

A background image of a business meeting with several people at a table. One person is signing a document with a pen. Another person is holding a pair of glasses. There are various semi-transparent icons overlaid on the image, including a shield with a checkmark, a bar chart, a document, a checklist, and a globe. The text 'DIRECTORS' REPORT' is centered in the lower half of the image.

# DIRECTORS' **REPORT**

# DIRECTORS' REPORT

**Bismillahir Rahmanir Rahim**

**Dear Shareholders,  
Assalamu Alaikum Wa Rahmatullah Wa Barakatuhu**

I am honored and privileged to welcome you to the 26<sup>th</sup> Annual General Meeting of Nitol Insurance Company Limited, on behalf of the Board of Directors and myself. I would like to thank you for your continued patronage and support over the 26 years. I want to offer my sincere gratitude and admiration for your continued faith and unwavering support for the company despite the prevailing awkward situation. I would like to take this opportunity to present before you the Annual Report along with the Audited Financial Statements for the year ended 31<sup>st</sup> December 2024 and the Auditor's Report thereon for kind consideration and adoption. Through this report the Directors have made relevant disclosures and explanations pertaining to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance, operations and achievements of the company for the year ended 31 December 2024. In fact, the year 2024 is very significant in the life of the company in terms of political unrest, performance and achievements not only within the industry but also in the entire economy.

I have placed these documents before you to be received, considered and adopted by you as per AGENDA-ONE (01) OF THIS ANNUAL MEETING of the General Body of the Company. They are prepared in compliance with referrals stated below.

The reports of the Board of Directors of the Company be and is hereby approved vide resolution no 5 of the Board of Directors' meeting no. 177<sup>th</sup> held on May 12, 2025.

## REFERRALS – AS PER LAWS OF THE LAND

In compliance with the provisions of Section 184 of the Companies Act 1994, including Condition no. 1(5) of the Corporate Governance Code 2018(CG Code/the Code) issued by BSEC and IAS-1 referring to section 27 & 76 of Insurance Act, 2010 and Rule 12 (and the schedule there under) of the Bangladesh Securities and Exchange (BSEC) Rules 1987 along with other related sections, subsections, rules and

regulations in this purpose pursued accordingly to prepare, approve and submit the Directors' Report before the respected shareholders of the company for their consideration and adoption as a norm of Corporate Democracy.

Besides, the Audited Financial Statements in this the Annual Report of the Directors' is presented and submitted as per Presentation of Financial Statements Codes as adopted by Financial Reporting Council (FRC).

## GLOBAL ECONOMY

The global economy demonstrated resilience in 2024, achieving an estimated growth rate of 3.2%, as projected by the International Monetary Fund (IMF). While this figure represents a stable expansion, it remains below the pre-pandemic average of 3.8%, reflecting a gradual adjustment to post-pandemic conditions, geopolitical uncertainties, and shifting monetary policies.

## INFLATION AND MONETARY POLICY

Inflation saw a notable decline, decreasing from 6.7% in 2023 to 5.8% in 2024, driven by tight monetary policies, stabilizing supply chains, and moderating energy prices. This allowed major central banks, including the U.S. Federal Reserve and the European Central Bank, to begin easing interest rates after a period of aggressive tightening.

## REGIONAL ECONOMIC TRENDS

**United States:** The U.S. economy showed robust growth at 2.8%, supported by strong labor markets, resilient consumer spending, and technology-driven investments.

**Eurozone:** The region's growth slowed to 1%, impacted by high borrowing costs and weak consumer demand.

**China:** China's economy faced moderated expansion, influenced by structural challenges and a transition to a consumption-driven model.

**India:** India remained the fastest-growing major economy, with GDP rising 7.2%, fueled by government infrastructure spending and recovering rural demand.

## KEY CHALLENGES AND RISKS

Despite positive growth, structural challenges persist:

**Geopolitical Tensions:** Ongoing conflicts and trade restrictions affected global supply chains.

**High Debt Levels:** Rising public and corporate debt poses risks to fiscal sustainability.

**Sluggish Productivity:** Weak investment and demographic shifts in developed economies could slow long-term growth.

## OUTLOOK FOR 2025

Looking ahead, the global economy is expected to stabilize further, with projected growth remaining moderate but steady. Continued policy efforts will be essential to support investment, manage inflationary pressures, and promote sustainable growth.

