

Annual Report 2017

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড



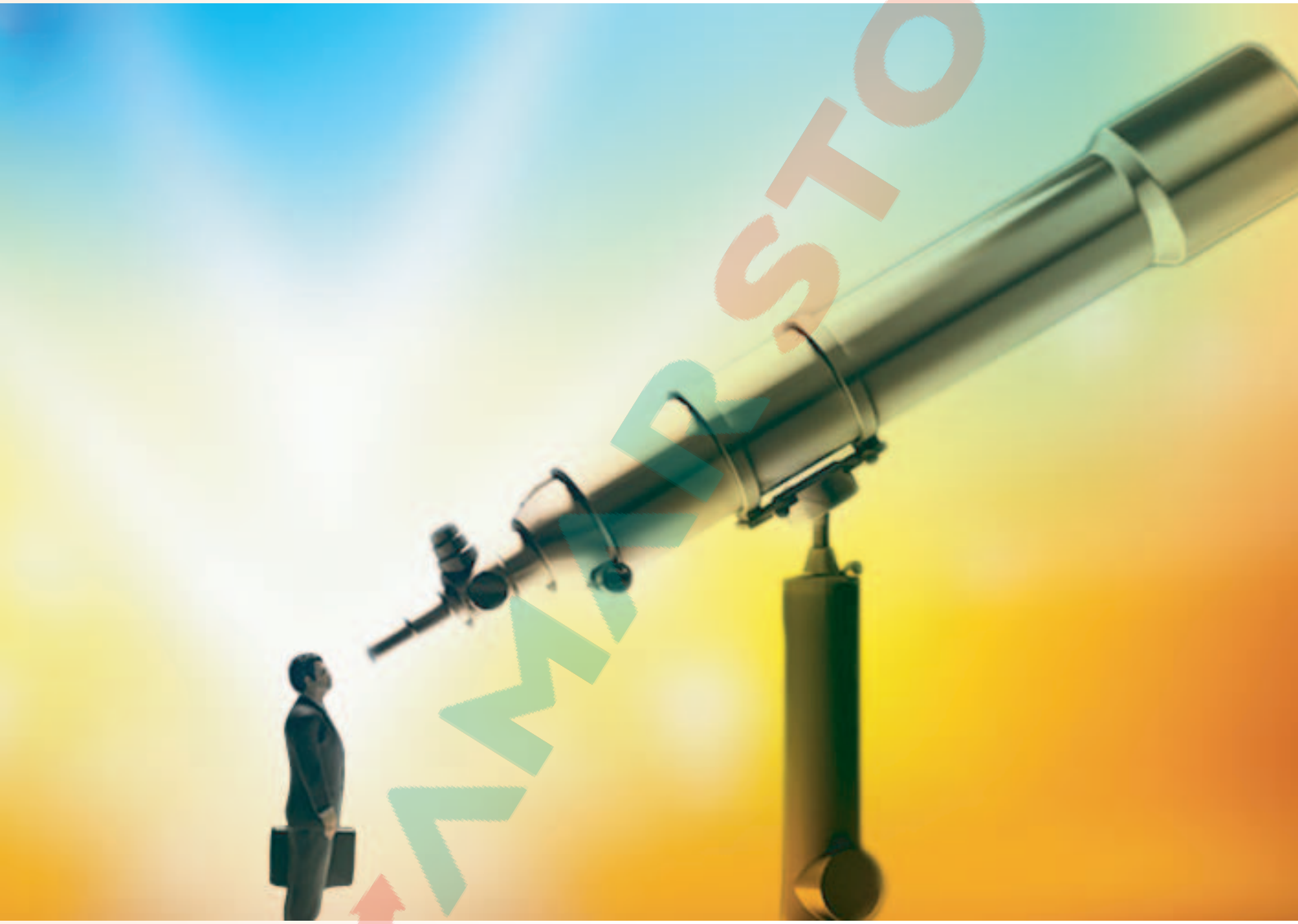
Founder Chairman

Late Hedayet Hossain Chowdhury

(1931-2014)

Republic Insurance Company Limited

রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড



vision mission

Vision

Our Vision is to create a meaningful organization with sustainable growth. We aim to achieve new heights in the world of competitiveness in insurance. We believe in qualitative growth balanced with market profitability. Our constant endeavor is to achieve customer satisfaction with consistent quality service and with exemplary responsibility.

Mission

Our mission is to maximize long term shareholders' value, through clients' contentment and employees' commitment to excellence.

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SHARE STOCK



LETTER OF TRANSMITTAL

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

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

Dear Sir(s):

Enclosed please find a copy of the Annual Report together with Audited Financial Statements which comprises of Statements of Financial Position as at December 31, 2017 and the related Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous Insurance Revenue Accounts as well as Statement of Profit or Loss and other Comprehensive Income, Profit and Loss Appropriation Account, Statement of Cash Flows and Statement of Changes in Equity for the year ended December 31, 2017 along with notes there on of Republic Insurance Company Limited for kind information and record.

Best regards,

Yours sincerely,

Sajan Kumar Basak
Company Secretary



NOTICE OF THE 18TH ANNUAL GENERAL MEETING

Notice is hereby given that the 18th Annual General Meeting of Republic Insurance Company Limited will be held at IDEB Bhaban, 160/A, Kakrail, Dhaka-1000 on Sunday, the May 27, 2018 at 10:00 am to transact the following business:

01. To receive, consider and adopt the Directors' Report, the Audited Accounts for the year ended December 31, 2017 and the Auditors' Report thereon.
02. To declare Dividend for the year 2017 as recommended by the Board.
03. To elect Directors in place of retiring Directors from sponsors "Group-A" and to elect Directors from the public shareholders "Group-B".
04. To consider appointment of Auditors for the year 2018 and fix their remuneration.
05. To transact any other business of the Company with the permission of the chair.

Dated, Dhaka
May 10, 2018

By order of the Board of Directors

(Sajan Kumar Basak)
Company Secretary

NOTES:

i) The Shareholders whose names shall appear in the Depository Register on the record date i.e. on May 10, 2018 shall be entitled to attend the Annual General Meeting and receive the dividend.

ii) Any Shareholder eligible for attending and casting vote at the Annual General Meeting is also entitled to appoint a proxy to attend the meeting and vote on his/her behalf. Proxy Form duly completed, must be affixed with a revenue stamp of Tk. 20.00 and submitted at the Registered Office of the Company at least 48 (forty eight) hours before the time of holding the meeting.

iii) Entry to the Annual General Meeting is reserved only for shareholders or their Proxy.

iv) Shareholders are requested to notify their changes of address, if any.

NB: No gift of benefit in cash or kind shall be paid/ offered to the Honorable Shareholders in the 18th Annual General Meeting of the Company as per Bangladesh Securities and Exchange Commission (BSEC) circular under reference no. SEC/CMRRCD/2009-103/154 dated 24.10.2013

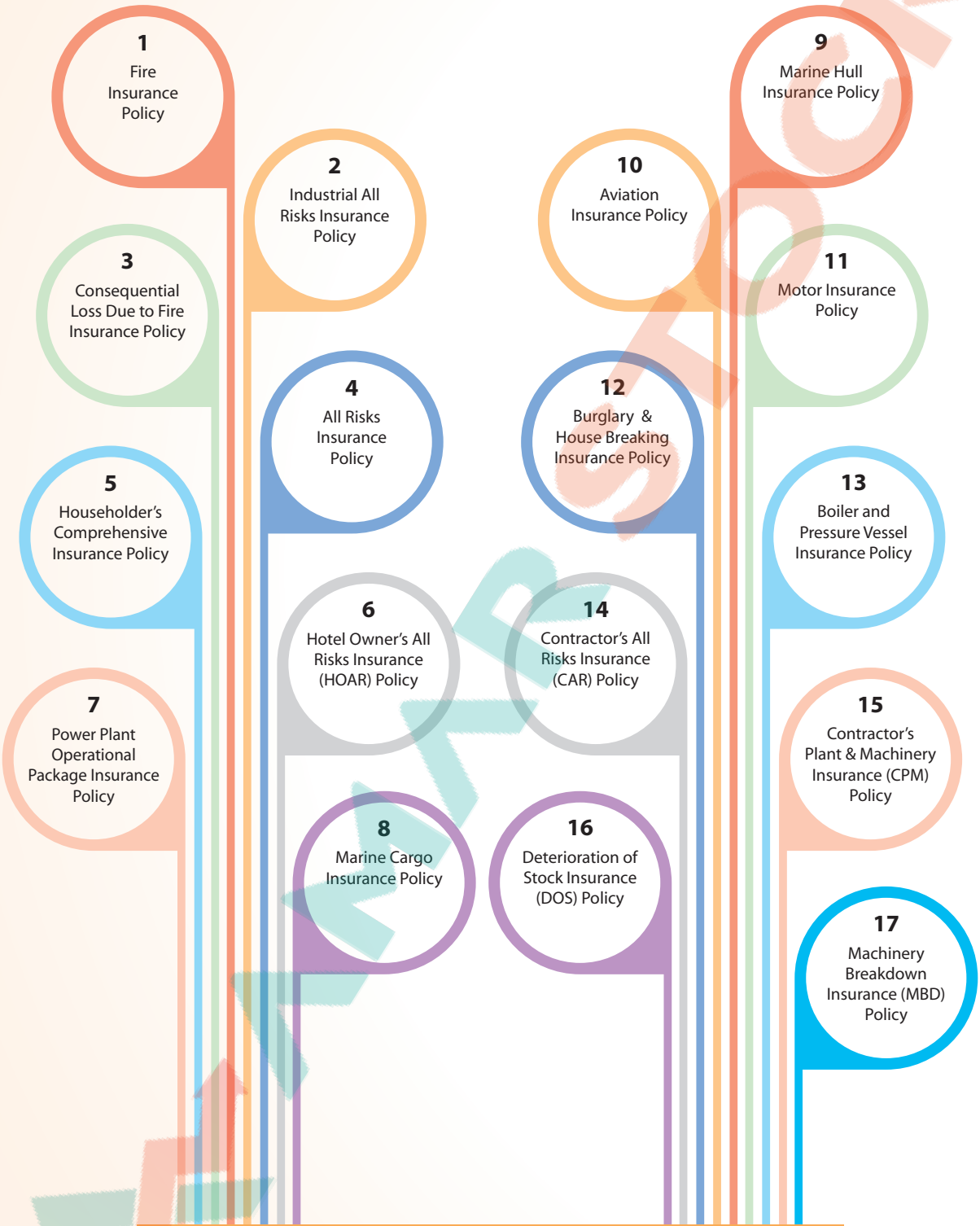
COMPANY'S INFORMATION

Republic Insurance Company Limited is a third generation private sector non-life insurance company. It is a well known, trusted and leading name in the general insurance sector of the country. Republic Insurance Company Limited was incorporated as a public limited company on May 18, 2000 under Companies Act, 1994. It obtained registration from Insurance Development & Regulatory Authority (IDRA) (The then Chief Controller of Insurance, Government of Peoples Republic of Bangladesh) on May 30, 2000.

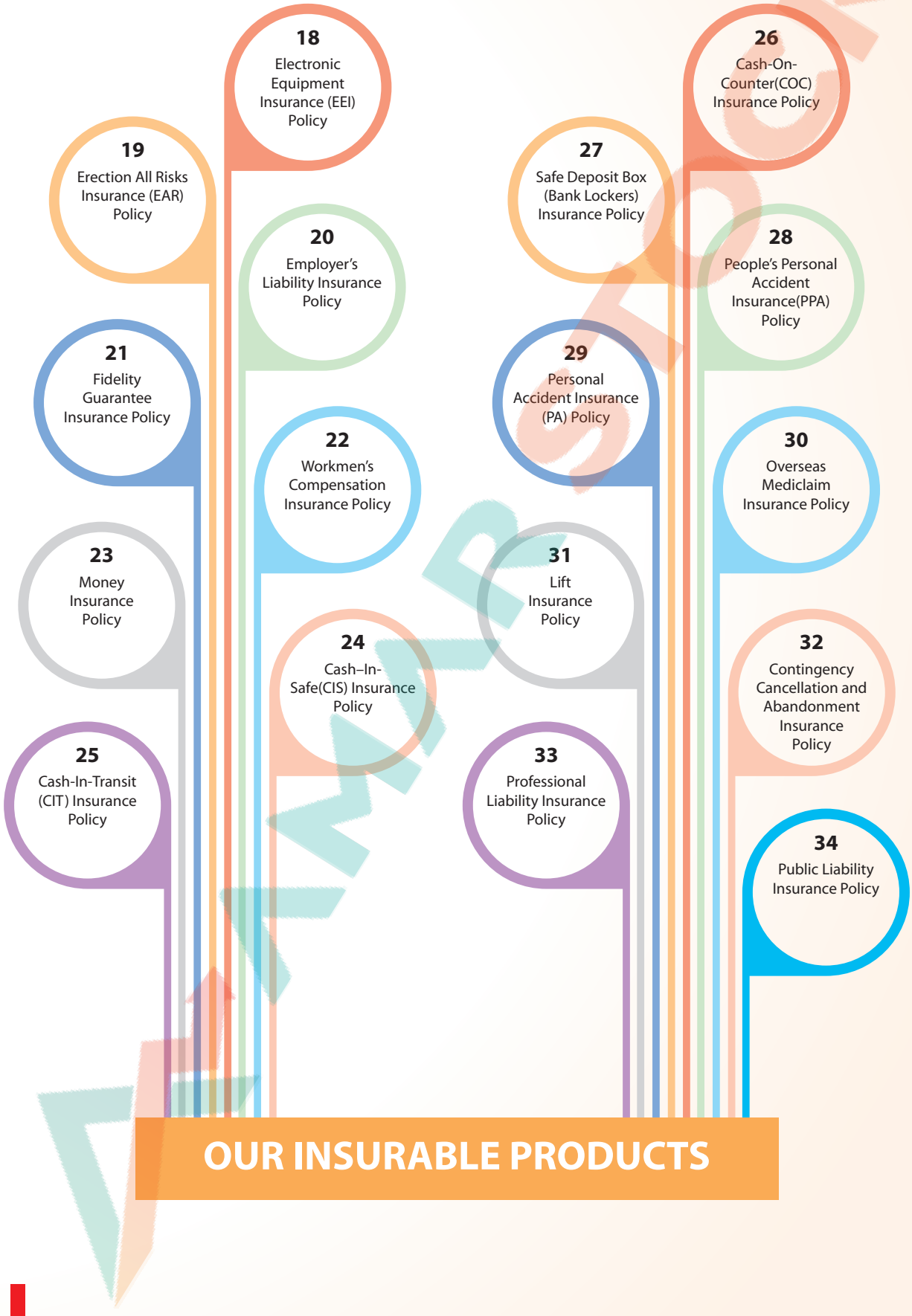
The Company is listed with Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) as a publicly traded company. The Company carries its insurance activities through 30 (thirty) online branches spread across the country.

