

PARAMOUNT INSURANCE COMPANY LIMITED

Chaklader House (Level- 3), House No. 22, Road No. 113/A
Gulshan 2, Dhaka 1212

**AUDITORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

R.K Tower

86, Bir Uttam C.R Datta Road, Level-10, Hatirpool, Dhaka-1205.

An Associate firm of D.N. Gupta & Associates, Chartered Accountants



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
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(312, Sonargaon Road), Dhaka-1205
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**AUDITORS' REPORT
TO THE SHAREHOLDERS OF
PARAMOUNT INSURANCE COMPANY LIMITED**

We have audited the accompanying Financial Statements of Paramount Insurance Company Limited consisting of Statement of Financial Position (Balance Sheet) as of **December 31, 2017** and Statement of Comprehensive Income (Profit & Loss Account), Profit & Loss Appropriation Account, Consolidated Revenue Account, Fire Insurance Revenue Account, Marine Insurance Revenue Account, Motor Insurance Revenue Account, Miscellaneous Insurance Revenue Account, Cash Flow Statement and Statement of Changes in Equity together with Notes thereto for the year then ended.

Respective Responsibilities of Management for the financial statements:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, Insurance Act 2010 and other applicable laws and regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Respective Responsibilities of Auditor:

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

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

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

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as of December 31, 2017 and of the results of





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its operations and its Cash Flows for the year then ended and comply with the Companies Act, 1994, Insurance Act, 2010 and Insurance Rules 1958, Securities Exchange Rules, 1987 and other applicable laws and regulations.

We report that:

- i) We have obtained information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper books of account as required by law have been kept by the company.
- iii) The company's Balance Sheet and Profit and Loss Account and its Cash Flows dealt with by the report are in agreement with the books of account and returns;
- iv) The expenditure incurred was for the purposes of the company's business;
- v) As per Section 63(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Profit & Loss Account of the Company; and
- vi) As per Section 59 (5) of the Insurance Act, 2010, we certify that to the best of our information and as shown by its books, the Company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad.

Dated: Dhaka, May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

Paramount Insurance Company Limited
Statement Of Financial Position (Balance Sheet)
As at 31 December 2017

Particulars	Notes	Amount In Taka		Particulars	Notes	Amount In Taka	
		31-12-2017	31-12-2016			31-12-2017	31-12-2016
CAPITAL & LIABILITIES							
AUTHORIZED CAPITAL							
60,000,000 Ordinary Shares of Tk. 10/- each.	10.01	600,000,000	600,000,000	PROPERTY & ASSETS			
ISSUED, SUBSCRIBED & PAID-UP CAPITAL				INVESTMENT:			
28,764,513 Ordinary Shares of Tk. 10/- each.	10.02	287,645,130	266,338,080	Government Treasury Bond	01.00	32,109,487	30,387,257
				Investment in Shares & Securities	02.00	25,000,000	25,000,000
						7,109,487	5,387,257
RESERVE FOR CONTINGENCY ACCOUNT:				Interest, Dividend & Rent Outstanding	03.00	11,674,438	10,707,951
Reserve for Exceptional losses	11.00	126,443,575	111,878,049				
Reserve for Gratuity	12.00	93,326,333	81,643,612				
Profit and Loss Appropriation Account		3,367,218	3,209,473				
		29,750,024	27,024,964				
BALANCE OF FUND & ACCOUNTS:							
Fire Insurance Revenue Account		52,686,205	44,434,164				
Marine Insurance Revenue Account		18,491,807	16,102,666	Sundry Debtors	05.00	103,250,404	71,665,632
Motor Insurance Revenue Account		18,867,109	16,949,727				
Misc. Insurance Revenue Account		12,721,316	9,270,224	CASH AND BANK BALANCES:			
Premium Deposit	13.00	2,605,973	2,111,546	Fixed Deposit with Bank	06.00	307,025,196	289,762,670
Estimated Liabilities in respect of outstanding claims whether due or intimated	14.00	7,723,164	658,687	Cash at Bank	07.00	284,282,087	276,450,000
Amount due to other persons or bodies carrying on insurance business (S.B.C)		4,612,731	2,522,614	Cash in Hand	08.00	22,630,201	13,182,492
Provision for Income Tax	15.00	55,030,801	49,244,635			112,908	130,178
Provision for Deferred Tax	16.00	67,381,177	51,762,881	OTHER ACCOUNTS:			
Provision for Loss on Investment Fluctuation	17.00	753,299	5,303,256	Fixed Assets	09.00	88,327,244	78,132,715
Sundry Creditors	18.00	-	2,256,569	Stamps in Hand		87,458,584	77,453,713
		8,021,956	3,605,701	Printing and Stationery (at cost)		116,004	9,453
Total Capital & Liabilities:		610,298,039	538,004,636	Total Property & Assets:		610,298,039	538,004,636
Net Assets Value (NAV) Per Share	19.00	14.28	13.04				

The accompanying notes form an integral part of this financial statement.

[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

[Signature]
DIRECTOR

[Signature]
CHAIRMAN

Place: Dhaka
Dated: May 3, 2018

Subject to our separate report of even date.



An associate firm of D. N. Gupta & Associates

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

[Signature]

Paramount Insurance Company Limited
Statement Of Comprehensive Income (Profit & Loss Account)

For the year ended December 31, 2017

Particulars	Notes	Amount in Taka	Amount in Taka	Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016			31-12-2017	31-12-2016
Expenses of Management		5,173,099	5,035,006	Interest, Dividend and Rents			
(Not applicable to any fund or account)				(Not applicable to any fund or account)			
Advertisement & Publicity		225,993	340,225	Interest Received & Accrued		19,276,657	22,423,468
Legal & Professional Charge		285,500	307,500	Profit/(Loss) Transferred from:		35,974,557	26,733,939
Audit Fee		156,250	174,250	Fire Revenue Account		8,509,524	447,676
Depreciation		3,941,172	2,002,649	Marine Revenue Account		18,091,149	20,164,784
Subscription & Donation		423,790	947,536	Motor Revenue Account		5,653,772	5,919,820
Fluctuation Reserve/ Fair Value	02.01	(1,328,287)	415,054	Miscellaneous Revenue Account		3,720,112	201,659
Reserve for Gratuity Expenses		200,000	200,000	Other Income:		2,031,816	105,235
Registration & Renewal		1,268,681	647,792	Profit/(Loss) on Investment in Shares		947,543	(581)
Profit/(Loss) for the year (Transferred to Profit & Loss Appropriation Account)		52,109,932	44,227,636	Capital Gain (Profit on Sale of Car)		929,401	97,696
				Dividend Income		154,872	8,120
Total		57,283,031	49,262,642	Total		57,283,031	49,262,642

Profit and Loss Appropriation Account

For the year ended December 31, 2017

Particulars	Notes	Amount in Taka	Amount in Taka	Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016			31-12-2017	31-12-2016
Reserve for Exceptional Losses	11.01	11,682,721	5,000,000	Opening Balance		27,024,964	27,874,885
Provision For Income Tax	16.01	15,618,296	15,665,007	Net Profit for the Year Transferred from Profit & Loss Account		52,109,932	44,227,636
Provision For Deferred Tax	17.01	(4,549,957)	200,000	Total		79,134,896	72,102,521
Dividend Paid (2016)		26,633,812	24,212,550				
Balance Transferred to Balance Sheet	20.00	29,750,024	27,024,964				
Total		79,134,896	72,102,521				
Earning Per Share (EPS)		21.00	1.43				0.99

The accompanying notes form an integral part of this financial statement.