## GLOBAL INSURANCE

Global economic growth has remained resilient over the last year, and interest rates higher in the face of inflation persistence. In this environment, we estimate that global gross domestic product increased by 2.7% in real terms in 2024. There is regional divergence with the US growing above trend and the euro area below, which we expect will narrow come 2025 as cyclical factors redirect growth rates back to trend. On the inflation front, while the worst of the post-pandemic global inflation crisis is over, upside risks remain, which could continue to put upward pressure on insurance claims. Central banks, meanwhile, will likely continue to prioritise inflation containment over growth. Another uncertainty is that when accounting for population changes due to immigration, real GDP per capita figures point to deeper underlying weaknesses in some advanced markets. This could accentuate social polarisation/tensions and widen protection gaps.

In non-life business, global inflation pressures have driven premium rates higher, as insurers seek to offset rising claims costs, especially in property and motor lines. We expect hard market conditions to continue this year but to ease heading into 2025 as claims inflation softens. Non-life premiums grew by 3.9% in real terms in 2024, up from 0.8% in 2023, the improvement primarily driven by rate hardening. Rate increases in personal lines have exceeded those in commercial lines, which are easing after years of hard market conditions. Alongside social inflation pressures (mostly in the US), the persistence of services inflation could continue to impact casualty lines like motor and general liability, with still-high

wage and healthcare costs in advanced economies feeding into persistent claims inflation. In some markets, wage growth has lagged premium rate increases. This could make coverage less affordable but so far, there has been little indication that insurance uptake rates have been compromised.

The profitability of non-life sector remains on an upward trend. After rising to 6% in 2023, we estimate that insurers' return on equity will improve to about 10% in 2024 and 10.7% in 2025, with progress on both the underwriting and investment fronts. We see underwriting results turning positive, supported by high premium rates, rising exposures and easing claims growth as inflation moderates. Investment returns will continue to benefit from the higher interest rates, while the cost of capital will remain broadly stable. Nevertheless, insurers should remain alert to potential new inflation shocks. For example, geopolitical conflicts that disrupt global supply chains can rekindle claims inflation. In addition, social inflation has been a key concern for liability insurers in the US since 2015. Of late, there have been signs of social inflation in Australia also.

## BANGLADESH ECONOMY – PROMISING WITH NUMBER OF POSITIVE INDICATORS

Like many other countries in the world, Bangladesh has nearly overcome the adverse effects of COVID-19. However, geopolitical instability, such as the Russia-Ukraine war and the Israel-Gaza crisis, has created significant challenges for developing countries, including Bangladesh. Despite these global challenges, Bangladesh achieved a growth of 5.78 percent in FY 2022-23 and 5.82 percent in FY 2023-24.

Global geopolitical and economic crises and disruptions in the supply chain of essential goods have led to an imbalance in aggregate demand and supply, which has created rising inflation in many countries. Inflationary pressures have been observed in Bangladesh too, due to various external and internal factors. The general inflation rate rose to 9.73 percent in the FY 2023-24, where inflation rate on food items was 10.65 percent and on non-food items it was 8.86 percent.

The gross foreign exchange reserves of Bangladesh dropped to USD 26.82 billion at the end of June 2024, as compared to USD 31.20 billion at the end of June 2023. This decline was due to the factors such as the rise in prices of fuel and other essential commodities in the global market, increased interest rates in developed countries, etc. However, the present interim government is trying its best to

control the inflation and stabilise the economy, and take the economy on the highway of high growth.

Experts have been saying for a long time that Bangladesh is one of the most untapped insurance markets in terms of penetration rate. There is no reason why, in line with the country's impressive GDP growth, the insurance industry should also not grow by remedying its manifold problems and, most important, by tapping the hitherto untapped segments of the market.

It is known to all that the insurance sector plays a critical role in financial and economic development of an economy. By reducing uncertainty and the impact of large losses, the sector can encourage new investments, innovation, and competition.

