

Karnaphuli Insurance Company Limited

Statement of Financial Position (Un-audited)

for the Half-year ended June 30, 2021

KARNAPHULLI INSURANCE CO. LTD.
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 For the half year ended June 30, 2021

	January to June 30, 2021	January to June 30, 2020	April to June 30, 2021	April to June 30, 2020
A. INCOME :				
Net Premium	137,178,536	131,114,588	52,460,747	57,814,864
Commission On Re-Insurance Premium	25,295,781	21,503,340	14,093,017	11,529,829
Income from Investment and Financial Services	26,607,425	21,752,149	13,034,969	10,137,288
	189,081,742	174,370,077	79,588,733	79,481,981
B. EXPENDITURE :				
Claims(Net)	24,820,487	16,116,124	7,002,958	4,630,238
Expenses	102,301,670	120,458,622	35,721,331	57,877,790
	127,122,157	136,574,746	42,724,289	62,508,028
C. PROFIT BEFORE TAX (A-B)	61,959,585	37,795,331	36,864,444	16,973,953
D. PROVISION FOR INCOME TAX	16,230,279	9,916,917	11,311,279	4,591,917
E. PROVISION FOR DEFERRED TAX	518,156	(318,247.00)	381,596	(318,247)
F. PROFIT AFTER TAX (C-D-E)	45,211,150	28,196,661	25,171,569	12,700,283
G. RESERVE FOR EXCEPTIONAL LOSSES	13,123,000	12,446,000	4,929,000	5,484,000
H. INVESTMENT FLUCTUATION RESERVE	0	5,701,452	0	(589,031)
I. BALANCE OF PROFIT B/F	48,269,961	48,492,482	60,115,542	50,736,677
J. RETAINED EARNINGS (F-G-H+I)	80,358,111	58,541,991	80,358,111	58,541,991
Earning Per Share(Tk. 10=Per Share)	1.01	0.63	0.56	0.28

M. S. G. M.
Chairman

[Signature]
Director

[Signature]
Managing Director & CEO

KARNAPHULLI INSURANCE CO. LTD.
STATEMENT OF FINANCIAL POSITION (UNAUDITED)
 As at June 30, 2021

	30th June 2021	31st December, 2020
A. FIXED ASSETS		
Land	7,445,345	7,445,345
Other Fixed Assets	143,354,279	106,431,682
Total Fixed Assets	150,799,624	113,877,027
B. CURRENT ASSETS		
Stock of Printing & Stationery	680,200	710,300
Sundry Debtors, Advances & Receivables	431,497,702	417,852,546
Short Term Investment (Shares & Securities)	275,725,876	226,743,484
Cash & Bank Balances (Including FDR)	738,395,416	741,636,399
Total Current Assets	1,446,299,194	1,386,942,729
C. CURRENT LIABILITIES		
Creditors & Accruals	432,048,058	384,748,975
Outstanding Claims	62,931,640	49,296,601
Total Current Liabilities	494,979,698	434,045,576
Net Working Capital(B-C)	951,319,496	952,897,153
Net Assets(A+B-C)	1,102,119,120	1,066,774,180
FINANCED BY :		
Share Capital	448,761,130	448,761,130
Share Premium & Revenue Reserve	360,620,276	347,497,276
Retained Earning	80,358,111	48,269,961
Total Shareholders Equity	889,739,517	844,528,367
Balance of Fund Account (Reserve for Unexpired Risk)	107,384,576	109,566,856
Depreciation Fund Account	69,821,293	66,724,700
Deposit Premium	35,173,734	45,954,257
Total Taka	1,102,119,120	1,066,774,180

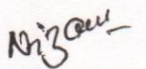
[Signature]
Company Secretary

[Signature]
Asst. Managing Director & CFO

KARNAPHULI INSURANCE CO. LTD

UN AUDITED CASH FLOW STATEMENT
for the 2nd Quarter ended June 30, 2021

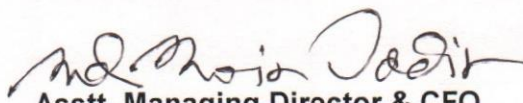
	June 30, <u>2021</u> Taka	June 30, <u>2020</u> Taka
A. CASH FLOW FROM OPERATING ACTIVITIES		
Collection from premium and other income	213,554,319	199,035,159
Payment for Expenses, Commission, Re-Insurance & Claim	(126,177,744)	(120,463,419)
Income Tax paid & deduction at source	(11,287,592)	(7,461,224)
Net Cash Flow from Operating Activities	<u><u>76,088,983</u></u>	<u><u>71,110,516</u></u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale Proceeds of Shares	40,942,355	5,062,870
Purchase of Shares	(83,349,724)	(3,540,767)
Purchase of Fixed Assets	(36,922,597)	(204,895)
Net Cash Flow from Investing Activities	<u><u>(79,329,966)</u></u>	<u><u>1,317,208</u></u>
C. Net Cash Flow from Financing Activities		
	-	-
Cash Flow for the 2nd Quarter ended June 30, 2021 (A+B+C)	(3,240,983)	72,427,724
Cash and Bank Balances at opening	741,636,399	579,489,615
Cash and Bank Balances at closing	<u><u>738,395,416</u></u>	<u><u>651,917,339</u></u>
Net Operating Cash Flow Per Share (NOCFPS)	1.70	1.58


