998	5,000,000	5,000,000
4	Classic Foils Ltd.		200,000	200,000
5	Acme Pesticides Limited		10,000,000	10,000,000
Sub-Total			113,200,000	114,200,000
Balance as on December 31, 2021 (A+B)			407,371,729	270,050,605

C. GMG Airlines Ltd

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	8,000,000	9,000,000
Add: Addition during the year 2021	-	-
	8,000,000	9,000,000
Less: Written off during the year 2021	(1,000,000)	(1,000,000)
Balance as on December 31, 2021	7,000,000	8,000,000

As per the decision of Board, the total investment in GMG Airlines amounting of TK.1,00,00,000 shall be written off in equal amounts over 10 years starting from 2019. Accordingly an amount of TK.10,00,000 has been written off in financial year 2021.

06.00 INVENTORIES:

A. STAMPS IN HAND: TK. 1,746,113

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	622,870	379,234
Add: Purchase during the year 2021	5,509,984	5,000,000
Sub Total	6,132,854	5,379,234
Less: Recovery of value on use during the year 2021	4,386,741	4,756,364
Balance as on December 31, 2021	1,746,113	622,870
B. STATIONERY : Tk.2,360,276	2,360,276	2,360,276

07.00 INTEREST, DIVIDEND AND RENT RECEIVABLE (ACCRUED BUT NOT DUE) : Tk. 67,708,928

This represents accrued interest on FDR and investment in BD Govt. Treasury Bond made by the company.

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Receivable as on December 31, 2020	66,024,228	67,069,195
Add: Interest accrued as on December 31, 2021	15,902,849	14,080,776
Receivable as on December 31, 2021	81,927,077	81,149,971
Less: Interest received during the year 2021	14,218,149	15,125,743
Balance as on December 31, 2021	67,708,928	66,024,228

08.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 234,343,456

This balance represents the balance receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of public sector business transacted up to 2nd quarter of 2021, Break up is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	234,343,456	121,473,852
Add: Receivable from SBC and others during the year 2021	11,698,209	144,402,524
	246,041,665	265,876,376
Less: Received from SBC and others during the year 2021	11,698,209	31,532,920
Balance as on December 31, 2021	234,343,456	234,343,456

09.00 SUNDRY DEBTORS: TK. 263,596,126

This consists of the followings:

Particulars		Amount in Taka	
		31 December 2021	31 December 2020
1.	Security deposit with Dhaka Chamber (Note-09.01)	48,064	48,064
2.	Advance against office rent	2,817,757	2,518,315
3.	Advance against VAT (Note-09.02)	7,819,052	7,819,052
4.	Advance against salary (Note-09.03)	8,676,787	10,600,664
5.	Advance income tax payment (Note-09.04)	128,946,970	98,477,177
6.	Advance T.A./ D.A. bill	70,000	-
7.	Security deposit with CDBL	300,000	300,000
8.	Receivable from BD Finance Security Ltd.	1,130,035	1,908,181
9.	IPO share application money	637,500	9,983,000
10.	Advance to different parites	1,954,556	1,016,700
11.	Advance to staff	412,840	402,502
12.	Collection control accounts	110,221,803	245,132,365
13.	Security deposit on office rent Sathkira branch	100,000	100,000
14.	Security deposit on office rent Shyamoli branch	-	150,000
15.	Security deposit on office rent Konabari branch	300,000	300,000
16.	Security deposit on office rent Motijheel branch	100,000	100,000
17.	Security deposit on office rent Nawabpur branch	60,762	-
Balance as on December 31, 2021		263,596,126	378,856,020

09.01 SECURITY DEPOSIT WITH DHAKA CHAMBER : TK. 48,064

Security deposit with Dhaka Chamber has been carried forward from the previous year without any change.

09.02 ADVANCE AGAINST VAT: TK. 7,819,052

Break up of advance against VAT is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	7,819,052	7,819,052
Add : Advance paid during the year 2021	-	-
Sub Total:	7,819,052	7,819,052
Less: Adjustment during the year 2021	-	-
Balance as on December 31, 2021	7,819,052	7,819,052

The amount paid to government on account of VAT which is being carried forward since 2001. The company filed a writ petition vide petition no. 7425/2003 against Custom Excise & VAT Department and no verdict has yet been received.

09.03 ADVANCE AGAINST SALARY: TK. 8,676,787

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	10,600,664	6,078,567
Add : Advance paid during the year 2021	3,130,000	17,057,941
Sub Total:	13,730,664	33,136,508
Less: Adjustment during the year 2021	5,053,877	12,535,844
Balance as on December 31, 2021	8,676,787	10,600,664

09.04 ADVANCE INCOME TAX PAYMENT: TK. 128,946,970

Break up is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	98,477,177	93,570,841
Add : Advance income tax paid during the year 2021	60,033,223	29,563,405
Sub Total:	158,510,400	123,134,247
Less: Adjustment during the year 2021	29,563,430	24,657,070
Balance as on December 31, 2021	128,946,970	98,477,177

10.00 CASH & CASH EQUIVALENTS: TK.652,924,356

Breakup of the above amount is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Cash in hand	293,636	457,986
Cash at Bank: i) On Fixed Deposit Receipt (FDR)	640,396,016	582,184,879
ii) On STD account and CD account	12,234,704	29,392,106
Balance as on December 31, 2021	652,924,356	612,034,971

Particulars	Amount in Taka	
	31 December 2021	31 December 2020

11.00 SHARE CAPITAL:

A. AUTHORISED CAPITAL: 2,000,000,000

Authorized capital 200,000,000 ordinary shares of Tk.10 each	2,000,000,000	2,000,000,000
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B. ISSUED,SUBSCRIBED AND PAID UP CAPITAL: Tk. 681,661,222

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Opening balance 68,166,122 ordinary shares of Tk. 10 each	681,661,222	681,661,222
Balance as on December 31, 2021	681,661,222	681,661,222

The percentage of shareholding as on December 31, 2021 is as follows:

Group Name	No. of Shareholders	No. of Shares	Percentage (%)
Sponsors	17	24,581,629	36.061
General public	7172	35,101,975	51.495
All investors account	9	35,778	0.053
All institution	233	8,358,708	12.262
Non-resident Bangladeshi (NRB)	69	88,032	0.129
Total	7,500	68,166,122	100

Distribution schedule of each class of equity security setting out the number of share holders and percentage :

Share Holding Range	No. of Shareholders	No. of Shares	Percentage (%)
1-500	2,759	476,512	0.699
501-5000	3,428	7,114,371	10.437
5001-10000	585	4,555,511	6.683
10001-20000	380	5,586,419	8.195
20001-30000	128	3,240,261	4.754
30001-40000	48	1,737,798	2.549
40001-50000	49	2,255,634	3.309
50001-100000	60	4,542,906	6.665
100001-1000000	50	15,015,777	22.028
1000001-9999999	13	23,640,933	34.681
Total	7,500	68,166,122	100

12.00 RESERVE FOR EXCEPTIONAL LOSSES: TK. 319,914,424

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	271,573,752	238,736,933
Add : Provision for during the year 2021	48,340,672	32,836,819
Balance as on December 31, 2021	319,914,424	271,573,752

13.00 INVESTMENT FLUCTUATION FUND TK. 6,616,479

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	10,629,030	-
Add : Provision for during the year 2021	48,351,068	25,321,880
Add : Deferred tax on unrealized loss on share investment (Note no: 25-iv.)	6,616,479	-
	65,596,577	25,321,880
Less: Adjustment during the year 2021	(58,980,098)	(14,692,850)
Balance as on December 31, 2021	6,616,479	10,629,030

14.00 BALANCE OF FUNDS AND ACCOUNTS: TK. 195,875,910

The above balance of funds and accounts comprises of the followings:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
1. Fire insurance business	50,068,854	42,921,038
2. Marine cargo insurance business	126,929,848	68,330,046
3. Marine hull insurance business	4,188,707	83,831
4. Motor insurance business	11,860,773	17,376,769
5. Miscellaneous insurance business	2,827,728	2,685,891
Balance as on December 31, 2021	195,875,910	131,397,575

The statement of accounts in details are shown in revenue account.

