

PRAGATI LIFE INSURANCE LIMITED

Balance Sheet (Un-Audited)

As at 30 June 2011

CAPITAL AND LIABILITIES	30 June'11 Taka	31 Dec'10 Taka	Growth Rate (%)
SHAREHOLDER'S CAPITAL			
Authorised Capital			
25,00,000 Ordinary Shares of Tk.100 each	<u>250,000,000</u>	<u>250,000,000</u>	-
Issued, Subscribed and Paid-up Capital			
7,50,000 Ordinary Shares of Tk.100 each fully paid up in cash	75,000,000	75,000,000	-
Life Insurance Fund	2,208,283,021	2,119,107,850	4.21
Liabilities and Provisions			
Estimated liabilities in respect of outstanding claims, whether due or intimated	65,813,440	86,923,963	(24.29)
Amount due to Other Persons or Bodies carrying on insurance business	15,771,022	15,517,489	1.63
Sundry Creditors	46,258,918	251,118,642	(81.58)
Premium Deposits	461,846	41,430,240	(98.89)
	128,305,226	394,990,334	(67.52)
	<u>2,411,588,247</u>	<u>2,589,098,184</u>	<u>(6.86)</u>

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Majedur Rashid Chowdhury
AGM (F & A)

PROPERTY AND ASSETS	30 June'11 Taka	31 Dec'10 Taka	Growth Rate (%)
Loans			
On Insurers' Policies within their surrender value	6,536,064	4,756,639	37.41
Investment (At Cost)			
Statutory Deposit with Bangladesh Bank(BGTB)	4,000,000	4,000,000	-
Investment in Bond	36,000,000	40,000,000	(10.00)
Bangladesh Govt. Treasury Bond	528,600,000	528,600,000	-
Investment in Share	663,146,063	620,822,364	6.82
	1,231,746,063	1,193,422,364	3.21
Agents' Balance	153,992	153,992	-
Outstanding Premium	14,702,968	170,697,018	(91.39)
Interest, Dividend and Rent Accrued but not due	46,952,347	31,943,364	46.99
Advances, Deposits & Sundry Debtors	94,886,360	125,164,269	(24.19)
Cash, Bank and Other Balances			
On Fixed Deposit with Banks	557,481,373	391,789,879	42.29
On STD Accounts with Banks	108,537,880	81,212,101	33.65
On Current Accounts with Banks	85,290,206	101,746,131	(16.17)
Cash in Hand	3,464,365	2,505,646	38.26
Collection in Hand	67,651,681	277,378,872	(75.61)
	822,425,505	854,632,629	(3.77)
Stamps, Printing & Stationery in Hand	5,643,064	6,700,071	(15.78)
Fixed Assets (At Cost Less Depreciation)	188,541,884	201,627,838	(6.49)
	<u>2,411,588,247</u>	<u>2,589,098,184</u>	<u>(6.86)</u>

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Chandra Shekhar Das, ACA
Asstt. Managing Director

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Zafar Halim
Managing Director

PRAGATI LIFE INSURANCE LIMITED

Cash Flow Statement For the Half Year ended 30 June 2011

	Jan to June-11 Taka	Jan to June-10 Taka
A. <u>Cash flows from operating activities:</u>		
Collection from premium	702,601,195	807,820,435
Other Income received	1,427,621	1,767,819
Payment for claims	(180,737,248)	(128,868,817)
Payment for management expenses, re-insurance and others	(552,241,027)	(410,208,658)
Source Tax (Income Tax) deducted	(1,314,500)	(1,105,617)
Net cash flows from operating activities	(30,263,959)	269,405,162
B. <u>Cash flows from investing activities:</u>		
Acquisition of fixed assets	(2,975,451)	(44,850,437)
Loan against policies paid (Net of Realization)	(1,779,425)	(2,305,570)
Investments made	(38,323,699)	(217,782,958)
Interest, Dividends and Rents received	41,350,906	162,148,605
Net cash flows from investing activities	(1,727,669)	(102,790,360)
C. <u>Cash flows from financial activities :</u>		
Refund of excess subscription against IPO	-	(15,000)
Dividend Paid	(215,496)	(252,418)
	(215,496)	(267,418)
D. Net increase in cash and cash equivalents (A+B+C)	(32,207,124)	166,347,384
E. Cash and cash equivalents at the beginning of the year	854,632,629	531,013,001
F. Cash and cash equivalents and the end of the period (D+E)	822,425,505	697,360,385

