

“পুঁজি বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk-taking ability before making their investment decisions.”

“পুঁজি বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগকারীগণ প্রোসপেক্টাস পড়ে এবং ঝুঁকির বিষয় গুলি সতর্কতার সাথে অনুধাবন করে নিজ নিজ আর্থিক অবস্থা ও ঝুঁকি গ্রহণ করার সক্ষমতা বিবেচনা করে বিনিয়োগ সিদ্ধান্ত গ্রহণ করবেন।”

Public offer of 16,000,000 Ordinary shares

Issue date of the Prospectus: 27th November 2023

Offer price Tk. 10.00 each (at par), Total size of fund to be raised Tk. 160,000,000

Opening and closing date of subscription

Opening date of subscription:	21 st December 2023
Closing date of subscription:	28 th December 2023

PROSPECTUS

Name of the Issuer



Sikder Insurance Company Limited

Manager to the Issue



Sonar Bangla Capital Management Limited

Credit Rating Status	
Long Term: A+	Short Term: ST-2
Credit Rating Company:	ARGUS CREDIT RATING SERVICES LTD. (ACRSL)

(a) Preliminary Information and Declarations:

(i) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the Issuer, Issue Manager(s), underwriter(s), auditors, credit rating company and valuer, where applicable;

Name & Address	Contact Person	Telephone, Fax, Email & Web address
Issuer		
Sikder Insurance Company Limited 295-Ja-14, Rayer Bazar, Monica Estate, PO: 1209, Hazaribagh, Dhaka.	SK. Abdur Rafique CEO	Tel: +8802223371513-16 Fax: +8802223371517 Email: info@sikderinsurance.com Web: www.sikderinsurance.com
Issue Manager		
Sonar Bangla Capital Management Limited Paramount Heights (8 th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000	Md. Neamul Aziz Khan Managing Director & CEO (CC)	Tel: +88-02-9511799 Fax: +88-02-9515447 Email: sbcmgtltd@gmail.com Web: www.sbcmld.com
Underwriters		
Sonar Bangla Capital Management Limited Paramount Heights (8 th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000	Md. Neamul Aziz Khan Managing Director & CEO (CC)	Tel: +88-02-9511799 Fax: +88-02-9515447 Email: sbcmgtltd@gmail.com Web: www.sbcmld.com
Auditor		
G. Kibria & Co. Sadharan Bima Sadan (5th Floor), 24-25, Dilkusha C/A, Dhaka-1000, Bangladesh	Md. Showket Akber - FCA	Tel: +8802-223 355 324, 02-223 390 717, 02-223 388 071 Fax: +8802-9553630 Email: gkibria@gkibriaandco.com Web: www.gkibriaandco.com/
Credit Rating Company		
ARGUS CREDIT RATING SERVICES LTD. (ACRSL) Motijheel Office: Level 13, BDBL Bhaban, 8 Rajuk Avenue, Dhaka-1000	Mr. Hasan Taher Imam, PhD MD & CEO	Tel: + 88 02 9871023 +88-02-47118859 Email: syfullahmiah@gmail.com Web: www.acrslbd.com/

(ii) A person interested to get a prospectus may obtain from the Issuer, and the Issue Manager(s);

(iii) “If you have any query about this document, you may consult the Issuer, Issue Manager and underwriter”;

(iv) “CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE OR OFFER OF THE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER’S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY).”

(v) "This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the securities is Tk. 10.00 (ten) and the issue price is Tk 10.00 (ten), i.e. the face value. The issue price has been determined and justified by the Issuer and the Issue Manager or bidding by the eligible investors as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi)"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors' are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) "from 146 to 151".

(vii) "The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the Issuer and the issue, that the information contained in the red-herring prospectus or prospectus or information memorandum are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

(b) Availability of Prospectus:

(i) Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus and abridged version of prospectus are available in hard and soft forms;

Name & Address	Contact Person	Telephone, Fax, Email & Web address
Issuer		
Sikder Insurance Company Limited 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.	SK. Abdur Rafique -CEO	Tel: +8802223371513-16 Fax: +8802223371517 Email: info@sikderinsurance.com Web: www.sikderinsurance.com
Issue Manager		
Sonar Bangla Capital Management Limited Paramount Heights (8 th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000	Md. Neamul Aziz Khan Managing Director & CEO (CC)	Tel: +88-02-9511799 Fax: +88-02-9515447 Email: sbcmgtltd@gmail.com Web: www.sbcmibd.com
Stock Exchanges		
Dhaka Stock Exchange Limited 9/F, Motijheel C/A, Dhaka-1000	DSE Library	Tel: +88-02-9564601 Fax: +88-02-9564727, 9569755 Email: reasearch@dsebd.org Web: www.dsebd.org
Chittagong Stock Exchange Ltd. CSE Building, 1080 Sk. Mujib Road Agrabad C/A, Chittagong-4100, Dhaka liaison Office:52-53, Dilkusha C/A, Dhaka-1000	CSE Library	Tel: +88-031-714632-3 Fax: +88-031-714101 Email: jabed@cse.com.bd Web: http://www.cse.com.bd

Prospectus would also be available on the web sites of the Issuer and Issue Manager's websites, BSEC (www.sec.gov.bd) and at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

(ii) Names and dates of the newspapers where abridged version of prospectus was published.

Sl No.	Name of newspapers	Particulars	Date of publication
01	Bangladesh Post	English	28 th November 2023
02	The New Nation	English	28 th November 2023
03	Jai Jai Din	Bangla	28 th November 2023
04	Dainik Provat	Bangla	28 th November 2023

(iii) Definitions and Acronyms or Elaborations:

A	
AGM	Annual General Meeting
Allotment	Letter of allotment for shares
B	
BO A/C	Beneficial Owner account or Depository account
BAS	Bangladesh Accounting Standard
BDT	Bangladeshi Taka
BSEC	Bangladesh Securities and Exchange Commission
BFRS	Bangladesh Financial Reporting Standard
C	
CDBL	Central Depository Bangladesh Limited
Commission	Bangladesh Securities and Exchange Commission
Companies Act	Companies Act, 1994 (Act No. XVIII of 1994)
CSE	Chittagong Stock Exchange Limited
CIB	Credit Information Bureau
D	
DSE	Dhaka Stock Exchange Limited
E	
EPS	Earnings per share
Exchanges	Stock Exchanges
F	
FC Account	Foreign Currency Account
G	
GC	Going Concern
I	
IPO	Initial Public Offering
Issue	Public Issue
Issuer	Sikder Insurance Company Limited
Issue Manager	Sonar Bangla Capital Management Limited
N	
NAV	Net Asset Value
NRB	Non-resident Bangladeshi
O	
Offering Price	Price of the Securities of Sikder Insurance Company Limited being offered
P	
P/E	Price Earnings ratio
Pound	United Kingdom Pound
R	
Registered Office	Head Office of the Company
RJSC	Registrar of Joint Stock Companies & Firms
S	
SBCML	Sonar Bangla Capital Management Limited
Securities	Shares of Sikder Insurance Company Limited
SICL	Sikder Insurance Company Limited
Sponsors	The Sponsor Shareholders of Sikder Insurance Company Limited
T	
The Company	Sikder Insurance Company Limited
U	
V	
VAT	Value Added Tax

Table of Contents

Section I	11
Executive Summary	
11	
(a) About the Industry	12
(b) About the Issuer	13
(c) Financial Information	13
(d) Features of the issue and its objects	14
(e) Legal and other Information	14
(f) Promoters' Background	15
(g) Capital Structure and History of Capital Raising	17
(h) Summary of Valuation Report of Securities	17
Section II	18
Conditions Imposed by the Commission	18
Conditions imposed by the Commission in the Consent Letter	19
Disclosure in respect of issuance of security in dematerialized form	24
Section III	25
Declaration and Due Diligence Certificates	25
Declaration about the responsibility of the directors, including the CEO of the issuer in respect of the prospectus	26
Due diligence certificate by issue manager	27
Due diligence certificate by the underwriter	28
Section IV	29
About the Issuer	29
(a) Name of the Issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its Registered Office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address	30
(b) The names of sponsors and directors of the issuer	30
(c) The name, logo and address of the auditors along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses	31
(d) The name(s) of the stock exchanges where the specified securities are proposed to be listed	31
Section V	32
Corporate Directory of the Issuer	32
Section VI	34
Description of the Issuer	34
(a) Summary:	35
(b) General Information:	37
(c) Capital Structure	47
(d) Description of Business	51
(e) Description of Property	62
(f) Plan of Operation and Discussion of Financial Condition	67
Section VII	85
Management's Discussion and Analysis of Financial Condition	85
(a) Overview of Business and strategies	86
(b) SWOT Analysis	87

(c) Analysis of the financial statements of last five years with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before and after tax, EPS etc.	87
(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business	88
(e) Trends or expected fluctuations in liquidity	88
(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.	88
Section VIII	89
Directors and Officers	89
(a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;	90
(b) The date on which he first became a director and the date on which his current term of office shall expire	90
(c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations	91
(d) Statement of if any of the directors of the Issuer are associated with the securities market in any manner. If any director of the Issuer company is also a director of any Issuer of other listed securities during last three years then dividend payment history and market performance of that Issuer	92
(e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse' sister) among the directors and top five officers	92
(f) A very brief description of other businesses of the directors	93
(g) Short bio-data of each director	93
(h) Loan status of the Issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the Issuer in terms of the CIB Report of Bangladesh Bank	95
(i) Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included	95
(j) Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed	95
(k) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position	95
(l) If the present directors are not the sponsors and control of the Issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.	96
(m) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed	96
(n) Interest of the key management persons	96
(o) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary	97
(p) Number of shares held and percentage of shareholding (pre issue)	97
(q) Change in board of directors during last three years	97
(r) Director's engagement with similar business.	97
Section IX	98
Certain Relationships and Related Transactions	98
Section X	100
Executive Compensation	100
(a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the Issuer in the last accounting year and the name and designation of each such officer	101

(b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year	101
(c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year	101
(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM	101
(e) Any contract with any director or officer providing for the payment of future compensation	101
(f) If the Issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto	101
(g) Any other benefit or facility provided to the above persons during the last accounting year.	101
Section XI	102
Options granted to Directors, Officers and Employees	102
Section XII	104
Transaction with the Directors and Subscribers to the Memorandum	104
(a) Benefits from the Company during last five years	105
(b) Directors and Subscribers' Assets to the Company	105
Section XIII	106
Ownership of the Company's Securities	106
a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such owners	107
b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue	108
c) The average cost of acquisition of equity shares by the directors certified by the auditors	109
d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors/ directors. In this connection, a statement to be included	110
e) Detail of shares issued by the company at a price lower than the issue price	111
f) History of significant (5% or more) changes in ownership of securities from inception	111
Section XIV	112
Corporate Governance	112
a) A disclosure to the effect that the Issuer has complied with the requirements of Corporate Governance Guidelines of the Commission	113
b) A compliance report of Corporate Governance requirements certified by competent authority	113
c) Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate	125
Section XV	127
Valuation Report of securities prepared by the Issue Manager	127
Section XVI	131
Debt Securities	131
Section XVII	133
Parties involved and their responsibilities	133
Section XVIII	135
Material contracts	135
Section XIX	138
Outstanding Litigations, Fine or Penalty	138
Section XX	141
Risk Factors and Management's Perceptions about the Risks	141
(i) Internal risk factors may include, among others	142
(ii) External risk factors may include among others	149
Section XXI	152
Description of the Issue	152
(a) Issue Size:	153
(b) Number of securities to be issued	153
(c) Authorized capital and paid-up capital	153
(d) Face value, premium and offer price per unit of securities	153
(e) Number of securities to be entitled for each category of applicants	153
(f) Holding structure of different classes of securities before and after the issue	153

(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital	154
Section XXII	155
Use of Proceeds	155
(a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up	156
(b) Where the sponsors' contribution or privately placed fund has been brought prior to the public issue and has already been deployed by the issuer, indication of use of such funds in the cash flow statement	156
(c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture	156
(d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds.	156
(e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman behalf of Board of Directors of the issuer	157
(f) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be closed as annexure to the prospectus	157
(g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection.	157
(h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project wise, as the case maybe	157
(i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented	157
(j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies	157
(k) Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report	157
Section XXIII	158
Lock-in	158
Section XXIV	161
Markets for the Securities Being Offered	161
Section XXV	163
Description of securities outstanding or being offered	163
Section XXVI	165
Financial Statements	165
(a) The latest financial statements prepared and audited by the Commission's panel auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, 1994, International financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and Financial Reporting Act	166
(b) Information as is required under section 186 of the কোম্পানি আইন, 1994 relating to holding company	203
(c) Selected ratios as specified in Annexure-D	203
(d) Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the কোম্পানি আইন, 1994. The report shall include comparative income statements and balance sheet and afore mentioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above-mentioned inclusion and submission will have to be made for the period since commercial operation	206
(e) Financial spread sheet analysis for the latest audited financial statements	211
(f) Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS	214
(g) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share	215

(h) Quarterly or half-yearly EPS should not be annualized while calculating the EPS	215
(i) Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position	215
(j) The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer	215
(k) Following statements for the last five years or any shorter period of commercial operation certified by the auditors	216
(i) Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued	216
(ii) Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status	217
(iii) Statement of unsecured loans with terms & conditions	217
(iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store & spare parts, inventory of trading goods etc	218
(v) Statement of trade receivables showing receivable from related party and connected person	218
(vi) Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized or accrued	218
(vii) Statement of other income showing interest income, dividend income, discount received, other non operating income	219
(viii) Statement of turnover showing separately in cash and through banking channel	219
(ix) Statement of related party transaction	220
(x) Reconciliation of business income shown in tax return with net income shown in audited financial statements	221
(xi) Confirmation that all receipts and payments of the issuer above Tk. 5,00,000/- (five lac) were made through banking channel	221
(xii) Confirmation that Bank Statements of the issuer are in conformity with its books of accounts	222
(xiii) Statement of payment status of TAX, VAT and other taxes or duties	222
(xiv) Any other statement as may be required by the Commission	222
Section XXVII	223
Credit Rating Report	223
Section XXVIII	255
Public Issue Application Procedure	255
Section XXIX	259
Others	259
(a) Disclosure regarding material change	260
(b) Disclosure regarding no way connection with the Issue Manager	260
(c) Disclosure regarding cost audit by professional accountant as per the Company Act, 1994	260
(d) Disclosure regarding holding of regular AGM	261
(e) Declaration regarding Consolidated financial, operating and other information	261
(f) Disclosure regarding compliance of all the requirements of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 in preparing Prospectus	261
(g) Declaration regarding Consent of the Directors to Serve	262
(h) Auditors certificate regarding Issued, subscribed and paid-up capital	263
(i) Auditors certificate regarding deposit of an amount equivalent to the paid-up capital	263
(j) Auditors certificate about area of utilization of paid up capital	264
(k) Declaration regarding holding less than 10% share (Post IPO) by an individual or jointly with any family member	265
(l) Disclosure regarding no way connection with the Issuer by Issue Manager	266
(m) Disclosure regarding Cost Audit by Issue Manager	266

Section I Executive Summary

(a) About the Industry

Insurance serves a number of valuable functions which are very different from those rendered by other types of financial intermediaries. The indemnification and the risk pooling properties of non-life insurance facilitate transaction and the provision of credit by mitigating losses as well as the measurement and management of risk.

Initially, the Insurance Industry of Bangladesh was governed by The Insurance Act 1938 which subsequently has been replaced by the Act of 2010. The Office of the Controller of Insurance under the Ministry of Commerce was abolished by the Insurance Development and Regulatory Authority Act 2010; and Insurance Development and Regulatory Authority (IDRA) created under the act, is functioning under the of the Ministry of Finance (previously it was under the Ministry of Commerce).

Through the enactment of Insurance Corporation Act VI, 1973 two corporations, namely the Sadharan Bima Corporation (SBC) for general insurance and the Jiban Bima Corporation (JBC) for life insurance in Bangladesh were established on 14th May, 1973. The government allowed the private sector to conduct business in all areas of insurance for the first time in 1984. The insurance market now consists of 78 companies as per record in Insurance Development Regulatory Authority (IDRA), which is:

- 02 (Two) state owned companies (Jiban Bima Corporation for life insurance, and Sadharan Bima Corporation for general insurance in the public sector), and
- 45 general insurance & 31 life insurance companies in the private sector.

Out of which, 54 insurance companies are listed in the capital market of which 12 (Twelve) are life insurance providers and rest 42 is general insurance providers [source: www.dsebd.org]. In addition, government has issued license to India's state Owned-Life Insurance Corporation (LIC).

The regulatory reforms started with the introduction of the Insurance Act 2010. It is obligatory for insurance companies to charge premium rates as determined by the Regulatory Authority. However, the tariff rates have not been reviewed for a long time in light of updated loss experience obtaining over the years and as such many clients do feel that they are being overcharged. Further short term and mid-term objective of national insurance policy and guideline were not implemented. This has further negatively impacted the public perception of the insurance industry at large thereby hindering its growth.

Sectorial share of insurance industry to the GDP at current penetration stood at 0.56 per cent (overall) of the GDP in 2019, down by 0.01 percentage point from 2018. (as IDRA data)

The further progress of Bangladesh Insurance Industry predominantly depends on how the consumers' perception of insurance as a useful and efficient vehicle of risk transfer can be bolstered. This can be achieved through sustained efforts of the industry as well as regulators by holding public conference, by providing efficient services, honoring insurance policy obligations, introducing new products, aware the public by using technology and social mechanism and by rationalizing the pricing mechanism. Sikder Insurance Company Ltd. is operating general insurance business. There is only one Company in public sector namely Shadharan Bima Corporation and in private sector, there are 45 general insurance companies are operating in Bangladesh. There is immense competition amongst the companies as number of general insurance companies is large. Since Bangladesh economy is growing and GDP growth rate is up trending and steady which is favorable for the development of insurance sector of Bangladesh. Alongside newly promulgated the Insurance Act 2010 has also bought structural and legislative development for doing insurance business in the country.

Due to volume of business in Bangladesh is increasing day by day and business risk such as accident, hazard, peril, fire, theft etc. shall also increase simultaneously. The issuer is doing business in such an industry where demand for insurance coverage to reduce business risk is highly required. Currently the economy of Bangladesh has been emerged and demand for insurance coverage has been substantially increased. The last five years' business performance of the issuer has been revealed that current business environment is favorable for the Company.

(b) About the Issuer

Company at a glance

Sikder Insurance Company Limited (SICL) was incorporated in Bangladesh as a public limited company on July 29, 2013 under the Companies Act, 1994 and licensed under the Insurance Act, 2010 in order to run all types of General Insurance Business other than Life Insurance Business. It obtained certificate of commencement of business on July 29, 2013. It got registration from Insurance Development and Regulatory Authority (IDRA) on July 29, 2013. Presently the Company has been operating its business through 17 branches including the Local Office. The branches are located in different strategically important areas of the country.

Important dates

Incorporation of the Company	July 29, 2013
Date of Certificate of Commencement of Business	July 29, 2013
Registration from Insurance Development and Regulatory Authority (IDRA)	July 29, 2013

Nature of Business

Sikder Insurance Company Limited is licensed under Insurance Act, 1938 to run all types of General Insurance Business other than Life Insurance Business. Like most of the general insurance companies in the industry, SICL underwrites risks in fire, marine, motor and miscellaneous business areas.

Principal Products and Services

Sikder Insurance Company Ltd. is carrying out the following types of insurance/re-insurance business:

- Fire Accidental Damage on Property Insurance
- Marine Cargo Insurance
- Motor Insurance
- Miscellaneous Insurance
- Liability Insurance
- Engineering Insurance

(c) Financial Information

Major financial information of Sikder Insurance Company Limited is as follows:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Net Premium	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Net Claim	26,98,297	14,88,965	42,25,596	44,22,163	58,15,367
Underwriting Profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Net Profit Before Tax	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Net Profit After Tax	2,92,13,686	2,86,26,120	5,00,75,347	1,75,12,573	81,73,704
Total Asset	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832
Share capital	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000
Total Reserve & Surplus	44,95,58,823	30,56,43,985	15,78,04,046	20,51,02,974	23,43,10,579
Retained earnings	8,45,17,283	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556
No. of shares	2,40,00,000	2,40,00,000	2,40,00,000	2,40,00,000	2,40,00,000
Face value	10	10	10	10	10
NAV per share	28.73	22.74	16.58	18.55	19.76
EPS	1.22	1.19	2.09	0.73	0.34

(d) Features of the issue and its objects

Particulars	Description
Offer price	BDT 10.00
Number of shares	16,000,000 Ordinary shares
Offer size	BDT 160,000,000
<i>Of which</i>	
25% of total public offer shall be reserved for the Eligible Investors (EIs) <i>(After private offer to its employees maximum 15% (fifteen percent) of its initial public offer (IPO))</i>	3,400,000 Ordinary shares of Tk. 10 each at par totaling Tk. 34,000,000
75% of total public offer shall be reserved for the General public <i>(After private offer to its employees maximum 15% (fifteen percent) of its initial public offer (IPO))</i>	10,200,000 Ordinary shares of Tk. 10 each at par totaling Tk. 102,000,000
Private offer to its employees maximum 15% (fifteen percent) of its initial public offer (IPO)	2,400,000 Ordinary shares of Tk. 10 each at par totaling Tk. 24,000,000
Ordinary shares outstanding prior to the issue [nos. of share]	24,000,000 Ordinary shares
Ordinary shares outstanding after the issue	40,000,000 Ordinary shares
Issue Manager	Sonar Bangla Capital Management Limited
Register to the Issue	N/A
Underwriter(s)	Sonar Bangla Capital Management Limited
NAV per share	BDT 28.73
EPS (Basic)	BDT 1.22
Objects of the issue	The public issue is for compliance of statutory requirement of the Company. The Company offers its shares to the public as required by the Insurance Act, 2010. The net proceeds of the present issue of 16,000,000 shares of Tk. 10 each at par totaling Tk. 160,000,000 will strengthen the capital base of the company. The fund thus raised through public issue will be used for purchase of floor space, investment in FDR, Capital Market and to meet up IPO expenses.

(e) Legal and other Information

Sikder Insurance Company Ltd. is a General Insurance Company was incorporated and registered in Bangladesh with the Registrar of Joint Stock Companies and Firms (RJSC) on July 29, 2013 vides Certificate no.C-110560/13 as a public limited company under the Companies Act, 1994. Insurance Development and Regulatory Authority (IDRA) issued the Registration certificate no.01/2013 with effect from 29th July, 2013 for carrying out business under the Insurance Act 1938 (replaced by Insurance Act 2010).

Name of the Company	Sikder Insurance Company Ltd.
Private/ Public Company	Public Limited Company
Date of Incorporation	29 th July, 2013
Date of Commencement of Business	29 th July, 2013
Registration number of IDRA	01/2013

The Company obtained all licenses from the respective regulatory bodies, particulars of which are as below:

SI	Particulars	License Issuer/ Issuing Authority	Certificate/ license No.	Certificate Issue Date	Validity Status
01	Certificate of Incorporation	Register of Joint Stock Companies & Firms (RJSC) Bangladesh	C-110560/2013	29 July 2013	N/A
02	TIN Certificate	National Board of Revenue	363196271551	13 August 2013	N/A
03	BIN	Custom, Exercise & VAT Commissionerate, Dhaka	002029105-0201	23 Oct 2019	N/A
04	E-Trade License	Dhaka South City Corporation	TRAD/DSCC/214706/2019	09 Oct 2020	30 Jun 2024
05	Certificate of Registration	Insurance Development and Regulatory Authority (IDRA)	01/2013	29 July 2013	31 Dec 2023

(f) Promoters' Background

The following persons are the promoters of Sikder Insurance Company Limited

SI.	Name	Status
1	Mr. Mamtazul Haque Sikder	Subscribers to the MOA & AOA
2	Mr. Dipu Haque	
3	Mr. Md. Aslamul Haque	
4	Dr. Mujibur Rahman	
5	Dr. Md. Sahab Uddin Joarder	
6	Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	
7	Alhaj Nur Mohammad Hawlader	
8	Mr. Mohtasim Billah Khan	
9	Mr. Salah Uddin Khan	
10	Mr. Md. Anwar Hussain	
11	Mr. Mahabubur Rahman Khan	
12	Mr. Khalilur Rahman	

Short BIO of sponsor:

- Mr. Mamtazul Haque Sikder** Son of **Late. Zoinul Haque Sikder** was born in a respectable Muslim family. **Mr. Mamtazul Haque Sikder** obtained BS in Civil Engineer and then after education he started his business career. **Mr. Mamtazul Haque Sikder** is the Vice-Chairman of SICL. He is Director of ZHSW Medical College & Hospital, Millennium International School, HNS Developers Ltd., & Sikder Real Estate and register of Z.H. Sikder University of Science and Technology. He is a Successful Businessman. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
- Mr. Md. Anwar Hussain** Son of **Late. Afsar Uddin Hawlader** was born in a respectable Muslim family. **Mr. Md. Anwar Hussain** obtained Post Graduation (Civil Engineer) and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
- Mr. Mohtasim Billah Khan** Son of **Late. M.H. Khan** was born in a respectable Muslim family. **Mr. Mohtasim Billah Khan** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.

4. **Mr. Salah Uddin Khan** Son of **Late. Gulam Mahiuddin Khan** was born in a respectable Muslim family. **Mr. Salah Uddin Khan** obtained BS Engineer (Electrical) and then after education he started his business career. He is the Director of SICL, HNS Developer, JM Builders Limited & Founder of JM Filling Station. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
5. **Dipu Haque** Son of **Late. Zoinul Haque Sikder** was born in a respectable Muslim family. **Dipu Haque** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Director of ZHSW Medical College & Hospital, Millennium International School, HNS Developers Ltd., & Sikder Real Estate and member of trustee of Z.H. Sikder University of Science and Technology. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
6. **Mr. Md. Aslamul Haque** Son of **Mr. Md. Enamul Haque** was born in a respectable Muslim family. **Mr. Md. Aslamul Haque** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia
7. **Dr. Mujibur Rahman** Son of **Late. Abdul Latif** was born in a respectable Muslim family. **Dr. Mujibur Rahman** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia
8. **Dr. Md. Sahab Uddin Joarder** Son of **Late. Mohammad Chatur Joarder** was born in a respectable Muslim family. **Dr. Md. Sahab Uddin Joarder** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia
9. **Mejor Gen. Dr. Bijoy Kumar Sarker (Retd.)** Son of **Late. Bonk Behari Sarker** was born in a respectable Hindu family. **Mejor Gen. Dr. Bijoy Kumar Sarker (Retd.)** obtained MBBS degree and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia
10. **Alhaj Nur Mohammad Hawlader** Son of **Late. Amin Uddin Hawlader** was born in a respectable Muslim family. **Alhaj Nur Mohammad Hawlader** obtained LLB degree and then after education he started his business career. He is the Director of SICL & Founder of Ms Ankor Paint Industries Ltd & Hawlader Law & Sons. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia
11. **Mr. Mahabubur Rahman Khan** Son of **Late Nizam Uddin Khan** was born in a respectable Muslim family. **Mr. Mahabubur Rahman Khan** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
12. **Mr. Khalilur Rahman** Son of **Late. M.A. Sayed** was born in a respectable Muslim family. **Mr. Khalilur Rahman** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.

(g) Capital Structure and History of Capital Rising.

The present capital structure of the company is as under:

Particulars	No. of shares	Face value in BDT	Amount in BDT
Authorized capital	50,000,000	10.00	500,000,000
Paid-up capital	24,000,000	10.00	240,000,000
Total paid-up capital before IPO (A)	24,000,000	10.00	240,000,000
Initial public offering (IPO) (B)	16,000,000	10.00	160,000,000
Paid-up capital after IPO (A+B)	40,000,000	10.00	400,000,000

The history of capital rising of Sikder Insurance Company Limited (SICL) is as follows:

Allotments	No. of Shares	Face value	Consideration		Amount in BDT
			In cash	Other than cash	
July 29, 2013 (As per Memorandum)	24,000,000	10.00	240,000,000	-	240,000,000
Total	24,000,000	10.00	240,000,000	-	240,000,000

The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

(h) Summary of Valuation Report of Securities

Methods followed		Amount
Method-1:	NAV per share	28.73
Method-2:	Earning Based value per share (Market P/E)	15.85
	Earning Based value per share (Sector P/E)	19.57
Method-3:	Average market price per share of similar stocks	37.58
Average NAV		25.43

Details of the valuation report of securities are available in the Valuation Report of securities prepared by the Issue Manager.

Section II

Conditions Imposed by the Commission

Conditions imposed by the Commission in the Consent Letter:

PART-A

1. The Company shall go for Initial Public Offer (IPO) for 1,60,00,000 ordinary shares of Tk. 10.00 each at par from which 15% of securities will be reserved for the employees of the company and remaining 85% of securities will be reserved for Eligible Investors (EIs) and General Public (GP) including NRB totaling to Tk. 16,00,00,000/- (taka sixteen crore) approximately following the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Depository Act, 1999 and rules made there under.
2. The abridged version of the prospectus, as approved and vetted by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangla and two in English), within **05 (five) working days** from the date of issuance of this consent letter. The issuer shall post the full prospectus, vetted by Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within **2 (two) working days** of publication of abridged version of prospectus in the newspaper and shall remain posted till the closure of the subscription list. The issuer shall submit to the Commission, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS-Word" format.
3. The company shall submit **40 (Forty)** copies of the printed prospectus to the Commission for official record within **05 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspapers.
4. The issuer company and the issue manager shall ensure transmission of the prospectus and its abridged version for NRBs through email to the Bangladesh Embassies and Missions abroad within **05 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspapers. A compliance report shall be submitted in this respect to the Commission jointly by the Issuer and the issue Manager within **02 (Two) working days** from the date of publication of the abridged version of the prospectus in the newspapers.
5. The following declaration shall be made by the company in the prospectus, namely: -

"Declaration about Listing of Shares with the stock exchange (s):

None of the stock exchange(s), if for any reason, grants listing within **20 (twenty) working days** from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within **15 (Fifteen) days** from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said **20 (twenty) working days**, as the case may be.

In case of non-refund of the subscription money within the aforesaid **15 (Fifteen) days**, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above- mentioned conditions and shall submit compliance report thereon to the Commission within **7 (Seven) days** of expiry of the aforesaid **15 (Fifteen) days'** time period allowed for refund of the subscription money."

The stock exchanges shall complete the listing procedure and start of trading of securities within **20 (Twenty) working days** from the closure of subscription.

6. Each General Public applicants (without NRB) and Non-resident Bangladeshi (NRB) applicants who intend to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment of **Tk. 50,000/- (Taka Fifty thousand only)** and **Tk. 1,00,000/- (Taka One lac only)** respectively in the listed securities (matured securities) at market price (the close price of both Exchanges whichever is higher) as on the end of a working day which is immediately preceded by 5 (five) working days from the first day of starting the subscription. **The application amount shall be Tk.10,000/- (Taka ten thousand only)**. Exchanges shall send the list of BO Accounts who have applied in the IPO to the Central Depository Bangladesh Limited (CDBL). CDBL shall verify the list of BO Accounts provided by the Exchanges regarding investment of general applicants in listed securities.

7. The issuer shall comply with the BSEC Notification No. BSEC/CMRRCD/2009-193/217/Admin/90 dated 21 May 2019 regarding holding of minimum 2% shares of the paid-up capital by the director before listing to the stock exchange.

8. The issuer shall ensure compliance of the Condition no. 1(2) (a) of BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 regarding Independent Director in connection to Corporate Governance Code.

9. The IPO shall stand cancelled in case of under-subscription collectively above 35%. In such an event, the issuer and issue manger shall inform the Commission within 02 (two) working days and release the subscription money **within 07 (seven) working days** after receiving verification report from CDBL and the information from exchanges regarding subscription.

10. In case of under-subscription under any of sub-categories of eligible investors' category or general public category, the unsubscribed portion shall be added to another sub-category of the same category. In case of over subscription in the general public category, the securities shall be allotted on pro-rata basis, any fraction shall be considered to the nearest integer and accumulated fractional securities shall be allotted on random basis.

11. **An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case, an applicant submits more than two applications, all applications shall be treated as invalid and shall not be considered for allotment purpose. In addition, 15% (fifteen) of the application money shall be forfeited and deposited to the Commission by the exchange(s) and the balance amount shall be refunded to the applicant.**

12. **The applicants who have applied for more than two applications using same bank account, their applications shall not be considered for allotment purpose. In addition, 15% of their subscription money shall be forfeited and deposited to the Commission by the exchange(s). The balance amount shall be refunded to the applicants.**

13. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or sale proceeds of forfeited shares (unit) shall be deposited to the Commission by the exchange(s). This is in addition to any other penalties as may be provided for by the law.

14. The company shall furnish the list of allottees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within **24 (Twenty-Four) hours** of allotment.

15. If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Otherwise, those shares (shares of Sponsors/ Directors/ Promoters) can be dematerialized and shall remain in lock-in under CDBL system and the issuer shall submit a dematerialization confirmation report generated by CDBL system and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/ Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission.

16. **The company shall not declare, approve or distribute any dividend/ bonus shares before listing with any Exchange from the date of this letter.**

17. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting.

18. Each Eligible Investor (EI) who intends to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment of **Tk. 1,50,00,000.00 (Taka One crore fifty lac only)** for approved pension funds, recognized provident funds and approved gratuity fund and **other EIs of Tk. 3,00,00,000.00 (Taka Three crore only)** in the listed securities (matured securities) at market price (the close price of both Exchanges whichever is higher) as on the end of a working day which is immediately preceded by 5 (five) working days from the first day of starting the bidding as per clause (e) of sub-rule (1) of rule 2 of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015. Exchanges shall send the list of BO Accounts who have applied in the IPO to the Central Depository Bangladesh Limited (CDBL), CDBL shall send a report to the Exchanges on the basis of the list of BO Accounts provided by the Exchanges regarding holding of EIs in listed securities and the Exchange shall ensure the compliance in this regard.

19. The company shall not increase its paid-up capital through issuance of stock dividend (bonus shares) for next four (4) years from the first trading day at the exchange(s).

20. The company shall follow, dividend policy as per the projection given in the Prospectus.

21. The company shall maintain all the requirement of Insurance Act 2010 for their operation and other applicable rules and regulations for their operation.

PART-B

Application Process

Step-1 (Applicant):

1. An applicant for public issue of securities shall submit an application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e., the subscription closing date), which shall be the 25th (twenty fifth) working day from the date of publication of an abridged version of the prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Total Amount and Category of the Applicant.
 - a) Eligible investors shall submit an application through the electronic subscription system of the exchange (s) and deposit the full amount intended to subscribe by the method as determined by exchange(s).
 - b) The General Public and Non-resident Bangladeshi (NRB) applicants shall submit the application in the electronic subscription system of the exchange(s) through the Stockbrokers/Merchant Bankers where the applicant maintains customer account.

Step-2 (Intermediary):

3. The registered Stock broker/Merchant Banker in the ESS shall:
 - a) Post the amount separately in the customer account equivalent to the application money;
 - b) Accumulate all the applications/buy instructions received up to the cut-off date and transfer the amount to their respective Consolidated Customer Account:
4. The registered Stockbroker/Merchant Banker in the ESS shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and within **3 (three) working days** from the cut-off date, upload to the ESS, the lists of applicants in electronic (text format with tilde- separator) format, deposit the full amount received from the General Public and Non-Resident Bangladeshi (NRB) applicants by the method as determined by exchange(s).
5. The application/buy instructions shall be preserved by the Stock broker/Merchant Bankers up to **6 (six) months** from listing of the securities with the exchange.
6. The Exchanges shall prepare a consolidated list of the applications and send the applicants BOIDs in electronic (text) format in a CDROM to CDBL for verification on the next working day CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not, verify more than two applications by an individual, verify more than two applications using same bank account and investment criteria.
7. **On the next working day**, CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name and Joint Account information along with the verification report.
8. After receiving verification report and information from CDBL, the Exchanges shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications **within 5 (five) working days**.
9. **Within next working day**, the Exchanges shall provide the Commission, Issuer and Issue Manager with the soft copy of subscription result.

Step-3 (Issuer):

10. The Issuer and issue manager shall post the final status of subscription on their **websites within 6 (six) hours** and on the websites of the Commission and Exchanges **within 12 (twelve) hours** of receiving information by the Commission and the Exchanges.
11. **Within 3 (three) working days** of receipt of the subscription result, the Issuer and Exchanges shall:
 - a) Process pro-rata allotment of securities to the General Public and Non-Resident Bangladeshi (NRB) applicants;
 - b) Prepare category wise lists of invalid applicants who are subject to penal provisions as per conditions of the consent letter issued by the Commission in electronic (text format with tilde '~' separator) format mentioning the penalty amount against each applicant;
 - c) Issuer shall issue allotment letters in the names of allottees in electronic format and
 - d) Issuer shall credit the allotted shares to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VEDAS Terminal.

12. 15% Private Offer to employees of the Issuer:

According to the compliance with the provisions of the Commission's Notification No. BSEC/CMRRCD/2009-193/27/Admin/127 dated 19 July 2021, application process of the 'employees & others' category of the issuer in the initial public offering (IPO) through ESS of the Exchanges shall be conducted as follows:

- a. The issuer shall upload the list of the existing employees in the electronic subscription system of the exchange(s) in electronic (text format with tilde '~' separator) format containing Customer ID, Name (as per BO ID), BO ID, Total Quantity, Total Amount, Category of the Applicant, NID, Employee ID, Service Start Date and Designation.
- b. The existing employees of the issuer shall submit application in the electronic subscription system of the exchange(s) through the Stockbrokers/Merchant Bankers where the applicant maintains customer account.
- c. The registered Stockbroker/Merchant Banker in the ESS shall upload the lists of existing employees of the issuer in electronic (text format with tilde '~' separator) format.
- d. The Exchanges shall verify (name, BO ID, amount, duplicate, etc) the applications of existing employees and send the valid BOIDs in electronic (text) format to CDBL for verification. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
- e. CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent's Name and Joint Account information along with the verification report.
- f. The Existing employees of the issuer whose applications are valid and active will be allotted securities as per their applied quantities, **subject to a lock-in period of 2 (two) years from the first trading day at the exchanges.**

Step-4 (Intermediary):

13. **On the next working day**, Exchanges shall:
 - a) remit the number of allotted applicants to the Issuer's respective Escrow Account opened for subscription purpose;
 - b) send the penalty amount who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list; and
 - c) Distribute the information and allotment letters to the stock broker/Merchant Bankers concerned in electronic format with a request to refund the balance application money.
14. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Bankers shall refund the excess application money in the customer accounts and inform the applicants about allotment of securities.

Miscellaneous:

15. The Issuer, Issue Manager(s), Stockbrokers, Merchant Bankers and the Exchanges shall ensure compliance of the above.
16. The Issuer shall pay the costs related to process the Eligible Investors allotment if claimed by the Exchange concerned up to an amount of Tk. 2,00,000/- (Taka Two Lac) only and Tk. 8,00,000/- (Taka Eight Lac) only for processing the applications of General Public and Non-Resident Bangladeshi (NRB) applicants.
17. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk. 5/- (Taka five) only per application irrespective of the amount or category for the service provided till withdrawal of the money. The service charge shall be paid by the applicant at the time of submitting an application.
18. The Exchanges shall provide the Issuer with a statement of the remittance.
19. The Issuer shall send the penalty amount to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
20. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

PART-C

1. The issue manager(s) shall carefully examine and compare the published prospectus and its abridged version on the date of publication with the copies vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to the Commission and the Exchanges concerned. In this regard, the issue manager(s) shall submit a compliance report to the Commission within 5 working days from the date of such publications.
2. The fund collected through Initial Public Offer shall not be utilized prior to listing with the Exchange(s) and that utilization of the said fund shall be affected through banking channel, i.e., through account payee cheque, pay order or bank drafts etc.

3. The company shall furnish status report on utilization of Public Offering proceeds audited by foreign affiliated auditors and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of each quarter until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its website and Exchanges shall also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
4. While auditing the utilization of IPO proceeds, the auditors will perform their jobs under the following terms of reference (TOR) and confirm the same in their report/certificate:
 - (a) Whether IPO proceeds have been utilized for the purposes/heads as specified in the prospectus;
 - (b) Whether IPO proceeds have been utilized in line with the condition (if any) of the Commission's consent letter;
 - (c) Whether utilization of IPO proceeds have been completed within the time schedule/implementation schedule as specified in the published prospectus;
 - (d) Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/specified in the published prospectus; and
 - (e) The auditors should also confirm that: (i) assets have been procured/imported/constructed maintaining proper/required procedure as well as at reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of IPO proceeds making reconciliation with Bank Statement.
5. All transactions, excluding petty cash expenses, shall be effective by crossed cheques or bank transfers.
6. Proceeds of the Initial Public offer shall not be transferred to any other bank account before listing with the Exchange(s). The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect of purpose and time must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through a Board approved agenda thereon and due notification to the shareholders. Before the said general meeting, such deviation as recommended by the Board of Directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price-sensitive information.
7. If any quarter of the financial year-end after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the said quarterly financial statements in accordance with the Commission's Notification BSEC/CMRRCD/2006- 158/208/Admin/81 dated 20 June 2018 and Rules 15 of the Securities and Exchange Rules, 2020,
8. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগী ব্যবসা নিষিদ্ধকরণ) বিধিমালা, ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000.

PART-D

1. As per provision of the Depository Act, 1999 & Regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL) and any further issuance of shares (including rights/bonus) will be made in dematerialized form only.
2. The issuer and the issue manager shall ensure due compliance of all the above conditions, the "Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015' and the listing regulations of the Exchanges;
Provided that the Board of Directors of the issuer along with the Issue Manager(s) shall conduct a quarterly meeting with the Capital Issue Department of the Commission regarding compliance status of its business plan as mentioned in the Prospectus.
3. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

Disclosure in respect of issuance of security in Dematerialized Form:

As per provisions of the Depository Act, 1999 and regulations made there under, shares of the Company will be issued in dematerialized form only and for this purpose **Sikder Insurance Company Limited** will sign an agreement with the Central Depository Bangladesh Limited (CDBL). Therefore, all transfers, transmissions, splitting or conversions will take place on the CDBL system and any further issuance of shares (including rights and bonus) will also be issued in dematerialized form only.

Section III

Declaration and Due Diligence Certificates

Annexure- A

Declaration about the responsibility of the Directors, including the CEO of the Issuer in respect of the prospectus

[Rule 4 (1)(d)]

Date: July 17, 2023

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this prospectus to enable the investors to make a well informed decision for investment.

Sd/-
Nasim Sikder
Chairperson

Sd/-
Lisa Fatema Haque Sikder
Director

Sd/-
Mohtasim Billah Khan
Director

Sd/-
Jeffrey Khan Sikder
Director

Sd/-
Salah Uddin khan
Director

Sd/-
Mandy Khan Sikder
Director

Sd/-
Jonas Sikder Khan
Director

Sd/-
Monica Sikder Khan
Director

Sd/-
Uttam Kumar Bhowmik
Independent Director

Sd/-
Gazi Md. Humayun Kabir
Independent Director

Sd/-
Sk. Abdur Rafique
Chief Executive Officer

Annexure-B

**Due Diligence Certificate by Issue Manager
[Rule 4 (1)(d)]**

To
The Bangladesh Securities and Exchange Commission

Sub: Public Issue of 16,000 000 Ordinary Shares of Tk. 160,000,000 by Sikder Insurance Company Limited.

Dear Sir,

We, the Issue Manager to the above-mentioned forthcoming issue, state and confirm as follows:

We have examined all the documents submitted with the application for the above-mentioned public issue, visited the premises of the Issuer and interviewed the Chairperson, Directors and key management personnel of the Issuer in connection with the finalization of the prospectus pertaining to the said issue;

- (1) On the basis of such examination and the discussions with the directors, officers and auditors of the Issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the Issuer.

WE CONFIRM THAT:

- The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- The proposed activities of the Issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the Issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;
- We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the Issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules have been complied with and our comments, if any;
- We also declare that we have managed the public issue of following Issuers in the last 05 (five) years:

Serial No	Issue Month/Year	Issue Price	Dividend Payment History
1.	Crystal Insurance Ltd. (Year-2020)	10	10% C-2021,10%C-2022
2.	Union Insurance Co. Ltd. (Year-2021)	10	5% C-2021, 10%C-2022

Place: Dhaka
Date: July 17, 2023

For Manager to the issue:

Sd/-

Emam Hossain

Managing Director & Chief Executive officer
Sonar Bangla Capital Management Limited

**Due Diligence Certificate by the Underwriter
[Rule 4 (1)(d)]**

To

The Bangladesh Securities and Exchange Commission

Sub: Public Offer of 16,000,000 Ordinary Shares of Tk. 160,000,000 (Sixteen Crore) of Sikder Insurance Company Limited.

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above-mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination and the discussions with the Issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the Issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and qualified to carry out the underwriting activities. Our present paid-up capital stands at Tk. 250,000,000 (Taka Twenty-five crore) and we have the capacity to underwrite a total amount of Tk. 1,25,00,00,000 (one hundred twenty-five crore) as per relevant legal requirements. We have committed to underwrite for up to Tk. 56,000,000 (Taka Five Crore sixty Lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of The Company	Amount Underwritten (Taka)
1	Saraz Fiber Tech Limited (QIO)	37,500,000
	Total	37,500,000

3. All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
4. We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the Issuer; and
5. This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

Emam Hossain

Managing Director & Chief Executive officer

Sonar Bangla Capital Management Limited


Date: July 17, 2023

Section IV About the Issuer

(a) Name of the Issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its Registered Office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address

Particulars of the Company:


Sikder Insurance Company Limited (SICL) was incorporated in Bangladesh as a Public Limited Company on 29, July 2013 under the Companies Act, 1994 and licensed under the Insurance Act, 1938 in order to run all types of general insurance business other than life insurance business. SICL obtained certificate of commencement of business on 29, July 2013. SICL got registration from Insurance Development and Regulatory Authority on 29th July 2013. Presently the company has been operating the business through 14 branches including one Local Office at Dhaka. The branches are located in different strategically important areas of the country.

Particulars	Description
Name of the Issuer	: Sikder Insurance Company Ltd.
Date of incorporation	: July 29, 2013
Date of commencement of commercial operations	: July 29, 2013
Issuer's logo	: 
Address of the Registered Office	: 295-Ja-14, Rayer Bazar, Monica Estate, PO:1209, Hazaribagh, Dhaka.
Telephone number	: +8802223371513-16
Fax number	: +8802223371517
Contact person	: SK. Abdur Rafique- CEO
Website address	: www.sikderinsurance.com
Email address	: info@sikderinsurance.com



(b) The names of the sponsors and directors of the Issuer

Sl.	Particulars	Name	Designation
1	Sponsor Director of the Issuer	Mohtasim Billah Khan	Director
2		Salah Uddin Khan	Director
3	Directors of the Issuer	Nasim Sikder	Chairperson
4		Lisa Fatema Haque Sikder	Director
5		Monica Sikder Khan	Director
6		Jonas Sikder Khan	Director
7		Jeffrey Khan Sikder	Director
8		Mandy Khan Sikder	Director
9	Independent Directors of the Issuer	Gazi Md. Humayun Kabir	Independent Director
10		Uttam Kumar Bhowmik	Independent Director

(c) The name, logo and address of the auditors along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses


Particulars	Description
Name of the auditor	: G. Kibria & Co.
Logo	: 
Addresses of the Auditor	: Sadharan Bima Sadan (5th Floor), 24-25, Dilkusha C/A, Dhaka-1000, Bangladesh
Telephone number	: +8802-223 355 324, 02-223 390 717, 02-223 388 071
Fax number	: +8802-9553630
Contact person	: Md. Showket Akber, FCA (ICAB Enrollment #970)
Website address	: http://gkibriaandco.com
Email address	: gkibria@gkibriaandco.com

(d) The name(s) of the stock exchanges where the specified securities are proposed to be listed

	Dhaka Stock Exchange Limited (DSE) 9/F, Motijheel C/A, Dhaka-1000	Tel: +88-02-9564601 Fax: +88-02-9564727 Web: www.dsebd.org
	Chittagong Stock Exchange Limited (CSE) CSE Building, 1080 Sk. Mujib Road Agrabad C/A, Chittagong	Tel: +88-031-714632 Fax: +88-031-714101 Web: www.cse.com.bd

Section V

Corporate Directory of the Issuer

Name of the Company	SIKDER INSURANCE COMPANY LIMITED
Logo	
Date of incorporation	July 29, 2013
Date of Certificate for Commencement of Business	July 29, 2013
Date of commercial operation	July 29, 2013
Changes in denomination of face value of shares	The face value of shares is Tk. 10 per share as per Memorandum & Articles of Association.
Authorized Capital	Tk. 500,000,000 comprising of 50,000,000 ordinary shares of Tk.10/- each.
Issued, subscribed & paid-up capital	Tk. 240,000,000 paid up capital comprising of 24,000,000 ordinary shares of Tk. 10/- each
Registered Office	295-Ja-14, Rayer Bazar, Monica Estate, PO:1209, Hazaribagh, Dhaka. Email: info@sikderinsurance.com , Web: www.sikderinsurance.com
Head Office	295-Ja-14, Rayer Bazar, Monica Estate, PO:1209, Hazaribagh, Dhaka. Email: info@sikderinsurance.com , Web: www.sikderinsurance.com
Board of Directors	10 directors (including 2(Two) Independent Director)
Auditors	G.KIBRIA & Co. Chartered Accountants Sadharan Bima Sadan (5th Floor), 24-25, Dilkusha C/A, Dhaka-1000, Bangladesh Tel: +8802-223 355 324, 02-223 390 717, 02-223 388 071, Fax: +8802-9553630 gkibria@gkibriaandco.com , web: http://gkibriaandco.com/
Legal Advisor	Tusar Kanti Das , Advocate Maksud & Associates Darus Salam Arcade (9 th floor), 14, Purana Paltan, Dhaka-1000 Cell- +880-1715820219
Tax Consultant	Mr. Haider Ahmed Khan-FCA Modhumita Building, 1 st floor, 160, Motijheel C/A, Dhaka-1000 Email: info@akc-bd.com , www.akc-bd.com Tel: 88-02-9564896, Cell: 01711520820
Manager to the Issue	Sonar Bangla Capital Management Limited Paramount Heights (8 th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000 Tel 88-02-9511799, Fax 88-02-9515447 Email sbcmgtltd@gmail.com , Web www.sbcmlbd.com
Name of Underwriters	Sonar Bangla Capital Management Limited Paramount Heights (8th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000 Tel 88-02-9511799, Fax 88-02-9515447 Email sbcmgtltd@gmail.com , web www.sbcmlbd.com
Banker for the IPO	National Bank Limited, West Dhanmondi Branch, Dhaka Account No. Currency 1073005003678 BDT 1073005005803 EUR 1073005005770 USD 1073005005831 GBP
Compliance Officer	Abdur Razzak Company Secretary Tel: +8802223371513-16, Fax: +8802223371517 Email: cs@sikderinsurance.com

Section VI Description of the Issuer

(a) Summary:

(i) The summary of the industry and business environment of the Issuer. The summary shall not be one-sided or biased to highlight the issuer or the issue;

Insurance serves a number of valuable functions which are very different from those rendered by other types of financial intermediaries. The indemnification and the risk pooling properties of non-life insurance facilitate transaction and the provision of credit by mitigating losses as well as the measurement and management of risk.

Initially, the Insurance Industry of Bangladesh was governed by The Insurance Act 1938 which subsequently has been replaced by the Act of 2010. The Office of the Controller of Insurance under the Ministry of Commerce was abolished by the Insurance Development and Regulatory Authority Act 2010; and Insurance Development and Regulatory Authority (IDRA) created under the act, is functioning under the of the Ministry of Finance (previously it was under the Ministry of Commerce).

Through the enactment of Insurance Corporation Act VI, 1973 two corporations, namely the SadharanBima Corporation (SBC) for general insurance and the Jiban Bima Corporation (JBC) for life insurance in Bangladesh were established on 14th May, 1973. The government allowed the private sector to conduct business in all areas of insurance for the first time in 1984. The insurance market now consists of 78 companies as per record in Insurance Development Regulatory Authority (IDRA), which is:

- 02 (Two) state owned companies (Jiban Bima Corporation for life insurance, and Sadharan Bima Corporation for general insurance in the public sector), and
- 45 general insurance & 31 life insurance companies in the private sector.

Out of which, 54 insurance companies are listed in the capital market of which 12 (Twelve) are life insurance providers and rest 42 is general insurance providers [source: www.dsebd.org]. In addition, government has issued license to India's state Owned-Life Insurance Corporation (LIC).

The regulatory reforms started with the introduction of the Insurance Act 2010. It is obligatory for insurance companies to charge premium rates as determined by the Regulatory Authority. However, the tariff rates have not been reviewed for a long time in light of updated loss experience obtaining over the years and as such many clients do feel that they are being overcharged. Further short term and mid-term objective of national insurance policy and guideline were not implemented. This has further negatively impacted the public perception of the insurance industry at large thereby hindering its growth.

Sectorial share of insurance industry to the GDP at current penetration stood at 0.56 per cent (overall) of the GDP in 2019, down by 0.01 percentage point from 2018. (as IDRA data)

The further progress of Bangladesh Insurance Industry predominantly depends on how the consumers' perception of insurance as a useful and efficient vehicle of risk transfer can be bolstered. This can be achieved through sustained efforts of the industry as well as regulators by holding public conference, by providing efficient services, honoring insurance policy obligations, introducing new products, aware the public by using technology and social mechanism and by rationalizing the pricing mechanism. Sikder Insurance Company Ltd. is operating general insurance business. There is only one Company in public sector namely Shadharon Bima Corporation and in private sector, there are 45 general insurance companies are operating in Bangladesh. There is immense competition amongst the companies as number of general insurance companies is large. Since Bangladesh economy is growing and GDP growth rate is up trending and steady which is favorable for the development of insurance sector of Bangladesh. Alongside newly promulgated the Insurance Act 2010 has also bought structural and legislative development for doing insurance business in the country.

Due to volume of business in Bangladesh is increasing day by day and business risk such as accident, hazard, peril, fire, theft etc. shall also increase simultaneously. The issuer is doing business in such an industry where demand for insurance coverage to reduce business risk is highly required. Currently the economy of Bangladesh has been emerged and demand for insurance coverage has been substantially increased. The last five years' business performance of the issuer has been revealed that current business environment is favorable for the Company.

Nature of business

Sikder Insurance Company Limited (SICL) is licensed under Insurance Act, 2010 in order to run all types of general insurance business other than life insurance business. Like most of the general insurance companies in the industry, SICL underwrites risks in fire, marine, motor and miscellaneous business areas.

Principal products and services

Sikder Insurance Company Limited is carrying out the following types of insurance/re-insurance business:

- a) Accidental Damage on Property Insurance
 - i. Fire & Allied Perils Insurance
 - ii. Industrial All Risks Insurance
- b) Marine Cargo Insurance
- c) Motor Insurance
- d) Miscellaneous Insurance
 - i. Burglary Insurance (BUG)
 - ii. Cash-in Safe Insurance (CIS)
 - iii. Cash-in Transit Insurance (CIT)
 - iv. Cash-On-Counter Insurance (COC)
 - v. Personal Accident Insurance (PA)
 - vi. Workman's Compensation Insurance (WC)
- e) Liability Insurance
 - i. Employers' Liability Insurance (EL)
 - ii. Product Liability Insurance (PDL)
 - iii. Public Liability Insurance (PL)
- f) Engineering Insurance
 - i. Contractors' All Risks Insurance (CAR)
 - ii. Erection All Risks Insurance (EAR)
 - iii. Machinery Break-down Insurance (MBD)
 - iv. Deterioration of Stock Insurance (DOS)
 - v. Boiler & Pressure Vessel Insurance (BPV)
 - vi. Contractors' Plant & Machinery Insurance (CPM)

Relative contribution to revenue

Underwriting Profit	31-Dec-22		31-Dec-21	
	Taka	(%)	Taka	(%)
Fire insurance revenue account	8,79,69,332	258.05%	1,10,62,128	28.56%
Marine cargo revenue account	1,64,95,735	48.39%	2,44,65,691	63.37%
Marine Hull revenue account	(5,83,742)	-1.71%	(2,71,218)	-0.70%
Motor insurance revenue account	42,57,439	12.49%	67,92,581	17.59%
Miscellaneous insurance revenue account	(7,40,49,238)	-217.22%	(34,05,751)	-8.82%
Total	3,40,89,525	100.00%	3,86,07,131	100.00%

Distribution of products/services

The Company operates its business through the Head Office at Dhaka and the branches throughout the country. As on 31 December 2022, the Company has been operating its business through 23 branches including one local office in Dhaka.

Competitive condition in business

Over the years the insurance business has grown very competitive. Presently, 78 insurance companies are operating in the country, of which 46 are in general insurance business and the remaining 32 are in life insurance business. SICL has to face stiff competition arising from the existing 46 general insurance companies including SBC. Despite the extreme competition, SICL's business operations show satisfactory performance.

General Sources and availability of raw materials and the names of the principal suppliers

The Company does not procure any raw materials and as such has no principal merchandizing supplier(s).

Sources of, and requirement for power, gas and water or any other utilities

The Company does not require such utilities except for ordinary use in office work.

Customer providing 10% or more revenues

There are no customers who provided 10% or more revenue/premium during the period January-December 2022.

Description of contract(s) with principal Suppliers/Customers

The company has no such contract.

Material patents, trademarks, licenses or royalty agreements

The Company does not have any material patents, trademarks or royalty agreement except license from Controller of Insurance.

(ii) Summary of consolidated financial, operating and other information.

Associate, subsidiary/related holding company

The company does not have any associate, subsidiary/related holding company. So the Issuer does not prepare any consolidated financial statements.

