

7.3	Representative of external or statutory auditors shall remain present in the shareholders Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		
8	Maintaining a website by the company			
8.1	The company shall have an official website linked with the website of the stock exchange.	√		
8.2	The company shall keep the website functional from the date of listing.	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	√		
9	Reporting and compliance of Corporate Governance			
9(1)	Obtain certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		
9(3)	The directors of the company shall state in accordance with the Annexure-C attached in the Directors' report whether the company has complied with those conditions or not.	√		

Name of Directors/Sponsors with shareholdings in 2018

(i) Name of Sponsor Shareholder Director	Number of Shares held	(ii) Name of Shareholder Director.	Number of Shares held
Prof. Rubina Hamid	19,06,760	Adv. Shaila Ferdous Santaz Banu	11,27,429
Mrs. Fouzia Maleque	12,24,000	Mr. Rahat Maleque	30,49,800
Mrs. Shabana Maleque	7,15,213	Mr. Ryan Hamid	7,51,214
Dr. Kazi Aktar Hamid	7,86,378		
Alhaj Mofizur Rahman	10,00,679		
(iii) Name of Sponsor Shareholder	Number of Shares held	(iv) Name of Independent Director	Number of Shares held
Mr. Zahid Maleque M.P.	29,58,000	Adv. Abdus Salam	Nil
Mr. Mustaque Ahmed	7,94,672	Mr. Joynal Abedin FCA	Nil
Mr. Saidur Rahman Khan	3,95,029		

(iii) Shareholding of the Executives:

Name of Executives	Designation	Number of Shares held
Mr. AKM Shariful Islam	Chief Executive Officer	Nil
Dr. Kalyan Kr. Chakraborty FCA	Addl. Managing Director & CFO	Nil
Mr. Md. Rabiul Alam FCS	Deputy Managing Director (F&A) & Company Secretary	Nil

(iv) Shareholders who hold 10% or above shares: Investment Corporation of Bangladesh (ICB)

কোম্পানীর বিভিন্ন অনুষ্ঠানের তথ্য চিত্র



কোম্পানীর ১৮তম বার্ষিক সাধারণ সভায় সভাপতিত্ব করছেন কোম্পানীর মাননীয় চেয়ারপার্সন প্রফেসর রুবিনা হামিদ।
উপস্থিত ছিলেন মাননীয় পরিচালকবৃন্দ ও কোম্পানীর সিইও



কোম্পানীর ১৮তম বার্ষিক সাধারণসভায় উপস্থিত সম্মানিত শেয়ার হোল্ডারগণের একাংশ।



কোম্পানীর দোয়া ও ইফতার মাহফিলে প্রধান অতিথি হিসেবে মাননীয় স্বাস্থ্যপ্রতিমন্ত্রী আলহাজ্ব জাহিদ মালেক এমপি ও কোম্পানীর চেয়ারপার্সন প্রফেসর রুবিনা হামিদসহ পরিচালনা পর্ষদের সদস্যবৃন্দ উপস্থিত ছিলেন।



কোম্পানীর বোর্ড মিটিং এ সভাপতিত্ব করছেন কোম্পানীর চেয়ারপার্সন প্রফেসর রুবিনা হামিদ। উক্ত সভায় মাননীয় পরিচালকবৃন্দ ও কোম্পানীর সিইও উপস্থিত ছিলেন।



এক্সিকিউটিভ কমিটির মিটিং এ সভাপতিত্ব করছেন কমিটির চেয়ারম্যান শাবানা মালেক।
উক্ত সভায় মাননীয় পরিচালকবৃন্দ ও কোম্পানীর সিইও উপস্থিত ছিলেন।



শরী'আহ কাউন্সিল সভায় সভাপতিত্ব করছেন কমিটির মাননীয় চেয়ারম্যান।
শরী'আহ কাউন্সিলের অন্যান্য সদস্যবৃন্দ ও উপস্থিত ছিলেন।



চট্টগ্রামে অনুষ্ঠিত বীমা মেলায় উপস্থিত ছিলেন চট্টগ্রাম সিটি কর্পোরেশনের মাননীয় মেয়র, আইডিআরএ এর মাননীয় চেয়ারম্যান ও সদস্যবৃন্দ, কোম্পানীর চেয়ারপার্সন প্রফেসর রুবিনা হামিদ, সিইও ও অন্যান্য কর্মকর্তাগণ।



কোম্পানীর বীমা দাবীর চেক হস্তান্তর ও উন্নয়ন সভায় উপস্থিত ছিলেন মাননীয় চেয়ারপার্সন প্রফেসর রুবিনা হামিদ, জনাব বোরহান উদ্দিন মাননীয় সদস্য আইডিআরএ, জনাব মো বশিরুল আলম, পরিচালক (যুগ্ম সচিব) আইডিআরএ এবং কোম্পানীর মাননীয় পরিচালক ড. কাজী আকতার হামিদ সহ অন্যান্য কর্মকর্তাবৃন্দ।



