

KARNAPHULLI INSURANCE CO. LTD.
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 For the Period Ended September 30, 2020

	Notes	January to September 30, 2020 Taka	January to September 30, 2019 Taka	July to September 30, 2020 Taka	July to September 30, 2019 Taka
INCOME :					
Net Premium	4C	203,048,326	137,154,775	71,933,738	48,790,537
Re Insurance Commission	4D	29,891,029	31,009,661	8,387,689	11,477,306
Income from Investment and Financial Services	07	31,167,060	47,357,609	9,414,911	21,440,900
		264,106,415	215,522,045	89,736,338	81,708,743
EXPENDITURE :					
Claims(Net)	06	28,079,672	26,240,329	11,963,548	12,682,921
Expenses	05	184,141,751	140,486,268	63,683,129	57,060,485
		212,221,423	166,726,597	75,646,677	69,743,406
PROFIT BEFORE TAX		51,884,992	48,795,448	14,089,661	11,965,337
Provision for Income Tax	10	12,337,989	12,200,000	2,739,319	2,200,000
Provision for Deferred Tax	11	(381,793)	-	(63,546)	-
Reserve for Exceptional losses		19,392,000	12,800,000	6,946,000	4,609,000
PROFIT AFTER TAX		39,928,796	36,595,448	11,413,888	9,765,337
Earning Per Share (Tk. 10/= Per Share)	13	0.89	0.82	0.25	0.22

M. G. M.
Chairman

Director

Managing Director & CEO

KARNAPHULLI INSURANCE CO. LTD.
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 As at September 30, 2020

	30th September, 2020 Taka	31st December, 2019 Taka
A. FIXED ASSETS		
Land	7,445,345	7,445,345
Others Fixed Assets	85,788,828	84,915,798
Total Fixed Assets	93,234,173	92,261,143
B. CURRENT ASSETS		
Stock of Printing & Stationery	515,300	605,800
Sundry Debtors, Advances & Receivables	539,086,480	520,362,693
Short Term Investment (Shares & Securities)	212,928,529	190,873,960
Cash & Bank Balances (Including FDR)	652,898,761	579,489,615
Total Current Assets	1,405,429,070	1,291,332,068
C. CURRENT LIABILITIES		
Creditors & Accruals	446,637,140	363,899,564
Outstanding Claims	58,578,638	50,096,223
Total Current Liabilities	505,215,778	413,995,787
Net Working Capital (B-C)	900,213,292	877,336,281
Net Asset (A+B-C)	993,447,465	969,597,424
FINANCED BY :		
Share Capital	448,761,130	448,761,130
Share Premium & Revenue Reserve	339,689,276	320,297,276
Retained Earning	24,153,165	48,492,482
Total Shareholders Equity	812,603,571	817,550,888
Balance of Fund Account (Reserve for Unexpired Risk)	96,438,656	72,666,192
Depreciation Fund Account	65,408,505	62,075,772
Deposit Premium	18,996,733	17,304,572
Total Taka	993,447,465	969,597,424

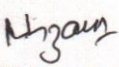
Company Secretary

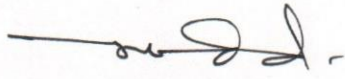
Sr. General Manager & CFO

KARNAPHULI INSURANCE CO. LTD

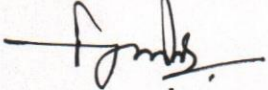
UN AUDITED CASH FLOW STATEMENT For The Period Ended September 30, 2020

	September 30, <u>2020</u> Taka	September 30, <u>2019</u> Taka
A. CASH FLOW FROM OPERATING ACTIVITIES		
Collection from premium and other income	341,374,859	193,869,498
Payment for Expenses, Commission, Re-Insurance & Claim	(185,025,726)	(155,655,847)
Income Tax paid & deduction at source	(13,610,743)	(23,922,521)
Net Cash Flow from Operating Activities	<u>142,738,390</u>	<u>14,291,130</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale Proceeds of Shares	12,521,625	25,995,224
Purchase of Shares	(36,001,726)	(50,145,899)
Purchase of Fixed Assets	(973,030)	(1,782,286)
Net Cash Flow from Investing Activities	<u>(24,453,131)</u>	<u>(25,932,961)</u>
C. Net Cash Flow from Financing Activities		
Cash Dividend Paid For The Year-2019	(44,876,113)	(25,643,494)
Cash Flow For The Period Ended September 30, 2020 (A+B+C)	73,409,146	(37,285,325)
Cash and Bank Balances at opening	<u>579,489,615</u>	<u>630,565,112</u>
Cash and Bank Balances at closing	<u>652,898,761</u>	<u>593,279,787</u>
Net Operating Cash Flow Per Share (NOCFPS)	3.18	0.32


Chairman


Director


Managing Director & CEO


Company Secretary


Sr. General Manager & CFO

KARNAPHULLI INSURANCE COMPANY LIMITED
HEAD OFFICE, DHAKA.