[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

[Signature]
DIRECTOR

[Signature]
CHAIRMAN

Place: Dhaka
Dated: May 3, 2018

Subject to our separate report of even date.



[Signature]
SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

An associate firm of D.N. Gupta & Associates

Paramount Insurance Company Limited

Consolidated Revenue Account
For the year ended December 31, 2017

Particulars	Amount In Taka		Particulars	Amount In Taka	
	31-12-2017	31-12-2016		31-12-2017	31-12-2016
Claims Under Policies Less Reinsurance	14,861,480	9,116,270	Balance of Account at the Beginning of the Year	44,434,164	35,008,795
Paid during the year	12,771,363	15,371,068			
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,612,731	2,522,614	Premium Less Re-Insurance	116,827,212	98,423,229
	17,384,094	17,893,682	Commission on Re-Insurance Ceded	16,999,807	15,386,074
Less: Outstanding at the end of previous year	2,522,614	8,777,412			
Agency Commission	17,799,198	15,977,653	Service Charge	31,335	34,327
Expenses of Management	56,149,141	51,955,004			
Insurance Stamp	206,163	139,544			
Service Charge	225,445	231,717			
Commission on R/I Acceptance	390,328	264,134			
Reserve for unexpired risks being 45% of Fire, Marine Cargo & Miscellaneous and 100% of Marine Hull of the net premium income for the year	52,686,205	44,434,164			
Profit/(Loss) Transferred to Profit and Loss Account	35,974,557	26,733,939			
Total	178,292,517	148,852,425	Total	178,292,517	148,852,425

The accompanying notes form an integral part of this financial statement.


MANAGING DIRECTOR


DIRECTOR


DIRECTOR


CHAIRMAN

Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018



An associate firm of D.N. Gupta & Associates

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS



Paramount Insurance Company Limited
Fire Insurance Revenue Account
For the year ended December 31, 2017

Particulars	Amount in Taka	Amount in Taka	Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016		31-12-2017	31-12-2016
Claims Under Policies Less Reinsurance	5,970,798	4,811,954	Balance of Account at the Beginning of the Year	16,102,666	10,715,625
Paid during the year	6,107,529	4,148,392	Premium Less Reinsurance	41,092,905	35,783,703
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	1,088,542	1,225,273	Commission on Reinsurance Ceded	8,014,244	8,004,213
	7,196,071	5,373,665			17,070
Less: Outstanding at the end of previous year	1,225,273	561,711			
Agency Commission	7,859,029	8,375,835			
Expenses of Management	24,181,972	24,516,729			
Service Charge	135,382	203,145			31,335
Insurance Stamp	92,638	62,606			
Reserve for unexpired risks being 45% of the net premium income of the year	18,491,807	16,102,666			
Profit/(Loss) Transferred to Profit and Loss Account	8,509,524	447,676			
Total	65,241,150	54,520,611	Total	65,241,150	54,520,611

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CHAIRMAN



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Place: Dhaka
Dated: May 3, 2018



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

An associate firm of D.N. Gupta & Associates

Paramount Insurance Company Limited
Marine Insurance Revenue Account
For the year ended December 31, 2017

Particulars	Amount In Taka	Amount In Taka	Particulars	Amount In Taka	Amount In Taka
	31-12-2017	31-12-2016		31-12-2017	31-12-2016
Claims Under Policies Less Reinsurance	2,871,376	(3,727,192)	Balance of Account at the Beginning of the Year	16,949,727	13,043,697
Paid during the year	1,347,079	(149,026)	Premium Less Reinsurance	41,673,664	37,346,700
claims at the end of the year whether due or intimated	2,211,638	687,341	Commission on Reinsurance Ceded	5,608,228	4,759,491
	3,558,717	538,315			
Less: Outstanding at the end of previous year	687,341	4,265,507			
Agency Commission	5,782,597	4,684,157	Service charge	-	2,198
Expenses of management	18,573,305	17,052,695			
Service Charge	46,083	27,914			
Reserve for unexpired risks being 45% of Marine Cargo and 100% of Marine Hull of net premium income of the year	18,867,109	16,949,727			
Profit/(Loss) Transferred to Profit and Loss Account	18,091,149	20,164,784			
Total	64,231,619	55,152,086	Total	64,231,619	55,152,086

The accompanying notes form an integral part of this financial statement.


MANAGING DIRECTOR


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Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

An associate firm of D.N. Gupta & Associates

Paramount Insurance Company Limited
Motor Insurance Revenue Account
For the year ended December 31, 2017

Particulars	Amount in Taka		Particulars	Amount in Taka	
	31-12-2017	31-12-2016		31-12-2017	31-12-2016
Claims Under Policies Less Reinsurance Paid during the year	5,958,582	5,077,649	Balance of Account at the Beginning of the Year	9,270,224	9,247,918
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	1,192,551	610,000	Premium Less Reinsurance	28,269,591	20,600,500
Less: Outstanding at the end of previous year	6,568,582	5,827,843	Commission on Reinsurance Ceded	11,129	44,952
Agency Commission	3,547,470	2,224,284			
Expenses of management	9,605,591	7,359,333			
Insurance Stamp	64,213	42,059			
Reserve for unexpired risks being 45% of the net premium income of the year	12,721,316	9,270,224			
Profit/(Loss) Transferred to Profit and Loss Account	5,653,772	5,919,820			
Total	37,550,944	29,893,370	Total	37,550,944	29,893,370

The accompanying notes form an integral part of this financial statement.


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Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

An associate firm of D.N. Gupta & Associates

Paramount Insurance Company Limited
Miscellaneous Insurance Revenue Account
For the year ended December 31, 2017

Particulars	Amount in Taka	Amount in Taka	Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016		31-12-2017	31-12-2016
Claims Under Policies Less Reinsurance	60,723	2,953,859	Balance of Account at the Beginning of the Year	2,111,546	2,001,556
Paid during the year	(59,277)	6,153,859	Premium Less Reinsurance	5,791,051	4,692,326
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	120,000	6,153,859	Commission on Reinsurance Ceded	3,366,206	2,577,418
Less: Outstanding at the end of previous year	-	3,200,000			
Agency Commission	610,102	693,377	Service Charge	-	15,059
Expenses of management	3,788,273	3,026,247			
Service Charge	43,980	658			
Insurance Stamp	49,312	34,879			
Commission on R/I Acceptance	390,328	264,134			
Reserve for unexpired risks being 45% of the net premium income of the year	2,605,973	2,111,546			
Profit/(Loss) Transferred to Profit and Loss Account	3,720,112	201,659			
Total	11,268,803	9,286,359	Total	11,268,803	9,286,359

The accompanying notes form an integral part of this financial statement.