15.00 PREMIUM DEPOSITS: TK. 21,495,407

This represents the amount of premium collected excluding VAT against cover notes for which no policy has been issued up to December 31, 2021. The breakup is as under:

Particulars		Amount in Taka	
		31 December 2021	31 December 2020
1.	Fire insurance business	2,165,500	-
2.	Marine cargo insurance business	12,933,133	60,370,771
3.	Marine hull insurance business	6,396,774	-
4.	Motor insurance business	-	-
5.	Miscellaneous insurance business	-	-
Balance as on December 31, 2021		21,495,407	60,370,771

16.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CALIMS WHETHER DUE OR INTIMATED: TK. 2,738,526

This amount consists of as follows:

Particulars		Amount in Taka	
		31 December 2021	31 December 2020
1.	Fire insurance business	2,738,526	439,447
2.	Marine cargo insurance business	-	2,286,321
3.	Marine hull insurance business	-	-
4.	Motor insurance business	-	620,005
Balance as on December 31, 2021		2,738,526	3,345,773

17.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 128,816,153

This balance is due to SBC on account of re-insurance business agreement up to 3rd quarter statement of 2021 submitted to the company. Breakup is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	113,470,258	13,070,980
Add : Payable during the year 2021	115,418,690	169,551,790
	228,888,948	182,622,770
Less: Adjustment during the year 2021	100,072,795	69,152,512
Balance as on December 31, 2021	128,816,153	113,470,258

18.00 PROVISION FOR INCOME TAX: TK. 65,346,012

Break up is as under:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	56,802,359	48,932,506
Add : Provision for the year 2021	45,080,224	41,026,701
Add: Prior year provision	746,164	-
	102,628,747	89,959,207
Less: Adjustment during the year 2021	37,282,735	33,156,848
Balance as on December 31, 2021	65,346,012	56,802,359

19.00 SUNDRY CREDITORS: TK. 68,250,349

Particulars		Amount in Taka	
		31 December 2021	31 December 2020
1.	Audit fees	685,116	831,855
2.	VAT	6,896,152	5,996,147
3.	Provision for workers P.P.F.	7,070,768	7,070,768
4.	Amount to be distributed as dividend payable	34,415,945	36,225,101
5.	Insurance stamps on deposit premium	4,035,036	5,802,927
6.	Office rent payable	-	539,207
7.	Incentive bonus payable	7,344,768	20,568,525
8.	TDS payable	1,669,764	1,159,034
9.	VDS payable	1,176,161	1,299,744
10.	Refund premium payable	6,468	1,771
11.	Fund allocation for motor car	437,100	80,000
12.	Fund allocation for motor cycle	25,000	-
13.	Employees gratuity payable	4,488,071	-
Balance as on December 31, 2021		68,250,349	79,575,080

20.00 INTEREST INCOME: TK. 45,335,421

Break up is as under:

Particulars		Amount in Taka	
		31 December 2021	31 December 2020
1.	Interest on FDR	40,568,383	40,896,499
2.	Interest on BD Govt. Treasury Bond	4,461,400	2,637,100
3.	Interest on STD accounts	305,638	254,952
Balance as on December 31, 2021		45,335,421	43,788,551

21.00 RELATED PARTY TRANSACTIONS:

City General Insurance Company Limited, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standards (IAS) 24: related party disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties were as follows:

SL. NO	Name of Related Party	Relationship	Nature of Transaction	Amount (Tk.)
1.	A-One Polymer Ltd.	Director	Insurance business	4,703,688
2.	Anwar Silk Mills Ltd.	Director	Insurance business	572,000
3.	Hossain Dyeing & Printing Mills Ltd.	Director	Insurance business	1,453,780
4.	Mehmud Industries (Pvt.) Ltd.	Director	Insurance business	426,991
5.	Anwar Galvanizing Ltd.	Controlled by director	Insurance business	171,764

22.00 NET ASSET VALUE: TK. 1,194,808,248

The offer price of the common stock of City General Insurance Company Limited has been determined on the basis of net asset value. The break up is given below:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Investment	407,371,729	270,050,605
Interest, dividend and rent receivable	67,708,928	66,024,228
Amount due from other persons or bodies carrying on insurance business	234,343,456	234,343,456
Sundry debtors	263,596,126	378,856,020
Cash in hand and at banks	652,924,356	612,034,971
Property, plant & equipment	54,763,465	41,976,748
Stock of stationery and forms	2,360,276	2,360,276
Stamps in hand	1,746,113	622,870
Total assets (A)	1,684,814,449	1,606,269,174
Balance of funds and accounts	195,875,910	131,397,575
Premium deposits	21,495,407	60,370,771
Estimated liabilities in respect of outstanding claims whether due or intimated	2,738,526	3,345,773
Amount due to other persons or bodies carrying on insurance business	128,816,153	113,470,258
Sundry creditors	68,250,349	79,575,080
Provision for income tax	65,346,012	56,802,359
Provision for cgic foundation	1,967,814	1,967,814
Deffered tax liability	3,882,301	7,687,657
Un-claimed dividend account	1,633,729	1,193,941
Total liabilities (B)	490,006,201	455,811,228
Net assets (A-B)	1,194,808,248	1,150,457,946
Number of shares (C)	68,166,122	68,166,122
Net assets value per share (A-B/C)	17.53	16.88

23.00 NET OPERATING CASH FLOW PER SHARE: TK. 2.75

Net cash generated from operating activities	187,300,001	114,882,713
Number of shares	68,166,122	68,166,122
Net operating cash flow per share	2.75	1.69

24.00 EARNINGS PER SHARE (EPS): TK. 1.68

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Net profit before tax for the year ended 2021	162,611,165	162,055,830
Less: Deferred & current tax provision for the year 2021	(47,891,347)	(41,305,494)
Net profit after tax for the year ended 2021	114,719,818	120,750,336
Number of shares	68,166,122	68,166,122
EPS	1.68	1.77

25.00 DEFERRED TAX LIABILITY: TK. 3,882,301

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Balance as on December 31, 2020	7,687,657	7,408,864
Add : Provision for the year 2021 (Note 26)	2,811,123	817,730
	10,498,870	8,226,594
Less: Adjustment during the year 2021	(6,616,740)	(538,937)
Balance as on December 31, 2021	3,882,301	7,687,657

Calculation of deferred tax items wise

i. Fixed assets carrying amount (annexure-a)	54,763,465	41,976,748
Less: Tax base [IAS-12 (7)] (annexure-b)	48,689,458	37,083,925
Deductible temporary differences	6,074,007	4,892,823
Effective tax rate	37.50%	37.50%
Closing deferred tax liability	2,277,753	1,834,809
Opening deferred tax liability	1,834,809	1,981,883
Deferred tax expense/(income)	442,944	(147,074)
ii. Interest receivable	15,902,849	14,080,776
Less: Tax base	-	-
	15,902,849	14,080,776
Effective tax rate	37.50%	37.50%
Closing deferred tax liability/ (asset)	5,963,568	5,280,291
Opening deferred tax liability	5,280,291	5,672,154
Deferred tax expense/(income)	683,277	(391,863)
iii. Employees gratuity fund	4,493,071	-
Less: Tax base	-	-
	4,493,071	-
Effective tax rate	37.50%	-
Closing deferred tax liability	1,684,902	-
Opening deferred tax liability	-	-
Deferred tax expense/(income)	1,684,902	-
iv. Fair value of the investment	208,171,729	-
Less: cost price of investment	263,707,486	-
Accounting base	(55,535,757)	-
Less: Tax base	-	-
Effective tax rate	10%	-
Closing deferred tax liability/ (asset)	(5,553,576)	-
Opening deferred tax liability	1,062,903	-
Deferred tax expense/(income)	(6,616,479)	-

26.00 DEFERRED TAX EXPENSE/(INCOME): TK. 2,811,123

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
A) Deferred tax expense/(income) from fixed assets carrying amount (note:25.00-i)	442,944	(147,074)
B) Deferred tax expense/(income) from interest receivable (note:25.00-ii)	683,277	(391,863)
C) Deferred tax expense/(income) from employees gratuity fund(note:25.00-iii)	1,684,902	-
D) Deferred tax expense/(income) from unrealised gain/(loss) on share investment	-	817,730
	2,811,123	278,793