Name of the Company	Republic Insurance Company Limited
Legal Form	Public Limited Company
Company's Registration Number	C-40290 (2258)/2000
Certificate of Incorporation	May 18, 2000
Obtained Certificate for Commencement of Business	May 18, 2000
Date of License Issued by the office of the Chief Controller of Insurance	May 31, 2000
Date of Publication of Prospectus (IPO)	August 4, 2008
Agreement Signed with CDBL	August 10, 2008
Listed with Chittagong Stock Exchange Ltd. (CSE)	January 7, 2009
Listed with Dhaka Stock Exchange Ltd. (DSE)	January 14, 2009
Trading of shares on DSE	January 18, 2009
Trading of shares on CSE	January 18, 2009
Issuance of First Bonus Share	July 27, 2010
Number of Branches	30
Authorized Capital	1,000,000,000
Paid up Capital	350,210,360
Earnings per Share (EPS) in 2017 (Restated)	1.70
Net Asset value per Share (NAV) in 2017	14.92
Stock dividend declared for 2017	12.50%
Credit Rating for the year 2017-2018	A+ (Long-term) & ST-2 (Short-term)

Registered Office
HR Bhaban (6th & 9th Floor), 26/1, Kakrail, Dhaka-1000, Bangladesh
Phone: (+880-2) 9336619, 9361262 Fax: +880-2-9361860
E-mail: ricl@citech.net, Web: www.riclbd.com



OUR INSURABLE PRODUCTS



OUR INSURABLE PRODUCTS

Branches' Information

DHAKA ZONE

Principal Branch	Mr. Md. Ziaur Rahman (Miron) Sr. Executive Vice President	HR Bhaban (3rd Floor), 26/1, Kakrail, Dhaka-1000, Bangladesh Ph: 02-8319108, 9361860; Cell: 01712674197
Local Office	Mr. Md. Rukunu Zaman Sr. Executive Vice President	Halimunnesa's Court (6th Floor), 23, Kakrail, Dhaka, Bangladesh Ph: 9335153; Cell: 01913392464
Malibagh Branch	Mr. Mohsinuzzaman Chowdhury Sr. Executive Vice President	Halimunnesa's Court (2nd Floor), 23, Kakrail, Dhaka, Bangladesh Ph: 02-9359073; Cell: 01715145277, 01969105060
Motijheel Branch	Mr. S.M. Jewel Rana (Happy) Deputy Managing Director	Ali Bhaban (7th Floor), 9, Rajuk Avenue, Motijheel/CA, Dhaka-1000 Ph: 02-9570837; Cell: 01714207429
Motijheel Corporate Branch	Mr. Mohammad Nasiruddin Deputy Managing Director	1/B, D.I.T Avenue (5th Floor), Motijheel C/A, Dhaka, Bangladesh Ph: 9585497; Cell: 01717002787
Hatkhola Branch	Mr. Md. Serajul Islam Bhuiyan Deputy Managing Director	Rahman Mansion (2nd Fl.) 161, Motijheel C/A, Dhaka-1000, Bangladesh Ph: 02-9576198, 57164311; Cell: 01552475 504
Dilkusha Branch	Mr. Khan Mukhlesur Rahman Deputy Managing Director	15, Dilkusha (8th Floor), Dhaka, 1000, Bangladesh Ph: 02-9554690; Cell: 01819272373
Palton Branch	Mr. Md. Shamsuddin Swapon Sr. Executive Vice President	Ibrahim Mansion (4th Floor), 11, Purana Paltan (4th Floor), Dhaka-1000, Bangladesh Ph: 02-9571487, 9567910; Cell: 01911385 686
Elephant Road Branch	Mr. Mahmud Hasan Sr. Executive Vice President	15, Baily Road (3rd Floor), Dhaka Ph: 02-95333375 Cell: 01819280143
BB Avenue Branch	Mr. Md. Ataullah Fakir (Manik) Sr. Executive Vice President	29, B.B. Avenue, Dhaka-1000, Bangladesh Ph: 02-9566686; Cell: 01819271447
Farmgate Branch	Mr. Md. Rafiqul Islam Sr. Executive Vice President	99, Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka, Bangladesh Ph:02- 55013244; Cell: 01911343626
Rampura Branch	Mr. Mamun Ahmed Muqtada Executive Vice President	80/A, Siddeswari Circular Road, Malibagh, Dhaka- 1000, Bangladesh Ph: 93344158; Cell: 01819299945
Imamgonj Branch	Ms. Taniya Akhter Senior Vice President	66, Begum Bazar (4th Floor), Dhaka-1000 Ph: 57318065 Cell: 01711471335
VIP Road Branch	Mr. Md. Abdul Jabbar Mridha Sr. Executive Vice President	Alis Center (8th Floor), 40, Bijoynagar, Paltan, Dhaka-1000 Ph: 9361249; Cell: 01711221501
Gazipur Branch	Mr. Md. Noore Alam Siddique Senior Vice President	Gazipur Bhaban (2nd Floor), (Near Padma Tower), Tangail Road, Gazipur Chowrasta, Gazipur Ph: 02-9294289; Cell: 01720021783

Branches' Information

CHITTAGONG ZONE

Agrabad Branch	Mr. Mohammed Nasir Uddin Sr. Executive Vice President	K.N. Tower (8th Floor), Agrabad C/A, Badamtoli More, Chittagong. Ph: 031-727734, 031-2513319; Cell: 01815926830
Jubilee Road Branch	Mr. Yunus Khan Jasim Deputy Managing Director	221, Kader Plaza (3rd Floor), Jubilee Road, Chittagong. Ph: 031-2852518; Cell: 01778021210, 01819321394
Khatungonj Branch	Mr. Jahangir Mohd. Abdur Rahman Sr. Executive Vice President	39,Chowdhury Chamber, Ph: 031-639812 Cell: 0181937275
Laldighi Branch	Mr. Md. Shafiullah Sr. Executive Vice President	4, Shah Amanat Road (2nd Floor), (Jail Road), East Laldighi, Chittagong. Ph: 031-2865624; Cell: 01715878 524
O.R. Nizam Road Branch	Mr. Nasir Uddin Mahmud Sr. Executive Vice President	Commerce View Complex, (2nd Floor), 191, CDA Avenue, East Nasirabad, Chittagong Ph: 031-2554801-2; Cell: 01819334136
Dewanhat Branch	Mr. Md. Mosharraf Hossain Chowdhury Sr. Executive Vice President	Walikhan Bhaban (3rd Floor), 603, S.K. Mujib Road, Pathantuly, Chowmuhuni, Agrabad, Chittagong Ph: 031-2516119-20

OTHER BRANCHES

Satkhira Branch	Mr. Khan Mahfuzur Rahman Assistant Vice President	Kaman Nagar, Itagacha Bazar Mor, Satkhira Ph: 0471-63131 Cell: 01711228549
Kushtia Branch	Mr. Mohammad Rabiul Islam Assistant Vice President	55/1, Lovely Tower (9th Floor), N.S. Road, Kushtia. Ph: 0717-3127; Cell: 01715211525
Khulna Branch	Mr. Md. Shamsuddoha Khan Sr. Executive Vice President	I.P.C Roy Road, Khulna. Ph: 041-810847 Cell: 01920-786 666
Rangpur Branch	Mr. Ariful Islam Manager	Karnaphuli Bhaban (1st Floor), 90, Station Road, Rangpur. Ph: 0521-65986; Cell: 01760882901
Bogra Branch	Mr. Mehedi Hasan Deputy Manager	M.A. Khan Lane, Dr. Anisul Haque Building (3rd Floor), Sathmatha, Bogra Ph: 051-69341; Cell: 01716303641
Jessore Branch	Mr. Assaduzzaman Liton Vice President	M.S Orchid Center (6th Floor), 44, M.K. Road, Jessore Ph: 0421-63179; Cell: 01708568575
Naogaon Branch	Ms. Mahmuda Khatun Executive Office	Shorma Shopping Center, Vill- Tula Patti, Naogaon Ph: 0741-62901; Cell: 01712142924
Chapai Nawabgonj Branch	Mr. Rafiqul Islam Tutul Vice President	Boro Indra More, Chapainawabgonj Cell: 01712822038, 01911072799
Sylhet Branch	Mr. Mahbubur Rahman Chowdhury Vice President	Salim Mansion (1st Floor), Shop # B-47, Hotal Al-salim, Mendibagh, Sylhet Ph: 0821-726702; Cell: 01715860842



AlphaRating

August 20, 2017

Managing Director
Republic Insurance Company Limited
HR Bhaban (3rd, 6th & 9th Floor),
26/1, Kakrail, Dhaka-1000

Subject: Credit Rating of Republic Insurance Company Limited.

Dear Sir,

We are pleased to inform you that Alpha Credit Rating Limited (AlphaRating) has assigned the following rating to **Republic Insurance Company Limited**.

Date of Declaration	Valid Till	Rating Action	Long Term Rating	Short Term Rating	Outlook
August 20, 2017	August 19, 2018	Surveillance	A+	ST-2	Stable
August 22, 2016	August 21, 2017	Surveillance	A	AR-2	Stable

The Short-term and Long-term rating is valid up to the earlier of August 19, 2018 or the limit expiry date of respective credit facility. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We, Alpha Credit Rating Limited, while assigning this rating to Republic Insurance Company Limited, hereby solemnly declared that:

(i) We, Alpha Credit Rating Limited as well as the analysts of the rating have examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any; and

(ii) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Bangladesh Securities and Exchange Commission in respect of this rating.

We hope that rating will serve the intended purpose of your organization.

With kind regards,

Muhammed Asadullah
Managing Director & CEO

FAMAR STOCK



BOARD OF DIRECTORS

Mr. Mohd. Hanif Chowdhury
Chairman of the Board

Mrs. Hasina Gazi
Vice Chairman of the Board

Mr. Sadeque Hossain Chowdhury
Director of the Board

Mr. Saber Hossain Chowdhury, MP
Director of the Board

Mr. Feroz U. Haider
Director of the Board

Mrs. Khurshida Rahman
Director of the Board

Mr. S.M. Shafiul Hoque
Director of the Board &
Chairman Claims Committee

Mrs. Rehana Chowdhury
Director of the Board &
Chairman Executive Committee

Mrs. Shahin Haider
Director of the Board

Mr. Gazi Golam Ashria
Director of the Board

Mr. Mahboob Ur Rahman
Director of the Board

Mr. Ataul Haq
Independent Director of the Board &
Chairman Audit Committee

Mr. Mosaddake-Ul-Alam
Director of the Board
Nominated by ICB

Mrs. Bilquis Afroza
Director of the Board

Mr. Alhaj Md. Abdus Sabur
Director of the Board

Mr. Sahid-Ul-Hasan
Chief Executive Officer

AMAR STOCK

PROFILE OF THE BOARD OF DIRECTORS



Mohd. Hanif Chowdhury
Chairman

Mr. Mohd. Hanif Chowdhury is a renowned businessman of the country. He obtained his B.Sc degree from Chittgong Unversity in 1976. He started his business career in 1980 in Garments sector. Then he explored his business in Textile sector. Presently he is the Group Chairman of Unitex Group. He is the Chairman of Unitex Spinning Mills Ltd., Padma Wears Ltd., Unitex Composite Mills Ltd., HS Composite Textile Ltd., Unitex LPG Ltd. and Unitex Synthetic Ltd. He is the Director of Bangladesh Commerce Bank Ltd. He was the Vice Chairman of NRB Global Bank Ltd. Mr. Chowdhury is involved in various social activities in the country. He is the founder of Al-Madrasatul Islamia Jamiatul Ulom Bhingrol.

PROFILE OF THE BOARD OF DIRECTORS



Hasina Gazi
Vice Chairman

Mrs. Hasina Gazi graduated from the University of Dhaka. She is a successful entrepreneur who after completion her education started business. She is also the Director of Gazi Rim, Gazi Fan, Gazi Plastic, Rubber Industries and Gazi Kitchenware.. She is the proprietor of Pappa Traders. She is also Director of Gazi Group of Industries and wife of Mr. Golam Dastagir Gazi (Bir Protik) MP, Managing Director of Gazi Group of Industries. She is the president and donor member of different Schools and Colleges in Rupgonj, Narayangonj and Jamalpur. She is actively involved in social welfare of working women in different zones in Rupgonj, Narayangonj. She is the honorable Mayor at Rupgonj Pourasava, Narayangonj.

Sadeque Hossain Chowdhury
Director



Mr. Sadeque Hossain Chowdhury is a successful businessman of the country. He obtained his B.Sc (Engineering) Degree from the University of London, UK and MBA Degree from the University of Aston, Birmingham, UK. He has been engaged in business in different sectors. He is the Managing Director of Multidrive Ltd., Multidrive Electronics Ltd., Multidrive Industries Ltd., Motodrive Ltd., Motodrive Industries Ltd., Medidrive Ltd., Travelscene Ltd. and he is also the Director of K & T Logistics Ltd., Regensea Lines Ltd., Container & Terminal Services Ltd., Finvest Services Ltd., Smart Ltd. and British Motors Bangladesh Ltd. He is the member of the Institute of Electrical Engineers (IEE), UK, American Management Association (AMA) and Kurmitola Golf Club, Dhaka.

PROFILE OF THE BOARD OF DIRECTORS



Saber Hossain Chowdhury, MP
Director

Mr. Saber Hossain Chowdhury is a Director of Republic Insurance Company Ltd. Mr. Chowdhury holds Bachelor degree of Political Science and Economics from London University and L.L.B in Westminister University, London. He is also the Vice Chairman of GSP Finance Company (Bangladesh) Limited representing Karnaphuli Industries Limited. He was elected as Member of 7th Jatio Sangsad (National Assembly) and again he has been elected as Member of 9th Jatio Sangsad. He was Deputy Minister of Shipping of the Govt. of the People's Republic of Bangladesh from December 1996 to March 1998 and thereafter acted as Deputy Minister of Local Government & Rural Development (LGRD) till July 2001. He was also a Member of the Parliamentary Committee for the Ministry of Sports and Cultural Affairs for the term of 1996-2001. During his tenure as the Member of the Parliament and also as the Deputy Minister, he was widely acclaimed as having acted with honesty and integrity, thereby holding high image of his constitutional positions. He is also the Managing Director of Karnaphuli Group of Companies. He is also a Director of K&T Logistic Limited. He was the 28th President of Inter-Parliamentary Union (IPU). He has been elected to the position on October 16, 2014 for a term of 3 years. He is now Hon'ble President of IPU. He has been awarded by Russian President Mr. Putin, 'The Order of Friendship' the highest award of Russia. He is the first Bangladeshi to have been elected to this highest office of global parliamentary leadership.

Feroz U. Haider
Director



Mr. Feroz U. Haider is a renowned international banker with experience in very senior positions in financial institutions in South East Asia. He started his banking career in 1967 with United Bank Limited (now Janata Bank) after his graduation and worked till 1975. From 1976 to 1978 he was the General Manager of Gulf Finance Company Limited, Hong Kong. In 1979 and 1980 he was the Manager, Operations of American Express Bank Limited, Bangladesh. From 1981, he was the Managing Director of GSP Finance Company Limited, Hong Kong and GSP International Limited, Vanuatu. From 1989 to 1996 he was the Chairman of GSP International Limited, Vanuatu and President of Thai Prasit Insurance Company Limited, Hong Kong (now Mittare Insurance Co. Ltd.). From the date of incorporation (October 29, 1995) of GSP Finance Company (Bangladesh) Limited, he served as Chairman and Managing Director of the Company and at present he is holding the prosition of Chairman.

PROFILE OF THE BOARD OF DIRECTORS



Khurshida Rahman
Director

Mrs. Khurshida Rahman is a renowned entrepreneur who after completion her education started business. She has been engaged in business since long. She is the Director of Business King Limited and owner of Kashfia Plaza. She is the Sponsor of the Company. She is involved in various social activities in the Country.

S.M. Shafiul Hoque
Director & Chairman Claims Committee

Mr. S.M. Shafiul Hoque is a renowned businessman who after obtaining graduation started his business career. He has been engaged mostly in Garments & Textile business. He is the Chairman of Integral Apparels Ltd., Director of Combined Texwear Ltd. and Mission Apparels Industries Ltd. Mr. Hoque is the former Vice Chairman of Chittagong Chamber of Commerce.



PROFILE OF THE BOARD OF DIRECTORS



Rehana Chowdhury
Director & Chairman Executive Committee

Mrs. Rehana Chowdhury is the Director and Chairman Executive Committee of Republic Insurance Company Limited. She completed graduation from Dhaka University. She is the wife of Mr. Saber Hossain Chowdhury, MP. She is the Director of Karnaphuli Group of Companies. She is also the Director of Regen Sea Lines Ltd., Container & Terminal Services Ltd., Marco Shipping Company Ltd., Easy Fly Ltd., Voice Tel Ltd. and HR Holding Ltd. She is involved in various social activities in the country.

Shahin Haider
Director

Mrs. Shahin Haider obtained Degree in Home Economics from Croydon Technical College, Croydon, London, UK and engaged in business different sectors. She is a Director of S.F. Haider Foundation Ltd. She is the wife of Mr. Feroz U. Haider, Chairman of GSP Finance Company (Bangladesh) Limited.



PROFILE OF THE BOARD OF DIRECTORS



Gazi Golam Ashria
Director

Mr. Gazi Golam Ashria was born in 1981. He completed his graduation in Economics from the University of Saskatchewan, Canada. He is the Managing Director of Gazi Tyres, Gazi Auto Tyres, Gazi Automobiles, Gazi Satellite Television Ltd., and Gazi Rubber Plantation etc. He is associated with Azad Sporting Club as Life Member and Vice President of Executive Committee and Prantic Crira Chakro as Councilor.

Mahboob Ur Rahman
Director



Mr. Mahboob Ur Rahman is an innovative entrepreneur running four leading companies in entertainment, hospitality, construction and information technology sector in Bangladesh. Educated in the United States of America in Information Technology and trained as an Executive MBA from Helsinki School of Economics in Finland. Mr. Rahman is leading changes and creating values with innovative business ideas and technologies in Bangladesh. Mr. Rahman is the Founder Chairman of Show Motions Limited, the first modern multiplex cinema theater in Bangladesh under the STAR Cineplex brand. He is founder Member of BASE Ltd., a leading ITES firm render service to information technology solutions, consulting services in management and finance and technical training to enterprises and government in Bangladesh. In Finland Mr. Rahman co-founded IT Services Company and assisted the Finnish companies to set up an offshore development center in Bangladesh. Since 1999, in the capacity of Managing Director, Mr. Rahman has been leading GasMin Limited, one of the largest Gas Pipeline Construction firm in the country completing many large projects in Gas Pipeline, Drill Pad Development and Civil Structures. Mr. Rahman founded Sayeman Holding Limited with a vision to build, operate and own several destination resorts in Bangladesh. He is also the Managing Director of Sayeman Beach Resort Limited the most remarkable beachfront hotel in Cox's Bazar., Finland.

