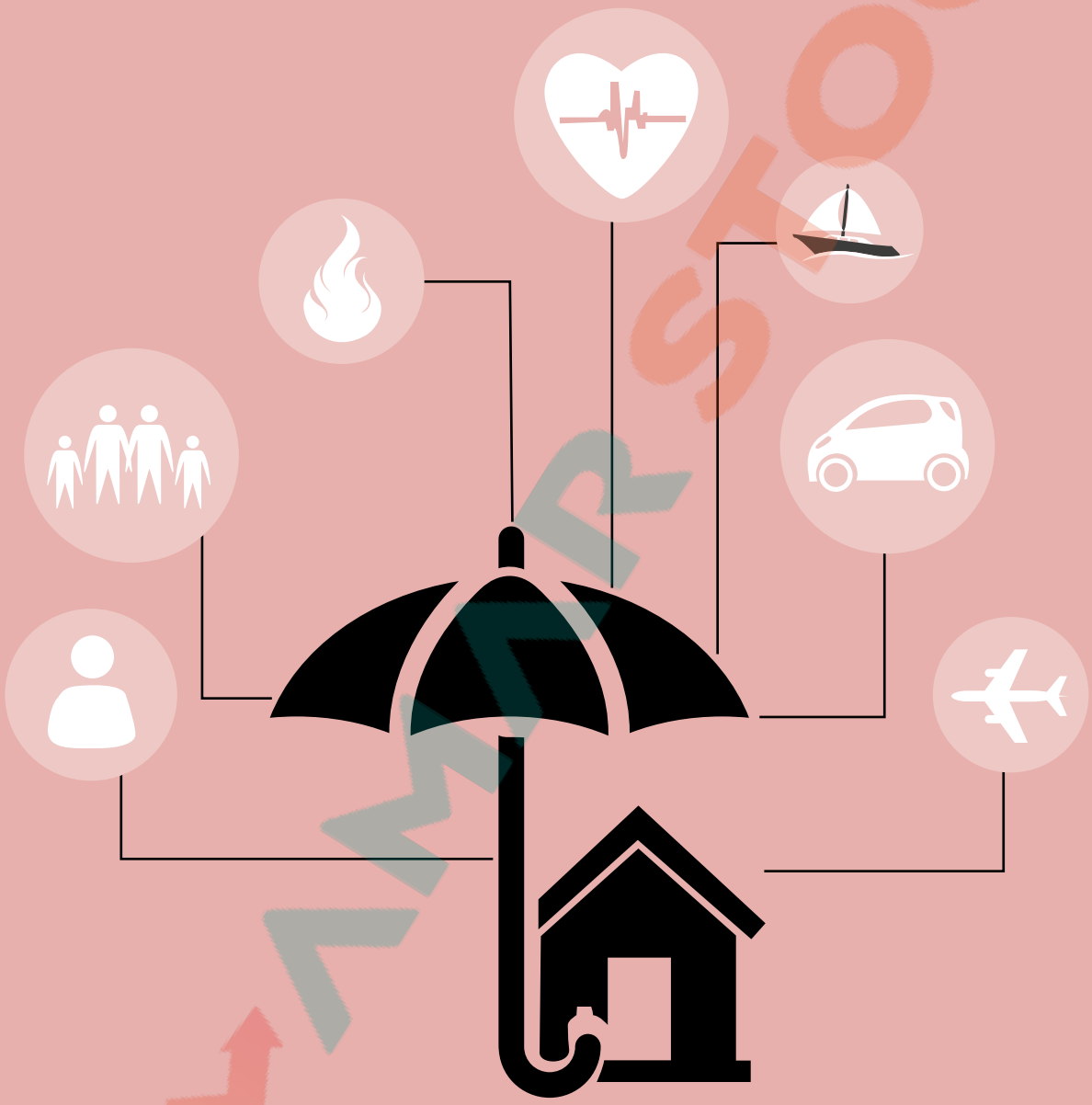
ANNUAL REPORT 2016



সেন্ট্রাল ইনস্যুরেন্স কোম্পানী লিঃ
CENTRAL INSURANCE COMPANY LIMITED

অগ্রগতি ও নিরাপত্তার প্রতীক

AMARSTOCK

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MY MARKET STOCK

LETTER OF TRANSMITTAL

All Shareholders,
Bangladesh Securities & Exchange Commission (BSEC)
Insurance Development and Regulatory Authority (IDRA)
Registrar of Joint Stock Companies & Firms (RJSC)
Dhaka Stock Exchange Limited (DSE) and
Chittagong Stock Exchange Limited (CSE)

Sub:- Annual Report for the year ended December 31, 2016.

Dear Sir/Madam (s),

A copy of the Annual Report along with the Audited Financial Statements as on December 31, 2016 depicting the Financial Position, Income Statement, Statement of Changes in Shareholders' Equity and Statement of Cash Flows for the year ended December 31, 2016 including Notes thereon of Central Insurance Company Limited is being enclosed herewith for kind information, record and necessary action.

With best regards,

Yours faithfully,



(Md. Jafar Ali ACS)
Company Secretary

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NOTICE OF THE 29TH ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of Central Insurance Company Limited will be held on Thursday, June 01, 2017 at 11-00 a.m. at Auditorium Hall, Krishibid Institution Bangladesh (KIB) Complex, Krishi Khamar Sarak, Firmgate, Dhaka-1215 to transact the following business:

AGENDA

1. Consideration and adoption of the Directors' Report and the Audited Financial Statements of the Company for the year ended December 31, 2016 together with the Auditors' Report thereon.
2. Declaration of Dividend for the year ended December 31, 2016 as recommended by the Board of Directors.
3. Election/Re-election of Directors.
4. Appointment of Auditors for the year 2017 and fix their remuneration.

By order of the Board of Directors,

(Md. Jafar Ali ACS)
Company Secretary

Date: 25 April, 2017

Notes:

A) April 26, 2017 (Wednesday) is the Record Date. Shareholders whose names will appear in the Register of Members of the Company or in the Depository Register on that date will be eligible to attend the Annual General Meeting and receive dividend.

B) A member entitled to attend and vote at the Annual General Meeting may appoint a proxy in his/her stead. The "Proxy Form", duly filled & stamped at Tk. 20 must be deposited at the Company's Share Department at Corporate Head Office not later than 72 (seventy-two) hours before commencement of the AGM

C) Detailed Schedule of election/re-election of Directors is available at the Notice Board of Company at its Corporate Head Office.

D) Members are requested to notify change of address, if any, to the Company well ahead of time. In case of BO A/c holders, the change of address, if any, to be recorded with their Brokerage Houses well in time.

বিঃদ্রঃ- বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশনের সার্কুলার নং-এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪ তারিখ অক্টোবর ২৪, ২০১৩ এর আলোকে আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার আপ্যায়ন বা উপহারের ব্যবস্থা থাকবে না।

BOARD OF DIRECTORS AND SPONSORS

Chairman	:	Mr. Md. Nurul Islam
Vice Chairman	:	Mr. Mohammed Musa
Directors (Group A)	:	Alhaj Md. Abu Taher Chowdhury Mr. Mohd. Masud Hossain Mrs. Nurun Nahar Mrs. Rosy Rahman Ms. Angee Chowdhury Mr. Zoynal Abedin Chowdhury Mr. Ifthehar Maleque Mr. Md. Masud Karim Mr. Md. Sazzad-un Newaz
Directors (Group-B)	:	Mrs. Rokeya Begum Mrs. Tayeeba Alam Mrs. Jahanara Yousuf Mr. Tauhid Rahman
Sponsors	:	Mr. Abul Kalam Mr. Sabbirul Kabir Mr. Md. Tayabur Rahman Alhaj Md. Nurun Newaz Alhaj Md. Shahjahan Mr. Nabab Siraj-Ud-Dowla Mr. Abu Mohammad Mrs. Shahida Nazneen Mr. S.M Shafiul Bari Alhaj Md. Yusuf Chowdhury Mrs. Hosne Ara Begum Alhaj Md. Abdul Maleque Mr. Shah Alam Chowdhury Mr. Shawkat Alam Alhaj Md. Shafi Mr. Mir Rahmat Ali Mr. AKM Azizur Rahman Mr. Md. Golam Kibria Haji M.A. Malek
Independent Directors	:	Mr. Md. Abdullah Zehad Mr. Md. Nurul Islam
Chief Executive Officer	:	Mr. Md. Zahid Anwar Khan
Company Secretary	:	Mr. Md. Jafar Ali ACS

PHOTOGRAPHS OF BOARD OF DIRECTORS



Md. Nurul Islam
Chairman



Mohammed Musa
Vice Chariman



Alhaj Md. Abu Taher Chowdhury
Director



Md. Masud Hossain
Director



Nurun Nahar
Director



Rosy Rahman
Director



Angee Chowhury
Director



Zoynal Abedin Chowdhury
Director



Ifthehar Maleque
Director

PHOTOGRAPHS OF BOARD OF DIRECTORS



Md. Masud Karim
Director



Md. Sazzad-un-Newaz
Director



Tayeeba Alam
Director



Jahanara Yousuf
Director



Tauhid Rahman
Director



Md. Abdullah Zehad
Independent Director



Md. Nurul Islam
Independent Director



Md. Zahid Anwar Khan
Chief Executive Officer

Vision & Mission



Our Vision

Our vision is to be the most confident and a reliable insurer of the country.

1. To uphold status of our Company as one of the most Admired, trusted & successful market leaders in the Insurance Industry of Bangladesh by providing and maintaining highest quality & innovative insurance Products & services backed by latest technologies & a team of highly dedicated & experienced professionals to deliver excellence in insurance.
2. To establish the company as a role model in the insurance sector of Bangladesh.
3. To provide our employees a safe and secured working Atmosphere.
4. To protect our environment and benefit the community where we work.

Our Mission

Our mission is to improve the quality of the life style of the people by providing security of their trade and hard earned properties through our professional service.

1. Providing world class service with supreme security by ensuring complete risk management solutions to The clients, maintaining stringently ethical standard in business operation.
2. Increasing awareness about insurance in the country and introducing non-traditional social insurance Products for the mass people to bring them under the Insurance umbrella for enhanced social security.
3. Introducing modern insurance products comparable with international standards.
4. To maintain highest level of ethical standard and transparency in all business transactions.
5. Enhancing public confidence in the insurance Industry by ensuring benefits to the policy holders, Shareholders and the society at large.
6. To establish good governance for the company and the insurance industry as a whole.
7. To be socially responsible and make effective contribution to the national development and national Economy.
8. To provide a clear vision of the future to all of our employees to maximize their potentials to achieve a high level of performance.



OUR GOALS AND OBJECTIVES

Our Goals

Our goal is to be the top insurer in the Non-life Insurance sector of the country.

To achieve the goal we aim at:

1. Maximizing Insurance Coverage at a Minimum Cost.
2. Establishing a long term relationship with our clients and Business partners built on professional service and trust.
3. Responding quickly to new opportunities.
4. Maintaining strong relationships with a wide variety of Partners, like re-insurers, insurance brokers and so on.
5. Assessing and managing our business risks carefully.
6. Striving for continuous improvement developing Performance excellence at all levels.

Our Objectives

The Central focuses of our strategic objectives are as follows in brief:-

- To carry on in Bangladesh or any part of he world all kinds of Insurance Business like Fire, Lightening, Explosion, Earth Quake, hail, Air Marine, Transit Accident, Employeers Liability, Women's Compensation, Disease, Sickness Survivorship, Failure of Issue, Burglary, Bobberty, Theft, Fidelity, Motor Car, Livestock, Crops, Glass, Third Party Risk and every kind of Guarantee and Indemnity and generally every kind of insurance and re-insurance business whether now known or hereafter to be devised.
- Provide our Clients and Business partners with the best quality of faster service.
- Speedy and hassle free settlement of claims
- Maximize insurance coverage at a minimum cost
- Improve organizational structure.
- Ensure administrative transparency.
- Strengthen Corporate Governance practices.
- Enhance mass awareness abound General Insurance in Bangladesh.

ANNUAL STOCK



OUR CORE VALUES

Our core values consist of 8 key elements and these values keep us close with our Business Partner Clients. It helps us to build a strong sense of fraternity among all the Executives and Employees of the company. These values make us different. Our Core values are:

Clients First 1
Our Clients are our Business Partners, and without them, we were not supposed to come to our present Position. Our Clients are always our first priority. We take care of them. We treat all our valued clients with warmth and respect. We understand them and try our level best to fulfill their expectations.

Integrity 2
We believe, integrity is the key to success. We earn the trust and respect of our shareholders, stakeholders, Employees, clients/business partners being honest, loyal, fair, open and accountable to all including the community for all our works and deeds.

Efficiency 3
In order to deliver excellent operational and financial performance, we focus both on extrenal and internal training programs to increase our efficiency level, while improving continuously against demanding targets for integrity and professionalism.

Quality 4
We ensure quality both in terms of products and services. We are always open to new ideas for raising the Bar.

Service 5
We strive to add more value to our services that we provide to our clients and stakeholders. To ensure a better and secured service towards them. We are always ready with our online services.

Teamwork 6
We strongly promote and believe in teamwork both at in-house and external activities of the company. We Teach and encourage our people to improve their performance and professionalism. We emphasize on Conscious self-improvement-provident and information sharing among the employees to ensure a strong team-work so as to achieve Central Insurance's vision, mission and goal.

Transparency 7
We focus on the highest level of transparency in providing accurate and timely information about our Performance and financial results to meet the expectations of our business partners and valued shareholders.

Excellence 8
We aspire to achieve excellence at all levels of our accomplishments. We pursue continued growth and strive to achieve the highest level of performance in all our endeavors.

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EXECUTIVE, AUDIT & MANAGEMENT COMMITTEE

COMPOSITION OF EXECUTIVE COMMITTEE

1.	Mr. Mohammed Musa	-	Chairman
2.	Mrs. Nurun Nahar	-	Member
3.	Mrs. Rosy Rahman	-	Member
4.	Ms. Angee Chowdhury	-	Member
5.	Mr. Zoynal Abedin Chowdhury	-	Member
6.	Mr. Ifthehar Maleque	-	Member
7.	Mrs. Rokeya Begum	-	Member
8.	Mrs. Tayeeba Alam	-	Member
9.	Mrs. Jahanara Yousuf	-	Member

COMPOSITION OF AUDIT COMMITTEE

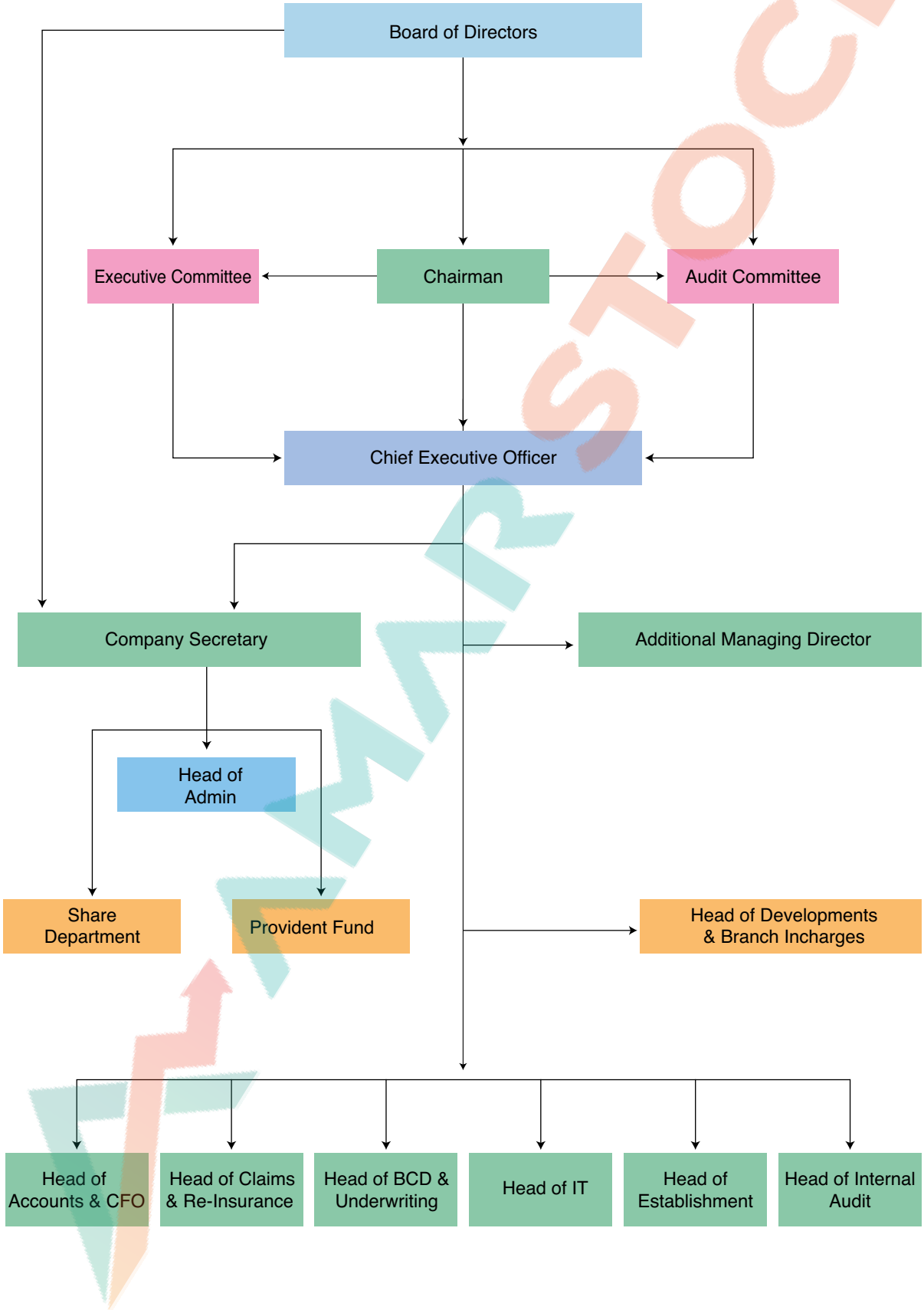
1.	Mr. Md. Abdullah Zehad	-	Chairman
2.	Mr. Md. Nurul Islam	-	Member
3.	Mr. Md. Sazzad-un Newaz	-	Member