(b) General Information:

(i) Name and address, telephone and fax numbers of the Registered Office, corporate head office, other offices, factory, business premises and outlets of the Issuer

Name	Sikder Insurance Company Limited.
Registered Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.
Corporate Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.
Telephone	+8802223371513-16
Fax	+8802223371517

Branches (22 Branch and one corporate office)

<p>01 Mr. Md. Abdul Motaleb SEVP & Head of U/W Dept. Sikder Insurance Company Limited Corporate Office 295/Ja/14, Rayer Bazar, Monica Estate, West Dhanmondi, Dhaka-1209. Tel:+02-9181058-61, Mobile: 01847-167720 E-mail: uw@sikderinsurance.com</p>	<p>12 Mr. Md. Sohel Rana Executive Officer Sikder Insurance Company Limited Hili Branch HoldingNo.0090-00, Charmatha (2nd Floor), Bangla Hili, Hakimpur, Dinajpur. Mobile: 01940-280583 E-mail: hili.sicl@gmail.com</p>
<p>02 Mr. Md. Ruhul Amin Vice President Sikder Insurance Company Limited Satkhira Branch 32 (1st Floor), PN School More,Pran Sayer, Satkhira. Tel: 02477742049, Mobile: 01713-202877 E-mail: sicl.satkhira@gmail.com</p>	<p>13 Mr. Md. Abdus Salam Senior Officer & Branch In-Charge Sikder Insurance Company Limited Naogaon Branch Chistia Plaza (1st Floor), Gostohatir More, Naogaon Bazar, Naogaon. Mobile: 01728-171668 E-mail: naogaon.sicl@gmail.com</p>
<p>03 Mr. Md. Monowar Hossain Sr. Officer & Branch In-charge Sikder Insurance Company Limited Rajshahi Branch Hoding No.194 (2nd Floor), Alupatty Moor, Ghoramara, Boalia, Rajshahi. Tel: 02588854809, Mobile: 01728-401767 E-mail: sicl.raj@gmail.com</p>	<p>14 Mr. Md. Kawsar Ali Senior Officer Sikder Insurance Company Limited Benapole Branch 490, Rahman Chamber (3rd Floor), Benapole Bazar, Benapol, Jessore. Mobile: 01717-000122 E-mail: benapole.sicl@gmail.com</p>
<p>04 Mr. Md. Sarwar Jahan Akonda Manager & Branch In-charge Sikder Insurance Company Limited Bogura Branch Munshi Plaza (1st Floor) 5/4068, Kabi Nazrul Islam Sarak, Jhwatola, Bogra. Tel: 02589902524, Mobile: 01740933237 E-mail: sicl.bog@gmail.com</p>	<p>15 Mr.Md.Aminul Islam Asst. Vice President & Branch In-charge Sikder Insurance Company Limited Uttara Branch Manor Magnolia, Holding No. 13 , Road No. 7/D, Sector-09,Uttara, Dhaka. Mobile: 01751260433 E-mail: uttara.sicl@gmail.com</p>
<p>05 Mr. Md. Jasim Uddin SEVP & Branch In-charge Sikder Insurance Company Limited Bangshal Branch 70, Shahid Syed Nazrul Islam Sarani (3rd Floor), Bangshal Road, Dhaka-1100. Tel: 02-9513636, Mobile: 01715-461404 E-mail: sicl.bang@gmail.com</p>	<p>16 Mr. Md. Azharul Islam DMD & Branch In-Charge Sikder Insurance Company Limited Khulna Branch Khulna Chamber of Commerce & Industry, Chamber Mansion (5th Floor) Mobile: 01711-579248 E-mail: info@sikderinsurance.com</p>
<p>06 Mr. Md. Yousuf Ali Sr. Officer & Branch In-charge Sikder Insurance Company Limited Dilkusha Branch Zahed Ali Tower 6th Floor,15 Dilkusha C/A, Dhaka-1000. Tel: 9513280-285, Mobile: 01755-717555 E-mail: sicl.dilkusha@gmail.com</p>	<p>17 Mr. Md. Kazi Asadul Hoque Vice President & Branch In-Charge Sikder Insurance Company Limited Kushtia Branch Lovely Housing Limited,55/1,Serjuddowla Road,7th Floor, Room No.7F3 Mobile: 01749-672333 E-mail: info@sikderinsurance.com</p>

<p>07 Mr. Md. Anaet Ali Junior Officer & Branch In-charge Sikder Insurance Company Limited Chaipainawabganj Branch House No. 10 (2nd Floor), Godagari Road, Pourashava, Chapainawabganj Sadar, Ch Mobile: 01738-557672 E-mail: sicl.chapai@gmail.com</p>	<p>18 Mr. Md. Nasir Uddin Romy Asstt. MD & Branch In- Charge Sikder Insurance Company Limited Jashore Branch Frontside of Mohasin super Market (2nd Floor), Holding# 10 Mobile: 01711-976511 E-mail: info@sikderinsurance.com</p>
<p>08 Mr. Md. Najmul Haque Executive Officer & Branch In-charge Sikder Insurance Company Limited Rangpur Branch Monsur Bhaban (2nd Floor), Station Road, Rangpur. Tel:02589964420, Mobile: 01772-821286 E-mail: sicl.rang@gmail.com</p>	<p>19 Mr. Abdus Sattar Molla Vice President & Branch In-Charge Sikder Insurance Company Limited Manikganj Branch Haji Rafique Uddin Super Market, North East Corner of 2nd Floor Mobile: 01728-731787 E-mail:manikganj@sikderinsurance.com</p>
<p>09 Mr. Md. Golam Nobi Junior Officer-Branch In-Charge Sikder Insurance Company Limited Mymensingh Branch Holding No. 19, Swadeshi Bazar Road (2nd Floor), Police Station-kotwali, Mymensingh Tel: 091-61367, Mobile: 01762-614652 E-mail: sicl.mym@gmail.com</p>	<p>20 Mrs. Sharmin Islam Executive Vice President & Branch In-Charge Sikder Insurance Company Limited Narayanganj Branch Rahat Complex, 3rd Floor. 53/3, S/M. Maleh Road, Tanbazar Narayanganj. Mobile: 01711-069851 E-mail: narayanganj@sikderinsurance.com</p>
<p>10 Mr. Md. Bashir Akon Office Assistant, Computer Sikder Insurance Company Limited Barishal Branch Fakir Complex (2nd Floor), 112, Bir Shreashta Capt. Mohiuddin Jahangir Sarak (Sada Tel: 02478866457, Mobile: 01644770939 E-mail: sicl.barisal@gmail.com</p>	<p>21 Mrs. Gulshahanara Khatun Asstt. MD & Branch In- Charge Sikder Insurance Company Limited BB Avenue Branch Don Plaza, 10th Floor (Room no. 2,4 & 6), B.B Avenue,Dhaka-1000. Mobile:01922-389201 E-mail: bbavenue@sikderinsurance.com</p>
<p>11 Mr. Md. Sarwar Alam Senior Manager & Branch In- Charge Sikder Insurance Company Limited Agrabad Branch Faruk Chamber (3rd floor), 1403, Sk. Mujib Road, Agrabad C/A, Chittagong. Tel: 02333326741, Mobile: 01781-351727 E-mail: sicl.agrabad@gmail.com</p>	<p>22 Md. Jasim Uddin Manager Sikder Insurance Company Limited Banani Branch Sikder Center, Holding No. 67/B, Road No. 13/B (Front Road No. 11), Block-E, Banani Mobile: 01305-239881 E-mail: banani@sikderinsurance.com</p>
	<p>23 Md. Rubel Miah Vice President & Branch In-Charge Sikder Insurance Company Limited Elephant Road Branch House #43,4th Floor,Road # New Elephant Road Mobile: 01681-399726 E-mail: eroad@sikderinsurance.com</p>

(ii) The board of directors of the Issuer

Sl.	Particulars	Name	Designation
1	Sponsor Director of the Issuer	Mohtasim Billah Khan	Director
2		Salah Uddin khan	Director
3	Directors of the Issuer	Nasim Sikder	Chairperson
4		Lisa Fatema Haque Sikder	Director
5		Monica Sikder Khan	Director
6		Jonas Sikder Khan	Director
7		Jeffrey Khan Sikder	Director
8		Mandy Khan Sikder	Director
9	Independent Directors of the Issuer	Gazi Md. Humayun Kabir	Independent Director
10		Uttam Kumar Bhowmik	Independent Director

iii) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the Issuer

Sl	Name	Number of Share	Pre IPO	Post IPO	Current Position	Types of ownership	Contact	E Mail Address
1	Nasim Sikder	24,00,000	10.00%	6.00%	Chairperson	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
2	Lisa Fatema Haque Sikder	19,20,000	8.00%	4.80%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
3	Mohtasim Billah Khan	8,00,800	3.34%	2.00%	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
4	Monica Sikder Khan	16,00,000	6.67%	4.00%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
5	Jonas Sikder Khan	16,00,000	6.67%	4.00%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
6	Salah Uddin khan	8,00,800	3.34%	2.00%	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
7	Jeffrey Khan Sikder	16,00,000	6.67%	4.00%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
8	Mandy Khan Sikder	16,00,000	6.67%	4.00%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
9	Gazi Md. Humayun Kabir	0	0.00%	0.00%	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
10	Uttam Kumar Bhowmik	0	0.00%	0.00%	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikder insurance.com

(iv) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer

Position	Name, address and others
Chief Financial Officer	Md. Mayen Uddin 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh. Tel- +8802223371513-16, Fax- +8802223371517 Email- info@sikderinsurance.com
Company Secretary	Abdur Razzak 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh. Tel- +8802223371513-16, Fax- +8802223371517 Email- cs@sikderinsurance.com
Legal advisor	Tusar Kanti Das Advocate, Supreme Court of Bangladesh Maksud & Associates Darus Salam Arcade (9 th floor), 14, Purana Paltan, Dhaka-1000 Cell- +880-1715820219 Email: advtkdas@gmail.com
Auditor	G.KIBRIA & Co. Chartered Accountants Sadharan Bima Sadan (5 th Floor), 24-25, Dilkusha C/A, Dhaka-1000, Bangladesh Tel: +8802-223 355 324, 02-223 390 717, 02-223 388 071 Fax: +8802-9553630 gkibria@gkibriaandco.com , http://gkibriaandco.com/
Compliance Officer	Abdur Razzak Company Secretary 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh. Tel- +8802223371513-16, Fax- +8802223371517 Email- cs@sikderinsurance.com

(v) Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the Issue Manager(s), registrar to the issue etc.

Name of the Issue Manager	Sonar Bangla Capital Management Limited
Addresses of Registered Office	Paramount Heights (8 th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.
Telephone number	+88-02-9550406, +88-02-9511799
Fax number	+88-02-9515447
Contact person	Md. Neamul Aziz Khan Managing Director & CEO (CC)
Website address	www.sbcmlbd.com
Email address	sbcmgltld@gmail.com

(vi) Details of Credit Rating

(a) The names of all the credit rating agencies from which credit rating has been obtained

Last 5(five) years rating are given below:

Name of the Credit Rating Agencies	Rating Date
ARGUS CREDIT RATING SERVICES LTD.(ACRSL)	30 th March 2023
	30 th March 2022
	18 th August, 2020
	1 st August, 2018
	2 nd April, 2017

(b) The details of all the credit ratings obtained for the Issue and the Issuer

Year	Entity Rating		Rating Date	Outlook	
	Long Term	Short Term		Long Term	Short Term
2021	A+	ST-2	30 th March 2022	Stable	Above average ability
2020	A	ST-2	30 th March 2022	Stable	Above average ability
2019	A	ST-2	18 th August, 2020	Stable	Above average ability
2017	A	ST-2	1 st August, 2018	Stable	Above average ability
2016	A	ST-2	2 nd April, 2017	Stable	Above average ability

(c) The rationale or description of the rating(s) so obtained, as furnished by the credit rating agency(s)

ARGUS CREDIT RATING SERVICES LTD. (ACRSL) has assigned to (A) High Claim Paying Ability (HCPA) rating to Sikder Insurance Company Limited (hereinafter referred SICL) in the long term and ST-2 (Short Term Two) In the short term. ACRSL assigned the HCPA rating based on audited financial statements up-to 31st December 2021 and other relevant management provided quantitative and qualitative data up-to the date of rating declaration. The above rating has been assigned in long term in consideration of its persistent business, sound liquidity position, improved solvency position, and establishing good governance in management along with experienced management team. The above factors are, however, constrained to some extent by volatile underwriting performance, excess management expenses, low rate of Return on assets, conservative investment stance, improved solvency position, retention ratio and loss ratio has found low position.

Non-Life Insurance Companies rated “A” have high financial security characteristics, differing only slightly from those rated higher. Non-Life Insurance Companies rated “ST - 2” has a strong ability to repay short term obligations. It is likely to meet their obligations over the coming 12 months through internal resources but may rely on external sources of committed financing.

The gross premium of the company stood at BDT 299.88 million in 2021, whereas BDT 277.84 million of the previous year. In 2021, SICL concentrated on in Marine-Cargo (24.43% of Total Gross Premium) but in the same year it was in Fire Business (17.79% of Total Gross Premium). Gross premium as well as Net Premium registered growth of 7.93% and 11.12 % respectively in 2021. Moderate business operating performance last year enhanced internally generated fund by 10.860/0. An improvement in current growth and relentless business performance need to focus- concentration in low risky business, settling a huge amount of claim, give attention on excess provisioning of claim outstanding in line with claim settlement etc.

Total earnings from underwriting and other investment were dominated by underwriting profit of the company. Underwriting profit to premium of SICL stood BDT -11.01 MN and BDT 38.64 MN in FY20 and FY21 respectively. Underwriting profit to Net premium ratio was increased by 32.56%. Management expenses ratio was 88.93% and 76.83% in 2020 and 2021 respectively. Management expenses gradually decreasing during last couple of years. Total Claims reached at BDT 3.11 million in 2021, which was BDT 55.77 MN in 2020. Decreasing total claim impacted claim settlement which indicated aptitude in claim payment.

Current assets relative to Net claim stood at 23.41x in 2020 and 455.06x in 2021. Cash percentage of Total assets decreased from 14.87% to 12.58% in year 2021. Available overall liquidity stood 1.61 times in 2021. The more risk tolerance investment stance may have opted the investment yield as well as improve solvency in the long run.

(d) Observations and risk factors as stated in the credit rating report

Risk factors

The key risks inherent in the non-life insurance industry are derived from the cyclical nature of year-to-year results, intense competition in most sectors, challenges in predicting, pricing and reserving for losses from products with long re-proving and claims settlement tails, and exposures to large “low frequency, high severity” losses such as properly catastrophes.

Business Risk: A non-life insurer's business risk arises from its business mix and competitive position within its chosen market. The key factors that are considered for business risk include:

- Underwriting expertise in each line of business.
- Policy limit and retention offered by segments.
- Management of undue risk aggregate and concentration.
- Exposures to large losses such as property catastrophes
- Claims management and expertise.

A non-life insurer's ability to manage underwriting risk is the key driver of future success. SICL has decentralized its underwriting functions and delegated powers to its zonal office and branches for rendering prompt, efficient and effective services to the clients. Risks involved with policies are assessed by underwriting officers of the respective branch for underwriting policies up to a specific limit of sum insured, beyond which risk assessment of different policies are done by internal Risk Inspection Team. Skill level of employees engaged in underwriting process acts vitally behind innovation of new products and services that will help

Companies to attract newer clients and competitiveness in the market. Thus SICL controls its business risks arising from different types of underwriting policies, underwriting professionals at branch level with the help of guideline of IDRA. The company handles its business risks arising from different types of underwriting policies, underwriting professionals at branch level by providing them specific instruction and guidelines from the Head Office over the period of time.

It has been noted that the Company earned aggregate gross premium of BDT 299.88 million in FY21. Inconsistent with previous year, among the business classes 'Fire' contributed 17.79% of total gross premium. whereas Fire class contributed 33.32% in last year; indicated less risky business class portfolio. Gross premium growth rate of the company stood 7.93% in FY21 and CAGR of 0.57% during last three years (2019-2021). In 2021, the Company (re- insurance) ceded an amount of BDT 181.21 million in FY21 which was BDT 171.04 million (re-insurance ceded) in 2020. Business growth of SICL also evident from aggregate growth of net premium. In 2021 total Net premium increased by 11.12% compare to 2020. On the other hand, net profit after tax BDT 45.81 MN in FY21. The Company may focus on generating more underwriting profit to offset the business risk to some extent.

Liquidity Risk: Liquidity risk is the risk that may arise when a company unable to meet its short term financial demands. This usually occurs due to the inability to convert a security or fixed asset to cash without a loss of capital and/or income in the process. The major liquidity risk encountered by a specific Company is the daily liquid cash required on its available cash resources in respect of claims arising from insurance contracts and maturity of investment securities. Liquidity risk also occurs more generally in relation to the ability to buy and sell investments.

SICL manages its liquidity by ensuring sufficient liquidity to meet its claims and other liabilities when due under both normal & stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. Moreover, the company sets limit on the minimum portion of maturing funds available to cover claims at unexpected levels of demand. SICL's investment in govt. treasury bonds and FDR with the banks has increased significantly from previous year. During 2021, SICL's total assets reported at BDT 1562.51 million along with current liabilities of BDT. 969.41 million. Company's overall liquidity was increased to 1.61 times compared in FY21 to 1.42 times in 2020. Liquid assets relative to Net claim stood at 455.06x in 2021, which was 23.41x in 2020. Cash percentage of Total assets 14.87% and 12.58% in FY20 and FY21 respectively. Also current ratio revealed marginal position. SICL has supportive premium income, reserve funds and FDR kept in bank to meet the unforeseen claim or payment.

Interest Rate Risk: Interest rate risk arises out of investment decisions, variation in interest rates and acceptance of high exposures in any one type of investment instrument. There is volatility in money market which has great influence over the interest rate structure of fund hold by a Company. Interest rates are highly sensitive to inflation and other factors including Govt. fiscal and tax policies, monetary policy of Bangladesh Bank and other domestic and international economic and political condition. SICL has major investment in Govt. Treasury bond and FDR in commercial banks. There is modest investment in secondary market. SICL investment income shared 9.44% of its total revenue in 2021. Interest income from FDR and other deposit have the risk of reduction of deposit interest rate of commercial bank. Thus the Company will be benefitted more from its core business in order to minimize any loss/reduction of income arise from the investment already made.

Internal Control Risk: SICL has a separate internal audit department which assists in maintaining financial discipline and management of the Company. Head office receives data of revenue and expenses of each branch and branch controlling person is held responsible for review and reconcile of all the account. If any inconsistency is observed, the Company ensures proper investigation which leads to compensation charge to the responsible person.

Internal control risks have Impacts on the effectiveness and efficiency Of internal controls and thus aspect the achievement of objectives. It usually arises from non-compliance of rules and regulation which ultimately possess negative impact on overall business performance. The Company ensures formation of Management Committee that deals with operational decisions. It is observed that the SICL Board formed Audit Committee to maintain financial discipline of the Company. Internal Audit Department, headed by professional, is assigned for the purpose of regular visit the branch offices audit and investigation. Branch Control Department follow-up all the branches regarding operation and take necessary action.

Insurance Risk: Underwriting risk is the risk of loss, or of adverse changes in the value of insurance liabilities, due to inadequate pricing and provisioning assumptions. Non-life insurance underwriting risks are often divided into premium and catastrophe risks and reserve risk in order to separate the risks related to future claims of current insurance contracts and already incurred claims.

SICL reduces this risk with the help of its experienced underwriting team who undertakes pre-insurance surveys of large and complicated risk. The Company manages these risks through its underwriting strategy, adequate reinsurance arrangements & proactive claims handling. Underwriting dept. of the Company consist of 7 members, all member is well experienced and trained from both within and outside the country. Risk management ensures proper understanding of the right level of risk acceptance, risk control and risk related expenditure. SICL also takes reinsurance coverage from SBC. The Company has surplus treaty for all business classes other than motor business for which the Company has excess of loss treaty.

Market competition risk: At present, there are 46 non-life insurance companies (including SICL) in Bangladesh and all of them are active in the industry and responsible of total gross premium of BDT 34,113.00 million (ref: Insurance year book 2019). Considering the gross premium received, SICL is representing only 1.17% of market share in 2018. Whereas, other market gains like Green Delta Insurance Company Limited, Pioneer Insurance Company Limited, Reliance Insurance Limited and Progoti Insurance Limited was holding the market share of 14o/a, 11%, 10o/o and 8%, respectively.

As a result, intense competition exists between big industry players of non-life insurance companies in Bangladesh. To the competitive in the market, SICL needs to develop new products and Offer excellent clientele senesce instead of sharing higher agency commission with the client. Moreover, the Company also needs to expand its target market otherwise the competitors may take away Its business.

Socio-political-economic Risks: Socio/Political situation in Bangladesh is relatively stable in present year. Still there always probability of any socio/political turmoil incurrence while carrying out any business in Bangladesh. The risk arises out of changes in the country's political, social and economic environment which might negatively impacts on the overall employment, savings and thus investment of the country. For the instability in politics, may disruptive situations and created which have negative impact on every business. The people who operate various types of businesses in our country, often experience inconvenience in running their business. Insurance business Is not an exception of this impact. Political instability may negative impact on overall policy collection of the Company and number of claim against policies. The Company has cautious approach to deal with such risks.

Human resources Risk: Human resource risk arises from absence of experienced person in place with required skills needed to complete assigned tasks. Companies with an ageing workforce are even at more risk. It is noted that, insurance industry of Bangladesh needs to transform its workforce via training. When the employees of a company lack training/knowledge it leads to information gap and technical errors.

SICL holds insignificant portion of total non-life insurance market. But the company is very proactive to develop its position. There is requirement of energetic, qualified professionals is expected to gear up future business. SICL had 254 employees of Which 74 were desk employees and 180 were development employees. There are seven departments in the Head Office to administer the activities of the Company. SICL has structured service rules and pay scale. There are 6 branches in Dhaka division and 17 branches are situated outside Dhaka division. Overall 25 employee trained various course at Bangladesh Insurance Academy & and Bangladesh Insurance Association. Thus 01 employee have completed BIA diploma.

Regulatory Risk: The increasing intensity of regulatory requirements poses a significant threat to the industry. The new Insurance Development and Regulatory Authority Act-2010 and Insurance Act-2010 replaced the old insurance laws which are likely to bring significant changes in the regulation of the industry. In order to make overall claim settlement procedure smooth and timely, insurance companies are required to set up a special fund known as 'policyholders' Protection Fund'. For further enhancing the solvency position. SICL's authorized capital and paid up capital of the companies was BDT 5,00.00 million and

BDT 24.00 million respectively. As per the circular issued by IDRA, agents will be paid commission at a maximum rate of 0 (zero) of gross premium. Moreover, Credit Rating practice for the insurance companies is expected to create a positive vibration in the industry as the institutional insured expect for good credit rating to safeguard their interest. All these requirements will make the market more reliable and uniform. The same will pressurize the underperforming insurance companies to retain their market share.

Technology Related Risk: Technology up gradation is a continuous process. Innovation of new and cost effective technology may obsolete existing technology which may cause obstructive impact on the business process. Insurance business is increasing day by day as our country is developing. Peoples are realizing the need of insurance which resulted into new types of insurance product. However, SICL is well acquainted with the recent change and believes that there are low chances that recent technology may hamper the operation of the Company. SICL is now issuing its cover notes, policy, Bill, MIS reports through its IIMS software.

Financial Risk: Underwriting involves measuring risk exposure and determining the premium that needs to be charged to insure that risk. SICL underwriting dept. is responsible to classify clients into appropriate risk classes and sense to protect the company from clients who misrepresent themselves fraudulently. Underwriting profit is the core sources of income of SICL. The Company takes every step to minimize underwriting risk. Major share of profit earned during the periods from company's operating earnings or underwriting profit. Total earnings from underwriting and other investment yield were dominated by underwriting profit of the company because -10.31% and 32.56% of total earnings generated from this source in 2020 and 2021 respectively. All the concern years' underwriting profit was bit unstable and notably it was fluctuated sharply in the last 03 consecutive years. For better solvency measure, Available Solvency to Required Solvency revealed marginal, may flexible the position subject to increase in total shareholder's equity which impact adjusted liability and thus improve solvency. Overall Liquidity ratio sharply increased to 1.61x in 2021 compared to 1.42x 2020. In FY21 underwriting profit to premium plunged by 32.56% from previous year and it stood at BDT 38.64 million, while In 2020 it was BDT -11.01 million. Other income portfolio needs to enrich because high yield investment and diversified investment will generate high non-operating income which may impact positively on net profit for the SICL. Decreasing Expenses ratio combined with management expenses ratio was 88.93% in FY20, which stood at 76.83% in 2021.

Claps lodged during the year stood at BDT 88.16 million as against 91.45% was settled (in respect of total claims) during same period. Total Claims reached at BDT 3.11 million in 2021 whereas claims outstanding stood at BDT 55.77 million in FY20.. Gradual decrease of total claim impacted claim settlement which indicated aptitude in claim payment. Overall situation has affected the combined ratio of the Company which has been decreased to 79.45% during 2021 and thus this ratio stays below than 100% threshold. As combined ratio of less than 100% indicates an underwriting profit overall situation can bring positive feedback for the Company. The Company will be more benefitted to focus on controlling its management expense in future years having better underwriting performance.

(vii) Details of underwriting:

(a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them

Name and address	Contact person	Telephone & fax number and e-mail address	Amount
Sonar Bangla Capital Management Limited	Md. Neamul Aziz Khan Managing Director & CEO (CC)	Tel- 88-02-9550406, 88-02-9511799 Fax- 88-02-9515447 Email- sbcmgtltd@gmail.com	5,60,00,000

(b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations.

Declaration by the Sonar Bangla Capital Management Limited

We are one of the underwriters of the Initial Public Offering (IPO) of Sikder Insurance Company Limited. We will underwrite BDT 56,000,000.00 (Taka Five crore and sixty lacs only) for the upcoming issue on a firm commitment basis. In this connection, we hereby declare that:

We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter:

Sd/-

Emam Hossain

Managing Director & Chief Executive officer

Sonar Bangla Capital Management Limited

Date: July 17, 2023

(c) Major terms and conditions of the underwriting agreements

1. The IPO shall stand cancelled if at least 65% in any category of the IPO is not subscribed.
2. In case of under subscription in any category by up to 35% of the IPO the under-subscribed securities shall be taken up by the underwriters.
3. Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.
4. As per Bangladesh Securities and Exchange Commission (Public Issue) Rule 2015 payment of underwriting commission **1% (one percent)** on the amount underwritten.
5. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the Closing Date, the Company shall within **10 (ten) days** of the closure of subscription call upon the underwriters in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not so subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within **15 (fifteen) days** after being called upon to do so. The amount so received shall be credited to the share subscription account of the Company within the said period. If payment is made by Cheque/ Bank Draft by the Underwriter, it will be deemed that the Underwriter has not fulfilled his obligation towards his underwriting commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's share subscription account credited.

In any case within **7 (seven) days** after the expiry of the aforesaid **15 (fifteen) days**, the Company shall send proof of subscription and payment by the Underwriters to the Commission.

In the case of failure by the underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement.

(c) Capital Structure

(i) Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration)

Particulars	No. of Ordinary Shares	Nominal price	Issue price	Amount in BDT
Before IPO:				
Authorized capital	50,000,000	10	10	500,000,000
Issued, subscribed and paid-up capital	24,000,000	10	10	240,000,000
Total paid up capital before IPO (A)	24,000,000	10	10	240,000,000
After IPO:				
To be issued as IPO (B)	16,000,000	10	10	160,000,000
Paid-up capital (Post IPO) (A+B)	40,000,000	10	10	400,000,000

The Company has raised its paid-up capital in following phases:

SI	Date of Allotments	Form of Consideration	No of Shares	Amount in BDT
01	July 29, 2013 (As per MoA)	Cash	24,000,000	240,000,000
	Total		24,000,000	240,000,000

The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

(ii) Size of the present issue, with break-up (number of securities, description, nominal value and issue amount)

Number of Securities to be offered	Description	Nominal value (BDT)	Issue amount (BDT)
16,000,000.00	Offer price BDT 10.00 each at par, total size of fund to be raised BDT 160,000,000.00	10.00	160,000,000.00

(iii) Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue)

Particulars	Before the present issue	After the present issue
Paid-up capital	BDT. 240,000,000	BDT 400,000,000
Convertible instruments	Nil	Nil
Share premium	Nil	Nil

(iv) Category-wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any)

Category	SI	Name	Position	No of Share	Percentage (%)		After Conversion	Lock-In
					Pre IPO	Post IPO		
Sponsor or Director	1	Mohtasim Billah Khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	3 Years
	2	Salah Uddin Khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	3 Years
	Total (a)			16,01,600	6.67%	4.00%		
Director	3	Nasim Sikder	Chairperson	24,00,000	10.00%	6.00%	N/A	3 Years
	4	Lisa Fatema Haque Sikder	Director	19,20,000	8.00%	4.80%	N/A	3 Years
	5	Monica Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	6	Jonas Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	7	Jeffrey Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	8	Mandy Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	Total (b)			1,07,20,000	44.67%	26.80%		
Shareholder	9	Mamtazul Haque Sikder	Sponsor & shareholder	19,99,200	8.33%	5.00%	N/A	3 Years
	10	Dipu Haque	Sponsor & shareholder	19,99,200	8.33%	5.00%	N/A	3 Years
	11	Sean Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	12	John Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	13	Rick Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	14	Ron Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	Total (c)			1,16,78,400	48.66%	29.20%		
Grand Total (a) + (b) + (c)				2,40,00,000	100.00%	60.00%		

The Company did not convert any instrument as there is none.

(v) Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the Issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the Issuer out of the issue

The Company did not issue any bonus shares since 2013 to 31st December, 2022.

(vi) Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted

No shares have been allotted in terms of any merger, amalgamation or acquisition scheme.

(vii) Where the Issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued

The Company has not issued any equity shares under stock option to its employees.

(viii) If the Issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the Issuer, reasons for such issue and the price thereof

The Company has not made any issue of specified securities at a price lower than the issue price during the preceding years.

(ix) The decision or intention, negotiation and consideration of the Issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue

The Company has no such decision or intention, negotiation and consideration to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

(x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them.
The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

Name	Nature of Issue (Ordinary/ Bonus share)	Date of allotment / Transfer	Number of shares	Face value	Issue price	Consideration	Date when the shares were made fully paid up	% of the total	
								Pre-issue	Post-issue
Mamtazul Haque Sikder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	20,00,000	10	10	Cash	29-Jul-13	8.33%	5.00%
		Sold 14/10/2021 to Mohtasim Billah Khan	-800			Cash	14-Oct-21		
Total			19,99,200						
Dipu Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	20,00,000	10	10	Cash	29-Jul-13	8.33%	5.00%
		Sold 14/10/2021 to Salahuddin Khan	-800			Cash	14-Oct-21		
Total			19,99,200						
Mohtasim Billah Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	3.34%	2.00%
		Gift 14/10/2021 to his daughter Monica Sikder Khan	-19,20,000			Gift	14-Oct-21		
		Gift 14/10/2021 to his son Jonas Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Bought 14/10/2021 from Mamtazul Haque	800			Cash	14-Oct-21		
		Gift 10/05/2022 from his son Jonas Sikder Khan	3,20,000			Gift	8-May-22		
		Gift 10/05/2022 from his daughter Monica sikder khan	3,20,000			Gift	8-May-22		
Total			8,00,800						
Salah Uddin Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	3.34%	2.00%
		Gift 14/10/2021 to his daughter Mandy Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Gift 14/10/2021 to his son Jeffrey Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Bought 14/10/2021 from Dipu Haque	800			Cash	14-Oct-21		
		Gift 10/05/2022 from his daughter Mandy Khan sikder	3,20,000			Gift	8-May-22		
		Gift 10/05/2022 from his son Jeffrey Khan Sikder	3,20,000			Gift	8-May-22		
Total			8,00,800						
Md. Anwar Hussain	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 14/10/2021 to Nasim Sikder	-24,00,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Lisa Fatema Haque	-16,00,000			Cash	14-Oct-21		
Total			-						
Uttam Kumar Bhoumik	Ordinary	Bought 24/12/2019 from Md. Aslamul Haque	24,00,000	10	10	Cash	24-Dec-19	0.00%	0.00%
		Bought 24/12/2019 from Dr. Md. Sahab Uddin Joarder	8,00,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Khalilur Rahman	8,00,000			Cash	24-Dec-19		
		Sold 14/10/2021 to Lisa Fatema Haque	-3,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Rick Haque Sikder	-19,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Ron Haque Sikder	-17,60,000			Cash	14-Oct-21		
Total			-						
Gazi Md. Humayun Kabir	Ordinary	Bought 24/12/2019 from Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	22,50,000	10	10	Cash	24-Dec-19	0.00%	0.00%
		Bought 24/12/2019 from Mahabubur Rahman Khan	10,20,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Dr. Mujibur Rahman	4,80,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Alhaj Nur Mohammad Hawlader	2,50,000			Cash	24-Dec-19		
		Sold 14/10/2021 to Sean Haque Sikder	-19,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Ron Haque Sikder	-1,60,000			Cash	14-Oct-21		
Sold 14/10/2021 to John Haque Sikder	-19,20,000	Cash	14-Oct-21						
Total			-						
Nasim Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	24,00,000	10	10	Cash	14-Oct-21	10.00%	6.00%
Total			24,00,000						
Lisa Fatema Haque Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	16,00,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Bought 14/10/2021 from Uttam Kumar Bhoumik	3,20,000			Cash	14-Oct-21		
Total			19,20,000						
Rick Haque Sikder	Ordinary	Bought 14/10/2021 from Uttam Kumar Bhoumik	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Ron Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	1,60,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Bought 14/10/2021 from Uttam Kumar Bhoumik	17,60,000			Cash	14-Oct-21		
Total			19,20,000						
Monica Sikder Khan	Ordinary	Gift 14/10/2021 from her father Mohtasim Billah Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to her father Mohtasim Billah Khan	-3,20,000			Gift	8-May-22		
Total			16,00,000						
Jonas Sikder Khan	Ordinary	Gift 14/10/2021 from his father Mohtasim Billah Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to his father Mohtasim Billah Khan	-3,20,000			Gift	8-May-22		
Total			16,00,000						
Jeffrey Khan Sikder	Ordinary	Gift 14/10/2021 from his father Salah uddin Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to his father Salah uddin Khan	-3,20,000			Gift	8-May-22		
Total			16,00,000						
Mandy Khan Sikder	Ordinary	Gift 14/10/2021 from her father Salah uddin Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to her father Salah uddin Khan	-3,20,000			Gift	8-May-22		
Total			16,00,000						
Sean Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
John Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	22,50,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-22,50,000			Cash	24-Dec-19		
Total			-						
Mahabubur Rahman Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	10,20,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-10,20,000			Cash	24-Dec-19		
Total			-						
Dr. Mujibur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	4,80,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-4,80,000			Cash	24-Dec-19		
Total			-						
Alhaj Nur Mohammad Hawlader	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	2,50,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-2,50,000			Cash	24-Dec-19		
Total			-						
Md. Aslamul Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	24,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-24,00,000			Cash	24-Dec-19		
Total			-						
Dr. Md. Sahab Uddin Joarder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	8,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-8,00,000			Cash	24-Dec-19		
Total			-						
Khalilur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	8,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-8,00,000			Cash	24-Dec-19		
Total			-						

- * Lock-in period of shares starts from the issue date of Prospectus.
- * The shares were made fully paid-up within the stipulated time, and
- * No shares are pledged with anybody.

(xi) The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the Issuer and their related parties within six months immediately preceding the date of filing the prospectus.

Aggregate shareholding of the sponsors and directors:

Sponsor or Director Category	Sl	Name	Position	No of Share	Percentage (%)		After Conversion	Lock-In
					Pre IPO	Post IPO		
Sponsor or Director	1	Mohtasim Billah Khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	3 Years
	2	Salah Uddin Khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	3 Years
Total (a)				16,01,600	6.67%	4.00%		
Director	3	Nasim Sikder	Chairperson	24,00,000	10.00%	6.00%	N/A	3 Years
	4	Lisa Fatema Haque Sikder	Director	19,20,000	8.00%	4.80%	N/A	3 Years
	5	Monica Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	6	Jonas Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	7	Jeffrey Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	3 Years
	8	Mandy Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	3 Years
Total (b)				1,07,20,000	44.67%	26.80%		
Shareholder	9	Mamtazul Haque Sikder	Sponsor & shareholder	19,99,200	8.33%	5.00%	N/A	3 Years
	10	Dipu Haque	Sponsor & shareholder	19,99,200	8.33%	5.00%	N/A	3 Years
	11	Sean Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	12	John Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	13	Rick Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
	14	Ron Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	3 Years
Total (c)				1,16,78,400	48.66%	29.20%		
Grand Total (a) + (b) + (c)				2,40,00,000	100.00%	60.00%		

(xii) The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the Issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument.

Name	Address	BO ID	Number of Share	Pre IPO	Current Position	Types of ownership	Contact	E Mail Address
Nasim Sikder	10/1/1, Palton, Motijheel, Dhaka	1203980006967184	24,00,000	10.00%	Chairperson	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Lisa Fatema Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020471002	19,20,000	8.00%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Mohtasim Billah Khan	10/1/1, Palton, Motijheel, Dhaka	1203980005774957	8,00,800	3.34%	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Monica Sikder Khan	10/1/1, Palton, Motijheel, Dhaka	1203980043838497	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Jonas Sikder Khan	10/1/1, Palton, Motijheel, Dhaka	1203980052188041	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Salah Uddin Khan	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980006435209	8,00,800	3.34%	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Jeffrey Khan Sikder	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980043838588	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Mandy Khan Sikder	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980039718499	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Mamtazul Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980044155815	19,99,200	8.33%	Shareholder	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Dipu Haque	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980033524853	19,99,200	8.33%	Shareholder	Shareholder	02-9181058-61, Fax: 02-9181063	info@sikder insurance.com
Sean Haque Sikder	295/Ja/14, Sikder Real Estate Zigatola, TSO-1209, Hazaribagh, Dhaka South City	1203980075309942	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61, Fax: 02-9181064	info@sikder insurance.com
John Haque Sikder	295/Ja/14, Sikder Real Estate Zigatola, TSO-1209, Hazaribagh, Dhaka South City	1203980075309969	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61, Fax: 02-9181065	info@sikder insurance.com
Mr. Rick Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020838050	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61, Fax: 02-9181066	info@sikder insurance.com
Mr. Ron Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020595994	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61, Fax: 02-9181067	info@sikder insurance.com
Gazi Md. Humayun Kabir	Building- H, Flat-0 (3rd Floor) Sikder Review Apartment, Monica Estate, West Dhanmondi, Dhaka- 1209		-	0.00%	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikder insurance.com
Uttam Kumar Bhowmik	House- 48, Road- Sher-e-bangla road & Mitali Road, Zigatola, Dhaka- 1209.		-	0.00%	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikder insurance.com

There is no event or intent of exercising warrant, option or right to convert any convertible instrument.

(xiii) The number of securities of the Issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.

No officers of Sikder Insurance Company Limited own its shares as on December 31, 2022.

(d) Description of Business

(i) The date on which the Issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;

Sikder Insurance Company Limited was incorporated in July 29, 2013 as a Public Limited Company under Registrar of Joint Stock Companies and Firms (RJSC) vide registration number C-110560/2013 under the Companies Act 1994.

Corporate information:

Particulars	Description
Date of incorporation as public limited company	July 29, 2013
Commencement of commercial operation	July 29, 2013
Conversion into public limited company	N/A
Denomination of face value from Tk. 100.00 to Tk. 10.00	N/A
Authorized capital	BDT 50.00 Crore
Issued & Paid-up Capital	BDT 24.00 Crore
Nature of Business	General Insurance in the Private Insurance Sector

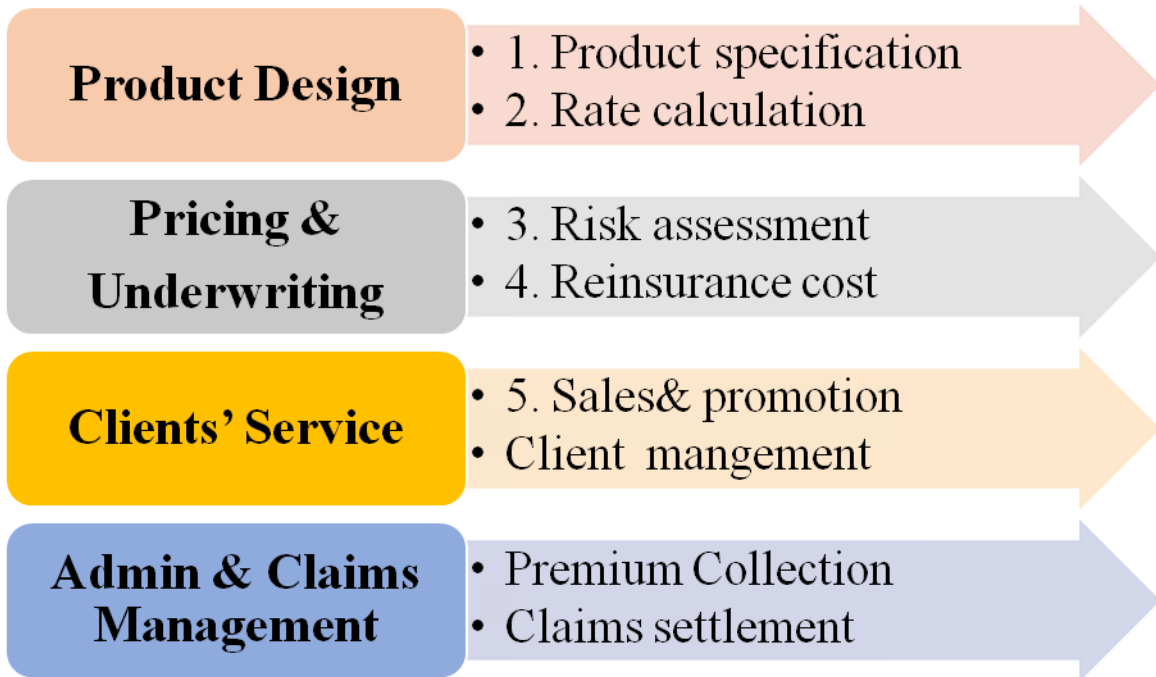
(ii) Location of the project;

Head Office of Sikder Insurance Company Limited (SICL) is situated at Rayer Bazar; Dhaka and SICL's 22 branches and a corporate office in different districts at strategically important points.

(iii) Plant, machinery, technology, process, etc.;

Plant & Machinery:

Sikder Insurance Company Ltd. is engaged in insurance business. There is no plant, machinery & technology involved in the business process of the Issuer. However, the company has been operating with its General Insurance services going through the following processes:



(iv) Details of the major events in the history of the Issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;

Particulars	Status
Date of incorporation	29 July, 2013
Private to public	N/A (Incorporated as Public Limited Company)
Date of Commencement of Business	29 July, 2013
Start of Commercial Operation	29 July, 2013
Details of facility creation	Since the Company is engaged in insurance business. So, there are no capacity or facility creation and no launching of plant, products.
Principal products or services of the Issuer	<ul style="list-style-type: none"> a) Fire Insurance b) Marine Insurance c) Motor Insurance d) Miscellaneous Insurance e) Liability Insurance f) Engineering Insurance
Marketing	The Issuer company sells its services to individuals & corporate bodies, both directly through its officials & also through commission agents.

Changes in ownership

Name	Nature of Issue (Ordinary/Bonus share)	Date of allotment / Transfer	Number of shares	Face value	Issue price	Consideration	Date when the shares were made fully paid up	% of the total	
								Pre-issue	Post-issue
Mamtazul Haque Sikder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	20,00,000	10	10	Cash	29-Jul-13	8.33%	5.00%
		Sold 14/10/2021 to Mohtasim Billah Khan	-800			Cash	14-Oct-21		
Total			19,99,200						
Dipu Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	20,00,000	10	10	Cash	29-Jul-13	8.33%	5.00%
		Sold 14/10/2021 to Salahuddin Khan	-800			Cash	14-Oct-21		
Total			19,99,200						
Mohtasim Billah Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	3.34%	2.00%
		Gift 14/10/2021 to his daughter Monica Sikder Khan	-19,20,000			Gift	14-Oct-21		
		Gift 14/10/2021 to his son Jonas Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Bought 14/10/2021 from Mamtazul Haque	800			Cash	14-Oct-21		
		Gift 10/05/2022 from his son Jonas Sikder Khan	3,20,000			Gift	8-May-22		
		Gift 10/05/2022 from his daughter Monica sikder khan	3,20,000			Gift	8-May-22		
Total			8,00,800						
Salah Uddin Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	3.34%	2.00%
		Gift 14/10/2021 to his daughter Mandy Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Gift 14/10/2021 to his son Jeffrey Khan Sikder	-19,20,000			Gift	14-Oct-21		
		Bought 14/10/2021 from Dipu Haque	800			Cash	14-Oct-21		
		Gift 10/05/2022 from his daughter Mandy Khan sikder	3,20,000			Gift	8-May-22		
		Gift 10/05/2022 from his son Jeffrey Khan Sikder	3,20,000			Gift	8-May-22		
Total			8,00,800						
Md. Anwar Hussain	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	40,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 14/10/2021 to Nasim Sikder	-24,00,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Lisa Fatema Haque	-16,00,000			Cash	14-Oct-21		
Total			-						
Uttam Kumar Bhoumik	Ordinary	Bought 24/12/2019 from Md. Aslamul Haque	24,00,000	10	10	Cash	24-Dec-19	0.00%	0.00%
		Bought 24/12/2019 from Dr. Md. Sahab Uddin Joarder	8,00,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Khalilur Rahman	8,00,000			Cash	24-Dec-19		
		Sold 14/10/2021 to Lisa Fatema Haque	-3,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Rick Haque Sikder	-19,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Ron Haque Sikder	-17,60,000			Cash	14-Oct-21		
Total			-						
Gazi Md. Humayun Kabir	Ordinary	Bought 24/12/2019 from Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	22,50,000	10	10	Cash	24-Dec-19	0.00%	0.00%
		Bought 24/12/2019 from Mahabubur Rahman Khan	10,20,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Dr. Mujibur Rahman	4,80,000			Cash	24-Dec-19		
		Bought 24/12/2019 from Alhaj Nur Mohammad Hawlader	2,50,000			Cash	24-Dec-19		
		Sold 14/10/2021 to Sean Haque Sikder	-19,20,000			Cash	14-Oct-21		
		Sold 14/10/2021 to Ron Haque Sikder	-1,60,000			Cash	14-Oct-21		
Sold 14/10/2021 to John Haque Sikder	-19,20,000	Cash	14-Oct-21						
Total			-						
Nasim Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	24,00,000	10	10	Cash	14-Oct-21	10.00%	6.00%
Total			24,00,000						
Lisa Fatema Haque Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	16,00,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Bought 14/10/2021 from Uttam Kumar Bhoumik	3,20,000			Cash	14-Oct-21		
Total			19,20,000						
Rick Haque Sikder	Ordinary	Bought 14/10/2021 from Uttam Kumar Bhoumik	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Ron Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	1,60,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Bought 14/10/2021 from Uttam Kumar Bhoumik	17,60,000			Cash	14-Oct-21		
Total			19,20,000						
Monica Sikder Khan	Ordinary	Gift 14/10/2021 from her father Mohtasim Billah Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to her father Mohtasim Billah Khan	-3,20,000				8-May-22		
Total			16,00,000						
Jonas Sikder Khan	Ordinary	Gift 14/10/2021 from his father Mohtasim Billah Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to his father Mohtasim Billah Khan	-3,20,000				8-May-22		
Total			16,00,000						
Jeffrey Khan Sikder	Ordinary	Gift 14/10/2021 from his father Salah uddin Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to his father Salah uddin Khan	-3,20,000				8-May-22		
Total			16,00,000						
Mandy Khan Sikder	Ordinary	Gift 14/10/2021 from her father Salah uddin Khan	19,20,000	10	10	Gift	14-Oct-21	6.67%	4.00%
		Gift 10/05/2022 to her father Salah uddin Khan	-3,20,000				8-May-22		
Total			16,00,000						
Sean Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
John Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	22,50,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-22,50,000			Cash	24-Dec-19		
Total			-						
Mahabubur Rahman Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	10,20,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-10,20,000			Cash	24-Dec-19		
Total			-						
Dr. Mujibur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	4,80,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-4,80,000			Cash	24-Dec-19		
Total			-						
Alhaj Nur Mohammad Hawlader	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	2,50,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Gazi Md. Humayun Kabir	-2,50,000			Cash	24-Dec-19		
Total			-						
Md. Aslamul Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	24,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-24,00,000			Cash	24-Dec-19		
Total			-						
Dr. Md. Sahab Uddin Joarder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	8,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-8,00,000			Cash	24-Dec-19		
Total			-						
Khalilur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA	8,00,000	10	10	Cash	29-Jul-13	0.00%	0.00%
		Sold 24/12/2019 to Uttam Kumar Bhoumik	-8,00,000			Cash	24-Dec-19		
Total			-						

CHANGES IN KEY MANAGEMENT PERSONNEL

Managing Director & Chief Executive Officer

SL.	Name	Position	Incumbency
1	Mr. Tawfiqur Rahman	CEO	From: 11.07.2013 to 30.06.2016
2	Mr. Mohammad Ahsan Ullah	DMD & CEO (CC)	From: 01.07.2016 to 20.08.2017
3	Mr. Md. Aminur Rahman	CEO	From: 21.08.2017 to 02.04.2018
4	Mr. Mohammad Ahsan Ullah	DMD & CEO (CC)	From: 03.04.2018 to 30.06.2018
5	Mr. Md. Badiul Alam	DMD & CEO (CC)	From: 01.07.2018 to 21.02.2021
6	Mr. Sk. Abdur Rafique	CEO	From: 22.02.2021 to till date

Company Secretary

SL.	Name	Position	Incumbency
1	Mr. Mir Hasan	Company Secretary	From: 29.07.2013 to 07.01.2014
2	Mr. Md. Asifur Rahman	Company Secretary	From: 08.01.2014 to 04.09.2017
3	Mr. Md. Badiul Alam	Company Secretary	From: 05.09.2017 to 30.06.2018
4	Mr. Taha Mohammed Asfaq	Company Secretary	From: 01.07.2018 to 31.07.2018
5	Mr. Abdur Razzak	Company Secretary	From: 01.08.2018 to till date

Chief financial Officer

SL.	Name	Position	Incumbency
1	Mr. Md. Rajaur Rahman	CFO	From: 29.07.2013 to 31.05.2020
2	Mr. Md. Shaha Alam	CFO (CC)	From: 01.06.2020 to 14.11.2020
3	Mr. Md. Mayen Uddin	CFO	From: 15.11.2020 to till date

(v) Principal products or services of the Issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data

Principal products or services

The company is carrying out following types of insurance businesses:

- a) Fire Insurance
 - i. Fire & Allied Perils Insurance
 - ii. Industrial All Risks Insurance
- b) Marine Insurance
 - i. Marine Cargo Insurance
 - ii. Marine Hull
- c) Motor Insurance
 - i. Motor Vehicle Insurance (Private)
 - ii. Motor Vehicle Insurance (Commercial)
- d) Miscellaneous Insurance
 - i. Burglary Insurance (BUG)
 - ii. Cash-in Safe Insurance (CIS)
 - iii. Cash-in Transit Insurance (CIT)
 - iv. Cash-on-Counter Insurance (COC)
 - v. Personal Accident Insurance (PA)
 - vi. Workman's Compensation Insurance (WC)
- e) Liability Insurance
 - i. Employers' Liability Insurance (EL)
 - ii. Product Liability Insurance (PDL)
 - iii. Public Liability Insurance (PL)
- f) Engineering Insurance
 - i. Contractors' All Risks Insurance (CAR)
 - ii. Erection All Risks Insurance (EAR)
 - iii. Machinery Break-down Insurance (MBD)
 - iv. Deterioration of Stock Insurance (DOS)
 - v. Boiler & Pressure Vessel Insurance (BPV)
 - vi. Contractors' Plant & machinery Insurance (CPM)

Markets for such products

The company is selling its products and services to the individuals, institutions directly and through its agents.

Past trend of service

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Net Premium	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Underwriting Profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Claim paid	26,98,297	14,88,965	42,25,596	44,22,163	58,15,367
Deposit Premium	2,33,44,687	1,47,68,556	2,58,23,635	2,03,61,313	25,00,414

Since Issuer Company is engaged in doing insurance business, there lies no scope of export.

Claims and Settlements:

Classes	Pending Claim at 31-12-2022	2022		2021		2020		2019		2018	
		No of Claim	No of Settlement	No of Claim	No of Settlement	No of Claim	No of Settlement	No of Claim	No of Settlement	No of Claim	No of Settlement
Fire	17	14	7	12	10	11	9	8	6	12	8
Marine Cargo	6	3	0	0	3	1	0	3	0	2	0
Marine Hull	0	0	0	0	0	0	0	0	0	0	0
Motor	5	18	7	10	9	5	8	15	14	24	29
Miscellaneous	3	5	3	1	0	0	0	0	0	0	0
Total	31	40	17	23	22	17	17	26	20	38	37

Past trends and future prospects of the product or service in the local market

The company sells its products only in the local market of Bangladesh.

Future prospects:

Insurance industry, as said earlier, at the final stage of its transition. Government has taken several steps for revitalizing the sector to make it more vibrant and operationally sound. However, amendments and initiatives can't make an overnight change in the sector.

The new regulatory body should discover some mechanism to eradicate underhand commission to reduce the high procurement cost in general insurance business. Professionalism at every level of management is very crucial for overall development in the sector. The board should involve in strategic and policy aspects of the company in addition looking after into the day-to-day operation. All the insurance companies should have a sound HR policy that will attract the qualified people to choose the profession as a 'career' not a mere 'job'. HR development program should be a part and parcel of regular business operation for the enhancement of skills and development of professionalism. A good number of companies are still struggling for their survival; thus, huge cost of IT infrastructure is an additional burden for them. However, awareness should be built for effective use of IT infrastructure in MIS that ultimately will bring positive results in future.

Last but not the least; it is not the responsibility of the regulatory body alone to make revolutionary change, rather the respective board, the management team and above all the insured should come forward to bring the sector to the global standard. The sooner it happens; the better is for the stakeholders in particular and the country in general.

The regulatory reforms started with the introduction of the Insurance Act 2010 as the important rules /regulations under the Act have not yet been put in place. The absence of important rules/regulations has created a vacuum of insurance business in Bangladesh. It is being obligatory for insurance companies to charge premium rates as determined by the Regulatory Authority. However, the tariff rates have not been reviewed for a long time in the light of updated loss experience obtaining over the years and as such many clients do feel that they are being overcharged. Further short term and midterm objective of national insurance policy and guideline were not implemented. This has further negatively impacted on the public perception of the insurance industry at large thereby hindering its growth.

Sectorial share of insurance industry to the GDP at current prices is 0.38% in 2016 whereas 4.1% in 2015 found in the Bureau of Statistics, Bangladesh. Insurance penetration rate in Bangladesh is less than 1% since last consecutive years.

The further progress of Bangladesh Insurance Industry predominantly depends on how the consumers' perception of Insurance as a useful and efficient vehicle of risk transfer. This can be achieved through sustained efforts of the industry as well as regulators by

holding public conference, by providing efficient services, honoring insurance policy obligations, introducing new products, aware the public by using technology and social mechanism and by rationalizing the pricing mechanism.

Demand and Supply forecast

The demand for insurance service is correlated with the volume of business increase in the Country. It has been observed that the economy of Bangladesh is emerging and human living standard also increasing. To coverage risk, the demand for insurance service is also increasing accordingly.

Currently, there are 48 insurance companies are serving their business in our country in order to cover the risk. As business volume is increasing in our country so the demand for insurance coverage increasing day by day to the client. There is a demand and supply gap remain in our country. Accordingly, Government of Bangladesh permits year to year number of insurance companies to run their business in this sector.

(vi) If the Issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company’s total revenues

Year	Revenue of the year(Taka)	Product	Income from the Product (Taka)	Percentage Contribution
2022	3,40,89,525	Fire insurance revenue account	8,79,69,332	258.05%
		Marine cargo revenue account	1,64,95,735	48.39%
		Marine Hull revenue account	(5,83,742)	-1.71%
		Motor insurance revenue account	42,57,439	12.49%
		Miscellaneous insurance revenue account	(7,40,49,238)	-217.22%
2021	3,86,07,131	Fire insurance revenue account	1,10,62,128	28.56%
		Marine cargo revenue account	2,44,65,691	63.37%
		Marine Hull revenue account	(2,71,218)	-0.70%
		Motor insurance revenue account	67,92,581	17.59%
		Miscellaneous insurance revenue account	(34,05,751)	-8.82%
2020	-1,10,06,519	Fire insurance revenue account	(3,49,20,223)	317.27%
		Marine cargo revenue account	1,82,14,973	-165.49%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	96,03,634	-87.25%
		Miscellaneous insurance revenue account	(39,04,903)	35.48%
2019	1,94,39,307	Fire insurance revenue account	(30,40,828)	-15.64%
		Marine cargo revenue account	1,46,26,198	75.24%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	53,17,037	27.35%
		Miscellaneous insurance revenue account	25,36,900	13.05%
2018	58,17,207	Fire insurance revenue account	(72,63,077)	-124.86%
		Marine cargo revenue account	21,64,230	37.20%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	72,51,816	124.66%
		Miscellaneous insurance revenue account	36,64,238	62.99%

(vii) Description of associates, subsidiary and holding company of the Issuer and core areas of business thereof

Sikder Insurance Company Ltd. does not have any associate, subsidiary or holding company.

(viii) How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations, if any

The Company operates its business through the Head Office at Dhaka and the branches throughout the country. As on 31 December, 2022, the Company has been operating its business through 22 branches along with a corporate office.

Branches (22 Branch and one corporate office)

<p>01 Mr. Md. Abdul Motaleb SEVP & Head of U/W Dept. Sikder Insurance Company Limited Corporate Office 295/Ja/14, Rayer Bazar, Monica Estate, West Dhanmondi, Dhaka-1209. Tel:+02-9181058-61, Mobile: 01847-167720 E-mail: uw@sikderinsurance.com</p>	<p>12 Mr. Md. Sohel Rana Executive Officer Sikder Insurance Company Limited Hili Branch HoldingNo.0090-00, Charmatha (2nd Floor), Bangla Hili, Hakimpur, Dinajpur. Mobile: 01940-280583 E-mail: hili.sicl@gmail.com</p>
<p>02 Mr. Md. Ruhul Amin Vice President Sikder Insurance Company Limited Satkhira Branch 32 (1st Floor), PN School More,Pran Sayer, Satkhira. Tel: 02477742049, Mobile: 01713-202877 E-mail: sicl.satkhira@gmail.com</p>	<p>13 Mr. Md. Abdus Salam Senior Officer & Branch In-Charge Sikder Insurance Company Limited Naogaon Branch Chistia Plaza (1st Floor), Gostohatir More, Naogaon Bazar, Naogaon. Mobile: 01728-171668 E-mail: naogaon.sicl@gmail.com</p>
<p>03 Mr. Md. Monowar Hossain Sr. Officer & Branch In-charge Sikder Insurance Company Limited Rajshahi Branch Hoding No.194 (2nd Floor), Alupatty Moor, Ghoramara, Boalia, Rajshahi. Tel: 02588854809, Mobile: 01728-401767 E-mail: sicl.raj@gmail.com</p>	<p>14 Mr. Md. Kawsar Ali Senior Officer Sikder Insurance Company Limited Benapole Branch 490, Rahman Chamber (3rd Floor), Benapole Bazar, Benapol, Jessore. Mobile: 01717-000122 E-mail: benapole.sicl@gmail.com</p>
<p>04 Mr. Md. Sarwar Jahan Akonda Manager & Branch In-charge Sikder Insurance Company Limited Bogura Branch Munshi Plaza (1st Floor) 5/4068, Kabi Nazrul Islam Sarak, Jhwtoala, Bogra. Tel: 02589902524, Mobile: 01740933237 E-mail: sicl.bog@gmail.com</p>	<p>15 Mr.Md.Aminul Islam Asst. Vice President & Branch In-charge Sikder Insurance Company Limited Uttara Branch Manor Magnolia, Holding No. 13 , Road No. 7/D, Sector-09,Uttara, Dhaka. Mobile: 01751260433 E-mail: uttara.sicl@gmail.com</p>
<p>05 Mr. Md. Jasim Uddin SEVP & Branch In-charge Sikder Insurance Company Limited Bangshal Branch 70, Shahid Syed Nazrul Islam Sarani (3rd Floor), Bangshal Road, Dhaka-1100. Tel: 02-9513636, Mobile: 01715-461404 E-mail: sicl.bang@gmail.com</p>	<p>16 Mr. Md. Azharul Islam DMD & Branch In-Charge Sikder Insurance Company Limited Khulna Branch Khulna Chamber of Commerce & Industry, Chamber Mansion (5th Floor) Mobile: 01711-579248 E-mail: info@sikderinsurance.com</p>
<p>06 Mr. Md. Yousuf Ali Sr. Officer & Branch In-charge Sikder Insurance Company Limited Dilkusha Branch Zahed Ali Tower 6th Floor,15 Dilkusha C/A, Dhaka-1000. Tel: 9513280-285, Mobile: 01755-717555 E-mail: sicl.dilkusha@gmail.com</p>	<p>17 Mr. Md. Kazi Asadul Hoque Vice President & Branch In-Charge Sikder Insurance Company Limited Kushtia Branch Lovely Housing Limited,55/1,Serjuddowla Road,7th Floor, Room No.7F3 Mobile: 01749-672333 E-mail: info@sikderinsurance.com</p>
<p>07 Mr. Md. Anaet Ali Junior Officer & Branch In-charge Sikder Insurance Company Limited Chapainawabganj Branch House No. 10 (2nd Floor), Godagari Road, Pourashava, Chapainawabganj Sadar, Ch Mobile: 01738-557672 E-mail: sicl.chapai@gmail.com</p>	<p>18 Mr. Md. Nasir Uddin Romy Asstt. MD & Branch In- Charge Sikder Insurance Company Limited Jashore Branch Frontside of Mohasin super Market (2nd Floor), Holding# 10 Mobile: 01711-976511 E-mail: info@sikderinsurance.com</p>

<p>08 Mr. Md. Najmul Haque Executive Officer & Branch In-charge Sikder Insurance Company Limited Rangpur Branch Monsur Bhaban (2nd Floor), Station Road, Rangpur. Tel:02589964420, Mobile: 01772-821286 E-mail: sicl.rang@gmail.com</p>	<p>19 Mr. Abdus Sattar Molla Vice President & Branch In-Charge Sikder Insurance Company Limited Manikganj Branch Haji Rafique Uddin Super Market, North East Corner of 2nd Floor Mobile: 01728-731787 E-mail:manikganj@sikderinsurance.com</p>
<p>09 Mr. Md. Golam Nobi Junior Officer-Branch In-Charge Sikder Insurance Company Limited Mymensingh Branch Holding No. 19, Swadeshi Bazar Road (2nd Floor), Police Station-kotwali, Mymensingh Tel: 091-61367, Mobile: 01762-614652 E-mail: sicl.mym@gmail.com</p>	<p>20 Mrs. Sharmin Islam Executive Vice President & Branch In-Charge Sikder Insurance Company Limited Narayanganj Branch Rahat Complex, 3rd Floor. 53/3, S/M. Maleh Road, Tanbazar Narayanganj. Mobile: 01711-069851 E-mail: narayanganj@sikderinsurance.com</p>
<p>10 Mr. Md. Bashir Akon Office Assistant, Computer Sikder Insurance Company Limited Barishal Branch Fakir Complex (2nd Floor), 112, Bir Shreashta Capt. Mohiuddin Jahangir Sarak (Sadar Road), Barishal. Tel: 02478866457, Mobile: 01644770939 E-mail: sicl.barisal@gmail.com</p>	<p>21 Mrs. Gulshahanara Khatun Asstt. MD & Branch In- Charge Sikder Insurance Company Limited BB Avenue Branch Don Plaza, 10th Floor (Room no. 2,4 & 6), B.B Avenue,Dhaka-1000. Mobile:01922-389201 E-mail: bbavenue@sikderinsurance.com</p>
<p>11 Mr. Md. Sarwar Alam Senior Manager & Branch In- Charge Sikder Insurance Company Limited Agrabad Branch Faruk Chamber (3rd floor), 1403, Sk. Mujib Road, Agrabad C/A, Chittagong. Tel: 02333326741, Mobile: 01781-351727 E-mail: sicl.agrabad@gmail.com</p>	<p>22 Md. Jasim Uddin Manager Sikder Insurance Company Limited Banani Branch Sikder Center, Holding No. 67/B, Road No. 13/B (Front Road No. 11), Block-E, Banani Mobile: 01305-239881 E-mail: banani@sikderinsurance.com</p>
	<p>23 Md. Rubel Miah Vice President & Branch In-Charge Sikder Insurance Company Limited Elephant Road Branch House #43,4th Floor,Road # New Elephant Road Mobile: 01681-399726 E-mail: eroad@sikderinsurance.com</p>

Customers' location:

Customers for Insurance companies doing General Insurance business are located throughout Bangladesh. Sikder Insurance Company Ltd (SICL) has set up 23 branches throughout the country, mostly in the important places, to provide insurance service to a wider variety of customers at all over the country.