কোম্পানীর মহাখালিস্থ ২০ তলা ভবন নির্মাণকারী প্রতিষ্ঠান স্টার পাথ হোল্ডিং এর সাথে চুক্তি স্বাক্ষর অনুষ্ঠানে উপস্থিত ছিলেন মাননীয় চেয়ারপার্সন প্রফেসর রুবিনা হামিদ, মাননীয় পরিচালকবৃন্দ, সিইও সহ অন্যান্য কর্মকর্তাবৃন্দ এবং স্টারপাথ লিমিটেডের ব্যবস্থাপনা পরিচালক।



সানলাইফ ইনসিওরেন্স কোম্পানী লিমিটেড ও এসেনসিয়াল ড্রাগস লিমিটেডের সাথে গ্রুপ বীমা চুক্তি স্বাক্ষরিত হয়। উক্ত অনুষ্ঠানে উপস্থিত ছিলেন সানলাইফ ইনসিওরেন্স কোম্পানী লিমিটেড এর মুখ্য নির্বাহী কর্মকর্তাসহ উর্ধ্বতন কর্মকর্তাগণ ও এসেনসিয়াল ড্রাগের উর্ধ্বতন কর্মকর্তাবৃন্দ।



কোম্পানীর মহাখালীতে ২০ তলা বিশিষ্ট সানলাইফ টাওয়ার নির্মাণ কাজের উদ্বোধনী অনুষ্ঠানে মোনাজাত করছেন মাননীয় চেয়ারপার্সন প্রফেসর রুবিনা হামিদ, সিইও এবং সানলাইফ ও স্টারপাথ লিমিটেডের কর্মকর্তাবৃন্দ।



কোম্পানীর কক্সবাজার সম্মেলন-২০১৮ এ উপস্থিত ছিলেন মাননীয় চেয়ারপার্সন প্রফেসর রুবিনা হামিদ, মাননীয় পরিচালক ড. কাজী আকতার হামিদ এবং কোম্পানীর সিইও, অন্যান্য কর্মকর্তাবৃন্দ।



কোম্পানীর অডিটোরিয়ামে সানলাইফ ইনসিওরেন্স ও বিডিথাই গ্রুপের যৌথ আয়োজনে প্রশিক্ষণ কর্মশালা অনুষ্ঠিত হয়।
সানলাইফ ইনসিওরেন্স কোম্পানী লিমিটেড ও বিডিথাই গ্রুপের উর্ধ্বতন কর্মকর্তা বৃন্দ উপস্থিত ছিলেন।
প্রশিক্ষণ প্রদান করেন মাননীয় পরিচালক ড. কাজী আকতার হামিদ।



বীমা দাবীর চেক হস্তান্তর করেন কোম্পানীর মাননীয় মুখ্য নির্বাহী কর্মকর্তা এ.কে.এম শরীফুল ইসলাম।
উক্ত অনুষ্ঠানে উপস্থিত ছিলেন কোম্পানীর অতিরিক্ত ব্যবস্থাপনা পরিচালক, সিএফও, অন্যান্য কর্মকর্তাবৃন্দ।



রাজবাড়ীর বালিয়াকান্দিতে বীমা দাবীর চেক প্রদান অনুষ্ঠানে উপস্থিত ছিলেন আইডিআর এর মাননীয় নির্বাহী পরিচালক ড. শেখ মহঃ রেজাউল ইসলাম, পরিচালক জনাব আবুল কাশেম, মোহাম্মদ ফজলুল হক ও কোম্পানীর মাননীয় সিইও জনাব একেএম শরীফুল ইসলাম ।



কোম্পানীর ইসলামী আদর্শ বীমা প্রকল্পের জামালপুরের দিগপাইত এরিয়া অফিসে অনুষ্ঠিত সভায় মৃত্যুদাবীর চেক হস্তান্তর করছেন প্রকল্প পরিচালক ও অন্যান্য কর্মকর্তাবৃন্দ ।



কোম্পানীর কক্সবাজারে অনুষ্ঠিত উন্নয়ন সভায় উপস্থিত কর্মকর্তাদের একাংশ।



কোম্পানীর উন্নয়ন সভায় অংশগ্রহণকারী ইসলামী একক বীমার কর্মকর্তাদের একাংশ।



কোম্পানীর উন্নয়ন সভায় অংশগ্রহণকারী ইসলামী আর্দশ বীমার কর্মকর্তাদের একাংশ।



কোম্পানীর উন্নয়ন সভায় অংশগ্রহণকারী একক বীমার কর্মকর্তাদের একাংশ।



***STATEMENT
OF FINANCIAL
INDICATORS***

&

***GRAPHIC CHART
OF BUSINESS
STATEMENTS***



SUNLIFE INSURANCE COMPANY LTD.



