

Paramount Insurance PLC

House # 22 (Level # 3 & 4), Road # 113/A, Gulshan-2, Dhaka-1212
Tel: 55049824-30 Fax: 55049823 e-mail: picl@paramountgroupbd.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

DEAR SHAREHOLDERS,

ASSALAMUALAIKUM,

Once again, on behalf of the Board of Directors of your Paramount Insurance Company Limited, it is our pleasure and privilege to present the Directors' Report and Auditors' Report together with the Audited Financial Statement for the Year ended 31st December 2023. In this dignified gathering I, on behalf of all the Board of Directors would like to express my heartiest gratitude and welcome all the shareholders of the 25th Annual General Meeting being the member of 'Paramount Family'. This Report of the Board of Directors of our company has been prepared in compliance with the provisions of section 184 of the Companies Act 1994 (Act No. XVIII of 1994) and other relevant rules and notifications issued by the Bangladesh Securities Exchange Commission & other regulatory bodies. Through this report the Directors have made relevant disclosures and explanations relating to the issues to ensure compliance, transparency and good corporate governance practices along with the details of the business performance and achievements of the company.

OUR COMPANY:

As you know, your company Paramount Insurance sailed its anchor at the beginning of the year 2000 upon getting permission of the Government of the Peoples Republic of Bangladesh in the end month of the year 1999. Since then, our efforts in establishing "Paramount" in a very good position is going on. Present position of the company is the result of our joint effort and your support. I believe, our progress will reach its destination by the grace of Almighty Allah along with your co-operation in all respect.

GLOBAL ECONOMY & BANGLADESH ECONOMY

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. Bangladesh's economy has recovered from the economic damage caused by the impact of covid-19 and Russia Ukraine crisis, although the recent slowdown in the global economy has adversely affected the country's economic growth.

The economy of Bangladesh is a major developing market economy. As the second-largest economy in South Asia, Bangladesh's economy is the 35th largest in the world in nominal terms, and 25th largest by purchasing power parity. Bangladesh is seen by various financial institutions as one of the Next Eleven. Bangladesh is likely to see a decline in inflation to 6.8% in 2024 from an estimated 9.6% in 2023, the UN projects. The real GDP growth in Bangladesh is expected to slow to 5.6% in the ongoing fiscal 2023-24, down from an estimated 6% growth a year ago, says the United Nations.

Bangladesh's economic growth in the pre-COVID-19 fiscal year (FY 2018-19) was 7.88 percent. during the COVID-19 period, this growth rate declined to 3.45 percent in FY 2019-20, which increased to 6.94 percent in FY 2020-21 and 7.10 percent in FY 2021-22. according to the provisional estimates of Bangladesh bureau of statistics (BBS), the GDP growth stood at 6.03 percent in FY 2022-23.

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NON-LIFE INSURANCE INDUSTRY

Bangladesh has a history of insurance industry aging a near about a century. In 1973, the Government has decided to separate the insurance sector by Life Insurance and General (Non-life) Insurance. At the same time, the government has formed two bodies i.e. Jibon Bima Corporation to deal with Life Insurance activities and Shadharan Bima Corporation to deal with General Insurance activities. Now the total number of non-government General (Non-life) Insurance Company is reached at 46. The Non-life insurance market in Bangladesh is expected to witness significant growth in the coming years. By 2024, the market size, measured by gross written premium, is projected to reach US\$5.82 Billion. This indicates a positive trend in the country's insurance sector. In terms of per capita spending, the average amount spent on Non-life insurance in Bangladesh is estimated to be US\$33.32 in 2024. Furthermore, the gross written premium is anticipated to exhibit an annual growth rate of 4.39% from 2024 to 2028. This steady growth is expected to result in a market volume of US\$6.91 Billion by 2028, reflecting the increasing demand for Non-life insurance products in Bangladesh. It is worth noting that, in a global comparison, the United States is projected to generate the highest gross written premium in 2024, amounting to US\$3,371.0 Billion. This highlights the dominant position of the United States in the global Non-life insurance market. Bangladesh's non-life insurance market is experiencing a surge in demand due to the country's increasing urbanization and economic growth. The government as well as regulatory bodies will take some crucial initiatives to boost up the industry and also with a view to achieve the Sustainable Development Goals (SDGs). In these consequences, Paramount has done well amongst the 3rd generation insurance companies and manage a net profit after tax of Tk.70,493,105/= and earnings per share stood at Tk. 1.73 which is 26.56% in terms of face value per share.