Export possibilities & obligations:

Sikder Insurance Company Limited is a General Insurance business organization doing its business in the Private Insurance Sector of Bangladesh. Insurance business products are not exportable products, besides the company has no obligation to export.

(ix) Competitive conditions in business with names, percentage and volume of market shares of major competitors.

Insurance market in Bangladesh remains fragmented and extremely competitive due to existence and operation of a large number of companies, incommensurate with the size of the market. There are 45 non-life insurance companies in the private sector, in addition to the one public sector corporations. A total of 46 non-life insurers are operating in Bangladesh. Thus, insurance companies will find them in stiff competition when the new companies enter the market.

The percentage and volume of market share of major competitors based on net premium are as follows:

SI No	Name of the company	Net Premium (taka in mn)	Percentage of market share based on net premium	Period
1	Agrani Insurance Co. Ltd	192.28	1.02%	2019
2	Asia Insurance co. Ltd	408.69	2.17%	2019
3	Asia Pacific Gen. Insurance co. Ltd	347.50	1.85%	2019
4	Bangladesh Gen Insurance Co. Ltd	452.36	2.40%	2019
5	Bangladesh Co –Operative Ins. Ltd	79.26	0.42%	2019
6	Bangladesh National Insurance Ltd	361.73	1.92%	2019
7	Central Insurance Co. Ltd	235.27	1.25%	2019
8	City General Insurance Co. Ltd	312.37	1.66%	2019
9	Continental Insurance Co. Ltd	247.72	1.32%	2019
10	Crystal Insurance Co. Ltd	390.89	2.08%	2019
11	Dhaka Insurance Ltd	224.90	1.19%	2019
12	Desh General Insurance Co. Ltd	167.95	0.89%	2019
13	East Land Insurance Co Ltd	244.68	1.30%	2019
14	Eastern Insurance Co. Ltd	457.10	2.43%	2019
15	Express Insurance Ltd	300.59	1.60%	2019
16	Federal Insurance Co. Ltd	335.95	1.78%	2019
17	Green Delta Insurance Co. Ltd	1,996.82	10.61%	2019
18	Global Insurance Ltd	417.58	2.22%	2019
19	Islami Insurance Bd Ltd	380.50	2.02%	2019
20	Islami Commercial Ins.Co. Ltd	347.53	1.85%	2019
21	Janata Insurance Co. Ltd	171.72	0.91%	2019
22	Karnafuli Insurance Co. Ltd	191.49	1.02%	2019
23	Meghna Insurance Co. Ltd	391.08	2.08%	2019
24	Mercantile Insurance Co. Ltd	191.01	1.01%	2019
25	Nortern Gen Ins. Co. Ltd	376.78	2.00%	2019
26	Nitol Insurance Co. Ltd	532.68	2.83%	2019
27	Peoples Ins. Co. Ltd	420.77	2.24%	2019
28	Pragati Ins. Ltd	1,024.54	5.44%	2019
29	Phoenix Ins. Co. Ltd	473.27	2.51%	2019
30	Purabi Gen Ins Co Ltd	20.98	0.11%	2019
31	Provati Gen. Ins. Co. Ltd	638.62	3.39%	2019
32	Prime Ins Co. Ltd	137.35	0.73%	2019
33	Pioneer Ins. Co. Ltd	1,812.21	9.63%	2019
34	Paramount Ins. Co. Ltd	151.26	0.80%	2019
35	Reliance Ins Ltd	1,324.70	7.04%	2019
36	Rupali Insurance Co. Ltd.	518.16	2.75%	2019
37	Republic Insurance Co. Ltd.	419.57	2.23%	2019
38	Standard Insurance Limited	259.79	1.38%	2019
39	South Asia Ins. Co. Ltd.	119.24	0.63%	2019
40	Sonar Bangla Insurance Limited	444.09	2.36%	2019
41	Sikder Insurance Company Ltd.	126.51	0.67%	2019
42	Sena Kalyan Insurance Ltd.	253.39	1.35%	2019
43	Takaful Islami Insurance Ltd.	248.97	1.32%	2019
44	United Insurance Co. Ltd	272.22	1.45%	2019
45	Union Insurance Co. Ltd.	402.00	2.14%	2019

* Out of 45 non- life insurance companies, we have considered 45 listed and non-listed companies based on available information.

(x) Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption

The Company does not procure any raw materials and as such has no principal merchandizing supplier(s).

(xi) Sources of, and requirement for, power, gas and water; or any other utilities and contingency plan in case of any disruption

The Company does not require such utilities except for ordinary use in administrative work.

(xii) Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products or services with amount and percentage thereof

There is no such single customer who purchases or enjoys 10% or more of the Company's products/services.

(xiii) Names address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the Issuer purchases 10% or more of its raw material or finished goods with amount and percentage thereof

The Issuer Company is a service providing company. There are no suppliers who provided 10% or more of its raw material/ finished goods.

(xiv) Description of any contract which the Issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO or MD, CFO and Chairman on behalf of Board of Directors

The Company has no such contract with principal suppliers or customers.

TO WHOM IT MAY CONCERN

Declaration regarding contract with principal suppliers or customers

We, on behalf of Board of Directors of the company hereby declare that Sikder Insurance Company Limited did not enter into any contract with its any suppliers or customers for the year ended December 31, 2022

Sd/-
Md. Mayen Uddin
Chief Financial Officer

Sd/-
Abdur Razzak
Company Secretary

Sd/-
SK. Abdur Rafique
Chief Executive Officer

Sd/-
Nasim Sikder
Chairman

Date: July 17, 2023

(xv) Description of licenses, registrations, NOC and permissions obtained by the Issuer with issue, renewal and expiry dates

SI	Particulars	License Issuer/ Issuing Authority	Certificate/ license No.	Certificate Issue Date	Validity Status
01	Certificate of Incorporation	Register of Joint Stock Companies & Firms (RJSC) Bangladesh	C-110560/2013	29 July 2013	N/A
02	TIN Certificate	National Board of Revenue	363196271551	13 August 2013	N/A
03	BIN	Custom, Exercise & VAT Commissionerate, Dhaka	002029105-0201	23 Oct 2019	N/A
04	E-Trade License	Dhaka South City Corporation	TRAD/DSCC/214706/2019	09 Oct 2020	30 Jun 2024
05	Certificate of Registration	Insurance Development and Regulatory Authority (IDRA)	01/2013	29 July 2013	31 Dec 2023

(xvi) Description of any material patents, trademarks, licenses or royalty agreements

The company does not have any material patents, trademarks, licenses or royalty agreements except as mentioned in the above licenses.

(xvii) Number of total employees and number of full-time employees.

The Company had 254 employees as on December 31, 2022.

Part/ Full time	Number of employees		
	Head Office	Branches	Total
Full time employee	52	202	254
Part time employees	0	0	0
Grand Total	52	202	254

(xviii) A brief description of business strategy

Business strategies of SICL are as follows:

- (1) To improve and consolidate its position in the insurance industry with a continuous growth philosophy.
- (2) To enhance value creation through delivering insurance product to wide range of clients.
- (3) Develop and improve direct distribution capabilities and integrated multi-channel strategies.
- (4) Explore new capabilities that online strategies enable.
- (5) Guide customer-driven innovations and product speed-to-market
- (6) Define growth strategies to capture market share.
- (7) Design operating models to reduce complexity and improve effectiveness.
- (8) Create operational and technology strategies to improve market responsiveness.

(xix) A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels.

Sikder Insurance Company Limited (SICL) provides Insurance services to individuals or organizations where & whenever they need such services. As such measuring the services with view point of installed capacity is not possible and so capacity utilization & projected capacities could not be assigned. Business results of SICL are generally measured through budgetary controls. Budgets of Income & Expenditures for current & future years are adopted and periodically they are reviewed to ascertain how much of the budgets could be achieved and future budgets mostly based on actual performances.

(e) Description of Property

(i) Location and area of the land, building, principal plants and other property of the company and the condition thereof.

The Company's Registered Office is situated at 295-Ja-14, Rayer Bazar, Monica Estate, PO: 1209, Hazaribagh, Dhaka.

Particulars	Address
Head Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.
Registered Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.

Particulars	Location	Area	Condition
Building	N/A	N/A	N/A

The other properties of the Company as on 31 December 2022 as per audited financial statements are follows:

The above-mentioned properties are in good condition

Sl. No.	Particulars	Written Down Value 2022
1	Office Decoration	1,02,89,557
2	Furniture & fixture	24,71,610
3	Motor Vehicle	1,92,468
4	Computer	3,79,159
5	Air Condition	31,77,415
6	Office Equipment	19,37,630
7	Software	3,516
8	Electric transformer	2,68,435
Closing Balance		1,87,19,790

(ii) Whether the property is owned by the company or taken on lease

a) Building (Floor Space):

No other properties have been owned or lease other than Head Office and Branch Office of Sikder Insurance Company Limited (SICL).

Location	Area (sft/Katha)	Total Agreed Costs (Taka)	Paid till 30-12-2022(Tk)	Remarks
N/A	N/A	N/A	N/A	N/A

(iii) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof

SL	Place	Deed No.	Date of purchase	Mutation date	Last date of current rent (LvRbv)	C.S. Dag No.	Deed Value	Area of land (Decimal)	Current use
01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(iv) The names of the persons from whom the lands have been acquired or proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the Issuer or any sponsor or director thereof

Name(s) of the person(s) from whom the lands have been acquired	Area of Land	Cost of acquisition			Relation
		Deed Value	Registration Cost	Total Cost	
N/A	N/A	N/A	N/A	N/A	N/A

(v) Details of whether the Issuer has received all the approvals pertaining to use of the land, if required

Sikder Insurance Company Limited (SICL) did not purchase any property.

(vi) If the property is owned by the Issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee.

None of the property of the Issuer Company is mortgaged or other type of charge created to any Bank/Financial Institution.

(vii) If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment

Sl	Name of Branch	Address	Name of the Lessor	Detail	Expire Date	Remarks
1	Agrabad Branch	Faruk Chamber (3 rd floor), Sheikh Mujib Road, C.D.A Plot no: F/1, Agrabad C/A, Chattogram	Mr. Fahim Ahmed Faruk Chowdhury	Advance:315,600 Monthly Rent:27,352 Office Size:526	29.02.22	Operating Lease
2	Bangshal Branch	40, Haji Abdullah Sarkar lane (old)(3 rd floor), 70 Shahid Saiyad Nazrul Islam Sarani (New), Dhaka	Mohammad Anayet Ullah Md. Asadullah	Advance:100,000 Monthly Rent:15,000 Office Size:450	14.05.24	Operating Lease
3	Barisal Branch	Fokir Complex (3 rd Floor), 527, 112 Bir sreshto Captain Mahiuddin Jahangir Sadar Road, Barisal .	Mr. Aleck Masud Mr.Salim Ahmed Mr.Fahim Faisal Sakib	Advance:400,000 Monthly Rent:10,286 Office Size:600	19.02.23	Operating Lease
4	Benapole Branch	490, Rahman Chamber, (3 rd Floor) Benapole, Jessore.	Mrs. Shahida Rahman Shetu	Advance:200,000 Monthly Rent:6,450 Office Size:430	31.10.22	Operating Lease
5	Bogra Branch	5/4068, Munshi Plaza (1 st floor), Kabi Nazrul Islam Sarak, Jhautala, Bogra.	Md. Mahmudul Haque (Babu) Md. Masudul Haque	Advance:200,000 Monthly Rent:13,910 Office Size:500±	14.05.27	Operating Lease
6	Chapai Nawabganj Branch	Godagari Road, Pourosobha, 10 (2 nd Floor), Chapai Nababgonj Sadar, Chapai Nababgonj.	Alhaj Hosne Ara Begum	Advance: Monthly Rent:3000 Office Size:350±	31.05.23	Operating Lease
7	Corporate Branch	Western Community Center (Ground Floor & 3 rd Floor), 295/Jha/14,Hazaribagh, Monica Estate, West Dhanmondi, Dhaka-1209	Sikder Real Estate (PVT) Ltd	Advance:39,877,200 Monthly Rent:1,107,700 Office Size:11,660	30.06.23	Operating Lease
8	Dilkusha Branch	Zahed Ali Tower,(6 th floor) 15, Dilkusha C/A, Dhaka-1000	Md. Zainal Alam (Representative)	Advance: Monthly Rent:47,520 Office Size:792	31.01.22	Operating Lease
9	Hili Branch	0090-00, (2 nd floor)Charmatha, Bangla Hili, Dinajpur	Mohammad Ayub Ali Khan	Advance: Monthly Rent:10,000 Office Size:970±	28.02.24	Operating Lease
10	Mymensingh Branch	19, (2 nd floor) Swadeshi Bazar Road, Mymensingha ,(76 New), Mymensingha Pourosobha	Farzana Rahman Raonak Rahman Rodshi	Advance: 90,000 Monthly Rent: 15,000 Office Size:800±	28.02.22	Operating Lease
11	Naogaon Branch	2735, Chistia Plaza, (1 st Floor) Goshtohstir Mor. Naogaon	Sheikh Ruhul Amin Sheikh Ruhul Azim Hira Md. Ruhul Alam Rasel	Advance:50,000 Monthly Rent:6000 Office Size:500±	30.04.24	Operating Lease
12	Rajshahi Branch	194, (2 nd Floor), Ward-22, F-999, Alu Potti Mor, Rajshahi.	Md. Aminul Islam	Advance:60,000 Monthly Rent:16,500 Office Size:1100	31.03.24	Operating Lease
13	Rangpur Branch	92, Radha Ballav, (2 nd Floor) Rangpur	Choudhury Masrur E- Elahi Khan	Advance:180,000 Monthly Rent:11,000 Office Size:550	30.11.25	Operating Lease
14	Satkhira Branch	32 P.N School Road, (1 st Floor), Pran Shayer, Satkhira	Mr.Md. Aziz Hasan	Advance:72,000 Monthly Rent: 5,200 Office Size:384±	30.06.24	Operating Lease
15	Uttara Branch	Manor Magnolia, 4th Floor, Room # B4/1, House # 13, Road # 7/D, Sec # 09, Uttara, Dhaka	Mohammad Alamgir Hossain	Advance:1,00,000 Monthly Rent:23,000 Office Size:600	30.04.24	Operating Lease
16	Khulna Branch	Khulna Chamber of commerce & Industry ,Khulna. Chamber Manshon,5, KDA commercial area, Kotowali ,Khulna.	Khulna Chamber of commerce & Industry ,Khulna.	Advance:38,826 Monthly Rent:12,942 Office size: 764	30.04.24	Operating Lease
17	Kushtia Branch	Lovely Tower,55/1, Serajuddowla Road, Kushtia.	Lovely Housing Ltd.	Advance:1,00,000 Monthly Rent:12,500 Office size: 500	31.10. 24	Operating Lease
18	Joshore Branch	Mohosin super Market, #10, R N Road ,Word No:02,Kotowali , Joshore,	MD.Liakot Ali, MD. Ashaf Ali & Md. Salim Reza	Advance:1,50,000 Monthly Rent:17,000 Office size: 1135	31.12.24	Operating Lease
19	Manikganj Branch	Haji Rafique Uddin Super Market, North East Corner of 2nd Floor, 55 No. Shahid Rafique Sarok, Manikganj.	Md. Giash Uddin	Advance: 50,400 Monthly Rent: 7,000 Office Size: 450 SF	28.02.25	Operating Lease
20	Narayanganj Branch	Rahat Complex, 3rd Floor. 53/3, S/M. Maleh Road, Tanbazar Narayanganj.	Khandaker Mosharaf Hossain Kabir	Advance: 2,00,000 Monthly Rent: 20,000 Office Size: 650 SF	31.03.25	Operating Lease
21	BB Avenue Branch	Don Plaza, 10th Floor (Room no. 2,4 & 6), B.B Avenue,Dhaka-1000.	Beauty Shoe Supply Co. Ltd.	Advance: 1,00,000 (Security Money) Monthly Rent: 22,000 Office Size: 520 SF	31.03.25	Operating Lease
22	Banani Branch	Sikder Center, Holding No. 67/B, Road No. 13/B (Front Road No. 11), Block-E, Banani, Dhaka-1213.	Sikder Center	Advance: 3,00,000 Monthly Rent: 40,000 Office Size: 450 SF	30.04.25	Operating Lease
23	Elephant Road Branch	House #43,4th Floor,Road # New Elephant Road, Post: New Market-1205, Dhaka south city corporation Thana: New Market, Dhaka-1205	Md. Ahsanul Karim	Advance: 3,00,000 Monthly Rent: 32,000 Office Size: 650 SF	31.03.27	Operating Lease

(viii) Dates of purchase of plant and machineries along with sellers' name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value

The company has no plant and machineries.

(ix) Details of the machineries required to be bought by the Issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.

The company has no plan to purchase plant and machineries

(x) In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned.

No machineries are yet to be delivered.

(xi) If plant is purchased in brand new condition, then it should be mentioned

No such purchase of plant & machinery.

(xii) Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;

The Company has no re-conditioned or second-hand plant & machinery. The Company has no plan to purchase second hand or reconditioned machinery.

xiii) A physical verification report by the Issue Manager(s) regarding the properties as submitted to the Commission;

VISIT REPORT

Particulars	
Name of Company	Sikder Insurance Company Limited
Date of visit	April 12,13, 2022
Registered Office & Head Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.
Visited by the officials of Sonar Bangla Capital Management Ltd	Emam Hossain Managing Director & CEO (In charge)
	Md. Hasan Deputy Manager
Accompanied by the officials of Issuer	Abdur Razzak
	Md. Mayen Uddin
	Company Secretary
	Chief Financial Officer
Purpose of Visit	The Company signed an issue management agreement on 10 th February, 2021 with Sonar Bangla Capital Management Limited for public issue of shares through Initial Public Offering (IPO). In this respect, the management of SBCML visited the head office as a part of due diligence of Issue Manager April 12, 13, 2022 in order to get clear idea about all properties of the Company before the public issue of shares.
Issuer properties details	
Properties type	Company has not yet purchased any land or floor space.
Other Properties location	Dhaka & outside Dhaka where its branches located.
Other Properties	Different types of: Office Decoration Furniture & fixture Motor Vehicle Electric Equipment Office Equipment Telephone Installation Sundry assets Building Software
Details of Visit	
Physical Existence of office equipment, furniture & fixtures, electrical equipment and others: We have visited the head office of Sikder Insurance Company Limited . Situated at 295-Ja-14, Rayer Bazar, Monica Estate, PO: 1209, Hazaribagh, Dhaka. The office is well decorated having modern facilities such as lift, reception and adequate space for the employees. During our visit a good number of employees were working there. We have found a signboard of the Company in front of entrance. During the course of the visit, we have found office equipment, furniture & fixtures, electrical equipment and other assets which were found in good condition.	

(e) Description of property:

We have identified that the Head Office of **Sikder Insurance Company Limited** is located at 295-Ja-14, Rayer Bazar, Monica Estate, PO:1209, Hazaribagh, Dhaka and as well as other property. SICL owns the properties as mentioned below:

Sl. No.	Particulars	Written Down Value	Remark
1	Office Decoration	12,861,946	Running and good condition
2	Furniture & fixture	1,858,871	Running and good condition
3	Motor Vehicle	240,585	Running and good condition
4	Computer	200,317	Running and good condition
5	Air Condition	3,873,768	Running and good condition
6	Office Equipment	1,787,773	Running and good condition
7	Software	7,031	Running and good condition
8	Electric transformer	335,544	Running and good condition
As at 31st December, 2021		21,165,836	

Comments: The Issuer Company is in operation and running smoothly.

Sd/- Managing Director/CEO (In-charge) Sonar Bangla Capital Management Limited	Sd/- Company Secretary Sikder Insurance Company Limited
Sd/- Deputy Manager Sonar Bangla Capital Management Limited	Sd/- Chief Financial Officer Sikder Insurance Company Limited

(xiv) If the Issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the Issuer and whether all formalities in this regard have been complied with.

The Company has no intellectual property right or intangible asset.

(xv) Full description of other properties of the Issuer.

The description of other properties of the company has been described as follows:

Sl. No.	Particulars	Written Down Value 2022	Written Down Value 2021	Remark
1	Office Decoration	1,02,89,557	1,28,61,946	Running and good condition
2	Furniture & fixture	24,71,610	18,58,871	Running and good condition
3	Motor Vehicle	1,92,468	2,40,585	Running and good condition
4	Computer	3,79,159	2,00,317	Running and good condition
5	Air Condition	31,77,415	38,73,768	Running and good condition
6	Office Equipment	19,37,630	17,87,773	Running and good condition
7	Software	3,516	7,031	Running and good condition
8	Electric transformer	2,68,435	3,35,544	Running and good condition
Closing Balance		1,87,19,790	2,11,65,836	

f) Plan of Operation and Discussion of Financial Condition

(i) If the Issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation which shall, among others, include: -

- Projected financial statements up to the year of commercial operation
- Rationale behind the projection
- Any expected significant changes in the Issuer's policy or business strategies
- Detail plan of capital investment with break-up
- Summary of feasibility report, etc.

Sikder Insurance Company Limited was incorporated in July 29, 2013 as a Public Limited Company under Registrar of Joint Stock Companies and Firms (RJSC) vide registration number C-110560/2013 under the Companies Act 1994.

The Issuer Company started its commercial operation w.e.f July 29, 2013 after obtaining certificate of registration from IDRA.

(ii) If the Issuer had been in operation, the Issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form which shall, among others, include the following information:

The Company's revenues and results from operations, statement of financial position, changes in financial position and statement of cash flows for the last five years are mentioned below:

Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Shareholders' Equity & Liabilities					
Shareholders' Equity					
Authorised Capital					
50,000,000 Ordinary shares of Tk.10 each	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000
Paidup Capital					
24,000,000 Ordinary shares of Tk.10/-	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000
Reserve or Contingency Accounts	44,95,58,823	30,56,43,985	15,78,04,046	20,51,02,974	23,43,10,579
Reserve for Exceptional Loss	6,45,00,000	4,65,00,000	3,65,00,000	2,70,00,000	1,90,00,000
Profit & Loss Appropriation Account	8,45,17,283	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556
Reserve for Fair Value of Share	30,05,41,540	18,58,40,389	6,66,26,570	16,40,00,845	21,07,21,023
Total Shareholders Equity	68,95,58,823	54,56,43,985	39,78,04,046	44,51,02,974	47,43,10,579
Balance of Fund and Account	8,09,91,775	4,74,55,461	4,27,20,458	5,06,42,412	6,22,20,851
Fire Insurance Revenue Account	1,10,68,115	94,44,154	2,10,00,809	2,60,36,437	1,95,97,678
Marine Cargo Insurance Revenue Account	5,44,14,420	2,34,02,448	1,05,74,187	1,37,57,220	96,80,980
Marine Hull Insurance Revenue Account	39,339	-	-	-	-
Motor Insurance Revenue Account	51,91,779	34,37,135	48,39,580	60,65,592	56,16,155
Misc. Insurance Revenue Account	1,02,78,122	1,11,71,724	63,05,882	47,83,163	2,73,26,038
Deposit Premium	2,33,44,687	1,47,68,556	2,58,23,635	2,03,61,313	25,00,414
Deferred Tax Liability	3,84,63,667	2,54,97,388	1,07,20,931	2,05,85,425	2,54,96,006
Estimated Liability in nrespect of outstanding Claim	13,17,89,126	9,79,41,350	9,63,22,989	4,47,80,526	3,62,58,991
Amount due to other persons or bodies carrying on insurance businesses	4,20,65,259	1,22,09,736	1,17,44,439	1,45,44,063	1,21,48,102
Worker's Profit Participation Fund (WPPF)	78,64,110	56,97,954	32,72,914	-	-
Provision for Income Tax	4,60,83,292	3,84,63,307	2,50,26,737	1,05,98,675	53,28,322
Loans and Advances	67,60,83,322	73,48,83,322	82,32,45,218	89,86,58,166	91,07,88,385
Lease Liability	5,13,70,259	2,55,92,430	3,94,12,317	-	-
Account Payable	2,53,28,077	1,43,56,894	84,47,420	90,96,038	1,29,50,181
Total Liabilities and Provisions	1,04,23,91,799	96,94,10,937	1,04,40,16,599	1,01,86,24,206	1,00,54,70,402
Total Shareholders' Equity & Liabilities	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832

Property and Assets

	1,41,49,35,893	1,26,41,58,386	1,14,97,40,481	1,21,12,41,871	1,26,52,67,958
Non-Current assets					
Investment (BGTB)	2,50,00,000	2,50,00,000	2,50,00,000	2,50,00,000	2,50,00,000
Investment in share	1,31,98,45,843	1,19,24,00,119	1,05,99,40,321	1,16,81,33,959	1,21,98,91,569
Property, Plant and Equipment (WDV)	1,87,19,791	2,11,65,836	2,53,87,843	1,81,07,912	2,03,76,388
Right of use assets	5,13,70,259	2,55,92,430	3,94,12,317	-	-
Current assets	20,75,58,142	10,17,19,216	11,40,70,489	8,10,94,145	5,45,44,917
Sundry Debtors	7,08,18,540	6,50,15,384	7,50,32,232	3,92,76,961	1,99,10,823
Ineterest and Dividend Receivable	23,62,577	23,05,234	23,03,880	39,68,391	31,41,731
Stock of printing, stationery & stamp	49,74,987	17,96,489	15,45,600	24,09,125	19,90,273
Amount due from other persons or bodies carrying on insurance businesses	12,94,02,038	3,26,02,109	3,51,88,777	3,54,39,668	2,95,02,090
Cash and Cash Equivalents	19,04,48,362	19,66,32,782	22,07,30,133	22,20,33,577	22,21,88,958
Cash in Hand	25,653	45,651	20,909	11,179	10,580
Cash at Banks-STD Accounts	12,14,899	11,87,365	23,05,845	2,11,29,595	4,32,42,905
Cash at Banks on-CD Accounts	2,07,810	3,99,766	4,03,379	8,92,803	19,35,473
Investment in FDR	18,90,00,000	19,50,00,000	21,80,00,000	20,00,00,000	17,70,00,000
Total Assets	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832
Net Asset Value (NAV) Per Share	28.73	22.74	16.58	18.55	19.76

**Sikder Insurance Company Limited
Profit and Loss Account**

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Expenses of management	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
(Not applicable to any particular fund or account)					
Advertisement & Publicity	3,81,693	6,24,808	2,68,120	3,00,000	95,000
Audit fees	1,50,000	1,50,000	6,69,050	35,000	35,000
Consultancy & Rating Fee	88,930	1,00,000	-	-	-
Legal & Professional Fee	20,79,184	1,71,700	99,250	1,92,500	1,13,340
Donation & Subscription	4,09,200	3,35,000	8,90,400	-	2,00,000
Interest on Worker's Profit Participation Fund	3,13,387	2,45,469	-	-	-
Depreciation	42,64,539	49,42,873	60,33,964	41,09,000	53,80,845
Manager conference	-	2,31,400	2,02,795	15,265	-
Levy charge	1,00,000	1,00,000	-	-	-
Renewal & Registration	2,99,888	2,77,840	3,39,049	3,72,234	2,55,375
Profit transferred to profit & loss appropriation account	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Total	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488
Profit/(Loss) transferred from:	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Fire	8,79,69,332	1,10,62,128	(3,49,20,223)	(30,40,828)	(72,63,077)
Marine Cargo	1,64,95,735	2,44,65,691	1,82,14,973	1,46,26,198	21,64,230
Marine Hull	(5,83,742)	(2,71,218)	-	-	-
Motor	42,57,439	67,92,581	96,03,634	53,17,037	72,51,816
Miscellaneous	(7,40,49,238)	(34,05,751)	(39,04,903)	25,36,900	36,64,238
Interest Income	1,28,94,610	1,43,42,957	1,60,44,482	1,37,66,840	1,45,70,016
Realise gain on share Investment	-	-	1,11,101	14,95,056	11,24,887
Dividend Income	10,833	-	7,20,84,756	4,017	3,378
Profit on sale of Fixed Assets	-	-	-	(1,48,414)	-
Total	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488

**Sikder Insurance Company Limited
Statement of Other Comprehensive Income**

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Profit After Tax	3,10,66,455	3,08,05,692	5,33,48,261	1,75,12,573	81,73,704
Changes in Fair value of share available for sale	12,74,45,723	13,24,59,799	(10,81,93,639)	(5,19,11,309)	(32,13,91,302)
Deferred Tax Gain/(Loss)	(1,27,44,572)	(1,32,47,721)	1,08,19,364	51,91,131	2,54,76,473
Total Comprehensive Income for the year	14,57,67,606	15,00,17,770	(4,40,26,014)	(2,92,07,604)	(28,77,41,124)

Sikder Insurance Company Limited
Profit and Loss Appropriation Account

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
ing balance of Appropriation Account	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556	29,15,852
Net Profit for the year brought down	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Total	11,22,11,743	10,04,48,475	8,28,33,321	2,76,53,032	1,31,21,881
	2,76,94,460	2,71,44,878	2,81,55,845	1,35,50,903	85,32,326
Reserve for Exceptional Losses	1,80,00,000	1,00,00,000	95,00,000	80,00,000	65,00,000
Provision for Companies Income Tax	76,19,984	1,34,36,571	1,44,28,061	52,70,353	11,44,270
Worker's Profit Participation Fund	18,52,769	21,79,571	32,72,914	-	-
Provision for deferred tax	2,21,707	15,28,736	9,54,870	2,80,550	8,88,055
Dividend paid from last year profit	-	-	-	-	-
Balance transferred to balance sheet	8,45,17,283	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556
Total	11,22,11,743	10,04,48,475	8,28,33,321	2,76,53,032	1,31,21,881
Earnings Per Share (EPS) (Tk.10 each)	1.22	1.19	2.09	0.73	0.34

Sikder Insurance Company Limited						
Statement of Cash Flows						
Sl. No.	Particulars	Amount in Taka				
		December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
A.	Cash Flow from Operating Activities					
	Premium Collection and other Income	154,784,555	205,746,273	311,425,922	250,458,130	310,281,381
	Payment of Expenses, Re-Insurance, Claims	(98,853,850)	(133,719,586)	(198,474,190)	(225,432,153)	(254,280,651)
	Income Tax Paid	(1,496,630)	(7,041,276)	(25,528,333)	(10,908,502)	(6,757,481)
	Net Cash Flow from Operating Activities	54,434,075	64,985,411	87,423,399	14,117,475	49,243,249
B.	Cash Flow from Investing Activities					
	Investment of Share	-	-	-	(370,730)	(292,599,431)
	Sale of Fixed assets	-	-	-	62,000	-
	Purchase of Fixed Asset	(1,818,494)	(720,866)	(13,313,895)	(2,050,938)	(463,051)
	Net Cash Used in Investing Activities	(1,818,494)	(720,866)	(13,313,895)	(2,359,668)	(293,062,482)
C.	Cash Flow from Financing Activities					
	Change in Loans and Advances	(58,800,000)	(88,361,896)	(75,412,948)	(12,130,219)	288,556,184
	Dividend paid		-	-	-	-
	Net Cash Used in Financing Activities	(58,800,000)	(88,361,896)	(75,412,948)	(12,130,219)	288,556,184
	Increase in Cash and Cash Equivalents (A+B+C)	(6,184,420)	(24,097,351)	(1,303,444)	(372,413)	44,736,951
	Add: Cash and Cash Equivalents at the beginning	196,632,782	220,730,133	222,033,577	222,188,958	177,452,007
	Cash and Cash Equivalents at the end of the year	190,448,362	196,632,782	220,730,133	222,033,577	222,188,958
	Net Operating Cash Flows per share (NOCFPS)	2.27	2.71	3.64	0.59	2.05

Sikder Insurance Company Limited
Consolidated Revenue Account

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Claims under policies less re-insurances	3,65,73,073	31,07,326	5,57,68,059	1,29,43,698	2,62,85,538
Claims paid during the year	26,98,297	14,88,965	42,25,596	44,22,163	58,15,367
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	13,17,89,126	9,79,41,350	9,63,22,989	4,47,80,526	3,62,58,991
Claims outstanding at the end of the previous year	9,79,14,350	9,63,22,989	4,47,80,526	3,62,58,991	1,57,88,820
Agent Commission	3,70,62,603	69,23,914	1,52,61,354	2,88,60,088	3,36,24,542
Management Expenses	10,92,96,054	8,42,59,644	7,97,19,280	9,92,21,304	10,49,76,789
Balance of account at the end of the year	8,09,91,775	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Fire, Marine Cargo, Motor & Misc) & 100% for Marine hull.	8,09,91,775	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851
Profit transferred to Profit and Loss Account	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Total	29,80,13,031	18,03,89,776	18,24,62,632	21,11,06,809	23,29,24,928
Balance of Account at the beginning of the year	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851	5,51,43,391
Premium less reinsurance	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Premium underwritten	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Commission on reinsurance:	4,81,00,840	1,89,94,365	2,50,20,676	2,23,71,704	2,23,09,544
Commission earned on re-insurance ceded	4,81,00,840	1,89,94,365	2,50,20,676	2,23,71,704	2,23,09,544
Total	29,80,13,031	18,03,89,776	18,24,62,632	21,11,06,809	23,29,24,928

Statement of Changes in Shareholders' Equity

Particulars	Share Capital	Reserve & Surplus	Total
Balance as on December 31,2018	24,00,00,000	23,43,10,579	47,43,10,579
Balance as on December 31,2019	24,00,00,000	20,51,02,974	44,51,02,974
Balance as on December 31,2020	24,00,00,000	15,78,04,046	39,78,04,046
Balance as on December 31,2021	24,00,00,000	30,56,43,985	54,56,43,985
Balance as on December 31,2022	24,00,00,000	44,95,58,823	68,95,58,823

(a) Internal and external sources of cash

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Internal source of Cash					
Paidup Capital	240,000,000	240,000,000	240,000,000	240,000,000	240,000,000
Reserve for Exceptional Loss	64,500,000	46,500,000	36,500,000	27,000,000	19,000,000
Profit & Loss Appropriation Account	84,517,283	73,303,597	54,677,476	14,102,129	4,589,556
Sub total (A)	389,017,283	359,803,596	331,177,476	281,102,129	263,589,556
External Source of Cash					
Loans and Advances	676,083,322	734,883,322	823,245,218	898,658,166	910,788,385
Lease Liability	51,370,259	25,592,430	39,412,317	-	-
Sub total (A)	727,453,581	760,475,752	862,657,535	898,658,166	910,788,385
Grand Total	1,116,470,864	1,120,279,348	1,193,835,011	1,179,760,295	1,174,377,941

(b) Any material commitments for capital expenditure and expected sources of funds for such expenditure

The company has not entered into any material commitment for capital expenditure.

(c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income

Particulars	31-Dec-21	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue (Net Premium)	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Year to year changes in revenue (%)	70.57%	11.12%	-15.58%	-18.63%	12.94%
Cost of goods sold (COGS)	N/A	N/A	N/A	N/A	N/A
Year to year changes in COGS (%)	N/A	N/A	N/A	N/A	N/A
Gross profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Year to year changes in Gross Profit (%)	-11.70%	-450.77%	-156.62%	234.17%	-42.70%
Operating expenses	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
Year to year changes in Operating expenses (%)	12.64%	-15.57%	-26.02%	1.63%	-5.06%
Financial expenses	0	0	0	6469331	5229898
Year to year changes in Financial expenses (%)	0.00%	0.00%	-100.00%	23.70%	26.14%
Net Profit After Tax	2,92,13,686	2,86,26,120	5,00,75,347	1,75,12,573	81,73,704
Year to year changes in Net Profit after tax (%)	2.05%	-42.83%	185.94%	114.26%	-11.20%

Causes for changes in year-to-year revenue (%)

Due to changes in marketing policies and rating policy by IDRA, increase in volume of business, premium collection was increase which consequently increase the volume of revenue during the year to year.

Causes for changes in COGS to revenue (%)

Not applicable

Causes for changes in GP to revenue (%)

Due to increase in management expenses and also due to effect of inflation, GP to revenue (%) varied from year to year.

Causes for changes in operating expenses to revenue (%)

Due to increase business volume and fixed cost is constant. As a result, operating expense was also increased from year to year.

Causes for changes in financial expenses to revenue (%)

Not applicable

Causes for changes in net profit after tax to revenue (%)

Due to change in premium collection, investment income and varied management expenses, net profit after tax to revenue (%) was also varied from year to year.

(d) Any seasonal aspects of the Issuer's business

There is no significant seasonal aspect on the company's business.

(e) Any known trends, events or uncertainties that may have material effect on the Issuer's future business

There are no known trends, events or uncertainties that may affect the future businesses of the Company except followings:

- 1 Policy changes
- 2 Changes in Government Policy
- 3 Political Unrest
- 4 Natural Calamities

(f) Any assets of the company used to pay off any liabilities

No assets of the Company have been used to payoff any liabilities of the Company.

(g) Any loan taken from or given to any related party or connected person of the Issuer with details of the same

Borrowing from related party

Loan (Related Party)					
Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000	16,11,00,000	16,00,00,000	16,00,00,000
Sikder Real Estate Ltd.	454632397	51,34,32,397	59,85,32,771	63,38,89,471	65,43,71,471
ZH Cardiac care & Researce center	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925	5,36,12,447	5,36,12,447	5,36,12,447
Total Borrowing	67,60,83,322	73,48,83,322	82,32,45,218	85,75,01,918	87,79,83,918
Term of Loan	Long Term				
Rate of Interest	0%				
Interest Paid	-				
Interest Accrue	-				

(h) Any future contractual liabilities the Issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the Issuer

The Company has no plan to enter into any future contractual liability within next one year except normal course of business.

(i) The estimated amount, where applicable, of future capital expenditure

The Company does not have any plan for future capital expenditure. Sikder Insurance Company Ltd. (SICL) being an insurance service provider company does not need any processing machinery/equipment to carry on with its business.

(j) Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter

VAT: The Company had VAT outstanding amounting to Tk. 2,836,312 that has been subsequently paid vide Bangladesh Bank Challan at 16/01/2023.

Customs duty: Customs duty is not applicable for the company.

Income Tax: Income Tax assessment of Sikder Insurance Company Limited for the financial year ended 2013 to 2021 is completed Year wise income tax status of the company from the financial years from 2013 to 2021 is as under:

Liability for Income Tax:				
Assessment Year	Provision for Income Tax	Tax Paid	Tax Demand	Remarks
2014-2015	167,303	771,118	Nil	Assessment completed
2015-2016	195,978	2,029,833	2,550,326	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2016-2017	527,210	4,101,018	12,186,399	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2017-2018	1,385,280	8,998,749	8,997,760	Assessment completed and finalized by the DCT
2018-2019	1,340,746	4,617,695	4,617,695	Assessment completed and finalized by the DCT
2019-2020	1,388,495	3,463,821	3,463,821	Assessment completed and finalized by the DCT
2020-2021	13,030,749	4,783,790	4,783,790	Assessment completed U/S_83/(2)/156/159
2021-2022	15,382,931	20,660,415	20,660,415	Assessment completed & Finalized by the DCT
2022-2023	14,965,307	The Income Tax Return was submitted to Deputy Commissioner of Taxes, Circle-Large Tax Payer Unite (LTU), Zone - LTU, Dhaka. U/S-82 (B/B)		

(k) Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be effected

The Financial Commitment (Long Term)

Amount in Taka

Bank/FI	Purpose of Loan	Total Amount (Sanction)	Sanction Date	Date of Expiry	Rate of Interest (%)	Monthly Installment	Outstanding balance as on 31 st December 2022
No such financial or lease commitment							

(l) Details of all personnel related schemes for which the company has to make provision for in future years

There is no provision in future year for personnel related schemes

(m) Break down of all expenses related to the public issue

Detail of estimated public issue expenses are shown below:

Particulars	Nature of expenses	Amount in BDT
Manager to the issue fees:		
Manager to the issue fee	Maximum 1% (One Percent) of the public offer amount.	1,600,000
VAT against manager to the issue fee	@ 15% of the issue management fee	240,000
BSEC fees:		
Application fee	Fixed	50,000
Consent fee	@ 0.40% on the public offer amount	640,000
Fees related to listing with the stock exchanges:		
Prospectus submission fees to DSE & CSE	Fixed	100,000
Annual fee to DSE & CSE	0.05% Up to Tk. 100 crore and 0.02% up above Tk. 100 crore paid up capital	400,000
Listing fee to DSE & CSE	@ 0.25% on 10 crore and 0.15% on the rest amount of paid-up capital: (minimum Tk. 50 thousand, maximum Tk.1 crore for each exchange)	1,400,000
CDBL fees and expenses:		
Security fee	At actual	400,000
Documentation fee	At actual	2,500
IPO fee.	@ 0.015% of issue price + 0.015% of pre-IPO paid-up capital	60,000
Annual fee	At actual	100,000
Connection fee	At actual	6,000
Commissions & expenses:		
Underwriting commission	@ 1.00% on underwriting amount	560,000
Auditor certification fee	At actual	400,000
Expenses related to printing, publication and others:		
Abridged version of prospectus and notice in 4 daily newspapers	(Estimated: to be paid at actual)	1,600,000
Printing of prospectus	(Estimated: to be paid at actual)	1,300,000
Notice for prospectus, lottery, refund etc. in 4 daily newspapers	(Estimated: to be paid at actual)	270,000
Currier expenses	(Estimated: to be paid at actual)	400,000
Data processing & software	(Estimated: to be paid at actual)	1,300,000
Administrative & stationary expense	(Estimated: to be paid at actual)	300,000
		11,128,500

Note: Actual costs may vary if above mentioned estimates differ total expenditures will be adjusted accordingly.

(n) If the Issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission

No valuation is made by the Company.

(o) Where the Issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the Issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the Issuer, whichever is later, clearly indicating whether the Issuer is a debtor or a creditor

The Company has no holding/subsidiary Company. As such no transaction was incurred in this regard.

(p) Financial Information of Group Companies and Companies under common ownership by more than 50%: following information for the last three years based on the audited financial statements, in respect of all the group companies of the Issuer, wherever applicable, along with significant notes of auditors:

(1) Date of Incorporation;

(2) Nature of Business;

(3) Equity Capital;

(4) Reserves;

(5) Sales;

(6) Profit after tax;

(7) Earnings per share and Diluted Earnings Per Share;

(8) Net Asset Value;

(9) The highest and lowest market price of shares during the preceding six months with disclosures for changes in capital structure during the period, if any securities of the group are listed with any exchange;

(10) Information regarding significant adverse factors relating to the group;

(11) Any of the group companies has become sick or is under winding up;

(12) The related business transactions within the group and their significance on the financial performance of the Issuer;

(13) Sales or purchase between group companies or subsidiaries or associate companies when such sales or purchases exceed in value in the aggregate ten percent of the total sales or purchases of the Issuer and also material items of income or expenditure arising out of such transactions

Sikder Insurance Company Limited is a single entity and it has no sister concerns.

(q) Where the Issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the Issuer

TO WHOM IT MAY CONCERN

Date: July 17, 2023

Declaration by the Board of Directors

All requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the Issuer.

Declared by the Board of Directors of Sikder Insurance Company Limited:

Sd/- Nasim Sikder Chairperson	Sd/- Lisa Fatema Haque Sikder Director	Sd/- Mohtasim Billah Khan Director
Sd/- Jeffrey Khan Sikder Director	Sd/- Salah Uddin khan Director	Sd/- Mandy Khan Sikder Director
Sd/- Jonas Sikder Khan Director	Sd/- Monica Sikder Khan Director	Sd/- Uttam Kumar Bhowmik Independent Director
Sd/- Gazi Md. Humayun Kabir Independent Director		Sd/- Sk. Abdur Rafique Chief Executive Officer

(r) A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the Issuer and rationale of issue price of the shares

Auditor's certificate regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the Issuer and rationale of issue price of the shares.

This is to certify that the paid-up capital of Sikder Insurance Company Limited as on 31 December, 2022 was Tk. 240,000,000 divided into 24,000,000 Ordinary Shares of BDT 10.00 each. Details are as follows:

Particulars of Allotments:

The capital structure of Sikder Insurance Company Limited as on 31 December, 2022 is as follows:

Particulars	Number of shares	Face value (BDT)	Amount in BDT
Authorized capital	50,000,000	10.00	500,000,000

Issued, subscribed and paid-up capital:

Allotments	Date of Allotment	No. of Shares			Face Value of Share (Tk.)	Paid-up Capital
		Consideration in Cash	Consideration other than in cash	Bonus Shares		
First (As per Memorandum & Articles of Association at the time on Incorporation)	29.07.2013	240,000,000	-	-	10	240,000,000
Total						240,000,000

The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(s) Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public

There is no material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public.

(t) Business strategies and future plans - projected financial statements shall be required only for companies not started commercial operation yet and authenticated by Chairman, two Directors, Managing Director, CFO, and Company Secretaries.

Business strategies of SICL are as follows:

- (1) To improve and consolidate its position in the insurance industry with a continuous growth philosophy.
- (2) To enhance value creation through delivering insurance product to wide range of clients.
- (3) Develop and improve direct distribution capabilities and integrated multi-channel strategies.
- (4) Explore new capabilities that online strategies enable.
- (5) Guide customer-driven innovations and product speed-to-market
- (6) Define growth strategies to capture market share.
- (7) Design operating models to reduce complexity and improve effectiveness.
- (8) Create operational and technology strategies to improve market responsiveness.

(u) Discussion on the results of operations shall inter-alia contain the following:

(1) A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure

(Amount in BDT)

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Net Premium	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Gross profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Net profit before tax	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Net Profit After Tax	2,92,13,686	2,86,26,120	5,00,75,347	1,75,12,573	81,73,704
Current assets	39,80,06,504	29,83,51,998	33,48,00,622	30,31,27,722	27,67,33,874
Current liabilities	31,49,38,218	20,89,35,185	18,13,59,065	11,99,66,040	9,46,82,017
Total assets	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832
Shareholders' equity	68,95,58,823	54,56,43,985	39,78,04,046	44,51,02,974	47,43,10,579
No. of shares	2,40,00,000	2,40,00,000	2,40,00,000	2,40,00,000	2,40,00,000
Face value	10	10	10	10	10
NAV per share with revaluation	28.73	22.74	16.58	18.55	19.76
NAV per share without revaluation	28.73	22.74	16.58	18.55	19.76
Earnings Per Share (EPS)	1.22	1.19	2.09	0.73	0.34

(2) A summary of major items of income

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue					
Fire Insurance Business	8,79,69,332	1,10,62,128	(3,49,20,223)	(30,40,828)	(72,63,077)
Marine Cargo Business	1,64,95,735	2,44,65,691	1,82,14,973	1,46,26,198	21,64,230
Marine Hull Business	(5,83,742)	(2,71,218)	-	-	-
Motor Insurance Business	42,57,439	67,92,581	96,03,634	53,17,037	72,51,816
Misc. Insurance Business	(7,40,49,238)	(34,05,751)	(39,04,903)	25,36,900	36,64,238
Other income	1,29,05,443	1,43,42,957	8,82,40,339	1,51,17,499	1,56,98,281

Summary of major items of expenditure:

SI	Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
		Taka	Taka	Taka	Taka	Taka
1	Operating expense	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
2	Financial expenses	-	-	-	64,69,331	52,29,898

(3) The income and sales on account of major products or services

Year	Revenue of the year(Taka)	Product	Income from the Product (Taka)	Percentage Contribution
2022	3,40,89,525	Fire insurance revenue account	8,79,69,332	258.05%
		Marine cargo revenue account	1,64,95,735	48.39%
		Marine Hull revenue account	(5,83,742)	-1.71%
		Motor insurance revenue account	42,57,439	12.49%
		Miscellaneous insurance revenue account	(7,40,49,238)	-217.22%
2021	3,86,07,131	Fire insurance revenue account	1,10,62,128	28.56%
		Marine cargo revenue account	2,44,65,691	63.37%
		Marine Hull revenue account	(2,71,218)	-0.70%
		Motor insurance revenue account	67,92,581	17.59%
		Miscellaneous insurance revenue account	(34,05,751)	-8.82%
2020	-1,10,06,519	Fire insurance revenue account	(3,49,20,223)	317.27%
		Marine cargo revenue account	1,82,14,973	-165.49%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	96,03,634	-87.25%
		Miscellaneous insurance revenue account	(39,04,903)	35.48%
2019	1,94,39,307	Fire insurance revenue account	(30,40,828)	-15.64%
		Marine cargo revenue account	1,46,26,198	75.24%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	53,17,037	27.35%
		Miscellaneous insurance revenue account	25,36,900	13.05%
2018	58,17,207	Fire insurance revenue account	(72,63,077)	-124.86%
		Marine cargo revenue account	21,64,230	37.20%
		Marine Hull revenue account	-	0.00%
		Motor insurance revenue account	72,51,816	124.66%
		Miscellaneous insurance revenue account	36,64,238	62.99%

(4) In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or nonrecurring;

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue including other income	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488
Interest Income	1,28,94,610	1,43,42,957	1,60,44,482	1,37,66,840	1,45,70,016
Realise gain on share Investment	-	-	1,11,101	14,95,056	11,24,887
Dividend Income	10,833	-	7,20,84,756	4,017	3,378
Profit on sale of Fixed Assets	-	-	-	-1,48,414	-
Misc. Income	-	-	-	-	-
Total Other Income	1,29,05,443	1,43,42,957	8,82,40,339	1,51,17,499	1,56,98,281
% of other income against total revenue	27.46%	27.09%	114.25%	43.75%	72.96%

(5) If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly, if any foreign customer constitutes a significant portion of the Issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;

The Company's income is not dependent upon a single customer or a few major customers or foreign customer.

(6) In case the Issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.

The Issuer has not followed any unorthodox procedure for recording sales and revenues.

(v) Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:

Particulars	31-Dec-21	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue (Net Premium)	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Year to year changes in revenue (%)	70.57%	11.12%	-15.58%	-18.63%	12.94%
Cost of goods sold (COGS)	N/A	N/A	N/A	N/A	N/A
Year to year changes in COGS (%)	N/A	N/A	N/A	N/A	N/A
Gross profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Year to year changes in Gross Profit (%)	-11.70%	-450.77%	-156.62%	234.17%	-42.70%
Operating expenses	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
Year to year changes in Operating expenses (%)	12.64%	-15.57%	-26.02%	1.63%	-5.06%
Other Income	1,29,05,443	1,43,42,957	8,82,40,339	1,51,17,499	1,56,98,281
Year to year changes in other income (%)	-10.02%	-83.75%	483.70%	-3.70%	38.49%
Financial expenses	-	-	-	64,69,331	52,29,898
Year to year changes in Financial expenses (%)	0.00%	0.00%	-100.00%	23.70%	26.14%
Depreciation	42,64,539	49,42,873	60,33,964	41,09,000	53,80,845
Year to year changes in depreciation (%)	-13.72%	-18.08%	46.85%	-23.64%	-12.85%
Net Profit before tax	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Year to year changes in Net Profit before tax (%)	-14.99%	-33.41%	198.01%	125.98%	6.59%
Net Profit After Tax	2,92,13,686	2,86,26,120	5,00,75,347	1,75,12,573	81,73,704
Year to year changes in Net Profit after tax (%)	2.05%	-42.83%	185.94%	114.26%	-11.20%
EPS (Basic)	1.22	1.19	2.09	0.73	0.34
Year to year changes in Basic EPS (%)	2.05%	-42.83%	185.94%	114.26%	-11.20%

Causes for changes in year-to-year changes in revenue (%)

Sikder Insurance Company Ltd. maintains consistent business strategy to achieve a continuous growth. Besides these policies, changes in rating policies by IDRA, volume of premium collection gradually increase.

Causes for changes in GP to revenue (%)

Changes in GP occurred due to changes in Premium collection & controlling of management costs.

Causes for changes in operating expenses to revenue (%)

With increase in premium collection agency commission also increased which caused operating expenses change.

Causes for changes in financial expenses to revenue (%)

Not applicable for last two years.

Causes for changes in net profit after tax to revenue (%)

Due to change in premium collection, investment income and varied management expenses, net profit after tax to revenue (%) was also varied from year to year.

(1) Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

There have been no transactions or events in the past which was considered unusual or infrequent.

(2) Significant economic changes that materially affect or are likely to affect income from continuing operations

There are no significant economic changes that materially affect or are likely to affect income from continuing operations.

(3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than matters as described in the “Plan of operation and discussion of Financial Conditions” of this prospectus, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on revenues or income of the Company from continuing operations.

(4) Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known

Any event such as increase in salaries & remuneration will not affect the operational result of the company, as with the passages of time, volume of net revenue is expected to increase in normal course of operation and also with introduction of new services.

(5) The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of business activity carried out as a normal course of business. There are no such material increases in net premium or revenue which are due to increased revenue volume, introduction of new products/services or increased service charges.

(6) Total turnover of each major industry segment in which the Issuer operated

Considering the business nature of SICL, the Company is performing its business in insurance industry (non-life sector). The turnover is considered here as premium income as nature of turnover in insurance industry is different compared to other industry’s turnover. According to Bangladesh Insurance Association, the total premium income (total turnover) of non-life private - sector insurance companies is as below:

Taka in Million	
Year	Total Premium Income
2019	34,113.97
2018	30,346.94
2017	27,373.17
2016	25,392.52
2015	24,307.85
2014	22,679.24

Source: www.bia-bd.com and its Year Book and listed insurance company annual report

(7) Status of any publicly announced new products or business segment

There are no publicly announced new products or business segment of the Company.

(8) The extent to which the business is seasonal.

The business of the company is not dependent on any seasonal aspects.

(w) Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons there of, lock out, strikes and reasons for the same etc. during the history of operation of the company

There is no history of defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity, lock out, strikes etc. in case of Sikder Insurance Company Limited.

(x) Details regarding the changes in the activities of the Issuer during the last five years which may had a material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors

There were no changes in the activities of SICL during the last five years which might have any material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

(y) Injunction or restraining order, if any, with possible implications

The Company has no injunction or restraining order from any authority.

(z) Technology, market, managerial competence and capacity built-up

Technology:

The Company has maintained up to date technology at their head office and branch offices. All the computers are connected through LAN. There is available broadband internet connection as well as Wi-Fi connectivity with every PC. The Issuer is using appropriate operating software in their official works. The office premises are under continuous monitoring by use of closed-circuit TV (CCTV) for security purpose. There are sufficient number of intercoms, fax, photocopy machine, etc. to support the management for their official work.

Market:

Insurance sector of Bangladesh is not properly developed and it is fragmented also. Cost of service and competition in distribution is also high. Despite the challenges, this sector has potentiality due to rate of penetration by mass people being high. Contribution GDP by premium income is also very low and it is only 0.9%. There are 78 insurance companies are operation in this sector. Though the competition is high, but demand for insurance service is rising day by day as business scopes are increasing to minimize risk. Bangladesh is a developing country where GDP growth rate is approximately 6.5% to 7.0%. The insurance sector has huge potentiality to be developed in the country due to our economic development. The market size for insurance service has been increasing over the past one decade due to business opportunity and scope is also expanding in our country. Bangladesh has a large market for the insurance business. As industry grows, the demand for skilled professionals will rise. The rise of the industry shall also create positive impact for creating employment opportunity.

Managerial competence:

The existing management is competent enough to run the business operation. The management team has proven track record to run large organization and vast experience to minimize the operational risk. The management also appointed such personnel who are capable enough to operate the business effectively and efficiently. Even though any experienced personnel leave the organization, others have adequate expertise and skills to run the operation.

Capacity built-up:

The Company started its business operation initially well amount of paid up capital, business and human resources over the year since incorporation. Now as on December 31, 2022, the paid-up capital is still BDT 24.00 crore as it started its initial paid up capital quite well amount. In the same period capacity of human resources has also increased significantly. It is expected that, after rising of paid up capital business scope shall be increased.

(aa) Changes in accounting policies in the last three years

There were no changes in accounting policies in the last three years.

(bb) Significant developments subsequent to the last financial year:

A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the red-herring prospectus or prospectus or information memorandum and which materially and adversely affect or is likely to affect the trading or profitability of the Issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Declaration regarding significant developments subsequent to the last financial year

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that in our opinion there have not arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or the profitability of the Sikder Insurance Company Limited or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Declared by the Board of Directors of **Sikder Insurance Company Limited:**

Sd/- Nasim Sikder Chairperson	Sd/- Lisa Fatema Haque Sikder Director	Sd/- Mohtasim Billah Khan Director
Sd/- Jeffrey Khan Sikder Director	Sd/- Salah Uddin khan Director	Sd/- Mandy Khan Sikder Director
Sd/- Jonas Sikder Khan Director	Sd/- Monica Sikder Khan Director	Sd/- Uttam Kumar Bhowmik Independent Director
Sd/- Gazi Md. Humayun Kabir Independent Director		Sd/- Sk. Abdur Rafique Chief Executive Officer

(cc) If any quarter of the financial year of the Issuer ends after the period ended in the audited financial statements as disclosed in the prospectus or information memorandum, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the Issuer or information memorandum, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the Issuer

(dd) Factors that may affect the results of operations

There are no factors that may affect the results of operations except followings:

- Changes in relevant Govt. policies
- Technological obsolescence
- Political unrest
- Natural calamities

Section VII

Management's Discussion and Analysis of Financial Condition

(a) Overview of Business and Strategies

Background of the Company

The Company was incorporated in Bangladesh as a Public Limited Company, liabilities of which are limited by Shares on the 29 day of July, 2013 under the Companies Act, 1994 and its Commencement of Business was started from the same date that is w.e.f. 29 day of July, 2013. Registration from the IDRA was received to start general insurance business on 01 day of January, 2013 which has been renewed up to 31 December, 2023 from IDRA.