Annual Report-2018

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Statement of Financial Indicators Sunlife Insurance Company Limited

BTA Tower, 29 Kemal Ataturk Avenue, Road # 17, Banani, Dhaka

Taka in Crore

SL No	Particulars	2014	2015	2016	2017	2018
1	First Year Premium Income	61.12	81.57	39.26	40.67	22.67
2	Renewal Premium Income	84.48	82.74	72.43	66.19	52.96
3	Group & Health Insurance Premium	0.11	0.99	2.03	1.60	5.08
4	Gross Premium Income	145.71	165.30	113.72	108.46	80.71
5	Re-Insurance Premium	0.05	0.17	0.54	0.34	0.09
6	Net Premium (4-5)	145.66	165.13	113.18	108.12	80.62
7	Retention Ratio (6/4) %	99.97%	99.90%	99.53%	99.69%	99.89%
8	First Year Premium Income Growth (%)	3.59%	33.46%	-51.87%	3.59%	-44.26%
9	Renewal Premium Income Growth (%)	-4.54%	-2.06%	-12.46%	-8.62%	-19.99%
10	Gross Premium Income Growth (%)	-1.27%	13.44%	-31.20%	-4.63%	-25.59%
11	First Year Commission paid for acquisition of life Insurance business	20.44	33.69	16.06	12.93	7.86
12	Second Year Commission paid for acquisition of life Insurance business	1.97	2.69	2.24	1.77	1.94
13	Third Year and Later Year Commissions paid for acquisition of life Insurance business	3.11	2.64	2.35	2.48	1.76
14	Total Commission paid for acquisition of life Insurance business (11+12+13)	25.52	39.02	20.65	17.18	11.56
15	First Year Commissions / First Year Premium (%)	33.44%	41.30%	40.91%	31.79%	34.67%
16	Second Year Commissions / Second Year Premium (%)	9.00%	9.50%	10.00%	10.00%	10.00%
17	Third Year and Later Years Commissions / Third Years and later Years Premium (%)	5.00%	5.00%	5.00%	5.00%	5.00%
18	Management Expenses	76.23	114.07	74.99	59.30	49.85
19	Allowable Management Expenses	66.79	85.03	45.89	46.04	28.51
20	Excess Management Expenses (18.19)	10.43	29.04	29.10	13.26	21.34
21	Excess Management Expenses Ratio (%)	15.62%	34.15%	63.41%	28.80%	74.85%
22	Overall Management Expense Ratio (%)	52.32%	69.01%	65.94%	54.67%	61.76%
23	Renewal Expense Ratio (%)	27.50%	20.50%	15.54%	10.92%	19.85%
24	Claims Paid	53.43	60.98	74.04	74.67	95.25
25	Claims Paid / Gross Premium Ratio (%)	36.67%	36.89%	65.11%	68.85%	118.02%
26	Total Commission Expenses / Gross Premium (%)	17.51%	23.61%	18.16%	15.84%	14.32%
27	Investments Incomes	22.82	20.95	10.95	17.56	10.47
28	Investment Income/Gross Premium (%)	15.66%	12.67%	9.63%	16.19%	12.97%
29	Yield on Life Fund (%)	7.27%	6.36%	3.67%	5.81%	3.82%
30	Conservation Ratio (%)	57.24%	56.78%	43.82%	58.20%	48.83%
31	Second Policy Year Lapse Ratio (%) by number of Policy	69.00%	74.00%	85.00%	80.00%	85.00%
32	Third Policy Year Lapse Ratio (%) by number of Policy	71.00%	72.00%	79.00%	83.00%	92.00%

Statement of Financial Indicators Sunlife Insurance Company Limited

BTA Tower, 29 Kemal Ataturk Avenue, Road # 17, Banani, Dhaka

Taka in Crore

SL No	Particulars	2014	2015	2016	2017	2018
33	Fourth Policy Year Lapse Ratio (%) by number of Policy	75.00%	78.00%	79.00%	83.00%	92.00%
34	Fifth Policy Year Lapse Ratio (%) by number of Policy	78.00%	80.00%	82.00%	84.00%	88.00%
35	Sixth Policy Year Lapse Ratio (%) by number of Policy	82.00%	83.00%	85.00%	88.00%	91.00%
36	Second Policy Lapse Ratio (%) by Premium amount	72.00%	76.00%	91.00%	73.00%	76.00%
37	Third Policy Lapse Ratio (%) by Premium amount	70.00%	72.00%	78.00%	92.00%	78.00%
38	Fourth Policy Lapse Ratio (%) by Premium amount	67.00%	76.00%	78.00%	83.00%	95.00%
39	Fifth Policy Lapse Ratio (%) by Premium amount	68.00%	72.00%	80.00%	82.00%	87.00%
40	Sixth Policy Lapse Ratio (%) by Premium amount	77.00%	75.00%	79.00%	86.00%	90.00%
41	Market Price Per Share (In BDT) at Year end	43.30	27.10	20.80	24.70	28.00
42	Dividend Yield %	1.39%	N.A	N.A	N.A	N.A
43	Outstanding Premium as at 31st December	32.94	46.68	43.68	39.43	35.62
44	Total Investments as at 31st December (Including immovable Properties)	281.96	294.60	263.49	219.72	159.8
45	Life Insurance Fund as at 31st December	340.25	344.75	318.23	303.60	240.86
46	Total Assets as at 31st December	407.25	428.78	408.17	353.05	294.14
47	Paid up Capital as at 31st December	33.08	35.06	35.06	35.06	35.76
48	Paid up Capital / Total Assets (%)	8.12%	8.18%	8.59%	9.93%	12.16%
49	Net Cash flow from operating activities	24.70	-13.34	-24.62	-19.9	-59.41
50	Net Cash flow from Investing activities	-4.70	0.29	41.25	35.30	51.42
51	Net Cash flow from financing activities	2.00	1.13	1.65	-4.75	-
52	Net change in Cash and Cash equivalent	21.99	-11.92	14.98	10.64	-7.99