BUSINESS ACHIEVEMENT

Respected Shareholders, you are aware that the Non-Life insurance business is mostly dependent on expansion of industries, growth in trade and commerce, and also the increase in investment including FDI, the economic and political stability and normal life situation which of course, could to some extent be maintained during the year under review. In the face of it, there are several other impediments which were haunting the insurance industry for long rather those were further intensified hampering the bright future of the industry in the previous years. Those were undercut in tariff, rising procurement cost, uneven taxation policy etc. Hopefully the relevant authorities have taken some strong directives and initiatives to overcome these shortcomings. During the year 2023 your company achieved a gross premium income of Tk. 481,745,321/= which is 5.25% lower than that of last year. On the other hand, Net Worth of the company was increased to Tk. 1,079,916,116 as against Tk. 1,049,595,604/= in the last year. We have not been able to do good business this year as compared to last few years, but we are striving to achieve the annual target set for the year 2024. So, we are very much agreed on to fill up the business target by increasing the trend of business within the domain of the Insurance Act and other relevant laws.

SEGMENT WISE BUSINESS PERFORMANCE

During the year 2023 Paramount Insurance Company Limited has earned a gross premium of Tk. 481.75 Million in the following business segments;

Particulars	Current year (2023)	Previous Year (2022)	% increased
Fire Insurance	Tk. 222.07 million	Tk. 219.02 million	1.39%
Marine Insurance	Tk. 191.38 million	Tk. 207.13 million	(7.60%)
Motor Insurance	Tk. 22.70 million	Tk. 30.13 million	(24.64%)
Misc. Insurance	Tk. 45.60 million	Tk. 52.15 million	(12.58%)
Total Gross Premium	Tk. 481.75 million	Tk. 508.43 million	(5.25%)

PROFIT, DIVISIBLE PROFIT & DIVIDEND:

In the face of various hurdles, economic stagnation, and ups and downs in the market, your company has been able to retain its operation profitability with a view to build up of a solid base. Paramount Insurance earned a profit of Tk. 94.39 million before taxation. It has transferred a total of Tk. 226.83 million to reserve for exceptional loss up-to current year in order to maintain strong base for meeting future probable exceptional claim or catastrophe.

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During the year 2023 Tk. 23.90 million has been transferred to provision for income tax and deferred taxation. Balance of net profit Tk. 70.49 million has been retained for shareholders. A meeting of the Board of Directors of the company held on 3rd April 2024 has recommend 10% cash dividend for the year 2023 out of this surplus. The Board believes that the company; by utilizing your investment properly and materializing the opportunities of new Act and directives of IDRA, we will be able to improve in the coming years.

SEGREGATION OF GROSS PREMIUM

A table of segregation of gross premium has been presented on page nos. 57 of the Annual Report.

SEGREGATION OF NET PREMIUM

A table of segregation of net premium has been presented on page nos. 57 of the Annual Report.

FINANCIAL PERFORMANCE

Performance of the company in terms of key performance indicators has been shown in a separate statement under title “Five years Financial performance of the Company” 52 of the Annual Report.

RE-INSURANCE UTILIZATION AND RISK RETENTION RATIO

The company has re-insurance treaty agreement with Shadharan Bima Corporation (SBC). Besides, we place Facultative Reinsurance coverage to Klaption Reinsurance Ltd., Sentinel Underwritings Specialty Marker, WAICA Re, CICA Re PICC through protection Insurance, broker against all classes of general insurance business.

You may be aware that usually high-risk retention level signals inadequate reinsurance protection while low risk retention level hampers profitability. Segment-wise Risk Retention Ratios of the company for the last few years are shown on page nos. 61 of the Annual Report.

PROFITABILITY

Since the company's source of revenue is premium income from underwriting business under other income like fire insurance, marine insurance, motor insurance, and miscellaneous insurance business and income from investment, its profitability depends on these sources.

INVESTMENT PROFILE

The investment schedule of the company is presented on 59 pages

SEGREGATION OF INVESTMENT INCOME AND OTHER INCOME

Paramount Insurance reports consistent growth across all its investment income and non-recurring income components, which comes in 59 pages.

RISKS AND CONCERNS

As Paramount Insurance continues to invest in new ways to gain a better understanding of the dynamic and constantly changing risk environment, it remains at the forefront of risk and resilience, enhancing risk mitigation strategies for businesses, governments and the civil society as well as informing the public policy

A detailed report on the risk management framework has been made separately on page no.27- 28.