Chairman


Director


Managing Director & CEO


Company Secretary


Asstt. Managing Director & CFO

KARNAPHULLI INSURANCE COMPANY LIMITED
HEAD OFFICE, DHAKA.

Statement of Changes in Shareholders Equity for the 2nd Quarter ended June 30, 2021.

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	General Reserve Fund	Investment Fluctuation Reserve Fund	Retained Earnings	Total
Balance as at January 01, 2021	448,761,130	72,925,563	254,571,713	20,000,000	-	48,269,961	844,528,367
Net Profit for the period	-	-	-	-	-	61,959,585	61,959,585
Reserve for Exceptional Loss	-	-	13,123,000	-	-	(13,123,000)	-
Provision for Income Tax	-	-	-	-	-	(16,748,435)	(16,748,435)
Balance as at June 30, 2021	448,761,130	72,925,563	267,694,713	20,000,000	-	80,358,111	889,739,517
Balance as at June 30, 2020	448,761,130	72,925,563	239,817,713	20,000,000	5,701,152	58,541,991	845,747,549

Price Sensitive Information

Particulars	2nd Qr-2021	2nd Qr-2020
Earning Per Share (EPS)	1.01	0.63
Net Asset Value (NAV) Per Share	19.83	18.85
Net Operating Cash Flow Per Share (NOCEPS)	1.70	1.58

N. Islam
Chairman

[Signature]
Director

[Signature]
Managing Director & CEO

[Signature]
Company Secretary

[Signature]
Asstt. Managing Director & CFO

KARNAPHULI INSURANCE CO. LTD.

Selected Explanatory Notes For The Period Ended June 30, 2021.

1. 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. The main objectives of the company are to carry on all kinds of Insurance business other than life.

2. Basis of Preparation :

Quarterly abridged Financial Statements have been prepared based on International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS), the company Act 1994, the Insurance Act 2010. Securities and Exchange Rules 1987 and other applicable laws and regulations.

3. Accounting policies and method of Computations :

Accounting policies and methods of computations followed in preparing the 2nd Quarter Financial Statements are consistent with those used in the Annual Financial Statements prepared and published for the year ending December 31,2020.

4. Gross Premium , Net premium & Commission on Reinsurance Premium :

Particulars	Fire Taka	Marine Taka	Motor Taka	Misc Taka	Total Taka
A. Gross premium (including SBC & Government Business)	135,422,547	62,980,191	11,628,905	49335353	259,366,996
B. Re-Insurance premium ceded	61,590,289	21,188,082	616,136	38793953	122,188,460
C. Net Premium (A - B)	73,832,258	41,792,109	11,012,769	10,541,400	137,178,536
D. Commission on re-Insurance premium Ceded including profit commission	14,715,369	5,308,289	140,836	5131287	25,295,781

5. Expenses:

Particulars	Fire Taka	Marine Taka	Motor Taka	Misc Taka	Total Taka
A. Management Expenses	49,985,703	19,991,451	3,886,584	9846584	83,710,322
B. Agency commission	9,753,559	4,005,030	502,684	2014312	16,275,585
C. Profit & Loss Expenses	2,786,095	1,070,360	210,605	430983	4,498,043
D. Adjusted fund balance for unexpired risk (Closing Balance less Opening Balance)	2,278,577	(1,319,656)	(1,520,665)	-1620536	(2,182,280)
E. Expenses (A+B+C+D)	64,803,934	23,747,185	3,079,208	10,671,343	102,301,670

6. 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	16,410,715	3,541,773	9,429,978	368,371	29,750,837
Less: Re-Insurance Claim Recovery during the year	(18,565,389)	-	-	-	(18,565,389)
	(2,154,674)	3,541,773	9,429,978	368,371	11,185,448
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	29,248,316	26,715,208	4,118,470	2,849,646	62,931,640
Less : Outstanding claims at the end of the previous year	(25,562,023)	(17,131,560)	(2,849,990)	(3,753,028)	(49,296,601)
Net Claim Amount	1,531,619	13,125,421	10,698,458	(535,011)	24,820,487