PROFILE OF THE BOARD OF DIRECTORS



Ataul Haq
Independent Director & Chairman Audit Committee

Mr. Ataul Haq is the Independent Director and Chairman Audit Committee of the Company. He was the Cabinet Secretary of the Govt. of the Peoples of Republic of Bangladesh. He obtained Masters in English from Dhaka University and then he joined in the Govt. service as the then Civil Service of Pakistan. He joined as Independent Director of RICL in 2013.

Mosaddake-Ul-Alam
Director (Nominated by ICB)



Mr. Md. Mosaddake-Ul-Alam is the Deputy Managing Director of Investment Corporation of Bangladesh (ICB). He did his B.Com (Hon's) & M.Com. in Accounting from Dhaka University. Mr. Alam started his career as a Senior Officer in Janata Bank Limited. He served Janata Bank Ltd. in different capacities from August 1985 to July 2017. He joined in ICB as Deputy Managing Director on 11 July, 2017. Mr. Alam is the nominated Director of Islami Bank Bangladesh Ltd., ICB Securities Trading Company Ltd., Wata Chemicals Ltd., Golden Son Ltd., Credit Rating Agency of Bangladesh Ltd., Bangladesh Aroma Tea Ltd. and Energypac Power Generation Ltd.

PROFILE OF THE BOARD OF DIRECTORS



Bilquis Afroza
Director

Mrs. Bilquis Afroza completed masters in history from Chittagong University. She is a renowned entrepreneur. She has been appointed in RICL as director from Public Shareholder group. She is also involved in various social activities in the country.

Alhaj Md. Abdus Sabur
Director



Mr. Alhaj Md. Abdus Sabur is a renowned businessman in the south zone of the Country. He started his business career in 1975. He is the Managing Director of Alipur Fisheries Ltd. He is the proprietor of various businesses like Auto Bricks Industry, Rice Mill, Transport Business, Pump House etc. He is the President of Sathkhira Jila Chingri Chasi Samittee, Satkhira Jila Rice Mill Malik Samittee, Satkhira Jila Truck Malik Samittee, Satkhira Jila Brick Field Malik Samittee, Satkhira Jila Petrol Pump Malik Samittee and Satkhira Jila Borof Kol Malik Samittee. He is the founder Chairman of Satkhira Law College and Rashida Begum High School, Satkhira.



Sahid-Ul-Hasan
Chief Executive Officer

Mr. Sahid-Ul-Hasan is the Chief Executive Officer (CEO) of the Company. He obtained MBA degree major in Marketing in 2001. He attended various national and International Training and Workshop Program on Re-insurance Management, Oil & Energy insurance, Technical Program in General Insurance, Marine Insurance organized by General Insurance Corporation of India (GIC), Insurance Institute of India and Bangladesh Insurance Academy. He started his career in insurance sector in 1997 and he has more than 20 years experience in this sector.

SPONSOR SHAREHOLDERS



Mr. Golam Dastogir Gazi, Bir Protik, MP



Mrs. Naheem Hossain Chowdhury



Mrs. Shahella Rashid



Mr. S.M. Fazlul Hoque



Mr. S.M. Akramul Hoque





Photographs of AGM-2017





Management Team

Chief Executive Officer
Mr. Sahid-Ul-Hasan

Adviser
Mr. Obaidul Kabir Khan
(Former Managing Director of the Company)

Deputy Managing Directors
Mr. Md. Nasir Uddin
Mr. Serajul Islam Bhuiyan
Mr. Lion Khan Mukhlesur Rahman
Mr. Yunus Khan Jasim
Mr. S.M. Jewel Rana (Happy)

SEVP & Company Secretary
Mr. Sajan Kumar Basak

Senior Executive Vice Presidents
Mr. Shamsuddin Ahmed Swapon
Mr. Ataullah Fakir
Mr. Rukunuzzaman
Mr. Ziaur Rahman (Miron)
Mr. Md. Shafiullah
Mr. Mohammad Nasir Uddin
Mr. Abdul Jabbar Mridha
Mr. Mosharraf Hossain Chowdhury
Mr. Shamsudduha Khan
Mr. Jahangir Mohammad Abdur Rahman
Mr. Mohshinuzzaman Chowdhury
Mr. Md. Abdul Motaleb
Mr. Mahmud Hasan
Mr. Rafiqul Islam
Mr. Nasir Uddin Mahmud

Executive Vice Presidents
Mr. Mamun Ahmed Muktada
Mr. Md. Anwarul Islam

Senior Vice Presidents
Mr. Noore Alam Siddique
Ms. Taniya Akther

Vice Presidents
Mr. Assaduzzaman Liton
Mr. Rafiqul Islam Tutul
Mr. Mohammad Moshfiqur Rahman

Assistant Vice Presidents
Mr. Md. Shaidul Islam
Mr. Khan Mahfuzur Rahman
Rabiul Islam (Dolon)

Law Consultant
Barrister Tanjibul Alam
Advocate, Bangladesh Supreme Court

Company Law Adviser
Mr. Hasan Ur Rashid Tutul
P&H Associates
Property Plaza (Suite # 05), 66, New Circular Road
Mouchak, Dhaka-1217

Auditor
M/s. Malek SIddiqui Wali
Chartered Accountants
9-G, Motijheel C/A, Dhaka-1000



Corporate Management Team

Chief Executive Officer
Mr. Sahid-Ul-Hasan

Senior Executive Vice Presidents
Mr. Sajan Kumar Basak (Company Secretary)
Mr. Md. Abdul Motaleb (Head of Underwriting & BCD)

Executive Vice President
Mr. Md. Anwarul Islam (Head of Re-insurance and Claims)

Vice President
Mr. Mohammad Moshfiqur Rahman (Chief Financial Officer)

Assistant Vice President
Mr. Md. Shaidul Islam (Head of Internal Audit)

Manager
Mr. Syed Eneyatul Haque (Admin)
Mr. Numan Abedin (HR & MIS)

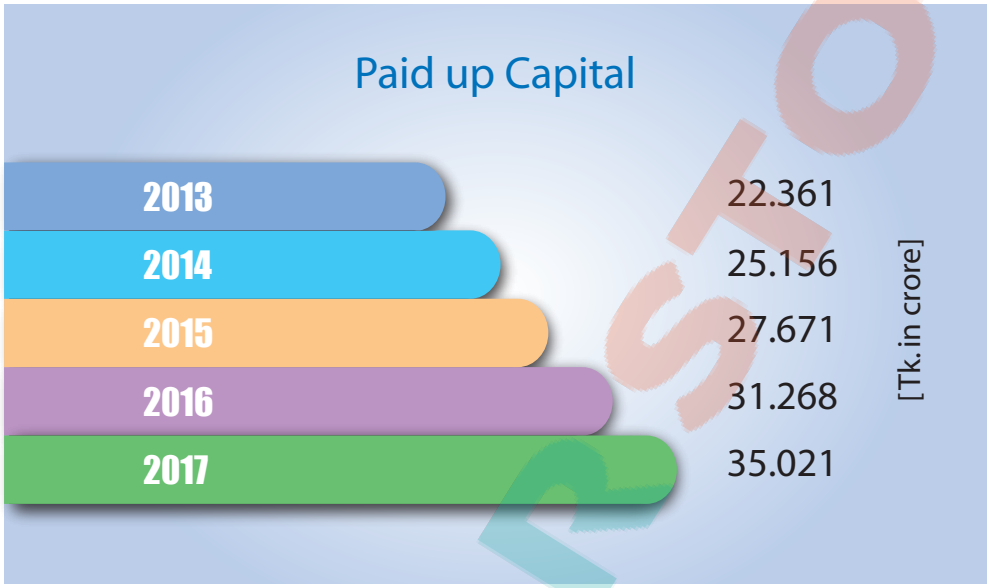
Deputy Manager
Mr. Zahid Hossain (Head of IT)

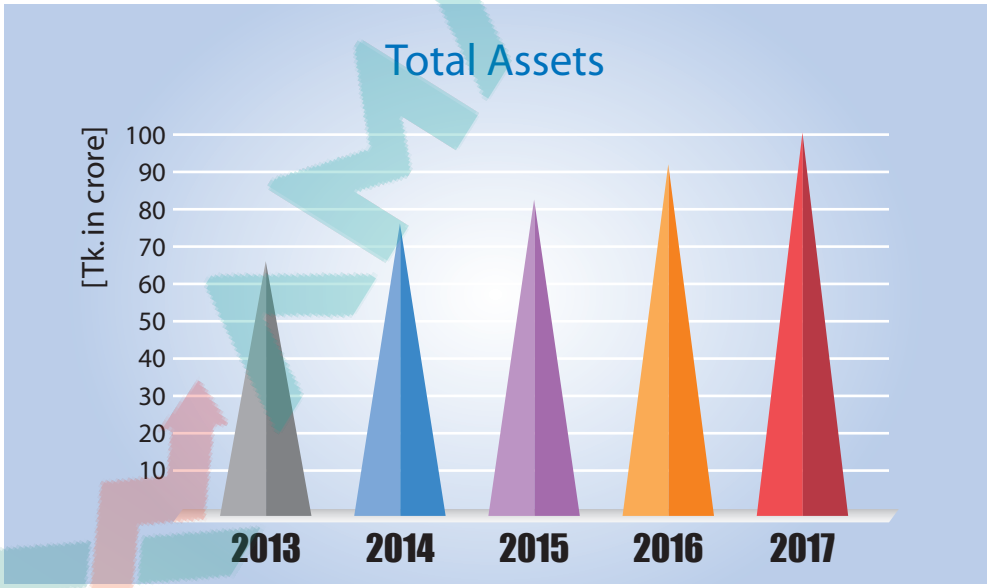


FINANCIAL HIGHLIGHTS

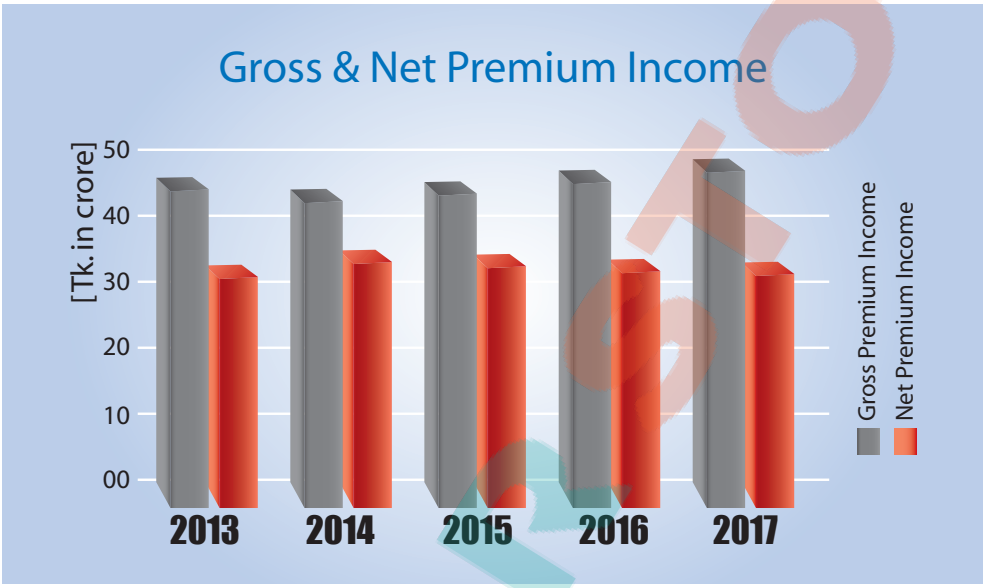
Particulars	Amount 2017	Amount 2016	Amount 2015	Amount 2014	Amount 2013
Paid up Capital	350,210,360	312,687,830	276,714,900	251,559,000	223,608,000
Gross Premium Income	478,241,306	458,191,929	436,668,252	430,911,899	467,988,925
Net Premium Income	330,503,062	332,523,596	334,017,405	342,868,302	319,133,791
Net Claims Paid	56,225,256	63,865,381	51,946,099	82,316,673	83,365,291
Interest & Other Income	32,807,177	42,066,142	40,767,089	45,500,458	44,201,575
Underwriting Profit	79,747,198	72,647,476	59,557,766	63,729,071	75,259,497
Net Profit before Tax	88,406,343	92,748,912	80,869,432	80,981,557	87,798,306
Total Assets	1,005,497,762	917,756,493	816,937,721	766,649,370	664,953,228
Total Reserves for Contingency	172,399,340	150,428,853	128,128,930	113,856,565	88,970,694
Cash & Bank Balances	43,435,735	44,539,872	51,624,337	50,480,081	409,232,009
Investments	466,276,135	450,255,987	433,001,666	415,591,882	394,758,253
Number of Shares	35,021,036	31,268,783	27,671,490	25,155,900	22,360,800
Net Asset value per Share (NAV)	14.92	14.81	14.63	14.53	13.98
Earnings per Share (EPS) (Restated)	1.70	1.67	1.70	1.71	2.76
Dividend	12.50%B	12%B	13%B	10%B	12.50%B
Shareholder's Equity	522,609,700	463,116,683	404,843,830	365,415,565	312,578,694
Number of Employees	585	727	609	621	615

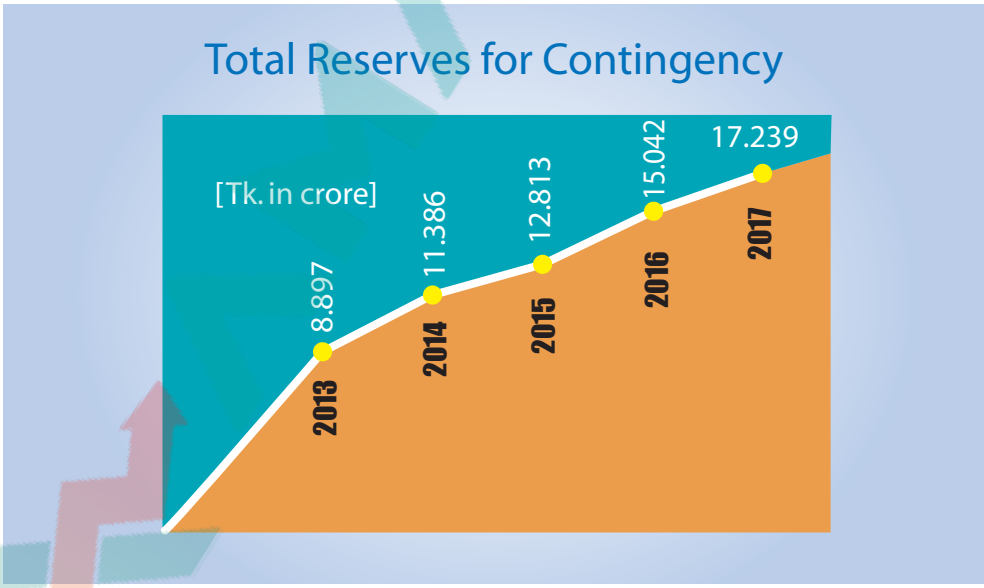
Financial Highlights in Graphs



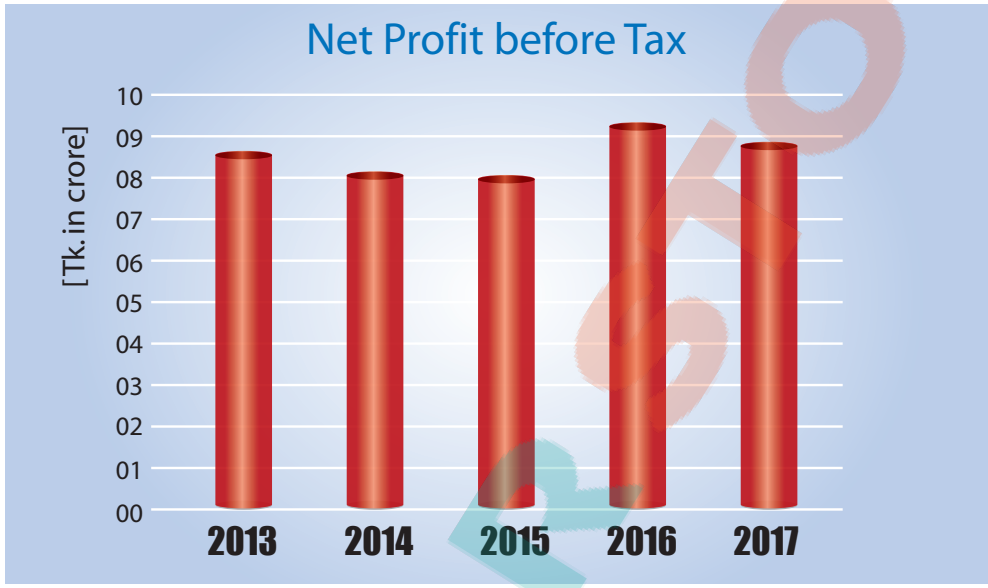


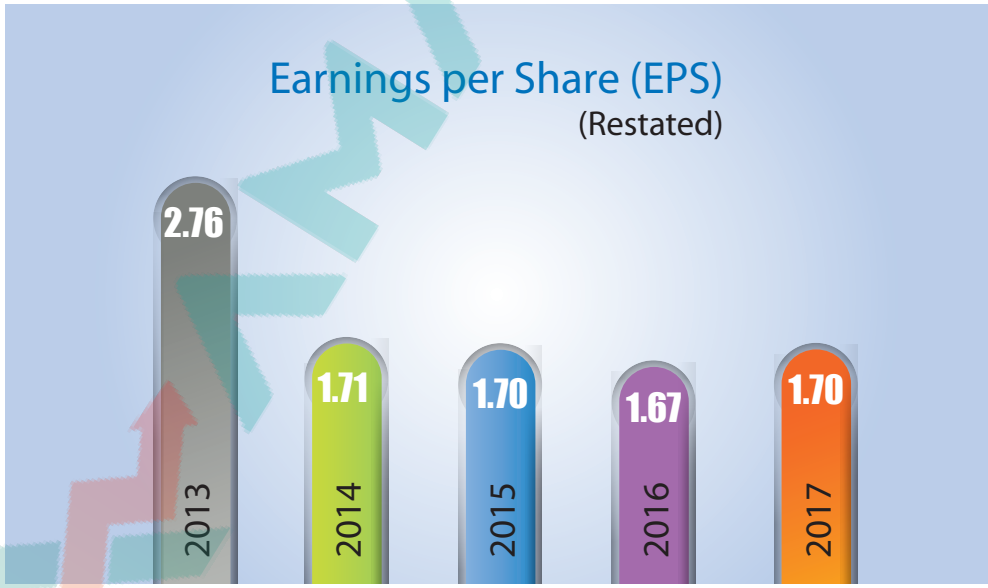
Financial Highlights in Graphs





Financial Highlights in Graphs





Message from the Chairman



Bismillahir Rahmanir Rahim

As-Salaamu-Alaikum

Dear Shareholders,

I am highly delighted to welcome you all in the 18th Annual General Meeting (AGM) of Republic Insurance Company Limited.