### **MARKET SUMMARY**

Our non-life insurance market continues to be extremely overcrowded when compared with developing countries including our neighbors. Currently, there are 81 insurance private companies – 35 life and 46 non-life – in the insurance sector of Bangladesh. Of them, 58 companies are listed on the stock exchanges. The situation has obviously given rise to intense and unhealthy competition among the existing players. At the same time, with deteriorating standards of clients' services, public trust in insurance continues to diminish. Much needs to be done to remedy the situation.

### **RISK AND CONCERN**

Non-life Insurance business involves the assumption of risks of many types -Physical as well as moral risks. Physical risks are identified as those caused by natural catastrophes, accidental losses and man-made disasters. The key to proper management of insurance business risks to ensure proper management of insurance business risks is to ensure proper selection of risks as well as of the client through a vetting process known as underwriting. Non-life insurance business also closely follows the country's economic development and any slowdown in the economic activities also has an adverse impact on the insurance industry's growth. NICL, being aware of these business risks practices, does several activities to protect its interests.

### **PRODUCTS AND SERVICES**

The products and services of the Company are shown in a separate under Chapter - 3.

### **FINANCIAL STATEMENTS**

The financial statements prepared by the

management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity. Audited Financial Statements are shown in the report Chapter - 9.

### **BOOKS OF ACCOUNT**

The financial statements prepared by the management of the company maintained proper Books of Accounts. The directors oversee whether adequate accounting records are being maintained with vouchers relevant to any entry in good order. The books of accounts are kept at the registered office of the Nitol Insurance Company Limited.

### **ACCOUNTING POLICY**

In preparation of financial statements appropriate accounting policies have been consistently applied and the accounting estimates are based on reasonable and prudent judgments by the management of the company. The directors supervise for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these Financial Statements that are free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **IAS AND IFRS**

International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.

### **COST OF GOODS SOLD; GROSS PROFIT MARGIN & NET PROFIT MARGIN: N/A**

NICL is not a manufacturing company. It is a Non-Banking Financial institution dealing with non-life insurance in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin is not considered to prepare a Financial Statement. Therefore, comparative analysis of financial performance is elaborately discussed in the presentation on Financial Highlights on a separate page in this Annual Report.

### **FIVE YEARS FINANCIAL ANALYSIS**

Comparative analysis of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof have been given in the interpretation of the annual accounts chapter for the better understanding of the shareholders. In view with above preceding five years key operating,

financial summarized data and graphical representation are also shown in the contents under Chapter - 4.

### OPERATING RESULT OF THE COMPANY

During the year 2024, Nitol Insurance attained Gross Premium income of Tk. 632.32 million as

against Tk. 670.19 million in 2023 an decrease of 5%. The reasonable decrease in Gross Premium income is not increasing new business from the private sector due to political unrest and small growth of net premium caused by low retention of larger risks. Class wise Financial Achievement in 2024 compared to 2023 is shown below:

Class	Gross Premium		Net Premium	
	2023	2024	2023	2024
Fire	253,475,390	251,054,330	72,793,092	114,980,515
Marine	223,817,025	208,039,887	157,235,488	147,160,786
Motor	131,783,313	111,893,760	123,899,352	107,395,640
Miscellaneous	61,048,369	61,331,604	7,531,451	11,883,370

### FINANCIAL RESULTS DETERIORATED

Not any other indicators of financial results deteriorated after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing etc.

### VARIANCE OF FINANCIAL PERFORMANCES

NICL disclosed quarterly financial performances for the year - 2024. There were some variances in the financial results from quarter to quarter. But they are not very significant ones. There is NO significant variance between Quarterly Financial performances and Annual Financial Statements. Quarterly Performance are shown in the Chapter - 4.

### COMPARE WITH LAST YEAR'S OPERATING RESULT

There were some variances in the financial results from last year. But they are not very significant ones. Besides, a Management's Discussion and Analysis signed by the CEO 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 the last year's success of the Company is shown in this Chapter.

### EARNINGS PER SHARE (EPS)

Net profit after tax of the company stands at Tk 79.02 million during the year 2024. Earnings per share after tax of Tk. 1.97 compared to Tk. 1.48 per share in the previous year.