COST OF SERVICE SOLD, GROSS PROFIT MARGIN & NET PROFIT MARGIN

Paramount Insurance Company Limited is not a manufacturing company. It is a Non-Banking Financial Institutions dealing with non-life Insurance in Bangladesh. Cost of Goods Sold, Gross Profit Margin & Net Profit Margin is not considering to prepare Financial Statement. Therefore, comparative analysis of financial performance is elaborately discussed on presentation on Financial Indicators at page no.52.

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EXTRA-ORDINARY ACTIVITIES & THEIR IMPLICATION

The activities of Paramount Insurance Company Limited have a steadily growth from the beginning. No extra-ordinary activities occurred during the year and have no implications in the financial statements.

RELATED PARTY TRANSACTIONS

In the ordinary course of business, related party transactions take place with others entities that fall within the term related party as defined in IAS 24: Related Party Disclosure. A statement on the related party transactions has been disclosed under item no.2.20.

UTILIZATION OF PROCEEDS RAISED THROUGH PUBLIC ISSUES

The Company's IPO was made in 2007. No further raised through public issues, right issues and or any other instruments were proceeds during the year.

DETERIORATION OF FINANCIAL RESULTS

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 BETWEEN QUARTERLY AND ANNUAL FINANCIAL STATEMENTS

Statement of Quarterly Financial Statement is given separately. There were some variances in the financial results from quarter to quarter. But they are not very significant or material in nature.

DIRECTOR'S REMUNERATION

No remuneration, board meeting attendance fees Is provided to any of the directors of the company.

DISCLOSURE ON PREPARATION AND PRESENTATION OF 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 change in equity. Audited Financial Statements are shown at page no.123-168.

MAINTAINING PROPER BOOKS OF ACCOUNT

The directors' responsibilities also include overseeing whether adequate accounting records are being maintained with vouchers relevant to any entry in good order. The books of accounts kept at the registered office of the Paramount Insurance Company Limited.

APPROPRIATE ACCOUNTING POLICY

The Directors' responsibilities also include supervision for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these Financial Statements those 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.

FOLLOWED IAS AND IFRS

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 disclose. The name of the complication of IAS and IFRS are disclosed in the page no.143.

PROTECTION OF MINORITY SHAREHOLDERS

This is to certify 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.

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GOING CONCERN

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. Paramount Insurance is running well above the level of different parameters set by the respective guidelines of IDRA expects few ratios. The report on going concern is disclosed in the page no.97.

DEVIATIONS FROM THE LAST YEAR OPERATING RESULTS

There were no significant deviations from the last years operating results of the company.

FIVE YEARS OPERATING AND FINANCIAL DATA

The key operating and financial data for the last five years have been disclosed at page no.52-53.

PROPOSED DIVIDEND

The Board of Directors at the of considering the financial statements for the year ending 31st December 2023 have recommended 10% cash (i.e, Tk.1.00 per share) from the distributable profits of the company which will be placed before the shareholders in the forthcoming AGM for approval.

The members of the Board agreed in principal and declared that pursuant to the Corporate Governance Code-2018, the Board shall not declare bonus share or stock dividend as interim dividend.

BOARD MEETINGS AND ATTENDANCE

During the year, the Board of Director Meeting and their attendance records are shown at page no.73

PATTEN OF SHAREHOLDING

A report on the pattern of shareholding disclosing the aggregate number of shares along with name-wise details as on 31 December 2022 are stated at page no.-87-88.

DIRECTOR APPOINTMENT REAPPOINTMENT

A disclosure made to the shareholders for the appointment or reappointment of a Director’s (including existing director’s) brief resume, expertise in specific functional areas and holding directorship or membership of any other companies or committees are shown at page no.31 to 35.

As per BSEC Notification No.BSEC/CMRRCD/2009-193/3/Admin/104, dated 05 February 2020, we have also made a disclosure to the Directors profile mentioned in the above pages, in case of appointment or re-appointment of any member of the Board of Directors, about the primary employment and other companies in the resume of such member of the Board of Directors.

BOARD OF DIRECTORS

There were 10 (Ten) Directors in the Board of Paramount Insurance Company Limited. Mr. Nawaz Ahmad is the Chairman and Ms. Anita Haque is the Vice-Chairman of the Board. The list of the Board of Directors is shown at page no.30.

RETIREMENT AND RE-ELECTION OF DIRECTORS:

As per provisions of Article No. 112 and 113 of the Articles of Association of the company, following Directors will be retired in the 25th Annual General Meeting and will be appointed /re-appointed to fill up the vacant position in the same meeting.