Address of Registered Office:

295-Ja-14, Rayer Bazar, Monica Estate, PO: 1209, Hazaribagh, Dhaka. The Operation of the Company are being carried out through its 14 nos. of branches located all over Bangladesh with Head Office 295-Ja-14, Rayer Bazar, Monica Estate, PO:1209, Hazaribagh, Dhaka **Principal Activities and Nature of Operation**

The main objective of the Company is to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

SICL business model

Service

Tariff rate
Risk Factor

Client

Risk Coverage

Surveyor

Risk Analysis
Loss analysis

Agent

Marketing
Commission

Management

Operational process
Infrastructure
Business strategy
Claim settlement
Underwriter: Premium assess as per tariff rate
Re-insurance: Re insurance arrangement local and overseas market

SICL major functional department

- (1) Marketing department
- (2) Underwriting department
- (3) Accounts, Finance, Banking, Costing & Budgeting department
- (4) Corporate Affairs department
- (5) Admin and Establishment department
- (6) Re-insurance department
- (7) Claim department
- (8) Internal Audit department
- (9) IT department
- (10) Customer Service department

Strategies of the Company

Business strategies of SICL are as follows:

- (1) To improve and consolidate its position in the insurance industry with a continuous growth philosophy.
- (2) To enhance value creation through delivering insurance product to wide range of clients.
- (3) Develop and improve direct distribution capabilities and integrated multi-channel strategies.
- (4) Explore new capabilities that online strategies enable.
- (5) Guide customer-driven innovations and product speed-to-market
- (6) Define growth strategies to capture market share.
- (7) Design operating models to reduce complexity and improve effectiveness.
- (8) Create operational and technology strategies to improve market responsiveness.

(b) SWOT ANALYSIS

Particulars	Sl.	SWOT Variables
Strengths	1	Experienced Board of Directors
	2	Experienced Management
	3	Sound Financial Records
	4	Good Track Record for claim settlement
	5	Sound marketing policy
Weakness	1	Low market share
	2	Enlistment is not wide range
	3	Comparatively few advertisement & promotional activities
Opportunity	1	Increasing market share
	2	Diversifying utilization of capital
	3	Branding of the company
	4	Drive to improve future profitability
Threats	1	Government policies
	2	Political unrest
	3	Stiff Competition
	4	Unhealthy Industry Policy
	5	Tendency of avoiding
	6	Low premium rate
	7	Huge rate of re-insurance

(c) Analysis of the financial statements of last five years with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before and after tax, EPS etc.

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue (Net Premium)	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Year to year changes in revenue (%)	70.57%	11.12%	-15.58%	-18.63%	12.94%
Cost of goods sold (COGS)	N/A	N/A	N/A	N/A	N/A
Year to year changes in COGS (%)	N/A	N/A	N/A	N/A	N/A
Gross profit	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Year to year changes in Gross Profit (%)	-11.70%	-450.77%	-156.62%	234.17%	-42.70%
Operating expenses	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
Year to year changes in Operating expenses (%)	12.64%	-15.57%	-26.02%	1.63%	-5.06%
Other Income	1,29,05,443	1,43,42,957	8,82,40,339	1,51,17,499	1,56,98,281
Year to year changes in other income (%)	-10.02%	-83.75%	483.70%	-3.70%	38.49%
Financial expenses	-	-	-	64,69,331	52,29,898
Year to year changes in Financial expenses (%)	0.00%	0.00%	-100.00%	23.70%	26.14%
Depreciation	42,64,539	49,42,873	60,33,964	41,09,000	53,80,845
Year to year changes in depreciation (%)	-13.72%	-18.08%	46.85%	-23.64%	-12.85%
Net Profit before tax	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Year to year changes in Net Profit before tax (%)	-14.99%	-33.41%	198.01%	125.98%	6.59%
Net Profit After Tax	2,92,13,686	2,86,26,120	5,00,75,347	1,75,12,573	81,73,704
Year to year changes in Net Profit after tax (%)	2.05%	-42.83%	185.94%	114.26%	-11.20%
EPS (Basic)	1.22	1.19	2.09	0.73	0.34
Year to year changes in Basic EPS (%)	2.05%	-42.83%	185.94%	114.26%	-11.20%

Revenue: Reasons of changes in revenue

Sikder Insurance Company Ltd. maintains consistent business strategy to achieve a continuous growth. Besides these policies, changes in rating policies by IDRA, volume of premium collection gradually increase.

Other income: Reasons of changes in other income.

Due to changes of interest rate and changes in investments in different financial assets, other income varied from year to year.

Total income: Reasons of changes in total income.

Due to changes in total revenue and other income, total income was changed accordingly.

Reasons for Changes in Cost of Revenue

Changes in cost of revenue occurred due changes in different kinds of operating expenditures.

Reasons for Changes in Finance cost

The Issuer Company paid loan liability, there lies reduction in financial expenses. Inter company loan taken with zero interest rate.

Reasons for Changes in Depreciation and amortization expense

Due to changes in value of depreciable assets, further the company's preliminary expenses being nil, no cost retained to be amortized. Their amortization expense also stands nil.

Reasons for Changes in Other expense

Not applicable

Reasons for Changes in Inventories

No sort of inventories is involved in the process of providing insurance services

Reasons for Changes in Net profit before tax

Due to increased business volume, increase management expenses, increased investment income net profit before tax was also change period to period

Reasons for Changes in Net profit after tax and EPS

Due to increase in Net Profit before Tax & Income Tax rate remaining same, Net Profit after Tax increased.

(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business

There are no known trends demands, commitments, events or uncertainties that are likely to have an effect on the Company's business except the followings:

- 1 Changes in relevant Govt. policies
- 2 Indigenous Technics
- 3 Political unrest
- 4 Natural calamities

(e) Trends or expected fluctuations in liquidity

There are no trends or expected fluctuations in liquidity except impact of the future expansion of operations through opening of new branches or otherwise.

(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition of the company.

Section VIII Directors and Officers

(a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which, the nomination has been made and the name of the organization which has nominated him;

SL No.	Name	Father's Name	Address	Age	Experience	Current Position	Types of ownership	Contact	E Mail Address	Experience (years)	Position	Period of nomination	Name of nominated organization
1	Nasim Sikder	Late Zainul Haque Sikder	10/1/1, Palton, Motijheel, Dhaka	62	43	Chairperson	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	43	N/A	N/A	N/A
4	Lisa Fatema Haque Sikder	Late Zainul Haque Sikder	265, Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	48	30	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	30	N/A	N/A	N/A
7	Mohtasim Billah Khan	Late M.H Khan	10/1/1, Palton, Motijheel, Dhaka	68	45	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	45	N/A	N/A	N/A
8	Monica Sikder Khan	Mohtasim Billah Khan	10/1/1, Palton, Motijheel, Dhaka	32	14	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	14	N/A	N/A	N/A
9	Jonas Sikder Khan	Mohtasim Billah Khan	10/1/1, Palton, Motijheel, Dhaka	26	8	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	8	N/A	N/A	N/A
10	Salah Uddin Khan	Late Gulam Mohiuddin Khan	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	67	42	Director	Sponsor & Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	42	N/A	N/A	N/A
11	Jeffrey Khan Sikder	Salahuddin Khan	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	31	13	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	13	N/A	N/A	N/A
12	Mandy Khan Sikder	Salahuddin Khan	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	29	11	Director	Shareholder Director	02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	11	N/A	N/A	N/A
16	Gazi Md. Humayun Kabir	Late Abdul Gafur Miah	Building- H, Flat-0 (3rd Floor) Sikder Review Apartment, Monica Estate, West	59	40	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	40	N/A	N/A	N/A
17	Uttam Kumar Bhowmik	Sontosh Kumar Bhowmik	House- 48, Road- Sher-e-bangla road & Mitali Road, Zigatola, Dhaka- 1209.	44	25	Independent Director		02-9181058-61, Fax: 02-9181062	info@sikderinsurance.com	25	N/A	N/A	N/A

(b) The date on which he first became a director and the date on which his current term of office shall expire

SI	Name	Current Position	Date of appointment	Date of retirement	Remarks
1	Nasim Sikder	Chairperson	14th October 2021	12th AGM 2025	Newly elected.
2	Lisa Fatema Haque Sikder	Director	14th October 2021	11th AGM 2024	Newly elected.
3	Monica Sikder Khan	Director	14th October 2021	11th AGM 2024	Newly elected.
4	Jonas Sikder Khan	Director	14th October 2021	11th AGM 2024	Newly elected.
5	Jeffrey Khan Sikder	Director	14th October 2021	11th AGM 2025	Newly elected.
6	Mandy Khan Sikder	Director	14th October 2021	11th AGM 2025	Newly elected.
7	Mohtasim Billah Khan	Director	8-May-22	11th AGM 2026	Newly elected.
8	Salah Uddin Khan	Director	8-May-22	11th AGM 2026	Newly elected.
9	Gazi Md. Humayun Kabir	Independent Director	14th October 2021	Expiry of 3 years time.	
10	Uttam Kumar Bhowmik	Independent Director	14th October 2021	Expiry of 3 years time.	

(c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations

Directors of Sikder Insurance Company Limited are involved with below noted organizations in capacities mentioned against each organization.

Sl	Name	Name of the other organization where directors have been involved	Type of the Organization	Position in that organization	Legal Status
1	Nasim Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
2	Lisa Fatema Haque Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		NBL Securities limited	Securities house	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
		Mandy Dental College & Hospital	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Powertec Holdings Limited	Power	Director	Pvt. Ltd. Co.
		Jeffrey Institute of Health Science & Technology	Education	Director	Pvt. Ltd. Co.
3	Monica Sikder Khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Millennium International School	School	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	University	Director	Pvt. Ltd. Co.
4	Jonas Sikder Khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Millennium International School	School	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
5	Jeffrey Khan Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Monowara Sikder Medical College & Hospital	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
6	Mandy Khan Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Monowara Sikder Medical College & Hospital	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
7	Mohtasim Billah Khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Advisor	Pvt. Ltd. Co.
		Monowara Sikder Medical College & Hospital	Medical College & Hospital	Advisor	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Advisor	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Advisor	Pvt. Ltd. Co.
8	Salah Uddin khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Executive Director	Pvt. Ltd. Co.
		Monowara Sikder Medical College & Hospital	Medical College & Hospital	Executive Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Executive Director	Pvt. Ltd. Co.
		H.N.S Developer Limited	Real Estate	Director	Pvt. Ltd. Co.
		J.M Builders Limited	Real Estate	Director	Pvt. Ltd. Co.
		J.M Filling Station	Service	Owner	Proprietorship

(d) Statement of if any of the directors of the Issuer are associated with the securities market in any manner. If any director of the Issuer company is also a director of any Issuer of other listed securities during last three years, then dividend payment history and market performance of that Issuer

Sl	Name of Directors	Name of the Company of the securities market where directors are associated	Position	Types of Company
1	N/A		N/A	N/A

(e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers

No directors having any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers of issuer.

Name	Relationship						
	Father	Mother	Daughter	Son	Brother	Sister	Husband /Wife
Nasim Sikder			Monica Sikder Khan	Jonas Sikder Khan		Lisa Fatema Haque Sikder	Mohtasim Billah Khan
Lisa Fatema Haque Sikder			-	-		Nasim Sikder	-
Mohtasim Billah Khan			Monica Sikder Khan	Jonas Sikder Khan	-	-	Nasim Sikder
Salah Uddin khan			Mandy Khan Sikder	Jeffrey Khan Sikder	-	-	-
Monica Sikder Khan	Mohtasim Billah Khan	Nasim Sikder			Jonas Sikder Khan		
Jonas Sikder Khan	Mohtasim Billah Khan	Nasim Sikder				Monica Sikder Khan	
Mandy Khan Sikder	Salah Uddin khan				Jeffrey Khan Sikder		
Jeffrey Khan Sikder	Salah Uddin khan					Mandy Khan Sikder	

(f) A very brief description of other businesses of the directors

Sl	Name	Name of the other organization where directors have been involved	Type of the Organization	Position in that organization	Legal Status
1	Nasim Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
2	Lisa Fatema Haque Sikder	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		NBL Securities limited	Securities house	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
		Mandy Dental College & Hospital	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Powertec Holdings Limited	Power	Director	Pvt. Ltd. Co.
Jeffrey Institute of Health Science & Technology	Education	Director	Pvt. Ltd. Co.		
3	Monica Sikder Khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Millennium International School	School	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
4	Jonas Sikder Khan	Z.H. Sikder University of Science and Technology	University	Director	Pvt. Ltd. Co.
		Millennium International School	School	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
5	Jeffrey Khan Sikder	Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
		ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Director	Pvt. Ltd. Co.
6	Mandy Khan Sikder	Monowara Sikder Medical College & Hospital	Medical College & Hospital	Director	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Director	Pvt. Ltd. Co.
		Sikder Real Estate Limited	Real Estate	Director	Pvt. Ltd. Co.
7	Mohtasim Billah Khan	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd.	Medical College & Hospital	Advisor	Pvt. Ltd. Co.
		Monowara Sikder Medical College & Hospital	Medical College & Hospital	Advisor	Pvt. Ltd. Co.
		Z.H. Sikder University of Science and Technology	Education	Advisor	Pvt. Ltd. Co.
8	Salah Uddin khan	Sikder Real Estate Limited	Real Estate	Executive Director	Pvt. Ltd. Co.
		H.N.S Developer Limited	Real Estate	Director	Pvt. Ltd. Co.
		J.M Builders Limited	Real Estate	Director	Pvt. Ltd. Co.
		J.M Filling Station	Service	Owner	Proprietorship

(g) Short bio-data of each director

- Nasim Sikder**, Chairperson, daughter of **Late. Zoinul Haque Sikder** was born in a respectable Muslim family. **Mrs. Nasim Haque Sikder** obtained **Post Graduation** and then after education he started his business career. **Mrs. Nasim Haque Sikder** is the Chairman of SICL. He is a Successful Businessman. He is the Director of ZHSW Medical College & Hospital, Millennium International School & Sikder Real Estate. She is Associated many business and Socio-Cultural organization. She is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
- Mrs. Lisa Fatema Hoque Sikder**, Director, daughter of **Late. Zoinul Haque Sikder** was born in a respectable Muslim family. **Mrs. Lisa Fatema Hoque** obtained MBA Complete form California University, USA degree and then after education he started his business career. **Mrs. Lisa Fatema Hoque Sikder** is Director of SICL. She is the Director of ZHSW Medical College & Hospital, Sikder Real Estate & Power Tech Holding Limited. She is a Successful Businessman. She is Associated many business and Socio-Cultural organization. She is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.

3. **Ms. Monica Sikder Khan**, Director, daughter of **Mr. Mohtasim Billah Khan** was born in a respectable Muslim family. **Ms. Monica Sikder Khan** obtained **Post Graduation** and then after education he started his business career. She is the Director of SICL. She is Associated many business and Socio-Cultural organization. She is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
4. **Mr. Jonas Khan Sikder**, Director, Son of **Mr. Mohtasim Billah Khan** was born in a respectable Muslim family. **Mr. Jonas Khan Sikder** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
5. **Mr. Jeffrey Khan Sikder**, Director, Son of **Mr. Salahuddin Khan** was born in a respectable Muslim family. **Mr. Jeffrey Khan Sikder** obtained Post Graduation (Master of Law) and then after education he started his business career. He is the Director of SICL, ZHSW Medical College & Hospital, Monowara Sikder Medical College, ZHS Science & Technology University & Sikder Real Estate. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
6. **Ms. Mandy Khan Sikder**, Director, Son of **Mr. Salahuddin Khan** was born in a respectable Muslim family. **Ms. Mandy Khan Sikder** obtained MBBS (DU) degree and then after education she started his business career. Sh is the Director of SICL, ZHSW Medical College & Hospital, Monowara Sikder Medical College & Hospital, ZHS Science & Technology University & Sikder Real Estate. **She** is Associated many business and Socio-Cultural organization. She is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
7. **Mr. Mohtasim Billah Khan**, Director, Son of **Late. M.H. Khan** was born in a respectable Muslim family. **Mr. Mohtasim Billah Khan** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is also advisor of ZHSW Medical College & Hospital, Millennium International School, HNS Developers Ltd., & Sikder Real Estate. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
8. **Mr. Salah Uddin Khan**, Director, Son of **Late. Gulam Mahiuddin Khan** was born in a respectable Muslim family. **Mr. Salah Uddin Khan** obtained BSC Engineer (Electrical) and then after education he started his business career. He is the Executive Director of ZHSW Medical College & Hospital & Sikder Real Estate, and director of HNS Developer, JM Builders Limited & Founder of JM Filling Station. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA, Asia, Africa and Australia.
9. **Gazi Md. Humayun Kabir**, Independent Director, Son of **Late. Abdul Gafir Mia** was born in a respectable Muslim family. **Gazi Md. Humayun Kabir** obtained Post Graduation and then after education he started his business career. He is the Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Europe, USA and Australia.
10. **Uttam Kumar Bhowmik**, Independent Director Son of **Santosh Kumar Bhowmik** was born in a respectable Hindu family. **Uttam Kumar Bhowmik** obtained MBA (Marketing) and then after education he started his business career. He is the Independent Director of SICL. He is Associated many business and Socio-Cultural organization. He is widely traveled and visited different Countries of Asia.

(h) Loan status of the Issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the Issuer in terms of the CIB Report of Bangladesh Bank

Neither the Company nor any of its directors or shareholders who hold 10% or more shares in the paid-up capital of the Company is loan defaulter in terms of the CIB report of the Bangladesh Bank

(i) Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included

SL	Name	Position	Educational Qualification	Age	Joining Date	Experience	Previous Employment	Nature of interest	Salary paid	
									2022	2021
1	Mr. Md. Shafiqur Rahman	Advisor	Bachelor of Arts, CU	60	25.11.2021	39	Lieutenant General (Retd)	Remuneration	60,00,000	60,00,000
2	Mr. Sk. Abdur Rafique	Chief Executive Officer	BA, MSS (Economics), DU	59	22.02.2021	32	Union Insurance Company Ltd.	Remuneration	36,24,000	28,18,751
5	Mr. Md. Mayen Uddin	Chief Financial Officer	M.Com (Management), JU, & CACC	58	11/15/2020	30	Meghna Insurance company Ltd.	Salary	10,32,000	8,67,000
6	Mr. Md. Abdul Motaleb	Head of U/W Dept.	M.A, JU	60	2/10/2020	32	Republic Insurance Co. Ltd	Salary	7,19,65	7,18,000
7	Mr. Md. Kawsar Ali	Head of HR & Admin Dept.	B.sc in CSE	29	8/16/2020	7	Kwun Tong Apparels Ltd.	Salary	6,09,000	5,53,500
8	Mr. Abdur Razzak	Company Secretary	MBS(Accounting), NU	36	4/1/2015	12	Karnaphuli Insurance Com Ltd.	Salary	4,37,400	3,34,338
Total									1,25,66,400	1,12,91,589

Monthly Salary Statement of Chairman, Director and Other Shareholder

The Issuer did not pay any monthly salary to Chairman, Director and Other Shareholder

(j) Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed

SL. No.	Name & ID No.	Designation	Length of service	Monthly Salary	Educational Qualification	Date of joining	Retired	Remark
1	Mr. Md. Badiul Alam	DMD & CEO (cc)	From: 01.07.2018 to 21.02.2021	2,00,000	B.Com., M.Com (Accounting), CU	05.09.2017	21.02.2021	Due to Age barrier
2	Mr. SK ABDUR RAFIQUE	CEO	From: 22.02.2021 to till date	2,75,000	BA, MSS (Economics), DU	22.02.2021		
3	Mr. Md. Shaha Alam	CFO (cc)	From: 01.06.2020 to 14.11.2020	27,000	MBA (Green University of Bangladesh)	22.04.2018	14.11.2020	Due to new appointment
4	Mr. Md. Mayen Uddin	CFO	From: 15.11.2020 to till date	80,000	M.Com (Management) Jagannath University	15.11.2020		
5	Mr. Abdur Razzak	Company Secretary	From: 01.08.2018 to till date	29,900	MBS (Accounting), NU	01.04.2015		

(k) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position

Name of Sponsor	Father's Name	Education	Address	Age	Experience	BO ID	TIN	Current Position	Previous Position	Name of the other organization where sponsor have been involved	Position in that organization
Mohtasim Billah Khan	Late M.H Khan	Engineer (BSC)	10/1/1, Palton, Motijheel, Dhaka	68	39	120398000574957	7901004174	Sponsor & Director	Sponsor & Director	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd. Monowara Sikder Medical College & Hospital Z.H. Sikder University of Science and Technology Sikder Real Estate Limited	Advisor Advisor Advisor Advisor
Salah Uddin Khan	Late. Gulam Mahiuddin Khan	Engineer (BSC)	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	67	37	1203980006435209	170960816102	Sponsor & Director	Sponsor Director	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd. Monowara Sikder Medical College & Hospital Sikder Real Estate Limited H.N.S Developer Limited J.M Builders Limited J.M Filling Station	Executive Director Executive Director Executive Director Director Director Owner
Mamtazul Haque Sikder	Late Zainul Haque Sikder	Engineer (BSC)	265, Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	64	46	1203980044155815	113380353700	Sponsor & Shareholder	Sponsor Director	H.N.S Developer Limited ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd. Sikder Real Estate Limited	Chairman Director Director
Dipu Haque	Late Zainul Haque Sikder	MBA	265, Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	55	37	1203980033524853	192606626715	Sponsor & Shareholder	Sponsor Director	ZH Sikder Women's Medical College & Hospital (Pvt.) Ltd. Millennium International School Sikder Real Estate Limited Z.H. Sikder University of Science and Technology	Director Director Director Member Trustee Board

(l) If the present directors are not the sponsors and control of the Issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.

Sl.	Name	Current Position	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
1	Nasim Sikder	Chairperson	14th October 2021	14th October 2021	Future benefits from Investments and control over the company.	Cash
2	Lisa Fatema Haque Sikder	Director	14th October 2021	14th October 2021		Cash
3	Monica Sikder Khan	Director	14th October 2021	14th October 2021		Gift
4	Jonas Sikder Khan	Director	14th October 2021	14th October 2021		Gift
5	Jeffrey Khan Sikder	Director	14th October 2021	14th October 2021		Gift
6	Mandy Khan Sikder	Director	14th October 2021	14th October 2021		Gift
7	Mohtasim Billah Khan	Director	8th May 2022	8th May 2022		Cash & Gift
8	Salah Uddin khan	Director	8th May 2022	8th May 2022		Cash & Gift
9	Gazi Md. Humayun Kabir	Independent Director	14th October 2021	14th October 2021	Future benefits from Board fee	-
10	Uttam Kumar Bhowmik	Independent Director	14th October 2021	14th October 2021		

(m) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed

Some of the sponsor directors were experienced in insurance in line of insurance business. The sponsor directors had intention in to carry on the insurance business through hiring highly experienced professionals of the line of business.

(n) Interest of the key management persons

SL	Name	Position	Nature of interest	Salary paid	
				2022	2021
1	Mr. Md. Shafiqur Rahman	Advisor	Remuneration	60,00,000	60,00,000
2	Mr. Sk. Abdur Rafique	Chief Executive Officer	Remuneration	36,24,000	28,18,751
4	Mr. Md. Mayen Uddin	Chief Financial Officer	Salary	10,32,000	8,67,000
5	Mr. Md. Abdul Motaleb	Head of U/W Dept.	Salary	8,64,000	7,18,000
6	Mr. Md. Kawsar Ali	Head of IT Dept.	Salary	6,09,000	5,53,500
7	Mr. Abdur Razzak	Company Secretary	Salary	4,37,400	3,34,338
Total				1,25,66,400	1,12,91,589

(o) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary

There were no such interests and facilities in the form of pecuniary and non-pecuniary enjoyed by the Directors.

(p) Number of shares held and percentage of shareholding (pre Issue & Post Issue)

Category	SI	Name	Position	No of Share	Percentage (%)	
					Pre IPO	Post IPO
Sponsor or Director	1	Mohtasim Billah Khan	Sponsor & Director	8,00,800	3.34%	2.00%
	2	Salah Uddin khan	Sponsor & Director	8,00,800	3.34%	2.00%
	Total (a)			16,01,600	6.67%	4.00%
Director	3	Nasim Sikder	Chairperson	24,00,000	10.00%	6.00%
	4	Lisa Fatema Haque Sikder	Director	19,20,000	8.00%	4.80%
	5	Monica Sikder Khan	Director	16,00,000	6.67%	4.00%
	6	Jonas Sikder Khan	Director	16,00,000	6.67%	4.00%
	7	Jeffrey Khan Sikder	Director	16,00,000	6.67%	4.00%
	8	Mandy Khan Sikder	Director	16,00,000	6.67%	4.00%
	Total (b)			1,07,20,000	44.67%	26.80%
Shareholder	9	Mamtazul Haque Sikder	Sponsor & Shareholder	19,99,200	8.33%	5.00%
	10	Dipu Haque	Sponsor & Shareholder	19,99,200	8.33%	5.00%
	11	Sean Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	12	John Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	13	Rick Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	14	Ron Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	Total (c)			1,16,78,400	48.66%	29.20%
Grand Total (a) + (b) + (c)				2,40,00,000	100.00%	60.00%

(q) Change in board of directors during last three years

The following changes in the board of directors were happened during last three years:

SI	Name	Current Position	Date of appointment	Date of retirement	Remarks
1	Nasim Sikder	Chairperson	14th October 2021	12th AGM 2025	Newly elected.
2	Lisa Fatema Haque Sikder	Director	14th October 2021	11th AGM 2024	Newly elected.
3	Monica Sikder Khan	Director	14th October 2021	11th AGM 2024	Newly elected.
4	Jonas Sikder Khan	Director	14th October 2021	11th AGM 2024	Newly elected.
5	Jeffrey Khan Sikder	Director	14th October 2021	11th AGM 2025	Newly elected.
6	Mandy Khan Sikder	Director	14th October 2021	11th AGM 2025	Newly elected.
7	Mohtasim Billah Khan	Director	8-May-22	11th AGM 2026	Newly elected.
8	Salah Uddin khan	Director	8-May-22	11th AGM 2026	Newly elected.
9	Gazi Md. Humayun Kabir	Independent Director	14th October 2021	Expiry of 3 years time.	
10	Uttam Kumar Bhowmik	Independent Director	14th October 2021	Expiry of 3 years time.	

(r) Director's engagement with similar business.

None of the Directors are involved with similar business.

Section IX Certain Relationships and Related Transactions

(a) The prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the Issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the Issuer, the nature of their interest in the transaction and the amount of such interest, namely:

TO WHOM IT MAY CONCERN

CERTIFICATION ON STATEMENT OF RELATED PARTY TRANSACTION OF SIKDER INSURANCE COMPANY LIMITED

This is to certify that, the Sikder Insurance Company Limited does not have any transaction during the last five years, or any proposed transaction, between the Issuer and any of the following persons:

1. Any director or sponsor or executive officer of the Issuer:
2. Any person holding 5% or more of the outstanding shares of the Issuer:
3. Any related party or connected person of any of the above persons:

Except the following:

Loan

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000	16,11,00,000	16,00,00,000	16,00,00,000
Sikder Real Estate Ltd.	45,46,32,397	51,34,32,397	59,85,32,771	63,38,89,471	65,43,71,471
ZH Cardiac care & Researce center	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925	5,36,12,447	5,36,12,447	5,36,12,447
Total Borrowing	67,60,83,322	73,48,83,322	82,32,45,218	85,75,01,918	87,79,83,918

Board Fee:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Board Fee	-	-	-	-	-

The above balance is certified on the basis of books of accounts; records are other supporting documents for the period from 01 January 2018 to 31 December 2022.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(b) Any transaction or arrangement entered into by the Issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the Issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus

There is no transaction or arrangement entered into by the Issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the Issuer company or any of its subsidiaries/ holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned in Section(ix)(a).

(c) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the Issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.

No loan was taken or given from or to any Directors or any person connected with the Directors of Sikder Insurance Company Ltd.

Section X Executive Compensation

(a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the Issuer in the last accounting year and the name and designation of each such officer

SL	Name	Position	Nature of interest	Salary paid	
				2022	2021
1	Mr. Md. Shafiqur Rahman	Advisor	Remuneration	60,00,000	60,00,000
2	Mr.Sk. Abdur Rafique	Chief Executive Officer	Remuneration	36,24,000	28,18,751
4	Mr. Md. Mayen Uddin	Chief Financial Officer	Salary	10,32,000	8,67,000
5	Mr. Md. Abdul Motaleb	Head of U/W Dept.	Salary	8,64,000	7,18,000
6	Mr. Md. Kawsar Ali	Head of IT Dept.	Salary	6,09,000	5,53,500
7	Mr. Abdur Razzak	Company Secretary	Salary	4,37,400	3,34,338
Total				1,25,66,400	1,12,91,589

(b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year

SI	Particulars	Nature of Payments	31-Dec-22
1	Directors	Board Meeting Fee	-
2	Officers	Salary & Benefits with bonus	6,35,71,934

(c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year

No shareholder director received any monthly salary or perquisite or benefit.

(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM

The board of directors of the Company did not receive any board meeting attendance fees during the last accounting year (1st January 2022 to 31st December 2022.

(e) Any contract with any director or officer providing for the payment of future compensation

There is no such contract between the company and any of its directors or officers regarding any future compensation to be paid to them.

(f) If the Issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto

Sikder Insurance Company Limited has no plan to substantially increase the remuneration paid to its directors and officers in the current year except annual increment.

(g) Any other benefit or facility provided to the above persons during the last accounting year.

No other benefit or facility provided to the above persons during the last accounting year except those mentioned above.

Section XI Options granted to Directors, Officers and Employees

(1) The following information in respect of any option held by each director, the salaried officers, and all other officers as a group, namely:

- (i) **The date on which the option was granted;**
- (ii) **The exercise price of the option;**
- (iii) **The number of shares or stock covered by the option;**
- (iv) **The market price of the shares or stock on the date the option was granted;**
- (v) **The expiration date of the option;**
- (vi) **Consideration against the option.**

The Company has not granted any option to any of the Directors, officers and employees.

(2) If such options are held by any person other than the directors, and the officers of the Issuer company, the following information shall be given in the prospectus, namely: -

- (i) **The total number of shares or stock covered by all such outstanding options;**
- (ii) **The range of exercise prices;**
- (iii) **The range of expiration dates;**
- (iv) **Justification and consideration of granting such option.**

No options have been held by any person other than the directors, and the officers of the Issuer Company.

Section XII

Transaction with the Directors and Subscribers to the Memorandum

(a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the Issuer from the above persons, or by the said persons, directly or indirectly, from the Issuer during the last five years along with the description of assets, services or other consideration received or to be received.

The directors and subscriber to the memorandum have not received and or to be received by the Issuer any benefit during the last five years.

(b) If any assets were acquired or to be acquired within next two financial years from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the Issuer, the acquisition cost thereof paid by them.

The Company did not acquire or have planned to acquire any asset from its directors and subscribers to the memorandum.

Section XIII Ownership of the Company's Securities

(a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership.

Name	BO ID	Number of Share	Pre IPO	Post IPO	Current Position
Nasim Sikder	1203980006967184	24,00,000	10.00%	6.00%	Chairperson
Lisa Fatema Haque Sikder	1203980020471002	19,20,000	8.00%	4.80%	Director
Mohtasim Billah Khan	1203980005774957	8,00,800	3.34%	2.00%	Director
Monica Sikder Khan	1203980043838497	16,00,000	6.67%	4.00%	Director
Jonas Sikder Khan	1203980052188041	16,00,000	6.67%	4.00%	Director
Salah Uddin khan	1203980006435209	8,00,800	3.34%	2.00%	Director
Jeffrey Khan Sikder	1203980043838588	16,00,000	6.67%	4.00%	Director
Mandy Khan Sikder	1203980039718499	16,00,000	6.67%	4.00%	Director
Mamtazul Haque Sikder	1203980044155815	19,99,200	8.33%	5.00%	Shareholder
Dipu Haque	1203980033524853	19,99,200	8.33%	5.00%	Shareholder
Sean Haque Sikder	1203980075309942	19,20,000	8.00%	4.80%	Shareholder
John Haque Sikder	1203980075309969	19,20,000	8.00%	4.80%	Shareholder
Mr. Rick Haque Sikder	1203980020838050	19,20,000	8.00%	4.80%	Shareholder
Mr. Ron Haque Sikder	1203980020595994	19,20,000	8.00%	4.80%	Shareholder
Gazi Md. Humayun Kabir	-	-	-	-	Independent Director
Uttam Kumar Bhowmik	-	-	-	-	Independent Director
Total		2,40,00,000	100%	60%	

(b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue.

SL. No.	Name	Address	BO ID	Number of Share	Pre IPO	Current Position	Types of ownership	Contact	E Mail Address
1	Nasim Sikder	10/1/1, Palton, Motijheel, Dhaka	1203980006967184	24,00,000	10.00%	Chairperson	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
2	Lisa Fatema Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020471002	19,20,000	8.00%	Director	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
3	Mohtasim Billah Khan	10/1/1, Palton, Motijheel, Dhaka	1203980005774957	8,00,800	3.34%	Director	Sponsor & Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
4	Monica Sikder Khan	10/1/1, Palton, Motijheel, Dhaka	1203980043838497	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
5	Jonas Sikder Khan	10/1/1, Palton, Motijheel, Dhaka	1203980052188041	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
6	Salah Uddin khan	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980006435209	8,00,800	3.34%	Director	Sponsor & Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
7	Jeffrey Khan Sikder	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980043838588	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
8	Mandy Khan Sikder	Block# D, Flat# 21, Sikder Real Estate, Hazaribagh, Dhaka.	1203980039718499	16,00,000	6.67%	Director	Shareholder Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
9	Mamtazul Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980044155815	19,99,200	8.33%	Shareholder	Sponsor & Director	02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
10	Dipu Haque	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980033524853	19,99,200	8.33%	Shareholder	Shareholder	02-9181058-61 Fax: 02-9181063	info@sikder insurance.com
11	Sean Haque Sikder	295/Ja/14, Sikder Real Estate Zigatola, TSO-1209, Hazaribagh, Dhaka South City	1203980075309942	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61 Fax: 02-9181064	info@sikder insurance.com
12	John Haque Sikder	295/Ja/14, Sikder Real Estate Zigatola, TSO-1209, Hazaribagh, Dhaka South City	1203980075309969	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61 Fax: 02-9181065	info@sikder insurance.com
13	Mr. Rick Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020838050	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61 Fax: 02-9181066	info@sikder insurance.com
14	Mr. Ron Haque Sikder	265,Eidgah Road # 15 (Old), New- 8/A, West Dhanmondi, Dhaka	1203980020595994	19,20,000	8.00%	Shareholder	Shareholder	02-9181058-61 Fax: 02-9181067	info@sikder insurance.com
15	Gazi Md. Humayun Kabir	Building- H, Flat-0 (3rd Floor) Sikder Review Apartment, Monica Estate, West Dhanmondi, Dhaka- 1209		-	0.00%	Independent Director		02-9181058-61 Fax: 02-9181062	info@sikder insurance.com
16	Uttam Kumar Bhowmik	House- 48, Road- Sher-e-bangla road & Mitali Road, Zigatola, Dhaka- 1209.		-	0.00%	Independent Director		02-9181058-61 Fax: 02-9181062	info@sikder insurance.com

d) A detail description of capital built up in respect of shareholding (name-wise) of the Issuer's sponsors or directors.

Name	Nature of Issue (Ordinary/ Bonus share)	Date of allotment / Transfer	Number of shares	Face value	Issue price	Consideration	Date when the shares were made fully paid up	% of the total	
								Pre-issue	Post-issue
Mamtazul Haque Sikder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Mohtasim Billah Khan	20,00,000 -800	10	10	Cash Cash	29-Jul-13 14-Oct-21	8.33%	5.00%
Total			19,99,200						
Dipu Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Salahuddin Khan	20,00,000 -800	10	10	Cash Cash	29-Jul-13 14-Oct-21	8.33%	5.00%
Total			19,99,200						
Mohtasim Billah Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Gift 14/10/2021 to his daughter Monica Sikder Khan Gift 14/10/2021 to his son Jonas Khan Sikder Bought 14/10/2021 from Mamtazul Haque Gift 10/05/2022 from his son Jonas Sikder Khan Gift 10/05/2022 from his daughter Monica sikder khan	40,00,000 -19,20,000 -19,20,000 800 3,20,000 3,20,000	10	10	Cash Gift Gift Cash Gift Gift	29-Jul-13 14-Oct-21 14-Oct-21 14-Oct-21 8-May-22 8-May-22	3.34%	2.00%
Total			8,00,800						
Salah Uddin Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Gift 14/10/2021 to his daughter Mandy Khan Sikder Gift 14/10/2021 to his son Jeffrey Khan Sikder Bought 14/10/2021 from Dipu Haque Gift 10/05/2022 from his daughter Mandy Khan sikder Gift 10/05/2022 from his son Jeffrey Khan Sikder	40,00,000 -19,20,000 -19,20,000 800 3,20,000 3,20,000	10	10	Cash Gift Gift Cash Gift Gift	29-Jul-13 14-Oct-21 14-Oct-21 14-Oct-21 8-May-22 8-May-22	3.34%	2.00%
Total			8,00,800						
Md. Anwar Hussain	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Nasim Sikder Sold 14/10/2021 to Lisa Fatema Haque	40,00,000 -24,00,000 -16,00,000	10	10	Cash Cash Cash	29-Jul-13 14-Oct-21 14-Oct-21	0.00%	0.00%
Total			-						
Uttam Kumar Bhoumik	Ordinary	Bought 24/12/2019 from Md. Aslamul Haque Bought 24/12/2019 from Dr. Md. Sahab Uddin Joarder Bought 24/12/2019 from Khalilur Rahman Sold 14/10/2021 to Lisa Fatema Haque Sold 14/10/2021 to Rick Haque Sikder Sold 14/10/2021 to Ron Haque Sikder	24,00,000 8,00,000 8,00,000 -3,20,000 -19,20,000 -17,60,000	10	10	Cash Cash Cash Cash Cash Cash	24-Dec-19 24-Dec-19 24-Dec-19 14-Oct-21 14-Oct-21 14-Oct-21	0.00%	0.00%
Total			-						
Gazi Md. Humayun Kabir	Ordinary	Bought 24/12/2019 from Major Gen. Dr. Bijoy Kumar Sarker (Retd.) Bought 24/12/2019 from Mahabubur Rahman Khan Bought 24/12/2019 from Dr. Mujibur Rahman Bought 24/12/2019 from Alhaj Nur Mohammad Hawlader Sold 14/10/2021 to Sean Haque Sikder Sold 14/10/2021 to Ron Haque Sikder Sold 14/10/2021 to John Haque Sikder	22,50,000 10,20,000 4,80,000 2,50,000 -19,20,000 -1,60,000 -19,20,000	10	10	Cash Cash Cash Cash Cash Cash Cash	24-Dec-19 24-Dec-19 24-Dec-19 24-Dec-19 14-Oct-21 14-Oct-21 14-Oct-21	0.00%	0.00%
Total			-						
Nasim Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	24,00,000	10	10	Cash	14-Oct-21	10.00%	6.00%
Total			24,00,000						
Lisa Fatema Haque Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain Bought 14/10/2021 from Uttam Kumar Bhoumik	16,00,000 3,20,000	10	10	Cash Cash	14-Oct-21 14-Oct-21	8.00%	4.80%
Total			19,20,000						
Rick Haque Sikder	Ordinary	Bought 14/10/2021 from Uttam Kumar Bhoumik	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Ron Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir Bought 14/10/2021 from Uttam Kumar Bhoumik	1,60,000 17,60,000	10	10	Cash Cash	14-Oct-21 14-Oct-21	8.00%	4.80%
Total			19,20,000						
Monica Sikder Khan	Ordinary	Gift 14/10/2021 from her father Mohtasim Billah Khan Gift 10/05/2022 to her father Mohtasim Billah Khan	19,20,000 -3,20,000	10	10	Gift Gift	14-Oct-21 8-May-22	6.67%	4.00%
Total			16,00,000						
Jonas Sikder Khan	Ordinary	Gift 14/10/2021 from his father Mohtasim Billah Khan Gift 10/05/2022 to his father Mohtasim Billah Khan	19,20,000 -3,20,000	10	10	Gift Gift	14-Oct-21 8-May-22	6.67%	4.00%
Total			16,00,000						
Jeffrey Khan Sikder	Ordinary	Gift 14/10/2021 from his father Salah uddin Khan Gift 10/05/2022 to his father Salah uddin Khan	19,20,000 -3,20,000	10	10	Gift Gift	14-Oct-21 8-May-22	6.67%	4.00%
Total			16,00,000						
Mandy Khan Sikder	Ordinary	Gift 14/10/2021 from her father Salah uddin Khan Gift 10/05/2022 to her father Salah uddin Khan	19,20,000 -3,20,000	10	10	Gift Gift	14-Oct-21 8-May-22	6.67%	4.00%
Total			16,00,000						
Sean Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
John Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
Total			19,20,000						
Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	22,50,000 -22,50,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Mahabubur Rahman Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	10,20,000 -10,20,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Dr. Mujibur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	4,80,000 -4,80,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Alhaj Nur Mohammad Hawlader	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	2,50,000 -2,50,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Md. Aslamul Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	24,00,000 -24,00,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Dr. Md. Sahab Uddin Joarder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	8,00,000 -8,00,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						
Khalilur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	8,00,000 -8,00,000	10	10	Cash Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
Total			-						

* The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

(e) Detail of shares issued by the company at a price lower than the issue price

No shares have been issued by the company at a price lower than the issue price.

(f) History of significant (5% or more) changes in ownership of securities from inception.

Name	Nature of Issue (Ordinary/ Bonus share)	Date of allotment / Transfer	Number of shares	Face value	Issue price	Consideration	Date when the shares were made fully paid up	% of the total	
								Pre-issue	Post-issue
Mamtazul Haque Sikder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Mohtasim Billah Khan	20,00,000 -800	10	10	Cash	29-Jul-13 14-Oct-21	8.33%	5.00%
		Total	19,99,200						
Dipu Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Salahuddin Khan	20,00,000 -800	10	10	Cash	29-Jul-13 14-Oct-21	8.33%	5.00%
		Total	19,99,200						
Mohtasim Billah Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Gift 14/10/2021 to his daughter Monica Sikder Khan Gift 14/10/2021 to his son Jonas Khan Sikder Bought 14/10/2021 from Mamtazul Haque Gift 10/05/2022 from his son Jonas Sikder Khan Gift 10/05/2022 from his daughter Monica sikder khan	40,00,000 -19,20,000 -19,20,000 800 3,20,000 3,20,000	10	10	Cash	29-Jul-13 14-Oct-21 14-Oct-21 14-Oct-21 8-May-22 8-May-22	3.34%	2.00%
		Total	8,00,800						
Salah Uddin Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Gift 14/10/2021 to his daughter Mandy Khan Sikder Gift 14/10/2021 to his son Jeffrey Khan Sikder Bought 14/10/2021 from Dipu Haque Gift 10/05/2022 from his daughter Mandy Khan sikder Gift 10/05/2022 from his son Jeffrey Khan Sikder	40,00,000 -19,20,000 -19,20,000 800 3,20,000 3,20,000	10	10	Cash	29-Jul-13 14-Oct-21 14-Oct-21 14-Oct-21 8-May-22 8-May-22	3.34%	2.00%
		Total	8,00,800						
Md. Anwar Hussain	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 14/10/2021 to Nasim Sikder Sold 14/10/2021 to Lisa Fatema Haque	40,00,000 -24,00,000 -16,00,000	10	10	Cash	29-Jul-13 14-Oct-21 14-Oct-21	0.00%	0.00%
		Total	-						
Uttam Kumar Bhoumik	Ordinary	Bought 24/12/2019 from Md. Aslamul Haque Bought 24/12/2019 from Dr. Md. Sahab Uddin Joarder Bought 24/12/2019 from Khalilur Rahman Sold 14/10/2021 to Lisa Fatema Haque Sold 14/10/2021 to Rick Haque Sikder Sold 14/10/2021 to Ron Haque Sikder	24,00,000 8,00,000 8,00,000 -3,20,000 -19,20,000 -17,60,000	10	10	Cash	24-Dec-19 24-Dec-19 24-Dec-19 14-Oct-21 14-Oct-21 14-Oct-21	0.00%	0.00%
		Total	-						
Gazi Md. Humayun Kabir	Ordinary	Bought 24/12/2019 from Major Gen. Dr. Bijoy Kumar Sarker (Retd.) Bought 24/12/2019 from Mahabubur Rahman Khan Bought 24/12/2019 from Dr. Mujibur Rahman Bought 24/12/2019 from Alhaj Nur Mohammad Hawlader Sold 14/10/2021 to Sean Haque Sikder Sold 14/10/2021 to Ron Haque Sikder Sold 14/10/2021 to John Haque Sikder	22,50,000 10,20,000 4,80,000 2,50,000 -19,20,000 -1,60,000 -19,20,000	10	10	Cash	24-Dec-19 24-Dec-19 24-Dec-19 24-Dec-19 14-Oct-21 14-Oct-21 14-Oct-21	0.00%	0.00%
		Total	-						
Nasim Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain	24,00,000	10	10	Cash	14-Oct-21	10.00%	6.00%
		Total	24,00,000						
Lisa Fatema Haque Sikder	Ordinary	Bought 14/10/2021 from Md. Anwar Hussain Bought 14/10/2021 from Uttam Kumar Bhoumik	16,00,000 3,20,000	10	10	Cash	14-Oct-21 14-Oct-21	8.00%	4.80%
		Total	19,20,000						
Rick Haque Sikder	Ordinary	Bought 14/10/2021 from Uttam Kumar Bhoumik	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Total	19,20,000						
Ron Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir Bought 14/10/2021 from Uttam Kumar Bhoumik	1,60,000 17,60,000	10	10	Cash	14-Oct-21 14-Oct-21	8.00%	4.80%
		Total	19,20,000						
Monica Sikder Khan	Ordinary	Gift 14/10/2021 from her father Mohtasim Billah Khan Gift 10/05/2022 to her father Mohtasim Billah Khan	19,20,000 -3,20,000	10	10	Gift	14-Oct-21 8-May-22	6.67%	4.00%
		Total	16,00,000						
Jonas Sikder Khan	Ordinary	Gift 14/10/2021 from his father Mohtasim Billah Khan Gift 10/05/2022 to his father Mohtasim Billah Khan	19,20,000 -3,20,000	10	10	Gift	14-Oct-21 8-May-22	6.67%	4.00%
		Total	16,00,000						
Jeffrey Khan Sikder	Ordinary	Gift 14/10/2021 from his father Salah uddin Khan Gift 10/05/2022 to his father Salah uddin Khan	19,20,000 -3,20,000	10	10	Gift	14-Oct-21 8-May-22	6.67%	4.00%
		Total	16,00,000						
Mandy Khan Sikder	Ordinary	Gift 14/10/2021 from her father Salah uddin Khan Gift 10/05/2022 to her father Salah uddin Khan	19,20,000 -3,20,000	10	10	Gift	14-Oct-21 8-May-22	6.67%	4.00%
		Total	16,00,000						
Sean Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Total	19,20,000						
John Haque Sikder	Ordinary	Bought 14/10/2021 from Gazi Md. Humayun Kabir	19,20,000	10	10	Cash	14-Oct-21	8.00%	4.80%
		Total	19,20,000						
Major Gen. Dr. Bijoy Kumar Sarker (Retd.)	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	22,50,000 -22,50,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Mahabubur Rahman Khan	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	10,20,000 -10,20,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Dr. Mujibur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	4,80,000 -4,80,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Alhaj Nur Mohammad Hawlader	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Gazi Md. Humayun Kabir	2,50,000 -2,50,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Md. Aslamul Haque	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	24,00,000 -24,00,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Dr. Md. Sahab Uddin Joarder	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	8,00,000 -8,00,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						
Khalilur Rahman	Ordinary	Original subscription on 29/07/2013 as per MoA & AoA Sold 24/12/2019 to Uttam Kumar Bhoumik	8,00,000 -8,00,000	10	10	Cash	29-Jul-13 24-Dec-19	0.00%	0.00%
		Total	-						

Section XIV Corporate Governance

(a) A disclosure to the effect that the Issuer has complied with the requirements of Corporate Governance Guidelines of the Commission

This is to declare that **Sikder Insurance Company Limited** has been complied with the requirements of the applicable regulations of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and accordingly constituted several committees under the board for good governance. A certificate of compliance from competent authority has been incorporated accordingly.

Sd/-

Sk. Abdur Rafique

Chief Executive Officer

Sikder Insurance Company Limited

Date: July 17, 2023

(b) A compliance report of Corporate Governance requirements certified by competent authority

Report to the Shareholders

Of

SIKDER INSURANCE COMPANY LIMITED

On Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **Sikder Insurance Company Limited** for the year ended on 31st December 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006- 158/207/Admin/80 dated 03 June 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 laws and other relevant laws; and
- d) The Governance of the company is satisfactory.

Place: Dhaka

Date: July 16, 2023

Sd/-

(Monika Nashat Matin,ACA)

A. Matin & Co.

Chartered Accountants

[As per condition No. 1(5) (xxvii)]

CORPORATE GOVERNANCE COMPLIANCE REPORT

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)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors			
1(1)	Size of the Board of Directors: 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);	√		2 independent director appointed
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 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 (NBF1); 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);	√		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and			There was no such vacancy
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:	√		
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, regularity 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	√		
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5 th 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.			N/A
1(4)	Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairpersons 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.	√		
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);			The Company has 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;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments;			N/A
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;			N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			N/A
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;	√		
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;	√		No doubt regarding going concern issue.
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;	√		
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;	√		
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;			N/A
1(5)(xxii)	The total number of Board meeting 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);	√		
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);	√		
1(5)(xxiii)(c)	Executives; and	√		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
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;	√		
1(5)(xxiv)(b)	Nature of his her expertise in specific functional areas; and	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	√		
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;	√		

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;	√		
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 immediately preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
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;	√		
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	√		
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.	√		
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.	√		
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; confidentially; 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;	√		
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;			
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;	√		
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;	√		
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	√		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary.-	√		
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);	√		
3(1)(b)	The position 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 filed 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).	√		
3(2)	Requirement to attend Board of Directors' Meetings			
3(3)(a)(i)	these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
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;	√		
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;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee:			
	For ensuring good governance in the company, The Board shall have at least following sub – committees:			
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;	√		
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 Chairpersons 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;	√		
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 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.	√		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting(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;	√		
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			
	The Audit Committee shall:			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	Monitor choice of accounting policies and principles;	√		
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 the 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 Internal Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission.			N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)(a)	Report on conflicts of interests;			Not Found
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;			Not Found
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			Not Found
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			Not Found
5(6)(b)	Reporting to the Authorities			
	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 unreasonable 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 6(six) months from the date of first reporting to the Board, whichever is earlier.			
5(7)	Reporting to the Shareholders and General Investors			
	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.	√		
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 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;	√		
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;			N/A
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;			N/A
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;	√		
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;	√		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	√		
6(4)	Meeting of 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 convey any emergency meeting upon request by any member of the NRC;	√		
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 reflection short and long-term performance objectives appropriate to the working of the company and its goal;	√		
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)	Identification 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 recommended 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)	Identification the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√		
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resource and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration police 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 service 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 services 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 conflicts 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; his or her family members also shall not hold any shares in the said company;	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual general Meeting or Extraordinary General Meeting) to ensure 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.			Company have an official website but not linked with the website of the stock exchange
8(2)	The company shall keep the website functional from the date of listing.			Company not yet listed with any exchanges.
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).			Company not yet listed with any exchanges.
9	Reporting and Compliance of Corporation 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 shall 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.	√		

(c) Details relating to the Issuers' audit committee and Nomination and Remuneration Committee (NRC): including the names of the committee, members and a summary of the terms of reference under which the committees operate.

Audit Committee

Audit Committee: In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Audit Committee comprises of the following Non-Executive and Independent Directors of the Company:

Name	Current Position in SICL	Position In Audit Committee
Uttam Kumar Bhowmik	Independent Director	Chairperson
Monica Sikder Khan	Director	Member
Jeffrey Khan Sikder	Director	Member

Terms of reference of Audit Committee

The main objective of the Audit Committee is to assist the Board of Directors to effectively carry on its responsibilities relating to financial and other relevant affairs of the Company. The Committee is empowered to monitor, review and examine the following: -

- Oversee the financial reporting process.
- Monitor implementation/ following the accounting policies and principles.
- Monitor Internal Control Risk Management Process.
- Oversee hiring and performance of external auditors.
- Review along with the management, the Annual Financial Statements before submission to the Board for approval.
- Review along with the management, the Quarterly and Half Yearly Financial Statements before submission to the Board for approval.
- Review the adequacy of Internal Audit team performance in terms of internal audit report.
- Review statement of significant related party transactions submitted by the management.
- Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.
- When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue, the Company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the Company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.

Sd/-

Sk. Abdur Rafique

Chief Executive Officer

Sikder Insurance Company Limited

Date: February 12, 2023

Nomination and Remuneration Committee (NRC):

Nomination and Remuneration Committee: In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Nomination and Remuneration Committee comprises of the following Non-Executive and Independent Directors of the Company:

Name	Current Position in SICL	Position In NRC
Gazi Md. Humayun Kabir	Independent Director	Chairperson
Lisa Fatema Haque Sikder	Director	Member
Jonas Sikder Khan	Director	Member

Summary of terms of reference

The Remuneration Committee shall be responsible for all elements of the wages/salary/remuneration of all the employees as well as of the Board of Directors and the chairman of the Company, including pension rights and compensation (i.e., damages) payments. Major responsibilities of the committee, among others, include:

- To determine the policy for the wages/salary ("the Policy") (including benefits, compensation and termination payments) of the employees and ensure that the Report is put to Chairman for approval;
- To determine the policy for the remuneration ("the Policy") (including benefits, compensation and termination payments) of the Chairman of the Board, officer, the Board of Directors of the Company and ensure that the Directors' Remuneration Report is put to shareholders for approval at the AGM;
- When setting the Policy for directors, review and have regard to pay and employment conditions across the Company or group, especially when determining annual salary increases;
- To be aware of and oversee any major changes in Policy or employee benefit structures throughout the Company or group;

Sd/-

Sk. Abdur Rafique

Chief Executive Officer

Sikder Insurance Company Limited

Date: February 12, 2023

Section XV

Valuation Report of securities prepared by the Issue Manager

Valuation report of securities prepared by the Issue Manager

(Rules – 5, (B) (14), Annexure - E)

(a) The valuation report of securities to be offered shall be prepared and justified by the Issue Manager on the basis of the financial and all other information pertinent to the issue

The valuation report of securities prepared and justified by the Issue Manager on the basis of the financial and all other information pertaining to the issue. The fair value is determined under different valuation methods referred in 5(B) (14) under clause no Annexure–E, of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

(b) To prepare the valuation report, the Issue Manager may consider all qualitative and quantitative factors which shall be explained in details with rationale to consider such factors, the valuation methods used, and sources of information and authenticity of such information

The Issue Manager considered the following qualitative and quantitative factors to prepare the valuation report:

Qualitative factors

The factors that differentiate **Sikder Insurance Company Limited** from their competitors and enable them to compete successfully in the industry are as follows:

- ❖ Experienced Directors
- ❖ Professional management team
- ❖ Favorable government policies for insurance sector
- ❖ No debt liability
- ❖ No default history
- ❖ Consistent Profitability record
- ❖ Good reputation for claim settlement
- ❖ Operational efficiency

Quantitative factors

Figures shown in this prospectus are from audited financial statements of Sikder Insurance Company Limited for the year ended on 31st December, 2022, 2021, 2020, 2019, & 2018 as prepared in accordance with IAS and IFRS.

Quantitative factors are as follows:

Earnings based value per share based on last 5 years, i.e., the year ended on 31st December, 2022, 2021, 2020, 2019, & 2018 weighted average net profit after tax has been considered.

Overall DSE market P/E as on 31/03/2023 and DSE Sector P/E as on 30/06/2023 is considered for determining Earning based value per share.

(c) While preparing the valuation report, the Issue Manager shall avoid exaggeration and biasness and shall exercise independence and due diligence

The Issue manager avoided exaggeration and biasness and exercised independence and due diligence in preparing valuation report

The valuation report of securities shall be prepared on the basis of the financial and all other information pertaining to the issue. The fair value is determined under different valuation methods referred in 5(B)(14) under clause no Annexure–E, of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

(d) The Issue Manager(s) shall, among others, consider the following methods for valuation of the securities

(i) Net asset value at historical or current costs

(ii) earning-based-value calculated on the basis of weighted average of net profit after tax for immediately preceding five years or such shorter period during which the Issuer was in commercial operation

(iii) projected earnings for the next three accounting year with rationales of the projection, if not in commercial operation

(iv) average market price per share of similar stocks for the last one year immediately prior to the offer for common stocks with reference and explanation of the similarities or in case of repeat public offering, market price per share of common stock of the Issuer for the aforesaid period.

The following table illustrates the calculation of fair value of Sikder Insurance Company Ltd. under different methods:

Summary of Valuation Report of Securities

Methods followed		Amount
Method-1:	NAV per share	28.73
Method-2:	Earning Based value per share (Market P/E)(i)	15.85
	Earning Based value per share (Sector P/E)(ii)	19.57
Method-3:	Average market price per share of similar stocks	37.58
Average NAV		25.43

Method-1 Net assets value per share

SHAREHOLDER'S EQUITY	AMOUNT
Share capital	24,00,00,000
Reserve for Exceptional Loss	6,45,00,000
Profit & Loss Appropriation Account	8,45,17,283
Reserve for Fair Value of Share	30,05,41,540
Total Share Holder's Equity	68,95,58,823
No. of Shares Outstanding	2,40,00,000
NET TANGIBLE ASSETS VALUE PER SHARE	28.73

METHOD 2: EARNING-BASED-VALUE PER SHARE (Sector P/E)

Year	No. of Share	Net Profit After Tax	Weighted Average No. of Share	Weighted Average Net profit after tax
2022	2,40,00,000	2,92,13,686	20.00%	58,42,737
2021	2,40,00,000	2,86,26,120	20.00%	57,25,224
2020	2,40,00,000	5,00,75,347	20.00%	1,00,15,069
2019	2,40,00,000	1,75,12,573	20.00%	35,02,515
2018	2,40,00,000	81,73,704	20.00%	16,34,741
Total	12,00,00,000	13,36,01,431	100.00%	2,67,20,286
Total Number of Share outstanding				2,40,00,000
EPS Based on Weighted Average Net Profit After Tax				1.11
Market P/E on 31/03/2023				14.24
Historical Earning Based Value Per Share (WEPS X Market P/E) (i)				15.85
Sector P/E on 30/06/2023				17.58
Historical Earning Based Value Per Share (WEPS X sector P/E) (ii)				19.57

Method-3 (Average market price per share of similar stocks)

We derived the average price from the trading prices of similar listed non-life insurance companies by taking into consideration the closing prices of those listed companies during the period from July 31, 2022 to June 30, 2023.