53. First Year and Renewal Premium Income:

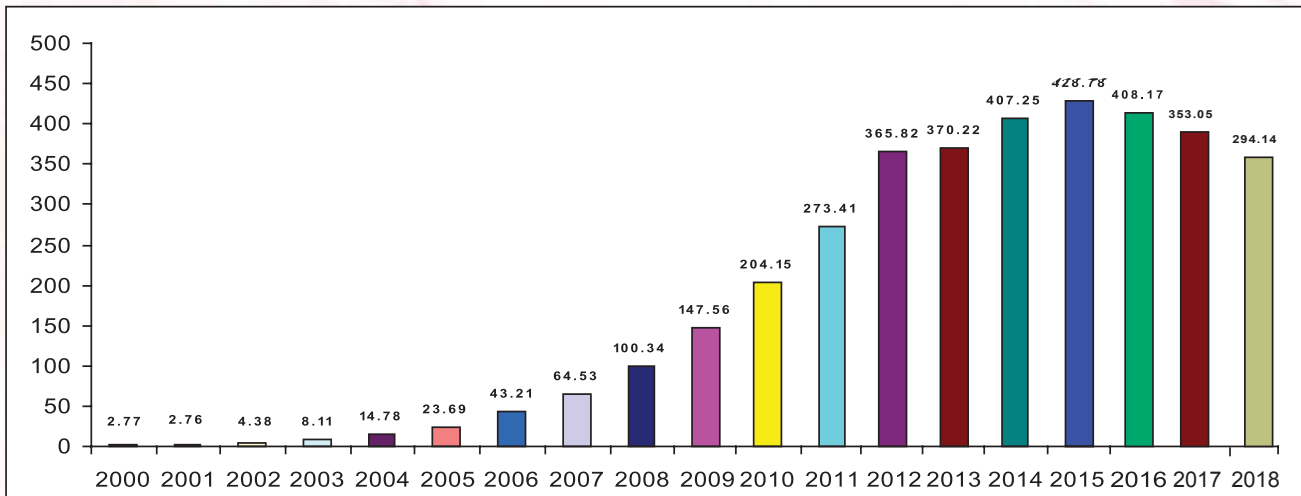
Taka in Crore

Year	2014	2015	2016	2017	2018	Description
	37.98	78.48	18.01	17.44	5.03	First Year Premium Income
2014	N.A	9.04	8.53	6.52	5.03	Renewal Premium out of the Policies issued in 2014
2015	N.A	N.A	7.35	6.65	4.21	Renewal Premium out of the Policies issued in 2015
2016	N.A	N.A	N.A	4.78	4.05	Renewal Premium out of the Policies issued in 2016
2017	N.A	N.A	N.A	N.A	4.21	Renewal Premium out of the Policies issued in 2017

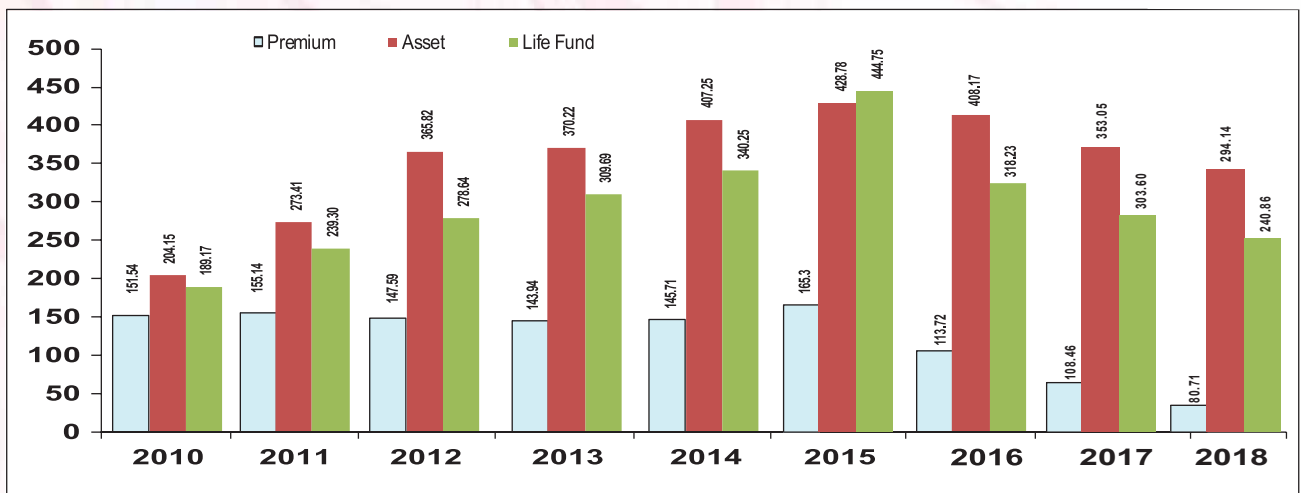
54. Number of First Year and Renewal Policies:

Year	2013	2014	2015	2016	2017	Description
	53,521	70,732	33,901	36,488	23,725	Number of new Policies issued
2014	N.A	14,064	12,650	8,913	6,471	Number of Policies renewed out of the policies issued 2014
2015	N.A	N.A	10,707	8,759	5,484	Number of Policies renewed out of the policies issued 2015.
2016	N.A	N.A	N.A	6,824	4,834	Number of Policies renewed out of the policies issued 2016
2017	N.A	N.A	N.A	N.A	5,619	Number of Policies renewed out of the policies issued 2017

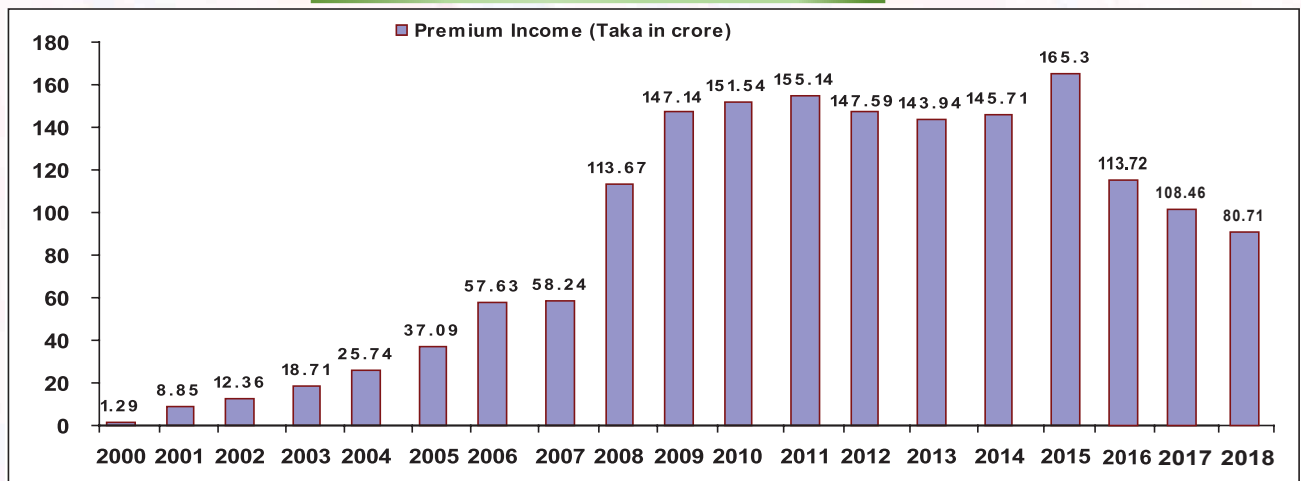
ASSETS (Taka in Crore)



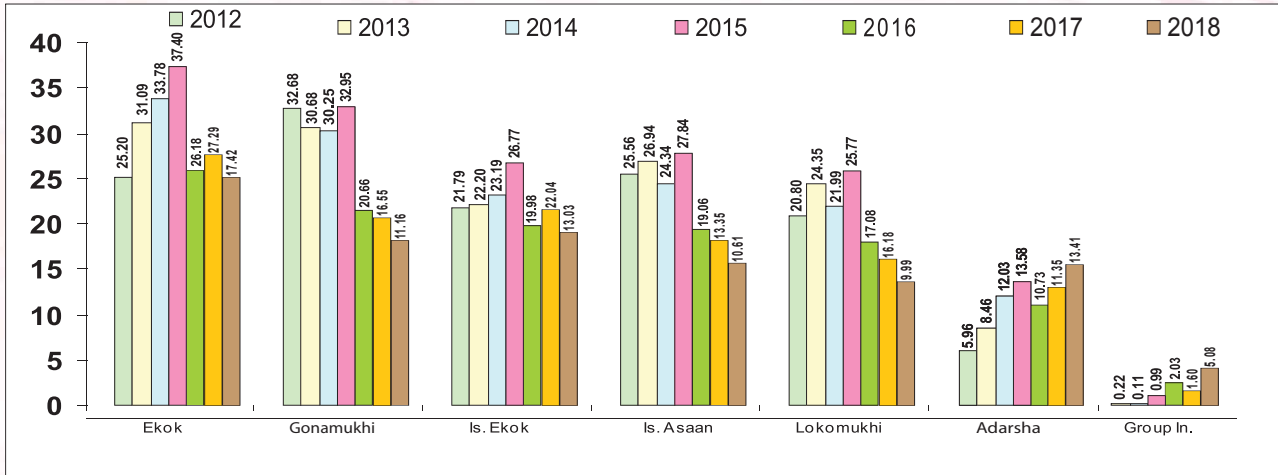
Premium, Assets & Life Fund (Taka in Crore)