Group-A

1. Mrs. Anita Das (Retired and Re-appointed at the same AGM in 2021).
2. Mr. Ashit Kumar Das (Retired and Re-appointed at the same AGM in 2022).

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Group – B

Mr. Mohammad Jahidul Abedin (Appointed on 3rd May 2021)

Nominated Director to represent Paramount Textile Limited

In accordance with the provisions of Article No. 112 and 113 of the of the Articles of Association (Complying with present laws) of the Company, Mr. Mohammad Jahidul Abedin from group “B” will be retired in the 25th Annual General Meeting. Mr. Abedin as an eligible candidate express his interest to be re-appointed.

ELECTION OF DIRECTORS BY PUBLIC SUBSCRIBERS

With a view to inform all public subscribers we have arrange to publish notification in 2 (two) national dailies namely, Daily Ashiya Bani and The Mushlim Times Dated April 04, 2024 for election from public shareholders in the 25th AGM. (The Insurance Rules, 1958, rules 15(B)(3).

RETIREMENT AND APPOINTMENT OF INDEPENDENT DIRECTORS

As per Bangladesh Securities and Exchange Commission Notification No.SEC/CMRRCD/2006-158/207/Admin/80, dated June 03,2018, Mr. Hari Pada Deb, the Independent Director of the company has on 6th August 2023 after completion the first tenure of his appointment. After recommendation from the NRC, the Board has re-appointed Mr. Hari Pada Deb, as the Independent Director of the company for the second tenure at 7th Board Meeting in 2023 subject to the approval of the shareholders at 25th AGM.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Annual CSR programs in terms of board approved CSR policies of Paramount Insurance Company Limited will be drawn up and implemented by the dedicated CSR unit Report on CSR shown at page no.92-93.

CREDIT RATING

Alpha Credit Rating Limited has rated the Company in 2023 with “AA” in the long term and ST-2 for the Short Term based on audited financial statements and other available information up to the date of rating declaration. The outlook on the rating is Stable. The rating reflects the Strengths of the Company which is backed by a strong team of management.

CONTRIBUTION TO NATIONAL ECONOMY

PICL contributes to the national exchequer in the form of income tax, VAT & Excise duty. The company’s contribution to the national exchequer has been presented on page no.67.

HUMAN RESOURCE

At PICL, our people are our greatest asset. It is one of our utmost priorities that the employees are taken care of. We try to provide our people a congenial work environment, opportunity to hone their skills and apt compensation and rewards that drive their motivation and work performance -one key reasons for our continued success.

A separate report on human resources has been presented on page no.44-45.

INFORMATION TECHNOLOGY

Paramount Insurance Company Limited has a most flexible & secure IT department with some experienced, energetic and intelligent IT specialist.

In this modern world IT departments have traditionally been the sole proprietor of technology within organizations with responsibility to ensure all technological aspects of an organization are running smoothly.

A separate report on Information Technology has been presented on page no. 50.

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CORPORATE AND FINANCIAL REPORTING:

The Directors, in accordance with SEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, confirm compliance with the financial reporting frameworks as follows;

We Report that;

- 01) The financial statements prepared by the management of the company present fairly its state of affairs, the result of its operations cash flows and change in equity.
- 02) Proper books of account of the company have been maintained.
- 03) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accountings estimates are based on reasonable and prudent judgment.
- 04) International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS), International Financial Reporting Standards (IFRS), Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed. Statement on Compliance with IAS, Statutes & Rules are shown in Note-2.10
- 05) The system of internal control is sound in design and has been effectively implemented and monitored.
- 06) There are no significant doubts upon the company's ability to continue as a going concern.
- 07) There are no significant deviations from last year in operating result of the company.
- 08) The key operating and financial data of preceding five years have been provided in page no.-52-53
- 09) As on December 31, 2022 shareholdings pattern of the company are shown in Note-3.02, 3.02(a), 3.02(b), 3.02(b)(i) and in page no.-89-90.
- 10) A brief resume of the Directors along with other necessary particulars are shown in page no.-30-35

THE BOARD OF DIRECTORS:

The Board of Paramount Insurance Co. Ltd. was constituted by 10 members. Out of which 5 from Sponsor Group, 3 from General Shareholders Group and the rest 2 were Independent Directors. Meetings of the Board of Directors are held regularly. The Board approves the annual target and reviews the business plan of the company and gives guideline for improvement whenever necessary. The management operates within the guidelines, limits, policies as well as the budgetary control adopted by the Board. The Board also ensures strict compliance to the regulatory requirements of timely submission of various financial statements enabling the shareholders to assess the overall performance of the company.