[Signature]
MANAGING DIRECTOR

[Signature]
DIRECTOR

[Signature]
DIRECTOR

[Signature]
CHAIRMAN

Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

[Signature]

Paramount Insurance Company Limited

Cash Flow Statement

For the year ended December 31, 2017

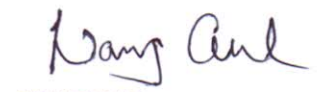
SL No.	Particulars	Notes	Amount in Taka	Amount in Taka
			31-12-2017	31-12-2016
01.00	<u>Cash Flows From Operating Activities</u>			
	Collection from Premium & Other Income		219,557,495	255,989,492
	Payment for Management Expenses, Commission, Income Tax Paid and Deducted		(171,709,232)	(158,712,259)
			(16,639,694)	(21,066,943)
	Net Cash Flows From Operating Activities		31,208,569	76,210,290
02.00	<u>Cash Flows From Investing Activities</u>			
	Purchase of Fixed Assets		(14,948,642)	(72,542,532)
	Disposal of Fixed Assets		1,002,599	22,304
	Net Cash Flows From Investing Activities		(13,946,043)	(72,520,228)
03.00	<u>Cash Flows from Financing Activities</u>			
	Increase of Share Capital		-	-
	Net Cash Flows from Financing Activities		-	-
	Net Cash in Flows (Outflows) (1+2+3)		17,262,526	3,690,062
	Cash and Bank Balance at Opening		289,762,670	286,072,608
	Cash and Bank Balance at Closing		307,025,196	289,762,670
	Net Operating Cash Flow Per Share (NOCFPS)	22.00	1.08	2.65

The accompanying notes form an integral part of this financial statement.


MANAGING DIRECTOR


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DIRECTOR


CHAIRMAN

Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

Paramount Insurance Company Limited
Statement Of Changes In Shareholder's Equity
For the year ended December 31, 2017

Particulars	Share Capital	Reserve for Exceptional Loss	Profit & Loss Appropriation Account	Total
Opening Balance as on 01-01-2017	266,338,080	81,643,612	27,024,964	375,006,656
Stock Dividend Paid (2016)	21,307,050	-	(21,307,050)	-
Cash Dividend Paid (2016)	5,326,762	-	(5,326,762)	(5,326,762)
Profit during the year	-	-	52,109,932	52,109,932
Reserve for Exceptional Losses	-	11,682,721	(11,682,721)	-
Provision for Income Tax	-	-	(15,618,296)	(15,618,296)
Provision for Deferred tax	-	-	4,549,957	4,549,957
Closing Balance as on 31-12-2017	287,645,130	93,326,333	29,750,024	410,721,487

Paramount Insurance Company Limited
Statement Of Changes In Shareholder's Equity
For the year ended December 31, 2016

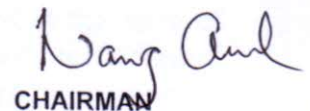
Particulars	Share Capital	Reserve for Exceptional Loss	Profit & Loss Appropriation Account	Total
Opening Balance as on 01-01-2016	242,125,530	76,643,612	27,874,885	346,644,027
Stock Dividend Paid (2015)	24,212,550	-	(24,212,550)	-
Profit during the year	-	-	44,227,636	44,227,636
Reserve for Exceptional Losses	-	5,000,000	(5,000,000)	-
Provision for Income Tax	-	-	(15,665,007)	(15,665,007)
Provision for Deferred tax	-	-	(200,000)	(200,000)
Closing Balance as on 31-12-2016	266,338,080	81,643,612	27,024,964	375,006,656

The accompanying notes form an integral part of this financial statement.


MANAGING DIRECTOR


DIRECTOR



DIRECTOR


CHAIRMAN

Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

PARAMOUNT INSURANCE COMPANY LIMITED
NOTES ON ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2017

GENERAL:

a) **SIGNIFICANT ACCOUNTING POLICES AND OTHER RELEVANT INFORMATION**

i) **Incorporation and Legal Form:**

The company is a Public Limited company formed under the companies Act, 1994 vide registration No-C-39003(961)/99 dated November 10, 1999 and is engaged in general insurance business as per Insurance Act, 2010.

ii) **Basis of Accounting:**

The financial statements have been prepared on a going concern basis under Bangladesh Accounting Standards on historical cost convention.

iii) **Basis of Presentation:**

The Balance sheet has been prepared in accordance with the regulations as contained in part-1 of the First Schedule and the Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in part-1 of the third schedule and as per Form 'F' set forth in part-II of Third schedule of the Insurance Act, 1938 as amended from time to time; which are applicable till promulgation of new Rules & Regulation under New Insurance Act 2010.

iv) **Premium Income:**

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of account of the company and while preparing the final statements of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting profit for the year.

v) **Interest on Statutory and other Investments:**

Interest earned on statutory investment lying with Bangladesh Bank in the form of BGTB'S as renewed has been accrued and accounted for. Accordingly accrued Tk. 8,99,904 has duly been credited to the profit and loss account of the company. Interests on other investments in the form of STD and FDR have been credited to profit & loss account.

vi) **Management Expenses:**

Management expenses as charged to Revenue Accounts, amounting to Tk.56,149,141 represents approximately 28.96% of Gross premium of Tk. 193,880,171 Management expenses have been apportioned @ 43.07% to Fire, 30.77% to Marine, 17.71% to Motor and 6.92% to Miscellaneous business based on premium income as per management decision. As per Insurance Act 2010 Section 63(2) the management expenses which incurred direct & indirect has been included as revenue expenditure in the accounts.



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An associate firm of D. N. Gupta & Associates

vii) **Surplus of Revenue Account & Provision for Unexpired Risks:**

Before arriving at the surplus of each class of business, necessary provisions for unexpired risks have been created at the rate of 45% on all business except on Marine Hull business on which 100% has been provided

viii) **Statement on Compliance with IAS, Statutes & Rules:**

The Institute of Chartered Accountants of Bangladesh (ICAB) has adopted to date the following International Accounting Standards (IASs) for Bangladesh as Bangladesh Accounting Standards (BAS's):

- IAS 1 Presentation of Financial statements
- IAS 2 Inventories
- IAS 7 Cash flow statements
- IAS 8 Net Profit or Loss for the Period, Fundamental errors and changes in Accounting Policies.
- IAS10 Events after the Balance Sheet date
- IAS11 Construction Contracts
- IAS 12 Income Taxes
- IAS 16 Property, Plant & Equipment
- IAS 17 Leases
- IAS 18 Revenue
- IAS 19 Employee Benefits
- IAS 20 Accounting for government grants
- IAS 21 The effects of changes in foreign exchange
- IAS 23 Borrowing Cost
- IAS 24 Related Party Disclosure
- IAS 25 Accounting for Investment
- IAS 26 Accounting and Reporting by Retirement Benefit Plans
- IAS 27 Consolidated Financial Statements and Accounting for Investments of Banks and similar Financial Institutions.
- IAS 28 Investments in Associates.
- IAS 29 Financial Reporting in Hyperinflationary Economics.
- IAS 31 Financial Reporting of Interests in Join Ventures.
- IAS 32 Financial Instruments: Presentation
- IAS 33 Earnings Per Share
- IAS 34 Interim Financial Reporting
- IAS 36 Impairments of Assets
- IAS 37 Provision for Contingents Liabilities and Contingents Assets
- IAS 38 Intangible Assets.
- IAS 39 Financial Instruments: Recognition and Measurement
- IAS 40 Investment Property

Of the IAS's referred above IAS 1, 7, 8, 10, 12, 16, 18, 24, 25, 33, and 37 are applicable for the accompanied Financial Statements and the remaining IAS's are not relevant for the financial statements at the moment. The company also follows the requirement of Bangladesh Financial Reporting Standard (BFRS) relevant to general insurance business.

ix) **Depreciation on Fixed Assets:**

Purchase date wise depreciation has been charged on addition of assets, irrespective of date when the related assets are put into use. Depreciation has been charged on diminishing balance method on the cost of individual assets at the following rates:



<u>Category of Assets</u>	<u>Rate of Depreciation</u>
Furniture & Fixture	10%
Telephone Installation	20%
Air Conditioner	20%
Office Decoration	10%
Office Equipment	20%
Sign Board	10%
Motor Vehicles	20%
Electrical Installation	20%
Computer	30%
Software Installation	20%

x) **Employees' Benefits (BAS- 19):**

As per decision of the Board of Directors of the company implementation of some of the employees benefit programs within a specific period. As such the following benefit programs have been implemented during the year 2012 and others are in process of finalization.

