NITOL
INSURANCE

annual Report 2016



YOUR SECURITY IS OUR
RESPONSIBILITY

NITOL INSURANCE COMPANY LIMITED

Table of Contents

Letter of Transmittal	2
Notice of the 18th Annual General Meeting	3
Corporate Information	4
Company Profile	5
About Us	6
Products & Services	7
Board of Directors	8
Corporate Management	9
Letter from the Chairman to the Owners	10
Profile of the Directors	12
Corporate Management	19
Message from the Chief Executive Officer	20
Executive Management (HEAD OFFICE)	22
Executive Management (Branch Manager)	24
Shareholder's Information	26
Information	27
Shareholding Structure	28
Access to Reports and Enquiries	29
Financial Position	30
Achievement 2016	31
Financial Highlights	32
Graphical Appearance	34
Value Added Statement	36
Market Value Added Statement	37
Contribution to the National Economy	38
Credit Rating Report	39
BAPLC Membership Certificate	40
Disclosure & Compliance	41
Compliance Disclosure	42
Directors Remuneration	43
Disclosure of the Notifications	44
Solvency Margin Position	45
Compliance Report on SEC's Notification	46
Certificate of Compliance	50
Corporate Governance	51
Statement of Corporate Governance	52
Statement	55
Statement on Internal Control	56
Related Party Transactions	57
Statement of Risk Management	58
Statement of Social Responsibility	61
Statement of Human Resources	62
Statement of Going Concern and Liquidity Management	63
Dividend	64
Directors' Report	65
17th Annual General Meeting 2016 - Photograph	80
Financial Indication Other Declaration's	81
Accounting Ratios of 2016 & 2015	82
Declaration of Managing Director and Chief Financial Officer regarding Financial Statement of the Company	83
Directors Responsibilities for Financial Statements	84
Claims Management	85
Clients Complains and Consultancy	86
Market Share of Insurance Business of the Company	87
Report on Audit Committee	88
Audit Report and Financial Statement	89
Branch Conference	121
Pictorial Activities	122
Company's Assets	124
Branch Network	126
PROXY FORM	Annexed

Letter of Transmittal

All Shareholders,

Bangladesh Securities and Exchange Commission,
Insurance Development and Regulatory Authority,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited &
Chittagong Stock Exchange Limited.

Subject: Annual Report at the year ended on December 31, 2016

Dear Sir(s)/Madam(s):

We are pleased to present before you a copy of the Company's Annual Report 2016 along with the Audited Financial Statements for the year ended December 31, 2016 for your kind information.

Yours Sincerely,



Md. Shakhawat Hossain
Company Secretary

Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of Nitol Insurance Company Limited will be held at "Trust Milonayaton", Old Airport Road, Dhaka Cantonment, Dhaka on Wednesday, June 14, 2017 at 11:00 A.M. to transact the following businesses:

1. To receive & adopt the Directors' Report and Audited Financial Statements of the Company for the year ended December 31, 2016 together with the Auditors' Report thereon;
2. To declare Dividend for the year 2016;
3. To elect / re-elect Directors;
4. To approve appointment / re-appointment of Independent Director;
5. To appoint / re-appoint Auditors for the year 2017 and fix their remuneration;
6. Miscellaneous, if any;

By order of the Board of Directors

Md. Shakhawat Hossain
Company Secretary

Dated: 14th May, 2017
Dhaka

Notes:

1. 02.05.2017 was scheduled as Record Date. Shareholders, whose name were appeared on the Register of Members on the Record Date, will be eligible to attend the meeting and qualify for dividend.

2. A member entitled to attend and vote at general meeting is entitled to appoint a Proxy (as per Articles of Association proxy will be a member/shareholder of the Company) to attend the meeting and vote on his/her behalf. The Proxy Form duly completed, must be affixed with a revenue stamp of BDT. 20/- and deposited at the registered office of the Company not later than 72 hours before the time of holding the meeting.

3. Members are requested to notify their change of address, if any.

N.B.: As per Bangladesh Securities and Exchange Commission (BSEC) Notification # SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in Cash or kind other than in the form of Cash Dividend or Stock Dividend, shall be paid to the holders of the equity security".

Corporate Information

Certificate of Incorporation	:	October 4, 1999
Certificate of Commencement of Business	:	October 4, 1999
Certificate No. of Registration	:	C-38743(701)/99
Certificate of Registration from CCI	:	November 18, 1999
Authorized Capital	:	Tk. 50 Crore
Total Paid-up Capital	:	Tk. 312,122,650
Total Paid-up Number of Share	:	31,212,265 @ Tk. 10 each
Initial Paid-up Capital on October 04, 1999	:	Tk. 6 Crore
Paid-up Capital from IPO	:	Tk. 9 Crore
Date of approval of raising of capital of Tk. 9 Crore from SEC	:	June 23, 2005
Date of Listing of Dhaka Stock Exchange Ltd. (DSE)	:	November 29, 2005
Date of Listing of Chittagong Stock Exchange Ltd. (CSE)	:	October 10, 2005
First Trading in DSE & CSE	:	November 29, 2005

Company Profile

Registered Office and Head Office
Nitol Insurance Company Limited
Nitol Center (5th Floor), 71 Mohakhali Commercial Area, Dhaka 1212
Phone: 88-02-9857247-8, 9853084, 8834321
Fax: 88-02-9846184
e-mail: info@nitolinsurance.com
www.nitolinsurance.com

Nature of Business
All kinds of Non-Life Insurance

Credit Rating
Rated '**A+**' for the year 2015 by Credit Rating Information and Services Limited (CRISL)

Auditor
Mabs & J Partners
Chartered Accountants
Corporate Office
SMC Tower (7th floor)
33 Banani, Road 17
Dhaka 1213
Bangladesh

Tax Advisor
Mr. Nil Ratal Saha
Income Tax Practitioner
Confidence Tower, Flat # 15-D,
5/Kha Satmasjid Road, Dhaka-1207.

Overseas Claim Settling Agent
W. E. Cox Claims Group (Europe) Limited
Gravesend, Kent, United Kingdom

Banker
Jamuna Bank Limited
Dutch-Bangla Bank Limited

Re-Insurer
Sadharan Bima Corporation, Bangladesh
National Insurance, Company Limited, India
Asian Reinsurance Corporation, Bangkok, Thailand
GIC Re, Bhutan
Kenya Reinsurance Corporation, Nairobi, Kenya
Royal Insurance Corporation of Bhutan Ltd.
CICA-Re, Africa
ZEP-Re, Kenya

Reinsurance Broker
J.B. Boda & Co. (S) Pte. Ltd., Singapore
Protection Reinsurance Services, W.L.L. Bahrain
Risk Care Insurance Broking Service Pvt. Ltd., India
Salasar Services (Insurance Broker) Pvt. Ltd., India
Alliance Insurance Brokers Pvt. Ltd., India
Trans Asia Composite Insurances Broking Ltd., India

Membership
Bangladesh Insurance Association (BIA)
Bangladesh Association of Publicly Listed Company (BAPLC)
Metropolitan Chamber of Commerce & Industry (MCCI)
Dhaka Chamber of Commerce and Industry (DCCI)
Bangladesh Malaysia Chamber of Commerce & Industry (BMCCI)
India-Bangladesh Chamber of Commerce & Industry (IBCCI)
Korea Bangladesh Chamber of Commerce (KBCCI)
Confederation of Asia Pacific Chamber of Commerce and Industry (CACCI)



About Us

Our Vision

Our vision is the Apex of Success. We have to reach to that goal by our modern thinking, hard labour, time-worthy decision, sincerity and unparalleled service. We are committed to our slogan "Your Security is our Responsibility"

Our Mission

- To provide the financial security to our clients, with utmost good faith, sincerity and dedications.
- To provide service to the insuring community, according to their need and expectation.
- To conduct business fairly, honestly and with transparency.

Our Objectives

- To follow utmost good faith & other principles of insurance strictly
- Best services to our clients
- Protection of investment of our Shareholders
- Welfare of our Employees
- Due revenue collection for the Government
- Ethical and moral social order
- Good governance for us and all around us
- Transparency in disclosures

Products & Services

Property Insurance

Fire Insurace (Including Alied Perils)
Hotel Owner's All Risks Insurance
Property Damage All Risks (PDAR) Insurance
Power Plant Operational Package Insurance
Householders Comprehensive Insuracne
Industrial All Risks (IAR) Insuracne
Including Machinery Breakdown & Business Interruption



Motor (Comprehensive & Act Liability) Insuracne

Private Vehicle Insurane
Commercial Vehicle Insurance
Motor Cycle Insuracne
Motor Teade Insurace

Miscellaneous Insurance

Miscellaneous (Finencial) Insurance
Cash-in-Safe (CIS) Insurance
Cash-on-Conter (COC) Insurance
Cash-in-Transit (CIT) Insurance
Safe Deposit Box (Bank Locker's) Insurance
Money Insurance (MI) for Bank only

Miscellaneous (Health) Insurance
NIBEDITA Comperhensive Insurance
Hajj and Umrah Travel Insurance

Miscellaneous (Personal Accident) Insurance
Personal Accident (PA) Insurance
People's Personal Accident (PPA) Insurance
Personal Accident Air Travel (PAT) Insurance

Miscelleneous (Liability) Insurance
Burglary and House Breaking Insurance
Workmen's Compensation Insurance
Fidelity Guarantee Insurance
All Risk (AR) Insurance
Camera Insurance
Public Liability Insurance
Product Liability Insurance
Commercial General Liability Insurance

Marine Insurance

All types of Marine Cargo Insurance
All types of Marine Hull Insurance
Goods-in-Transit Insurance

Aviation Insurance

Aviation Hull Insurance

Engineering Insurance

Contractor's All Risks (CAR) Insurance
Erection All Risks (EAR) Insurance
Boiler and Pressure Vessel (BPV) Insurance
Machinery Breakdown (MBD) Insurance
Deterioration of Stock (DOS) Insurace
Life, Hoist and Crane Insurance
Electronic Equipment Insurance (EEI)

Overseas Mediclaim Insurance

Business and Holiday (B&H)
Employment and Study (E&S)
Corporate Frequent Travel (CFT)

Board of Directors



Composition of Board of Directors & it's Committees

Board of Directors

Chairman
A K M Monirul Hoque

Vice Chairman
Md. Anowar Husain, FCMA

Directors
Zobair Humayun Khandaker
Mahmudul Hoque Shamim
Md. Nazrul Islam Khan
[Representative of ICB]
Chandra Shekhar Das, FCA
[Representative of Pragati Life Insurance]
Md. Siddiqur Rahman,
[Representative of FAS Finance & Investment Ltd.]

Independent Directors
Md. Mamunur Rashid, FCMA
Dr. Md. Akram Hossain

Chief Executive Officer
S.M. Mahbubul Karim

Audit Committee
Chairman
Md. Mamunur Rashid, FCMA

Members
Md. Anowar Husain, FCMA
Zobair Humayun Khandaker
Mahmudul Hoque Shamim

Claims Committee
Chairman
A K M Monirul Hoque

Members
Md. Anowar Husain, FCMA
S.M. Mahbubul Karim

Investment Committee
Chairman
Mahmudul Hoque Shamim

Members
Zobair Humayun Khandaker
Md. Siddiqur Rahman
Chandra Shekhar Das, FCA



Letter from the Chairman to the Owners

as-salamu alaykum

Dear Shareholders,

It is my pleasure to address you today on behalf of the Board of Directors. It is an honor that I welcome you all to the 18th Annual General Meeting of Nitol Insurance Company Limited. I would like to express my gratitude and appreciate the astounding support and faith that you have entrusted in our establishment for the duration of the last 18 years.

Socio Economic Scenario

Last year has been a fairly stable economy. However, this is not to say that there is no political unrest whatsoever. There still have been incidents that I hope everyone can understand as the repercussions of a few particular incidents can still be felt, maybe not directly in the insurance sector but there are still ripples in the pond which, if left unchecked can transform into vicious wave is a tempest out at sea. Even through the midst of all this turmoil, our economy is still growing at a very rapid pace. Coming to our sector, the insurance industry is a major part of a country's economic development and without its real progress, that will be severely hampered. There still lie several opportunities as almost the entirety of the rural sector of the country has yet to see the benefit of what the insurance sector can offer. This includes an extremely diverse variety of consumers form diverging places. Compiling all this, Insurance can help serve mutual benefits to both individuals and businesses resulting in an increase in the country's overall state of affairs.



Pursuit of Excellence

Nitol Insurance Company Limited has succeeded for a number of reasons. We are driven by a strong sense of resolve, honesty, business-ethics and a pursuit of fineness in conducting our business. Our Financers' trust, the dedicated and efficient personnel and the adaptive marketing strategy allow us to satisfy our clients. We still remain true to our philosophy of high ethical standards and will continue to do so in the future and the pursuit of excellence. As a result, our premium income and net profit has increased by a fair margin. At the same time the net assets value per share has also increased compared to the previous year. All this financial performance has been described in the directors' report.

Despite all the hurdles and instabilities in the business sector due to last year's events, we have still achieved our business target. The branches that are not performing to standards are being monitored and with that, steps are being taken to rectify the hitches present.

Internal Controls & Risk Mitigation

The company's well defined organizational structure, predefined authority levels, documented policy guidelines and an extensive system of internal controls ensure optimal utilization and protection of resources, reporting of financial transactions and compliance with applicable laws and regulations. The company has adequate systems of international controls in place. This is to ensure that your assets are safeguarded against losses due to unauthorized use or disposition and to maintain security. Our standards are set very high in order to protect our clients.

Moving Forward

Considering the technological advancement and innovation, we reached to a Digital World. Also the Bangladesh Government, has taken a lots of initiatives to digitalize the country. I am very delighted to pronounce that Nitol Insurance is also moving towards this advancement by implementing its Online Service. We have already upgraded our IT system for securing the computer based service. We have already gave concentration on Online Marketing and reached to the wider audience. This year we gave much more emphasis on our internal software for deep integration with the operational activity. Last year we did the highest motor insurance policy in the insurance industry. At the same time we were the highest claim payer in motor segment.

We earn the reputation in the claim settlement as "Quick Claim Settlement" insurance company.Our honest initiatives for customer satisfaction motivated us to meet all claims sufficiently. This ultimately benefited the business with the passing time. The company will maintain its utmost positive strategy in achieving growth in business and profitability in the years to come. I am enthusiastic, not only as the Chairman, but also as an investor. Being with NICL has been a thrilling experience and I believe our best days are yet to come Insha Allah.

We ensured the better services for the VIP clients by installing Valued Clients Centre (VCC) and Premier Clients Centre (PCC) in Dhaka. PCC is the first of its kind in the Insurance Industry

Acknowledgement

I thank all our shareholders and colleagues in the Board of Directors for their guidance and support. I convey my sincere appreciation to the management and staff of the company for their dedication and hard work under the leadership of the Chief Executive Officer (CEO). I am also thankful to Insurance Development & Regulatory Authority (IDRA) for their guidance and strong regulation policies to develop the industry. We must appreciate their active participation for promoting the benefits of Insurance to the Government. Special thanks to Bangladesh Insurance Association (BIA), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE). Furthermore, I want to thank the authorities of the People's Republic of Bangladesh for their support. Thank you all! I look forward to seeing you at our 17th Annual General Meeting.

Warm regards,



A K M Monirul Hoque

Profile of the Directors



A K M Monirul Hoque
Chairman

Mr. A K M Monirul Hoque started his business career in 1982 when he established a partnership vocational training center, Swift Engineering and Technological Training Center (SETTC), to develop the skills of people in diverse fields such as driving, computer proficiency, tailoring along with shorthand, and so on. He founded this institution when he was just 20 years old, while pursuing a Bachelor of Commerce (B.COM) Degree under Dhaka University. Mr. Hoque, additionally, has a Masters in Commerce Degree (M.COM) under Dhaka University with a concentration in Management. He completed part one of ACCA (Association of Chartered Certified Accountant) from the United Kingdom.

In 1984, Mr. Hoque joined Nitol Motors Limited (NML)-the sole distributor of the distinguished Indian company called TATA Motors LTD (TML); he was the Executive Director there. He was the Head of the Marketing of the NML vehicles and directly involved in the sales and promotion of products for 21 years i.e. till December 2005.

Mr. Hoque is also the Founder Chairman of Nitol Insurance Company Limited (NICL), a Non-life Public Limited Insurance Company, established in 1999. He committed to the company fulltime from January 2006.

In 2005, the premium income of NICL was TK. 7.66 cr. After Mr. Hoque's involvement, there was a prominent increase in efficiency and progress. In 2016, the premium income raised to Tk. 62 cr. i.e. the growth was 709% in 11 years with an average of 64% growth per year.

Mrs. Naeema Hoque, wife of Mr. Hoque, completed her BA (Honors) and Masters of Arts (MA) in Philosophy from Dhaka University. Mrs. Hoque doing boutique business since 1992. Moreover, Mrs. Hoque was the Executive Member (EC) of Bangladesh Handicraft Association (Banglacraft) from 1998-2000. She was the key and significant member in organizing the first Banglacraft All Members Showcase, which was inaugurated by the Prime Minister, at the time, Sheikh Hasina. She was the EC member and Treasurer of Banglacraft for 2013-2015. Mrs. Hoque is, furthermore, the permanent member of Baridhara Cosmopolitan Club Limited (BCCL), Life member of Baridhara Society and involved in many social and charitable organizations. The couple is blessed with two daughters. The elder daughter Ms. Salwa Tabassum Hoque completed her undergraduate degree with a double major in Communication and English Literature (distinction) from the University of Washington in Seattle, USA. She is currently pursuing her Masters at the Ivy League Columbia University in New York. Younger daughter Ms. Wasfia Tabassum Hoque, institutionally proficient in both French and the piano, is now studying her undergraduate in University of Washington (UW), Seattle, USA.

Mr. Hoque loves exploring new countries and has travelled all over the world. He enjoys immersing in diverse cultures, which enable him to understand, appreciate and interact with people of various traditions with different ethnicity and background. His notion is that exploring and learning about other culture broadens perspective and encourages embracing people of diversity and difference.

Apart from that, Mr. Hoque enjoys playing Golf and Snooker regularly. He loves to watch various sports such as Football, Tennis, Formula1 and so on; Cricket is his favorite sport.

Mr. Hoque is an active and social person. He is member of various notable clubs and associations in the country:

Bangladesh Insurance Association (BIA):
Executive Committee (EC) Member: 2011-16, Vice President: 2017-18

General Body Member:

Federation of Bangladesh Chamber of Commerce and Industries (FBCCI)
India Bangladesh Chamber of Commerce and Industries (IBCCI)
Bangladesh Malaysia Chamber of Commerce and Industries (BMCCI)
Metropolitan Chamber of Commerce and Industries (MCCI)
Dhaka Chamber of Commerce & Industry (DCCI)
Bangladesh Association of Publicly Listed Companies (BAPLC)
Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI)

Club Members:

Dhaka Club Limited
Gulshan Club Limited
Uttara Club Limited
Narayanganj Club Limited
Kurmitola Golf Club
Savar Golf Club
Narayanganj Rifle Club
Gulshan Shooting Club
Baridhra Society
Baridhara Cosmopolitan Club Limited
Fu-Wang Bowling Club
Lt. Sheikh Jamal Dhanmondi Club limited
Dhaka Boat Club Limited.

Profile of the Directors



Md. Anowar Husain, FCMA

Vice Chairman

Mr. Md. Anowar Husain, a Fellow of Cost and Management Accountants form London, FCMA (LONDON), FCMA (Dhaka).had been in the UK about 25 years and after returned from the UK, joined as a Sponsor Director of Nita Co. Ltd. in 1991 a Joint Venture with TATA Motors Ltd.India, and also Sponsor Director of Nitol Insurance Co. Ltd. (a Publicly Traded Company). He has nearly 58 years working experience in home and abroad in various type of Organizations and Establishments in the UK & Middle East. Participated in many International Business Meetings, Seminars & Fairs in home & abroad, active number of the high level policy making body in respect of financial investments, and developments and looking after the whole financial assets of the NITA Co. Ltd as Finance Director.

Traveled most of the European countries, USA, Middle East and some Southeast Asian countries. Active member of some non-political, social, cultural and religious organizations, Wife Nazme Ara Husain M.A (University of Dhaka) is the Director of Nita Co. Ltd. and also Treasurer of Bangladesh Women Chamber of Commerce & Industries. Blessed with two Daughters Natasha Husain Radiologist (USA) & Bipasha Husain, MBA (USA) both are married now are living in USA.



Zobair Humayun Khandaker

Director

Mr. Zobair Humayun Khandaker was born in September 21st 1970. His father late Humayun Kabir Khandaker was a successful Industrialist & past Sponser Shareholder/Director of the Company. Mr. Zobair did his BBA from University of California, Los Angles & MBA From Indiana University, USA.

He is now engaged with various National & Multinational Organization as well as he is a Proprietor of Bangle Pipe & Serenity Industries, Vice-President of Wave Tektronic LIc. (USA), CEO of Trilink Exports (USA) and Chairman of E-Cash Ltd. & Decorous Event and Amusement Ltd.



Mahmudul Hoque Shamim

Director

Mr. Mahmudul Hoque Shamim is a renouned businessman. He is a Sponsor Shareholder Director of the Company. He has completed M.Com & C.A. (Course completed) and also Fellow of Institute of Management Consultant Bangladesh (IMCB).

He is a Director of Alight Real Estate Ltd. & L-Tech Bd. Ltd.

He is a member of Army Golf Club.

The spouse of Mr. Mahmudul Hoque Shamim is Mrs. Amena Hossain Lucky (B.Sc., Hons., M.Sc.). They have two children; they are Mr. Ahnaf Shahriar Hoque (Son) & Arisha Hoque (Daughter).



Md. Nazrul Islam Khan

Director, (Representative of ICB)

Mr. Md. Nazrul Islam Khan is a B.Com (Hon's) & M. Com in Accounts from the University of Dhaka. Now he is working in Investment Corporation of Bangladesh (ICB) as a General Manager. He joined in ICB in the year 1984 and served as various positions in ICB. He also performed as Chief Executive Officer of ICB Asset Management Company Limited, a sister concern of Investment Corporation of Bangladesh (ICB). He has a vast knowledge of Investment sector.

Profile of the Directors



Chandra Shekhar Das, FCA

Director, [Representative of Pragati Life Insurance]

Chandra Shekhar Das was born in Jhalakati in 1975.After completion of Master Degree; he became Chartered Accountant from the Institute of Chartered Accountants of Bangladesh (ICAB) in 2009 and working with Pragati Life Insurance Limited as DMD (F&A). He wrote various articles on economic, insurance etc in national daily. He participated in many seminars, workshops, training programs.



Md. Siddiqur Rahman

Director, (Representative of FAS Finance & Investment Ltd.)

Mr. Md. Siddiqur Rahman is one of the Directors of Nitol Insurance Company Limited. Simultaneously, he is the Managing Director of Simtex Industries Limited, a public limited Company listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. Recently he was elected Chairman of FAS Finance and Investment Limited, He is also a Director of FAS Capital Management Limited and Clewiston Foods and Accommodation Limited (Owner Company of Radisson Blue, Cox's Bazar).

Mr. Rahman has a brilliant academic career and secured many scholarships in public level examinations. Mr. Rahman did his Masters in Business Administration and Advance Certificate in Business Administration (ACBA) from the Institute of Business Administration (IBA) under the University of Dhaka. He is also an FCS (Fellow member of The Institute of Chartered Secretaries of Bangladesh). Besides, Mr. Rahman holds a Postgraduate Diploma in Financial Management from Bangladesh Institute of Management (BIM) and he has wide working experience in different private and public limited companies before starting his own business career in the year 2001.

Mr. Rahman is a dynamic businessman with more than 15 years of business experience. Mr. Rahman established his first business venture Simtex Bangladesh Limited in a very small scale in the year 2001. Since then by the dint of his dynamic leadership and excellent entrepreneurship, he expanded his business ventures both vertically and horizontally.

He is a permanent member of Dhaka Club Limited and Dhanmondi Club Limited. He is also a donor Member of Uttara Club Limited and All Community Club Limited.

He visited many countries of the world for study and business purpose including UK, USA, Canada, Germany, Australia, Belgium, France, Italy, China, Malaysia, Thailand, UAE and many more.

Mr. Rahman is happily married and is blessed with three sons.



Md. Mamunur Rashid, FCMA

Independent Director

Md. Mamunur Rashid FCMA, a Fellow Member of the Institute of Cost & Management Accountants of Bangladesh (ICMAB) obtained his undergraduate degree in Bachelors of Commerce in the year 1987 and his post graduation degree in Masters of Commerce (Management) in the year 1989, securing First Class 2nd Position and First Class 4th Position respectively both under the University of Dhaka. Currently he has been serving as Deputy Managing Director at Index Group of Companies. His career lifted off when he started as an officer of Bangladesh Steel & Engineering Corporate (BSEC). After that he accumulated a wealth of experience via serving in the following influential designations and esteemed organizations: He served as Chief Financial Officer at Kazi Farms Group, Director of Finance at Sheba Phone, Financial Controller & Company Secretary at Summit Power Limited, Chief Accountant at BRAC-Aarong, and Finance Manager at Desh Group of Companies. Mr. Mamun also served in Government organizations namely, Bangladesh Power Development Board (BPDB) and Bangladesh Parjatan Corporation (BPC). Moreover he has been serving as the Independent Director of West Zone Power Distribution Company Ltd (WZPDCL)-an Enterprise of Bangladesh Power Development Board, an elected Director of Bangladesh Ceramics Manufacturers and exporters Association (BCMEA), Standing Committee member on Ceramics at FBCCI. He has been serving as the Council member of ICMAB. He also served as the Executive Secretary of South Asian Federation of Accountants (SAFA).



Dr. Md. Akram Hossain

Independent Director

Dr. Md. Akram Hossain, Associate Professor of Management Information Systems Department of University of Dhaka, obtained his undergraduate degree in Bachelors of Business Administration (BBA) in the year 2000 and his post graduation degree in Masters of Business Administration (MBA) in the year 2001, securing CGPA – 3.75 (2nd Position) and CGPA – 3.70 (2nd Position) respectively both under the University of Dhaka. Dr. Akram Completed Doctor of Philosophy (Ph D) degree in the year 2013 under commonwealth split site study.

He is serving as Assistant Proctor and member of Central Admission Committee of the University of Dhaka. Dr. Akram is an International researcher and he has 23 national & international articles which are published in popular journals. As an academician he attended and presented his research paper in various countries like USA, UK, Canada, Australia, Singapore, Turkey, Thailand and Malaysia in different international academic & research based conferences. He also got best paper award in Australia and Malaysia. He served as faculty member of: East west University (EWU), Brac University, ASA University Bangladesh (ASAUB), State University of Bangladesh (SUB) etc.

Dr. Akram also working as visiting faculty member of Brac University and East West University in Bangladesh.

Profile of the Directors



S. M. Mahbubul Karim
Managing Director &
Chief Executive Officer

Mr. Karim did his Masters Degree (MSS) in Public Administration from the University of Dhaka in the year 1985. He has started his insurance career with United Insurance co, Ltd. in 1986. He worked there till 2000 and held the responsibility of Re-insurance and Specialized Underwriting as the Department Incharge. In July 2000 he joined Nitol Insurance Co. Ltd. and held responsibility of Underwriting, Reinsurance & Claims Department as in-charge. In 2006, he took the responsibility of "Company Secretary". He became the Managing Director & CEO of Nitol Insurance Co. Ltd. on 1st January, 2012.

He has long 31 (Thirty One) years of practical job experience in leading private non-life insurance companies having wide experience in Underwriting, Reinsurance, Claims, HRD and Secretarial & Corporate Affairs.

He attended various training programmes on insurance & reinsurance at home & abroad i.e. Management of Reinsurance Portfolio at National Insurance Academy (NIA), Pune, India, Risk Underwriting & Re-insurance conducted jointly by ACR Retakaful, Malaysia & J.B. Boda Brokerage Agencies, Malaysia, attended training programmes organized by Bangladesh Insurance Academy, jointly with Asian Re and Munich Re on Reinsurance and Specialized Underwriting, attended training programs on Corporate Governance organized by Dhaka Stock Exchange Ltd. and also attended various insurance related courses and seminars organized by Bangladesh Insurance Academy and Bangladesh Insurance Association

He has been selected by the Bangladesh Insurance Association (BIA) as a resource person to provide lecture at the training program of Insurance Officials of Private Insurance Companies conducted by Bangladesh Insurance Association (BIA). He is also a member of the Reinsurance sub Committee of the Bangladesh Insurance Association (BIA). He is a member of Bangladesh Insurance forum (BIF).



CORPORATE MANAGEMENT

Message from the Chief Executive Officer

Dear Shareholders, valued clients and well wishers,

Assalamu Alaikum

I am extremely happy and grateful to the Almighty Allah SWT. that we have been successful to arrange the Annual General Meeting in time and presenting the Annual Report and Accounts for 2016.

Instead of various difficulties, our premium income was consistent with last year. In 2016 our Gross Premium Income stands to Tk. 613.873 million in compare to Tk. 608.325 million in previous year. Business grown by 5.547 million. Net Premium Income increased by Tk. 18.66 million which is 3.95% higher from last year. The Management Expenses have been decreased by 1.81% which helps the company to increase its profit in the current year. Net Profit after Tax has been increased and stands at Tk. 86.501 million from 73.403 of 2015.