During the year 2023, 09 (Nine) meetings of the Board of Directors were held. It is thus evident that the Directors take much interest in the affairs of the company. A summary of attendance in the meetings during 2023 is given below:

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Name of the Directors	Total numbers of meeting held during the year	Total attendance	Remarks
Mr. Nawaz Ahmed	09	09	The Directors who could not attend any meeting were granted leave of absence.
Mrs. Anita Haque	09	09	”
Mrs. Anita Das	09	09	”
Mr. Ashit Kumar Das	09	08	”
Mr. Ashok Kumar Das	09	08	”
Mr. A.H.M. Abdur Rahman	09	09	”
Mr. A.H.M. Habibur Rahman	09	09	”
Mr. Mohammad Jahidul Abedin	09	09	”
Mr. Yahya AZ Khondker (Retired on 06-06-2023)	09	03	”
Mr. Sib Sankar Saha, FCA (New appointed on 08-06-2023)	09	05	”
Mr. Hari Pada Deb (Re-appointed on 10-08-2023)	09	08	”

SUB-COMMITTEES OF THE BOARD OF DIRECTORS:

The Board has 6 (Six) committees namely i) Executive Committee, ii) Audit Committee, iii) Claim/Risk Management Committee, iv) Nomination and Remuneration Committee, v) Investment Committee and vi) Policyholder protection & Compliance 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.

EXECUTIVE COMMITTEE:

Executive Committee is compressed of 3 members. Sponsor Director Mr. Ashit Kumar Das is the chairman of the Committee. Other members of the committee are Mrs. Anita Das and Mr. A H M Habibur Rahman. Mr. Md. Sajjad Yahya, MD & CEO is the ex-officeo member of the committee. During the year 2023, 01 (One) meeting of the Executive Committee was convened.

AUDIT COMMITTEE AND ITS' REPORT:

Audit Committee is constituted by 3 (Three) members of the board in which 2 (Two) are independent directors. Mr. Hari Pada Deb is the chairman and Mr. Sib Sankar Saha, FCA and Mr. Mohammad Jahidul Abedin are the members of the committee and the Company Secretary is the Secretary of this Committee.

During the year 2023, 7 (Seven) meetings of Audit Committee were held. Report of the Audit Committee was placed before the Board.

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CLAIM/RISK MANAGEMENT COMMITTEE:

Claim Committee is compressed of 3 (Three) Directors. Mrs. Anita Haque is the chairman of the Committee. Other members of the committee are Mrs. Anita Das and Mr. A H M Habibur Rahman. Mr. Md. Sajjad Yahya, MD & CEO is the ex-officeo member of the committee. During the year 2023, 6 (Six) meeting of the Claim Committee was convened. Your company paid Tk.160.85 million to various clients against their valid claims.

NOMINATION & REMUNERATION COMMITTEE (NRC):

The Borard of Directors has formed a NRC committee as a sub-committee of the Board, has been constituted by 2 (two) Independent Directors and 1 (one) Sponsor Director. Mr. Hari Pada Deb, Independent Director of the Board, is the Chairman of the Committee and other Members are Mr. Sib Sankar Saha, FCA, Independent Director and Mr. Mohammad Jahidul Abedin. MD & CEO is the Ex-officeo member of the Committee and the Company Secretary is the Secretary of this Committee. The NRC 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. During the year 2023 3 (Three) NRC Meeting were held. Report of the Nomination & Remuneration Committee is shown in the page No. 100-101.

INVESTMENT COMMITTEE

Investment Committee is constituted by 5 (Five) members of the board. Mr. Mohammad Jahidul Abedin is the chairman. Other members of the committee are Mr. Hari Pada Deb, Mr. Ashit Kumar Das, Mr. A H M Habibur Rahman, Mr. A H M Abdur Rahman. And the Company Secretary is the Secretary of this Committee. During the year 2023, there is no meeting of Investment Committee were held.

POLICYHOLDER PROTECTION & COMPLIANCE COMMITTEE

Policyholder Protection & Compliance Committee is constituted by 3 (Three) members of the board. Mrs. Anita Das is the chairman. Other members of the committee are Mr. Hari Pada Deb, Independent Director & Mr. Mohammad Jahidul Abedin. And the Company Secretary is the Secretary of this Committee. During the year 2023, there is no meeting of Policyholder Protection & Compliance Committee were held.