### DIVIDEND (AGENDA- TWO (02) OF THIS AGM)

The Company has been paying a prestigious dividend consistently since the inception to fulfill the shareholder's interest. The Board of Directors in its 177th Board Meeting held on 12.05.2025 recommended 10% (5% cash & 5 % Stock) dividends to the shareholders from available profit during the year 2024.

### DIVIDEND DISTRIBUTION POLICY:

As per the instruction of the Board of Directors of the company, the management is following a policy regarding dividends to be paid to the shareholders in a manner that shall be in line with and inconsistent with the actual income as well as the practices of the insurance industry. The 'Dividend Distribution Policy' approved by the board is shown as a separate chapter in this Annual Report.



**Disclosure on Dividend Distribution:** NICL pays off the dividend to the securities holder within 30 (thirty) days of declaration or approval and submits a compliance report to the Exchange and to the Commission in respect of dividend payment within 7 (seven) working days.

**Interim Dividend:** For your kind information, we also would like to remind you that 'NO' bonus share or stock dividend has been declared by the Board as interim dividend for the year and hence there was no effect on the company's financial position.

**Disclosure on Unclaimed/Undistributed Dividend:** NICL is listed with DSE on November 29, 2005 and with CSE on October 10, 2005. After being listed with the exchanges, the Company distributed its Dividend among the shareholders (as per record dates). Unfortunately, we could not send the Dividends of some of our shareholders due to several reasons. The unclaimed/undistributed dividend of the company is 37,92,420 as on 31<sup>st</sup> December 2024.

The list of shareholders who did not claim for their Dividends is disclosed on the website of the Company, which we could not distribute due to their incomplete information at their respective BO Accounts. As per BSEC notification, a Company must send their unclaimed / undistributed dividends older than three (3) years to Capital Market Stabilization Fund (CMSF).

### THE PATTERN OF SHAREHOLDING

A report on the pattern of shareholding disclosing the aggregate number of shares along with name-wise details as on 31 December 2024 is shown in the chapter-3.

### BOARD OF DIRECTORS

There are 8 (Eight) Directors on the Board of the company. Mr. A K M Monirul Hoque is the Chairman and Mr. Zobair Humayun Khandaker is the Vice-Chairman of the Board.

### APPOINTMENT OF DIRECTORS:

**Resume of Appointing Directors:** As per BSEC Notification NO. BSEC/ CMRRCD/ 2009-193/ 3/Admin-/IO4, dated 05 February 2020 and Corporate Governance Code-2018 Condition No 1(5) xxiv (a), we have also made a disclosure to the Directors Profile at the beginning of this Annual Report in case of appointment or re-appointment of any member of the Board of Directors, about their primary

employment and other engagement including directorship in other companies and their expertise fields in the resume of such member of the Board of Directors. The same is also disclosed on the website of the Company.

### RETIREMENT AND RE-ELECTION OF DIRECTORS: (AGENDA-THREE (03) OF THIS AGM)

As per the Companies Act, 1994, each year one-third of the Directors (except Independent Director) retire from office at the Annual General Meeting (AGM) and if eligible, may offer themselves for re-election by shareholders at the Annual General Meeting. In line with the requirement of the Company Act, 1994, the following Directors will retire at the 26th AGM on a seniority basis as follows:

#### GROUP – 'A'

In accordance with the provision of the Articles of Association of the Company, One director from Group-A: Mr. A K M Monirul Hoque will retire from the office by rotation at the 26th Annual General Meeting and be eligible for reappointment. He wish to be re-elected for the position of Director of the Company.

#### GROUP – 'B'

In accordance with the provision of the Articles of Association of the Company two directors from 'Group-B' Directors namely (a) Zobair Humayun Khandaker (b) Ms. Nazme Ara Husain will retire from office by rotation at the 26th Annual General Meeting. Besides, in place of two vacant posts of Directors, No General Shareholder has offered their candidature for appointment as Director.

**Election of Directors by Public Subscribers:** With a view to informing all public subscribers, we have arranged to publish notification in 2 (two) national dailies for election from public shareholders at this AGM pursuant to the Articles of Association of the Company and The Insurance Rules, 1958, rules 15 (B)(3)]. The Notice was published in the Page-02 of Daily Financial Express and in the Page-08 of the Daily Bonik Barta on May 15, 2025. However, no Public Subscribers applied since no one met the primary requirement for the position. Hence none is eligible for election as Public Shareholder Director in this AGM.