COMPOSITION OF MANAGEMENT COMMITTEE

1.	Mr. Md. Zahid Anwar Khan	-	President
2.	Mr. Md. Mizanur Rahman	-	Member
3.	Mr. S.M. Jahirul Alam	-	Member
4.	Mr. Md. Morshed Hasan	-	Member
5.	Mr. Md. Jafar Ali, ACS	-	Member
6.	Mr. Md. Mahfizur Rahman	-	Member
7	Mr. Md. Rezaul Islam	-	Member

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ORGANOGRAM OF THE COMPANY



EXECUTIVES OF HEAD OFFICE
(AS ON 30 MARCH, 2017)

CHIEF EXECUTIVE OFFICER
Md. Zahid Anwar Khan

DEPUTY MANAGING DIRECTOR & CFO
Md. Mizanur Rahman

SENIOR EXECUTIVE VICE PRESIDENTS

S. M. Jahir-ul Alam
(Claims & Re-Insurance Department)

Md. Morshed Hasan
(Branch Control & U/W Department)

SR. VICE PRESIDENTS

Md. Jafar Ali, ACS
(Board, Admin, Share & PF)

Md. Mahfizur Rahman
(BCD & Claims)

Rezaul Islam
(IT Department)

SR. ASSISTANT VICE PRESIDENTS

Md. Azahar Hossain
(Accounts Department)

S. M. Hasan Akther
(Share & Estab. Department)

Ibrahim Miah
(Branch Control Department)

ASSISTANT VICE PRESIDENTS

Md. Firoze Akhter
(Branch Control Department)

Md.Tazul Islam Mozumder
(Branch Control Department)

Zahid Iqbal Mozumder
(Underwriting Department)

Md. Enamul Haque
(Accounts Department)

S.M. Mostafizur Rahman
(Accounts Department)

Md. Golam Rejwani
(Claims Department)

Md. Faruk Hossain
(Accounts Department)

Md. Wahidur Rahman
(Re-Insurance Department)

Md. Mostafizur Rahman
(Accounts Department)

SENIOR MANAGERS

Md. Mojibullah Sikder
(Branch Control Department)

Md. Azman Hasib
(Accounts Department)

Mrs. Ruchira Sultana
(Branch Control Department)

Md. Salah Uddin
(Audit Department)

Subir Mistry (Branch Control Department)

Syed Mozammel Hoque
(Administration Department)

Nur Hossain
(Accounts Department)

AUDITOR
Rahman Mustafiz Haq & Co.
Chartered Accountants
85, Naya Paltan (3rd Floor)
Dhaka-1000, Bangladesh.

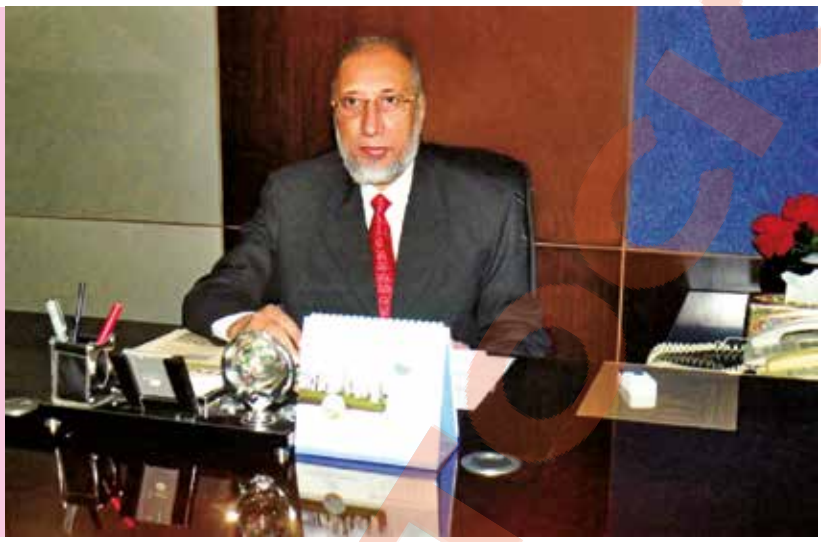
CREDIT RATING INFORMATION & SERVICES LTD. (CRISL)
Nakshi Homes (1st, 4th & 5th Floor)
6/1/A, Segun Bagicha
Dhaka-1000.

LEGAL ADVISER
Advocate A.S.M.M. Kabir Khan
Ex. Assistant Attorney General
6/1/A, Segun Bagicha
Dhaka-1000.

CORPORATE HEAD OFFICE
CIC Tower (3rd & 4th Floor)
7-8, Motijheel Commercial Area, Dhaka-1000.
Phone : 9560251-4, Fax : 9567421-2
E-mail : cic@cicl-bd.com Website: www.cicl-bd.com

AMARSTOCK

MESSAGE FROM THE DESK OF CHAIRMAN



Bismillahir Rahmanir Rahim

Honorable Shareholders – Assalamualaikum.

It is great pleasure to welcome you at the 29th Annual General Meeting of Central Insurance Company Limited. At the very beginning, I would like to express my heartfelt thanks and profound gratitude for you're On behalf of the Board of Directors and on my own behalf, I would like to express my sincere thanks and profound appreciation to you for continuous interest and support to the company. Now I am pleased to announce that the overall business performance of the Company for the year 2016 is satisfactory although market is highly competitive and facing economic challenges. All the financial indicators show our performances which are given below during 2016 compared to 2015.

(In million Tk)

Particulars	2016	2015	Growth
Gross Premium Income	343.18	308.52	11.24%
Net Premium Income	241.86	221.19	9.35%
Underwriting Profit	51.41	30.79	66.97%
Pre-tax Profit	107.21	97.47	9.99%
Net profit after tax	77.75	69.73	11.50%
Total Reserve Fund	464.82	440.64	5.49%
Total Assets	**1608.63**	**1625.61**	**(1.04%)**

A strong reserve fund is a bastion for a company. Central Insurance has been adhering to its firmness in building Reserve Fund from the very beginning which has since stood at Tk.464.82 million in 2016 showing an increase of 5.49% over the previous year.

You will also be delighted to know that Central Insurance Company Limited has been awarded "A" by Credit Rating Information and Services Limited (CRISL) based on its financial statements ended December, 2016. This is no doubt a praiseworthy achievement which indicated very high claim ability, strong financial performance and sound solvency of the company.

Central Insurance functions basing on sound Corporate Governance, coupled with Management Efficiency, Accountability and Transparency. As a result, the Management structure is built on harmonious relationship among its different tiers resulting delivery of timely and fast services to its large number of client.

Before I conclude, I would extend my gratitude to all my colleagues in the Board of Directors for their all-out support and cooperation at all times. I would also like to thanks Regulatory Authorities, Valued Shareholders and Clients for their continuous help and assistant in taking our mission ahead.
None the less, our members of the staff deserve all praises for their dedicated services and sense of absolute belongingness for the company.

May Almighty Allah in His infinite mercy guide us for our continuous growth, prosperity and well being in days to come.

Thanking you and Allah Hafez.



Md. Nurul Islam
Chairman.

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MESSAGE FROM THE DESK OF CHIEF EXECUTIVE OFFICER



Bismillahir Rahmanir Rahim

Dear Shareholders and Patrons-Assalamualaikum.

It gives me immense pleasure to welcome you at the 29th Annual General Meeting of Central Insurance Company Limited. I would like to express my heartfelt thanks to all of you for your active support although.

Risk is our business. An excellent risk management is the key to success. For 29 years, Central Insurance has been proving its competence in terms of its operational excellence, unique customers focus, risk management, organizational advancement, IT solution, new business development, implementation of standard operation procedures and training. A pool of efficient and dedicated employees lifted the company to a satisfactory level of compliance and transparency in all sphere of operation and performance, which they are determined to maintain for achieving further excellence.

Challenge is a tool which creates vision, determination and firmness to strive forward despite turbulence on the way for attaining success. The management of Central Insurance is quite aware of its destination and has drawn its yearly performance program accordingly to remain at par with its peers.

Despite many challenges lying ahead we visualize 2017 will be another year of performance with your support and cooperation. Central Insurance has always been credited for the excellent relationship with its clients including speedy settlement of claims. Over the years, it has built a strong platform for future growth of the company with the experienced management, a strong pool of dedicated employees and sound capital base.

I believe the gains made during the preceding years will be instrumental for better positioning of the company in the future. Our Strategy is to enhance strength by focusing on areas where we have an advantage today and where we can grow faster than our competitors in the days ahead.

I sincerely thank all our respected shareholders, customers for reposing their unshakeable trust and confidence in making the year 2016 a success. My sincere appreciation to the honorable members of the Board for their judicious guidance round the year and I look forward to receive the same in future.

Thanking you with best regard.

Md. Zahid Anwar Khan
Chief Executive Officer

CODE OF CONDUCT & ETHICS FOR BOARD OF DIRECTORS

I. Preface:

This Code of Conduct for the Board of Directors is a guide to help Directors on the Board of the Central Insurance Company Limited to live up to Company's ethical standards. The rules and principles set forth in this Code are general in nature and the compliance with the Code shall be ensured read with other applicable policies and procedures of the Company. This code of conduct may be reviewed by the Board from time to time to keep in pace with the regulatory environment and any amendments to this Code, shall be approved by the Board of Directors.

2. Applicability:

The Directors both executive and non executive, are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies and procedures. The Board of Directors of the Company is entrusted with the fiduciary responsibility of oversight of the affairs of the Company. As Directors of the Company, they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholders

3. Honest & Ethical Conduct:

The Directors are required to act in accordance with the highest standards of professional integrity, honesty, ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events. It contains the following:

- Act honestly, fairly, ethically, with integrity and loyalty.
- Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfill their fiduciary duties to the stakeholders of the Company;
- Act in good faith, with responsibility, due care, competence and diligence.
- Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.

4. Conflict of Interest:

The Directors are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A Conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below.

(A). Outside Employment

Executives Directors shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without approval of the Board. Any outside activity must be strictly separated from the company's employment and should not harm job performance at the company.

(B). Board Memberships

Acceptance of Directorship on the Boards of other Companies, which compete, with the Company amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations is encouraged, and does not require prior approval.

(C). Family Members and Close Personal Relationships

Directors shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, shall avoid conducting Company's

business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained.

(D). Gifts

(Gifts are not always physical objects—they might also be services, favors or other items of value. The Directors shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panelist /speaker and other customary gifts are allowed.

(E). Investments

Directors may not allow their investments to influence, appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

(F). Diversion of Business:

Directors shall not divert business opportunities of the Company, by exploiting for their own personal gain. However the Directors can pursue such business opportunities once they are fully disclosed to the company and the company declines to pursue such opportunities.

(G). Use of Company's assets:

The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code.

(H). Others:

It would be impracticable to attempt to list all possible conflict of interest situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

5. Legal Compliance:

It is the general obligation of the Directors to conduct the business and operations of the Company in accordance with the laws, rules, regulations, agreements, guidelines; standards including accounting standards governing its operations in the geographies the Company operate. The Directors shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Prohibition of Insider Trading policy of the Company.

6. Corporate Disclosure Policy:

It is the Company's policy to ensure continuous, timely and adequate disclosure of Company's information. The Company is committed to full, fair, accurate, timely and understandable disclosure in reports and documents it files with or submits to the regulatory authorities and in other public communications. The Directors shall provide only public information to the analyst/research person/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest. The Directors must maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

7. Competition and Fair Dealing:

The Directors are obligated to deal fairly and honestly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the marketplace.

It is the duty and obligation of every Director to comply with this code of conduct and he/she shall acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. This code of conduct shall be posted on the website of the Company.

8. Acknowledgement:

The Directors shall read and fully understand this model code of conduct and comply with the policies procedures and principles contained therein. Appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

CHAIRMAN OF THE BOARD

The Chairman of the Company is elected by the Board of Directors and the Board considers the Chairman being independent.

Roles and Responsibilities of the Chairman

- The Chairman's responsibility is defined by the Board as directed by BSEC's notification on Corporate Governance Guidelines.
- As Chairman of the Board of Directors (or Chairman of any Committee formed by the Board), does not personally possess the jurisdiction on apply policy making or executive authority, he does not participate in or interfere into the administration or operational and routine affairs of the Company.
- The Chairman ensures that the Board is functioning in accordance with the Memorandum and Articles of Association of the Company as well as other applicable laws.
- The Chairman Presides over meetings of the Board and Company (AGM) and ensures good Corporate Governance in the conducts of the Board and Company.
- The Chairman maintains relations with the relevant stakeholders in consultation with the Board as well as the Chief Executive Officer, representing the Company as a good/responsible corporate Citizen.
- The Chairman may assure any responsibility if the Board assigns within the purview of the Relevant Rules, Regulations, Acts, and Articles.

RESPONSIBILITIES AND DUTIES OF CEO

The Chief Executive Officer ("CEO") is responsible for leading the development and execution of the Company's long term strategy with a view to creating shareholder value. The CEO's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short term plans. The CEO acts as a direct liaison between the Board and management of the Company and communicates to the Board on behalf of management. The CEO also communicates on behalf of the Company to shareholders, employees, Government authorities, other stakeholders and the public.

Responsibilities-

There is no standardized list of the major functions and responsibilities carried out by position of chief executive officer. The following list is one perspective and includes the major functions typically addressed by job descriptions of chief executive officers.

1. **Board Administration and Support**

   Supports operations and administration of Board by advising and informing Board members, interfacing between Board and staff, and supporting Board's evaluation of chief executive

2. **Program, Product and Service Delivery**

   Oversees design, marketing, promotion, delivery and quality of programs, products and services

3. **Financial, Tax, Risk and Facilities Management**

   Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations

4. **Human Resource Management**

   Effectively manages the human resources of the organization according to authorized personnel policies and procedures that fully confirm to current laws and regulations

5. **Community and Public Relations**

   Assures the organization and its mission, programs, products and services are consistently presented in strong, positive image to relevant stakeholders

6. **Fundraising (nonprofit-specific)**

   Oversees fundraising planning and implementation, including identifying resource requirements, researching funding sources, establishing strategies to approach funders, submitting proposals and administrating fundraising records and documentation

7. **Liaison with Authorities**

   The CEO has to maintain the proper liaison with the authorities like, IDRA, BSEC, DSE, CSE, Bangladesh Bank, NBR and other Authority. The CEO must be able to maintain their laws, rules, regulations, circulars and other order.

ROLE OF COMPANY SECRETARY

The Board has appointed a Company Secretary in order to maintain the necessary link and liaison the Authority, Board, Management and others. The Corporate Governance Guidelines issued by BSEC also require a listed company to appoint a Company Secretary. Being a governance official, the Company Secretary drives for corporate compliance and provides support to the Chairman and other members of the Board to ensure effective functioning of the Board. The Company Secretary organizes and attends at Board and Committee meetings (Audit Committee and EC Committee), and ensures that deliberations on all issues are properly minute; decisions recorded and are duly communicated across the respective authorities.

The brief roles and responsibilities of the Company Secretary, include, inter alia-

- maintaining linkage between the Board, Management, Shareholders and other stakeholders on Matters of corporate interests in a transparent.
- Driving policy compliance awareness among the Company employees.

- Compliance of the Acts, rules, regulations, notifications, guidelines, orders/directives, etc. as Issued by BSEC or Stock Exchange (s) applicable to the conduct of business activities of the Company so as to protect the interests of the investors and other stakeholders.
- Disclosure of the Company's price sensitive information (PSI) and other capital market related Issues.
- Ensuring that appropriate Board procedures are followed as per given guidelines and best Practices, and advises the Board on matters as such.

CEO & CFO'S CERTIFICATE TO THE BOARD OF DIRECTORS

This is to certify that we have reviewed financial statements of the Central Insurance Company Limited for the year ended 31st December,2016 and that to the best of our knowledge we belief that,

a) These statements do not contain any materially unture statement or omit any material fact or contain Statements that might be misleading;

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.

c) There are no transactions entered into by the Company during the year of 2016 which are fraudulent, illegal or violation of the Company's code of conduct.



Md. Mizanur Rahman
Chief Financial Officer



Md. Zahid Anwar Khan
Chief Executive Officer

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR 2016

The Audit Committee Report presented under condition # 3.5 of the Bangladesh Securities and Exchange Commission (BSEC) guidelines provides an insight on the functions of the Audit Committee during the year 2016.

As mentioned in the compliance statement, the Board of Central Insurance Company Limited has formed an Audit Committee, required under the codes of Corporate Governance of BSEC, with some specific assignments under its Terms and Reference. The Committee is comprised of 3 members including 2 independent directors where one of them (Independent Director) is the chairman of the Committee. The Company Secretary performs as a Secretary to the Audit Committee. As required, all members of the Audit Committee are financially literate' and are able to analyze the financial statements.

PURPOSE OF AUDIT COMMITTEE

The role of the Audit Committee is to monitor the integrity of the financial statements of the Company and review and, when appropriate, make recommendations to the Board on business risks, internal controls and compliance. The Committee assists for the Company and in ensuring a good monitoring system within the business. The Audit Committee is responsible to the Board of Directors.

RESPONSIBILITIES AND DUTIES OF AUDIT COMMITTEE

A) Financial Reporting

- To review the quarterly and annual financial statements of the Company, focusing particularly on;
- Any significant changes to accounting policies and practices;
- Compliance with applicable Financial Reporting Standards and other legal and regulatory requirements.

B) Financial Reporting

- To consider annually the Risk Management Framework adopted within the Company
- To ensure that the system of internal control is soundly conceived

C) Financial Reporting

- To review the internal audit plans and to be satisfied as to their consistency with the risk management Framework used and adequacy of coverage.
- To review status reports from the Internal Audit and ensure that appropriate actions have been taken to implement The audit recommendations.

D) External Audit

- To review the external auditor's audit plan, scope and audit report.
- To review any matters concerning the appointment and re-appointment, audit fee and resignation or dismissal of The external auditor.
- To review the external auditor's findings from arising from audits

E) External Audit

- To act on any other matters as may be directed by the Board.

REPORTING OF THE AUDIT COMMITTEE

A) Reporting to the Board of Directors

The Audit Committee reports on its activities to the Board of Directors. The Audit Committee immediately reports to the Board of Directors in case of conflicts of interest, irregularity or material defect in the internal control system, infringement of laws, rules and regulations.

B) Reporting to the Authorities

The Audit Committee reports to the Board of Directors about anything which has material impact on the financial condition and results of operation. The Committee also discuss with the Board of Directors and the Management if any rectification is necessary. If the Audit Committee finds that such rectifications has been unreasonably ignored, the Committee reports such findings to the Bangladesh Securities and Exchange 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, which is earlier.

C) Reporting to the Shareholders and General Investors

Report on activities carried out by Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) of the BSEC Corporate Governance Notification above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company.

MEETING ATTENDANCE

The Audit Committee met four times during the year 2016. All the members were present in all meetings of the Committee.

The Audit Committee met with the external auditor's separately, and with the internal auditors, on an annual basis without any Executive Directors being present. The Secretary of the Audit Committee facilitates the Chairman and other members for effective functioning of the Committee as per its terms of reference as well as corporate governance notification of BSEC. The Details of attendance of each member at the Audit Committee meeting during 2016 are given below:

Attendance at Audit Committee Meetings

Sl.#	Composition of Audit Committee	Held	Attended	%
1.	Mr. Md. Abdullah Zehad Chairman, Audit Committee (Independent Director)	4	4	100%
2.	Mr. Md. Nurul Islam Member, Audit Committee (Independent Director)	4	4	100%
3.	Mr. Md. Sazzad-un-Newaz Member, Audit Committee (Non Executive Director)	4	4	100%
4.	Mr. Md. Jafar Ali ACS Secretary, Audit Committee (Company Secretary)	4	4	100%

Finally, The Audit Committee would like to express its sincere thanks to the Board of Directors, Key Management Personnel, Internal Audit Division and all employees to their utmost dedication for achieving transparency in performance and all sorts of cooperation extended to the committee in discharging its responsibilities.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER, 2016

Bismillahir Rahmanir Rahim,

Dear Shareholders, Assalamu Alaikum,

I welcome you all to the 29th Annual General Meeting of Central Insurance Company Limited on be half of the Board of Directors. I herewith present the Annual Report of the Directors for the year ended December 31, 2016 along with the Audited Accounts containing statement of Financial position, statement of Comprehensive Income, Revenue Accounts and other relevant Financial Statements for your information, consideration and approval, here the brief description of the Company's performance, future prospects and various aspects of world market trend with highlights of the performance of Bangladesh economy has also been incorporated.

GLOBAL ECONOMY : AN OVERVIEW

The global economic recovery has weakened further amidst increasing financial turbulence. Major macroeconomic realignments are affecting prospects differentially across countries And regions. These include the slowdown and rebalancing in China; a further decline in Commodity prices including oil; a related slowdown in the investment and trade; and Declining capital flows to emerging markets and developing economics. The outcome of Brexit is still unfolding. A list of noneconomic factors together with geopolitical tensions are Generating substantial uncertainty in global growth. IMF in its World Economic Outlook (WEO), October 2016, projected the global growth at 3.1 percent for 2016, 0.1 percentage Point lower than projection of the April 2016 WEO. Global economy is projected to gather Some pace in 2017 and expected to grow at 3.4 percent.

ECONOMIC SCENARIO OF BANGLADESH

The Bangladesh economy has emerged as one of the resilient developing economies in the World. The economy grew at an average rate of 6.20 percent over the last decade (FY2005-06 To FY2014-15). According to the final estimate of BBS, the economy grew by 7.11 percent, a 0.56 percentage points pick up from 6.55 percent of previous fiscal year. The per capita National income reached US$1,465 in FY2015-16, up by US$149, from US$1,316 of Previous year. Likewise, per capita GDP reached US$1,385 in FY2015-16, from US$ 1,236 a Year earlier. Year-on-year inflation decreased to 5.92 percent in FY2015-16 compared to 6.41 percent in FY2014-15. The downward trend is largely driven by food-inflation, which declined to 4.90 percent in FY2015-16 from 6.68 percent in FY2014-15. Non-food inflation rose from 5.99 Percent to 7.43 percent during the same period.

Exports recorded a growth of 9.77 percent in FY2015-16, significantly up from 3.39 percent Growth in the previous fiscal year. Export earnings during the period exceeded the annual Target (US$33,500 million) by 2.26 percent to US$34,257 million. Export of woven garments And knitwear products increased by 12.81 percent and 7.47 percent respectively in FY2015- 16 compared to the previous year. Import growth accelerated at 5.45 percent in FY2015-16, From 0.07 percent growths compared to the preceding year. The total import (c&f) stood Provisionally at US$42,290.80 million during FY2015-16, up from US$40,703.70 million (Based on custom records) of the preceding year.

Besides this, Bangladesh also achieving significant macroeconomic stability with Agriculture, Poverty Alleviation, Health & Education, Energy & Industrialization, Climates and Environment and others

GDP GROWHT

The annual growth rate of GDP (gross domestic product) of Bangladesh hit the highest ever record at 7.11% in the last 2015-16 financial year (FY16), Planning Minister AHM Mustafa Kamal has said. The minister made the disclosure while briefing journalists following an ECNEC meeting at the NEC in the capital city on Tuesday with Prime Minister in the chair. Citing the data of Bangladesh Bureau of Statistics (BBS), the minister said the growth rate is the highest in the country's history. According to BBS, the total size of the GDP stood at $1,73,286 at the end of FY16 on June 30, 2016.Kamal said

the economy would grow at 7.2% in the current 2016-17 financial year (FY17).He said besides the phenomenal rise in the GDP, the per-capita income surged to $1465, which is also the record high.

GROWTH OF INSURANCE SECTOR IN BANGLADESH

The insurance sector in Bangladesh is still in its adolescence. While less than one per cent of the country's population is insured, the sector's contribution to the economy is still below 1.0 per cent. However, an increase in awareness about the necessity of insurance and a rise in the number of middle class and higher middle class people indicate that the industry has the potential to grow. Given that more than 99 per cent Bangladeshis are yet to be insured, the possibilities of the sector's growth are seemingly endless.

The growth of the insurance sector in Bangladesh should be good news for the country's economy on multiple levels. For example, the industry can contribute to tackling of the country's graduate unemployment problem. In 2014, a report sponsored by the British Council and prepared by the Economist Intelligence Unit (EIU) said that nearly 5 out of every 10 graduates in Bangladesh (47 per cent) are unemployed (against 3 out of 10 in India and Pakistan). Among others, the insurance sector can offer an effective solution to the problem. There are job opportunities at many levels in an insurance organization that might attract young graduates. The most recognizable job in an insurance company is that of a financial associate usually known as agent, because he represents an insurance organization before a potential customer. Other notable job opportunities within an insurance organization lie in departments of claims, human resources, actuary, underwriting, IT, marketing etc. Especially, to be an actuary requires unique skills and this job would give young professionals an extra edge to excel in their career. The digitization of operations which insurance companies is now undergoing, has created an opportunity for IT graduates.

Currently, there are two public sector insurance companies in Bangladesh. In addition, there are 45 non-life and 31 life insurance companies in the private sector. As the industry grows, the demand for skilled professionals will rise. Young students and professionals are often oblivious of the vast opportunity that awaits them in the insurance industry. In the insurance industry, one can match his/her skill either as financial associate or as a management team member. On the other hand, more people now have started realizing the importance of insurance to manage uncertainty and stress of life. A report said the insurance companies need to have skilled manpower to expect a better result. Added to that, better regulatory policies in place have given a better structure and direction to the sector in general. The prospects are very bright indeed.

ECONOMIC DEVELOPMENT

Bangladesh is viewed as "a hidden economic gem" because of competitive labor force steady GDP growth boost in exports and remittance income. This coupled with acclaimed successes in reducing child mortality, addressing population growth, increased primary school enrollment and achievements in food security has earned the country as place in Goldman Sachs "Next-11" emerging economies. Bangladesh is the world's second-largest RMG exporter; the USD 20 billion sector accounts for three-quarters of total exports and employs more than 3 million workers, mostly women. Rising wages in Chaina has opened up the possibilities of a major growth of the manufacturing sector in Bangladesh which will get a further fillip from the steps being taken to enhance workers' rights, enhanced regulatory environment and improved fire and structural safety in the garment factories.

DIGITALIZATION

In order to bloom and grow in the era of ICT, we have to go beyond email communication and website as well as fully embrace electronic commerce. Our future depends on nothing less than transforming our Company into a full-fledged. E-business without any delay or else we're sure to lag behind. Central Insurance is seriously proceeding with computerization of activities at all levels. In this regard, we have already launched an ERP softwere named insurance manager softwear for improving better services. All the branches within Dhaka, Chittagong and Narayanganj City are already connected through an IT network. Other Branches of the Company are also being gradually brought online. Our dynamic website contains comprehensive information, Annual Report and other relevant information are also available for our valued shareholders and customers.

GOOD CORPORATE GOVERNANCE

Good Corporate Governance requires a transparent, efficient and effective system of decision-making. It aims for a high level of transparency in the Company's operation. It has always been the Company's endeavor to excel though better governance. The management strictly address to two basic principles of corporate governance i.e. transparency and disclosure. The Board Meetings are held regularly where policy decisions are taken on the basis of open discussion and consensus, keeping the interests of all shareholders and stakeholders of the Company in mind. Since the inception of the company the Board of Directors has been fully committed to build a strong and empowered management team. This has helped us to maintain good corporate governance. Listed below are our specific positions with respect to specific compliance requirements.

- The Financial Statements of the Company present a true and fair view of the Company's state of affairs, result of its operations, cash flows and changes in equity.
- Proper books of accounts as required by law are being maintained.
- Appropriate accounting policies have been followed in formulating the Financial Statements and accounting estimates are reasonable and prudent.
- The Financial Statements are prepared in accordance with international Accounting Standard (IAS) as applicable in Bangladesh.
- The Internal Control System is sound in design and effectively implemented and monitored.
- There is no significant deviation from the operating result of last year.
- Bangladesh Securities & Exchange Commission's Compliance Report is enclosed herewith as Annexure-1.
- Key Operating and financial data of last five years have been presented in summarized form in this repot under the head "5 Years at a Glance"
- The Board of Directors of the Company has been formed an "Audit Committee" in compliance with guidelines of BSEC's notification.
- The CEO and the CFO had duly endorsed the Financial Statements of the Company before placing them before the Board for approval.
- The meetings of the Board of Directors were presided over by the Chairman. Written notices of the Board meeting mentioning agenda along with working papers were circulated ahead of the meeting; minutes were correctly recorded, signed by the Chairman and circulated. Minutes were also shared with IDRA.

FINANCIAL ACHIEVEMENT

Now I take this opportunity to present before you some of the prime aspects of the Company's Audited Accounts & Financial Statement 2016 compared to that of 2015 :-

Gross premium income of the Company for the year 2016 was Tk. 34,31,75,103.00 which was Tk. 30,85,24,774.00 in the year 2015. The total premium income increased by 11.24 % compared to that of previous year. The net premium income of the year under review was Tk. 24,18,60,975.00 which was Tk. 22,11,86,298.00 in the previous year. Increase in the rate of the net premium is 9.35% over the previous year. In Bank and other financial instruments we have an investment of Tk. 19.09 Crore and in land & building, we have so far invested Tk. 40.95 Crore. Business of the Company includes our Company's share of premium on account of public sector business received through the Sadharan Bima Corporation for the year ended December 31, 2016.

Now-a-days, we are facing hard competition to procure business with limited scope of opportunity and this has ultimately affected the business of our Company like others. However, at the direction of the Board of Directors our management has taken all out efforts within legal norms to increase the business and the income as well. If we can uphold the present spirit and the Company's present position in the Industry, Inshaallah, in future our Company shall come in line with other reputed Companies.

Class wise Financial Achievement in 2016 compared to 2015 are shown below:

(Figures in million Taka)

Description	Fire	Marine	Motor	Mise	Total 2016	Total 2015
Gross Premium	145.72	128.16	36.10	33.19	343.17	308.52
Re-Insurance ceded	49.18	25.98	1.87	24.28	101.31	87.34
Net Premium	96.54	102.18	34.22	8.92	241.86	221.19
Net Claim	22.35	2.78	4.36	0.02	29.21	36.83
Expenses of Management	60.16	49.02	14.38	5.67	129.23	116.60
Reserve for unexpired Risk	38.62	41.34	13.69	3.56	97.21	88.93
Underwriting Profit	6.66	33.82	6.76	4.17	51.21	30.79
Investment & other income					64.71	75.11
Unallocated expenses					8.92	8.44
Net Profit before Tax & Reserve					107.21	97.47
Reserve for Exceptional Losses					24.19	22.19
Taxation Provision					29.46	27.74
Net Profit after Tax					77.75	69.73

DIVIDEND & OTHER RESERVES

The Board of Directors of the Company has recommended 7% cash dividend & 5% Stock Dividend (Bonus Shares) totaling 12% for the year ended 31st December, 2016 from the net profit of Tk.107.21 million. The Board of Directors of our Company recommended transfer of Tk 24.19 million for exceptional loss account, Tk. 29.46 million as income tax. The policy of the Directors is to pay dividend to the heights possible extent from the surplus after being considered tax & reserve for exceptional loss subject to normal business condition. On 31st December, 2016 total investments in Bank & Other financial instruments are Tk.190.86 Million. This progress undoubtedly shall create hopes in the mind of valued shareholders.

DIRECTORS LIST

During the year 2016 Mr. Md. Nurul Islam , Mr. Mohammed Musa, Alhaj Md. Abu Taher Chowdhury, Mr. Md. Masud Hossain, Mrs. Nurun Nahar, Mrs. Rosy Rahman, Ms. Angee Chowdhury, Mr. Zoynal Abedin Chowdhury, Mr. Md. Masud Karim, Mr. Md. Sazzad-un Newaz, held the posts of Directors from Group-A (Sponsors) and Mrs. Rokeya Begum, Mrs. Tayeeba Alam, Mrs. Jahanara Yousuf and Mr. Tauhid Rahman also held for the post of the directors from Group-B (Public) shareholders and Mr. Md. Nurul Islam & Mr. Md. Abdullah Zehad as Independent Director.

RETIREMENT OF DIRECTORS

Group-'A'

In accordance with the provision of the Articles of Association of the Company, three directors from Group-A namely Mr. Md. Nurul Islam, Mrs. Nurun Nahar & Ms. Angee Chowdhury will retire from office by rotation at the 29th Annual General Meeting and being eligible for reappointment. In place of the

three vacant post of Diectors Mr. Abul Kalam, Alhaj Md. Shahjahan and Mrs. Shahida Nazneen Sponsor Shareholders have offered their candidature for appointment as Director.

Group-'B'

In accordance with the provision of the Articles of Association of the Company two Directors from 'Group-B Directors Namely Mrs. Rokeya Begum and Mrs. Tayeeba Alam will retire from office by rotation at the 29th Annual General Meeting.

In pursuance of the Insurance Rules 1958, necessary arrangements have been made for election of two Directors from 'Group-B' shareholders and notice has been published in two daily newspapers inviting nominations from the eligible candidates in this respect. Mr. A. K. Gulam Kibria, Principal of G. Kibria & Co., Chartered Accountants has been appointed as Election Commissioner as per the decision of the Board of Directors.

APPOINTMENT OF AUDITORS

M/s.G. Kibria & Co, Chartered Accountants, External Auditor of the Company, appointed at the 28th Annual General Meeting and being eligible offer themselves for appointment as External Auditors for the year 2017 with remuneration of Tk. 1,25,000/- (Taka-One lac twenty five thousand) only for approval by the shareholders in the up-coming Annual General Meeting.

INDEPENDENT DIRECTORS

To comply with BSEC's requirement, the Board of Directors appointed and duly approved by the Shareholders at 28th AGM are following two personalities as independent Directors:-

01. Mr. Md. Nurul Islam.
02. Mr. Md. Abdullah Zehad

The tenure of above Independent Directors has been expired on proper time. In this regard in accordance with the decision by the Board of Directors their tenure is enhance for the next 3 years which will be submitted for kind approval in the 30'th Annual General Meeting.

FUTURE OUTLOOK

Business environment is likely to remain tough during 2016 owing to persistently high in ation, soaring scal decit coupled with structural issues like energy shortages, For the general insurance industry, past few yeas have been challenging. Industry situation continues to be unsatisfactory because of current po0litical situation in the Country. The overall business in the insurance industry is not expected to get a major boost in the near future and accordingly competition will increase in all business segments. Reinsurance market is expected to remain challenging in view of the large losses experienced by the reinsurers in the international markets due to catastrophes in last one year. Further, the economic slowdown is also likely to impact the growth of the industry to a certain extent.