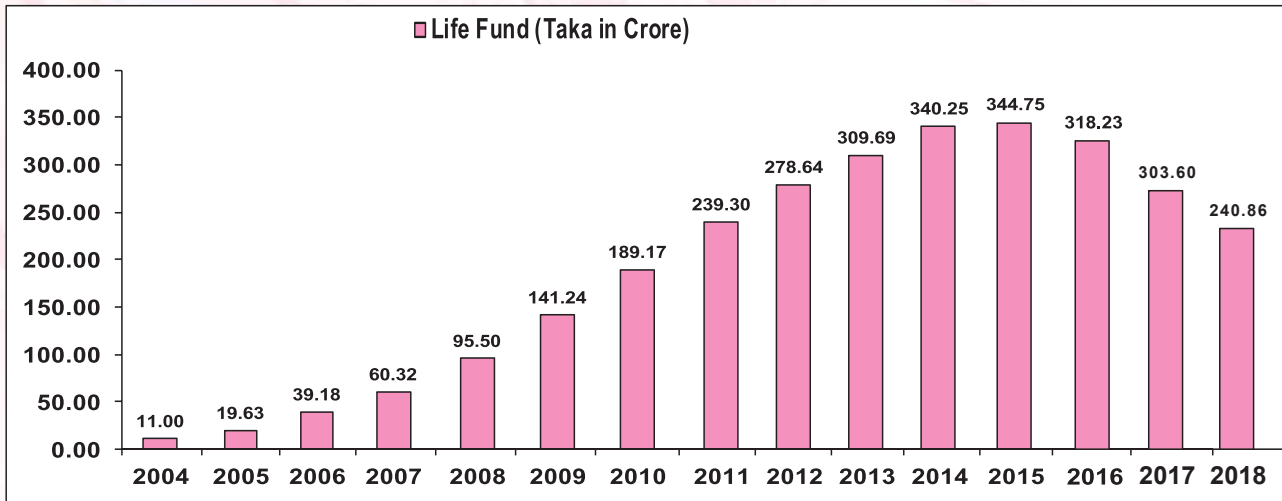
Premium Income (Taka in Crore)



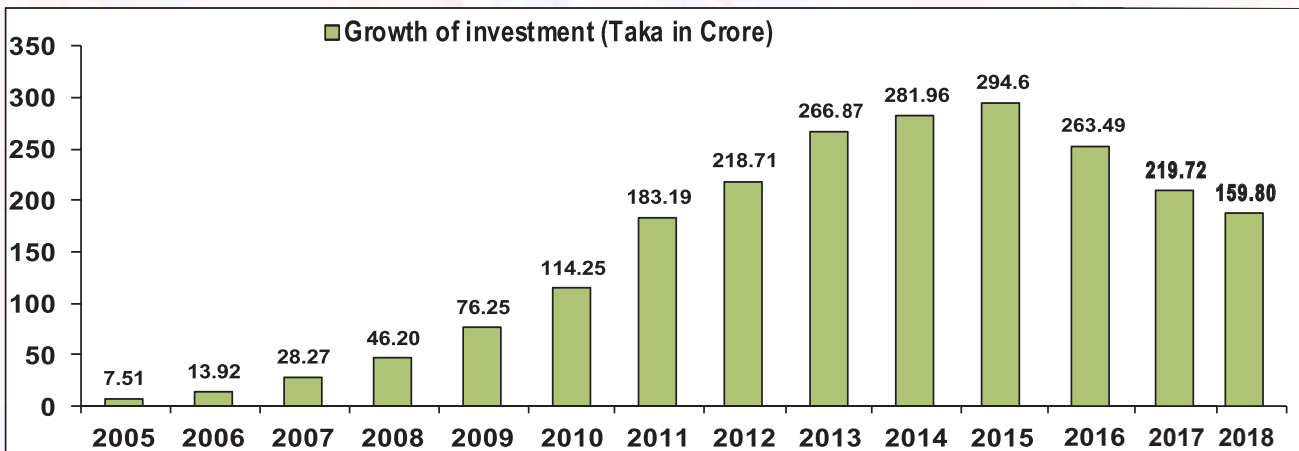
Project wise Premium Income (Taka in Crore)



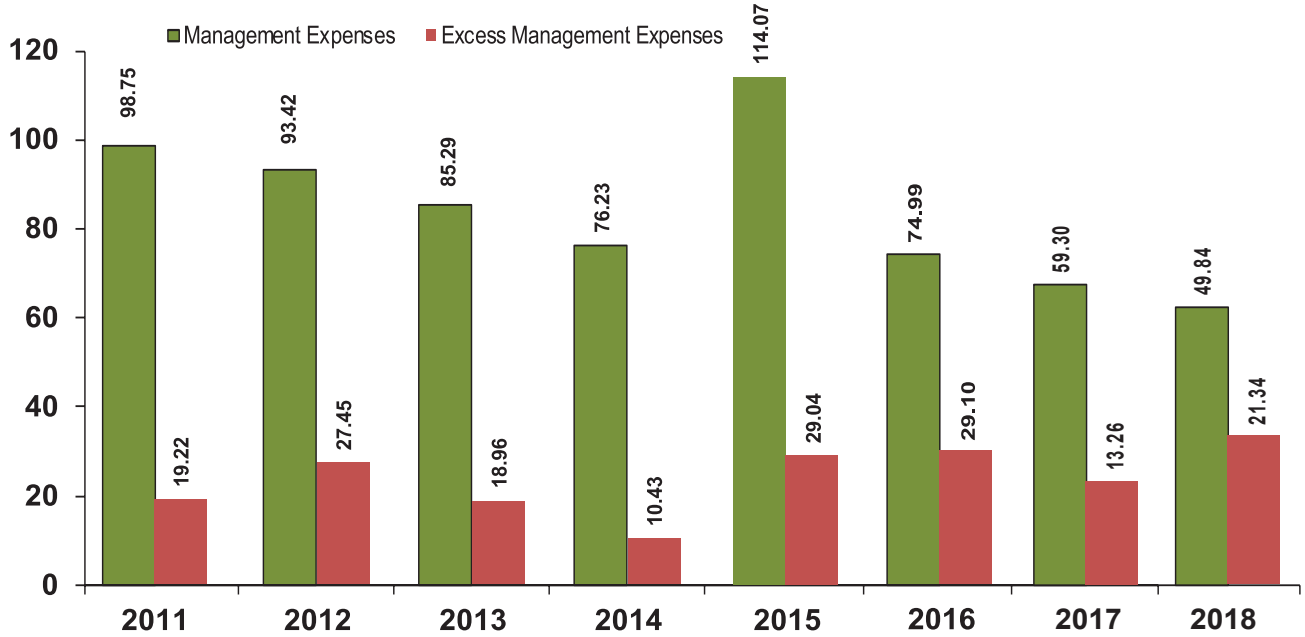
LIFE FUND (Taka in Crore)