27.00 PROVISION FOR INCOME TAX: TK. 45,080,224

Statement of income:

Particulars	Amount in Taka 31 December 2021 Total income	Amount in Taka 31 December 2021 exempted (reserve for exceptional losses)	Amount in Taka 31 December 2021 taxable income	Amount in Taka 31 December 2020 taxable income
Income from business or profession:(U/S- 28 of Income Tax Ordinance, 1984)	95,580,427	48,340,671	47,239,756	51,681,274
Interest income on BD G.T. Bond, FDR & STD A/C (U/S-22 & 33)	45,335,421		45,335,421	43,788,551
Profit on sale of share	47,529,902		47,529,902	41,262,802
Dividend income from share investment (U/S-33)	18,242,846		18,242,846	3,491,762
Others income (U/S-33)	5,234,596		5,234,596	1,069,021
Total Income	211,923,191	48,340,671	163,582,520	141,293,410

Computation of Current Tax Provision During the year

Particulars	Amount in Taka 31 December 2021 taxable Income	Rate of tax percentage	Amount in Taka 31 December 2021 tax liability	Amount in Taka 31 December 2020 tax liability
Income tax on business @ 37.50%	47,239,756	37.50	17,714,908	19,380,478
Income tax on interest income @ 37.50%	45,335,421	37.50	17,000,783	16,420,707
Profit on sale of share @ 10%	47,529,902	10.00	4,752,990	4,126,280
Income tax on dividend income from share Investment @20%	18,242,846	20.00	3,648,569	698,352
Others income @ 37.5%	5,234,596	37.50	1,962,974	400,884
Total tax liability during the year	163,582,520		45,080,224	41,026,701

28.00 UN-CLAIMED DIVIDEND ACCOUNT Tk. 1,633,729

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Closing balance of un-claimed dividend & dividend bank A/c as at 31.12.2021	1,633,729	1,193,941
Less: Interest income payable on un-claimed dividend accounts	(22,780)	-
Less: Cash warrant dividend distributed to shareholders but not presented at bank	(668,857)	(418,102)
Balance as per cash dividend warrant summary including suspense account	942,092	775,840

Breakup is furnished below

Cash disbursement year	Un-distributed dividend with suspense a/c	Un-distributed dividend with suspense a/c
2016	-	249,381
2018	170,067	206,376
2019	322,720	320,083
2020	449,305	-
Grand total	942,092	775,840

29.00 RECONCILIATION OF NET INCOME/ NET PROFIT WITH CASH FLOWS FROM OPERATING ACTIVITIES:

Particulars	Amount in Taka	
	31 December 2021	31 December 2020
Profit before tax	162,611,165	162,055,830
Adjustment:		
Depreciation	7,189,186	5,607,085
Interest income	(45,335,421)	(43,788,551)
Dividend income	(18,242,846)	(3,491,762)
Others income	(5,234,596)	(1,022,346)
Profit or loss on sales of shares	(47,529,902)	(41,262,802)
Profit/(loss) on sale of fixed assets	-	(46,675)
Un-realized loss on share	33,122,089	-
Written off (GMG airlines) & others	1,021,704	1,000,000
Changes in working capital:		
Increased/(decreased) the balance of fund	64,478,335	6,171,268
Increased/(decreased) the premium deposit	(38,875,364)	36,479,335
Increased/(decreased) of amount due to other persons or body	15,345,895	100,399,278
Increased/(decreased) of outstanding claims	(607,247)	(6,919,482)
Increased/(decreased) of sundry creditor except payable for fixed asset and tax payable	3,439,657	50,460,387
(Increased)/decreased of stock of stamps & others	(1,123,243)	(517,476)
(Increased)/decreased of advance, deposit & prepayment except ait, advance for fixed assets & collection control A/c	115,259,894	(4,376,995)
(Increased)/decreased of amount due from other persons or body	-	(112,869,603)
Income tax paid	(58,219,305)	(32,994,778)
Net cash generated from operating activities	187,300,001	114,882,713

30.00 KEY MANAGEMENT PERSONNEL COMPENSATION:

The compensation of key management personnel of City General Insurance Company Limited are as follows:

Sl. No	Name of employee	Short-term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share based payment
1	Md. Shamim Hossain Managing Director & CEO	Salary Tk. 2,760,000 Bonus Tk. 360,000	P.F @ 10% of basic salary & gratuity on last basic salary	No	P.F (own+company) contribution	No
2	Md. Hasan Khan Additional Managing Director & Company Secretary	Salary Tk. 1,518,000 Bonus Tk. 127,326	P.F @ 10% of basic salary & gratuity on last basic salary	No	P.F (own+company) contribution	No
3	Md. Mizanur Rahman Deputy Managing Director & CFO	Salary Tk. 1,752,000 Bonus Tk. 167,086	P.F @ 10% of basic salary & gratuity on last basic salary	No	P.F (own+company) contribution	No
4	A.K.M Mohiuddin Deputy Managing Director & Head of BDD	Salary Tk. 1,440,000 Bonus Tk. 114,122	P.F @ 10% of basic salary & gratuity on last basic salary	No	P.F (own+company) contribution	No
5	Md. Morshed Hasan Senior Executive Vice President & Head of Underwriting	Salary Tk. 1,500,000 Bonus Tk. 138,088	P.F @ 10% of basic salary & gratuity on last basic salary	No	P.F (own+company) contribution	No

Key management personnel compensation included in management expenses and no other remuneration or special payment except as mentioned above was made to the key management personnel during the year 2021.

31.00 SUBSEQUENT EVENT

The Board of Directors in its 201st meeting held on 28th February, 2022 recommended 10% cash dividend on paid up capital of Tk. 681,661,222 for the year ended December 31, 2021 and the same will not be considered as a liability in the financial statements which is in compliance with the International Accounting Standard (IAS-10) Para 12.

32.00 AMOUNT TO BE DISTRIBUTED AS DIVIDEND

According to addition of new section 16 (G) in the Income Tax Ordinance 1984 through Finance Act 2020-2021, listed company in the capital market shall retain at least 30% as named "Amount to be distributed as dividend" from net profit after tax in the financial statements.

33.00 GENERAL:

- Number of employees received salary up to TK. 8,200 are NIL.
- Number of employees received salary above TK.8,200 are 396.
- The Board of Directors received no remuneration from the company other than fees for attending the Board meetings.
- During the year (06) Nos. of Board meetings were held.
- All shares have been fully called and paid up.
- There was no preference share issued by the company.
- There was no bank guarantee issued by the company on behalf of their directors or the company itself.

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2021

Particulars	Cost				Rate	Depreciation				Amount in Taka	
	Balance as on 01 January 2021	Addition during the year	Disposal/ adjustment during the year	Balance as on 31 December 2021		Balance as on 01 January 2021	Addition during the year	Disposal/ adjustment during the year	Balance as on 31 December 2021	Written down value as on 31 December 2021	Written down value as on 31 December 2020
Furniture & fixture	12,436,142	695,415	-	13,131,557	10%	8,564,394	422,677	-	8,987,071	4,144,486	3,871,748
Office equipment	11,997,070	948,170	-	12,945,240	15%	6,799,918	864,552	-	7,664,470	5,280,770	5,197,152
Electric installation	3,384,407	309,346	-	3,693,753	15%	2,480,610	160,367	-	2,640,977	1,052,776	903,797
Air conditioner	3,019,746	528,896	-	3,548,642	10%	2,256,252	105,471	-	2,361,723	1,186,919	763,494
Telephone	2,831,746	108,604	-	2,940,350	15%	2,659,134	34,054	-	2,693,188	247,162	172,612
Books	297,475	1,662	-	299,137	20%	271,053	5,398	-	276,451	22,686	26,422
Motor car	44,755,796	15,603,718	-	60,359,514	20%	35,236,658	3,125,552	-	38,362,210	21,997,304	9,519,138
Office decoration	46,114,524	1,150,136	-	47,264,660	10%	26,659,479	1,979,291	-	28,638,770	18,625,890	19,455,045
Motor cycle	3,856,899	629,956	-	4,486,855	20%	3,220,110	205,714	-	3,425,824	1,061,031	636,789
Software	2,492,931	-	-	2,492,931	20%	1,062,381	286,110	-	1,348,491	1,144,440	1,430,550
Total	131,186,736	19,975,903	-	151,162,639		89,209,988	7,189,186	-	96,399,174	54,763,465	41,976,748