The Annual Accounts of the Company for the year 2017 is being presented herewith, from which you will observe that the Company has completed another successful year of operation and fulfilled the avowed corporate objectives as determined by the Board of Directors. It was not an easy task, particularly in highly competitive non-life insurance market environment in Bangladesh.

The Company attained a gross premium income of Taka 47.82 crore in the year 2017, a growth of 4.38% in 2017 and a pre-tax operating profit of Tk. 8.84 crore. The profit was contributed by both underwriting and investment incomes, and in particular the underwriting profit stood at Taka 7.97 crore in 2017.

The Company has been diversifying its business portfolio by increasing segments of medium and smaller clients and thus achieving a desirable spread of business which is fundamental to insurance sector. This is an on-going process and the Company will strive to develop a well balanced business portfolio which is not overly depended on any particular type of business or clients.

We are very much confident that the Company will maintain its momentum in achieving growth in business and profitability in the year to come. We are greatly appreciative of the continued support and patronage received from our clients and shareholders and would look forward to continuation of the same.

Based on the operation profits for 2017, we have proposed 12.50% stock dividend to the Shareholders of the Company and then the Paid up Capital of the Company will stand at Tk. 39.39 crore with the disbursement of stock dividend.

Dear Shareholders, I express my sincere gratitude to all our stakeholders and reiterate my deep appreciation for the continuous guidance and support extended to us by the Ministry of Finance, Insurance Development & Regulatory AUthority (IDRA), Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Ltd, Chittagong Stock Exchange Ltd, Sadharan Bima Corporation, Bangladesh Insurance Association, local banks, insurance companies and other financial institutions and I also extend my sincere gratitude to the Managing Director and to all the employees of the Company for their tireless dedication, devotion and effort made to continually improve the Company's performance.

I would like to convey my sincere thanks to my fellow directors for their support and co-operation. The management team and the staff worked very hard to take the Company forward and in delivering excellent results. I would also like to recognize their dedicated and unflinching services and convey my appreciation and thanks to all of them.

May Allah keep us in peace and bless of us all.

Mohd. Hanif Chowdhury
Chairman

Message From the CEO



Bismillahir Rahmanir Rahim

As-Salaamu-Alaikum

Dear Shareholders,

It is my great pleasure to welcome you all to the 18th Annual General Meeting (AGM) of Republic Insurance Company Limited. With your continued patronage and support, the Company has completed another year of successful operation as one of the leading non-life insurance companies of Bangladesh.

Compliance to regulations introduced by "Insurance Development and Regulatory Authority (IDRA)" is our top priority. It is our strength, which facilitates good corporate governance, and adequate service levels, brining sustainability. We also abide by the regulatory changes made by Bangladesh Banks and Bangladesh Securities and Exchange Commission.

Dear Shareholders, during the year the company earned total operating profit of Taka 7.97 crore. The total assets of the Company stands at Taka 100.55 crore and total reserves at Taka 13.86 crore. We are confident that the Company will maintain its progress in the year 2018, and its gross premium income growth will receive further momentum as the Company consolidates its position.

Furthermore underwriting Income of the Company has been increasing and it is in a stable position compared to market scenario. Our most premium generating portfolios are Fire, Marine, Motor and Miscellaneous. With a view to generating significant premium, we have already introduced some new portfolios for the clients and also trying our level best making use of our underwriting capabilities.

In our way to settle every valid claim in a shorter span of time, we attempt to improve our core competency in claims management because we want to reflect in our every dealing that insurers must be the ones who are in the business of indemnifying policyholders when misfortunes do strike.

The Company greatly appreciates the support of its clients under a very competitive environment and it continues to attach the highest importance in providing top class services to its clients aimed at ensuring long term business relationship.

Since human resource is the back bone of the Company, it has been continuously striving to ensure availability of skilled and experienced manpower through proper recruitment, training of its existing staff. Likewise development of information technology facilities has been receiving high priority in order to ensure efficient functioning of the Company.

Dear Shareholder, As a CEO of the Company it is my first AGM. I hope you would continue your support and cooperation to the Company as you provided before.

I would like to convey my sincere thanks to honourable the Chairman and the Directors for their valuable supports and co-operations received during the year. I would also like to record my appreciation for the role of the Management Team and the staff, who have worked hard with devotion in taking the Company forward.

Dear Shareholders, it is our wish that Republic Insurance will continue its endeavours to maintain its position and reputation as a sound insurance provider with first class financial security. I very much hope that, as before, you will continue to extend your support to the Company.

In conclusion, I would like to thank each and every employee for their sincere dedication, commitment and extreme hard work throughout the year. I thank every customer for reposing their faith in us and the regulators for their constant support. I sincerely thank each and every shareholder for their unflinching support and trust to the Company.

I assure all shareholders that we will make all efforts to honour your trust by running the Company with the highest regards for ethics, integrity and honesty.

With best wishes,



Sahid-Ul-Hasan
Chief Executive Officer

DIRECTORS' REPORT



DIRECTORS' REPORT

Dear Shareholders,

Assalamu Alaikum,

It gives me a great pleasure to welcome you to the 18th Annual General Meeting of the Republic Insurance Company Limited on behalf of the Board of Directors of the Company and on my behalf. I am also pleased to present the Annual Report of the Directors for the year that ended in December 31, 2017 along with the Audited Accounts containing Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Revenue Accounts, and other relevant Financial Statements for the year 2017 for your information, consideration and approval. I have placed these documents before you in compliance with 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 (International Accounting Standards-1) Codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

World Economy:

Global economy activity continue firm up and estimated to have growth by 3.7 % in 2017, projected by IMF, which is 0.1% point faster than projected in the fall and half percent point higher than previous year. The main contributor to this pickup in growth is the notable upside surprises in Europe and Asia. Global growth forecasts for 2018 and 2019 have been revised upward by 0.2% point to 3.9%. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

Global growth is expected to be sustained over the next couple of the years and even accelerate somewhat in emerging market and developing economies (EMDEs) as forecasted by World Bank. Although near-term growth could surprise in the upside, the global outlook is still subject to substantial downside risks, including the possibility of financial stress, increased protectionism, and rising geopolitical tensions. Particularly worrying are longer-term risks and challenges associated with subdued productivity and potential growth. With output gaps closing or already closed in many countries, supporting aggregated that focus should now turn to the structural policies needed to boost potential growth and living standards.

Global growth for 2017 is now estimated at 3.7%, 0.1% point higher that projected in the fall, forecasted in World Economic Outlook, update January 2018 by International Monetary Fund (IMF). Economic activity in both United States and EMDEs is forecasted to accelerate in 2018-19, with global growth projected to be 3.9%.

Bangladesh Economy:

Bangladesh reached lower-middle-income status, on the strength of an annual economic growth rate of 6% and above during last more than five years. The consistent growth was achieved mainly by a rise in readymade garment exports, overseas workers' remittances, and domestic consumption. The growth was steady and inclusive, creating jobs for low-skilled workers and women.

According to the estimates of Bangladesh Bureau of Statistics (BBS) the real GDP growth estimated to be 7.28% in FY2017 with the supports of growth in manufacturing and service sectors. Despite some challenges raised from flood related crop losses in the year 2017, economic activities remain buoyant in FY2018 driven by both domestic and external demand. In last half of 2017, exports grew by 7.2% where as import grew sharply by 27.6% during the July-November 2017 due to strong import demand from capital machinery and industrial raw materials.

Considering the potentiality, World Bank has predicted that Bangladesh will grow at an average of 6.7% a year over FY2018-2020, benefiting from strong domestic demand and strengthening exports. Low interest rate and improved infrastructure are expected to lift investment. Remittances are expected to rebound as the growth firms in Gulf Cooperation Council (GCC) countries and support private consumption.

Business environment and operational result:

Insurance is a risk bearing organization. By receiving premium it takes the risk of thousands/crores of industries, godowns, shops, financial institutions money insurance, and various liabilities insurance, vehicle insurance and of life insurance in a various formation (Endowment, Three Plan, DPS etc.). But due to over expenditure in procurement of business and also the increase of other management expenditure insurance companies cannot meet the losses in time due to lack of sufficient fund.

Now a days, a method of undercut rate has already started in the industry. This type of (undercut) price can reduce the premium of insurance companies and also Government loses the tax and vat which ultimately hamper the Government revenue earnings.

Experts are of the opinion that too many insurance companies are operating in a small market of Bangladesh causing most unhealthy competition. In market there must be competition and it should be ethical, but in our insurance market it is highly un-ethical and imbalance. Only Insurance Development and Regulatory Authority can improve the situation by providing modernize rules and regulations to bring discipline in the sector for better interest of insurance industry.

In our country a great number of people believe that insurance business is nothing but cheating with selling of papers only. This negative attitude from the people is lessening the importance of absorbing insurance policy to a large extent and advertisement need to different distribution channels (TV and Print Media) for removing this negative attitude from the peoples mind.

Presently insurance market by the blessings of information technology everybody wants service promptly. This technical knowhow personnel are very important to an organization. Those who have this type of knowledge can do better than the others.

Financial strength of an insurance company depends on earning i.e. number of policies sale in different segment and the expenditure incurred against it. Nowadays it is very difficult to make profit after adjustment of procurement cost and management expenses. On the other hand, investment return from FDR and Sanchaypatro is going through a downward trend and also the Share Market situation is not stable.

Recent days it is thus obvious that insurance market in the country is not expanding and has of late come to a stagnant position. This view is supported by business statistics of the insurance industry. It is also mentioned that political instability is also one of the reasons for negative indication.

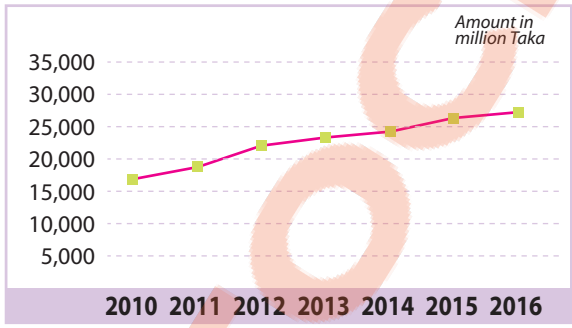
Insurance is a highly regulated sector in worldwide. In our country the Insurance Development & Regulatory Authority (IDRA) started its function from January 26, 2011. From the very inception IDRA had to face an uphill task to enforce discipline in the market. IDRA formed vigilance teams to inspect different branches of insurance companies and any violation detected was severely punished through enforcement of heavy monetary penalties, especially in the non-life sector for documents issued without receiving money and over commission as set by the Authority.

IDRA has been working on making rules and regulation for the insurance industry. The Chairman and Member of IDRA are interrelated with IDRA Act. They are working since formation and now they are working for implementation of Insurance Act, 2010. They are very much experienced and educated in their line on the other hand they work in the initial stage of preparing Insurance Act, 2010, so expectation from them is in highest level to the insurance industry.

Growth of Non-life Insurance Premium of the Bangladesh

Amount in million Taka

Year	Premium Income	Increased	Growth (%)
2010	16,569.70	2,673.58	19.24
2011	18,970.15	2,400.45	14.49
2012	21,673.10	2,702.95	14.25
2013	22,927.43	1,254.33	5.79
2014	24,456.90	1,529.47	6.67
2015	26,386.50	1,929.60	7.89
2016	27,971.80	-	6.01



From the above, the total asset of non-life insurance companies stood at Tk. 27,971.80 million in 2016 as against Tk. 26,386.50 million in 2015. Insurance Development & Regulatory Authority (IDRA) was formed in January 2011 to replace the Office of the Chief Controller of Insurance set as per Insurance Act 1938. The authority has been assigned with the responsibility of development of Insurance Industry as well as to regulate the industry within the purview of the Insurance Act 2010 so as to ensure a level playing field for all Companies. Within a short span of time, the authority has succeeded in bringing about significant changes within the business regime in the insurance industry. The credit business is almost eliminated. Curbing unethical payment of premium to the insured and other agencies has resulted in immense improvement of cash flow to the non-life insurance companies.

However, during the year, our Company procured gross premium amounting to Tk. 47.82 crore on as against Tk. 45.81 in 2016 i.e. the rate of increase was 4.47 percent in comparison with the previous year. We are confident that we will be able to perform better in the coming years with your active support together with our sincere efforts. The year-wise gross premium income of the Company for last five years as under:

2017	2016	2015	2014	2013
478,241,306	**458,191,929**	**436,668,252**	**430,911,899**	**467,988,925**

Underwriting:

Since insurance is a knowledge based technical profession and we are to take the risk of couple of thousand crore taka, the assessment and management of the risk is to undertake by way of prudent underwriting. Besides this, the proper claim settlement is also based on prudent underwriting. The Company has now been able to underwrite any value of sum insured by charging the most economic and competitive premium rate ensuring maximum security at minimum cost. We have been trying to remain with the insuring community in the time of need for the last decades, since our inception. However, we are undertaking all the necessary actions across our business which will reinforce our ability to deliver quality underwriting profit growth across our various classes of business.

The following table shows the segment-wise underwriting performance of the company in the last few years.

Amount (Taka)

Class of Insurance	2013	2014	2015	2016	2017
Fire	170,338,595	160,466,120	178,738,605	206,732,688	217,452,284
Marine & hull	219,047,085	200,362,414	179,241,009	157,646,382	138,945,503
Motor	35,904,960	34,009,217	41,685,920	48,406,968	47,921,922
Miscellaneous	42,698,285	36,074,148	37,002,718	45,405,891	73,921,597
Total	**467,988,925**	**430,911,899**	**436,668,252**	**458,191,929**	**478,241,306**

Fire Insurance:

The Fire Insurance business constitutes 45% of the total portfolio of the Company. During the year, the Company has underwritten a gross premium of Tk. 217,452,284 whereas it was Tk. 206,732,688 in 2016. The Company has maintained a 4.93% growth of the business in Fire.

Marine and Hull

This class of business constitutes 30% of the total portfolio. The Company has underwritten a gross premium of Tk. 138,945,503 in current year as compared to Tk. 257,646,382 in the previous year. The Marine and Hull insurance premium has reduced from previous year as overall import & export of the country was not up to the satisfactory level.

Motor

This class of business constitutes 10% of the total portfolio. During the year, the Company has underwritten a gross premium of Tk. 47,921,922 as compared to Tk. 48,406,968 in the last year.

Miscellaneous

The Miscellaneous class of business constitutes 15% of the total portfolio. The gross premium showed an increase of 38.58% over the last year with a gross premium written of Tk. 73,921,597 whereas it was Tk. 45,405,891 in 2016.

Position of Paid-up-Capital & Reserves

Authorized Capital:

The authorized capital of the Company is Tk. 100 crore divided into 100,000,000 ordinary shares of Tk.10/- each.

Paid-up Capital:

Republic Insurance Company Limited increases the business volume regularly. For this, it required increasing the paid-up capital size and accordingly, the Board of Directors decided to enhance the paid-up capital every year to fulfill the compliance of Insurance Development and Regulatory Authority's (IDRA).