Our Marketing team has been played an instrumental role for keeping the revenue earning intact. I express my appreciation to all members of the Marketing Team for their effort.

The company's overall business activity and its business operations in 2016 are very satisfactory. To cope up with the present trend of business and the demands of the clients, the management has reviewed the underwriting Risks, risk related to asset management and Insurance and reinsurance risk. We manage our operation with timely initiatives and by abiding the rules and regulation of the Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) as well as other relevant authorities.

We have a reputation of good client's service and we are working hard to further improve this services gradually to the apex of excellence by maintaining the criteria and guidelines of the conventional recognized system and abiding by the law of the country. As you are aware of the fact: that our company has equipped to provide all types of Non Life Insurance Service for our valued clients. We do not mean only business but business with satisfaction to valued clients.

Our credit rating for 2016 has been enhanced to A+ (pronounced as single A plus) by Credit Rating Information & Services Ltd. (CRISL) which reflects our financial strength and claim paying ability.

Our motto is that Good Governance in Corporate Sector includes transparency, accountability, fairness and responsibility. We believe the true and effective Corporate Governance for the growth, and development. So the issues of Corporate Governance are continuously receiving priority and keen attention in all aspects of the company's Management. It is our organizational determination and wishes to attend the highest peak in this arena to keep our promising standard in maintaining the Good Governance.

We are hopeful that in the years to come, our valued shareholders, clients, and well wishers will continue their esteemed flow of love, affection and helping hand and will thus make the pavement of the better future where we will be at the highest pick of Non-life Insurance in Bangladesh.

Best regards,



S.M. Mahbubul Karim
Chief Executive Officer



Executive Management

Head Office



Head Office



S.M. Mahbubul Karim
Managing Director & CEO



Tapas Kumar Podder
Additional Managing Director &
Head of Operation Division



Mahbub Alam
General Manager &
Head of Admin & HR Dept.



Md. Altaf Hossain
General Manager &
Chief Financial Officer (CFO)



Md. Altaf Hossain
General Manager &
Head of Claims Dept.



Md. Abdul Wahab
Deputy General Manager &
Head of Underwriting Dept.



Md. Shakhawat Hossain
Deputy General Manager &
Company Secretary



Abdullah Al Mamun Tazu
Deputy General Manager
Head of Branch Monitoring &
Business Development Dept.



Md. Liakat Hossen, FCMA
Deputy General Manager &
Head of Internal Audit Dept.



Md. Nazrul Islam, ABIA
Manager &
Head of Re-Insurance Dept.



Md. Abu Ahmed Sumon
Assistant Manager &
Head of IT Dept.

Executive Management

Branch Manager



Md. Mominul Islam
Additional Managing Director & Head of Branch
Bijoy Nagar Branch



Md. Ashrafullah
Deputy Managing Director & Head of Branch
Chittagong Branch



Md. Haditul Islam (Hedayet)
Deputy Managing Director & Head of Branch
Gulshan Branch



Md. Wahidur Rahman
Assistant Managing Director & Head of Branch
Dhanmondi Branch



Saker Ahmed
Assistant Managing Director & Head of Branch
Karwan Bazar Branch



Tariq Mahmud
Assistant Managing Director & Head of Branch
Joydevpur Branch



Md. Azharul Islam
General Manager & Head of Branch
Khulna Branch



Md. Atiqur Rahman
General Manager & Head of Branch
Rajshahi Branch



G.M. Alimuddin
General Manager & Head of Branch
Dilkusha Branch



M. Muzammel Hoque
General Manager & Head of Branch
Comilla Branch



Nozmul Hoque Chowdhury
Deputy General Manager & Head of Branch
Sylhet Branch



Kabir Uddin Ahmed
Deputy General Manager & Head of Branch
Uttara Branch



Prodip Kumar Ghosh
Deputy General Manager & Head of Branch
Rangpur Branch



Mokarrom Mustafa Khan Milon
Assistant General Manager & Head of Branch
Jessore Branch



Md. Nazrul Islam
Assistant General Manager & Head of Branch
Kushtia Branch



Md. Abdul Manan
Assistant General Manager & Head of Branch
Jamalpur Branch



Md. Borhan Uddin Chowdhury
Senior Manager & Head of Branch
Narayangonj Branch



Md. Shamim Kabir
Manager & Head of Branch
Dinajpur Branch

SHAREHOLDER'S INFORMATION

Information

REGISTERED/HEAD OFFICE

Nitol Center (5th Floor)
71 Mohakhali Commercial Area, Dhaka 1212, Bangladesh
Tel: 88-02-9857247-8, 9853084, 8834321
Fax: 88-02-9846184
e-mail: info@nitolinsurance.com
www.nitolinsurance.com

LISTING ON STOCK EXCHANGES

Nitol Insurance Company Limited was listed on 29 November 2005 at Dhaka Stock Exchange Ltd. and on 10th October 2005 at Chittagong Stock Exchange Ltd.

LISTING FEES

The annual listing fee for the year 2016 has been paid to the stock exchanges within the prescribed time limit.

STOCK CODE

The stock code for trading in equity shares of DSE at NITOLINS and NITOLINS of Chittagong Stock Exchange.

STATUTORY COMPLIANCE

During the year the Company has complied with all applicable provisions, filed all returns/forms and furnished all relevant information as required under the Companies Act, 1994 and allied laws and rules, the Bangladesh Securities and Exchange Commission (BSEC) Regulations and the Stock Exchanges Listing Regulations 2015.

RECORD DATE

The register of Member and share transfer books of the Company shall remain closed on 2nd May 2017.

18TH ANNUAL GENERAL MEETING

Date: 14th June 2017,
Time: 11:00 AM
Venue: Trust Milonayaton, Old Airport Road,
Dhaka Cantonment, Dhaka.

WEBSITE OF THE COMPANY

A website of your Company has been developed which allows the users to get the Company related information about its financial, history, types of insurance available with the Company and list of reinsures etc. Annual, half yearly and quarterly financial statement of the Company is available at **www.nitolinsurance.com**

GENERAL MEETINGS AND VOTING RIGHTS

Pursuant to section 81 of the Companies Act, 1994, NICL holds general meeting of shareholders at least once a year. Every shareholder has a right to attend the general meeting; the notice of such meeting is sent to all the shareholders at least fourteen days before the meeting and also advertised in English and one Bangla newspaper having circulation in Bangladesh. All shares issued by the Company carry equal voting rights. Generally, such a right is endowed to them by section 82(1). On a pool votes may be given either personally or by proxy.

PROXIES

Pursuant to Section 85 of the Companies Act, 1994 and according to the MoA and AoA of the Company, every shareholder who is entitled to attend and vote at a general meeting, can appoint another person as his/her proxy to attend and vote instead of himself/herself. Every note calling a general meeting contains a statement that shareholder entitled to attend and vote is entitled to appoint a proxy who needs to be a member of the Company. The instrument appointing proxy, duly signed by the shareholder appointing the proxy should be deposited with the Company not less than seventy-two hours before the meeting.

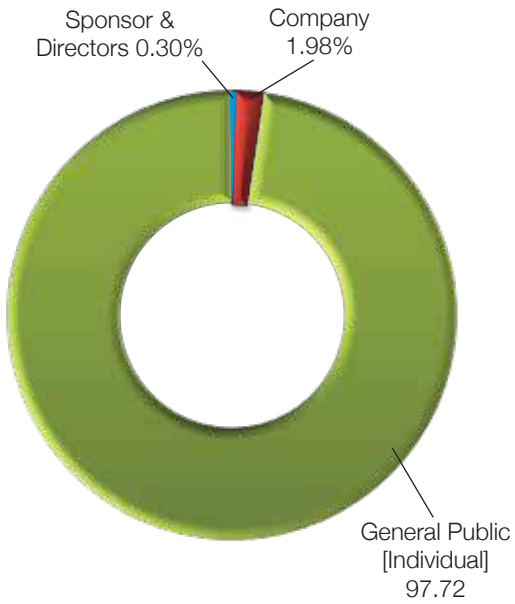
Shareholding Structure

As at December 31, 2016

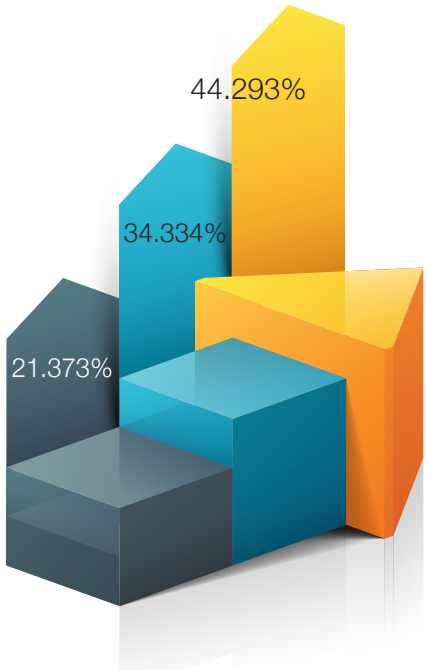
	2016 Taka	2015 Taka
Authorized Capital:		
50,000,000 ordinary share of Tk.10 each	5,00,000,000/-	5,00,000,000/-
Issued, Subscribed and Paid up Capital:		
31,212,265 ordinary shares of Tk.10 each	312,122,650/-	278,680,940/-

COMPOSITION OF SHAREHOLDINGS AS ON 31ST DECEMBER 2016

Shareholdings	No. of Shareholders	No. of Shares	% of paid up capital
Sponsor Shareholder	07	13,824,951	44.293%
Foreign Investors	Nil	Nil	Nil
Government	Nil	Nil	Nil
General Public (Institutions)	46	6,670,863	21.373%
General Public (Individuals)	2,274	10,716,451	34.334%
Total	**2,327**	**31,212,265**	



Number of Shareholders



Number of Shares

Access To Reports And Enquiries

Annual Report	-	Annual report of the Company is available in the Share Department of the Company. Any requirements, Investors or Stakeholders can look after the annual report or printed copies obtained by writing to Company Secretary.
Quarterly Reports	-	The Company publishes interim reports, at end of first. second and third quarters of the financial year. The interim reports can be accessed from the Company's website:
		www.nitolinsurance.com or printed copies obtained by writing to Company Secretary.
Shareholders' enquiries	-	Nitol Insurance Company Ltd. has a separate Share Department to communicate with Shareholders, Stakeholders and investors may contact at any time to Share Department for any sort of information and query. To make the Annual General Meeting more participatory, arranging AGM in well-known place & convenient time allowing shareholders to speak in the AGM freely and making their valuable proposals and suggestions. Quarries relating to shareholders holdings or interest and payment of dividends or share certificates can be sent or shareholders might be communicated to the following address.
		Share Department
		Md. Shakhawat Hossain
		Deputy General Manager & Company Secretary
		A. A. M. Rajibul Hassan
		Officer
		Nitol Center (5th Floor)
		71 Mohakhali Commercial Area, Dhaka 1212, Bangladesh
		Tel: 88-02-9857247-8, 9853084, 8834321,
		Fax: 88-02-9846184
		e-mail: info@nitolinsurance.com



Financial Position

Achievement 2016

NITOL INSURANCE

Gross Premium	613,873,160
Underwriting Profit	84,350,915
Net Profit after Tax	86,501,598
Total Assets	1,239,080,412
Total Reserve Fund	641,090,630
Earnings Per Share	2.77
Net Assets Value	754,795,218
Net Assets Value Per share	24.18
Net Operating Cash Flow Per share	4.05
Shareholders' equity	754,795,218
Equity per share	24.18
Book Value per share	10

Financial Highlights



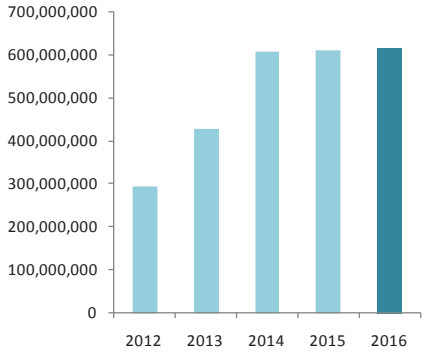
Financial Highlights

Figure in BDT

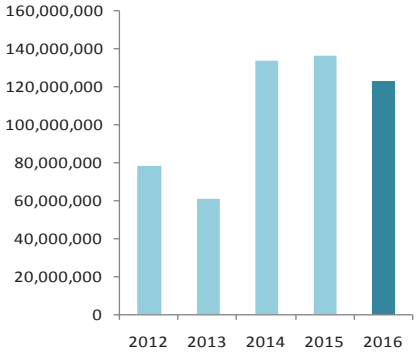
PARTICULARS	2016	2015	2014	2013	2012
OPERATIONAL POSITION					
Gross Premium Income	613,873,160	608,325,928	604,562,170	425,993,247	294,617,735
Re-Insurance Premium	122,988,418	136,101,970	133,246,351	60,732,722	78,118,001
Net Premium Income	490,884,742	472,223,958	471,315,819	365,260,525	216,499,734
Underwriting Profit	84,350,915	89,108,550	95,667,070	75,547,960	53,609,376
Investment & Other Income	42,078,157	36,732,669	40,485,404	38,569,804	34,768,016
Claim Paid	237,193,737	210,640,886	148,625,672	64,324,909	47,810,702
Net Profit Before Tax	105,964,470	98,171,824	111,058,532	97,625,892	72,671,727
Tax Provision	19,462,872	22,268,602	23,563,964	20,382,824	16,610,388
Net Profit After Tax	86,501,598	75,903,222	87,494,568	77,243,068	56,061,339
Net Operating Cash Flow	4.05	1.64	4.02	3.85	3.19
FINANCIAL POSITION					
Total Assets	1,239,080,412	1,092,746,786	1,000,490,036	769,825,676	618,658,747
Fixed Assets	196,396,501	209,012,744	201,292,016	79,650,060	66,890,505
Total Reserve & Surplus	641,090,630	580,436,081	538,478,070	352,125,077	249,351,975
Advance for Office Space	183,005,350	152,153,850	158,562,350	121,832,350	107,720,000
FDR	526,600,000	422,600,000	373,006,00	339,706,000	270,427,000
Cash & Cash Equivalents	42,545,862	23,838,170	51,293,567	70,974,928	26,305,071
Net Asset Value	754,795,218	668,293,620	553,726,938	381,888,108	333,327,960
Net Asset Value (PS)	24.18	23.98	22.85	17.65	16.33
FINANCIAL RATIO					
Earnings Per Share (EPS)	2.77	2.63	3.61	3.57	2.75
EQUITY POSITION					
Paid-up Capital	312,122,650	278,680,940	242,331,260	216,367,200	204,120,000

Graphical Appearance

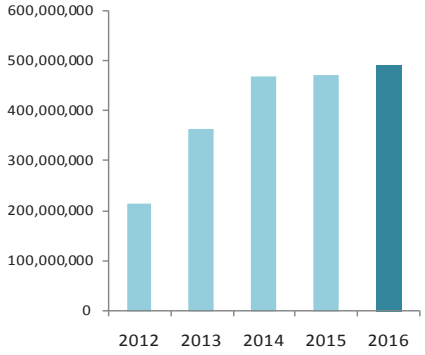
Gross Premium Income



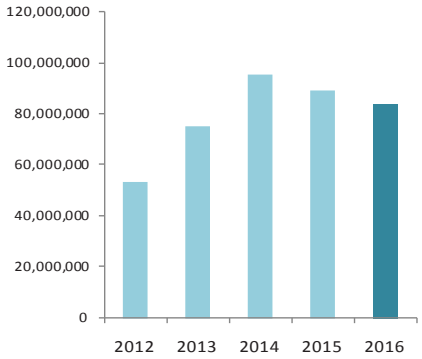
Re-Insurance Premium



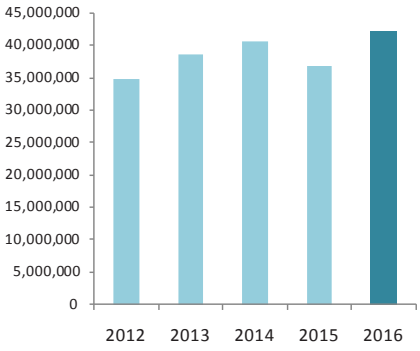
Net Premium Income



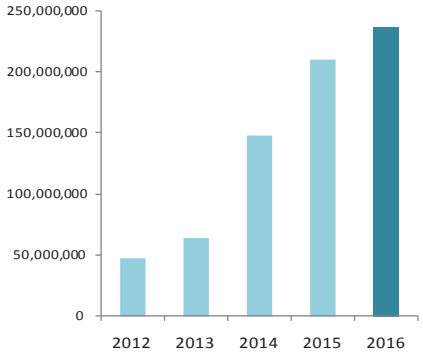
Underwriting Profit



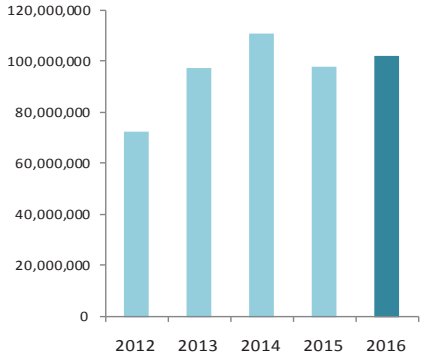
Investment & Other Income



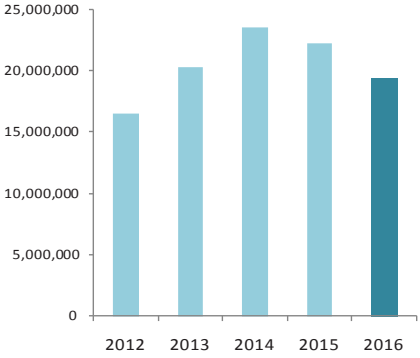
Claim Paid



Net Profit Before Tax



Tax Provision



Net Profit After Tax

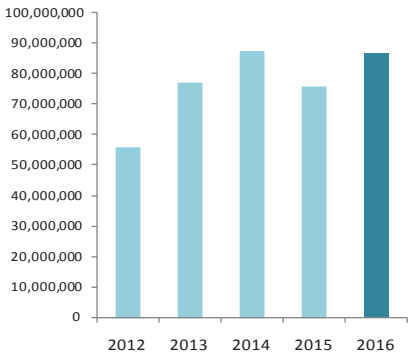
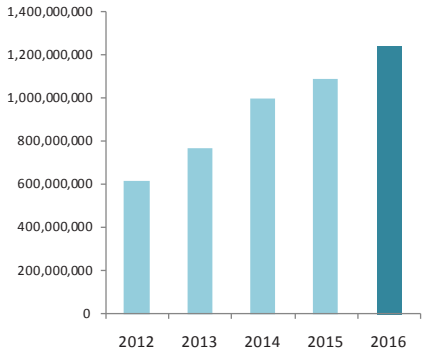
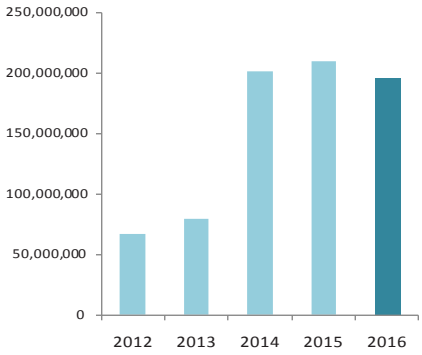


Figure in Million BDT except Earnings Per Share (EPS)

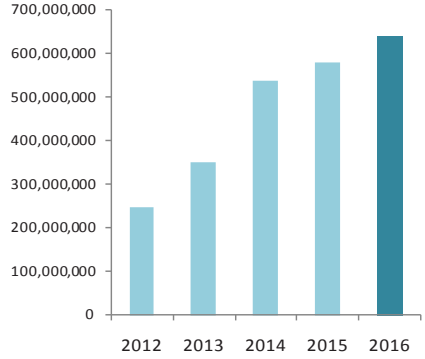
Total Assets



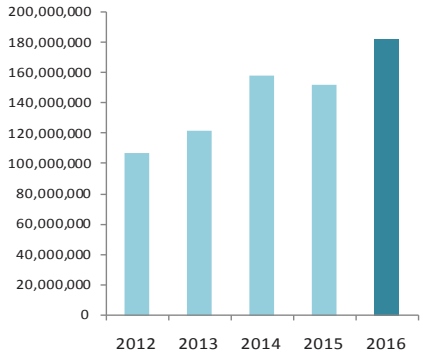
Fixed Assets



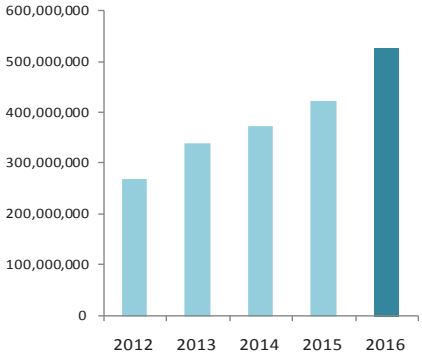
Total Reserve & Surplus



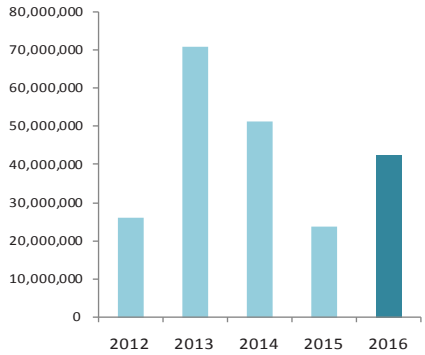
Advance for Office Space



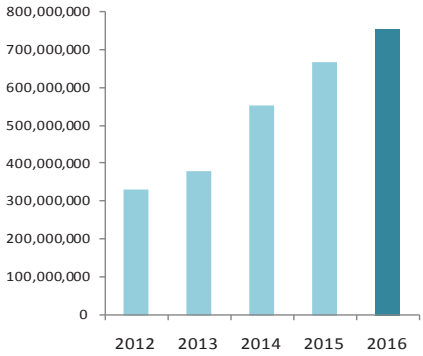
FDR



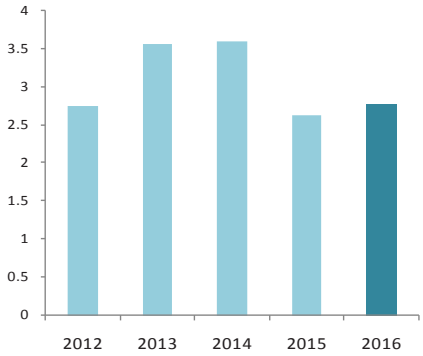
Cash & Cash Equivalents



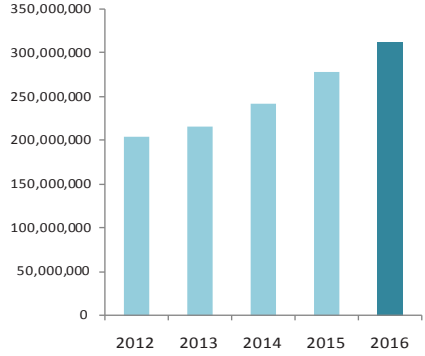
Net Asset Value



Earnings Per Share (EPS)



Paid-up Capital

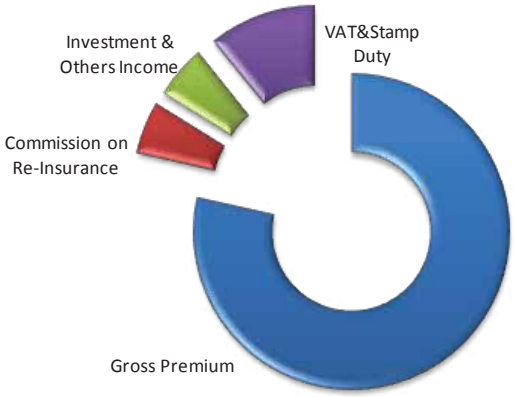


Value Added Statement

FOR THE YEAR ENDED 31 DECEMBER, 2016

Value Added	Taka in Million
Gross Premium	613.87
Commission on Re-Insurance	41.20
Investment & Others Income	42.08
VAT & Stamp Duty	84.86
Total	782.01

Distribution of Value Addition	Taka in Million
Re-Insurance Premium Ceded	122.99
Management Expenses	137.82
Agency Commission	85.59
Net Claims	237.19
Unexpired Risk Adjustment	7.59
Income Tax to Governmenmt	19.46
Dividend to Distribution	33.44
VAT & Stamp Duty	84.86
Reserve & Surplus	53.07
Total	782.01





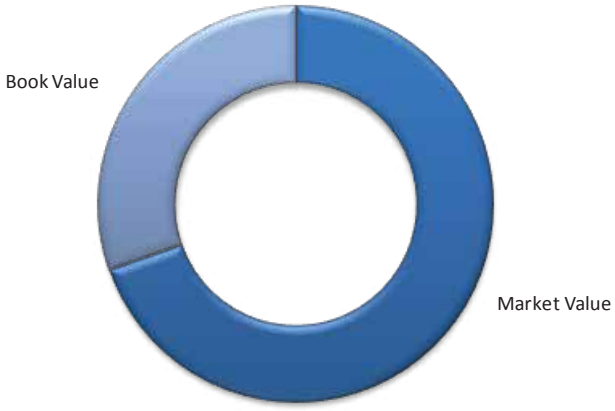
Market Value Added Statement

This statement Shows the difference between the market value of a company and the capital contributed by the investors.

A positive MVA indicates that the company could add the value to the shareholders wealth. The following statement indicates the MVA at the year ended on 31st December 2016.

Market Value Added Statement

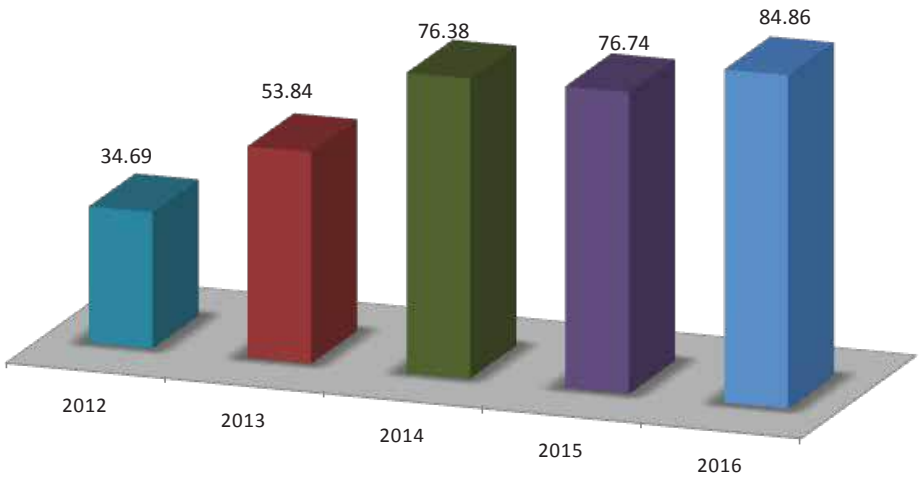
Particulars	Number of Share	Total Value (in Taka)
Market Value	31,212,265	714,760,868.50
Book Value	31,212,265	312,122,650.00
Market Value Added		**402,638,218.50**



Contribution to the National Economy

Nitol Insurance Company Limited recognizes that the Company has the responsibilities of the national economic development and in this connection; the management has the pleasure as they have contributed to the National Exchequer is higher than previous years. For this company paid VAT & Tax on its Income, Besides, the company deducts Income Tax on Various Account, On Agency Commission, Tax deducted from Salary, VAT on various Account, VAT deducted on Survey Fee, Clients and suppliers and deposited the same to the National Exchequer.

Nitol Insurance Company Limited also made an economic impact by creating employment and trained them to serve the country. In 2012 the company has been awarded by Bangladesh Govt. as best VAT payer Insurance Company in Bangladesh. NICL is paying satisfactory dividend to its shareholders.



Credit Rating Report



CREDIT RATING INFORMATION AND SERVICES LIMITED

CREDIT RATING REPORT - RATIONALE

CRISL

A Joint Venture Rating Agency of

Setting Global Standard at National Level

CRISL/CER/166/16

NITOL INSURANCE COMPANY LIMITED
RATING SPECIFICS

	Claim Paying Ability
CPA Rating	A+
Outlook	Stable
Date of Rating: October 18, 2016	**Valid up to: October 17, 2017**

Credit Rating Information and Services Limited (CRISL) has reaffirmed the Claim Paying Ability (CPA) rating of Nitol Insurance Company Limited (NICL) to 'A+' (pronounced as Single A plus) based on the financials up to December 31, 2015 and other relevant qualitative and quantitative information up-to the date of rating. The reaffirmation reflects NICL's average financial performance, average solvency and liquidity, good re-insurance arrangement with local and foreign re-insurers, experienced top management etc.

NICL Sources significant business from renowned group of companies and banks. The company continues to deliver improved services taking due care of the compliance requirements with good re-insurance arrangement and improved IT infrastructure. Based on the financial results for 2015, its underwriting profit slightly decreased to Tk. 89.10 million from Tk. 95.67 million in 2014. Total assets moved upward to Tk. 1,092.75 million in 2015 from Tk. 1,000.49 million in 2014. CRISL views NICL's investment strategy is conservative having around 99.72% of its funds remaining in cash and deployed in fixed deposits as well as in fixed assets while rest 0.28% in capital market.

The company maintained a steady improvement in capital commensurate with its business profile. The shareholders equity stood at Tk. 702.96 million and the paid-up capital improved to Tk. 312.12 million as on June 30, 2016. However, the capital base of the company is yet below from regulatory minimum level of Tk. 400.00 million.

On the other hand, NICL faces challenges from moderate underwriting performance in motor & fire segment along with moderate FDR base; however, reduction of above expense will enhance its overall performance. CRISL expects the company to continue to adopt a prudent underwriting approach, improve equity base with raising capital base, improve business and investment portfolio and enhance underwriting performance in miscellaneous segment.

CPA rated in this category is adjudged to offer high claim paying ability, Protection factors are good and there is an expectation of variability in risk over time due to economic and/or underwriting conditions.

CRISL also views the company with "Stable outlook" from the industry viewpoint for overall industry growth and policy and regulations implicated by regulatory authority as well as new Insurance Act. CRISL believes that the company will be able to maintain its fundamentals in foreseeable future.

Sarwat Amina
EVP & Head of Operation

Nitol Insurance Company Limited was rated by Credit Rating and Information Services Limited (CRISL) on the basis of Financial Statements as on 31st December 2015 and other information up-to the date of rating.

CRISL has reaffirmed the Claim Paying Ability (CPA) rating of Nitol Insurance Company Limited to '**A+**' (pronounced as single A+). This indicated high claims paying ability. Protection factors are good and there is an exception of variability in risk over time due to economic and /or underwriting conditions.

CRISL also views the company with "Stable Outlook" from the industry viewpoint for overall industry growth and policy and regulations implicated by regulatory authority as well as new Insurance Act.

BAPLC Membership Certificate

As per SEC Notification # SEC/CMRRCD/2006-161/324 dated on April 11, 2010, we present the below Membership Certificate given by Bangladesh Association of Publicly Listed Companies (BAPLC) :



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/059

BAPLC

Date of issue : 16th February 2017

Renewed Certificate

This is to certify that

NITOL INSURANCE COMPANY LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2017.

BAPLC

Secretary-General
(Acting)

Disclosure & Compliance



Compliance Disclosure

Re-Election of Directors

Company's Articles of Association require that one-third director shall retire from the office by rotation each year except Chief Executive Officer (Managing Director) and Independent Director of the Company. If they are eligible for the re-appointment, they could be re-elected by the shareholders in the next Annual General Meeting.

Removal and Appointment of the Chief Executive Officer (Managing Director)

Insurance Act- 2010 defined the appointment and removal of the Chief Executive Officer (CEO) from his office of the Company. With the consent of Insurance Development & Regulatory Authority (IDRA), the board of directors may remove the CEO (Managing Director) from his office and accordingly with prior approval of IDRA, the board may appoint any qualified persons as a new CEO (Managing Director) instead of the removed CEO (Managing Director). Mr. S.M. Mahbubul Karim, Chief Executive Officer appointed in the company with the approval of IDRA effective from 1st January 2015 for next 03 (three) years.



Disclosure Of Directors Remuneration

Board of Directors of the company is non-executive director except CEO (Managing Director). They don't get any incentive or bonus for the performance of the board. The non-executive directors get only meeting fees for attending the board and committee meetings at Tk. 5,000/- per meeting. CEO (Managing Director) remuneration package determine by the Board, which requires approval from the IDRA. As per corporate governance requirement we publish our non-executive director meeting fees in the annual report. During the year, the meeting fees of the Director fees were 2,35,000/-.

Disclosure Of Related Party Transactions

Company's related parties transactions are made for ordinary business purpose. A statement of related party transaction presented in the notes to the Financial Statements No. # 30 of the report and the transactions of related parties were checked and verified by the external auditor.

Disclosure On The Financial Performance Of The Company

Nitol Insurance Company Limited is always aware about the disclosure of the financial performance for the requirement of regulatory authority. In this connection, the Company published the quarterly, half yearly and annual reports in the daily newspaper and company's website in time. The Management also informed the Price Sensitive Information (PSI) to the regulatory in time and accordingly published in the daily newspapers and also electronic media. The company's Financial Statements have been prepared and published according to the International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS) and Institute of Chartered Accountant of Bangladesh (ICAB) guidelines. Other operational information was also published on the basis of the related rules and regulations requirements.

Appointment Of External Auditors

The External Auditor completed the annual audit about the accounts after appointment by the shareholders the Annual General Meeting. With the recommendation of the Board of Directors, the shareholders confirmed the appointment of the external auditor in the annual general meeting specify remuneration of its service. As per Finance Act. 1993 an Auditor cannot be appointed for more than three consecutive years. MABS & J Partners, Chartered Accountants was appointed in the AGM of 2015 for the year of 2016.

Disclosure Of The External/statutory Auditors Engagement

M/s. MABS & J Partners, Chartered Accountants the external auditors of the company was not engaged with the following services of the company:

- Appraisal or valuation services or fairness opinion
- Financial Information System design and implementation
- Book Keeping or other service related to the accounting records or financial statements
- Broker-dealer services
- Actuarial services
- Internal Audit Services
- Any other service that the Audit Committee determines
- Tax Consultancy
- No partner or employees of the external audit firms shall possess share of the company, they audit at least during the tenure of the audit assignment of the company.

Disclosure of the Notifications

FULFILL THE MINIMUM SHARE HOLDING:

According to the notification of BSEC, the Directors jointly hold minimum 30% (thirty percent) of share of the paid-up capital of the company and each Director other than Independent/ Nominated Director(s) of the company's minimum holding should be 2% (two percent) shares. Currently, the Directors of the company have jointly maintained 55.29% of paid-up capital of the company.

REPORT ON THE COMPLIANCE OF THE CONDITIONS OF SEC'S NOTIFICATION :

In accordance with the Securities and Exchange Commission's Notification No/SEC/CMRRCD/2006-158/137/Admin/44 dated 07 August 2012 to report on the compliance of certain conditions. The notification was issued to fulfill the good corporate governance practice in the listed companies for the interest of the investors' and the capital market. The company has followed the notifications in the company and the implementation status of the corporate governance is given in the annual report. And also we have achieved the compliance certificate from M/s. Mumlook Mustaque & Co., Chartered Accounts.

FULFILL THE MONEY LAUNDERING RULES :

The Board of the Nitol Insurance Company Limited has approved the guidance notes of Bangladesh Bank on Anti Money Laundering (AML) & Combating Terrorist Financing (CFT) and advised the management to follow the recommendations of AML & CFT.

NICL has established Central Compliance Unit consisting of 18 (eighteen) members headed by Mr. Tapas Kumar Podder, Additional Managing Director of the company as the Chief Anti Money Laundering Compliance Officer (CAMLCO) under advice of the Board of Directors.

All the concerned Branches/Departments such as Underwriting, Re-Insurance, Accounts and Claims Department have been instructed to remain alert from the motive of Money Launderer's in connection of insurance underwriting & claims settlement. And it was also advised all Branches/Departments to inform immediately the Chief Money Laundering Compliance Officer if any suspicious activity of any insured/clients are found in connection of insurance documentation.

Solvency Margin Position

Solvency margin is the amount by which the assets of an insurer exceeds its liabilities, and will form part of the insurer's funds. Under section 43 of Insurance Act 2010 the Insurance Company required to maintain Solvency Margin. The solvency of an insurance company corresponds to its ability to pay claims. The solvency of insurance company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the company has adequate capital as security.

In Bangladesh regulations for Solvency margin for non-life insurance Company have been prepared by IDRA but not yet been approved by Finance Ministry thereby not yet promulgated through official gazette.

During the year 2016, Nitol Insurance Company Limited achieved solvency margin as required level. The details as follows:

Year 2016

SOLVENCY MARGIN BASED ON PREMIUM INCOME:

Amount in Million Taka

Class of Business	Net Premium	Gross Premium	Factors	G.P. after application of Factor	20% of GPF	20% of NP	20% of (NP & GPF) which is higher
Fire	22.41	75.08	0.50	37.54	7.51	4.48	7.51
Marine Cargo	122.04	154.59	0.70	108.21	21.64	24.41	24.41
Marine Hull	3.44	7.42	0.50	3.71	0.74	0.69	0.74
Motor	334.24	339.11	0.85	288.24	57.65	66.85	66.85
Miscellaneous	8.75	37.67	0.70	26.37	5.27	1.75	5.27
Total	**490.88**	**613.87**					**104.78**

SOLVENCY MARGIN BASED ON PREMIUM INCOME:

Amount in Million Taka

Particulars	Amount		Particulars	Amount
Total Assets as per Balance Sheet	1,239.08		Total Liabilities	1,239.08
Less: Amount due from Others	(70.95)		Sundry Creditors	(60.46)
Outstanding Premium -	-		Amount Due to Others	(44.95)
Furniture & Fixture	(2.63)		Provision for Income Tax	(147.20)
			Deposit Premium	(4.45)
			Reserve for Unexpired Risk	(198.42)
			Reserve for exceptional loss	(291.30)
(A) TOTAL ASSETS	1,165.50		(B) TOTAL LIABILITIES	492.30
Solvency Margin Available (A-B)				**673.20**

SOLVENCY RATIO (Times)

Particulars	2016
Solvency Margin Available (A-B)	673.20
Required Solvency Margin	104.78
Solvency Ratio (Times)	**6.42**

Compliance Report on SEC's Notification

Report on Compliance of Corporate Governance Guidelines of Nitol Insurance Co. Ltd. SEC/CMRRCD/2006-158/134/Admin/44:dated August 07, 2012

Report on Compliance of Corporate Governance Guidelines of Nitol Insurance Co. Ltd. SEC/CMRRCD/2006-158/134/Admin/44: dated August 07, 2012

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:				
1	Board's Size			
1.1	Board members should not be less than 5 (five) and not more than 20 (twenty)	√		
1.2	Independent Directors			
1.2 (i)	Independent Director: At least 1/5th	√		
1.2 (ii) a)	An independent director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	√		
1.2 (ii) b)	An independent director is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company	√		
1.2 (ii) c)	An independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1.2 (ii) d)	An independent director is not a member, director or officer of any stock exchange	√		
1.2 (ii) e)	An 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)	An 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)	An independent director shall not be an independent director in more than 3 (three) listed companies	√		
1.2 (ii) h)	An 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 Non-Bank Financial Institution (NBFI)	√		
1.2 (ii) i)	An 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 of directors	√		
	Appointment of the independent director shall be 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 of conduct of the Board of Director to be recorded	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent director (ID)			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	He/ She should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. He/she must have at least 12 (twelve) years of corporate management/professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	Not Applicable (No special case arose)
1.4	Chairman of the Board and Chief Executive Officer:	√		
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company and The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.			
1.5	Directors Report to Shareholders shall include following additional statements			
1.5 (i)	Industry outlook and possible future developments in the industry.	√		
1.5 (ii)	Segment-wise or product-wise performance.	√		
1.5 (iii)	Risks and concerns.	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report.	√		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	√		

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	-	-	Not Applicable
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	√		
1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	√		
1.5 (xvii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	-	-	Not Applicable (13% stock dividend was proposed)
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:-			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	-	-	Not Applicable (Nitol Insurance Company Limited does not have Parent/ Subsidiary/Associated company)
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		
1.5 (xxi) c)	Executives;	√		
	(Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.)			
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	-	-	Not Applicable
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:-	√		
1.5 (xxii) a)	A brief resume of the director	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS).	√		
	The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	√		
2.2	Requirement to attend the Board Meetings	√		
	Attendance of CFO and the Company Secretary at Board of Directors' meeting			
3	Audit Committee			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	√		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		

Compliance Report on SEC's Notification

Condition No.	Title	Compliance Status		Remarks (if any)
		Complied	Not Complied	
3.1	Constitution of the Audit Committee	√		
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	Constitution of Committee with Board members including one Independent Director	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	Filing of casual vacancy in committee	-	-	Not Applicable
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	-	-	Not Applicable (Nitol Insurance Company Limited went to IPO on 2005. RPO and Right share was not issued by the company)
3.4	Reporting of the Audit Committee			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii) a)	Report on conflicts of interests to the Board of Directors	√		There was no conflict of interest in the year 2016
3.4.1 (ii) b)	Reporting of any fraud or irregularity to the Board of Directors	√		There was no fraud or irregularity in the year 2016
3.4.1 (ii) c)	Reporting of violation of laws to the Board of Directors	√		There was no violation of laws in the year 2016
3.4.1 (ii) d)	Reporting of any other matter to the Board of Directors	√		
3.4.2	Reporting to the Authorities If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	-	-	Not Applicable (The management has informed that no such issue arose, and therefore nothing has been reported to the board of directors)
3.5	Reporting to the Shareholders and General Investors Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	-	-	Not Applicable
4	**External/Statutory Auditors**			
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)	Broker-dealer services.	√		
4 (v)	Actuarial services.	√		
4 (vi)	Internal audit services.	√		
4 (vii)	Any other service that the Audit Committee determines.	√		

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

Certificate of Compliance

Mumlook Mustaque & Co.
Chartered Accountants
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Building No. 49, Road No. 17
Banani C/A, Dhaka 1213
Telephone: +88029821170-71
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Certificate on Compliance of Conditions of Corporate Governance Guidelines to the Shareholders of Nitol Insurance Company Limited

We have examined the status of compliance of conditions of corporate governance guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Nitol Insurance Company Limited (the "Company") as stipulated in the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969 for the year ended 31st December 2016. These guidelines relate to the notification Bangladesh Securities and Exchange Commission ("BSEC") on corporate governance.

The Company's Responsibilities

The compliance of conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the Company's management.

Our Responsibilities

Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by the company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

Conclusion

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 corporate governance stipulated in the above mentioned BSEC notifications dated 7th August 2012 and reported on the attached status of compliance statement.

We also state that such compliance certificate is neither an assurance as to the future viability of the company nor a certification on the efficiency or effectiveness with which the management has conducted the affairs of the company.

Mumlook Mustaque & Co.
Chartered Accountants

Dated Dhaka
May 14, 2017

Corporate Governance

Statement of Corporate Governance

1.0 Conceptual Framework

The corporate governance philosophy of the Company is aimed at assisting the top management in efficient conduct of its affairs as well as in meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance as to how the objectives are set and achieved, how risk is monitored and assessed and how the performance is maximized. Keeping in view the size, complexity and operations, the governance framework of the Company is based on the following principles:

- That the Board is appropriate in size and members are commi ted to their respective duties and responsibilities
- That timely flow of information to the Board and its Committees are ensured to enable them discharge theirfunctions effectively
- That a sound system of risk management and internal control is in place.
- That timely and balanced disclosure of all material information concerning the Company is made to all Stakeholders.
- That all transactions of the Company are transparent and accountability for the same is well established.
- That we are compliant with all regulatory and statutory

rules and regulations.

2.0 The Responsibilities of the Board

To ensure effective maintenance of corporate governance,the Board of NICL formulates strategic objectives and policies for the company, provides leadership in implementing those objectives as well as supervises management of the company's affairs. In NICL, Board of Directors is in full control of the company's affairs and is also accountable to the shareholders. The Board firmly believes that the success of the company depends largely on the prevalence of a credible corporate governance practice. In discharging its responsibilities, the Board fulfills certain key functions, including:

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance.
- Ensuring the integrity of the Company's accounting & financial reporting systems are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- Reviewing Company's Financial Statements and oversee its compliance with applicable audit, accounting and reporting requirement.
- Monitoring implementation and effectiveness of the approvestrategic and operating plans.
- Establish Company's value.
- Oversee the corporate governance of the Company

2.01 Composition of the Board

The Company's policy is to maintain optimum combination of Directors from both Sponsors and general public. The Board of Directors of the Company comprises of 07 Directors from the sponsors & general investors and 02 as independent Director. The short introduction of the Directors has been described in page no 12 to 18. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standard and in the best interest of the shareholders.

2.02 Board Meeting

The Directors meet together time to time review the activities of the company and decide the tropics relating to policy and accordingly monitoring the progress of the company. The Company's Act and Articles of Association requires the Board Meeting and accordingly Nitol insurance Company Limited doing the meeting in time. The aspects of Board meeting are discussed in details at the chapter for the meetings. During the year 2016 a total 06 Board Meetings were held. A detail of the Board Meeting and attendance in the meeting are given on the page no 70 of this Annual Report.

2.03 Independent Directors

To comply the requirement of corporate governance, the highly professional, qualified and experienced personal(s) need to appoint independent directors in the Board. In this connection the board already appointed Mr. Md. Mamunur Rashid FCMA, and Dr. Md. Akram Hossain as Independent Directors of the Company.

2.04 Separate role of the Chairman and Chief Executive Officer (CEO)

The Chairman and Managing Director of the Company are different bodies and their duties & responsibilities are separated as mentioned in the Articles of Association of the Company. The Chairman is the Non Executive Director and Managing Director is Executive Director. The Chairman ensures to comply the policy of the company through the Board and the Managing Director confirmed to the Board about the implementation of the policy with the support of the management team.

2.05 Responsibilities of the Chairman

The Chairman serves as the primary link between the Board and Management, and works with the Managing Director and Company Secretary to set the agenda of the Board Meetings. He provides leadership to the Board and ensures that the Board works effectively and discharges its responsibilities efficiently.

The overall responsibilities of the chairman are to:

- Ensure that the Board set and implements objective and strategy effectively;
- Act as the company's lead representative, explaining aims and policies to the shareholder;
- Determine the composition and organization of the board;
- Clarifying the board with its management and responsibilities;
- Plan and manage the board and all board committee meetings;
- Facilities the effective contribution of the non-executive Directors;
- Chair all Board Meeting and AGM or other shareholder meeting;
- Signs on the Board resolution with the discussion of the Board;

2.06 Responsibilities of the Chief Executive Officer (CEO)

The Managing Director & CEO is the Executive Director of the Board. The Articles of Association of the Company refer his duties and responsibilities in the Company. Generally, he is responsible for running the business and implementing the Board strategy and policy. He looks after the day-to-day business and accountable to the Board for the financial and operational activities of the Company.

2.07 Role of the Company Secretary

A Company Secretary is the main key to the application of the best practice in the corporate governance. The responsibility of the Company Secretary is to ensure that the Companies with its directors operate within the parameters of their roles, providing guidance to enable compliance with the relevant legislation. It is also his responsibility to communicate with shareholders and other third party stakeholders transacting with the company and confirm the compliance of disclosure, guideline, notification directives or orders of BSEC/Stock Exchanges. Under the direction of the Chairman, the Company Secretary's ensuring good information flows within the board and its committees, between Senior Management and non-executive Directors, as well as facilitating induction and assisting with professional development.

2.08 Board Committees

There are three committees constituted by the Board Members to assist the Board in discharging its responsibilities – the Claim Committee the Audit Committee and the Investment Committee. The Board at the time of constitution of each committee fixes the terms of reference for each committee and also delegates power from time to time. The minutes of the meetings of all the committees are circulated to the Board for its information. The Committees are performing their duties on behalf of the Board.

2.09 Claims Committee

The Claims Committee is authorized to review all the proposals of claims. The authority delegated to the Managing Director. The Claim Committee is comprised of Mr. A.K.M. Monirul Hoque as the Chairman and Mr. Md. Anowar Husain and Mr. S.M. Mahbubul Karim as its members.

2.10 Investment Committee

The Investment Committee look after the companys Investment policy. The members of the Investment Committee are Mr. Mahmudul Hoque Shamim as Chairman, Mr. Zobair Humayun Khandaker, Md. Siddiqur Rahman & Chandra Shekhar Das. The CEO, CFO, CS & Head of Internal Audit also representated of the Company.

2.11 Audit Committee

The primary role of the Audit Committee is overseeing the financial reporting process and disclosure of financial information, reviewing the financial statements before submission to the Board.

2.12 Members of the Audit Committee

Name of the members	Position in the Committee	Attendance
Mr. Md. Mamunur Rashid, FCMA	Chairman	04
Mr. Md. Anowar Husain, FCMA	Member	03
Mr. Zobair Humayun Khandaker	Member	03
Mr. Mahmudul Hoque Shamim	Member	04

2.13 Chairman of the Audit Committee

Mr. Md. Mamunur Rashid FCMA, Chairman of the Committee appointed by the Board from amongst the directors. Mr. Rashid is a qualified Cost & Management Accountant having 26 years of corporate experience in the related field. He has vast knowledge, good under- standing, experienced in business and management with accounting or finance of the Company.

Statement of Corporate Governance

2.14 Activities of the Committee

- To review the internal audit program to ensure that the internal audit function is adequately resourced and has an accurate standing in the company;
- To consider the response of the management to any major external or internal audit recommendations;
- To review the internal auditor's reports about the effectiveness of systems for the internal financial control, financial reporting and risk management;
- To ensure the implementation of the internal control measures.
- To discuss with the internal auditors about any significant findings and to follow up there on.
- To review and examine interim and annual financial statements before the submission to the board.

2.15 Report of the Audit Committee

The Committee reviewed the function of the above areas and found that

- The adequate internal control system with management appropriate response have been running in the all areas of the Company;
- The Management follows the related laws, including SEC regulation and guidelines, Stock Exchanges requirements and others;
- The Management handling the operation and the financial activities of the company as per Insurance Act and with the advice of the Board.

2.16 Appointment of Chief Financial officer, Head of the Internal Audit and Company Secretary and Attended in the Board Meeting

- The Company has a Chief Financial officer, a Head of Internal Audit and a Company Secretary. Their duties & responsibilities are separated and the Board of Directors of the Company determined it clearly.
- The company secretary attends the meeting regularly and note down the matter of the meeting for preparing the minutes.
- The chief Financial Officer and head of internal Audit attend the meeting of the Board of Directors as and when required and presents the agenda item relating to their departments.
- Nitol Insurance Company Limited running their operation with applying transparency and maintain good corporate governance. To fulfill the long-term strategic goal of the stakeholder, Nitol Insurance Company will consider and take care for the interests of employees and will continue to maintain an excellent relationship with customers and to maintain a proper compliance with the entire applicable legal and regulatory requirement under which the company carries out its activities.

3.0 Internal Control Framework

The Management recognizes its responsibilities to present a balanced and understandable assessment of the company's position and prospect. The management has accountability for reviewing and approving the effectiveness of internal controls operated by the company, including financial, operational and compliance

Controls and Risk Management.

The company has adequate system of internal control in place. The well defined organization structure, predefined authority levels, documented policy guidelines and an extensive system of internal controls ensure optimal utilization and protection of resources, reporting of financial transactions and compliance with applicable laws and regulations. The system also ensures that assets are safeguarded against loss from unauthorized use or disposition.

4.0 Delegation of Authority

There is clearly spelled out delegation of authority in sanctioning loan as well as the operational and capital expenditure with specific task authority relationship. The board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

Statements

Statement on Internal Control

Company's internal control system consists of all the procedures, methods and measures instituted by the Board of Directors and the executive management ensures that operational activities progress in a proper way. It is a set of continuous processes to provide reasonable assurance by the board of directors of the Nitol Insurance Company Ltd, the Management and all personnel to look after the following measures:

- Effectiveness and efficiency of operations;
- Reliability of financial and non-financial information;
- An adequate control of risks;
- A prudent approach to business;
- Compliance with the laws and regulations and internal policies and procedures;
- Protection of business assets;
- Consistent of the financial reporting in time.

The Board of Nitol Insurance Company Ltd. is attentive of the internal control system and ensures that:

- Management comply the related and regulations;
- The instructions and guidelines fixed by the Board of Directors and the Executive Management applied it accordingly;
- The Company's internal processes are functioning correctly, particularly, those implicating the security of its assets;
- The internal control system plays a key role in conducting and monitoring its various activities.

The Board of Directors of Nitol Insurance Company Ltd. monitors the Company's systems of internal control and Management confirms the system is functioning effectively. It supervises the efficiency of operations, reliability of internal and external reporting and compliance with the applicable laws and regulations. Company's internal Audit Department looks after at every corner and put their observation to the senior Management. Under the guidance of Audit Committee senior Management and Internal Audit team of the Company visiting the branches regularly and doing the needful as advised by the Audit Committee. To develop the system of the Company with modern concept, the senior Management reviewed the existing policies time to time with the support of the Board and recommends their views in respect of accounting and financial information, Investments, human resources, business development and others.

Related Party Transactions

The Company in normal course of business carried out a number of transactions with other entities that fall within the definition of related party transaction. Under the condition No. 1.5(vi) of the Corporate Governance Guidelines of the BSEC basis for the related party transactions, a statement of all related party transactions should be disclosed in the annual report. In this connection, details of transactions with related parties and balances of them as on December 31st 2016 presented below. The external auditor have checked the transaction and found that all transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties.

Transactions were as follows.

Name of related party	Relationship	Nature of Transaction	Premium Earned
Nita Company Ltd.	Common Director	Insurance Business	11,294,817
Zobair Humayun Khandaker	Common Director	Insurance Business	19,493
Spouse of A K M Monirul Hoque	Common Director	Insurance Business	23,397
Total Amount in Taka			**11,337,707**



Statement of Risk Management

Statement of Risk Management

Risk is the effect of uncertainty on objectives and an effect is a positive or negative deviation from what is expected. We try to achieve objective, there's always the chance that things will not go according to the plan. There's always the chance that we not achieve what we expect to achieve. Every step we take to achieve an objective involves uncertainty. Every step has an element of risk needs to be managed. Risk is the chance that there will be a positive or negative deviation from the objectives we expect to achieve.

Risks of Insurance Operations

The insurance business principal is taking and managing the risks. The largest risks pertain to risk selection and pricing, the acquisition of reinsurance cover, and the adequacy of technical provisions. Within Non-Life Insurance, the risk inherent in technical provisions lies mainly in insurance line characterized by a long claims settlement period. In addition to underwriting risks, a major insurance business risk consists of the investment risk related to the assets covering technical provisions.

Risk Management Plan

The management of Nitol Insurance Company Limited coordinated to set the activities and methods that are used to an organization and to control the risks that can affect its ability to achieve the objectives. The management makes the plan that is used to manage the risk. The Company's risk management of components, the approach, and the resources that will be used to mange the risk. Typical management components include procedures, practices, responsibilities, and activities (including their sequence and timing). The Company's risk management plans applied to products, or to an entire company or to any part of it.

Risk Concentrations

The Nitol Insurance Company Limited takes the risk concentration in EML (Estimated Maximum Loss) estimates for property risk and through EML break through cover include in reinsurance cover. Our operating region has no major risk of earthquakes. With respect to risks associated with other natural disasters, such as storms and floods. However, the company has protected against catastrophe accumulation losses through an extensive catastrophe reinsurance cover whose size has been dimensioned to correspond to the calculated size of a catastrophe loss occurring once every 200 years. The catastrophe accumulation cover applies to property damage and personal injuries.

Risk Analysis

Risk analysis is a process that is used to understand the nature, sources, and causes of the risks that we have identified and to estimate the level of risk. It is also used to study impacts and consequences and to examine the controls that currently exist. The management of Nitol Insurance always of the probability of the Insurance items risk factors. Before issuing any Insurance policy the concerned employee consult with the underwriting departments about the risk involvement of the insured items. If it is found reasonable and capable for the company to have the facility of reinsurance then with the consent of the Managing Director the concerned authority issued the policy for taking the risk.

Underwriting Risks

By taking out an insurance policy, the policyholder transfers his insurance risk to the insurer. The underwriting risk associated with an individual general insurance contract. Our Company's portfolio comprises a very large number of general insurance contracts. Because of this large size of the insurance portfolio, the expected number of claims is also great. An accumulation of loss due to natural catastrophes or large catastrophes caused by human activity constitutes a specific risk type. In such a case, one catastrophic event may in practice give to simultaneously payable claims for a large number of insured risks at high amounts. The resulting total claims expenditure may be extremely large. However, this risk can be diversified, since the company operates in the region with a perceived relatively low risk of natural catastrophes, enabling the company to protect against the risk through reinsurance.

Underwriting Risk Management

The most important tasks within underwriting risk management relate to risk selection and pricing, the acquisition of reinsurance cover, the monitoring of claims expenditure and the analysis of technical provisions. The Underwriting Executives act as the highest decision-making body with the support of Managing Director to takes the underwriting risks. The Underwriting Executives make underwriting decisions within the framework of powers confirmed by the Management/Boards of Directors of the company, and report its decisions to the Board. The risks cost are made according to the Underwriting Guidelines governing each line of insurance in case the risk involved is below the amount set

for the Underwriting Executives. Greater and more severe risks require decisions made jointly by senior underwriters or managers. For basic insurance lines, decisions are made on a system-supported basis and customers and the objects of insurance are selected within the powers allowed by instructions specifically approved.

Risk Selection and Pricing

Operating models highlight the role or risk selection and pricing. The company has set limits for the size and extent of risk for each insurance line and risk concentration. The company has a centralized the data in the head office and analysis the applications in place to support of the risk selection and pricing. Insurance terms and conditions serve as a vital tool in mitigating risks. In addition, risk analyses are performed on a customer or insurance line specific basis to mitigate risks.

Reinsurance Risk

The Board of Directors annually approves the Reinsurance principles and the Maximum Risk retained for own account. In practice, this Risk is kept tower if this is justifiable considering the price of Reinsurance. Retention in risk specific Reinsurance is a Maximum of BDT. 10,000,000/- for Fire Risk, BDT. 2,500,000/-for Marine Cargo, BDT. 3,000,000/- for Marine Hull, BDT. 1,000,000/- for Miscellaneous & Engineering, BDT. 300,000/- for Motor Loss. Under Fire Catastrophe Reinsurance Risk is BDT 70 Lac Excess of BDT 30 Lac and BDT 1.5 Crore Excess of BDT 1.00 Crore and addition claims under the Motor Loss an Annual Aggregate protection capacity is BDT 11,900,000/- the level of Reinsurance protection has an impact on the need of solvency capital.