### BOARD MEETING AND ATTENDANCE

During the year, the Board of Directors Meeting and the attendance records are shown in the chart below:

Name of the Meeting	Number of meetings held in 2024	Number of meetings held in 2023
Board of Directors	6	5
Audit Committee	4	4
Nomination and Remuneration Committee	2	1
<b>TOTAL</b>	<b>12</b>	<b>10</b>

**Attendance by each Director: During the year 2024, Six (06) Board of Directors Meeting Held.**

Sl.	Name of the Directors	BoD Meeting	
		Held	Attended
1.	A K M Monirul Hoque	6	6
2.	Zobair Humayun Khandaker	6	6
3.	Ms. Naeema Hoque	6	6
4.	Mr. Mahmudul Hoque Shamim	6	6
5.	Ms. Nazme Ara Husain	6	6
6.	Mr. Md. Murad Hossain	6	6
7.	Md. Mamunur Rashid FCMA	6	6
8.	Md. Shoharab Ali Khan FCMA	6	6

**DIRECTORS' REMUNERATION – AS PRESCRIBED BY LAWS OF THE LAND AND NRC POLICY**

As per IDRA Reference letter No. 53.03.0000.009.18.014.18.123, dated 31 May 2018, directors are eligible for remuneration of BDT 8,000 for attending each meeting. The Directors including Independent Directors, all being Non-Executive Directors, are given only Meeting Attendance Fee of BDT 8,000 (BDT eight thousand only) per head per Meeting of the Board and Committees. During the year 2024, a total amount of BDT 5,42,800/- including VAT & TAX was given to the Directors as Remuneration/Meeting Attendance Fees, Travel expenses and others.

**Loan or Advance to Directors:** In the year 2024, NICL has NOT made any loans or advances or any debit balances (including guarantee or security in connection with a loan) to any other Directors of the company and transactions with Associate/ Sister Concern of NICL under the head of Current Account with refer to the Commission's Notification no. SEC/ CMMRRCD/ 2006-159/Admin/ 02-10 Dated, 10 September 2006.

**RELATED PARTY DISCLOSURE**

The transactions with other entities that fall within

the definition of related party contained in International Accounting Standards (IAS-24). All transactions involving related parties arising in the normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions applicable to the third parties. Details of transactions with related parties as at December 31, 2024 are shown in a Note of the financial statements.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis presents a detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on required topics suggested by the CGC-2018 condition no 1(5) (xxv) of the Code are depicted in this chapter signed by the CEO of the Company.

**LIQUIDITY MANAGEMENT**

Our core liquidity policy is to retain sufficient liquidity in the form of unencumbered liquid assets and cash to meet potential funding requirements arising from a range of possible stress events. To manage the risks, we have a range of liquidity policies and measures in place.

### **RESERVE FUND**

To protect the risk factors of the company it is very essential to have a good amount of reserve fund for the Company. The Insurance Act and Income tax ordinance also recommended to build up the reserve fund for the company accordingly the company separated the following reserve funds to protect the risk of the Company's.

### **SOLVENCY MARGIN**

Under section 43 of Insurance Act 2010, we have maintained the required solvency margin. Both short-term and long-term solvency of the company has reached such a level that is needed for meeting the requirement of the new Insurance Act 2010 as well as for getting the satisfaction of the financial analysts and the rating agencies.

### **SHAREHOLDERS VALUE**

NICL remains fully committed to the delivery of higher shareholders' value. The higher profitability underpins the value of the shareholders derived from investing in the shares of NICL. The total number of shareholders of the company as of 31 December 2024 was 3,089 as per record.

### **ANNUAL GENERAL MEETING**

The 26th Annual General Meeting (AGM) of the company will be held on 19. 08. 2025 (Tuesday), the Meeting to be arranged through a Digital Platform as per permission given by the Bangladesh Securities & Exchange Commission through its Letter No. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024 for the Companies that remain in list of 'A' Categories for last 5 Years.