- Provident Fund; and
- Gratuity
- WPPF : If WPPF is mandatory for all Non life Insurance Companies for any reason, the company is ready to Comply with the matter.

xi) **Risk and Uncertainties:**

The preparation of financial statements in conformity with the Bangladesh Accounting Standards requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures at Balance Sheet date and of the revenues and expenses during the year.

b) **Operation:**

During the year, through the operation of 11 offices (including Head Office) the gross premium income earned by the company amount to Tk. 193,880,171 including public sector business of Tk. 48,877,896. After ceding for re-insurance premium the net premium for the year amounted to Tk. 116,827,212 and after charging direct expenses there of the net underwriting profit/(loss) stood at Tk. 35,974,557

c) **Public Sector Business:**

Public Sector Business for 4(four) quarters up to June 2017 has been accounted for on the basis of statement received from SBC.

d) **Income Tax:**

- Income Tax provision has been made on profit in the amount of Tk.15,618,296
- Income Tax Assessment for the year 2004-2005 (Accounting year ended 31-12-2003) is under reference case in the High Court. However, the assessments year 2005-2006 to 2011-2012 has been completed (Final settlement). The assessment year 2012-2013 , 2013-2014 & 2014-2015 is under Reference Case in the High-Court and assessment year 2015-2016 is under Tribunal and assessments year 2016-2017 & 2017-2018 is under process.



iii) In compliance to BAS-12 "Income Tax" the company has provided Tk.(4,549,957) for Deferred Taxation during the year.

e) **Deferred Tax :**

Provision for deferred tax is made as per BAS 12 " Income Taxes".

f) **Related Party Transactions (BAS-24):**

During the year 2017 the company carried out a few number of transactions with parties owned by the directors, which may be called the related parties, in the normal course of business and on an arms' length basis. The name of the related parties, the nature of transactions and transaction amount for the year ended December 31, 2017 have been stated below:

Sl. No.	Name of Related Parties	Nature of Transaction	Relationship	Transaction Amount (Taka)
01.	M/s. Foodex International	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	65,515
02.	M/s. Paramount Textile Ltd.	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	24,442,434
03.	M/S. Sunrise Chemicals Ind.	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	11,262
04.	M/S. Foreign Food	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	4,077
05.	M/S. Sarban International	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	177,089
06.	M/S. Fine Food Traders	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	114,479
07.	M/S. Paramount Agro Ltd.	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	14,243
08.	M/S. Meghna Bank Ltd.	Insurance Premium	Business owned by the Director of Paramount Insurance Co. Ltd.	68,286

g) **Key Management Personnel Compensation:**

In compliance with the requirement of schedule XI. Para-4 of company act 1994 and para 17 of BAS 24 following has been disclosed.

*No remuneration, board meeting attendance fees is proved to any of the directors of the company except Managing Director.

*As per management decision, the following amount has been paid for the period ended from 1st January to December 31, 2017



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Name	Designation	Short term benefits		Post employment benefit (Provident fund)	Other long term benefit	Termination benefit	Share based benefit
		Remuneration / Salary (Taka)	Bonus				
Mr. Khawja Manzer Nadeem (01/01/2017-28/02/2017)	CEO & MD	3,25,000	-	N/A	N/A	N/A	N/A
Md. Sajjad Yahya (01/03/2017-31/05/2017)	CEO & MD(CC)	4,95,000	13,000	N/A	N/A	N/A	N/A
Mr. Bayazid Muztaba Siddiqui (01/06/2017-31/12/2017)	CEO & MD	10,50,000	2,10,000	N/A	N/A	N/A	N/A
Mr. Mohammad Arif Hossain	CFO	6,60,000	57,750	10% of Basic Salary	N/A	N/A	N/A
Mrs. Zharna Parul	CS	4,42,200	38,850	10% of Basic Salary	N/A	N/A	N/A

h) **Reserve for Exceptional Loss:**

As per the provision of Paragraph 6 (2) of the 4th schedule of Income Tax Ordinance 1984 the company is entitled to make provision under Reserve for Exceptional Loss up to 10% of premium income. However, the management has decided to make Tk.11,682,721 reserves for the year 2017. The balance to the account of December 31,2017 stands at Tk. 93,326,333

i) **Others:**

Figures have been rounded off to the nearest Taka.



1.00 Investment-Government Treasury Bond :

Tk. 25,000,000

This represents statutory deposit in 5 years Bangladesh Govt. Treasury Bond (BGTB) as per requirement of the Insurance Act 2010, the make-up whereof is as under:

Particulars	Amount In	Amount In
	Taka	Taka
	31-12-2017	31-12-2016
7.09% 5 years BGTB (Purchased in 2017)	9,000,000	9,000,000
11.82% 5 years BGTB (Purchased in 2013)	16,000,000	16,000,000
Total	25,000,000	25,000,000

2.00 Investment in Shares & Securities :

Tk. 7,109,487

This represent the cost price of investment in share of Public Limited Companies, the make-up whereof is as follows:

SL No.	Particulars Name of the Company	2017						2016
		Balance of Shares	Cost price per share	Total Cost	Market Price Per share as on 31-12-2017	Total Market Price as on	Investment Fluctuation	Total Market Price
01	Lafarge Surma Cement	-	-	-	-	-	-	32,019
02	Aamra Tech	39,700	38.86	1,542,820	33.30	1,322,010	(220,810)	-
03	AFC Agro	12,000	45.81	549,735	45.00	540,000	(9,735)	-
04	Apex Tanary	1,375	154.77	212,809	148.60	204,325	(8,484)	-
05	MJLBD	5,541	123.08	681,972	109.10	604,523	(77,449)	-
06	Regent Tex	1,601	28.21	45,170	20.70	33,141	(12,029)	-
07	Prime Bank	75,400	27.66	2,085,562	27.40	2,065,960	(19,602)	-
08	PTL	42,410	42.59	1,806,104	43.90	1,861,799	55,695	-
09	Atlas BD.	-	-	-	-	-	-	5,689
10	KEYA COSMETIC	-	-	-	-	-	-	33,888
11	Exel Shoe	16,700	64.56	1,078,171	27.00	450,900	(627,271)	450,900
12	FINE FOODS	-	-	-	-	-	-	2,557
14	Sandhani Life Insurance	102	70.83	7,224	31.50	3,213	(4,011)	2,848
15	USMANIA GLASS	-	-	-	-	-	-	86
16	Lanka Bangla Finance	-	-	-	-	-	-	21,750
17	United Airways	-	-	-	-	-	-	932
18	EHL	480	58.76	28,203	49.20	23,616	(4,587)	27,027
19	ICB	-	-	-	-	-	-	1,621,840
20	BGIC	-	-	-	-	-	-	1,920
21	SIBL	-	-	-	-	-	-	19,320
22	ILFSL	-	-	-	-	-	-	600,405
23	NCC BANK	-	-	-	-	-	-	55,440
24	Agni System Ltd.	-	-	-	-	-	-	152,068
	Total			8,037,769		7,109,487	(928,282)	3,028,689

2.01 Fluctuation Reserve/ Fair Value:

Tk. 1,328,287

The make-up of this sum as follows:

Particulars	Amount In	Amount In
	Taka	Taka
	31-12-2017	31-12-2016
Fair (Market) Value of share as on 31/12/17	7,109,487	3,130,688
Less: Cost Price of Share as on 31/12/17	8,037,769	5,387,257
Fair Value Reserve at 31/12/17	(928,282)	(2,256,569)
Less: Fair Value Reserve at 01/01/17	(2,256,569)	(1,841,515)
Fluctuation Reserve/ Fair Value	1,328,287	(415,054)

As per BFRS -9, Paragraph-4.1.1 and 4.1.5 Investment in Shares & Securities has been presented at Fair Value basis in the year of 2017.