Average market price of similar stock-based valuation
Month End closing price

Company Name	30-Jun-23	31-May-23	30-Apr-23	31-Mar-23	28-Feb-23	31-Jan-23	31-Dec-22	30-Nov-22	31-Oct-22	30-Sep-22	31-Aug-22	31-Jul-22	Total	Avg. per month	Average
STANDARD INSURANCE LIMITED	43.30	44.40	43.30	43.30	43.10	45.40	48.00	49.20	49.20	49.20	49.60	50.70	558.70	46.56	37.58
GLOBAL INSURANCE LTD	33.20	36.80	29.30	29.50	29.50	33.90	31.20	32.70	32.70	32.70	36.70	35.90	394.10	32.84	
RUPALI INSURANCE COMPANY	29.00	30.00	26.20	26.20	26.50	29.10	26.50	27.50	27.50	27.50	30.90	30.20	337.10	28.09	
AGRANI INSURANCE CO. LTD.	41.80	46.30	33.80	33.80	33.70	38.90	37.00	38.50	38.50	38.50	41.30	42.20	464.30	38.69	
UNION INSURANCE COMPANY LIMITED	56.20	59.90	46.30	40.90	38.40	43.50	37.30	37.50	36.20	32.90	35.30	36.10	500.50	41.71	

Source: Dse website (Website, www.dsebd.org)

Average market price of similar stock-based valuation (Assumption)

The average month end close prices of the peer Company from July 31, 2022 to June 30, 2023 are considered.

Explanation for consideration of peer companies:

- a. Similar sector (Insurance).
- b. Only General Insurance Companies are considered.
- c. 5 listed Insurance Companies out of 46 listed Insurance Companies in DSE (Website, www.dsebd.org.) has been considered for following conservative approach.
- d. Life insurance Companies are not taken into consideration.

Basis of calculation for determination of valuation of share price of Sikder Insurance Company Limited based on average market price of similar stock listed in DSE under Insurance sector:

The average Close price of the similar listed companies during year from *July 31, 2022 to June 30, 2023* is considered.

Conclusion:

From the above calculations, derived values and considering all qualitative and quantitative factors of the Issuer and Insurance industry, performance history and future growth prospective of the Issuer, we may infer that the offered price of Sikder Insurance Company Limited at BDT 10.00/share (par value) is reasonable, since all the derived values are much higher than the offer price. Therefore, the investment by the investors is justified and will be rational.

Sd/-

(Emam Hossain)

Managing Director/CEO

Sonar Bangla Capital Management Limited

Place: Dhaka

Date: July 17, 2023

Section XVI Debt Securities

(a) the terms and conditions of any debt securities that the Issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the Issuer against such securities and any other rights the holders of such securities may have

Sikder Insurance Company Ltd. has not issued or is planning to issue any debt securities within next six months.

(b) All other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios

Sikder Insurance Company Limited has not issued or is planning to issue any debt securities within next six months.

(c) Name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describes the circumstances under which the trustee must act on behalf of the debt holders

Sikder Insurance Company Limited has not issued or is planning to issue any debt securities within next six months. Therefore, there are no such trustees for this issue.

(d) Repayment or redemption or conversion status of such securities.

Sikder Insurance Company Ltd. has not issued or is planning to issue any debt securities within next six months. Therefore, there are no such repayments or redemption or conversion status of such securities.

Section XVII

Parties involved and their responsibilities

SI	Parties	Name of Parties	Key Responsibilities
(a)	Issue manager(s)	Sonar Bangla Capital Management Limited	The Issue Manager will assist the Issuer in managing the proposed initial public issue of shares under purview of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015
(b)	Underwriters	Sonar Bangla Capital Management Limited	In case of under-subscription in any category by up to 35% in the initial public offer, the unsubscribed portion of securities shall be taken up by the underwriter on firm commitment basis.
(c)	Statutory Auditors	G.Kibria & Co. Chartered Accountants	To express an opinion on the financial statements based on their audit. Auditor will conduct the audit in accordance with Bangladesh Standards on Auditing and related laws and regulations.
(d)	Cost Auditor	N / A	
(e)	Valuer		
(f)	Credit Rating Company	ARGUS Credit Rating Services Ltd. (ACRSL)	The credit rating Company is responsible for conducting the rating regarding creditworthiness of The Company in short term and long term.

Section XVIII Material contracts

(a) Major agreements entered into by the Issuer

The following are material contracts have been entered into by the Company:

1. Issue Management agreement between the Company and Sonar Bangla Capital Management Limited.
 - a. Underwriting agreement between the Company and with Sonar Bangla Capital Management Limited.

(b) Material parts of the agreements

Material part of the agreement with Issue Manager

Particulars	Issue Management Agreement
Name of Issue Manager	Sonar Bangla Capital Management Limited
Date of Agreement	10 th February 2021
Major terms and Condition	<p>Regulatory compliance</p> <ol style="list-style-type: none"> a. Filing of application of the PUBLIC ISSUE to the Bangladesh Securities and Exchange Commission (BSEC). b. Preparation of prospectus. c. Contacting and arranging underwriting for the amount as needed by rules of the proposed share issue. d. Contacting and finalizing arrangement with Securities Trading Houses to collect Public Issue subscription money in consultation with the Issuer. e. Filing of prospectus to BSEC. f. Incorporation of modification suggested by BSEC. g. Obtaining approval from BSEC. h. Preparation of all necessary papers and deeds for submission to BSEC for making the PUBLIC ISSUE effective. i. Filing of the BSEC approved prospectus with the Registrar of Joint Stock Companies and Firms (RJSC). j. Contacting and finalizing appointment of Post Issue Manager under separate terms & conditions to deal with the matters as required, upon close of subscription of the Issue. k. Advising the Issuer, Post Issue Manager to provide compliance reports to BSEC as required by law, in obtaining basis of allotment from BSEC, in arranging lottery (if required), supervising distribution of Securities & Refund Warrants. l. Advising Company in completing formalities with CDBL & Stock Exchanges for listing. <p>Underwriting Co-operation</p> <ol style="list-style-type: none"> a. Preparation of company brief for the Underwriters. b. Documentation/preparation of underwriting agreement etc. c. Placing of underwriting proposals. <p>Issue Arrangements</p> <ol style="list-style-type: none"> a. Contacting and finalizing arrangement with Securities Trading Houses to collect Public Issue subscription money in consultation with the Issuer. b. Filing of application for listing with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE). c. Finalizing documentation for listing. d. Listing formalities with CDBL. <p>COVENANTS OF THE ISSUER</p> <ol style="list-style-type: none"> a. Without prejudice hereby declares it agrees to comply with all statutory formalities under the Companies Act 1994, Guidelines issued by the Bangladesh Securities and Exchange Commission and other relevant Organizations to make the issue successful. b. Issuer undertakes and declares that all information would be made available to the Issue Manager as per requirement. It would not give any statement, which is likely to mislead the investor. <p>COVENANTS OF THE ISSUE MANAGER</p> <ul style="list-style-type: none"> ❖ Without prejudice to other stipulations relative to the responsibility of the Manager who will remain responsible towards the strict compliance of this Agreement and to comply with all terms therein.
Termination of Agreement	This agreement may be terminated by mutual written agreement.

Material part of the agreement with underwriters

Particulars	Underwriting Agreement
Name of Issue Manager	Sonar Bangla Capital Management Limited
Date of Agreement	24 th April, 2021
Major terms and Condition	<ol style="list-style-type: none"> The IPO shall stand cancelled if at least 65% in any category of the IPO is not subscribed. In case of under subscription in any category by up to 35% of the IPO the under-subscribed securities shall be taken up by the underwriters. Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail. The Company shall have to pay underwriter 1% (One percent) on the amount underwritten by them as per Bangladesh Securities and Exchange Commission (Public Issue) Rule 2015. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the Closing Date, the Company shall within 10 (ten) days of the closure of subscription call upon the underwriters in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not so subscribed by the closing date and to pay for in cash in full, inclusive of any premium if applicable, for such unsubscribed shares within 15 (fifteen) days after being called upon to do so. The amount so received shall be credited to the share subscription account of the Company within the said period. If payment is made by Cheque/ Bank Draft by the Underwriter, it will be deemed that the Underwriter has not fulfilled his obligation towards his underwriting commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's share subscription account credited. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the Underwriters to the Commission. In the case of failure by the underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under this Agreement.
Termination of Agreement	This agreement may be terminated by mutual written agreement.

(c) Fees payable to different parties.

Issue management fee

Sonar Bangla Capital Management Limited is the Manager to the Issue. The Issue Management fee is BDT 1,600,000 (Sixteen Lac) only.

Underwriting fee

The underwriters shall get 1.00% on the 35% of public offer amount as underwriting fee.

Section XIX Outstanding Litigations, Fine or Penalty

(a) The following litigations including outstanding litigations against the Issuer or any of its directors and fine or penalty imposed by any authority.

The Issuer or Directors of Sikder Insurance Company Ltd. was not involved in any of the following types of legal proceedings are mentioned below:

(i) Litigation involving Civil Laws	There is no conviction of the Issuer or director (s) in a civil proceeding.
(ii) Litigation involving Criminal Laws	There is no conviction of the Issuer or director (s) in a criminal proceeding.
(iii) Litigation involving Securities, Finance and Economic Laws	There is no order, Judgement or decree of any court of competent jurisdiction against the Issuer or director(s) permanently or temporarily enjoying, barring, suspending or otherwise limiting the involvement of any director(s) or officer in any type of securities, Finance and Economic Laws.
(iv) Litigation involving Labor Laws	There is no conviction of the Issuer or director (s) in connection to applicable labor Laws.
(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties)	There is no conviction of the Issuer or director (s) in connection to Taxation (Income tax, VAT, Customs Duty and any other taxes/duties).
(vi) Litigation involving any other Laws	There is no Litigation involving any other Laws.

(b) Cases including outstanding litigations filed by the Company or any of its directors:

There are no outstanding cases filed by the Company except taxation (in 2007) or any of its directors to any of the following types of legal proceedings mentioned below:

(i) Litigation involving Civil Laws	No cases filed by the Company or any of its Directors
(ii) Litigation involving Criminal Laws	No cases filed by the Company or any of its Directors
(iii) Litigation involving Securities, Finance and Economic Laws	No cases filed by the Company or any of its Directors
(iv) Litigation involving Labor Laws	No cases filed by the Company or any of its Directors
(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties)	No cases filed by the Company or any of its Directors
(vi) Litigation involving any other Laws	No cases filed by the Company or any of its Directors

Except as follows:

VAT: The Company had VAT outstanding amounting to Tk. 2,836,312 that has been subsequently paid vide Bangladesh Bank Challan at 16/01/2023

Customs duty: Customs duty is not applicable for the company.

Income Tax: Income Tax assessment of Sikder Insurance Company Limited for the financial year ended 2013 to 2021 is completed Year wise income tax status of the company from the financial years from 2013 to 2021 is as under:

Liability for Income Tax:				
Assessment Year	Provision for Income Tax	Tax Paid	Tax Demand	Remarks
2014-2015	167,303	771,118	Nil	Assessment completed
2015-2016	195,978	2,029,833	2,550,326	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2016-2017	527,210	4,101,018	12,186,399	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2017-2018	1,385,280	8,998,749	8,997,760	Assessment completed and finalized by the DCT
2018-2019	1,340,746	4,617,695	4,617,695	Assessment completed and finalized by the DCT
2019-2020	1,388,495	3,463,821	3,463,821	Assessment completed and finalized by the DCT
2020-2021	13,030,749	4,783,790	4,783,790	Assessment completed U/S_83/(2)/156/159
2021-2022	15,382,931	20,660,415	20,660,415	Assessment completed & Finalized by the DCT
2022-2023	14,965,307	The Income Tax Return was submitted to Deputy Commissioner of Taxes, Circle-Large Tax Payer Unite (LTU), Zone - LTU, Dhaka. U/S-82 (B/B)		

The Issuer had to pay penalty to Insurance Development Regulatory Authority (IDRA) for delay in offering shares to general public:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Amount	-	-	-	-	-

Section XX

Risk Factors and Management’s Perceptions about the Risks

The disclosures of Risk factors:

- (i) Internal risk factors;
- (ii) External risk factors.

(i) Internal risk factors may include, among others:

(a) Credit Risk;

Credit risk refers to the risk that a borrower may not repay a loan and that the lender may lose the principal of the loan or the interest associated with it. Credit risk arises because borrowers expect to use future cash flows to pay current debts; it's almost never possible to ensure that borrowers will definitely have the funds to repay their debts. Interest payments from the borrower or Issuer of a debt obligation are a lender's or investor's reward for assuming credit risk.

Management perception

The Company has strong credit rating history, so there is no Credit Risks for the Issuer.

(b) Liquidity Risk;

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they are due. Liquidity risk arises due to insufficient fund to meet up short- and long-term liability.

Management perception

Sikder Insurance Company Limited has sufficient premium & as well as cash and cash equivalents (including FDR) is to ensure any unforeseen claim or payment. So, it is expected that liquidity risk shall not impact on the Issuer to a large extent to run the day to day business operation.

(c) Risk associated with the Issuer's interest in subsidiaries, joint ventures and associates;

Return of investment of the holding Company may be eroded due to conflict of interest among the group or any significant financial loss of the subsidiary and associates Company.

Management perception

The Company does not have any subsidiaries, joint venture and associate's companies. So, there are no such possibilities of risk in this respect.

(d) Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the Issuer;

The revenue of the Company exposed to hindrance due to significant portion of revenue generated from concentrated customer.

Management perception

Sikder Insurance Company Limited is generated from customers spread over the whole country.

(e) Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely;

Interruption in raw material supply may impeded of smooth production process.

Management perception

Sikder Insurance Company Limited does not require any raw materials because the Company delivers insurance services to its clients.

(f) More than 20% revenue of the Issuer comes from sister concern or associate or subsidiary;

Revenue would be concentrated if it comes from sister concern or associate or subsidiary Company

Management perception

The Company does not have any associate or subsidiary or sister concern.

(g) Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any;

Any history of negative earnings, negative cash flows from operating activities, declining turnover or profitability may impede the confidence of the investors for future potentiality of the Company

Management perception

The Company has positive track record of earnings and cash flow from operation last five years and expected to hold this trend in future.

(h) Loss making associate or subsidiary or group companies of the Issuer;

The Company may have exposed to risk of contagion which refers that the financial problem, especially insolvency, of one member of a group will bring about deterioration in the condition of all members.

Management perception

The Company has neither any associate or subsidiary Company nor any group which loss are making. So no risk shall be arisen in this respect.

(i) Financial weakness and poor performance of the Issuer or any of its subsidiary or associates;

Financial performance has material impact on the sustainability of the Company as going concern. There are certain things that can't be foreseen and even apprehend beforehand and which are absolutely beyond one's control like natural disaster or calamities, war, strike, riot, international sanction etc. Happening of such event may cause SICL financially weak and results in poor performance

Management perception

From the financial indicators it would be evident that the company has been running profitably since last 5 years and Management does not perceive any such event that may adversely impact the operation or financial results of the company in coming years. SICL has also taken required measures to minimize certain risks through shifting the same to third parties like insurance company for its own property & 40% of the policy business is also being reinsured by Shadharan Bima Corporation.

(j) Decline in value of any investment;

Investment value might rise or fall because of market conditions (market risk). Corporate decision, such as whether to expand into a new area of business or merge with another Company, can affect the value of investment.

Management perception

SICL has made a Reserve for Fair Value of Share for invests in capital market and another investment in FDR so there is no this kind of risk.

(k) Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned;

The Company shall not be able to operate its business longer period due to limited life of plant and machinery

Management perception

The Company provides insurance services. There are no requirement of plants and machineries.

(l) Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recalled;

There are possibilities of a holding Company to expand through the use of debt or leverage, building an intricate corporate structure which can include unrealized values, thus creating a risk if interest rates on obligations or the evaluation of assets posted as guarantee for loans alter radically

Management perception

Sikder Insurance Company Limited has taken interest free loan from related parties with an agreement ended in 2030. So in that time they can not recalled. And also, this loan amount is reducing every year.

(m) Potential conflict of interest, if the sponsors or directors of the Issuer are involved with one or more ventures which are in the same line of activity or business as that of the Issuer and if any supplier of raw materials or major customer is related to the same sponsors or directors;

Conflict of interest between the Issuer and its suppliers or major customer arise due to common management may create impediment in the day-to-day business operational process.

Management perception

None of the Sponsors or Directors is involved in the any other business in the same line and holds any position or owns any stake in the business of its supplier or customer. So no conflict would arise in this respect.

(n) Related party transactions entered into by the Company those may adversely affect competitive edge;

In many cases related party transaction are under taken in the course of the normal business of an entity, in view of the nature of related party relationships and transactions they may carry a higher risk about the ability of the Company to continue in business as a going concern- if the entity's interest is constantly subordinated to that of related party. Sometimes related party relationships and transactions may be difficult to identify and reported by the entity and subject to increased risk of fraud due to extensive and complex network of relationship sometimes put in place to obfuscate control of the entity, making related party transactions difficult to unravel. Sometime risk arises in the related party transaction due to entity's information systems may not be effective in identifying and recording related party relationship and transaction.

Management perception

The Company provides adequate disclosures in the audited financial statements which is sufficient about its related party transaction and also have no material impact on SICL businesses & operation. So there are no such possibilities of conflict in this respect.

(o) Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan/ credit limit and other banking facilities;

The future business process or revenue may hinder by any such restrictive covenants stipulated in the agreements with shareholders, with sponsor or any loan agreement with the bank or financial institutes.

Management perception

No such restrictive covenants persist with any shareholders, sponsor or any bank loan facility.

(p) Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees;

Every industry is operating mutually by workers and management mutual understanding. Owners are always concern about the worker's demand. There was precedence in past regarding workers' violence in street, huge vandalism and put fire on motor vehicle causes a serious damage of the Company properties. Sometimes workers demanded more salary and stopped work which also creates financial loss to the Company.

Management perception

Sikder Insurance Company Ltd. is service oriented Company. There were no incidents for which the business operation of the Company was stopped.

(q) Seasonality of the business of the Issuer;

Revenue of the Company would be affected if the business is seasonal.

Management perception

The business of the Issuer does not depend on any season as demand for insurance service remains the same throughout the year.

(r) Expiry of any revenue generating contract that may adversely affect the business;

The revenue would be squeezed if any contract for which revenue generated had expired.

Management perception

There are no such contracts that may adversely affect the future revenue.

(s) Excessive dependence on debt financing which may adversely affect the cash flow;

The Company may expose to high degree of risk and its future cash flow from operation shall be squeezed due to financial expense.

Management perception

Sikder Insurance Company Ltd. does not have any debt liability other than related party loan, so there no risk in this regard.

(t) Excessive dependence on any key management personnel absence of whom may have adverse effect on the Issuer's business performance;

Key management personnel have key role in the organization for smooth operation of the Company. If key management personnel turnover is high that's have adverse impact on the organizational day to day activities.

Management perception

The work responsibility is so organized that the second line of key management personnel is always existent to take over the vacant position for any key management.

(u) Enforcement of contingent liabilities which may adversely affect financial condition;

Contingent liabilities are likely to have a negative impact on a Company's stock share price because they threaten to reduce the Company's assets and net profitability. The extent of the impact on share price depends on the estimated probability of the contingent liabilities becoming actual liabilities.

Management perception

There is no possibility of enforcing contingent liabilities that may adversely affect financial condition against the Company except as follows:

VAT: The Company had VAT outstanding amounting to Tk. 2,836,312 that has been subsequently paid vide Bangladesh Bank Challan at 16/01/2023

Customs duty: Customs duty is not applicable for the company.

Income Tax: Income Tax assessment of Sikder Insurance Company Limited for the financial year ended 2013 to 2021 is completed Year wise income tax status of the company from the financial years from 2013 to 2021 is as under:

Liability for Income Tax:				
Assessment Year	Provision for Income Tax	Tax Paid	Tax Demand	Remarks
2014-2015	167,303	771,118	Nil	Assessment completed
2015-2016	195,978	2,029,833	2,550,326	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2016-2017	527,210	4,101,018	12,186,399	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2017-2018	1,385,280	8,998,749	8,997,760	Assessment completed and finalized by the DCT
2018-2019	1,340,746	4,617,695	4,617,695	Assessment completed and finalized by the DCT
2019-2020	1,388,495	3,463,821	3,463,821	Assessment completed and finalized by the DCT
2020-2021	13,030,749	4,783,790	4,783,790	Assessment completed U/S_83/(2)/156/159
2021-2022	15,382,931	20,660,415	20,660,415	Assessment completed & Finalized by the DCT
2022-2023	14,965,307	The Income Tax Return was submitted to Deputy Commissioner of Taxes, Circle-Large Tax Payer Unite (LTU), Zone - LTU, Dhaka. U/S-82 (B/B)		

If any unforeseen event occurs due to exercise of contingent liability in case of Income Tax, the Company shall be able to mitigate the demand through Liquidity.

(v) Insurance coverage not adequately protect against certain risks of damages

The Company shall expose to significant loss if its assets are not properly covered by insurance.

Management perception

Insurance coverage of all its assets is done with the company itself and reinsured with SadharanBima Corporation. In the case of high volume of insurance claim, it will be recovered from Sadharan Bima Corporation by way of reinsurance ceded.

(w) Absence of assurance that directors will continue its engagement with Company after expiry of lock in period;

The Company may expose to certain risk to operate its day-to-day business operations if current directorsengagement discontinue after expiry of lock in period.

Management perception

All the Directors of the Issuer Company are either Sponsor Directors or their heirs. Their belonging to the SICL is from the inception of the company. As such it may be expected that none of the directors will discontinue their relationship with SICL after lock in period.

(x) Ability to pay any dividends in future will dependupon future earnings, financial condition, cash flows, working capital requirements and capital expenditure.

Any future dividend payment depends on the future revenue generation. Any negative earnings in future shall be hindered future financial stability of the Company.

Management perception

Operational trends of SICL indicates positive growth in respect of revenue and net profit so it may be expected that this positive trend will continue in future years also and as such SICL is expected to face no difficulties in paying dividends to investors.

(y) History of non-operation, if any and short operational history of the Issuer and lack of adequate background and experience of the sponsors;

The Company may appear in disrupt of future operation if it had any non-operation history or short operational history which may repeated in future or lack of adequate background and experience of the sponsor have some operational risk due to complex nature of problem shall not be resolved without having proper knowledge.

Management perception

Sikder Insurance Company Limited started its journey from 18 March, 1996 and has successfully been operating till date. Since its inception there is no history of non-operation. On the other hand all sponsors of the Company have enormous experience in business. If any problem would arise, the sponsor would mitigate that the problem as usual way.

(z) Risks related to engagement in new type of business, if any;

Entrepreneurs face many challenges when starting a new business. A depressed economy, uncertain market conditions and financial struggles all pose a legitimate threat to the successful launch of a new Company.

Management perception

The management of Sikder Insurance Company Limited has not conceived or expected to conceive in future any new type of business under the banner of Issuer Company.

(aa) Risk in investing the securities being offered with comparison to other available investment options;

The Company would be exposed off potential financial distress if return on invest is low compare to alternative investment options they have.

Management perception

Analysis of operational data for last five years indicates that EPS increasing day by day by last two years, it indicating 10% earnings. None of the currently recognized and investment opportunities offer this level of return on investment. So it may be said that there is less risk in investing in securities of Sikder insurance company limited.

(bb) Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law;

The Company shall have risk to expose of eroded its brand name and goodwill in case of penalty or action taken by the regulatory authority.

Management perception

The Issuer had to pay penalty to Insurance Development Regulatory Authority (IDRA) for delay in offering shares to general public.

(cc) Litigations against the Issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case;

Any litigation in terms of unsettled tax, VAT or any other Govt. claim that may hamper business operation of the Issuer as well as may create future potential financial losses.

Management perception

There is no possibility of enforcing contingent liabilities that may adversely affect financial condition against the Company except as follows:

VAT: The Company had VAT outstanding amounting to Tk. 2,836,312 that has been subsequently paid vide Bangladesh Bank Challan at 16/01/2023

Customs duty: Customs duty is not applicable for the company.

Income Tax: Income Tax assessment of Sikder Insurance Company Limited for the financial year ended 2013 to 2021 is completed. Year wise income tax status of the company from the financial years from 2013 to 2021 is as under:

Liability for Income Tax:				
Assessment Year	Provision for Income Tax	Tax Paid	Tax Demand	Remarks
2014-2015	167,303	771,118	Nil	Assessment completed
2015-2016	195,978	2,029,833	2,550,326	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2016-2017	527,210	4,101,018	12,186,399	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2017-2018	1,385,280	8,998,749	8,997,760	Assessment completed and finalized by the DCT
2018-2019	1,340,746	4,617,695	4,617,695	Assessment completed and finalized by the DCT
2019-2020	1,388,495	3,463,821	3,463,821	Assessment completed and finalized by the DCT
2020-2021	13,030,749	4,783,790	4,783,790	Assessment completed U/S_83/(2)/156/159
2021-2022	15,382,931	20,660,415	20,660,415	Assessment completed & Finalized by the DCT
2022-2023	14,965,307	The Income Tax Return was submitted to Deputy Commissioner of Taxes, Circle-Large Tax Payer Unite (LTU), Zone - LTU, Dhaka. U/S-82 (B/B)		

If any unforeseen event occurs due to exercise of contingent liability in case of Income Tax, the Company shall be able to mitigate the demand through Liquidity.

(dd) Registered Office or factory building or place of operation is not owned by the Issuer;

If office and factory location is not owned by the Company business operation may hamper.

Management perception

SICL's head office and the branch offices are rented for long term agreement. Therefore, no risk will be arisen in this respect.

(ee) Lack of renewal of existing regulatory permissions or licenses;

Non-renewal of license may hamper day to day business operation of the Company.

Management perception

All licenses are valid and up dated. The company has assigned officers to look after regulatory affairs who are always careful about renewal of all its regulatory licenses in timely manner.

(ff) Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the Issuer or any of its subsidiaries or associates;

There may have legislative impact on business operation of any group Company by any judgment of Honorable High court in case of failure of any listed Company of the group for not comply with the state laws such as The Companies Act 1994 or payment of dividend to the shareholders in due course.

Management perception

The Issuer Company regularly conducted Annual General Meeting and there is no history of failure in paying dividend. Notable here is that the Issuer has no borrowings and there is no subsidiary or associate companies.

(gg) Issuances of securities at lower than the IPO offer price within one year;

If the Issuer issues share at lower than the IPO offer price within one year, there will have possibilities to arise misperception about IPO price.

Management perception

The Issuer never issued any securities lower than the proposed IPO offer price within one year.

(hh) Refusal of application for public issue of any securities of the Issuer or any of its subsidiaries or associates at any time by the Commission.

Any refusal of application for public issue of any securities of the Issuer may hinder confidence of the Company or convey negative impression about the financial status to the shareholders.

Management perception

The Company never applied for raising of Capital through IPO so; there is no reason for refusal.

(ii) External risk factors may include among others:

(a) Interest rate risks;

Volatility of money market may influence the overall interest rate structure of the country. So, any unfavorable change in interest rate structure may affect the Company's business adversely.

Management perception

The Issuer does not have any institutional borrowing so no negative risk is apprehended from the rise of interest rate, they are having a related party loan with no finance cost. On the other hand, Sikder Insurance Company Limited plans to part of the IPO proceeds to be invested in the capital market and parts to be invested in Fixed Deposit Receipts, so increase in interest will positively contribute in revenue.

(b) Exchange rate risks;

Exchange rate risk arises from currency fluctuation in international trade. If Bangladeshi Taka is devalued and/or foreign currency revalued than the price of imported raw materials will go up which will decrease the overall profit margin. Taka has been devalued significantly against dollar and it is very unlikely of any immediate appreciation of Taka.

Management perception

Sikder Insurance Company Ltd. operates in insurance service area which involves no foreign currency, so there is no risk associated with the exchange rate fluctuation.

(c) Industry risks;

Industry risk arises due to risk associated with business and macro-economic factors of the industry such as labor unrest, shortage of power, rising of raw material cost or shortage of raw material supply etc. If risk factor pertaining to industry is high, the growth of the industry shall be lower or may be eroded the entire potentiality of that industry.

Management perception

Sikder Insurance Company. Ltd. operates in insurance service area where 45 other General Insurance company including SadharanBima Corporation also in operation. The company faces strong competition from in procuring business. Changes in government policies and Insurance Act may hamper the business in both positive and negative direction.

(d) Economic and political risks;

Economic risk arises due to some various factors such as political or regulatory policy change, including adverse impact of globalization, social disturbances due to political unrest, terrorist attacks and other acts of violence or war, natural calamities, commodity and hike commodity & energy prices and various other factors. The consequence of economic risk is that the growth of development may be eroded or hampered and any significant changes may adversely affect on business and profitability of the Company.

Management perception:

Revenue earning of insurance business is directly related to industrialization and global trade and commerce of the country. Changes in economic yardsticks and political situations cause the change of GDP. Such situation will have direct effect on revenue of insurance sector.

(e) Market and technology-related risks;

Market risk relates to the volatility of the market price of assets. It involves exposure to movements in the level of financial variables, such as stock prices, interest rates, exchange rates or commodity prices. It also includes the exposure of options to movements in the underlying asset price. Market risk also involves exposure to other unanticipated movements in financial variables or to movements in the actual or implied volatility of asset prices and options. To be competitive in the market, insurance companies need to develop new services/products and offer excellent clientele services and also to expand the market by bringing more and more items under the purview of insurance otherwise the competitors may take away Company's business.

Technology is a continuous process of development. Innovation of new and cost effective technology may obsolete existing technology, which may cause negative impact on the business. The operation of the Company is capital intensive and the quality of the products is directly related to the sophistication of the machinery in use. In case, the technology of the machineries becomes obsolete, cost advantage and quality of production of the Company may be affected adversely.

Management perception

Bangladesh economy is growing both in agricultural production and industrialization resulting in revenue generational area of insurance service. Insurance business does not involve any technological process, besides it is dependent on officials. So there lie no technology-related risks.

(f) Potential or existing government regulations;

The development of the industry is mostly depending on government support. If Government fiscal and monetary policy is unfavorable towards the Insurance industry, the growth and development of this sector would not be possible.

Management Perceptions

The Government of Bangladesh is highly concentrated on economic development of the Country through industrialization. Bangladesh has been considered the most emerging economy country which economy is growing continuously. As progress of economy is continuing the others sub sectors also improving. By this way insurance sector shall be developed as new business opportunity has been created through economic progress.

The Management of SICL perceives that these facilities shall remain in near future which shall have positively impact on development of insurance industry of our Country.

(g) Potential or existing changes in global or national policies;

The Company operates in an insurance industry. At present, government policy and global business situation is favorable for development in this sector. If any change in this condition, the profitability of the Company shall be affected.

Management perception

Insurance sector is a vital sector for the economic development of Bangladesh. The government incentives and subsidies are also vital to the sustainability of this sector. The Government of Bangladesh is aware of this fact. Hence, it is not expected that any undue tax or duty will be imposed that may adversely affect the sector's sustainability. Rather, the Government is keen to support the industry. Again, any changes in the policy of international trade and may adversely affect the all global nations. So, in that case the management of SICL shall reset their policy according to the global policy changes.

(h) Statutory clearances and approvals those are yet to be received by the Issuer;

To smooth running of the business operation statutory clearance is required. The Company has to comply with several specific regulations of its primary regulator i.e, Insurance Development and Regulatory Authority (IDRA). Any non-compliance of its rules and regulation may impede the Initial Public Offering Process.

Management perception

Sikder Insurance Company Limited has obtained No Objection Certificate (NOC) from the primary regulator Insurance Development and Regulatory Authority (IDRA). Which will be materialized after obtaining permission from BSEC.

(i) Competitive condition of the business;

Management perception

Over the year insurance business has grown very competitive. Presently, 78 insurance companies are operating in Bangladesh among which 46 are in General Insurance business area. Sikder Insurance Company Ltd. has to face strong competition from these 46 insurance companies including SadharanBima Corporation. Despite the competition being faced by Sikder Insurance Company Ltd., its operation shows satisfactory performance.

(j) Complementary and supplementary products or services which may have an impact on business of the Issuer.

Complementary and supplementary product may have impact on sale of the existing product of the Company.

Management perception

Sikder Insurance Company Limited is not planning to provide any complementary and supplementary products or services in near future.

Section XXI Description of the Issue

(a) Issue size

BDT 160,000,000 (Sixteen Crore) shares of BDT 10.00 (ten) each.

(b) Number of securities to be issued

16,000,000 (One Crore Sixty Lac) shares of BDT 10.00 (ten) each.

(c) Authorized capital and paid-up capital

Authorized capital: BDT 500,000,000.00 (One Fifty crores)

Paid-up capital: BDT 240,000,000 (Twenty-Four Crore) only.

(d) Face value, premium and offer price per unit of securities

Face value: BDT 10.00

Premium: BDT 0.00

Offer price per unit of securities: BDT 10.00

(e) Number of securities to be entitled for each category of applicants

A		B		C		(A+B+C)
Eligible Investors (EIs) <i>(After private offer to its employees maximum 15% (fifteen percent) of its initial public offer (IPO))</i>		General Public (GP) <i>(After private offer to its employees maximum 15% (fifteen percent) of its initial public offer (IPO))</i>		Private offer to its Employees & Others <i>(maximum 15% (fifteen percent) of its initial public offer (IPO))</i>		Total
Other EIs (including CISs)	Mutual Funds	NRB	Others	Employees	Others	
20%	5%	5%	70%	15% (fifteen percent) of its initial public offer (IPO)	-	
2,720,000 shares	680,000 shares	680,000 shares	9,520,000 shares	2,400,000 shares	-	
3,400,000 shares		10,200,000 shares		2,400,000 shares		16,000,000 Shares

(f) Holding structure of different classes of securities before and after the issue

Sponsor or Category	Sl	Name	Position	No of Share	Percentage (%)	
					Pre IPO	Post IPO
Sponsor or Director	1	Mohtasim Billah Khan	Sponsor & Director	8,00,800	3.34%	2.00%
	2	Salah Uddin Khan	Sponsor & Director	8,00,800	3.34%	2.00%
	Total (a)			16,01,600	6.67%	4.00%
Director	3	Nasim Sikder	Chairperson	24,00,000	10.00%	6.00%
	4	Lisa Fatema Haque Sikder	Director	19,20,000	8.00%	4.80%
	5	Monica Sikder Khan	Director	16,00,000	6.67%	4.00%
	6	Jonas Sikder Khan	Director	16,00,000	6.67%	4.00%
	7	Jeffrey Khan Sikder	Director	16,00,000	6.67%	4.00%
	8	Mandy Khan Sikder	Director	16,00,000	6.67%	4.00%
	Total (b)			1,07,20,000	44.67%	26.80%
Shareholder	9	Mamtazul Haque Sikder	Sponsor & Shareholder	19,99,200	8.33%	5.00%
	10	Dipu Haque	Sponsor & Shareholder	19,99,200	8.33%	5.00%
	11	Sean Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	12	John Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	13	Rick Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	14	Ron Haque Sikder	Shareholder	19,20,000	8.00%	4.80%
	Total (c)			1,16,78,400	48.66%	29.20%
Grand Total (a) + (b) + (c)				2,40,00,000	100.00%	60.00%

Category	Before the IPO Issue		IPO Issue		After IPO Issue	
	Number of share	%	Number of share	%	Number of share	%
Director	1,23,21,600	51.34%	-	0.00%	1,23,21,600	30.80%
Other shareholder before IPO	1,16,78,400	48.66%	-	0.00%	1,16,78,400	29.20%
Private offer to employees & others	-	0.00%	24,00,000	15.00%	24,00,000	6.00%
Eligible Investor	-	0.00%	34,00,000	21.25%	34,00,000	8.50%
General Public	-	0.00%	1,02,00,000	63.75%	1,02,00,000	25.50%
Total	2,40,00,000	100.00%	1,60,00,000	100.00%	4,00,00,000	100.00%

Notes: 1

Category		Before the IPO Issue		IPO Issue		After IPO Issue	
		Number of share	%	Number of share	%	Number of share	%
Eligible Investors	Other Eis (including CISs)	-	0%	27,20,000	80%	27,20,000	6.80%
	Mutual Funds	-	0%	6,80,000	20%	6,80,000	1.70%
Total		-	0%	34,00,000	100%	34,00,000	8.50%

Notes: 2

Category		Before the IPO Issue		IPO Issue		After IPO Issue	
		Number of share	%	Number of share	%	Number of share	%
General Public	Others	-	0%	95,20,000	93%	95,20,000	23.80%
	NRB	-	0%	6,80,000	7%	6,80,000	1.70%
Total		-	0%	1,02,00,000	100%	1,02,00,000	25.50%

(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.

Objective of the issue is to comply with the statutory requirement of offering shares to general public. Since the company is already in operation and no plan to establish any new business of different nature, as such feasibility report is not required.

Section XXII Use of Proceeds

(a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up

Sl	Area of utilization of IPO proceeds	Amount in Tk.	Remarks
1	Investment in FDR	40,000,000	Within 3 (Three) month after IPO proceed has been received.
2	Investment in Capital Market	48,000,000	Within 3 (Three) month after IPO proceed has been received.
3	Floor Purchase	60,871,500	Within 3 (Three) month after IPO proceed has been received.
4	To meet up IPO expenses	11,128,500	Actual costs may vary if above mentioned estimates differ total expenditures will be adjusted accordingly
	Total	160,000,000	

(b) Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the Issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements

The sponsors of the Company have given paid up capital through cash consideration. Apart from that, The Company has not received any fund through private placement from any sponsor or any other person.

The Utilization of Paid up capital of the Company is as follows:

Sl	Area of Utilization	Amount in Taka	Indication in the Financial Statements
1	Investment in Government securities	2,50,00,000	Note:15 of Statement of financial position as at 31 December,2022
2	Property, Plant and Equipment	2,60,00,000	Note:17 of Statement of financial position as at 31 December,2022
4	Investment in Fixed Deposit Receipt (FDR)	18,90,00,000	Note:24 of Statement of financial position as at 31 December,2022

(c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the Issuer as a result of the investment, brief description of business and financials of such venture

The Company has no objective to invest its net proceeds of IPO in any Joint venture, a subsidiary, and associate or acquisition purpose.

(d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds

The Company does not require any additional fund.

(e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the Issuer.

Schedule of utilization of funds received through IPO

Sl	Area of utilization of IPO proceeds	Amount in Tk.	Remarks
1	Investment in FDR	40,000,000	Within 3 (Three) month after IPO proceed has been received.
2	Investment in Capital Market	48,000,000	Within 3 (Three) month after IPO proceed has been received.
3	Floor Purchase	60,871,500	Within 3 (Three) month after IPO proceed has been received.
4	To meet up IPO expenses	11,128,500	Actual costs may vary if above mentioned estimates differ total expenditures will be adjusted accordingly
	Total	160,000,000	

Sd/-
Md. Maiyen Uddin
Chief Financial Officer

Sd/-
Abdur Razzak
Company Secretary

Sd/-
SK. Abdur Rafique
Chief Executive Officer

Sd/-
Nasim Sikder
Chairman

(f) If there are contracts covering any of the activities of the Issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the Issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus

There is no contract covering any of the activities of the Issuer Company for which the proceeds of sale of securities from IPO are to be used.

(g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item-wise break-up of last three years working capital and next two years projection

IPO proceeds will not be utilized for working capital financing.

(h) Where the Issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project-wise, as the case may be

There are no such activities proposed to undertake by the Issuer.

(i) Where the Issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented

There is no such project shall be implemented in phase manner.

(j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies

There is no such transaction occurred or shall be occurred in terms of utilization of IPO proceeds with sponsor, directors, key management personnel, associate and Group companies.

(k) Summary of the project appraisal or feasibility report by the relevant professionals not connected with the Issuer, Issue Manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.

The Company will invest IPO fund in government securities and capital market securities, so it is not required to do feasibility report in this respect.

Section XXIII Lock-in

(a) Provisions for lock-in as per these Rules

Lock-in.-Ordinary shares of the issuer, at the time of according consent to the public issue, shall be subject to lock-in, from the first trading day at the exchange in the following manner:

- (a) Shares held by sponsors, directors and shareholders holding 10% (ten percent) or more, for 03 (three) years;
- (b) In case, any existing sponsor or director of the issuer transfers any share to any person, those transferred shares, for 03 (three) years;
- (c) Shares allotted to any person, before 4 (four) years or more of according consent to the public issue, other than the persons mentioned in clause (a) and (b), for 01 (one) year;
- (d) Shares held by alternative investment funds, for 01 (one) year;
- (e) Shares held by any person, other than the shares mentioned in clause (a), (b), (c) and (d) above, for 02 (two) years:

Provided that ordinary shares converted from any other type of securities shall also be subject to lock-in as mentioned above.;

(b) Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked in.

Category	SI	Name	Position	No of Share	Percentage (%)		After Conversion	BO Id	Lock-In
					Pre IPO	Post IPO			
Sponsor & Director	1	Mohtasim Billah Khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	1203980005774957	3 Years
	2	Salah Uddin khan	Sponsor & Director	8,00,800	3.34%	2.00%	N/A	1203980006435209	3 Years
	Total (a)			16,01,600	6.67%	4.00%			
Director	3	Nasim Sikder	Chairperson	24,00,000	10.00%	6.00%	N/A	1203980006967184	3 Years
	4	Lisa Fatema Haque Sikder	Director	19,20,000	8.00%	4.80%	N/A	1203980020471002	3 Years
	5	Monica Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	1203980043838497	3 Years
	6	Jonas Sikder Khan	Director	16,00,000	6.67%	4.00%	N/A	1203980052188041	3 Years
	7	Jeffrey Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	1203980043838588	3 Years
	8	Mandy Khan Sikder	Director	16,00,000	6.67%	4.00%	N/A	1203980039718499	3 Years
	Total (b)			1,07,20,000	44.67%	26.80%			
Shareholder	9	Mamtazul Haque Sikder	Sponsor & Shareholder	19,99,200	8.33%	5.00%	N/A	1203980044155815	3 Years
	10	Dipu Haque	Sponsor & Shareholder	19,99,200	8.33%	5.00%	N/A	1203980033524853	3 Years
	11	Sean Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	1203980075309942	3 Years
	12	John Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	1203980075309969	3 Years
	13	Rick Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	1203980020838050	3 Years
	14	Ron Haque Sikder	Shareholder	19,20,000	8.00%	4.80%	N/A	1203980020595994	3 Years
	Total (c)			1,16,78,400	48.66%	29.20%			
Grand Total (a) + (b) + (c)				2,40,00,000	100.00%	60.00%			

*****Private offer to its Employees List (maximum 15% (fifteen) of its initial public offer (IPO))

Sl. No.	Name	BO Account No.	Quantity	Amount	Category of the applicant	Designation
1	Sk. Abdur Rafique	1203220043750186	2,50,000	25,00,000	Employee	CEO
2	MD. MAYEN UDDIN	1203980075751757	20,000	2,00,000	Employee	CFO
3	ABDUR RAZZAK	1203980075751749	25,000	2,50,000	Employee	CS
4	Khandoker Ahsan Habib	1201580023349051	5,000	50,000	Employee	DVP
5	Md. Jasim Uddin	1203740075125074	10,000	1,00,000	Employee	D.M.D
6	MD. TUSAR ALI	1203980075751730	5,000	50,000	Employee	Jr. Officer
7	MD. RAJIB ALI	1203980075751722	3,000	30,000	Employee	Officer
8	MD. AHADUZZAMAN	1203980075751805	10,000	1,00,000	Employee	Jr. Officer
9	MD. SHAMSUDDIN CHOWDHURY	1205030068164841	2,000	20,000	Employee	Officer
10	Sadia Binte Monir	1202600075751350	1,000	10,000	Employee	Jr. Officer
11	Md.Rubel Ahmed	1202880074032832	10,000	1,00,000	Employee	Manager
12	Zubead Al Masum	1203260071002861	5,000	50,000	Employee	Manager
13	Md. Shaifur Rahman	1201740072538082	10,000	1,00,000	Employee	Manager
14	Md.Ali Gowhar	1203850055317732	60,000	6,00,000	Employee	AMD
15	Sumaiya Sweety Liza	1203060073778329	50,000	5,00,000	Employee	AMD
16	Mosammat Sultana Razia Sharmin	1202880067310537	10,000	1,00,000	Employee	VP
17	Selina Rahman	1202880075740332	50,000	5,00,000	Employee	Manager
18	Shahanaz Khatoon	1603700075077836	10,000	1,00,000	Employee	SEVP
19	Md. Jahidul Hasan Khan	1205080073584454	30,000	3,00,000	Employee	Manager
20	Asad Murshed Bin Sher Ali	1605260052925159	1,00,000	10,00,000	Employee	Add. MD
21	Md. Mostak Molla	1204390045536027	10,000	1,00,000	Employee	SEVP
22	Biplab Biswas	1202880071764429	5,000	50,000	Employee	Dy. Manager
23	Manzur Rahman	1201630004578188	3,75,000	37,50,000	Employee	Add. MD
24	Shopna Rani Dhar	1205080075742810	3,00,000	30,00,000	Employee	Add. MD
25	Md. Kamrul Hassan	1203010069037402	1,00,000	10,00,000	Employee	Add. MD
26	Nasima Akther	1202600075751532	50,000	5,00,000	Employee	Manager
27	Shireen Akhter	1206280075384196	1,00,000	10,00,000	Employee	Add. MD
28	Fairuz Nawar	1201630075743435	1,00,000	10,00,000	Employee	Add. MD
29	Md. Shahin Molla	1202880075743841	20,000	2,00,000	Employee	Manager
30	Naznin Sultana Chowdhury	1201580042852757	30,000	3,00,000	Employee	Manager
31	Mohammad Rafiqul Islam	1203300069189594	2,00,000	20,00,000	Employee	Add. MD
32	Moriam Akter Mitu	1602110072265890	2,00,000	20,00,000	Employee	Add. MD
33	Amina Pervin	1202880075750819	50,000	5,00,000	Employee	Manager
34	Hamna Binte Abdul Wakil	1601880075749226	1,00,000	10,00,000	Employee	Add. MD
35	Most. Shahida Khatun	1202880076050210	5,000	50,000	Employee	Dy. Manager
36	Fatema Tuz Johora	1202880075749011	5,000	50,000	Employee	Dy. Manager
37	Afifa Jawad	1202600075751765	25,000	2,50,000	Employee	Dy. Manager
38	Anjoly Biswas	1206210074978815	2,000	20,000	Employee	Asst. Manager
39	Abu Saleh Md Musa	1201820074001621	1,000	10,000	Employee	Asst. Manager
40	Junayed Hasan Zehan	1205690075105261	10,000	1,00,000	Employee	SEVP
41	Mst. Khadiza-Tul- Kobra	1202210073714675	1,000	10,000	Employee	Jr. Officer
42	Md. Tofayel Hasan	1202880076056440	30,000	3,00,000	Employee	SEVP
43	Md. Sattar	1202880074335491	5,000	50,000	Employee	Officer
44	Md. Saidur Rahman Bhuiyan	1202600076056161	5,000	50,000	Employee	Officer
45	Muhammad Mamataj Uddin	1202880075405533	5,000	50,000	Employee	Dy. Manager
Total			24,00,000	2,40,00,000		

Section XXIV
Markets for the Securities Being Offered

The Issuer shall apply to all the relevant exchanges in Bangladesh within seven working days from the date of consent for public offer accorded by the Commission.



Dhaka Stock Exchange Limited (DSE)
9/F, Motijheel C/A, Dhaka-1000

Chittagong Stock Exchange Limited (CSE)
CSE Building, 1080 Sk. Mujib Road
Agrabad C/A, Chittagong

Declaration about listing of shares with the stock exchange(s)

None of the stock exchange(s), if for any reason, grants listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said 75 (seventy five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the company directors, in addition to the Issuer Company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The Issue Manager, in addition to the Issuer company, shall ensure due compliance of the above mentioned conditions and submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

Trading and settlement

Trading and settlement regulation of the stock exchanges shall apply in respect of trading and settlement of the shares of the Company.

The issue shall be placed in “N” Category.

Section XXV

Description of securities outstanding or being offered

(a) Dividend, voting and preemption rights

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All shareholders shall have the usual voting right, voting right in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra Ordinary. On a show of hand, every shareholder present in person and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled to Right Issue of shares of in terms of the guidelines issued by the BSEC from time to time.

(b) Conversion and liquidation rights

If the company at any time issue convertible preference shares or debenture with the consent of the BSEC or other relevant regulatory authority, such holders of securities shall be entitled to convert such securities into ordinary shares if it is so determined by the company.

Right for transfer

In terms of the provisions of the Companies Act, 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to a firm, an infant/minor or person of unsound mind.

(c) Dividend policy

1. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
2. Dividends will not be paid in any rate higher than that is recommended by the Directors, but the Company in its General Meeting may declare a dividend in a rate lower than that recommended by Board of Directors. The declaration of Directors as to the amount of Net Profit of the Company shall be conclusive.
3. No dividend shall be payable except out of the profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
4. The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
5. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
6. There is no limitation on the payment dividends to the common stockholders of the Company.

(d) Other rights of the securities holders.

The Directors shall present the financial statements as required under the law & International Accounting Standard as adopted in Bangladesh. Financial statements will be prepared in accordance with the International Accounting Standards as adopted in Bangladesh, consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard as adopted in Bangladesh to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as unaudited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition of Extra-ordinary General Meeting of the company as provided for the section 84 of the Companies Act 1994.

Section XXVI Financial Statements

(a) The latest financial statements prepared and audited by any of the Commission's panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, ১৯৯৪, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



**INDEPENDENT AUDITORS' REPORT
TO
THE SHAREHOLDERS OF SIKDER INSURANCE COMPANY LIMITED**

Report on the Audit of the Financial Statements:

Opinion

We have audited the financial statements of **SIKDER INSURANCE COMPANY LIMITED** which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, Profit & loss appropriation account, statement of changes in equity, consolidated and separate revenue accounts 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, of the financial position of the **SIKDER INSURANCE COMPANY LIMITED** as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the companies Act 1994, the Insurance Act 2010 and other applicable rules and regulation.

Basis for Opinion

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 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 audit opinion.

Matter of Emphasis

As per the Labor Act 2006 of Bangladesh, Section 234 states that an organization is required to create separate accounts for the Workers Profit Participant Fund (WPPF) within 9 months after the year-end and make payments as per the rules. This is the non-compliance of Section 236 of the Labor Act 2006 of Bangladesh.

Where the company has reported an opening balance, as on January 01, 2022, of BDT 5,697,954/- for the WPPF, but has not made the payment during the specified period, the company may be subject to penalties for non-compliance with the law.



Head Office: Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh

Branch Office: House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212

Email: gkibria@gkibriaandco.com, kibria03@hotmail.com, **Web:** http://gkibriaandco.com

Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332

Key Auditors Matters

Key Audit Matters Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis for opinion section, each matter mentioned below our description of how our audit addressed the matter is provided in the context.

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</p> <p>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> <p>→ The design and operating effectiveness of key controls around premium income recognition process.</p> <p>Carried out analytical procedures and recalculated premium income for the period.</p> <p>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.</p> <p>Ensured on a sample basis that the premium income was being deposited in the designated bank account.</p> <p>Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan.</p> <p>For a sample of insurance contracts tested to see if appropriate level of reinsurance was done and whether that re insurance premium was deducted from the gross premium.</p> <p>Finally assessed the appropriateness and</p>



	<p>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>
<p>Estimated liability in respect of outstanding claims whether due or intimated and claim payment.</p> <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.</p> <p>We additionally carried out the following substantive testing's around this item:</p> <p>Obtained the claim register and tested for completeness of claims recorded in the register on a sample basis.</p> <p>Obtained a sample of claimed policy copy and cross check it with claim.</p> <p>Obtained a sample of survey reports cross checked those against respective ledger balances and in case of discrepancy carried out further investigation.</p> <p>Obtained and discussed with management about their basis for estimation and challenged their assumptions where appropriate.</p> <p>Reviewed the claim committee meeting minutes about decision about impending claims.</p> <p>Tested a sample of claims payments with intimation letter, survey report, bank statement, claim payment register and general ledger.</p> <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 Template of Auditor's Report of General Insurance Company in Bangladesh Risk Our response to the risk regulations and regulatory guidelines.</p>
<p>Current Tax provisioning</p>	<p>Our audit procedure in this area included among</p>



<p>Current Tax Provision amounting</p> <p>The calculation of the tax expense is a complex process that involves subjective judgements and uncertainties and require specific knowledge and competencies.</p> <p>We have determined this to be a key audit matter, due to the complexity in income tax provisioning.</p>	<p>others;</p> <p>Use of our own tax specialist to assess the company’s tax computation. Our tax specialist were also used to evaluate tax strategies taking into account the company’s tax position and our knowledge and experience of the application of relevant tax legislation.</p> <p>To analysis and challenge, the assumption used to determine tax provision based on our knowledge and experience of the application of the local legislation.</p> <p>Evaluating the adequacy of the financial statement disclosure, including disclosure of key assumption judgement and sensitive related to tax.</p>
--	---

Going concern:

We are required to report if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis of a period of least twelve months from the date of the financial statement. We have nothing to report in these respects.

Other Information

Management is responsible for other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors’ report thereon. The directors are responsible for those other information. The annual report is expected to be made available to us after the date of this auditors’ report.

Our opinion on the financial statements does not cover these 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 these other information and, in doing so, consider whether these 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 communicate the matter to those charged with governance.



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 and other applicable rules and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' 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 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.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, Supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements:


In accordance with the Companies Act 1984, the Insurance Act 2010, the insurance rules 1958 and other applicable rules 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 purposes of our audit and made due verification thereof;



- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- (c) the company's financial statements dealt with by the report are in agreement with the books of account.
- (d) As per section 63(2) of the Insurance Act 2010, in our opinion to the best of our knowledge and belief an according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related revenue accounts and the statement of profit or loss and other comprehensive income of the company.
- (e) We report that to the best of our information and as shown by its books, the company during the year under report has paid any person any commission in any form, outside Bangladesh in respect of any its business re-insured abroad;
- (f) The statement of financial position, profit & loss account, statement of other comprehensive income, Profit and loss appropriation account, statement of changes in shareholder's equity, consolidated and separate revenue account 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 account and returns; and
- (g) The expenditure was incurred for the purpose of the company's business.

Place: Dhaka,
Date:11.07.2023
Ref.:GKC/23-24/A/008


Mohammad Showket Akber, FCA
Partner
Enrol.No.970
G.KIBRIA & CO.
Chartered Accountants
DVC: 2307110970AS730649



Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)

As at December 31, 2022

Particulars	Notes	Amount in BDT.	
		December 31, 2022	December 31, 2021
Shareholders' Equity & Liabilities			
Shareholders' Equity			
Authorised Capital			
50,000,000 Ordinary shares of Tk.10 each	3.00	50,00,00,000	50,00,00,000
Paidup Capital			
24,000,000 Ordinary shares of Tk.10/-	3.01	24,00,00,000	24,00,00,000
Reserve or Contingency Accounts	4.00	44,95,58,822	30,56,43,986
Reserve for Exceptional Loss	4.01	6,45,00,000	4,65,00,000
Profit & Loss Appropriation Account		8,45,17,283	7,33,03,597
Reserve for Fair Value of Share	16.01	30,05,41,540	18,58,40,389
Total Shareholders Equity		68,95,58,822	54,56,43,986
Balance of Fund and Account	5.00	8,09,91,775	4,74,55,461
Fire Insurance Revenue Account		1,10,68,115	94,44,154
Marine Cargo Insurance Revenue Account		5,44,14,420	2,34,02,448
Marine Hull Insurance Revenue Account		39,339	-
Motor Insurance Revenue Account		51,91,779	34,37,135
Misc. Insurance Revenue Account		1,02,78,122	1,11,71,724
Deposit Premium	6.00	2,33,44,687	1,47,68,556
Deferred Tax Liability	7.02	3,84,63,667	2,54,97,388
Estimated Liability in nrespect of outstanding Claim	8.00	13,17,89,126	9,79,41,350
Amount due to other persons or bodies carrying on insurance businesses	9.00	4,20,65,259	1,22,09,736
Worker's Profit Participation Fund (WPPF)	10.00	78,64,110	56,97,954
Provision for Income Tax	11.00	4,60,83,292	3,84,63,307
Loans and Advances	12.00	67,60,83,322	73,48,83,322
Lease Liability	13.00	5,13,70,259	2,55,92,430
Account Payable	14.00	2,53,28,077	1,43,56,894
Total Liabilities and Provisions		1,04,23,91,799	96,94,10,937
Total Shareholders' Equity & Liabilities		1,81,29,42,397	1,56,25,10,384

Property and Assets			
Non-Current assets			
		1,41,49,35,893	1,26,41,58,386
Investment (BGTB)	15.00	2,50,00,000	2,50,00,000
Investment in share	16.00	1,31,98,45,843	1,19,24,00,119
Property, Plant and Equipment (WDV)	17.00	1,87,19,791	2,11,65,836
Right of use assets	18.00	5,13,70,260	2,55,92,430
Current assets			
		20,75,58,142	10,17,19,216
Sundry Debtors	19.00	7,08,18,540	6,50,15,384
Ineterest and Dividend Receivable	20.00	23,62,577	23,05,234
Stock of printing, stationery & stamp	21.00	49,74,987	17,96,489
Amount due from other persons or bodies carrying on insurance businesses	22.00	12,94,02,038	3,26,02,109
Cash and Cash Equivalents			
	24.01	19,04,48,362	19,66,32,782
Cash in Hand	23.00	25,653	45,651
Cash at Banks-STD Accounts		12,14,899	11,87,365
Cash at Banks on-CD Accounts		2,07,810	3,99,766
Investment in FDR	24.00	18,90,00,000	19,50,00,000
Total Assets & Properties		1,81,29,42,397	1,56,25,10,384
Net Asset Value (NAV) Per Share		36.00	28.73
			22.74

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka
Date:11.07.2023
Ref.:GKC/23-24/A/008

Sd/-
Mohammad Showket Akber, FCA
Partner
Enrol No. 970
G.Kibria & Co.
Chartered Accountants
DVC: 2307110970AS730649

Sikder Insurance Company Limited
Profit and Loss Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Expenses of management		80,86,822	71,79,090
(Not applicable to any particular fund or account)			
Advertisement & Publicity		3,81,693	6,24,808
Audit fees		1,50,000	1,50,000
Consultancy & Rating Fee		88,930	1,00,000
Legal & Professional Fee (Including IPO expenses)		20,79,184	1,71,700
Financial Expenses		-	-
AGM Expenses		-	-
Director's meeting attendance fees		-	-
Brokarage commission		-	-
Donation & Subscription		4,09,200	3,35,000
Interest on Worker's Profit Participation Fund		3,13,387	2,45,469
Depreciation		42,64,539	49,42,873
Manager conference		-	2,31,400
Levy charge		1,00,000	1,00,000
Renewal & Registration		2,99,888	2,77,840
Profit transferred to profit & loss appropriation account		3,89,08,146	4,57,70,998
Total		4,69,94,968	5,29,50,088
Profit/(Loss) transferred from:		3,40,89,525	3,86,07,131
Fire		8,79,69,332	1,10,62,128
Marine Cargo		1,64,95,735	2,44,65,691
Marine Hull		(5,83,742)	(2,71,218)
Motor		42,57,439	67,92,581
Miscellaneous		(7,40,49,238)	(34,05,751)
Interest Income	25.00	1,28,94,610	1,43,42,957
Realise gain on share Investment		-	-
Dividend Income	26.00	10,833	-
Profit on sale of Fixed Assets	27.00	-	-
Misc. Income		-	-
Total		4,69,94,968	5,29,50,088

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Sd/-
Mohammad Showket Akber, FCA

Partner

Enrol No. 970

G.Kibria & Co.

Chartered Accountants

DVC: 2307110970AS730649

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited

Statement of Other Comprehensive Income

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Profit After Tax		3,10,66,455	3,08,05,692
Changes in Fair value of share available for sale	16.01	12,74,45,723	13,24,59,799
Deferred Tax Gain /(Loss)	16.02	(1,27,44,572)	(1,32,47,721)
Total Comprehensive Income for the year		14,57,67,606	15,00,17,770

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Profit and Loss Appropriation Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Opening balance of Appropriation Account		7,33,03,597	5,46,77,476
Net Profit for the year brought down		3,89,08,146	4,57,70,998
Total		11,22,11,743	10,04,48,475
		2,76,94,460	2,71,44,878
Reserve for Exceptional Losses	4.01	1,80,00,000	1,00,00,000
Provision for Companies Income Tax	11.01	76,19,984	1,34,36,571
Worker's Profit Participation Fund	10.00	18,52,769	21,79,571
Provision for deferred tax	7.01	2,21,707	15,28,736
Dividend paid from last year profit		-	-
Balance transferred to balance sheet		8,45,17,283	7,33,03,597
Total		11,22,11,743	10,04,48,475

Earnings Per Share (EPS) (Tk.10 each)

2.17

1.22

1.19

The accompanying notes from an integral part of these Financial Statements.