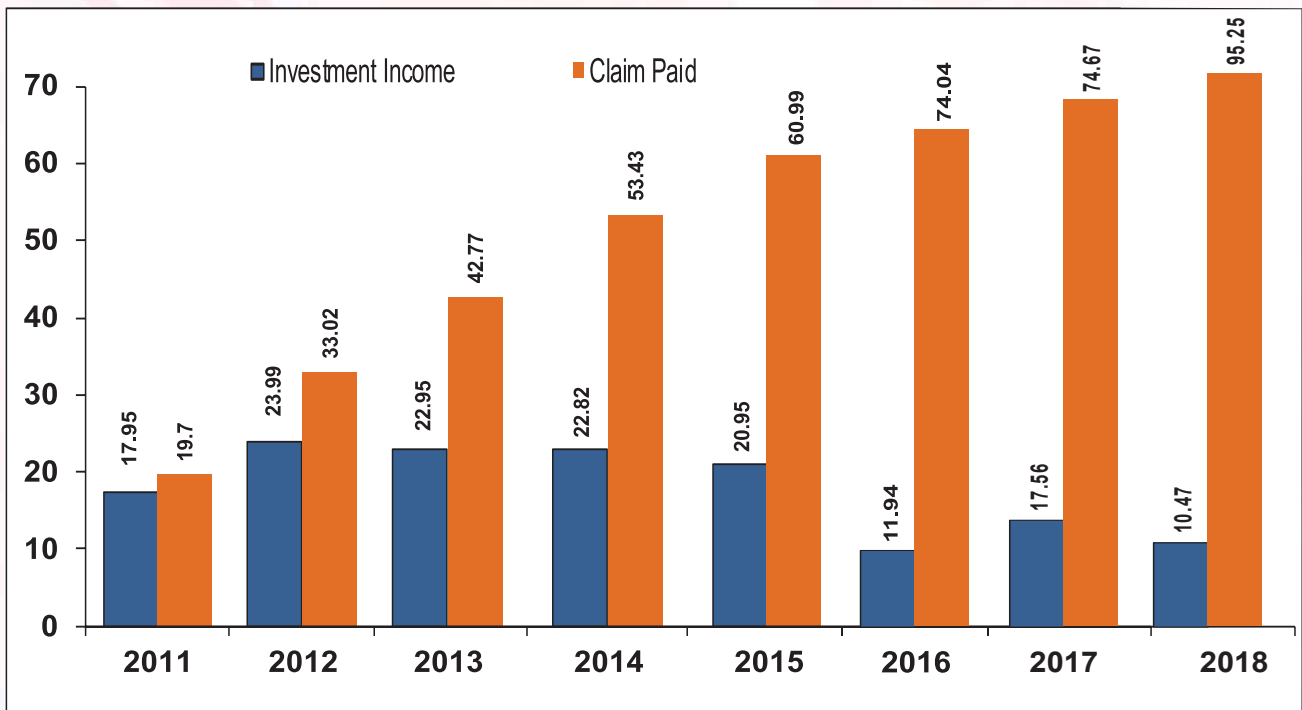
GROWTH OF INVESTMENT (Taka in Crore)




MANAGEMENT EXPENSE & EXCESS MANAGEMENT EXPENSE (Taka in Crore)



CLAIM PAID AND INVESTMENT INCOME (Taka in Crore)





AUDITORS' REPORT AND ACCOUNTS



**Independent Auditor's Report
 To the shareholders of
 Sunlife Insurance Company Limited
 Report on the Audit of the Financial Statements.**

Opinion

We have audited the financial statements of Sunlife Insurance Company Limited (the Company), which comprise the Statement of Financial Position as at 31 December 2018, and the Life Revenue and Profit and Loss and Other Comprehensive Income Account, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Insurance Act 1938 (as amended in 2010), the securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the current year. During the course of the audit, we considered premium income and investment in other entity's shares as significant matter. To address the risk arising in the key audit matter we made sure that we do check the premium income with their individual policies of the insurer, we obtained the share portfolio and cross checked against each share transactions of the share investment and we also verified the each bank balance with their bank statements and the reconciliation. We calculate reserve for unexpired risk of premium income during the year according to Insurance Development & Regulatory Authority Bangladesh.