3.00 Interest, Dividend and Rent Outstanding: Tk. 11,674,438

This represents the sum of accrued interest on investment in BGTB (Note-1) and in FDR (Note-6) the break-up whereof is:

Particulars	Amount In Taka	Amount In Taka
	31-12-2017	31-12-2016
Bangladesh Govt. Treasury Bond (BGTB)	899,904	924,250
Fixed Deposit Receipt (FDR)	10,774,534	9,783,701
Total	11,674,438	10,707,951

4.00 Amount due from other persons or bodies carrying on insurance business: Tk. 67,911,270

This represents the dues receivable from Shadharan Bima Corporation (SBC), the movement whereof is as follows:

Particulars	Amount In Taka	Amount In Taka
	31-12-2017	31-12-2016
Opening Balance	57,348,410	47,677,764
Add: Public Sector Business (PSB) - Net on 3 rd & 4 th Qtrs of 2016 and 1 st & 2 nd Qtrs (Upto June) of 2017	9,854,346	9,201,615
Sub-Total	67,202,756	56,879,379
Add: Net Receivable on Re-Insurance (RI) Misc. Accepted	708,514	469,031
Total	67,911,270	57,348,410

5.00 Sundry Debtors: Tk. 103,250,404

The balance is make up of as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Advance against Office Rent	1,127,408	546,600
Advance against Salary	3,282,220	2,790,220
Security Deposits	1,111,320	911,320
LRK Securities Ltd.	2,368	132
IDCL Securities Ltd.	8,193,896	-
Advance against Insurance Claim	12,331,029	7,831,029
Bill Receivable (Premium)	976,138	-
Advance against Income Tax 5.01	76,226,025	59,586,331
Total	103,250,404	71,665,632

Marine Policy issued under open cover note in favour of Paramount Textile Limited against Bank Guarantee.

5.01 Advance against Income Tax : Tk. 76,226,025

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Opening Balance	59,586,331	38,519,388
Add: Addition		
Tax Assessment Year 2014-15	710,000	315,299
Tax Assessment Year 2015-16	409,659	-
Tax Assessment Year 2016-17	-	12,625,858
Tax Assessment Year 2017-18	7,539,220	8,125,786
Tax Assessment Year 2018-19	7,980,815	-
Total	76,226,025	59,586,331



6.00 Fixed Deposit with Banks :

Tk. 284,282,087

The Bankwise deposit in respect of the Fixed Deposit Receipt (FDR) balance is as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Name of the Bank:		
Islami Bank (BD) Ltd	11,500,000	9,500,000
Sonali Bank Ltd.	2,500,000	6,000,000
IFIC Bank Ltd	7,100,000	5,100,000
Uttara Bank Ltd.	1,000,000	1,000,000
Agrani Bank Ltd.	2,500,000	2,500,000
Al-Arafa Islami Bank Ltd.	48,082,087	34,450,000
The City Bank Ltd	3,500,000	2,500,000
Eastern Bank Ltd.	1,700,000	500,000
Janata Bank Ltd.	2,000,000	3,000,000
Prime Bank Ltd	9,000,000	9,000,000
National Bank Ltd.	3,200,000	2,000,000
AB Bank Ltd.	4,000,000	3,500,000
Basic Bank Ltd.	1,000,000	1,000,000
Bangladesh Krishi Bank	1,000,000	1,000,000
Dhaka Bank Ltd.	3,000,000	4,000,000
Dutch Bangla Bank Ltd.	1,000,000	1,000,000
National Credit & Commerce Bank Ltd.	3,000,000	5,000,000
Bangladesh Development Bank	3,000,000	3,000,000
Bangladesh Commerce Bank	2,000,000	-
BRAC Bank Ltd.	1,000,000	-
IDLC Finance Ltd.	5,000,000	-
Rajshahi Krishi Unnayan Bank Ltd.	3,200,000	-
Pubali Bank Ltd.	3,500,000	4,500,000
Rupali Bank Ltd.	2,000,000	2,000,000
Mercantile Bank Ltd.	19,500,000	6,000,000
United Commercial Bank Ltd.	1,500,000	1,500,000
First Security Bank Ltd.	4,000,000	3,000,000
One Bank Ltd.	4,000,000	8,000,000
Social Islami Bank Ltd.	28,500,000	37,000,000
Southeast Bank Ltd.	8,600,000	14,600,000
State Bank Of India	-	1,000,000
Shahjalal Bank Ltd.	3,700,000	4,500,000
Premier Bank Ltd.	10,000,000	7,000,000
Jamuna Bank Ltd.	10,500,000	2,500,000
Trust Bank Ltd.	-	1,000,000
Mutual Trust Bank Ltd.	2,000,000	14,000,000
EXIM Bank Ltd.	12,500,000	12,500,000
Bank Asia Ltd.	1,000,000	5,000,000
Standard Bank Ltd.	3,200,000	7,000,000
National Bank of Pakistan Ltd.	-	1,000,000
Meghna Bank Ltd.	12,000,000	12,000,000
Midland Bank Ltd.	1,000,000	3,000,000
NRB Bank Ltd.	2,000,000	2,000,000
SouthBanglaAgricultural &Com. Bank Ltd	21,800,000	21,800,000
Lanka Bangla Finance	2,000,000	1,000,000
Midas Finance Ltd.	2,000,000	2,000,000
NRB Commercial Bank Ltd.	2,200,000	1,000,000
NRB Global Bank Ltd.	7,500,000	7,500,000
Total	284,282,087	276,450,000



7.00 Cash at Bank:

Tk. 22,630,201

The make-up of the sum is as follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
STD Account (Under 43 Account of 43 different Bank)	19,747,181	13,035,979
Current Account (Under 7 Account of 7 different Bank)	2,883,020	146,513
Total	22,630,201	13,182,492

8.00 Cash in Hand:

Tk. 112,908

The make-up of the sum is as follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Head Office	63,901	919
Gulshan Branch	13,659	9,613
Motijheel Branch	5,403	10,320
Kawran Bazar Branch	10,419	9,844
Agrabad Branch	4,645	18,785
Khulna Branch	1,305	49,656
Rangpur Branch	2,613	25,866
Bogra Branch	4,769	3,810
Jessore Branch	2,773	1,366
Naogaon Branch	1,400	-
Kushtia Branch	2,021	-
Total	112,908	130,178

9.00 Fixed Assets:

Tk. 87,458,584

This represents the written down value of Fixed Assets, the make up whereof is as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Cost	114,958,535	110,321,382
Less: Accumulated depreciation	(27,499,951)	(32,867,669)
Total	87,458,584	77,453,713

The details hereof are stated in Annexure-1

10.00 Share Capital:

10.01 Authorized Capital: Tk. 600,000,000

This represents the sum on account of 6,000,000 ordinary share of Taka 10 each. The Authorized Capital of the Company has been increased from Tk. 30 crores to Tk. 60 crores during the year 2011, as approved by its shareholders in the Extraordinary General Meeting held on November 24, 2011. Necessary approval from the Insurance Development & Regulatory Authority (IDRA) was obtained vide their letter No. IDRA/NLI/2158/2011-929 dated November 17, 2011.