We are very hopeful that the distinctive steps we are taking will put us in an advantageous position to attract more business in future. The Company diverse portfolio strategy with clear focus on the governance and efficiency improvement is expected to help in retaining its market position and pro stability. Our key focus would be on quality of service with fair and efficient claim settlements, controlling costs, improving efficiencies and prudent underwriting.

CONCLUSION

Finally Hon'ble Board of Directors of Central Insurance Company Limited is also grateful to all the Govt. & Non-Govt. Bank, Financial Orgtanizations, Private Companies and all kind of share holders for cordial Co-operation & contribution in our Company's activities and growth. Valuable clients KSRM Steel Plant Ltd., Bengal Trading, Royal P. P. Bags Ltd., Md. Elias Brothers Poy Manufacturing Plant Ltd., Paragon Poultry Ltd., Benz Industries Ltd. (BD), Vasual Knitwears Ltd., Islam Garments Ltd. HD Group, Ama Syntex Ltd., Knit Cotton Composite Mills Ltd., Marigold Enterprise, Khansons Textile Ltd., Voyager Apparels Ltd., Musa & Sons, Royal Cement Limited, Kamal Yarn Dyeing, Impressive Textile Mills Ltd., Sadma Fashon Wear Ltd., J. K. Cotton Mills Ltd., Ershad Group, Mosharaf Composite Textile Group, Sman Flexible Packaging Ltd., ATS Pearls Limited, KSRM Billet Industry, Badsha Textile Ltd., Arif Knit Spin Ltd., ASM Chemicals Ind. Ltd. Aftab Feed Products Ltd., Need Dresses CTG Ltd., Pioneer Sweaters Ltd., Motahar Group, Modina Garments Ltd., NRG Composite Yarn Dyeing, L Z Fashion Wear Ltd., Interstoff Apparels Ltd., Kabir Steel Re-Rolling Mills, S & M Trading Co. & S & M Pulse Procsessing, Patriot Spinning Mills Ltd., NRG Home Tex Ltd., Jesmin Cotton Tex Ltd., Polo Composite Knit Ind. Ltd., Supper Knitting & Dyeing Mills Ltd., Sonargaon Textile Ltd., Crossline Knit Fabrics Ltd., DAF Accessories Ltd., DAF Packaging Industries Ltd., Kamal Yarn Ltd., Paradise Food Products Ltd., New Town Knitwear, Suman Flexible Packaging Ltd., Nuruzzaman Khan, Abdul Quddus, BCL Paper Mills Ltd., Md. Hasen Ali, Chittagong Fashion, Fiza & Co., Masud Trading Co., Hasher Mohammad Automatic Rice Mill Limited, Energypac Eng. Ltd., Mohammadi Electric Wires & Multi Products Ltd., Super Star Group, Creative Shirts of Kimberly Fashion Wear Co., Flora Ltd., Styrax Fashion Ltd., Sajeeb Corporation, Tanin Electrical Apparels, Total Fashion Ltd., South East Textile Ltd., Universe Synthetic Fiber Ltd., K. K. Automobiles, S.M.B. Steel Sttucture, Doimond Cement, Thwher Brothers, Trade International Marketing Ltd., Aftab Global Textile Ltd., Manik & Sons and all clients of the Company is expressed its sincerely thanks & gratefulness by the Hon'ble Board of Directors of the Company.

On behalf of the Board of Directors,



Md. Nurul Islam
Chairman

CREDIT RATING REPORT

CRISL
Setting global standard at national level

Credit Rating Report

Credit Rating Information and Services Limited
Founder Member. Association of Credit Rating Agencies in Asia (ACRAA), Manila, Philippines
Joint Venture with JCR-VIS Credit Rationg Company Ltd. Pakistan
www.crislbd.com

CREDIT RATING REPORT
On
CENTRAL INSURANCE COMPANY LIMITED

REPORT : RR/12723/16

This is a credit rating report as per the provisions of the Credit Rating Companies Rules 1996. CRISL's Claim Paying Ability Rating is valid for only one year from the date of rating. After the above period, the rating will not carry any validity unless the company goes for rating surveillance. **CRISL followed Insurance Rating Methodology published in CRISL website www.crislbd.com**

	Claim Paying Ability
CPA Rating	A
Outlook	Stable
Date of Rating: December 29,2016	**Valid up to:** December 28,2017

Address:
CRISL
Nakshi Homes
(4th & 5th Floor)
6/1A, Segunbagicha,
Dhaka-1000
Tel: 9530991-4
Fax: 88-02-9530995
Email:
crisldhk@crislbd.com

Analysts:

Reaz Uddin Ahmed
reaz@crislbd.com

Tasmia Jahan Haque
tasmia@crislbd.com

Entity Rating:
CPA Rating: A

Outlook: Stable

Rating:
Based on Financials up to December 31, 2015

CENTRAL INSURANCE COMPANY LIMITED

ACTIVITY
Non-Life Insurance

DATE OF INCORPORATION
November 12, 1987

COMMENCEMENT OF BUSINESS
December 10, 1987

CHAIRMAN
Md. Nurul Islam

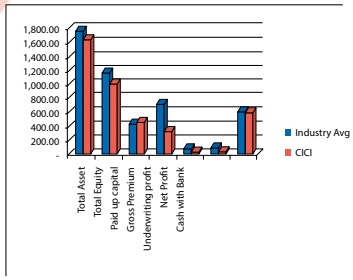
CHIEF EXECUTIVE OFFICER
Md. Zahid Anwar Khan

EQUITY
TK. 991.19 million

TOTAL ASSETS
TK. 1,625.60 million

1.0 Rationale

CRISL has reffirmed the Claim Paying Ability (CPA) Rating of 'A' (pronounced as Single A) to Central Insurance Company Limited (CICL) based on the financials up to December 31, 2015 and other relevant qualitiative and quantitative information up-to the date of rating. The above ratings have been done after due consideration to its fundamentals such as average and steady financial performance, good liquidity, good FDR base, diversified investment portfolio etc. However, the above ratings are consterained to some extent by almost optative profitability performance, management expense beyond allowable limit, small market share etc.



CICL sources 100% of its business from Bangladesh market, largely free from natural catastrophes. The company continues to deliver a consistent pattern of underwriting and financial performance. Based on the financial results for YE 2015, its some profitability, solvency and technical performance indicators slightly falls from previous year but overall performance stands static. Gross underwriting margin and net underwriting margin decreased to 51.53% and 13.25% in YE2015 from 58.99% and 21.78% in YE2014 consequently, ROAA and ROAE also declined to 6.10% and 7.18% from 8.83% and 10.21% during the above periods respectively but gross and net premium raised during the reporting period.; CRISL views CICL's investment strategy as diversified and secured with around 91.14% of its funds residing in cash and fixed deposits as well as in fixed income instruments and rest 7.86% in capital market investment indicating adoption of conservative policy.

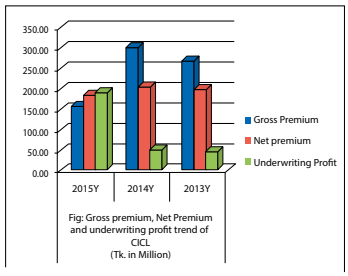


Fig: Gross premium, Net Premium and underwriting profit trend of CICL
(Tk. in Million)

The company maintained a momentous improvement in capital commensuratewith its business profile and raised paid-up capital to Tk. 448.41 million which fulfilled its regulatory minimum level of Tk.400 million.

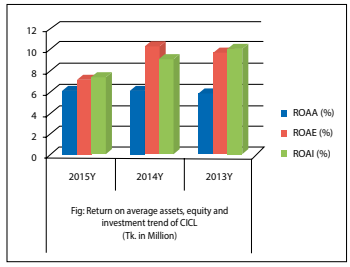


Fig: Return on average assets, equity and investment trend of CICL
(Tk. in Million)

For President & CEO
Sarwat Amina
Executive Vice President
Credit Rating Information and Services Ltd.

CERTIFICATE OF CORPORATE GOVERNANCE

KMHCO. SINCE1984

কে. এম. হাসান এন্ড কোং
K. M. HASAN & CO.
Chartered Accountants
An Independent Member Firm of
McMillan Woods International, UK

Hometown Apartments (8th & 9th Floor)
87, New Eskaton Road, Dhaka-1000
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Compliance Certificate
On
Corporate Governance Guidelines

To the Shareholders of
Central Insurance Company Limited

We have reviewed the compliance of conditions of the Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Central Insurance Company Limited as stipulated in clause 7(i) of the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August, 2012 and subsequent amendment made thereon.

The compliance of conditions of the Corporate Governance Guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of the company. Our review for the purpose of issuing this certificate was limited to the verification of procedures and implementations thereof adopted by the company for ensuring the compliance of conditions of Corporate Governance Guidelines and proper reporting of compliance status on the attached statement on the basis of evidences obtained and representation received thereon from the management of the company. It is neither an audit nor expression of opinion on the financial statements of the company.

To the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance Guidelines as stipulated in the above mentioned notification and applicable to the company for the year ended 31 December, 2016.

Md. Amirul Islam FCS FCA
Senior Partner

Dated: Dhaka
May 04, 2017

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Status of Compliance with the conditions imposed by the BSEC's Notification on Corporate Governance				
Condition No.	**Title**	**Compliance Status**		**Remarks (If any)**
		Complied	**Not Complied**	
1.1	Board size	√		
1.2 (i)	Number of Independent Directors	√		2 Independent Directors as per Insurance Act 2010
1.2 (ii)(a)	Shareholding position of Independent Director	√		Nil
1.2 (ii)(b)	Independent Director is not sponsor, nor any family member/family relationship of the sponsor	√		
1.2 (ii)(c)	Independent Director does not have any other relationship with the Company or its' subsidiary associates companies	√		
1.2 (ii)(d)	Independent Director is not a member, director or officer of any stock exchange	√		
1.2 (ii)(e)	Independent Director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2 (ii)(f)	Independent Director 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)	Independent Director shall not be an independent director in more than 3 (three) listed companies	√		
1.2 (ii)(h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a NBFI	√		
1.2 (ii)(i)	Independent Director has not been convicted for a criminal offence involving moral turpitude.	√		
1.2(iii)	The Independent Director(s) shall be appointed by the board, and approved by the shareholders in the Annual General Meeting (AGM)	√		
1.2(iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days	√		
1.2(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	√		
1.2(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Director (ID)			
1.3(i)	Independent director shall be a knowledgeable individual with integrity, ensure compliance with financial, regulatory and corporate laws.	√		
1.3(ii)	Independent Director should be a Business Leader/ Corporate Leader Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals. Independent Director must have at least 12 (twelve) years 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

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.4	Chairman of the Board and Chief Executive Officer shall be filled by different individuals. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	The Director's Report to Shareholders shall include the following additional statements.			
1.5(i)	Industry outlook and possible future developments in the industry	√		Available in Annual Report
1.5(ii)	Segment-wise or product-wise performance	√		Available in Annual Report
1.5(iii)	Risks and concerns	√		Available in Annual Report
1.5(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin			Not applicable
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss.			Not applicable
1.5(vi)	Basis for related party transactions-a statement or all related party transactions should be disclosed in the annual report			Not applicable
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		Not applicable
1.5(viii)	An explanation if the financial results deteriorate after the Company goes IPO, RPO, Rights Offer, Direct Listing, etc.			Not applicable
1.5(ix)	Significant variance occurs between Quarterly Financial Performance and Annual Financial Statements	√		No such significant variance occurs
1.5(x)	Remuneration to directors including independent director	√		Available in Annual Report
1.5(xi)	Financial statements present fairly state of affairs, the result of its operations, cash flows and changes in Shareholders' equity of the Company	√		
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 accounting estimates are based on reasonable and prudent judgment.	√		
1.5(xiv)	International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BERS), as applicable in Bangladesh have been followed in preparation of the financial statements	√		
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.	√		Available in the Annual Report
1.5(xvii)	Significant deviations from the last year's operating results of the Company shall be highlighted			Not applicable
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		Available in the Annual report

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.5(xix)	If the issuer Company has not declared dividend (cash or stock) for the year	√		Declared dividend regularly (Cash & Stock)
1.5(xx)	The number of Board meeting held during the year and attendance by each director shall be disclosed	√		5 Meetings took place with an average 75% attendance
1.5(xxi)(a)	Share holding position parent/ Subsidiary/ Associated Companies and other related parties	√		Available in the Annual Report
1.5(xxi)(b)	Share holding position of Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children	√		Available in the Annual Report
1.5(xxi)(c)	Share holding position of Executives of the Company	√		Available in the Annual Report
1.5(xxi)(d)	Share holding ten percent (10%) or more voting interest in the Company	√		Available in the Annual Report
1.5(xxii)(a)	A brief resume of the appointed/re appointed director	√		Available in the Annual Report
1.5(xxii)(b)	Expertise is specific functional areas of the appointed/ reappointed director	√		
1.5(xxii)(c)	Names of companies in which the person also holds the directorship and the and the membership of committees of the board	√		Available in the Annual Report
2.1	The Company appointed Chief Financial Officer, a Head of Internal Audit (Internal Control and Compliance) and Company Secretary. The Board of Directors clearly defined respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS	√		
2.2	Requirement to attend the Board Meeting. The CFO and the Company Secretary of the companies attend meetings of the Board of Directors	√		
3	Audit Committee			
3(i)	The Company has an Audit Committee as a sub-committee of the Board of Directors	√		
3(ii)	The Audit Committee 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 is responsible to the Board of Directors. The duties of the Audit Committee 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 (three members)
3.1(ii)	The Board of Directors appointed members of the Audit Committee who are directors of the company and includes 1 (one) independent directors	√		
3.1(iii)	All members of the audit committee are “financially literate” and 1(one) member have accounting or related financial management experience	√		

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
3.1(iv)	Board of Directors appoint the new Committee member(s) to fill up the vacancy immediately or not later than 1 (one) month from the date vacancies in the Committee	√		
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)	Independent Director is the Chairman of the Audit Committee	√		
3.2(ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		
3.3	Role of the Audit Committee	√		
3.3(i)	Audit Committee oversees the financial reporting process	√		
3.3(ii)	Audit Committee monitor choice of accounting policies and principles	√		
3.3(iii)	Audit Committee monitor Internal Control Risk Management process	√		
3.3(iv)	Audit Committee oversee hiring and performance of external auditors	√		
3.3(v)	Audit Committee review along with the management, the actual financial statements before submission to the board for approval	√		
3.3(vi)	Audit Committee review the quarterly and half yearly financial statements before submission to the board for approval	√		
3.3(vii)	Audit Committee review the adequacy of internal audit function	√		
3.3(viii)	Audit Committee review statements of significant related party transactions submitted by the management			No such case raised
3.3(ix)	Audit Committee review Management Letters/Letter of Internal Control weakness issued by statutory auditors.			No such case raised
3.3.(x)	Money is raised through IPO. RPO/Rights Issue the Company shall disclose to the Audit Committee about the uses/ applications of funds.			Not applicable
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors	√		
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1(ii)(a)	The Audit Committee shall immediately report on conflict of interest.			No conflict of interest
3.4.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system.			Not applicable
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations.			No such case raised
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately	√		
3.4.2	If the Audit Committee reported to the Board of directors about anything which has material impact on the financial condition as result of operation. Audit Committee funds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission.	√		Not applicable

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
3.5	Report on activities carried out by the Audit Committee, under condition 3.4.1(ii) above during the year, shall be signed by the Chairman of the Audit Committee	√		
4	External/statutory auditors to perform			
4(i)	Appraisal or valuation services or fairness opinions	√		
4(ii)	Financial information systems design and implementation.	√		
4(iii)	Book-keeping or other services related to the accounting records or financial statements	√		
4(iv)	Non-engagement in Broker-dealer services	√		
4(v)	Non-engagement Actuarial services	√		
4(vi)	Internal audit services	√		
4(vii)	Any other service that the Audit Committee determines	√		
4(viii)	No partner or employees of the external audit firms shall possess any share of the Company	√		
4(ix)	Audit/Certification services on compliance of corporate governance as required under clause (i) of condition no.7	√		
5	Subsidiary Company			
5(i)	The compositions of the Board of Directors of the subsidiary Company.	√		
5(ii)	At least 1 (one) independent director shall be a director on the Board of Directors of the subsidiary Company.	√		
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	√		
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	√		
5(v)	The Audit Committee of the holding company shall also review the investments made by the subsidiary Company	√		
6	Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
6(i)(a)	The CEO and CFO shall certify to the Board that Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		No such material fact
6(i)(b)	Financial statements together present a true and fair view the Company's affairs and are in compliance existing accounting standards and applicable laws.	√		
6(ii)	To the best of knowledge and belief, no transaction entered into by the Company during the year which fraudulent, illegal or violation of the Company's code of conduct.	√		
7	Reporting and Compliance of Corporate Governance			
7(i)	The Company obtained a certificate from a practicing Chartered Accountant regarding compliance of conditions of Corporate Governance Guidelines.	√		Certificate available in the Annual Report
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	√		