Statement of Changes in Shareholders Equity for the 3rd Quarter ended September 30, 2020.

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve Fund	Investment Fluctuation Reserve Fund	Retained Earnings	Total
Balance as at January 01, 2020	448,761,130	72,925,563	227,371,713	20,000,000	-	48,492,482	817,550,888
Net Profit for the period	-	-	-	-	-	51,884,992	51,884,992
Reserve for Exceptional Loss	-	-	19,392,000	-	-	(19,392,000)	-
Provision for Income Tax	-	-	-	-	-	(11,956,196)	(11,956,196)
Cash Dividend for the year -2019	-	-	-	-	-	(44,876,113)	(44,876,113)
Balance as at September 30, 2020	448,761,130	72,925,563	246,763,713	20,000,000	-	24,153,165	812,603,571
Balance as at September 30, 2019	448,761,130	72,925,563	222,171,713	15,000,000	-	45,988,689	804,847,095

Price Sensitive Information

Particulars	3rd Qr-2020	3rd Qr-2019
Earning Per Share (EPS)	0.89	0.82
Net Asset Value (NAV) Per Share	18.11	17.93
Net Operating Cash Flow Per Share (NOCFPS)	3.18	0.32

NB : Previous period's figures have been restated wherever necessary to conform to current period's presentation.

M. Younis
Chairman

[Signature]
Director

[Signature]
Managing Director
& CEO

[Signature]
Company Secretary

[Signature]
Sr. General Manager
& CFO

KARNAPHULI INSURANCE CO. LTD.

Selected Explanatory Notes For The Period Ended September 30, 2020.

01. Company & its Activities :

Karnaphuli Insurance Company Limited is a Public Limited Company registered under the Companies Act, 1994 and engaged in general insurance business as per Insurance Act, 2010. The Company was incorporated in 1986.

02. Basis of Preparation :

Quarterly abridged Financial Statements have been prepared based on International Accounting Standard (IAS)

Securities and Exchange Rules 1987 and other applicable laws and regulations.

03. Accounting policies and method of Computations :

Accounting policies and methods of computations followed in preparing the 3rd Quarter Financial Statements consistent with those used in the Annual Financial Statements prepared and published for the year ending December 31, 2019.

04. Gross Premium earned during the period for Tk. 184,233,169, Tk. 79,092,225, Tk. 24,227,141, Tk. 53,465,712, against Fire, Marine, Motor & Misc. insurance business respectively.

Particulars	Fire Taka	Marine Taka	Motor Taka	Misc Taka	Total Taka
A. Gross Premium (Including SBC & Government Business)	184,233,169	79,092,225	24,227,141	53,465,712	341,018,247
B. Re-Insurance Premium Ceded	75,524,716	27,625,030	679,679	34,140,496	137,969,921
C. Net Premium (A - B)	108,708,453	51,467,195	23,547,462	19,325,216	203,048,326
D. Commission on Re-Insurance Premium Ceded Including Profit Commission	18,191,787	6,067,398	183,513	5,448,331	29,891,029

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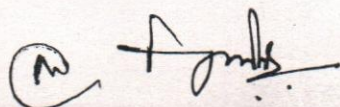
Particulars	Fire Taka	Marine Taka	Motor Taka	Misc Taka	Total Taka
A. Management Expenses	60,996,600	21,462,185	7,776,291	12,310,590	102,545,666
Agency Commission	26,358,534	8,728,697	3,279,289	4,655,341	43,021,861
C. Profit & Loss Expenses	9,068,708	3,003,126	1,128,246	1,601,680	14,801,760
D. Adjusted Fund Balance for Unexpired Risk (Closing Balance less Opening Balance)	23,595,976	(1,561,435)	1,902,531	(164,608)	23,772,464
E. Expenses (A+B+C+D)	120,019,818	31,632,573	14,086,357	18,403,003	184,141,751

06. The Summarized Position of Claim Settled (Net):

The details break-up is made up as follows:

Particulars	Fire Taka	Marine Taka	Motor Taka	Misc Taka	Total Taka
Gross Claim Settled	54,765,201	5,448,509	2,210,488	2,011,281	64,435,479
Less: Re-Insurance Claim Recovery during the year	(43,276,140)	(696,402)	-	(865,680)	(44,838,222)
	11,489,061	4,752,107	2,210,488	1,145,601	19,597,257
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	27,796,461	20,470,665	5,613,505	4,698,007	58,578,638
Less: Outstanding claims at the end of the previous year	(21,351,840)	(22,778,231)	(2,792,639)	(3,173,513)	(50,096,223)
Net Claim Amount	17,933,682	2,444,541	5,031,354	2,670,095	28,079,672

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07. Income from Investment & Financial Services

Particulars	Amount
Interest on FDR	27,910,320
Dividend Income on Share	2,179,760
Interest on BGTB	2,398,500
Misc. Income	104,012
Capital Gain / Loss on Share	(1,425,532)
	31,167,060

08. Depreciation of Fixed Assets has been calculated in accordance with IAS.

09. Investment in Shares are shown in the Balance Sheet at cost price. Market value of Investment in shares for Tk.160,304,047 which is higher than cost price for Tk.121,513,929 .So that, no provision made for investment fluctuation reserve fund.