City General Insurance Company Limited
TAX BASED CALCULATION
 As at 31st December 2021

Annexure-B

Particulars	Written down value as on 01.01.21	Addition	Disposal	Total	Rate of dep. (%)	Depreciation	Written down value as on 31.12.21	Written down value as on 31.12.20
Furniture and fixture	4,729,631	695,415	-	5,425,046	10%	542,505	4,882,541	4,729,631
Office equipment	4,708,204	948,170	-	5,656,374	10%	565,637	5,090,736	4,708,204
Electric installation	648,272	309,346	-	957,618	10%	95,762	861,856	648,272
Air conditioner	554,314	528,896	-	1,083,210	10%	108,321	974,889	554,314
Telephone	724,403	108,604	-	833,007	10%	83,301	749,706	724,403
Books	18,290	1,662	-	19,952	30%	5,986	13,966	18,290
Motor car	8,397,600	15,603,718	-	24,001,318	20%	4,800,264	19,201,055	8,397,600
Office decoration	16,344,362	1,150,136	-	17,494,498	10%	1,749,450	15,745,048	16,344,362
Motor cycle	620,902	629,956	-	1,250,858	20%	250,172	1,000,686	620,902
Software	337,949	-	-	337,949	50%	168,974	168,974	337,949
Total	37,083,925	19,975,903	-	57,059,828		8,370,370	48,689,458	37,083,925

City General Insurance Company Limited

STATEMENT SHOWING BUSINESS UNDERWRITTEN, RE-INSURANCE CEDED & ACCEPTED

As on 31st December 2021

	Fire	Marine	Marine hull	Motor	Misc	Total
Business						
Private	201,653,737	389,680,411	7,233,134	28,057,704	6,570,574	633,195,560
Public	13,666,213	21,206,676	1,357,440	3,059,436	58,138,647	97,428,412
	215,319,950	410,887,087	8,590,574	31,117,140	64,709,221	730,623,972
R/I Ceded						
Private	77,587,016	78,037,810	3,080,726	1,271,571	822,161	160,799,284
Public	12,560,801	15,524,657	1,321,139	193,636	56,817,739	86,417,973
	90,147,817	93,562,467	4,401,865	1,465,207	57,639,900	247,217,257
Net Business						
Private	124,066,721	311,642,601	4,152,408	26,786,133	5,748,413	472,396,276
Public	1,105,412	5,682,019	36,301	2,865,800	1,320,908	11,010,439
	125,172,133	317,324,620	4,188,709	29,651,933	7,069,321	483,406,715
Commission						
Private	14,891,903	37,704,589	398,476	1,938,534	432,242	55,365,744
Public	-	-	-	-	-	-
	14,891,903	37,704,589	398,476	1,938,534	432,242	55,365,744
R/I Earned						
Private	20,108,330	20,622,923	570,622	317,893	330,139	41,949,907
Public	1,774,651	2,376,526	72,663	-	3,739,725	7,963,565
	21,882,981	22,999,449	643,285	317,893	4,069,864	49,913,472
Net Amount						
Private	(5,216,427)	17,081,666	(172,146)	1,620,641	102,103	13,415,837
Public	(1,774,651)	(2,376,526)	(72,663)	-	(3,739,725)	(7,963,565)
	(6,991,078)	14,705,140	(244,809)	1,620,641	(3,637,622)	5,452,272
Claim						
Private	81,658,937	32,447,852	-	3,570,722	-	117,677,511
Public	273,938	169,247	-	66,512	1,593,927	2,103,624
	81,932,875	32,617,099	-	3,637,234	1,593,927	119,781,135
R/I Ceded						
Private	1,195,810	1,245,902	-	-	-	2,441,712
Public	-	28,961	-	-	1,540,257	1,569,218
	1,195,810	1,274,863	-	-	1,540,257	4,010,930
Net Claim						
Private	80,463,127	31,201,950	-	3,570,722	-	115,235,799
Public	273,938	140,286	-	66,512	53,670	534,406
	80,737,065	31,342,236	-	3,637,234	53,670	115,770,205

GLOSSARY

Terms	Meaning
Account Payable	Amount owed to a creditor for delivered goods or completed services.
Accounting Policies	The specific principles, bases conventions, rules, and practices adopted by the enterprise in preparing and presenting financial statements
Accounting Profit	Profit or Loss for a period before deducting tax expense.
Accounts Receivable	Short-term monetary assets that arise from sales on credit to customers at either the wholesale or the retail level.
Accrual Accounting	The reporting of revenues from sales in the period in which they are sold, regardless of when the cash is received, and the reporting of expenses in the period of purchase, regardless of when the payment is made.
Active Market	A market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
Amortization	Amortization is the systemic allocation of the depreciable amount of an intangible asset over its useful life.
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Book Value	The total assets of a company less total liabilities; owners' equity; fixed assets less depreciation.
Borrowing costs	Interest and other costs that an entity incurs in connection with the borrowing of funds
Budget	Financial plan that serves as an estimate of future cost, revenues or both.
Carrying Amount	The amount at which an asset is recognized in the balance sheet after deducting any accumulated depreciation and accumulated impairment losses thereon.
Carrying Amount	The amount at which an asset is recognised after deducting any accumulated impairment losses thereon.
Carrying Amount	The amount at which an asset is recognised in the statement of financial position.
Cash	Cash on hand and demand deposits
Cash Equivalents	Short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
Cash Flow Statements	A financial statement that shows a company's sources and uses of cash during an accounting period.
Cash Flows	Inflows and outflows of cash and cash equivalents.
Cedant	The policy holder under a reinsurance contract.
Claim	A demand made by the insured or the insured's beneficiary for payment of the benefit as provided by the policy.
Contingent Liability	Is: (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or (b) a present obligation that arises from past events but is not recognised because: (i) it is not possible that an outflow of resources embodying economic benefits will be required to settle the obligation; or (ii) the amount of the obligation cannot be measured with sufficient reliability.
Current Tax	The amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period.
Deductible Temporary Differences	Temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base that will result in amounts that are deductible in determining taxable profit (tax loss) of future periods when the carrying amount of the asset or liability is recovered or settled.
Deferred Tax Assets	The amounts of income taxes recovered in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits.
Deferred Tax Liabilities	The amounts of income taxes recovered in future periods in respect of taxable temporary differences.
Depreciation	The systemic allocation of the depreciable amount of an asset over its useful life.
Direct Insurance Contract	An insurance contract that is not a reinsurance contract.
Dividends	Distributions of profits to holders of equity instruments in proportion to their holdings of a particular class of capital.
Earnings Per Share (EPS)	EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.
Events After the Reporting Period	Those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of event can be identified: (a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and (b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).
Fair Market Value	Fair market value is the price that two parties are willing to pay for an asset or liability when both parties have full information and are not pressured to close the sale.
Fair Value	The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction.