### **CREDIT RATING**

NICL has been taking the Credit Rating from a renowned Agency, Credit Rating and Information Services Ltd. (CRISL) with prior consent and approval of the company's Board of Directors. The Board of Directors believes that Credit Rating can bring transparency, confirm the compliance of rules and regulations of both the Company and Regulatory Authorities, protect the Company and can open the door for achieving excellence. As per the Audited Financial Statement of 2023 as well as unaudited financials up to September 2024 and basis on the previous data, strength and performance, we achieved Double A plus (AA+) with "Stable Outlook" which entails "High Claims Paying Ability," protection factors are good and there is an expectation of variability in risk over time due to economic and underwriting conditions. A certificate in this regard is shown at this Annual Report.

### **CORPORATE GOVERNANCE**

The Board of Directors of the Company firmly believes that practice of Good Corporate Governance and transparency is a 'sine qua non or condicio sine qua non' for ensuring a disciplined and a sustainable company as well as economy of the Country. Thus, there is a full-fledged Commitment of the Board, towards incorporating Corporate Governance and Transparency in all spheres of operations and management of the Company.

The corporate governance's framework of the Company is based on an effective independent Board. This includes, among others, not being limited to accountability, disclosures, transparency, justice and uprightness. We stand for all these virtues of good governance and expect the same from our competitors, customers, patrons, and regulators. The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission. Pursuant to the clause 5 of Corporate Governance Code (the Code) dated 3 June 2018; we attach the compliance status of the Company. A certificate, on compliance with the conditions as per clause 7(i) of the same notification, from a practicing Chartered Accountant has also been presented on a page in this annual report. The compliance status report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 are disclosed as per Annexure-B and Annexure-C.

NICL also complied with the Corporate Governance Guideline-2023 issued by IDRA. Besides, this Annual Report contains a separate Report on Corporate Governance and Compliances of the Company.

### **AUDIT COMMITTEE REPORT**

Pursuant to the clause 5(7) of the Code, dated June 03, 2018 the activities of the Audit Committee, including reports (if any) as per condition no 5(6)(a) and 5(6)(b), have been shown in a separate chapter of this Annual Report.

### **NRC REPORTS**

Pursuant to the clause 6(5)(c) of the Code, dated June 03, 2018 the activities of the NRC, NRC Policy and Performance Evaluation Criteria thereof have been shown in separate chapters of this Annual Report.

### **REDRESSED OF MINORITY**

We would like to assure you all 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.

We confirm that 'No' situation arose with minority shareholders since they were protected from abusive actions by, or in the interest of controlling shareholders acting either directly or indirectly and with no effective means of redress.

### EFFECTIVE INTERNAL CONTROL

We would further like to ratify that the system of internal control is sound in design and has been effectively implemented and monitored. An effective internal control system also requires that an appropriate control structure is set up with control activities defined at every business level. The Board of directors has the responsibility for approving the review of overall business strategies and significant policies of the internal control system.

### INFORMATION TECHNOLOGY

Nitol Insurance Company Limited confirmed a high-quality Information Technology (IT) system to build up its capable employees by giving house training and also external training in home. With that intent the IT department was also built with IT professionals having knowledge of both software and hardware. With enthusiastic training and working experience the IT Department has become capable of making required software by them to meet up the demands of the other department. The IT professionals with their ever-changing needs are constantly innovating and producing in-house programs to meet the day-to-day business operations of the company. It has magnificently activated a Wide Area Network (WAN) to connect the entire branch office situated all over the Country.

### EXTERNAL STATUTORY AUDITORS (AGENDA-FOUR (04) OF THIS AGM)

**Statutory Auditors' Report:** With the recommendation of the Board of Directors, the shareholders confirmed the appointment of the external auditor specifying remuneration of its service. In the last AGM, M/s. Mahfel Huq & Co., Chartered Accountants was appointed as external Auditor in the 25th AGM held on 27.06.2024 for auditing the Accounts of the year 2024. There is 'NO' qualification, reservation, adverse remark or disclaimer passed by the statutory auditors for the year ended 31 December, 2024.