The position of Paid-up Capital is under:

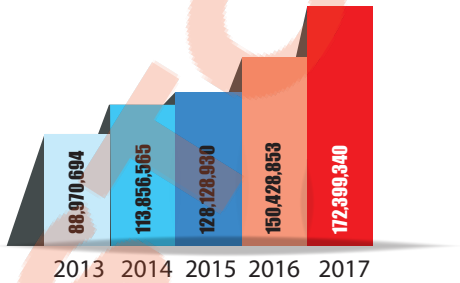
Year	Dividend (%)	Amount in Taka
2009		Tk. 150,000,000
2010	10% stock dividend	Tk. 165,000,000
2011	10% stock dividend	Tk. 181,500,000
2012	10% stock dividend	Tk. 199,650,000
2013	12% stock dividend	Tk. 223,608,000
2014	12.50% stock dividend	Tk. 251,559,000
2015	10 % stock dividend	Tk. 276,714,900
2016	13% stock dividend	Tk. 312,687,830
2017	12% stock dividend	Tk. 350,210,370
2018	12.50% stock dividend (Proposed)	Tk. 393,986,665

Reserve Fund:

Dear Shareholders, to protect the risk factors of the Company, it is essential to have a good amount of reserve fund of the Company. We have planned to build up a good amount of reserve fund, so that we can settle any financial requirements from the reserve fund.

The position of total Reserves is shown below:

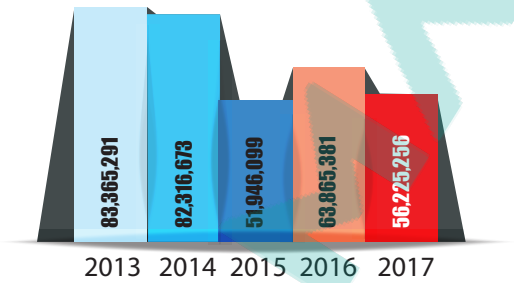
Year	Amount (Taka)
2017	172,399,340
2016	150,428,853
2015	128,128,930
2014	113,856,565
2013	88,970,694



Claims:

Republic Insurance Company Limited has always committed to settle the insurance claims in time. We believe that our commitment is the satisfaction of our customer and their satisfaction is our Company's goodwill. The Board of Directors of the Company delegates power to the Claims Committee for settling any amount of claim in the quickest possible time. During the year 2017, Company paid a net amount of Tk. 56,225,256 as settlement of claims which helped the customer to recover their losses.

The year wise breakup of net claim paid is enumerated below:



Year	Amount (Taka)
2017	56,225,256
2016	63,865,381
2015	51,946,099
2014	82,316,673
2013	83,365,291

Re-insurance:

Dear Shareholders, every insurance company has limited capital, which is not sufficient to pay a small percentage of catastrophe loss or a single big loss. To protect the interest of the Company as well as the policyholders, every company retains a small percentage of risk for their own share and shifts a major portion of risk to the other company i.e. re-insurer.

We have arranged sufficient protection through the re-insurance arrangement with the country-owned organization Sadharan Bima Corporation (SBC). The Board of Directors is always aware of the customer's insurance risks and ensures the protection of its liability by reinsurance arrangement.

During the year 2017, the Company has paid re-insurance premium at Tk. 147,738,244 to protect the risk covered by the Company.

Republic Insurance Company Limited is fully equipped with technical expertise and our present re-insurance

arrangement is quite secured enough to protect the interest of the Company as well as the policyholder's in any consequence.

Statement of Profit & Loss and Other Comprehensive Income :

Dear Shareholders, The Board of Directors is always careful about the honorable shareholders' interest. Under the active guidance and supervision by the Board, the Management performs its responsibility for achieving the financial goal of the Company. The Company earned a net profit before tax of Tk. 88,406,343. Compared with the last year's balance it is determined that during the year Company paid huge amount of claims, which affected the profit of the Company. The breakup of the distribution is as follows:

Net Profit before Tax	Tk.	88,406,343
Less: Provision for Income Tax & Deferred Tax	Tk.	28,913,326
Net Profit After Tax	Tk.	59,493,017
Less: Reserve for Exceptional Losses	Tk.	18,012,417
Add: Balance Brought forward of previous years' profit (Restated)	Tk.	43,211,004
Less: Issuance of Bonus Share	Tk.	37,522,530
Less: General Reserve	Tk.	1,000,000
Profit available for distribution	**Tk.**	**46,169,074**

Earnings per Share (EPS):

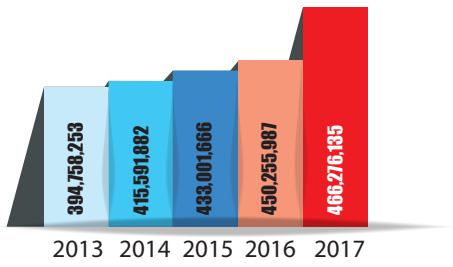
During the year 2017, the Company's EPS was Tk. 1.70 though it had been restated Tk. 1.67 in 2016. You know that we have, increased our capital on an average 2% for the last couple of years although we have been maintaining a steady increase of EPS compared with others.

Investment:

Total investment of the Company in 2017 stood at Tk. 466,276,135 out of this, Tk. 25,000,000 was invested in 10 years term of Government Treasury Bond and Tk. 21,452,074 in shares of listed securities. In addition, Fixed Deposits with commercial Banks stood at Tk. 419,824,061.

The year-wise investment breakup of the Company is furnished below:

Year	Amount (Taka)
2017	466,276,135
2016	450,255,987
2015	433,001,666
2014	415,591,882
2013	394,758,253



Dividend:

To increase the paid up capital of the Company gradually, the Board of Directors recommended to declare 12.50% stock dividend to the shareholders for the year ended December 31, 2017 subject to approval by the shareholders in the 18th Annual General Meeting of the Company to be held on Sunday, the May 27, 2018. The Shareholders, whose names shall appear in the 'Depository Register' on the record date i.e. on the May 10, 2018 shall be entitled to this stock dividend.

Corporate Social Responsibility:

Company always acknowledges its responsibilities for the well being of the society and takes part in such activities whenever it becomes necessary. It is a continuous effort to make deference to the society at large. Our social responsibility extends from our employee to customers and the community in which we operate. The company contributed BDT. 2.00 Lac for to the Prime Ministers Relief Fund as a part of helping to the flood affected peoples through Bangladesh Insurance Association (BIA). We also spent a considerable amount for medical treatment for the needy employees of the Company and their parents. Contribution in CSR program is always supported and encouraged by the Board of Directors of the Company.

Directors:

In terms of the provisions of clauses 96 & 97 of the Articles of Association of the Company, the following three Directors from the sponsor shareholders' group i.e. group "A" shareholders will retire in this AGM:

1. Mr. Sadeque Hossain Chowdhury
2. Mr. Mahboob Ur Rahman
3. Mr. Gazi Golam Ashria

Being eligible, all the above directors have offered themselves for re-election.

As per section 76 of Insurance Act 2010, 6 (six) Directors are to be appointed from public shareholders group-B. At present, there are 5 (five) Directors from Public Shareholders group-B in the Company. According to Insurance Act 2010, we are to appoint another 1 (one) Director from Public shareholders group-B.

Mr. Feroz U Haider and Mr. Alhaj Abdus Sabur, Director from the public shareholders group i.e. group "B" retires in this AGM. Being eligible, they offered themselves for re-election. A public notification with regard to election of Directors of the Company from the public shareholders was published in two national dailies namely "The Daily New Nation" and "The Daily Vorer Pata" on March 25, 2018 for appointment of 1 (one) director.

We received 1 (one) application from public shareholders to be elected as Directors from Group- "B". The applicant has withdrawn his application. As such applicant is to be considered in this AGM to be elected as Director from public shareholders.

Appointment of Independent Directors:

Mr. Ataul Haq was appointed as Independent Director of the Company on April 30, 2013. His 2nd term will expire on April 30, 2019. In compliance with the Bangladesh Securities and Exchange Commission notification regarding "Corporate Governance" dated August 7, 2012 the Board is searching competent and qualified person to appoint Independent Directors of the Company.

Remuneration paid to Directors including Independent Directors:

This company has paid BDT 8,76,250.00 to the directors for attending committee and Board meetings in 2017, which has been mentioned in company's profit and loss accounts.

Credit Rating:

Republic Insurance Company Limited has been awarded "A+" (Pronounced A Plus) in long term and "ST-2" in short term and rated by Alpha Credit Rating (AlphaRating). The rating reflects RICL's established track record, improved underwriting performance, GPW and net income. The rating also draws strength from the improved risk absorption capacity with improved equity base, financial base and premium solvency ratio. The rating is however; constrained by decline in ROA and reserve solvency ratio, moderate liquidity position, dependence on investment returns and moderate systems and processes.

Information Technology (IT):

Information and Communication Technology (ICT) has become indispensable for Insurance Companies in ensuring smooth operation and providing efficient services. Recognized this fact the Board has adopted a

comprehensive ICT policy for the company system of RICL which has been upgraded for further strengthening and securing the automation of services. The highly experienced and trained IT professionals of RICL are working for maintaining and developing the company's IT infrastructure and constantly innovating and writing in-house programs to meet the needs of the company. Wan Area Network (WAN) has been in operation in the Head office and Branch offices.

Internal Control:

The Board is responsible for ensuring that the Company has an adequate and effective control system in all places. Although no system of internal financial control can provide absolute assurance against material miss-statement or loss, the company's internal control systems have been designed to provide the directors with reasonable assurance that assets are safeguarded against unauthorized use by the employees or management and/or third parties, transactions are authorized and properly recorded and material error and irregularities are either prevented or detected within a reasonable period of time. Properly designed management structure, clearly defined responsibilities, delegation or authorities, establishment of accountability at each level and system of periodic reporting and monitoring performance are the key elements of the internal control framework employed in Republic Insurance Company Limited.

Auditors:

The Company's statutory Auditors M/s. Malek Siddiqui Wali, Chartered Accountants has carried out statutory audit of the Company for the year 2017. Since they completed their term (3 years of audit task), we have to appoint another reputed Chartered Accountant firm to carry out our annual audit for the year 2018. In this connection the Board of Directors recommended for appointment of M/S. Rahman Mostafa Alam & Co., Chartered Accountants as the auditors of the Company for the year 2018 with a fee of Tk. 3,50,000/- (including VAT & Tax) per year subject to the approval of shareholders in the 18th Annual General Meeting.

Corporate Governance:

Dear Shareholders, the Board of Directors firmly believes that the practice of Good Corporate Governance is absolutely essential for ensuring a disciplined and sustainable national economy. Thus, there is a full-fledged commitment of the Board, towards incorporating Corporate Governance and Transparency in all spheres of operations and management of the Company.

Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission's Notification No.SEC/CMRRCD/2006-158/134/Admin/44, dated August 07, 2012, along with a certificate from a practicing Chartered Accountant have been presented on page no. 46 in this annual report as Compliances on BSEC's Notification.

Board Committees:

Republic Insurance Company has several Sub committees under the Board. The Board Members in their meeting appoint the Members for the Sub committees including the Chairman of Committee. After fulfillment the tenure of the committee, the members of committees changed within the Board members. Every sub-committee has separate scope of work and the Board approve the terms of references. The Sub Committees are independent and responsible to provide their expertise opinion to the Board. At present, 3 (three) Committees namely Claims Committee, Audit Committee and Executive Committee are performing their duties on behalf of the Board.

Claims Committee:

Claims or loss handling is the materialized utility of insurance; it is the actual "product" paid for. Claims filed by insured directly and the managements are classified the loss based on the documents & papers with their knowledge and experience. The surveyors of the Claim undertake an investigation of each claim, usually in close cooperation with the insured, determines if coverage is available under the terms of the insurance contract, and if so, the reasonable monetary value of the claim, and thereafter with the advice/ discussion of the Managing Director or claim committee is approved.

The Committee looks after the customer's claims settlement procedure with the support of surveyor's report. The strengths of our claims settlement executive lies in its promptness and efficiency of the executives. Claims settlements seek quick and improve customer satisfaction. In this respect, we always take initiatives to upgrade claims settlement processes and adopt the claims settlement system. Claims Executives' aim is to provide the best customer service. The Claims Committee consists of the following Directors of the Company.

Sl No.	Name of the Member	Position in the Committee
01	Mr. S.M. Shafiul Hoque	Chairman
02	Mr. Gazi Golam Ashria	Member
03	Mrs. Bilquis Afroza	Member
04	Mrs. Shahin Haider	Member

Audit Committee:

The Board hereby resolves to establish an Audit Committee of the board and continues their operation as per terms of the reference adopted by the Board as well corporate governance guidelines of BSEC. The Board appointed the members of the committee, which are non-executive directors of the company. The Board authorizes the committee to follow up or investigate any activity within its terms of reference and accordingly recommended for reporting to the Board. The Audit Committee also looks after the financial statements reflecting true and fair view of the state of affairs and ensuring a good monitoring system within the business of the company. The Audit Committee is responsible to the Board of Directors for the activities. In the year 2017, 6 (six) Audit Committee Meetings were held as per directives of BSEC. The Audit Committee review the audited balance sheet of our Company along with financial statements and reports for the year 2017 for placing before the Board after recommendation by the Auditor M/s. Malek Siddiqui Wali, Chartered Accountants. The Audit Committee consists of the following Directors of the Company.

Sl No.	Name of the Member	Position in the Committee
01	Mr. Ataul Haq	Chairman
02	Mr. S.M. Shafiul Hoque	Member
03	Mr. Mahboob Ur Rahman	Member
04	Mr. Alhaj Md. Abdus Sabur	Member

Executive Committee:

Executive Committee looks after the management reports of the branch performance with the proposals and recommendations of each employee's performance in the company and also confirms the salary package, promotion, special increments, incentive bonus and other facilities. The Executive Committee also enhances the pay scale of the employees from time to time with the support of the Management requirements. The Executive Committee consists of the following Directors of the Company.

Sl No.	Name of the Member	Position in the Committee
01	Mrs. Rehana Chowdhury	Chairman
02	Mr. Mahboob Ur Rahman	Member
03	Mr. Gazi Golam Ashria	Member
04	Mr. Bilquis Afroza	Member

Human Resource:

RICL is committed to provide equal opportunities to all employees, irrespective of their gender, race, nationality, ethnic origin, or religion. RICL is an inclusive employer and values diversity in its employees. These extend for recruitment and selection, training, career development, flexible working arrangements, promotion and

performance appraisal. Our corporate goal is to improve staff engagement by measuring and responding to staff members' views and willingness to exert extra effort to achieve business success. We provide necessary support to staff in order to manage change effectively. We credit the strength of our people for our organization's success, their understanding of strategy and goals, as well as their satisfaction with the work they do and how it contributes, are of critical importance throughout our companies. We continue our efforts to create and maintain a highly skilled and motivated workforce. Through our succession planning initiatives, leadership capacity is identified and developed to ensure ongoing success.

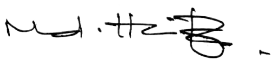
Future prospect:

Republic Insurance Company Limited signifies that the progress and reputation are walking side by side ambitiously in front of you. It is working hard to achieve the milestone of success following the principles of providing high quality and professional services to our respected clients. We are very much confident of maintaining steady growth keeping pace with the market situation of Insurance Industries which is very challenging and volatile. We have a prudent team of expertise and good reputation in the market. We are very much capable and bold of exploring new area for enhancing profit.

Acknowledgement:

The Directors take this opportunity to express their heartfelt gratitude to, all the valued shareholders, clients and all well-wishers in home and aboard for their wholehearted co-operation and active support in discharging the responsibilities reposed on the Board during the year under review. The Directors express sincere gratitude to the Ministry of Finance, the Ministry of Commerce, the Insurance Development and Regulatory Authority, Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Government and Non-Government organizations, Sadharan Bima Corporation, Dhaka and Chittagong Stock Exchanges, Bangladesh Insurance Association and all the Scheduled Banks and Leasing Companies for their sincere support and whole hearted cooperation. The Directors express deep appreciation for the services and loyalty of the executives, officers and employees of the company at all levels without which results could have not been achieved. The Directors like to thank and express gratitude to Managing Director & CEO Mr. Sahid Ul Hasan and Advisor Mr. Obaidul Kabir Khan for their hard work, commitment and dedication to the development of the company. At the last but not the least certainly, the Directors express sincerest gratitude to all clients for their loyalty and patronage over the period. With our very best regards to all our valuable shareholders, we promise to continue the growth with your support.

Thank you all.
On behalf of the Board



Mohd. Hanif Chowdhury
Chairman

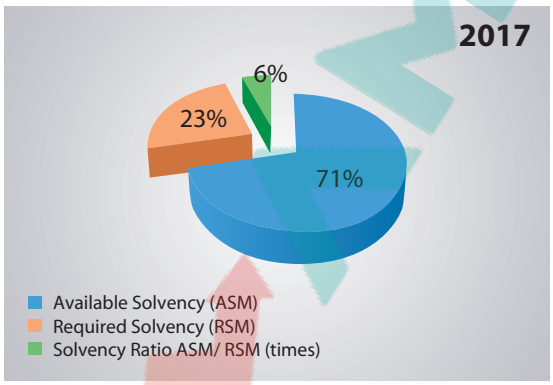
Solvency Margin

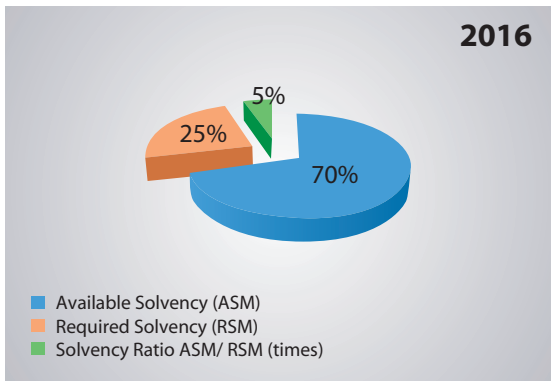
Solvency margin is the amount by which the assets of an insurer exceeds its liabilities, and will form part of the insurer's shareholder's fund. Methods of valuations of assets and liabilities of an insurer are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must maintain at all times. The solvency of 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.

Moreover solvency margin assists financial investment measures when making a decision on the risk of reward capability of a company to return dividends to stockholders. In Bangladesh regulation for solvency margin for non-life insurance Companies have been prepared by IDRA but not yet been approved by concerned ministry thereby not yet promulgated through official gazette.

During 2017, Republic Insurance Company Limited solvency margin remained above the required level. RICL's required solvency was BDT 136,871,655 whereas the Company's available solvency margin was BDT 448,783,278 which means the value of assets had been more than the liabilities in that particular period. Therefore, the available solvency was 3.28 times of required solvency margin in 2017.

Description	2017 (Amount in taka)	2016 (Amount in taka)
Available Solvency (ASM)	448,783,278	397,345,402
Required Solvency (RSM)	136,871,655	133,009,438
Solvency ratio ASM/ RSM (times)	3.28	2.99





Annexure: A

Compliance Report on BSEC's Notification

Republic Insurance Company Ltd.

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

(Report under Condition No. 7.00)

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	**Board of Director**			
1.1	**Board's size**			
	The number of the Board members of the company shall not be less than 5 (five) or more than 20 (twenty)	✓		13 Directors
1.2	**Independent Directors**			
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors;	✓		One Independent Director (Appointment two Independent Directors is in process)
1.2 (ii) a)	Independent Directors do not hold any share in the company or holds less than one percent (1%) share of the total paid-up shares of the company;	✓		
1.2(ii) b)	Independent Directors are not sponsor of the company and are not connected with the company's any sponsor 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. Their family members also should not hold above mentioned shares in the company.	✓		
1.2 (ii) c)	Independent Directors do not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary /associated companies;	✓		
1.2 (ii) d)	Independent Directors are not a member, director or officer of any stock exchange;	✓		
1.2 (ii) e)	Independent Directors are not a shareholder, Director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) f)	Independent Directors are not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
1.2 (ii) g)	Independent Director shall not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) h)	Independent Director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓		

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.2 (ii) i)	Independent Directors has not been convicted for a criminal offence involving moral turpitude:	✓		
1.2 (iii)	Independent Director(s) shall be nominated by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days	✓		
1.2(v)	The board shall lay down a code of conduct of all board members and annual compliance of the code to be recorded.	✓		
1.2(vi)	The tenure of office of an independent directors 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 knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (ii)	The person should be a Business Leader/ Corporate Leader/ Bureaucrat/ University Teacher with Economics or Business Studies of Law Background/ Professionals like Chartered Accounts, Cost & Management Accounts, Chartered Secretaries. The independent director must have at least 12 (Twelve) years of corporate management / professional experience	✓		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			N/A
1.4	**Chairman of the Board and Chief Executive Officer**			
	The positions of Chairman of the Board and Chief Executive Officer of the Companies shall be filled by different individuals. The Chairman of the Company shall be elected from among of the Directors of the Company. The Board of the Director shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer (CEO).	✓		
1.5	**The Directors' Report of the Shareholders**			
	The Directors' of the company shall include the following additional statements in the Director`s report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994)			
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	✓		N/A
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss			

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.5(vi)	Basis for related party transaction-a statement of all related party transactions should be disclosed in the annual report.	✓		
1.5(vii)	Utilization of proceeds from public issues, right issues and/or through any others instruments.	✓		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.			N/A
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.			N/A
1.5(x)	Remuneration to directors including independent director.	✓		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the results of its operation, 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			N/A
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	✓		
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	✓		

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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)			N/A
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	✓		
1.5(xxi)d.	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	✓		
1.5(xxii)	**In case of appointment / re-appointment of a director the company shall disclose the following information to the share holders:**			
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)	Name of the Companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2.0	**Chief Financial Officer, Head of Internal Audit and Company Secretary**			
2.1	**Appointment**			
	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**			
	The CFO and the Company Secretary of the Companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
3.00	**Audit Committee**			
3 (i)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business.	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
3.1	**Constitution of the Audit committee**			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) Independent Director.	✓		
3.1(iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	✓		
3.1(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to the unable to hold office until expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.	✓		
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 shall include the following:**			
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	✓		

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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 IPO/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 p art 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.	✓		
3.4	**Reporting of the Audit Committee**			
3.4.1	**Reporting of the Board of Directors**			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :-			
3.4.1 (ii) a)	Report on conflicts of interests;			N/A
3.4.1(ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;			N/A
3.4.1(ii)c)	Suspected infringement of laws, including securities related laws, rules and regulations;			N/A
3.4.1.(ii)d)	Any other matter which shall be disclosed to the Board of Directors immediately			N/A
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			N/A

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
	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.			
3.5	**Reporting to the Shareholders and General Investors.**			
	Report on activities carried out by the Audit Committee, including and report made to the Board of Directors under conditions 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
4.00	**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			N/A
4(v)	Actuarial services.			N/A
4(vi)	Internal audit services.	✓		
4(vii)	Any other service that the Audit Committee determines.	✓		
4(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
5.00	**Subsidiary Company**			
5 (i)	Provision 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.			N/A
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.			N/A
5(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review Board meeting of the holding company.			N/A
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.			N/A
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			N/A

Condition No.	Title	Compliance status (put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6	**Duties of CEO and CFO**			
6 (i)	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6(i)a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	✓		
6 (i) b)	These statements together present a true and fair view of the company`s affairs and are in compliance with existing accounting standards and applicable laws.	✓		
6 (ii)	There are, to the best of knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company`s code of conduct.	✓		
7.00	**Reporting and Compliance of Corporate Governance**			
7(i)	The company shall obtain a certificate from a Professional Accountant/Secretary (Chartered Accountant/Cost & 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 directors' report whether the company has complied with these conditions.	✓		

Directors' Meeting and Attendance- 2017

Name of the Directors	Board of Directors Meeting				Executive Committee Meeting				Audit Committee Meeting				Claims Committee Meeting			
	Total BOD meeting held year 2017	Meeting Attended	Attendance as % of total meeting held	Remuneration Paid for attuning the meeting	Total EC meeting held year 2017	Meeting Attended	Attendance as % of total meeting held	Remuneration Paid for attuning the meeting	Total Audit Com. meeting held year 2017	Meeting Attended	Attendance as % of total meeting held	Remuneration Paid for attuning the meeting	Total Claims Comm. meeting held year 2017	Meeting Attended	Attendance as % of total meeting held	Remuneration Paid for attuning the meeting
Mr. Mohd. Hanif Chowdhury	8	8	100		-	-	-		-	-	-		-	-	-	
Mrs. Hasina Gazi	8	5	62.50		-	-	-		-	-	-		-	-	-	
Mr. Sadeque Hossain Chowdhury	8	4	50		-	-	-		-	-	-		-	-	-	
Mr. Saber Hossain Chowdhury, MP	8	4	50		-	-	-		-	-	-		-	-	-	
Mrs. Khurshida Rahman	8	5	62.50		-	-	-		-	-	-		-	-	-	
Mr. Feroz U. Haider	8	6	75		-	-	-		-	-	-		-	-	-	
Mrs. Rehana Chowdhury	8	7	87.50		3	3	100		-	-	-		-	-	-	
Mrs. Shahin Haider	8	1	12.50		-	-	-		-	-	-		6	-	-	
Mr. S.M. Shafiul Haque	8	7	87.50		-	-	-		6	6	100		6	6	100	
Mr. Mahboob-ur-Rahman	8	1	12.50		3	2	66.67		6	-	-		-	-	-	
Mr. Gazi Golam Ashria	8	3	37.50		3	1	33.34		-	-	-		6	1	16.67	
Mr. Mosaddake-ul-Alam	8	-	-		-	-	-		-	-	-		-	-	-	
Mr. Ataul Haq	8	8	100		3	3	100		6	6	100		-	-	-	
Mrs. Bilquis Afroza	8	7	87.50		3	3	100		-	-	-		6	6	100	
Mr. Alhaj Md. Abdus Sabur	8	7	87.50		-	-	-		6	4 66.67	-		-	-		
Mr. Muhammad Waheedul Haque	8	1	12.50		-	-	-		-	-	-		-	-	-	

ANNUAL REPORT STOCK

ACCOUNTING RATIOS PERTAINING TO INSURANCE BUSINESS

Details of various Accounting Ratios pertaining to Company's insurance business are given below:

Amount in Taka

Particulars	2017	Ratios 2017	2016	Ratios 2016	Growth (%)
Gross premium income	478,241,306	-	458,191,929	-	4.38
Net premium income	330,503,062	-	332,523,596	-	(0.61)
Re-insurance premium ceded as % of gross premium income	147,738,244	30.89	125,668,333	27.43	17.56
Net Re-insurance commission earned as % of gross premium income	28,641,596	5.99	27,129,847	5.92	5.57
Net Re-insurance commission earned as % of net premium income	28,641,596	8.67	27,129,847	8.16	5.57
Management Expenses allocated as % of gross premium income	159,738,399	33.40	161,771,157	35.31	(1.26)
Management Expenses allocated as % of net premium income	159,738,399	48.33	161,771,157	48.65	(1.26)
Gross Claims paid as % of gross premium income	71,721,972	14.99	73,999,153	16.15	(3.08)
Gross Claims paid as % of net premium income	71,721,972	21.70	73,999,153	22.25	(3.08)
Net Claims paid as % of gross premium income	56,225,256	11.76	63,865,381	13.94	(11.96)
Net Claims paid as % of net premium income	56,225,256	17.01	63,865,381	19.21	(11.96)
Operation income as % of gross premium income	79,747,698	16.67	72,647,476	15.86	9.77
Operation income as % of net premium income	79,747,698	24.13	72,647,476	21.85	9.77
Net profit before tax as % of gross premium income	88,406,343	18.49	92,748,912	20.24	(4.68)
Net profit after tax as % of gross premium income	59,493,017	12.44	58,492,688	12.77	1.71

Compliance Report on BSEC's Notification

Compliance of condition no. 1.4 (k)

The pattern shareholder as at December 31, 2017

i) Parent/Subsidiary/Associated companies and other related parties N/A

ii) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Auditor and their spouses and minor children:

Sl No.	Name of Directors & Executives	Status	No of Share held	Share held by the Spouse/ Children	Remarks
(a)	Mr. Mohd. Hanif Chowdhury	Chairman	720,191	78232	Spouse
	Mrs. Hasina Gazi	Vice Chairman	1,061,242	105936	Spouse
	Mr. Sadeque Hossain Chowdhury	Director	714,004	701,991	Spouse
	Mrs. Shahin Haider	Director	1,061,242	--	--
	Mrs. Khurshida Rahman	Director	1,167,367	--	--
	Mr. S.M. Shafiul Hoque	Director	904,625	--	--
	Mr. Mahboob Ur Rahman	Director	1,066,064	--	--
	Mr. Gazi Golam Ashria	Director	955,119	--	--
	Mr. Alhaj Abdus Sabur	Director	10,612	--	--
	Mrs. Bilquis Afroza	Director	25,058	--	--
	Mr. Feroz U. Haider	Director	303,498	--	--
	Mrs. Rehana Chowdhury	Director	1,012,739	--	--
	Mr. Saber Hossain Chowdhury, MP	Director	700,417	--	--
	Mr. Mosaddake-Ul-Alam (Nominated by ICB)	Director	10,722,949	-	-
	Mr. Ataul Haq	Independent Director	Nil	-	--
(b)	Mr. Sahid-Ul-Hasan	MD & CEO	Nil	--	--
(c)	Mr. Sajan Kumar Basak	SEVP & CS	Nil	--	--
(d)	Mr. Abdul Motaleb	SEVP (U/W)		--	--
(e)	Mr. Anwarul Islam	EVP (RI & Claims)	Nil	--	--
(f)	Mr. Md. Moshfiqur Rahman	VP & CFO	Nil	--	--
(g)	Mr. Md. Shaidul Islam	AVP (Audit)	Nil	--	--

iii) Executive (top five Salaried Employees of the Company), other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.

Name	Designation	Share
Mr. Obaidul Kabir Khan	Advisor of the Company	Nil
Mr. Giyas Uddin Ahmed	DMD & Branch Incharge, Motijheel Branch, Dhaka	Nil
Mr. Md. Nasir Uddin	DMD & Branch Incharge, Motijheel Corp. Branch, Dhaka	Nil
Mr. Sirajul Islam Bhuiyan	DMD & Branch Incharge, Hatkhola Branch, Dhaka	Nil
Mr. Khan Mukhlesur Rahman	DMD & Branch Incharge, Dilkusha Branch, Dhaka	Nil

iv) Shareholders holding 10% or more voting interest in the Company

Nil	Nil	Nil

MAKC MOHAMMAD ATA KARIM & CO.
CHARTERED ACCOUNTANTS

Ref: MAKC/RICL/AK- 04.18/339 *Date: 26th April, 2018*

Certificate on Compliance Conditions of Corporate Governance Guidelines to the Shareholders of Republic Insurance Company limited

We have verified the status of Compliance of Republic Insurance Company limited with the conditions imposed by the Commission's notifications no. SI.C/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969.

Such compliance to the codes of Corporate Governance is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of corporate governance. This is a scrutiny and variation only and not expression of opinion or audit on the financial statements of the Company.

We certify that to the best of our information and explanations of the management. Republic Insurance Company limited has complied the entire conditions number 1.1 to 7 (ii) as mentioned in the aforesaid circular.

A.S.M ATAUL KARIM,FCA (Eno. 66)
Managing Partner

87, Purana Palton Line, Palton Tower (7th Floor), Suit # 706, Dhaka-1000, Phone : 8802-8333047, 02-9343430
Cell : 01711-868049, E-mail : makc1941@yahoo.com, mack1998@yahoo.com



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/091

BAPLC

Date of issue :27th February 2017

Renewed Certificate

This is to certify that

REPUBLIC INSURANCE COMPANY LIMITED

is anOrdinary 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.

Bangladesh Association of Publicly Listed Companies ★ BAPLC

Secretary-General
(Acting)

SHAREstock

CEO & CFO'S DECLARATION TO THE BOARD OF DIRECTORS

The Board of Directors
Republic Insurance Company Ltd.
HR Bhaban (6th & 9th Floor),
26/1 Kakrail, Dhaka-1000

Subject: CEO & CFO's Declaration to the Board of Directors.

Dear Sir,

In compliance with the condition no. 6 imposed by Bangladesh Securities and Exchange Commission's notification no. BSEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under section 2CC of the Securities & Exchange Ordinance 1969, we do hereby certify to the Board of Directors that:

(i) We have reviewed the financial statements for the year ended on December 31, 2017 and that to the best of our knowledge and belief;

(a) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;

(b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

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

Sincerely yours

(Sahid-Ul-Hasan)
Chief Executive Officer (CEO)

(Mohammad Moshfiqur Rahman)
Chief Financial Officer (CFO)

Directors' Certificate

Republic Insurance Company Limited

As per regulations contained in the Schedule of Insurance Act, 2010 as per section 40-C of the said Act, certify that:

1. The value of all investment as shown in the Statement of Financial Position has been taken at the cost.

2. The value of all assets as shown in the Statement of Financial and as classified on form "AA" annexed have been duly reviewed as at December 31, 2017 and in our belief, the said assets have set forth in the amounts not exceeding their realizable or market value under the several headings as enumerated in the annexed form.

3. All expenses of management, wherever incurred directly or indirectly in respect of Fire, Marine, Marine Hull, Motor and Miscellaneous insurance business have been duly debited to the related Revenue Accounts and Statement of Profit & Loss and Other Comprehensive Income.

Chief Executive Officer	Director	Director	Chairman

Audit Committee's Report for the year 2017



Republic Insurance Company Ltd. established an audit committee as a sub-committee of the Board of Directors. The Committee supports the Board in fulfilling its oversight responsibilities.

The Audit Committee of Republic Insurance Company Ltd. Comprises of the following Board members:

Mr. Ataul Haq (Independent Director)	:	Chairman
Mr. S.M. Shafiul Hoque (Director)	:	Member
Mr. Mahboob ur Rahman (Director)	:	Member
Mr.Alhaj Abdus Sabur (Director)	:	Member

TERMS OF REFERENCE

The terms of reference of the Committee has been agreed upon as follows:

- To review all internal and external audit report.
- To recommend the statutory annual audited financial statements to the Board of Directors for approval.
- To review the finding of the internal and external auditors.
- To review and approve the Annual "Audit Plan of the Internal Audit Department.
- To monitor the implementation of the recommendations of the Internal and External auditors.
- To review the performance of the external auditors and make recommendations to the Board regarding their appointment and fees.
- To review the quarterly, half yearly and annual financial statements before submission to the Board for approval.
- To review the company's statement on internal control systems prior to endorsement by the Board.
- Company secretary shall be the secretary of the audit committee.

ACTIVITIES

- The financial statements of the first quarter, half year, third quarter and the full year were reviewed by the committee and subsequently recommended to the Board for consideration and approval.
- The Committee also reviewed the work of the internal audit department and made suggestions for improvement.
- The Committee recognized the observation of the internal audit department regarding internal control and suggestions made to improve operational systems and procedures and their implementation.

RECOMMENDATIONS

The Audit Committee recommended to the Board of Directors that:

1. The Financial Statements for the year ended December 31, 2017 may be approved.
2. M/s. Rahman Mostafa Alam & Co., Chartered Accountants may be appointed as the auditor of the Company for the year ended December 31, 2018 at existing fees of Tk. 3,50,000.00 (including VAT & Tax) subject to the approval of the members at the 18th Annual General Meeting of the Company.

On behalf of the Audit Committee

Sd/-

(Mr. Ataul Haq)
Chairman of the Audit Committee



AUDITORS' REPORT

To the Shareholders of
Republic Insurance Company Limited

We have audited accompanying financial statements of **REPUBLIC INSURANCE COMPANY LIMITED** which comprise of Statement of Financial Position as at December 31, 2017 and the related Fire, Marine Cargo, Marine Hull, Motor and Miscellaneous Insurance Revenue Accounts as well as Statement of Profit or Loss and Other Comprehensive Income, Profit and Loss Appropriation Account, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements:

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

Auditor's responsibility:

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

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

We believe 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 give a true and fair view of the company's affairs as at December 31, 2017 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994, the Insurance Act, 2010, Insurance Rules 1958, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

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

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

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

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

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

(vi) We certify that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad.

Place: Dhaka,
Dated: April 16, 2018

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Statement of Financial Position
For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	Restated 31 December 2016 Taka
Shareholders Equity and Liabilities:			
Share Capital			
Authorized Share Capital:			
1,00,000,000 ordinary shares of Tk. 10 each	3.01	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid up capital:	3.04	350,210,360	312,687,830
3,50,21,036 ordinary shares of Tk. 10 each			
Reserve and Contingent Account :	4.00	172,399,340	150,428,853
Reserve for Exceptional Losses	4.01	118,730,266	100,717,849
General Reserve	4.02	7,500,000	6,500,000
Retained Earnings	4.03	46,169,074	43,211,004
Shareholders' Equity :		522,609,700	463,116,683
Balance of Funds and Accounts:	5.00	138,598,668	139,754,740
Fire Insurance Revenue Account		59,500,961	51,865,704
Marine Cargo Insurance Revenue Account		41,964,985	49,242,128
Marine Hull Insurance Revenue Account		10,662,405	11,242,170
Motor Insurance Revenue Account		18,204,468	18,861,563
Misc. Insurance Revenue Account		8,265,849	8,543,175
Premium Deposits	6.00	20,963,359	20,472,896
Liabilities and Provisions:		323,326,035	294,412,174
Estimated liability in respect of outstanding claims whether due or intimated	7.00	54,175,367	61,990,669
Amount due to other persons or bodies carrying on insurance business	8.00	100,182,060	90,501,543
Provision for WPPF	9.00	13,857,345	9,437,028
Provision for Taxation	10.00	114,007,509	88,029,801
Sundry Creditors	11.00	41,103,754	44,453,133
Total Shareholder's Equity and Liabilities		**1,005,497,762**	**917,756,493**

* The details of restated was shown in note 30

Net Assets Value (NAV) Per share	**14.92**	**14.81**
(Please see notes 31.02)		

The accompanying notes are an integral part of these Financial Statements.
The Financial Statements were authorised for issue by the Board of Directors on April 16, 2018 and signed on its behalf by:

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Statement of Financial Position
For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Property and Assets:			
Non-Current Assets:		75,618,993	74,656,391
Property, Plant and Equipment	12.00	24,060,168	24,154,209
Lease Car	Annexure-A	1,646,803	1,829,781
Statutory Deposit with Bangladesh Bank (Government Treasury Bond)	13.00	25,000,000	25,000,000
Deferred Tax	24.00	3,459,948	5,865,765
Investment in Shares at Market Value	14.00	21,452,074	17,806,636
Current Assets:		886,443,034	798,560,230
Stock of Printing and Stationery	15.00	1,161,991	1,248,439
Amount due from other person or bodies carrying on insurance business	16.00	207,803,151	197,131,653
Interest Accrued	17.00	20,128,674	21,318,949
Sundry Debtors (including advances, deposits and pre-payments)	18.00	237,525,157	171,411,838
Fixed Deposit with Banks	19.00	419,824,061	407,449,351
Cash and Cash Equivalents:	20.00	43,435,735	44,539,872
Cash at Bank		38,462,907	40,801,748
Cash in hand		4,972,828	3,738,124
Total Assets		**1,005,497,762**	**917,756,493**

The accompanying notes are an integral part of these Financial Statements.
The Financial Statements were authorised for issue by the Board of Directors on April 16, 2018 and signed on its behalf by:

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Profit and Loss Appropriation Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	Restated 31 December 2016 Taka
Balance brought forward from previous year		43,211,004	37,040,905
Profit after Tax		59,493,017	58,492,688
Prior year adjustment	30.00	-	1,280,165
Total profit after Tax		**102,704,021**	**96,813,758**
Appropriation:			
Reserve for Exceptional Losses	4.01(a)	18,012,417	15,129,824
General Reserve	4.02	1,000,000	1,000,000
Issuance of Bonus share		37,522,530	35,972,930
Provision for Gratuity		-	1,500,000
Retained Earnings transferred to Statement of Financial Position		46,169,074	43,211,004
Total		**102,704,021**	**96,813,758**

* The details of restated was shown in note 30

Earnings per share (EPS) [Restated for 2016] (Please see notes 31.01)	**1.70**	**1.67**

The accompanying notes are an integral part of these Financial Statements.
The Financial Statements were authorised for issue by the Board of Directors on April 16, 2018 and signed on its behalf by:

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Statement of Profit or Loss and Other Comprehensive Income

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Operating profit /(loss) transferred from :		**79,747,698**	**72,647,476**
Fire Insurance Revenue Account		18,700,118	(17,641,353)
Marine Cargo Insurance Revenue Account		42,220,449	58,405,020
Marine Hull Insurance Revenue Account		5,623,951	4,880,376
Motor Insurance Revenue Account		20,464,749	21,027,062
Misc. Insurance Revenue Account		(7,261,569)	5,976,371
Non-Operating Income:		**32,807,177**	**42,066,142**
Interest income	21.00	28,284,785	34,271,552
Share Investment and Dividend income	22.00	3,899,755	6,806,151
Other income	23.00	622,637	988,439
Total Income:		**112,554,875**	**114,713,618**
Less: Expenses of Management (not applicable to any particular fund or account)		**19,728,215**	**17,327,260**
Advertisement		8,604,445	7,416,562
Audit fees		384,500	350,000
Bima fee		-	6,870
Directors fee		876,250	831,750
Donation and Subscriptions		341,000	173,500
Fees and Charges		2,661,761	1,980,394
Renewal and Registration fees		2,128,130	3,039,258
AGM expenses		264,113	277,497
Provision for Gratuity expenses	11.00(b)	1,500,000	-
Depreciation	Annexure-A	2,968,016	3,251,429
Net Profit before Tax & WPPF		**92,826,660**	**97,386,358**
Provision for WPPF		(4,420,317)	(4,637,446)
Profit before Tax		**88,406,343**	**92,748,912**
Income Tax Expenses:			
Provision for Income Tax		(26,507,509)	(32,654,008)
Deferred Tax	24.00	(2,405,817)	(1,602,216)
Profit after Tax		**59,493,017**	**58,492,688**
Other Comprehensive Income		-	-
Total Comprehensive Income		**59,493,017**	**58,492,688**
Earnings per share (EPS) [Restated for 2016] (Please see notes 31.01)		**1.70**	**1.67**
Weighted average number of outstanding shares		**35,021,036**	**35,021,036**

The accompanying notes are an integral part of these Financial Statements.
The Financial Statements were authorised for issue by the Board of Directors on April 16, 2018 and signed on its behalf by:

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Consolidated Revenue Account
For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		**48,409,954**	**59,095,740**
Claims paid during the year		56,225,256	63,865,381
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		54,175,367	61,990,669
Less: Outstanding claims at the end of the previous year		61,990,669	66,760,310
Insurance stamps consumed		623,093	583,778
Agency Commission		73,346,445	70,228,790
Expenses of Management	28.00	159,738,399	161,771,157
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		79,747,698	72,647,476
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks		138,598,668	139,754,740
Total		**500,464,257**	**504,081,681**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Consolidated Revenue Account
For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		139,754,740	140,199,838
Premium less re-insurance	25.00	330,503,062	332,523,596
Commission on re-insurance ceded	26.00	28,641,596	27,129,847
Profit commission	27.00	1,564,859	4,228,400
Total		**500,464,257**	**504,081,681**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Fire Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		**32,249,248**	**60,570,904**
Claims paid during the year		38,276,208	58,309,876
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		47,132,280	53,159,240
Less: Outstanding claims at the end of the previous year		53,159,240	50,898,212
Insurance stamps consumed		409,613	414,720
Agency Commission		35,095,149	32,009,793
Expenses of Management	28.00	72,633,050	72,989,907
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		18,700,118	(17,641,353)
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		59,500,961	51,865,704
Total		**218,588,139**	**200,209,675**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Fire Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		51,865,704	48,164,686
Premium less re-insurance	25.00	148,752,403	129,664,259
Commission on re-insurance ceded	26.00	17,970,032	18,152,330
Profit commission	27.00	-	4,228,400
Total		**218,588,139**	**200,209,675**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Marine Cargo Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		12,471,148	769,136
Claims paid during the year		12,363,307	1,924,146
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		6,238,623	6,130,782
Less: Outstanding claims at the end of the previous year		6,130,782	7,285,792
Agency Commission		21,761,952	26,116,359
Expenses of Management	28.00	42,330,676	50,906,920
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		42,220,449	58,405,020
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		41,964,985	49,242,128
Total		**160,749,210**	**185,439,563**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Marine Cargo Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		49,242,128	57,384,226
Premium less re-insurance	25.00	104,912,462	123,105,321
Commission on re-insurance ceded	26.00	5,029,761	4,950,016
Profit commission	27.00	1,564,859	-
Total		**160,749,210**	**185,439,563**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Marine Hull Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		**621**	**(132,353)**
Claims paid during the year		621	129
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		-	-
Less: Outstanding claims at the end of the previous year		-	132,482
Agency Commission		1,800,874	1,824,169
Expenses of Management	28.00	4,073,329	4,752,370
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		5,623,951	4,880,376
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @100% of premium income of the year		10,662,405	11,242,170
Total		**22,161,180**	**22,566,732**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Marine Hull Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		11,242,170	10,988,128
Premium less re-insurance	25.00	10,662,405	11,242,170
Commission on re-insurance ceded	26.00	256,605	336,434
Total		**22,161,180**	**22,566,732**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Motor Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		2,450,901	(1,469,361)
Claims paid during the year		4,454,068	4,001,466
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		697,480	2,700,647
Less: Outstanding claims at the end of the previous year		2,700,647	8,171,474
Insurance stamps consumed		191,593	144,659
Agency Commission		7,536,794	6,992,728
Expenses of Management	28.00	16,005,788	17,090,766
Profit transferred to Statement of Profit or Loss and Other Comprehensive Income		20,464,749	21,027,062
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		18,204,468	18,861,563
Total		**64,854,293**	**62,647,417**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Motor Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		18,861,563	15,237,630
Premium less re-insurance	25.00	45,511,169	47,153,908
Commission on re-insurance ceded	26.00	481,561	255,879
Total		**64,854,293**	**62,647,417**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Claims under policies less re-insurance:		1,238,036	(642,586)
Claims paid during the year		1,131,052	(370,236)
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		106,984	-
Less: Outstanding claims at the end of the previous year		-	272,350
Insurance stamps consumed		21,887	24,399
Agency Commission		7,151,676	3,285,741
Expenses of Management	28.00	24,695,556	16,031,194
Profit/(loss) transferred to Statement of Profit or Loss and Other Comprehensive Income		(7,261,569)	5,976,371
Balance of account at the end of the year as shown in the Financial Position being reserve for unexpired risks @40% of premium income of the year		8,265,849	8,543,175
Total		**34,111,435**	**33,218,294**

Chairman **Director** **Director**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2017

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
Balance of fund account at the beginning of the year		8,543,175	8,425,168
Premium less re-insurance	25.00	20,664,623	21,357,938
Commission on re-insurance ceded	26.00	4,903,637	3,435,188
Profit commission	27.00	-	-
Total		**34,111,435**	**33,218,294**

Chief Executive Officer **Company Secretary** **Chief Financial Officer**

Malek Siddiqui Wali
Chartered Accountants

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Statement of Cash Flows

For the year ended December 31, 2017

Particulars	31 December 2017 Taka	31 December 2016 Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Collection from premium and other income	528,503,164	485,387,471
Payment for management expenses, re-insurance and claims	(466,979,869)	(443,127,730)
Income tax paid	(39,093,151)	(34,495,332)
Net cash from operating activities	**22,430,144**	**7,764,409**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed Assets	(2,725,089)	(2,977,761)
Advance against vehicle purchase	(8,500,000)	-
Investment in shares	-	(21,858,997)
Disposal of Investment in shares	-	14,542,900
Investment of Fixed Deposit	(40,031,580)	(23,178,390)
Disposal of Fixed Deposit	27,656,870	18,623,374
Net cash used in investing activities	**(23,599,799)**	**(14,848,874)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash used in financing activities	-	-
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(1,169,655)**	**(7,084,465)**
E. Cash and cash equivalents at the beginning of the year	**44,539,872**	**51,624,337**
Cash and cash equivalents at the beginning of the year before adjusting of translation gain	43,370,217	-
Foreign currency translation gain	65,518	-
F. Cash and cash equivalents at the end of the year	**43,435,735**	**44,539,872**
Net operating Cash Flows per share (Please see notes 31.03)	**0.64**	**0.25**

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

Statement of Changes in Shareholders Equity

For the year ended December 31, 2017

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 1, 2017	312,687,830	6,500,000	100,717,849	43,211,004	463,116,683
Issuance of Bonus share	37,522,530	-	-	(37,522,530)	-
Profit after tax during the year	-	-	-	59,493,017	59,493,017
Appropriation made during the year	-	1,000,000	18,012,417	(19,012,417)	-
Balance as at December 31, 2017	**350,210,360**	**7,500,000**	**118,730,266**	**46,169,074**	**522,609,700**

Statement of Changes in Shareholders Equity

For the year ended December 31, 2016

Restated

Particulars	Share Capital	General Reserve	Reserve for Exceptional Losses	Retained Earnings	Total
Balance as at January 1, 2016	276,714,900	5,500,000	85,588,025	37,040,905	404,843,830
Issuance of Bonus share	35,972,930	-	-	(35,972,930)	-
Profit after tax during the year	-	-	-	58,492,688	58,492,688
Prior year adjustment	-	-	-	1,280,165	1,280,165
Appropriation made during the year	-	1,000,000	15,129,824	(17,629,824)	(1,500,000)
Balance as at December 31, 2016	**312,687,830**	**6,500,000**	**100,717,849**	**43,211,004**	**463,116,683**

* The details of restated was shown in note 30

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

AMARSTOCK

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Form "AA"

Classified Summary of Assets As at December 31, 2017

Class of Assets	Book Value 2017 (Tk.)	Book Value 2016 (Tk.)	Remarks
A) Non-Current Assets:			
i) Property, Plant & Equipment	25,706,971	25,983,990	At Cost less depreciation
Computer	725,550	659,111	
Furniture & Fixtures	3,668,818	3,936,396	
Office Equipments	719,567	544,327	
Vehicles	4,860,187	4,732,575	
Crockeries & Cutleries	24,531	30,664	
Air Conditioner	669,036	721,693	
Telephone	123,909	137,677	
Office Decoration	6,432,026	7,011,456	
Land and Land development	6,238,556	6,238,556	
Sundry Assets	39,096	7,117	
Computer Software	558,892	134,638	
Lease Car	1,646,803	1,829,781	
ii) Investment:	46,452,074	42,806,636	
a) 10-years Bangladesh Government Treasury Bond	25,000,000	25,000,000	Not quoted in Market
b) Investment in Shares at Market Value	21,452,074	17,806,636	At Market Price
Total non-current assets (i+ii)	72,159,045	68,790,626	
B) Current Assets:	929,878,769	843,100,102	
a) Invstment in Fixed Deposits with Banks	419,824,061	407,449,351	Realizable value
b)Cash at Bank	38,462,907	40,801,748	Realizable value
c) Cash in hand	4,972,828	3,738,124	Realizable value
d) Interest Accrued	20,128,674	21,318,949	Realizable value
e) Sundry Debtors	237,525,157	171,411,838	Realizable value
f) Amount due from other persons or bodies carrying on insurance business	207,803,151	197,131,653	Realizable value
g) Stock of Printing and Stationery	1,161,991	1,248,439	At cost
C) Other Assets			
Deferred tax assets	3,459,948	5,865,765	Realizable value
Total Assets (A+B+C)	**1,005,497,762**	**917,756,493**	

Chairman **Director** **Director** **Chief Executive Officer** **Company Secretary** **Chief Financial Officer**

Signed as per our separate report of same date.