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Majedur Rashid Chowdhury
AGM (F & A)

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Managing Director

PRAGATI LIFE INSURANCE LIMITED

Life Revenue Account (Un-Audited)

For the Half Year ended 30 June 2011

EXPENDITURE	For the 6 months ended		Growth Rate (%)	For the 3 months ended		Growth Rate (%)
	Jan to June-11	Jan to June-10		Apr to June-11	Apr to June-10	
	Taka	Taka		Taka	Taka	
Claims & Surrenders (Less Re-Insurance)						
By Death	35,605,220	20,277,499	75.59	24,426,224	6,402,295	281.52
By Maturity	28,920,880	10,331,074	179.94	10,152,752	6,430,645	57.88
By Surrender	761,659	532,872	42.93	88,485	137,824	(35.80)
By Survival Benefit	39,673,696	46,287,711	(14.29)	20,977,816	17,615,351	19.09
By Hospitalization	51,060,388	46,121,831	10.71	25,854,775	27,724,293	(6.74)
	156,021,843	123,550,987	26.28	81,500,052	58,310,408	39.77
Profit Commission	3,604,882	3,041,370	18.53	3,423,097	485,640	604.86
Total Claims & Surrenders	159,626,725	126,592,357	26.10	84,923,149	58,796,048	44.44
Expenses of Management						
(a) Commissions to Insurance Agents (Less than on Re-Insurance)	85,846,031	140,323,117	(38.82)	56,165,949	61,351,369	(8.45)
(b) Allowances and Commissions (other than commission included in sub-item (a) preceding)	109,714,479	164,532,137	(33.32)	66,725,890	95,282,077	(29.97)
	195,560,510	304,855,254	(35.85)	122,891,839	156,633,446	(21.54)
Salaries etc.(other than to agents and those contained in the allowances and commissions)	50,156,360	45,115,634	11.17	26,020,791	21,546,838	20.76
Travelling and conveyance	1,722,550	1,825,099	(5.62)	972,019	799,329	21.60
Insurance Policy Stamp	4,015,383	4,603,010	(12.77)	2,016,783	2,754,315	(26.78)
Advertisement and Publicity	4,084,288	1,742,399	134.41	1,797,196	699,397	156.96
Printing and Stationery	6,578,729	4,233,530	55.40	3,546,690	2,124,298	66.96
Office Rent	27,144,781	17,759,466	52.85	15,305,140	10,050,808	52.28
Car Fuel,Maintenance & Repairs	6,794,237	5,615,981	20.98	3,860,981	2,030,835	90.12
Bank Charges	10,064,685	3,570,964	181.85	9,262,782	2,010,074	360.82
Repair & Maintenance	750,617	3,815,025	(80.32)	468,303	1,799,385	(73.97)
Electricity & Utility Expenses	1,480,852	1,204,559	22.94	1,228,739	705,907	74.07
Entertainment	745,093	893,032	(16.57)	353,034	467,392	(24.47)
Meeting Seminar & Symposium	583,314	568,712	2.57	210,591	238,787	(11.81)
Depreciation	24,768,985	16,591,007	49.29	12,048,749	10,305,411	16.92
Other Expenses	16,061,405	10,600,302	51.52	4,198,042	4,026,612	4.26
	154,951,279	118,138,720	31.16	81,289,840	59,559,388	36.49
Total Management Expenses	350,511,789	422,993,974	(17.14)	204,181,679	216,192,834	(5.56)
Total Expenses	510,138,514	549,586,331	(7.18)	289,104,828	274,988,882	5.13
Balance of the fund at the end of the period as shown in the Balance Sheet	2,208,283,021	1,927,463,820	14.57	2,208,283,021	1,927,463,820	14.57
	2,718,421,535	2,477,050,151	9.74	2,497,387,849	2,202,452,702	13.39