Terms	Meaning
Generally Accepted Account Principles (GAAP)	The conventions, rules, and procedures necessary to define accepted accounting practice at a particular time.
Gross Premium Underwritten	That is the total sum before expenses or cost.
Held to Maturity Investment	Financial assets with fixed or determinable payments and fixed maturity that an enterprise has the positive intent and ability to hold to maturity other than loans and receivables originated by the enterprise.
Insurance Contract	A contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
Insurance Liability	An insurer's net contractual obligations under an insurance contract.
Insurance Risk	Risk, other than financial risk, transferred from the holder of a contract to the issuer.
Insurer	The party that has an obligation under an insurance contract to compensate a policyholder if an insured event occurs.
Intangible Assets	Long-term assets that have no physical substance but have a value based on rights or privileges accruing to the owner.
Interest	The cost associated with the use of money for a specific period of time.
Market Value	The amount obtainable from the sale or payable on the acquisition, of a financial instrument in an active market.
Marketable Securities	An investment in securities which are readily marketable; temporary investments.
Net Premium Underwritten	Gross premium less ceded reinsurance
Ordinary Shares	An equity instrument that is subordinate to all other classes of equity instruments.
Policy Holder	A party that has a right to compensations under a insurance contract if an insured event occurs.
Post-employment Benefits	Formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.
Premium	The price of insurance protection for a specified risk for a specified period of time.
Prepaid Expenses	The expenses paid in advance that do not expire during the current accounting period
Prior Period Errors	Omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that: (a) was available when financial statements for those periods were authorised for issue; and (b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements. Such errors include the effects of mathematical mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.
Property, Plant and Equipment	Tangible items that: (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purpose; and (b) are expected to be used during more than one period.
Provision	A liability of uncertain timing or amount.
Re-insurance	Also known as "Insurance for insurers". The contract between an insurance company and a third party to protect the insurance company from loss.
Re-insurance Assets	A cedant's net contractual rights under a reinsurance contract.
Related Party Transaction	A transfer of resources or obligations between related parties, regardless of whether a price is charged.
Reserve for Exceptional Losses	A reserve either specific or general required by Income Tax Ordinance 1984, Fourth Schedule, Para 06
Return on Assets	A measure of profitability that shows how efficiently a company is using all its assets
Revenue	The gross inflow of economics benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in arise in equity, other than increases relating to contributions from equity participants.
Tangible Assets	Long-term assets that have physical substance
Tax Expense (Tax Income)	The aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax. Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).
Taxable Temporary Differences	Temporary differences that will result in taxable amounts in determining taxable profit (taxable loss) of future periods when the carrying amount of the asset or liability is recovered or settled.
Unpaid Dividend	A dividend that is owed to stockholders of record but has yet to be distributed.
Useful Life	The estimated remaining period, from the commencement of the lease term, without limitation by the lease term, over which the economic benefits embodied in the asset are expected to be consumed by the entity.
Working Capital	The amount by which the total current assets exceed total current liabilities.

OUR BRANCH NETWORK

Branch name with address	Name of in-charge	Contact numbers & email
Agrabad Branch City General Insurance Company Ltd. Manzoor Building (1 st floor) 67, Agrabad C/A, Chattogram.	Mr. Sher Ali Khan Dy. Managing Director & Branch Incharge	Office # 031-715418, 715446 Mobile # 0171-1421668 Email: agrabad@cityinsurance.com.bd
B. B. Avenue Branch City General Insurance Company Ltd. Lily Pond Center, Suit # 16E (16 th Floor) 3, R.K. Mission Road, Dhaka-1203.	Mr. Ahmed Asif EVP & Branch Incharge	Office # 9567362 & 7168343 Mobile # 01719-686947 Email: bbave@cityinsurance.com.bd
Barishal Branch City General Insurance Company Ltd. 47/47, Sadar Road (3 rd floor), Barishal.	Mr. Md. Sabuj Rary AVP & Branch Incharge	Office # 0431-2173441 Mobile # 01751-844322 Email: barishal@cityinsurance.com.bd
Begum Bazar Branch City General Insurance Company Ltd. 71/72, Begum Bazar Chawk Bazar, Dhaka-1000.	Mr. Ataur Rahman FAVP & Branch Incharge	Office # 7342574 Mobile # 01911-810470 Email: begumbazar@cityinsurance.com.bd
Benapole Branch City General Insurance Company Ltd. Rahman Chamber (3 rd Floor), Benapole Bazar, Benapole, Jashore.	Mr. Shahenur Hossain (Rubel) VP & Branch Incharge	Mobile # 01711-267567 Email: benapole@cityinsurance.com.bd
Bahaddarhat Branch City General Insurance Company Ltd. Siraj Building (2 nd Floor), 671/D, Sholakbahar, CDA Avenue, Bahaddarhat, Chattogram.	Mr. Ershadul Alam Sr. Ex. Officer & Branch Incharge (CC)	Office # 031-656770 Mobile # 01818-671825 Email: baddarhat@cityinsurance.com.bd
Board Bazar Branch City General Insurance Company Ltd. 1212/A, Meherjan Plaza, 3 rd Floor of Agrani Bank, Board Bazar, Gazipur.	Mr. Apel Mahmood SAVP & Incharge	Mobile # 01750-009435 Email: boardbazar@cityinsurance.com.bd
Bogura Branch City General Insurance Company Ltd. Siraj Market, Boro Gollar Mor Raja Bazar Road, Bogura.	Mr. Shudhan Kumar Ghosh AM & Branch Incharge	Office # 051-63843 Mobile # 01780-581471 Email: bogra@cityinsurance.com.bd
Cumilla Branch City General Insurance Company Ltd. 257/240, Haji Mansion, Monohorpur, Cumilla-3500.	Mr. Md. Mizanur Rahman Dy. Manager & Branch Incharge	Office # 081-67893 Mobile # 01818818776 Email: comilla@cityinsurance.com.bd
Dilkusha Branch City General Insurance Company Ltd. 44, Dilkusha C/A, (7 th floor), Dhaka-1000.	Mr. Md. Shafiq Uddin EVP & Branch Incharge	Office # 9564652 Mobile # 01718-059504 Email: dilkusha@cityinsurance.com.bd
Dinajpur Branch City General Insurance Company Ltd. Masjid Market, Chowk Bazar, Dinajpur.	Mr. Md. Mamun Ur Rashid AVP & Branch Incharge	Office # 0258-9923585 Mobile # 01718-836289 Email: dinajpur@cityinsurance.com.bd

Branch name with address	Name of in-charge	Contact numbers & email
Elephant Road Branch City General Insurance Company Ltd. Baitul Hossain Bldg. (3 rd Floor) 27, Dilkusha C/A, Dhaka-1000.	Mr. Kazi Tanvir Eyear VP & Branch Incharge	Office # 0222 3387296 Mobile # 01833-638487 Email: elephantroad@cityinsurance.com.bd
English Road Branch City General Insurance Company Ltd. 9, North South Road, Bangshal, Dhaka-1000.	Mr. Ahsanul Hoque SVP & Branch Incharge	Office # 47113754 Mobile # 01712-132425 Email: englishroad@cityinsurance.com.bd
Faridpur Branch City General Insurance Company Ltd. 4/269, South Alipur, New Market, Faridpur	Mr. Diponkar Pal Manager & Branch Incharge	Mobile # 01723-232225 Email: faridpur@cityinsurance.com.bd
Gulshan Branch City General Insurance Company Ltd. House # B-129/A, Gulshan Sopping Centre (2 nd floor), Gulshan-1, Dhaka-1212.	Mr. Md. Moshiur Rahman FAVP & Branch Incharge	Office # 9853060 Mobile # 01921-222810 Email: gulshan@cityinsurance.com.bd
Imamgonj Branch City General Insurance Company Ltd. 31-33, Ray Issor Chandro Shil Bahadur Street (5 th Floor), Imamgonj, Dhaka.	Mr. Jahangir Alam SAVP & Branch Incharge	Office # 57311770 Mobile # 01913-331505 Email: imamgonj@cityinsurance.com.bd
Ishwardi Branch City General Insurance Company Ltd. HMK Building (2 nd Floor) Station Road Ishwardi Bazar, Pabna.	Mr. Md. Masum AVP & Branch Incharge	Office # 07326-63362 Mobile # 01711-108804 Email: iswardi@cityinsurance.com.bd
Islampur Branch City General Insurance Company Ltd. 101, Mala Corporation, Islampur Road (2 nd Floor), Dhaka-1100.	Mr. Md. A. A. Asiful Islam Chowdhury SAVP & Branch Incharge	Office # 57392738 Mobile # 01911-754176 Email: islampur@cityinsurance.com.bd
Jamalpur Branch City General Insurance Company Ltd. Sarkar Bari, Dayamoi Road, Jamalpur.	Mr. Zahurul Islam VP & Branch Incharge	Office # 0981-64392 Mobile # 01823-654527 Email: jamalpur@cityinsurance.com.bd
Jashore Branch City General Insurance Company Ltd. Bangla Bazar (1 st Floor), M.K. Road, Jashore.	Mr. Sharif Abir Ahmed AVP & Branch Incharge	Office # 0421-68785 Mobile # 01701-203225 Email: jessore@cityinsurance.com.bd
Kawran Bazar Branch City General Insurance Company Ltd. Hasney Tower (4 th Floor), 3/A, Kawran Bazar C/A, Dhaka.	Mr. Rumi Ahmed Dy. Manager & Branch Incharge	Office # 55013478, 55013476 Fax # 58155980 Mobile # 01621-189492 Email: kawranbazar@cityinsurance.com.bd
Khulna Branch City General Insurance Company Ltd. Nizam Chamber, 7, Old Jashore Road, Khulna.	Mr. Md. Anowar Hossain EVP & Branch Incharge	Office # 041-73182 Mobile # 01714-304423 Email: khulna@cityinsurance.com.bd
Konabari Branch City General Insurance Company Ltd. Asif Tower (3 rd Floor), Konabari Bazar, Gazipur.	Md. Aminul Islam Manager & Branch Incharge	Office # 9298434 Mobile # 01944-758169 Email: konabari@cityinsurance.com.bd
Kushtia Branch City General Insurance Company Ltd. Lovely Tower (5 th floor), 55, N. S. Road, Kushtia.	Mosammat Margina Khatun SAVP & Branch Incharge	Office # 071-73656 Mobile # 01711-484827 Email: kushtia@cityinsurance.com.bd
Local Office City General Insurance Company Ltd. Baitul Hossain Building (3 rd Floor) 27, Dilkusha C/A, Dhaka-1000.	Mr. A. K. M. Mohiuddin Dy. Managing Director & Branch Incharge	Office # 9570772 & 9557735 Mobile # 01819-226449 Email: local@cityinsurance.com.bd

