

Prime Insurance Company Limited
Statement of Financial Position (Un-Audited)

As at March 31, 2023

Particulars	Notes	Amount in Taka	
		31.03.2023	31.12.2022
Shareholders' Equity & Liabilities			
Authorised share capital			
100,000,000 ordinary shares of Tk.10 each		1,000,000,000	1,000,000,000
Issued, subscribed & paid-up capital			
40,877,498 ordinary shares of Tk.10 each		408,774,980	408,774,980
Reserve and contingent account		416,773,853	388,599,434
Reserve for exceptional losses		340,334,973	331,368,032
General reserve fund		11,400,000	11,400,000
Profit & loss appropriation account		65,038,880	45,831,402
Shareholders' equity:		825,548,833	797,374,414
Balance of funds and accounts		196,423,623	208,724,713
Premium deposits		45,432,315	97,616,434
Liabilities and provisions		915,187,499	881,281,712
Estimated liability in respect of outstanding claims whether due or intimated		48,249,434	36,021,294
Amount due to other persons or bodies carrying on insurance business		243,424,573	245,136,501
Sundry creditors		129,168,538	125,500,421
Unclaimed Dividend		6,348,639	6,361,423
Income tax provision		454,452,075	439,312,997
Deferred tax liability		33,544,240	28,949,076
Total shareholder's equity & liabilities		1,982,592,270	1,984,997,273
Property and Assets :			
Non-current assets		625,294,397	676,804,867
Property, plant and equipment		390,519,710	434,034,424
Bangladesh Govt Treasury Bond		25,000,000	25,000,000
Investment (at fair value)		209,774,687	217,770,444
Current assets		1,357,297,873	1,308,192,406
Stock of printing & stationery		1,245,630	1,601,972
Insurance stamp in hand		1,268,051	1,358,817
Interest accrued but not received		20,187,965	20,010,650
Amount due from other persons or bodies carrying on insurance business		283,000,429	242,859,585
Sundry debtors (including advances, deposits & pre-payments)		456,503,735	426,267,344
Cash and cash equivalents		595,092,063	616,094,037
Cash in hand		2,675,070	2,840,425
Cash at Bank		65,513,531	49,000,150
Fixed deposit receipt (FDR)		526,903,462	564,253,462
Total assets		1,982,592,270	1,984,997,273
Net Assets Value Per Share (NAVPS)	12.00	20.20	19.51

The accompanying notes 1 to 15 form an integral part of these financial statements.


Md. Obaidul Akbar
 Chief Finance Officer


Mahamudhul Hasan, FCS
 Company Secretary


Abdul Hamid, FCA
 Chief Executive Officer


Mohd. Showkat Ali
 Vice Chairman


Suzaden Rahman
 Chairman

Place: Dhaka
 Dated: June 14, 2023

Prime Insurance Company Limited
Statement of Profit & Loss and Other Comprehensive Income(Un-audited)
For the First Quarter Ended March 31, 2023

Particulars	Note	Jan to March-2023	Jan to March-2022
		Amount in Taka	Amount in Taka
Gross direct premium		323,327,716	322,782,452
Premium on PSB		42,851,843	26,054,583
Total Gross Premium Income		366,179,559	348,837,035
Less : Re-insurance ceded		236,378,605	174,748,111
Less : R/I premium on PSB		40,031,543	23,213,870
Net Premium Income		89,769,411	150,875,054
Add : Net R/I commission earned		80,729,635	65,222,359
Add : Net premium reserve retained		52,815,395	33,123,504
Less : Reserve for unexpired risk.		(37,977,438)	(61,410,867)
Less : Agent commission		(49,296,404)	(48,602,008)
Less: Management expenses (Revenue A/c)		(62,753,397)	(74,597,733)
Less: Management expenses (P/L A/c)		(17,974,520)	(12,255,579)
Less : Net claims		(10,959,998)	(10,894,294)
Operating Profit (U/W Profit/ (Loss)		44,352,684	41,460,436
Add : Investment & Other Income :		4,059,207	5,713,391
Profit Before Tax :		48,411,891	47,173,827
Less : Provision for income tax	13.00	15,767,648	13,788,129
Less : Deffered tax expenses/(income)		4,595,164	2,988,962
Net Profit after Tax		28,049,079	30,396,737
Earning Per Share (EPS)	11.00	0.69	0.74

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 Company Secretary


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Mohd. Showkat Ali
 Vice Chairman


Sugandh Rahman
 Chairman

Place: Dhaka
 Dated: June 14, 2023

Prime Insurance Company Limited
Statement of Cash Flows (Un-Audited)
For the Period ended March 31,2023