Risk	Our response to the risk
Premium Income	
<p>Gross life insurance premiums amount of Tk. 807,109,584 is received for the whole period of cover provided by contracts entered into during the accounting period.</p> <p>Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>With respect to premium income in respect of various types of insurance we carried out the following procedures:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around premium income recognition process. ➤ Carried out analytical procedures and recalculated premium income for the period. ➤ Carried out cut-off testing to ensure unearned premium income has not been included in the premium income.



	<ul style="list-style-type: none"> ➤ On a sample basis reviewed policy to ensure appropriate policy stamp was affixed to the contract and the same has been reflected in the premium register. ➤ Ensured on a sample basis that the premium income was being deposited in the designated bank account. ➤ Tested on a sample basis to see that appropriate VAT was being collected and deposited to bank through Treasury Challan. ➤ For a sample of insurance contracts tested to see if appropriate level of reinsurance was premium was deducted from the gross premium. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1938 and other applicable rules and regulations and regulatory guidelines.
<p>See note no 20.00 to the financial Statements.</p>	
<p>Fixed deposit with BGTB & Bank</p>	
<p>Insurance company makes a number of Fixed deposits with regulatory permission. Short of investment is Fixed deposit may increase the risk of liquidity and inflation. This may have adverse impact upon the performance of the company. Physical Existence of the Fixed deposits are, therefore, vital and relevant rate of interest and income are key matters for the company.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> ➤ Obtained Fixed Deposit Schedule and checked physical existence of Fixed Deposit. ➤ Obtained Fixed Deposit bank statement and verified with Fixed Deposit schedule and checked calculation of Fixed Deposit interest and income recognized. ➤ Encashed Fixed Deposit were checked with Bank statement and confirmation were taken. ➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
<p>See note no.11 & 16.01 to the financial statements</p>	
<p>Claim under Policies</p>	
<p>Insurance Company paid claim under policies the amount of Tk. 952,477,700 to policy holder by maturity, death, survival, surrender & others. Given the important nature, connections to other items to the financial statements and sensitivity of the item we believe this area pose high level of risk.</p>	<p>We additionally carried out the following substantive testing for this item:</p> <ul style="list-style-type: none"> ➤ The design and operating effectiveness of key controls around claim payment process.



	<ul style="list-style-type: none">➤ Carried out analytical procedures and recalculated premium income for the period.➤ Ensured on a sample basis checked voucher with ledger and checked calculation process of all claim amount.➤ Ensured on a sample basis that the claim was being paid in the designated bank account.➤ Finally assessed the appropriateness and presentation of disclosures against relevant accounting Standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.
See note no. 23 to the financial statements	
Valuation of Life Fund	
<p>Valuation of life fund involves complex and subjective judgments about future events, both internal and external to the business, for which small changes in assumptions can result in material impacts to the valuation these liabilities.</p>	<p>The work to address the valuation of life fund included the following procedures:</p> <ul style="list-style-type: none">➤ We understood the governance process in place to determine the life fund, including testing the associated financial reporting control framework.➤ We tested the design and operating effectiveness of data used.➤ Using our actuarial specialist team members, we applied our industry knowledge and experience and we compared the methodology, models and assumptions used against recognized actuarial practice.➤ We tested the key judgments and control over the liability, including the preparation of the manually calculated components. We focused on the consistency in treatment and methodology period – on – period and with reference to recognized actuarial practice.➤ We assessed the disclosures in the financial statements. As a part of our consideration of the entire set of assumption, we focused particularly on the Annuitant mortality, credit Default and Expenses assumptions for the life fund given their significance to the company's result and the level of judgment involved . These have been considered in greater detail below.➤ Based on the work performed and the evidence obtained, we consider the assumptions uses to be appropriate.
See note no.6.00 to the financial statements	



Fair Value Change Account

Sunlife Insurance company makes a number of investments in the listed and unlisted capital market with required regulatory permission. Income generated from the investments (realized gain and dividend received) is credited to the Profit & Loss Account. Unrealized capital gain or loss if any is transferred to the Fair Value Change Account subsequently or as per the policy of the company.

This item has significant impact on the earnings performance of the company and return to the shareholders and might be prone to misreporting as large unreported fall in the value of any holding may wipe out the value of the portfolio and hamper the distribution capability of the company.

We tested the design and operating effectiveness of key controls around monitoring, valuation and updating of prices of the positions held by the company from trusted sources. Additionally, we performed the following:

- Obtained year-end share holding positions from the company and through directional testing assessed the completeness of the report.
- Ascertained the valuation of the holding as per IFRS 13.
- Reviewed and challenged the assumptions used for the valuation models for any unquoted securities.
- Recalculated unrealized gain or loss at the year end.
- Carried out cut-off testing to ensure unrealized gain or loss was recognized in correct period.
- Obtained the CDBL report and share portfolio and cross checked against each other to confirm unrealized gain or loss.
- Check the subsequent positioning of this unrealized amount after the year end.
- Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards, Insurance Act 1938 (as amended in 2010), Insurance Rules, 1958 and other applicable rules and regulations and regulatory guidelines.

See note no.9.04 to the financial statements



Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Insurance Act 1938 (as amended in 2010), the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement