ANNUAL REPORT 2016

17 YEARS IN BUSINESS













এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোং লিঃ

ASIA PACIFIC GENERAL INSURANCE CO. LTD.

COMPOSITION OF BOARD AND ITS COMMITTEE

BOARD OF DIRECTORS

Chairman
Mr. Aftab ul Islam, FCA

Vice Chairman
Mrs. Kashmiri Kamal

Directors
Mr. Wahidul Haque Siddiqui
Mr. Gazi A.Z.M. Shamim
Ms. Kashfi Kamal
Mr. Moynul Haque Siddiqui
Mr. Mohd. Shahjahan Miah
Mr. Md. Habib Ullah Babul
Mr. Golam Kabir Chowdhury
Mr. Abdul Haque
Mr. Moshiur Rahman
Mrs. Woahida Pervin (Happy)
Ms. Nafisa Kamal
Mrs. Nazma Khan
Mrs. Lipika Biswas

Independent Directors
Dr. Hafiz G.A. Siddiqi
Dr. A.K.M. Moazzem Hussain

Chief Executive Officer (C.E.O)
Mr. Bidhu Bhuson Chakraborty

COMMITTEES

Executive Committee

Mr. Wahidul Haque Siddiqui	Chairman
Mr. Aftab ul Islam, FCA	Member
Mr. Moynul Haque Siddiqui	Member
Dr. Hafiz G.A. Siddiqi	Member
Dr. A.K.M Moazzem Hussain	Member

Audit Committee

Dr. Hafiz G.A. Siddiqi	Chairman
Mr. Aftab ul Islam, FCA	Member
Mr. Wahidul Haque Siddiqui	Member
Mr. Golam Kabir Chowdhury	Member
Mr. Moshiur Rahman	Member

Claims Committee

Mr. Abdul Haque	Chairman
Mr. Wahidul Haque Siddiqui	Member
Mr. Gazi A.Z.M. Shamim	Member
Mr. Mohd. Shahjahan Miah	Member
Mr. Md. Habib Ullah Babul	Member

Investment Committee

Mr. Moynul Haque Siddiqui	Chairman
Mr. Aftab ul Islam, FCA	Member
Mr. Wahidul Haque Siddiqui	Member
Mr. Gazi A.Z.M. Shamim	Member
Mr. Mohd. Shahjahan Miah	Member
Ms. Kashfi Kamal	Member

AMAR STOCK



SENIOR EXECUTIVES

Mr. M. Motiar Rahman
Additional Managing Director

Mr. Chowdhury A.S. Mahabub (Madina)
Deputy Managing Director

Mr. Joy Bijoy Saha
General Manager (Finance & Accounts)

Mr. Zahirul Islam
General Manager (Re-insurance)

Mr. Imrul Hasan Khan
General Manager (Claims)

Mr. Md. Shariar Siddique
General Manager

Mr. Md. Shah Alam
General Manager

Mr. Shamshad Atique
General Manager

Mr. Gobindo Chandra Saha
General Manger

Mr. Md. Shariful Islam Chowdhury
Company Secretary

Deputy General Managers

Mr. Yahya Chowdhury
Mr. Mohammad Younus
Mr. Farukuzzaman

Assistant General Managers

Mr. M.M. Fazle Rahim
Mr. Manzur Hossain
Mr. Swapan Kumar Sarker



Message from the Chairman

Dear Shareholders,
Assalamu Alaikum

It is my great pleasure to welcome all of you to the 17th Annual General Meeting of the Company. It gives me an immense pleasure to express my heartiest thanks and gratitude to the Hon'ble Shareholders for the continuous support you have been extending to us from the very inception of the journey which is going on till now. We are also grateful to our indispensable patrons, dear stakeholders and my colleagues on the Board of Directors for continuous support to maintain a steady performance despite of all difficulties.

We are very happy to inform that, APGICL again registered another good year of performance and consolidation in the reshaping and strengthening of the Company within a more competitive and challenging business environment. In 2016, we have primarily focused to increase the business growth within the compliance issues to put the Company in further strong foothold on the ground to look forward boldly to the near future. This may have put us in somewhere behind in terms of prompt result but in the long run, we can ensure that we will be rewarded immensely by deriving business on some more secured bases.

At the end of 2016, the gross premium income of the Company increased by Tk. 37.21 million to reach the total of Tk. 404.15 million against Tk. 366.94 million in 2015. The growth record is 10.14% over the preceding year. The total Underwriting profit is Tk. 55.02 million in 2016 as compared to Tk. 52.30 million in 2015. Due to increase of investment in shares, fixed deposit position has been reduced and stood at Tk. 427.26 million in 2016 compared to Tk. 555.20 in 2015. Investment in Shares stood at Tk. 253.67 in 2016 compared to Tk. 136.76 of the 2015. Company's NAV, NOCF & Earing per share for the year were 17.70, 2.15 and 1.50 respectively.

In the month of October, 2016, the Company has shifted its Head Office to its own premises at Homestead Gulshan Link Tower (6th Floor), Gulshan Badda Link Road, Dhaka. The initiative of this shifting plan to its own premises surely boosted up the morale and spirit of all stakeholders including the Shareholders and the working force as well. Besides, the registration process of the purchased floor spaces at Khulna has completed and Khulna Branch activities is now operating from that premises from the beginning of 2016. Those events will surely enhance our image among the people showing our strength and stability.

The Company is determined to achieve continuous and steady growth by ensuring the effective use of its human resources and expanding its branch network and technology amongst the competitive and challenging environment in the industry in order to increase our market share and to improve values and returns to all our stakeholders. Our dividend history gives an account of commitment to our Shareholders. In recognition of your support and considering the Company's performance in 2016, the Board of Directors recommended cash dividend for 10% of the paid-up capital for this year. Protecting the value for our shareholders has been a guiding philosophy of the Company.

At the end, I would like to express my earnest gratitude to the Govt. of the Peoples Republic of Bangladesh, Insurance Development & Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange and Chittagong Stock Exchange, CDBL for their valuable guidance and support to our journey ahead. I also thank all other insurance companies, financial institutions and correspondent Banks for their nice cooperation and support; appreciate all staff members of the API family for their dedicated services and contribution for the overall performance of the Company.

By the grace of Almighty Allah, we shall continue to grow in the days of future

Aftab ul Islam, FCA
Chairman



Message from the CEO

Respected Shareholders,

It is a great privilege and honor for me to welcome all of you on this august occasion at the 17th Annual General Meeting of Asia Pacific General Insurance Company Ltd. I feel very happy and delighted to conveying my hearty felicitation to our Honorable Chairman, Directors' and reverend stakeholders of the Company for their continued support and cooperation throughout the year which has always been a great source of inspiration that help us to achieve the steady growth and greater height of prosperity.

The Company has passed another eventful year experiencing a lot of hurdles in the local business arena but we were successful to squeeze better performance by dint of our dedication, firm commitment and setting right strategies. Our triumphant journey continued as usual along the line of improving upon the trendsetting innovative underwriting practices. The Company focused on attracting new customers and retaining the loyalty of old customers though improving customer services at a very competitive price.

Today, we are committed to our vision of establishing "to be the best among the Top Insurer" as reflected in our continued focus on business excellence and quality over the last 17 years since our inception. Despite of challenging business environment in 2016, we continued to deliver consistent result though execution as a part of our focus on quality business environment. This enable us to achieve better satisfactory results and significant value for our stakeholders. The Company registered a net profit before tax of Tk. 91.89 million during the year under consideration. Gross premium income rose to Tk. 404.15 million indicating a growth rate of 10.14%. As a result, our underwriting profit increased to Tk. 55.02 million from Tk. 52.30 million in 2016.

Our industry has developed and is more competitive than ever before. At the same time, we are facing so many challenges like unfavorable interest rate on fixed deposits, increasing cost of doing business and turbulent market competition. 2017 will be a challenging year yet our firm commitment towards excellence with outstanding operational efficiency will make the Company stronger, set examples for others to follow and create positive differences. Sustainable business growth, dynamic and talented human capital driven by values, excellent risk management will surely command some key strength for the Company. We believe that, as long as we adhere to the right development strategy, take proactive actions and forge ahead, 2017 will be full of hopes and harvests.

I express our affiliation and extend warm greetings and profound gratitude to the valued clients, shareholders and well-wishers who are the source of inspiration of all our activities. I express my sincere thanks to all of the employees for their uncompromising loyalty, relentless hard work and dynamic team spirit to take the Company forward. Above all, I convey my sincere thanks and heartfelt gratitude to our regulatory authority specially Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Notional Board of Revenue (NBR), Registrar of Joint Stock Companies & Firms (RJSCF) as well as external Auditor for their continued support and cooperation in running our business activities of the Company.

Wishing you all of your lives be embellished with glory and success.

Bidhu Bhuson Chakraborty
Chief Executive Officer (C.E.O)



A view of the 16th Annual General Meeting of the Company held at IDEB Bhaban, Kakrail Dhaka.

An exclusive view of the honorable Shareholders and Directors on the Stage at 16th AGM of the Company.





Lively presence of Honorable Shareholders & Directors of the Company at the 16th AGM.

Mr. M. Motiar Rahman, Additional Managing Director (to the right) of the Company handing over a cheque against Fire Claim to Mr. Shafiqul I. Sarkar Sohel, Managing Director of Shohagpur Textiles Limited.





View of cheque Handing Over Ceremony at "Bima Mela - 2016" where Mr. Bidhu Bhuson Chakraborty, Chief Executive Officer of the Company handing over a cheque to Mr. Rajesh Agarwal, CFO of Compuster Pvt. Ltd. against Marine Claim.

Mr. M. Motiar Rahman Additional Managing Director of the Company handing over a chaque against Motor Claim to Mr. Jashim Uddin, General Manager of Energypac Power Generation Ltd.





A cheque of Marine Claim is handing over to Mr. Shah Imran, DGM (Procurement) of Beximco Pharmaceuticals Ltd. by Mr. M. Motiar Rahman, Additional Managing Director of the Company.



Mr. Shafiqul Alam, Head of Support Services of Independent Television receiving a cheque against Motor Claim from Additional Managing Director of the Company.



Honorable Chief Executive Officer, Mr. Bidhu Bhuson Chakraborty is seen to inaugurate the New Head Office of the Company at own Premises, Homestead Gulshan Link Tower (6th Floor), Gulshan Badda Link Road. Dhaka.

The Hon'ble Chairman of the Company Mr. Aftab ul Islam, FCA inaugurating the New Office of Khulna Branch at own premises at 99, Jessore Road, Khulna.





A Board Meeting was in progressed, presided over by Mr. Aftab ul Islam, FCA, Hon'ble Chairman of the Board of Directors of the Company.

A day long Managers' Conference was successfully organized to exchange views and ideas among the all Branch In-charges with Head Office Management for the Business Development of the Company.





A glimpse of exchanging views with the valued clients of Jessore Branch in presence of the Hon'ble Chairman, Additional Managing Director and Jessore Branch In-charge with other personnel of the Company.

An awareness building Program on "Risk Management & Insurance" was successfully organized for the valued clients of Gulshan Branch of the Company.





Glimpse of clients get together on the occasion of welcoming the New Year - 2016.

STOCK



DIRECTORS' REPORT



DIRECTORS' REPORT

Honourable Shareholders,
Assalamu Alaikum

It is the immense pleasure of the Board of Directors of the Asia Pacific General Insurance Company Limited to present the 17th Annual Report of the Company before the honorable Shareholders. The report is comprised of Auditors' Report, Directors' Report and Audited Financial Statements which outlines the performance of the Company for the year ended December 31, 2016. The Board of Directors have reviewed the financial statements in order to ensure effective control, transparency and accuracy of financial data and financial reporting.

Industry Overview:

Bangladesh Insurance market is comparatively small. The market has immense potential for future expansion and this expansion and increase of insurance penetration lies in personal lines business such as health insurance and micro insurance. Non-traditional insurance needs to be developed and marketed. The growth of the Country's economy, in line with the growth in South Asian countries will also provide an impetus to the insurance sector by creating new business opportunities.

The insurance market in Bangladesh remains fragmented and extremely competitive due to existence and operation of a large number of companies. Before 2013, there were 43 non-life and 17 life insurers in the private sector, other than 2 public sector Corporation. During mid 2013, the Government has issued licenses to 9 life and 2 non-life insurance companies. However, none of the non life insurers held significant portion of market share to build up monopoly market. According to BIA, 45 non-life insurance companies and one state owned Corporation of Bangladesh has reported a gross premium of BDT Tk. 24,799.32 million in 2015.

In spite of the stable growth rate (around 10%) of the Bangladesh Insurance Industry in the last few years, the expansion of the insurance business, particularly the non-life sector has experienced a down ward trend in the year 2014 because of poor investment and slowdown of economic activities led by the political unrest. The experts have the fear of that the industry was likely to have the similar experience in 2016. In Bangladesh the marine insurance is considered to be the life guard for the non-life insurance business at this moment. Marine Insurance completely depends on imports which were continuously being disturbed by the agent commission related matters.

The regulatory reforms which started with the introduction of the Insurance Act 2010 is yet to be completed as the important rules/ regulations under the Act. It is being obligatory for insurance companies to charge insurance premium rates as determined by the Regulatory Authority. However, the tariff rates have not been reviewed for a long time in the light of updated loss experience obtaining over the years and as such many clients do feel that they are being overcharged. Further, short term and mid term objective of national insurance policy and guideline were not implemented. This has further negative impacted on the public perception of the insurance industry at large thereby hindering its growth.

According to final data released by Bureau of Statistics, Bangladesh, the growth rate of insurance sector decelerated at 0.54% in FY2015-16 from 3.95% of previous fiscal year. The share of the insurance sector in GDP at constant prices stood at 0.34% in the FY2015-16 from 0.36% in FY2014-15. Insurance penetration rate in Bangladesh is less then 1% since last consecutive consequence years.

The further progress of Bangladesh Insurance Industry predominantly depends on how the consumer's perception of insurance as a useful and efficient vehicle of risk transfer can be bolstered. This can be achieved through sustained efforts of the industry as well as regulators by holding public conference, by providing efficient services, honoring insurance policy obligations, introducing new products, aware the public by using technology and social mechanism and by rationalizing the pricing mechanism.

Financial Review :

Being a part of more competitive and challenging business environment, APGICL again registered another good year of performance and consolidation in the reshaping and strengthening of the Company. In 2016, we have primarily focused to increase business growth within the compliance issues to put the Company in further strong foothold on the ground to look forward boldly to the near future. This may have put us in somewhere behind in terms of prompt result but in the long run, that we will be rewarded immensely by deriving business on a more secured base.
At the end of 2016, the gross premium income of the Company increased by Tk. 37.21 million to reach the total of Tk. 404.15 million against Tk. 366.94 million in 2015. The growth record is 10.14% over the preceding year. The Company was successful in stamping its footprint in just about every aspect of the insurance activities starting from efficient underwriting of insurance of business with low cost benefit, prompt claim settlement, resourceful utilization of fund, thus fostering a growth in profit.

Operational Result

The financial highlights on the operational result of the Company accomplished through the year 2016 as here under :

- In 2016, the Company has earned Gross Premium of Tk. 404.15 million as against Tk. 366.94 million in 2015 showing a growth of 10.14%.
- Total underwriting profit increased by Tk. 2.72 Million in 2016 from Tk. 55.02 million in 2016 against Tk. 52.30 million in 2015.
- Net Claims paid is Tk. 69.18 million in 2016, which was Tk. 41.70 million for the year 2015.
- Investment & other income is Tk. 56.7 million in 2016 while it was Tk. 59.88 in 2015.

Class wise Premium :

Fire :
In the year 2016, the gross premium income from Fire insurance business slightly decreased to Tk. 118.22 million from Tk. 124.70 million in 2015, yielding a net premium of Tk. 25.93 million, after reinsurance cession.

Marine :
The gross premium income increased from Marine insurance alone by 17.45% from Tk. 171.15 million in 2015 to Tk. 201.02 million in 2016. Net premium income from Marine insurance business stood at Tk. 134.00 million. The Company earned an underwriting profit of Tk. 15.22 million.

Motor :
Gross premium income in Motor Insurance Business increased by 10.60% from Tk. 45.65 million in 2015 to Tk. 50.49 million in 2016. The net premium income stood at Tk. 44.29 million. The Company earned an underwriting profit from motor insurance business for Tk. 7.57 million.

Miscellaneous :
In the year 2016, gross premium income from Miscellaneous Insurance business became Tk. 34.42 million while it was Tk. 25.44 million in 2015. The net premium income from Miscellaneous Insurance business stood at. Tk. 5.54 million.

Investment Income :
In comparison to the previous years, interest rate has been reducing throughout the year because of excess liquidity in the economy. Because of that, interest income derived from banks and nonbanking financial institutions decreased to Tk. 40.91 million from Tk. 53.05 million in 2015. The dividend income for the year under review rose to Tk. 8.24 million from Tk. 2.63 million in 2015. In addition to the investment income, the Company earned profit on sales of Shares for Tk. 7.55 million through trading in secondary capital market even in a dull market condition prevailing throughout the year against Tk. 4.20 million in 2015.

Investment :
The Company's investments during the year 2016 were stood at Tk. 705.93 million as on December 31, 2016, which includes investment in Share for Tk. 253.67 million as opposed to Tk. 716.96 million in the previous year. Out of the total investment, 61% was concentrated in Fixed Deposit (F.D) with various commercial banks and non-banking financial institutions to maintain comfortable liquidity Ratio of the Company.

During the year under review, the rate of interest on Fixed Deposit (F.D) has been reduced significantly. In order to ensure better rate of return, the Company decided to increase investment of fund in the secondary capital market in consideration of Return and Tax benefit. In reflection of that decision, investment in shares have increased by Tk. 116.91 million from Tk. 136.76 to Tk. 253.67 million in 2016 resulting decreased of Fixed Deposit (F.D) position at Tk. 427.26 million from Tk. 555.20 million in 2015. Investment in shares had been shown at cost keeping a fluctuation reserve fund against the reduction of share price compared to consideration value of shares. In the year under review, with a view to complying with BAS 39: Financial Instruments: Recognition and Measurement, the Company has completed to make 100% provision against the difference between cost and consideration value of the shares.

Total Assets :

Total Assets of the Company stood at Tk. 1217.80 million in 2016, while it was Tk. 1146.14 in 2015. Net Asset Value per Share (NAV) is Tk. 17.70 in 2016 as against Tk. 17.20 in 2015.

Liabilities :

The liabilities of the Company stood at Tk. 468.9 million in 2016 from Tk. 462.21 million in 2015. The Shareholders' Equity is Tk. 748.87 in 2016, while it was Tk. 728.53 in 2015 registering growth of 2.79%.

Operational performance :

(million in BDT)

Particulars	Fire	Marine	Motor & Misc.	2016	2015
Direct Premium (gross)	118.22	201.02	84.92	404.16	366.94
Re-insurance Ceded to SBC	92.28	67.01	35.94	195.23	176.34
Premium Retained (Net)	25.93	134.00	48.96	208.89	190.60
Net Commission	(3.99)	15.23	7.89	19.12	33.95
Net Claim Settled	25.48	36.12	7.58	69.18	41.71
Management Expenses	22.76	22.98	12.19	57.93	44.20
Underwriting Profit	(17.05)	53.58	18.49	55.02	52.30

Profit and Loss Account & its appropriation :

The silent futures are given below :

(million in BDT)

Particulars	2016	2015
Gross Premium Income	404.16	366.94
Net Premium Income	208.89	190.60
Underwriting Profit	55.02	52.30
Income from Interest	40.91	53.05
Profit on Sale of Shares	7.58	4.20
Dividend Received	8.24	2.63
Net profit for the year and its appropriation :	**91.89**	**91.77**
Add: Surplus brought forward	2.28	1.77
Less: Reserve for exceptional losses	18.00	19.00
Less: Tax provision	26.10	27.00
Less : Provision for deferred tax	.10	.05
Less : Provision for Gratuity	1.00	2.50
Less: Provision for previous year tax adjustment	2.00	-
Net un-appropriate profit	**46.97**	**44.98**

Proposed Dividend :

Considering the profit of the Company, The Board of Directors has been pleased to recommend for declaration of 10% Cash Dividend to the Shareholders for an amount of Tk. 42,350,000/- only subject to approval of the 17th Annual General Meeting (AGM).

Credit Rating :

Asia Pacific General Insurance Company Ltd. has been awarded as "AA-" (pronounced as double A minus) for long term which indicates very strong financial capability to pay claims & long term obligation and "ST-1" for short term which means strong capacity to meet up short term obligation. The Credit Rating of the Company has been done by the Alpha Credit Rating Limited. The Company in its evaluation of credit rating report was also placed with "stable outlook".

Information Technology :

The operations of all branches have been computerized to minimize costs & risks and to optimize benefits and increase overall efficiency for improved services. Considering the demand of customer, stakeholders and further improvement in service round the clock, the Company has design its own website (**www.apgicl.com**) by adding features and contents on regular basis, which contains comprehensive information, directors' profile, annual and quarterly reports, types of insurance services available, proposal form, claim form etc. for smooth and speedy service to our valued customers. Moreover, we are planning to utilize more information and communication technology so that our valued customers may have necessary information and documents with coming to the office and may communicate through ICT.

Risk & Concerns :

It is known that insurance is a method of dispersal of the risk of one onto the shoulders of multiples consisting two integral characteristics: One characteristic is shifting of risk from one individual to a group and the other is to express and notify the losses on equitable essence by bodily members of the group. From an individual point of view, insurance is an economic allusion whereby the individual substitutes a small actual cost (the Premium) for a large questionable financial departure (the risk insured against) which would exist if it were not for the insurance contract. Risk assessment and mitigation is the integral part of any business. The Board of Directors are regularly monitoring, assessing and identifying potential risk and threats to our profitability and sustainable growth. Our risk management capabilities are supported by a strong management structure, information system regular analysis market, economic scenario and robust policies to cope with the new challenges.

Related Party Transactions :

All transaction with related parties have been made on commercial basis. Details of related party transactions have been disclosed under Note 30 of the Financial Statements of the Company for the year 2016 (page - 86).

Company's Vehicle : Fuel and Maintenance

In Compliance with the Direction No.-05 of Circular No.: IDRA/GAD/1003/2011-554, dated: 24.04.2014 by Insurance Development & Regulatory Authority (IDRA), the Company's total expenses relating to fuel and maintenance of its vehicle in 2016 was Tk. 2.04 million. The total number of Vehicle was 10 of which total cost was Tk. 20.18 million and the written down value as at December 31, 2016 was Tk. 4.74 million.

Compliance Report (under section 184 of the Companies Act, 1994)

i) The financial statements prepared by the Management of the Company present fair view of its state of affairs, the result of its operation, cash flows and changes in equity.

ii) Proper books of Account of the Company have been maintained.

iii) Appropriate accounting policies have been consistently applied in preparation of the Financial Statements and that the accounting estimates are based on reasonable and prudent judgment.

iv) International Accounting Standard (IAS) as applicable in Bangladesh have been followed in preparation of Financial Statements and any departure therefore also adequately disclosed.

v) The system of internal control is sound in design and has been effectively implemented and monitored.

vi) There are no significant doubts upon the Company's ability to continue as a going concern.

vii) There are no significant deviations from last year in operating result of the Company.

viii) The operating and financial data of preceding five years have been provided.

ix) During the year ended December 31, 2016 the Board of Directors held 04 meeting and the Director serving on the Board attended in aggregate 85% of the total number of meetings.

x) At December 31, 2016 the pattern of shareholding are as under:

a) Shareholdings of Parent/Subsidiary/Associate Companies & other related parties : - **Nil**

b) Shareholdings of CEO, Company Secretary, CFO and Head of Internal Audit and their

Spouse and minor children : - **Nil**

Corporate Governance Compliance :

Status for compliance with the conditions imposed by Bangladesh Securities & Exchange Commission's notification No. SEC/CMRRCD/2006-158/129/admin/43 dated July 3, 2012 is shown at Pages 46 to 53.

Composition of the Board :

The Board of the Company is comprised of 18 members as on 31 December 2016, including the CEO as ex officio member. The Board is well structured with a Chairman and a Vice Chairman, who are elected from the Board Members. The Chairman, the Vice Chairman and other 13 Members are Non-Executive Directors and only the CEO in an Executive Director. There are also 2 Independent Directors in the Board. The Chairman and CEO of the Company are different bodies with separate functions and responsibilities. All the Directors encompass a range of talents, skills and expertise to provide prudent guidance with respect to the operations of the Company.

Share Holding Position :

Summarized list of Shareholding position of Sponsors, Directors & General Public of the Company as on December, 31, 2016 is given below :

Sl.	Name of the Persons	Position in API	Share Subscribed	Percentage
	Group – A: Sponsors			
1	Mr. Aftab ul Islam, FCA	Chairman	1,329,000	3.14
2	Mrs. Kashmiri Kamal	Vice-Chairman	1,484,000	3.50
3	Mr. A.H.M. Mustafa Kamal, FCA, MP	Sponsor	847,000	2.00
4	Mr. Wahidul Haque Siddiqui	Director	1,221,000	2.88
5	Mr. Gazi A.Z.M. Shamim	Director	1,331,000	3.15
6	Ms. Kashfi Kamal	Director	2,220,000	5.24
7	Mr. Moynul Haque Siddiqui	Director	1,101,000	2.61
8	Mr. Mohd. Shahjahan Miah	Director	2,200,000	5.20
9	Mr. Md. Habib Ullah Babul	Director	847,000	2.00
10	Mr. Golam Kabir Chowdhury	Director	1,000,000	2.36
11	Mr. Iqbal Kabir Chowdhury	Sponsor	400,000	0.94
12	Mr. Abdul Haque	Director	847,000	2.00
	Group – B: General			
13	Mr. Moshiur Rahman	Director	1,403,600	3.31
14	Mrs. Nazma Khan	Director	847,000	2.00
15	Ms. Nafisa Kamal	Director	459,800	1.09
16	Mrs. Lipika Biswas	Director	851,000	2.01
17	Mrs. Woahida Pervin (Happy)	Director	1,580,660	3.73
18	Dr. Hafiz G.A. Siddiqi	Independent Director	-	-
19	Dr. A.K.M. Moazzem Hussain		-	-
	Total Share Sponsors & Directors		19,969,060	47.16
	General Public Shareholders		22,380,940	52.84
	Total Share :		**42,350,000**	**100%**

Board and Committee Meeting :

The numbers of Meeting of the Board/ Committees held during the year 2016 are given below in comparison with last 4 years:

	2016	2015	2014	2013	2012
Board of Directors	4	5	4	5	5
Executive Committee	1	-	1	1	-
Audit Committee	3	2	1	1	-
Claims Committee	2	3	2	2	3
Investment Committee	6	5	1	2	3

Director's Remuneration :

Except the CEO, none of the Directors hold any office of profit of the Company. The Directors do not get any remuneration; they only get fees for attending Board/ Committee meetings. The maximum fees payable to Directors is Tk. 5,000/- for attending each meeting.

Retirement and Re-election of Directors :

In accordance with the provision of Section 113 of the Articles of Association of the Company and relevant section of the Company's Act 1994, the following Sponsor-Directors shall retire in the 17th Annual General Meeting and they being eligible, and offered themselves for re-election as per provision of the Article - 115 of the Company.

01. Mr. Gazi A.Z.M Shamim
02. Mr. Mohd. Shahjahan Miah
03. Mr. Md. Habib Ullah Babul
04. Mr. Golam Kabir Chowdhury
05. Mr. Abdul Haque

External Auditor Appointment :

The auditor M/s Zoha Zaman Kabir Rashid & Co. Chartered Accountants is to retire as Auditor of the Company as per provision of law. Therefore, authority to appoint a reputed firm as an Auditor of the Company for the year 2017 with remuneration may kindly be delegated to the Board of Directors of the Company.

Acknowledgement :

We express our sincere appreciation and gratitude to Insurance Development & Regulatory Authority (IDRA), Bangladesh Securities & Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and Central Depository of Bangladesh Ltd. (CDBL) for their gracious co-operation and continued support. We would like to put on record our appreciation and gratefulness for the co-operation and services rendered by the Sadharan Bima Corporation.

We also express our special thanks & heartfelt felicitation to our respected shareholders, valued clients, patrons, well-wishers and external auditors for their support, assistance and patronage to facilitate our path towards the glory achieved so far by the Company.

On behalf of the Board of Directors

Aftab ul Islam, FCA
Chairman

Business Review and Financial Overview of the Company :

In accordance with Bangladesh Financial Reporting Standard (BFRSs-8.20) and local regulatory authority, Bangladesh Securities & Exchange Commission (BSEC) requires preparation of separate financial results of the Company. The Company has mainly four reportable segments on the date of reporting namely Fire, Marine, Motor and Miscellaneous. The performance of individual business segment during the year 2016 and its future strategies are presented below :

Segment wise Operating Result/ Performance of the Company :

Asia Pacific General Insurance Company has earned Gross Premium for Tk. 404.15 million and underwriting profit of Tk. 55.02 million in 2016 compared to last year's Gross Premium for Tk. 366.94 million and underwriting profit of Tk. 52.3 in 2015. Segment wise operating results of income are as follows :

(Amount in million BDT.)

Particulars	Fire	Marine	Motor	Misc.	Total		Growth/ (Declined)	Growth/ (Declined) %
					2016	2015		
Gross Premium Income	118.22	201.02	50.49	34.42	404.15	366.94	37.21	10.14
Re-insurance premium ceded	92.29	67.01	6.19	29.75	195.25	176.34	18.91	10.72
Net Premium Income	**25.93**	**134.00**	**44.29**	**4.67**	**208.90**	**190.60**	**18.30**	**9.60**
Commission (net)	(3.99)	15.23	7.57	0.31	19.12	33.95	(14.18)	(41.76)
Management Expenses	22.76	22.98	7.25	4.94	57.93	54.18	3.75	6.94
Net Claim Paid	25.48	36.12	6.10	1.48	69.18	41.70	27.48	65.90
Adjusted fund for un-exp. Risk	(1.34)	6.09	2.23	0.44	7.42	8.24	(0.82)	(9.95)
Net Underwriting Profit/(Loss)	**(17.05)**	**53.58**	**21.02**	**(2.53)**	**55.02**	**52.30**	**2.72**	**5.20**

Segment wise Revenue Income of the Company :

Total Revenue Income is BD Tk. 111.73 million in 2016 with a slight decline of Tk. 0.45 million from BD Tk. 112.18 in 2015 due to significantly decrease of interest income. Segment wise Revenue income are given below :

Particulars	2016		2015		Growth 2016 {+/(-)}	Growth/ (Declined) %
	Amount (million)	% of Total Revenue	Amount (million)	% of Total Revenue		
Operating Profit	55.02	49.25	52.30	46.62	2.72	5.20
Interest Income	40.91	36.61	53.05	47.30	(12.14)	(22.88)
Dividend Income	7.56	6.77	2.63	2.34	4.93	187.45
Profit on Sale of Shares	8.24	7.37	4.20	3.74	4.04	96.19
Total Revenue Income	**111.73**	**100**	**112.18**	**100**	**(0.45)**	**(0.40)**

5 years operation performance are given below :

(Amount in million BDT)

Particulars	2016	2015	2014	2013	2012
Gross Premium Income	404.15	366.93	327.55	282.75	272.83
Net Premium Income	208.90	190.60	170.72	146.98	149.05
Management Expenses	57.93	54.20	53.60	49.05	43.95
Net Claim Paid	69.18	41.70	38.63	17.08	26.98
Reserve for unexpired Risk	7.42	8.24	(9.60)	1.34	2.71
Operating (Underwriting) Profit/(Loss)	55.02	52.30	40.70	51.47	57.72
Interest & other Income	56.90	60.10	72.63	73.52	65.13
Gross Profit before Tax	111.92	112.40	113.35	124.99	122.85
Net Profit before Tax	91.89	91.41	93.31	102.13	77.90
Provision for Tax	28.20	27.00	30.00	36.30	37.00
Net Profit after Tax and Reserve	46.97	44.98	44.12	51.02	51.11
Earning per Share (EPS)	1.50	1.52	1.50	1.55	1.84

The Company has experienced a steady growth in its financial positions. Comperative Fiancial position of the Company are given below :

Particulars	2016	2015	Growth 2016 {+/(-)}	Growth/ (Declined) %
	Amount (million)	Amount (million)		
Shareholders' Fund/Equity	748.87	728.53	20.34	2.79
Current Liabilities	344.96	302.32	42.64	14.10
Current Assets	965.60	944.20	21.40	2.27
Fixed Assets less Depreciation	36.86	28.74	8.12	28.25

5 years Financial position are given below :

(Amount in million BDT)

Particulars	2016	2015	2014	2013	2012
Shareholders' Fund/Equity	748.87	728.53	708.12	699.02	685.51
Current Liabilities	344.96	302.32	268.74	296.15	177.37
Current Assets	965.60	944.20	942.49	965.64	838.00
Fixed Assets less Depreciation	36.86	28.74	35.24	27.99	29.50

Sources and Utilization of the Fund :

Maximum shares of API fund derives from its Share Holders Equity; bulk of which is utilized in Fixed Deposit (F.D). The portion of Fixed Deposit (F.D) is kept in the various banks and financial Institutes to maintain liquidity ratio and sound rate of return on investment.

Out of total Investment 61% was concentrated in Fixed Deposit (F.D) to maintain comfortable liquidity ratio of the Company which stood at Tk. 427.26 million in 2016 as against to Tk. 555.20 million in previous year. 39% of the fund invested in Shares & Bond for Tk. 278.76 million on 2016 as against Tk. 161.76 million in 2015.

মালেক সিদ্দিকী ওয়ালী, চার্টার্ড একাউনটেন্টস
৯-জি, মতিঝিল বানিজ্যিক এলাকা, ঢাকা-১০০০

Malek Siddiqui Wali
CHARTERED ACCOUNTANTS
9-G, Motijheel C/A, 2nd Floor, Dhaka-1000, Bangladesh.
Extension Office: Property Heights, 1st Floor
12, RK Mission Road, Dhaka - 1000.

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PABX: 9576118-9, 9576128
FAX: +88029516236
Email: wali@satcombd.com
Web: www.msw-bd.com

Certificate on compliance of conditions of corporate governance guidelines to the Shareholders of

Asia Pacific General Insurance Company Limited

We have examined the compliance of the conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by **Asia Pacific General Insurance Company Limited** for the year ended on December 31,2016 as stipulated in clause 7(i) of the BSEC notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012.

The compliance of the conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of **Asia Pacific General Insurance Company Limited.** Our examination for the purpose of issuing this certification was limited to the checking the procedures and implementation thereof, adopted by **Asia Pacific General Insurance Company Limited** for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

To the best of our information and according to the explanations given to us, we certify that, as reported on the attached status of compliance statement, **Asia Pacific General Insurance Company Limited** has complied with conditions of corporate governance stipulated in the above mentioned BSEC notification dated August 07, 2012.

Dated: Dhaka
April 10, 2017

Malek Siddiqui Wali
Chartered Accountants

Status of the compliance with the Corporate Governance requirements:

Status of compliance with the conditions imposed by the Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 7.00)

Condition no.	Title	Compliance status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not-complied	
1.1	Board Sizes (The board size should be five to twenty)	√		
1.2	**Independent Directors**			
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.		√	2 out of 17 **Note:** As per Insurance Act, 2010, two independent directors are sufficient for insurance company.
1.2(ii) a)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	√		Independent Director does not hold any share of the company.
1.2(ii) b)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship.	√		
1.2(ii) c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	√		
1.2(ii) d)	who is not a member, director or officer of any stock exchange	√		
1.2(ii) e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2(ii) f)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm	√		
1.2(ii) g)	who shall not be an independent director in more than 3 (three) listed companies	√		
1.2(ii) h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI).	√		
1.2(ii) i)	who has not been convicted for a criminal offence involving moral turpitude.	√		

1.2(iii)	the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2(iv)	the post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2(v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2(vi)	the tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	**Qualification of Independent Director (ID)**			
1.3(i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3(ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	√		
1.3(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			Not Applicable
1.4	**Chairman of the Board and Chief Executive Officer:** The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	**The Directors' Report to Shareholders is included the followings:**			
1.5(i)	Industry outlook and possible future developments in the industry.	√		
1.5(ii)	Segment-wise or product-wise performance.	√		
1.5(iii)	Risks and concerns.	√		
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.			No such event occurred during the period.
1.5(vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	-	-	No such event occurred during the period.
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	-	-	No such event occurred during the period.

CEO & CFO'S CERTIFICATE TO THE BOARD OF DIRECTORS AND REPORT ON FINANCIAL REPORTING

We do hereby Certify that to the best of our knowledge and believe we have properly reviewed the Financial Statements of the Asia Pacific General Insurance Company Ltd. comprises the Balance sheet as at December 31, 2016. Profit & Loss Account, Statement of Changes in Shareholders Equity, Statements of Cash Flow and Liquidity statement together with Accounting Policies and notes on Financial Statements / Accounts for the year ended December 31, 2016.

1. The Financial Statements prepared in accordance with Bangladesh Accounting Standards (BAS) containing a true & fair view of the state of the Companies affairs and do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.

2. The results of Financial Operations and Cash Flows of the Company for the year ended December 31, 2016 presented true and fair view and are in compliance with the applicable laws and regulations.

Joy Bijoy Saha
Chief Financial Officer

Bidhu Bhuson Chakraborty
Chief Executive Officer

AMARSTOCK

REPORT OF THE AUDIT COMMITTEE

In terms of condition of Corporate Governance Guidelines of the Bangladesh Securities & Exchange Commission, the Board of Directors of the Asia Pacific General Insurance Company Ltd. has formed an Audit Committee comprising 05 (five) members of the Board of Directors (including one Independent Director) as a sub-Committee of the Board. The Board of Directors selected an Independent Director having adequate knowledge & experience in finance & audit as a Chairman of the Audit Committee.

The Board of Directors have been set-forth the objective, duties and role of the Audit Committee in writing. Accordingly, the Audit Committee providing their services to ensure & facilitates the smooth functioning of the Companies Financial Operation.

As per Condition of 3.3 of the Corporate Governance Guidelines, the Committee is playing their roles to ensure that proper and adequate internal controls are in place to facilitate the smooth functioning of the Company operation. The committee ensures that a sound financial reporting system is in place and well managed to provide accurate & appropriate information to the Board of Directors, Management, Regulatory Bodies, Shareholders and Concern Parties.

During the year 2016 the Committee carried out the following tasks:

1) Review of Quarterly and Half-yearly Financial Statement of the Company & report thereof to the Board.

2) Review of Internal Audit Report of the Company and report to the matter to the management for taking appropriate measures, arising out of the findings of the Internal Audit Report.

3) Review of Audited Annual Financial Statement for the year 2016 & report thereof to the Board.

4) Review of Audit Report for the year 2016 as submitted by the external Auditors & report thereof to the Board.

Dated, Dhaka
March 28, 2017

Dr. Hafiz G A Siddiqi
Chairman, Audit Committee.

Independent Auditors' Report to the shareholders of Asia Pacific General Insurance Company Limited.

We have audited the accompanying Statement of Financial Position of Asia Pacific General Insurance Co. Limited as at 31st December 2016 and Statement of Comprehensive Income (Profit and Loss Account) along with related Revenue Accounts, Statement of Cash Flow, Statement of Changes in Equity and Notes (1-32) to the Financial Statements for the year then ended.

Respective Responsibilities of Management

The Company's management is responsible for preparing the financial statements, which give true and fair view, in accordance with the Bangladesh Accounting Standards (BAS) and the Bangladesh Financial Reporting Standards (BFRS). Our responsibility is to express an independent opinion on the financial statements, presented to us, based on Bangladesh Standards on Auditing (BSA).

Basis of Audit Opinion

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis evidence supporting to the amounts and disclosures in the financial statements. An audit also includes and assessing the accounting principle used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statesments read in conjunction withthe notes (1-32) to the financial statements presents, in all material respects, gives a true and fair view of the financial position of Asia Pacific General Insurance Company Limited as on 31st December 2016 and of the result of its operations and its cash flows for the year then ended and they comply with the companies Act 1994, The Insurance Act 1938 & subsequent amendment, the Securities and Exchange Rules 1987, The Bangladesh Accounting Standards except the provision relating to Employess Benefit - (BAS 17) & Deferred Tax -(BAS 12) and other applicable laws and regulations.

We also report that

a. We have conducted the audit as per applicable Bangladesh Standard on Auditing (BSA);

b. Our examination and checking of records, relevant books of account, registers, schedules and financial statements were sufficient to enable us to form an uniformed and assessed opinion on the authenticity and accuracy of the financial statements;

c. We have obtained all the information, explanation and documents as required by us;

d. The company management has followed relevant provisions of laws and rules in managing the affairs of the company and proper books of accounts, records and other statutory books have been properly maintained and (where application) proper returns adequate for the purposes of our audit have been received from branches not visited by us;

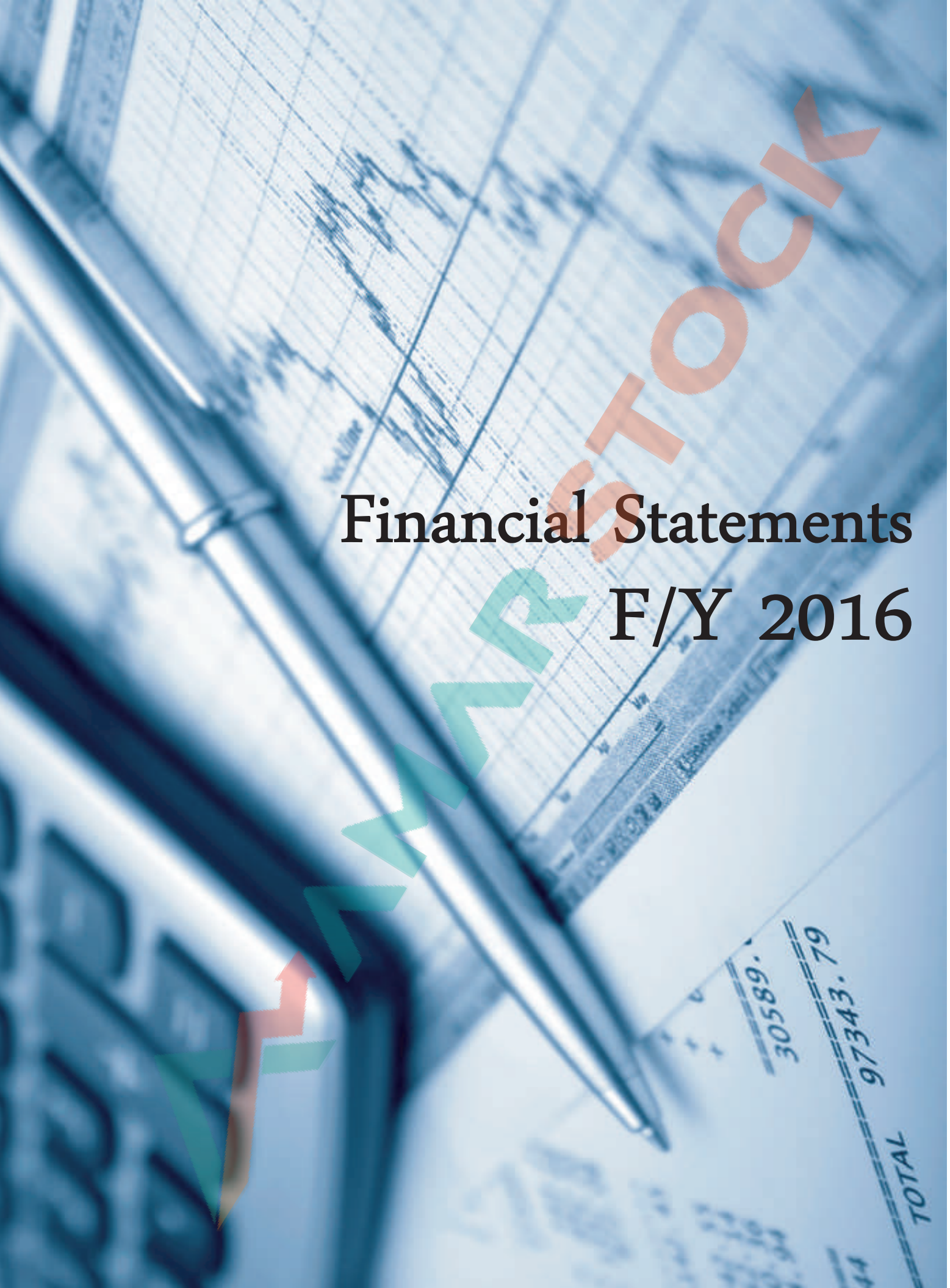
e. The expenditure incurred and payments made were for the purpose of the company's business for the year;

f. As per section 40-C(2) of the insurance Act 1938 as amended, we certify that to the best of our knowledge and belief and according to the information and explanation given to us, all expenses of management wherever incurred and whether incurred directly or indirectly in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Account and the profit and Loss Account of the company ; and

g. As per regulation 11 of part 1 of the third schedule of insurance Act 1938 as amended, we certify that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any from outside in Bangladesh in respect of any of its business re-insured abroad.

March 28, 2017
Rupayan Karim Tower
Level# 07, Suite # 7A, 80, Kakrail, Dhaka

Zoha Zaman Kabir Rashid & Co
Chartered Accountants



Financial Statements

F/Y 2016

BALANCE SHEET
AS AT 31st DECEMBER, 2016

CAPITAL AND LIABILITIES	NOTE	2016 TAKA	2015 TAKA
Authorised Capital	3	1,000,000,000	1,000,000,000
100,000,000 ordinary shares of Tk. 10 each			
Issued, Subscribed and Paid-up Capital	4	423,500,000	423,500,000
42,350,000 ordinary shares of Tk. 10 each, fully Paid up			
Share Premium	5	102,698,750	102,698,750
Reserve, Surplus and Contingency accounts		175,700,000	157,700,000
Reserve fund	6	13,500,000	13,500,000
Reserve for exceptional losses	7	162,200,000	144,200,000
Profit and loss appropriation account		46,975,027	44,632,014
Balance of funds and accounts	8	84,179,524	76,758,984
Fire insurance business account		10,374,159	11,718,812
Marine insurance business account		54,219,053	48,124,987
Miscellaneous insurance business account		19,586,312	16,915,185
Premium deposit	9	8,652,413	3,903,249
Depreciation fund		39,770,616	38,514,928
Provision for gratuity	10	5,212,338	4,401,800
Liabilities and Provision		89,307,188	107,708,191
Estimated liabilities in respect of outstanding claim	11	25,900,000	23,126,000
Sundry creditors	12	63,407,188	84,582,191
Provision for taxation	13	96,455,419	68,355,419
Amount due to other persons or bodies carrying on insurance business		145,345,005	117,964,939
Total		1,217,796,280	1,146,138,274
Net asset value (Per Share Tk 10)		17.70	17.20

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

AMARSTOCK

BALANCE SHEET
AS AT 31st DECEMBER, 2016

PROPERTY AND ASSETS	NOTE	2016 TAKA	2015 TAKA
Investment (at cost)	**14**	**278,671,030**	**161,757,530**
Investment in Bangladesh Govt. treasury bond		25,000,000	25,000,000
Investment in shares		253,671,030	136,757,530
Accrued Interest, dividend and rent	15	17,557,945	19,640,498
Advances, deposits and pre payments	16	172,102,571	154,071,701
Cash and bank balances	**17**	**497,272,282**	**608,728,608**
Cash and bank balances		70,010,114	53,531,208
Fixed deposit with banks		427,262,168	555,197,400
Other Accounts	**18**	**76,628,818**	**67,247,488**
Fixed assets (at cost)		76,238,471	66,887,729
Stock of stationary		124,773	159,562
Stamps in hand		265,574	200,197
Amount due from other persons or bodies carrying on insurance business	19	175,563,634	134,692,449
Total		**1,217,796,280**	**1,146,138,274**

The annexed notes form an intergral part of the balance sheet

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Statement of Comprehensive income
(PROFIT AND LOSS ACCOUNT)
For the year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Expenses of Management (not applicable to any Particular fund or account)		**2,547,931**	**2,389,819**
Directors' Fee		421,123	380,000
Audit Fee		62,500	50,000
Advertisement		296,406	545,815
Registration and renewal fee		1,767,902	1,409,004
Legal fee		-	5,000
Depreciation (annexure-1)		6,172,688	6,760,677
Provision for diminution in value of investment		11,326,036	11,852,945
Loss Transferred from		**19,579,677**	**23,808,775**
Fire revenue account		17,047,644	19,167,206
Misc. revenue account		2,532,033	4,387,560
Marine Hull revenue account		-	254,009
Net Profit for the year carried to Profit and loss appropriation account		**91,893,013**	**91,413,066**
Total		**131,519,345**	**136,225,282**
Earning Per Share (EPS)		**1.50**	**1.52**

PROFIT AND LOSS APPROPRIATION ACCOUNT
For the year ended 31st December, 2016

	2016 TAKA	2015 TAKA
Reserve for exceptional losses	18,000,000	19,000,000
Provision for taxation	26,100,000	27,000,000
Provision for deferred tax	100,000	50,000
Previous year tax adjustment	2,000,000	
Provision for gratuity	1,000,000	2,500,000
Balance transferred to Balance Sheet	46,975,027	44,632,014
Total	**94,175,027**	**93,182,014**

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

Statement of Comprehensive income
(PROFIT AND LOSS ACCOUNT)
For the year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Interest, dividends and rents (not applicable to any Particular fund or account)			
Dividend received		8,246,983	2,635,289
Interest received and accrued	20	40,914,764	53,051,207
Profit on sales of shares	21	7,557,417	4,204,261
Profit on sale of Vehicle		197,000	221,307
Profit transferred from		**74,603,181**	**76,113,218**
Marine revenue account		53,580,024	63,232,665
Motor revenue account		21,023,157	12,880,553
Total		**131,519,345**	**136,225,282**

PROFIT AND LOSS APPROPRIATION ACCOUNT
For the year ended 31st December, 2016

	2016 TAKA	2015 TAKA
Balance brought forward from previous year	2,282,014	1,768,948
Net Profit for the year brought down from Profit and loss account	91,893,013	91,413,066
Total	**94,175,027**	**93,182,014**

The annexed notes form an intergral part of the profit and loss appropriation account

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Claim under policies less re-insurance		**69,185,307**	**41,706,230**
Paid during the year	23	66,411,307	40,772,150
Add:Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		25,900,000	23,126,000
		92,311,307	63,898,150
Less: Outstanding claims at the end of the previous year		23,126,000	22,191,920
Agency commission		60,260,072	54,831,599
Management expenses	24	57,931,119	54,197,736
Stamp duty		220,399	201,530
Profit for the year transferred to profit and loss account		55,023,504	52,304,443
Reserve for unexpired risk being 40% premium income of Fire, Marine cargo, Mise and 100% of Marine hull		84,179,524	76,758,984
Total		**326,799,925**	**280,000,522**

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Balance of account at the beginning of the year			
Reserve for unexpired risk		76,758,984	68,520,237
Premium less re-insurance	25	208,905,392	190,598,623
Commission on re-insurance ceded		40,876,070	20,580,248
Profit commission on re-insurance		259,479	301,414
Total		**326,799,925**	**280,000,522**

The annexed notes form an intergral part of the consolidated revenue account

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

FIRE INSURANCE REVENUE ACCOUNT

For the Year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Claim under policies less re-insurance		**25,482,409**	**19,222,476**
Paid during the year	23	22,132,409	22,578,463
Add: Total estimated liability in respect of outstanding claims at the end of the year, whether due or intimated		13,400,000	10,050,000
		35,532,409	32,628,463
Less: Outstanding claims at the end of the previous year		10,050,000	13,405,987
Agency commission		17,433,269	18,704,443
Management expenses	24	22,756,149	19,016,122
Stamp duty		87,306	80,127
Reserve for unexpired risk being 40% of the Fire premium income of the year		10,374,159	11,718,812
Total		**76,133,292**	**68,741,980**

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

AMAR STOCK

FIRE INSURANCE REVENUE ACCOUNT

For the Year ended 31st December, 2016

	NOTE	2016 TAKA	2015 TAKA
Balance of account at the beginning of the year			
Reserve for unexpired risk		11,718,812	9,735,073
Premium less re-insurance	25	25,935,398	29,297,030
Commission on re-insurance ceded		21,431,438	10,542,671
Net Loss for the year transferred to Profit & loss account		17,047,644	19,167,206
Total		**76,133,292**	**68,741,980**

The annexed notes form an intergral part of the Fire insurance revenue account.

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2016

	NOTE	MARINE CARGO TAKA	MARINE HULL TAKA	2016 TOTAL TAKA	2015 TOTAL TAKA
Claim under policies less re-insurance		**36,119,536**	**129**	**36,119,665**	**13,116,885**
Paid during the year	23	35,619,536	129	35,619,665	10,711,746
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		7,000,000	-	7,000,000	6,500,000
		42,619,536	129	42,619,665	17,211,746
Less: Outstanding claims at the end of the previous year		6,500,000	-	6,500,000	4,094,861
Agency commission		27,574,650	2,578,166	30,152,816	25,463,938
Management expenses	24	22,498,543	482,648	22,981,191	19,984,774
Profit for the year transferred to Profit and loss account		49,763,584	3,816,440	53,580,024	63,232,665
Reserve for unexpired risk being 40% and 100% premium Income of Marine cargo and Marine hull		53,190,106	1,028,947	54,219,053	48,124,987
Total		**189,146,419**	**7,906,330**	**197,052,749**	**169,923,249**

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2016

	NOTE	MARINE CARGO TAKA	MARINE HULL TAKA	2016 TOTAL TAKA	2015 TOTAL TAKA
Balance of account at the beginning of the year					
Reserve for unexpired risk		47,259,095	865,892	48,124,987	42,616,536
Premium less re-insurance	25	132,975,266	1,028,947	134,004,213	119,013,631
Commission on re-insurance ceded		8,912,058	5,976,241	14,888,299	7,737,659
Profit commission		-	35,250	35,250	3,01,414
Loss for the year transferred to profit and loss account		-	-	-	254,009
Total		**189,146,419**	**7,906,330**	**197,052,749**	**169,923,249**

The annexed notes form an intergrate part of the Marine insurance revenue account.

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dated : March 28, 2017

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the Year ended 31st December, 2016

	NOTE	MOTOR TAKA	MISC TAKA	2016 TOTAL TAKA	2015 TOTAL TAKA
Claim under policies less re-insurance		**6,100,349**	**1,482,884**	**7,583,233**	**9,366,869**
Paid during the year	23	7,440,349	1,218,884	8,659,233	7,481,941
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		5,000,000	500,000	5,500,000	6,576,000
		12,440,349	1,718,884	14,159,233	14,057,941
Less: Outstanding claims at the end of the previous year		6,340,000	236,000	6,576,000	4,691,072
Agency commission		7,573,485	5,100,502	12,673,987	10,663,218
Stamp duty		113,234	19,859	133,093	121,403
Management expenses	24	7,250,463	4,943,316	12,193,779	15,196,840
Profit for the year transferred to Profit and loss account		21,023,157	-	21,023,157	12,880,553
Reserve for unexpired risk being 40% of the Motor and Miscellaneous premium income of the year		17,717,610	1,868,702	19,586,312	16,915,185
Total		59,778,298	13,415,263	73,193,561	65,144,068

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : March 28, 2017

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the Year ended 31st December, 2016

	NOTE	MOTOR TAKA	MISC TAKA	2016 TOTAL TAKA	2015 TOTAL TAKA
Balance of account at the beginning of the year					
Reserve for unexpired risk		15,484,272	1,430,913	16,915,185	16,168,628
Premium less re-insurance	25	44,294,026	4,671,755	48,965,781	42,287,962
Commission on re-insurance ceded		-	4,556,333	4,556,333	2,299,918
Profit commission		-	224,229	224,229	-
Loss for the year transferred to Profit and loss account		-	2,532,033	2,532,033	4,387,560
Total		**59,778,298**	**13,415,263**	**73,193,561**	**65,144,068**

The annexed notes form an intergrate part of the Miscellaneous insurance revenue account.

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

CASH FLOW STATEMENT

For the year ended 31st December, 2016

	2016 Taka	2015 Taka
A. Cash Flow from operating activities		
Turnover against Insurance Business	403,398,398	355,236,168
Investments and other income	52,592,072	57,231,438
Payments for management expenses, re-insurance, claims, Commissiion etc.	(330,750,085)	(319,591,333)
VAT paid to Govt.	(14,110,011)	(12,555,879)
Tax Paid	(20,080,000)	(22,582,131)
Net Cash Flow from operating activities	91,050,374	57,738,263
B. Cash flow from investment activities		
Purchase of fixed assets	(6,397,409)	(34,425)
Investment in Shares	(116,913,500)	26,890,000
Advance against floor purchase	-	(4,250,000)
Net cash Flow from investment activities	(123,310,909)	22,605,575
C. Cash flow from financing activities		
Dividend Paid	(39,742,978)	(42,647,733)
Loan received	-	35,000,000
Loan refund	(39,452,813)	(37,218,200)
Net Cash Flow from financing activities	(79,195,791)	(44,865,933)
Net Increase /(Decrease) in cash and cash equvalents (A+B+C)	**(111,456,326)**	**35,477,905**
Closing cash at bank balances	522,272,282	633,728,608
Opening cash at bank balances	633,728,608	598,250,703
	(111,456,326)	**35,477,905**
Net operating cash flow per share (NOCFPS) (Restated)	**2.15**	**1.36**

Signed as per our separate report of same date.

Bidhu Bhuson Chakraborty	Wahidul Haque Siddiqui	Kashmiri Kamal	Aftab ul Islam FCA	Zoha Zaman Kabir Rashid & Co.
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Date : March 28, 2017

Asia Pacific General Insurance Company Ltd.
Statement of Changes in Equity
For the year ended December 31, 2016

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Reserve Fund	Retained Earnings	Total
Balance as on December 31,2015	423,500,000	102,698,750	144,200,000	13,500,000	44,632,014	728,530,764
Dividend Paid @ 10%					(42,350,000)	(42,350,000)
Surplus/Addition During the year			18,000,000		45,193,013	63,193,013
Balance as on December 31,2016	423,500,000	102,698,750	162,200,000	13,500,000	47,475,027	749,373,777
Balance as on December 31,2015	423,500,000	102,698,750	144,200,000	13,500,000	44,632,014	728,530,764

The annexed notes form an intergrate part of the Statement of change in equity.

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Dated : March 28, 2017

NAVAR STOCK

ASIA PACIFIC GENERAL INSURANCE COMPANY LIMITED
FORM "AA"
CLASSIFIED SUMMARY OF ASSETS AS AT 31st DECEMBER, 2016

Class Of Assets	Book Value 2016 TK	Book Value 2015 TK	Remarks
Statutory Deposit (bangladesh Govt. Bond)	25,000,000	25,000,000	Not quoted in market
Cash in hand	1,301,957	420,105	Realisable value
Fixed deposit with Bank	427,262,168	555,197,400	Realisable value
STD & Current A/c with Banks	68,708,157	53,111,103	Realisable value
Investment in Shares	253,671,030	136,757,530	Realisable value
Stamp in hand	265,574	200,197	Realisable value
Accrued Interest dividend and rent	17,557,945	19,640,498	Realisable value
Amount due from other persons or bodies carrying on Insurance business	175,563,634	134,692,449	All considered good
Stock of printing and Stationary	124,773	159,562	At cost
Sundry debtors(including advance deposit and pre-payment)	172,102,571	154,071,701	All considered good
Fixed Assets	76,238,471	66,887,729	At written down value
Total	**1,217,796,280**	**1,146,138,274**	

The annexed notes form an integrate part of the Form "AA".

Bidhu Bhuson Chakraborty	Wahidul Haque Siddiqui	Kashmiri Kamal	Aftab ul Islam FCA	Zoha Zaman Kabir Rashid & Co.
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : March 28, 2017

iii. Interest on Statutory and Other Investments

Interest earned on Bangladesh Govt. Treasury bond held with Central Depository Bangladesh as statutory investment has been accounted for and interest received from various banks after deduction of charges has been duly credited to the Profit and Loss Account.

iv. Management Expenses

Management expenses of Tk. 57,931,119 directly related to business represent approximately 14% of gross premium of Tk. 404,154,352 and 28% of net premium of Tk. 208,905,392 earned during the year. The above amount of management expenses have been charged @ 39% to Fire, 38% to Marine and 23% to Miscellaneous Business Revenue Account on the basis of insurance Rules 1938.

v. Surplus of Revenue Account & Provision for Unexpired Risk

Surplus of Revenue Accounts has been arrived at after accounting for Company's share of claims settled and estimation of outstanding claims as well as after providing of unexpired risk @ 40% on all business except Marine Hull on which provision for unexpired risks has been made @ 100%.

vi. Tangible Fixed Assets

Tangible Fixed Assets are stated at cost, maintenance and normal repairs have been charged to Profit and loss account as and when incurred while major renewals and improvements are capitalized and the assets replaced if any are retired on disposal of assets, the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in profit and loss Account, which is determined with reference to.

vii. Depreciation of Fixed Assets

Depreciation on fixed assets has been charged on cost for full year as per reducing balance method.

viii. Income Tax

Provision for Income Tax has been made in accordance with the best estimates of the management based on the prevailing Income Tax law without considering the admissible and inadmissible expenses. Assessments for the assessment year 2015-2016 and 2016-2017 is under process.

ix. OPERATION

During the year under audit through the operation of 14 branches the gross premium income earned by the company amounting to Tk.404,154,352 including public sector business. After ceding for re-insurance premium the net premium for the year amounting to Tk. 208,905,392 and after charging direct expenses there from the net underwriting profit stood at Tk 55,023,504

C. PUBLIC SECTOR BUSINESS

Public sector business for four quarters up to June, 2016 has been accounts for on the basis of statements received from SBC.

D. EMPLOYEE BENEFIT PLAN (BAS 19)

Company maintain accounts of Provident Fund, Gratuity, Group Insurance in compliance with BAS-19.

E. USE OF ESTIMATES IN PREPARATION OF THE FINANCIAL STATEMENTS

Preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities if any at the date of the financial statements, and revenues and expenses during the year reported. Actual result could differ from those estimates. Estimates are used in accounting for certain items such as depreciation, outstanding claims, Taxes, interest accrued, reserves etc.

F. DEFERRED TAX

Provision for deferred Tax has been made based on best estimate and view of temporary difference due to the carrying amount of assets or liability and its TAX base

G. OTHER

a) The margin of security investments over liabilities of the company has been maintained as appeared from the Balance Sheet.

3.00 AUTHORISED CAPITAL	**2016**	**2015**
100,000,000 Ordinary shares of Tk. 10 each.	1,000,000,000	1,000,000,000

4.00 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	**2016**	**2015**
42,350,000 Ordinary Shares of Tk. 10 each, fully Paid up	423,500,000	423,500,000

4.01 THE CATEGORY WISE SHARE HOLDINGS AS ON 31.12.2016s IS NOTED BELOW

Category of Shareholders	No. of Shares	%of holding	Amount
Sponsors and Director of Group "A"	14,827,000	35.01%	148,270,000
General Public Group "B"	27,523,000	64.99%	275,230,000

4.02 CLASSIFICATION OF SHAREHOLDERS BY HOLDINGS

Group: "A" Shareholders (Sponsors)

No. of holders	Class interval	No. of shares	% of total against the class	% of total paid up capital
05	01-1,000,000	3,941,000	26.58%	9.30%
05	1,000,001-2,000,000	6,466,000	43.61%	15.27%
02	2,000,001-3,000,000	4,420,000	29.81%	10.44%
12		**14,827,000**	**100**	**35.01%**

4.03 CLASSIFICATION OF SHAREHOLDERS BY HOLDINGS

Group: "B" Shareholders (Public)

No. of holders	Class interval	No. of shares	% of total against the class	% of total paid up capital
3,322	01-1,000,000	20,135,911	73.16%	47.54%
02	1,000,001-2,000,000	2,984,260	10.84%	7.06%
	2,000,001-3,000,000	-	-	-
01	3,000,001-4,000,000	4,402,829	16.00%	10.40%
		27,523,000	**100%**	**64.99%**

5.00 SHARE PREMIUM — TK 102,698,750

The amount represents premium received @ Tk 5 per share against issue of 2,117,500 ordinary shares (Face value of Tk 10 each) details are given below

PARTICULARS	2016	2015
Share Premium	105,875,000	105,875,000
3 % Tax Paid	3,176,250	3176,250
	Tk 102,698,750	**Tk 102,698,750**

6.00 RESERVE FUND — TK 13,500,000

The balance is made as under:

PARTICULARS	2016	2015
Balance at the beginning	13,500,000	13,500,000
Addition during the year		-
	13,500,000	**13,500,000**

7.00 RESERVE FOR EXCEPTIONAL LOSSES — TK 162,200,000

As per provision of Income Tax ordinance 1984 the company is untilled to provide a reserve for exceptional loss as up to 10% of premium income. This account is made up as follows

PARTICULARS	2016	2015
Balance at the beginning	144,200,000	125,200,000
Addition during the year	18,000,000	19,000,000
	162,200,000	**144,200,000**

8.00 BALANCE OF FUND ACCOUNTS — TK 84,179,524

The balance is made as under:

PARTICULARS	2016	2015
Fire Insurance Business Account	10,374,159	11,718,812
Marine Insurance Business Account	54,219,053	48,124,987
Misc. Insurance Business Account	19,586,312	16,915,185
	84,179,524	**76,758,984**

9.00 PREMIUM DEPOSIT — TK 8,652,413

The balance represents receipts against cover notes which policy were not issued till 31st December, 2016.

10.00 GRATUITY — TK 5,212,338

In terms of provision of Bangladesh accounting standard (BAS)-19 Employees benefit and as per condition of Security exchange Commission, we have made a provision of Gratuity fund on lum sum basis.

The Balance is made as under.

PARTICULARS	2016	2015
Balance at the beginning	4,401,800	3,914,800
Paid during the year	189,462	2,013,000
Addition during the year	1,000,000	25,00,000
	5,212,338	**4,401,800**

11.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED TK. 25,900,000

The Breakup of the amount is given below

PARTICULARS	2016	2015
Fire	13,400,000	10,050,000
Marine Cargo	7,000,000	6,500,000
Motor	5,000,000	63,40,000
Mise	500,000	236,000
	25,900,000	**23,126,000**

12.00 SUNDRY CREDITORS FOR EXPENSES AND FINANCE TK.63,407,188

The balance is made up as under

PARTICULARS	2016	2015
Salary and allowances	1,215,309	1,204,287
Office Rent	61,891	40,076
Telephone(Office)	29,094	49,638
Audit Fees (12.01)	326,025	321,025
Electric Bill	114,168	90,328
Dividend payable	2,607,022	-
AGM Exp.	59,958	84,051
SOD Account (12.02)	-	36,913,487
Telephone(Res.)	3,421	3,356
VAT	1,155,954	1,129,844
Insurance Stamp	190,271	190,271
Provision for share in value (12.03)	50,605,418	39,279,382
Rights share Issue expenses	264,953	264,953
Provident fund	3,773,704	2,411,493
Provision for deferred Tax 12.04	2,650,000	2,550,000
Security Deposit(Office Rent, Agrabad)	350,000	50,000
	63,407,188	**84,582,191**

12.01 AUDIT FEE TK. 326,025

The balance is made up as under

PARTICULARS	2016	2015
Balance at the begging	321,025	328,525
Addition during the year	50,000	50,000
	371,025	378,525
Paid during the year	45,000	57,500
	326,025	**321,025**

12.02 SOD ACCOUNT TK. Nil

This is made up as follows

Name of Bank	2016	2015
Shahjalal Islami Bank Ltd.	-	36,913,487
	-	**36,913,487**

Loan for TK 36,913,487 paid on 25.10.2016

12.03 Provision for Share in value **TK. 50,605,418**

The balance is made up as under

PARTICULARS	2016	2015
Balance at the begging	39,279,382	27,426,437
Addition during the year	11,326,036	11,852,945
	50,605,418	**39,279,382**

12.04 Provision for deferred Tax **TK. 2,650,000**

The balance is made up as under

PARTICULARS	2016	2015
Balance at the begging	2,550,000	2,500,000
Addition during the year	100,000	50,000
	2,650,000	**2,550,000**

13.00 PROVISION FOR TAXATION **TK. 96,455,419**

This is made up as follows

PARTICULARS	2016	2015
Balance at the beginning	68,355,419	70,035,419
Add: Provision made during the year	28,100,000	27,000,000
	96,455,419	97,035,419
Less: Paid during the year	-	28,680,000
	96,455,419	**68,355,419**

14.00 INVESTMENT (At Cost) **TK. 278,671,030**

The break-up of the above balance is as under.

PARTICULARS	2016	2015
i. Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
ii. BD Venture Ltd.	15,000,000	15,000,000
iii. Investment in Shares of listed company	238,671,030	121,757,530
	27,8671,030	**161,757,530**

i) 20 years Bangladesh Govt. Treasury Bond of Tk. 25,000,000 is lying with Central depository Bangladesh Ltd as statutory deposit.

ii) Asia Pacific General Insurance Company Ltd has invested Tk 15,000,000 in BD Venture ltd. as a sponsor Shareholders of 1,500,000 shares of TK 10 (Ten) each

iii) Investment in Shares of listed company TK. 238,671,031

Details of investment in shares at listed securities as below

Particulars	Quantity	Cost Price	Market Price	Consideration Value
ACI Ltd.	-	-	-	
Active Fine Chemicals Ltd.	3,744	190,665	162,115	162,115
Beacon Pharma ltd.	1,575	136,745	34,650	34,650
BEXIMCO Ltd.	22,952	2,333,386	596,752	596,752
BSRM Steel Ltd.	37,800	7,273,478	3,507,840	3,507,840
Continental Insurance Ltd.	10,500	301,050	193,200	193,200
Desco Ltd.	80,192	9,620,354	3,712,889	3,712,889
Dhaka Bank Ltd.	7,498	222,446	134,214	134,214
Goldenson Ltd.	7,115	453,256	161,510	161,510
Green Delta Mutual Fund	5,00,000	5,000,000	3,650,000	3,650,000
IFIC Bank Ltd.	190,750	10,769,885	3,986,675	3,986,675
Jamuna Bank Ltd.	3,342,403	47,619,833	52,141,487	47,619,833
Meghna Petroleum Ltd.	330	87,067	56,232	56,232
National Bank Ltd.	500,000	5,064,912	5,100,000	5,064,912
NCC Bank Ltd.	2,017,728	24,800,092	25,423,373	24,800,092
Orion Pharma Ltd.	35,000	2,322,500	1,473,500	1,473,500
Olympic Accessories Ltd.	345,000	9,051,597	8,970,000	8,970,000
Power Grid Co. Ltd.	35,200	3,150,423	1,900,800	1,900,800
Premier Bank Ltd.	1,326,061	24,446,300	12,995,398	12,995,398
Shahjalal islami bank Ltd.	350,000	4,649,180	5,250,000	4,649,180
Southeast bank Ltd	300,000	5,233,450	5,610,000	5,233,450
Square Pharma Ltd.	43,000	10,675,414	10,711,300	10,675,414
Standard Bank Ltd.	700,000	7,708,932	8,330,000	7,708,932
Summit Power Ltd.	199,672	12,373,497	7,387,864	7,387,864
Titas Gas Trans.& Dist	102,900	10,557,804	5,083,260	5,083,260
Unique Hotel & Resorts Ltd.	87,000	9,553,682	4,689,300	4,689,300
United Air Ltd.	67,760	1,514,591	467,544	467,544
United Commercial Bank Ltd.	1,100,000	2,1801,457	23,430,000	2,1801,457
Uttara Finance Ltd.	22,000	1,759,035	1,348,600	1,348,600
		238,671,031	**196,508,503**	**188,065,613**

Provision for Tk 50,605,418 has been made on account of the difference between the cost price and consideration value of most of the shares as market price as on December 31,2016 is lower than cost price of those share.

15.00 ACCRUED INTEREST, DIVIDEND AND RENT TK. 17,557,945

This represents interest earned but not received during the year

PARTICULARS	2016	2015
Interest Accrued on Fixed deposit	15,595,874	17,677,797
Bangladesh Govt. Treasury Bond	1,962,071	1,962,701
	1,75,57,945	**19,640,498**

Accrued interest on fixed deposit has duly been credited to Profit and loss account.

16.00 ADVANCES, DEPOSITS AND PRE-PAYMENTS TK. 172,102,571

The breakup of the above is as under:

PARTICULARS	2016	2015
Office Rent (16.01)	1,341,255	1,303,230
Advance Income Tax (16.02)	63,206,041	37,718,848
Security Deposit (T & T)	41,175	39,600
Salary	146,190	13,190
Floor Purchase (16.03)	106,237,500	113,910,833
Garage rent	-	15,000
Security Deposit (Decoration)	71,000	71,000
Insurance Association (Floor)	1,000,000	1,000,000
Naogaon Branch	59,410	-
	172,102,571	**154,071,701**

16.01 Regular adjustments have been made against advances of office rent and salary.

16.02 Advance Income Tax : **TK. 63,206,041**

Financial Year	Assessment Year	Advance Tax
2014	2015-2016	27,517,914
2015	2016-2017	26,522,838
2016	2017-2018	9,165,289
		63,206,041

16.03 Floor Purchase

Asia Pacific General Insurance Co. ltd. has invested Tk 106,337,500 as advance against purchase of two floor spaces (6th and 8th floor) measuring 9,000 sft at Homestead Link tower at Gulshan Badda link road, Gulshan -1, Dhaka.

17.00 CASH AND BANK BALANCES TK. 497,272,282

The breakup of the above is as under

PARTICULARS	2016	2015
Cash	1,301,957	420,105
Cash with banks:		
Fixed deposits (Note-17.1)	427,262,168	555,197,400
STD & Current A/C	68,708,157	53,111,103
	497,272,282	**608,728,608**

17.01 FIXED DEPOSIT WITH BANKS Tk. 427,262,168

The above balance has been arrived as under:

SL	Name of the Bank	Amount
1	AB Bank Ltd	34,857,500
2	Al-Arafah Islami Bank Ltd	5,033,750
3	Bank Of Small Industries and Commerce	2,500,000
4	BRAC Bank Ltd.	1,000,000
5	Bangladesh Development Bank Ltd.	1,000,000
6	Dhaka Bank Ltd	757,500
7	Eastern Bank Ltd	5,000,000
8	EXIM Bank Ltd	12,567,500
9	First Security Bank Ltd.	20,500,000
10	Farmers Bank Ltd.	12,701,875
11	Islami Bank Bangladesh Ltd.	3,500,000
12	ICB Islami bank Ltd.	1,000,000
13	IDLC Finance Ltd.	12,000,000
14	Industrial Promotion and Development Company Ltd (IPDC).	45,000,000
15	IFIC Bank Ltd.	2,000,000
16	Jamuna Bank Ltd.	3,500,000
17	Lanka Bangla Finance	46,105,250
18	Meghna Bank Ltd	6,000,000
19	Mercantile Bank ltd.	1,000,000
20	Mutual Trust Bank Ltd.	3,063,750
21	National Bank of Pakistan	3,700,000
22	NCC Bank Ltd.	1,023,625
23	NRB Commercial Bank Ltd	18,000,000
24	NRB Global Bank Ltd	1,071,468
25	One Bank Ltd.	3,527,000
26	Premier Bank Ltd	2,000,000
27	Pubali Bank Ltd	22,608,300
28	SBAC Bank Ltd	33,071,500
29	Shahjalal Islami Bank Ltd.	5,000,000
30	Social Islami Bank Ltd.	27,660,725
31	Southeast Bank Ltd.	6,500,000
32	Standard Bank Ltd.	2,013,375
33	Trust Bank Ltd.	500,000
34	Union Bank Ltd.	7,000,000
35	United Commercial Bank Ltd	60,000,000
36	Uttara Finance & Investment Ltd.	14,499,050
	Total	**427,262,168**

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18.00 OTHER ACCOUNTS — TK. 76,628,818

The breakup of the above is as under

PARTICULARS	2016	2015
Fixed Assets (Annexure-1)	76,238,471	66,887,729
Stock of Printing and stationery	124,773	159,562
Stamps in hand	265,574	200,197
	76,628,818	**67,247,488**

19.00 AMOUNT DUE FROM OTHER PERSON OR BODIES CARRYING ON INSURANCE BUSINESS — Tk. 175,563,634

The balance is made-up as under

PARTICULARS	2016	2015
Balance at the begging	134,692,449	68,562,709
Addition during the year (SBC)	40,807,750	76,129,740
Addition during the year (Pioneer Insurance Company Ltd)	63,435	-
Received from SBC	-	10,000,000
	175,563,634	**134,692,449**

20.00 INTEREST INCOME — TK. 40,914,764

The balance is made-up as under

PARTICULARS	2016	2015
STD Account	741,377	831,259
Bangladesh Govt. Security bond	2,831,300	2,831,300
FDR	37,342,087	49,388,648
	40,914,764	**53,051,207**

- Interest on STD accounts of Tk 741,377 received from several STD account with different banks.
- Income on Investment is accounts for on accrual basis.

21.00 PROFIT ON SALE OF SHARES — Tk. 7,557,417

Details are given below:

Name of Company	No. of Shares	Purchase Price	Sale Price	Gain
ACI Limited	59	14,457	24,117	9,660
Al Arfa Islami Bank Ltd	372,750	5,174,616	5,494,633	320,017
First Security Islami Bank Ltd.	278,018	3,051,147	3,619,023	567,876
Heidelberg Cement Ltd.	10,000	5,229,753	5,564,662	334,909
Jamuna Bank Ltd	360,000	4,813,200	5,238,462	425,262
Mercantile Bank Ltd	470,000	4,860,638	6,276,698	1,416,060
Mutual trust Bank Ltd	258,000	3,734,213	5,205,712	1,471,499
One Bank Ltd	878,375	12,390,944	13,727,639	1,336,695
Shahjalal Bank Ltd.	35,000	464,800	481,068	16,268
Square Pharma Ltd.	20,000	5,019,773	5,230,494	210,721
Standard Bank Ltd.	632,500	5,083,252	6,531,702	1,448,450
Total		**49,836,793**	**57,394,210**	**7,557,417**

- Profit on sale of shares are accounts for on a actual realization basis.

22.00 REVENUE ACCOUNT

The Summarized position at net underwriting profit earned during the year 2016 is as follows:

Particulars	Fire	Marine	Motor	Mise	Total 2016
A) Gross Premium (Including SBC and Govt Business)	118,221,993	201,018,784	50,489,904	34,423,671	404,154,352
B) Re-Insurance premium Ceded	92,286,595	67,014,571	6,195,878	29,751,916	195,248,960
C) Net premium (A-B)	**25,935,398**	**134,004,213**	**44,294,026**	**4,671,755**	**208,905,392**
Direct Expenses:					
D) Commission (Net)	(3,998,169)	15,229,267	7,573,485	319,940	19,124,523
E) Claim settled and provided (Net)	25,482,409	36,119,665	6,100,349	1,482,884	69,185,307
F) Management Expenses	22,756,149	22,981,191	7,250,463	4,943,316	57,931,119
G) Insurance Stamp (No recovery)	87,306	-	113,234	19,859	220,399
H) Total Direct Expenses (D+E+F+G)	44,327,695	74,330,123	21,037,531	6,765,999	146,461,348
I) Adjusted Fund Balance for unexpired risk	(1,344,653)	6,094,066	2,233,338	437,789	7,420,540
Net Underwriting profit/Loss(C-H-I)	**(17,047,644)**	**53,580,024**	**21,023,157**	**(2,532,033)**	**55,023,504**
Commission:					
Commission Paid on Direct Business	17,433,269	30,152,816	7,573,485	5,100,502	60,260,072
Commission Paid on Re-Insurance Accepted	-	-	-	-	-
Commission earned on Re-Insurance ceded	21,431,438	14,923,549	-	4,780,562	41,135,549
Net Commission	**(3,998,169)**	**15,229,267**	**7,573,485**	**319,940**	**19,124,523**

Net profit for the year and its appropriation:

Particulars	2016	2015
Underwriting Profit as per Revenue Account	55,023,504	52,304,443
Interest income	40,914,764	53,051,207
Profit on sales of shares	7,557,417	4,204,261
Dividend Received	8,246,983	2,635,289
Profit on sale of vehicle	197,000	221,307
Less: Expenses of Management(Direct Expenses)	2,547,931	2,389,819
Depreciation & Other Expenses	6,172,688	6,760,677
Provision for diminution in value of investment	11,326,036	11,852,945
Net profit for the year and its appropriation	**91,893,013**	**91,766,011**
Add: Surplus Brought Forward	2,282,014	1,768,948
Less: Reserve For exceptional Losses	18,000,000	19,000,000
Less: Tax provision	26,100,000	27,000,000
Less: Provision for deffered Tax	100,000	50,000
Provision for Gratuity	10,00,000	2,500,000
Provision for previous year Tax adjustment	2,000,000	-
Surplus Carried Forward	**46,975,027**	**44,984,959**

23.00 CLAIM UNDER POLICES LESS RE-INSURANCE: TK. 66,411,307

Particulars	Claim paid				Claim recovery			Net claim 2016	Net claim-2015
	Direct	GOVT	Re-Insurance Accepted	Total	Direct	GOVT	Total		
Fire	66,596,694	4,226,068	-	70,822,762	48,690,353	-	48,690,353	22,132,409	22,578,463
Marine cargo	46,436,633	177,199	-	46,613,832	10,993,559	737	10,994,296	35,619,536	10,552,735
Marine Hull	-	129	-	129	-	-	-	129	159,011
Motor	7,357,556	82,793	-	7,440,349	-	-	-	7,440,349	7,354,842
Misc	4,309,323	311,616	-	4,620,939	3,095,135	306,920	3,402,055	1,218,884	127,099
	124,700,206	**4,797,805**	**-**	**129,498,011**	**62,779,047**	**307,657**	**63,086,704**	**66,411,307**	**40,772,150**

24.00 MANAGEMENT EXPENSES TK. 57,931,119

Allocation of this expenses is made-up as follows:

Particulars	Percentage	2016	Percentage	2015
FIRE	39%	22,756,149	35%	19,016,122
MARINE CARGO	38%	22,498,543	36%	19,401,406
MARINE HULL	1%	482,648	1%	583,368
MOTOR	13%	7,250,463	15%	8,390,992
MISC.	9%	4,943,316	16%	6,805,848
	100	**57,931,119**	**100%**	**54,197,736**

25.00 PREMIUM LESS RE-INSURANCE TK. 208,905,392

Class of business	Premium earned	Re-insurance premium ceded	Net premium 2016	Net premium 2015
FIRE	118,221,993	92,286,595	25,935,398	29,297,030
MARINE CARGO	183,831,005	50,855,739	132,975,266	118,147,739
MARINE HULL	17,187,779	16,158,832	1,028,947	865,892
MOTOR	50,489,904	6,195,878	44,294,026	38,710,680
MISCELLANEOUS	34,423,671	29,751,916	4,671,755	3,577,282
TOTAL	**404,154,352**	**195,248,960**	**208,905,392**	**190,598,623**

26.00 Earning Per Share (EPS) after Tax (Restated)

The above balance is made up as follows

		2016	2015
.	Number of ordinary shares	42,350,000	42,350,000
	Net profit before Tax	91,893,013	91,413,066
	Less: Provision for Tax	28,200,000	27,000,000
	Net profit after Tax	63,693,013	64,413,066
	Earning per share (EPS)	63,693,013	64,413,066
		42,350,000	42,350,000
		1.50	1.52

27.00 NET OPERATION CASH FLOW PER SHARE (NOCFPS)

NOCFPS =	Net cash provided by operating Activities	91,050,374	57,738,263
	Number Of Shares	42,350,000	42,350,000
		2.15	**1.36**

28.00 NUMBER OF EMPLOYEES:

Total number of employees 258 comprising 106 number of regular employees and 152 number of development employees were engaged for the whole year and they received a total annual remuneration on average per employees 12,200 per month.

29.00 OTHER RELEVANT INFORMATION'S

(a) During the year under audit an amount of Tk.421,123 was paid to the Directors of the company as fees for attending the meeting.

(b) During the year under audit no compensation was allowed by the company to the chief executive and officers of the company except their regular remuneration.

(c) No amount of money was spent by the company for compensating any member of the Board for special service rendered.

(d) There was no other credit facility of general nature as on Balance Sheet date except the bank overdraft as shown in the accounts

(e) No amount was due by the Directors (including Managing Director) and officers of the Company or by associated undertakings and by any of them severally or jointly with any other person.

(f) There was no outstanding agreement entered into but not executed up to the date of the Balance Sheet.

(g) All shares have been fully called and paid up in cash.

(h) There were no preference shares issued by the Company.

(i) There was no bank guarantee issued by the Company in favor of the directors..

(j) No expenses were paid as royalty and salary to technical experts etc.

(k) Auditors were paid only statutory fee duly approved by the shareholders in the last AGM.

30.00 RELATED PARTY DISCLOSURE

Asia Pacific General Insurance Co. Ltd. in normal course of business carried out a number of transactions with other entities that fall within the definition of related party contained in Bangladesh Accounting Standard (BAS)-24 Related Party Disclosures. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transactions with related parties and balances with them as at December 31, 2016 were as follows:

Name of the related party	Relationship	Nature of transaction	Premium Earned in 2016	Premium outstanding up to 31.12.2016	Claim Paid/Settled in 2016
International Office Equipment	Chairman	Insurance	559,788	-	-
Lotus Engineering Ltd. Samwon LK Electronics Ltd.	Director	Insurance	40,707	-	-
Norban Communication Ltd. Norban Comtex Ltd. BD Com Online Ltd. Hornbill Apparels Ltd	Director	Insurance	7,997,197	-	-
Orient Export Inport Ltd. Gazi Cement Ltd	Director	Insurance	976,834	-	-
Fiber @ Home Ltd.	Director	Insurance	7,694,841	-	-
Anmona Fashions Ltd. Samrat International Ltd.	Director	Insurance	284,494	-	-
Haq's Bay Automobiles Ltd.	Director	Insurance	957,091	-	-
Five-R-Footwear Ltd. Jennys Shoes Ltd. Jennys International Ltd.	Director	Insurance	1,616,631	-	-
Paragon Poultry Ltd. Paragon Plast Fiber Ltd. Paragon Feed Ltd.	Director	Insurance	31,100,945	-	-
Fullcharm Fashions Ltd. Shamoli Shipping Lines Ltd	Director	Insurance	1,826,099	-	-
Limo Electronics Ltd	Director	Insurance	3,332	-	-
			53,057,959		

31.00 Contingent Liabilities:

There are no liabilities of contingent nature of the Company as at 31st December, 2016

32.00 Post balance sheet Events:

a. Board of Directors has recommended 10% cash dividend for the year ended December 2016.

b. No other material event occurred after the reporting period except those mentioned above, which could materially affect the amounts or disclosures in these financial statement.

ASIA PACIFIC GENERAL INSURANCE COMPANY LIMITED
SCHEDULE OF FIXED ASSETS AS AT 31ST DECEMBER, 2016.

Annexure-I

Particulars	COST				Rate of Dep.	Written Down Value as on 01.01.2016	DEPRECIATION				Written Down Value as on 31.12.2016
	Balance as on 01.01.2016	Disposal during the year	Addition during the year	Total as on 31.12.2016			Balance as on 01.01.2016	Adjustment	Charged during the year	Total as on 31.12.2016	
1	2	3	4	5	6	7=(2-8)	8	9	10	11=(8-9+10)	12=(5-11)
Furniture & Fixture	5,437,268	-	25,300	5,462,568	10%	2,053,596	3,383,672	-	206,843	3,590,515	1,872,053
Office Equipment	305,505	-	379,800	685,305	15%	148,014	157,491	-	43,691	201,182	484,123
Office Decoration	11,783,318	-	4,861,085	16,644,403	10%	4,715,242	7,068,076	-	716,548	7,784,624	8,859,779
Air Cooler	2,929,421	-	229,400	3,158,821	15%	626,695	2,302,726	-	118,491	2,421,217	737,604
Computer	2,582,731	-	220,167	2,802,898	15%	1,281,155	1,301,576	-	205,114	1,506,690	1,296,208
Vehicle	26,798,100	6,620,000	-	20,178,100	20%	9,857,443	16,940,657	4,917,000	3,417,054	15,440,711	4,737,389
Sundry Assets	323,645	-	4,925	328,570	25%	76,411	247,234	-	19,494	266,728	61,842
Telephone Installation	302,194	-	-	302,194	10%	130,463	171,731	-	13,043	184,774	117,420
Electric Equipment	1,548,642	-	169,550	1,718,192	15%	873,963	674,679	-	132,878	807,557	910,635
Crokarise	233,560	-	17,515	251,075	20%	73,541	160,019	-	17,623	177,642	73,433
Motor Cycle	339,345	-	-	339,345	20%	89,909	249,436	-	17,982	267,418	71,927
Office Space Purchase	14,304,000	-	10,063,000	24,367,000	10%	8,446,369	5,857,631	-	1,263,927	7,121,558	17,245,442
TOTAL	**66,887,729**	**6,620,000**	**15,970,742**	**76,238,471**		**28,372,801**	**38,514,928**	**4,917,000**	**6,172,688**	**39,770,616**	**36,467,855**

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এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোং লিঃ
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