Sd/-

Chief Executive Officer

Sd/-

Director

Sd/-

Director

Sd/-

Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Statement of Changes in Shareholders' Equity
For the year from January 01, 2022 to December 31, 2022

Particulars	Share Capital	Reserve for Fair Value of Share	Reserve for Exceptional Loss	Retained Earning	Total
Balance as at 01, January 2022	24,00,00,000	18,58,40,389	4,65,00,000	7,33,03,596	54,56,43,985
Net profit during the year	-	-	-	3,89,08,146	3,89,08,146
Reserve for Fair Value of Share	-	11,47,01,151	-	-	11,47,01,151
Dividend paid	-	-	-	-	-
Reserve for Exceptional Losses	-	-	1,80,00,000	(1,80,00,000)	-
Provision for Income Tax	-	-	-	(76,19,984)	(76,19,984)
Provision for Deferred Tax	-	-	-	(2,21,707)	(2,21,707)
Provision for Worker's Profit Participation Fund	-	-	-	(18,52,769)	(18,52,769)
Balance as at 31st December 2022	24,00,00,000	30,05,41,540	6,45,00,000	8,45,17,282	68,95,58,822

Particulars	Share Capital	Reserve for Fair Value of Share	Reserve for Exceptional Loss	Retained Earning	Total
Balance as at 01, January 2021	24,00,00,000	6,66,26,570	3,65,00,000	5,46,77,476	39,78,04,046
Net profit during the year	-	-	1,00,00,000	4,57,70,998	5,57,70,998
Reserve for Fair Value of Share	-	11,92,13,819	-	-	11,92,13,819
Dividend paid	-	-	-	-	-
Reserve for Exceptional Losses	-	-	-	(1,00,00,000)	(1,00,00,000)
Provision for Income Tax	-	-	-	(1,34,36,571)	(1,34,36,571)
Provision for Deferred Tax	-	-	-	(15,28,736)	(15,28,736)
Provision for Worker's Profit Participation Fund	-	-	-	(21,79,571)	(21,79,571)
Revaluation Reserve Transfer	-	-	-	-	-
Balance as at 31st December 2021	24,00,00,000	18,58,40,389	4,65,00,000	7,33,03,596	54,56,43,985

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Consolidated Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		3,65,73,073	31,07,326
Claims paid during the year	30.00	26,98,297	14,88,965
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	8.00	13,17,89,126	9,79,41,350
Claims outstanding at the end of the previous year		9,79,14,350	9,63,22,989
Agent Commission	28.00	3,70,62,603	69,23,914
Management Expenses	31.00	10,92,96,054	8,42,59,644
Balance of account at the end of the year		8,09,91,775	4,74,91,761
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Fire, Marine Cargo, Motor & Misc) & 100% for Marine hull.		8,09,91,775	4,74,91,761
Profit transferred to Profit and Loss Account		3,40,89,525	3,86,07,131
Total		29,80,13,031	18,03,89,776
Balance of Account at the beginning of the year		4,74,91,761	4,27,20,458
Premium less reinsurances	29.01	20,24,20,429	11,86,74,953
Premium underwritten		20,24,20,429	11,86,74,953
Commission on reinsurances:	29.02	4,81,00,840	1,89,94,365
Commission earned on re-insurance ceded		4,81,00,840	1,89,94,365
Total		29,80,13,031	18,03,89,776

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Sikder Insurance Company Limited
Fire Insurance Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		(5,99,42,330)	26,26,531
Claims paid during the year	30.00	15,77,838	9,58,347
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	8.00	2,97,62,912	9,12,83,080
Claims outstanding at the end of the previous year		9,12,83,080	8,96,14,896
Agent Commission	28.00	98,50,854	22,30,456
Management Expenses	31.00	2,55,47,637	2,79,98,587
Balance of account at the end of the year			
reserve for unexpired risks @ 40% of premium income of the year		1,10,68,115	94,44,154
Profit/(Loss) transferred to Profit and Loss Account		8,79,69,332	1,10,62,128
Total		7,44,93,608	5,33,61,856
Balance of Account at the beginning of the year		94,44,154	2,10,00,809
Premium less reinsurances	29.01	2,76,70,287	2,36,10,385
Premium underwritten		2,76,70,287	2,36,10,385
Commission on reinsurances	29.02	3,73,79,167	87,50,662
Commission earned on re-insurance ceded		3,73,79,167	87,50,662
Total		7,44,93,608	5,33,61,856

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka
Date:11.07.2023
Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Marine Cargo Insurance Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		2,28,48,738	1,25,101
Claims paid during the year	30.00	2,71,287	2,01,924
Estimated liability in respect of Claims outstanding	8.00	2,92,08,721	66,31,270
Claims outstanding at the end of the previous year		66,31,270	67,08,093
Agent Commission	28.00	2,00,04,049	40,93,559
Management Expenses	31.00	4,99,64,156	2,10,79,176
Balance of account at the end of the year as shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of		5,44,14,420.40	2,34,02,448
Profit/(Loss) transferred to Profit and Loss Account		1,64,95,735	2,44,65,691
Total		16,37,27,097	7,31,65,975
Balance of Account at the beginning of the year		2,34,02,448	1,05,74,187
Premium less reinsurances	29.01	13,60,36,051	5,85,06,120
Premium underwritten		13,60,36,051	5,85,06,120
Commission on reinsurances	29.02	42,88,598	40,85,668
Commission earned on re-insurance ceded		42,88,598	40,85,668
Total		16,37,27,097	7,31,65,975

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Marine Hull Insurance Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		44	-
Claims paid during the year	30.00	44	-
Recovered/Adjusted on reinsurance ceded		-	-
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	8.00	-	-
Claims outstanding at the end of the previous year		-	-
Agent Commission	28.00	-	-
Management Expenses	31.00	7,46,828	3,80,181
Balance of account at the end of the year as shown in the Statement of financial position being reserve for unexpired risks @ 100% of premium income of the year (Marine Hull)		39,339	36,300
Profit/(Loss) transferred to Profit and Loss Account		(5,83,742)	(2,71,218)
Total		2,02,469	1,45,263
Balance of Account at the beginning of the year		36,300	-
Premium less reinsurances	29.01	39,339	36,300
Premium underwritten		39,339	36,300
Commission on reinsurances	29.02	1,26,830	72,663
Commission earned on re-insurance ceded		1,26,830	72,663
Total		2,02,469	1,08,963

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Motor Insurance Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		7,79,629	3,68,279
Claims paid during the year	30.00	4,66,504	3,41,279
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	8.00	3,13,125	27,000
Claims outstanding at the end of the previous year		-	-
Agent Commission	28.00	17,18,252	2,80,296
Management Expenses	31.01	44,69,484	25,54,126
Balance of account at the end of the year as shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Marine Cargo)		51,91,779	34,37,135
Profit/(Loss) transferred to Profit and Loss Account		42,57,439	67,92,581
Total		1,64,16,582	1,34,32,417
Balance of Account at the beginning of the year		34,37,135	48,39,580
Premium less reinsurances	29.01	1,29,79,447	85,92,837
Premium underwritten		1,29,79,447	85,92,837
Commission on reinsurances	29.02	-	-
Commission earned on re-insurance ceded		-	-
Total		1,64,16,582	1,34,32,417

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Miscellaneous Insurance Revenue Account

For the year from January 01, 2022 to December 31, 2022

Particulars	Notes	Amount in Taka	
		December 31, 2022	December 31, 2021
Claims under policies less re-insurances		7,28,86,993	(12,585)
Claims paid during the year	30.00	3,82,624	(12,585)
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	8.00	7,25,04,369	-
Claims outstanding at the end of the previous year		-	-
Agent Commission	28.00	54,89,449	3,19,603
Management Expenses	31.00	2,85,67,949	3,22,47,574
Balance of account at the end of the year as shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year		1,02,78,122	1,11,71,724
Profit/(Loss) transferred to Profit and Loss Account		(7,40,49,238)	(34,05,751)
Total		4,31,73,275	4,03,20,565
Balance of Account at the beginning of the year		1,11,71,724	63,05,882
Premium less reinsurances	29.01	2,56,95,306	2,79,29,311
Premium underwritten		2,56,95,306	2,79,29,311
Commission on reinsurances	29.02	63,06,245	60,85,372
Commission earned on re-insurance ceded		63,06,245	60,85,372
Total		4,31,73,275	4,03,20,565

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place: Dhaka

Date: 11.07.2023

Ref.: GKC/23-24/A/008

Sikder Insurance Company Limited

Statement of Cash Flows

For the Period 1st January, 2022 to December 31, 2022

Sl. No.	Particulars	Notes	Amount in Taka	
			December 31, 2022	December 31, 2021
A.	Cash Flow from Operating Activities			
	Premium Collection and other Income	40.00	15,47,84,555	20,57,46,273
	Payment of Expenses, Re-Insurance, Claims		(9,88,53,850)	(13,37,19,586)
	Income Tax Paid	19.01	(14,96,630)	(70,41,276)
	Net Cash Flow from Operating Activities		5,44,34,075	6,49,85,411
B.	Cash Flow from Investing Activities			
	Investment in FDR		-	-
	Investment of Share		-	-
	Sale of Fixed assets		-	-
	Purchase of Fixed Asset		(18,18,494)	(7,20,866)
	Net Cash Used in Investing Activities		(18,18,494)	(7,20,866)
C.	Cash Flow from Financing Activities			
	Change in Loans and Advances	12.00	(5,88,00,000)	(8,83,61,896)
	Dividend paid		-	-
	Net Cash Used in Financing Activities		(5,88,00,000)	(8,83,61,896)
	Increase in Cash and Cash Equivalents (A+B+C)		(61,84,419)	(2,40,97,351)
	Add: Cash and Cash Equivalents at the beginning		19,66,32,782	22,07,30,133
	Cash and Cash Equivalents at the end of the year	24.01	19,04,48,362	19,66,32,782
	Net Operating Cash Flows per share (NOCFPS)		2.27	3.22

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
FORM "AA"

For the Period from 1st January, 2022 to 31st December, 2022

SL. NO.	Class of Assets	Amount (Tk)		REMARKS
		2022	2021	
1	Investments (BGTB)	2,50,00,000	2,50,00,000	At Cost
2	Property, Plants & Equipment	1,87,19,791	2,11,65,836	WDV
3	Amount due from other persons or bodies carrying on Insurance Business	12,94,02,038	3,26,02,109	At Cost
4	Ineterest and Dividend Receivable	23,62,577	23,05,234	At Cost
5	Sundry Debtors	7,08,18,540	6,50,15,384	At Cost
6	Cash in hand & Bank and cash equivilant	19,04,48,362	19,66,32,782	Realisable Value
7	Investment in Share	1,31,98,45,843	1,19,24,00,119	Fair Value
8	Right of use assets	5,13,70,260	2,55,92,430	Fair Value
9	Insurance Stamp	49,74,987	17,96,489	At Cost
Total		1,81,29,42,397	1,56,25,10,384	

The accompanying notes from an integral part of these Financial Statements.

Sd/-
Chief Executive Officer

Sd/-
Director

Sd/-
Director

Sd/-
Chairman

Place:Dhaka

Date:11.07.2023

Ref.:GKC/23-24/A/008

Sikder Insurance Company Limited
Notes to the Financial Statements

As at and for the period ended December 31, 2022

1.00 General Information

1.01 Legal form of the Company

Sikder Insurance Co. Ltd. was incorporated and commenced its business as a public limited company in Bangladesh on 29th July 2013 under the Companies Act, 1994. And it acquire registration from Insurance Development & Regulatory Authority (IDRA) of Insurance Act-2010 U/s 9(A). The Principal place of business of the Company is registered at 295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh. Which is also the registered office of the company. SICL is engaged in Non-Life Insurance business within the meaning of Insurance Act, 2010.

1.02 Principal Activities and Nature of Operations

The Principal activity of the company continues to be carrying on non-life insurance businesses. There was no significant change in the nature of the Principal activities of the company during the year 2022 under review.

1.03 Reporting Period

The financial statements of the Company consistently cover one calendar year starting from 1st January to 31st December, 2022.

2.00 Summary of Significant Accounting and Related Policies

2.01 Basis of Preparation

The Financial Statements have been prepared on going concern and accrual basis under the historical cost convention. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the Insurance Act 1938 (as amended in 2010), the Insurance Rules 1958 and in conformity with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange Limited and Chittagong Exchange Limited and other applicable laws & regulations in Bangladesh.

2.02 Status of compliance with IAS and IFRS

The Financial Reporting Standards that are applicable/not applicable for the financial statements for the period, include the following:

IAS 1 Presentation of Financial Statements	*
IAS 7 Statement of Cash Flows	Applied
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10 Events after the Reporting Period	Applied
IAS 12 Income Taxes	Applied
IAS 16 Property, Plant and Equipment	Applied
IAS 19 Employee Benefits	Applied
IAS 23 Borrowing cost	Applied
IAS 24 Related Party Disclosures	Applied
IAS 26 Accounting and Reporting by Retirement Benefit Plans	Applied
IAS 32 Financial Instruments: Presentation	Applied
IAS 33 Earnings per Share	Applied
IAS 34 Interim Financial Reporting	Applied
IAS 36 Impairment of Assets	Applied
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38 Intangible Assets	Applied
IAS 40 Investment Property	N/A
IFRS 5 Non-currents assets held for sale and discontinued operation	N/A
IFRS 6 Exploration for and evaluation of mineral resources	N/A
IFRS 7 Financial instruments: disclosure	Applied
IFRS 8 Operating Segments	Applied
IFRS 9 Financial Instruments	Applied
IFRS 13 Fair Value Measurement	Applied
IFRS 16 Leases	Applied

* The management of SICL has followed the principles of IAS and IFRS consistently in the preparation of the financial statements to that extent as applicable and possible to Insurance Company and material departures have been explained in note 2.23.

2.03 Components of the Financial Statements

Following the Insurance Act, 2010 and IAS-1 "Presentation of Financial Statements", the Company's complete set of financial statements include the following components:

- a) Balance Sheet (Statement of Financial Position) as at December 31, 2022;
- b) Profit and Loss Account for the year ended December 31 2022;
- c) Statement of Other Comprehensive Income for the year ended December 31, 2022;
- c) Profit and Loss Appropriation Account for the year ended December 31, 2022;
- d) Statement of Changes in Equity for the year ended December 31, 2022;
- e) Statement of Cash Flows for the year ended December 31, 2022 and
- f) Consolidated Revenue Account for the year ended December 31, 2022;
- g) Fire Insurance Revenue Account for the year ended December 31, 2022;
- h) Marine Cargo Insurance Revenue Account for the year ended December 31, 2022;
- i) Marine Hull Insurance Revenue Account for the year ended December 31, 2022;
- j) Motor Insurance Revenue Account for the year ended December 31, 2022;
- k) Miscellaneous Insurance Revenue Account for the year ended December 31, 2022;
- l) Notes to the Financial Statements .

2.04 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplated the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any actual or proposed adjustments that would result in Sikder Insurance Company Limited being unable to continue as a going concern.

2.05 Revenue recognition

1. Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Reinsurance premium on PSB.
2. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement is received from Shadharan Bima Corporation (SBC).
3. Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of cover Notes in accordance with SBC's circular.
4. Interest on Fixed Deposit Receipt (FDR), Account and bonds are recognized as revenue on accrual basis.

2.06 Accounting Estimates

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, Income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. While management believes that the amount included in the financial statement reflect the company's best estimates and assumptions, actual result could differ from estimates.

Significant areas requiring the use of management estimates in these financial statements relate to the useful life of depreciable assets. However, assumptions and judgments made by management in the application of accounting policies that have significant effect on the financial statements are not expected the result in material adjustment to the carrying amount of assets and liabilities in the next year.

2.07 Functional and presentation currency

The financial Statements are presented in Bangladeshi Taka which is the company's functional currency except indicated otherwise.

2.08 Materiality and aggregation

Each material class of similar items is presented separately in the financial Statements. Item of dissimilar nature as well as function are presented separately unless they are immaterial.

2.09 Property, Plant and Equipment (IAS-16)

i) Recognition and measurement

Property, plant and equipment are recognized if it is probable that future economic benefit associated with the asset will flow to the Company and cost of the asset can be measured reliably and the asset is available for use. Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost self-constructed assets includes the cost of material and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located.

Gains and losses on disposal of items of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment. When revalued assets are sold, the relevant amount included in the revaluation reserve is transferred to retained earnings.

ii) Subsequent cost

The cost of replacing a component of an items of property, plant and equipment is recognized as an addition to asset if it is probable that the future economic benefits associated with the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced component is de-recognized.

iii) Depreciation

Depreciation is charged on straight line basis. Depreciation is charged on newly acquired assets from the date when asset is available for use in the manner intended by management. In case of disposal, depreciation charged up to the date of disposal. The rates of depreciation are furnished below;

<u>Category of Assets</u>	<u>Rate of Depreciation</u>
Office Decoration	20%
Furniture & fixture	10%
Motor Vehicle	20%
Computer	30%
Air Condition	20%
Office Equipment	15%
Software	50%
Electric Transformer	20%

iv) De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income in the year the asset is de-recognized).

v) Impairment of assets

The carrying amounts of the company's non financial assets other than deferred tax assets are reviewed at regular interval to determine when there is any indication.

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indication exists.

2.10 Employees' Benefit Plan (IAS-19)

SICL offers a number of benefit plan for all permanent Employees of the company which includes Workers Profit Participation Fund, Incentive Bonus and Car/Motor Cycle Loan Scheme which have been accounted for the accordance with the provision of international Accounting Standard IAS 19 (Employee Benefits).

(iii) Workers Profit Participation Fund (WPPF)

The Board of Directors of SICL in its decided to introduce Workers' Profit Participation and Welfare Fund (WPPF) with effect from 1st January, 2020. In addition to the above, SICL providing other benefits to its employees like Incentive Bonus and Car/Motor Cycle Loan Scheme subject to fulfillment of certain terms and conditions.

2.11 Expenses and Taxes

i) Recognition of expenses

All expenses relating to running of business are charged to Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income) on accrual basis.

ii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset form part of the cost of that asset and, therefore, is capitalized. Other borrowing costs are recognized as expenses.

2.12 Provision for Income Tax (IAS 12)

Income tax expense is recognized in the Profit and Loss Account (Statement of Profit or Loss and other Comprehensive Income).

i) Current Tax

Current tax is the expected tax payable on taxable income for the year, based on tax rates which are enacted at the reporting date, including any adjustment for tax payable in previous periods. Taxable profits differs from profits as reported in the Profit and Loss Appropriation Account because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Current tax for current and prior periods is recognized as a liability (or asset) to the extent that it is unpaid (or refundable). 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.

ii) Deferred tax assets / liabilities

Company recognizes deferred tax as per IAS-12 on the temporary difference between depreciation charge of assets.

2.13 Reserve or contingencies Accounts

i) Reserve for exceptional losses

In line with Para 6, 4th Schedule of the Income Tax Ordinance 1984, to meet the exceptional losses, SICL sets aside 8.895% of the Net Premium Income of the year in which it is set aside from the balance of the profit to the reserve for exceptional losses.

2.14 Allocation of total management expenses

Total related management expenses have been allocated among the different Revenue Accounts on pro-rata basis of their respective gross premium income.

2.15 Provisions relating to collection of premium

The company has complied with the section 18 of the Insurance Act, 1938 (as amended in 2010) as applicable in regard to provision of collection of premium.

2.16 Segment of reporting (IFRS-8)

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments are evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

2.17 Earnings per share (IAS-33)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

$$\text{EPS} = \frac{\text{Earnings attributable to ordinary shareholders}}{\text{Number of ordinary shares outstanding during the year}}$$

Net Profit Before Tax

Less : Provision for Income Tax

Less : Provision for Deferred Tax

Less : Worker's Profit Participation Fund

Net Profit After Tax

Number of Ordinary Shares outstanding during the year

Earnings per share (EPS)

	2022	2021
Net Profit Before Tax	3,89,08,146	4,57,70,998
Less : Provision for Income Tax	(76,19,984)	(1,34,36,571)
Less : Provision for Deferred Tax	(2,21,707)	(15,28,736)
Less : Worker's Profit Participation Fund	(18,52,769)	(21,79,571)
Net Profit After Tax	2,92,13,686	2,86,26,120
Number of Ordinary Shares outstanding during the year	2,40,00,000	2,40,00,000
Earnings per share (EPS)	1.22	1.19

2.18 Related party disclosure (IAS-24)

SICL, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party as per "International Accounting standard 24: Related party Disclosures". All transactions involving relating parties arising in normal course of business are conducted on an arm's length basis a commercial rates on the same terms and conditions as publishable to the third parties. Details of the related party transaction have been given in Annexure-C

2.19 Statement of Cash Flows

The statement of cash flows has been prepared in accordance with IAS-7 and the cash from the operating activities has been presented using direct method.

2.20 Branch Accounting

SICL now has (25) twenty five branches with no overseas branch as of December 31,2022. Accounts of the branches are maintained at the head office from which these financial statements are drawn up.

2.21 Employees Details:

Upto December 31,2022., total 254 person are employed. Among them 05(Five) employees are on contractual basis. Information of the employees is given below:

	2022	2021
No of employees' received salary more than Tk. 5,000/= per month	254	224
No of employees' received salary less than Tk. 5,000/= per month	Nil	Nil
No part time employees are employed in the company.		

2.22 Leases: IFRS 16

Sikder insurance company limited as a lease recognises Right-of-use (ROU) asset representing its right to use underlying leased assets and corresponding lease liability representing its obligation to make lease payments for office rent agreements with effect from 01 January 2022. The ROU asset and lease liability are recognized in the financial statements considering the incremental borrowing rate.

The ROU asset is depreciated using straight line method from the beginning to the end of the useful life of the ROU asset or the end of the lease term. The lease liability is initially measured at the present value of lease payments that are adjusted for monthly payments. Details for lease liability and ROU asset are provided in Note 13 and 16. Lease payments are recorded to management expenses as depreciation and finance charges of Office rent.

2.23 Financial instruments : IFRS 9

IFRS 9 sets out requirements for recognizing and measuring Financial assets, Financial liabilities and Some contracts to buy or sell non-Financial items. For details of new significant accounting policies and the nature and effect of the changes to previous Accounting policies are set out below.

Classification and measurement of financial assets and Financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of Financial liabilities. However, it eliminates the previous IAS 39 categories for Financial assets of held to maturity, loans and receivables and available for sale. For adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial Assets. For impact of IFRS 9 on the classification and measurement of Financial assets is set out below. Under IFRS 9, on initial recognition, a Financial asset is classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or Fair Value through Profit or Loss (FVTPL).For classification of Financial assets under IFRS 9 is generally based on the business model in which a Financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a Financial asset in the scope of the standard are never separated. Instead, the hybrid Financial instrument as a whole is assessed for classification. A Financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and Interest on the principal amount outstanding.

Sikder Insurance Company Limited having a business model whose objective is to hold assets to collect contractual cash flows and that such investment in quoted share measured and presented through Fair Value through Other Comprehensive Income (FVOCI) and Reserve for Fair Value of Share.

2.24 Disclosure of departures from few requirements of IFRS due to mandatory compliance of Insurance Act's requirements

i) Gross general insurance premium comprise the total premium received for the whole period of cover provided by contracts entered into and reinsurance premium is deducted from gross premium to present net premium.

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.

ii) Insurance Act 1938 (as amended in 2010) has issued templates for financial statements which has to be followed by all general and life insurance companies. The templates neither include other comprehensive income (OCI) nor do the elements of other comprehensive income. As such the SICL does not prepare the other comprehensive income statement.

iii) General provision on insurance premium and re-insurance premium are created as per Insurance Act 1938 (as amended 2010) . However such general provision cannot satisfy the conditions as per IAS 37. At the year end the SICL has recognized provision of BDT 8,09,91,775/- as balance of fund and liabilities in the balance sheet under liabilities.

2.25 Deposit Premium Account

Premium deposit account represents amount of premium deposited with the company against cover notes for which policies are yet to be issued up to the end of the year.

	Amount in Taka	
	December 31, 2022	December 31, 2021
3.00 Share Capital		
Authorized Capital:		
5,00,00,000 Ordinary shares of Tk.10.00 each	50,00,00,000	50,00,00,000

3.01 Issued, Subscribed and Paid up Capital		
Issued, Subscribed and Paid up Capital consist of		
2,40,00,000 Ordinary shares of Tk.10/- each fully paid up in cash.	24,00,00,000	24,00,00,000

Share Holdings.

The following table shows the shareholdings of the Company.

		December 31, 2022
Name	Position	No of Share
Nasim Sikder	Chairperson	24,00,000
Lisa Fatema Haque Sikder	Director	19,20,000
Mohtasim Billah Khan	Director	8,00,800
Monica Sikder Khan	Director	16,00,000
Jonas Sikder Khan	Director	16,00,000
Salah Uddin Khan	Director	8,00,800
Jeffrey Khan Sikder	Director	16,00,000
Mandy Khan Sikder	Director	16,00,000
Mamtazul Haque Sikder	Shareholder	19,99,200
Sean Haque Sikder	Shareholder	19,20,000
John Haque Sikder	Shareholder	19,20,000
Dipu Haque	Shareholder	19,99,200
Rick Haque Sikder	Shareholder	19,20,000
Ron Haque Sikder	Shareholder	19,20,000
Total		2,40,00,000

4.00 Reserve or Contingency Accounts

Reserve for exceptional Losses (Note	6,45,00,000	4,65,00,000
Retained earnings (P&L App. A/C)	8,45,17,283	7,33,03,597
Total	14,90,17,282	11,98,03,596

4.01 Reserve for Exceptional Losses

As per paragraph 6 of the Fourth Schedule of Income Tax Ordinance 1984, @ 8.892% of the gross premium has been transferred to reserve for exceptional losses.

Calculations are given below:

Balance as on January 01, 2022	4,65,00,000	3,65,00,000
Add. Reserve made during the year	1,80,00,000	1,00,00,000
Total	6,45,00,000	4,65,00,000

Reserve for exceptional losses made during the year@ 8.892% on Net Premium Tk. 20,24,20,429/-

Particulars	Net Premium	% of exceptional Losses l Loss	Amount	
			31.12.2022	31.12.2021
Fire	2,76,70,287	8.89%	24,60,548	19,89,500
Marine Cargo	13,60,36,051	8.89%	1,20,96,847	49,29,947
Marine Hull	39,339	8.89%	3,498	3,059
Motor	1,29,79,447	8.89%	11,54,182	7,24,065
Misc	2,56,95,306	8.89%	22,84,925	23,53,429
Total	20,24,20,429		1,80,00,000	1,00,00,000

5.00 Balance of fund and accounts

Balance of fund and accounts consists of as follows:

Fire Insurance Revenue Account	1,10,68,115	94,44,154
Marine Insurance Revenue Account	5,44,14,420	2,34,02,448
Marine Hull Insurance Revenue Account	39,339	-
Motor Insurance Revenue Account	51,91,779	34,37,135
Misc. Insurance Revenue Account	1,02,78,122	1,11,71,724
Total	8,09,91,775	4,74,55,461

6.00 Deposit Premium

The below mentioned amount includes premium received against cover notes for which policies have not been issued within December 31, 2022. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risks against marine cargo have not been assumed until shipment advices are provided and accordingly, policies are issued.

Fire	-	-
Marine	2,33,44,687	1,47,68,556
Marine Hull	-	-
Motor	-	-
Misc	-	-
Total	2,33,44,687	1,47,68,556

6.01 Deposit Premium

Opening Balance as on 01.01.2022

Opening Balance as on 01.01.2022	1,47,68,556	2,58,23,635
Add: Premium Deposited/Collection during the year	14,19,36,455	19,14,04,670
Less: Premium Income as per policy during the year	(13,33,60,324)	(20,24,59,749)
Closing Balance	2,33,44,687	1,47,68,556

7.00 Deferred Tax

WDV as per financial statements	1,87,19,790	2,11,65,836
WDV as Tax Base	3,13,90,845	3,32,82,624
Taxable Temporary Difference	(1,26,71,055)	(1,21,16,788)
Tax Rate	40.00%	40.00%
Deferred Tax Liability	(50,68,422)	(48,46,715)

7.01 Deferred Tax Charge in Profit and Loss Account

Opening Balance	48,46,715	33,17,979
Current year charge	2,21,707	15,28,736
Closing Balance	50,68,422	48,46,715

7.02 Deferred Tax Liability/(Assets)

Closing Balance (through Profit and Loss Account)	50,68,422	48,46,715
Closing Balance (OCI) Notes: 16.02	3,33,95,245	2,06,50,673
Closing Balance	3,84,63,667	2,54,97,388

8.00 Estimated liability in respect of outstanding claims whether due or intimated

Fire.	2,97,62,912	9,12,83,080
Marine.	2,92,08,721	66,31,270
Marine hull	-	-
Motor.	3,13,125	27,000
Misc.	7,25,04,369	-
Total	13,17,89,126	9,79,41,350

All claims against which the Company received intimations within 31 December 2022 have been taken into consideration while estimating the liability of outstanding claims.

9.00 Amounts due to other persons or bodies carrying on insurance business

As per the quarterly statements Payable to SBC and KM Daster & Co.

Opening Balance	1,22,09,736	1,17,44,439
Add: Payable	5,26,25,735	6,27,52,083
Less: Adjusted/Paid during the year	(2,27,70,212)	(6,22,86,786)
Amounts due to Saharan Bima Corporation	4,20,65,259	1,22,09,736

This is made up of the balance due to Saharan Bima Corporation (SBC) on account of re insurance arrangement.

10.00 WPPF

Opening Balance	56,97,954	32,72,914
Current Year balance	18,52,769	21,79,571
Interest Charge	3,13,387	2,45,469
Closing Balance	78,64,110	56,97,954

10.01 Provision for Worker's Profit Participation Fund

Profit Before Tax ,WPPF & unrealise gain/(loss) on share	3,89,08,146	4,57,70,998
Profit Before Tax (Profit before tax & WPPF/1.05)	3,70,55,377	4,35,91,427
Provision for WPPF (Profit before Tax & WPPF @ 5%)	18,52,769	21,79,571

11.00 Provision for Companies Income Tax

This is made up as follows:

Opening Balance	3,84,63,307	2,50,26,737
Add: Provision for the year (Note 11.01)	76,19,984	1,34,36,571
Total	4,60,83,292	3,84,63,307

11.01 Provision of Income Tax for the year made up as follows

Profit before tax as per Profit and Loss account	3,89,08,146	4,57,70,998
Less: Reserve for Exceptional Loss	1,80,00,000	1,00,00,000
Less: Provision for WPPF	18,52,769	21,79,571
Less: Gain on sale of Share Trading	-	-
Less: Dividend Income from share	10,833	-
Less: Gain on sale of fixed Assets	-	-
Business Income	1,90,44,544	3,35,91,427
a) Tax on Business Income @40%	76,17,818	1,34,36,571
b) Tax on Gain on sale of fixed Assets @ 15%	-	-
c) Tax on Gain on sale of Share @ 10%	-	-
d) Tax on Dividend Income @ 20%	2,167	-
Tax provision for the year	76,19,984	1,34,36,571

12.00 Loan

ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000
Sikder Real Estate Ltd.	45,46,32,397	51,34,32,397
ZH SWMC & H Limited Cardiac care & Researce center	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925
Closing Balance	67,60,83,322	73,48,83,322

13.00 Lease Liability

Lease Liability Opening Balance	2,55,92,430	3,94,12,317
Add: Addition	4,39,02,756	37,90,040
Add: Interest	21,80,051	18,32,054
Less: Payment include payable	(1,44,144)	(14,20,292)
Less: Paid during the year	(2,01,60,834)	(1,80,21,689)
Lease Liability Closing Balance	5,13,70,259	2,55,92,430

14.00 Accounts payable

This is made up as follows :

A. Management Expense

Audit fees
Office Rent/Lease
Salary Payable
Open Covernote
Bill Payable
VAT at source
Rating Fee
Excess Premium
Payable to NBL securities
Tax at source

A. Total

B. Other payables

Stamp Payable
VAT (December-2022) paid in January-2023

Total B

Total (A+B)

Amount in Taka	
31.12.2022	31.12.2021
4,14,050	1,50,000
1,44,144	14,20,292
26,97,681	23,77,867
-	-
-	-
15,49,382	-
-	1,00,000
3,35,165	-
-	-
19,57,488	-
70,97,910	40,48,159
1,53,93,855	82,66,962
28,36,312	20,41,773
1,82,30,167	1,03,08,735
2,53,28,077	1,43,56,894

15.00 Investments

The amounts have been arrived at as under:

Held to maturity Notes **14.01**

Total

2,50,00,000	2,50,00,000
2,50,00,000	2,50,00,000

15.01 A sum of Tk. 25,000,000 was invested in Bangladesh Bank Govt. Treasury Bond at cost has been kept with National Bank Ltd. as statutory deposits as required under section 23 and 24 of the Insurance Act, 2010 (The First schedule item 2(B)). Mentioned both the bank is authorised by Bangladesh Bank. The details of the each investment is mention below:

Nature of Security	ISIN No.	Interest Rate %	Issue date	Maturity date	Principal Amount
10 year Bond	BD0932691100	7.10%	19.01.2022	19.01.2032	1,21,00,000
10 year Bond	BD0927251100	6.77%	18.01.2017	18.01.2027	81,00,000
15 year Bond	BD0930121159	8.44%	23.09.2015	23.09.2030	48,00,000
Total					2,50,00,000

16.00 Investment in Share at Market Value

16.01 Fair Value of Financial Assets

Opening balance

National Bank Limited.
New Line Clothing Limited
Silco Pharmaceutical Ltd.
Sea Pearl Beach Resort & Spa Ltd.
Genes Infosys Ltd.

Total Cost

Market value of stock-B/S

Gain /(loss) during the year-OCI
After Tax Fair value gain (1-T)
Under recognition in previous year
OCI-Gain /(loss) carry forwar from previous year

Closing Balance

Detail in Annexure-C

December 31, 2022	December 31, 2021
1,06,84,83,316	1,06,84,83,316
42,176	42,176
72,940	72,940
17,764	17,764
-	-
1,06,86,16,196	1,06,86,16,196
1,31,98,45,843	1,19,24,00,119
12,74,45,723	13,24,59,799
11,47,01,151	11,92,13,819
-	15,668
18,58,56,057	6,66,26,570
30,05,57,208	18,58,56,057

16.02 Deferred Tax on Unrealise Gain /(Loss)

Unrealised Gain/(Loss)

Corporate Tax rate

Deferred Tax (assets)/ Liabilities-B/S

Current year tax (Gain)/Loss-OCI

33,39,52,453	20,65,06,730
10.00%	10.00%
3,33,95,245	2,06,50,673
1,27,44,572	1,32,47,721

17.00 Property, Plant and Equipment

Balance at the beginning of the year

Addition during the year

Sales/Disposal during the year

Balance at the year end

Accumulated Depreciation

Balance at the beginning of the year

Addition during the year

Sales/Adjustment during the year

Balance at the year end

Written down value at the year end

Schedule for the detail of property, plant equipment is given in Annexure A (Fixed Assets Schedule)

7,48,16,383	7,40,95,517
18,18,494	7,20,866
7,66,34,877	7,48,16,383
5,36,50,547	4,87,07,674
42,64,539	49,42,873
5,79,15,086	5,36,50,547
1,87,19,791	2,11,65,836

18.00 Right of use assets

Balance at the beginning of the year
Addition during the year
Sales/Disposal during the year
Balance at the year end

Accumulated Depreciation

Balance at the beginning of the year
Addition during the year
Sales/Adjustment during the year
Balance at the year end

Written down value at the year end

Schedule for the detail of property, plant equipment is given in Annexure A (Fixed Assets Schedule)

5,96,12,528	5,58,22,488
4,39,02,756	37,90,040
-	-
10,35,15,284	5,96,12,528
3,40,20,098	1,64,10,171
1,81,24,926	1,76,09,927
-	-
5,21,45,024	3,40,20,098
5,13,70,260	2,55,92,430

19.00 Sundry Debtors (including advances, deposits and prepayments)

This is made up as follows :

Advance against office rent
Advance against office salary
Advance against Brokerage house
Agent Balance
Advance against Expenses Pre-paid
Security deposit DPDCL
Security deposit (Dankan)
Fagun media (IT)
Advance against Income Tax (19.01)
Total

1,38,01,343	1,26,80,486
1,50,000	-
(8,250)	(7,300)
-	-
33,26,618	2,90,000
1,02,000	1,02,000
8,000	8,000
-	-
5,34,38,829	5,19,42,198
7,08,18,540	6,50,15,384

19.01 Advance Income Tax

Balance at the beginning of the year
Deduction against Interest on STD A/C
Interest Tax paid on FDR's,NIB
Tax on Dividend
Advance Deposited against vehicle
Paid through Challan/Cheques
Total

5,19,42,198	4,49,00,922
171	513
13,62,737	13,37,935
2,167	-
46,500	37,500
85,056	56,65,328
5,34,38,829	5,19,42,198

20.00 Ineterest and Dividend Receivable

Accrued interest on Fixed deposit Receipts (FDR's)
Accrued interest of BGTB
Accrue Interest on STD,CD & Others
Dividend Receivable
Total

The amount represents interest accrued but not received during the year.

16,09,973	16,54,088
7,52,604	6,51,146
-	-
-	-
23,62,577	23,05,234

21.00 Stock of printing, stationery & stamp

Printed items, Stationary & Stamp

49,74,987	17,96,489
------------------	------------------

22.00 Amount due from other persons or bodies carrying on insurance businesses

The balance is made up as follows :

Receivable from Sadharan Bima Corporation (SBC)

Opening Balance
Add: Receivable
Less: Adjusted & Received during the year
Amount due from Sadharan Bima Corporation

3,26,02,109	3,51,88,777
10,65,15,167	1,17,74,233
(97,15,238)	(1,43,60,901)
12,94,02,038	3,26,02,109

23.00 Cash and Bank Balance

Cash in Hand
Cash at Banks-STD Accounts
Cash at Banks on-CD Accounts
Investment in FDR
Total

Investment in FDR consists of FDR investment with Bank's and NBFI's Tk. 189.00 million as on 31 December 2022, which is readily convertible to cash at a short notice.

25,653	45,651
12,14,899	11,87,365
2,07,810	3,99,766
-	-
14,48,362	16,32,782

24.00 Fixed Deposit Receipts (FDR) with Banks and NBFI's

Agrani bank Ltd.
Al-Arafah Islami Bank Ltd.
Midland Bank Ltd.
Bank Asia Ltd.
Exim Bank Ltd.
Islami Bank Bangladesh Ltd.
Jamuna Bank Ltd.
Lanka Bangla Finance Limited
Mercantile Bank Ltd.
Mutual Trust Bank Ltd.
National Bank Ltd.
One Bank Ltd.
Prime Bank Ltd.
Pubali Bank Ltd.
Social Islami Bank Ltd.
Southeast Bank Ltd.
Islamic Finance and Investment Ltd.
Trust Bank Ltd.
United Commercial bank Ltd.
Union Bank Limited
SBAC Bank Ltd.
Total FDR as on 31.12.2022

35,00,000	35,00,000
40,00,000	40,00,000
5,00,000	5,00,000
5,00,000	5,00,000
4,20,00,000	4,20,00,000
20,00,000	20,00,000
5,00,000	5,00,000
10,00,000	-
20,00,000	20,00,000
10,00,000	10,00,000
10,95,00,000	11,85,00,000
-	-
50,00,000	50,00,000
5,00,000	5,00,000
75,00,000	75,00,000
5,00,000	5,00,000
-	-
10,00,000	10,00,000
10,00,000	10,00,000
10,00,000	-
60,00,000	50,00,000
18,90,00,000	19,50,00,000

24.01 Cash and Cash Equivalents

Cash and Bank Balance
Fixed Deposit Receipts (FDR) with Banks and NBFI's
Total

14,48,362	16,32,782
18,90,00,000	19,50,00,000
19,04,48,362	19,66,32,782

25.00 Interest Income

Interest received on:
Opening Accrue previous year
Interest Received during the year
Closing Accrue
Total

(23,05,234)	(23,03,880)
1,28,37,267	1,43,41,603
23,62,577	23,05,234
1,28,94,610	1,43,42,957

26.00 Dividend Income

National Bank Limited.
Silco Pharmaceutical Ltd.
Sea Pearl Beach Resort & Spa Ltd.

-	-
6,771	-
4,062	-
10,833	-

27.00 Gain from sale of assets

Sales Proceeds
Less: Written down value
Profit/(Loss) on sale of Fixed Assets

-	-
-	-

28.00 Agent Commission

The Agent Commission have been made during the period 2022. Details are as follows:
Basis of allocation of Agent Commission

Particulars
Fire
Marine
Marine Hull
Motor
Misc.
Total-

Premium (with PSB)	December 31, 2022	December 31, 2021
8,02,29,551	98,50,854	22,30,456
15,69,06,948	2,00,04,049	40,93,559
23,45,331	-	-
1,40,35,924	17,18,252	2,80,296
8,97,14,509	54,89,449	3,19,603
34,32,32,263	3,70,62,603	69,23,914

Net Premium deposited as per schedule during the year ended December 31, 2022, was Tk.34,32,32,263/- and agents Commission paid on the net premium is Tk. 3,70,62,603/-

29.00 Revenue

Premium less re-insurance
Commission on re-insurance
Total

29.01
29.02

20,24,20,429	11,86,74,953
4,81,00,840	1,89,94,365
25,05,21,270	13,76,69,318

29.01 Premium less re-insurance

Class of Business
Fire
Marine Cargo
Marine Hull
Motor
Miscellaneous
Total Taka

Premium earned (With PSB)	Less: re-insurance premium ceded	Amount in (Tk) 2022	Amount in (Tk) 2021
8,02,29,551	5,25,59,264	2,76,70,287	2,36,10,385
15,69,06,948	2,08,70,897	13,60,36,051	5,85,06,120
23,45,331	23,05,992	39,339	36,300
1,40,35,924	10,56,477	1,29,79,447	85,92,837
8,97,14,509	6,40,19,203	2,56,95,306	2,79,29,311
34,32,32,263	14,08,11,834	20,24,20,429	11,86,74,953

29.02 Commission on re-insurance

Class of Business
Fire
Marine Cargo
Marine Hull
Motor
Miscellaneous
Total Taka

Business (With PSB)	Amount in Taka 31.12.2022	Amount in Taka 31.12.2021
	8,02,29,551	3,73,79,167
15,69,06,948	42,88,598	40,85,668
23,45,331	1,26,830	72,663
1,40,35,924	-	-
8,97,14,509	63,06,245	60,85,372
34,32,32,263	4,81,00,840	1,89,94,365

30.00 Claim under Policies less Re-insurance

Class of Business
Fire
Marine Cargo
Marine Hull
Motor
Miscellaneous
Total

Claim Paid	Estimated liability	Previous year's balance	Net claim 2022	Net claim 2021
15,77,838	2,97,62,912	9,12,83,080	(5,99,42,330)	26,26,531
2,71,287	2,92,08,721	66,31,270	2,28,48,738	1,25,101
44	-	-	44	-
4,66,504	3,13,125	-	7,79,629	3,68,279
3,82,624	8,25,04,369	-	8,28,86,993	(12,585)
26,98,297	14,17,89,126	9,79,14,350	4,65,73,073	31,07,326

31.00 Management Expenses

The management expenses incurred during the year 2022 are as follows:

31.01 Schedule of Management Expenses

This consists of the following :

Branch License Fee	4,00,000	1,50,000
Book & Periodicals	15,057	2,325
Branch Launching Fee	1,840	0
Bank Charge	4,78,020	2,33,670
Internet Connection Fee, Vat On Internet	2,62,312	2,41,163
Co-Ins. Service Charge	1,33,677	6,248
Car Fuel	1,66,368	83,586
Car Maintenance	5,66,579	5,20,367
Conveyance	6,54,995	8,52,918
Computer & Electric Exp.	1,63,901	3,50,487
Carriage & Charge	4,550	16,930
Crockeries & Culteries	2,050	12,580
Entertainment	6,23,555	7,33,206
Festival Bonus	21,16,935	16,88,525
Fees & Charge	49,450	19,150
Inspection Fee	88,360	33,844
Lift Service	42,500	25,800
Office Maintenance	10,20,550	3,83,585
Premises Service Charge	16,74,908	13,35,740
Postage & Courier (Including Vat)	1,63,466	1,26,726
Printing	10,28,473	10,43,133
Repair & Maintenance	78,150	81,695
Revenue & Non-Judicial Stamps	1,68,365	99,670
Software Service Charge (Including Vat)	5,83,499	5,13,433
Stationery & photo copy	9,68,951	11,33,682
Office Rent with VAT & Tax	2,16,30,100	1,76,09,927
Water, Gas & Electrical Expenses	6,47,825	6,50,562
Stamps	16,71,408	2,69,288
Salary & Allowance	6,15,30,296	4,57,93,929
Telephone (Mobile & Res)	3,42,159	2,86,338
Trade License Fee	1,46,069	2,21,836
Training Fee	35,550	4,900
Travelling Allowance	1,76,059	91,901
Finance Cost (Office Rent)	21,80,051	18,32,054
Vat & Tax Paid on different heads	22,20,019	4,54,426
Management Expenses except PSB	10,20,36,047	7,69,03,624
Management Expenses (PSB)	72,60,007	73,56,020
	10,92,96,054	8,42,59,644

Class of Business

Class of Business	Management Expenses against (Private+PSB)		2022	2021
			Total Management Expenses	Total Management Expenses
Fire	8,02,29,551	23.37%	2,55,47,637	2,79,98,587
Marine	15,69,06,948	45.71%	4,99,64,156	2,10,79,176
Marine Hull	23,45,331	0.68%	7,46,828	3,80,181
Motor	1,40,35,924	4.09%	44,69,484	25,54,126
Miscellaneous	8,97,14,509	26.14%	2,85,67,949	3,22,47,574
Total	34,32,32,263	100.00%	10,92,96,054	8,42,59,644

32.00 Events after the reporting period

There is no such event after the reporting period 31 December, 2022.

33.00 Related party disclosures

Details have been shown in the Annexure -C.

34.00 Tax Assessment Position:

Details have been shown in the Annexure -B.

35.00 Key Management Personnel Compensation

The compensation of key management personnel of Sikder Insurance Com. Ltd were as follows:

Sl. No	Name of Employee	Employee Benefit	Post Employment Benefits	Other Long Term Benefits	Retirement/ Termination Benefits
01	Mr.Md.Shafiqur Rahman Advisor	Salary Tk.4,80,000/- Allowance Tk.1,20,000/-	No	No	No
02	Mr.SK. Abdur Rafique CEO	Salary Tk.33,00,000/- Car Allowance Tk.3,00,000/- Mobile Bill Tk.24,000/-	No	No	No
03	Mr.Md.Mayen Uddin SEVP (CFO)	Salary Tk.10,20,000/- Mobile Bill Tk.12,000/-	No	No	No
04	Mr.Md. Abdul Motaleb SEVP (Head of U/W)	Salary Tk.8,52,000/- Mobile Bill Tk.12,000/-	No	No	No
05	Mr.Md.Mukbul Hossain SEVP (Head of BCD & Mkt.)	Salary Tk.2,80,000/- Mobile Bill Tk.6,000/-	PF@ 10% of Basic Salary	Group life Insurance	No
06	Mr.Khandoker Ahsan Habib DVP (Head of HR & dministration)	Salary Tk.5,00,000/- Mobile Bill Tk.7,000/-	No	No	No
07	Mr.Md.Kawsar Ali AVP (Head of IT)	Salary Tk.6,03,000/- Mobile Bill Tk.6,000/-	PF@ 10% of Basic Salary	Group life Insurance	No
08	Mr. Md. Shamsuddin Chowdhury AVP (Head of Claims & R/I)	Salary Tk.3,36,774/- Mobile Bill Tk. 6,000/-	PF@ 10% of Basic Salary	Group life Insurance	No
09	Mr. Mission Chandra Pal Sr. Officer (Compliance)	Salary Tk.40,000/-	PF@ 10% of Basic Salary	Group life Insurance	No
10	Mr. Abdur Razzak Company Secretary	Salary Tk.4,27,800/- Mobile Bill Tk. 9,600/-	PF@ 10% of Basic Salary	Group life Insurance	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 personnel for the year ended December 31,2022.

36.00 Net Asset Value (NAV) per share

Assets

Investments (at cost)	
Property, Plants & Equipment	
Right of use assets	
Amount due from other persons or bodies carrying on Insurance Business	
Interest Receivable	
Sundry Debtors	
Cash and Cash Equivalents with FDR	
Investment in share	
Stock of printing, stationery & stamp	

Total Assets (A)

Liabilities

Balance of Funds & Accounts	
Deposit Premium	
Deferred Tax Liability	
Estimated Liability in respect of outstanding Claim	
Amount due to other persons or bodies carrying on insurance businesses	
Worker's Profit Participation Fund	
Provision for current Tax	
Loan	
Lease Liability	
Account Payable	

Total Liability (B)

Net Assets value (A-B)

Weighted average Number of Shares

Net Assets value per share(C/D)

	31.12.2022	31.12.2021
2,50,00,000	2,50,00,000	2,50,00,000
1,87,19,791	1,87,19,791	2,11,65,836
5,13,70,260	5,13,70,260	2,55,92,430
12,94,02,038	12,94,02,038	3,26,02,109
23,62,577	23,62,577	23,05,234
7,08,18,540	7,08,18,540	6,50,15,384
19,04,48,362	19,04,48,362	19,66,32,782
1,31,98,45,843	1,31,98,45,843	1,19,24,00,119
49,74,987	49,74,987	17,96,489
1,81,29,42,397	1,81,29,42,397	1,56,25,10,384
8,09,91,775	8,09,91,775	4,74,55,461
2,33,44,687	2,33,44,687	1,47,68,556
3,84,63,667	3,84,63,667	2,54,97,388
13,17,89,126	13,17,89,126	9,79,41,350
4,20,65,259	4,20,65,259	1,22,09,736
78,64,110	78,64,110	56,97,954
4,60,83,292	4,60,83,292	3,84,63,307
67,60,83,322	67,60,83,322	73,48,83,322
5,13,70,259	5,13,70,259	2,55,92,430
2,53,28,077	2,53,28,077	1,43,56,894
1,12,33,83,574	1,12,33,83,574	1,01,68,66,398
68,95,58,823	68,95,58,823	54,56,43,986
2,40,00,000	2,40,00,000	2,40,00,000
28.73	28.73	22.74

37.00 Contingent Asset/Liability:

SICL has contingent liability/Assets other than following

Liability for Income Tax:

Detailed breakdown is given in Annexure-B.

38.00 The Company has not paid any amount to the Directors as Board Meeting attendance fee during the year 2022 & 2021.

Director's Attendance Fees:

Name	Position	Amount in Taka	
		31.12.2022	31.12.2021
Nasim Sikder	Chairperson	-	-
Lisa Fatema Haque Sikder	Director	-	-
Mohtasim Billah Khan	Director	-	-
Monica Sikder Khan	Director	-	-
Jonas Sikder Khan	Director	-	-
Salah Uddin Khan	Director	-	-
Jeffrey Khan Sikder	Director	-	-
Mandy Khan Sikder	Director	-	-
Mamtazul Haque Sikder	Shareholder	-	-
Sean Haque Sikder	Shareholder	-	-
John Haque Sikder	Shareholder	-	-
Dipu Haque	Shareholder	-	-
Rick Haque Sikder	Shareholder	-	-
Ron Haque Sikder	Shareholder	-	-
Gazi Md. Humayun Kabir	Independent Director	-	-
Uttam Kumar Bhowmik	Independent Director	-	-
Add: VAT		-	-
Total		-	-

38.01 There was no credit facility for the year ended 31.12.2022 availed by the company under any contract other than trade credit available in normal course of business.

38.02 The Company neither incurred any expenses nor earned any income in foreign currency on account of royalty, technical expert & professional advisory fees, interest etc.

38.03 Previous years figures have been reorganized wherever necessary to conform to current years' presentation.

39.00 Cash Flow (Indirect Method)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Income Before Tax

Add: Depreciation

Less: Income Tax Paid

3,89,08,146	4,57,70,998
42,64,539	49,42,873
14,96,630	70,41,276
3,31,46,977	3,37,86,849

Change in Interest Receivable

Change in Amount due from Insurance

Change in Sundry Debtors (excluding AIT)

Change in Stock of Stationary

Change in Balance of Fund

Change in WPPF

Change in Lease Liability

Change in ROU Assets

Change in Premium Deposit

Change in Claim Provision

Change in Sundry Creditors (Excluding Tax Prov.)

Change in Amount due to Insurance

Net Cash Provided by Operating Activities

(67,343)	(1,354)
(9,01,23,618)	25,86,668
(43,06,525)	1,70,58,124
(31,78,498)	(2,50,889)
3,35,36,314	47,35,003
21,66,156	24,25,040
2,57,77,829	(1,38,19,887)
(2,57,77,830)	1,38,19,887
85,76,131	(1,10,55,079)
3,38,47,776	16,18,361
1,09,71,183	59,09,474
2,98,55,523	4,65,297
5,44,34,075	6,49,85,411

40.00 Premium Collection and other Income

Interest Received

Realise gain on share Investment

Dividend Income

Collection from Insurance policy

Total

1,28,37,267	1,43,41,603
-	-
10,833	-
14,19,36,455	19,14,04,670
15,47,84,555	20,57,46,273

Sikder Insurance Company Limited
Fixed Assets Schedule

Annexure-A

Sl. No.	Particulars	cost				Rate of Depreciation	Depreciation				Written Down Value
		Balance as at 01.01.2022	Addition	Disposal	Balance as at 31.12.2022		Balance as at 01.01.2022	Charged During the Year	Disposal	Balance as at 31.12.2022	
1	Office Decoration	5,00,20,036	-	-	5,00,20,036	20%	3,71,58,090	25,72,389	-	3,97,30,479	1,02,89,557
2	Furniture & fixture	30,06,822	8,87,363	-	38,94,185	10%	11,47,951	2,74,623	-	14,22,575	24,71,610
3	Motor Vehicle	17,80,000	-	-	17,80,000	20%	15,39,415	48,117	-	15,87,532	1,92,468
4	Computer	19,58,080	3,41,339	-	22,99,419	30%	17,57,763	1,62,497	-	19,20,260	3,79,159
5	Air Condition	86,93,645	98,000	-	87,91,645	20%	48,19,877	7,94,354	-	56,14,230	31,77,415
6	Office Equipment	52,57,800	4,91,792	-	57,49,592	15%	34,70,027	3,41,935	-	38,11,962	19,37,630
7	Software	21,00,000	-	-	21,00,000	50%	20,92,969	3,516	-	20,96,484	3,516
8	Electric transformer	20,00,000	-	-	20,00,000	20%	16,64,456	67,109	-	17,31,565	2,68,435
As at 31st December, 2022		7,48,16,383	18,18,494	-	7,66,34,877		5,36,50,547	42,64,539	-	5,79,15,086	1,87,19,790
ROU Assets As at 31st December, 2022		5,96,12,528	4,39,02,756	-	10,35,15,284		3,40,20,098	1,81,24,926	-	5,21,45,024	5,13,70,260
As at 31st December, 2021		7,40,95,517	7,20,866	-	7,48,16,383		4,87,07,674	49,42,873	-	5,36,50,547	2,11,65,836
ROU Assets As at 31st December, 2021		5,58,22,488	37,90,040	-	5,96,12,528		1,64,10,171	1,76,09,927	-	3,40,20,098	2,55,92,430

Annexure-B

Liability for Income Tax:

Assessment Year	Provision for Income Tax	Tax Paid	Tax Demand	Remarks
2014-2015	1,67,303	7,71,118	Nil	Assessment completed
2015-2016	1,95,978	20,29,833	25,50,326	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2016-2017	5,27,210	41,01,018	1,21,86,399	Appeal has been filed to the Honorable High Court Division and the decision is pending before the High Court Division
2017-2018	13,85,280	89,98,749	89,97,760	Assessment completed and finalized by the DCT
2018-2019	13,40,746	46,17,695	46,17,695	Assessment completed and finalized by the DCT
2019-2020	13,88,495	34,63,821	34,63,821	Assessment completed and finalized by the DCT
2020-2021	1,30,30,749	47,83,790	47,83,790	Assessment completed U/S_83/(2)/156/159
2021-2022	1,53,82,931	2,06,60,415	2,06,60,415	Assessment completed & Finalized by the DCT
2022-2023	1,49,65,307	The Income Tax Return was submitted to Deputy Commissioner of Taxes, Circle-Large Tax Payer Unite (LTU), Zone - LTU, Dhaka. U/S-82 (B/B)		

Related party disclosures

Annexure -C

1.00 Director's Attendance Fees:

Name	Position	Amount in Taka	
		31.12.2022	31.12.2021
Nasim Sikder	Chairperson	-	-
Lisa Fatema Haque Sikder	Director	-	-
Mohtasim Billah Khan	Director	-	-
Monica Sikder Khan	Director	-	-
Jonas Sikder Khan	Director	-	-
Salah Uddin khan	Director	-	-
Jeffrey Khan Sikder	Director	-	-
Mandy Khan Sikder	Director	-	-
Mamtazul Haque Sikder	Shareholder	-	-
Sean Haque Sikder	Shareholder	-	-
John Haque Sikder	Shareholder	-	-
Dipu Haque	Shareholder	-	-
Rick Haque Sikder	Shareholder	-	-
Ron Haque Sikder	Shareholder	-	-
Gazi Md. Humayun Kabir	Independent Director	-	-
Uttam Kumar Bhowmik	Independent Director	-	-
Add: VAT		-	-
Total		-	-

2.00 Loan

ZH Sikder Medical college & Hospital Private Limited
Sikder Real Estate Ltd.
ZH SWMC & H Limited Cardiac care & Researce center
R & R Aviation
Closing Balance

	31.12.2022	31.12.2021
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000
Sikder Real Estate Ltd.	45,46,32,397	51,34,32,397
ZH SWMC & H Limited Cardiac care & Researce center	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925
Closing Balance	67,60,83,322	73,48,83,322

Investment in Share:

Particulars	No. of shares	Cost price per share	Total cost	Market price	Total
National Bank Limited.	15,89,28,571	6.72	1,06,84,83,316	8.30	1,31,91,07,139
New Line Clothing Limited	4,496	9.38	42,176	45.10	2,02,770
Silco Pharmaceutical Ltd.	8,023	9.09	72,940	23.40	1,87,738
Sea Pearl Beach Resort & Spa Ltd.	1,865	9.52	17,764	186.70	3,48,196
			1,06,86,16,196		1,31,98,45,843

Change in Fair value of Financial Assets charged in Profit or Loss account

Cost of investment :

2022

2021

Opening balance

National Bank Limited.

1,06,84,83,316

1,06,84,83,316

New Line Clothing Limited

42,176

42,176

Silco Pharmaceutical Ltd.

72,940

72,940

Sea Pearl Beach Resort & Spa Ltd.

17,764

17,764

Genex Infosys Ltd.

-

-

Total Cost

1,06,86,16,196

1,06,86,16,196

Market value of stock-B/S

1,31,98,45,843

1,19,24,00,119

Gain /(loss) during the year-OCI

12,74,45,723

13,24,59,798

After Tax Fair value gain (1-T)

11,47,01,151

11,92,13,819

Under recognition in previous year

-

15,668

OCI-Gain /(loss) carry forwar from previous year

18,58,56,057

6,66,26,570

Closing Balance

30,05,57,208

18,58,56,057

Sikder Insurance Company Limited
Head Office, Dhaka.
Form - XL

Statement Showing Details of Re-Insurance Ceded and Accepted of the Sikder Insurance Company Ltd., for the year ended December 31st, 2022.