SHARE HOLDING POSITION OF DIRECTORS, SPONSORS & SR. OFFICIALS AS ON 31ST DECEMBER 2016

(1) Shareholding of Directors	Number of shares held	(ii) Shareholding of Sponsor	Number of shares held
Mr. Md. Nurul Islam	8,98,127	Mr. Abul Kalam	1,868,345
Mr. Mohammed Musa	8,97,059	Mr. Shabbirul Kabir	1,147,611
Alhaj Md. Abu Taher Chowdhury	8,98,126	Mr. Md. Tayabur Rahman	1,121,002
Mr. Mohd. Masud Hossain	11,21,002	Alhaj Md. Nurun Newaz	1,093,240
Mrs. Nurun Nahar	10,12,413	Alhaj Md. Shahjahan	897,241
Mr. Zoynal Abedin Chowdhury	10,00,000	Mr. Nabab Siraj-Ud-dowla	897,241
Mr. Md. Masud Karim	9,04,329	Mr. Abu Mohammad	897,029
Mr. Mohd. Sazzad-un Newaz	8,99,971	Mrs. Shahida Nazneen	896,913
Mrs. Rosy Rahman	8,98,306	Mr. S.M Shafiul Bari	851,612
Mr. Ifthehar Maleque	8,98,233	Alhaj Md. Yusuf Chowdhury	474,570
Mrs. Jahanara Yousuf	8,98,128	Mrs. Hosne Ara Begum	250,000
Ms.Angee Chowdhury	8,97,003	Alhaj Md. Abdul Maleque	231,398
Mrs. Tayeeba Alam	6,23,770	Mr. Shah Alam Chowdhury	192,421
Mr. Tauhid Rahman	5,00,000	Mr. Shawkat Alam	129,629
Mrs. Rokeya Begum	3,46,431	Alhaj Md. Shafi	129,025
Mr. Md. Abdullah Zehad	Nil	Mr. Mir Rahmat Ali	120,401
Mr. Md. Nurul Islam	Nil	Mr. AKM Azizur Rahman	114,694
		Mr. Md. Golam Kibria	67,163
		Haji M.A. Malek	18,239

(iii) **Shareholding of the Executives:**

Name of the Executives	Designation	Number of Share held
Mr. Md. Zahid Anwar Khan	Chief Executive Officer	Nil
Mr. Md. Mizanur Rahman	Dy. Managing Director & CFO	Nil
Mr.Mohammad Jafar Ali ACS	Company Secretary	Nil
Mr. Md. Salah Uddin	Head of Internal Audit	Nil
Spouses minor childrens of Executive		Nil

(iv) Shareholders who are hold 10% or above shares - Nil

BOARD MEETING HELD IN THE YEAR 2016

Name of Meeting	Meeting Date	Director present (A)	Director present (B)	Independent Director	Total present
199th Board Meeting	02/02/2016	9	4	2	15
200th Board Meeting	02/04/2016	7	4	2	13
201st Board Meeting	11/05/2016	6	1	2	9
202nd Board Meeting	28/07/2016	8	1	2	11
203rd Board Meeting	15/09/2016	7	2	2	11
204th Board Meeting	06/10/2016	9	2	2	13
205th Board Meeting	31/10/2016	9	2	2	13

COMPANY'S PERFORMANCE

5 Years at a Glance

Taka in Million

Financial Performance	2012	2013	2014	2015	2016
Gross Premium	246.93	268..58	302.94	308.52	343.17
Net Premium	171.57	199.41	203.89	221.19	241.86
Net Claim	58.73	61.89	46.20	36.84	29.51
Underwriting Profit	36.30	44.99	47.83	30.97	51.41
Investment & Other Income	66.61	87.64	93.57	75.11	64.71
Net Profit before Tax	94.65	123.39	134.17	97.47	107.21
Net Profit after Tax	63.05	82.05	92.39	69.73	77.75
Share Capital and Reserve					
Paid up Capital	370.71	415.19	415.19	448.41	448.41
Shareholders Equity	835.21	917.26	951.03	991.19	1023.60
Total Reserves	363.69	387.77	416.52	440.64	464.82
Assets					
Investment	156.63	180.07	179.36	185.10	190.86
Cash, FDR and Bank balances	540.57	604.85	588.46	589.79	546.48
Land at Cost	318.92	339.94	379.04	402.82	409.49
Fixed Assets	13.84	20.07	19.66	22.27	19.83
Other Assets	274.65	322.12	405.69	425.63	441.97
Total Assets	1304.61	1467.05	1572.21	1625.61	1608.63
Ratios		**In Taka**			
Dividend in Percent	12% Bonus	14% cash	7% Cash	10% Cash	7% Cash 5% Bonus
Earning per Share (Weight average)	1.79	1.98	2.21	1.54	1.72
Book Value per Share	21.33	20.69	22.91	22.10	22.83





PHOTOGRAPH OF SHAREHOLDERS & OTHERS









PHOTOGRAPH OF SHAREHOLDERS & OTHERS









PHOTOGRAPH OF SHAREHOLDERS & OTHERS









INVESTORS' INFORMATION

Company Publication

The Company informs investors about the Company's business and operation by issuing an Annual Report (with Notice of Meeting) and other reports on financial statements like 1st quarter, half yearly & 3rd quarter (Un-audited).

Voting Rights

The voting rights of shareholders are set out in the Company's Articles of Association. Each holder of Ordinary shares is entitled to vote at any general Meeting of shareholders. On a show of hands, each holder of Ordinary shares is entitled to one vote. On a poll, one vote is counted for every Ordinary Shares. A person is not entitled to vote when disqualified by virtue of the restrictions contained in the Company's Articles of Association, Companies Act 1994 and other relevant laws of the land.

Inquiries

Shareholders with inquiries about registration of share transfer change of address and dividend payment etc. should contact the share Department at 9554778. Other questions should be directed to the Company Secretary at the registered office.

Stock Exchange

The Company's ordinary shares trade is on the Dhaka Stock Exchange Ltd. and on the Chittagong Stock Exchange Ltd. The marketable parcel on both the Stock Exchanges is 200 shares.

Share Department

CIC Tower (3rd Floor)
7-8 Motijheel Commercial Area
Dhaka-1000
Telephone - 9554778

SHORT PARTICULARS ABOUT DIRECTORS AND SENIOR CORPORATE OFFICIALS

Name	Status	Education	TIN	Directorship in other Companies/Experiences
Mr. Md. Nurul Islam	Chairman	B. Com.	399224756192	Proprietors-M/s. N. I. Trading Corporation & M/s. Islamia Auto Traders.
Mr. Mohammed Musa	Vice-Chairman	B. Com & M. Com	644279196908	MD-Madina Garments Ltd.
Alhaj Md. Abu Taher Chowdury	Director	B. Com.	679305213612	Proprietors-M/s. Fairuz Flour Mills
Mr. Md. Masud Hossain	Director	B. Com.	429223847831	Proprietor- M/s. M. N. Trading & Co.
Mrs. Nurun Nahar	Director	SSC	795267740185	House-wife
Mrs. Rosy Rahman	Director	HSC	287862539300	Director-Sonargaon Textiles Ltd.
Ms. Angee Chowdhury	Director	BBA (USA)	249342218081	Study in USA
Mr. Zoynal Abedin Chowdhury	Director	MBA (USA)	295253216758	CEO-ASM Chemical Industries Ltd.
Mr. Ifthehar Maleque	Director	L. L. M.	873021315206	DMD-Bengal Group BD.
Mr. Md. Masud Karim	Director	MBA (UK)	139748415395	MD-Masud Properties Ltd. Prop-M/s. A. K.R. Trade International
Md. Sazzad-un-Newaz	Director	MBA	540167830120	Director-Electro Mart Ltd. & Trade International Mkt. Ltd.
Mrs. Rokeya Begum	Director	B. Com.	538590113234	Director- KSRM Steel Plant Ltd.
Mrs. Tayeeba Alam	Director	B. A.	123765703044	House-wife
Mrs. Jahanara Yousuf	Director	B. A.	388-100-6966/15	House-wife
Mr. Tauhid Rahman	Director	BBA & MBA		Prop-M/s. AKASH Commodities.Global Prime Agency and Associated Islamia products Ltd.
Md. Abdullalh Zehad	Ind. Director	B. Com. (Hon), M. Com. Accounting & MBA	545317176630	GM & Company Secretary of Aziz Group and having 12 years prior experience as a corporate leader with the Reliance Insurance Company Ltd.
Md. Nurul Islam	Ind. Director	B. Sc (Hon's), M. Sc.	287152151517	Principal-Moulavi Shamsul Karim College, Feni
Mr. Abul Kalam	To be Director	Kamil	824604660698	Chairman- T. K. Group of Companies
Alhaj Md. Shahjahan	To be Director	B. Sc	377-100-1621	MD-KSRM, Royal Cement
Mrs. Shahida Nazneen	To be Director	B. Sc (Hon's), M. Sc.	854714914498	MD-Horizon Homes Ltd.
Md. Zahid Anwar Khan	CEO	B. Com (Hon's),M.Com.	161820807832	Having 27 years experience in Insurance Sector in Senior Position
Md. Mizanur Rahman	CFO	B. Com (Hon's)C.A Inter	210755562862	Having 29 years experience in Insurance Sector in Senior Position
Md. Jafar Ali ACS	Co. Secretary	BBA, MBA, ITP & CS	111983785449	Having 10 years Finance & Accounting & 4 years C. S. related Experience

DIRECTORS' CERTIFICATE

As per Regulations contained in the First Schedule of the Insurance Act, 1938 as amended and as per Section 40-C of the said Act, we certify that:

1. The value of investments as shown in the Balance Sheet has been taken at cost.

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, 2015 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values under the Several headings as enumerated in the annexed form.

3. All expenses of Management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous insurance business have been duly debited to the related Revenue Accounts and Profit & Loss Account.

(Md. Zahid Anwar Khan)	**(Md. Abdullah Zehad)**	**(Mohammed Musa)**	**(Md. Nurul Islam)**
Chief Executive Officer	Director	Director	Chairman

AUDITORS' REPORT

To the shareholders of Central Insurance Company Limited

We have audited the accompanying Financial Statements of Central Insurance Company Limited which comprises the Statement of Financial Position as at 31 December 2016, and the related Statement of Comprehensive Income, 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 statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), the companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Standards on Auditing (BSAs). Those standards require that we comply with relevant ethical requirement 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 amount and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider 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 principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of Central Insurance Company Limited as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and other applicable laws.

Emphasis of Matter

The management needs to establish the Workers Profit Participation Fund (WPPF) complying the Labor Act 2006 and as amended.

We also report that

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) 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;

c) the Company's Statement of Financial Position, Comprehensive Income Statement dealt with notes by the report are in agreement with the books of accounts and returns;

d) the expenditure incurred was for the purposes of the company's business;

e) As per section 40-C (2) of the Insurance Act 1938 as amended 2010, 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 in indirectly, in respect of insurance business of the Company transacted in Bangladesh during the year under report have been duly debited to the related Statement of Comprehensive Income of the Company; and

f) As per regulation 11 of part 1 of the Third Schedule of the Insurance Act 1938 as amended 2010, we certify that to the best of our information and as shown by its books, during the year under report has not paid any person any commission in any form outside Bangladesh in respect of its business re-insurance aboard.

Place : Dhaka
Date: 30.03.2017

G. Kibria & Co.
Chartered Accountants

Central Insurance Company Limited

STATEMENT OF FINANCIAL POSITION AS

CAPITAL & LIABILITIES	NOTES	Taka 2016	Taka 2015
SHARE CAPITAL			
AUTHORISED			
100,000,000 Ordinary shares of Tk.10 each	2.00	1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND PAID UP		448,408,570	448,408,570
44,840,857 Ordinary shares of Tk.10 each			
SHARE PREMIUM		56,167,900	56,167,900
11,233,580 Ordinary shares of Tk.5 each			
RESERVE OR CONTINGENCY ACCOUNT	3.00	519,026,238	486,618,073
Reserve for exceptional losses		214,623,492	190,437,394
General Reserve		29,000,000	29,000,000
Investment Equalization Fund		14,600,000	14,600,000
Revaluation Reserve		206,599,638	206,599,638
Profit & Loss Appropriation Account		54,203,108	45,981,041
BALANCE OF FUND & ACCOUNT	4.00	97,211,979	88,930,256
Fire Insurance Business Account		38,615,232	41,062,742
Marine Insurance Business Account		41,338,847	35,436,927
Motor Insurance Business Account		13,690,584	10,037,686
Misc. Insurance Business Account		3,567,316	2,392,901
DEPOSIT PREMIUM	5.00	21,320,400	43,665,488
LIABILITIES & PROVISIONS		82,384,304	126,745,283
Estimated liability in respect of outstanding- claims whether due or intimated	6.00	20,330,953	20,518,158
Amount due to other persons or bodies- carrying on insurance business	7.00	62,053,351	106,227,125
SUNDRY CREDITORS (Including provision for expenses & taxes)	8.00	354,222,531	320,222,736
OTHER LIABILITIES (Bank Overdraft)	9.00	29,888,785	54,847,014
Total Taka :		**1,608,630,707**	**1,625,605,320**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

AT DECEMBER 31,2016

PROPERTY & ASSETS	NOTES	Taka 2016	Taka 2015
INVESTMENT (At cost)	10.00	190,863,883	185,098,354
OUTSTANDING PREMIUM		-	-
INTEREST, DIVIDEND & RENT OUTSTANDING	11.00	17,352,262	26,432,481
Accrued Interest			
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS	12.00	161,999,275	182,791,886
SUNDRY DEBTORS	13.00	261,242,469	215,659,627
CASH AND BANK BALANCES	14.00	546,475,806	589,786,224
Fixed Deposit Accounts		520,600,010	551,801,010
Current and STD Accounts		24,148,973	28,005,790
Cash and Cash Equivalents		1,726,823	9,979,424
OTHER ACCOUNTS		430,697,012	425,836,748
Property, Building & Land Development	15.00	409,485,276	402,818,229
Plant, Office Equipments & Other Fixed Assets	16.00	19,833,431	22,273,617
Stock of Stationery	17.00	414,714	392,196
Security Deposit	18.00	162,175	162,175
Insurance Stamps in hand	19.00	801,416	190,531
Total Taka :		**1,608,630,707**	**1,625,605,320**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

Central Insurance Company Limited

STATEMENT OF COMPREHENSIVE INCOME FOR

	Taka 2016	Taka 2015
Expenses of Management		
(Not Applicable to any particular Fund or Account)	8,917,915	8,437,262
Advertisement & Publicity	614,678	345,461
Directors Meeting Fee	503,750	539,250
Audit and Retainers Fee	276,500	267,650
Legal and Professional Fees	391,500	612,250
Contribution and Subscription	1,387,507	1,113,839
Fees, Registration & Renewal	1,648,532	1,327,794
Group Insurance Premium	417,195	457,572
Depreciation	3,678,253	3,773,446
Profit/Loss for the year transferred to Profit & Loss Appropriation Account	107,206,221	97,465,648
Total Taka :	**116,124,136**	**105,902,910**

PROFIT AND LOSS APPROPRIATION ACCOUNT FOR

	Taka 2016	Taka 2015
Reserve for Exceptional Losses	24,186,098	22,118,630
Provision for Taxation	29,457,200	27,335,534
Deferred Income Tax		399,737
Provision for Gruatuity Fund	500,000	500,000
Provision for General Reserve		2,000,000
Provision for Investment Equalization Fund	-	-
Balance transferred to Balance Sheet	54,203,108	45,981,041
Total Taka :	**108,346,406**	**98,334,942**
Earnings Per Share (EPS) (Note # 22.00)	1.72	1.54

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	Taka 2016	Taka 2015
INTEREST, DIVIDEND AND RENTS		
(Not Applicable to any particular Fund or Account)		
Interest Received and Accrued	39,563,585	53,948,555
House Rent Income	23,258,300	18,319,200
Dividend Income	2,925,125	2,574,601
Capital Gain/(Loss) on Sale of Share	(1,037,277)	(6,827)
Revenue Gain on Sale of Car	-	278,389
PROFIT OR (LOSS) TRANSFERRED FROM	51,414,403	30,788,992
Fire Revenue Account	6,665,478	1,702,369
Marine Revenue Account	33,823,499	21,032,994
Motor Revenue Account	6,756,736	4,536,700
Miscellaneous Revenue Account	4,168,690	3,516,929
Total Taka :	**116,124,136**	**105,902,910**

THE YEAR ENDED DECEMBER 31, 2016

	Taka 2016	Taka 2015
Balance brought forward from last year	1,140,185	869,294
Net Profit for the year (Transferred from Profit and Loss Account)	107,206,221	97,465,648
Total Taka :	**108,346,406**	**98,334,942**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

Central Insurance Company Limited

CONSOLIDATED BUSINESS REVENUE ACCOUNT FOR

	TAKA 2016	TAKA 2015
CLAIMS UNDER POLICIES LESS RE-INSURANCE	29,504,135	36,834,627
Paid during the year	29,691,340	46,503,970
Total estimated liability in respect of outstanding claim at the end of the year whether due or intimated	20,330,953	20,518,158
	50,022,293	67,022,128
Less: Outstanding at the beginning of the year	20,518,158	30,187,501
Agency Commission	44,985,614	40,889,211
Expenses of Management	129,237,239	116,598,106
BALANCE OF ACCOUNT AT THE END OF THE YEAR as shown in the Balance Sheet :		
Reserve for unexpired risks being 100% for Marine Hull & 40% for other insurance on net premium income	97,211,979	88,930,256
Profit/(Loss) Transferred To Profit & Loss Account	51,414,403	30,788,992
Total Taka :	**352,353,370**	**314,041,192**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	TAKA 2016	TAKA 2015
Balance of Account at the Beginning of the year	88,930,256	81,702,282
Premium Less Re- Insurance (Notes-20.00)	241,860,975	221,186,298
Commission on Re- Insurance ceded	21,562,139	11,152,612
Total Taka :	**352,353,370**	**314,041,192**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