Only Companies with a sufficiently high Insurance financial strength rating are accepted as Reinsurers. Moreover, maximum limits have been confirmed for the amounts of risk that can be ceded to anyone Reinsurer. These limits depend on the nature of the risk involved and on the Company's solvency. The Nitol Insurance Company Limited has mainly placed its Reinsurance agreements with the Companies at least 'A' rating affirmed by (i) Sadharan Bima Corporation, Bangladesh, (ii) National Insurance, Company Limited, India, (iii) Asian Reinsurance Corporation, Bangkok, Thailand, (iv) GIC Re Bhutan, (v) Kenya Reinsurance Corporation, Nairobi, Kenya, (vi) Royal Insurance Corporation of Bhutan, (vii) CICA-Re, Africa, (viii) ZEP-Re, Kenya.

Comprehensive Motor Insurance Risk

Comprehensive Insurance policies cover the loss or Damage to Insured Motor Vehicles. The Comprehensive Insurance portfolio consist mainly Motor Vehicle policies taken out by private individuals and Companies. The rating of Motor Vehicle Insurance employs a no-claims bonus system, under which the occurrence of a loss event raises the premium. In addition, the Insurance Company has the right to alter the premium annually. The majority of the Motor vehicle Insurance portfolio Comprises private individuals' policies. In other respects, the Insurance risk in this class consists mainly the Insurance taken out by Companies. The Nitol Insurance Company Limited has Reinsurance protection in excess of BDT. 3,00,000/- only for Comprehensive Motor Insurance for each and every loss.

Risk of Cargo Insurance

Cargo Insurance applies mainly to Companies transport risks, transport risks, covering loss of or damage to goods in transit. This line of Insurance also contains luggage and boat/yacht Insurance whose policyholder is mainly a private individual. In addition, weather conditions may involve accumulation risks covering a geographically large region, such as storms and floods, and the risk of snow and icy roads during the winter pertains to comprehensive Insurance.

The Nitol Insurance Company Limited has taken out Reinsurance coverage against major loss of or damage to cargoes, with the retention under Reinsurance amounting to BDT. 25,00,000/-

Market Risk

Instability and disruption of overall economies of local and abroad can expose the company's business income including the financial and capital markets position and also changes the annual premium income position, which may adversely impact on the company's financial condition. This risk can have a significant effect on investment returns and market values of securities positions, which in turn may affect both the company's results of operations and financial condition. The Nitol Insurance Company Limited has trying to reduce the risk of the portfolio by relocation the service of the portfolio and , as a result, profitability would-be increased, unless there is no impact on underwriting returns.

Statement of Risk Management

Investment Risks

In insurance business, investments comprise assets covering technical provisions and shareholder's equity. Through controlled investment risks, Nitol Insurance Company Limited aims is to achieve the best possible return on the investment portfolio at an acceptable risk level while taking account of the structure of technical provisions and the solvency targets.

In our company, investment operations are based on investment plans and investment authorizations, confirmed by the Board of Directors, which specify the basic allocation and range of investments by asset class, the organization of investment, risk limits as well as decision making powers and authority. The Company applies the Asset/Liability Management (ALM) model used to determine the basic allocation. As a result of fluctuations in asset values and active and investing, the company occasionally deviates from the basic allocation within defined limits.

The Company's investment operation presented in the monthly Board of Directors Meetings. The Risk Management function monitors daily risk limits set in the investment plan, key risk limits including allocation limits, interest rate, counter party credit-rating limits and diversification limits.

Interest Rate Risk

We know that general insurance have huge amount of liquid investment and the investment kept in the form of FDR. The FDR interest is one of the main incomes of the company. The interest rate of fixed income portfolios is account for the certain period. If the interest rate is fluctuating or decrease from the previous years then income portfolio may be downward. So, determining the interest rate risk, the company regularly monitors the FDR and if required communicate with the banks for maintaining the fixed rate to confirm the interest income properly.

Legal Compliance Risks

The Company could be subject to risks arising from alleged or actual violations of any of the foregoing, and could also be subject to risks arising from potential employee misconduct, including non-compliance with internal policies and procedures. Substantial legal liability could materially adversely affect the company's business, financial condition or results of operations or could cause significant reputation damage, which could seriously harm the business of the company.

The Management of Nitol Insurance Company Limited has already been taken necessary steps to confirm the regulatory works based on the guidelines of the authority. The Board of Director regularly motivated the management to maintain the rules and regulation and do the business as prescribed by the Insurance Development and Regulatory Authority (IDRA). The Management always about the legal compliance and ensured the Risk management to safe the company.

Statement of Social Responsibility

The Nitol Insurance Company Ltd. voluntarily contributed sum amounts to make a better society and a clean environment. Corporate social responsibility is a process in which all companies come together as one and take part in the welfare of the society. We distributed some profits linked with CSR on the immediate and long-term social and environmental activities. We have the CSR program through Bangladesh Insurance Association (BIA) and Insurance Development and Regulatory Authority (IDRA). Nitol Insurance Company Limited also takes some initiatives to help the poor peoples and employees of the Company for their medical treatment and education purpose. The Board separates a fund to help the poor students around the country to build up their career. The Board always feels Social Responsibility is a part of businesses activities considering that we are not only responsible to create the wealth but also for social and environmental well-being.



Statement of Human Resources

Human resource is the management of an organization's workforce or human resources. It is responsible for the attraction, selection, training, assessment, and rewarding of employees, while also overseeing organizational leadership and culture and ensuring compliance with employment and labor laws.

In the Nitol Insurance Company Ltd. it is an inherent part of the management, which is concerned with the human resources and maintenance of better human relation by the development, application and evolution of bringing the people to organization can meet up the goal. As a service provider organization Nitol Insurance Company Limited ensures better service by developing the human resources. You all know that there is acute shortage of professionally qualified manpower in the insurance industry. To face the risk of competent qualified manpower and challenge of business development of the company, the management has been equipped by a group of technically qualified experienced professionals to look after various departments in appropriate manner for efficiently handling the future challenges. In this connection in-house and out-doors training for all level employees have been started on priority basis.

We are adopting adequate measure for implementing the guidelines of the Insurance Development & Regulatory Authority and other related bodies. Every year we try to upgrade our HR policy in a benefitting manner for facing the challenges of our industry. For a healthy Insurance market to develop, quality and quantity of people is required. Not only experienced and technically qualified people but also people with integrity, management acumen and flair are the need of the time. We believe service is our product and human resource is our raw materials. So we are continued to implement appropriate human resource management policies and practices to develop its employees, and to ensure their optimum contribution towards the achievement of corporate goals. We also believe, there is hidden merit in every insurance employee, which may be developed through providing opportunity and good working environment. To attract the insurance profession as lucrative one, adequate steps have been introducing to recognize their good performance. Nitol Insurance Company Limited is equipped enough by a group of technically qualified personnel at all level to raise its position higher in the changing environment of the Insurance industry rendering more effective and transparent services to the clientele as a whole. In 2016, a good number of officers & senior executives have been trained up through participating in professional training in home and abroad for facing the challenges in the days to come.

Main human resource strategy:

- Offering attractive compensation package for deserving personnel.
- Providing need based internal and external training in both home and overseas to cope with challenges in the days to come.
- Following attracting company's Service Rules into to as introduced from 1st July 2012.
- Updating Scale of Pay in need based.
- Create a strong Management team.
- Align the Interests of employees with the Interests of the Company.
- Hiring, Developing, Succession Planning and maintaining the right workforce in right place.
- Employing professionals who create success for customers.
- Aligning incentives and staff rewards with performance for serving the best.

Nitol Insurance Company Limited continues to maintain very satisfactory position in terms of personnel turnover of the company.

Staff Strength of the Company:

Manpower Strength in 2016	
Senior Level Management	22
Mid Level Management	25
Junior Level Management	75
Support Staff	54
Total	**176**



Statement of on Going Concern and Liquidity Management

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue in operation for the foreseeable future. The significance of this principle becomes apparent when the value of a running business is compared with the value of one being liquidated.

The moment a business is declared liquidated, all debts become immediately due in fall, tangible assets are worth only what they will be sold for in an auction or force-sale, and the intangible assets (such as goodwill) become worthless. In the financial statements we have presented the position and it is ensured that all reasonable steps have been taken to continuing the company as a going concern and also continuity of business unit principle. Accounts have been prepared based on the going concern concept to present a realistic financial reports. Without the 'going concern' concept, financial statements would have to be prepared on break-up basis.

As a Non-life insurance company, our core business generates liquidity primarily through premium income. NICL's exposure is to liquidity risk steps mainly from two sources: the need to cover potential extreme loss events and regulatory constraints that limit the flow of funds within the company.

The company is maintaining an overall assets liquidity profile that exceeds requirements to fund potential liabilities under adverse scenarios. NICL also actively manages and monitors the matching of asset positions against its commitments, together with the diversification and credit quality of its investments against established targets.

Nitol Insurance Company's primary source of funds is cash provided by operating activities, including premiums and net investment income. These funds are used primarily to pay claims, commissions, operating expenses and shareholder dividends. Cash flows generated from operating activities are generally invested to support future payment requirements, including the payment of dividends to shareholders.

NICL has actively managed the liquidity risks to ensure that we can satisfy the financial obligation of the company. Company's most of the amount invested in the form of FDR, Purchase office space and also a huge cash balances. The NICL liquidity stress test are reviewed regularly and the company's Audit Committee approve their main assumptions in the time successfully.

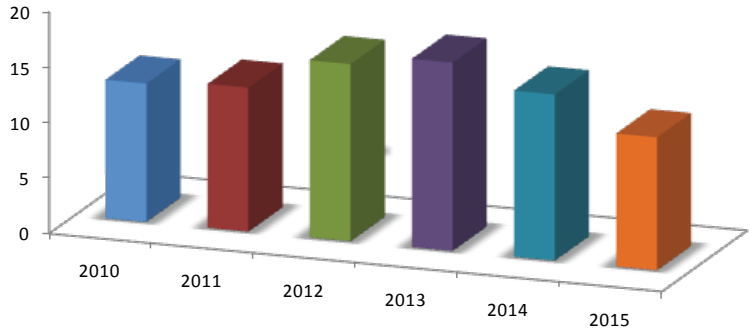
The company's liquidity remained strong with to total cash inflows of Tk. 611,816,436/- against Tk. 600,622,585/- in 2015. The Total cash and cash equivalents as at the end of 2016 is Tk. 42,545,862/- against Tk. 23,838,170/- in 2015.

Dividend

Nitol Insurance Company Ltd. is always aware about the demand of shareholder regarding dividends. Shareholders demand maximum returns on their investment and the Board of Directors want to pay dividends from generated income. The Company has been paying preeminent dividend consistently since inception of the Company to fulfill the shareholders' interest. The Board of Directors in its meeting held on 10th April 2017 recommended **13% stock dividend for the year 2016.** The Management tries to maintain the confidence of Shareholders, due to this; the Board of Directors recommend adequate dividend. As per law the said dividend will be transferred among the shareholders account within the stipulated time.

A schedule of Dividend paid in last five years is given below:

Year	Dividend Rate (%)
2010	12.50
2011	13
2012	16
2013	17
2014	15
2015	12



Director's Report

Directors' Report

DEAR SHAREHOLDERS

ASSALAMUALAIKUM

On behalf of my colleagues in the Board of Directors of Nitol Insurance Company Limited, I take this opportunity to welcome you all to the 18th Annual General Meeting of the company and take the privilege of presenting the Annual Report together with the Audited Financial Statements including Balance Sheet as at 31st December 2016, Profit & Loss Accounts, Revenue Accounts and the Cash Flow Statement for the year ended 31st December 2016 and the Auditors' Report thereon.

REFERRAL

In compliance to the provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Securities and Exchange Rules 1987 and IAS-1: Presentation of Financial Statements codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Annual Report of the Directors containing the Audited Financial Statements are submitted.

ECONOMY & INSURANCE BUSINESS

Bangladesh has experienced high and steady growth for more than a decade, with an average growth of over 6.0 percent. Growth exceeded 7 percent in FY16, a decade high, and higher than the average in peer Asian economies, making Bangladesh the 3rd best growth performer in Asia. Growth accelerated to 7.1 percent in FY16, up from 6.6 percent in FY15, with support from both domestic and external demand. On the supply side, industry and services sectors contributed to the growth. According to the Bangladesh Bureau of Statistics (BBS), GDP at current market price was Taka 17328.6 billion for FY16 which was 14.3 percent higher than that of the preceding fiscal year. In FY16, per capita real GDP and GNI were estimated at Taka 55259 and Taka 58442, respectively. Per capita nominal GDP and per capita real GDP grew faster in FY16 than in the previous fiscal year

According to estimates released by the Bangladesh Bureau of Statistics (BBS), the economy grew by 7.1 percent during FY16, compared to 6.6 percent in FY15. The sectoral GDP growth is presented in Agriculture accounts for 15.4 percent of GDP and grew by 2.8 percent in FY16, down from 3.3 percent in FY15 and 4.4 percent in FY14, due mainly to weaker growth in crops and horticulture sub-sector. Industry accounts for 31.5 percent of GDP and grew by 11.1 percent in FY16, up from 9.7 percent in FY15, driven by manufacturing sector (contributed 7.8 percentage points to the growth of industry sector), particularly large and medium enterprises. The services sector holding the largest share (53.1 percent of GDP) grew by 6.3 percent in FY16, compared to 5.8 percent in FY15. The growth of two major services components-wholesale and retail trade repair of motor vehicles, motorcycles, and personal and household goods; and transport, storage and communication largely contributed (1.7 and 1.3 percentage points respectively) to the overall service sector growth. Moreover, public administration and defence; and education sub-sectors grew markedly by 11.4 and 11.7 percent, respectively. In addition, health and social works; hotel and restaurants; and real estate, renting and other business activities subsectors grew faster in FY16.

In Bangladesh, the Insurance business, after and early stage of dislocation, adventure and experimentation through last 41 years has now being established as a promising Industry distributed between the public and private sectors. At present in private sector there are 45 non-life insurance companies running in Bangladesh. The growth of Bangladeshi Non-life insurance companies' premium income in 2016 was 6% percent, which was 5.17% in 2015. The 45 private insurers in the non-life insurance sector earned TK. 25,477 million in 2016.

Honorable Shareholders, in political and industry situations, we achieved our business targets. As you are concerned our targets were to combine the whole branches under the umbrella through real time online branch network, to maintain Good Governance, to expand businesses through 19 branches. As a result, in the year Nitol Insurance Company Limited's Gross Premium Income increased 0.91%, Net Premium Income increase 3.95%. Net Asset Value stand is Tk. 755 million from Tk. 668 million in 2015. In 2016, the Net Asset Value per share stand is 24.18 as against 23.98 in the previous year 2015 and Earnings Per Share (EPS) after Tax is 2.77 as against 2.63 of the last year 2015.

The Board of Directors assures that we are always with you. Stay with us in every aspect, you can feel safe, every single day.

CORPORATE PERFORMANCE:

1. Gross Turnover (Premium):

During the year 2016 the Company earned a premium of Tk. 613,873,160 in compared to Tk. 608,325,928 of 2015.

a) Fire Insurance
During the year 2016 Gross Premium under Fire Insurance Business is Tk. 75,075,796 as against Tk. 101,998,844 in 2015.

b) Marine Insurance
In the year 2016 Gross Premium Income from Marine Cargo & Hull Insurance business is Tk. 162,009,920 in compared to Tk. 150,261,452 in the previous year 2015.

c) Motor Insurance
In the year 2016 Motor Insurance Gross Premium income is Tk. 339,112,522 against Premium Income of Tk. 329,593,114 in 2015.

d) Miscellaneous Insurance
From Miscellaneous Insurance business the company earned Gross Premium Tk. 37,674,922 in the year 2016. The figure of the same was Tk. 26,472,518 in the previous year 2015.

2. Profit:

The Underwriting Profit of the company stood at Tk. 84,350,915 for the year 2016. In 2015 Underwriting Profit was Tk. 89,108,550. Company's Profit before Tax is fixed at Tk. 105,964,470 in 2016 as against Tk. 98,171,824 in 2015.

3. Earnings Per Share:

In the year 2016 Company's Net Profit after Tax stood at Tk. 86,501,598 which calculates earnings per share Tk. 2.77 (@Tk. 10 per share) as compared to Tk. 2.63 (@Tk. 10 per share) on Tk. 73,403,510in the previous year 2015.

4. Appropriation Of Profit

The Board of Directors have proposed and recommended for appropriation as follows:

a)	The Un-appropriated Profit carry forwarded from Previous year 2015	:	40,879,947
b)	The Un-appropriated Profit for Current year 2016	:	105,964,470
c)	**Total fund Available for Appropriation**	**:**	**146,844,417**
	i) Reserve for Exceptional Losses	:	49,088,474
	ii) Provision for Taxes	:	19,462,872
	iii) Deferred Tax	:	-
	iv) General Reserve	:	200,000
	v) Dividend Paid	:	33,441,710
d)	Net Un-appropriated Profit	:	44,651,361

(Balance to be transferred to next year's Balance sheet)

Directors' Report

The Company's operating performance under the title ***"NITOL PERFORMANCE AT A GLANCE"*** is summarized below:

PARTICULARS	2016	2015	2014	2013	2012
OPERATIONAL POSITION					
Gross Premium Income	613,873,160	608,325,928	604,562,170	425,993,247	294,617,735
Re-Insurance Premium	122,988,418	136,101,970	133,246,351	60,732,722	78,118,001
Net Premium Income	490,884,742	472,223,958	471,315,819	365,260,525	216,499,734
Underwriting Profit	84,350,915	89,108,550	95,667,070	75,547,960	53,609,376
Investment & Other Income	42,078,157	36,732,669	40,485,404	38,569,804	34,768,016
Claim Paid	237,193,737	210,640,886	148,625,672	64,324,909	47,810,702
Net Profit Before Tax	105,964,470	98,171,824	111,058,532	97,625,892	72,671,727
Tax Provision	19,462,872	22,268,602	23,563,964	20,382,824	16,610,388
Net Profit After Tax	86,501,598	75,903,222	87,494,568	77,243,068	56,061,339
Net Operating Cash Flow	4.05	1.64	4.02	3.85	3.19
FINANCIAL POSITION					
Total Assets	1,239,080,412	1,092,746,786	1,000,490,036	769,825,676	618,658,747
Fixed Assets	196,396,501	209,012,744	201,292,016	79,650,060	66,890,505
Total Reserve & Surplus	641,090,630	580,436,081	538,478,070	352,125,077	249,351,975
FDR & Other Investment	527,854,500	424,288,000	374,767,442	343,290,113	274,011,113
Cash & Cash Equivalents	42,545,862	23,838,170	51,293,567	70,974,928	26,305,071
Net Asset Value	754,795,218	668,293,620	553,726,938	381,888,108	333,327,960
Net Asset Value (PS)	24.18	23.98	22.85	17.65	16.33
FINANCIAL RATIO					
Earnings Per Share (EPS)	2.77	2.63	3.61	3.57	2.75
EQUITY POSITION					
Paid-up Capital	312,122,650	278,680,940	242,331,264	216,367,200	204,120,000

DIVIDEND

The Board of Directors of the company after making necessary reserves and provisions as mentioned in the Appropriation of Profit, proposes and recommends for declaration of 13% Stock Dividend for all shareholders of the Company for the year 2016.

RESERVE

In line with our policy keep the Company in good financial position we have made an exceptional Loss Reserve for Tk. 291,298,668 presented in the Statement of Financial Position for the year 2016.

INVESTMENT

Our company has a total investment of Tk. 710,859,850 consisting of ' Bangladesh Govt. Treasury Bond (BGTB)', 'Fixed Deposit' with different Banks, 'Shares' and 'advance against office space' as follows:

Taka in Million

1.	Bangladesh Govt. Treasury Bond (BGTB)	25.00
2.	Fixed Deposit with Banks	501.60
3.	Shares	1.25
4.	Advance against office space	183.01
	Total	**710.86**

HUMAN RESOURCES

We believe that only a quality & practically skilled hand can produce a quality work. Mere academic qualification cannot bring good performance unless there is a mix of educational & practical knowledge and training thereby. Keeping this in mind, Nitol Insurance Company Limited, since its inception, put emphasis "On-Job Training". Officers on selective basis, have sent to various training Institutions. To maintain our standard and efficiency we will continue to follow the above policy for keeping our Human Resources well trained for all purposes.

CREDIT RATING

The Credit Rating of the Company comes out very satisfactory for the sixth time since it has been made mandatory by the Chief Controller of Insurance in 2007. In 2015, the Company has been rated "A+" (pronounced as single A+). The above gradation was done in consideration of its satisfactory financial performance, sound solvency, good liquidity position and sound IT platform etc. The Credit Rating for the year 2016 is under process.

ON LINE OPERATION

Since inception of the company we are operating in computerized environment in our Head Office. Now we have established real time online connectivity with our all branches. In the mean time we have plan to cope up new technology i.e. internet telephone, video conferencing etc. to facilitate all our offices as well as our valued clients. In the meantime, we have already setup our own email server to assist of email service of all Executives of the company for smooth & prompt communication.

BRANCH NETWORK

In the year 2016 we have operated total 19 branches network all over the Bangladesh and setup proper manpower in the branch. We are looking forward to open new branches at prospective locations. Opening of new branches will ensure our active presence in the market and our insurance service available to the customer.

CORPORATE GOVERNANCE

Nitol Insurance Company Limited always looks at the development of good governance, both in the spheres of Public Service and Corporate Sector. It is the crying need of the day. This includes, among others, not being limited to accountability, disclosures, transparency, justice and uprightness. We stand for all these virtues of good governance and expect the same from our competitors, customers, patrons, and regulators.

We report that:

- 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 were reasonable and prudent.
- The Financial Statements were prepared in accordance with Bangladesh Accounting Standard (BAS) 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 and Exchange Commission's Compliance Report is shown in page no 46 to 49.
- Key operating and financial data of last five years have been presented in summarized form in this report under the head "NITOL PERFORMANCE AT A GLANCE" in page 33.
- The Audit Committee of the Board of Directors consisting of following four non Executive Directors are complying the guideline of SEC's Notification dated the 7th August, 2012.

  i) Mr. Md. Mamunur Rashid FCMA — Chairman
  ii) Mr. Md. Anowar Husain FCMA — Member
  iii) Mr. Zobair Humayun Khandaker — Member
  iv) Mr. Mahmudul Hoque Shamim — Member

Directors' Report

- 06 Board of Directors Meetings were held during 2016 and the attendance by each Director were as follows.

Name of Directors	No. of Attendance
Mr. A K M Monirul Hoque	06
Mr. Md. Anowar Husain FCMA	05
Mr. Zobair Humayun Khandaker	05
Mr. Mahmudul Hoque Shamim	06
Mr. Md. Abul Hossain (Ex-Director Rep-ICB)	02
Mr. Md. Wahiduzzaman Khandaker (Ex-Director Rep-ICB)	01
Mr. S.S.M. Kamal (Ex-Director Rep-ICB)	01
Mr. Chandra Shekher Das (Rep-Pragati Life)	06
Mr. Md. Siddiqur Rahman	04
Mr. Md. Mamunur Rashid FCMA	06
Dr. Md. Akram Hossain	05

- Pattern of Shareholding as at December 31, 2016 is as follows

(i)	Parent/Subsidiary Associated Companies and other relate parties	Nil
(ii)	Directors, Chief Executive Officer, CFO, Company Secretary and Head of Internal Audit and their Spouse and minor children	
	Chairman	
	- A K M Monirul Hoque	1872733
	Vice-Chairman	
	- Md. Anowar Husain	2496979
	Directors	
	- Zobair Humayun Khandaker	2184856
	- Mahmudul Hoque Shamim	2496979
	- Investment Corporation of Bangladesh (ICB)	862525
	- Md. Md. Nazrul Is lam Khan (Nominated Director of ICB)	Nil
	- Pragati Life Insurance Ltd.	2139225
	- Chandra Shekher Das (Nominated Director of Pragati Life Insurance Ltd.)	Nil
	- FAS Finance & Investment Ltd.	1771654
	- Md. Siddiqur Rahman (Nominated Director of FAS Finance & Investment Ltd.)	Nil
	- Md. Mamunur Rashid FCMA (Non-Shareholder Independent Director)	Nil
	- Dr. Md. Akram Hossain (Non-Shareholder Independent Director)	Nil
	Chief Executive Officer	
	S.M. Mahbubul Karim	Nill
	Chief Financial Officer	
	Md. Altaf Hossain	Nill
	Company Secretary	
	Md. Shakhawat Hossain	721
	Head of Internal Audit	
	Md. Liakat Hossain	Nill
(iii)	**Executives**	1037

** All the figures of Shareholding position by the Directors and the Executives by his own. There is no such shareholding by their Spouse and Minor.

- 5% or more shareholdings in the company as at December 31, 2016:

Name of the Shareholder	No. of Shares	% of total Shares
ICB Unit Fund	1797229	5.76%
Abdul Matlub Ahmad	2205664	7.07%

EXTRA ORDINARY GAIN OR LOSS

There are no such activities on continuity of any Extra Ordinary gain or loss occurred in the company during the year.

RELATED PARTY TRANSACTION

The significant related party transactions (as per BAS 24) submitted by the management and it has been presented in the Financial Statement Note# 57.

UTILIZATION OF PREOCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND/OR THROUGH ANY OTHER INSTRUMENT

Nitol Insurance floated its Ordinary Shares initially in 2005 through IPO. The net proceeds of IPO used for company's operation activities.

VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL PERFORMANCE

There were some variances in the financial results from quarter to quarter. But they are not a very significant ones.

REMUNERATION OF THE DIRECTORS

The remuneration of the directors called Director Fees has been shown in the Statement of Comprehensive Income.

GOING CONCERN

Statement of on Going Concern and Liquidity Management has been declared in the Annual Report Page 63

ACKNOWLEDGEMENT

The Board of Directors expresses and records its deep appreciation to the Managing Director, Company Secretary & all Department In-charges for their dynamic leadership and also for the Management Team for their meritorious and relentless services towards the steady growth of the company.

RETIREMENT OF DIRECTORS

A) From Group A

In accordance with the provision of section No. 112. 113 & 114 of the Articles of Association, Mr. Mahmudul Hoque Shamim, retired and being eligible, offered himself for re-election.

B) From Group B

In accordance with the section referred above, the Director Mr. Md. Siddiqur Rahman (Representative – FAS Finance & Invest ment Limited) from Group-B retired and being eligible, offered himself for re-election.

As required by Insurance Act. and Rules, Election of Director from Public Shareholders (from Group-B Shareholders) will be held in the 18th Annual General Meeting. A notification for Election was published in the two National Daily.

C) Independent Director:

In compliance with the guidelines of the Bangladesh Securities & Exchange Commission (BSEC) notification no-SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, Mr. Md. Mamunur Rashid, FCMA was appointed as Independent Director of the Company. The Director completed her tenure as Independent Director and, also retire and being eligible offer himselves for re-appointment for further 1 (one) term.

Directors' Report

AUDITORS

As per Order No. SEC/CMRRCD/2009-193/104/Admin/ dated July 27, 2011 of Bangladesh Securities and Exchange Commission, the existing auditor of the company retire and being eligible has offered their services for another year. The auditor has to be appointed at the 18th Annual General Meeting scheduled to be held on June 14, 2017 for the year 2017.

PROFILE OF THE DIRECTORS

Brief resume of the Directors as per clause 1.5 (xxii) of the BSEC Notification No: SEC/CMRRCD/2006-158/ 134/Admin/44 dated August 7, 2012 is shown in Page No 12 to 18.

REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE

Pursuant to the clause 3.5 of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 the activities of the Audit Committee have been shown in Page No. 88.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Pursuant to the clause 7(ii) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012 we attach the Company's compliance status shown in Page 46 to 49.

CERTIFICATION ON COMPLIANCE OF CORPORATE GOVERNANCE

Certificate from professional accountants on compliance with the conditions as per clause 7(i) of the BSEC notification No: SEC/CMRRCD/2006/158/134/Admin/44 dated August 7, 2012 has been shown in Page No. 50.

RISK AND CONCERNS

The company's well defined organization structure, predefined authority levels, documented policy guidelines and an extensive system of Internal controls ensure optimal utilization and protection of resources, reporting of financial transactions and compliance with applicable laws and regulations. The company has adequate systems of international control in place. This is to ensure that your assets are safeguarded against loss from unauthorized use of disposition. We have set very high standards to protect our people and operate our business.

PROSPECTS

Right from its establishment, Nitol Insurance Company Limited has remained committed to its tagline, "Your Security Is Our Responsibility". This slogan shows the company's determination to serve it's valued customers faithfully. Nitol Insurance Company Limited has not deviated from its goal and is determined to maintain it. For this, we need the co-operation of our valued clients and our employees.

We will always welcome suggestions from our clients, partners and well wishers for improving the quality of our services. Quality is a never-ending process and we will strive to achieve it.