Particulars	Note	Amount in Taka	
		Jan to March-2023	Jan to March-2022
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Collection from premium & Others		385,847,610	380,548,937
Payment for management expenses, re-insurance and claims		(354,363,205)	(194,673,503)
Income tax, VAT, Stamp paid & Others		(20,657,844)	(38,244,677)
Net cash flows from operating activities		10,826,561	147,630,757
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed assets		(1,692,329)	(44,501,383)
Buy/Sale proceeds of investment in shares		(45,275,234)	(13,018,406)
Fixed deposit receipt- (increased) decreased		37,350,000	(126,764,508)
Income from office rent		767,619	1,124,146
Interest received		6,150,337	7,907,393
Dividend received		1,933,856	3,321,264
Net cash flows from investing activities		(765,751)	(171,931,494)
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Unclaims dividend paid		(12,784)	-
Cash dividend paid		-	-
Net cash flows from financing activities		(12,784)	-
Increase/(decrease) in cash and cash equivalent (A+B+C)		10,048,026	(24,300,737)
Cash and cash equivalent at the beginning of the year (excluding FDR)		58,140,575	33,364,016
Cash and Cash Equivalent at the closing of the year		68,188,601	9,063,280
Net operating cash flow per share	15.00	0.26	3.61

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 Vice Chairman


Suzanur Rahman
 Chairman

Place: Dhaka
 Dated: June 14, 2023

Prime Insurance Company Limited
Statement of Changes in Shareholders' Equity (Un-Audited)
For the year Ended March 31, 2023

Particulars	Share capital	General reserve Fund	Reserve for exceptional losses	Profit & loss appropriation account	Total
Balance as at January 1, 2023	408,774,980	11,400,000	331,368,032	45,831,402	797,374,414
Paid Cash dividend					-
Profit after tax for the year				28,184,420	28,184,420
Appropriation made during the year			8,976,941	(8,976,941)	-
Balance as at March 31, 2023	408,774,980	11,400,000	340,344,973	65,038,880	825,558,834


Particulars	Share capital	General Reserve	Reserve for exceptional losses	Profit & Loss Appr. Account	Total
Balance as at January 1, 2022	408,774,980	11,400,000	290,403,210	51,091,945	761,670,135
Paid Cash dividend	-	-	-	-	-
Profit after tax for the year	-	-	-	30,396,737	30,396,737
Appropriation made during the year	-	-	15,087,505	(15,087,505)	-
Balance as at March 31, 2022	408,774,980	11,400,000	305,490,715	66,401,177	792,066,872

The accompanying notes 1 to 15 form an integral part of these financial statements.


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 Vice Chairman


Suzadur Rahman
 Chairman

Place: Dhaka
 Dated: June 14, 2023

Prime Insurance Company Limited
Notes to the Financial Statements (Un-Audited)
For the Period Ended March 31, 2023

1.00 Legal form of the Company

The Company was incorporated as a public limited company on 21 March 1996 under the Companies Act, 1994 and obtained registration from the Chief Controller of Insurance, Government of Bangladesh on March 31, 1996 concurrently. The Company has been registered with the Insurance Development & Regulatory Authority (IDRA) under the Insurance Act, 2010 and provides non-life insurance services as per the Insurance Act, 2010 and the Directives issued by the IDRA from time to time. The Company is listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd as a publicly traded company.

2.00 Address of registered office and place of business of the Company

The registered office of the Company is located at Unique Heights (9th floor), 117, Kazi Nazrul Islam Avenue, Dhaka-1000, Bangladesh. The business operations of the Company are being carried out through its 41 (Forty One) branches located in all Bangladesh.

3.00 Principal activities of the Company

The principal activity of the Company is to carry on all kinds of non-life insurance business. There were no significant changes in the nature of the principal activities of the Company during the period under review.

4.00 Approval of 1st quarter Financial Statement :

The un-audited Financial Statements for the 1st quarter ended March 31, 2023 were vatted by the Audit Committee of the board in its 118th meeting and also approved by the Board of Directors in its 363th meeting held on 14 June, 2023.

5.00 Basis of accounting preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. Disclosure of financial information as required by Insurance act 2010 have been complied with and while preparing statement of financial position, statement of profit or loss and other comprehensive income and revenue accounts in applicable cases for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act, 1938 and new Insurance Act, 2010.

6.00 Basis of presentation of financial statements

The Balance Sheet has been prepared in accordance with the regulations as contained in Part -I of the First Schedule and as per Form "A" as set forth in Part - II of that Schedule. Revenue Account of each class of non-life insurance business has been prepared in accordance with the regulations as contained in Part - I of the Third Schedule and as per Form 'F' as set forth in Part - II of that Schedule of the Insurance Act, 1938, in absence of such Forms in the Insurance Act 2010. The classified summary of the assets has also been prepared in accordance with Form "AA" as set forth in Part - II of the aforesaid Act.

6.01 Compliance statements and general rules & regulations

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of Insurance Act, 2010, Insurance rules, 1958, the Companies Act, 1994, the Securities and Exchange Rules, 1987, the Securities and Exchange Ordinance 1969, the Securities and Exchange Commission Act 1993, the Listing Regulations of Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd, and Guidelines, rules and regulations issued from time to time by the Insurance Development and Regulatory Authority (IDRA).

To comply with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws and regulations.

6.02 Going concern basis

The Company has adequate resources to continue in the operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources for providing sufficient funds to meet the present requirements of its existing business and operations.

6.03 Reporting period

Financial statements of the company consistently cover from 1 January 2023 to 31 March, 2023.

7.00 Revenue recognition (IFRS-15)

Revenue is recognized in accordance with International Accounting 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.

8.00 Allocation of expenses of management

As per applicable insurance laws relevant management expenses wherever incurred directly or indirectly have been allocated among different Revenue Accounts in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium income.

9.00 Cash flow statement

Cash flow statement is prepared in accordance with IAS-7 Statement of Cash Flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules-1987. Cash flow statement is broken down into operating activities, investing activities, and financing activities.

10.00 Provision for income taxes

The company has made the income tax provision on the basis of International Accounting Standard (IAS) -12 "Income Taxes", Income Tax Ordinance, 1984 as amended from time to time and Finance Act, 2022.

10.01 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.

10.02 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 liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Adequate provision has been made for deferred tax to profit or loss and other comprehensive income.

11.00 Calculation of Earnings Per Share (EPS)

This has been calculated by dividing the basic earnings during the period profit after tax divided by the weighted average number of ordinary shares outstanding at the end of the period.

Particulars	Amount in Taka	
	31.03.2023	31.03.2022
Profit before tax	48,411,891	47,173,827
Less: Provision for income tax	15,767,648	13,788,129
Less: Deferred tax expenses/(income)	4,595,164	2,988,962
Net profit after tax	28,049,079	30,396,737
Basic earnings per share after tax (EPS)	0.69	0.74
Weighted average number of ordinary shares outstanding at the end of the period	40,877,498	40,877,498

Deviation/Increase from previous period: Earnings Per Share (EPS) decreased at the same period of preceding year due to increased of re-insurance payment.

12.00 Net assets value (NAV) and Net Assets Value Per Share (NAVPS)

Net Asset Value Per Share (NAVPS) has been calculated by dividing net asset value reported in the statement of financial position by the weighted average number of ordinary shares in issue. The calculation of Net Assets Value Per Share (NAVPS) is given below:

Particulars	Amount in Taka	
	31.03.2023	31.12.2022
Net Assets Value (Shareholders' equity)	825,548,833	797,374,414
Number of shares outstanding during the period	40,877,498	40,877,498
Net assets value per share (NAVPS) at the balance sheet date	20.20	19.51

13.00 Provision for income tax

Statement of income	Taxable income	Exempted	Taxable income
Income from business or profession: (U/s 28 of ITO, 1984)	32,684,338	8,976,941	23,707,397
Interest income from FDR & STD Accounts (U/s 22)	17,818,682	-	17,818,682
Capital gains from share trading (U/s 31)	11,942,773	-	11,942,773
Unrealized capital gain on investment in securities	(16,735,378)	-	(16,735,378)
Dividend income from investment in securities (U/s 54 Rule 19)	1,933,856	-	1,933,856
Fixed assets sales (Motor car) U/S -16(3)	-	-	-
Gain from sale of furniture	-	-	-
Income from office rent (Mollah tower) U/S-24	767,619	-	767,619
Total profit/income (before Tax)	48,411,890	8,976,941	39,434,949

Computation of current period tax provision

Particulars of using Tax payable rate on taxable income against various heads as per Income Tax Ordinance, 1984. Details are given below:

Computation of current period tax	Taxable income	Rate of Tax percentage	Tax provision
Income tax on business @ 37.50%	23,707,397	37.50	8,890,274
Income tax on interest income @ 37.50%	17,818,682	37.50	6,682,006
Income tax on capital gains from share trading @10%	(4,792,605)	10.00	(479,261)
Income tax on dividend income @ 20%	1,933,856	20.00	386,771
Gain from sale of motor car @15%	-	15.00	-
Gain from sale of furniture & fixture @15%	-	15.00	-
Income from office rent (Mollah tower) @37.5%	767,619	37.50	287,857
Other income @37.50%	-	37.50	-
Total tax liability during the year 31 March, 2021	39,434,949	-	15,767,647

13.01 Deferred tax

The impact on account of changes in the deferred tax assets/liabilities for the period has been recognized in the statement of profit or loss and other comprehensive income (Profit & loss account) and in the statement of financial position as per International Accounting Standard (IAS)-12 Income Taxes"

Amount in Taka	
31.03.2023	31.03.2023
Carrying amount of property, plant and equipment excluding land	390,519,710
Tax base	406,379,646
Total difference	286,643,678
Less: Permanent difference	346,686,832
Taxable temporary difference	103,876,032
	59,692,814
Provision for gratuity	4,052,872
Provident fund payable	1,511,320
Provision for incentive bonus	
Deductible temporary difference	99,823,160
	58,181,494
Provision for change in fair value of shares	(2,848,972)
Total (taxable)/deductible temporary difference	1,280,643
Tax rate	37.50%
Deferred tax assets/(liability) as at 31 March (Tax rate 37.50%)	490,946
Deferred tax assets on Change in fair value of shares (10%)	226,536
Deferred tax assets/(liability) as at 31 March	8,267,113
Deferred tax liability in previous year	5,909,087
Deferred tax (expense)/income for the year	11,858,358
	16,735,378
	8,222,418
	(93,914,073)
	(46,323,136)
	37.50%
	37.50%
	(35,217,777)
	(17,371,176)
	1,673,538
	822,242
	(33,544,240)
	(16,548,934)
	(28,949,076)
	(13,559,793)
	(4,595,164)
	(2,989,141)

14.00 Transaction with related parties

Prime Insurance Company Ltd in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party transaction as per International Accounting Standard (IAS)-24 and under the condition No 1(5)(vi) of the Corporate governance Code (CGC) guidelines of 2018, of the Bangladesh Securities & Exchange Commission rules and regulations. 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. Detail of transactions with related parties and balances with them as at March 31, 2023 are as follows:

Name of the related party	Relations hip	Name of transaction	Premium earned	Premium outstanding during the year against Bank Guarantee	outstanding	Amount realized subsequently	Claim Paid
Ramisha Group	Common	Insurance	6,824,571	-	-	-	-
Metro Spinning Ltd.	Common	Insurance	12,325,615	-	-	-	-

15.00 Net operating cash flows

Net Operating Cash Flows (NOCFs) per share has been calculated by dividing net cash used in operating activities reported in the cash flows statement by the weighted average number of ordinary shares in issue.

Net cash used in operating activities
Weighted average number of shares
Net operating cash flows per share (NOCFPS) on shares at balance sheet date

Amount in Taka	
31.03.2023	31.03.2022
10,826,561	147,630,757
40,877,498	40,877,498
0.26	3.61

Deviation from previous period: Cash flow per share dceresed of the same period of preceding year due to increased of re-insurance payment.

15.01 Reconciliation of net profit to net operating cash flow

Net profit before tax

Adjustment:

Depreciation
Interest income
Dividend income
Increased/(Decreased) of fair value on investment in shares
Profit/Loss on sales share
Income from office rent

Changes in working capital:

Increase/(decrease) the balance of fund
Increase/(decrease) the premium deposit
Increase/(decrease) of amount due to other persons or body
Increase/(decrease) of Outstanding claims
Increase/(decrease) of sundry creditor except payable for fixed asset and
(Increase)/decrease of Accrued interest & others
(Increase)/decrease of Advance, deposit & prepayment except AIT, Advance for fixed
(Increase)/decrease of amount due from other persons or body
(Increase)/decrease of investment shares
(Increase)/decrease Stock of printing & stationery
(Increase)/decrease Insurance stamp in hand
Income tax paid & Source Tax

Net cash generated from operating activities

Amount in Taka	
31.03.2023	31.03.2022
48,411,891	47,173,827
7,596,679	8,291,288
(6,150,337)	(6,382,664)
(1,933,856)	(3,321,264)
16,735,378	8,222,418
(11,942,773)	(2,714,281)
(767,619)	(1,033,425)
(12,301,090)	(71,083,146)
(52,184,119)	57,701,485
(1,711,928)	103,087,335
12,228,140	(5,112,674)
3,655,333	7,209,816
177,315	3,198,249
(12,177,207)	1,877,005
40,140,844	4,730,092
(7,995,757)	-
(356,342)	(523,419)
(90,766)	230,568
(10,507,225)	(3,920,453)
10,826,561	147,630,757


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Dated: June 14, 2023