ANNUAL REPORT 2017

18 YEARS IN BUSINESS



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোং লিঃ

ASIA PACIFIC GENERAL INSURANCE CO. LTD.



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোং লিঃ
ASIA PACIFIC GENERAL INSURANCE CO. LTD.

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HABIB STOCK

LETTER
OF TRANSMITTAL

All Shareholders of the Company
Bangladesh Securities & Exchange Commission
Insurance Development & Regulatory Authority
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited and
Chittagong Stock Exchange Limited

Subject : Annual Report for the year ended December 31, 2017.

Dear Sir (s),

We are pleased to enclose herewith a copy of the Annual Report of Asia Pacific General Insurance Company Limited along with the Auditors Report & Audited Balance Sheet as on December 31, 2017 depicting the Financial position, Income Statement, Statement of Changes in Shareholder's Equity and Statement of Cash Flow for the year ended December 31, 2017 and Notes thereon for your kind information and record.

Thanking you with best regards.

Yours Sincerely

Md. Shariful Islam Chowdhury
Company Secretary

AMAR STOCK

NOTICE OF THE
18th ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 18th Annual General Meeting (AGM) of the Asia Pacific General Insurance Company Limited for the year 2017 will be held on Sunday the 24th June, 2018 at 11.00 A.M at the "Multipurpose Hall" of the Institution of Diploma Engineers Bangladesh, IDEB Bhaban, 160/A Kakrail, Dhaka -1000 to transact the following business :

AGENDA :

1. To receive, consider and adopt the Directors' Report and Audited Financial Statements of the Company for the year ended December 31, 2017 and Auditors' Report thereon.
2. To adopt & declare Dividend for the year 2017 as recommended by the Board of Directors.
3. To elect/re-elect Directors as per provision of Articles of Association of the Company.
4. To consider appointment of Auditors for the year 2018 and fix-up their remuneration.
5. To transact any other business with the kind permission of Chair.

All the honorable Shareholders of the Company are therefore requested to please make it convenient to attend the meeting and register their names in the concerned counter in time.

By the order of the Board of Directors

Date : 04-06-2018

Md. Shariful Islam Chowdhury
Company Secretary

Notes :

1. The Record Date/ Book Closer Date of the Company fixed for 29th May, 2018. The members whose names appeared in the register of members of the Company or in the Depository Participant A/C of CDBL on record date shall be eligible to attend the meeting and entitle for Cash Dividend.
2. Shareholder (s) unable to attend the meeting may appoint proxy. The Form of Proxy must be stamped affixing Revenue for Tk. 10/- only and submitted at the Head Office of the Company before 72 hours of the meeting with National ID Card.
3. Entry to the Annual General Meeting (AGM) is reserved only for Shareholders or his/her proxy on production of attendance slip printed with Proxy Form.

N.B : Please note that in compliance with the Circular No. SEC/CMRRCD/ 2009-193/153 dated 24/10/2013 of the Bangladesh Securities & Exchange Commission, no arrangement of gift or entertainment will be made for the Shareholder(s) of the Company for attending the AGM.

Shareholders are requested to update their respective BO ID with 12 digits Taxpayer's indentification number (e-TIN) and address through their Depository Participants (DP); and failing of which Income Tax at source @ 15% instead of 10% will be deducted from declared Cash Dividend.

AMARSTOCK





Vision

To become an insurer of prime choice & trust in Bangladesh with the reputation of secured & professionalized insurance services to the clients & stakeholders.

Mission

- To ensure steady growth of the Company.
- To provide qualitative insurance service with maximum security and risk management solutions to the Insured/ Clients.
- To provide maximum return to the Shareholders.
- To become an organization of job satisfaction to the Employees.
- To invest in professional education & training for the development of human resources and corporate culture of Insurance sector.
- To serve the nation through active participation in the development of economy.

Quality Policy

The Company providing quality Non-Life Insurance services to its clients.
We continuously strive to be the preferred choice among our customer by providing ;



Having a highly motivated, competent and professional human resource is the core of our business.

CORE VALUES AND PRINCIPLES

Integrity

We are devoted and sincere in everything we do. We are committed to prove ethical standard and fair activities remains at every level of our Company.

Trust

We work diligently to build a deeper level of Trust with our Clients & Stakeholders by providing value added services.

Team Work

We believe that highly qualified and motivated professionals' team work in an entrepreneurial environment, results in achieving vision & mission of goal. As such APGIC bound by Teamwork environment.

Transparency

We are focused on the highest level of transparency. We exhibit timely accurate information about Company's performance and financial results to meet the Stakeholders' expectation.

Excellence

We aspire to achieve excellence in all that we do. We deliver what we commit and add value that goes beyond expectation. We pursue continued growth and strive to achieve the highest level of performance endeavors.

Resilience

We well come challenging services to show strength of ability, even the jobs are high risk oriented. We see risk & difficulty as an opportunity to demonstrate our ability.

Corporate Governance

We are committed to implement good Corporate Governance practice to provide best services & relationship with the stakeholders, clients, employees Management and the Board of Directors of the Company as well as to achieve the goal of the Company.

COMPANY PROFILE

Asia Pacific General Insurance Company Limited is one of the third generation private sector's Non-Life Insurance Company in Bangladesh and was established & incorporated as a Public Limited Company on November 17, 1999. The Company obtains registration from Insurance Development and Regulatory Authority (Former Chief Controller of Insurance) on May 4, 2000 and started business operation in the middle of 2000 A.D. with a view to provide maximum security at a minimum cost and prompt settlement of claims to its Clients.

Mr. AHM Mustafa Kamal, FCA, MP., the Founder Chairman formed the Company along with some other distinguished entrepreneurs with a paid up capital of Tk. 7.5 crore. Mr. AHM Mustafa Kamal, FCA, MP acted as the Chairman of the Company from 2000 to 2010 and thereafter, **Mr. Aftab ul Islam, FCA** a renowned business personality was unanimously elected as the Chairman and leading the Company till to date. The Board of Directors of the Company consists of 17 (seventeen) renowned member with profound knowledge on industrial, financial and operational area. The members of the Board of Directors of the Company hold very respectable positions in the society. They are highly successful businessmen and industrialists in Bangladesh. Each Director of the Board plays a significant role in the socio-economic arena of the Country.

The current authorized capital of the Company is Tk. 1000 million with paid up capital of Tk. 423 million. The Company open branches in almost all the renowned business centers in Dhaka city and other districts of the Country. The Company has current network of 16 Branches at different locations of the Country to provide prompt services to wider group of clientele to their best satisfaction.

The Company has extensive Re-insurance treaty agreement up to any amount with Shadharan Bima Corporation (SBC) through surplus, CAT XL and facultative Re-insurance treaty. Under these treaty the Company are in position to underwrite any amount of business with confidence to meet the various needs of its valued Clients.

Settlement of Claims is the prime object of the Company. Prompt settlement of claims is avowed motto under which the Company became a symbol of trust and security through efficient and dedicated services to its insured and stakeholders. Normally the Company settles claims within a shortest possible time subject to receive of required documents and assessment from the surveyors.

Registered Name of the Company
Asia Pacific General Insurance Company Limited

Legal Form
A Non-Life Insurance Company incorporated on 17/11/1999 as a Public Limited Company under Companies Act, 1994 and Insurance Act, 1938 subsequent amendment in 2010.

Registered Office
Homestead Gulshan Link Tower (6th Floor), Ta – 99, Gulshan Badda Link Road
Middle Badda, Dhaka – 1212, Phone : +88-0966-771771, Fax : +88-02-8834170
Web : www.apgicl.com, E-mail : apgic@bdcom.com

Nature of Business
All kinds of Non-life Insurance Business

Certificate of Incorporation
C-39092(1050)/99, dated November 17, 1999

Certificate for Commencement of Business
J.S.C – 35, dated November 17, 1999

Certificate of Registration of Insurance Development & Regulatory Authority
CR -12/2000, dated May 4th 2000 (Department of Insurance).

Public Issue : August 25, 2005
Listed with Dhaka Stock Exchange : January 08, 2006
Listed with Chittagong Stock Exchange : October 10, 2005
Stock Market Category : "A"

Capital as on December 31, 2017

Authorized Capital	BDT 100,00,00,000/- (100 Crore) Face value per share : BDT 10/-
Paid -up Capital	BDT 42,35,00,000/ - (42.35 Crore) Face value per share : BDT 10/-

Ownership Structure as on December 31, 2017

Composition	Status	
	Number of Shares	% of total Shares
Sponsors and Directors	1,80,88,400	42.72
General Public	1,14,71,900	27.08
Institutions	1,27,89,700	30.20
Total	4,23,50,000	100.00

Tax Payer's Identification Number (TIN) : 720880658798
VAT Registration Number : 18141144272
Auditor : Malek Siddiqui Wali & Co.
Chartered Accountants
Credit Rating Agency : Alpha Credit Rating Agency
Rating Rational : "AA-" (double A minus) for long term
"ST -1" for short term

CREDIT RATING REPORT

RATING RATIONAL :

Asia Pacific General Insurance Company Ltd. has been rated by Alpha Credit Rating Limited (AlphaRating) on the basis of Audited Financial Statement for the year ended December 31, 2017. The summary of year wise rating position is presented below :

Date of Declaration	Date of Validity	Long Term	Short Term	Out Look
May 23, 2018	May 22, 2019	AA	ST-1	Stable
May 22, 2017	May 21, 2018	AA-	ST-1	Stable
May 04, 2016	May 03, 2017	A+	AR-2	Stable

Long Term "AA" means :

The Company rated as "AA" (pronounced double A) in the long-term which indicates very strong financial capacity to pay claims & long term obligation.

Short Term "ST-1" means :

The Company rated as "ST-1" in the short term which means to strong capacity to meet up short term obligation in a timely manner.

The **stable outlook** assessed by AlphaRating reflects that, upside and down side risks to the rating are currently well balanced.

STRENGTHS & CHALLENGES :

Strengths :

- Experienced management personnel.
- Strong marketing and distribution network.
- Diversified Investment portfolio.
- Improving underwriting performance.
- Increased profitability.
- High solvency margin.



Challenges :

- High management expense.
- Small market share.
- Exposed to capital market Investment risk.
- Strong market competition.
- Compliance of new Insurance Act.

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PRODUCT & SERVICES OF THE COMPANY

PRODUCT	SERVICES
MARINE INSURANCE	All types of Marine Cargo Insurance All types of Marine Hull Insurance
PROPERTY INSURANCE	Fire Insurance (including Allied Perils) Industrial All Risks Insurance Business Interruption Insurance Power Plant Operational Package Insurance Household All Risks Insurance
MOTOR INSURANCE	Automobile Comprehensive Insurance Automobile Act Liability Insurance
OVERSEAS INSURANCE	Business and Holiday (B & H) Employment and Study (E&S)
MISCELLANEOUS INSURANCE	Public Liability Insurance, Product Liability Insurance Burglary and Housebreaking Insurance, Money Insurance (for Bank), Cash-in-Transit Insurance, Cash-in-Safe Insurance Cash-on-Counter Insurance, Fidelity Guarantee Insurance, Personal Accident Insurance Peoples Personal Accident Insurance, Workmen's Compensation Insurance, Nibedita (for Women), Hajj and Umrah Travel Insurance
ENGINEERING INSURANCE	Machinery Break Down (MBD) Deterioration of Stock Insurance (DOS) Boiler & Pressure Vessel Insurance (BPV) Electronic Equipment Insurance (EEI) Erection All Risks Insurance (EAR) Contractor's All Risks Insurance (CAR) Lift, Escalator and Hoisting Equipment Insurance Aviation Insurance

Company Branches

Gulshan Branch
Homestead Gulshan Link Tower
(8th Floor), Ta-99, Gulshan
Badda Link Road, Dhaka, Ph: 09666771771
Fax : 8834170

Motijheel Branch
Elite House (7th Floor), 54 Motijheel C/A
Dhaka, Bangladesh
Phone :02-9585661

B.B. Avenue Branch
Green White Bhaban (5th Floor)
28 B.B Avenue, Dhaka 1000
Phone : 02-9555338, Fax : 02- 9558125

Nayapaltan Branch
Rokeya Mansion (4th Floor)
36 Purana Paltan Lane, Nayapaltan
Dhaka - 1000, Phone : 02-48321712

Uttara Branch
AB Super Market (5th Floor)
Plot # 60, Road # 02, Suite # 03
Uttara C/A, Dhaka-1230, Phone: 02- 48952471

Narayangonj Branch
Mid Town Complex (1st Floor)
54 Bongobondhu Road, 2 No. Rail Gate
Narayangon, Ph :7630460, Fax: 7642747

Agrabad Branch
Noor Complex (4th Floor), 487/A
Sheikh Mujib Road, Agrabad C/A, Chittagong
Ph: 031-2523668, 718820, Fax: 031-2523667

Jubilee Road Branch
Room No.# 03, Kader Tower (4th Floor)
Jubilee Road, Chittagong
Ph: 031-2853310, Fax: 031-2853311

Comilla Branch
Noor Mansion (1st Floor)
53/56 Monohorpur, Comilla - 3500
Ph: 081-73654, Fax: 081-73654

Khulna Branch
Mollick Shopping Complex (6th Floor)
99 Khan-A-Sabur Road, Khulna - 9100
Tel: 041-2830419, Fax: 041-721055

Jessore Branch
Ismail Bhaban (1st Floor)
1257 Moulana Mohd. Ali Road, Jessore - 7400
Tel: 0421-71474, Fax: 0421-71475

Kushtia Branch
Room No. 04, Lovely Tower (7th Floor)
55/1 N.S. Road, Kushtia - 7000
Ph: 071-61479, Fax: 071-61479

Rangpur Branch
Motahar Commercial Complex
Suite # 605, (5th Floor), G.L. Ray Road
Rangpur-5400, Cell : 01726 723932

Naogaon Branch
Tarafdar Tower (3rd Floor)
Old Bus Stand, Naogaon
Cell: 01711423709

Rajshahi Branch
Shaheb Bazar Moni Chottor,
Holding No # 218 (1st Floor), Rajshahi
Cell: 01716902026

Sylhet Branch
Manru Shopping City (2nd Floor)
Roon # 348, Chouhatta, Sylhet
Cell: 01715262060

Head Office
Homestead Gulshan Link Tower (6th Floor),
Ta-99, Gulshan Badda Link Road, Dhaka-1212
Phone: 09666771771, Fax : 8834170,
E-mail : apgic@bdcom.com, web : www.apgicl.com

Directors' Profile





Mr. Aftab ul Islam, FCA
Chairman

Having 37 years of field experience in the private sector, Mr. Aftab ul Islam, graduated first in Commerce (B.Com) and then in Law (LLB). Later he went on Chartered Accountancy and is a fellow (FCA) of Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Islam began his career with U.S.A based multinational IT Company NCR Corporation and headed the organization for a number of years. In 1992, he launched his own business, IOE (Bangladesh) Ltd. With his spectacular achievement in the IT and office automation business he was elected President of the Bangladesh Computer Samity (Association) (BCS)and he is still widely recognized at home and abroad for persuading the government towards using information technology for efficiency and competitiveness and making it duty free for its wider usage. He was instrumental and played the key role in setting up BCS Computer City at IDB Bhaban.

He was elected President of the country's premier Chamber, Dhaka Chamber of Commerce and Industry (DCCI), on the back of his positive contribution in the ICT sector. In the year 2001, Mr. Islam was elected President to lead the prestigious forum of AmCham (American Chamber of Commerce in Bangladesh), which works to promote trade and economic cooperation between US and Bangladesh. He was elected as Director FBCCI (Federation of Bangladesh Chambers of Commerce and Industry) for the period 2005-2010 and again for the term of 2017-2019. Honorable Prime Minister of Government of the People's Republic of Bangladesh nominated Mr. Islam as the Chairperson of the SME (Small and Medium Enterprise) Foundation for two years in 2009.

Mr. Islam was again elected President of the American Chamber of Commerce in Bangladesh from October 2009 which he hold for several more terms till 2015. He is currently a member of the Board of Directors of Bangladesh Bank; a member of the executive committee of International Chamber of Commerce in Bangladesh (ICC); recently elected as Director of SMC Enterprise Limited; a member of Board of governors of Institute of Business Administration (IBA), University of Dhaka and also a member of the Board of Advisers for BRAC Business School (BBS), BRAC University.

Mr. Islam is the chairman of Asia Pacific General Insurance Company Ltd; founded BD Venture Ltd as Chairman, the first Venture Capital Company of Bangladesh; Chairman of ATAZ DocuNet, a leading outsourcing company and Chairman, Impact PR, country's first Public Relation agency.

Mr. Aftab ul Islam, FCA has an unblemished, clean tax and banking records.



Mrs. Kashmiri Kamal
Vice-Chairman

Mrs. Kashmiri Kamal, did Graduation Degree with Honours and Post Graduation Degree in the discipline of Accounting. She has also completed the Article-ship of Chartered Accountants Course. She is actively involved in the day to day business operations of Lotus-Kamal Group (L.K Group). She is the Deputy Chairman of the LK Group & Director Operation of Gulshan Medicare and LK Unitex Co. Ltd.



Mr. Wahidul Haque Siddiqui
Director

Mr. Wahidul Haque Siddiqui is an eminent and visionary entrepreneur of this Country. A native of Chittagong and raised in Dhaka, he completed his education from Adamjee Cantonment College and later on pursued Bachelor's degree in Commerce from the University of Dhaka. While in Adamjee his leadership Quality enhanced. He was actively involved in sports.

Wahidul Haque Siddiqui started his business career in 1990. He observed the transforming scenario of garments in Bangladesh and focused on this industry. Mr. Siddiqui started off in 1990 with buying house 'Norban Fashion Ltd.' (NFL) where he used to effectively communicate with buyers from all across the globe. In a few years' time he garnered ample of expertise and knowledge about the RMG and started his first factory 'Hornbill Apparels Ltd.'. After a few years he commenced with his second factory 'Norban Comtex Ltd.'. Mr. Siddiqui's bold and strategic leadership made Norban one of the leading RMG factories in Bangladesh. His knowledge on all the aspects of RMG is unparalleled.

Wahidul Haque Siddiqui being a visionary witnessed the emergence of ICT globally. He anticipated this change Bangladesh in late 1990s. Hence took the initiative of establishing one of the first ISPs of this Country BDCOM Online Ltd. in 1998. With his guidance and leadership BDCOM became the market leader and achieved a remarkable feat. Under Mr. Siddiqui's well steered direction BDCOM has won several accolades including the prestigious National Award.

Wahidul Haque Siddiqui a dynamic and versatile business mind of this Country. Mr. Siddiqui a serial entrepreneur along with several investors formed 'Fiber@home Ltd.' the first private Nationwide Telecommunication Transmission Network (NTTN) Company of Bangladesh. The Company has built an underground optical fiber metro Ethernet network all over Bangladesh. He has a strong presence in number of industries. He occupies position in the board of 'Fiber@Home Ltd.', Asia Pacific General Insurance Company Limited, Daulatunnessa Equities Ltd. His resourceful mindset and goodwill is appreciated in home and abroad. He is associated with a number of charity organizations.

Mr. Gazi A.Z.M. Shamim
Director



Mr. Gazi A.Z.M. Shamim is a man of business personality and a well established industrialist of the Country. He obtained M.Com (Finance) Degree from the Dhaka University in the year of 1975. He started his business career in 1973 and established various business Enterprises, like- Orient Export Import Co. Ltd. Daulatpur Ice & Cold Storage Ltd., Gazi Cement Mills Ltd., Frankenfood Corporation, Mirpur Glitters Factory etc. He is a life member of National Heart Foundation of Bangladesh, Dhaka University Alumni Association and Finance Alumni Association. He has about more than 45 years business experience.

He is closely associated with many social organizations and always come forward with helping hand to the distressed people.



Ms. Kashfi Kamal
Director

Ms. Kashfi Kamal is the elder daughter of Mr. AHM Mustafa Kamal, FCA, MP., founder chairman of the company. She obtained MBA from USA. She is one of the Director of Lotus-Kamal (LK) Group. In this capacity she is actively involved in day to day business affairs of the LK Group. As a Director Operation she is a key person of the Management of the units Orient Education Services and Lotus – Kamal Knitwear Ltd.

Mr. Moynul Haque Siddiqui
Director



An entrepreneur with a leading diversified investment portfolio, Mr. Moynul Haque Siddiqui has wonderful track record of establishing operational excellence, leadership and building performance driven culture. experienced in managing Telecommunication, IT and ITES infrastructure in home and abroad.

Being the founder of Fiber@Home Limited a Nation-wide Telecom Transmission Company recently built Nation-wide Fiber Optic Cable Infrastructure up to Union level about forty thousand Kilometers of cable network in ready for the use of ICT and Telecom industry.

To promote the ICT industry as a whole, he is also developing the first High-tech Park (Bangabandhu Sheikh Mujib High-tech Park, Kaliakoir) in Bangladesh under a PPP contract with the ICT Ministry. To move forward with the Digital Bangladesh vision, he is developing a Tier-3 data Centre in Bangabandhu High-tech Park and another one in Jessore High-tech Park. In recognition of his innovative ideas, Mr. Siddiqui has been awarded in many local and international events.

Mr. Siddiqui was the Founder of BDCOM Online Limited (DSE Listing Number: 22643 & CSE: 24004). He is the Sponsor Director of Asia Pacific General Insurance Company Ltd. (DSE Listing Number: 25729).



Mr. Mohd. Shahjahan Miah
Director

Mr. Mohd. Shahjahan Miah is a reputed business personality & an industrialist of the Country. He has started business career in 1985. By virtue of his hard working and devotion he become successful in business area within a short span of time. Mr. Shahjahan Miah established Samrat Group of Industries, a well-reputed group in Knit Garments Manufacturer & Exporter and amusement section in Bangladesh.

He has expanded business in different areas with at least 10 companies and Partnership Firm in the group named Anmona Fashions Ltd., Samrat & Company (Pvt.) Ltd., Shawon Textile Industries (Pvt.) Ltd., Samrat Garments Ltd., Samrat Yarn Dyeing Ltd., Via Media Business Service (Shamoli Shishumela, Amusement Park) and S.I Complex (Geet & Sangeet Cinema Hall). He is closely associated with many social organizations and always come forward with helping hand to the poor and needy people.

Mr. Md. Habib Ullah Babul
Director



After obtaining his B.Sc (Hons.) from Dhaka University, he took technical training from overseas & gathered knowledge of working with various Multinational and local Companies.

Since his Inception into Business in 1988, he has established B.D. associates & Co. (engaged International Trading, Supply, Monitoring, & Turn-key projects for power & IT Sector etc.). Control Union BD Ltd. (An International reputed Pre-shipment Inspection Company), SKAL International (Bangladesh) - engaged in Export & Certifying Organic Product to Europe. USA and Canada. He is also technically experienced in Modern Traffic System, National ID Card, Passport Booklets for the citizen of the People's Republic of Bangladesh (already successfully complete product under DOIP of Ministry Home onward 2006 until 2012) and Telecommunication sector and collateral Management consultancy. Recently few more business entities where he is one of the Nominated Director in larger way such as Fiber@Home Ltd. (IT infrastructure under license of BTRC as NTTN Operator since 2009). M/S Fiber @ Home Global Ltd. (under BTRC license for ITC & IIG) and BangladeshTechnosity Ltd;. - under PPP model to build and develop first Hi-tech park at kaliakair under BHTPA (Bangladesh Hi-tech park authority) of Bangladesh.

With his amiable business personality he has earned names all over Bangladesh and Internationally. He is also member of rate Payers Asssoiation of Dhanmondi, Dhanmondi Club Ltd (DCL), Uttara Club Ltd. (UCL) and Army Golf Club Ltd. (AGCL) in Dhaka, Bangladesh.

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Mr. Golam Kabir Chowdhury
Director

Mr Golam Kabir Chowdhury is a well reputed industrialist and business personality of the country. Upon completing his graduation from Dhaka College, he started his entrepreneurial career in the then nascent RMG industry of Bangladesh. He established Shamoli Garments Ltd and was an elected director of BGMEA for two terms. He has since expanded his company's portfolio and diversified into poultry, shipping and agricultural sectors. Currently he is the Managing Director of Shamoli Poultry Ltd, Shamoli Shipping Lines Ltd and Monohorkhadi Cold Storage Ltd. Apart from his business enterprises, he is actively involved in the promotion of various social endeavors. He is the Chairman of the Governing Body of Amirabad G.K. High School, Chandpur; Vice President of Shamoli Club Ltd and Vice President of Shamoli Shahi Mosque.

Mr. Abdul Haque
Director



Mr. Abdul Haque, one of the most prominent business intellectuals of this era, showed persistence by working day and night and bringing his name to its present state. He is a farsighted thinker and one of the most significant business leaders in Bangladesh who has immense contribution in strengthening ties between Japan and Bangladesh. He is well-known for his dedication towards social development and his visionary economic thoughts for Bangladesh development. A brief position is outlined below,

Business

Managing Director: Haq's Bay Automobiles Ltd.
31 Inner Circular (VIP) Road, Naya Paltan, Dhaka
Proprietor: Haq's bay Service Centre (ISO accredited)
69/2, Nayapaltan, Dhaka
Proprietor: Haq's bay CNG Conversion Works
22/4, Kawran Bazar, Dhaka
Director: Asia Pacific General Insurance Company Limited
Ta-99, Gulshan Badda Link road, Dhaka-1212

State / Government body and international Organization

Honorary Consul: Consulate of the Republic of Djibouti in Bangladesh.
Director: Infrastructure Development Company Ltd. (A GoB owned Company)
Special Affairs, external affairs: Dhaka SHOO-KOO-KAI, Japanese Commerce & Industry Association in Dhaka
Commercially Important Person(CIP): Made by Government of Bangladesh
Former Director: Teletalk Bangladesh limited (Mobile Company)
Former Advisory Board: Strategic Transport Plan for Dhaka (STP)
Former Board Member: Bangladesh Road Transport Authority (BRTA) GoB
Former Director: Janata Bank (State owned Commercial Bank)

Trade Body/ Chamber

Former President: Japan Bangladesh chamber of Commerce and Industry (JBCCI)
Former Director: FBCCI
Former Member: Executive Committee of SAARC Chamber
Former Chairman: Standing Committee relating to the Ministry of Finance (Internal Resource Division)of FBCCI.
Former Co-Chairman: Japan Bangladesh Committee of Commercial and Economic Co-operation
Former President: Bangladesh recondition Vehicles Importers and exporters Association

Social Body
Chairman: Projukti Peeth (socio economic Dev. Centre), Barura Comilla.
Member of Foundation: Independent University Bangladesh (IUB)
Chaiman of Foundation: Shaher Banu Ideal School & college, Falkumari, Barura, Comilla
Chairman: Munshi Jinnat Ali Welfare Trust, Barura Comilla.
Director: Asia Pacific General Insurance Co. Ltd.



Mr. Moshiur Rahman
Director

Mr. Moshiur Rahman was born in 1961, after graduation had his credit training experience from Heidelberg, Germany on modern and economical working methods on advance printing technology. He successfully ran for many years Udayan Press Ltd. a family business enterprise. In 1989 he launched his own printing & packaging industry named Paragon Press Ltd. with high quality printing & packaging facility.

Moshiur Rahman also achieved tremendous growth in his vertically integrated poultry & feed business. He started agro farming in 1993. The farms producing day old chicks, animal & aqua feed, tea, PP woven bags etc.

Moshiur Rahman also sets up a plant to produce green power from waste and a joint venture with Dutch company a solar factory too, both the plant will start production by the middle of 2018.

Moshiur Rahman is the founder of Paragon Group which has 14 sister concern named – Paragon Poultry Ltd., Paragon Feed Ltd. , Paragon Agro Ltd. (Grand Parent Farm, Hazinagar Tea Estate, Rahmania tea estate, Paragon Fish Hatchery) , Paragon Plast Fiber Ltd. , Paragon Press Ltd. Parasol Energy ltd. , Paragon Plastics Ltd. , Usha Poultry Ltd. , Rangpur Poultry Ltd. , Aqua Breeders Ltd. , Chittagong Chicks Ltd. , Chittagong Feed Ltd. , Jessore Feed Ltd. , Denm Poultry Complex (Pvt.) Ltd.

He is also the Director of Malek Spinning Ltd., Fatehbagh Tea Co. Ltd., Salek Textile Ltd., BD Venture Ltd., Asia Pacific Insurance Co. Ltd. and Wizard Sweater Ltd.

Mrs. Woahida Pervin (Happy)
Director

Mrs. Woahida Pervin (Happy) is the wife of Mr. Mohammad Shahjahan Miah. She is the Chairman of Samrat Group of Industries a well reputed Knit Garments Manufacturer & exporter in Bangladesh and amusement section in Bangladesh.

Samrat Group expanded its business in different areas with at least 10 Companies & Partnership Firms, in the Group named Anmona Fashions Ltd. Samrat & Co. (Pvt.) Ltd., Shawon Textile Industries (Pvt.) Ltd., Samrat Garments Ltd., Samrat Yarn Dyeing Ltd., Via Media Business Service (Shamoli Shishumela, Amusement Park) and S.I Complex (Geet & Sangeet Cinema Hall). She is closely associated with many social organizations and always come forward with helping hand to the poor and needy people.



AMARSTOCK



Ms. Nafisa Kamal
Director

Ms. Nafisa Kamal is the youngest daughter of Mr. AHM Mustafa Kamal, FCA, MP. She obtained MBA from USA. She is one of the Director of Lotus-Kamal (LK) Group. With her own capacity she is actively involved in day to day business affairs of the LK Group. As a Director Operation she is a key person of the Management of the units Orient Education Services and Lotus – Kamal Knitwear Ltd.

Mrs. Nazma Khan
Director

Mrs. Nazma Khan is a well reputed business person in Leather Footwear Industries & Retailing Business. She was born in 1971. Mrs. Nazma Khan established 100% export oriented Leather Footwear Industries named Jennys Shoes Ltd. and Five-R Footwear Ltd. She also worked to established retailing company Jennys International Ltd. Her expertise on retailing business collaborate "JENNYS" brand all over Bangladesh and international markets.





Mrs. Lipika Biswas
Director

Mrs. Lipika Biswas is a reputed business personality & a renowned industrialist of the Country. She is the Chairperson of the Limo Group of Industries. She was born in 1953.
Within a short span of time she established so many industries under Limo Group of Industries namely- Limo Electronics Ltd., Reman Drugs Laboratory Ltd., Limo Traders Ltd., Peoples Credit Co-operative Society Ltd., Erbis Engineering (BD) Ltd.

AMIR STOCK



Dr. Hafiz G. A. Siddiqi
Independent Director

Dr. Siddiqi worked as international consultant of (1) World Bank, (2) Asian Development Bank, Manila, (3) UN/ESCAP, Bangkok, and (4) International Trade Centre, GATT/UNCTAD. He advised many agencies of the government of Bangladesh on various aspects relating to management development, marketing, performance evaluation, human resource development, technology transfer, etc. He is author/ co-author of 12 books and many articles Besides, he serves the society by holding the following positions: Independent Director, BRAC Bank Ltd., Director, BRAC EPL Investment Ltd., Director, BRAC IT Services Ltd., Independent Director, Asia-Pacific General Insurance Co. Ltd., Director, Micro Industries Development Assistance Services Ltd. (MIDAS), Chairman, Audit Committee, BRAC Bank Ltd., Member, Board of Trustees, Dhaka School of Economics, Dhaka, Founder President, Bangladesh Fulbright Alumni Association, c/o American Center, US Embassy, Dhaka. Mr. Hafiz G.A. Siddiqi is a highly educated, vast knowledgeable & respectable personality of the society. He educated in Bangladesh, United Kingdom, United States and Switzerland, Dr. Siddiqi has more than 50 years of experiences as Professor, researcher, international consultant and business executive. Currently, he is Professor Emeritus, School of Business, BRAC University. Before joining BRAC University, Dr. Siddiqi voluntarily retired from North South University (NSU) after serving for about 19 years. His contribution to the growth and development of private universities in Bangladesh is outstanding. He was Professor and founding Dean, School of Business, NSU, the first private university of Bangladesh. He provided leadership to North South University as its Pro-Vice Chancellor for 5 years and Vice Chancellor and chief executive officer for more than 10 years. He worked for the Institute of Business Administration, University of Dhaka for 21 about years in various capacities including its Professor and Director. Besides, he taught more than 7 years at two US universities, namely, Ohio State University, Columbus, Ohio and Minnesota State University at Mankato, Minnesota as Professor of International Business and Management.

Dr. Hafiz Siddiqi obtained Ph. D. degree from Manchester Business School, University of Manchester, United Kingdom, MBA from Graduate School of Business, Indiana University, Bloomington, Indiana, USA, MPIA (Master of Public and International Affairs), from Graduate School of Public and International Affairs, University of Pittsburgh, Pennsylvania, USA, M A (Economics) and B A (Honours in Economics) from Dhaka University.



Dr. AKM Moazzem Hussain
Independent Director

Dr. AKM Moazzem Hussain was born in the District of Barishal in 1941. He is a man of versatile knowledge & experiences on extensive work in areas of Naval Architecture, Marine Engineering and Shipbuilding & Ocean Engineering. He obtained BE, ME and Dr. Engg. in Naval Architecture (1961-71) from the Division of Engineering, University of Tokyo and received practical training at IHI Shipyard and Nippon Steel Corporation.

Service Career:

- 1971-77 : Head, Deptt. of Naval Architecture & Marine Engineering, Bangladesh University of Engineering & Technology (BUET), Dhaka.
- 1977-79 : Commonwealth Advisor of Marine Engineering, University of Hong Kong.
- 1979-81 : Head, Deptt. of Shipbuilding & Ocean Engineering.
- 1981-83 : OIC Academic Expert at ICTVTR , Bangladesh.
- 1983-87 : Professor of Marine Technology. University Technology Malaysia, Kualalampur, Malaysia.
- 1987-present :Representative (now Honorary Representative from 2010) of Hida Japan in Bangladesh. Head of commercial Banking, ANZ GRINDLAYS Bank.

Advisory / Consultancy Service:

Have been extending Advisory / Consultancy Service, as and when required, to the Gov't of Bangladesh, the Embassy of Japan in Dhaka, JETRO Dhaka Office, JICA Bangladesh Office and the Japanese Companies in Bangladesh since 1972.

Other Activities:

- Reorganized the AOTS Alumni Society in Bangladesh in 1972 and became its first President; later on helped in establishing the AOTS Alumni Society in Chittagong and Kathmundu; now Advisor of BAAS, CAAS and NAAS.
- Established Japan Bangladesh Chamber of Commerce & Industry (JBCCI) in 2004 and have been serving as its Honorary Executive Director & Secretary General since then.

Award Received

- 1992 YAMAMOTO Award for Promotion of Technology Transfer from Japan to Bangladesh.
- 2004 "The Order of the Rising Sun" from the Gov't of Japan for promoting Cultural, Technical and Economic Exchanges between Bangladesh & Japan for more than 30 years.

AMARSTOCK

COMPOSITON OF BOARD AND ITS COMMITTEE

BOARD 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 Chakrabory

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

AMARSTOCK

Brief Profile of the Management Team





Mr. Bidhu Bhuson Chakraborty
Chief Executive Officer

Mr. Bidhu Bhuson Chakraborty, S/O: Late Suresh Chandra Chakraborty was born in the district of Comilla in 1956. He obtained Graduation Degree with Honors and Masters of Commerce in Management from the Rajshahi University in the year 1980, thereafter joined in the service of Sadharan Bima Corporation (SBC) as a Trainee Officer in the year of 1981. During the service of SBC, he gathered 30 years of experience by working in different departments like Underwriting, Re-insurance, Claims, Administration & others departments and accomplished his responsibilities successfully. He acted as the acting Managing Director of SBC for several times.

On retirement from Sadharan Bima Corporation as a General Manager in the year of 2013, Mr. Bidhu Bhuson Chakraborty joined Asia Pacific General Insurance Company as Additional Managing Director on 1st January, 2014 with assignment of Re-insurance, Claims and Specialized Underwriting. Subsequently he has been promoted as Chief Executive Officer of the Company from August 01, 2014. By the virtue of hard work and dedication, he is leading the team that makes continuously incredible progress in terms of Company's business growth, profitability as well as the goodwill.

Mr. Bidhu Bhuson Chakraborty is a versatile knowledgeable insurance personality. He did the nationwide recognized insurance professional course ABIA from Bangladesh Insurance Academy. He participated so many insurance related courses and seminars arranged by the insurance related institutions at home and abroad. Besides, he is a regular visiting lecturer & Examiner of the Bangladesh Insurance Academy (BIA) and a coordinator of Training Program of the Sadharan Bima Corporation (SBC).

Mr. Motiar Rahman
Additional Managing Director



With an experience spanning over two decades, Mr. Motiar Rahman started his career at Janata Bank, working in Clearing and Savings departments. He subsequently drew rich experience by virtue of working with several other reputed commercial banks in the country specially at the "Bank of Credit and Commerce International Overseas Ltd (BCCI)" about 15 years until closing of the Bank and gathered vast experience by meeting with the multinational and corporate companies, airlines and diplomatic persons under various roles. Before joining the Company, APGICL in 2000, he served at Eastern Bank Ltd. (EBL) more than 5 years and worked in various important departments.

Mr. Rahman's contribution in evolving the Company into its present exalted status has been a highlight of his long and illustrious career. At Asia Pacific General Insurance, he worked in many departments and has taken up several responsibilities that include day to day operation of the Management and engaging in business development. Under his dynamic leadership, hard work, dedication and marketing activities, the Gulshan Branch of the Company has able to reach the consolidated position.The recognition of Mr. Rahman's relentless efforts is his elevation to the role of Additional Managing Director of Asia Pacific General Insurance Company. He participated many Insurance related courses and seminars arranged by the insurance related institutions.



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

Mr. Chowdhury A.S Mahabub (Madina) has more than 30 years of working experience in field of Marketing and Business development area of Insurance industry. He joined Asia Pacific General Insurance Company Ltd. in January 31, 2004 as Deputy Managing Director. Prior to joining in the Company, he served in two other insurance companies named Federal Insurance Company & Desh General Insurance Company. He serving this Company with his skills, experience and knowledge of Marketing, business development and underwriting of Insurance. Currently, he is discharging his responsibilities as In-charge of Motijheel Branch of the Company.

Mr. Joy Bijoy Saha
General Manager & CFO



Mr. Joy Bijoy Saha joined Asia Pacific General Insurance Company Ltd. in October 02, 2000 as "Controller of Accounts". Prior to join this Company, He served at Eastern Insurance Co. Ltd. for about eight years. Mr. Saha completed his M.Com in Accounting from University of Dhaka. He did MBA major in Finance & Accounts from a reputed private University. During his 28 years of working experience in Finance and Accounts of the Insurance Industry, he attended various training courses on Accounting, VAT, Tax & Insurance. At present he is holding the position of General Manager and Head of Accounts Department of the Company.



Mr. Md. Zahirul Islam
General Manager (Re-insurance)

Mr. Md. Zahirul Islam, General Manager, Head of Re-insurance Department has completed his 28 years of insurance career. After obtaining B.Sc Degree from University of Chittagong, he joined with Rupali Insurance in September 02, 1991. Mr. Islam joined the Company (APGICL) as Asst. General Manager in April 05, 2004, currently holding the position of General Manager & head of Re-insurance Department of the Company. He has about 28 years of working experience in underwriting & re-insurance related issues. During his career, he attended so many training courses on underwriting and reinsurance organized by many related insurance institutes.

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Mr. Mohammed Younus
General Manager (U/W & Claims)

Mr. Mohammed Younus is a General Manager and currently discharging his responsibilities as Head of Underwriting & Claim Departments of the Company. He joined Asia Pacific General Insurance Company Ltd. in March 05, 2014. Prior joining the Company, he served two other insurance companies named BGIC and South Asia Insurance Company. He enriched his skills, experience and knowledge by dint of dedication and efficient professional service. He has about 27 years of working experience & knowledge in underwriting, re-insurance & claim related matters. Mr. Younus did Graduation Degree with Honours and also M.Com in accounting from Chittagong University. Besides, he successfully completed insurance professional Diploma from Bangladesh Insurance Academy. During his career, he participated so many training courses on underwriting and reinsurance matters organized by many related insurance institutes.

Mr. Md. Shariful Islam Chowdhury
Deputy General Manager & Company Secretary



Mr. Md. Shariful Islam Chowdhury joined Asia Pacific General Insurance Company Ltd. as Manager and Head of Internal Audit on November 01, 2007. Prior to this, he worked and completed CA (Articleship) from a reputed Chartered Accountants firm. He did MBA major in Finance from a reputed private university. He has 16 years of working experience in the field of Accounts, Audit, Administration & Company Secretariat of which more than 10 years of experience he received from the insurance sector. At present he is discharging his responsibilities as Deputy General Manager & Company Secretary of the Company under various capacities. During his service, he participated so many training courses on Basic Insurance, Accounts, Internal Audit and Company affairs organized by many related institutes.



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. Mohammad Younus
General Manager (Underwriting & 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. Farukuzzaman

Assistant General Managers

Mr. M.M. Fazle Rahim
Mr. Manzur Hossain
Mr. Swapan Kumar Sarker
Mr. Md. Mofizul Islam Patwari
Mr. Abul Bashar Khan

HIGHLIGHTS - 2017

Gross Premium Income
Tk. 466.76 Million

Net Premium Income
Tk. 279.26 Million

Underwriting Profit/(Loss)
Tk. 40.63 Million

Net Claims Paid
Tk. 81.86 Million

Investment (FDR, Bond & Share)
Tk. 751.77 Million

Investment Income (FDR, Bond & Share)
Tk. 103.21 Million

Total Assets
Tk. 1384.74 Million

Equity Fund
Tk. 800.00 Million

Reserves and Fund
Tk. 316.76 Million

Net Liabilities
Tk. 584.74 Million

MAMUNSTOCK



Message from the Chairman

Dear Shareholders,
Assalamu Alaikum

It gives me great pleasure to present the annual report and audited accounts of Asia Pacific General Insurance Co. Ltd. for the financial year 2017 and to announce the good news to our shareholders of a record year of growth for APGICL.

Although we are one of the 3rd generation non-life insurance Company in the industry, we have recorded another year of excellent progress and growth rate in the country for the financial year 2017. More importantly, this has been achieved in an environment of extreme competition. I believe this performance demonstrates APGICL's capabilities and future potential and is proof positive that we can compete successfully, if we all work together under a well thought out strategic plan. Our shareholders have also played a central role in our success by investing funds to strengthen the Company's capital base for operational continuity and by supporting the Board and management in our decisions.

On the occasion of the 18th AGM of the Shareholder, I would like to draw your kind attention to the principal achievements of the Company in 2017. The main focus in 2017 was accelerating the revenue growth, ensuring quality business, complying corporate governance and building image of the Company. The Company achieved a gross written premium of BDT 466.76 million and net premium of BDT 279.25 million in 2017. Overall growth in collected premium stood at 15.49% as our business continued to deliver growth and improved profitability. Net earned premium income after reinsurance grew by 33.67% from BDT 208.90 million in 2016 to BDT 279.25 million in 2017. Net claim payment increased by BDT 15.45 Million from BDT 66.41 million in 2016 to BDT 81.86 million in 2017 underscoring our commitment on prompt payment of legitimate claims.

Profit before tax for the year under review was BDT 111.14 million compared to last year of BDT 91.89 million. This shows an increase of 20.95%. Profit after tax also increase by 46.25% from BDT 62.16 million to BDT 90.91 million in 2017. Investment income went up from BDT 56.70 million to BDT 103.19 in 2017 representing a growth of 82%.

The Board is committed to delivering a sustainable dividend growth. I am happy to announce that the Board of Directors recommended to declare 15% Cash dividend to the Shareholders of the Company for the year 2017.

Our mission is to be the most caring and customer friendly provider of risk management services, creating opportunities for more people in more places; to ensure stability and sound growth whilst enhancing the value of shareholders investment. Wherever we operate, our branch strength, breadth and scale enable us to bring the best we have to offer for the benefit of our clients. I congratulate the Management team and our network of Branches for their achievement during the year and I call on their dedication to take APGICL to the next level.

As always, I am grateful to the Board of Directors for their guidance and advice and my gratitude goes out to our shareholders for standing by the company through these years of change. 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 am grateful to the cooperative sector and our customers for their loyalty and I look forward to meeting their expectations in the new financial year.

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

Sincerely



Aftab ul Islam, FCA
Chairman



Message from the Chief Executive Officer (C.E.O)

Respected Shareholders,

I am pleased to report that 2017 was another notable year of solid financial results for Asia Pacific General Insurance Company Ltd. We meet our targets, continued to outperform the industry and placed ourselves in a position to take advantage of opportunities that will present themselves as we take giant strides in future. In short, it was an extremely gratifying journey. We enhanced shareholder value, extended our customer reach, made significant progress on advancing our underwriting system and business solution and improved our customer service.

The insurance industry in our country is undergoing rapid change and we face increasing competition from other companies. The rise in competition in the industry has been beneficial, as it has encouraged innovation among the companies. This has also induced higher productivity and efficiency. The Company efficiency measured by its premium revenue has been increasing and surged from BDT 404.15 million in 2016 to BDT 466.76 million in 2017 which represents a 15.49% growth over the year. This is a significant achievement by the Company especially in the face of competitive pressure. The Company has continued to provide protection and security to our numerous clients through the payment of claims. In 2017, the company paid a total of BDT 81.86 million in net claims to the Insured. Speedy settlement of claims is a very vital aspect of service to the Insured. Hence, the Company has Paid great emphasis on expeditious settlement of claims.

The Company continues to generate strong underlying profitability. We have increased our revenues by defending our position in the competitive markets and diversifying into target emerging markets. We were able to deliver sound & solid financial results in 2017 despite economic uncertainty around the world. We are proud to have talented employees who work hard each and every day to help our customers understand and protect themselves from risk; we are thankful to our customers and recognize that we have to earn their trust by delivering excellent products and services that

meet their needs; and we are grateful for the support of our shareholders, who recognize that APGICL strives to provide stable and sustainable returns in a challenging environment. We will continue to deliver quality service to our policy holders to ensure a sustained growth for the Company.

We aim at becoming more Customer-driven. We operate for the sole purpose of delighting our customers and delivering value to its shareholders in the best professional manner. In order to reach this goal, we are upgrading our service infrastructure and adopting tools and techniques that will give us more insight into our customers' needs. We have designed customer orientation with a singular objective to make sure that all clients enquiries and needs are met professionally and on time; offering solutions from operational to strategical. We continue to enhance our human resource skills set in this area of endeavor to ensure that clients needs are dealt with the highest levels of professionalism.

At the end, 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)

COMPANY'S PERFORMANCE
5 YEARS AT A GLANCE

(BDT in Million)

Particulars	2017	2016	2015	2014	2013
Gross Premium Income	466.76	404.15	366.94	327.55	282.75
Net Premium Income	279.26	208.91	190.6	170.73	146.98
Net Claims	81.86	66.41	41.71	38.63	25.88
Underwriting Profit/(Loss)	40.63	55.02	52.3	40.69	51.47
Investment Income (FDR & Bond)	33.50	40.92	53.05	61.92	70.05
Profit on Sale of Share	61.01	7.60	4.20	9.43	2.71
Net Profit before Tax	111.14	91.9	91.41	93.31	102.12
Reserves and Fund	316.76	259.96	234.46	207.22	180.72
Investment (FDR & Bond)	491.43	452.26	580.2	563.26	548.45
Investment in Share	260.34	253.67	136.76	160.07	170
Total Assets	1348.74	1217.80	1146.14	1079.79	1084.68
Paid-up Capital	423.5	423.50	423.50	423.50	423.50
Share Holder Equity	800.00	751.44	728.53	709.02	699.02
Dividend %	15%	10%	10%	10%	12%
No. of Shares Allotted	42.35	42.35	42.35	42.35	42.35
Earnings Per Share	2.15	1.47	1.52	1.50	1.55
Book Value Per Share	18.79	17.70	17.20	16.74	16.50

Financial Ratio:

Particulars	2017	2016	2015	2014	2013
Gross Profit Ratio on Gross Premium Income	59.83%	51.69%	51.94%	28.49%	36.12%
Operating Profit Ratio On Gross Premium	8.71%	13.61%	14.25%	12.42%	18.20%
Net Profit Ratio On Gross Premium Income	19.21%	15.81%	18.00%	19.33%	23.28%
Current Ratio (Times)	1:2.07	1 : 2.07	1 : 2.77	1 : 2.45	1 : 2.34
Expenses Ratio	24.53%	28.95%	29.77%	32.69%	34.77%
Claim Ratio	24.59%	17.20%	23.81%	22.63%	11.63%
Combined Ratio	49.12%	55.31%	70.01%	70.44%	65.79%
Solvency Margin	415.56	379.43	411.82	470.44	506.00
Required Solvency Margin	63.89	43.39	47.75	43.39	38.29
Dividend Payout Ratio	70.75%	66.67%	66.00%	66.68%	77.42%
Dividend Yield Ratio	5.95%	5.21%	6.25%	6.05%	5.19%
Return On Equity	11.60%	8.65%	8.27%	9.02%	9.49%
Return On Assets	20.70%	17.15%	18.84%	15.81%	13.55%
Net Profit Ration On Equity	11.60%	8.65%	8.96%	9.06%	9.50%
Market Price Per Share	25.20	19.20	16.00	19.02	23.10



DIRECTORS' REPORT



DIRECTORS' REPORT

HONOURABLE SHAREHOLDERS,
As-saalamu Alaikum

On my behalf and on behalf of my fellow Board Members, I'm honored to submit to you the eighteenth Annual Report of Asia Pacific General Insurance Company Ltd.. This report reviews the accomplishments of the Company during 2017, which ended with an optimistic tone and achieved unique results which reflected the sound financial position and the strong performance of the Company resulting in maintaining its advanced position in the insurance sector due to its successful strategy and precautionary policy. We hope to highlight some topics, subject of the interest of our esteemed shareholders and all stakeholders in relation to the Company activities.

World Economy

The global upswing in economic activity is strengthening, with global growth projected to rise to 3.6 percent in 2017 and 3.7 percent in 2018. Broad-based upward revisions in the euro area, Japan, emerging Asia, emerging Europe and Russia more than offset downward revisions for the United States and the United Kingdom. But the recovery is not complete: while the baseline outlook is strengthening, growth remains weak in many countries, and inflation is below target in most advanced economies. Commodity exporters, especially of fuel are particularly hard hit as their adjustment to a sharp step down in foreign earnings continues. And while short-term risks are broadly balanced, medium-term risks are still tilted to the downside. For policymakers, the welcome cyclical pickup in global activity provides an ideal window of opportunity to tackle key challenges-namely to boost potential output while ensuring its benefits are broadly shared and to build resilience against downside risks.

The change in mood among the forecasters is evident if we compare the state of uncertainity at the beginning of this year with the prevailing optimism. The election of President Donald Trump, with his promises of reform and radical change in the global commitments of the US, including the Paris Climate Accord, NAFTA, and TPP, was initially viewed with disquiet. This, along with the expected turmoil as EU and UK began their much anticipated negotiations over the Brexit pullout, led to a period of "wait and see" in financial and policy circles. Even the International Monetary Fund (IMF) found itself scratching its head as evident from its July 2017 pronouncement which lowered its forecast for US growth to 2.1 percent for 2017 and 2018 from earlier projections of 2.3 percent and 2.5 percent.

IMF turned around and raised its estimates for global economic growth in 2017 and next year, citing stronger expansion in the first half of the year in the Eurozone, Japan, Asia and Russia. Its revised estimates and pointing to the uptick in economic activity that started the second half of 2016 and "gained further momentum" in the first six months of this year. "The global upswing in economic activity is strengthening," and IMF revised its growth forecast to 3.6 percent in 2017 and 3.7 percent in 2018.

Bangladesh Economy:

For Bangladesh 2017 has been a mixed year of achievements and challenges. Though some macro indicators reflect the positive trends, the overall strength of the economy is weakening due to a number of developments toward the second half of the year. One of the major achievements of the economy has been a 7.28 percent economic growth in FY 2016-17 breaking the six percent cycle that continued for a decade or so. Like previous years, major boost of growth has come from the industrial sector followed by the services sector. Though average inflation has been around 5.5 percent, food inflation is showing an increasing rate in recent months mainly because of agricultural loss due to two rounds of flood.

Investment is a major impetus to Bangladesh's growth. Target was set to increase investment to 32.7 percent of GDP in FY 2016-17, keeping in mind the need for a growing economy. In FY 2016-17, investment as a share of GDP went up to 30.5 percent, a marginal increase from 29 percent in FY 2015-16, However, the private sector's investment has been almost stagnant since FY 2015-16 hovering around 23 percent. The major boost has come from the public sector that saw an increase to 7.4 percent in FY 2016-17 from 6.7 percent in FY 2015-16.

Conditions of financial sectors for Bangladesh in 2017 were different and interest rates were single digits all the year and banks were over liquidated. Investments were stagnant and investment in small and medium enterprise was walking sideway due to market risk. However, at the year end, interests rates of Banks and NBFIs were growing and those were busy to collect funds from people and institutional investors. This is indicating that the economy of Bangladesh is getting momentum.

Industry Overview:

Bangladesh Insurance market is 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. It is very difficult to forecast the insurance industry of Bangladesh due to lack of proper data in proper time. 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.

Insurance Development and Regulatory Authority (IDRA) was established in 2010 through enactment of Insurance Development and Regulatory Authority Act – 2010. The regulatory reforms which started with the introduction of the Insurance Act 2010 and has taken so many appreciate steps to development of the Insurance Sector. The Authority recently has taken initiatives to receive comments and views regarding a number of Draft Regulation/ Rules uploading in their website with a view to establish accountability, transparency and due diligence among the insurance companies.

Growing importance in the financial system and increasing economic significance, the industry needs a closer attention for its future development. As a different sectors of the financial system are closely related to each other, risk of a particular sector can easily transmit to the other sectors of the system. Therefore effective monitoring and supervision of the insurance industry is crucial not only to guide the industry in effective management of risks faced by economic agent but also mobilize to long term savings for the economy and thereby allocate the funds to facilitate long term investment. Despite political uncertainty, natural calamities, economic slowdown and lack of major investment and infrastructure projects, the growth of insurance premium appeared reasonable. Intensification of market drive and introduction of new products helped the insurance companies to attain a positive insurance growth.

Financial Review :

The Company has delivered another year of excellent results. This continues the strong growth across each of our main operating financial metrics that we have maintained since our IPO in 2006. Our financial performance in 2017 once again demonstrates our ability to deliver resilient results by focusing on the quality of new business we underwrite and the sources of earnings and cash flow generates. This is fundamental to APGICL's ability to produce sustainable growth and increasing returns to our shareholders. The Management, under the directions of the Board, works at improving the strength of the financial structure, taking due care of the threats and opportunities encountered and foreseen.

The Company maintained growth momentum in the financial year 2017, with strong growth Gross Written Premium (GWP) :

- The Gross Written Premium income improved against the previous financial year from BDT 404.15 million to BDT 466.76 million showing a growth of 15.49%.
- The net premium income increased by BDT 70.35 million from BDT 208.90 million to BDT 279.25 million in 2017.
- Net Claims paid increased by 15.45% from BDT 66.41 million from BDT 81.86 million for the year 2017 underscoring our commitment on prompt payment of legitimate claims.
- Investment & other income is BDT 103.20 million in 2017 while it was BDT 56.70 in 2016.

Class wise Premium Composition:

Gross Written Premium (GWP) remained the same in 2017 as in 2016 with Marine Insurance continuing to be the main contributor to revenues. The Marine & Fire Insurance are mainly contributing to total GWP recorded 45.82% and 34.51% respectively. Class wise revenue composition are given below :

Class	2017 (BDT Million)			2016 (BDT Million)		
	GWP	Contribution	Growth	GWP	Contribution	Growth
Marine & Hull	213.89	45.82%	6.40%	201.02	49.73%	17.45%
Fire	161.10	34.52%	36.28%	118.21	29.25%	(5.20%)
Motor	58.26	12.48%	13.32%	50.50	12.50	10.60%
Miscellaneous	33.51	7.18%	2.64%	34.42	8.52%	36.74%
	466.76	100%	15.49%	404.15	100%	10.14%

Fire Insurance Business:

The gross written premium of Fire Insurance business of BDT 161.10 million in 2017 against BDT 118.21 million in 2016. After ceding re-insurance premium, the net premium earn from Fire Insurance business stood at BDT 59.32 million.

Marine & Hull Insurance Business :

The gross written premium income of Marine & Hull insurance increased from BDT 201.02 million in 2016 to Tk. 213.89 million in 2017. After ceding re-insurance premium, the net premium income from Marine insurance business stood at BDT 159.81 million. The Company earned an underwriting profit of BDT 46.38 million in 2017.

Motor Insurance Business:

Gross written premium income in Motor Insurance Business increased by 13.32% from BDT 50.50 million in 2016 to BDT 58.26 million in 2017. The net premium income stood at BDT 55.66 million. The Company earned an underwriting profit from motor insurance business for BDT 23.65 million.

Miscellaneous Insurance Business :

In the year 2017, gross written premium income from Miscellaneous Insurance business became BDT 33.51 million while it was BDT 34.42 million in 2016. The net premium income from Miscellaneous Insurance business stood at. BDT 4.46 million.

Underwriting Result :

The quality of underwriting is a significant practice and this activity directly contributes to the quality of growth of the Company. The underwriting practice at the Company comprises thorough evaluation, prudent financial modelling and accurate risk pricing that protects the shareholders' interests in the company while also creating value at large. Total underwriting result decreased by BDT 14.39 million from BDT 55.02 million in 2016 to BDT 40.63 million in 2017 due to increase of claim settlement during the year under review. It is to be noted that marine & motor insurance reported good underwriting profit growth year-on-year, higher claims dented underwriting profit during the year under report for fire and miscellaneous insurance. However, we are undertaking all the necessary action across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

Investment Income :

At the year end, the interest rate was slightly in the increasing trend but most of the time the interest rates were remained at a minimum level. As a result, interest income from Banks and Non-Banking Financial Institutions (NBFIs) declined to BDT 33.50 million in 2017 against BDT 40.91 million in 2016. With the prudent advice of Investment Committee of the Company in order to ensure better rate of return, the Management therefore shifted a significant amount of Investment in the secondary capital market instead of FDRs in consideration of Return and Tax benefit. Consequently, investment income in Shares increased to BDT 61.01 million in 2017 from BDT 7.56 million in 2016. Income from dividend has also increased to BDT 8.69 million in 2017 from BDT 8.24 million in 2016 due to prudent fund management.

Investment :

The investment portfolio is maintained primarily to ensure maximum protection to its assets in accordance with the regulatory requirements and to receive the highest returns for the Shareholders of the Company. The investment decisions are taken by the Investment Committee subject to subsequent Board ratification. The Company's investments during the year 2017 were stood at BDT 751.79 million against BDT 705.93 million in 2016, which includes investment in Shares & Bond for BDT 285.35 million as opposed to BDT 278.67 million and FDRs for BDT 466.44 million against BDT 427.26 million in the previous year. Out of the total investment, 62% was concentrated in Fixed Deposit (F.D) with various commercial banks and non-banking financial institutions to maintain comfortable liquidity Ratio of the Company. 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 BDT 1,348.74 million in 2017, while it was BDT 1,217.80 in 2016. Net Asset Value per Share (NAV) is BDT 18.79 in 2017 as against BDT 17.70 in 2016. The value of assets increased mainly due to increase in investment as well as overall growth of insurance business of the Company.

Total Liabilities :

The net liabilities of the Company stood at BDT 548.74 million in 2017 from Tk. 466.35 million in 2016. The Shareholders' Equity is BDT 800.00 million in 2017, while it was BDT 751.44 million in 2016 registering growth of 6.46%.

Operational performance :

(million in BDT)

Particulars	Fire	Marine	Motor & Misc.	2017	2016
Direct Premium (gross)	161.10	213.89	91.76	466.76	404.16
Re-insurance Ceded to SBC	101.78	54.08	31.64	187.50	195.25
Premium Retained (Net)	59.32	159.81	60.12	279.26	208.90
Net Commission	2.88	17.54	9.87	30.29	19.12
Net Claim Settled	43.72	60.56	10.50	114.78	69.18
Management Expenses	26.59	24.17	13.54	64.30	57.93
Underwriting Profit	(27.32)	46.38	21.58	40.63	55.02

Profit and Loss Account & its appropriation :

The silent futures are given below (million in BDT)

Particulars	2017	2016
Gross Premium Income	466.76	404.16
Net Premium Income	279.26	208.90
Underwriting Profit	40.63	55.02
Income from Interest	33.50	40.91
Profit on Sale of Shares	61.01	7.56
Dividend Received	8.70	8.25
Net profit for the year and its appropriation :	111.14	91.89
Add: Surplus brought forward	7.19	2.28
Add: Prior Year Adjustment	-	3.20
Less: Reserve for exceptional losses	27.90	18.00
Less : Tax provision	14.00	26.10
Less : Provision for deferred tax	2.22	.73
Less : Provision for Gratuity	1.00	1.00
Less: Provision for previous year tax adjustment	3.00	2.00
Net un - appropriate profit	70.20	49.54

Proposed Dividend :

Considering the profit of the Company, The Board of Directors has been pleased to recommend for declaration of 15% Cash dividend to the Shareholders for an amount of BDT 63,525,000/- only subject to approval of the 18th Annual General Meeting (AGM).

Credit Rating

Asia Pacific General Insurance Company Ltd. has been awarded as "AA" (pronounced as Double A) for long term which indicates very strong financial capacity 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

Information and Communication Technology (ICT) has become indispensable for Insurance Companies in ensuring smooth operation and providing efficient services. Recognized this fact the Board is thinking about to upgrade the present technology for further strengthening and securing the IT infrastructure of the Company. As a part of that, we are taking initiatives to install an integrated software for Head Office and Branches, so that the Management could monitor all the activities of the branches on real time basis. Moreover, we are planning to utilize more information and communication technology so that our valued customers may have necessary information and documents without coming to the office and may communicate through ICT.

Risk & Concerns

APGICL's policy is to hedge against risks arising from the Company's activities or to limit such risks to a level that allows the Company to maintain normal operations and implement its planned measures even in the case of highly unfavorable events in the outside world. As a consequence of this policy, for a number of years, the Company has identified and reduced or eliminated the risks which could potentially cause losses exceeding what the Company considers to be acceptable. 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 33 of the Financial Statements of the Company for the year 2017 (page 94).

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 2017 was BDT 1.95 million. The total number of Vehicle was 9 of which total cost was BDT 19.44 million and the written down value as at December 31, 2017 was BDT 3.75 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, 2017 the Board of Directors held 07 meeting and the Director serving on the Board attended in aggregate 80% of the total number of meetings.

x) During the year the company is rated by Alfha Credit Rating Ltd. (Alfha Rating) and graded as category of "AA-" for long term and "ST-1" for short term effective up to May 18, 2018.

xi) At December 31, 2017 the pattern of shareholding are as under:

a) Shareholdings of Parent/Subsidiary/Associate Companies and 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 Page (50-57).

Composition of the Board

The Board of the Company is comprised of 18 members as on 31 December 2017, 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 is 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 with a range of talents, skills and expertise to provide prudent guidance in respect to the operations of the Company.

Board and Committee Meeting

The numbers of Meeting of the Board/ Committees held during the year 2017 are given below in comparison with last 4 years:

	2017	2016	2015	2014	2013
Board of Directors	7	4	5	4	5
Executive Committee	-	1	-	1	1
Audit Committee	3	3	2	1	1
Claims Committee	3	2	3	2	2
Investment Committee	7	6	5	1	2

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.

Share Holding Position :

Summarized list of Shareholding position of Sponsors, Directors & General Public of the Company as on December, 31, 2017 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. AHM 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	Directo r	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	1,100,000	2.60
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	800,000	1.89
18	Dr. Hafiz G.A Siddiqi	Independent Directors	-	-
19	Dr. A.K.M Moazzem Hussain		-	-
	Total Share Sponsors & Directors		18,088,400	42.72
	General Public Shareholders		24,261,600	57.28
	Total Share :		**42,350,000**	**100%**

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 18th Annual General Meeting and they being eligible, offer themselves for re-election as per provision of the Article – 115 of the Company.

01. Mr. Aftab ul Islam, FCA
02. Mrs. Kashmiri Kamal
03. Mr. Wahidul Haque Siddiqui
04. Mr. Moynul Haque Siddiqui
05. Ms. Kashfi Kamal

External Auditor Appointment :

The auditor M/s. Malek Siddiqui Wali & Co., Chartered Accountants is to retire as Auditor of the Company as per provision of law, but being eligible as per section 210(3) of the Companies Act, offered themselves for re-appointment to act as Auditor of the Company for the year 2018. Considering the performance of M/s. Malek Siddiqui Wali & Co., Chartered Accountants, the Board recommended to re-appoint them as an Auditor of the Company for the year 2018 with remuneration as decided in the 18th Annual General Meeting.

Future Outlook :

The Company has an exciting future. We believe that the major decisions taken by the Board will ensure that your company achieves continued long-term growth and profitability. Global growth forecasts for 2018 are more positive, which is expected to lead to increased demand for non-life insurance. Premium growth in the emerging markets will likely remain strong, at about the same levels as 2017. APGICL in 2018 is focusing on investing in the upgrade of robust ICT software to deliver value. Other areas of keen attention are on prudent and sound management practices, customer- centric approaches to services, good investment portfolio and prompt claim payment to yield maximum customer Satisfaction.

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

MANAGEMENT BUSINESS REVIEW AND FINANCIAL ANALYSIS :

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 and Miscellaneous, Motor. The performance of individual business segment during the year 2017 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 BDT 466.76 million and underwriting profit of BDT 40.63 million in 2017 compared to last year's Gross Premium for BDT 404.15 million and underwriting profit of Tk. 55.02 in 2016. Segment wise operating results of income are as follows :

(Amount in million BDT.)

Particulars	Fire	Marine	Motor	Misc	Total		Growth / (Declined)	Growth / (Declined) %
					2017	2016		
Gross Premium Income	161.10	213.89	58.26	33.51	466.76	404.15	62.61	15.49%
Re-insurance premium ceded	101.78	54.08	2.60	29.05	187.50	195.25	(7.75)	(3.97%)
Net Premium Income	59.32	159.81	55.66	4.46	279.25	208.91	70.34	33.67%
Commission (net)	2.88	17.54	8.61	1.26	30.29	19.12	11.17	58.42%
Management Expenses	26.59	24.17	8.53	5.02	64.30	57.93	6.37	11%
Claim Settled & Provided	43.72	60.56	10.19	.32	114.78	69.19	45.59	65.89%
Adjusted fund for un-exp. Risk	13.35	11.16	4.55	(.08)	28.98	7.42	21.56	290%
Underwriting Profit/ (Loss)	**(27.32)**	**46.38**	**23.65**	**(2.07)**	**40.63**	**55.02**	**(14.39)**	**(26.15%)**

Segment wise Revenue Income of the Company :

Total Revenue Income is BDT 143.84 million in 2017 with an increase of BDT 32.11 million from BDT 111.73 in 2016 due to significantly increase of profit on sale of Shares. Segment wise Revenue income are given below :

Particulars	2017		2016		Growth 2017 {+/(-)}	Growth / (Declined) %
	Amount (million)	% of Tot al Revenue	Amount (million)	% of Total Revenue		
Underwriting Profit	40.63	28.25%	55.02	49.25%	(14.39)	(26.15)%
Interest Income	33.50	23.29%	40.91	36.61%	(7.41)	(18.11)%
Dividend Income	8.70	6.05%	7.56	6.77%	1.14	15.10%
Profit on Sale of Shares	61.01	42.41%	8.24	7.37%	52.77	640.41%
Total Revenue Income	143.84	100%	111.73	100%	32.11	611.25%

5 years operation performance are given below :

(BDT in million)

Particulars	2017	2016	2015	2014	2013
Gross Premium Income	466.76	404.15	366.93	327.55	282.75
Net Premium Income	279.25	208.90	190.60	170.72	146.98
Management Expenses	64.30	57.93	54.20	53.60	49.05
Net Claim Paid	114.78	69.18	41.70	38.63	17.08
Reserve for unexpired Risk	28.98	7.42	8.24	(9.60)	1.34
Operating (Underwriting) Profit/(Loss)	40.63	55.02	52.30	40.70	51.47
Investment, Interest & other Income	103.21	56.90	60.10	72.63	73.52
Gross Profit before Tax	143.84	111.92	112.40	113.35	124.99
Net Profit before Tax	111.14	91.89	91.41	93.31	102.13
Provision for Tax	17.00	28.20	27.00	30.00	36.30
Net Profit after Tax and Reserve	65.27	46.97	44.98	44.12	51.02
Earning per Share (EPS)	2.15	1.50	1.52	1.50	1.55

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

Particulars	2017	2016	Growth 2017 {+/(-)}	Growth/ (Declined) %
	Amount (million)	Amount (million)		
Shareholders' Fund/Equity	800.00	751.44	48.56	6.46%
Current Liabilities	387.93	344.96	42.97	12.46%
Current Assets	955.80	965.60	(9.80)	(1.01%)
Fixed Assets less Depreciation	155.67	36.86	118.81	322.33%

5 years Financial position are given below :

(Amount in million BDT)

Particulars	2017	2016	2015	2014	2013
Shareholders' Fund/Equity	800.00	751.44	728.53	708.12	699.02
Current Liabilities	387.93	344.96	302.32	268.74	296.15
Current Assets	955.80	965.60	944.20	942.49	965.64
Fixed Assets less Depreciation	155.67	36.86	28.74	35.24	27.99

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 62% was concentrated in Fixed Deposit (F.D) to maintain comfortable liquidity ratio of the Company which stood at BDT 466.44 million in 2017 as against to BDT 427.26 million in previous year. 20% of the fund invested in Shares & Bond for BDT 285.35 million on 2017 as against BDT 278.67 million in 2016.

GRAPHICAL PRESENTATION



Gross Premium (BDT in Million)



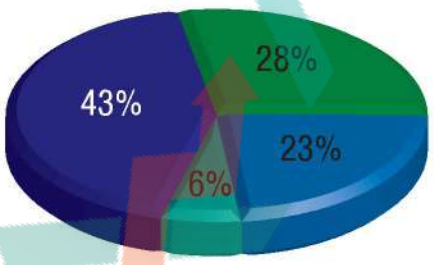
Net Premium (BDT in Million)



Underwriting Profit/Loss (BDT in Million)

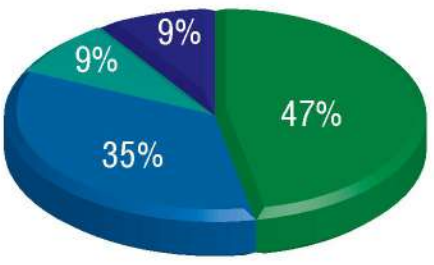


Net Clamis (BDT in Million)



Operating Profit
Dividend Income
Interest Income
Profit on Sale of Share

Revenue Income 2017



Operating Profit
Dividend Income
Interest Income
Profit on Sale of Share

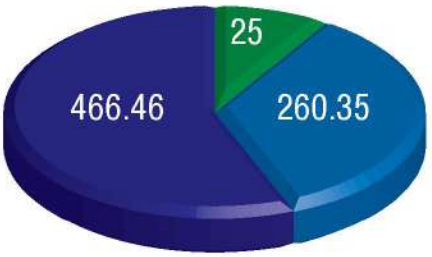
Revenue Income 2016



Investment (FDR & Bond)

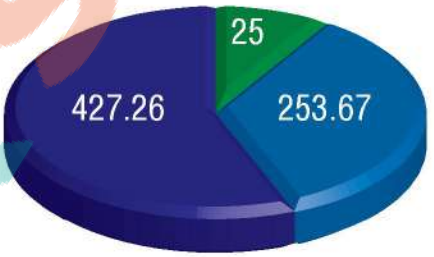


Investment in Share (BDT in Million)



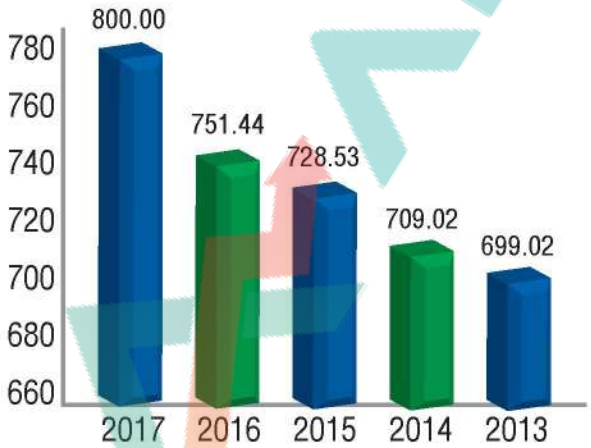
Bond
Fixed Deposit
Share Investment

Investment Position 2017 (BDT in Million)

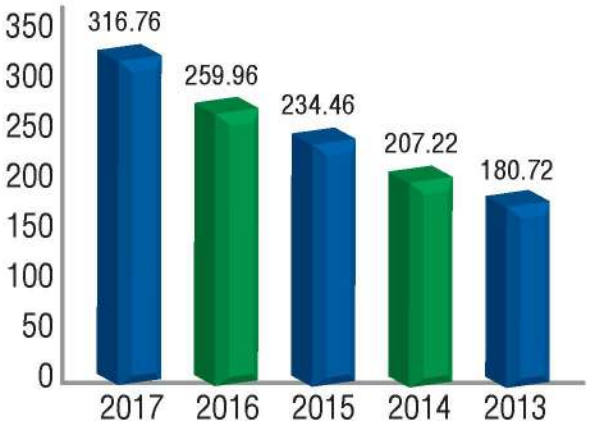


Bond
Fixed Deposit
Share Investment

Investment Position 2016 (BDT in Million)



Share Holder Equity (BDT in Million)



Reserves and Fund (BDT in Million)

AMARSTOCK

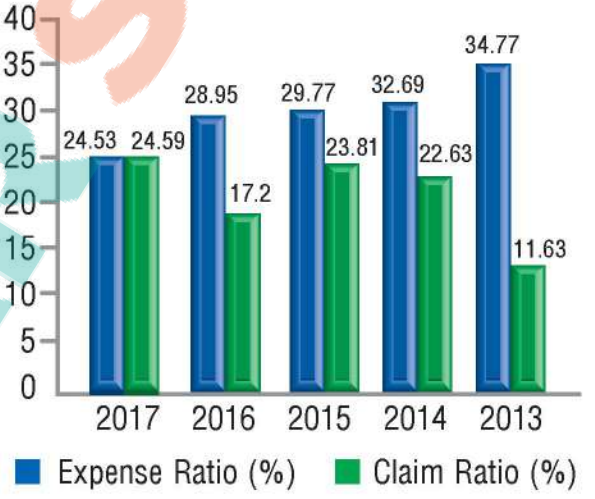


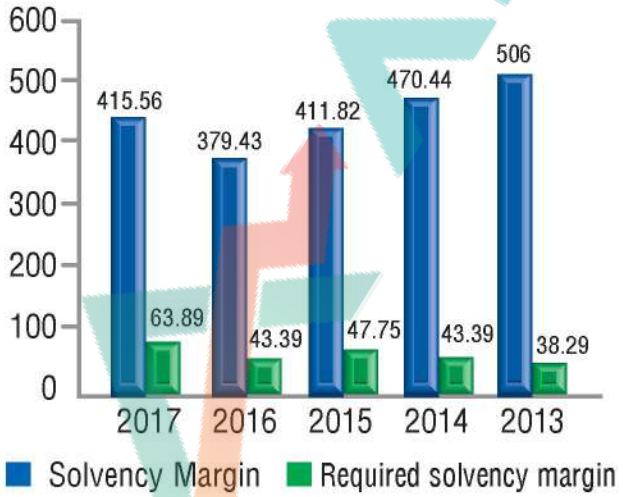
Total Assets (BDT in Million)

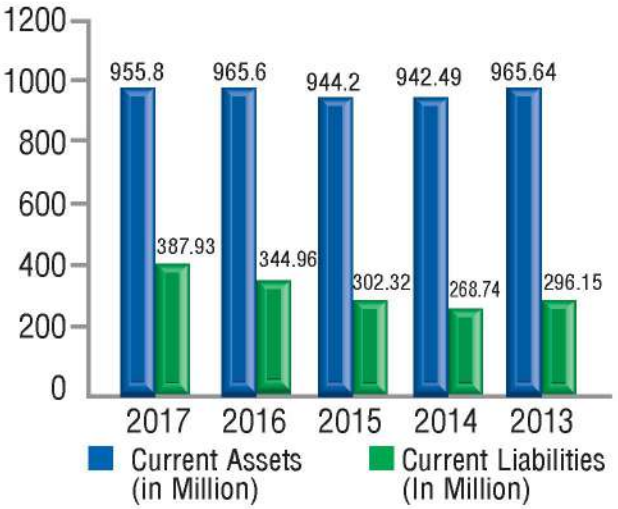


Market Price Per Share Tk, (31st December)









SHARESTOCK

জোহা জামান কবির রশীদ এ্যান্ড কোং
চার্টার্ড একাউন্টেন্টস
ZZKR
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

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, 2017 as stipulated in clause 7(i) of the BSEC notification No. SEC/CMRRCD/2006-158/134lAdminl44 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
May 15, 2018

Zoha Zaman Kabir Rashid & Co.
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.	√		

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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.	√		Basis for related party transactions has been disclosed in the notes of audited accounts but not disclosed in the Directors 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.

1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	-	-	No such event occurred during the period.
1.5(x)	Remuneration to directors including independent directors.	√		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5(xii)	Proper books of account of the issuer company have been maintained.	√		
1.5(xiii)	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.	√		
1.5(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	-	-	No such event occurred during the period.
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	-	-	No such event occurred during the period.
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5(xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-	√		
1.5(xxi)a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	-	-	Not Applicable
1.5(xxi)b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	-	-	Nil
1.5(xxi)c)	Executives	-	-	Nil
1.5(xxi)d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	-	-	All Individual holding is less than 10%.
1.5(xxii)a)	a brief resume of the director;	√		
1.5(xxii)b)	nature of his/her expertise in specific functional areas;	√		

1.5(xxii)c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2	**Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS):**			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3	**AUDIT COMMITTEE:**			
3(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		

3.1	**Constitution of the Audit Committee**			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1(iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy (ies) immediately or not later than 1 (one) month from the date of vacancy (ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	-	-	No such event occurred during the period.
3.1(v)	The company secretary shall act as the secretary of the Committee.	√		
3.1(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		

3.2	**Chairman of the Audit Committee:**			
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2(ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	**Role of Audit Committee:**			
3.3(i)	Oversee the financial reporting process.	√		
3.3(ii)	Monitor choice of accounting policies and principles.	√		
3.3(iii)	Monitor Internal Control Risk management process.	√		
3.3(iv)	Oversee hiring an performance of external auditors.	√		
3.3(v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3(vii)	Review the adequacy of internal audit function.	√		
3.3(viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	-	-	No such event occurred during this period.
3.4	**Reporting of the Audit Committee**	√		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1(ii) a)	report on conflicts of interests;	√		They normally do, if necessary. But no such event occurred during this period.
3.4.1(ii) b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	√		They normally do, if necessary. But no such event occurred during this period.

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3.4.1(ii) c)	suspected infringement of laws, including securities related laws, rules and regulations;	√		They normally do, if necessary. But no such event occurred during this period.
3.4.1(ii) d)	any other matter which shall be disclosed to the Board of Directors immediately.	√		They normally do, if necessary. But no such event occurred during this period.
3.4.2	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		They normally do, if necessary. But no such event occurred during this period.
3.5	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	√		
4	**External/Statutory Auditors:**			
4.1(i)	Appraisal or valuation services or fairness opinions.	√		No such service taken from the Statutory Auditor.
4.1(ii)	Financial information systems design and implementation.	√		No such service taken from the Statutory Auditor
4.1(iii)	Book-keeping or other services related to the accounting records or financial statements.	√		No such service taken from the Statutory Auditor
4.1(iv)	Broker-dealer services.	-	-	No such service taken from the Statutory Auditor
4.1(v)	Actuarial services.	-	-	No such service taken from the Statutory Auditor
4.1(vi)	Internal audit services.	-	-	No such service taken from the Statutory Auditor
4.1(vii)	Any other service that the Audit Committee determines.	-	-	No such service taken from the Statutory Auditor

4.1(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
5	**Subsidiary Company:**			Not Applicable
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	-	-	Not Applicable
5(ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	-	-	Not Applicable
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	Not Applicable
5(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	-	-	Not Applicable
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	Not Applicable
6	**Duties Of Chief Executive Officer (CEO) And Chief Financial Officer (CFO):**			
6(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
6(i) a)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6(i) b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	**Reporting and Compliance Of Corporate Governance:**			
7(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7(ii)	The directors of the company shall state, in accordance with the **Annexure** attached, in the directors' report whether the company has complied with these conditions.	√		

DIRECTORS' CERTIFICATE

In accordance with the Regulations contained in the first schedule of the Insurance Act, 1938 as adopted in Bangladesh and as per section 63 of the Insurance Act 2010 we certify that :

1. The values of investments as shown in the Balance sheet have been taken at cost and the quoted value thereof mentioned wherever available, the Company made a provision for BDT 60,255,248 as loss on financial assets measured at fair value which is only 100% of the actual loss.

2. The values of all assets as shown in the Balance sheet and as classified on form "AA" annexed have been duly reviewed as at 31st December, 2017 and in our belief, the said assets have been setforth in the Balance Sheet at an amount not exceeding their realisable or market values under different headings as enumerated in the annexed form.

3. All expenses of management, wherever and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Account and Profit and Loss Account.

Bidhu Bhuson Chakraborty	**Wahidul Haque Siddiqui**	**Kashmiri Kamal**	**Aftab ul Islam FCA**	**Malek Siddiqui Wali**
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : April 26, 2018

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 Companies 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 2017 the Committee carried out the following tasks:

1) Review of Quarterly and Half-yearly Financial Statement's 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 2017 & report thereof to the Board.

4) Review of Audit Report for the year 2017 as submitted by the external Auditors & report thereof to the Board.

Hafiz G. A. Siddiqi

Dr. Hafiz G A Siddiqi
Chairman
Audit Committee

Dated, Dhaka
April 26, 2018

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CEO & CFO'S CERTIFICATES 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 Statement of the Asia Pacific General Insurance Company Ltd. comprises the Balance sheet as at December 31, 2017. Profit & Loss Account, Statement of Changes in Shareholders Equity, Statements of Cash Flow and Liquidity statement together with Accounting Policies and notes on Financial Statement / Accounts for the year ended December 31, 2017.

1. The Financial Statements prepared in accordance with Bangladesh Accounting Standards (BAS) containing a true & fare 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, 2017 presented true and fare view and are in compliance with the applicable laws and regulations.

3. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Joy Bijoy Saha
Chief Financial Officer

Bidhu Bhuson Chakraborty
Chief Executive Officer

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

Malek Siddiqui Wali
CHARTERED ACCOUNTANTS
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AUDITORS' REPORT
To the Shareholders of Asia Pacific General Insurance Company Limited

We have audited accompanying financial statementsof Asia Pacific General Insurance Company Limited which compriseof Statement of Financial Position as at 31stDecember, 2017 and the related Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous Insurance Revenue Accounts as well as Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements :

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements thatare free from material whether due to fraud or error.

Auditor's responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standardson Auditing.Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe thatthe audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion :

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standard give a true and fair view of the company's affairs as at 31st December, 2017and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994, the Insurance Act, 2010, Insurance Rules 1958, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that :

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

(ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

(iii) The company's Statement of Financial Position and revenue accounts and its cash flows dealt with by the report are in agreement with the books of account and returns;

(iv) The expenditure incurred was for the purposes of the company's business;

(v) As per Section 63 (2) of the Insurance Act -2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly with respect to insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related reve nue accounts and the Statement of Profit or Loss and Other Comprehensive Income of the company; and

(vi) 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 form outside Bangladesh in respect of any of its business re-insured abroad.

Place: Dhaka,
Dated: April 26,2018

Malek Siddiqui Wali
Chartered Accountants

AMARSTOCK



Financial Statements F/Y 2017

BALANCE SHEET

AS AT 31st DECEMBER, 2017

CAPITAL AND LIABILITIES	NOTE	2017 TAKA	2016 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		**203,600,000**	**175,700,000**
Reserve fund	6	13,500,000	13,500,000
Reserve for exceptional losses	7	190,100,000	162,200,000
Profit and loss appropriation account		70,204,838	49,539,480
Balance of funds and accounts	8	**113,161,762**	**84,179,524**
Fire insurance business account		23,727,368	10,374,159
Marine insurance business account		65,384,296	54,219,053
Miscellaneous insurance business account		24,050,098	19,586,312
Premium Deposit	9	9,316,030	8,652,413
Depreciation Fund		51,082,610	39,770,616
Provision for gratuity	10	4,794,658	5,212,338
Liabilities and Provision		**132,389,628**	**86,657,188**
Estimated liabilities in respect of outstanding claim	11	58,821,869	25,900,000
Sundry creditors	12	73,567,759	60,757,188
Provision For Deferred Tax	13	2,311,529	85,547
Provision For Taxation	14	90,770,027	96,455,419
Amount due to other persons or bodies carrying on insurance business		144,914,320	145,345,005
Total		**1,348,744,152**	**1,217,796,280**
Net Asset value (Per Share Tk 10)		18.89	17.70

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

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BALANCE SHEET

AS AT 31st DECEMBER, 2017

PROPERTY AND ASSETS	NOTE	2017 TAKA	2016 TAKA
Investment (at cost)	15	**285,348,324**	**278,671,030**
Investment in Bangladesh Govt treasury bond		25,000,000	25,000,000
Investment in shares		260,348,324	253,671,030
Accrued Interest, dividend and rent	16	17,898,914	17,557,945
Advances, deposits and Pre Payments	17	78,464,577	172,102,571
Cash and bank balances	18	**574,086,690**	**497,272,282**
Cash and bank balances		107,649,750	70,010,114
Fixed deposit with banks		466,436,940	427,262,168
Other accounts	19	**207,170,411**	**76,628,818**
Fixed assets (at cost)		206,747,914	76,238,471
Stock of stationary		156,310	124,773
Stamp in hand		266,187	265,574
Amount due from other persons or bodies carrying on insurance business	20	185,775,236	175,563,634
Total		**1,348,744,152**	**1,217,796,280**

The annexed notes form an intergral part of the balance sheet

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

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Statement of Comprehensive income
(PROFIT AND LOSS ACCOUNT)
For the year ended 31st December,2017

	NOTE	2017 TAKA	2016 TAKA
Expenses of management (not applicable to any Particular fund or account)		**4,190,891**	**2,547,931**
Directors' Fee		437,000	421,123
Audit Fee		81,500	62,500
Advertisement		440,374	296,406
Registration & Renewal fee		2,380,238	1,767,902
Legal fee		127,250	-
Fees and Charge		724,529	-
Loss of sale of fixed assets		1,556,486	-
Depreciation (Annexure-1)		17,299,317	6,172,688
Provision for diminution in value of investment		9,649,830	11,326,036
Loss Transferred from		**29,398,879**	**19,579,677**
Fire revenue account		27,323,143	17,047,644
Misc. Revenue Account		2,075,736	2,532,033
Net Profit for the year carried to Profit and loss appropriation account		111,141,340	91,893,013
Total		173,236,743	131,519,345
Earning Per Share (EPS)		2.15	1.47

PROFIT AND LOSS APPROPRIATION ACCOUNT
For the year ended 31st December, 2017

PARTICULARS	2017 TAKA	2016 TAKA
Reserve for exceptional losses	27,900,000	18,000,000
Provision for taxation	14,000,000	26,100,000
Prevision for deferred Tax	2,225,982	732,995
Previous year tax adjustment	3,000,000	2,000,000
Provision for gratuity	1,000,000	1,000,000
Balance transferred to balance sheet	70,204,838	49,539,480
Total	118,330,820	97,372,475

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

Statement of Comprehensive income
(PROFIT AND LOSS ACCOUNT)
For the year ended 31st December,2017

PROPERTY AND ASSETS	NOTE	2017 TAKA	2016 TAKA
Interest, dividends and rents (not applicable to any Particular fund or account)			
Dividend received		8,695,919	8,246,983
Interest received and accrued	21	33,499,557	40,914,764
Profit on sales of shares	22	61,009,543	7,557,417
Profit on sale of Vehicle		-	197,000
Profit transferred from		**70,031,724**	**74,603,181**
Marine revenue account		42,763,683	53,580,024
Motor revenue account		23,652,455	21,023,157
Marine Hull Revenue Account		3,615,586	
Total		173,236,743	131,519,345

PROFIT AND LOSS APPROPRIATION ACCOUNT
For the year ended 31st December, 2017

PARTICULARS	2017 TAKA	2016 TAKA
Balance brought forward from previous year	7,189,480	2,282,014
Prior year adjustment	-	3,197,448
Net Profit for the year brought down from Profit and loss account	111,141,340	91,893,013
Total	118,330,820	97,372,475

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

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

AMARSTOCK

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	2017 TAKA	2016 TAKA
Claim Under policies less re-insurance		**114,782,464**	**69,185,307**
Paid during the year	24	81,860,595	66,411,307
Add:Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		58,821,869	25,900,000
		140,682,464	92,311,307
Less: Outstanding claims at the end of the previous year		25,900,000	23,126,000
Agency commission		69,925,528	60,260,072
Management expenses	25	64,302,217	57,931,119
Stamp duty		262,267	220,399
Profit for the year transferred to profit and loss account		40,632,845	55,023,504
Reserve for unexpired risk being 40% premium income of Fire,Marine cargo,Mise and 100% of Marine hull		113,161,762	84,179,524
Total		**403,067,083**	**326,799,925**

Signed as per our seperate report of same date

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

AMARSTOCK

CONSOLIDATED REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	2017 TAKA	2016 TAKA
Balance of account at the beginning of the year			
Reserve for unexpired risk		84,179,524	76,758,984
Premium less re-insurance	26	279,255,647	208,905,392
Commission on re-insurance ceded		38,737,526	40,876,070
Profit commission on re-insurance		894,386	259,479
Total		**403,067,083**	**326,799,925**

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

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

AMARSTOCK

FIRE INSURANCE REVENUE ACCOUNT

For the Year ended 31st December ,2017

	NOTE	2017 TAKA	2016 TAKA
Claim under policies less re-insurance		**43,720,905**	**25,482,409**
Paid during the year	24	32,734,320	22,132,409
Add: Total estimated liability in respect of outstanding claims at the end of the year, whether due or intimated		24,386,585	13,400,000
		57,120,905	35,532,409
Less: Outstanding claims at the end of the previous year		13,400,000	10,050,000
Agency commission		24,164,573	17,433,269
Management expenses	25	26,593,383	22,756,149
Stamp duty		91,574	87,306
Reserve for unexpired risk being 40% of the fire premium income of the year		23,727,368	10,374,159
Total		**118,297,803**	**76,133,292**

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

FIRE INSURANCE REVENUE ACCOUNT

For the Year ended 31st December ,2017

	NOTE	2017 TAKA	2016 TAKA
Balance of account at the beginning of the year			
Reserve for unexpired risk		10,374,159	11,718,812
Premium less re-Insurance	26	59,318,420	25,935,398
Commission on re-Insurance ceded		21,282,081	21,431,438
Net Loss for the year transferred to Profit and loss account		27,323,143	17,047,644
Total		**118,297,803**	**76,133,292**

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

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	MARINE CARGO TAKA	MARINE HULL TAKA	2017 TOTAL TAKA	2016 TOTAL TAKA
Claim under policies less re-insurance		**60,557,068**	**621**	**60,557,689**	**36,119,665**
Paid during the year	24	43,734,631	621	43,735,252	35,619,665
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		23,822,437	-	23,822,437	7,000,000
		67,557,068	621	67,557,689	42,619,665
Less: Outstanding claims at the end of the previous year		7,000,000		7,000,000	6,500,000
Agency commission		29,626,593	2,456,885	32,083,478	30,152,816
Management expenses	25	23,709,845	456,468	24,166,313	22,981,191
Profit for the year transferred to Profit and Loss Account		42,763,683	3,615,586	46,379,269	53,580,024
Reserve for unexpired risk being 40% and 100% premium Income of Marine cargo and Marine hull		62,951,789	2,432,507	65,384,296	54,219,053
Total		**219,608,978**	**8,962,067**	**228,571,045**	**197,052,749**

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

MARINE INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	MARINE CARGO TAKA	MARINE HULL TAKA	2017 TOTAL TAKA	2016 TOTAL TAKA
Balance of account at the beginning of the year					
Reserve for unexpired risk		53,190,106	1,028,947	54,219,053	48,124,987
Premium less re-insurance	26	157,379,473	2,432,507	159,811,980	134,004,213
Commission on re-Insurance ceded		8,387,962	5,434,396	13,822,358	14,888,299
Profit commission		651,437	66,217	717,654	35,250
Total		**219,608,978**	**8,962,067**	**228,571,045**	**197,052,749**

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

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	MOTOR TAKA	MISC TAKA	2017 TOTAL TAKA	2016 TOTAL TAKA
Claim under policies Less Re-insurance		**10,186,503**	**317,367**	**10,503,870**	**7,583,233**
Paid during the year	24	5,357,720	33,303	5,391,023	8,659,233
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		9,828,783	784,064	10,612,847	5,500,000
		15,186,503	817,367	16,003,870	14,159,233
Less: Outstanding claims at the end of the previous year		5,000,000	500,000	5,500,000	6,576,000
Agency commission		8,739,258	4,938,219	13,677,477	12,673,987
Stamp duty		141,521	29,172	170,693	133,093
Management expenses	25	8,526,366	5,016,155	13,542,521	12,193,779
Profit for the year transferred to Profit and Loss Account		23,652,455	-	23,652,455	21,023,157
Reserve for unexpired risk being 40% of the Motor and Miscellaneous premium income of the year		22,265,708	1,784,390	24,050,098	19,586,312
Total		**73,511,811**	**12,085,303**	**85,597,114**	**73,193,561**

Bidhu Bhuson Chakraborty
Chief Executive Officer

Wahidul Haque Siddiqui
Director

Dated : April 26, 2018

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the year ended 31st December, 2017

	NOTE	MOTOR TAKA	MISC TAKA	2017 TOTAL TAKA	2016 TOTAL TAKA
Balance of account at the beginning of the year					
Reserve for unexpired risk		17,717,610	1,868,702	19,586,312	16,915,185
Premium less re-insurance	26	55,664,271	4,460,976	60,125,247	48,965,781
Commission on re-insurance ceded		129,930	3,503,157	3,633,087	4,556,333
Profit commission		-	176,732	176,732	224,229
Loss for the year transferred to Profit and loss account		-	2,075,736	2,075,736	2,532,033
Total		**73,511,811**	**12,085,303**	**85,597,114**	**73,193,561**

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

Kashmiri Kamal
Director

Aftab ul Islam FCA
Chairman

Malek Siddiqui Wali
Chartered Accountants

AMARSTOCK

CASH FLOW STATEMENT

For the year ended 31st December, 2017

	2017 TAKA	2016 TAKA
A. Cash Flow from operating activities		
Turnover against insurance business	464,510,242	403,398,398
Investments and other income	98,323,413	52,592,072
Payments for management expenses, re-insurance, claims and Commission etc	(357,224,076)	(330,750,085)
VAT paid to Govt.	(17,005,908)	(14,110,011)
Tax Paid	(30,295,392)	(20,080,000)
Net Cash Flow from operating activities	158,308,279	91,050,374
B. Cash Flow from investment activities		
Purchase of fixed assets	(32,282,253)	(6,397,409)
Investment in shares	(6,677,294)	(116,913,500)
Advance against floor purchase	-	-
Net cash flow from investment activities	(38,959,547)	(123,310,909)
C. Cash flow from financing activities		
Dividend Paid	(42,534,324)	(39,742,978)
Loan received	-	-
Loan refund	-	(39,452,813)
Net cash flow from financing activities	(42,534,324)	(79,195,791)
Net increase /(decrease) in cash and cash equvalents (A+B+C)	**76,814,408**	**(111,456,326)**
Closing cash at bank balances	599,086,690	522,272,282
Opening cash at bank balances	522,272,282	633,728,608
	76,814,408	**(111,456,326)**
Net operating Cash flow per share (NOCFPS)	**3.74**	**2.15**

Signed as per our separate report of same date.

Bidhu Bhuson Chakraborty	Wahidul Haque Siddiqui	Kashmiri Kamal	Aftabul Islam FCA	Malek Siddiqui Wali
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : April 26, 2018

Asia Pacific General Insurance Company Ltd.
Statement of Changes in Equity
For the year ended December 31st, 2017

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Reserve Fund	Retained Earnings	Total
Balance as on December 31,2016	423,500,000	102,698,750	162,200,000	13,500,000	49,539,480	751,438,230
Dividend Paid @ 10%	-	-	-	-	(42,350,000)	(42,350,000)
Surplus/Addition During the year	-	-	27,900,000	-	63,015,358	90,915,358
Balance as on December 31,2017	423,500,000	102,698,750	190,100,000	13,500,000	70,204,838	800,003,588

Asia Pacific General Insurance Company Ltd.
Statement of Changes in Equity
For the year ended December 31st, 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
Prior year adjustment*	-	-	-	-	3,197,448	3,197,448
Restated Opening balance	423,500,000	102,698,750	144,200,000	13,500,000	47,829,462	731,728,212
Dividend Paid @ 10%	-	-	-	-	(42,350,000)	(42,350,000)
Surplus/Addition During the year	-	-	18,000,000	-	44,060,018	62,060,018
Balance as on December 31,2016	423,500,000	102,698,750	162,200,000	13,500,000	49,539,480	751,438,230

***Please see the note no. 28 for details of prior year adjustment**

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

Bidhu Bhuson Chakraborty	**Wahidul Haque Siddiqui**	**Kashmiri Kamal**	**Aftabul Islam FCA**	**Malek Siddiqui Wali**
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : April 26, 2018

ASIA PACIFIC GENERAL INSURANCE COMPANY LIMITED

FORM "AA"

CLASSIFIED SUMMARY OF ASSET AS AT 31st DECEMBER, 2017

Class Of Assets	Book Value 2017 TK	Book Value 2016 TK	Remarks
Statutory deposit (bangladesh Govt. Bond)	25,000,000	25,000,000	Not quoted in market
Cash in hand	569,946	1,301,957	Realisable value
Fixed deposit with bank	466,436,940	427,262,168	Realisable value
STD & Current A/c with Banks	107,079,804	68,708,157	Realisable value
Investment in shares	260,348,324	253,671,030	Realisable value
Stamp in hand	266,187	265,374	Realisable value
Accrued Interest dividend and rent	17,898,914	17,557,945	Realisable value
Amount due from other persons or bodies carrying on Insurance business	185,775,236	175,563,634	All considered good
Stock of printing and Stationary	156,310	124,773	At cost
Sundry debtors(including advance deposit and pre-payment)	78,464,577	172,102,571	All considered good
Fixed Assets	206,747,914	155,665,304	At written down value
Total	**1,348,744,152**	**1,297,222,913**	

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

Bidhu Bhuson Chakraborty	Wahidul Haque Siddiqui	Kashmiri Kamal	Aftabul Islam FCA	Malek Siddiqui Wali
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : April 26, 2018

A. LEGAL FORM OF THE COMPANY

Asia Pacific General Insurance Company Ltd. was incorporated as a Public Limited Company in Bangladesh in the year 2005 under the Companies Act 1913 (present 1994). The Company, within the stipulations laid down by Insurance Act 2010 and directives as received from Insurance Development & Regulatory Authority (IDRA) time to time, provides Non-life Insurance services. The company is listed with Dhaka Stock Exchange and Chittagong Stock Exchange as a Publicly Traded Company. The Company carries its insurance activities through Sinteen branches throughout the country

B. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION:

i. Basis of Presentation of Financial Statemen

(a) The Financial statements have been prepared under historical cost convention and in accordance with the requirements of the schedule to the Securities and Exchange Rules 1987 and Insurance Act, 2010 and the International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh particularly with regard to disclosure of accounting policies and relevant information in financial statements as well as accounting for property and depreciation thereon and the valuation of investments and other relevant matters.

(b) The Insurance Act, 2010 has prescribed formalities for presenting accounts, accordingly the balance sheet has been prepared in the format (Form-A) set out in part I of the First Schedule, the Revenue Account of each class of business has been prepared in the format (Form-F) given in part II of the Third Schedule, Profit and Loss Account and Profit and Loss Appropriation Account has been prepared as per format (Form B and C) prescribed in the Second Schedule Part-II, other disclosure requirements of the Act are fully followed.

(c) The accounts have been drawn up on accrual basis.

(d) Wherever considered necessary, figures of previous year have been rearranged for comparison purposes.

(e) Figures appearing in these accounts have been rounded off to the nearest taka.

(f) Financial statements of the company cover one calendar year from 1st January to 31st December consistently.

ii. Premium Income

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Shadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have all been duly accounted for in the books of accounts of the Company and while preparing the Financial statements of accounts, the effect of re-insurance accepted and re-insurance ceded as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly reflected in order to arrive at the net underwriting result for the year.

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. 64,302,217 directly related to business represent approximately 14% of gross premium of Tk. 466,756,452and 28% of net premium of Tk. 187,500,805 earned during the year. The above amount of management expenses have been charged @ 41% to Fire, 38% to Marine and 21% 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 16 branches the gross premium income earned by the company amounting to Tk466,756,452 including public sector business. After ceding for re-insurance premium the net premium for the year amounted to Tk.187,500,805 and after charging direct expenses there from the net underwriting profit stood at Tk 40,632,845

C. PUBLIC SECTOR BUSINESS

Public sector business for four quarters up to June, 2017 has been accounted for on the basis of statements received from SBC.

D. EMPLOYEE BENEFIT PLAN (BAS 19)

Company maintains 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	2017	2016
100,000,000 Ordinary shares of Tk. 10.00 each.	1,000,000,000	1,000,000,000

4.00 ISSUED, SUBSCRIBED AND PAID UP CAPITAL	2017	2016
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 31.12.2017 IS NOTED BELOW

Category of Shareholders	No. of Shares	%of holding	Amount
Sponsors and Director of Group "A"	13,727,000	32.41%	137,270,000/-
General Public Group "B"	28,623,000	67.59%	286,230,000/-

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	28.71%	9.30%
06	1,000,001-2,000,000	7,566,000	55.11%	17.87%
01	2,000,001-3,000,000	2,220,000	16.18%	5.24%
12		**13,727,000**	**100%**	**32.41%**

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
2,662	01-1,000,000	20,807,788	72.70%	49.14%
1	1,000,001-2,000,000	1,403,600	4.90%	3.31%
-	2,000,001-3000000	-	-	-
-	3,000,001-4000000	-	-	-
	4,000,001-5000000	-	-	-
	5,000,001-6000000	-	-	-
	6,000,001-7,000,000	6,411,612	22.40%	15.14%
		28,623,000	100%	**67.59%**

5.00 SHARE PREMIUM — TK 102,698,750

The amount represents premium received @ Tk 50 per share against issue of 2,117,500 ordinary shares (Face value of Tk 10 each) details are given below

PARTICULARS	2017	2016
Share Premium	105,875,000	105,875,000
3 % Tax Paid	3,176,250	3176,250
	102,698,750	**102,698,750**

6.00 RESERVE FUND — TK 13,500,000

The balance is made as under

PARTICULARS	2017	2016
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 190,100,000

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

PARTICULARS	2017	2016
Balance at the beginning	162,200,000	144,200,000
Addition during the year	27,900,000	18,000,000
	190,100,000	**162,200,000**

8.00 BALANCE OF FUND ACCOUNTS — TK 113,161,762

The balance is made as under:

PARTICULARS	2017	2015
Fire Insurance Business Account	23,727,368	10,374,159
Marine Insurance Business Account	65,384,296	54,219,053
Misc. Insurance Business Account	24,050,098	19,586,312
	113,161,762	**84,179,524**

AMARSTOCK

9.00 PREMIUM DEPOSIT **TK 9,316,030**

The balance represents receipts against cover notes which policy were not issued till 31st December, 2017.

10.00 GRATUITY **TK 4,794,658**

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 lump sum basis.

The Balance is made as under.

PARTICULARS	2017	2016
Balance at the beginning	5,212,338	4,401,800
Paid during the year	1,417,680	189,462
Addition during the year	1,000,000	1,000,000
	4,794,658	**5,212,338**

11.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED **TK 58,821,869**

The Breakup of the amount is given below

PARTICULARS	2017	2016
Fire	24,386,585	13,400,000
Marine Cargo	23,822,437	7,000,000
Motor	9,828,783	5,000,000
Mise	784,064	500,000
	58,821,869	**25,900,000**

12.00 SUNDRY CREDITORS FOR EXPENSES AND FINANCE **TK 73,567,759**

The balance is made up as under

PARTICULARS	2017	2016
Salary and allowances	2,879,687	1,215,309
Office Rent	160,027	61,891
Telephone(Office)	24,521	29,094
Audit Fees (12.01)	337,525	326,025
Electric Bill	82,668	114,168
Dividend payable	2,422,698	2,607,022
AGM Exp.	59,958	59,958
Telephone(Res.)	3,511	3,421
VAT	1,428,817	1,155,954
Insurance Stamp	190,271	190,271
Provision for share in value (12.02)	60,255,248	50,605,418
Rights share Issue expenses	264,953	264,953
Provident fund	5,107,875	3,773,704
Security Deposit	350,000	350,000
	73,567,759	**60,757,188**

12.01 AUDIT FEE **TK 337,525**

The balance is made up as under

PARTICULARS	2017	2016
Balance at the begging	326,025	321,025
Addition during the year	69,000	50,000
	395,025	371,025
Paid during the year	57,500	45,000
	337,525	**326,025**

12.02 Provision for Share in value **TK 60,255,248**

The balance is made up as under

PARTICULARS	2017	2016
Balance at the begging	50,605,418	39,279,382
Addition during the year	9,649,830	11,326,036
	60,255,248	**50,605,418**

13.00 Provision for deferred Tax **TK 2,311,529**

The balance is made up as under

PARTICULARS	2017	2016
Balance at the begging	85,547	-
Addition during the year	2,225,982	85,547
	2,311,529	**85,547**

14.00 PROVISION FOR TAXATION **TK 90,770,027**

This is made up as follows

PARTICULARS	2017	2016
Balance at the beginning	96,455,419	68,355,419
Add: Provision made during the year	14,000,000	26,100,000
Add: Previous year Adjustment	3,000,000	2,000,000
	113,455,419	-
Paid during the year	22,685,392	
	90,770,027	**96,455,419**

15.00 INVESTMENT (At Cost) **TK 285,348,324**

The break-up of the above balance is as under

PARTICULARS	2017	2016
i. Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
Shares		
ii. BD Venture Ltd.	15,000,000	15,000,000
iii. Investment in Shares	245,348,324	238,671,030
	285,348,324	**27,8671,030**

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** **TK 245,348,324**

Details of investment in shares at listed securities as below

Particulars	Quantity	Cost Price	Market Price	Consideration Value
listed company				
1st Janata Mutual Fund	282,140	2,262,801	1,862,124	1,862,124
Baraka Power Ltd.	946,689	39,418,583	35,595,506	35,595,506
BD Building & System Ltd.	422,315	20,578,297	17,019,295	17,019,295
BBS Cabal	692	6,060	82,210	6,060
BD Finance Ltd.	662,106	14,407,242	14,566,332	14,407,242
Beacon Pharma ltd.	1,575	136,745	33,075	33,075
BEXIMCO Ltd.	22,952	2,333,386	619,704	619,704
BSRM Steel Ltd.	37,800	7,273,478	2,982,420	2,982,420
Continental Insurance Ltd.	830,159	19,621,911	18,512,546	18,512,546
Desco Ltd.	80,192	9,620,354	3,801,101	3,801,101
Dhaka Bank Ltd.	7,872	222,446	178,694	178,694
Far Chemical	1,048,680	22,588,538	21,288,204	21,288,204
Goldenson Ltd.	7,115	453,256	95,341	95,341
Green Delta Mutual Fund	500,000	5,000,000	4,700,000	4,700,000
IFIC Bank Ltd.	404,390	12,677,385	7,279,020	7,279,020
Islami Bank Ltd.	204,400	8,613,597	6,745,200	6,745,200
Lafarge Surman Chement Ltd.	20,000	1,462,326	1,118,000	1,118,000
Meghna Petroleum Ltd.	330	87,067	62,271	62,271
Naheen Aluminum	5,706	57,060	-	57,060
Navana CNG .	9,161	645,779	636,690	636,690
NCC Bank Ltd.	117,728	4,682,004	2,048,467	2,048,467
Orion Pharma Ltd.	35,000	2,322,500	1,718,500	1,718,500
OIMAX	7,129	64,810	466,237	64,810
Olympic Accessories Ltd.	573,225	11,822,730	11,693,790	11,693,790
Power Grid Co. Ltd.	35,200	3,150,423	1,886,720	1,886,720
Premier Bank Ltd.	656,942	18,133,897	9,854,130	9,854,130
Summit Power Ltd.	199,672	12,373,497	7,248,094	7,248,094
Titas Gas Trans.& Dist	102,900	10,557,804	4,589,340	4,589,340
Unique Hotel & Resorts Ltd.	87,000	9,553,682	5,046,000	5,046,000
United Air Ltd.	67,760	1,514,591	386,232	386,232
Uttara Finance Ltd.	22,000	1,759,035	1,610,400	1,610,400
Non- listed company				
Bashundhara Paper Mills	8,646	691,680	691,680	691,680
Aman Cotton Ltd.	31,384	1,255,360	1,255,360	1,255,360
		245,348,324	**185,672,683**	**185,093,076**

Provision for Tk 60,255,248 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 31,2017 is lower than cost price of those share.

16.00 ACCRUED INTEREST, DIVIDEND AND RENT — TK 17,898,914

This represents interest earned but not received during the year

PARTICULARS	2017	2016
Interest Accrued on Fixed deposit	15,936,843	15,595,874
Bangladesh Govt. Treasury Bond	1,962,071	1,962,071
	17,898,914	**17,557,945**

Accrued interest on fixed deposit has duly been credited to Profit and Loss Account.

17.00 ADVANCES, DEPOSITS AND PRE-PAYMENTS — TK 78,464,577

The breakup of the above is as under

PARTICULARS	2017	2016
Office Rent (17.01)	1,629,065	1,341,255
Advance Income Tax (17.02)	75,576,497	63,206,041
Security Deposit	213,325	112,175
Salary & Allowance	45,690	146,190
Floor Purchase	-	106,237,500
Insurance Association (Floor)	1,000,000	1,000,000
Naogaon Branch	-	59,410
	78,464,577	**172,102,571**

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

17.02 Advance Income Tax — **TK 75,576,497**

Financial Year	Assessment Year	Advance Tax
2014	2015-2016	27,517,914
2015	2016-2017	26,522,838
2016	2017-2018	13,218,587
2017	2018-2019	8,317,158
		75,576,497

18.00 CASH AND BANK BALANCES — TK 574,086,690

The breakup of the above is as under

PARTICULARS	2017	2016
Cash	569,946	1,301,957
Cash with banks:		
Fixed deposits (Note-18.1)	466,436,940	427,262,168
STD & Current A/C	107,079,804	68,708,157
	574,086,690	**497,272,282**

18.01 FIXED DEPOSIT WITH BANKS

Tk 466,436,940

The above balance has been arrived as under

SL	Name of the Bank	Amount
1	AB Bank Ltd	51,525,215
2	Al-Arafah Islami Bank Ltd	10,702,507
3	Bank Asia	13,400,000
4	Bd Finace Ltd.	1,000,000
5	Bank Of Small Industries and Commerce	1,581,750
6	BRAC Bank Ltd.	1,051,708
7	Commercial Bank of Ceylon PLC	1,000,000
8	The City Bank Ltd	3,500,000
9	EXIM Bank Ltd	12,573,274
10	First Security Bank Ltd.	18,666,750
11	The Farmers Bank Ltd.	3,920,727
12	ICB Islami Bank Ltd.	1,072,700
13	IDLC Finance Ltd.	7,132,000
14	IFIC Bank Ltd.	3,581,219
15	Industrial Promotion and Development Company Ltd (IPDC).	63,429,188
16	Islami Bank Bangladesh Ltd.	8,800,000
17	Islami Finance and Investment Ltd.	2,000,000
18	Jamuna Bank Ltd.	14,673,750
19	Lanka Bangla Finance Ltd.	47,602,689
20	Meghna Bank Ltd	4,224,500
21	Mercantile Bank ltd.	854,5000
22	Modhumoti Bank Ltd.	1,000,000
23	Mutual Trust Bank Ltd.	2,167,549
24	National Bank of Pakistan	217,1000
25	National bank Ltd.	200,0000
26	NCC Bank Ltd.	1,072,562
27	NRB Bank Ltd	2,139,792
28	NRB Commercial Bank Ltd	32,000,000
29	One Bank Ltd.	4,049,500
30	Premier Bank Ltd	7,115,500
31	Pubali Bank Ltd	22,245,160
32	Rajshahi Krishi Unnayan Bank Ltd.	1,000,000
33	SBAC Bank Ltd	29,090,185
34	Shahjalal Islami Bank Ltd.	7,246,000
35	Social Islami Bank Ltd.	49,924,405
36	Southeast Bank Ltd.	7,846,000
37	Standard Bank Ltd.	1,654,750
38	Trust Bank Ltd.	526,500
39	Union Bank Ltd.	10,134,500
40	United Commercial Bank Ltd	3,070,561
	Total	**466,436,940**

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19.00 OTHER ACCOUNTS — TK 207,170,411

The breakup of the above is as under

PARTICULARS	2017	2016
Fixed Assets (Annexure-1)	206,747,914	76,238,471
Stock of Printing and stationery	156,310	124,773
Stamps in hand	266,187	265,574
	207,170,411	**76,628,818**

20.00 AMOUNT DUE FROM OTHER PERSON OR BODIES CARRYING ON INSURANCE BUSINESS — Tk. 185,775,236

The balance is made-up as under

PARTICULARS	2017	2016
Balance at the begging	175,563,634	134,692,449
Addition during the year (SBC)	10,211,602	40,807,750
Addition during the year (Pioneer Insurance Company Ltd)	-	63,435
Received from SBC	-	-
	185,775,236	**175,563,634**

21.00 INTEREST RECEIVED AND ACCRUED — TK 33,499,557

The balance is made-up as under

PARTICULARS	2017	2016
STD Account	454,039	741,377
Bangladesh Govt. Security bond	2,831,300	2,831,300
FDR	30,214,218	37,342,087
	33,499,557	**40,914,764**

- Interest on STD accounts of Tk 33,499,557 received from several STD account with different banks.
- Income on Investment is accounts for on accrual basis

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22.00 PROFIT ON SALE OF SHARES — Tk 61,009,543

Details are given below

Name of Company	No. of Shares	Purchase Price	Sale Price	Gain
ACI Limited	5		2,556	2,556
1st Janata Bank Mutual Fund	200,000	1,415,640	1,593,573	177,933
AB Bank 1st Mutual Fund	100,000	692,774	776,880	84,106
Active Fine Chamicals Ltd.	510,692	24,525,668	25,158,723	633,055
Appollo Ispat Complex Ltd.	30,366	692,130	701,673	9,543
Bank Asia Ltd.	448,000	67,04,313	7,640,636	936,324
Baraka Power Ltd.	1,246,395	61,394,770	64,248,113	2,853,343
BBS Cables	18,470	178,030	1,742,660	1,564,631
BD Finance Ltd.	1,481,815	29,540,527	31,243,858	1,703,332
BEXIMCO Ltd.	860,000	29,394,667	29,703,316	308,649
The City Bank Ltd.	176,356	6,335,859	6,386,593	50,734
Confidence Cement Ltd.	75,000	10,716,213	11,122,830	406,617
Continental Insurance Ltd.	25,000	593,199	584,562	(8,637)
DESCO Ltd.	287,040	15,823,845	16,618,876	795,031
First Security Islami Bank Ltd.	785,000	9,645,354	11,027,784	1,382,430
Exim Bank 1st Mutual Fund	100,000	873,500	886,440	12,940
Far Chemical	182,683	4,562,806	4,800,256	237,450
Exim Bank Ltd.	3,737,102	54,171,225	59,296,111	5,124,886
GBB Power Ltd.	310,000	7,733,769	8,027,597	293,828
ILFSL	335000	5,549,946	5,858,942	308,996
Islami Bank Ltd.	3,649,809	153,626,944	160,920,756	7,293,812
Jamuna Bank Ltd	4,610,174	71,792,955	80,127,398	8,334,443
Jamuna Oil Ltd.	10,690	2,069,335	2,304,492	235,157
Naheen Aluminium	5,706	57,060	576,187	519,127
Navana CNG	176,513	12,264,588	12,596,311	331,723
National Bank Ltd	500,000	5,064,912	5,806,575	741,663
NCC Bank Ltd	3,233,736	40,739,224	47,725,219	6,985,995
Nurani	52,172	521,720	1,090,940	569,220
OAL	475,000	12,285,983	13,779,874	1,493,891
One Bank Ltd.	1,195,223	22,895,977	25,344,107	2,448,130
Oimax	6,481	64,810	705,764	640,954
Premier Bank Ltd.	3,553,116	41,958,642	45,216,950	3,258,308
Popular 1st mutual Fund	200,000	1,355,400	1,513,920	158,520
Rupali Ins.	70,000	1,409,627	1,422,457	12,830
Shahjalal Bank Ltd.	350,000	4,649,180	5,208,780	559,601
Southeast Bank Ltd.	1,261,249	24,702,621	26,668,294	1,965,673
Square Pharma	45,915	11,433,419	11,878,839	445,421
Standard Bank Ltd.	700,000	7,708,932	8,465,992	757,060
Shepherd Ind.	22,618	226,180	1,016,708	790,528
Singer Bd	55,000	11,219,300	11,491,213	271,913
Saif Power	895,000	51,436,356	56,357,109	4,920,753
SIBL	275,000	5,972,838	6,035,744	62,906
Trust Bank Ltd.	100,000	712,840	776,880	64,040
UCBL	1,100,000	21,801,457	23,071,586	1,270,130
Total		**776,514,535**	**837,524,074**	**61,009,543**

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

23.00 REVENUE ACCOUNT

The Summarized position at net underwriting profit earned during the year 2017is as follows:

Particulars	Fire	Marine	Motor	Mise	Total 2017
A)Gross Premium (Including SBC and Govt Business)	16,1097,155	213,889,858	58,261,726	3,3507,713	46,6756,452
B)Re-Insurance premium Ceded	101,778,735	54,077,878	2,597,455	29,046,737	187,500,805
C)Net premium(A-B)	**59,318,420**	**159,811,980**	**55,664,271**	**4,460,976**	**279,255,647**
Direct Expenses:					
D)Commission(Net)	2,882,492	17,543,466	8,609,328	1,258,330	30,293,616
E)Claim settled and provided (Net)	43,720,905	60,557,689	10,186,503	317,367	114,782,464
F)Management Expenses	26,593,383	24,166,313	8,526,366	5,016,155	64,302,217
G) Insurance Stamp (No recovery)	91,574	-	141,521	29,172	262,267
H)Total Direct Expenses (D+E+F+G)	73,288,354	102,267,468	27,463,718	6,621,024	209,640,564
I)Adjusted Fund Balance for unexpired risk	13,353,209	11,165,243	4,548,098	(84,312)	28,982,238
Net Underwriting profit/(Loss) (C-H-I)	**(27,323,143)**	**46,379,269**	**23,652,455**	**(2,075,736)**	**40,632,845**
Commission:					
Commission Paid on Direct Business	24,164,573	32,083,478	8,739,258	4,938,219	69,925,528
Commission Paid on Re-Insurance Accepted					
Commission earned on Re-Insurance ceded	21,282,081	14,540,012	129,930	3,679,889	39,631,912
Net Commission	**2,882,492**	**17,543,466**	**8,609,328**	**1,258,330**	**30,293,616**

Net profit for the year and its appropriation

Particulars	2017	2016
Underwriting Profit as per Revenue Account	40,632,845	55,023,504
Interest income	33,499,557	40,914,764
Profit on sales of shares	61,009,543	7,557,417
Dividend Received	8,695,919	8,246,983
Profit on sale of vehicle	-	197,000
Less: Expenses of Management(Direct Expenses)	4,190,891	2,547,931
Less: loss of sale of fixed Assets	1,556,486	-
Depreciation & Other Expenses	17,299,317	6,172,688
Provision for diminution in value of investment	9,649,830	11,326,036
Net profit for the year and its appropriation:	**111,141,340**	**91,893,013**
Add: Surplus Brought Forward	7,189,480	2,282,014
Add: Prior year Adjustment	-	3,197,448
Less: Reserve For exceptional Losses	27,900,000	18,000,000
Less: Tax provision	14,000,000	26,100,000
Less: Provision for deffered Tax	2,225,982	732,995
Provision for Gratuity	1,000,000	10,00,000
Provision for previous year Tax adjustment	3,000,000	2,000,000
Surplus Carried Forward	**70,204,838**	**49,539,480**

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24.00 CLAIM UNDER POLICES LESS RE-INSURANCE

TK 81,860,595

Particulars	Claim paid				Claim recovery			Net claim 2017	Net claim 2016
	Direct	GOVT	Re-Insurance Accepted	Total	Direct	GOVT	Total		
Fire	94,950,823	172,095	-	95,122,918	62,388,598	-	62,388,598	32,734,320	22,132,409
Marine cargo	44,788,822	5,767,541	-	50,556,363	1,990,311	4,831,421	6,821,732	43,734,631	35,619,536
Marine Hull	-	621	-	621	-	-	-	621	129
Motor	5,232,268	125,452	-	5,357,720	-	-	-	5,357,720	7,440,349
Misc	14,351	10,744,597	-	10,758,948	60,350	10,665,295	10,725,645	33,303	1,218,884
	144,986,264	**16,810,306**	**-**	**16,1796,570**	**64,439,259**	**15,496,716**	**79,935,975**	**81,860,595**	**66,411,307**

25.00 MANAGEMENT EXPENSES

TK 64,302,217

Allocation of this expenses is made-up as follows:

Particulars	Percentage	2017	Percentage	2016
FIRE	41%	26,593,383	39%	22,756,149
MARINE CARGO	37%	23,709,845	38%	22,498,543
MARINE HULL	1%	456,468	1%	482,648
MOTOR	13%	8,526,366	13%	7,250,463
MISC.	8%	5,016,155	9%	4,943,316
	100	**64,302,217**	**100**	**57,931,119**

26.00 PREMIUM LESS RE-INSURANCE

TK 279,255,647

Class of business	Premium earned	Re-insurance premium ceded	Net premium 2017	Net premium 2016
FIRE	161,097,155	101,778,735	59,318,420	25,935,398
MARINE CARGO	197,510,623	40,131,150	157,379,473	132,975,266
MARINE HULL	16,379,235	13,946,728	2,432,507	1,028,947
MOTOR	58,261,726	2,597,455	55,664,271	44,294,026
MISCELLANEOUS	33,507,713	29,046,737	4,460,976	4,671,755
TOTAL	**466,756,452**	**187,500,805**	**279,255,647**	**208,905,392**

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

The above balance is made up as follows

	2017	2016
Number of ordinary shares	42,350,000	42,350,000
Net profit before Tax	111,141,340	91,893,013
Less: Provision for Tax	17,000,000	28,100,000
Less: Provision for Gratuity	1,000,000	1,000,000
Less: Deferred Tax (Note:28)	2,225,982	732,995
Net profit after Tax	90,915,358	62,060,018
Earning per share (EPS) (Restated for 2016)	90,915,358	62,060,018
Please see note 28.00 for details of restatement.	42,350,000	42,350,000
	2.15	1.47

28.00 Restated Statement :

The company previously did not recognize the deferred tax on temporary difference on company's net asset at accounting base and tax base. For more compliance with Accounting Standard, the company is going to recognize in the current year. The opening balance of the last year's financial statement has been restated, in accordance with BAS-B, "Accounting Policies, Changes in Accounting Estimates and errors" Section-42, by adjusting the Retained earnings and Deferred tax liabilities. And movement of deferred tax was charged with concerned year profit. As such, EPS for concerned year has also been restated.

28.01 Deferred Tax

	Upto 01 January 2016 Taka	For the Year ended 31 December 2016 Taka	For the Year ended 31 December 2017 Taka
Fixed Assets at Tax base	25,589,620	31,041,649	145,091,822
Fixed Assets at Accounting base	28,372,801	36,467,855	155,665,304
Temporary Difference	(2,783,181)	(5,426,206)	(10,573,482)
Tax rate	40.00%	40.00%	40.00%
Deferred Tax Assets/(Liabilities)	(1,113,272)	(2,170,482)	(4,229,393)
Gratuity Provision at Accounting base	4,401,800	5,212,338	4,794,658
Gratuity Provision at Tax base	-	-	-
Temporary Difference	4,401,800	5,212,338	4,794,658
Tax rate	40.00%	40.00%	40.00%
Deferred Tax Assets/(Liabilities)	1,760,720	2,084,935	1,917,863
Deferred Balance Assets/(Liabilities)	647,448	(85,547)	(2,311,529)
Charged to statement of comprehensive income		732,965	2,225,982

The company previously wrongly recognize the deferred at lump sum amount and balance of deferred tax , provision (liability) as on December 31, 2015 was stood of Tk 2,550,000 but actual deferred tax (asset) was Tk. 647,448. So, aggregated required adjustment on Deferred Tax is Tk 3,197,448 which is also adjusted with opening Retained Earnings of comparative financial statements.

29.00 BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	2017	2016
Balance from profit and loss appropriation account	49,539,480	44,632,014
Dividend Paid	42,350,000	42,350,000
	7,189,480	**2,282,014**

30.00 NET OPERATION CASH FLOW PER SHARE (NOCFPS)

NOCFPS= Net cash provided by operating Activities / Number Of Shares	158,308,279	91,050,374
	42,350,000	42,350,000
	3.74	**2.15**

31.00 NUMBER OF EMPLOYEES:

Total number of employees 268 comprising 110 number of regular employees and 158 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.

32.00 OTHER RELEVANT INFORMATION'S

(a) During the year under audit an amount of Tk 328,500 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 over-draft 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.

33.00 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, 2017 were as follows:

Name of the related party	Relationship	Nature of transaction	Premium Earned in 2017	Premium outstanding up to 31.12.2017	Claim Paid/Settled in 2017
International Office Equipment	Chairman	Insurance	798,950	-	-
Lotus Engineering Ltd. Samwon LK Electronics Ltd.	Director	Insurance	164,759	-	-
Norban Communication Ltd. Norban Comtex Ltd. BD Com Online Ltd. Hornbill Apparels Ltd	Director	Insurance	9,032,235	-	22,500/-
Orient Export Inport Ltd. Gazi Cement Ltd	Director	Insurance	339,584	-	--
Fiber @ Home Ltd.	Director	Insurance	14,387,780	-	-
BD. Associats & Co.	Director	Insurance	-	-	-
Anmona Fashions Ltd. Samrat International Ltd.	Director	Insurance	577,719	-	--
Five-R-Footwear Ltd. Jennys Shoes Ltd. Jennys International Ltd.	Director	Insurance	1,563,330	-	1,000,000
Paragon Poultry Ltd. Paragon Plast Fiber Ltd. Paragon Feed Ltd.	Director	Insurance	42,309,529	-	50,000
Fullcharm Fashions Ltd. Shamoli Shipping Lines Ltd	Director	Insurance	377,632	-	1,50,000
Limo Electronics Ltd	Director	Insurance	2,723	-	-

34.00 Contingent Liabilities:

There are no liabilities of contingent nature of the Company as at 31st December, 2017.

35.00 Post Balance Sheet Events:

a. Board of Directors has recommended 15% cash dividend for the year ended December 2017

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, 2017

Annexure-I

Particulars	COST				Rate of Dep.	Written Down Value as on 01.01.2017	DEPRECIATION				Written Down Value as on 31.12.2017
	Balance as on 01.01.2017	Disposal during the year	Addition during the year	Total as on 31.12.2017			Balance as on 01.01.2017	Adjustment	Charged during the year	Total as on 31.12.2017	
1	2	3	4	5	6	7=(2-8)	8	9	10	11=(8-9+10)	12=(5-11)
Furniture & Fixture	5,462,568	6,200	247,172	5,703,540	10%	1,872,053	3,590,515	4,250	202,997	3,789,262	1,914,278
Office Equipment	685,305		2,500	687,805	15%	484,123	201,182		72,845	274,027	413,778
Office Decoration	16,644,403	6,976,060	1,382,480	11,050,823	10%	8,859,779	7,784,624	4,875,260	1,001,913	3,911,277	7,139,546
Air Cooler	3,158,821	474,550	-	2,684,271	15%	737,604	2,421,217	413,222	110,641	2,118,636	565,635
Computer	2,802,898		450,531	3,253,429	15%	1,296,208	1,506,690		236,879	1,743,569	1,509,860
Vehicle	20,178,100	735,000	-	19,443,100	20%	4,737,389	15,440,711	694,591	947,478	15,693,598	3,749,502
Sundry Assets	328,570		2,800	331,370	25%	61,842	266,728		16,035	282,763	48,607
Telephone Installation	302,194		19,600	321,794	10%	117,420	184,774		12,153	196,927	124,867
Electric Equipment	1,718,192		14,180	1,732,372	15%	910,635	807,557		137,982	945,539	786,833
Crokarise	251,075		6,990	258,065	20%	73,433	177,642		15,098	192,740	65,325
Motor Cycle	339,345		-	339,345	20%	71,927	267,418		14,385	281,803	57,542
Office Space Purchase	24,367,000		136,575,000	160,942,000	10%	17,245,442	7,121,558		14,530,911	21,652,469	139,289,531
TOTAL	76,238,471	8,191,810	138,701,253	206,747,914		36,467,855	39,770,616	5,987,323	17,299,317	51,082,610	155,665,304

17th Annual General Meeting



A view of presence of the Board of Directors of the Company at 17th Annual General Meeting of the Company held at IDEB Bhaban, Kakrail Dhaka



The Hon'ble Chairman Mr. Aftab ul Islam, FCA exchanging views with the Shareholders at the 17th AGM



The Hon'ble Chairman of the Company delivering the speech before the shareholders at the 17th AGM



An exclusive view of the honorable Shareholders and Directors on the Stage at 17th AGM of the Company



Lively presence of Honorable Shareholders at the 17th AGM of the Company



Claim Payments



Mr. Md. Habib Ullah Babul, Hon'ble Director of the Company handing over a cheque against marine Claim to the Managing Director of Unimax Industries Limited. Mr. Shahriar Siddiqui, General Manager and Branch In-Charge, Agrabad Branch of the Company is also seen in the Photograph

Mr. Bidhu Bhuson Chakraborty, Chief Executive Officer handing over acheque to Mr. Fazlul Haque, FCA, Finance Director, Summit Alliance Port limited against Fire Claim. Mr.Motiar Rahman, Additional Managing Director of APGICL and Capt. Asif Mahmood, Project Director, SAPL are also seen in the photograph





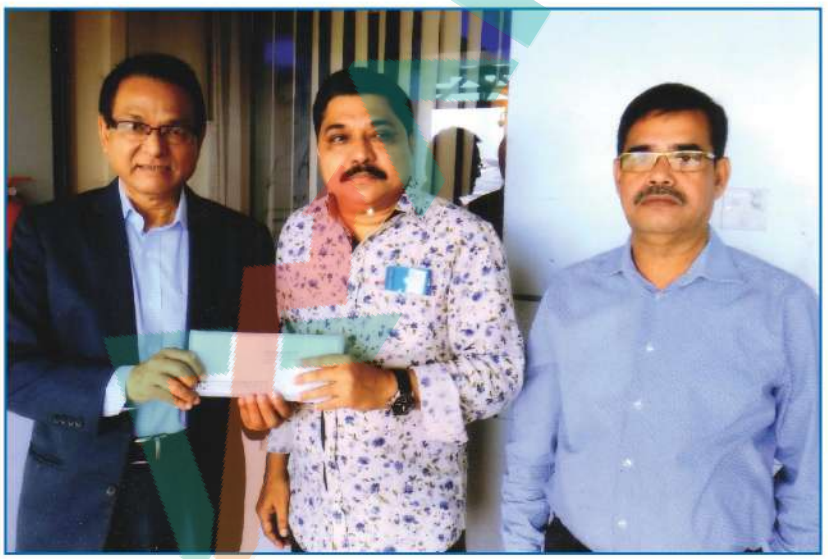
A fire claim cheque is handing over to Mr. Shafiqul Islam Sarkar, Managing Director, Shohagpur Textile Mills Limited by the Hon'ble Chief Executive Officer with Additional Managing Director of the Company



The Hon'ble Chief Executive Officer handing over the cheque to Mr. Mohammad Junaid, Chairman of Lubnan Trade Consortium Ltd. against Fire Claim. The Additional Managing Director, APGICL and Managing Director Lubnan Trade Con. Ltd. are also seen in the photograph

Mr. M. Motair Rahman, ADDL Managing Director of the Company handing over a cheque to Mr. Jashim Uddin, General Manager, Energypac Power Generation Ltd. Against Motor Claim





Mr. M. Motair Rahman, Additional Managing Director of the Company handing over a cheque to the Managing Director of Pranti Aqua Culture Ltd. against Fire Claim. Mr. Farukuzzaman, DGM &In-charge Jessore branch of the Company also seen in the photograph

INVESTOR

Meetings



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

A meeting of the Investment Committee of the Company is in progress, presided over by Mr. Moynul Haque Siddiqui, Hon'ble Chairman of the Investment Committee of the Company





A meeting of the Claims Committee of the Company is in progress, presided over by Mr. Abdul Haque, Hon'ble Chairman of the Claims Committee of the Company

NOT FOR SALE

Other Events



Uttara Brach in-charge presenting a flower bouquet to Hon'ble Chairman of the Company on the occasion of branch Inauguration



Glimpse of Clients get together on the occasion of celebrating New Year – 2017



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. The Hon'ble members of the Board of Directors were also present on this occasion

NOT FOR STOCK

NOTES

AMAR STOCK

Proxy Form
And
Attendance Slip

AMARSTOCK

Gvkqvc¨vwnvdK †Rbvqi j BÝÿqi Ý †Kvsvjv :
ASIA PACIFIC GENERAL INSURANCE CO. LTD.

Registered Office
Homestead Gulshan Link Tower (6th Floor),
Ta-99, Gulshan Badda Link Road, Dhaka-1212
Phone: 09666771771, Fax : 8834170,
E-mail : apgic@bdcom.com, web : www.apgicl.com

10 TK Stamp

PROXY FORM

I/we_____

of _____ being a Shareholder of Asia Pacific General Insurance Company Limited, do hereby appoint Mr./Ms _____

of _____

as my/our proxy, to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on **Sunday, the 24th June, 2018 at the "Multipurpose Hall" of the Institution of Diploma Engineers, Bangladesh, IDEB Bhaban 160/A, Kakrail, Dhaka-1000.** any adjournment thereof.

In witness my hand this _____ day of _____ 2018.

No. of Share Held

(Signature of the Member)

Member's BO/Folio No.

(Signature of the Proxy)

Note :
1. This Proxy form (duly completed) must be not later than 72 hours befor the time of holding the meeting (AGM) Submitted at the Company's Registered Office, Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder should agree with the Specimen Singature registered with the Company.

Gvkqvc¨vwnvdK †Rbvqi j BÝÿqi Ý †Kvsvjv :
ASIA PACIFIC GENERAL INSURANCE CO. LTD.

Registered Office
Homestead Gulshan Link Tower (6th Floor),
Ta-99, Gulshan Badda Link Road, Dhaka-1212
Phone: 09666771771, Fax : 8834170,
E-mail : apgic@bdcom.com, web : www.apgicl.com

Note : Please complete the attendance slip and hand it over at the entrance of the hall.

Attendance Slip

I hereby record my attendance at the 18th Annul General Meeting of the Company being held on **Sunday, the 24th June, 2018 at the "Multipurpose Hall" of the Institution of Diploma Engineers, Bangladesh, IDEB Bhaban 160/A, Kakrail, Dhaka-1000.**

Name of the Shareholder/Proxy _____

Shareholder's BO/ Folio No.

N.B Shareholder(s) attend the meeting in person or by proxy are requested to collect the attendance slip from the counter and deposit the same to the entrance of Annual General Meeting. There is no arrangement of gift or entertainment for the 18th AGM in compliance with the cercular No. SEC/CMRRCD/2009-193/154 dated 24/01/2013 of the Bangladesh Securities & Exchange Commission.

AMARSTOCK

AMAR STOCK



এশিয়া প্যাসিফিক জেনারেল ইন্স্যুরেন্স কোং লিঃ

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