APPRECIATION

On behalf of the Board, I take this opportunity to express my sincere appreciation to the valued Clients whose continuous supports have helped Nitol Insurance Company Limited to achieve this remarkable position. I also express gratitude to the Insurance Development & Regulatory Authority, Ministry of Finance, Bangladesh Bank, Registrar of Joint Stock Companies & Firms, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., all Commercial Banks and Financial Institutions, Bangladesh Insurance Association, Central Rating Committee, Central Depository Bangladesh Ltd., Bangladesh Insurance Academy, Sadharan Bima Corporation, Kenya Reinsurance Corporation Nairobi Kenya, Asian Reinsurance Corporation Thailand, Malaysian Reinsurance Berhad Kuala Lumpur Malaysia, J.B. Boda & Co. (S) Pte. Ltd. Singapore, Protection Reinsurance Services W.L.L. Bahrain, Reliance Composite Insurance Broking Ltd. India and all related professional association for their co-operation extended to us throughout the year. I would like to thank and appreciate to all.

On behalf of the Board



A K M Monirul Hoque
Chairman

পরিচালক পর্ষদের প্রতিবেদন

প্রিয় শেয়ারহোল্ডারবৃন্দ

আসস্যালামু আলাইকুম

নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড এর পরিচালনা পর্ষদ ও আমার পক্ষ থেকে কোম্পানীর ১৮তম বার্ষিক সাধারণ সভায় উপস্থিত শেয়ারহোল্ডারবৃন্দকে আন্তরিক শুভেচ্ছা জানিয়ে কোম্পানীর বার্ষিক প্রতিবেদন- ২০১৬ এবং ৩১শে ডিসেম্বর ২০১৬ ইং তারিখ পর্যন্ত নীরিক্ষিত হিসাব, রাজস্ব হিসাব, নগদ তহবিল প্রবাহ আপনাদের সামনে উপস্থাপন করছি।

রেফারেল

পরিচালনা পর্ষদের প্রতিবেদন প্রদানের ক্ষেত্রে ১৯৯৪ সনের কোম্পানী আইনের ১৮৪ ধারা, সিকিউরিটিজ এন্ড একচেঞ্জ কমিশন বিধি ১৯৮৭ ধারা ১২ এবং ইন্সটিটিউট অব চাটার্ড একাউন্টস কর্তৃক স্বীকৃত আইএএস- ১ (IAS-1) International Accounting Standard-1 অনুসরন করা হয়েছে।

বীমা ব্যবসা

এক দশকেরও বেশি সময় ধরে বাংলাদেশ একটি উচ্চ ও স্থিতিশীল প্রবৃদ্ধি অর্জন করেছে, যার গড় ৬.০ শতাংশ। ২০১৬ সালে এশিয়ার অর্থনীতিতে গড় বৃদ্ধির হার ৭ শতাংশেরও বেশি যা ২০১৫ সালে ছিল ৬.৬ শতাংশে। গত এক দশক ধরে আর্থিক বৃদ্ধির হার বিবেচনায় এশিয়ার তৃতীয় সেরা প্রবৃদ্ধি অর্জনকারী বাংলাদেশ। যা সম্ভব হয়েছে অভ্যন্তরিন ও বাইরের চাহিদা উভয়ের কারণে।

বাংলাদেশ পরিসংখ্যান ব্যুরোর (বিবিএস) মতে সরবরাহের পাশে, শিল্প ও সেবা সেক্টরগুলি এই বৃদ্ধির জন্য অবদান রাখে, যা প্রায় ২.৩ শতাংশ এবং যার বর্তমান বাজার মূল্যের জিডিপি হচ্ছে প্রায় ১৭,৩২৮.৬ বিলিয়ন মার্কিন ডলার যা পূর্ববর্তী অর্থবছরের তুলনায় ১৪.৩ শতাংশ বেশি। ২০১৬ আর্থিক বছরে মাথাপিছু জিডিপি এবং জিএনআই যথাক্রমে ৫৫,২৫৯ টাকা এবং ৫৮,৪৪২ টাকা। গত পূর্বের অর্থবছরের তুলনায় অনেক দ্রুত বেড়েছে।

বাংলাদেশ পরিসংখ্যান ব্যুরোর (বিবিএস) এর প্রকাশিত তথ্য অনুযায়ী, ২০১১-১৩ অর্থবছরে অর্থনীতিতে প্রবৃদ্ধি ৭.১ শতাংশ বৃদ্ধি পেয়েছে, যা ২০১৫-১৬ অর্থবছরে ৬.৬ শতাংশ ছিল। বিভিন্ন সেক্টরভিত্তিক জিডিপি প্রবৃদ্ধি, ১৫.৪ শতাংশ কৃষি খাত থেকে যা ২০১৫-১৬ অর্থবছরের তুলনায় ২.৮ শতাংশ বৃদ্ধি পেয়েছে। ২০১৪-১৫ অর্থবছরে যা ৩.৩ শতাংশ এবং ২০১৪-১৫ অর্থবছরে ৪.৪ শতাংশে ছিল। এর প্রধান কারণ হচ্ছে ফসল ও উদ্যানভিত্তিক সাব-সেক্টরের দুর্বল বৃদ্ধি।

শিল্প খাত জিডিপির ৩১.৫ শতাংশ, যা ২০১৬ সালের ৯.৭ শতাংশ থেকে ১১.১ শতাংশে বৃদ্ধি পেয়েছে। বিশেষ করে বড় এবং মাঝারি শিল্প খাত বৃদ্ধির হার ৭.৮ শতাংশ হওয়ার কারণে এই প্রবৃদ্ধি সম্ভব হয়েছে। ২০১৬ সালে জিডিপি'র ৫৩.১ শতাংশ সেবাখাত থেকে এসেছে, যা পূর্বের তুলনায় ৬.৩ শতাংশ বৃদ্ধি পেয়েছে। ২০১৪-১৫ অর্থবছরে যা ছিল ৫.৮ শতাংশ। মোটরসাইকেল, ব্যক্তিগত ও গৃহস্থালির পণ্যগুলির পাইকারি ও খুচরা বাণিজ্য মেরামত এবং সামগ্রিক সেবা খাত বৃদ্ধি, পরিবহণ এবং যোগাযোগের ক্ষেত্রে প্রধানত অবদান যথাক্রমে ১.৭ এবং ১.৩ শতাংশ। উপরক্ত, জন প্রশাসন এবং প্রতিরক্ষা এবং শিক্ষাপ্রতিষ্ঠানে যথাক্রমে ১১.৪ ও ১১.৭ শতাংশ হারে বৃদ্ধি পেয়েছে। স্বাস্থ্য এবং সামাজিক কাজ; হোটেল এবং রেস্টুরেন্ট; এবং রিয়েল এস্টেট, ভাড়া এবং অন্যান্য ব্যবসায়িক কার্যক্রম ২০১৬ অর্থবছরে মধ্যে দ্রুত বেড়ে যায়।

গত ৪১ বছরে বাংলাদেশের বীমা শিল্পে অনেক চড়াই উতরাই পাড় করে পাবলিক এবং প্রাইভেট সেক্টরগুলির মধ্যে একটি প্রতিশ্রুতিশীল শিল্প হিসেবে প্রতিষ্ঠিত হয়েছে। বর্তমানে প্রাইভেট সেক্টরে বাংলাদেশে ৪৫ টি ননলাইফ বীমা কোম্পানি রয়েছে। ২০১৬ সালে যাদের প্রিমিয়াম আয় বৃদ্ধির হার ছিল ৬ শতাংশ এবং ২০১৫ সালে ৫.১৭ শতাংশ ছিল। ২০১৬ সালে এই ৪৫ টি ননলাইফ বীমা সংস্থার আয় ছিল ২৫,৪৭৭ মিলিয়ন (টাকা)।

মাননীয় শেয়ারহোল্ডারগন, আপনারা জানেন বর্তমানের এই রাজনৈতিক এবং ব্যবসায়িক পরিবেশে আমরা আমাদের ব্যবসায়িক লক্ষ্য অর্জন করেছি। সুশাসন বজায় রাখার উদ্দেশ্যে আমাদের ১৯ টি শাখাকে অনলাইন নেটওর্য়াকের মধ্যে নিয়ে এসেছি যা আমাদের ব্যবসার প্রসারনে সহায়তা করে।

এর ফলস্বরূপ, এ বছরে নিটল ইন্স্যুরেন্স কোম্পানি লিমিটেড এর মোট প্রিমিয়াম আয় ০.৯১% এবং নিট প্রিমিয়াম আয় ৩.৯৫% বৃদ্ধি পেয়েছে। নেট অ্যাসেট ভ্যালু বৃদ্ধি পেয়েছে ৭৫৫ মিলিয়ন টাকা, যা ২০১৫ সালে ৬৬৮ মিলিয়ন ছিলো। ২০১৬ সালে শেয়ার প্রতি নেট অ্যাসেট মূল্য ২৪.১৮ টাকা যা ২০১৫ সালের ছিল ২৩.৯৮ টাকা এবং কর দেয়ার পর শেয়ার প্রতি আয় (ইপিএস) হচ্ছে ২.৭৭ টাকা যা ২০১৫ সালে ২.৬৩ ছিলো।

কোম্পানীর পরিচালক মন্ডলী আপনাদের আশ্বস্ত করছে যে, আমরা সবসময় আপনাদের পাশে আছি। আপনারা প্রতিটি পদক্ষেপে আমাদের সাথে থাকুন। ফলশ্রুতিতে প্রতিটি দিন আপনারা নিরাপদ অনুভব করবেন।

পরিচালক পর্ষদের প্রতিবেদন

কর্পোরেট কার্যক্রম ঃ

১. প্রিমিয়াম আয় :

২০১৬ অর্থ বছরে কোম্পানী মোট প্রিমিয়াম আয় ৬১৩,৮৭৩,১৬০ টাকা বিগত ২০১৫ অর্থ বছরের প্রিমিয়াম আয় ছিল ৬০৮,৩২৫,৯২৮ টাকা।

ক) অগ্নি বীমা :

২০১৬ অর্থ বছরে অগ্নি বীমাখাতে প্রিমিয়াম আয় হয়েছে ৭৫,০৭৫,৭৯৬ টাকা যা বিগত ২০১৫ সনে ছিল ১০১,৯৯৮,৮৪৪ টাকা।

খ) নৌ বীমা :

২০১৬ অর্থ বছরে নৌ কার্গো ও নৌ হাল বীমাখাতে প্রিমিয়াম আয় হয়েছে ১৬২,০০৯,৯২০টাকা এর বিপরীতে ২০১৫ সনের আয় ছিল ১৫০,২৬১,৪৫২ টাকা।

গ) মটরবীমা :

মটর খাতে ২০১৬ সনে প্রিমিয়াম আয় হয়েছে ৩৩৯,১১২,৫২২ টাকা যা ২০১৫ সনে ছিল ৩২৯,৫৯৩,১১৪ টাকা।

ঘ) বিবিধ :

২০১৬ আর্থিক বছরে বিবিধ বীমা খাতে আয় হয়েছে ৩৭,৬৭৪,৯২২ টাকা যা ২০১৫ সনে ছিল ২৬,৪৭২,৫১৮ টাকা।

২. মুনাফা :

২০১৬ সনে কোম্পানীর অবলিখন মুনাফা ৮৪,৩৫০,৯১৫ টাকা হয়েছে যা ২০১৫ সনে ছিল ৮৯,১০৮,৫৫০ টাকা। করপূর্ব মুনাফা ২০১৬ সনে ১০৫,৯৬৪,৪৭০ টাকায় দাড়িয়েছে, যা ২০১৫ সনে ছিল ৯৮,১৭১,৮২৪ টাকা।

৩. শেয়ার প্রতি আয় :

২০১৬ সনে কোম্পানীর কর পরবর্তী মুনাফা দাড়িয়েছে ৮৬,৫০১,৫৯৮ টাকা যার শেয়ার প্রতি আয় দাড়িয়েছে ২.৭৭ টাকা (প্রতি ১০ টাকা শেয়ার)। বিগত ২০১৫ সনে কোম্পানীর কর পরবর্তী মুনাফা ছিল ৭৩,৪০৩,৫১০ টাকা যার শেয়ার প্রতি আয় ছিল ২.৬৩ টাকা (প্রতি ১০ টাকা শেয়ার)।

৪. বন্টনযোগ্য মুনাফা:

পরিচালনা পরিষদ নিম্নরূপভাবে মুনাফা বন্টনের সুপারিশ করেছে।

ক)	বিগত ২০১৫ সনের অ-বন্টনযোগ্য মুনাফা	:	৪০,৮৭৯,৯৪৭ টাকা
খ)	করপূর্ব মুনাফা ২০১৬	:	১০৫,৯৬৪,৪৭০ টাকা
গ)	**বন্টনের জন্য প্রাপ্য মোট তহবিল**	**:**	**১৪৬,৮৪৪,৪১৭ টাকা**
	১) অপ্রত্যাশিত ক্ষতির সঞ্চিতি	:	৪৯,০৮৮,৪৭৪ টাকা
	২) কর প্রভিশন	:	১৯,৪৬২,৮৭২ টাকা
	৩) ডেফার্ড কর	:	-
	৪) সাধারণ সঞ্চিতি	:	২,০০,০০০ টাকা
	৫) লভ্যাংশ বন্টন	:	৩৩,৪৪১,৭১০ টাকা
ঘ)	নীট অ-বন্টনকৃত মুনাফা	:	৪৪,৬৫১,৩৬১ টাকা

(পরবর্তী বছরের স্থিতিপত্রে স্থানান্তর)

নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড এর বিগত ৫ বছরের পারফরমেন্স :

(টাকা মিলিয়ন)

বিবরন	২০১৬	২০১৫	২০১৪	২০১৩	২০১২
সক্রিয় অবস্থান					
গ্রস প্রিমিয়াম	৬১৩,৮৭৩,১৬০	৬০৮,৩২৫,৯২৮	৬০৪,৫৬২,১৭০	৪২৫,৯৯৩,২৪৭	২৯৪,৬১৭,৭৩৫
রি-ইন্স্যুরেন্স প্রিমিয়াম	১২২,৯৮৮,৪১৮	১৩৬,১০১,৯৭০	১৩৩,২৪৬,৩৫১	৬০,৭৩২,৭২২	৭৮,১১৮,০০১
নীট প্রিমিয়াম	৪৯০,৮৮৪,৭৪২	৪৭২,২২৩,৯৫৮	৪৭১,৩১৫,৮১৯	৩৬৫,২৬০,৫২৫	২১৬,৪৯৯,৭৩৪
অবলিখন মুনাফা	৮৪,৩৫০,৯১৫	৮৯,১০৮,৫৫০	৯৫,৬৬৭,০৭০	৭৫,৫৪৭,৯৬০	৫৩,৬০৯,৩৭৬
বিনিয়োগ ও অন্যান্য খাত থেকে আয়	৪২,০৭৮,১৫৭	৩৬,৭৩২,৬৬৯	৪০,৪৮৫,৪০৪	৩৮,৫৬৯,৮০৪	৩৪,৭৬৮,০১৬
দাবী পরিশোধ	২৩৭,১৯৩,৭৩৭	২১০,৬৪০,৮৮৬	১৪৮,৬২৫,৬৭২	৬৪,৩২৪,৯০৯	৪৭,৮১০,৭০২
কর পূর্ব মুনাফা	১০৫,৯৬৪,৪৭০	৯৮,১৭১,৮২৪	১১১,০৫৮,৫৩২	৯৭,৬২৫,৮৯২	৭২,৬৭১,৭২৭
কর প্রভিশন	১৯,৪৬২,৮৭২	২২,২৬৮,৬০২	২৩,৫৬৩,৯৬৪	২০,৩৮২,৮২৪	১৬,৬১০,৩৮৮
কর পরবর্তী মুনাফা	৮৬,৫০১,৫৯৮	৭৫,৯০৩,২২২	৮৭,৪৯৪,৫৬৮	৭৭,২৪৩,০৬৮	৫৬,০৬১,৩৩৯
শেয়ার প্রতি নীট ক্যাশ ফ্লো	৪.০৫	১.৬৪	৪.০২	৩.৮৫	৩.১৯
আর্থিক অবস্থান					
মোট সম্পদ	১,২৩৯,০৮০,৪১২	১,০৯২,৭৪৬,৭৮৬	১,০০০,৪৯০,০৩৬	৭৬৯,৮২৫,৬৭৬	৬১৮,৬৫৮,৭৪৭
স্থায়ী সম্পদ	১৯৬,৩৯৬,৫০১	২০৯,০১২,৭৪৪	২০১,২৯২,০১৬	৭৯,৬৫০,০৬০	৬৬,৮৯০,৫০৫
মোট রির্জাভ ও সারপ্লাস	৬৪১,০৯০,৬৩০	৫৮০,৪৩৬,০৮১	৫৩৮,৪৭৮,০৭০	৩৫২,১২৫,০৭৭	২৪৯,৩৫১,৯৭৫
ব্যাংকে স্থায়ী আমানত (এফডিআর) ও অন্যান্য বিনিয়োগ	৫২৭,৮৫৪,৫০০	৪২৪,২৮৮,০০০	৩৭৪,৭৬৭,৪৪২	৩৪৩,২৯০,১১৩	২৭৪,০১১,১১৩
নগদ ও নগদ সমপরিমান	৪২,৫৪৫,৮৬২	২৩,৮৩৮,১৭০	৫১,২৯৩,৫৬৭	৭০,৯৭৪,৯২৮	২৬,৩০৫,০৭১
নীট সম্পদ মূল্য	৭৫৪,৭৯৫,২১৮	৬৬৮,২৯৩,৬২০	৫৫৩,৭২৬,৯৩৮	৩৮১,৮৮৮,১০৮	৩৩৩,৩২৭,৯৬০
শেয়ার প্রতি নীট সম্পদ মূল্য	২৪.১৮	২৩.৯৮	২২.৮৫	১৭.৬৫	১৬.৩৩
আর্থিক রেশিও					
শেয়ার প্রতি আয় (ইপিএস)	২.৭৭	২.৬৩	৩.৬১	৩.৫৭	২.৭৫
ইকুইটি অবস্থান					
পরিশোধীত মূলধন	৩১২,১২২,৬৫০	২৭৮,৬৮০,৯৪০	২৪২,৩৩১,২৬৪	২১৬,৩৬৭,২০০	২০৪,১২০,০০০

লভ্যাংশ

পরিচালনা পর্ষদ প্রয়োজনীয় মুনাফা বন্টন, সঞ্চিতি রিজার্ভ সংরক্ষণ করে কোম্পানীর সকল শেয়ারহোল্ডারদের ২০১৬ সনের জন্য ১৩% স্টক লভ্যাংশ প্রস্তাব করেছে।

সঞ্চিতি

কোম্পানীর অর্থনৈতিক অবস্থা সুদৃঢ় করার লক্ষ্যে ২০১৬ সনে অপ্রত্যাশিত ঝুঁকির রিজার্ভ ২৯১,২৯৮,৬৬৮ টাকা রাখা হয়েছে।

বিনিয়োগ

নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড ২০১৬ সনের ৩১ শে ডিসেম্বর পর্যন্ত মোট ৭১০,৮৫৯,৮৫০ টাকা বিনিয়োগ করেছে যা নিম্নোরূপ ঃ

		টাকা মিলিয়ন
১.	বাংলাদেশ গর্ভঃ ট্রেজারী বন্ড	২৫.০০
২.	ব্যাংকে স্থায়ী আমানত	৫০১.৬০
৩.	শেয়ার	১.২৫
৪.	অফিস স্পেস ক্রয়ে আগাম পরিশোধ	১৮৩.০১
	মোট	৭১০.৮৬

পরিচালক পর্ষদের প্রতিবেদন

মানব সম্পদ

আমরা বিশ্বাস করি ব্যবহারিক দক্ষতা ও গুনাবলী হচ্ছে গুনগত মানসম্পন্ন কাজের অন্যতম শর্ত। শুধুমাত্র শিক্ষাগত যোগ্যতা দ্বারা ভাল কাজ পাওয়া যায় না। ভাল কাজের জন্য শিক্ষাগত যোগ্যতার সাথে পেশাগত শিক্ষা ও ব্যবহারিক প্রশিক্ষন অত্যন্ত গুরুত্বপূর্ণ। এই লক্ষ্যে নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড তার কর্মীদের "কর্মকালীন প্রশিক্ষন" এর উপর গুরুত্ব আরোপ করে। আমরা আমাদের কর্মীদের গুনগত মান উন্নয়ন ও পেশাগত দক্ষতা অর্জনের জন্য বিভিন্ন প্রশিক্ষণ কেন্দ্রে পাঠানো হয় যাতে করে তারা ভবিষ্যতে দক্ষতার সাথে কোম্পানীর কার্যাবলী সম্পাদন করতে পারে।

ক্রেডিট রেটিং

২০০৭ সনে প্রধান বীমা নিয়ন্ত্রক কর্তৃক ক্রেডিট রেটিং বাধ্যতামূলক করার পর ষষ্ঠ বারের মত আমরা সন্তোষজনক রেটিং অর্জন করেছি। ২০১৫ সালের জন্য ২০১৬ সানে কোম্পানী "এ+" রেটিং পেয়েছে। এই রেটিং কোম্পানীর সন্তোষজনক আর্থিক ব্যবস্থাপনা, আর্থিক স্বচ্ছলতা, তারল্য প্রবাহ এবং আইটি ব্যবস্থাপনার ফসল। ২০১৬ সালের ক্রেডিট রেটিং বর্তমানে প্রক্রিয়াধীন রয়েছে।

অনলাইন কার্যক্রম

নিটল ইন্সুরেন্স কোম্পানী লিমিটেড প্রতিষ্ঠার পরপরই প্রধান কার্যালয়ে সম্পূর্ণ কম্পিউটার পদ্ধতিতে কাজ করছে। বর্তমানে আমরা আমাদের সকল শাখা সমূহকে অনলাইন সংযোগের আওতায় এনেছি। ইতিমধ্যে আমরা নতুন প্রযুক্তি ব্যবহার করে যেমন ইন্টারনেট টেলিফোন, ভিডিও কনফারেনসিং ইত্যাদির মাধ্যমে আমরা আমাদের শাখা ও ক্লায়েন্টদের সর্বোচ্চ সেবা দেওয়ার চেষ্টা করছি এবং কোম্পানীর সকল কর্মকর্তাদের ইমেইলের মাধ্যমে সার্বক্ষনিক, দ্রুত ও নির্ভূল যোগাযোগের লক্ষ্যে ইতিমধ্যেই কোম্পানীর নিজস্ব ইমেইল সার্ভার স্থাপন করা হয়েছে।

শাখা নেটওয়ার্ক

আমরা সারা দেশব্যাপী সর্বমোট ১৯টি শাখার মাধ্যমে ব্যবসা পরিচালনা করছি এবং প্রয়োজনীয় জনবল প্রদান করেছি। আমরা ভালো স্থানে আরো নতুন শাখা খোলার জন্য চেষ্টা চালাচ্ছি। নতুন শাখা খোলার মাধ্যমে আমরা বাজারে আমাদের সক্রিয় উপস্থিতির মাধ্যমে আমাদের বীমা সেবা জনগনের জন্য সহজলভ্য করতে চাই।

কর্পোরেট সুশাসন

নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড কর্পোরেট সুশাসনের ব্যাপারে অত্যন্ত সজাগ ও যত্নশীল। বর্তমানে কর্পোরেট সুশাসন একটি সময়ের দাবী। এরমধ্যে দায়বদ্ধতা, তথ্য প্রকাশ, স্বচ্ছতা, ন্যায়বিচার ও সঠিকতা অন্তর্ভূক্ত। আমরা সর্বদা কর্পোরেট সুশাসনের এই বৈশিষ্ট্যগুলি ধারন করি এবং আমাদেও প্রতিযোগী, গ্রাহক ও নীতিনির্ধারকদের নিকট অনুরূপ প্রত্যাশা করি।

আমরা জানাচ্ছি যে,

* আর্থিক প্রতিবেদন কোম্পানীর পরিচালনাগত ফলাফল, নগদ তহবিল প্রবাহ পরিবর্তনসহ কোম্পানীর কার্যক্রম সঠিক।
* আইনের বিধি নিষেধ সাপেক্ষে হিসাব-নিকাশ সঠিকভাবে সংরক্ষন করা হয়েছে।
* আর্থিক প্রতিবেদন তৈরীর ব্যাপারে সঠিক নীতিমালা অনুসরণ করা হয়েছে এবং আর্থিক হিসাব বিচক্ষণতার সাথে সম্পন্ন করা হয়েছে।
* আর্থিক প্রতিবেদন তৈরীর ব্যাপারে বাংলাদেশ একাউন্টিং মান (BAS) অনুসরণ করা হয়েছে।
* আভ্যন্তরীণ নিয়ন্ত্রণ ব্যবস্থা সঠিক এবং কার্যকরীভাবে বাস্তবায়িত এবং পর্যবেক্ষণ করা হয়েছে।
* বিগত বছরের পরিচালনাগত ফলাফলের সাথে কোন উলেখযোগ্য বিচ্যুতি নাই।
* বাংলাদেশ সিকিউরিটিস এন্ড একচেঞ্জ কমিশন অনুশাসন রিপোর্ট পৃষ্ঠা নং ৪৬ থেকে ৪৯ সংযোজিত হয়েছে।
* বিগত ৫ বছরের প্রধান আর্থিক উপাত্ত সংযুক্ত করা হয়েছে যা পৃষ্ঠা নং ৩৩ দেওয়া হয়েছে।
* পরিচালনা পর্ষদ কর্তৃক নিয়োজিত অডিট কমিটি নিম্নোক্ত ০৪ জন অনির্বাহী পরিচালক বিএসইসির ৭ই আগষ্ট ২০১২ প্রজ্ঞাপন অনুযায়ী কার্যাবলী সম্পাদন করছে।

১) জনাব মোঃ মামুনুর রশিদ এফসিএমএ, স্বতন্ত্র পরিচালক	চেয়ারম্যান
২) জনাব আনোয়ার হুসেন, এফসিএমএ, ভাইস-চেয়ারম্যান	সদস্য
৩) জনাব যোবায়ের হুমায়ুন খন্দকার, পরিচালক	সদস্য
৪) জনাব মাহমুদুল হক শামীম, পরিচালক	সদস্য

* ২০১৬ সনে ০৬ টি বোর্ড সভা অনুষ্ঠিত হয় যাহাতে পরিচালকমন্ডলীর উপস্থিতি নিম্নে দেওয়া হল :

পরিচালকমন্ডলীর নাম	উপস্থিতির সংখ্যা
জনাব এ. কে. এম. মনিরুল হক	০৬
জনাব আনোয়ার হুসেন	০৫
জনাব জোবায়ের হুমায়ন খন্দকার	০৫
জনাব মাহমুদুল হক শামীম	০৬
জনাব মোঃ আবুল হোসেন (প্রাক্তন পরিচালক-আইসিবি)	০২
জনাব ওহিদুজ্জামান খন্দকার (প্রাক্তন পরিচালক-আইসিবি)	০১
জনাব এস. এস. এম. কামাল (প্রাক্তন পরিচালক-আইসিবি)	০১
জনাব চন্দ্র শেখর দাস (রি-প্রগতি লাইফ)	০৬
জনাব মোঃ ছিদ্দিকুর রহমান (রি-ফাস ফাইন্যান্স)	০৪
জনাব মোঃ মামুনুর রশিদ এফসিএমএ	০৬
প্রফেসর ডঃ মোঃ আকরাম হোসেন	০৫

* ৩১/১২/২০১৬ সনের শেয়ার ধারনকারীগণের বিবরণ

ক্রমিক নং	শেয়ার ধারণকারী	মোট শেয়ার
(ক)	অভিভাবক/সাবসিডিয়ারী/সহযোগী কোম্পানী এবং অন্যান্য প্রতিষ্ঠান	নাই
(খ)	*পরিচালক, প্রধান নির্বাহী কর্মকর্তা, কোম্পানী সচিব, প্রধান অর্থ কর্মকর্তা, হেড অব ইন্টারন্যাল অডিট এবং তাদের স্ত্রী/স্বামী ও অপ্রাপ্ত বয়স্ক সন্তানগন*	
	চেয়ারম্যান	
	এ.কে.এম. মনিরুল হক	১৮৭২৭৩৩
	ভাইস-চেয়ারম্যান	
	আনোয়ার হুসেন	২৪৯৬৯৭৯
	পরিচালকবৃন্দ	
	জোবায়ের হুমায়ন খন্দকার	২১৮৪৮৫৬
	মাহমুদুল হক শামীম	২৪৯৬৯৭৯
	আইসিবি	৮৬২৫২৫
	মোঃ নজরুল ইসলাম খান (প্রতিনিধি পরিচালক - আইসিবি)	নাই
	প্রগতি লাইফ ইন্স্যুরেন্স লিঃ	২১৩৯২২৫
	চন্দ্র শেখর দাস (প্রতিনিধি পরিচালক - প্রগতি লাইফ ইন্স্যুরেন্স লিঃ)	নাই
	ফাস ফাইন্যান্স এন্ড ইনভেষ্টমেন্ট লিঃ	১৭৭১৬৫৪
	মোঃ সিদ্দিকুর রহমান (প্রতিনিধি পরিচালক - ফাস ফাইন্যান্স এন্ড ইনভেষ্টমেন্ট লিঃ)	নাই
	মোঃ মামুনুর রশিদ এফসিএমএ (নন-শেয়ারহোল্ডার স্বতন্ত্র ডাইরেক্টর)	নাই
	প্রফেসর ডঃ মোঃ আকরাম হোসেন (নন-শেয়ারহোল্ডার স্বতন্ত্র ডাইরেক্টর)	নাই
	প্রধান নির্বাহী কর্মকর্তা	
	এস.এম. মাহবুবুল করিম	নাই
	প্রধান অর্থ কর্মকর্তা	
	মোঃ আলতাফ হোসেন	নাই
	কোম্পানী সচিব	
	মোঃ শাখাওয়াৎ হোসেন	৭২১
	হেড অব ইনটারনাল অডিট	
	মোঃ লিয়াকত হোসেন	নাই
(গ)	*নির্বাহীবৃন্দ*	১০৩৭

*** উপরে উল্লেখিত শেয়ারধারন পরিচালক ও কর্মকর্তাবৃন্দের নিজস্ব নামে শেয়ারধারন। এখানে তাদের স্পাউস বা মাইনরের নামে কোন শেয়ারধারন নেই।*

পরিচালক পর্ষদের প্রতিবেদন

* ৩১/১২/২০১৬ সনের ৫% এবং এর অধিক শেয়ারধারনকারী প্রতিষ্ঠান/ব্যক্তি

শেয়ার হোল্ডার এর নাম	শেয়ার সংখ্যা	সর্বমোট শেয়ারের %
আইসিবি ইউনিট ফান্ড	১৭৯৭২২৯	৫.৭৬%
আব্দুল মাতলুব আহমাদ	২২০৫৬৬৪	৭.০৭%

অতিরিক্ত সাধারন লাভ বা ক্ষতি ঃ

এই বছরের মধ্যে কোম্পানীতে কোন অতিরিক্ত সাধারণ লাভ বা ক্ষতির কোন ধরনের কার্যক্রম ঘটেনি।

রিলেটেড পার্টি লেনদেন ঃ

(Bas ২৪ অনুযায়ী) উল্লেখযোগ্য সংশ্লিষ্ট পার্টি লেনদেন, ব্যবস্থাপনা জমা এবং আর্থিক বিবৃতি নোট # ৫৭ এ পেশ করা হয়েছে।

পাবলিক ইস্যু, রাইট ইস্যু বা অন্য কোন দলিল মাধ্যম থেকে আয়ের ব্যবহার ঃ

নিটল ইন্স্যুরেন্স ২০০৫ সালে আইপিও এর মাধ্যমে সাধারন শেয়ার সংখ্যা বাড়ায় । আইপিওর নীট আয় কোম্পানীর অপারেশান কার্যকলাপের জন্য ব্যবহৃত হয়।

ত্রৈমাসিক আর্থিক কর্মক্ষমতা এবং বার্ষিক আর্থিক কর্মক্ষমতার মধ্যে পার্থক্য ঃ

কোয়ার্টার থেকে ত্রৈমাসিক আর্থিক ফলাফলে কিছু ভ্যারিয়েন্স ছিল, কিন্তু এটি তেমন গুরুত্বপূর্ন বেশী হয়না।

পরিচালক ফি ঃ

পরিচালকবৃন্দের পারিশ্রমিক বা পরিচালক ফি সর্বাত্বক আয়ের বিবৃতিতে (Statement of Comprehensive Income) দেখানো হয়েছে

চালু কারবার ঃ

চালু কারবার ও তারল্য ব্যবস্থাপনার উপর বিবৃতি বার্ষিক রিপোর্টের পাতা নং ৬৩ তে দেখানো হয়েছে

কৃতজ্ঞতা স্বীকার

পরিচালকমন্ডলী কোম্পানীর উত্তরোত্তর উন্নতি ও সম্মৃদ্ধির জন্য নিরলস প্রচেষ্ঠা চালানোর এবং গতিশীল নেতৃত্ব ও ব্যবস্থাপনায় উৎকর্ষ সাধনের জন্য কোম্পানীর ব্যবস্থাপনা পরিচালক, কোম্পানী সচিব এবং বিভাগীয় প্রধানদের প্রতি আন্তরিক কৃতজ্ঞতা জ্ঞাপন করছে।

পরিচালকগণের অবসর

ক) গ্রুপ এ

কোম্পানীর আর্টিকেল অব এসোসিয়েশন এর ১১২, ১১৩ এবং ১১৪ ধারা অনুযায়ী জনাব মাহমুদুল হক শামীম অবসর গ্রহন করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

খ) গ্রুপ বি

উপরোল্লিখিত ধারা মোতাবেক 'বি' গ্রুপ পরিচালকগণের মধ্যে হতে জনাব মোঃ সিদ্দিকুর রহমান (প্রতিনিধি- ফাস ফাইনান্স এন্ড ইনভেষ্টমেন্ট লিঃ) অবসর গ্রহন করেছেন এবং যোগ্য বিধায় পুনঃনির্বাচনের জন্য ইচ্ছা প্রকাশ করেছেন।

বীমা আইন ও বীমা বিধি মোতাবেক জনগণের অংশের শেয়ারহোল্ডারদের মধ্য থেকে (গ্রুপ 'বি' শেয়ারহোল্ডার) পরিচালক নির্বাচন করা হবে কোম্পানীর ১৮তম বার্ষিক সাধারণ সভায়। উক্ত নির্বাচনের বিজ্ঞপ্তি দুইটি দৈনিক পত্রিকায় প্রকাশ করা হয়েছে।

গ) স্বতন্ত্র পরিচালক

বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন-এর নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪ তারিখঃ ৭আগষ্ট ২০১২-এর অনুযায়ী কোম্পানির পরিচালনা পর্ষদ জনাব মোঃ মামুনুর রশীদ স্বতন্ত্র পরিচালক হিসেবে নিয়োগ প্রাপ্ত হয়েছিলেন। স্বতন্ত্র পরিচালক হিসেবে মেয়াদ পূর্ণ করেছেন এবং অবসর গ্রহন করেছেন, এবং আইনানুযায়ী পরবর্তী ১ (এক) মেয়াদকালের জন্য পূনঃনিয়োগ প্রাপ্তীর জন্য আগ্রহ ব্যক্ত করেছেন।

অডিটর নিয়োগ

বাংলাদেশ সিকিউরিটিজ এন্ড একচেঞ্জ কমিশন এর আদেশ SEC/CMRRCD/2009-193/104/Admin/.. dated July 27, 2011 মোতাবেক কোম্পানীর বর্তমান নিরীক্ষক অবসর গ্রহন করেছেন এবং যোগ্য বিধায় পুনঃ নিয়োগের আগ্রহ প্রকাশ করেছেন। ২০১৭ সালের জন্য নিরীক্ষককারী ১৪ই জুন, ২০১৭ তারিখে অনুষ্ঠিতব্য কোম্পানীর ১৮তম বার্ষিক সাধারণ সভায় নিয়োগ করা হবে।

পরিচালকদের সংক্ষিপ্ত জীবনী

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/ ২০০৬/১৫৮/১৩৪/এডমিন/৪৪/ তারিখ আগষ্ট ৭, ২০১২ এর নিরীক্ষা ১.৫ (xxii) অনুযায়ী কোম্পানীর পরিচালকদের সংক্ষিপ্ত জীবনী ১২ থেকে ১৮ নং পৃষ্ঠায় সংযুক্ত করা হয়েছে।

নিরীক্ষা কমিটির কার্যক্রমের উপর প্রতিবেদন

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/ ২০০৬/১৫৮/১৩৪/এডমিন/৪৪/ তারিখ আগষ্ট ৭, ২০১২ এর নিরীক্ষা ৩.৫ অনুযায়ী কোম্পানীর নিরীক্ষা কমিটির কার্যক্রমের উপর প্রতিবেদন ৮৮ নং পৃষ্ঠায় সংযুক্ত করা হয়েছে।

কর্পোরেট গভার্নেন্স পরিপালন প্রতিবেদন

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/ ২০০৬/১৫৮/১৩৪/এডমিন/৪৪/ তারিখ আগষ্ট ৭, ২০১২ এর নিরীক্ষা ৭(ii) অনুযায়ী কোম্পানীর পরিপালন অবস্থা ৪৬ থেকে ৪৯ নং পৃষ্ঠায় সংযুক্ত করা হলো।

কর্পোরেট গভার্নেন্স পরিপালন এর সনদ

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/ ২০০৬/১৫৮/১৩৪/এডমিন/৪৪/ তারিখ আগষ্ট ৭, ২০১২ এর নিরীক্ষা ৭(i) অনুযায়ী কোম্পানীর কর্পোরেট গভার্নেন্স পরিপালন এর সনদ ৫০ নং পৃষ্ঠায় সংযুক্ত করা হলো।

ঝুঁকি ও উদ্বেগ ঃ

কোম্পানীর সুনির্দিষ্ট সংস্থা গঠন, পূর্বনির্ধারিত কর্তৃপক্ষ মাত্রা, নথিভুক্ত নীতিমালা এবং একটি ব্যাপক আভ্যন্তরিন নিয়ন্ত্রন সিষ্টেম, প্রযোজ্য আইন ও নিয়মকানুন এর সঙ্গে সর্বোচ্চ সদ্ব্যবহারের মাধ্যমে সম্পদ রক্ষা ও আর্থিক লেনদেন রির্পোটিং এর সম্মতি (Compliance) নিশ্চিত করে। কোম্পানীর সুনির্দিষ্ট আর্ন্তজাতিক নিয়ন্ত্রন পদ্ধতি আছে। এটি আপনাদের সম্পদ স্বভাব অননুমোদিত ব্যবহার বা ক্ষতির বিরুদ্ধে সুরক্ষা নিশ্চিত করে। আমরা আমাদের মানুষজন এবং ব্যবসা পরিচালনার জন্য খুবই উচ্চ মান সেট করেছি।

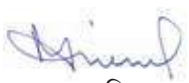
সম্ভাবনা

নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড তাঁর প্রতিষ্ঠা লগ্ন থেকে কোম্পানীর শ্লোগান "Your Security is Our Responsibility" এর প্রতি অবিচল যা সম্মানিত গ্রাহকদের প্রতি কোম্পানীর সেবাদানের অঙ্গীকারের বহিঃপ্রকাশ। কোম্পানী তাঁর এই লক্ষ্যে অবিচল এবং ভবিষ্যতে এই প্রজ্ঞা সমুজ্জল রাখতে প্রতিজ্ঞাবদ্ধ। এই লক্ষ্য অর্জনের জন্য সম্মানীত গ্রাহক ও কর্মকর্তাদের সহযোগীতা একান্তভাবে কাম্য। আমরা সর্বদাই আমাদের গ্রাহক, পৃষ্ঠপোষক এবং শুভাকাঙ্খীদের নিকট হতে তাঁদের সুচিনিশ্চিত মতামত ও সুপারিশ আশা করি। উন্নয়ন একটি চলমান প্রক্রিয়া এবং আমরা এটা ধরে রাখতে চাই।

শুভেচ্ছা

আমি নিটল ইন্স্যুরেন্স কোম্পানী লিমিটেড এর পরিচালক পর্ষদের পক্ষ থেকে কোম্পানীর সকল গ্রাহকদের তাদের ধারাবাহিক সহযোগীতার জন্য আন্তরিক শুভেচ্ছা জানাচ্ছি। আমি আরও কৃতজ্ঞতা প্রকাশ করছি, বীমা উন্নয়ন ও নিয়ন্ত্রন কর্তৃপক্ষ, অর্থ মন্ত্রনালয়, বাংলাদেশ ব্যাংক, রেজিষ্টার অব জয়েন্ট স্টক কোম্পানীজ, বাংলাদেশ সিকিউরিটিজ্ এন্ড একচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ লিঃ, চট্টগ্রাম স্টক এক্সচেঞ্জ লিঃ, সকল বাণিজ্যিক ব্যাংক, আর্থিক প্রতিষ্ঠান, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, সেন্ট্রাল রেটিং কমিটি, সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিমিটেড, বাংলাদেশ ইন্স্যুরেন্স একাডেমী, সাধারণ বীমা কর্পোরেশন, কেনিয়া রি-ইন্স্যুরেন্স কর্পোরেশন নাইরোবি কেনিয়া, এশিয়ান রি-ইন্স্যুরেন্স কর্পোরেশন থাইল্যান্ড, মালয়েশিয়ান রি-ইন্স্যুরেন্স বেরহাদ কুয়ালালাম-পুর মালয়েশিয়া, জে. বি বোদা এন্ড কোং (সিং) প্রাঃ লিঃ, প্রটেকশান রি-ইন্স্যুরেন্স সার্ভিসেস বাহরাইন, রিলায়েন্স কম্পসিট ইন্স্যুরেন্স ব্রোকিং লিঃ ভারত এবং সকল পেশাজীবি সংগঠনকে তাদের সহযোগীতার জন্য আন্তরিক ধন্যবাদ জ্ঞাপন করছি। কোম্পানীর প্রতি আস্থা ও বিশ্বাস স্থাপন করায় আমি আমাদের সকলকে গভীর কৃতজ্ঞতা জানাচ্ছি।

পরিচালক পর্ষদের পক্ষে



এ কে এম মনিরুল হক
চেয়ারম্যান

17th Annual General Meeting 2016





Financial Indication

Other Declaration's



Accounting Ratios of 2016 & 2015

Particulars	Year 2016		Year 2015		Growth (%)
	Amount in Taka	Ratio (%)	Amount in Taka	Ratio (%)	
Gross Premium Income	613,873,160		608,325,928		0.91%
Net Premium Income	490,884,742		472,223,958		3.95%
Re-insurance Premium Ceded as % of Gross Premium Income	122,988,418	20.03%	136,101,970	22.37%	-9.64%
Net RI Commission earn as % of Gross Premium Income	30,480,728	4.97%	32,154,548	5.29%	-5.21%
Net RI Commission earn as % of Net Premium Income	41,197,995	8.39%	32,154,548	6.81%	28.12%
Agent Commission Paid as % of Gross Premium Income	85,590,974	13.94%	85,877,893	14.12%	-0.33%
Management Expenses allocated as % of Gross Premium Income	117,352,450	19.12%	117,590,246	19.33%	-0.20%
Net Claim paid as % of Gross premium Income	229,068,639	37.32%	210,640,886	34.63%	8.75%
Net Claim paid as % of Net Premium Income	229,068,639	46.66%	210,640,886	44.61%	8.75%
Operating (Under writing) Profit as Gross Premium Income	84,350,915	13.74%	89,108,550	14.65%	-5.34%
Operating (Under writing) Profit as Net Premium Income	84,350,915	17.18%	89,108,550	18.87%	-5.34%
Earning per share (EPS)	2.77		2.63		
Net Assets Value (NAV)	24.18		23.98		
Net Cash Provided by Operating Activities Per share	4.05		1.64		



Declaration of Chief Executive Officer and Chief Financial Officer regarding Financial Statement of the Company

With respect to the operations of Nitol Insurance Company Limited for the year ended 31st December 2016 and results thereof, the management of the Company confirms and declares that:

* We certify that all dues payable to the statutory authorities have been paid except where the company has preferred appeals.
* The shareholding pattern is in accordance with the statutory and regulatory requirements.
* The Solvency Margins calculated under guidance of the Insurance Act, 2010.
* The values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value.
* The Company has an Anti-Money Laundering Policy by the Board of Directors and the management comply the policy as per guidelines of the Bangladesh Bank.
* The management has set up an internal audit system commensurate with the size and nature of the business and the same was operational throughout the year.
* The management of the Company certifies that:

(a) The financial statements of the Company has been prepared in accordance with the applicable Accounting Standards and principles and policies with no material departures:

(b) The management has adopted accounting and applied them consistently and made judgments and estimates are reasonable and prudent so as to give a true and fair view of the affairs of the Company at the end of the year.

(c) The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 2010 and Companies Act, 1994 for safeguarding the assets of the Company and for preventing, detecting fraud and other irregularities:

(d) The financial statements have been prepared on a going concern basis: Financial Statement of the company prepared by the Accounts & Finance department and Chief Financial Officer (CFO) of the company verified the statements. With the support and recommendation of the Chief Financial Officer, the Chif Executive Officer (CEO) confirmed the statement to present in the Board for approval. According above information the Chif Executive Officer (CEO) and Chief Financial Officer confirmed to the Board on behalf of the management that:

(i) Financial statements of the year 2016 were reviewed and best of our knowledge and belief that:

(a) These statement do not contain any materially untrue statement or omit any 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 the existing accounting standards and applicable laws.

(ii) There are to the best of knowledge and belief that no transactions entered into by the company during the year, which are fraudulent, illegal, or violation of the company's code of conduct.

Md. Altaf Hossain
Chief Financial Officer (CFO)

S.M. Mahbubul Karim
Chief Executive Officer (CEO)

Directors Responsibilities for Financial Statements

The Directors are responsible for preparing the Annual Report and the financial statement in accordance with the Companies Act, 1994. International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accounts of Bangladesh (ICAB), Bangladesh Securities and Exchange Rules 1987 and Listing Regulation of the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

In compliance with the requirements of the BSEC's Notification, the Directors are also required to declare certain matters in their report which inter alia as under:

- the Financial Statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and change in equity; proper books of account of the company have been maintained;
- appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- the International Accounting Standards (IAS), as applicable in Bangladesh, have been followed in preparation of the Financial Statements and any departure therefore has been adequately disclosed;
- the system of internal control is sound in design and has been effectively implemented and mentioned;
- there are no significant doubts upon the company's ability to continues as a going concern;
- any signification deviations from the last year in operating results of the company have been highlighted and reasons thereof have been explained;
- the key operating and financial data for the last five years are annexed.

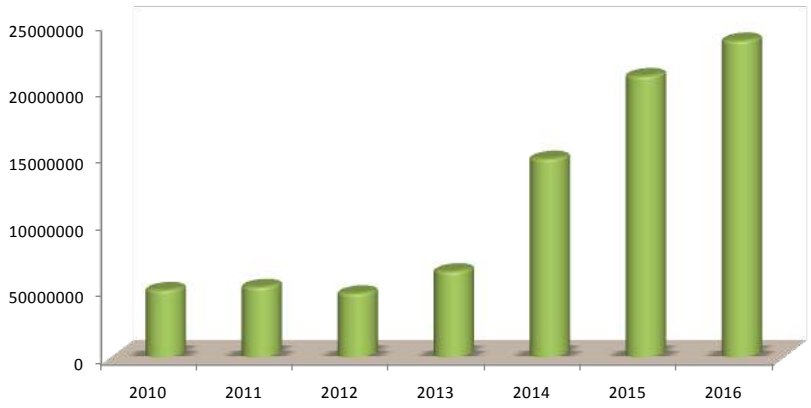
Claims Management

Nitol Insurance Company Limited (NICL) believes that prompt settlement of insurance claims is the best way to earn confidence of the insuring community. NICL has been giving top priority for settlement of the insurance claims in due course. NICL always stands beside the Insured in the event of any loss of their properties. Consequently we have been able to create to cemented relationship with the valued client's over the last 18 years of operation. As a part of best client services, the responsible officer rushes to the place of reported loss along with the reputed surveyor as soon as receive the intimation of the loss.

In special cases, the top executives are visiting the place of incident to ease and relax the clients at the moment. Even in case of big losses. Nitol Insurance Company Limited also tries to make advance payment before official approval of a claim to enable the insured for resuming business operation very shortly.

The position of last seven years Net Claims is enumerated below:

Particulars	Net Claim
2010	50,337,263/-
2011	52,681,122/-
2012	47,810,702/-
2013	64,324,909/-
2014	148,625,672/-
2015	210,640,886/-
2016	237,193,737/-



Clients Complains and Consultancy

Nitol Insurance Company Limited is very much concern of the Stakeholder's interest and the professional services to the insured. We are committed to our slogan **"Your security is our responsibility"**.

Accordingly, the company has been equipped with a team of technically qualified and highly experienced professionals for rendering best possible services to its customers. Because, we do believe Customers are first and Customers are last. Customers delight is our delight. Consequently, we have been able to earn the confidence of the clients from starting our journey excels in 1999.

Our valued clients may contact for complains and/or consultancy, specially in connection of Risk Assessment, Economic price of Insurance, Re-Insurance & Claims payment status to the concern department of the Company's Head Office. Company provides its clients with technical assistance, consultancy and advice free of cost whenever called for. Any query and consultancy in respect of insurance service shall be addressed with due respect and pleasure.



Market Share of Insurance Business of the Company

Nitol Insurance Company Ltd. enhancing the market shares of Insurance Business in the country day by day. The high profile management team of the company has been taken proper attention in time with professional manner and the Company's performance has been increased in respect of business collection. We have maintained the growth rate of our business for last five years with our discipline and talented services. The Gross premium income of private non-life insurance companies around the country stood at Tk. 25,477 million in 2016 compared to Tk. 23,908 million in 2015 and average growth rate of insurance business in the country was almost 6%.

We have been increasing our Market Share of Insurance Business in the country slowly. In the year 2016 we have contributed 2.41% business in the total market of Bangladesh private non-life insurance business and it is expecting that next year it will be increased accordingly. A chart of our market share position in comparison of the total market of Bangladesh Non-Life Insurance Business is shown below:

Amount in million

Year	Private Non-life Insurance business (BDT)	NICL's Business (BDT)	% of our Company's share in the country
2008	11,164	143.52	1.27
2009	12,284	215.28	1.75
2010	14,883	336.53	2.26
2011	17,274	348.12	2.02
2012	19,263	294.61	1.53
2013	22,947	425.99	1.85
2014	22,679	604.56	2.67
2015	23,908	608.32	2.54
2016	25,477	613.87	2.41

Report on Audit Committee

The Audit Committee of the Nitol Insurance Company Limited constituted by the four Directors of the Board of Directors. The Board authorizes the committee to follow up or investigate any activities within its terms of reference and accordingly recommend for reporting to the Board. The Audit Committee looks after the Financial Statements reflect true and fair view of the state of affairs and ensuring a good monitoring system within the business of the company. The committee performs their responsibilities as per guidelines adopted by the Board and in compliance with the section 3.00 of the Bangladesh Securities and Exchange Commission Notification No.SEC/CMRRCD/2006-158/134/Admin/44 dated 7th August 2012, which have mentioned in the Audit Committees functions. The Audit Committee comprises of the following members of the Board of Directors:

Mr. Md. Mamunur Rashid, FCMA	Independent Director	Chairman of Audit Committee
Mr. Anowar Husain, FCMA	Vice Chairman	Member of Audit Committee
Mr. Zobair Humayun Khandaker	Director	Member of Audit Committee
Mr. Mahmudul Hoque Shamim	Director	Member of Audit Committee

The Committee reviewed and examined the actions of management, in relation with the interim and annual Financial Statements before the submission to the board and confirmed that:

- The Management has published the necessary of disclosures of the Financial Statements.
- The Financial Statements of the company prepared on the assumption of going concern.
- The Financial Statements of the company are prepared in accordance with Bangladesh Financial Reporting Standard (BFRS), The Insurance Act 2010 and Security and Exchange Rules 1987 etc.
- The Management has ensured the compliance with laws and regulations of the stock exchange and follows the related laws & regulations of BSEC, the guidelines of Stock Exchanges and fulfilled the legal requirements of the Company.



The Audit Committee also reviewed the function of the above areas and found that:

- The adequacy of the internal control and risk management undertaken by the company through the appropriate Management Information are present
- The company's system of internal control and its reporting process are in place towards creation of a compliance culture in the Insurance.
- The Management is handling the operation and the financial activities of the company as per guidelines of the IDRA and with the advice of the Board.
- The related party transaction of the company is disclosed in the Financial Statements as per BAS 24.
- There is no such management letters/letter of internal control weakness issues by statutory auditors.

The above matters are important recommendations for the improvement of the company and therefore duly noted.

Md. Mamunur Rashid, FCMA
Chairman of Audit Committee

Auditor's Report To The Shareholders

of Nitol Insurance Company Limited

We have audited the accompanying financial statements of Nitol Insurance Company Limited, which comprise the Statement of Financial Position (Balance Sheet) as at 31 December 2016, the Statement of Comprehensive Income (Profit and Loss Account), Statement of Comprehensive Income (Profit And Loss) Appropriation Account, related Revenue Accounts, Statement of Cash Flows, Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements:

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRSs) along with Rules & Regulations issued by the Insurance Development & Regulatory Authority (IDRA). The responsibility includes designing, implementing & maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies uses 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 prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the Company's affairs as at 31 December 2016 and the result of its operations and cash flows for the year ended and comply with the Companies Act 1994, the Insurance Act 2010, the Securities & Exchange Rules, 1987 and other applicable laws and regulations its.

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 accounts as required by law have been kept by the Company so far as it appeared from our examination of those books.

c) The Balance Sheet and Revenue Account dealt with by the report are in agreement with the books of account and drawn as per Insurance Act, 2010.

d) The expenditure was incurred for the purposes of the business.

e) As per section 62(2) of the Insurance Act, 2010 as amended, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether directly or indirectly, in respect of insurance business of the company transacted in Bangladesh during the year under report have been fully charged to the related Revenue Account and the Comprehensive income of the company; and

f) As per regulation 11 or part 1 of the third schedule of the Insurance Act, 2010 as amended and Rules, 1958, we also certify that to the best of our information and as shown by its books and explanations given to us, the company during the year under report has not paid to any person any commission in any form outside Bangladesh in respect of the Insurance business transacted by the company in Bangladesh and that the company has not received from any person outside Bangladesh, any commission in any form in respect of any business reinsured abroad apart from commission arising out of the reinsurance treaties.



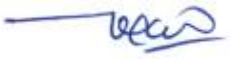
Dated: Dhaka
April 10, 2017

MABS & J Partners
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Shareholder's Equity		**754,795,218**	**668,293,620**	**594,890,110**
Issued Subscribed and Paid-up Capital	4.00	312,122,650	278,680,940	242,331,264
Reserve & Contingency Accounts	5.00	442,672,568	389,612,680	352,558,846
Reserve for Exceptional Losses	5.01	291,298,668	242,210,194	199,710,038
General Reserve	5.02	8,930,000	8,730,000	8,680,000
Retained Earnings	5.03	49,450,070	40,879,947	41,229,293
Revaluation reserve	5.04	92,993,830	97,792,539	102,939,515
Liabilities & Provision		**478,026,542**	**414,453,454**	**398,099,926**
Balance of Funds & Account	6.00	198,418,062	190,823,401	185,919,224
Fire Insurance Business		8,965,670	12,371,836	14,342,788
Marine Insurance Business		52,255,779	46,417,940	42,799,507
Motor Insurance Business		133,697,911	128,795,294	125,912,155
Miscellaneous Insurance Business		3,498,702	3,238,331	2,864,774
Premium Deposit	7.00	4,451,320	6,002,339	23,854,035
Estimated liability in respect of outstanding claims, whether due or intimated	9.00	28,810,656	20,685,558	25,424,565
Amount due to other persons or bodies carrying on Insurance Business	10.00	44,949,686	67,356,145	56,421,354
Sundry Creditors	11.00	201,396,818	129,586,011	106,480,748
Deferred Tax	12.00	**6,258,652**	**9,999,712**	**7,500,000**
		1,239,080,412	1,092,746,786	1,000,490,036
NET ASSETS VALUE PER SHARE		**24.18**	**23.98**	**22.85**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :



S. M. Mahbubul Karim
Chief Executive Officer



Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Financial Position referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Non-Current Assets		**222,651,001**	**235,700,744**	**228,053,458**
Property, Plant & Equipment	19.00	196,396,501	209,012,744	201,292,016
Investment	13.00	**26,254,500**	**26,688,000**	**26,761,442**
Bangladesh Govt. Treasury Bond		25,000,000	25,000,000	25,000,000
Investment in Shares	13.01	1,254,500	1,688,000	1,761,442
Current Assets		**1,016,429,411**	**857,046,042**	**772,436,578**
Inventories		789,889	2,998,152	3,897,968
Stock of Printing		361,214	294,889	603,230
Insurance Stamps in Hand		428,675	2,703,263	3,294,738
Advance against Office Space	14.00	183,005,350	152,153,850	158,562,350
Sundry Debtors	17.00	202,093,505	166,380,343	134,026,245
Interest receivable accounts	15.00	15,446,459	16,064,405	17,918,177
Amount due from other persons or bodies carrying on insurance business	16.00	70,948,346	98,011,122	58,732,271
Cash & cash equivalents	18.00	**544,145,862**	**421,438,170**	**399,299,567**
Fixed Deposit with Banks	18.01	501,600,000	397,600,000	348,006,000
Cash at Bank		42,289,875	23,592,309	50,098,108
Cash in Hand		255,987	245,861	1,195,459
		1,239,080,412	**1,092,746,786**	**1,000,490,036**

Md. Anowar Husain
Vice Chairman

A K M Monirul Hoque
Chairman

MABS & J Partners
Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

Particulars	Note	Amount in Taka		
		2016	2015	2014
Expenses of Management: (Not applicable particular Fund or Account)		**20,464,602**	**22,760,804**	**25,093,942**
Audit fees		107,650	122,330	182,800
Advertisement and Publicity		1,495,633	3,416,425	4,893,526
Subscription and Donation		792,651	787,300	4,933,363
Legal & Professional Fees		596,218	227,071	510,500
Depreciation with revaluation	19.00	16,733,950	17,847,079	13,484,764
Director Fee		305,000	350,000	362,500
Unrealised loss on Shares Investment		433,500	10,599	726,489
Worker's Profit Participation Fund		-	4,908,591	-
Balance for the year carried to Profit & Loss Appropriation Account		105,964,470	98,171,824	111,058,532
		126,429,072	**125,841,219**	**136,152,474**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME APPROPRIATION
FOR THE YEAR ENDED 31 DECEMBER, 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Provision for Income Tax	11.01	19,462,872	22,268,602	23,563,964
Reserve for Exceptional Losses	20.00	49,088,474	42,500,156	42,418,424
General Reserve	5.02	20,000	50,000	350,000
Deferred Tax	12.00	2,00,000	2,499,712	3,500,000
Dividend Paid	8.00	33,441,710	36,349,676	36,782,427
Balance transferred to statement of Financial Position		44,651,361	35,732,971	41,229,293
		146,844,417	**139,401,117**	**147,844,108**
Earning Per Share (EPS Taka.10.00 each)				
After Tax	24.00	**2.77**	**2.63**	**3.61**
Re-stated EPS (After Tax)		**-**	**2.35**	**3.14**
Weighted Average No. of Outstanding Share		**31,212,265**	**27,868,094**	**24,233,126**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Statement of Profit or Loss and Other Comprehensive Income Appropriation Account referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Operating Profit/(Loss) Transferred from:		**84,350,915**	**89,108,550**	**95,667,070**
Fire Ins. Revenue Account		2,101,064	7,642,945	16,544,754
Marine Ins. Revenue Account		74,546,535	60,383,672	49,796,982
Motor Ins. Revenue Account		6,510,505	18,431,567	24,958,873
Miscellaneous Ins. Revenue Account		1,192,811	2,650,366	4,366,461
Non Operating Income		**42,078,157**	**36,732,669**	**40,485,404**
Interest received & accrued	27.00	38,987,543	33,957,627	37,161,476
Dividend & Shares Income	28.00	1,328,125	333	1,253,396
Office Space Rent	29.00	1,384,680	1,524,200	1,990,840
Others Income	30.00	377,809	1,250,509	79,692
		126,429,072	**125,841,219**	**136,152,474**

Particulars	Note	Amount in Taka		
		2016	2015	2014
Opening Balance of Statement of Profit or Loss and Other Comprehensive Income Appropriation		40,879,947	41,229,293	36,785,576
Net profit for the year brought down		105,964,470	98,171,824	111,058,532
		146,844,417	**139,401,117**	**147,844,108**

Md. Anowar Husain
Vice Chairman

MABS & J Partners
Chartered Accountants

A.K.M. Monirul Hoque
Chairman

CONSOLIDATED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Claims under Policies, Less Re-insurance		**237,193,737**	**210,640,886**	**148,625,672**
Claims paid during the year:		229,068,639	215,379,893	146,314,348
Outstanding Claims during the year		28,810,656	20,685,558	25,424,565
Less: Outstanding claims at the end of the previous year		(20,685,558)	(25,424,565)	(23,113,241)
Agent Commission		85,590,974	85,877,893	84,644,143
Expenses of Management	21.00	117,352,450	117,590,246	144,616,921
Profit/(Loss) transferred to Comprehensive Income Statement		84,350,915	89,108,550	95,667,070
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 40% & 100% of Hull on Premium Income of the year		198,418,062	190,823,401	185,919,224
		722,906,138	**694,040,976**	**659,473,030**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Consolidated Revenue Account referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Balance of Account at the beginning of the year :	6.00	190,823,401	185,919,224	149,717,887
Premium Less Re-insurance		490,884,742	472,223,958	471,315,819
Commission on Re-insurance Ceded		30,480,728	32,154,548	34,888,218
Profit Commission		10,717,267	3,743,246	3,551,106
		722,906,138	694,040,976	659,473,030

Md. Anowar Husain
Vice Chairman

MABS & J Partners
Chartered Accountants

A.K.M. Monirul Hoque
Chairman

FIRE INSURANCE REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Claims under Policies, Less Re-insurance		**24,322,342**	**12,406,781**	**9,701,736**
Claims paid during the year:		28,568,316	10,671,287	7,187,549
Claims adjusted during the year		3,869,219	8,115,193	6,379,699
Less :Outstanding claims at the end of the previous year		(8,115,193)	(6,379,699)	(3,865,512)
Agent Commission		10,810,197	14,811,035	15,654,321
Expenses of Management	20.00	14,060,141	19,424,779	25,368,885
Profit/(Loss) transferred to Comprehensive Income Statement		2,101,064	7,642,945	16,544,754
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 40% of Premium Income of the year		8,965,670	12,371,836	14,342,788
		60,259,414	**66,657,376**	**81,612,484**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Consolidated Revenue Account referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Balance of Account at the beginning of the year :	6.00	12,371,836	14,342,788	19,335,120
Premium Less Re-insurance		22,414,175	30,929,591	35,856,970
Commission on Re-insurance Ceded		16,397,578	18,611,265	23,238,317
Profit Commission		9,075,825	2,773,732	3,182,077
		60,259,414	**66,657,376**	**81,612,484**

Md. Anowar Husain
Vice Chairman

MABS & J Partners
Chartered Accountants

A.K.M. Monirul Hoque
Chairman

MARINE INSURANCE REVENUE ACCOUNT

For the Year Ended 31 December 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Claims under Policies, Less Re-insurance		**4,075,898**	**9,181,839**	**10,130,566**
Claims paid during the year:		2,927,236	8,354,348	13,118,192
Claims adjusted during the year		3,141,437	1,992,775	1,165,284
Less :Outstanding claims at the end of the previous year		(1,992,775)	(1,165,284)	(4,152,910)
Agent Commission		22,207,404	20,137,513	19,510,430
Expenses of Management	20.00	30,544,355	29,239,938	35,341,891
Profit/(Loss) transferred to Comprehensive Income Statement		74,546,535	60,383,672	49,796,982
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 40% & 100% of Hull on Premium Income of the year		52,255,779	46,417,940	42,799,507
		183,629,971	**165,360,902**	**157,579,376**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Financial Position referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Balance of Account at the beginning of the year :	6.00	46,417,940	42,799,507	35,231,727
Premium Less Re-insurance		125,479,036	111,210,303	113,516,527
Commission on Re-insurance Ceded		10,351,501	10,678,027	8,590,517
Profit Commission		1,381,494	673,065	240,605
		183,629,971	**165,360,902**	**157,579,376**

Md. Anowar Husain
Vice Chairman

A.K.M. Monirul Hoque
Chairman

MABS & J Partners
Chartered Accountants

MOTOR INSURANCE REVENUE ACCOUNT

For the Year Ended 31 December 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Claims under Policies, Less Re-insurance		**208,293,778**	**188,672,739**	**128,843,052**
Claims paid during the year:		197,071,368	195,774,731	125,891,906
Claims adjusted during the year		21,800,000	10,577,590	17,679,582
Less: Outstanding claims at the end of the previous year		(10,577,590)	(17,679,582)	(14,728,436)
Agent Commission		50,527,687	49,151,834	47,909,876
Expenses of Management	20.00	64,052,488	62,848,957	75,722,651
Profit/(Loss) transferred to Comprehensive Income Statement		6,510,505	18,431,567	24,958,873
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 40% of Premium Income of the year		133,697,911	128,795,294	125,912,155
		463,082,369	**447,900,391**	**403,346,607**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Motor Insurance Revenue Account referred to in our report annexed.

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Balance of Account at the beginning of the year :	6.00	128,795,294	125,912,155	88,566,220
Premium Less Re-insurance		334,244,777	321,988,236	314,780,387
Commission on Re-insurance Ceded		42,298	-	-
		463,082,369	**447,900,391**	**403,346,607**

Md. Anowar Husain
Vice Chairman

A.K.M. Monirul Hoque
Chairman

MABS & J Partners
Chartered Accountants

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

For the Year Ended 31 December 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
Claims under Policies, Less Re-insurance		**501,719**	**379,527**	**(49,682)**
Claims paid during the year:		501,719	579,527	116,701
Claims adjusted during the year			-	200,000
Less: Outstanding claims at the end of the previous year		-	(200,000)	(366,383)
Agent Commission		2,045,686	1,777,511	1,569,516
Expenses of Management	20.00	8,695,466	6,076,572	8,183,494
Profit/(Loss) transferred to Comprehensive Income Statement		1,192,811	2,650,366	4,366,461
Balance of account at the end of the year as shown in the Statement of Financial Position: Reserve for Unexpired Risks being 40% of Premium Income of the year		3,498,702	3,238,331	2,864,774
		15,934,384	**14,122,307**	**16,934,563**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Miscellaneous Insurance Revenue Account referred to in our report an

Dated: Dhaka, 10 April 2017

Particulars	Note	Amount in Taka		
		2016	2015	2014
Balance of Account at the beginning of the year :	6.00	3,238,331	2,864,774	6,584,820
Premium Less Re-insurance		8,746,754	8,095,828	7,161,935
Commission on Re-insurance Ceded		3,689,351	2,865,256	3,059,384
Profit Commission		259,948	296,449	128,424
		15,934,384	**14,122,307**	**16,934,563**

Md. Anowar Husain
Vice Chairman

MABS & J Partners
Chartered Accountants

A.K.M. Monirul Hoque
Chairman

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Revaluation Reserve	Retained Earnings	Total
Balance at 01 January 2016	278,680,940	8,730,000	242,210,194	97,792,539	40,879,947	668,293,620
Issuance of Bonus Share	33,441,710	-	-	-	(33,441,710)	-
Net Profit after Tax	-	-	-	-	86,501,598	86,501,598
Appropriation made during the year	-	200,000	49,088,474	-	(49,288,474)	-
Depreciation on Revaluation Reserve	-	-	-	(4,798,709)	4,798,709	-
Balance at 31 December 2016	**312,122,650**	**8,930,000**	**291,298,668**	**92,993,830**	**49,450,070**	**754,795,218**

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Revaluation Reserve	Retained Earnings	Total
Balance at 01 January 2015	242,331,264	8,680,000	199,710,038	102,939,515	41,229,293	594,890,110
Issuance of Bonus Share	36,349,676	-	-	-	(36,349,676)	-
Issuance of Cash Dividend	-	-	-	-	-	-
Net Profit after Tax	-	-	-	-	73,403,510	73,403,510
Appropriation made during the year	-	50,000	42,500,156	-	(42,550,156)	-
Revaluation Reserve	-	-	-	(5,146,976)	5,146,976	-
Balance at 31 December 2015	**278,680,940**	**8,730,000**	**242,210,194**	**97,792,539**	**40,879,947**	**668,293,620**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April, 2017 and signed on its behalf by :

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

Md. Anowar Husain
Vice Chairman

A.K.M. Monirul Hoque
Chairman

MABS & J Partners
Chartered Accountants

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Statement of changes in Equity referred to in our report annexed.

Dated: Dhaka, 10 April 2017

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

Particulars	Note	Amount in Taka		
		2016	2015	2014
A) Cash flows from Operating Activities:				
Cash receipts from Premium and Others Income		611,816,436	600,622,585	452,287,622
Cash payment for Management Exp., Re-Insurance, Claim & Other Exp.		(485,313,058)	(554,994,709)	(397,486,086)
Net cash provided by operating activities		**126,503,378**	**45,627,876**	**54,801,536**
B) Cash flows from Investing activities:				
i. Investment, Fixed Deposit with Bank		(104,000,000)	(49,594,000)	(31,477,329)
ii. Acquisition of Fixed Assets		(3,795,686)	(23,489,273)	(32,187,205)
Net Cash used by investing activities		**(107,795,686)**	**(73,083,273)**	**(63,664,534)**
C) Cash flows from Financing Activities:				
Cash dividend paid		-	-	(10,818,363)
Net cash used/provided by financing activities		**-**	**-**	**(10,818,363)**
D) Net inflows/(out flows) for the year (A+B+C)		**18,707,692**	**(27,455,397)**	**(19,681,361)**
E) Opening Cash & Cash Equivalents		23,838,170	51,293,567	70,974,928
F) Closing cash & Cash Equivalents (D+E)		**42,545,862**	**23,838,170**	**51,293,567**
Net Operating cash flow per share		**4.05**	**1.64**	**4.02**

* The accounting policies and other notes from 1 to 34 form an integral part of the Financial Statements.
* The Financial Statements were authorized for issue by the Board of Directors on 10th April 2017 and signed on its behalf by:

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

Md. Anowar Husain
Vice Chairman

A K M Monirul Hoque
Chairman

AUDITORS' REPORT TO THE SHAREHOLDERS :
This is the Statement of Cash Flows referred to in our report annexed.

MABS & J Partners
Chartered Accountants

Dated: Dhaka, 10 April 2017

Form-"AA"
CLASSIFIED SUMMARY OF ASSETS
AS AT 31 DECEMBER 2016

	Particulars	Note	Amount in Taka		
			2016	2015	2014
A	**Non-Current Assets**		**222,651,001**	**235,700,744**	**228,053,458**
	Property, Plant & Equipment		196,396,501	209,012,744	201,292,016
	Investment		26,254,500	26,688,000	26,761,442
	Bangladesh Govt. Treasury Bond		25,000,000	25,000,000	25,000,000
	Investment in Shares		1,254,500	1,688,000	1,761,442
B	**Current Assets**		**1,016,429,411**	**857,046,042**	**772,436,578**
	Inventories		789,889	2,998,152	3,897,968
	Stock of Printing		361,214	294,889	603,230
	Insurance Stamps in Hand		428,675	2,703,263	3,294,738
	Advance against Office Space		183,005,350	152,153,850	158,562,350
	Sundry Debtors		202,093,505	166,380,343	134,026,245
	Interest receivable accounts		15,446,459	16,064,405	17,918,177
	Amount due from other persons or bodies carrying on insurance business		70,948,346	98,011,122	58,732,271
	Cash & cash equivalents		544,145,862	421,438,170	399,299,567
	Cash at Bank		42,289,875	23,592,309	50,098,108
	Fixed Deposit with Banks		501,600,000	397,600,000	348,006,000
	Cash in Hand		255,987	245,861	1,195,459
	TOTAL ASSETS (A+B)		**1,239,080,412**	**1,092,746,786**	**1,000,490,036**

Certificate under regulation 7 (a) & (b) of part 1 of the first Schedule to the Insurance Act.

Certified that the values of all assets have been reviewed, that the said assets except the shares in listed companies, have been set forth in balance sheet at amounts not exceeding their realizable of market value, and that the investments in shares have been valued at cost.

S. M. Mahbubul Karim
Chief Executive Officer

Zobair Humayun Khandaker
Director

Md. Anowar Husain
Vice Chairman

A.K.M. Monirul Hoque
Chairman

MABS & J Partners
Chartered Accountants

Dated: Dhaka, 10 April 2017

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

1.00 Legal status and Nature of the Company

1.1 Domicile, Legal Form, Country of Incorporation

The Company was incorporated on 4th October 1999 as a Public Limited Company under the Companies Act. 1994 and obtained the Certificate of Commencement of business from the Registrar of Joint Stock Companies and Firms, Bangladesh with effect from the same date. However, the Registration Certificate for carrying on insurance business from the Chief Controller of Insurance, Government of Bangladesh, was obtained with effect from 18th November, 1999. The Company is listed with both Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. as a Publicly traded company.

1.02 Principal Activities

The principal object of the company is to offer all kinds of insurance product other than life insurance product. These product offer to compensate to policyholder's for uncertain future events which adversely affects the policyholder's interest. The consideration under the above activities is insurance premium which is revenue of the business.

1.03 Address of Registered Office and Principal Place of Business

The registered office of the Company is at Nitol Centre (5th Floor), 71 Mohakhali, C/A, Dhaka-1212, Bangladesh and the address of operational head quarter is also at the said Nitol Centre (5th Floor), 71 Mohakhali, C/A , Dhaka-1212.

2.00 Summary of Significant Accounting Policiies and Basis of Preparation:

2.01 Basis of Accounting

The Financial Statements have been prepared on the basis of going concern concept under Generally Accepted Accounting Principals (GAAP) accourding to the historical cost convention in Bangladesh in compliance with the Insurance Act 2010, the Insurance Rule 1958 in conformity with the Companies Act 1994, the Securities and Exchange Rules 1987, Listing regulations of Dhaka Stock Exchange Ltd. & Chittagong Stock Exchange Ltd. These statements have also been prepared in accordance with applicable International Accounting Standard (IAS) and International Financial Reporting Standard (IFRS) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh (ICAB) under name and style Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS) with reference to disclosure of accounting policies and valuation of investment both.

2.02 Basis of Preparation

The Statement of Financial Position has been prepared in accordance with the regulations as contained in part I of the first schedule and as per form “A” as set forth in part II of that schedule. The Revenue Account of each class of non-life insurance business is prepared in accordance with the regulations contained in part I of the third schedule and as per form “F” set forth in part II of that schedule of the Insurance Act, 1938 (as amended in Insurance Act 2010). The classified summary of the assets are prepared in accordance with form “AA” as set forth in part II of the first schedule of the said Act.

2.03 Branch Accounting

The Company has 19 (Nineteen) branches under its umbrella without having any overseas branch during the year Ended 31 December 2016. The accounts of the branches are maintained and consolidated at the head office level. Only petty cash books are being maintained at the respective branches for meeting day to day expenses.

2.04 Method of Preparation

The Financial Statements have been drawn on mercantile basis.

2.05 Revenue Recognition

Revenue is recognised in accordance with Bangladesh Accounting Standard (BAS-18) unless otherwise mentioned or otherwise guided by the separate BAS/BFRS or by Directives of the Regulatory Authority.

Premium Income

Premium income is recognised when insurance polices are issued. Amount received against issue of the cover notes that have not been converted into policy are not recognised as income. The covernotes which were previously issued are converted into insurance policy at the expiry of nine month as per circular of the then Chief Controller of Insurance.

Gross underwriting business as well as re-insurance thereof and claim settled etc. have been reflected separately for each class of business and net underwriting result thereof have been reflected in the revenue accounts after due consideration of re-insurance ceded.

Necessary adjustment in respect of Re-insurance ceded & accepted in Bangladesh has duly been made in respective Revenue Account as per Treaty between the company & Shadharan Bima Corporation (SBC) & foreign Re-Insurers.

Fifty percent of the re-insurable non-life insurance business shall be re-insured with Sadharan Bima Corporation & the remaining fifty percent of such business may be re-insured either with SBC or with any other insurer whether in or outside Bangladesh.

Public Sector Business (PSB)

As per Government decision effective from April 1990, 100% Public Sector Insurance Business is being underwritten by sadharan Bima Corporation (SBC), 50% being retained by SBC & the balance is equally distributed to 47 private sector insurance companies. The premium in respect of the Company's share of public Sector Insurance Business (PSB) is accounted for the year in which the relevant statement of accounts from Shadharon Bima Corporation is received .The statements of account for the period from July 2015 to June 2016 have been received from & the Company's share of PSB for the aforesaid period has been recognised in these financial state ments accordingly. Such method of account for the public Sector Insurance Business (PSB) has been consistently followed.

Interest Income

Interest on FDRs & Bangladesh Government Treasury Bond (BGTB) are recognised on accrual basis. Interest on STD /SND account & other income are recognised as and when amount credited to our account.

Cash Dividend Income & Stock dividend from Investment

Dividend income on investment in Shares , if any are recognised on cash & shown in profit & loss account.For stock dividend ,received by the company against its investment, number of shares increased effecting decrease in average cost of investment.

2.06 Reporting Currency and Level of Precision

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicates otherwise.

2.07 Property, Plant & Equipments

Valuation of Property, Plant & Equipments

All fixed assets are stated as per BAS 16 "Property, Plant & Equipment". The cost of acquisition of an assets comprises its purchase price and directly attributable cost of bringing the asset to test working condition for its intended use inclusive of inward freight, duties and non refundable taxes.

Recognition of Property, Plant & Equipments

The Company recognizes in the carrying amount of an item of property, plant and Equipment the cost replacing part of such an item when the cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repair and maintenance other than major replacement, renewals and or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

De-recognition of Property, Plant & Equipments

An item of Property, Plant and Equipment is de-recognised upon disposal or when no future economic benefit are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the asset is de-recognised.

Depreciation

Property, Plant & Equipments are depreciated on reducing balance method. Depreciation has been charged in addition of fixed assets quarterly basis and depreciation is charged on disposal of assets when it is retired during the year. The rates of depreciation have been shown in Annexure-A.

Impairment of Assets

In each year the management assess whether there is any indication that the assets may be impaired in accordance with BAS 36. "Impairment of Assets" considering the current economic situation. Management concludes that there is no such indication exists.

Revaluation of Assets

Fixed Assets (Office spaces Skylark point, Bijoynagar, Dhaka & Younusco City Centre, CDA Avenue Chittagong) have revalued by the company as on December 31, 2014 which have been conducted by ACNABIN, Chartered Accountants in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arise due to the revaluation are transferred to the revaluation reserve account as per BAS 16. "Property, Plant and Equipment"

2.08 Reserve or Contingencies accounts

Reserve for exceptional losses

As per Para 2 of the 4th schedule of Income Tax Ordinance 1984, to meet the exceptional losses, Company sets aside 10% of the net premium income of the year which it is set aside from the balance of the profit to the Reserve for exceptional losses.

Revaluation Reserve

Revaluation surplus is transferred to revaluation reserve after restating the assets at the revalued amount.

Provision for Unexpired Risks :

Before arriving at the surplus of each class of business, necessary provision for unexpired risk has been made @ 40% on all business except Marine Hull business for which 100% provision has been made.

2.09 Employee benefit

The Company offers a number of benefit plans for all permanent Employees which include Contributory Provident Fund, Gratuity Scheme, Health and Group Insurance Policy which have been accounted for in accordance with the provision of Bangladesh Accounting Standard (BAS) - 19, "Employee's Benefit" basis of enumeration the above benefits schemes operated by the company are outlined below:

Provident Fund

The Company operates a contributory Provident Fund for its permanent employees, provision for which are being made annually as per rules administered by a Board of Trustees in which eligible employees contribute @ 10% of basic salary. The Company also makes equal contribution to the said Provident Fund. These contributions are invested separately.

Gratuity Scheme

Employees are entitled to a unfunded Gratuity benefit after completion of minimum 10 years of confirmed service in the Company. The Gratuity is calculated on the last Basic pay and is payable at the rate of one month Basic pay for every completed year of service.

Insurance Policy

The permanent employees of the Company are covered under a Personal Accident Scheme, a Group Insurance Scheme etc. premium for which has been charged as Management Expenses.

2.10 Management Expenses

Management expenses have been allocated to the respective business on the basis of proportionate gross premium earned.

2.11 Cash and Cash Equivalent

According to IAS 7 "Cash Flow Statements" cash comprises cash in hand, demand deposits, cash equivalents on short term, highly liquid investments that are readily convertible to know amounts of cash and those which are subject to an insignificant risk of changes in value. Cash and cash equivalents are not restricted in use and accordingly cash in hand and bank balances have been considered as cash and cash equivalents.

2.12 Debtors and other Receivables

These are carried at bill amount, unsecured and considered good and collectible.

2.13 Stock of Stationery & Form (Inventories)

Stock of stationery & forms (Stock of printing) has been valued as per BAS 2 "Inventories" which has been held for use to provide insurance service.

2.14 Provision for Income Tax

The Company has made the income tax provision on the basis of BAS 12 "Income Taxes" and Income Tax Ordinance, 1984 as amended from time to time. Provision for income tax represents the sum of the current tax on profit and deferred tax.

Current Tax Provision

The tax currently payable is based on taxable profits for the year.Taxable profit differs from profit as reported in the profit & loss account because it excludes items of income or expenses that are taxable or deductible in succeeding years & it further excludes items that are never taxable or deductible. The Company's liability for the current tax is calculated using tax rates that have been effetive on the balance sheet date.

Deferred Taxes

Deffered tax is recognised on differences between the carrying amounts of assets & liabilities in the financial statement & the corresponding tax bases used in the computation of taxable profit & are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductable temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilised.Adequate provision has been made for deferred tax to profit & loss account.

2.15 Creditors & Accruals

Liabilities are recognized for amounts to be paid in the future for products and services received, whether or not billed by the suppliers.

2.16 Investments

Investments are initially recognized at cost, including acquisition charge associate with the investment.

Bangladesh Govt. Treasury Bond

Bangladesh Govt. Treasury Bond are classified as held to maturity. Any gain or loss on such investment is recognized in the Statement of Profit or Loss and Other Comprehensive Income when the investments is derecognized as per BAS 39.

Investment in Listed Shares and Securities

These securities are bought and held primarily for the purpose of selling them in future or hold for dividend income. These are reported at fair value. Unrealised gain are not recognized in the Statement of Profit or Loss and Other Comprehensive Income. But, if required, provision for diminution in value of investment is provided in the financial statement which market price is below the cost price of investment (BAS 39).

Investment in Unquoted Shares and Securities

Investment in Unquoted Shares and Securities is reported at cost under cost method.

2.17 Earnings Per Share (EPS)

The company calculates Earnings Per Share (EPS) in accordance with BAS 33 "Earnings per share", which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

2.18 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average of ordinary shares outstanding during the year. In accordance with BAS 33 "Earnings per share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income.

2.19 Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. As there was no preference dividend, minority interest or extraordinary items, the net profit of the year after tax has been considered as fully attributable to the ordinary share holders.

2.20 Statement of Cash Flows

Cash Flow Statements is prepared principally in accordance with BAS 7 "Statement of Cash Flows" and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules 1987.

2.21 Foreign Currency Transaction:

Transactions denominated in foreign currencies are translated into Bangladeshi Taka and recorded at rates of exchange ruling on the date transaction in accordance with IAS 21 as adopted by ICAB as BAS 21: The effects of Changes in Foreign Exchange Rates".

2.22 Date of Financial Statements Authorised for Issue:

Financial Statements of the Company for the year ended December 31, 2016 were authorised for issue on April 10, 2017 in accordance with a resolution of the Board of Directors of the Company.

3.00 Additional Information of Financial Statement

Responsibility for Preparation and Presentation of Financial Statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act 1994 and as per the provision of " The International Accounting Standards Committee" (IASC).

Components of the Financial Statements

According to BAS 1 “Presentation of Financial Statements” the complete set of Financial Statements include the following components :

i) Statement of Financial Position as at 31 December 2016.
ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2016.

iii) Revenue Accounts for specific Class of Business for the year ended 31 December 2016.
iv) Statement of Cash Flows for the year ended 31 December 2016.
v) Statement of Changes in Equity for the year ended 31 December 2016 and
vi) Significant Accounting Policies and Explanatory Notes.

Comparative Information :

Comparative information have been disclosed in respect of the year 2014, 2015 & 2016 for all numerical information in the financial statements when it is relevant for understanding of the current periods of financial statements.

Figures of the year 2014 & 2015 have been rearranged whenever considered necessary to ensure comparability with the current period.

Reporting Period :

Financial Statements of the Company cover one calendar year from 01 January 2016 to 31 December 2016.

04. Disclosure of Company's Authorized, Issued, Subscribed and paid up capital:

Particulars	Note	Amount in Taka		
		2016	2015	2014
Authorized Capital : 50,000,000 Ordinary Shares of Tk. 10 each		500,000,000	500,000,000	500,000,000
Issued, Subscribed and Paid-up Capital 15,000,000 Ordinary share of Tk. 10 each		150,000,000	150,000,000	150,000,000
Bonus Share Issued 16,212,265 Bonus Share of Tk. 10 each		162,122,650	128,680,940	92,331,264
Paid-up Capital		**312,122,650**	**278,680,940**	**242,331,264**

Pursuant to section 6(b) of Insurance Act, 1938 (The Seventh Schedule), and Section 4(A) of Insurance Rules, 1958 and Article 6(D) of Association of the Company, the Company raised its Paid -up Capital from Tk. 6.00 Core to Tk. 15.00 Core through Initial Offering.

Particulars	2016			2015			2014		
Category of Shareholders	No. of Shares	% of Holding	Taka	No. of Shares	% of Holding	Taka	No. of Shares	% of Holding	Taka
1. Sponsors & Directors (Group-A)	13,824,951	44.29%	138,249,510	11,147,224	40%	111,472,240	9,693,242	40%	96,932,420
2. General (Group-B)	17,387,314	55.71%	173,873,140	16,720,870	60%	167,208,700	14,539,884	60%	145,398,844
TOTAL	**31,212,265**	**100%**	**312,122,650**	**27,868,094**	**100%**	**278,680,940**	**24,233,126**	**100%**	**242,331,264**

Classification of shareholder as per their share holding as on December 31, 2016

GROUP- "A": Sponsors & Directors

Class Interval	No. of shares	No. of shares Holders	% of Holding	% of Total Paid up capital
1 - 5000	-	-	-	-
5001 - 10000	-	-	-	-
10001 - 50000	-	-	-	-
50001 - 100000	-	-	-	-
100001 - 300000	-	-	-	-
300001 - 600000	-	-	-	-
600001 - 1500000	862,525	1	6.24	2.76
1500001 - 5000000	12,962,426	6	93.76	41.53
Total	**13,824,951**	**7**	**100**	**44.29**

GROUP- "B": General Shareholders

Class Interval	No. of shares	No. of share Holders	% of Holding	% of Total Paid up capital
1 - 5000	1,860,435	2,123	10.7	5.96
5001 - 10000	574,279	80	3.30	1.84
10001 - 50000	1,754,183	85	10.09	5.62
50001 - 100000	552,361	8	3.18	1.77
100001 - 300000	1,308,239	9	7.52	4.19
300001 - 600000	2,826,350	7	16.26	9.06
600001 - 1500000	4,508,574	6	25.93	14.44
1500001 - 5000000	4,002,893	2	23.02	12.82
Total	**17,387,314**	**2,320**	**100**	**55.71**
Grand Total (A+B)	**31,212,265**	**2,327**		**100**

33,44,171 number of bonus share of Tk.10 each valued at Tk. 3,34,41,710 for the year 2015 has been transferred to paid-up capital during the year 2016.