10.02 Issued Subscribed and Paid up Capital:

Tk. 287,645,130

This represents the sum against 28,764,513 ordinary shares of Tk. 10 each, the relevant particulars whereof are as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Opening Balance	266,338,080	242,125,530
Add: Stock Dividend 8% (2016)	21,307,050	24,212,550
Paid- Up Capital	287,645,130	266,338,080



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Composition Of Share Holding:

SHAREHOLDING STRUCTURE	2017		2016		
Sponsors	10.02 (a)	12,198,193	42.41%	11,294,628	42.41%
Public	10.02 (b)	16,566,320	57.59%	15,339,180	57.59%
Total		28,764,513	100%	26,633,808	100%

10.02(a) Shareholders (Sponsors):

Class of Interval	2017				2016	
	No. of Shares	No. of Share	Total Holdings %	% of Total Paid up	Total Paid up Capital	% of Total Paid up
100,001-500,000	479,406	1	3.93%	1.67%	443,895	1.67%
500,001-1000,000	2,705,923	4	22.18%	9.41%	2,505,485	9.41%
1000,001-1500,000	1,342,340	1	11.00%	4.67%	1,242,908	4.67%
1500,001-2,000,000	7,670,524	4	62.88%	26.67%	7,102,340	26.67%
2,000,001-2,500,000	-	-	-	-	-	0.00%
Total	12,198,193	10	100%	42.41%	11,294,628	42.41%

10.02 (b) Public:

Financial & Other Institutions (including ICB)
General Public
Total

	5,817,443	35.12%
	10,748,877	64.88%
Total	16,566,320	100%

10.02(b) Shareholders (Public):

(i)

Class Interval	2017				2016	
	No. of Shares	No. of Share	Total Holdings	% of Total Paid up	Total Paid up Capital	% of Total Paid up
01-500	147,602	1122	0.89%	0.51%	170,646	0.64%
501-5000	2,047,697	1229	12.36%	7.12%	2,237,950	8.40%
5001-10000	1,130,574	159	6.82%	3.93%	984,430	3.70%
10001-15000	452,412	36	2.73%	1.57%	437,595	1.64%
15001-20000	298,866	17	1.80%	1.04%	344,627	1.29%
20001-25000	202,047	9	1.22%	0.70%	322,965	1.21%
25001-30000	249,377	9	1.51%	0.87%	227,281	0.85%
30001-40000	691,292	20	4.17%	2.40%	485,953	1.82%
40001-50000	378,724	8	2.29%	1.32%	264,713	0.99%
50001-60000	269,215	5	1.63%	0.94%	394,620	1.48%
60001-70000	128,009	2	0.77%	0.45%	127,653	0.48%
70001-80000	-	0	0.00%	0.00%	151,000	0.57%
80001-90000	525,723	6	3.17%	1.83%	172,860	0.65%
90001-100000	100,000	1	0.60%	0.35%	100,000	0.38%
100001-120000	115,000	1	0.69%	0.40%	550,884	2.07%
120001-200000	374,000	2	2.26%	1.30%	623,273	2.34%
200001-400000	1,972,827	6	11.91%	6.86%	2,731,059	10.25%
400001-800000	1,716,580	3	10.36%	5.97%	941,090	3.53%
800001-2000000	5,766,375	3	34.81%	20.05%	4,070,581	15.28%
Total:	16,566,320	2638	100%	57.60%	15,339,180	57.59%

11.00 Reserve for Exceptional Losses:

Tk. 93,326,333

This represents the sum of reserve created in each year, at currently the reserve is kept 10% of respective yearly Premium Income as per provision of the Insurance Act, the movement of the sum is as under:

Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
Opening Balance		81,643,612	76,643,612
Add: Provision made during the year	11.01	11,682,721	5,000,000
Total		93,326,333	81,643,612



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11.01 Reserve for Exceptional Losses:

Tk. 11,682,721

Reserve for Exceptional Losses on Net Premium	Net Premium	%	At 10 % of Net Premium
			Amount in Taka 31-12-2017
Fire Insurance Business	41,092,905	10%	4,109,291
Marin Insurance Business	41,673,664	10%	4,167,366
Motor Insurance Business	28,269,591	10%	2,826,959
Miscellaneous Insurance Business	5,791,051	10%	579,105
Total	116,827,212		11,682,721

Provision for Exceptional Loss is made on lump-sum basis up to the year of 2016.

12.00 Reserve for Gratuity:

Tk. 3,367,218

This represents the aggregate sum of reserve, made Tk 200,000 as lump sum amount for this year 2016 as decided by the Company's Board of Directors with intention to utilize the fund at the time of employees retirement. The movement of the sum is as follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Opening Balance	3,209,473	4,500,000
Add: For this year	200,000	200,000
	3,409,473	4,700,000
Less: Adjusted (Paid during this year)	42,255	1,490,527
Total	3,367,218	3,209,473

13.00 Premium Deposit:

Tk. 7,723,164

The amount represents the adjusted balance of premium received against Marine Cargo Cover Notes for which policies have not been issued within December 31, 2017. The makeup of the sum is follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Opening Balance	658,687	1,835,307
Add: Premium underwritten	151,680,188	125,695,849
	152,338,875	127,531,156
Less: Refund & Cancelled	728,657	757,249
	151,610,217	126,773,907
Less: Converted into Policy	143,887,053	126,115,220
Total	7,723,164	658,687

14.00 Estimated Liabilities in respect of outstanding claims whether due or intimated:

Tk. 4,612,731

This represents the dues payable to Shadharan Bima Corporation (SBC) and movement whereof is as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Fire Insurance Account	1,088,542	1,225,273
Marine Insurance Account	2,211,638	687,341
Motor Insurance Account	1,192,551	610,000
Miscellaneous Insurance Account	120,000	-
Total	4,612,731	2,522,614

15.00 Amount due to other persons or bodies carrying on Insurance Business:

Tk. 55,030,801

This represents payable to Shadharan Bima Corporation (SBC) and movement whereof is as under:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Opening Balance	49,244,635	35,810,170
Add: Ceded Premium on Business (Net)	10,530,552	20,253,669
	59,775,187	56,063,839
Less: Paid to SBC during the year	4,744,386	6,819,204
Total	55,030,801	49,244,635



16.00 Provision for Income Tax:

Tk. 67,381,177

The movement of the sum is as under:

Particulars		Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
Provision for Income Tax (Previous)		51,762,881	36,097,874
Add: Provision for this year	16.01	15,618,296	15,665,007
Total		67,381,177	51,762,881

The details of the sum are as under:

The makeup of the sum is as follows:

Accounting Year	Tax Assessment Year	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
2014	2015-2016	17,675,645	17,675,645
2015	2016-2017	18,422,229	18,422,229
2016	2017-2018	15,665,007	15,665,007
2017	2018-2019	15,618,296	-
Total		67,381,177	51,762,881

16.01 Computation of current year tax provision:

Tk. 15,618,296

Particulars	Taxable Income	Rate of Percentage	Tax Provision
Income from business or profession	19,118,737	40%	7,647,495
Interest income from FDR & STD Accounts	19,276,657	40%	7,710,663
Investment Income (profit on Sale of share)	947,543	10%	94,754
Capital Gain (profit on Sale of Car)	929,401	15%	139,410
Dividend Income	129,872	20%	25,974
Total	40,402,211		15,618,296

Taxable Income:

Particulars	Notes No.	Taxable Income	Exempted (Exceptional)	Taxable Income
Income from business or profession	16.02	30,801,458	11,682,721	19,118,737
Interest income from FDR & STD Accounts		19,276,657		19,276,657
Investment Income (profit on Sale of share)		947,543		947,543
Capital Gain (profit on Sale of Car)		929,401		929,401
Dividend Income		154,872	25,000	129,872
Total		52,109,932	11,707,721	40,402,211

16.02 Income from Business or profession:

Tk. 30,801,458

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Gross Profit	52,109,932	44,227,636
Less: Interest income from FDR & STD Accounts	19,276,657	22,423,468
Less: Investment Income (profit on Sale of Share)	947,543	(581)
Less: Capital Gain (profit on Sale of Car)	929,401	97,696
Less: Dividend Income	154,872	8,120
Total	30,801,458	21,698,933

17.00 Provision for Deferred Tax:

Tk. 753,299

The balance is make up is as follows:

Particulars		Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
Opening Balance		5,303,256	5,103,256
Add: Deferred Tax Expenses/ (Benefit)	17.01	(4,549,957)	200,000
Total		753,299	5,303,256



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17.01 Computation of current Deferred Tax provision: Tk. (4,549,957)

Particulars	Amount in Taka
	31-12-2017
Accounting base written down Value	23,455,237
Tax base written down Value	21,522,100
Taxable temporary difference	1,933,137
Provident fund payable	49,890
Provision for incentive bonus	-
Deductible temporary difference	49,890
Total taxable/(deductible) temporary difference	1,883,247
Tax Rate @ 40%	40%
Deferred tax liabilities/(assets) as on current year	753,299
Less: Deferred tax liabilities/(assets) as on previous year	5,303,256
Deferred tax expenses/(income) for the current year	(4,549,957)

Provision for Deferred Tax is made on lump-sum basis up to the year of 2016.

18.00 Sundry Creditors: Tk. 8,021,956

The makeup of this sum as follows:

Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
Stamp Duty		1,907,569	99,903
Bills Payable	18.01	5,983,288	3,186,173
AIT Agency Commission		107,730	154,593
Income Tax deducted on survey fee		4,578	31,431
Income Tax deducted on Salary		-	87,060
Income Tax deducted on Suppliers		3,978	5,735
Vat deducted on survey fee		14,399	40,806
Income Tax deducted on Motor Garrege		414	-
Total		8,021,956	3,605,701

18.01 Bills Payable: Tk. 5,983,288

The makeup of this sum is follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Salaries & Allowances	2,851,956	475,150
VAT Collected on premium	717,454	612,918
Audit Fee (Including special audit for 10 years from 2008)	665,000	595,000
Provident Fund deducted from salary	49,890	288,876
Car Fuel Cost	-	14,229
Insurance Stamp	800,000	1,200,000
Agency Commission	898,988	-
Total	5,983,288	3,186,173

19.00 Net Assets Value per Shares (NAV): Tk. 14.28

Last year Net Assets Value Per Share has been adjusted.

Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
a) Total Shareholders Equity		410,721,487	375,006,657
b) Number of ordinary shares		28,764,513	28,764,513
Net Assets Value per Shares (NAV) (a/b)		14.28	13.04

Net Asset Value Per Share (NAV) has been disclosed as per the Securities and Exchange Commission's Notification No. SEC/ CMRRCO/ 2009-193/ Admin/03-31, dated June 01, 2009.



20.00 REVENUE ACCOUNTS :

The Summarized position of Net Underwriting Profit earned during the year 2017 is as follows.

PARTICULARS	FIRE	MARINE	MOTOR	MISCELL-ANEANEOUS	TOTAL
A. Gross Premium (Including PSB Business)	70,470,322	69,311,709	28,376,741	25,721,399	193,880,171
B. Re-Insurance Premium Ceded	29,377,417	27,638,045	107,150	19,930,348	77,052,959
C. Net Premium (A-B)	41,092,905	41,673,664	28,269,591	5,791,051	116,827,212
DIRECT EXPENSES:					
D. Commission (Net)	(155,215)	174,369	3,536,341	(2,365,776)	1,189,719
E. Claim Settled and Provided (Net)	5,970,798	2,871,376	5,958,582	60,723	14,861,480
F. Management Expenses (including service charge & stamp expenses)	24,378,657	18,619,388	9,669,804	3,881,565	56,549,414
G.Total Direct Expenses (D+E+F)	30,194,240	21,665,133	19,164,727	1,576,512	72,600,613
H. Adjusted Fund Balance for unexpired risk (Opening balance less closing balance)	(2,389,141)	(1,917,382)	(3,451,092)	(494,427)	(8,252,042)
Net Underwriting Profit (C-G+H)	8,509,524	18,091,149	5,653,772	3,720,112	35,974,557
COMMISSION (NET):					
Commission Paid on Direct Business	7,859,029	5,782,597	3,547,470	610,102	17,799,198
Commission Paid on Re-insurance Accepted	-	-	-	390,328	390,328
Less: Commission earned or Re-Insurance Ceded	8,014,244	5,608,228	11,129	3,366,206	16,999,807
Net Commission	(155,215)	174,369	3,536,341	(2,365,776)	1,189,719
CLAIMS SETTLED (NET):					
Gross Claim	19,632,966	18,725,214	5,376,031	59,229	43,793,440
Less: Re-Insurance Claim Recovery	13,525,437	17,378,135	-	118,506	31,022,077
Paid during the year	6,107,529	1,347,079	5,376,031	(59,277)	12,771,363
Add: Outstanding claim at the end of the year whether due or intimated	1,088,542	2,211,638	1,192,551	120,000	4,612,731
	7,196,071	3,558,717	6,568,582	60,723	17,384,094
Less: Outstanding claim at the end of the previous year	1,225,273	687,341	610,000	-	2,522,614
Claim Settled and Provided (Net)	5,970,798	2,871,376	5,958,582	60,723	14,861,480

Net Profit for the year and its Appropriation :

Underwriting Profit as per Revenue Accounts	35,974,557
Interest Income	19,276,657
Investment & Other Income	2,031,816
	57,283,030
Less: Expenses of Management (Not applicable to any Fund or Account)	5,173,099
Gross Profit	52,109,931
Less: Reserve for Exceptional Losses:	11,682,721
	40,427,210
Less: Income Tax Expenses	15,618,296
	24,808,914
Less: Deffered Tax Expenses/ (Benefit)	(4,549,957)
	29,358,871
Add: Surplus Brought Forward	27,024,964
	56,383,836
Less Stock Dividend Paid (2016)	21,307,050
	35,076,785
Less: Cash Dividend Paid (2016)	5,326,762
Surplus Carried forward	29,750,024