Branch name with address	Name of in-charge	Contact numbers & email
Malibagh Branch City General Insurance Company Ltd. Haque Chamber (8 th Floor) 3, DIT Avenue, Motijheel, Dhaka-1000.	Shakila Akter VP & Branch Incharge	Mobile # 01710-912877, 01676-217271, 01876-111285 Email: malibag@cityinsurance.com.bd
Mawna Branch City General Insurance Company Ltd. Shahidullah Complex-2, Mymensingh Road, Mawna Chowrasta, Sreepur, Gazipur.	Mr. Ahidul Islam Bhuiyan SAVP & Branch Incharge	Mobile # 01715-051294 Email: mawna@cityinsurance.com.bd
Manikganj Branch City General Insurance Company Ltd. 56/1, Shahid Rafique Road, Manikganj.	Mr. Md. Salim-Al-Azad Sr. Officer & Branch Incharge	Office # 7710990 Mobile # 01711-934924 Email: manikgonj@cityinsurance.com.bd
Mymensingh Branch City General Insurance Company Ltd. 64, Baro Bazar, Mymensingh.	Mr. Hasanuzzaman FAVP & Branch Incharge	Office # 091-67311 Mobile # 01711-612625 Email: mymensing@cityinsurance.com.bd
Motijheel Branch City General Insurance Company Ltd. 1/B, DIT Avenue, Motijheel C/A, Dhaka-1000.	Mr. Md. Salim Hossain SEVP & Branch Incharge	Office # 9515806 Mobile # 01776-299322 Email: motijheel@cityinsurance.com.bd
Naogaon Branch City General Insurance Company Ltd. Rupali Market, Hotel Potti (Sonar Potti), Naogaon	Mr. Md. Abid Ali Pramanik Manager & Branch Incharge	Office # 0741-62698 Mobile # 01710-438192 Email: naogaon@cityinsurance.com.bd
Narayanganj Branch City General Insurance Company Ltd. 53/1, S. M. Maleh Road, (Haji Plaza) Tanbazar, Narayanganj.	Mr. Md. Arif Hossain Khan AVP & Branch Incharge	Office # 7630200 Mobile # 01717-347806 Email: narayangonj@cityinsurance.com.bd
Narsingdi Branch City General Insurance Company Ltd. 2/E, C&B Road, Narsingdi.	Marjia Begum (Nasima) Manager & Branch Incharge	Office # 9463064 Mobile # 01711-683291 Email: narsingdi@cityinsurance.com.bd
Nawabpur Branch City General Insurance Company Ltd. Haji Yousuf Mansion, (3 rd Floor) Room# (8-9), 56 Mitford, Babu Bazar, Dhaka-1100.	Mr. Md. Mojibur Rahman SEVP & Branch Incharge	Mobile # 01815-690005 Email: nawabpurbr@cityinsurance.com.bd
Noapara Branch City General Insurance Company Ltd. Holding No. 628, Green Super Market (1 st floor), Noapara Bus Station, Avaynagar, Jashore.	Mr. Rezaul Islam Khan VP & Branch Incharge	Mobile # 01712-768201 Email: noapara@cityinsurance.com.bd
O.R. Nizam Road Branch City General Insurance Company Ltd. Golden Plaza (4 th Floor) 1692, C.D.A Avenue, East Nasirabad, Chattogram.	Mr. Chowdhury Md. Salehuddin Dy. Managing Director & Branch Incharge	Office # 031- 2551239 Mobile # 01819-393408 Email: ornizam@cityinsurance.com.bd
Pabna Branch City General Insurance Company Ltd. Muktijodha Super Market Complex (2 nd floor) Abdul Hamid Road, Pabna.	Mr. Md. Zakir Hossain VP & Branch Incharge	Office # 0731-64312 Mobile # 01741-550262 Email: pabna@cityinsurance.com.bd
Rajshahi Branch City General Insurance Company Ltd. Natore Road, Shaheb Bazar, Rajshahi.	Mr. Asik Ahmed AM & Branch Incharge	Office # 0721-771673 Mobile # 01716-121541 Email: rajshahi@cityinsurance.com.bd
Rangpur Branch City General Insurance Company Ltd. Uthsorgha Bhaban (2 nd Floor) Station Road, Rangpur.	Mr. Jamil Hossain FAVP & Branch Incharge	Office # 0521-63242 Mobile# 01721-216860 Email: rangpur@cityinsurance.com.bd

Branch name with address	Name of in-charge	Contact numbers & email
Rokeya Sharani Branch City General Insurance Company Ltd. 9/A, Chowrangi Market, 95, Senpara, Parbata (1st floor), Mirpur-10, Dhaka.	Mr. Atiar Rahman AVP & Branch Incharge	Office # 9027401 Mobile # 01712-989322 Email: rokeyasarani@cityinsurance.com.bd
Saidpur Branch City General Insurance Company Ltd. Rice Market (Molla Road), Saidpur, Nilphamari.	Mr. Md. Tajul Islam VP & Branch Incharge	Office # 05526-72121 Mobile # 0171-2315144 Email: saidpur@cityinsurance.com.bd
Satkhira Branch City General Insurance Company Ltd. Besides BRTC Bus Counter, Satkhira.	Mr. Sunny Abdullah Officer & Branch Incharge (CC)	Office # 0471-62340 Mobile # 01880-404605 Email: satkhira@cityinsurance.com.bd
Sherpur Branch City General Insurance Company Ltd. Khairampur Moor, Al-Amin Jewelers (2 nd Floor) Munshi Bazar, Sherpur.	Mr. Md. Khurshed Alam FAVP & Branch Incharge	Mobile # 01717-054865 Email: sherpur@cityinsurance.com.bd
Shyamoli Branch City General Insurance Company Ltd. 14, PC Culture Bhaban (4 th Floor) Shyamoli, Dhaka.	Mr. Md. Firoz Shah Alam SAVP & Branch Incharge	Office # 9141393 Mobile # 01725-082525 Email: shyamoli@cityinsurance.com.bd
Sunamganj Branch City General Insurance Company Ltd. Mobarak Bhaban (1 st floor) G. S. Road, Sunamganj.	Mr. Jamil Ahmed SAVP & Branch Incharge	Office # 0847161165 Mobile # 01714-030736 Email: sunamgonj@cityinsurance.com.bd
Sylhet Branch City General Insurance Company Ltd. Purbani Shopping Complex (2 nd floor) Room # 11 & 12, East Zindabazar, Sylhet.	Mr. Parvez Ahmed EVP & Branch Incharge	Office # 0821-725196 Mobile # 01712-139156 Email: sylhet@cityinsurance.com.bd
Tangail Branch City General Insurance Company Ltd. Main Road, Tangail	Mr. Md. Hafizur Rahman Manager & Branch Incharge	Office # 092161665 Mobile # 01820-052571 Email: tangail@cityinsurance.com.bd
Uttara Branch City General Insurance Company Ltd. House # 41, Road # 2, Sector # 3, AB Super Market, Uttara, Dhaka.	Mr. Meer Walidur Rahim (Mohan) SAVP & Branch Incharge	Office # 7912161 Mobile # 01718-741518 Email: uttara@cityinsurance.com.bd
VIP Road Branch City General Insurance Company Ltd. 169, Shahid Nazrul Islam Sarani, Palton, Dhaka.	Mst. Moni SVP & Branch Incharge	Office # 47121517 Mobile # 01642-004054 Email: vip.br@cityinsurance.com.bd