AMAR STOCK

Central Insurance Company Limited

FIRE INSURANCE REVENUE ACCOUNT FOR

	TAKA 2016	TAKA 2015
CLAIMS UNDER POLICIES LESS RE- INSURANCE	22,346,275	21,907,649
Paid during the year	25,089,132	30,543,853
Total estimated liability in respect of outstanding claims- at the end of the year whether due or intimated	4,297,546	7,040,403
	29,386,678	37,584,256
Less: Outstanding at the end of the previous year	7,040,403	15,676,607
Agency Commission	21,407,237	19,560,121
Expenses of Management	60,163,277	54,719,418
BALANCE OF ACCOUNT AT THE END OF THE YEAR		
Reserve for unexpired risks @ 40 % of premium income of the year	38,615,232	41,062,742
Profit /(Loss) transferred to Profit & Loss Account	6,665,478	1,702,369
Total Taka	**149,197,499**	**138,952,299**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	TAKA 2016	TAKA 2015
Balance of Account at the beginning of the year	41,062,743	31,252,117
Premium Less Re- Insurance	96,538,080	102,656,856
Commission on Re- Insurances ceded	11,596,676	5,043,326
Total Taka	**149,197,499**	**138,952,299**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

AMAR STOCK

Central Insurance Company Limited

MARINE INSURANCE REVENUE ACCOUNT FOR

	TAKA 2016	TAKA 2015
CLAIMS UNDER POLICIES LESS RE- INSURANCE	2,779,839	11,949,441
Paid during the year	178,763	13,596,704
Total estimated liability in respect of outstanding claim- at the end of the year whether due or intimated	13,507,390	10,906,314
	13,686,153	24,503,018
Less: Outstanding at the end of the previous year	10,906,314	12,553,577
Agency Commission	17,129,541	15,935,926
Expenses of Management	49,018,499	45,597,378
BALANCE OF ACCOUNT AT THE END OF THE YEAR		
Reserve for unexpired risks @ 40 % of Marine Cargo- and @ 100 % of Marine Hull premium income of the year	41,338,847	35,436,927
Porfit/(Loss) transferred to Profit & Loss Account	33,823,499	21,032,994
Total Taka	**144,090,225**	**129,952,666**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	TAKA 2016	TAKA 2015
Balance of Account at the beginning of the year	35,436,927	38,343,761
Premium Less Re- Insurance	102,178,144	87,452,975
Commission on Re- Insurance ceded	6,475,154	4,155,930
Total Taka	**144,090,225**	**129,952,666**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

AMAR STOCK

Central Insurance Company Limited

MOTOR INSURANCE REVENUE ACCOUNT FOR

	TAKA 2016	TAKA 2015
CLAIMS UNDER POLICIES LESS RE- INSURANCE	4,356,947	2,936,312
Paid during the year	4,402,371	2,322,188
Total estimated liability in respect of outstanding claim- at the end of the year whether due or intimated	2,441,300	2,486,724
	6,843,671	4,808,912
Less: Outstanding at the beginning of the year	2,486,724	1,872,600
Agency Commission	5,075,277	4,397,550
Expenses of Management	14,384,601	12,395,031
BALANCE OF ACCOUNT AT THE END OF THE YEAR		
Reserve for unexpired risks @ 40 % of premium income of the year	13,690,584	10,037,686
Profit/(Loss) transferred to Profit & Loss Account	6,756,736	4,536,700
Total Taka	**44,264,145**	**34,303,279**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	TAKA 2016	TAKA 2015
Balance of Account at the beginning of the year	10,037,685	9,172,825
Premium Less Re- Insurance	34,226,460	25,094,214
Commission on Re- Insurance ceded	-	36,240
Total Taka	**44,264,145**	**34,303,279**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

AMAR STOCK

Central Insurance Company Limited

MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR

	TAKA 2016	TAKA 2015
CLAIMS UNDER POLICIES LESS RE- INSURANCE	21,074	41,225
Paid during the year	21,074	41,225
Total estimated liability in respect of outstanding claim-		
at the end of the year whether due or intimated	84,717	84,717
	105,791	125,942
Less: Outstanding at the beginning of the year	84,717	84,717
Agency Commission	1,373,559	995,614
Expenses of Management	5,670,862	3,886,279
BALANCE OF ACCOUNT AT THE END OF THE YEAR		
Reserve for unexpired risks @ 40 % of Net premium	3,567,316	2,392,901
Porfit/(Loss) transferred to Profit & Loss Account	4,168,690	3,516,929
Total Taka:	**14,801,501**	**10,832,948**

The annexure notes form an integral part of these Financial Statements.

Date: 30.03.2017

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

Central Insurance Company Limited

THE YEAR ENDED DECEMBER 31, 2016

	TAKA 2016	TAKA 2015
Balance of Account at the beginning of the year	2,392,901	2,933,579
Premium Less Re- Insurance	8,918,291	5,982,253
Commission on Re- Insurance ceded	3,490,309	1,917,116
Total Taka:	**14,801,501**	**10,832,948**

Signed in terms of our separate report of even date

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

AMAR STOCK

Central Insurance Company Limited

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

Particulars	Share Capital	Share Premium	Reserve for Exceptional Loss	General Reserve & Investment Equalization Fund	Revaluation Reserve	Retained Earnings	Total
Opening Balance as on 01-01-2016	448,408,570	56,167,900	190,437,394	43,600,000	206,599,638	45,981,042	991,194,544
Cash Dividend			-	-		(44,840,857)	(44,840,857)
Net Profit (after taxation and provision)	-		-	-		77,249,021	77,249,021
Reserve for Exceptional Lossess	-		24,186,098	-		(24,186,098)	-
Closing Balance as on 31-12-2016	448,408,570	56,167,900	214,623,492	43,600,000	206,599,638	54,203,108	1,023,602,708
Opening Balance as on 01-01-2015	415,193,120	56,167,900	168,318,764	41,600,000	206,599,638	63,148,263	951,027,685
Dividend Paid (Stock)	33,215,450		-	-		(33,215,450)	-
Cash Dividend			-	-		(29,063,518)	(29,063,518)
Net Profit (after taxation and provision)	-		-	-		69,230,377	69,230,377
Reserve for Exceptional Lossess	-		22,118,630	-		(22,118,630)	-
General Reserve	-		-	2,000,000		(2,000,000)	-
Investment Equalization Fund				-		-	-
Closing Balance as on 31-12-2015	448,408,570	56,167,900	190,437,394	43,600,000	206,599,638	45,981,042	991,194,544
The annexure notes form an integral part of these Financial Statements.				Signed in terms of our separate report of even date			

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

(Mohammed Musa)
Vice Chairman

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

Central Insurance Company Limited

STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2016

		2016 Taka	2015 Taka
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Collection from premium and other income	342,268,738	350,227,848
	Income Tax paid	(26,820,650)	(29,675,401)
	Payment for Management Exp. Re-Insurance & Claim	(275,125,135)	(267,506,071)
	Net cash flow from operating activities	**40,322,953**	**53,046,376**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets (Addition)	(8,134,114)	(30,195,433)
	Sale of Fixed Assets	-	310,000
	Investment Enhancement	(5,765,530)	(5,738,652)
	Net cash flow from investing activities	**(13,899,644)**	**(35,624,085)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Overdraft	(24,958,229)	12,458,807
	Dividend Paid	(44,775,498)	(28,559,345)
	Net cash flow from Financing activities	**(69,733,727)**	**(16,100,538)**
D.	**Net inflows/(out flows) for the year (A+B+C)**	**(43,310,418)**	**1,321,753**
E.	**Opening Cash and Bank balance**	589,786,224	588,464,471
F.	**Closing Cash and Bank balances (D + E)**	**546,475,806**	**589,786,224**
	Net operating cash flow per share (NOCFPS)	**0.90**	**1.18**

The annexure notes form an integral part of these Financial Statements.

Signed in terms of our separate report of even date

(Md. Zahid Anwar Khan) Chief Executive Officer	**(Md. Abdullah Zehad)** Director	**(Mohammed Musa)** Director	**(Md. Nurul Islam)** Chairman

G. Kibria & Co.
Chartered Accountants

AMARSTOCK

Form "AA"

CLASSIFIED SUMMARY OF ASSETS AS ON DECEMBER 31, 2016

			(IN TAKA)
PARTICULARS	BOOK VALUE AS PER BALANCE SHEET	MARKET VALUE	REMARKS
Bangladesh Government Treasury Bond (BGTB)	25,000,000	25,000,000	Not quoted in market
Investment in Share	65,864,183	56,121,738	do
Investment in CIC Investment Ltd.	99,999,700	99,999,700	do
In Fixed deposit with Bank	520,600,010	520,600,010	do
In STD A/C. with Banks	24,014,523	24,014,523	do
Cash in Hand	1,726,823	1,726,823	do
Accrued interest	17,352,262	17,352,262	do
At call on short notice	134,450	134,450	do
OTHER ASSETS:			
Amount due from other Persons or bodies carrying on insurance business	161,999,275	161,999,275	do
Sundry Debtors	261,242,469	261,242,469	do
Stock in Stationery	414,714	414,714	At cost
Security Deposit	162,175	162,175	do
Stamps in hand	801,416	801,416	do
Property, Plant & Equipments (at cost less depreciation)	429,318,707	429,318,707	Depreciated value (Except Land and Development Cost)
Total	**1,608,630,707**	**1,598,888,262**	

Certificate u/s 7 (a) of part of the first schedule to the Insurance Act, 1938. Certified that the value of all assets have been reviewd, that the said costs have been set forth in the balance sheet at amounts not exceeding their realizable or market value.

Notes form the integral part of these financial statements.

(Md. Zahid Anwar Khan)
Chief Executive Officer

(Md. Abdullah Zehad)
Director

(Mohammed Musa)
Director

(Md. Nurul Islam)
Chairman

G. Kibria & Co.
Chartered Accountants

Central Insurance Company Limited

SCHEDULE OF PROPERTY PLANT & OFFICE EQUIPMENT AS ON DECEMBER 31, 2016

Schedule-A

Sl #	Particulars	Cost				Rate of Dep	Depreciation				Written Down value as on 31/12/2016
		As on 1/1/2016	Addition during the year	Adjusted during the year	Total As on 31/12/2016		As on 31/12/2016	Charge during the year	Adjusted during the year	Total as on 31/12/2016	
1	Furniture & Fixture	8,947,682	217,139		9,164,821	10%	6,751,055.00	232,018.00		6,983,073	2,181,748.00
2	Office Decoration	24,947,030	97,620		25,044,650	10%	18,775,840.00	619,185.00		19,395,025	5,649,625.00
3	Office Equipment	9,438,167	-		9,438,167	15%	8,403,821.00	155,152.00		8,558,973	879,194.00
4	Electrical Equipment	3,321,777	139,832		3,461,609	15%	1,290,419.00	315,611.00		1,606,030	1,855,579.00
5	Motor Vehicle	31,483,899	-	(229,000)	31,254,899	20%	23,366,013.00	1,623,577.00	(12,924.00)	24,976,666	6,278,233.00
6	Telephone Installation	2,651,072	81,900		2,732,972	20%	2,545,920.00	32,877.00		2,578,797	154,175.00
7	Air Cooler	4,153,963	q -		4,153,963	15%	3,367,779.00	117,928.00		3,485,707	668,256.00
8	Computer & Software	3,510,970	930,576		4,441,546	25%	1,746,053.00	578,340.00		2,324,393	2,117,153.00
9	Sundry Assets	785,861	-		785,861	25%	719,904.00	16,489.00		736,393	49,468.00
	Sub total	**89,240,421**	**1,467,067**	**(229,000)**	**90,478,488**		**66,966,804.00**	**3,691,177.00**	**(12,924.00)**	**70,645,057**	**19,833,431.00**
10	**Land & Land Development :**										
a.	7-8 Motijheel	268,172,500	-		268,172,500						268,172,500
b.	Kawranbazar	43,200,000	-		43,200,000						43,200,000
c.	Building Under Constraction (K.B)	91,445,729	6,667,047		98,112,776						98,112,776
	Sub total	**402,818,229**	**6,667,047**	**-**	**409,485,276**		**-**	**-**	**-**	**-**	**409,485,276**
	Grand Total :	**492,058,650**	**8,134,114**	**(229,000)**	**499,963,764**		**66,966,804**	**3,691,177.00**	**(12,924.00)**	**70,645,057**	**429,318,707**

Central Insurance Company Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

1.00 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICES:

A. NOTES GENERAL

A.01 BUSINESS DESCRIPTION:

The Central Insurance Co. Ltd. was incorporated as a Public Limited Company on November 12, 1987 under the Companies Act, 1913 having registered office in Bangladesh. The Company went into public issue during 1994 and its shares are listed with both Dhaka and Chittagong Stock Exchange of Bangladesh.

The principal place of business of the Company is at Central Insurance Bhaban (3rd & 4th Floor), 7-8, Motijheel C/A, Dhaka-1000, Bangladesh which is also the Registered Office of the Company.

The Company has form another subsidiary company viz; Central Insurance Investment Ltd. with a view to carry out business activity of Merchant Bank, but the premission for operating business as Merchant Bank not yet obtained.

A.02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared on going concern basis under historical cost convention, cash flow statement has been prepared on Direct Method and accrual basis of accounting has been followed.

A.03 COMPLIANCE WITH LOCAL LAWS:

The financial statements have been prepared in compliance with requirement of the Companies Act,1994, Securities & Exchange Rules 1987, Insurance Act, 1938 amended Act of 2010 Insurance Rules 1958 and other relevant local laws. The cash flow from operating activities are computed under direct method.

A.04 COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS:

The financial statements have been prepared as at December 31, 2016 in compliance with requirement of the International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), approved by the International Accounting Standard Board (IASB) and as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) and other regulations applicable in Bangladesh.

A.05 REPORTING CURRENCY:

The financial statements are presented in Bangladesh currency (Taka) which have been rounded off to the nearest Taka except indicated otherwise.

A.06 ACCOUNTING PERIOD:

The Financial period of the Insurance Company covers one year from January 01, 2016 to December 31, 2016.

A.07 GENERAL

Figures of previous periods have been rearranged wherever necessary to conform the current period's presentation.

B. SIGNIFICANT ACCOUNTING POLICIES

B.01 INVESTMENT:

i. Investment are stated at cost of acquisition.
ii. Income on Investment, Other than shares are accounted for on accrual basis.
iii. Dividend income on Investment in shares are accounted for in the year of receipt of such dividend.
iv. Gain on sale of shares are accounted for on actual realization basis.

B.02 Property, Plant & Equipments :

All assets of the Company shown in financial statement that are with in the scope of BAS-36, are in physical existence and valued on more than their recoverable amount following International Accounting Standards adopted by ICAB, disclosures with regards to "Impairment of Assets" as per BAS 36 have not been considered necessary.

Property, Plant and Equipment are depreciated following the reducing balance method on the basis of life expectancy of the assets in accordance with BAS-16. Depreciation on newly acquired assets is charged according to the date of acquisition. A comprehensive fixed Assets Register is to be introduced by the Company which at present are not maintaining.

Land and land development stated at revalued price during the year [Note 16.00] and no depreciation has been charged on the value of land and land development. Depreciation charged on all other fixed assets at a rate mentioned below :

a) Furniture and fixtures	10%	f) Telephone Installation	20%
b) Office Equipment	15%	g) Sundry Assets	25%
c) Office decoration	10%	h) Electrical Equipments	15%
d) Air Cooler	15%	i)Computer & Software	25%
e) Motor Vehicles	20%		

Operating Lease :

The Company purchased 3 (three) motor vehicles by taking loans from the leasing companies. Details of operating lease of vehicles are shown below :

Particulars	**Car No. 35-9239**	**Car No. 22-0815**	**Car No. 35-9410**
Total Lease Amount	1,525,000	1,800,000	2,205,000
Down Payment	500,000	-	-
Monthly Installments	28,472	59,786	74,030
Total number of installments	36	36	36
Total number of installments paid	34	24	16
No. of installments over due	2	12	20

B.03 SHARE OF PUBLIC SECTOR BUSINESS:

Company's share of public sector business is accounted for in the period for four quarters commencing from January 2015 to December 2015 for which the complete statement of accounts from Sadharan Bima Corporation (SBC) has been received and which was consistently followed by the Company.

B.04 PROVISION FOR TAX:

During the year under audited provision for income tax has been made @ 40.00% as per financial Act 2016.

B.05 CLASSIFIED SUMMARY OF ASSETS:

The valuation of all assets as at December 31, 2016 as shown in the financial statements and in the classified summary of Assets on Form "AA" annexed with the report have been reviewed and the said assets have been set-forth in the financial statements at amount not exceeding their realizable or market value in aggregate except cost of shares.

B.06 EMPLOYEE'S BENEFIT PLAN:

Company has introduced gratuity benefit for its permanent employees as per board decision those who has been working since 1st April, 2006 are entitled to get this benefit and company contributes @ 10% of basic salary of the employee to contributory provident fund which is wholly administrated by a Board of Trustees. The gratuity fund was not recognised by the NBR.

B.07 EARNING PER SHARE (EPS):

The company calculates Earning Per Share (EPS) in accordance with the International Accounting Standards - IAS-33
"Earning Per share" as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

B.08 RESERVE FOR EXCEPTIONAL LOSSES:

As per Para 6 of 4th Schedule, to meet the exceptional lossess, company sets aside 10% of the the premium income of the year in which it is set aside from the balance of the profit to Reserve for exceptional losses. As per Insurance Act 1938 as amended 2010, 10% statutory reserve is maintained out of profit by the company to meet any possible future claims on net premium income during the year.

B.09 REVENUE RECOGNITION:

Revenues are generated from premium income received against the insurance policies and by adjusting the deposit premium received against Cover Note.

B.10 CASH & CASH EQUIVALENTS:

According to BAS-7 "Cash flow statement" Cash comprises cash in hand and demand deposit and cash equivalents are short term, high liquid investments that are readily convertible to know amount of cash and which are subject to an insignificant risk of changes in value, BAS-1 "Presentation of Financial Statements" also provides that cash equivalents are those which have no restriction in use considering the provision of BAS-7 and BAS-1, cash in hand and Bank balance have been considered as cash and Cash equivalents.

B.11 DEFERRED TAX LIABILITIES:

Deferred tax liabilities is recognized for all taxable temporary differences. Accordingly tax liability is created and provided in the profit & loss appropriation account. Provision for deferred tax liabilities has been provided in the accounts against BAS-12. Deferred tax calculation are shown in note no. 8.01.

2.00 SHARE CAPITAL :

Authorized shares capital Tk. 1,000,000,000

100,000,000 Ordinary Shares of Tk. 10 each.

Issued, Subscribed & Paid-up Capital : Tk.448,408,570

44,840,857 ordinary shares of Tk.10 each

The Category wise shareholding position as on 31 December, 2016 are noted below :

Category of Shareholders	No. of Shares	% of Holdings	Amount Tk.
1. Sponsors & Directors (Group -A)	19,921,999	44.43	199,219,990
2. ICB & Institutions (Group -B)	8,303,402	18.52	83,034,020
3. General Public (Group-B)	16,615,456	37.05	166,154,560
Total	**44,840,857**	**100.00**	**448,408,570**

Classification of Shareholders according to holding of shares :

i) Group -A

Class Interval	No. of Shares	No. of Shareholders	Total Holding%	% of Total Paid Up-Capital
Less than 5000 Shares	2,561	1	0.01	0.01
5001-10,000	-	-	0	0
10,001-50,000	18,239	1	0.09	0.04
50,001-100,000	-	-	0.00	0
100,001-200,000	571,476	4	2.87	1.27
200,001-500,000	1,802,399	5	9.05	4.02
500,001-1,000,000	12,404,563	14	62.27	27.67
1,000,001-2,000,000	5,122,761	4	25.71	11.42
Total of (A)	**19,921,999**	**29**	**100.00**	**44.43**

ii) Group -B

Class Interval	No. of Shares	No. of Shareholders	Total Holding%	% of Total Paid Up-Capital
Less than 5000 Shares	7,333,502	3,436	29.43	16.35
5001-10,000	547,276	71	2.20	1.22
10,001-50,000	2,162,265	99	8.68	4.82
50,001-100,000	1,160,611	20	4.66	2.59
100,001-200,000	2,301,836	16	9.24	5.13
200,001-500,000	2,687,146	9	10.78	5.99
500,001-1,000,000	4,427,019	6	17.77	9.87
1,000,001-2,000,000	1,418,040	1	5.69	3.16
2,000,001-3,000,000	2,881,163	1	11.56	6.43
Total of (B)	**24,918,858**	**3,659**	**100.00**	**55.57**

Grand Total (A +B)	**44,840,857**	**3,688**		**100.00**

This shares are listed with both DSE and CSE.

		2016		2015
3.00	**RESERVE OR CONTINGENCY ACCOUNT:**	**519,026,238**	**Tk.**	**486,618,073**

This has been made up as under:

A. Reserve or contingency account :		
Balance as on January 01, 2016	440,637,032	416,518,402
Add: Reserve for Exceptional Loss for the year	24,186,098	22,118,630
Add: General Reserve for the year	-	2,000,000
Sub Total	**464,823,130**	**440,637,032**
B. Profit & Loss Appropriation Account :		
Undistributed Profit up to financial statement Date	54,203,108	45,981,041
Grand Total	**519,026,238**	**486,618,073**

4.00	**BALANCE OF FUND & ACCOUNT:**	**Tk.**	**97,211,979**	**Tk.** **88,930,256**

This has been made up as under:

Fire Revenue Account	38,615,232	41,062,742
Marine Revenue Account	41,338,847	35,436,927
Motor Revenue Account	13,690,584	10,037,686
Miscellaneous Revenue Account	3,567,316	2,392,901
Total Taka	**97,211,979**	**88,930,256**

5.00	**DEPOSIT PREMIUM :**	**Tk.**	**21,320,400**	**Tk.** **43,665,488**

The above balance represents the premium, stamp duty and VAT received against cover-notes for which policies have not yet been issued.

6.00	**ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIMS AT THE END OF THE PERIOD WHETHER DUE OR INTIMATED :**	**Tk.**	**20,330,953**	**Tk.** **20,518,158**

The break up of the above is as under:

Fire Insurance	4,297,546	7,040,403
Marine Insurance	13,507,390	10,906,314
Motor Insurance	2,441,300	2,486,724
Miscellaneous Insurance	84,717	84,717
Total Taka	**20,330,953**	**20,518,158**

7.00	**AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS :**	**Tk.**	**62,053,351**	**Tk.** **106,227,125**

The break up of the above is as follows:

Sadharan Bima Corporation	60,501,274	104,675,048
Other Insurance Companies of Bangladesh	1,552,077	1,552,077
Total Taka :	**62,053,351**	**106,227,125**

8.00 SUNDRY CREDITORS : Tk. 354,222,531 Tk. 320,222,736

This has been made up as under

Provision for Income Tax	221,520,604	192,063,404
Bills Payable	948,841	955,707
Security Deposit (Open Cover)	250,000	250,000
Advance Rent Receive	16,003,788	17,578,800
Provision for Audit Fee	130,000	105,000
Income Tax Deduction at source	567,828	324,987
VAT deducted at source	144,939	144,939
Dividend Payable	2,889,942	2,824,583
Deferred Income Tax (Note no.8.01)	1,686,559	1,686,559
Provision for Bonus	3,825,919	2,427,279
Excess Deposit Premium	87,353	19,795
Premium Payable on Co-Ins. Share	282,156	203,433
Death Claim Group Insurance Premium	1,956,500	585,000
Loan from Central Insurance Investment Ltd.	99,245,000	99,245,000
Loan from IDLC Finance Ltd.	1,663,214	-
Security Deposit (Contractor)	940,000	940,000
Provision for Provident Fund	552,884	-
Provision for Deduction Ag. PF Loan	247,554	-
Provision for Gruatuity (Note no.8.02)	1,279,450	868,250
Total Taka	**354,222,531**	**320,222,736**

8.01 DEFERRED TAX : 1,686,559 Tk. 1,686,559

Written down value of Fixed Assets as per financial statement	-	22,273,617
Written down value of Fixed Assets as per tax basis	-	21,274,275
Taxable temporary difference	-	999,342
Current year Deferred tax liabilities	-	399,737
Add. Opening Deferred tax liabilities	1,686,559	1,286,822
Total Taka	**1,686,559**	**1,686,559**

Deferred tax is not calculated in the current year.

8.02 PROVISION FOR GRUATUITY : Tk. 1,279,450 Tk. 868,250

Opening Balance	868,250	500,000
Less : Paid during the year	88,800	131,750
	779,450	368,250
Add : Provision made during the	500,000	500,000
Closing Balance	**1,279,450**	**868,250**

9.00 BANK OVERDRAFT : Tk. 29,888,785 Tk. 54,847,014

The above mentioned overdrawn facility was allowed by the bank as mentioned below against lien of Fixed Deposit of the Company.

Social Islami Bank Ltd., Principal Br., A/c # 36832	-	52,769,451
Social Islami Bank Ltd., Principal Br., A/c # 37181	-	2,077,563
Social Islami Bank Ltd., Principal Br., A/c # 38485	12,731,914	-
Social Islami Bank Ltd., Principal Br., A/c # 38531	5,752,073	-
Social Islami Bank Ltd., Principal Br., A/c # 39058	6,055,594	-
Social Islami Bank Ltd., Principal Br., A/c # 39069	1,816,130	-
Social Islami Bank Ltd., Principal Br., A/c # 39082	505,074	-
Social Islami Bank Ltd., Principal Br., A/c # 39159	1,507,213	-
Social Islami Bank Ltd., Principal Br., A/c # 39205	1,520,787	-
Total Taka:	**29,888,785**	**54,847,014**

10.00 INVESTMENT: Tk. 190,863,883 Tk. 185,098,354

This is made up as follows.

Bangladesh Government Treasury Bond (BGTB)	25,000,000	25,000,000
Investment in Share	65,864,183	60,098,654
Investment in CIC Investment Ltd.	99,999,700	99,999,700
Total Taka:	**190,863,883**	**185,098,354**

Value of share has been shown at cost price which was inflated by Tk. 9,742,445 as per market price as on 31.12.2016 and are shown in annexure-1. Moreover unquoted shares also shown at cost price. Considering the instability in stock market the company has made a cumulative provision amounting taka 14,600,000 for unrealized loss on the investment in share and no provision was considered in this year considering that the total provision covers the total expected losses.

11.00 INTEREST, DIVIDEND & RENT OUTSTANDING: Tk. 17,352,262 26,432,481

The amount represents interest receivable on Bangladesh Government Treasury Bond (BGTB) and Fixed Deposit

Receipts (FDR) as on the date of financial statement.

Fixed Deposit Receipt (FDR)	16,318,666	25,398,885
Bangladesh Government Treasury Bond (BGTB)	1,033,596	1,033,596
Total Taka:	**17,352,262**	**26,432,481**

12.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: Tk. 161,999,275 Tk. 182,791,886

The break up of the above is as follows:

Sadharan Bima Corporation	158,485,551	179,278,162
Other Insurance Companies of Bangladesh	3,513,724	3,513,724
Total Taka:	**161,999,275**	**182,791,886**

13.00 SUNDRY DEBTORS : Tk. 261,242,469 Tk. 215,659,627

The break up of the above is as follows:

Advance Against Salary	791,142	930,528
Advance Against Floor Purchases	11,047,410	-
Advance Against Office Rent	989,469	1,018,048
Advance Income Tax	205,214,324	180,056,589
Advance Against Printing	300,000	350,000
Advance Against Car on HP	3,624,584	1,003,354
Advance Against Motor Cycle on HP	527,138	-
Advance Income Tax Against House Rent	5,330,688	4,167,773
Advance Against CIC Investment	2,705,389	2,653,926
Bills Receivable	1,319,699	1,143,386
Bank Guarantee	20,406,927	20,710,418
Agent Balance	8,985,699	3,625,605
Total Taka:	**261,242,469**	**215,659,627**

The above debts are considered good for realization / adjustment.

14.00 CASH AND BANK BALANCES: 546,475,806 Tk. 589,786,224

The break up of the above is as follows :

A) At Bank		
Short Term Deposit	24,014,523	27,455,679
Current Deposit	134,450	550,111
Fixed Deposit	520,600,010	551,801,010
	544,748,983	579,806,800
B) Cash and Cash Equivalents	1,726,823	9,979,424
Total Taka:	**546,475,806**	**589,786,224**

15.00 PROPERTY, BUILDING & LAND DEVELOPMENT : TK. 409,485,276 Tk. 402,818,229

The above value represents the revalued price of Land and Land Development at the financial statement date. They has employed an independent valued viz. A. Wahab & Co., Chartered Accounted during the year 2009 and the value arrived as under:

Land at Kawran Bazar Area	43,200,000	43,200,000
Land and building at 7-8 Motijheel	268,172,500	268,172,500
Building Under Construction (Kawran Bazar)	98,112,776	91,445,729
Total Taka:	**409,485,276**	**402,818,229**

16.00 PLANT, OFFICE EQUIPMENTS & OTHER FIXED ASSETS TK. 19,833,431 Tk. 22,273,617

The above balance represents written down value of the Plant, Office Equipments & Other Fixed Assets as financial statement date, Details of the fixed assets are shown in Schedule A.

17.00 STOCK OF STATIONERY : Tk. 414,714 Tk. 392,196

The stock of stationery was valued at cost price or net realizable value whichever is lower.

18.00 SECURITY DEPOSIT : **Tk.** **162,175** **Tk.** **162,175**

This represents the security money deposited against Bangladesh Telephone & Telegraph Board (BTTB), Bangladesh Power Development Board (BPDB) and Dhaka Electric Supply Authority (DESA).

19.00 INSURANCE STAMP IN HAND : **Tk.** 801,416 **Tk.** 190,531

This represents unused insurance stamp in hand at the end of the period and was valued at cost price.

20.00 PREMIUM LESS RE-INSURANCE : **Tk.** 241,860,975 **Tk.** 221,186,298

This represents net premium from Direct Business and Government Business.

					2016	2015
	Class of Business	**Gross Premium**	**Re-Insurance Accepted**	**Re-Insurance Ceded**	**Net Premium**	**Net Premium**
	Fire	145,722,728	-	49,184,647	96,538,081	102,656,856
	Marine	128,161,842	-	25,983,699	102,178,143	87,452,975
	Motor	36,096,460	-	1,870,000	34,226,460	25,094,214
	Misc.	33,194,073	-	24,275,782	8,918,291	5,982,253
	Total Tk.	**343,175,103**	**-**	**101,314,128**	**241,860,975**	**221,186,298**

21.00 Compliance of Section 40C of Insurance Act, 1938

A. The Section 40C deals with the limitation of Expenses of Management of General Insurance business and in the light of the Section 40C and Rule 40 the Insurance Rule, 1958 the comparative figure of Management Expenses is given below:

Class	Level of Premium	Rate	Allowable Expenses	Actual Expenses	Variance	Remarks
Income from Fire Business						
First	10,000,000	30%	3,000,000			
Next	10,000,000	25%	2,500,000			
Next	10,000,000	24%	2,400,000			
Next	10,000,000	24%	2,400,000			
Next	10,000,000	23%	2,300,000			
Next	10,000,000	22%	2,200,000			
Next	12,500,000	18%	2,250,000			
Balance	73,222,728	16%	11,715,636			
Sub-Total	**145,722,728**		**28,765,636**			

Income from Motor and Misc. Business						
First	10,000,000	30%	3,000,000			
Next	10,000,000	25%	2,500,000			
Next	10,000,000	24%	2,400,000			
Next	10,000,000	24%	2,400,000			
Next	10,000,000	23%	2,300,000			
Next	10,000,000	22%	2,200,000			
Balance	9,290,533	18%	1,672,296			
Sub-Total	**69,290,533**		**16,472,296**			

Income from Marine Business						
First	10,000,000	18%	1,800,000			
Next	10,000,000	15%	1,500,000			
Next	10,000,000	15%	1,500,000			
Next	10,000,000	13%	1,300,000			
Next	10,000,000	13%	1,300,000			
Next	10,000,000	13%	1,300,000			
Next	12,500,000	11%	1,375,000			
Balance	55,661,842	10%	5,566,184			
Sub-Total	**128,161,842**		**15,641,184**			
Total:	**343,175,103**		**60,879,117**	**134,476,901**	**(73,597,784)**	**Adverse**

B. Insurance Act 2010 under section 148 and 63 (SRO 103-Act 2016) the limitation of Expenses Management General Insurance business the comparative figure of Management Expenses is given below:

Class	Level of Premium	Rate	Allowable Expenses	Actual Expenses	Variance	Remarks
Income from Fire Business						
First	50,000,000	35%	17,500,000			
Balance	95,722,728	33%	31,588,500			
Sub-Total	**145,722,728**		**49,088,500**			
Income from Motor and Misc. Business						
First	50,000,000	35%	17,500,000			
Balance	19,290,533	33%	6,365,876			
Sub-Total	**69,290,533**		**23,865,876**			
Income from Marine Business						
First	50,000,000	26%	13,000,000			
Balance	78,161,842	25%	19,540,461			
Sub-Total	128,161,842		32,540,461			
Total:	**343,175,103**		**105,494,837**	**134,476,901**	**(28,982,064)**	**Adverse**

A. As per Insurance Act-1958:	**Amount**
Allowable Expenses (01.01.16 to 17.07.16)	33,100,941
B. As per Insurance Act-2010:	
Allowable Expenses (18.07.16 to 31.12.16)	48,135,622
Total Allowable Expenses	**81,236,563**
Actual Management Expenses	134,476,901
Excess Management Expenses	**(53,240,338)**

No provision for income tax has been made for excess management expenses as per 4th Schedule of Income Tax Ordinance, 1984 because the company has applied to IDRA for condonation of contravention under Section 40C of the Insurance Act, 1938 amended Act 2010.

NOTES ON OTHERS

22.00 EARNING PER SHARES-BASIS:

The Computation of EPS is given below:

a) Earnings attributable to ordinary share holders (Net profit after taxation and provision)	77,249,021	69,230,377
b) Ordinary shares at 1st January	44,840,857	44,840,857
c) Earnings per share (EPS) (a/b)	**1.72**	**1.54**

23.00 NET ASSETS VALUE (NAV) :

The Computation of NAV is given below:

a) Total Assets	1,608,630,707		1,625,605,320
b) Current Liabilities	585,027,999		634,410,776
c) Net Assets Value (c = a -b)	**1,023,602,708**		**991,194,544**
d) Ordinary shares at 1st January	44,840,857		44,840,857
e) Net Assets Value (NAV) Per Share (e = c / d)	**22.83**		**22.10**

24.00 POST EVENT OF FINANCIAL STATEMENT :

The Board of Director of Central Insurance Company Ltd. in its 207th meeting held on March 30, 2017 has recommended stock dividend @ 5% and cash dividend @ 7% for the year 2016, out of the surplus available for the year 2016 subject to approval of shareholders in the ensuing 29th Annual General Meeting.

25.00 CLAIMS AGAINST COMPANY NOT ACKNOWLEDGED AS DEBT:

There was no claim against Company, which is not acknowledged as debt other than normal course of business.

26.00 CONTINGENT LIABILITIES:

There was no contingent liabilities other than normal course of business.

27.00 CREDIT FACILITIES:

There was no credit facility available to the Company under any contract and availed of as on December 31, 2016 other than trade available in the ordinary course of business.

28.00 MISC. EXPENSES:

No single transaction under this head of accounts Miscellaneous exceeded Tk. 5,000.

29.00 CAPITAL EXPENDITURE COMMITMENT :

There was no capital expenditure commitment as at 31st December 2016.

30.00 Attandance Status of Board Meeting of Directors :

A. During the year from 01.01.2016 to 31.12.2016 there were 7 (seven) Board Meetings were held. The attendance status of board meetings is as follows:

Name of Directors	Position	No. of Meeting Held	Attended
Mr. Md. Nurul Islam	Chairman & Director	7	7
Mr. Mohammed Musa	Vice-Chairman & Director	7	7
Alhaj Md. Abu Taher Chowdhury	Director	7	7
Mrs. Shahida Nazneen	Director	7	2
Mr. Mohd. Masud Hossain	Director	7	2
Mr. Md. Nabab Siraj-ud-Dowla	Director	7	3
Mr. Sabbirul Kabir	Director	7	3
Mrs. Nurun Nahar	Director	7	6
Mrs. Rosy Rahman	Director	7	2
Ms. Angee Chowdhury	Director	7	3
Mr. Zoynal Abedin Chowdhury	Director	7	6
Mr. Ifthehar Maleque	Director	7	3
Mr. S. M. Shafiul Bari	Director	7	2
Mr. Md. Masud Karim	Director	7	4
Mrs. Shamim Ara Begum	Director	7	3
Mr. Md. Sazzad-un-Newaz	Director	7	6
Mrs. Rokeya Begum	Director	7	2
Mrs. Tayeeba Alam	Director	7	7
Mr. Tauhid Rahman	Director	7	3
Mr. Md. Abdullah Zehad	Independent Director	7	7
Mr. Md. Nurul Islam	Independent Director	7	7
Mr. Md. Zahid Anwar Khan	Chief Executive Officer	7	7

B. During the year from 01.01.2016 to 31.12.2016 there were 2 (two) Executive Committee Meetings were held. The attendance status of executive committee meetings is as follows:

Name of Directors	Position	No. of Meeting Held	Attended
Mr. Mohammed Musa	Vice-Chairman & Director	2	2
Alhaj Md. Abu Taher Chowdhury	Director	2	2
Mrs. Nurun Nahar	Director	2	2
Ms. Angee Chowdhury	Director	2	1
Mr. Zoynal Abedin Chowdhury	Director	2	1
Mrs. Shamim Ara Begum	Director	2	2
Mr. Md. Sazzad-un-Newaz	Director	2	1
Mrs. Rokeya Begum	Director	2	2
Mrs. Tayeeba Alam	Director	2	2

C. During the year from 01.01.2016 to 31.12.2016 there were 3 (three) Audit Committee Meetings were held. The attendance status of audit committee meetings is as follows:

Name of Directors	Position	No. of Meeting Held	Attended
Mr. Md. Abdullah Zehad	Chairman	3	3
Mr. Md. Nurul Islam	Member	3	3
Mrs. Shahida Nazneen	Member	3	3

General :

31.00 There were 346 numbers of employees.

32.00 There was no bank guarantee issued by the company on behalf of their directors.

33.00 Auditors were paid only statutory audit fee duly approved by the shareholders in the last AGM.

34.00 There was capital work in progress at the end of the accounting year (Note no. 15).

35.00 No expenses were paid as royalty and salary to technical experts etc.

36.00 During the year the company was not entered into any agreement with the third party

37.00 There was no event occurred after financial statement date, which might effect financial position of the company as on financial statement date.

38.00 No remuneration was given to the director except the board meeting fees.

39.00 Internal Control :

The following steps have been taken for implementation of an effective internal control procedure of the Company:

i) A strong internal control and compliance division has been formed with a view to establish a well designated system of internal control.

ii) Regular review of internal audit reports with view to implement the suggestion of internal auditors in respect if internal control technique.

iii) To establish an effective management system that includes planning, organizing and supervising culture in branches of the company as well as at head office.

40.00 Subsequent Disclosure of Events after the financial statement Date - Under BAS 10 :

There is no non-adjusting post financial statement event of such importance, non disclosure of which would affect the ability to the users of the financial statements to proper evaluation and decision.

41.00 Approval of the financial statements:

These financial statements were authorized for issue in accordance with a resolution of the company's Board of Directors on March 30, 2017.

42.00 Credit Rating Report :

Credit Rating Information and Services Limited (CRISL) has assigned the Claim Paying Ability (CPA) rating of the company to 'A' (pronounced as Single A) based on the audited Financial Statements up to December 31, 2015 and other relevant qualitative and quantitative information up-to the date of rating. The above ratings have been done after due considartion to its fundamentals such as average and steady financial performance, good liquidity, good FDR base, diversified investment portfolio, etc.

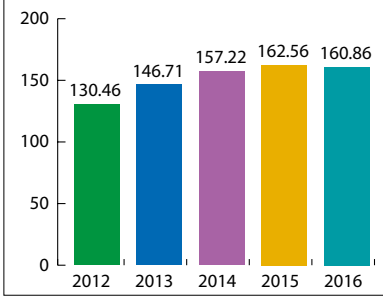
SHARE INVESTMENT POSITION AS ON DECEMBER 31, 2016

Annexture-1

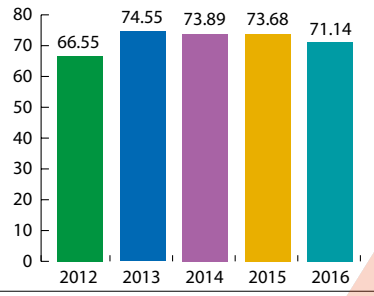
Sl.#	Name of Itemes	No.of Share	Book Value	Market Rate	Market Value as on 31.12.16
1	Central Depositery Bangladesh Ltd.	571,181	1,569,450	2.75	1,569,450
2	City Bank Ltd.	121,500	3,221,898	27.20	3,304,800
3	Eastland Insurance	23,705	1,566,240	23.90	566,550
4	Fareast Islami Life Insurance Ltd.	4,107	5,000	67.70	278,044
5	First Security Islami Bank Limited	100,000	1,223,050	13.90	1,390,000
6	Generation Next Fashions Limited	48,489	851,548	9.90	480,041
7	Global Heavy Chemicals Limited	10,000	606,718	40.40	404,000
8	GMG Air Lines Ltd.	110,000	5,000,000	45.45	5,000,000
9	Green Delta Mutual Fund	100,000	1,000,000	7.30	730,000
10	GSP Finance Co. Ltd.	40,000	910,270	22.90	916,000
11	IBBL Mudaraba Perpetual Bond	500	460,652	981.50	490,750
12	ICB Islamic Unit Fund	53,610	1,490,175	27.80	1,490,175
13	ICB AMCL 1st Unit Fund	124,100	3,286,572	26.48	3,286,572
14	ICB Islamic Bank Ltd.	200	2,000	5.10	1,020
15	Khulna Power Co. Ltd.	223,177	17,663,533	62.50	13,948,563
16	Matin Spinning Mills Ltd	3,000	139,224	40.20	120,600
17	NCC Bank Ltd	100,000	1,283,200	12.60	1,260,000
18	Orion Laboratories Ltd.	30,000	2,500,000	42.10	1,263,000
19	Reliance 1st MF	103,822	819,160	9.70	1,007,073
20	Singer BD Ltd.	30,175	6,412,184	192.50	5,808,688
21	Southeast Bank	20,000	390,751	18.70	374,000
22	Square Pharmaceuticals Ltd.	14,712	3,480,333	249.10	3,664,759
23	Standard Bank Ltd.	100,000	1,102,750	11.90	1,190,000
24	Sumit Power Ltd.	19,198	1,058,517	37.00	710,326
25	Titas Gas	157	13,513	49.40	7,756
26	Trust Bank 1st MF	897,900	5,804,503	6.00	5,387,400
27	United Finance Co. Ltd.	64,287	4,002,943	22.90	1,472,172
	Total :		**65,864,182.76**		**56,121,738**

GRAPHICAL TREND

Yearwise Total Asset (Taka in crore)



Yearwise Total Investment (Taka in crore)



Application of Profit in 2016



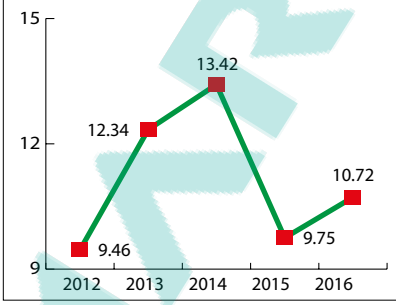
Provision for Taxation	27.47%
Provision for Gratuity Fund	0.47%
Provision for Exceptional Losses	22.56%
Provision for General Reserve	0.00%
Provision for Retained Profit	49.50%
Provision for IEF	0.00%
	100.00%

Composition of Underwriting Profit in 2016

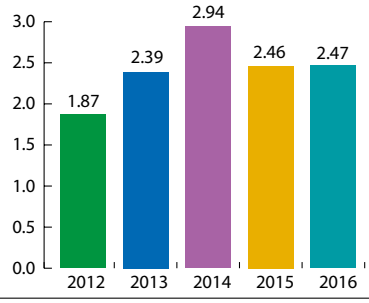


Fire Revenue Account	12.96
Marine Revenue Account	65.79
Motor Revenue Account	13.14
Miscellaneous Revenue Account	18.11
	100.00%

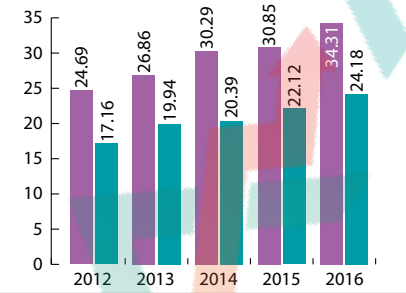
Yearwise Net Profit before Tax (Taka in crore)



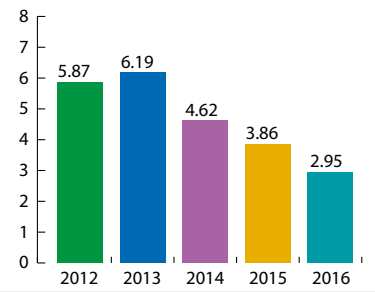
Yearwise Reserve (Taka in crore)



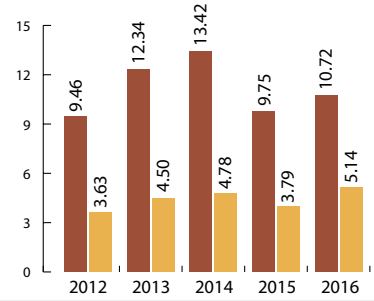
Yearwise Gross & Net Premium Income (Taka in crore)



Yearwise Gross Claim Paid (Taka in crore)



Yearwise Pretax Profit & Underwriting Profit



LIST OF BRANCHES AND INCHARGES

LOCAL OFFICE
1 Mr. Md. Badrul Amin
Additional Managing Director & Incharge

MOULVI BAZAR BRANCH
2 Mr. S. M. Shahidullah
Deputy Managing Director & Incharge

NAYARANGANJ BRANCH
3 Al-Haj Khabir Uddin Ahmed
Deputy Managing Director & Incharge

NAWABPUR BRANCH
4 Mr. Khandker Mosabber Hossain
Sr. Executive Vice President & Incharge

SK. MUJIB ROAD BRANCH
5 Mr. Nur Mohammed
Sr. Executive Vice President & Incharge

KHATUNGANJ BRANCH
6 Mr. Md. Ali Sarwar Titu
Sr. Executive Vice President & Incharge

KAWRAN BAZAR BRANCH
7 Mr. Md. Anwar Hossain
Sr. Executive Vice President & Incharge

NARSINGDI BRANCH
8 Mrs. Tangema Sultana (Ruma)
Sr. Executive Vice President & Incharge

JUBILEE ROAD BRANCH
9 Mr. Nazir Ahmed
Sr. Vice President & Incharge

DILKUSHA BRANCH
10 Mr. Md. Monir Hossain (Eron)
Senior Vice President & Incharge

BANGSHAL BRANCH
11 Mr. Jainal Abedin
Sr. Vice President & Incharge

RANGPUR BRANCH
12 Mr. M. A. Halim Kanoon
Sr. Vice President & Incharge

BOGRA BRANCH
13 Mr. A.B.M. Siddque
Vice President & Incharge

KUSHTIA BRANCH
14 Mr. Ali Hossain Akhter
Vice President & Incharge

SAIDPUR BRANCH
15 Alhaj Md. Rashidul Haque
Manager & Incharge

DINAJPUR BRANCH
16 Acting Incharge

RAJSHAHI BRANCH
17 Mr. Md. Torab Hossain
Vice President & Incharge

SATKHIRA BRANCH
18 Mr. Shaikh Arifur Rahman
Vice President & Incharge

VIP ROAD BRANCH
19 Mr. Md. Shah Alam
Assistant Vice President & Incharge

MYMENSINGH BRANCH
20 Mr. Md. Abdur Rouf
Assistant Vice President & Incharge

COMILLA BRANCH
21 Mr. Md. Abul Hashem Mojumder Pervez
Assistant Vice President & Incharge

JOYPURHAT BRANCH
22 Mr. Md. Mostafizur Rahman
Assistant Vice President & Incharge

FARIDPUR BRANCH
23 Mr. Md. Abdul Haque
Assistant. Vice President & Incharge

PABNA BRANCH
24 Mr. Md. Mizanur Rahman
Senior Manager & Incharge

SYLHET BRANCH
25 Mr. Azad Bakth Chowdhury
Senior Manager & Incharge

BARISAL BRANCH
26 Mr. Md. Shahidul Haque
Senior Manager & Incharge

AGRABAD BRANCH
27 Mr. Abdul Momen
Sr. Manager & Incharge

LALMONIRHAT BRANCH
28 Mr. A.K.M. Rafiqul Islam
Manager & Incharge

JESSORE BRANCH
29 Mr. Md. Shariful Haq
Asstt. Vice President & Incharge

AMARSTOCK

HISTORY OF THE COMPANY

Corporate Information

First Board Meeting	:	18th March, 1988
Date of incorporation	:	12th November, 1987
Obtained certificate for commencement of business	:	12th November, 1987
Registered with the Insurance Development Regulatory Authority	:	30th November, 1987
Commencement of Business	:	10th December, 1987
First Dividend Declared	:	1992
Listing on Dhaka Stock Exchange Ltd.	:	20th March,1995
Listing on Chittagong Stock Exchange Ltd.	:	22nd October, 1995
Prospectus issued for public subscription	:	22nd September, 1994
Subscription Opened	:	19th December, 1994
Subscription Closed	:	28th December, 1994
Public Subscription	:	Tk. 3.00 crore
Amount over subscription	:	Tk. 32,38,24,500.00
First Trading of shares on Dhaka Stock Exchange Ltd.	:	20th March, 1995
First Trading of shares on Chittagong Stock Exchange Ltd.	:	22nd October, 1995
Market Price of each share as introduce in DSE	:	177.17
1ST AGM in participation of public shareholders at Pan Pacific Sonargaon Hotel	:	7th August, 1995
Issuance of 1st Bonus share	:	11th September, 2004
Agreement Sign with CDBL	:	23rd July, 2005
Issuance of 1st Right Share	:	24th April, 2006

Capital structure & share Value

Authorised Capital	:	Tk. 100.00 crore
Issued, Subscribed & Paid-up Capital	:	Tk. 44,84,08,560.00
Number of shares issued	:	4,48,40,856 nos.
Face value per share	:	Tk. 10.00
Market Lot of share	:	200 nos.
Number of shareholders as on 31st December, 2016	:	3,688 Nos.
First election of Public Directors	:	26th November, 1997
Book value per share	:	Tk. 22.91
Market price – DSE in 2016	:	(High) Tk. 18.20 (Low) Tk. 15.10
Market price – CSE in 2016	:	(High) Tk. 18.50 (Low) Tk. 13.80

AMAR STOCK

সেন্ট্রাল ইনস্যুরেন্স কোম্পানী লিঃ
CENTRAL INSURANCE COMPANY LIMITED

অগ্রগতি ও নিরাপত্তার প্রতীক

PROXY FORM

I/We ..... of .....

.....

in the district of ..... being a Member of CENTRAL INSURANCE COMPANY LIMITED hereby appoint Mr./Ms. ..... of (Address) .....

.....

as any proxy, to vote for me and on my / our behalf at the Twenty Nineth Annual General Meeting of the Company to be held on Thursday, the 1st day of June, 2017 at 11:00 a.m at any adjournment thereof.

as WITNESS I PUT MY HAND THIS ..... DAY OF 2017

Signature of Proxy

Revenue Stamp (Tk. 20.00)

Signature of Shareholder(s)

Folio No./BO ID No. .....

Folio No./BO ID No. .....

No. of Shares .....

Important

1. This Proxy form, duly stamped, must be deposited at the registered Office of the Company at atleast 48 (fourty eight) hours before the time for holding the meeting.
2. Signature of the shareholder and the Proxy must confirm to the specimen signature Registered with the Company/Depository Participants).

সেন্ট্রাল ইনস্যুরেন্স কোম্পানী লিঃ
CENTRAL INSURANCE COMPANY LIMITED

অগ্রগতি ও নিরাপত্তার প্রতীক

ATTENDANCE SLIP

I do hereby record my attendance at the twenty Nineth Annual General Meeting of the Company to be held on Thursday, the 1st day of June, 2017 at 11:00 a.m at Auditorium Hall, Krishibid Institution Bangladesh, KIB Complex, Krishi Khamar Sarak, Farmgate, Dhaka-1215.

Name of Shareholder(s) / Proxy .....

.....

Name

Folio No./BO ID No. .....

No. of Shares .....

Signature

1st June, 2017

Important

1. Shareholders attending the meeting in person or by proxy are requested to complete this Attendance Slip.
2. Signature of Shareholder or Proxy must conform to the specimen signature recorded with the Company.
3. Please bring this Attendance Slip with you. Admission into the Meeting Room may not be permitted without it.
4. Any friend or children accompanying with honorable shareholders/proxy will not be allowed to the meeting.

FAMAR STOCK