M/s. Mahfel Huq & Co., Chartered Accountants have

completed a period of One years audit of the company. So, Board of Directors Recommended, M/s. Mahfel Huq & Co. Chartered Accountants for reappointment as Statutory Auditors in the Company for the year 2025. Under section 210 of the Companies Act 1994, the matter is presented in this Annual General Meeting to consider the appointment of Auditors and fix their remuneration under the guidelines of ICAB.

M/s. Mahfel Huq & Co., Chartered Accountants are recommended by the Board to be appointed for Auditing the Accounts of the Company for the year 2025 with remuneration of Tk. 2,00,000 only including VAT and AIT.

### APPOINTMENT OF COMPLIANCE AUDITORS AS PER CGC-2018 ISSUED BY BSEC (AGENDA-FIVE (05) OF THE AGM NOTICE)

#### COMPLIANCE AUDITORS

**Compliance Auditors' Report:** There is no adverse remark or disclaimer passed by the Compliance auditors for the year ended 31st December, 2024. The Compliance Auditors' remarks the Corporate Governance Compliance of the Company as the satisfactory one.

Md. Abdul Hannan FCMA, Chartered Cost & Management Accountant was appointed for the year 2024 as Compliance Auditor in the 25th AGM of the Company held on 27.06.2024 for certification on compliance on Corporate Governance Code-2018 applicable in Bangladesh.

Md. Abdul Hannan FCMA, Chartered Cost & Management Accountant is recommended by the Board for certification on compliance on Corporate Governance Code -2018 applicable in Bangladesh for the year 2024 with remuneration of Tk. 35,000/- (Thirty thousand taka) only excluding VAT and AIT.

### APPOINTMENT OF COMPLIANCE AUDITORS AS PER IDRA CORPORATE GOVERNANCE GUIDELINE-2023

#### (AGENDA-SIX (06) OF THE AGM NOTICE)

M/S. Hossain & Hossain, Chartered Accountants is recommended by the Board for certification on compliance as per Corporate Governance Guideline-2023 issued by IDRA applicable in Bangladesh for the year 2025 with remuneration of Tk. 25,000/- (Twenty Five thousand taka) only excluding VAT and AIT.

### **SPECIAL REGULATION**

**To change the name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited”. (AGENDA-Seven (07) OF THE AGM NOTICE)**

Pursuant to the Companies Act, 1994 (2nd Amendment Act, 2020) to adopt the change of registered name of the Company to “Nitol Insurance PLC.” from “Nitol Insurance Company Limited” and to amend Clause I of the memorandum of Association and Articles of Association of the Company and other relevant of the MOA & AOA of the Company.

### **GOING CONCERN**

The Board of Directors has reviewed the Company’s business plan and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements are prepared based on the basis of going concern concept. Thus, there is no significant doubt upon the company’s ability to continue as a going concern. During the year 2024, no significant and material orders were passed by the regulators, courts or tribunals, that impacted the going concern status of the Company, or which can potentially impact the Company’s future operations.

Financial statements are generally prepared under the assumption that the business will remain a “going concern”, that is, it is expected to continue to generate a positive return on its assets and meet its obligations in the ordinary course of business. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. NICL is running well above the level of different parameters set by the respective guidelines of IDRA except for a few ratios.

### **ACKNOWLEDGEMENT-THANKS TO ALL STAKE-HOLDERS**

The members of the Board of Directors of Nitol Insurance Company limited like to express gratitude to honorable shareholders, and valued business partners for their patronage and support. The Directors also express their thanks and profound appreciation for the immense support and cooperation they received from the office of the Chairman, Insurance Development & Regulatory Authority (IDRA), and all concerned Government Offices Including the Ministry of Finance, Ministry of Commerce, Sadharan Bima Corporation, Bangladesh Bank, all Nationalized Bank, Commercial Bank and Financial Institutions, Registrar of Joint Stock Companies & Firms (RJSC), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange PLC. (DSE), Chittagong Stock Exchange PLC. (CSE), Central Depository Bangladesh Limited (CDBL), National Board of Revenue (NBR), Bangladesh Insurance Association, and Bangladesh Association of Publicly Listed Companies (BAPLC) The Board Members also pleased to put on record their appreciation for the commitment and dedication extended by the management of the Company.

On behalf of the Board of Directors



**Chairman**

A K M Monirul Hoque