Notes:

- i) Accounting Policies: The interim accounts have been prepared using the same accounting policies as those adopted in the accounts for the financial year ended 31 December 2010 and there have been no changes in those policies since then.
- ii) Previously reported interim period's figures have been restated to confirm to current period's presentation.
- iii) Recognition and measurement: a) Measurements for interim reporting period are on a Year-To-Date basis: b) Principles involved for recognizing liabilities, income and expenses for interim periods are the same as for annual financial statements.
- iv) IPL,PB,PIBD,IDPS,PUD represents Individual Product Line, Pragati Bima, Pragati Islami Bima Division, Islami Deposit Pension Scheme,Pragati Urban Division respectively.
- v) Based on the surplus in the interim actuarial valuation, the Board of Directors have recommended Stock dividend for the year 2010 @ 12% to be placed in the forthcoming AGM for approval

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Majedur Rashid Chowdhury
AGM (F & A)

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Chandra Shekhar Das, ACA
Asstt. Managing Director

sd /-

Zafar Halim
Managing Director

INCOME	For the 6 months ended		Growth Rate (%)	For the 3 months ended		Growth Rate (%)
	Jan to June-11	Jan to June-10		Apr to June-11	Apr to June-10	
	Taka	Taka		Taka	Taka	
Balance of Life Fund at the Beginning of the Year	2,119,107,850	1,511,229,566	40.22	2,169,874,438	1,658,870,361	30.80
Premium Less Re-Insurance						
First Year Premium - IPL	92,670,521	190,250,560	(51.29)	53,708,334	108,645,130	(50.57)
First Year Premium - PB	25,551,204	40,957,040	(37.61)	15,091,369	22,757,436	(33.69)
First Year Premium -Takaful	58,290,611	123,023,717	(52.62)	40,436,465	107,229,147	(62.29)
First Year Premium -PIBD	12,231,357	18,983,018	(35.57)	7,084,478	10,736,945	(34.02)
First Year Premium -IDPS	9,041,010	17,049,151	(46.97)	4,025,509	9,550,703	(57.85)
	197,784,703	390,263,486	(49.32)	120,346,155	258,919,361	(53.52)
Renewal Premium - IPL	32,123,973	135,772,041	(76.34)	17,985,527	54,417,861	(66.95)
Renewal Premium - PB	83,522,828	93,683,210	(10.85)	53,048,213	49,322,083	7.55
Renewal Premium - PIBD	23,308,561	21,011,979	10.93	14,695,909	11,181,636	31.43
Renewal Premium - Takaful	11,611,165	22,094,870	(47.45)	6,557,112	11,649,050	(43.71)
Renewal Premium -IDPS	25,994,568	25,137,200	3.41	12,066,005	13,474,650	(10.45)
	176,561,095	297,699,300	(40.69)	104,352,766	140,045,280	(25.49)
Group Insurance Premium - Life	102,809,151	72,112,339	42.57	53,150,729	21,797,086	143.84
Group Insurance Premium - Health	69,452,196	53,556,218	29.68	25,725,989	22,785,853	12.90
	172,261,347	125,668,557	37.08	78,876,718	44,582,939	76.92
Gross Premium	546,607,145	813,631,343	(32.82)	303,575,639	443,547,580	(31.56)
Less: Reinsurance Premium	5,080,970	7,542,102	(32.63)	4,435,932	1,616,637	174.39
Net Premium	541,526,175	806,089,241	(32.82)	299,139,707	441,930,943	(32.31)
Interest, Dividends and Rents	56,359,889	157,963,525	(64.32)	27,384,721	100,574,921	(72.77)
Other Income	1,427,621	1,767,819	(19.24)	988,983	1,076,477	(8.13)
	2,718,421,535	2,477,050,151	9.74	2,497,387,849	2,202,452,702	13.39