10. Calculation of Provision for Income Tax

Calculation of Provision for Income Tax

Net profit before Tax	51,884,992		
Less : Provision for Exceptional Losses	19,392,000	@ 0.0%	Nil
Less : Capital Gain/Loss on Sale of Share	(1,425,532)	@ 10.0%	Nil
Less : Dividend Income on Share	2,179,760	@ 20.0%	435,952
Balance	31,738,764	@ 37.5%	<u>11,902,037</u>
			<u>12,337,989</u>

11. Calculation of Provision for Deferred Tax

Carrying Amount	20,380,323		
Tax Base Amount	<u>12,427,886</u>		
Temporary Difference	7,952,437	37.50	2,982,164

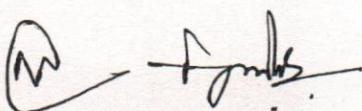
Deferred Tax Liability for the Year -2019	3,363,957
Deferred Tax as at September 30,2020	<u>2,982,164</u>
Deferred Tax Income in September 30, 2020	<u>(381,793)</u>

The Company calculated Deferred tax Liability as Per IAS-12 in the Accounts 31st December, 2019 for Taka 3,363,957. The Amount of Deferred Tax for Taka 2,982,164 as at September 30,2020 calculated as Per IAS-12. So That Taka 381,793 is treated as Deferred Tax Income.

12. Disclosure of Related Party Transaction :

Group Insurance Premium For Tk.429,345 paid to Meghna Life Insurance Company Ltd. Beside this we have not any outstanding balances or any commitments against our related parties as per paragraph-17 of IAS-24.

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13. Calculation of Earning Per Share (EPS)

Earning Per Share has been calculated dividing the net profit for the period attributable to Ordinary Shareholders by the number of Ordinary Shares outstanding .

Particuclars	As On Sept.30, 2020	As On Sept.30, 2019
A. Net Profit After TAX	39,928,796	36,595,448
B. No of Ordinary Share Outstanding As on 30.09.2020	44,876,113	44,876,113
C. Earing Per Share (EPS) (A /B)	0.89	0.82

14. Calculation Net Operating Cash Flow per Share

Particuclars	As On Sept.30, 2020	As On Sept.30, 2019
A. Net Operating Cash Flow	142,738,390	14,291,130
B. No of Ordinary Share Outstanding As on 30.09.2020	44,876,113	44,876,113
C. Net Operating Cash Flow Per Share (A /B)	3.18	0.32

Net operating cash flow increased due to increase of premium income & cash recovery from re-insurer .

Reconciliation of Cash Flows :

The Reconciliation of Net Cash Flow from operating activities between Direct and Indirect method as follows :

<u>Particulars</u>	<u>30.09.2020</u>	<u>30-09-2019</u>
Cash Flow from Operatingt Activities: As per Direct Method	<u>142,738,390</u>	<u>14,291,130</u>
<u>As per indirect method</u>		
Net profit for the period	"A" 51,884,992	48,795,448
Adjustments:		
Depreciation Fixed Assets	3,332,733	4,013,763
Profit / Loss on Sale of Share	1,425,532	(2,663,392)
Increase/Decrease in Balance of Fund Account	23,772,464	7,081,488
Increase/Decrease in Premium Deposit	1,566,379	(2,646,405)
Increase/Decrease in outstanding Claim	8,482,415	3,756,630
Increase/Decrease in amount due to other persons or bodies	70,907,162	197,163
Increase/Decrease in amount due from other persons or	(18,723,787)	(44,219,065)
Increase/Decrease in stock of printing & stationary	90,500	(24,500)
"B"	90,853,398	(34,504,318)
Balance as per Direct Method from Operating Activities	<u>142,738,390</u>	<u>14,291,130</u>

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15. Calculation of Net Asset Value Per Share

Particuclars	As On Sept.30, 2020	As On Sept.30, 2019
A. Total Assets as per Balance Sheet	1,498,663,243	1,348,570,958
B. Total Liabilities as ber Balance Sheet	686,059,672	543,723,863
C. Net Asset Value (A -B)	812,603,571	804,847,095
D. No of Ordinary Share Outstanding As on 30.09.2020	44,876,113	44,876,113
E. Net Asset Value Per Share (C/D)	18.11	17.93

Nizam
Chairman

[Signature]
Director

[Signature]
Managing Director & CEO

[Signature]
Company Secretary

[Signature]
Sr.General Manager & CFO

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