CLASS OF BUSINESS	PREMIUM						COMMISSION						CLAIMS					
	Received on		Paid on Re-ins. Ceded		NET	Paid on		Received on Re-In. Ceded		NET	PAID ON		Received on Re-In. Ceded		NET			
	Direct Business	Re-Insurance Accepted	In B. desh	Out side B. desh		Direct Business	Re-Insurance Accepted	In B. desh	Out side B. desh		Direct Business	Re-Insurance Accepted	In B. desh	Out side B. desh				
FIRE	Private	6,56,72,359	-	4,08,57,390	-	2,48,14,969	98,50,854	-	3,60,14,365	-	(2,61,63,511)	3,60,40,328	-	3,46,82,652	-	13,57,676		
	Public	1,45,57,192	-	1,17,01,874	-	28,55,318	-	13,64,802	-	(13,64,802)	2,20,162	-	-	-	2,20,162			
	Total	8,02,29,551	-	5,25,59,264	-	2,76,70,287	98,50,854	-	3,73,79,167	-	(2,75,28,313)	3,62,60,490	-	3,46,82,652	-	15,77,838		
MARINE CARGO	Private	13,33,60,324	-	29,72,689	-	13,03,87,635	2,00,04,049	-	7,71,288	-	1,92,32,760	-	-	-	-			
	Public	2,35,46,624	-	1,78,98,208	-	56,48,416	-	35,17,310	-	(35,17,310)	6,35,563	-	3,64,276	-	2,71,287			
	Total	15,69,06,948	-	2,08,70,897	-	13,60,36,051	2,00,04,049	-	42,88,598	-	1,57,15,450	6,35,563	-	3,64,276	-	2,71,287		
MARINE HULL	Private	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	Public	23,45,331	-	23,05,992	-	39,339	-	1,26,830	-	(1,26,830)	44	-	-	-	44			
	Total	23,45,331	-	23,05,992	-	39,339	-	1,26,830	-	(1,26,830)	44	-	-	-	44			
MOTOR	Private	1,14,55,011	-	9,60,000	-	1,04,95,011	17,18,252	-	-	-	17,18,252	3,76,040	-	-	-	3,76,040		
	Public	25,80,913	-	96,477	-	24,84,436	-	-	-	-	90,464	-	-	-	90,464			
	Total	1,40,35,924	-	10,56,477	-	1,29,79,447	17,18,252	-	-	-	17,18,252	4,66,504	-	-	-	4,66,504		
MISC. OTHER THAN MOTOR	Private	3,65,96,328	-	1,20,70,199	-	2,45,26,129	54,89,449	-	24,87,606	-	30,01,843	2,13,000	-	-	-	2,13,000		
	Public	5,31,18,181	-	5,19,49,004	-	11,69,177	-	38,18,639	-	(38,18,639)	6,96,633	-	5,27,009	-	1,69,624			
	Total	8,97,14,509	-	6,40,19,203	-	2,56,95,306	54,89,449	-	63,06,245	-	(8,16,796)	9,09,633	-	5,27,009	-	3,82,624		
TOTAL	Private	24,70,84,022	-	5,68,60,279	-	19,02,23,743	3,70,62,603	-	3,92,73,259	-	(22,10,656)	3,66,29,368	-	3,46,82,652	-	19,46,716		
	Public	9,61,48,241	-	8,39,51,555	-	1,21,96,686	-	88,27,581	-	(88,27,581)	16,42,866	-	8,91,285	-	7,51,581			
GRAND	Total	34,32,32,263	-	14,08,11,834	-	20,24,20,429	3,70,62,603	-	4,81,00,840	-	(1,10,38,237)	3,82,72,234	-	3,55,73,937	-	26,98,297		

(b) Information as is required under section 186 of the কোম্পানি আইন, 1994 relating to holding company

The Issuer Company under consideration does not have any subsidiary company or it is not a subsidiary of any other holding company.

(c) Selected ratios as specified in Annexure-D

Name of ratio	Formula	31-Dec-22		31-Dec-21		31-Dec-20		31-Dec-19		31-Dec-18	
		Calculation	Results	Calculation	Results	Calculation	Results	Calculation	Results	Calculation	Results
1 Liquidity Ratio:											
Current Ratio	= Current Assets / Current Liability	39,80,06,504 31,49,38,218	1.26	29,83,51,998 20,89,35,186	1.43	33,48,00,622 18,13,59,065	1.85	30,31,27,722 11,99,66,040	2.53	27,67,33,874 9,46,82,017	2.92
Quick Ratio	= (Current Assets-Inventories) / Current Liability	39,30,31,517 31,49,38,218	1.25	29,65,55,509 20,89,35,186	1.42	33,32,55,022 18,13,59,065	1.84	30,07,18,597 11,99,66,040	2.51	27,47,43,601 9,46,82,017	2.90
Times Interest Earned Ratio	= (Income from operation+Finance Cost) / Finance Cost	3,40,89,525 -	0.00	3,86,07,131 -	0.00	(1,10,06,519) -	0.00	2,59,08,638 64,69,331	4.00	1,10,47,105 52,29,898	2.11
Debt to Equity Ratio	= Long term loan / Shareholders equity	67,60,83,322 68,95,58,823	0.98	73,48,83,322 54,56,43,985	1.35	82,32,45,218 39,78,04,046	2.07	89,86,58,166 44,51,02,974	2.02	91,07,88,385 47,43,10,579	1.92
2 Operating Ratio:											
Accounts Receivable Turnover Ratio	= Gross Premium / Receivable	20,24,20,429 12,94,02,038	1.56	11,86,74,953 3,26,02,109	3.64	10,67,99,544 3,51,88,777	3.04	12,65,14,254 3,54,39,668	3.57	15,54,71,993 2,95,02,090	5.27
Inventory Turnover Ratio	= Inventory / Gross Premium	49,74,987 20,24,20,429	0.025	17,96,489 11,86,74,953	0.015	15,45,600 10,67,99,544	0.014	24,09,125 12,65,14,254	0.019	19,90,273 15,54,71,993	0.013
Asset Turnover Ratio	= Gross Premium / Total Assets	20,24,20,429 1,81,29,42,397	0.11	11,86,74,953 1,56,25,10,384	0.08	10,67,99,544 1,48,45,41,103	0.07	12,65,14,254 1,51,43,69,593	0.08	15,54,71,993 1,54,20,01,832	0.10
3 Profitability Ratios:											
Gross Margin Ratio	= Underwriting Profit X 100 / Gross Premium	3,40,89,525 20,24,20,429	16.84%	3,86,07,131 11,86,74,953	32.53%	(1,10,06,519) 10,67,99,544	-10.31%	1,94,39,307 12,65,14,254	15.37%	58,17,207 15,54,71,993	3.74%
Operating profit Ratio	= Operating Profit X 100 / Gross Premium	4,69,84,135 20,24,20,429	23.21%	5,29,50,088 11,86,74,953	44.62%	50,37,963 10,67,99,544	4.72%	3,32,06,147 12,65,14,254	26.25%	2,03,87,223 15,54,71,993	13.11%
Net profit Ratio	= Net Profit after tax X 100 / Gross Premium	2,92,13,686 20,24,20,429	14.43%	2,86,26,120 11,86,74,953	24.12%	5,00,75,347 10,67,99,544	46.89%	1,75,12,573 12,65,14,254	13.84%	81,73,704 15,54,71,993	5.26%
Return on Asset Ratio	= Net Profit after tax X 100 / Average Assets	2,92,13,686 1,68,77,26,391	1.73%	2,86,26,120 1,52,35,25,744	1.88%	5,00,75,347 1,49,94,55,348	3.34%	1,75,12,573 1,52,81,85,713	1.15%	81,73,704 1,49,59,18,834	0.55%
Return on Equity Ratio	= Net Profit after tax X 100 / Average Shareholders Equity	2,92,13,686 61,76,01,404	4.73%	2,86,26,120 47,17,24,015	6.07%	5,00,75,347 42,14,53,510	11.88%	1,75,12,573 45,97,06,776	3.81%	81,73,704 58,48,67,856	1.40%
Earnings per share Ratio(EPS) (Basic)	= Net Profit after tax / No. of share	2,92,13,686 2,40,00,000	1.22	2,86,26,120 2,40,00,000	1.19	5,00,75,347 2,40,00,000	2.09	1,75,12,573 2,40,00,000	0.73	81,73,704 2,40,00,000	0.34
Earnings per share Ratio(EPS) (Restated)	= Net Profit after tax / No. of outstanding share	2,92,13,686 2,40,00,000	1.22	2,86,26,120 2,40,00,000	1.19	5,00,75,347 2,40,00,000	2.09	1,75,12,573 2,40,00,000	0.73	81,73,704 2,40,00,000	0.34
EBITDA Margin	= EBITDA X 100 / Gross Premium	4,31,72,686 20,24,20,429	21.33%	5,07,13,871 11,86,74,953	42.73%	7,47,65,156 10,67,99,544	70.01%	3,36,41,807 12,65,14,254	26.59%	2,08,16,773 15,54,71,993	13.39%
4 Coverage Ratios:											
Debt to Total Assets Ratio	= Debt / Total Assets	67,60,83,322 1,81,29,42,397	0.37	73,48,83,322 1,56,25,10,384	0.47	82,32,45,218 1,48,45,41,103	0.55	89,86,58,166 1,51,43,69,593	0.59	91,07,88,385 1,54,20,01,832	0.59
Debt Service Coverage Ratio	= Operating Profit / Total Debt Service	4,69,84,135 67,60,83,322	0.07	5,29,50,088 73,48,83,322	0.07	50,37,963 82,32,45,218	0.01	3,32,06,147 89,86,58,166	0.04	2,03,87,223 91,07,88,385	0.02
5 Cash Flow:											
Net Operating Cash Flow per share (Basic)	= Net Operating Cash Flow / No. of share	5,44,34,075 2,40,00,000	2.27	6,49,85,411 2,40,00,000	2.71	8,74,23,399 2,40,00,000	3.64	1,41,17,475 2,40,00,000	0.59	4,92,43,249 2,40,00,000	2.05
Net Operating Cash Flow per share/EPS (Basic)	= Net Operating Cash Flow per share / EPS	2.27 1.22	1.86	2.71 1.19	2.27	3.64 2.09	1.75	0.59 0.73	0.81	2.05 0.34	6.02

The above balance is certified on the basis of books of accounts; records are other supporting documents for the period from 01 January 2018 to 31 December 2022.

Place: Dhaka
Date: July 17, 2023

Sd/-
G.Kibria & Co.
Chartered Accountants

Sl	Name of the Ratio	2021		2020		2019		2018		2017		2016	
		SICL	Industry Avg.	SICL	Industry Avg.	SICL	Industry Avg.	SICL	Industry Avg.	SICL	Industry Avg.	SICL	Industry Avg.
1. Liquidity Ratios													
1	Current Ratio (Times)	1.26	1.82	1.43	1.84	1.85	1.54	2.53	1.90	2.92	1.97	2.65	1.92
2	Quick Ratio (Times)	1.25	1.82	1.42	1.84	1.84	1.54	2.51	1.90	2.90	1.97	2.62	1.92
3	Times Interest Earned Ratio	0.00	0.00	0.00	0.00	0.00	-	4.00	-	2.11	0.00	3.45	0.00
4	Debt to Equity Ratio	0.98	0.01	1.35	0.02	2.07	0.01	2.02	0.01	1.92	0.02	0.89	0.02
2. Operating Efficiency Ratios													
1	Accounts Receivable Turnover Ratio (Times)	1.56	3.15	3.64	3.46	3.04	2.53	3.57	2.99	5.27	3.59	6.23	4.7
2	Inventory Turnover Ratio (Times)	0.025	0.002	0.015	0.003	0.014	0.002	0.019	0.002	0.013	0.003	0.017	0.003
3	Asset Turnover Ratio (Times)	0.11	0.41	0.08	0.41	0.07	0.42	0.08	0.40	0.10	0.39	0.09	0.44
3. Profitability Ratios													
1	Gross Margin Ratio	16.84%	0.12	32.53%	0.11	-10.31%	12.43%	15.37%	11.53%	3.74%	11.23%	7.38%	10.21%
2	Operating Profit Ratio	23.21%	0.07	44.62%	0.07	4.72%	7.96%	26.25%	6.97%	13.11%	6.33%	15.61%	5.56%
3	Net Profit Ratio	14.43%	0.11	24.12%	0.11	46.89%	11.69%	13.84%	10.86%	5.26%	10.73%	6.69%	9.56%
4	Return on Assets	1.73%	0.04	1.88%	0.04	3.34%	4.94%	1.15%	4.33%	0.55%	4.18%	0.75%	4.22%
5	Return on Equity Ratio	4.73%	0.07	6.07%	0.07	11.88%	8.76%	3.81%	7.18%	1.40%	6.51%	1.82%	6.67%
6	Earning Per Share (EPS) (Tk.)	1.22	3.44	1.19	3.31	2.09	3.85	0.73	3.37	0.34	3.19	0.38	2.80
7	EBITDA margin	21.33%	0.16	42.73%	0.16	70.01%	16.84%	26.59%	15.73%	13.39%	15.70%	9.97%	14.36%
4. Solvency Ratios													
1	Debt to Total Assets Ratio	0.37	0.30	0.47	0.29	0.55	0.33	0.59	0.3	0.59	0.26	0.43	0.26
2	Debt Service Coverage Ratio	0.07	1.51	0.07	1.56	0.01	1.29	0.04	1.69	0.02	1.5	0.03	1.73
5. Cash Flow Ratios													
1	Net Operating Cash Flow per Share (NOCFPS)	2.27	2.14	2.71	1.86	3.64	2.70	0.59	2.67	2.05	1.31	2.16	0.73
2	NOCFPS to EPS Ratio	1.86	0.70	2.27	0.64	1.75	0.75	0.81	0.87	6.02	0.53	5.64	0.40

To compare ratio between Union Insurance Co. Ltd., and industry, we consider five companies among insurance sector. Green Delta Insurance Company Ltd., Reliance Insurance Ltd., Pioneer Insurance Company Ltd., Islami Insurance Bangladesh Ltd., and Bangladesh General Insurance Company Ltd., all are non-life homogeneous insurance companies.

Explanation of the ratios

There are currently thirty- nine general insurance companies listed with the Dhaka and Chittagong stock exchange. In order to calculate the industry average ratio, the companies with similar gross premium have been taken into account.

From the ratio analysis, it is observed that the liquidity ratios are consistent over the historic year. The current and quick ratios are always higher than all through the 4 years except for the year 2021 & 2022 and so is the industry average.

Operating ratios reflect the operational efficiency of Sikder Insurance Company Limited. The account receivable turnover ratio and Inventory turnover ratio s more than 1x and consistent over the five years which indicates a structured cash collection cycle. Asset turnover ratio is lower than industry average which indicates efficient use of fixed assets by Sikder Insurance Company Limited.

The net profit ratio and EPS, return on equity ratio is consistently increasing over the last two years other than 2017 to 2019 due to decrease in underwriting profit but below than industry average. The return on equity ratio is in line with the industry average.

Solvency ratio is a key metric used to measure the Issuer's capability to meet its debt obligations. The solvency ratio indicates whether the Company has sufficient operating cash flow to meet its short-term and long-term liabilities. The lower the solvency ratio is, the greater the probability that it will default on its debt obligations.

The interest earned ratio of Sikder Insurance Company Limited is at a satisfactory level. The debt to equity ratio shows a moderate leverage position of the company. The Issuer's debt service coverage ratio is also consistent over the historic years.

The operating cash flow ratio is a measure of the number of times a company can pay off current debts with cash generated within the same period. A high number, greater than one, indicates that a company has generated more cash in a period than what is needed to pay off its current liabilities. Sikder Insurance Company Limited net operating cash flow per is significantly higher than the industry average. The high net operating cash flow indicates the low credit risk of SICL.

(d) Auditors report under Section 135(1), Paragraph 24(1) of Part II of Schedule III of the কোম্পানি আইন, ১৯৯৪. The report shall include comparative income statements and balance sheet and afore mentioned ratios for immediately preceding five accounting years of the Issuer. If the Issuer has been in commercial operation for less than five years, the above-mentioned inclusion and submission will have to be made for the period since commercial operation.

Auditors' report in pursuance of Section 135(1) under Para 24 & 25 of Part-II of the Third Schedule of the Companies Act – 1994

We, as the auditors, have examined the financial statement of **Sikder Insurance Company Limited** for the years ended from December 31, 2018 to December 31, 2022 and the figures extracted from the said audited financial statements as certified, report in pursuance of Section 135(1) under Para 24 & 25 of Part-II of the Third Schedule of the Companies Act – 1994 and we report that:

**Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)**

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Shareholders' Equity & Liabilities					
Shareholders' Equity					
Authorised Capital					
50,000,000 Ordinary shares of Tk.10 each	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000	50,00,00,000
Paidup Capital					
24,000,000 Ordinary shares of Tk.10/-	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000	24,00,00,000
Reserve or Contingency Accounts	44,95,58,823	30,56,43,985	15,78,04,046	20,51,02,974	23,43,10,579
Reserve for Exceptional Loss	6,45,00,000	4,65,00,000	3,65,00,000	2,70,00,000	1,90,00,000
Profit & Loss Appropriation Account	8,45,17,283	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556
Reserve for Fair Value of Share	30,05,41,540	18,58,40,389	6,66,26,570	16,40,00,845	21,07,21,023
Total Shareholders Equity	68,95,58,823	54,56,43,985	39,78,04,046	44,51,02,974	47,43,10,579
Balance of Fund and Account	8,09,91,775	4,74,55,461	4,27,20,458	5,06,42,412	6,22,20,851
Fire Insurance Revenue Account	1,10,68,115	94,44,154	2,10,00,809	2,60,36,437	1,95,97,678
Marine Cargo Insurance Revenue Account	5,44,14,420	2,34,02,448	1,05,74,187	1,37,57,220	96,80,980
Marine Hull Insurance Revenue Account	39,339	-	-	-	-
Motor Insurance Revenue Account	51,91,779	34,37,135	48,39,580	60,65,592	56,16,155
Misc. Insurance Revenue Account	1,02,78,122	1,11,71,724	63,05,882	47,83,163	2,73,26,038
Deposit Premium	2,33,44,687	1,47,68,556	2,58,23,635	2,03,61,313	25,00,414
Deferred Tax Liability	3,84,63,667	2,54,97,388	1,07,20,931	2,05,85,425	2,54,96,006
Estimated Liability in nrespect of outstanding Claim	13,17,89,126	9,79,41,350	9,63,22,989	4,47,80,526	3,62,58,991
Amount due to other persons or bodies carrying on insurance businesses	4,20,65,259	1,22,09,736	1,17,44,439	1,45,44,063	1,21,48,102
Worker's Profit Participation Fund (WPPF)	78,64,110	56,97,954	32,72,914	-	-
Provision for Income Tax	4,60,83,292	3,84,63,307	2,50,26,737	1,05,98,675	53,28,322
Loans and Advances	67,60,83,322	73,48,83,322	82,32,45,218	89,86,58,166	91,07,88,385
Lease Liability	5,13,70,259	2,55,92,430	3,94,12,317	-	-
Account Payable	2,53,28,077	1,43,56,894	84,47,420	90,96,038	1,29,50,181
Total Liabilities and Provisions	1,04,23,91,799	96,94,10,937	1,04,40,16,599	1,01,86,24,206	1,00,54,70,402
Total Shareholders' Equity & Liabilities	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832

Property and Assets

	1,41,49,35,893	1,26,41,58,386	1,14,97,40,481	1,21,12,41,871	1,26,52,67,958
Non-Current assets					
Investment (BGTB)	2,50,00,000	2,50,00,000	2,50,00,000	2,50,00,000	2,50,00,000
Investment in share	1,31,98,45,843	1,19,24,00,119	1,05,99,40,321	1,16,81,33,959	1,21,98,91,569
Property, Plant and Equipment (WDV)	1,87,19,791	2,11,65,836	2,53,87,843	1,81,07,912	2,03,76,388
Right of use assets	5,13,70,259	2,55,92,430	3,94,12,317	-	-

Current assets

	20,75,58,142	10,17,19,216	11,40,70,489	8,10,94,145	5,45,44,917
Sundry Debtors	7,08,18,540	6,50,15,384	7,50,32,232	3,92,76,961	1,99,10,823
Interest and Dividend Receivable	23,62,577	23,05,234	23,03,880	39,68,391	31,41,731
Stock of printing, stationery & stamp	49,74,987	17,96,489	15,45,600	24,09,125	19,90,273
Amount due from other persons or bodies carrying on insurance businesses	12,94,02,038	3,26,02,109	3,51,88,777	3,54,39,668	2,95,02,090

Cash and Cash Equivalents

	19,04,48,362	19,66,32,782	22,07,30,133	22,20,33,577	22,21,88,958
Cash in Hand	25,653	45,651	20,909	11,179	10,580
Cash at Banks-STD Accounts	12,14,899	11,87,365	23,05,845	2,11,29,595	4,32,42,905
Cash at Banks on-CD Accounts	2,07,810	3,99,766	4,03,379	8,92,803	19,35,473
Investment in FDR	18,90,00,000	19,50,00,000	21,80,00,000	20,00,00,000	17,70,00,000

Total Assets	1,81,29,42,397	1,56,25,10,384	1,48,45,41,103	1,51,43,69,593	1,54,20,01,832
Net Asset Value (NAV) Per Share	28.73	22.74	16.58	18.55	19.76

**Sikder Insurance Company Limited
Profit and Loss Account**

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Expenses of management	80,86,822	71,79,090	85,02,628	1,14,93,330	1,13,09,458
(Not applicable to any particular fund or account)					
Advertisement & Publicity	3,81,693	6,24,808	2,68,120	3,00,000	95,000
Audit fees	1,50,000	1,50,000	6,69,050	35,000	35,000
Consultancy & Rating Fee	88,930	1,00,000	-	-	-
Legal & Professional Fee	20,79,184	1,71,700	99,250	1,92,500	1,13,340
Donation & Subscription	4,09,200	3,35,000	8,90,400	-	2,00,000
Interest on Worker's Profit Participation Fund	3,13,387	2,45,469	-	-	-
Depreciation	42,64,539	49,42,873	60,33,964	41,09,000	53,80,845
Manager conference	-	2,31,400	2,02,795	15,265	-
Levy charge	1,00,000	1,00,000	-	-	-
Renewal & Registration	2,99,888	2,77,840	3,39,049	3,72,234	2,55,375
Profit transferred to profit & loss appropriation account	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Total	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488
Profit/(Loss) transferred from:	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Fire	8,79,69,332	1,10,62,128	(3,49,20,223)	(30,40,828)	(72,63,077)
Marine Cargo	1,64,95,735	2,44,65,691	1,82,14,973	1,46,26,198	21,64,230
Marine Hull	(5,83,742)	(2,71,218)	-	-	-
Motor	42,57,439	67,92,581	96,03,634	53,17,037	72,51,816
Miscellaneous	(7,40,49,238)	(34,05,751)	(39,04,903)	25,36,900	36,64,238
Interest Income	1,28,94,610	1,43,42,957	1,60,44,482	1,37,66,840	1,45,70,016
Realise gain on share Investment	-	-	1,11,101	14,95,056	11,24,887
Dividend Income	10,833	-	7,20,84,756	4,017	3,378
Profit on sale of Fixed Assets	-	-	-	(1,48,414)	-
Total	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488

**Sikder Insurance Company Limited
Statement of Other Comprehensive Income**

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Profit After Tax	3,10,66,455	3,08,05,692	5,33,48,261	1,75,12,573	81,73,704
Changes in Fair value of share available for sale	12,74,45,723	13,24,59,799	(10,81,93,639)	(5,19,11,309)	(32,13,91,302)
Deferred Tax Gain/(Loss)	(1,27,44,572)	(1,32,47,721)	1,08,19,364	51,91,131	2,54,76,473
Total Comprehensive Income for the year	14,57,67,606	15,00,17,770	(4,40,26,014)	(2,92,07,604)	(28,77,41,124)

Sikder Insurance Company Limited
Profit and Loss Appropriation Account

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
ing balance of Appropriation Account	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556	29,15,852
Net Profit for the year brought down	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Total	11,22,11,743	10,04,48,475	8,28,33,321	2,76,53,032	1,31,21,881
	2,76,94,460	2,71,44,878	2,81,55,845	1,35,50,903	85,32,326
Reserve for Exceptional Losses	1,80,00,000	1,00,00,000	95,00,000	80,00,000	65,00,000
Provision for Companies Income Tax	76,19,984	1,34,36,571	1,44,28,061	52,70,353	11,44,270
Worker's Profit Participation Fund	18,52,769	21,79,571	32,72,914	-	-
Provision for deferred tax	2,21,707	15,28,736	9,54,870	2,80,550	8,88,055
Dividend paid from last year profit	-	-	-	-	-
Balance transferred to balance sheet	8,45,17,283	7,33,03,597	5,46,77,476	1,41,02,129	45,89,556
Total	11,22,11,743	10,04,48,475	8,28,33,321	2,76,53,032	1,31,21,881
Earnings Per Share (EPS) (Tk.10 each)	1.22	1.19	2.09	0.73	0.34

Sikder Insurance Company Limited						
Statement of Cash Flows						
Sl. No.	Particulars	Amount in Taka				
		December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
A.	Cash Flow from Operating Activities					
	Premium Collection and other Income	154,784,555	205,746,273	311,425,922	250,458,130	310,281,381
	Payment of Expenses, Re-Insurance, Claims	(98,853,850)	(133,719,586)	(198,474,190)	(225,432,153)	(254,280,651)
	Income Tax Paid	(1,496,630)	(7,041,276)	(25,528,333)	(10,908,502)	(6,757,481)
	Net Cash Flow from Operating Activities	54,434,075	64,985,411	87,423,399	14,117,475	49,243,249
B.	Cash Flow from Investing Activities					
	Investment of Share	-	-	-	(370,730)	(292,599,431)
	Sale of Fixed assets	-	-	-	62,000	-
	Purchase of Fixed Asset	(1,818,494)	(720,866)	(13,313,895)	(2,050,938)	(463,051)
	Net Cash Used in Investing Activities	(1,818,494)	(720,866)	(13,313,895)	(2,359,668)	(293,062,482)
C.	Cash Flow from Financing Activities					
	Change in Loans and Advances	(58,800,000)	(88,361,896)	(75,412,948)	(12,130,219)	288,556,184
	Dividend paid		-	-	-	-
	Net Cash Used in Financing Activities	(58,800,000)	(88,361,896)	(75,412,948)	(12,130,219)	288,556,184
	Increase in Cash and Cash Equivalents (A+B+C)	(6,184,420)	(24,097,351)	(1,303,444)	(372,413)	44,736,951
	Add: Cash and Cash Equivalents at the beginning	196,632,782	220,730,133	222,033,577	222,188,958	177,452,007
	Cash and Cash Equivalents at the end of the year	190,448,362	196,632,782	220,730,133	222,033,577	222,188,958
	Net Operating Cash Flows per share (NOCFPS)	2.27	2.71	3.64	0.59	2.05

Sikder Insurance Company Limited
Consolidated Revenue Account

Particulars	Amount in Taka				
	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Claims under policies less re-insurances	3,65,73,073	31,07,326	5,57,68,059	1,29,43,698	2,62,85,538
Claims paid during the year	26,98,297	14,88,965	42,25,596	44,22,163	58,15,367
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	13,17,89,126	9,79,41,350	9,63,22,989	4,47,80,526	3,62,58,991
Claims outstanding at the end of the previous year	9,79,14,350	9,63,22,989	4,47,80,526	3,62,58,991	1,57,88,820
Agent Commission	3,70,62,603	69,23,914	1,52,61,354	2,88,60,088	3,36,24,542
Management Expenses	10,92,96,054	8,42,59,644	7,97,19,280	9,92,21,304	10,49,76,789
Balance of account at the end of the year	8,09,91,775	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Fire, Marine Cargo, Motor & Misc) & 100% for Marine hull.	8,09,91,775	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851
Profit transferred to Profit and Loss Account	3,40,89,525	3,86,07,131	(1,10,06,519)	1,94,39,307	58,17,207
Total	29,80,13,031	18,03,89,776	18,24,62,632	21,11,06,809	23,29,24,928
Balance of Account at the beginning of the year	4,74,91,761	4,27,20,458	5,06,42,412	6,22,20,851	5,51,43,391
Premium less reinsurances	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Premium underwritten	20,24,20,429	11,86,74,953	10,67,99,544	12,65,14,254	15,54,71,993
Commission on reinsurances:	4,81,00,840	1,89,94,365	2,50,20,676	2,23,71,704	2,23,09,544
Commission earned on re-insurance ceded	4,81,00,840	1,89,94,365	2,50,20,676	2,23,71,704	2,23,09,544
Total	29,80,13,031	18,03,89,776	18,24,62,632	21,11,06,809	23,29,24,928

Statement of Changes in Shareholders' Equity

Particulars	Share Capital	Reserve & Surplus	Total
Balance as on December 31,2018	24,00,00,000	23,43,10,579	47,43,10,579
Balance as on December 31,2019	24,00,00,000	20,51,02,974	44,51,02,974
Balance as on December 31,2020	24,00,00,000	15,78,04,046	39,78,04,046
Balance as on December 31,2021	24,00,00,000	30,56,43,985	54,56,43,985
Balance as on December 31,2022	24,00,00,000	44,95,58,823	68,95,58,823

AUDITOR'S ADDITIONAL DISCLOSURES RELATED TO SECTION 135

Details of head-wise restated amounts during the period from January 01, 2019 to December 31, 2019 has been presented according to the revised Financial Statements from the year's 2015, 2016, 2017 & 2018 as per IAS-8.

01. Sikder Insurance Company Limited (SICL) was incorporated in Bangladesh as a public limited company on July 29, 2013 under the Companies Act, 1994 and licensed under the Insurance Act, 2010 in order to run all types of General Insurance Business other than Life Insurance Business. It obtained certificate of commencement of business on July 29, 2013. It got registration from Insurance Development and Regulatory Authority (IDRA) on July 29, 2013. Presently the Company has been operating its business through 22 branches and a corporate office. The annexed statements of Assets and Liabilities (Balance Sheet) of the Company for the years ended December 31, 2018 to December 31, 2022 has been duly certified by us.
02. The annexed statements of operating results (profits and loss) of the Company for the years ended December 31, 2018 to December 31, 2022 has been duly certified by us.
03. The annexed Cash flow statements of the Company for the years ended December 31, 2018 to December 31, 2022 has been duly certified by us.
04. The Company has not declared any dividend since inception.
05. The Company has no subsidiaries.
06. No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Company in purchase of any other business.
07. The Company did not prepare any financial statements for any period subsequent December 31, 2022
08. Figures relating to previous years have been re-arranged wherever considered necessary.
09. We have been examined the above-mentioned financial statements and found correct.

Place: Dhaka
Date: July 17, 2023

Sd/-
G.Kibria & Co.
Chartered Accountants

(e) Financial spread sheet analysis for the latest audited financial statements

Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)

Particulars	Amount in Taka	
	December 31, 2022	%
Shareholders' Equity & Liabilities		
Shareholders' Equity		
Authorised Capital		
50,000,000 Ordinary shares of Tk.10 each	500,000,000	
Paidup Capital		
24,000,000 Ordinary shares of Tk.10/-	240,000,000	13.24%
Reserve or Contingency Accounts	449,558,823	24.80%
Reserve for Exceptional Loss	64,500,000	3.56%
Profit & Loss Appropriation Account	84,517,283	4.66%
Reserve for Fair Value of Share	300,541,540	16.58%
Total Shareholders Equity	689,558,823	38.04%
Balance of Fund and Account	80,991,775	4.47%
Fire Insurance Revenue Account	11,068,115	0.61%
Marine Cargo Insurance Revenue Account	54,414,420	3.00%
Marine Hull Insurance Revenue Account	39,339	0.00%
Motor Insurance Revenue Account	5,191,779	0.29%
Misc. Insurance Revenue Account	10,278,122	0.57%
Deposit Premium	23,344,687	1.29%
Deferred Tax Liability	38,463,667	2.12%
Estimated Liability in nrespect of outstanding Claim	131,789,126	7.27%
Amount due to other persons or bodies carry ing on insurance businesses	42,065,259	2.32%
Worker's Profit Participation Fund (WPPF)	7,864,110	0.43%
Provision for Income Tax	46,083,292	2.54%
Loans and Advances	676,083,322	37.29%
Lease Liability	51,370,259	2.83%
Account Payable	25,328,077	1.40%
Total Liabilities and Provisions	1,042,391,799	57.50%
Total Shareholders' Equity & Liabilities	1,812,942,397	100.00%

Sikder Insurance Company Limited
Balance Sheet (Statement of Financial Position)

Property and Assets		
Non-Current assets	1,414,935,893	78.05%
Investment (BGTB)	25,000,000	1.38%
Investment in share	1,319,845,843	72.80%
Property, Plant and Equipment (WDV)	18,719,791	1.03%
Right of use assets	51,370,259	2.83%
Current assets	207,558,142	11.45%
Sundry Debtors	70,818,540	3.91%
Interest and Dividend Receivable	2,362,577	0.13%
Stock of printing, stationery & stamp	4,974,987	0.27%
Amount due from other persons or bodies carrying on insurance businesses	129,402,038	7.14%
Cash and Cash Equivalents	190,448,362	10.50%
Cash in Hand	25,653	0.00%
Cash at Banks-STD Accounts	1,214,899	0.07%
Cash at Banks on-CD Accounts	207,810	0.01%
Investment in FDR	189,000,000	10.43%
Total Assets	1,812,942,397	100.00%

Sikder Insurance Company Limited		
Profit and Loss Account		
Particulars	Amount in Taka	
	December 31, 2022	%
Expenses of management	8,086,822	17.21%
(Not applicable to any particular fund or account)		
Advertisement & Publicity	381,693	0.81%
Audit fees	150,000	0.32%
Consultancy & Rating Fee	88,930	0.19%
Legal & Professional Fee	2,079,184	4.42%
Donation & Subscription	409,200	0.87%
Interest on Worker's Profit Participation Fund	313,387	0.67%
Depreciation	4,264,539	9.07%
Manager conference	-	0.00%
Levy charge	100,000	0.21%
Renewal & Registration	299,888	0.64%
Profit transferred to profit & loss appropriation account	38,908,146	82.79%
Total	46,994,968	100.00%
Profit/(Loss) transferred from:	34,089,525	72.54%
Fire	87,969,332	187.19%
Marine Cargo	16,495,735	35.10%
Marine Hull	(583,742)	-1.24%
Motor	4,257,439	9.06%
Miscellaneous	(74,049,238)	-157.57%
Interest Income	12,894,610	27.44%
Realise gain on share Investment	-	0.00%
Dividend Income	10,833	0.02%
Profit on sale of Fixed Assets	-	0.00%
Total	46,994,968	100.00%

Sikder Insurance Company Limited		
Profit and Loss Appropriation Account		
Particulars	Amount in Taka	%
	December 31, 2022	
balance of Appropriation Account	73,303,597	65.33%
Net Profit for the year brought down	38,908,146	34.67%
Total	112,211,743	100.00%
	27,694,460	24.68%
Reserve for Exceptional Losses	18,000,000	16.04%
Provision for Companies Income Tax	7,619,984	6.79%
Worker's Profit Participation Fund	1,852,769	1.65%
Provision for deferred tax	221,707	0.20%
Dividend paid from last year profit	-	0.00%
Balance transferred to balance sheet	84,517,283	75.32%
Total	112,211,743	100.00%

Sikder Insurance Company Limited		
Statement of Other Comprehensive Income		
Particulars	Amount in Taka	%
	December 31, 2022	
Profit After Tax	31,066,455	21.31%
Changes in Fair value of share available for sale	127,445,723	87.43%
Deferred Tax Gain /(Loss)	(12,744,572)	-8.74%
Total Comprehensive Income for the year	145,767,606	100.00%

Sikder Insurance Company Limited		
Consolidated Revenue Account		
Particulars	Amount in Taka	%
	December 31, 2022	
Claims under policies less re-insurances	36,573,073	12.27%
Claims paid during the year	2,698,297	0.91%
Estimated liability in respect of Claims outstanding at the end of the year whether due or intimated	131,789,126	44.22%
Claims outstanding at the end of the previous year	97,914,350	32.86%
Agent Commission	37,062,603	12.44%
Management Expenses	109,296,054	36.67%
Balance of account at the end of the year	80,991,775	36.67%
As shown in the Statement of financial position being reserve for unexpired risks @ 40% of premium income of the year (Fire, Marine Cargo, Motor & Misc) & 100% for Marine hull.	80,991,775	36.67%
Profit transferred to Profit and Loss Account	34,089,525	1.94%
Total	298,013,031	100.00%
Balance of Account at the beginning of the year	47,491,761	15.94%
Premium less reinsurances	202,420,429	67.92%
Premium underwritten	202,420,429	67.92%
Commission on reinsurances:	48,100,840	16.14%
Commission earned on re-insurance ceded	48,100,840	16.14%
Total	298,013,031	100.00%

(f) Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted averagenumber of shares basis. Future projected Net Income should notbe considered while calculating the weighted average EPS

Particulars	31-Dec-22	31-Dec-21
	Taka	Taka
Net profit after Tax	2,92,13,686	2,86,26,120
No. of shares before IPO	2,40,00,000	2,40,00,000
Earnings per share (EPS) (Basic)	1.22	1.19
Earnings Per Share (EPS) On Fully Diluted Basis	1.22	1.19
Earnings per share (EPS) (Weighted)	1.22	1.19

(g) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share

Particulars	31-Dec-22	31-Dec-21
	Taka	Taka
Net profit before Tax	3,89,08,146	4,57,70,998
Less: WPPF	(18,52,769)	(21,79,571)
Less: Income Tax Expenses	(78,41,691)	(1,49,65,307)
Less: Non-Operating Income (Interest & Other Income)	(1,29,05,443)	(1,43,42,957)
Net profit after Tax except other Income	1,63,08,243	1,42,83,163
No. of shares before IPO	2,40,00,000	2,40,00,000
Earnings per Share (EPS) on fully diluted basis	0.68	0.60

(h) Quarterly or half-yearly EPS should not be annualized while calculating the EPS

The Company did not annualize quarterly or half yearly EPS.

(i) Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position.

Particulars	31-Dec-22	31-Dec-21
	Taka	Taka
(A) Total Asset (No revaluation reserve)	1,81,29,42,397	1,56,25,10,384
(B) Total Liabilities	1,12,33,83,574	1,01,68,66,398
(C) Net Assets (A-B)	68,95,58,823	54,56,43,985
(D) Total Number of Ordinary Share	2,40,00,000	2,40,00,000
Net Asset Value Per Share (NAV)	28.73	22.74

There is no revaluation of assets during the lifetime.

(j) The Commission may require the Issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned Issuer.

If BSEC decides to re-audit the audited financial statements, the Issuer Company Management is ready to accept and cooperate to finalize the matter.

(k) Following statements for the last five years or any shorter period of commercial operation certified by the auditors:

(i) Statement of long term and short-term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued

TO WHOM IT MAY CONCERN

Certification on statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued of Sikder Insurance Company Limited

Loan (Related Party)					
Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000	16,11,00,000	16,00,00,000	16,00,00,000
Sikder Real Estate Ltd.	454632397	51,34,32,397	59,85,32,771	63,38,89,471	65,43,71,471
ZH Cardiac care & Researce center	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925	5,36,12,447	5,36,12,447	5,36,12,447
Total Borrowing	67,60,83,322	73,48,83,322	82,32,45,218	85,75,01,918	87,79,83,918
Term of Loan	Long Term				
Rate of Interest	0%				
Interest Paid	-				
Interest Accrue	-				
Loan (Others)					
Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Lanka bangla Securities	0	-	-	-	3,46,86,467
Total Borrowing	0	-	-	-	3,46,86,467
Term of Loan	Short Term				
Rate of Interest	12%				
Interest Paid	0	-	-	64,69,331	52,29,898
Interest Accrue	0	-	-	64,69,331	52,29,898

After due verification, the above balance is certified on the basis of books of accounts; records are other supporting documents for the period from 01 January 2018 to 31 December 2022.

Place: Dhaka
Date: July 17, 2023

Sd/-
G.Kibria & Co.
Chartered Accountants

(ii) Certification on statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status of Sikder Insurance Company Limited.

TO WHOM IT MAY CONCERN

After due verification, we certify that there is no secured loan and no charge have been created any of the assets of **Sikder Insurance Company Limited** and there is no collateral or other security at December 31,2022.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(iii) Statement of unsecured loans with terms & conditions;

TO WHOM IT MAY CONCERN

Statement of unsecured loans with terms & conditions of Sikder Insurance Company Limited

Loan (Related Party)					
Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000	16,11,00,000	16,00,00,000	16,00,00,000
Sikder Real Estate Ltd.	454632397	51,34,32,397	59,85,32,771	63,38,89,471	65,43,71,471
ZH Cardiac care & Researce center	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925	5,36,12,447	5,36,12,447	5,36,12,447
Total Borrowing	67,60,83,322	73,48,83,322	82,32,45,218	85,75,01,918	87,79,83,918
Term of Loan	Long Term				
Rate of Interest	0%				
Interest Paid	-				
Interest Accrue	-				

Loan (Others)					
Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Lanka bangla Securities	0	-	-	-	3,46,86,467
Total Borrowing	0	-	-	-	3,46,86,467
Term of Loan	Short Term				
Rate of Interest	12%				
Interest Paid	0	-	-	64,69,331	52,29,898
Interest Accrue	0	-	-	64,69,331	52,29,898

After due verification, the above balance is certified on the basis of books of accounts; records are other supporting documents for the period from 01 January 2018 to 31 December 2022.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store and spares parts, inventory of trading goods etc.

TO WHOM IT MAY CONCERN

Certification on statement of inventories of raw material, packing material, stock-in process and finished goods, consumable items, store & spare parts, inventory of trading goods etc. of **Sikder Insurance Company Limited** for the last five years;

After due verification, we certify that the statement of inventories showing amount of Stock of printing, stationery & stamp of **Sikder Insurance Company Limited** for the last five years were as follows:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Stock of printing, stationery & stamp	49,74,987	17,96,489	15,45,600	24,09,125	19,90,273
Total	49,74,987	17,96,489	15,45,600	24,09,125	19,90,273

Except insurance stamps there is no inventories of raw material, packing material, stock-in process and finished goods, consumable items, store & spare parts, inventory of trading goods etc. of **Sikder Insurance Company Limited**. or the last five years.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(v) Statement of trade receivables showing receivable from related party and connected persons;

TO WHOM IT MAY CONCERN

Certification on statement of trade receivables showing receivable from related party and connected persons of **Sikder Insurance Company Limited** for the last five years.

After due verification, we certify that there are no trade receivables from related party and connected persons of **Sikder Insurance Company Limited**. For the last five years.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(vi) Statement of any loan given by the Issuer including loans to related party or connected persons with rate of interest and interest realized or accrued.

TO WHOM IT MAY CONCERN

Certification on statement of any loan given by the Issuer including loan to related party or connected persons with rate of interest and interest realized/ accrued by **Sikder Insurance Company Limited** for the last five years.

This is to certify that **Sikder Insurance Company Limited** did not give any loan to any related party or connected person from 01 January 2018 to 31 December 2022.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(vii) Statement of other income showing interest income, dividend income, discount received, other non-operating income;

TO WHOM IT MAY CONCERN

Certification on statement of other income showing interest income, dividend income, discount received, other non-operating income of **Sikder Insurance Company Limited** for the last five years

This is to certify that the other income showing interest income, dividend income, discount received and other non-operating income of **Sikder Insurance Company Limited** for the last five years were as follows:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
Revenue including other income	4,69,94,968	5,29,50,088	7,72,33,820	3,45,56,806	2,15,15,488
Interest Income	1,28,94,610	1,43,42,957	1,60,44,482	1,37,66,840	1,45,70,016
Realise gain on share Investment	-	-	1,11,101	14,95,056	11,24,887
Dividend Income	10,833	-	7,20,84,756	4,017	3,378
Profit on sale of Fixed Assets	-	-	-	-1,48,414	-
Misc. Income	-	-	-	-	-
Total Other Income	1,29,05,443	1,43,42,957	8,82,40,339	1,51,17,499	1,56,98,281
% of other income against total revenue	27.46%	27.09%	114.25%	43.75%	72.96%

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(viii) Statement of turnover showing separately in cash and through banking channel;

TO WHOM IT MAY CONCERN

Certification on statement of turnover showing separately in cash and through banking channel of **Sikder Insurance Company Limited**. for the last five years

After due verification, we certify that the turnover showing separately in cash and through banking channel of **Sikder Insurance Company Limited** during last five years were as follows:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
	Taka	Taka	Taka	Taka	Taka
In Cash	Nil	Nil	Nil	Nil	Nil
Through Banking Channel	15,47,84,555	20,57,46,273	31,14,25,922	25,04,58,130	31,02,81,381
Total	15,47,84,555	20,57,46,273	31,14,25,922	25,04,58,130	31,02,81,381

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(ix) Statement of related party transaction;

Disclosure regarding related party transaction

TO WHOM IT MAY CONCERN

Certification on statement of Related Party Transaction of Sikder Insurance Company Limited

This is to certify that, the Sikder Insurance Company Limited does not have any transaction during the last five years, or any proposed transaction, between the Issuer and any of the following persons:

1. Any director or sponsor or executive officer of the Issuer:
2. Any person holding 5% or more of the outstanding shares of the Issuer:
3. Any related party or connected person of any of the above persons:

Except the following:

Loan

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
ZH Sikder Medical college & Hospital Private Limited	16,11,00,000	16,11,00,000	16,11,00,000	16,00,00,000	16,00,00,000
Sikder Real Estate Ltd.	454632397	51,34,32,397	59,85,32,771	63,38,89,471	65,43,71,471
ZH Cardiac care & Researce center	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
R & R Aviation	5,03,50,925	5,03,50,925	5,36,12,447	5,36,12,447	5,36,12,447
Total Borrowing	67,60,83,322	73,48,83,322	82,32,45,218	85,75,01,918	87,79,83,918

Board Fee:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Board Fee	-	-	-	-	-

The above balance is certified on the basis of books of accounts; records are other supporting documents for the period from 01 January 2018 to 31 December 2022.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(x) Certification regarding reconciliation of business income shown in tax return with net income shown in audited financial statements of Sikder Insurance Company Limited for the last five years.

TO WHOM IT MAY CONCERN

This is to certify that the income of **Sikder Insurance Company Limited** as per audited financial statements and income shown in tax return are reconciled as follows:

Particulars	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18
Provision of Income Tax for the year made up as follows					
Profit before tax as per Profit and Loss account	3,89,08,146	4,57,70,998	6,87,31,192	2,30,63,476	1,02,06,030
Less: Reserve for Exceptional Loss	1,80,00,000	1,00,00,000	95,00,000	80,00,000	65,00,000
Less: Provision for WPPF	18,52,769	21,79,571	32,72,914	-	-
Less: Gain on sale of Share Trading	-	-	1,11,101	14,95,056	11,24,887
Less: Dividend Income from share	10,833	-	7,20,84,756	4,017	3,378
Less: Gain on sale of fixed Assets	-	-	-	(1,48,414)	-
Business Income	1,90,44,544	3,35,91,427	(1,62,37,579)	1,37,12,817	25,77,765
a) Tax on Business Income @40%	76,17,818	1,34,36,571	-	51,42,307	10,31,106
b) Tax on Gain on sale of fixed Assets @ 15%		-	-	(22,262)	-
c) Tax on Gain on sale of Share @ 10%		-	11,110	1,49,506	1,12,489
d) Tax on Dividend Income @ 20%	2,167	-	1,44,16,951	803	676
Tax provision for the year	76,19,984	1,34,36,571	1,44,28,061	52,70,353	11,44,270

Note: Due to restatement of Financial Statements profit before tax as shown in the financial Statements is different from what is presented here.

**Income tax return for the income year 2022 has not submitted yet.

Place: Dhaka
Date: July 17, 2023

Sd/-
G.Kibria & Co.
Chartered Accountants

(xi) Confirmation that all receipts and payments of the Issuer above Tk.5,00,000/- (five lac) were made through banking channel;

TO WHOM IT MAY CONCERN

Certification on receipts and payments above Tk. 500,000 (Five lac) were made through banking channel **Sikder Insurance Company Limited**.

This is to certify that all receipts and payments of **Sikder Insurance Company Limited** for above Tk. 5,00,000 (five lac) were made through banking channel from 01 January, 2018 to 31 December 2022.

Place: Dhaka
Date: July 17, 2023

Sd/-
G.Kibria & Co.
Chartered Accountants

(xii) Confirmation that Banks Statements of the Issuer are inconformity with its books of accounts;

TO WHOM IT MAY CONCERN

Certifications on books of accounts of Sikder Insurance Company Limited are in conformity with bank statements for the last five years.

This is to certify that the books of accounts of **Sikder Insurance Company Limited**. from 01 January, 2018 to 31 December 2022 are in conformity with bank statements.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(xiii) Statement of payment status of TAX, VAT and othertaxes or duties; and

TO WHOM IT MAY CONCERN

Certification on status of payment of Tax, VAT and other taxes/ duties of **Sikder Insurance Company Limited** for the last five years

After due verification, we certify that the status of Tax, VAT and other taxes/ duties payment of **Sikder Insurance Company Limited** for the last five years were as per rule of government.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(xiv) Any other statement as may be required by the Commission.

Not applicable

Section XXVII Credit Rating Report

**ARGUS CREDIT RATING SERVICES LTD.
(ACRSL)**

Credit Rating Report

**Sikder Insurance
Company Limited**

DISCLAIMER AND LIMITATION OF LIABILITY

Any person making use of and/or relying on the rating report and all information contained therein hereby acknowledges that he has read this Disclaimer and Limitation of Liabilities and has understood it and agrees to be bound by it in its entirety. Affixing your signature below is a pre-condition for reading or otherwise using this report in part or in whole.

ACRSL generates and publishes credit rating report(s) (hereafter the "rating(s)") as an independent OPINION as to the creditworthiness of an entity or obligor or corporate or financial instrument or bank loan or facility or project finance or otherwise, in general or with regard to a specific financial obligation. ACRSL's ratings are statements of OPINION regarding credit (or repayment) risk as of the date they are expressed and are NOT statements of fact. The opinion is based on established criteria and methodologies that ACRSL continuously evaluates and updates. Ratings are inherently forward-looking and embody assumption and predictions about future events that by their nature cannot be verified as facts. Despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating is issued or affirmed. Ratings are the collective work and product of ACRSL and no individual, or group of individuals, is solely responsible for a rating; individuals are named for contact purposes only.

The rating does not address the risk of loss due to risks other than credit risk, unless such risk is categorically and specifically mentioned. A rating report providing a rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer or a corporate entity and its agents in connection with the offer or sale of the securities or otherwise any other financial facilities including any term loan, working capital loan, project loan, SOD Facilities, guarantee, debenture or any other form of lending and facilities, and is in no way an absolute measure of risk, and should be read in conjunction with the due diligence or otherwise any other risk evaluation. The rating should not solely be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employee(s), advisor(s) and/or client(s) when making investment and other business decisions. The rating is not an investment advice or recommendation to grant financial facilities, lend, grant credit facilities, buy, sell, or hold stocks or shares, bonds, debentures in any entity or any particular security and no investment or any other decision should be made solely on the basis of a credit rating. Rather, Sikder Insurance Company Limited, related bank(s) and any other users should perform their own analysis and conduct appropriate due diligence. The ACRSL ratings do not comment on the probability of default in repayment of loan, redemption of bond, enforcement of securities and collaterals, adequacy of market price, the suitability of any security for a particular investor or corporate personality, or the tax-exempt nature or taxability of payments made in respect of an entity or corporate personality or financial instrument or bank loan or any financial facility or a project finance or any security or otherwise; and does not assess or indicate the likelihood of changes in the market price or value of rated instruments and financial facilities due to market-related factors, such as changes in interest rates or liquidity or otherwise; nor is it an opinion of the liquidity in the market of the user's securities and creditworthiness. ACRSL does not act as a fiduciary or an investment advisor except where registered as such. ACRSL is not engaged in the offer or sale of any security or otherwise any financial facility. ACRSL does not provide investment advice of any sort. ACRSL does not take any responsibility of securing due and proper compliance with any contractual, regulatory, statutory obligations of related Banks' client including repayment of loan and other credit facilities granted or to be granted by related banks to its clients. ACRSL shall not be responsible for any default or misrepresentation by the clients of under any circumstances.

ACRSL, ITS AFFILIATES, AND ANY THIRD PARTY PROVIDERS, AS WELL AS THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES OR AGENTS DO NOT GUARANTEE THE ACCURACY, COMPLETENESS, AUTHENTICITY, TIMELINESS, AVAILABILITY, MERCHANTABILITY OR FITNESS FOR ANY PURPOSE OF THE RATING INFORMATION OR OPINION GIVEN OR MADE BY ACRSL IN ANY FORM OR MANNER WHATSOEVER. ACRSL is not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the rating report, or for the security or maintenance of any data provided by the user. Although care has been taken to ensure that the information provided in a report is true, such information is provided "as is" without a representation or warranty of any kind, express or implied, to any person or entity, despite the possibility of human and mechanical error as well as other factors. The rating report and all data and information contained in any report is solely provided on the basis of information, quantitative and qualitative, believed by ACRSL to be true, accurate, reliable and of satisfactory quality as derived from publicly available sources or provided by the rated entity or its agents or representatives. The concern banks' clients for whom a rating report may be prepared and its advisers are responsible for the accuracy of the information they provide to ACRSL and to the market in offering documents and other reports. In issuing its ratings, ACRSL must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. ACRSL does not perform an audit and undertakes no duty of due diligence or independent verification of the information it receives, including but not limited to carrying out any physical verification (investigation and inspection) of any books of accounts, asset registers, and liability accounts including actual accounts payable etc. or other information received during the rating process and may, in certain cases, rely on un-audited financial data. ACRSL does not carry out individual due diligence of the shareholders of the rated entity or concern for the purpose of Know Your Customer (KYC) or any other

Credit Rating Report

Sikder Insurance Company Limited



regulatory due diligence that is not applicable for credit rating. Regulators do not provide ACRSL access to the CIB reports of directors, shareholders, or other persons and therefore ACRSL cannot be held liable for any omission of information that may be contained in CIB relevant to the credit rating. ACRSL cannot be held liable for any errors or omissions, regardless of the cause, for the results obtained from the use of the rating report, or for the security or maintenance of any data provided by the user of the rating report. UNDER NO CIRCUMSTANCES WILL ACRSL OR ITS AFFILIATES BE LIABLE TO ANY PARTY FOR ANY SPECIAL, DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE OR COSTS, EXPENSES, LEGAL FEES OR LOSSES (INCLUDING BUT NOT LIMITED TO LOST INCOME OR LOST PROFITS AND/OR OPPORTUNITY COSTS OR LOSSES CAUSED BY NEGLIGENCE) OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, COMPENSATION, REIMBURSEMENT OR DAMAGES ON ACCOUNT OF THE LOSS OF PRESENT OR PROSPECTIVE PROFITS, EXPENDITURES, INVESTMENTS OR COMMITMENTS, WHETHER MADE IN THE ESTABLISHMENT, DEVELOPMENT OR MAINTENANCE OF BUSINESS REPUTATION OR GOODWILL, COST OF SUBSTITUTE MATERIALS, PRODUCTS, SERVICES OR INFORMATION, COST OF CAPITAL, OR OTHERWISE AND THE CLAIMS OF ANY THIRD PARTY, OR FOR ANY OTHER REASON WHATSOEVER, IN CONNECTION WITH ANY USE OF THE RATING REPORT EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

ACRSL may receive fees from issuers, insurers, guarantors, other obligors, and underwriters or otherwise for its rating report and/or related services. Reproduction or retransmission in whole or in part of its report is prohibited except by permission. All rights of its rating report are reserved by ACRSL. No content (including ratings, credit related analyses and data, model, software or other application or output thereof) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system or otherwise, without the prior written permission of ACRSL or its affiliates, unless made available publicly or for public use. In issuing and maintaining its ratings, ACRSL relies on factual information it receives from its clients and other sources, public or otherwise that ACRSL believes to be credible. ACRSL conducts reasonable research of the factual information relied upon by it in accordance with its ratings methodology. ACRSL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. ACRSL's public ratings and analyses are made available on its website www.acrslbd.com and may be distributed through other means.

Information used herein was obtained from sources believed to be accurate and reliable. However, ARGUS Credit Rating Services Limited does not guarantee the accuracy, adequacy or completeness of any information and is not responsible from any errors or omissions or for the results obtained from the use of such information. The rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities or to finance in a project. All rights of this report are observed by ARGUS Credit Rating Services Limited. The contents may be used by the news media and researchers with due acknowledgement from ARGUS Credit Rating Services Limited.

By affixing my signature below I am hereby acknowledging on behalf of the institution and/or individuals I represent that we have read this Disclaimer and Limitation of Liabilities and have understood it and that we agree to be bound by it in its entirety in any usage of and/or in reliance on the rating report and all information contained therein.

Authorized Signature:

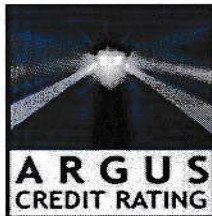
Name:

Designation:

Date:

CONTACT INFORMATION

For Additional Information Please Contact:



ARGUS Credit Rating Services Limited -
6th Floor, SkyView Henolux Centre,
3/1 Purana Paltan,
Dhaka-1000
Bangladesh
Email: info@acrslbd.com



Credit Rating Report
Sikder Insurance Company Limited



Ref No	ACRSL32327/23
Company Name	Sikder Insurance Company Limited
Assigned Ticker	SikderIns
Activity	Non-Life Insurance Business
Incorporated On	29 Jul 2013
Head Office	295/Ja/14, Rayer Bazar, Monica Estate, Dhaka-1209, Bangladesh.

Rating Type	Corporate/Entity
Rating Validity	30 Mar 2024
Analyst(s)	ACRSL Analyst Team
Committee(s)	ACRSL Rating Committees

Ratings Summary

Credit Rating	Current	Previous
Long-Term	A+	A
Short-Term	ST-2	ST-2
Date	30 Mar 2023	30 Mar 2022

Ratings Explanation

A+	High claims paying ability. Protection factors are good and there is an expectation of variability in risk over time due to economic and/or underwriting conditions.
ST-2	High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

Rating Validity: This validity assumes no additional loan over that disclosed in FY21 [Ending December 31] audited/management certified balance sheet and that management has disclosed all material and adverse to financials since FY19.


Khan Md. Abdul Wahab, FCMA
Chief Executive Officer
ARGUS Credit Rating Services Ltd.

EXECUTIVE SUMMARY:

STRENGTHS:

- **Sikder Insurance Company Ltd. (SICL) has high level of financial flexibility providing cushion against default.** SICL is a part of Sikder Group, which has diversified revenue streams from multiple sectors and asset rich directors. This contributes to SICL's financial flexibility and strong support base in case of financial stress.
- **SICL is part of a large group providing financial flexibility.** SICL is a member of a large group, Sikder Group, a large conglomerate with substantial revenue base mainly from power and real estate sector. apart from real estate sector Sikder Group has several business units in power sector, compressed natural gas sector, educational sector and health sector among others. This contributes to SICL's financial flexibility and a strong support base in case of operational stress.

CONCERNS:

- **SICL's leverage in terms of Net Liability to Equity remained high during FY19 to FY21.** Over the last three years SICL's Net Liability to Equity ratio remains high which negative in our view. The ratio remained high and increased from 228.85% in FY19 to 262.44% in FY20 and stood to 177.66% in FY21.
- **Yield from Investment:** SICL's investment yield remained low and demonstrated a growing trend but relatively very low during the last three years. The ratio of SICL stood at 1.11% in FY19 and increased to 1.16% in FY20 then decreased to 1.01% in FY21.
- **Covid-19 affect:** During this pandemic situation most of the industry faces serious difficulties of their existence. In near future many of the entity may want to avoid exceptional cost as a part of cost cutting policy. On the other hand, many of the businesses may face loss or may face unexpected situation this may lead number of insurance claim which create pressure on exceptional reserve & other operation of business. SICL should develop a plan & policy to avoid unkind situation.

RATING RATIONALE

- **We are assigning a long-term rating of "A+" and a short-term rating of "ST-2" to Sikder Insurance Company Limited (hereinafter "SICL" or "the company")**
- **Expansive market penetration strategy may help Sikder Insurance Company Ltd. (SICL) to acquire market share in future.** As part of strategy, SICL has taken initiatives to increase market share by penetrating new markets with setting up additional branches. Apart from that, SICL has developed a flexible and effective network to increase insurance coverage to large business groups. The company currently is providing insurance coverage to large business clients such as banks, manufacturing industries, trading houses and corporate houses and others, which in turn is providing stable growth in underwriting revenue base for SICL.
- **Top management's long expertise and efficient operational track records are stable profitability source for SICL.** The top management has instituted professionalism through vast knowledge and experience in insurance operations, enhancing the brand and operational efficiency of SICL. Highly educated and vastly experienced top management has been able to institute a high degree of professionalism throughout the company. The new strategic and operational changes in the company are resulting in enhanced efficiency and productivity, which may help SICL book strong profit margin.
 - **Underwriting Profit /Premium:** Historically SICL's underwriting profit to premium demonstrated a fluctuating and overall in increasing trend. Underwriting profit to premium of SICL stood at 15.58% in FY19 which decreased to -10.31% in FY20 and finally increased to 32.56% in FY21. According to management the profitability metrics will improve as soon as the company penetrates new market.
 - **Net Profit/Premium:** SICL's net profit to premium demonstrated a fluctuating and overall in increasing trend during last three years. Net profit to premium of SICL decreased from 18.83% in FY19 to -7.88% in FY20 which increased to 38.60% in FY21.
 - **Net Profit / Total Income:** Over the last three years SICL has maintained a fluctuating net profit to total income ratio. The company's net profit to total income ratio stood at 14.48% in FY19, which increased to -5.73% in FY20, then increased to 12.46% in FY21.

Credit Rating Report

Sikder Insurance Company Limited



- **ACRSL Research has a positive long-term outlook on Bangladesh's Insurance sector**, a view that is driven by rising income levels, steady remittance, rapid urbanization, and expected overall economic growth.
 - **IDRA's complete guideline will be a milestone for the insurance sector of Bangladesh.** IDRA is preparing insurance business guidelines and all the necessary regulations. When these rules and regulations will be implemented, then operation of insurance business will become more efficient and transparent just like banks now. IDRA is planning to provide central software where all the insurance companies (head office and all branches) will be able to use it simultaneously. Therefore, IDRA can monitor all transaction easily and can solve any discrepancy in a fast manner. This will be beneficial for all in long-term.
 - **Increase in stock market exposure during this bear market would be a good strategy for long-term investment.** In this bearish trend, it is easy to buy good companies' share at a cheap price. By now all the insurance companies have absorbed the stock market collapse. Therefore, in future, in good economic condition when economic activity will increase, the stock market is expected to get back into track and show bullish trend. Then these investments will provide good return in form of capital gain and dividend.
 - **The GDP of our country is increasing than the previous years which results in increase of per capital income.** So this growing GDP and income holds bright prospects for insurance companies. The major problem is the incapability of our people to pay the premium charged by the insurance companies. With the growth in the income more and more people are now willing to take an insurance policy for safeguarding themselves from any danger.
 - **There is a big opportunity lies ahead for the insurance companies as the population of our country are increasing day by day.** Although most of people of our country live under extreme poverty level and want to avoid insurance policy number of potential policy holders in Bangladesh is growing with growth of the population. There is somewhat relationship between growing populations with the number of public vehicle. As we know all public vehicle must have an insurance policy. So growing population also increase the motor insurance too. That is growth in population opens greater scope for every kind of insurance business that results in growing prospect for insurance companies.
 - **People are now much more conscious about their safety.** So they are encouraged to take an insurance policy for making their life free from any unexpected occurrence. Increase in literacy rate is helping predominantly to create awareness among the people regarding taking insurance policy. Besides this insurance companies are also trying to eradicate the negative attitude of people towards the insurance company by organizing various programs such as seminars, programs including social responsibilities etc.

Credit Rating Report

Sikder Insurance Company Limited



- **Micro insurance can be a great prospective area for the insurance business in our country.** Most of the people of our country are unable to have costly and long term insurance policies. Micro insurance can be provided to individual personnel or to small business owners against little insurance premiums and with easy terms and conditions. When they will afford to minimize their risks at a lower price, they will take that opportunity and they will become to get used to it. This can cover a huge portion of the society who can be a prospective target market for this business.
- **Insurance companies can usually make more profit from investment activities than from their regular insurance business.** The private insurance companies are realizing this fact and playing role in the financial market. Insurance companies are making large investment in government bonds, ICB projects and in private sector business. There are opportunities to enhance profit through effective and efficient money management by employing capable and experienced personnel. Scope of investment expansion persists in the areas leasing, housing, health and money market.
- **Insurance is not just a tool of risk coverage.** It is also an attractive instrument of savings. The mixture of risk coverage with savings gives the opportunity for innovative product designing which means service diversification. In a dynamic insurance market one can expect to see new products being promoted at regular intervals. So far very little efforts have been taken to innovative and introduce need oriented insurance services in response to existing threats. The prospect of the insurance business in various sectors that affect our economy can be differentiated in the following way.
- **The economy of Bangladesh is predominantly an agrarian one, with most people engage in farming and fishing.** The uncertainty of agriculture due to crop failure caused by climate variation, drought, cyclone, flood and pests affects farmer income as well as government revenue. Furthermore, in the last few years commercialization has occurred in some sections of the agricultural sector. Increase in investment in the agricultural sector is creating a new opportunity for insurance industry. Various agricultural insurance services are becoming common these days. Demand for insurance protection against crop loans, livestock loans, fisheries loans and equipment loans are also increasing day by day.
- **Nowadays in Bangladesh the SME plays a important role in the economic development.** But they are deprived from taking loans from bank for large amount. If insurance business focuses this section in Bangladesh they are able to contribute more in the economy. Thus insurance business has a bright prospect in business sector in a developing country like Bangladesh.
- **ACRSL remains concerned over the near-to-intermediate term about PICL's exposure to the insurance sector.** We have a long-term positive outlook on Bangladesh's Insurance sector, with near-to-intermediate term concerns, based on following analysis:

Credit Rating Report
Sikder Insurance Company Limited



- **The general insurance market is not likely to remain suppressed in the long-term.** This is because general insurance market expansion and increase of insurance penetration in the country lies in tapping the hither to untapped segments of the market – personal lines business that has remained neglected so far.
- **A vast majority of people especially in rural areas are left outside the insurance coverage.** This mainly results from the unawareness among the people. Even a large portion of people don't have the minimum idea of insurance. People are not aware of the benefits from the insurance policy and a great number of people believe that insurance business is nothing but cheating and assume that insurance policy is quite unnecessary. This negative attitude from the people is lessening the importance of absorbing insurance policy in a large extent.
- **Most of the insurance companies in our country are located in urban areas and there are few branches in rural areas.** They think that they might have better scope for performing their business as the economic condition of the urban is better than the rural areas. They don't think that the large number of our population reside in rural areas and if branches are expanded in rural areas then the business can thrive if proper motivation policy is taken to aware the mass people of the rural areas. Thus this centralization policy acts as an obstruction for the growth of insurance business in our country.
- **Bangladesh is one of the poorest countries in the world and most of the people in this country live under extreme poverty level.** All of these people fight hard to earn their livelihood and are marginal in relation to the expenditure with the income. It is quite impossible for them to save some money for future need. Therefore, they are quite unable to give the amount to the insurer which is called as premium and regarded as safety or precautionary measures against any accident. The number of people who can bear the premium to the insurance company is very few in regard to those mentioned above. Therefore, the overall poor economic condition is creating obstacle to flourish the insurance business in Bangladesh.
- **Most of the insurance companies of our country are facing financial problems.** Recently government is trying to take initiative to close some of the insurance companies because they are not maintaining the minimum standards. They are investing their money in poor securities and business which is vulnerable regarding getting back the money with profit. As a result, most of the insurance companies are suffering from loss years after years and for poor financial condition the insurance companies are also unable to expand their branch which is a barrier for the growth of insurance business in Bangladesh.
- **Growing cost of business is another problem that insurance companies are facing now a day.** They urge that government tax, house rent, utility, commission fee, stationeries are growing day by day. But their businesses are not growing so fast with that rate. Besides this the policy holders are not willing to pay too much premium with growing cost that is hampering the



Credit Rating Report

Sikder Insurance Company Limited



strategies of insurance companies. So they are facing difficulties in running their business efficiently.

- **Lack of surveillance from government ministry encourages many insurance companies** to follow some unethical practices like make harassment to policy holder and showing less in the financial statement. This not only destroying the reputation of the well-known insurance companies but also creates negative impact in the mind of the people about insurance. Besides this government sometimes impose some conflicting rules and regulation without discussing with insurance companies governing body. It creates conflict among insurance companies with government and act as one of the main hindrances of growing insurance business.
- **Insurance companies perform their activities by recruiting marketing agent and they try to convince** the people to take a policy. Most of the cases the agents are not properly trained and they don't know the right process to catch potential people to make their policy holders. Therefore, these field level agents are unable to fulfill their target and act as a constraint in the insurance business.
- **Spread of insurance business in Bangladesh failed for lack of proper training** by the employees specially the field employees of insurance companies. Still there are not enough training center to provide proper training regarding insurance activities for the officials of insurance company. Though there is one insurance training center in Bangladesh it totally failed to achieve its target in insurance field.
- **Another main problem in the country is that the media is unconcerned to send the right message regarding insurance to the people.** As a result, a large portion of population is completely unaware about the insurance policy. Another problem is that the insurance company does not provide adequate information in the company's websites which can fulfill the queries of their potential customers and satisfy themselves to buy an insurance policy.
- **Some insurance companies create harassment on the policy holders or sometimes on the dependents of the policy holders when they want back their money after death or maturity.** The insurance companies show different causes in order to make delay to return back the money at expected time. Sometimes they are eager to pay less than the desired amount by creating various circumstances such as they try to say that the disaster of the subject matter of the policy is not responsible due to their activities. Besides this some field officials also create some illegal acts. They often try to give false information to the people for buying a policy. And these kind of illegal acts create bad reputation to the insurance companies and hindrance the overall insurance business. Those who are harassed by the insurance companies discourage other not to take an insurance policy Lack of motivation program towards public.
- **To take an insurance policy there are great number of rules and regulations which must be compelled by the insured person.**

Credit Rating Report
Sikder Insurance Company Limited



And into those rules a vast number of complexities is present there. Therefore, the people are discouraged to take insurance policy because they think that the complexities will create extra pressure on their mind which may hamper other jobs.

Special Note: At the time of publication of this credit rating report by ARGUS Credit Rating Services Limited, audited financial statements until FY21 (ending December 31) available. Projections for FY22 and FY23 were arrived after taking into consideration subsequent events up to the date of reporting, management feedback, and industry insights.

1 CORPORATE PROFILE

1.1 COMPANY DESCRIPTION

Sikder Insurance Company Limited (SICL) is one of the fast growing private sector Non-Life Insurance Companies in Bangladesh. SICL was established and incorporated as a public limited company on July 29, 2013. SICL has obtained permission from Insurance Development and Regulatory Authority (IDRA) for carrying out Non-Life insurance business. The Company started its business operations on July 29, 2013 with a view to providing best quality customers services by way of maximum security at minimum cost and prompt settlement of insurance claims. SICL underwrites major insurance businesses such as Fire, Marine Cargo, Marine Hull, Aviation, and Motor & Miscellaneous Insurance.

At the end of FY21, SICL's Total Assets stood at BDT 1562.21 MN, Equity at BDT 545.64 MN, Paid-up Capital at BDT 240.00 MN, Investments at BDT 1217.40 MN, Net Premium at BDT 118.67 MN, Underwriting Profit at BDT 38.64 MN, and Net Profit Before Tax at BDT 45.81 MN.

Indicators	Comments	Rating Outlook
Quality of Top Management	Senior management of SICL comprises of industry experts and highly qualified personnel with over a decade of experience in the insurance sector. Similarly, professionalism on part of management contributes to brand recognition and operational controls. Moreover, the company's senior management has sound educational, business, social and financial backgrounds and networks. In effect, management proficiency contributes to brand and operating efficiency of SICL that is a positive rating factor.	Positive
Management Adaptation	Senior management brings change at SICL by building group momentum and actively mobilizing others to initiate change. At SICL, management has embedded a culture for change. Such a proactive management contributes to a positive rating outlook.	Positive
Management Structure	SICL's upper management has instituted strict, control mechanisms and a robust infrastructural set up focused on inhibiting negative implications of conflict of interests, as well as fraud, and focused on the smooth flow of operations and the company's long-term operational efficiency. For example, SICL utilizes sophisticated Software for risk management, finance and accounting purpose. In effect, adherence to control mechanisms has contributed to strong internal controls and is a positive rating factor.	Positive
HR Policy	SICL has a structured robust HR Policy covering various employment policies, including, selection and recruiting policies, compensation, leave policies, perquisite and fringe benefits, among other factors for employees at all levels of the	Positive

Credit Rating Report

Sikder Insurance Company Limited



	<p>organization. Moreover, the company's HR policy also clearly delineates the job description and job responsibilities for each of its employees. This contributes to a positive factor.</p>	
Internal Controls	<p>SICL's upper management has instituted strict, control mechanisms and a robust infrastructural set up focused on continuous risk assessment and compliance with laws and regulations. SICL's internal controls inhibit the negative implications of conflict of interests, as well as fraud at all levels of the organization. Similarly, the internal controls have been implemented to allow for a smooth flow of operations. Furthermore, accounting controls ensure the quality of accounting and financial information, particularly the conditions of under which the information is recorded, stored, and available. In effect, adherence to control mechanisms has contributed to strong internal controls and is a positive rating factor.</p>	Positive
Work Environment	<p>SICL's work environment fosters teamwork and collaboration. A rewarding work environment has also contributed to higher job satisfaction, motivation, and productivity. Overall, this is contributing to a positive rating factor.</p>	Positive




1.2 SHAREHOLDING STRUCTURE

The Board of Sikder Insurance Company Limited has nineteen members Mrs. Nasim Haque Sikder is the Chairperson and Md. Badiul Alam is the CEO (CC). SICL'S shareholdings position is given below:

Nature of Ownership/Shareholding Percentage

Source: SICL's Financial statement-2021

Share holders	Designation	No. of share	% of Share
Mrs. Nasim Haque Sikder	Chairman	2,400,000	10.00%
Mamtazul Haque	Director	1,999,200	8.33%
Shahidul Haque Sikder (Dipu)	Director	1,999,200	8.33%
Lisa Fatiema Haque	Director	1,920,000	8.00%
Monika Sikder Khan	Director	1,920,000	8.00%
Jonas Khan Sikder	Director	1,920,000	8.00%
Jeffay Khan Sikder	Director	1,920,000	8.00%
Mandy Khan Sikder	Director	1,920,000	8.00%
Sean Haque Sikder	Director	1,920,000	8.00%
John Haque Sikder	Director	1,920,000	8.00%
Mohtasim Billah Khan	Shareholder	160,800	0.67%
Salahuddin Khan	Shareholder	160,800	0.67%
Rick Haque Sikder	Shareholder	1,920,000	8.00%
Ron Haque Sikder	Shareholder	1,920,000	8.00%
Total		24000000	100%

1.3 BOARD OF DIRECTORS

Meetings of the Board of Directors are held regularly. During the year 2021, the Board of Directors held number of meetings. The Board approves the annual budget and reviews the business plan of the company on regular basis and offers guidelines for improvement whenever necessary. The management operates within the guidelines, limits, policies as well as the regulatory requirements of timely submission of various financial statements enabling the shareholders to assess the overall performance of the company.

1.4 COMMITTEES OF THE BOARD

The Board has formed three committees namely Executive Committee, Claim Committee and Audit Committee. Each committee operates under specific terms of reference (TOR) that sets out its responsibilities and composition. The meetings of all the committees are held regularly in order to monitor various affairs of the company according to the delegated functions given to them by the Board.

The Executive Committee is comprised of four members. The committee deals with all kinds of operation related matter, considers necessary steps and policy reform that should be taken for being more efficient. The Chairman of this committee is Mrs. Nasim Haque Sikder.

The Claims Committee is comprised of four members. The committee deals with all kinds of claims related matter, considers the position of claims with Sadharan Bima Corporation (SBC) and evaluates the performance and progress of claims. The Chairman of this committee is Mr. Salahuddin Khan.

The Audit Committee is comprised of four members. The Chairman of the committee is Mr. Mohtasim Billah Khan. The Audit Committee meets at regular intervals to advise management as to monitor the internal control system, internal audit system, to discuss and report whether any violation of law, fraud, or irregularity happened to the Board.

1.5 OPERATIONS

Sikder Insurance Company Limited (SICL) operates through the Head Office located in Dhaka and 17 branches Offices located at different important places of the country. SICL is also planning to setup more branches throughout the country gradually. The company's business operations are being carried out in the following areas:

- Underwriting fire insurance
- Underwriting marine cargo insurance
- Underwriting marine hull insurance
- Underwriting motor insurance
- Underwriting miscellaneous insurance
- Underwriting Aviation insurance
- Underwriting Power plant insurance

1.6 INFORMATION TECHNOLOGY

IT has become indispensable for insurance companies in ensuring smooth operations and providing efficient service. SICL has 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. SICL at present is using web based underwriting software, accounting software and investment software among others.

Indicators	Presence/Absence
IT Development Team	Present
Accounting Software	Present
Server and Backup Support	Present
Data Security Policy	Present
Market Research Software	Absent

1.7 HUMAN RESOURCE MANAGEMENT

SICL continues to implement appropriate human resource management policies and practices to develop its employees, and to ensure their optimum contribution towards the achievement of corporate goals.

Extensive training is provided to the employees involved in underwriting and claims to ensure efficient operations and to cater the customer needs. We found the company has solid and well defined, employee friendly and efficient service rule and regulation policy. At the end of FY20, SICL has around 160 plus employees. At SICL, Human Resources give the organization a competitive edge in terms of knowledge and experience. SICL continued their policy of recruiting the best people and implementing programs to develop and retain high quality human resources.

[Handwritten Signature]



1.8 MARKET SHARE

Insurance market in Bangladesh remains extremely competitive due to existence and operation of a large number of companies, incommensurate with the size of the market.

Market Characteristics	Comment
Market Competition	Very high
Bargaining Power of Customers	High
Threat of New Entrants	Low
Marketing Approach	Aggressive

1.9 PRODUCTS AND SERVICES

Sikder Insurance Company Limited offers insurance products under the following categories:

Fire Insurance

- Fire and Allied Perils Insurance
- Fire Package Insurance
- Industrial All Risks (IAR)
- Property All Risks
- Power Plant Operational Package Insurance
- Comprehensive Machinery Insurance (CMI)
- Hotel Owners All Risks Insurance

Marine Insurance

- Marine Cargo
- Marine Hull Insurance
- Ship Builder's Liability Insurance
- Goods in Transit Insurance

Motor Insurance

- Private Vehicle
- Commercial Vehicle
- Motor Cycle Insurance
- Motor Trade-Road Risk Insurance

Overseas Mediclaim Insurance

- Business & Holidays (B & H)
- Corporate Frequent Travels (CFT)
- Employment & Studies (E & S)

[Handwritten Signature]



Credit Rating Report
Sikder Insurance Company Limited



Engineering Insurance

- Contractors All Risks (CAR)
- Erection All Risk (EAR)
- Boiler & Pressure Vessel (BPV)
- Machinery Breakdown Insurance (MBD)
- Deterioration of Stock (DOS)
- Contractors Plant & Machinery (CPM)
- Electrical Equipment Insurance (EEI)

Miscellaneous Insurance

- Burglary and House Breaking
- Money Insurance, Cash in Transit (CIT)
- Cash in Safe (CIS), Cash in Counter (COC)
- ATM Booth, Bank Lockers
- Fidelity Guarantee, Public Liability
- Personal Accident (PA)
- Workmen's Compensation
- All Risk Insurance




2 BUSINESS RISK ANALYSIS

2.1 MACRO RISK ANALYSIS

The latter is a key risk in the medium term with regard to helping facilitate the energy transition. Energy costs. Energy is an important cost component to most crops, with both direct channels (oil prices) and indirect channels (chemical and fertilizer prices). Energy prices are expected to average 36 percent higher in 2021 and increase 9 percent in 2022, while fertilizer prices are expected to average 27 percent higher in 2021 and increase 3 percent in 2022. These follow declines in 2020 of 33 percent and 10 percent, respectively. If energy and fertilizer prices increase more than expected, food prices would be subject to upward pressures. Macroeconomic conditions. Prices of most agricultural commodities, especially those highly traded and invoiced in U.S. dollars (including commodities, notably sugarcane and maize (for ethanol production) and edible oils (for biodiesel production). Currently, Brazil, the European Union, and the United States account for nearly two-thirds of global bio fuel production. Recently, however, several countries announced their intention to increase bio fuel production as part of efforts to meet climate change targets. China, for example, is expected to more than double its ethanol production over the next five years. Other countries have also set ambitious targets, including India, Indonesia, and Malaysia. According to some estimates, bio fuel production could increase as much as 40 percent by 2026. However, the results may be mixed. On the one hand, with 3-4 percent of the world's land allocated to food commodities currently diverted to bio fuels, a substantial increase of bio fuel production may exert upward pressure on food prices. On the other hand, the net environmental benefits of such.

Bangladesh will be the third fastest growing economy in the world in terms of achieving high Gross Domestic Product (GDP) in 2019, according to a United Nations report. The report titled World Economic Situation and Prospects put Bangladesh only behind South Sudan and India. Bangladesh will expand at 7.4% this year, while India at 7.6%, and South Sudan to grow at a staggering rate of 8%, it said. Bangladesh's economic freedom score is 55.6, making its economy the 121st freest in the 2019 Index. Its overall score has increased by 0.5 point, with higher scores on factors including property rights and government integrity countering declines in investment freedom and fiscal health.

The Bangladesh economy has been able to maintain sustained economic growth. The economy grew at a rate of 7.86 percent in FY2017-18, satisfactorily up from 7.28 percent growth in FY2016-17. The per capita national income reached US\$ 1,751 in FY2017-18, up by US\$141a year earlier. Continuing the declining trend since FY2013-14 year-on-year inflation in FY2017-18 slid down to 5.78 percent. With a growth rate of 14.78 percent revenue receipt in FY2017-18 also remained at satisfactory level. Exports registered an increase of 5.81 percent and import increased by 25.23 percent in FY2017-18. Remittances inflow rebounded by 17.33 percent. Due to deficits in the current account, the surplus in capital and financial account left the overall balance of the Balance of Payment (BoP) account in deficits. Despite deficit in BoP foreign exchange reserve still remained steady. At the end of 30 June 2018 foreign exchange reserve stood at US\$32,916

Credit Rating Report
Sikder Insurance Company Limited



million which is sufficient for maintaining 6 month import payment. During the period, exchange rate broadly remained stable. Private sector credit grew at 16.95 percent. The GDP under the Medium -Term Macroeconomic Framework (MTMF) has been projected to grow at the rate of 7.8 percent in FY2018-19 which is expected to be achieved through the implementation of prudent fiscal management, effective application of cautious monetary policy, appropriate management of expenditure, and sound implementation of the reform activities.

The Medium-Term Macroeconomic Framework (MTMF), 2019-2021 envisaged the macro-economic and fiscal indicators for the budget year and the projection of two outer fiscal years. Based on the prospects and potential risks in global and domestic economic context, GDP, under MTMF, has been projected to grow at an average rate of 7.6 percent over short and medium term and predicted to attain a growth of 8.2 percent in FY2020-21. Investment as percent of GDP is expected to increase to 33.5 percent in FY2018-19 from 31.5 percent in FY2017-18. If this trend continues investment is likely to be 35.3 percent of GDP in FY2020-21, of which the investment of private and public sectors is expected to be 26.2 percent and 9.0 percent of GDP respectively.

The achievement of the growth targets as set in the MTMF is contingent upon the success of certain reform programmes of the Government. Enhancement of productivity with particular attention on education, health, Information and Communication Technology (ICT) and development of physical infrastructures like power, energy, communication, transportation in a coordinated way are very important in this context. The Government has been implementing a wide range of activities in this regard, particularly to encourage private investment by reducing infrastructure constraints and creating ample opportunities for them. The success of these initiatives will dictate the extent to which the targets envisaged in MTMF will be fulfilled.

For the sustained growth in agriculture, the government's supports for expanding technology, diversifying crops, extending production of non-seasonal crops along with the seasonal ones, innovating new variety of salinity tolerant seed and high yielding variety of paddy and jute, providing subsidy and agricultural credit, ensuring uninterrupted power supply for irrigation and extending assistance to agro-based industries are indispensable. These sorts of supports are expected to continue in the coming years also.

The government has been trying relentlessly to overcome the infrastructural and energy constraints. In the face of increasing demand for electricity, the government is implementing its plan of increasing electricity generation capacity to 24 thousand MW by 2021. In this context, initiatives have been taken to import Liquefied Natural Gas (LNG) and to explore new gas fields. To remove the bottlenecks of infrastructural paucity the government is prioritizing integrated development of roads, rail and water ways. To expedite economic development as well as industrialization establishment of 100 special economic zones by the next 15 years is in progress. Establishment of 79 economic zones has already been approved, of which 56 will be established under government initiatives and the rest will be built under private edges. In addition, to speed up the

implementation of the growth enhancing transformational projects including the Padma Bridge project, special fund has been allotted in the national budget. Successful implementation of these projects is expected to play a significant role in promoting economic growth.

2.2 INDUSTRY RISK ANALYSIS

2.2.1 Cyclicity

Based on ACRSL's proprietary Market Cyclical Risk Measure (MCRM), the near-to-intermediate term outlook for the Insurance sector is Negative. The MCRM evaluates the share performance of a sector's listed companies as a gauge of fundamental performance of the sector going forward. The measure is developed in line with modern financial theory, which holds that the capital markets are efficient "discounting" mechanisms of future expectations about a company or sector. In other words, listed share prices encapsulate the overall information set available in the economy, including expectations about the future. In an efficient market, all available information about a sector or company is fully captured in the sector index movement or the company's share price movement. While the Bangladesh share market does not fit the criteria of a fully efficient market, nevertheless the price movements of shares or sectors do impart some information about the fundamental health of that sector/share. This is the reason why, among other factors, ACRSL considers the MCRM as a gauge of sector fundamentals going forward. However, the accuracy of such a predictor decreases the longer the time horizon; therefore, the MCRM is used to gauge near-to-intermediate term outlook only.

2.2.2 Regulatory Risk Analysis

As part of regulatory risk analysis, ACRSL considers the following factor:

- IDRA's recent circulars, particularly withdrawing all special premium rates since august 2011 have created strong reaction from the large clients. It has also created significant aversion among the large clients. At present large clients are reviewing their insurance position and inclined to go for minimum insurance covers to keep their insurance costs down. As a result, this may negatively affect the growth of general insurance in Bangladesh.

2.3 COMPANY SPECIFIC RISK ANALYSIS

2.3.1 Management Analysis

Effective and efficient management have been the key to SICL's growth and the company's present market position. ARGUS Credit Rating Services Limited (ACRSL) looks at the following factors as part of management analysis in order to determine SICL's business mix, operating efficiency, and overall strengths:

- i. Organizational structure
- ii. Dependence of management team on one or more person
- iii. Coherence of the team
- iv. Independence of the management from the Board of Directors
- v. Good track record of the management to date

2.3.2 Internal Controls and Risk Management

Insurance business involves assumption of risks of many types – physical as well as moral. Physical risks are identified as those caused by natural catastrophes, accidental losses and manmade disasters. The key to proper management of insurance business risks is to endure proper selection of risks as well as of the client through a vetting process known as underwriting. General insurance companies closely follow country’s economic development and any slowdown in the economic activities as these has adverse impact on the insurance industry’s growth. EICL, being aware of these business risks, practices the following to protect its interests:

- Selection of risks which have the potential of making underwriting profit.
- Diversification into many segments of business – product wise as well as client wise.
- The company maintains a conservative reserving policy and its various technical reserves have been created to adequately cater to unforeseen development in the future.



3 FINANCIAL RISK ANALYSIS

3.1 OPERATING PERFORMANCE ANALYSIS

Indicators	2019	2020		2021		Observations	Bias
Net Premium Growth	18.63%	(15.58%)	↓	11.12%	↑	Net premium of SICL demonstrated a fluctuating trend over the last 3 years.	Neutral
Claims Ratio	10.23%	52.22%	↑	2.62%	↑	Claims ratio of SICL demonstrated a fluctuating trend over the last 3 years.	Positive
Expense Ratio	101.23%	88.93%	↓	76.83%	↓	Expense ratio of SICL demonstrated an fluctuating trend and remains high over the last 3 years.	Positive
Combined Ratio	111.46%	141.15%	↑	79.45%	↓	Combined ratio of SICL demonstrated a fluctuating trend over the last 3 years.	Neutral

[Handwritten Signature]



3.2 BALANCE SHEET ANALYSIS

Indicators	2019	2020		2021		Observations	Bias
Net Premium / total equity	28.42%	26.85%	↓	21.75%	↓	Net premium to Total Equity of SICL demonstrated a fluctuating trend over the last 3 years	Positive
Net Liabilities / Total Equity	228.85%	262.44%	↑	177.66%	↓	Net liabilities to total equity of SICL demonstrated an fluctuating trend but remain high over the last 3 years	Neutral
Loss Reserve / Total Assets	12.61%	6.95%	↓	14.87%	↑	Loss reserve to total assets of SICL demonstrated an increasing trend over the last 3 years	Positive
Balance of Funds / Total Assets	3.34%	2.88%	↓	3.04%	↑	Balance of funds to total assets of SICL demonstrated a fluctuating trend over the last 3 years	Neutral
Total Asset Growth	1.68%	(1.97%)	↓	5.25%	↑	Total asset growth of SICL demonstrated an fluctuating trend over the last 3 years	Positive
ROA	1.57%	(0.57%)	↓	2.93%	↑	ROA of SICL demonstrated a fluctuating trend over the last 3 years	Positive
ROE	6.46%	(2.11%)	↓	8.40%	↑	ROE of SICL demonstrated an fluctuating trend over the last 3 years	Positive

[Signature]



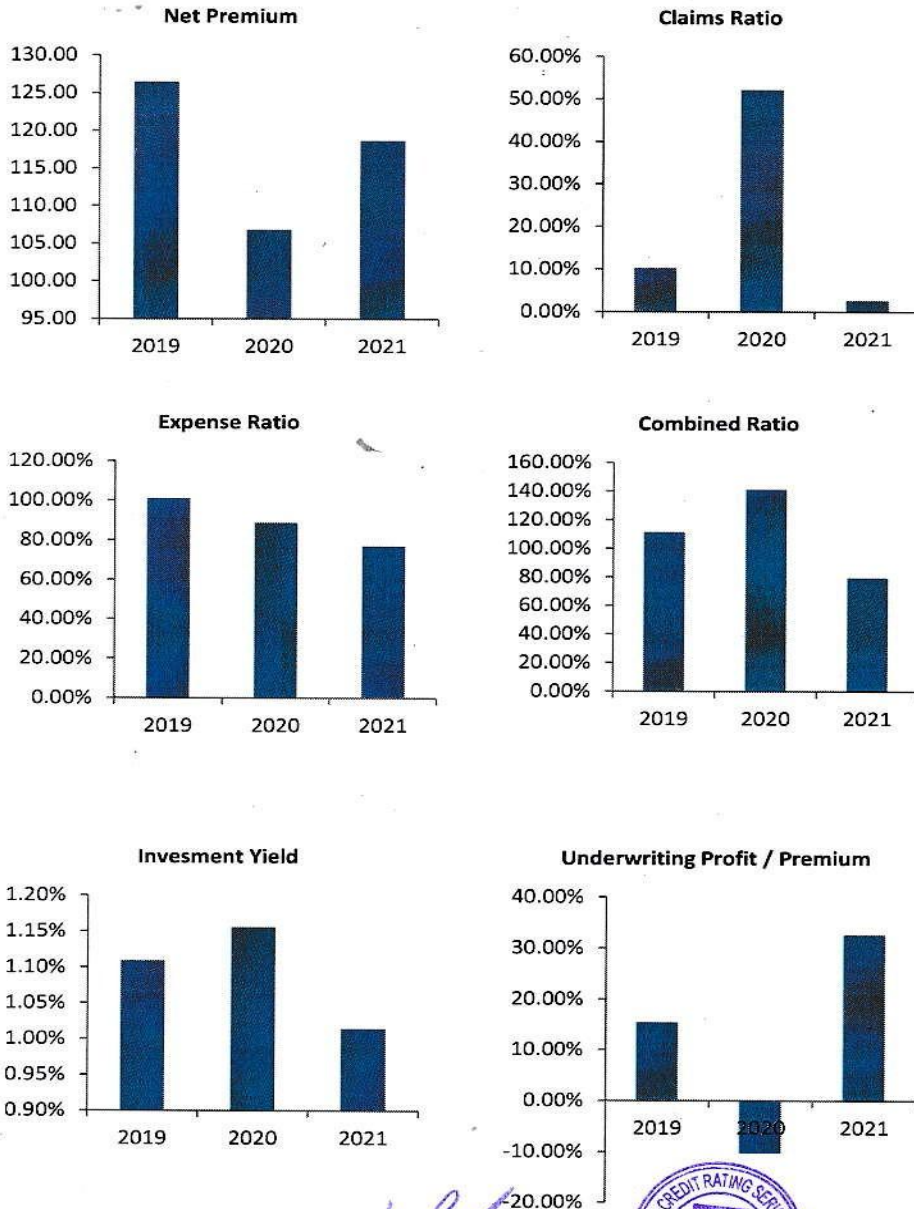
ARGUS CREDIT RATING SERVICES LTD.
Dhaka, Bangladesh

Credit Rating Report
Sikder Insurance Company Limited



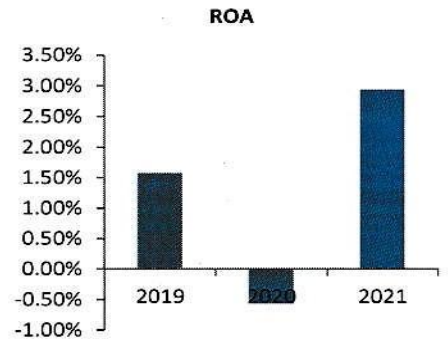
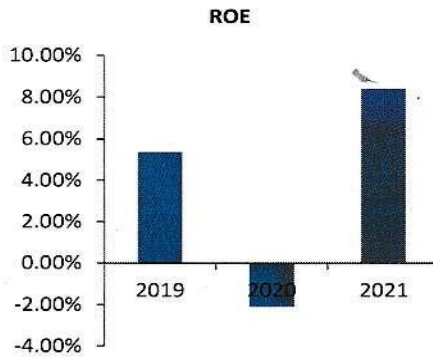
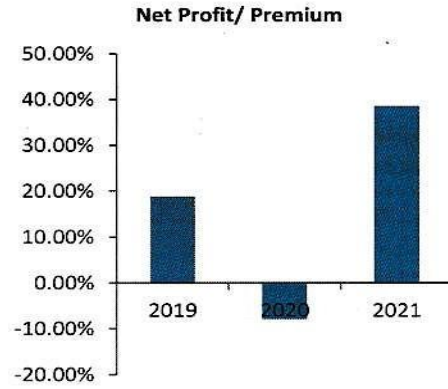
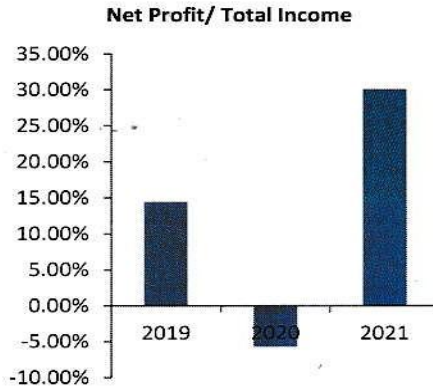
4 CHARTS

4.1 PROFITABILITY ANALYSIS



[Handwritten Signature]


Credit Rating Report
Sikder Insurance Company Limited



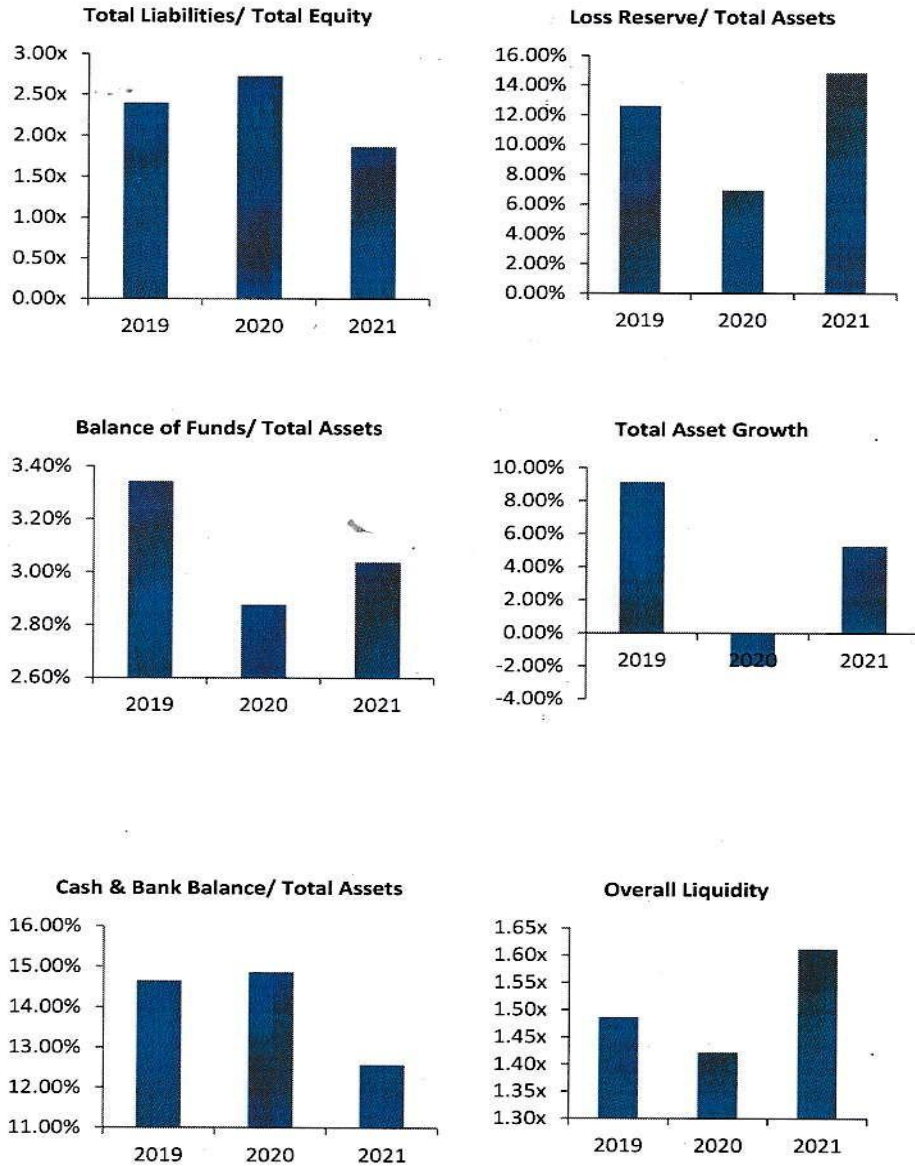
[Handwritten Signature]



Credit Rating Report
Sikder Insurance Company Limited



4.2 BALANCE SHEET ANALYSIS



[Handwritten Signature]



Appendix A: Summary of Financial Metrics

*in BDT MN

Balance Sheet Metrics	2019	2020	2021
Paid-Up Capital	240.00	240.00	240.00
Total Reserve	191.00	103.13	232.34
Total Equity	445.10	397.80	545.64
Balance of Funds	50.64	42.72	47.46
Liabilities & Provisions	998.26	1018.19	954.64
Investments	1,193.13	1084.94	1217.40
Cash & Bank Balance	222.03	220.73	196.63
Fixed Assets (At Cost less Depr.)	18.11	25.39	21.17
Total Assets	1,514.37	1,484.54	1,562.51

Income Statement Metrics	2019	2020	2021
Interest Income	14.57	13.75	14.34
Investment Income	1.12	1.50	0.00
Net Premium	126.51	106.80	118.67
Net Claims	12.94	55.77	3.11
Commission	28.86	15.26	6.92
Management Expenses	99.22	79.72	84.26
Underwriting Profit	19.44	-11.01	38.64
Net Profit Before Tax	23.83	-8.41	45.81
Net Profit After Tax	23.83	-8.41	45.81

Consolidated Rev. Account Metrics	2019	2020	2021
Gross Premium	294.83	277.84	299.88
Re-insurance Premium	-155.47	-126.51	-106.80
Net Premium	126.51	106.80	118.67
Commission on Re-insurance	22.31	22.37	25.02
Agency Commission	28.86	15.26	6.92
Last year's Unexpired Risk	62.22	50.64	42.72
Net Claims	12.94	55.77	3.11
Management Expenses	99.22	79.72	84.26
Reserve for Unexpired Risk	50.64	42.72	47.46
Underwriting Profit	19.44	-11.01	38.64

Source: Company Financial FY19 to FY21

[Handwritten Signature]



ARGUS CREDIT RATING SERVICES LTD.
Dhaka, Bangladesh

Credit Rating Report
Sikder Insurance Company Limited



Appendix B: Summary of Analytics

Indicators	2019	2020	2021
Total Income Growth	-13%	-10.74%	3.47%
Gross Premium Growth	-	-5.76%	7.93%
Net Premium Growth	-18.63%	-15.58%	11.12%
Retention Ratio	0.00%	0.00%	0.00%
Claims Ratio	10.23%	52.22%	2.62%
Expense Ratio	101.24%	88.93%	76.83%
Combined Ratio	111.47%	141.15%	79.45%
Underwriting Profit / Premium	15.37%	-10.31%	32.56%
Investment Yield	1.11%	1.16%	1.01%
Net Profit / Premium	18.83%	-7.88%	38.60%
Net Profit / Total Income	14.48%	-5.73%	30.13%
Net Profit Growth	-176.34%	-135.30%	-644.59%
Cash & Bank Balance / Total Assets	14.66%	14.87%	12.58%
Liquid Asset / Net Claim	109.33	23.41x	455.06x
Overall Liquidity	1.49	1.42x	1.61x
Net Premium / Total Equity	75.00%	26.85%	21.75%
Net Liabilities / Total Equity	228.85%	262.44%	177.66%
Total Liabilities / Total Equity	240.23%	273.18%	186.36%
Loss Reserve / Total Assets	12.61%	6.95%	14.87%
Balance of Funds / Total Assets	3.34%	2.88%	3.04%
Investments in Share / Total Assets	262.44%	266.45%	218.53%
Total Asset Growth	9.13%	-1.97%	5.25%
ROA	1.57%	-0.57%	2.93%
ROE	5.35%	-2.11%	8.40%

[Handwritten Signature]



APPENDIX C: LONG TERM RATING DETAILS

ACRSL INSURANCE RATINGS (LONG TERM)

Rating	Definition
AAA Triple A (Highest Safety)	Highest claims paying ability. Risk factors are negligible and almost risk free.
AA+, AA, AA- Double A (Very High Safety)	Very high claims paying ability. Protection factors are strong. Risk is modest, but may vary slightly over time due to underwriting and/or economic condition.
A+, A, A- Single A (High Safety)	High claims paying ability. Protection factors are good and there is an expectation of variability in risk over time due to economic and/or underwriting conditions.
BBB+, BBB, BBB- Triple B (Adequate Safety)	Good claims paying ability. Protection factors are good. Changes in underwriting and/or economic conditions are likely to have impact on capacity to meet policyholder obligations than insurers in higher rated categories.
BB+, BB, BB- Double B (Moderate Safety)	Average claim paying ability. Protection factors are average. The companies are deemed likely to meet these obligations when due. But changes in underwriting and/or economic conditions are more likely to weaken the capacity to meet policyholder obligations than insurers in higher rated categories.
B+, B, B- Single B (Inadequate Safety)	Inadequate Claim paying ability. Protection factors are weak. Changes in underwriting and/or economic conditions are very likely to further weaken the capacity to meet policyholder obligations than insurers in higher rated categories.
CCC+, CCC, CCC- Triple C (Risky)	Uncertain claims paying ability. The companies may not meet these obligations when due. Protection factors are very weak and vary widely with changes in economic and/or underwriting conditions.
CC+, CC, CC- Double C (Vulnerable)	Poor claims paying ability. Adverse underwriting or economic conditions would lead to lack of ability on part of insurer to meet policyholder obligations.
C+, C, C- Single C (Near to Default)	Very high risk that policyholders' obligations will not be paid when due. Present factors cause claim paying ability to be vulnerable to default or very likely to be default. Timely payment of policyholder obligations possible only if favorable economic and underwriting conditions emerge.
D Single D (Default)	Insurance companies rated in this category are adjudged to be currently in default or likely to be in default soon.

[Handwritten Signature]



ARGUS CREDIT RATING SERVICES LTD.
Dhaka, Bangladesh

APPENDIX D: SHORT TERM RATING DETAILS

ACRSL INSURANCE RATINGS (SHORT TERM)

ST-1	<p>Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding, Safety is almost like risk free Government short-term obligations.</p>
ST-2	<p>High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.</p>
ST-3	<p>Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.</p>
ST-4	<p>Satisfactory Grade Satisfactory liquidity and other protection factors qualify issues as to investment grade. Risk factors are larger and subject to more variation.</p>
ST-5	<p>Non-Investment Grade Speculative investment characteristics. Liquidity is not sufficient to insure against disruption in debt service. Operating factors and market access may be subject to a high degree of variation.</p>
ST-6	<p>Default Insurance companies rated in this category are adjudged to be currently in default. Issuer failed to meet scheduled principal and/or interest payments.</p>

[Handwritten Signature]



ARGUS CREDIT RATING SERVICES LTD.
Dhaka, Bangladesh

Section XXVIII Public Issue Application Procedure

IPO Application Process

Step-1 (Applicant):

1. An applicant for public issue of securities shall submit an application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e., the subscription closing date), which shall be the 25th (twenty fifth) working day from the date of publication of an abridged version of the prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Total Amount and Category of the Applicant.
 - a) Eligible investors shall submit an application through the electronic subscription system of the exchange (s) and deposit the full amount intended to subscribe by the method as determined by exchange(s).
 - b) The General Public and Non-resident Bangladeshi (NRB) applicants shall submit the application in the electronic subscription system of the exchange(s) through the Stockbrokers/Merchant Bankers where the applicant maintains customer account.

Step-2 (Intermediary):

3. The registered Stock broker/Merchant Banker in the ESS shall:
 - a) Post the amount separately in the customer account equivalent to the application money;
 - b) Accumulate all the applications/buy instructions received up to the cut-off date and transfer the amount to their respective Consolidated Customer Account:
4. The registered Stockbroker/Merchant Banker in the ESS shall prepare category wise lists of the applicants containing Customer ID, Name, BO Account Number and within **3 (three) working days** from the cut-off date, upload to the ESS, the lists of applicants in electronic (text format with tilde- separator) format, deposit the full amount received from the General Public and Non-Resident Bangladeshi (NRB) applicants by the method as determined by exchange(s).
5. The application/buy instructions shall be preserved by the Stock broker/Merchant Bankers up to **6 (six) months** from listing of the securities with the exchange.
6. The Exchanges shall prepare a consolidated list of the applications and send the applicants BOIDs in electronic (text) format in a CDROM to CDBL for verification on the next working day CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not, verify more than two applications by an individual, verify more than two applications using same bank account and investment criteria.
7. **On the next working day**, CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name and Joint Account information along with the verification report.
8. After receiving verification report and information from CDBL, the Exchanges shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications **within 5 (five) working days**.
9. **Within next working day**, the Exchanges shall provide the Commission, Issuer and Issue Manager with the soft copy of subscription result.

Step-3 (Issuer):

10. The Issuer and issue manager shall post the final status of subscription on their **websites within 6 (six) hours** and on the websites of the Commission and Exchanges **within 12 (twelve) hours** of receiving information by the Commission and the Exchanges.
11. **Within 3 (three) working days** of receipt of the subscription result, the Issuer and Exchanges shall:
 - a) Process pro-rata allotment of securities to the General Public and Non-Resident Bangladeshi (NRB) applicants;
 - b) Prepare category wise lists of invalid applicants who are subject to penal provisions as per conditions of the consent letter issued by the Commission in electronic (text format with tilde '~' separator) format mentioning the penalty amount against each applicant;
 - c) Issuer shall issue allotment letters in the names of allottees in electronic format and
 - d) Issuer shall credit the allotted shares to the respective BO accounts on the basis of allotment data (BOID and number of securities) via their CDBL VEDAS Terminal.

12. 15% Private Offer to employees of the Issuer:

According to the compliance with the provisions of the Commission's Notification No. BSEC/CMRRCD/2009-193/27/Admin/127 dated 19 July 2021, application process of the 'employees & others' category of the issuer in the initial public offering (IPO) through ESS of the Exchanges shall be conducted as follows:

- a. The issuer shall upload the list of the existing employees in the electronic subscription system of the exchange(s) in electronic (text format with tilde '-' separator) format containing Customer ID, Name (as per BO ID), BO ID, Total Quantity, Total Amount, Category of the Applicant, NID, Employee ID, Service Start Date and Designation.
- b. The existing employees of the issuer shall submit application in the electronic subscription system of the exchange(s) through the Stockbrokers/Merchant Bankers where the applicant maintains customer account.
- c. The registered Stockbroker/Merchant Banker in the ESS shall upload the lists of existing employees of the issuer in electronic (text format with tilde '-' separator) format.
- d. The Exchanges shall verify (name, BO ID, amount, duplicate, etc) the applications of existing employees and send the valid BOIDs in electronic (text) format to CDBL for verification. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
- e. CDBL shall provide the Exchanges with an updated database of the applicants containing BO Account Number, Name, Addresses, Parent s' Name and Joint Account information along with the verification report.
- f. The Existing employees of the issuer whose applications are valid and active will be allotted securities as per their applied quantities, **subject to a lock-in period of 2 (two) years from the first trading day at the exchanges.**

Step-4 (Intermediary):

13. **On the next working day**, Exchanges shall:
 - a) remit the number of allotted applicants to the Issuer's respective Escrow Account opened for subscription purpose;
 - b) send the penalty amount who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list; and
 - c) Distribute the information and allotment letters to the stock broker/Merchant Bankers concerned in electronic format with a request to refund the balance application money.
14. **On the next working day** of receiving the documents from the Exchanges, the Stockbrokers/Merchant Bankers shall refund the excess application money in the customer accounts and inform the applicants about allotment of securities.

Miscellaneous:

15. The Issuer, Issue Manager(s), Stockbrokers, Merchant Bankers and the Exchanges shall ensure compliance of the above.
16. The Issuer shall pay the costs related to process the Eligible Investors allotment if claimed by the Exchange concerned up to an amount of Tk. 2,00,000/- (Taka Two Lac) only and Tk. 8,00,000/- (Taka Eight Lac) only for processing the applications of General Public and Non-Resident Bangladeshi (NRB) applicants.
17. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk. 5/- (Taka five) only per application irrespective of the amount or category for the service provided till withdrawal of the money. The service charge shall be paid by the applicant at the time of submitting an application.
18. The Exchanges shall provide the Issuer with a statement of the remittance.
19. The Issuer shall send the penalty amount to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
20. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

Application Form

“পুঁজি বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।”

Interested persons are entitled to a prospectus, if they desire, and that copies of prospectus may be obtained from the Issuer and the Issue Manager

SIKDER INSURANCE COMPANY LIMITED

APPLICATION FOR PUBLIC ISSUE

Date: : _____
Name of applicant : _____
Client Code : _____
BO ID No. : _____
Category of applicant : _____
Name of the Company/Fund : _____
Number of Shares/Units : _____
Total amount : _____
Amount in word : _____
Mode of payment : _____
Cheque/Draft information : _____

Signature of Applicant(s)

Signature of Authorized Officer

Section XXIX Others

ADDITIONAL DISCLOSURE

(a) Disclosure regarding material change

Declaration regarding any material change including raising of paidup capital after the date of audited financial Statements

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that, **Sikder Insurance Company Limited** has not made any material change including rising of paid up capital after the date of audited financial Statements as on 31 December, 2022 as included in the prospectus.

Declaration by the management and board of **Sikder Insurance Company Limited**.

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
---	---	--	----------------------------------

(b). Disclosure regarding no way connection with the Issue Manager

Disclosure regarding no way connection with the Issue Manager

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that neither **Sikder Insurance Company Limited** nor any of its directors have any connection with Sonar Bangla Capital Management Limited (Issue Manager of **Sikder insurance Company Limited**)

Declaration by the management and board of **Sikder Insurance Company Limited**.

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
---	---	--	----------------------------------

(c). Disclosure regarding cost audit by professional accountant as per the Company Act, 1994

Declaration regarding Cost Audit

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that the Company did not conduct Cost Audit by any Professional Accountant as per Company Act, 1994 till 31 December, 2022.

Declaration by the management and board of **Sikder Insurance Company Limited**

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
---	---	--	----------------------------------

(d). Disclosure regarding holding of regular AGM

Declaration regarding holding regular Annual General Meeting

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that the Company has been in regular in holding Annual General Meeting since incorporation date to financial year 2022.

Declaration by the management and board of **Sikder Insurance Company Limited.**

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
--	--	---	---

(e). Declaration regarding consolidated financial, operating and other information

Declaration regarding consolidated financial, operating and other information

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that **Sikder insurance Company Limited** has no subsidiary Company. Therefore, the Company does not prepare any consolidated financial statements.

Declaration by the management and board of **Sikder Insurance Company Limited.**

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
--	--	---	---

(f) Disclosure regarding compliance of all the requirements of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 in preparing Prospectus

Declaration regarding Compliance with all the requirements of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015

TO WHOM IT MAY CONCERN

Date: July 17, 2023

This is to certify that the Company Complied with all the requirements of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and duly amended time to time in preparing prospectus of Sikder Insurance Company Ltd.

Declaration by the management and board of **Sikder Insurance Company Limited.**

Sd/- Md. Maiyen Uddin Chief Financial Officer	Sd/- Abdur Razzak Company Secretary	Sd/- SK. Abdur Rafique Chief Executive Officer	Sd/- Nasim Sikder Chairman
--	--	---	---

(g) Declaration regarding Consent of the Directors to Serve

CONSENT OF THE DIRECTOR(S) TO SERVE AS DIRECTOR(S)

TO WHOM IT MAY CONCERN

Date: July 17, 2023

We hereby agree that we have been serving as Director(s) of **Sikder insurance Company Limited** and confirm to continue to act as Director(s) of the Company.

Declaration by the Board of Director of **Sikder insurance Company Limited:**

Sd/-
Nasim Sikder
Chairperson

Sd/-
Lisa Fatema Haque Sikder
Director

Sd/-
Mohtasim Billah Khan
Director

Sd/-
Jeffrey Khan Sikder
Director

Sd/-
Salah Uddin khan
Director

Sd/-
Mandy Khan Sikder
Director

Sd/-
Jonas Sikder Khan
Director

Sd/-
Monica Sikder Khan
Director

Sd/-
Uttam Kumar Bhowmik
Independent Director

Sd/-
Gazi Md. Humayun Kabir
Independent Director

Sd/-
Sk. Abdur Rafique
Chief Executive Officer

(h) Auditors' certificate regarding Issued, subscribed and paid-up capital

TO WHOM IT MAY CONCERN

SIKDER INSURANCE COMPANY LIMITED

Paid-up Capital of the Company

This is to certify that the **Sikder insurance Company Limited** has been incorporated under the Companies Act 1994 as a Public Limited Company having certificate of Incorporation C-110560/2013 dated July 29, 2013.

The Authorized Capital of the Company is Tk. 500,000,000.00 (Taka Fifty crore) only divided into 50,000,000 (Ten Crore) ordinary shares of Tk. 10.00 each.

The Paid-up Capital of the Company is Tk 240,000,000 only divided into **24,000,000** ordinary shares of Tk. 10.00 each as follows:

Issued, subscribed and paid-up capital:

Allotments	Date of Allotment	No. of Shares		Amount of Shares Capital (BDT)
		Consideration in Cash	Bonus Shares	
First (As per Memorandum & Articles of Association at the time on Incorporation)	29.07.2013	240,000,000	-	240,000,000
Total		240,000,000	-	240,000,000

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(i) Auditors' certificate regarding deposit of an amount equivalent to the Paid-up Capital

TO WHOM IT MAY CONCERN

SIKDER INSURANCE COMPANY LIMITED

Paid up capital of **Sikder Insurance Company Limited** as on December 31, 2021

Allotments	Date of Allotment	No. of Shares		Amount of Shares Capital (BDT)
		Consideration in Cash	Bonus Shares	
First (As per Memorandum & Articles of Association at the time on Incorporation)	29.07.2013	240,000,000	-	240,000,000
Total		240,000,000	-	240,000,000

The face value of shares was Tk. 10 per share as per Memorandum & Articles of Association passed by RJSC on 29 July, 2013.

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(j) Auditor Certificate about area of utilization of paid up capital

TO WHOM IT MAY CONCERN

SIKDER INSURANCE COMPANY LTD.

Total paid up capital has been utilized as follows:

SI	Area of Utilization	Amount in Taka	Indication in the Financial Statements
1	Investment in Government securities	2,50,00,000	Note:15 of Statement of financial position as at 31 December,2022
2	Property, Plant and Equipment	2,60,00,000	Note:17 of Statement of financial position as at 31 December,2022
4	Investment in Fixed Deposit Receipt (FDR)	18,90,00,000	Note:24 of Statement of financial position as at 31 December,2022

Place: Dhaka

Date: July 17, 2023

Sd/-

G.Kibria & Co.

Chartered Accountants

(k) Declaration regarding holding less than 10% share (Post IPO) by an individual or jointly with any family member.

TO WHOM IT MAY CONCERN

Date: July 17, 2023

Director and shareholder of Sikder Insurance Company Limited holding less than 10% share (Post IPO) by an individual or jointly with any family member.

Declared by the Board of Directors of **Sikder Insurance Company Limited:**

Sd/-
Nasim Sikder
Chairperson

Sd/-
Lisa Fatema Haque Sikder
Director

Sd/-
Mohtasim Billah Khan
Director

Sd/-
Jeffrey Khan Sikder
Director

Sd/-
Salah Uddin Khan
Director

Sd/-
Mandy Khan Sikder
Director

Sd/-
Jonas Sikder Khan
Director

Sd/-
Monica Sikder Khan
Director

Sd/-
Uttam Kumar Bhowmik
Independent Director

Sd/-
Gazi Md. Humayun Kabir
Independent Director

Sd/-
Sk. Abdur Rafique
Chief Executive Officer

(l) Disclosure regarding no way connection with the Issuer by Issue Manager

Disclosure regarding no way connection with the Issuer

TO WHOM IT MAY CONCERN

This is to certify that neither **Sonar Bangla Capital Management Limited** nor any of its directors have any connection with **Sikder insurance Company Limited** (Issuer of **Sonar Bangla Capital Management Limited**)

Declaration by the management of **Sonar Bangla Capital Management Limited**

Sd/-

(Emam Hossain)

Managing Director & CEO

Sonar Bangla Capital Management Limited

Place: Dhaka

Date: July 17, 2023

(m) Disclosure regarding Cost Audit by Issue Manager

Declaration regarding Cost Audit

TO WHOM IT MAY CONCERN

This is to certify that the Company did not conduct Cost Audit by any Professional Accountant as per Company Act, 1994 till 31 December, 2022.

Declaration by the management of **Sonar Bangla Capital Management Limited**.

Sd/-

(Emam Hossain)

Managing Director & CEO

Sonar Bangla Capital Management Limited

Place: Dhaka

Date: July 17, 2023