DISCLOSURE CHECKLIST

AS PER ICMAB EVALUATION CRITERIA

Sl. No.	EVALUATION CRITERIA	Page No.
A	Capitalization and Solvency	
1	External Liability Ratio	93
2	Internal Capital General Ratio	
3	Exceptional Loss Reserve to Net Premium	
4	Capital and Fund to Total Assets	
B	Technical	
1	Retention Ratio	93
2	Claim Ratio	17
3	Premium to Equity	93
C	Profitability	
1	Gross Underwriting Margin Return	93
2	Return on Average Assets (ROAA)	
3	Return on Average Equity (ROAE)	
4	Available Solvency Margin	92
5	Management Expense to Net Premium	93
6	Agency Commission to Net Premium	
7	Underwriting Profit on Gross Premium	
D	Liquidity & Funding	
1	Current Ratio	17
2	Liquid Assets to Total Insurance Fund	93
3	Total Liquid Assets to Total Assets	
E	External Credit Rating (ECA)	
1	Short Term	132
2	No of Non-shareholding Director	111
3	Single Family Dominated Board	N/A
4	Shareholding Concentration (Public)	84, 110-111
5	Audit committee Led by Independent Directors	138
6	Director's Minimum Shareholding	110-111
7	Audit Opinion	161-165
G	Performance with Respect to Shareholders	
1	Dividend Yield	17
2	Net Asset Value (NAV) Growth	17, 20
3	Capital Appreciation	85, 189
H	Human Resources Management	
1	No. of Employee	16, 78, 154
2	Per Employee Average Salary	154
3	Gender Diversity	
4	Training Cost Per Employee	
I	Corporate Social Responsibility (CSR)	
1	CSR to Net Income (%)	93
J	Regulatory Authority	
1	Contribution to National Exchequer	68

DISCLOSURE CHECKLIST

AS PER ICSB EVALUATION CRITERIA

Sl. No	Particulars	Page No.
1	Board Independence & Governance	
	(a) If the Chairman of the Company is a Non-Executive Director	28, 115
	(b) Criteria for appointment of Independent Directors disclosed in the Annual Report	28, 114, 141
	(c) Criteria for appointment of Independent Directors are complied with	114
	(d) Written policy for induction of Directors	98
	(e) Appropriate proportion of Independent Directors to total number of Directors	28, 114
	(f) Disclosure of policy on training of Directors as a part of assessing Board performance	33
	(g) A report on compliance with best practices on Corporate Governance by the Directors	99
	(h) Annual evaluation of CEO carried out by the Board	28
	(i) Transparent Board nomination and election process	98
	(j) Concentration of shareholding among the Board members	110-111
	(k) Board Members suitably qualified and experienced	42-49
2	Board Systems and Procedures	
	(a) MD or CEO of the company does not hold the same position in another listed company	112
	(b) Written Code of Conduct for Directors and Senior Management	15, 30
	(c) Well attended Board and Committee Meetings	109-110, 138, 140
	(d) Whistle Blower policy disclosed	15
	(e) The Board contains a member with expert knowledge and responsibility for informing board of corporate regulatory rules, responsibilities and implications.	8, 28, 115, 120
	(f) Nomination and Remuneration Committee reports are published in the Annual Report or not	140
	(g) Board Meetings are conducted, Minutes kept and books and records are maintained in compliance with Bangladesh Secretarial Standards (BSS), as adopted by ICSB	113
	(h) Role of Company Secretary with his or her background	112
3	Board Systems, Risk and Audit Committee	
	(a) Existence of an Audit Committee, with competence relevant to the sector in which the company operates	28,138
	(b) Financial expert in the Audit Committee	
	(c) Internal Auditor reports to the Board Audit Committee	113
	(d) Sufficient number of Independent Directors in the Audit Committee	28, 138
	(e) The Audit Committee reports conflicts of interest to the Board	122-123
	(f) The Chairman of the Audit Committee is present at the AGM	121
	(g) The Board carries out a robust assessment of Company's emerging and principal risks	157
	(h) Taking into account the Company's current position and principal risks, the Board explains in the annual report how it has assessed the prospects for the company	158
4	Transparency & Disclosure Compliances	
	(a) Related Party Transactions disclosed in the Annual Report	107, 184, 191
	(b) Statement of compliance with IFRS/ BFRS	180

Sl. No	Particulars	Page No.
	(c) Statement of compliance with ICSB Secretarial Standards	113
	(d) No adverse remarks in the Auditors' Report	N/A
	(e) Disclosures for prospective investors	90
	(f) Disclosure of details of the remuneration of Directors	107
	(g) Disclosure of the qualification, experience and remuneration of Senior Management	52-58, 194
	(h) Adequate information relating to Financial Transparency and Disclosures	179-194
5	Transparency and Internal Audit Functions	
	(a) Internal audit department established in the Company	113
	(b) Role and responsibility of the head of internal audit provided in writing	113
	(c) Statement of Directors' responsibility to establish appropriate system of internal controls	107, 163
	(d) Adequacy of Internal Control system is reviewed	107
	(e) Internal Audit reports submitted to the Audit Committee	107-108
6	Shareholders Information & Value Enhancement	
	(a) Pattern of shareholdings (Parent/ Subsidiary/ associated Companies and Other Related Parties, Directors/Executives and relatives of Directors/Executives etc.)	110-111
	(b) Existence of well operated "Investors Relation Desk/Department"	83
	(c) Disclosure of shares held by 10% or more voting interests in the Company (Name-wise details)	111
	(d) Process for redressing investor complaints.	88
	(e) Positive growth in net worth of the company over the last 5 years	
	(f) Cash or Stock dividends paid in previous 5 financial years.	17
	(g) Satisfactory EPS growth of the company over the last 5 years	
	(h) Effective investor communication on value-related information.	84
	(i) Detailed disclosures, as per listing rules, available on the Company's website	153
7	Stakeholders Value Enhancement	
	(a) Policy to encourage employee's participation in management	79
	(b) Payment to vendors on time	
	(c) Payment of Taxes on time	86
	(d) No dispute or default in payment of taxes	
	(e) Suitable Supply Chain Management Policy	69
8	Corporate Social Responsibility	
	(a) Disclosure of CSR activities	147-148
	(b) Particulars of tree plantation and forestation	148
	(c) Compliance with labour law to prevent employment of child labour	91
	(d) Employees and their immediate family take part in community welfare initiatives of the Company	147
	(e) Compliance with Labour Law relating to gratuity, provident fund and WPPF	90, 182
9	Corporate Objectives, Governance Initiatives / Recognitions	
	(a) Any award won by the company for Corporate Governance	N/A
	(b) Vision and Mission statement of the Company in the Annual Report	12
	(c) Overall strategic objectives	14
	(d) Core values and code of conduct and ethical principles	13, 15
	(e) Director's profiles and their representation on Board of other companies and Organization Chart	26, 32, 42-49