21.00 Earning Per Share (EPS)

Tk. 1.43

This has been calculated by dividing basic earning of the company by the number of ordinary shares outstanding at the end of the year. Basic earning represent the earnings attributable to the ordinary shareholders. Last year's earnings per share has been adjusted. The calculation of EPS is stated below:

The earning per share of the company is as follows:

Particulars	Notes	Amount in Taka	Amount in Taka
		31-12-2017	31-12-2016
Net Profit after Tax	21.01	41,041,593	28,362,629
Number of Shares		28,764,513	28,764,513
Earning per Shares (EPS)		1.43	0.99

21.01 Net Profit After Tax:

Tk. 41,041,593

The makeup of this sum is follows:

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
Net Profit /(Loss) Before Tax	52,109,932	44,227,636
Less: Income Tax Expenses	15,618,296	15,665,007
Less: Deferred Tax Expenses/ (Benefit)	(4,549,957)	200,000
Net Profit /(Loss) After Tax	41,041,593	28,362,629

22.00 Net Operating Cash Flow Per Shares (NOCFPS) :

Tk. 1.08

Last year Net Operating Cash Flow Per Share has been adjusted.

Particulars	Amount in Taka	Amount in Taka
	31-12-2017	31-12-2016
a) Net Cash Flows From Operating Activities	31,208,569	76,210,290
b) Number of ordinary shares	28,764,513	28,764,513
Net Operating Cash Flow Per Shares (NOCFPS) (a/b):	1.08	2.65

Net Operating Cash Flow Per Shares (NOCFPS) has been disclosed as per the Securities and Exchange Commission's Notification No. SEC/ CMRRCO/ 2009-193/ Admin/03-31, dated June 01,2009.

23.00

During the year 2017 the company had 10 members to the Board of Directors and there held 14 board meetings. Board of Directors of the company has formed other committees and sub-committees like Executive committee, Claims Committee and Audit Committee. Meeting of these committees were also held during the year.

24.00 Employees:

Out of the total of 191 employees engaged during the year 2017, No employee have received salary below Tk. 5,000 per month and 191 employees received more than Tk. 5,000 per month.

25.00 Post Balance Sheet Event:

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

a) The Board of Directors in its meeting held on 25 April 2018 has recommended 10% Stock Dividend for the year 2017 out of the surplus for approval of the shareholders in the ensuing annual general meeting.



RFJ

Paramount Insurance Company Ltd.

Assets Schedule

As at 31 December, 2017

ANNEXURE-1

Sl. No.	Particulars	Cost			Rate of Dep.	Depreciation			Written Down Value		
		As on 01-01-2017	Sale Adjustment	Addition during the year		Total as on 31-12-2017	As on 01-01-2017	Adjustment	Charged during the year	Total as on 31-12-2017	As on 31-12-2017
1	Motor Vehicles	24,949,736	10,311,489	10,696,960	20%	16,472,837	9,308,890	2,728,896	9,892,843	15,442,364	8,476,899
2	Furniture & Fixtures	10,034,336	-	343,361	10%	7,540,557	-	275,849	7,816,406	2,561,291	2,493,779
3	Office equipments	696,271	-	235,233	20%	584,935	-	56,452	641,387	290,117	111,336
4	Office Decoration	2,876,768	-	257,456	10%	1,973,243	-	103,539	2,076,782	1,057,442	903,525
5	Telephone Installation	2,056,669	-	9,375	20%	1,893,533	-	33,949	1,927,482	138,562	163,136
6	Electrical Installation	663,594	-	185,148	20%	541,767	-	45,661	587,428	261,314	121,827
7	Sign Board	123,655	-	32,445	10%	86,173	-	6,655	92,828	63,272	37,482
8	Air Conditioner	1,739,851	-	290,031	20%	1,606,381	-	58,118	1,664,499	365,383	133,470
9	Computer	3,033,995	-	440,583	30%	2,102,723	-	369,012	2,471,735	1,002,843	931,272
10	Software Installation	153,160	-	2,448,050	20%	65,520	-	263,041	328,561	2,272,649	87,640
	Sub Total	46,328,035	10,311,489	14,938,642	-	32,867,669	9,308,890	3,941,172	27,499,951	23,455,237	13,460,366
11	Land Purchase	63,993,347	-	10,000	-	-	-	-	-	64,003,347	63,993,347
	Total:	110,321,382	10,311,489	14,948,642	-	32,867,669	9,308,890	3,941,172	27,499,951	87,458,584	77,453,713

Notes: Depreciation has been charged on diminishing balance method on individual asset.




Paramount Insurance Company Limited
FORM-AA
Classified Summary Of Assets at 31 December ,2017

Class of Assets	Book Value	Remarks
Investment:		
Government Security Bond (BGTB) (Deposit with Bangladesh Bank 5 years BGTB @ 7.09% for Tk.9,000,000/= and @ 11.82% for Tk.16,000,000/= Interest)	25,000,000	Not Quoted in Market
Investment in Shares	7,109,487	At Cost
Amount due from other persons or bodies carrying on insurance business	67,911,270	Book Value
Cash and Bank balance:	307,025,196	Realizable Value
Interest accrued but not due	11,674,438	Realizable Value
Sundry debtors (advance, deposits and prepayments)	103,250,404	Book Value
Stock of Printing and Stationery	752,656	At cost
Fixed Assets (at cost less depreciation)	87,458,584	Depreciated Value
Stamp in hand	116,004	At Actual
Total	610,298,039	

The accompanying notes form an integral part of this financial statement.


MANAGING DIRECTOR


ANITA DAS
DIRECTOR



ANITA DAS
DIRECTOR


CHAIRMAN

Subject to our separate report of even date.

Place: Dhaka
Dated: May 3, 2018




SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

PARAMOUNT INSURANCE COMPANY LIMITED

FORM - XL

Statement Showing Details of Re-Insurance Ceded and Accepted of Paramount Insurance Co. Ltd.

For the year ended 31 December 2017

Class of Business	PREMIUM			NET	COMMISSION			CLAIM				
	Received on Direct Business	Re-Insurance Accepted	Paid on Re-Insurance Ceded		Paid on Direct Business	Re-Insurance Accepted	Received on Re-Insurance Ceded	NET	Paid on Direct Business	Re-Insurance Accepted	Received on Re-Insurance Ceded	NET
FIRE	70,470,322	-	29,377,417	41,092,905	7,859,029	-	8,014,244	(155,215)	19,632,966	-	13,525,437	6,107,529
MARINE CARGO	63,811,485	-	22,345,020	41,466,465	5,782,597	-	5,317,112	465,485	8,022,845	-	6,749,447	1,273,398
MARINE HULL	5,500,224	-	5,293,025	207,199	-	-	291,116	(291,116)	10,702,369	-	10,628,687	73,681
MOTOR	28,376,741	-	107,150	28,269,591	3,547,470	-	11,129	3,536,341	5,376,031	-	-	5,376,031
MISC. OTHER THAN MOTOR	24,606,177	1,115,222	19,930,348	5,791,051	610,102	390,328	3,366,206	(2,365,776)	42,849	16,380	118,506	(59,277)
Total	192,764,949	1,115,222	77,052,959	116,827,212	17,799,198	390,328	16,999,807	1,189,719	43,777,060	16,380	31,022,077	12,771,363



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