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

8. Investment in Shares are shown in the Balance Sheet at cost price. Market value of Investment in shares for Tk. 252,820,570 which is higher than cost price for Tk. 174,720,323 .So that no provision made as investment fluctuation reserve fund

9. Calculation of Provision for Income Tax

Calculation of Provision for Income Tax

Net profit before Tax	61,959,585		
Less : Provision for Exceptional Losses	13,123,000	@ 0.0%	Nil
Less : Capital Gain/Loss on Sale of Share	6,575,022	@ 10.0%	657,502
Less : Dividend Income on Share	1,573,199	@ 20.0%	314,640
Balance	40,688,364	@ 37.5%	15,258,137
			<u>16,230,279</u>

10. Calculation of Provision for Deferred Tax

Carrying Amount	73,532,986		
Tax Base Amount	<u>65,303,127</u>		
Temporary Difference	8,229,859	@ 37.5%	2,704,601
Deferred Tax Liability for the Year -2020			2,568,041
Deferred Tax as at June 30,2021			<u>3,086,197</u>
			<u>518,156</u>
Deferred Tax Expenses in June-2021			

The Company calculated Deferred tax Liability as Per IAS-12 in the Accounts 31st December, 2020 for Taka 2,568,041. The Amount of Deferred Tax for Taka3,086,197 as at June 30,2021 calculated as Per IAS-12. So That Taka 518,156 is treated as Deferred Tax Expenses as on difference between the carrying amount assets and liabilities.

11. Disclosure of Related Party Transaction :

Group Insurance Premium For Tk.437,000 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.

12. Calculation of Earning Per Share (EPS)

Earning Per Share has been calculated dividing the net profit for the period attributable to Ordinary

Particulars	As On June 30, 2021	As On June 30, 2020
A. Net Profit After TAX	45,211,150	28,196,661
B. No of Ordinary Share Outstanding As on 31.03.2021	44,876,113	44,876,113
C. Earning Per Share (EPS) (A /B)	1.01	0.63

13. Calculation of Net Operating Cash Flow per Share

Particulars	As On June 30, 2021	As On June 30, 2020
A. Net Operating Cash Flow	76,088,983	71,110,516
B. No of Ordinary Share Outstanding As on 31.03.2021	44,876,113	44,876,113
C. Net Operating Cash Flow Per Share (A /B)	1.70	1.58

Net operating cash flow increased due to increase of premium income & other receipt .

14. Reconciliation of Cash Flows :

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

Particulars	30.06.2021	30.06.2020
Cash Flow from Operating Activities:		
As per Direct Method	<u>76,088,983</u>	<u>71,110,516</u>
As per indirect method		
Net profit for the period	"A" 61,959,585	37,795,331
Adjustments:		
Depreciation Fixed Assets	3,096,593	2,213,516
Profit / Loss on Sale of Share	(6,575,023)	1,920,555
Increase/Decrease in Balance of Fund Account	(2,182,280)	13,995,111
Increase/Decrease in Premium Deposit	(10,762,742)	(11,343,279)
Increase/Decrease in outstanding Claim	13,635,039	5,547,438
Increase/Decrease in amount due to other persons or bodies	30,532,867	29,466,550
Increase/Decrease in amount due from other persons or	(13,645,156)	(8,387,406)
Increase/Decrease in stock of printing & stationary	30,100	(97,300)
"B"	<u>14,129,398</u>	<u>33,315,185</u>
Balance as per Direct Method from Operating Activities (A+B)	<u>76,088,983</u>	<u>71,110,516</u>

15. Calculation of Net Asset Value Per Share

Particulars	As On June 30, 2021	As On June 30, 2020
A. Total Assets as per Balance Sheet	1,597,098,818	1,461,267,878
B. Total Liabilities as per Balance Sheet	707,359,301	615,520,329
C. Net Asset Value (A -B)	889,739,517	845,747,549
D. No of Ordinary Share Outstanding As on 31.03.2021	44,876,113	44,876,113
E. Net Asset Value Per Share (C/D)	19.83	18.85

16. Variances in quarterly key features :

Particulars	30-Jun-21	30-Jun-20
Earning Per Share (EPS)	1.01	0.63
Net Asset Values (NAV) per Share	19.83	18.85
Net Operating Cash Flow per Share (NOCPS)	1.7	1.58

Reason for significant deviation in EPS, NAV & NOCPS has been increased due to fact that premium income, Interest income and other income received during the quarter are more than that of corresponding period of previous year's of same quarter. Also mention that management expenses during quarter is less than that of corresponding period of previous year's same quarter.

Nizam
Chairman
[Signature]
Company Secretary

[Signature]
Director

[Signature]
Asstt. Managing Director
& CFO

[Signature]
Managing Director