Sl. No	Particulars	Page No.
10	Timeliness in publishing Financial Statements and holding AGM	
	(a) 3 months to produce the Annual Report and hold the AGM	
	(b) More than 3 months but less than 6 months	Complied
	(c) If more than 6 months	
11	Claim Settlement	
	(a) Satisfactory Record of Claim Settlement	66-67, 134-135, 142
	(b) Outstanding Claim position	142
	(c) Litigation arisen out of outstanding claims	N/A
12	Underwriting , Reinsurance, Policy bonus	
	(a) Re-insurance arrangement with local and reputed foreign companies and Treaty Limit	27
	(b) Existence of detailed underwriting manual / guideline	77
13	Profitability (%)	
	(a) Return on Average Assets (ROAA)	93
	(b) Return on Average Equity (ROAE)	
	(c) Net Profit Margin	
	(d) Net underwriting Margin	
14	Leverage & Solvency (x)	
	(a) Leverage Ratio	17
	(b) Debt Service Coverage Ration (DSCR)	
15	Liquidity & Operational Efficiency (x)	
	(a) Quick Ratio	17
	(b) Operational Cash Flow to Sales (OCFS)	93
	(c) Cash & Cash Equivalents	17, 167, 178
	(d) Liquid asset to total Assets (%)	93
16	Capital Strength & Solvency	
	(a) Paid up capital	17, 85, 166, 189
	(b) Solvency Margin	92, 107
	(c) Net Worth to Total Assets (%)	93
17	Technical /Operating Performance (%)	
	(a) Claim /loss Ratio	17
	(b) Expense Ratio	93
18	Credit Rating	
	a) AAA to AA-/AAA to AA3	132
	b) A+ to A-/A1 to A3	
	c) BBB+ to BB-/BBB1 to BB3	
	d) B+ to D/B1 to D	
	e) Unrated	

DISCLOSURE CHECKLIST

REGARDING SAFA STANDARD

Items	Page No
Corporate Objectives, Values & Structure Clarity and presentation:	
Vision and Mission	12
Overall strategic objectives	14
Core values and code of conduct/ethical principles	13, 15
Profile of the Company	16
Director's profiles and their representation on Board of other companies & Organization Chart	26, 32, 42-49
Management Report/Commentary and analysis including Director's Reports/Chairman's Review/CEO's Review etc.	
A general review of the performance of the company	66-67
Description of the performance of the various activities /products/segments of the company and its group companies during the period under review. (Weightage to be given for pictorial/graphical/tabular presentations used for this purpose)	17-25
A brief summary of the Business and other Risks facing the organization and steps taken to effectively manage such risks	157-159
A general review of the future prospects/outlook.	127-130
Information on how the company contributed to its responsibilities towards the staff (including health & safety)	72, 90
Information on company's contribution to the national exchequer & to the economy	68
Sustainability Reporting	
Social Responsibility Initiatives (CSR)	147-148
Environment related Initiatives	146
Environmental & Social Obligations	
Integrated Reporting	70-80
Appropriateness of Disclosure of Accounting policies and General Disclosure	
Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	101, 161-194
Any Specific accounting policies	
Impairment of Assets	181
Changes in accounting policies/Changes in accounting estimates	161-194
Accounting policy on subsidiaries (if there is no any subsidiary, full marks should be granted)	N/A
Segment Information	
Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	
Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	17, 101, 170-175
Segment analysis of	
Segment Revenue	
Segment Results	
Turnover	
Operating profit	
Carrying amount of Net Segment assets	

Items	Page No
Financial Statements (Including Formats)	
Disclosures of all contingencies and commitments	182
Comprehensive related party disclosures	107, 184, 191
Disclosures of Remuneration & Facilities provided to Directors & CEO	107, 194
Statement of Financial Position / Balance Sheet and relevant schedules	166-167
Income Statement / Profit and Loss Account and relevant schedules	168-175
Statement of Changes in Equity / Reserves & Surplus Schedule	176
Disclosure of Types of Share Capital	189
Statement of Cash Flow	177
Consolidated Financial Statement (CFS)	N/A
Extent of compliance with the core IAS/IFRS or equivalent National Standards	180
Disclosures / Contents of Notes to Accounts	179-194
Information about Corporate Governance	
Board Of Directors, Chairman And CEO	28, 42-49
Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	28, 113, 138
Ethics And Compliance	15
Remuneration and other Committees of Board	28, 140-141
Human Capital	78-79
Communication to Shareholders & Stakeholders Information available on website Other information	83, 153
Management Review and Responsibility	126
Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports	139
Any other investor friendly information	83
Risk Management & Control Environment	
Description of the Risk Management Framework	157-159
Risk Mitigation Methodology	
Disclosure of Risk Reporting	
Stakeholders Information	
Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, Flletc)	89, 189
Shares held by Directors/Executives and relatives of Directors /Executives	110-111
Redressal of investors complaints	88
Graphical/ Pictorial Data:	
Earnings per Share	18-23
Net Assets	
Stock Performance	
Shareholders' Funds	
Return on Shareholders Fund	
Horizontal/Vertical Analysis including following.	
Operating Performance (Income Statement) Total Revenue Operating profit Profit Before Tax Profit After Tax EPS	18-23

Items	Page No
Statement of Financial Position (Balance Sheet)	
Shareholders Fund	
Property Plant & Equipment	
Net Current Assets	
Long Term Liabilities/Current Liabilities	166-167
Profitability/Dividends/ Performance and Liquidity Ratios	
Claim Ratio	
Earning before Interest, Depreciation and Tax	
Price earning ratio	
Solvency Ratio	17
Return on Capital Employed	
Debt Equity Ratio	
Statement of Value Added and Its Distribution	
Government as Taxes	
Shareholders as dividend	
Employees as bonus/remuneration	
Retained by the entity	
Market share information of the Company's product/services	
Economic value added	86, 89-91
Presentation of Financial Statements	
Quality of the Report/ Layout of Contents	Qualitative
Cover and printing including the theme on the cover page	Qualitative
Appropriateness and effectiveness of photographs and their relevance	Qualitative
Effectiveness of Charts and Graphs	Qualitative
Clarity, simplicity and lucidity in presentation of Financial Statements	Qualitative
Timeliness in issuing Financial Statements and holding AGMs	
3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	
Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
If the period is over 6 months - no marks shall be awarded	Qualitative
Additional Disclosures	
For Example	
Human Resource Accounting	145,
Any other good additional disclosures (Independence certification Eg. GNV, GRI)	154-156
Specific Areas for Insurance Sector	
Claims management and details of outstanding claims (IBNR & IBNER) with ageing thereof	134, 142-143
Disclosures pertaining to Solvency Margin	92
Certificate of Actuary giving details of the liabilities on account of live policies and estimates/assumptions made for the same	N/A
Accounting ratios pertaining to insurance sector	93
Review of assets quality	94

PROXY FORM

I/We

.....of being a shareholder of
City General Insurance Company Limited do hereby appoint

Mr./Ms.

.....of as my/our proxy, to attend and vote
for me/us and on my/our behalf at the **26th Annual General Meeting** of the Company to be held on **25 April 2022**
at 11.00 a.m. through Digital platform and at any adjournment thereof or at any ballot to be taken in consequence
thereof.

Signed this day of 2022

(Signature of Proxy)

Revenue
stamp
TK. 20/-

(Signature of Shareholder)

BO ID No.:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of SharesDated

Note:

- i). The Proxy Form duly completed, signed and affixed with revenue stamp must be deposited at least 48 hours before the meeting at the Company's Registered Office.
- ii) Signature of the Shareholder should match with the specimen signature registered with the company.

.....
(Authorized Signature)
City General Insurance Company Limited.....
(Signature Verified)**ATTENDANCE SLIP**I hereby record my attendance at the **26th Annual General Meeting** of the Company to be held on **25 April 2022**
at 11.00 a.m. through Digital platform.**Name of Shareholder/Proxy :**

.....

BO ID No.:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of Shares :

Date of Signature :

.....
Signature of Shareholder/Proxy



City General Insurance Company Limited
Head Office: Baitul Hossain Building (4th floor)
27, Dilkusha C/A, Dhaka-1000, Bangladesh.
Telephone No PABX: 0222 3387296, 0222 3387281
E-mail: info@cityinsurance.com.bd
Website: www.cityinsurance.com.bd