CODE OF CONDUCT FOR BOARD OF DIRECTORS:

Paramount Insurance Company Limited is one of the 3rd generation non-life insurance companies of Bangladesh. The Board of Directors of Paramount is committed to demonstrate very high standard ethical behavior with all the stakeholders of the company including clients, employees, regulators and others. The Board of Directors is responsible for giving decisions to the management for implementation within the policy-framework by virtue of their integrity, objectivity which must match with the company's ultimate goal. Among others these are the main code of conduct of Board of Directors are follows.

- a) Make policies within company policy-framework;
- b) Never not interfere day to day functions of management;
- c) Avoid conflict of interest;
- d) Comply with all relevant local and international laws and rules;
- e) Maintain confidentiality;
- f) Maintain fair dealing and avoid insider trading,

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- g) Reward and compensate the real performers;
- h) Sacrifice personal and group interest for the greater interest of the company and
- i) Participate appropriate and in real CSR activities.

PROSPECT FOR 2024:

Due to the changed policy of the government, Bangladesh economy is expected to grow favorably. Besides good harvest, recovery of agriculture output, infrastructure development, stable manufacturing growth supported by strong export demand of garments, robust service sector growth and steady flow of remittances would further add to the growth of the economy. In view of these positive factors, Bangladesh economy is expected to grow further in the year 2024. Among the South Asian our GDP is still higher than others.

In the backdrop of such a good prospect in the economic arena, our company will strive hard to achieve its stated corporate objectives. We are trying our best and thus we become a leading insurance company in the country. Paramount has taken some contemporary steps of marketing development to boost up of the company business. With the sincere support of our valued clients and honorable shareholders, we expect a very good year ahead of us.

CORPORATE GOVERNANCE:

Corporate governance is such a system of governance in which organizations are run, managed and controlled with fairness, transparency, accountability and responsibility. Corporate governance with its present standard feature and structure has grown rapidly in the global business reporting due to the fact that in the recent years the legislative and regulatory activities, owner's and the management responsibilities increased as well as evolving best practice recommendations.

All of you know that good corporate governance system is vital for efficient and effective business operation to achieve the set goal. In line with the best practice, the corporate governance systems and practices in Paramount are designed to ensure adequate internal control in operational process, transparency and accountability. The Board of Directors always put emphasis that the company conducts itself as a good corporate entity and comply with corporate behavior & guidelines adherence to rules and regulations etc. It is also ensured that duties and responsibilities are appropriately segregated between the Board and management to provide sufficient check and balance and flexibility for smooth business operations. The Board provides leadership and direction to the management, approves strategic and major policy decisions and to oversee the management to attain predetermined goals and objectives of the company. We are already in compliance with almost all of the provisions of Bangladesh Securities & Exchange Commissions' Notification No. BSEC/CMRRCD /2006-158/207/Admin/80 dated 3 June 2018. A summary report on the status of compliance as per Bangladesh Securities & Exchange Commission is given at [Annexure C](#) this report in the form of check list.

ACKNOWLEDGEMENT:

I take this opportunity, on behalf of the Board of Directors, to express my heartfelt gratitude to all of our valued clients, shareholders and well-wishers of home and abroad for their wholehearted co-operation and active support in discharging the responsibilities reposed on me and the Board during the year under review.

I also thank the Ministry of Finance and the Ministry of Commerce, The Insurance Development & Regulatory Authority, Registrar of Joint Stock Companies, Bangladesh Securities and Exchange Commission, Sadharan Bima Corporation, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC., Government and Private Sector Organizations, and many others for their sincere support and whole hearted co-operation to our company.

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I, on behalf of the Board, also put on record my deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels without which we could not have achieved this result. Thanks, are also due to the Managing Director, Deputy Managing Directors, Executive Directors, all Officers and Staff of the company for their excellent, sincere, dedicated efforts in achieving company's target during the year under review.

The company remains fully committed to its deep determination and ideology of personalized client service up to the satisfaction of valued customers. To ensure financial security we always welcome your suggestion and opinion to improve present and future services of the company.

I now appeal to the magnanimity of the valued shareholders to kindly accept and approve the, Auditors' Report, Annual Audited Financial Statements 2023 and Directors' Report placed before you.

Thanking you all,

On behalf of the Board of Directors,

NAWAZ AHMAD
CHAIRMAN