Particulars	Note	Amount in Taka		
		2016	2015	2014
5.00 RESERVE & CONTIGENCY ACCOUNTS				
Reserve for Exceptional Losses	5.01	291,298,668	242,210,194	199,710,038
General Reserve	5.02	8,930,000	8,730,000	8,680,000
Retained Earnings	5.03	49,450,070	40,879,947	41,229,293
Revaluation reserve	5.04	92,993,830	97,792,539	102,939,515
Closing Balance		**442,672,568**	**389,612,680**	**352,558,846**
5.01 RESERVE FOR EXCEPTIONAL LOSSES				
Opening Balance		242,210,194	199,710,038	157,291,614
Add: Addition during the year	18	49,088,474	42,500,156	42,418,424
Closing Balance		**291,298,668**	**242,210,194**	**199,710,038**
5.02 GENERAL RESERVE				
Opening Balance		8,730,000	8,680,000	8,330,000
Add: Addition during the year		200,000	50,000	350,000
Closing Balance		**8,930,000**	**8,730,000**	**8,680,000**
5.03 RETAINED EARNINGS				
Opening balance		40,879,947	41,229,293	36,785,576
Net profit after taxation		86,501,598	73,403,510	83,994,568
Transfer to general reserve		(200,000)	(50,000)	(350,000)
Reserve for exceptional losses	18	(49,088,474)	(42,500,156)	(42,418,424)
Issuance of Bonus Share	7	(33,441,710)	(36,349,676)	(36,782,427)
Depreciation on increased value due to revaluation		4,798,709	5,146,976	-
		49,450,070	**40,879,947**	**41,229,293**

5.04 REVALUATION RESERVE

Fixed Assets (Office spaces Skylark point, Bijoynagar, Dhaka & Younusco City Centre, CDA Avenue Chittagong) have been revalued by the company as on August 20, 2014 which have conducted by ACNABIN, Chartered Accountants in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arise due to the revaluation are transferred to the revaluation reserve account as per BAS 16. "Property, Plant and Equipment". The Revaluation reserve amount is Tk. 97,792,539 has been depreciated of Tk. 4,798,709 @ 5% and the written down value as at 31 December 2016 of Tk. 92,993,830. It has been depreciated of Tk. 5,146,976 @ 5% and the written down value as at 31 December 2015 of Tk. 97,792,539.

6.00 BALANCE OF FUNDS & ACCOUNTS				
Fire Insurance Business		8,965,670	12,371,836	14,342,788
Marine Insurance Business		52,255,779	46,417,940	42,799,507
Motor Insurance Business		133,697,911	128,795,294	125,912,155
Miscellaneous Insurance Business		3,498,702	3,238,331	2,864,774
Closing Balance		**198,418,062**	**190,823,401**	**185,919,224**

100% reserve has been made only for Marine Hull and 40% reserve has been made for rest of the Classes.

Particulars	Note	Amount in Taka		
		2016	2015	2014
7.00 PREMIUM DEPOSIT				
Marine Insurance Business		4,451,320	6,002,339	23,854,035
Closing Balance		**4,451,320**	**6,002,339**	**23,854,035**
The amount includes premium received against cover notes for which policies have not been issued within 31st December, 2016.				
8.00 DIVIDEND PAID				
Stock Dividend		33,441,710	36,349,676	25,964,064
Cash Dividend		-	-	10,818,363
Closing Balance		**33,441,710**	**36,349,676**	**36,782,427**
9.00 ESTIMATED LIABILITY IN RESPECT OF OUTSTANDING CLAIMS				
Fire Insurance Business		3,869,219	8,115,193	6,379,699
Marine Insurance Business		3,141,437	1,992,775	1,165,284
Motor Insurance Business		21,800,000	10,577,590	17,679,582
Misc. Insurance Business		-	-	200,000
Closing Balance		**28,810,656**	**20,685,558**	**25,424,565**
This is in respect of Motor Insurance, Marine Insurance Business, Fire Insurance Business & Misc. Business. All claims of which intimations were received by the company within 31st December, 2016, and have been taken into consideration while estimating the liability in respect of outstanding claims.				
10.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS				
Sadharan Bima Corporation		39,090,460	49,477,090	41,841,404
Foreign Re-Insurer	10.01	5,859,226	17,879,055	14,579,950
Closing Balance		**44,949,686**	**67,356,145**	**56,421,354**
10.01 Foreign Re-Insurer				
Asian Re-insurance Corporation		1,163,545	5,370,143	4,533,015
J.B.Boda Insurance Service		3,532,136	16,801,621	4,311,931
Protection Bahrain		1,163,545	(4,613,187)	-
Risk Care Insurance Brokers		-	55,837	2,867,502
Alliance Insurance Brokers		-	264,641	2,867,502
Closing Balance		**5,859,226**	**17,879,055**	**14,579,950**
11.00 SUNDRY CREDITORS				
Provision for Audit Fee		130,000	114,350	114,350
Provision for Income Tax	11.01	140,942,410	117,738,478	95,469,876
Provision for Office Rent		66,465	93,510	379,790
Provision for Gratuity		124,700	124,700	124,700
Short/Excess Premium		1,056,582	909,714	370,657
Advance premium received		40,477,081	841,101	560,580
VAT Payable		8,046,995	4,169,234	5,712,956
Advance Office Rent		381,600	630,300	-
Loan against purchase of car	11.02	1,284,151	1,739,519	3,747,839
Death Claim Payable		-	50,000	-
Provision for WPPF		-	2,265,105	-
Salary & Allowance Payable		4,772,592	-	-
Provident Fund Payable		2,591,087	-	-
Bills Payable		1,523,155	910,000	-
Closing Balance		**201,396,818**	**129,586,011**	**106,480,748**

Particulars	Note	Amount in Taka		
		2016	2015	2014
11.01 PROVISION FOR INCOME TAX				
Opening Balance		117,738,478	95,469,876	71,905,912
Add: Provision made during the year		23,203,932	22,268,602	23,563,964
Less: Adjustment with Advance Income		-	-	-
Closing Balance		**140,942,410**	**117,738,478**	**95,469,876**
Current Tax Expenses		23,203,932	22,268,602	23,563,964
Adjusted Deferred Tax Expenses/(Income)		(3,741,060)	-	-
Provision during the year		19,462,872	22,268,602	23,563,964
11.02 LOAN AGAINST PURCHASE OF OFFICE CAR				
Opening Balance		1,739,519	3,747,839	5,659,100
Loan Taken During the Year		-	-	-
Interest Charged During the Year		-	-	582,084
Less: Repayment During the year		(455,368)	(2,008,320)	(2,493,345)
Closing Balance		**1,284,151**	**1,739,519**	**3,747,839**
12.00 DEFERRED TAX				
Opening Balance		9,999,712	7,500,000	4,000,000
Add: Adjustment made during the year		(3,741,060)	2,499,712	3,500,000
Closing Balance		**6,258,652**	**9,999,712**	**7,500,000**
Carrying amount		196,396,501		
Less: Tax base		180,749,872		
Taxable/deductibule temporary difference		15,646,629		
Effective Tax Rate		40%		
Deferred Tax Liability		6,258,652		

Deferred tax assets and liability have been recognised and measured in accordance with the provision of BAS 12 "Income Taxes".

13.00 INVESTMENT				
Bangladesh Govt. Treasury Bond (BGTB)		25,000,000	25,000,000	25,000,000
Investment in Shares	13.01	1,254,500	1,688,000	1,761,442
Closing Balance		**26,254,500**	**26,688,000**	**26,761,442**

13.01 INVESTMENT IN SHARES

	No. of Shares	Book Value Taka	Market Value Taka
Share of CDBL	531,250	1,250,000	1,250,000
Modern Cement	3,000	438,000	4,500
	534,250	**1,688,000**	**1,254,500**

14.00 ADVANCE AGAINST OFFICE SPACE			
Opening Balance	152,153,850	158,562,350	121,832,350
Addition/(Transferred to PPE)	30,851,500	(6,408,500)	36,730,000
Closing Balance	**183,005,350**	**152,153,850**	**158,562,350**
15.00 INTEREST RECEIVABLE ACCOUNT			
Interest Accrued on Fixed Deposit	14,818,010	14,510,301	17,332,073
Interest Accrued on BGTB	628,449	1,554,104	586,104
Closing Balance	**15,446,459**	**16,064,405**	**17,918,177**

Particulars	Note	Amount in Taka		
		2016	2015	2014
16.00 AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS				
Sadharan Bima Corporation		68,895,242	77,503,013	38,276,436
Foreign Re-Insurer	16.01	2,053,104	20,508,109	20,455,835
Closing Balance		**70,948,346**	**98,011,122**	**58,732,271**
16.01 Foreign Re-Insurer				
Asian Re Thailand		410,621	5,940,179	5,940,179
Best Re Malaysia		-	3,960,120	3,960,120
Malaysia Re		-	3,960,119	3,960,119
ACR Re-Takaful		-	3,960,119	3,960,119
J.B.Boda Insurance Service		1,231,862	707,513	655,239
Protection Bahrain		410,621	1,980,059	1,980,059
		2,053,104	**20,508,109**	**20,455,835**
17.00 SUNDRY DEBTORS				
Advance against Office Rent		3,745,492	5,116,262	7,894,982
Advance against Salary		1,500,000	-	4,611,000
Advance against Agent Commission		3,943,879	840,650	7,305,299
Advance against Income Tax	17.01	190,348,941	156,748,184	109,007,943
Security Deposit		342,564	342,564	2,103,413
Car Loan		1,849,178	2,900,727	3,103,608
Premium Receivable		100,741	105,081	-
Office Rent Receivable		262,710	326,875	-
Closing Balance		**202,093,505**	**166,380,343**	**134,026,245**
17.01 ADVANCE AGAINST INCOME TAX				
Advance against Taxes (Co.)		171,036,732	141,492,737	97,642,566
Tax on Interest		19,312,209	15,255,447	11,365,377
Closing Balance		**190,348,941**	**156,748,184**	**109,007,943**
18.00 CASH & CASH EQUIVALENTS				
Fixed Deposit	18.01	501,600,000	397,600,000	348,006,000
Cash at Bank		42,289,875	23,592,309	50,098,108
Cash in Hand		255,987	245,861	1,195,459
Closing Balance		**544,145,862**	**421,438,170**	**399,299,567**
18.01 FIXED DEPOSIT				
Opening Balance		397,600,000	348,006,000	314,706,000
Add: Addition During the Year		104,000,000	49,594,000	33,300,000
Closing Balance		**501,600,000**	**397,600,000**	**348,006,000**

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

NOTE 19.00 Property, Plant and Equipments

Particulars	Cost				Rate	Depreciation				Written Down Value as on 31 December 2016	Written Down Value as on 31 December 2015
	Balance as on 01 January 2016	Addition during the year	Adj./disposal during the year	Balance as on 31 December 2016		Balance as on 01 January 2016	Addition during the year	Adj./disposal during the year	Balance as on 31 December 2016		
Furniture & Fixture	5,246,801	53,100	-	5,299,901	10%	2,392,842	278,927	-	2,671,769	2,628,132	2,853,959
Office Equipment	3,979,153	616,095	-	4,595,248	20%	1,802,616	491,027	-	2,293,643	2,301,605	2,176,537
Computer	12,458,771	1,054,669	-	13,513,440	25%	8,411,438	1,117,781	-	9,529,219	3,984,221	4,047,333
Software Installation	1,300,000		-	1,300,000	25%	157,422	263,408	-	420,830	879,170	1,142,578
Air Conditioner	4,480,890	132,932	-	4,613,822	20%	2,680,314	352,955	-	3,033,269	1,580,553	1,800,576
Refrigerator	41,700	67,050	-	108,750	20%	40,491	9,786	-	50,277	58,473	1,209
Telephone Installation		25,360	-	1,185,238	10%	769,900	40,002	-	809,902	375,336	389,978
Office Car	52,839,660	175,500	(2,953,000)	50,062,160	20%	25,901,008	4,813,469	(1,675,021)	29,039,456	21,022,704	26,938,652
Office Decoration	28,060,841	3,261,825	-	31,322,666	10%	11,706,227	1,797,465	-	13,503,692	17,818,974	16,354,614
Electrical Equipment	1,166,748	9,155	-	1,175,903	25%	918,242	58,490	-	976,732	199,171	248,506
Office Space	160,665,996	-	-	160,665,996	5%	7,607,194	7,510,640	-	15,117,834	145,548,162	153,058,802
Total	**271,400,438**	**5,395,686**	**(2,953,000)**	**273,843,124**		**62,387,694**	**16,733,950**	**(1,675,021)**	**77,446,623**	**196,396,501**	**209,012,744**

Revaluation Reserve

Office Space	102,939,515			102,939,515	5%	5,146,976	4,798,709	-	9,945,685	92,993,830	97,792,539
Total	**102,939,515**	**-**	**-**	**102,939,515**		**5,146,976**	**4,798,709**	**-**	**9,945,685**	**92,993,830**	**97,792,539**

Particulars	Note	Amount in Taka		
		2016	2015	2014
20.00 RESERVE FOR EXCEPTIONAL LOSSES				
Fire Insurance Business		2,241,418	2,783,663	3,227,127
Marine Insurance Business		12,547,904	10,008,927	10,216,488
Motor Insurance Business		33,424,477	28,978,941	28,330,235
Misc. Insurance Business		874,675	728,625	644,574
Closing Balance		**49,088,474**	**42,500,156**	**42,418,424**

This represents profit set-aside during the year under review @ 10% of net premium as allowed as expenses by detailed below, to meet Exceptional Losses. The aforesaid set-aside of profit has been allowed as expenses by paragraph 6(2) of 4th Schedule of the Income Tax Ordinance, 1984.

21.00 ALLOCATION OF MANAGEMENT OF EXPENSES				
Fire Insurance Business		14,060,141	19,424,779	25,368,885
Marine Insurance Business		30,544,355	29,239,938	35,341,891
Motor Insurance Business		64,052,488	62,848,957	75,722,651
Miscellaneous Insurance Business		8,695,466	6,076,572	8,183,494
Closing Balance		**117,352,450**	**117,590,246**	**144,616,921**

All expenses of Management wherever incurred directly or indirectly in represent of Fire, Marine, Motor and Miscellaneous Insurance business of the company transacted in Bangladesh has been fully debited to respective Revenue Accounts and those do not relate to any particular business have been debited to the Profit and Loss Account.

22.00 GENERAL

a) Contingent Liability
The Company has no sum for which the company was contingently liable as on December 31,2016.

b) Capital Expenditure Commitment
There was no un -provided commitment of Capital Expenditure as on December 31, 2016.

23.00 CLAIM NOT ACKNOWLEDGED
There was no claim against the company which is not acknowledged as on December 31, 2016.

24.00 EARNING PER SHARE (EPS)				
Net profit after Tax		86,501,598	73,403,510	87,494,568
Weighted Average No. of outstanding Share		31,212,265	27,868,094	24,233,126
EPS after Tax		**2.77**	**2.63**	**3.61**
RESTATED EPS AFTER TAX				
Net profit after Tax		-	73,403,510	87,494,568
Weighted Average No. of outstanding Share		-	31,212,265	27,868,094
Closing Balance		**-**	**2.35**	**3.14**

Particulars	Note	Amount in Taka		
		2016	2015	2014

25.00 TAX ASSESSMENT STATUS

Accounting year	Assessement year	Description
2010	2011-12	Appeal pending with Hon'ble High Court against demand of taka 3,89,26,214 and Tax has been paid of taka 2,90,77,238 on said demand.
2011	2012-13	Appeal pending with Hon'ble High Court against demand of taka 6,04,52,172 and Tax has been paid of taka 2,86,69,250 on said demand.
2012	2013-14	Appeal pending with Hon'ble High Court against demand of taka 5,80,42,413 and Tax has been paid of taka 2,69,68,391 on said demand.
2013	2014-15	Appeal pending with Hon'ble High Court against demand of taka 55,905,459 and Tax has been paid of taka 33,055,483 on said demand.
2014	2015-16	Appeal pending with Hon'ble High Court against demand of taka 67,834,290 and Tax has been paid of taka 27,205,364 on said demand.

26.00 AUDIT FEE

As per decision of the Annual General Meeting held on June 05, 2016 the Auditor's remuneration of Tk.1,00,000/- has been provided in the accounts which is the only sum to be paid to Auditors as remuneration.

27.00 INTEREST RECEIVED AND ACCRUED

Interest on FDR	36,411,108	30,261,055	33,808,169
Interest on BGTB	1,775,345	2,701,000	2,701,000
Interest on STD	801,090	1,043,695	1,160,690
	38,987,543	34,005,750	37,669,859
Less: Interest adjusted on SOD Account	-	(48,123)	(508,383)
Closing Balance	**38,987,543**	**33,957,627**	**37,161,476**

28.00 DIVIDEND & SHARES INCOME

Dividend	1,328,125	333	1,253,396
Share	-	-	(726,489)
Closing Balance	**1,328,125**	**333**	**526,907**

29.00 OFFICE SPACE RENT

Office Rent	1,384,680	1,524,200	1,990,840
Closing Balance	**1,384,680**	**1,524,200**	**1,990,840**

30.00 OTHERS INCOME

Co-Insurance Service Charge	-	-	30,132
Others Income	377,809	1,250,509	40,560
Closing Balance	**377,809**	**1,250,509**	**70,692**

Particulars	Note	Amount in Taka		
		2016	2015	2014
31.00 NET ASSET VALUE PER SHARE (NAV)				
Net Assets Value		754,795,218	668,293,620	553,660,817
Weighted Average No. of outstanding Share		31,212,265	27,868,094	24,233,126
		24.18	**23.98**	**22.85**
32.00 NET OPERATING CASH FLOW PER SHARE (NOCF)		**4.05**	**1.64**	**4.02**

33.00 TRANSACTIONS WITH RELATED PARTIES:

Name of related party	Relationship	Nature of Transaction	Premium Received in 2016	Claim Paid in 2016
Nita Company Ltd.	Common Director	Insurance	11,294,871	-
Mr. Zobair Humayun Khandaker	Common Director	Insurance	19,493	-
Ms. Naeema Haque, Spouse of A. K. M. Monirul Hoque	Common Director	Insurance	23,397	-

Nitol Insurance, in normal course of business, carried out a number of transactions with other entities that fall within the definition of related party contained in BAS 24 "Related Party Disclosures". All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties.

34.00 POST BALANCE SHEET EVENTS

There was no significant event that has occurred between the balance sheet date and the date when the financial statements are authorized for issue by the Board of Directors except that the Board of Directors of Nitol Insurance Company Limited in its 134th meeting held on 10th April 2017 has recommended **Stock Dividend @ 13%**, subject to approval of Shareholder in the ensuring Annual General Meeting (AGM).

STATEMENT SHOWING BUSINESS UNDERWRITTEN, RE-INSURANCE CEDED & ACCEPTED
AS ON 31ST DECEMBER 2016

	FIRE	MARINE	MOTOR	MISC	TOTAL
BUSINESS					
PRIVATE	72,067,979	148,049,358	336,851,244	13,637,909	570,606,490
PUBLIC	3,007,817	13,960,562	2,261,278	24,037,013	43,266,670
	75,075,796	162,009,920	339,112,522	37,674,922	613,873,160
R/I ACCEPTED					
PRIVATE	-	-	-	-	-
PUBLIC	-	-	-	-	-
	-	-	-	-	-
R/I CEDED					
PRIVATE	50,547,536	25,548,501	4,867,745	5,514,305	86,478,087
PUBLIC	2,114,085	10,982,383	-	23,413,863	36,510,331
	52,661,621	36,530,884	4,867,745	28,928,168	122,988,418
NET BUSINESS					
PRIVATE	21,520,443	122,500,857	331,983,499	8,123,604	484,128,403
PUBLIC	893,732	2,978,179	2,261,278	623,150	6,756,339
	22,414,175	**125,479,036**	**334,244,777**	**8,746,754**	**490,884,742**
COMMISSION					
PRIVATE	10,810,197	22,207,404	50,527,687	2,045,686	85,590,974
PUBLIC	-	-	-	-	-
	10,810,197	22,207,404	50,527,687	2,045,686	85,590,974
R/I CEDED					
PRIVATE	25,216,182	9,619,799	42,298	944,936	35,823,215
PUBLIC	257,221	2,113,196	-	3,004,363	5,374,780
	25,473,403	11,732,995	42,298	3,949,299	41,197,995
NET AMOUNT					
PRIVATE	(14,405,985)	12,587,605	50,485,389	1,100,750	49,767,759
PUBLIC	(257,221)	(2,113,196)	-	(3,004,363)	(5,374,780)
	(14,663,206)	**10,474,409**	**50,485,389**	**(1,903,613)**	**44,392,979**
CLAIM					
PRIVATE	32,396,406	8,669,884	197,006,767	2,000,000	240,073,057
PUBLIC	147,510	68,748	64,601	326,614	607,473
	32,543,916	8,738,632	197,071,368	2,326,614	240,680,530
R/I CEDED					
PRIVATE	3,975,600	5,810,170	-	1,517,975	11,303,745
PUBLIC	-	1,226	-	306,920	308,146
	3,975,600	5,811,396	-	1,824,895	11,611,891
NET CLAIM					
PRIVATE	28,420,806	2,859,714	197,006,767	482,025	228,769,312
PUBLIC	147,510	67,522	64,601	19,694	299,327
	28,568,316	**2,927,236**	**197,071,368**	**501,719**	**229,068,639**

Branch Conference



Pictorial view of Annual Branch Conference 2016



Pictures of Various Program and Activities



Celebration of 17th Anniversary of the Company



CEO handed over a flower bouquet to the FBCCI President



Half Yearly Branch Conference 2016



Anti Money Laundering Training Program
at Branch Office



CEO Receive Bank Bima Arthonaty Award
from BIA President



Runner Nitol Insurance Open-2016 Golf Tournament



Contract Signing Ceremony between
Nitol Insurance & Domus for Head Office Decoration



Welcome of ICB's New Director





CEO handed over the Claim Cheque







Handed over the Claim Cheque by different Branch Offices









CEO handed over a Flower Bouquet to the
new Managing Director of Sadharan Bima Corporation (SBC)





Meeting with Foreign
Reinsurer and Broker

Company's Assets



Barbhuiya Siddiq Plaza
Zindabazar, Sylhet
944 Sft office floor at 2nd floor



City Centre
Motijheel C/A, Dhaka
3322 Sft office space at 17th floor



Bagdad Tanzia Tower
Joydevpur Chowrasta, Joydevpur, Gazipur
2150 sft. office space, (3rd floor)



Police Plaza Concord
Gulshan 1, Dhaka
6514 Sft office space at 6th floor



Skylark Point
Bijoynagar, Dhaka
1571 Sft office space at 5th floor



Yunusco City Centre
GEC More, Chittagong
9852 Sft office space at 10th floor



Rupayan Centre
Mohakhali, Dhaka
1345 Sft office Space (5th Floor)

Proposed Corporate Head Office

Police Plaza Concord

Gulshan 1, Dhaka
6514 Sft office space at 6th floor



Branch Network

Bijoy Nagar Branch
Skylark Point (5th Floor)
24/A Bijoynagar, Dhaka 1000
Phone : 88-02-8318166
Fax : 88-02-8318716
Email : bng_nicl@nitolinsurance.com

Chittagong Branch
Yunusco City Centre (10th Floor)
809 CDA Avenue, GEC More, Chittagong
Phone : 031 -2858171 -2
Fax : 031-2858173
Email : czo_nicl@nitolinsurance.com

Comilla Branch
Sattar Khan Complex (4h Floor)
Kandir Par, Comilla-3500
Phone: 88-02-081-73680
Fax : 88-02-081-73680
Email : com_nicl@nitolinsurance.com

Dhanmondi Branch
CNS Tower (2nd Floor), 43/R/5-A
West Panthapath, Dhaka 1205
Phone : 9101089
Fax : 02-58150863
Email : dmn_nicl@nitolinsurance.com

Dilkusha Branch
90/1 City Centre (18th Floor)
Dhaka 1000
Phone : 9570600, 9515287
Fax : 02-9570266
Email : dil_nicl@nitolinsurance.com

Dinajpur Branch
Hotel Shetal Plaza
Station Road,
Dinajpur
Phone : 0531 -63685
Fax : 0531-63068
Email : dnj_nicl@nitolinsurance.com

Gulshan Branch
Sheba House (5th Floor)
House 34, Road 46, Gulshan 2,
Dhaka 1212
Phone : 8812849, 8825547
Fax : 02-8825547
Email : gul_nicl@nitolinsurance.com

Jamalpur Branch
Jibon Mansion (2nd floor)
Station Road, Jamalpur
Phone : 01778097315
Tel: 88-098-162997
Fax: 88-098-162997
Email : jml_nicl@nitolinsurance.com

Jessore Branch
Jess Tower (3rd Floor), 39, M.K. ROAD,
Jessore.
Phone : 0421-71795
Fax : 0421-71795
Email : jes_nicl@nitolinsurance.com

Joydevpur Branch
Bagdad Tanzia Tower (3rd Floor)
Tangail Road, Chandana Chowrasta,
Gazipur
Phone : 9262620
Fax : 02-9263795
Email : jdp_nicl@nitolinsurance.com

Kawran Bazar Branch
Hafiz Mansion (1st Floor),
33 Kazi Nazrul Islam Sarak
Karwan Bazar, Dhaka 1215
Phone : 9104337
Fax : 02-9126539
Email : kbr_nicl@nitolinsurance.com

Mohakhali Branch
72 Rupayan Center (5th Floor),
Mohakhali, Dhaka-1212
Phone : 88-02-9881756
Fax: 88-02-9881751
Email : mohakhali@nitolinsurance.com

Khulna Branch
Chamber Mansion (2nd Floor)
5, K.D.A. Commercial Area,
Jessore Road, Khulna.
Phone : 041-2831177
Fax : 041-723352
Email : kln_nicl@nitolinsurance.com

Kushtia Branch
Lovely Tower (6th Floor)
55/1 Shirajuddowla Road,
Kushtia
Phone : 071 -71675
Fax : 071 -71675
Email : kst_nicl@nitolinsurance.com

Narayangonj Branch
127 (Old), 194 (New)
BB Road (1st Floor),
Narayangonj
Phone : 7643953
Fax : 02-7643754
Email : ngj_nicl@nitolinsurance.com

Rajshahi Branch
Jamal Super Market (2nd Floor)
96 Mia Bari, Word No 12,
Boalia, Rajshahi
Phone : 072-1772980
Fax : 072-1772980
Email : raj_nicl@nitolinsurance.com

Rangpur Branch
Shorif Building/Asir Building (1st Floor)
Station Road, Rangpur
Phone : 0521-56211
Fax : 0521-56211,
Email : rng_nicl@nitolinsurance.com

Sylhet Branch
Barbhuiya Siddique Plaza(2nd Floor),
Zindabazar, Sylhet.
Phone : 0821-727884
Fax : 0821-727885
Email : syl_nicl@nitolinsurance.com

Uttara Branch
A. B. Super Market (2nd Floor)
Plot 60, Road 2, Sector 3,
Uttara C/A, Dhaka 1230
Phone : 8952833
Fax : 02-8958944
Email : utr_nicl@nitolinsurance.com



Agreement Signing Ceremony for Digital Banking Services between Nitol Insurance Company Limited & City Bank Limited

Note:

NITOL INSURANCE

PROXY FORM

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

..... being a member of

Nitol Insurance Company Limited and a holder of..... (Number of shares) ordinary shares do hereby

appoint Mr./Mrs. ..... of .....

..... as my Proxy, to

vote for me/us and on my behalf at the **18th Annual General Meeting** of the Company to be held on June 14, 2017 and adjournment thereof, or at any Poll that may be take in cosequence.

Signed this ..... day of ..... 2017.

....

Signature of the Shareholder (s) Signature of the Proxy

Number of Shares held .....

BO ID NO.																

BO ID NO.																

Note :

This Proxy From must be signed across Twenty Taka Revenue Stamp and it should be deposited at the registered office of the Company not later then 72 hours before the time of holding the meeting (As per Articles of Association, Proxy will be a member of the Company)

Revenue Stamp Tk. 20.00

Signature Verified

.....

Authorised Signatory

SHAREHOLDERS' ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

I do hereby record my attendance at the **18th Annual General Meeting** being held on June 14, 2017 at 11:00 A.M. at "Trust Milonayaton", Old Airport Road, Dhaka Cantonment, Dhaka.

Name of the member/Proxy (in Block Letter)	
BO ID No.	
Mobile Number	
E-mail address (if any)	

Signature Verified by

....

Signature of the Member/Proxy Authorised Signatory of the Company

NOTE :

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception desk.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কুপন প্রদানের ব্যবস্থা থাকবে না।

www.nitolinsurance.com

NITOL
INSURANCE

NITOL INSURANCE COMPANY LIMITED

HEAD OFFICE
Nitol Centre (5th Floor), 71 Mohakhali Commercial Area, Dhaka-1212, Bangladesh
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