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants



Notes
to the Financial Statements

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Notes to the Financial Statements

For the year ended December 31, 2017

1.00 Legal form of the Company:

The Company was incorporated on the 18th of May, 2000 as a Public Limited Company under the Companies Act, 1994 having registered office in Bangladesh, with the object of carrying all kinds of insurance business other than life insurance and obtained permission to commence insurance business from the Chief Controller of Insurance, Directorate of Insurance, Government of the People's Republic of Bangladesh on May 31, 2000. The Company is registered with an authorized capital of Tk. 50(Fifty) Crore and had issued fully subscribed initial paid up capital of Tk. 6 (Six) Crore.

The Company with the permission of Securities and Exchange Commission had issued 900,000 Ordinary Shares of Tk. 100.00 each on December 1, 2008 and was listed with Dhaka Stock Exchange on 14.01.2009 & Chittagong Stock Exchange on 07.01.2009.

Pursuant to section 21 of Insurance Act-2010 (The first Schedule), and Rule 4A of Insurance Rules 1958 and the Memorandum & Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 Crore to Tk.15.00 Crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% Stock dividend on 2009, 2010, 2011 & 12% on 2012, 12.50% Stock dividend on 2013 ,10% Stock dividend on 2014 , 13% Stock dividend on 2015 and12% Stock dividend on 2016.

So total Paid up Capital increased from Tk.15.00 Crore to Tk.35.02 Crore. In the year 2011 the Company increased its authorized capital Tk.50.00 Crore to Tk.100.00 Crore and changed the per share value from Tk.100.00 to Tk.10.00 in the 3rd Extra Ordinary General Meeting held on 15th November 2011. The Company also got the necessary permission from Bangladesh Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firm.

1.01 Address of Registered Office and Place of business of the Company:

The Head Office of the Company is located at HR Bhaban (3rd & 6th Floor), 26/1, Kakrail, Dhaka-1000, Bangladesh. The business operation of the company is being carried out through 30 (thirty) branches located in all over Bangladesh.

1.02 Principal Activities of the Company :

The principal activities of the company is to carry on all kinds of Insurance business, guarantee, and indemnity business other than life insurance business. There were no significant changes in the nature of the principal activities of the Company during the year 2017 under review.

1.03 Authorization date for issuing Financial Statements :

Financial Statements of the Company for the year ended December 31, 2017 were authorized for issue on April 16, 2018 in accordance with a resolution of the Board of Directors of the Company.

2.00 Basis of Presenting Accounts and Significant Accounting Policies:

2.01 Basis of Accounting Preparation:

The financial statements of the Company under reporting have been prepared under historical cost convention in going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh. Disclosures of financial information as

required by Insurance Act 2010 have been complied with while preparing statement of financial position, Statement of Profit or Loss and Other Comprehensive Income, and Revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Companies Act 1994.

2.02 Management Responsibility:

The management of the Company is responsible to reporting and preparation of financial statements true and fair view of the company's affairs in compliance with Bangladesh Financial Reporting Standards (BFRS) and existing accounting standards and applicable laws.

2.03 Directors Responsibility:

The Board of Directors are also responsible for the preparation and Presentation of financial statements under section 183 of the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987, listing regulation of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited and as per the provision of "The International Accounting Standards Committee" (IASC). According to the "International Accounting Standard (IAS-I)" and in accordance with the Bangladesh Accounting Standard (BAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Presentation of Financial Statements the complete set of Financial Statements include the following components:

i) Statement of Financial Position as at December 31, 2017
ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2017
iii) Statement of Consolidated Revenue Account for the year ended December 31, 2017
iv) Statement of Cash Flows for the year ended December 31, 2017
v) Statement of Changes in Equity for the year ended December 31, 2017
vi) Notes, comprising a summary of significant accounting policies and other explanatory information to the Financial Statements for the year ended December 31, 2017

2.04 Basis of Presentation:

The 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. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per Form 'F' as set forth in Part-II of that Schedule of Insurance Act, 1938 as amended and adopted Insurance Act 2010. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act.

2.05 Regulatory Compliances:

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of insurance Act, 1938 (New Act, 2010), Insurance rules 1958, the companies Act 1994, the Securities and Exchange Rules 1987, the listing rules of Dhaka Stock Exchange and Chittagong Stock Exchange, Income Tax Ordinance 1984, Income Tax Rules 1984, The Value Added Tax Act 1991, The Value Added Tax Rules 1991 and time to time Guidelines from Insurance Development and Regulatory Authority rules and regulations.

To comply with the International Accounting Standards and International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

2.06 Comparative Information:

Comparative information have been disclosed in respect of the year ended 31 December 2017 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. The comparative information or prior period information is restated, rearranged or revised when they necessary in accordance with BAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

2.07 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.

2.08 Going Concern Basis:

The Company has adequate resources to continue in the operation for the foreseeable future. For this reason the Company continues to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources for providing sufficient funds to meet the present requirements of its existing business and operations.

2.09 Reporting Period:

Financial Statements of the company consistently cover one calendar year from 1 January, 2017 to December 31, 2017.

2.10 Interim Financial Reporting:

In accordance with Bangladesh Accounting Standard (BAS-34) Interim Financial Reporting publicly traded entities encourages providing interim financial reports that confirm to the recognition, measurement and disclosure principles set out in this standard. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity's capacity to generate earnings and cash flows and its financial condition and liquidity.

2.11 Branch Accounting:

The Company has 30 (Thirty) branches in Bangladesh. The accounts of the Branches are maintained at the head office level. Only Petty cash books are maintained at the branch level for maintaining its day to day office expenses.

2.12 Risk and Uncertainty for use of estimates in preparation of Financial Statements:

The preparation of Financial Statements is in conformity with the Bangladesh Financial Reporting Standards (BFRS's) including the Bangladesh Accounting Standards (BAS's) require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities, income and for contingent assets and liabilities that require disclosure during and at the date of financial statements.

Actual results could differ from those estimates. Estimates and underlying assumptions are used for accounting of certain items such as long-term contract, provision for doubtful accounts, depreciation and amortization, taxes, reserves and contingencies.

2.13 Significant Accounting Policies and relevant information:

a) Revenue Recognition (BAS-18)

Revenue recognized in accordance with Bangladesh Accounting Standard (BAS-18) revenue unless otherwise mentioned or otherwise guided by the separate BAS/BFRS.

b) Underwriting Premium Income:
Premium Income is recognized when insurance policies are issued and premium collected. The sum of premium income as appeared in classified revenue accounts is net of the refund made, Re-insurance ceded and Re-insurance premium on PSB.

c) Public Sector Business (PSB) :
The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which the relevant statement of accounts from Shadharan Bima Corporation is received. The statements of account for the period from July 2016 to June 2017 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the public Sector insurance Business (PSB) has been consistently followed.

d) Re-Insurance Ceded and Accepted :
1) Re-Insurance Ceded and Accepted with Sadharan Bima Corporation:
Necessary adjustment in respect of Re-insurance ceded and accepted in Bangladesh has duly been made in respective Revenue Account as per Treaty between the Company and Shadharan Bima Corporation (SBC) and Foreign Re-Insurer.

2) Re-Insurance with Foreign Re-insurer :
Fifty percent of the re-insurable general insurance business shall be re-insured with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Sadharan Bima Corporation and the remaining fifty percent of such business may be re-insured either with the Corporation or with any other insurer whether in or outside Bangladesh.

e) Cover Notes Converted into Policy (CCP) :
Amounts received against issue of cover notes that have not converted into policy are not recognized as income. The cover note which was previously issued is converted into insurance policy or at the expiry of nine months cover note as per circular of Shadharan Bima Corporation (SBC).

f) Premium Deposit:
Premium deposit represents amount of premium deposited with the company against cover notes for which policies are yet to be issued.

g) Investment in share:
Investments are initially recognized at cost including acquisition charges with the investments. After initial recognition investments in marketable ordinary shares have been valued at market price on an aggregate portfolio basis.

h) Investment in Bangladesh Government Treasury Bond (BGTB):
10 (Ten) years Bangladesh Government Treasury Bond (BGTB) / Securities are valued at cost price.

i) Investment Income:
i. Interest on Fixed Deposit and 10 (Ten) years Bangladesh Government Treasury Bond (BGTB) are accounted for on accrual basis after making provision for income tax deductible at source. Interest on STD account and other income are recognized on cash basis.

ii. Portfolio gain /loss on investment in shares are recognized in the Statement of Profit or Loss and Other Comprehensive Income on realization basis.

iii. Dividend income on share investments if any, are recognized on cash basis and shown in

Statement of Profit or Loss and Other Comprehensive Income account. For stock dividend, received by the company against its investment, number of shares increased and average cost of investment decreased.

j) Balance of Funds and Accounts:

These have been arrived at after making provision for unexpired Risks @ 40% of net premium income on all business except marine hull insurance where provision has been made at 100% on net premium income.

k) Reserves for exceptional losses:

As per Para 6 of 4th schedule of income tax ordinance, 1984 to meet the exceptional losses, company sets aside maximum ten percent of the net premium income of the year in which it is set aside from the balance of the profit to reserve for exceptional losses. As per Insurance law maximum 10% statutory reserve be maintained out of profit by the company to meet any possible future claims on net premium income. During the year under review of the company sets aside 5.45% of net premium income.

l) General Reserve:

The company creates a General Reserve Fund from the current year profit to avoid future contingency.

m) Statement of Cash Flows:

Statement of Cash Flows is prepared in accordance with IAS-7 and Bangladesh Accounting Standard (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. Statement of Cash Flows in broken down into operating activities, investing activities and financing activities.

n) Cash and Cash Equivalents :

According to BAS-7 Statement of Cash Flows Cash comprises cash in hand and demand deposits and cash equivalents are short term , highly liquid investments that are readily convertible to amounts of cash and which are subject to an insignificant risk of changes in value. IAS-1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of BAS-7 and IAS-1, Cash in hand and bank balances have been considered as cash and cash equivalents.

o) Foreign Currency transactions:

No Foreign Currency transactions were transacted during the year and thus the conversion of Foreign Currency into Bangladeshi Taka Currency not required during the year ended December 31, 2017. At the year end, the company held the foreign currency cost balance of USD that was held by the company since the last year.

p) Inventories:

In compliance with the requirement of BAS-2 Inventories are stated at the lower of cost and net realizable value. Net realizable value is based on estimated selling price less any further cost expected to be incurred to make the sale.

q) Segment Reporting:

A business segment is a distinguishable component of the company that is engaged in providing services that are subject to risks and returns and are different from those of other business segments. The company accounts for segment reporting of operating results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

2.14 Taxation

Current Tax

The Company makes provision of current tax based on the taxable income as per the Income Tax Ordinance 1984. Taxable profits differs from profits as reported in the Statement of Profit or Loss and Other Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other year or are never taxable or deductible. Company's liability for current tax is calculated using tax rates that have been enacted the Statement of Financial Position date.

Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary difference. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred tax is charged or credited to the Statement of Profit or Loss and Other Comprehensive Income.

2.15 Allocation of Management Expenses:

As per section 40 (C-2) insurance Act 1938 as amended Insurance Act 2010 all relevant management expenses have been allocated amongst different Revenue Account in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium income. Management expenses as charged to Revenue Accounts amounting to Tk.15,97,38,399.00 represents approximately 33.40% of Tk. 47,82,41,306.00 (Including public sector business of Tk.4,96,92,603.00).The expenses have been apportioned @45.47% to Fire, 26.50% to Marine Cargo, 2.55% to Marine Hull, 10.02% to Motor and 15.46% to miscellaneous business as per management decision.

2.16 Employees Benefit (BAS # 19)

Republic Insurance Company Limited offers a number of benefit plan for all permanent Employee's of the Company which includes Contributory Provident fund, Gratuity Fund, Earn Leave benefit ,Festival bonus which have been accounted for in accordance with the provision of Bangladesh Accounting standard (BAS)-19, "Employees benefit".

i) Contributory 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 @ 8% of Basic Salary. The Company also makes contribution of the same amount to the said provident fund.

ii) Provision for gratuity

The Company has made provision for employee's gratuity fund during the year as per provision of Service Rules of the Company under Sec 5.11. The Service Rules of Republic Insurance Company Limited was approved by the Board of Directors in January 03, 2013. As per the Sec 5.11 of the Service Rules gratuity shall be reckoned from July 1, 2004 & BAS-19 under employees retirement benefit schemes.

2.17 Workers Profit Participation Fund and Welfare Fund

As per Section 234 of Bangladesh Labour (Amendments) Act-2013 & requirement of Dhaka Stock Exchange Ltd vide letter No.DSE/CGFRC/LC-363/2014-5574 Dt.22 June 2014, Company made provision for WPPF @5% on Net profit before tax during the year.

2.18 Property, Plant & Equipment and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Depreciation has been charged using reducing balance method at different rates as under:

Category of Assets	Rate of Depreciation
Computer	30%
Furniture & Fixtures	10%
Office Equipments	20%
Vehicles	20%
Crockeries & Cutleries	20%
Air Conditioner	20%
Telephone	10%
Decoration	10%
Sundry Assets	20%
Computer Software	20%
Lease Car	10%

Depreciation on newly acquired assets are charged for irrespective of the date of acquisition. The rate of depreciation on Computer has been charged as per Sec-3 of the Third Schedule of Income Tax Ordinance 1984 by the Finance Act, 2008.

2.19 Leased Assets:

The company's policy is to account for lease payment in accordance the requirement of BAS 17 Lease. The operating lease rental payment charged to the Statement of Profit or Loss and Other Comprehensive Income when they arise. No asset is recognized in the financial statements asset acquired under operating lease.

Asset acquired under finance lease agreement is included in non current asset of the financial statement and depreciated over the economic life of asset. Present value of minimum lease payment is recognized as finance lease liability at the inception of the lease. Financial expense is charged to the statement of Profit or Loss and Other Comprehensive Income at the lessor's interest rate charged to this finance lease agreement.

2.20 Sale of Fixed assets

Sale price of fixed assets are determined on the basis of fair value of assets, Gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between sales proceeds and carrying amount of the assets and recognized on the Statement of Profit or Loss and Other Comprehensive Income as per provision of BAS-16 "Property, Plant and Equipment".

2.21 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 Statement of Profit or loss and Other Comprehensive Income in the Financial Statements.

2.22 Basic Earnings Per Share (BEPS):

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year (Net profit after taxation and provision).

2.23 Basic Earnings:

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

2.24 Diluted Earnings per share:

Diluted earnings per share reflects the potential dilution that could occur if additional ordinary shares assumed to be issued under securities or contracts that entitle their holders to obtain ordinary shares in future, to the extents such entitlement is not subject unresolved contingencies.

At December 31, 2017 there was no scope for dilution and hence no dilution EPS is required to be calculated.

2.25 Related Party Disclosure:

As per Bangladesh Accounting Standards (BAS) 24 "Related Party Disclosures" parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with its related parties. Related party disclosures have been given in Notes: 32.00.

2.26 Event after the Reporting Period (Financial Position date):

The Board of Directors has recommended 12.50% (Twelve and half percent) stock dividend on paid up capital for the year ended December 31, 2017 as per approval of Board Meeting held on April 16, 2018 as dividend on paid up capital of Tk.35,02,10,360 subject to the approval in the Annual General Meeting (AGM) to be held on May 27, 2018. Events after the reporting period, dividend declared should not be classified as a liability in the financial statements which is in compliance with the Bangladesh Accounting Standard (BAS-10) para 12.

2.27 General :

- Number of Employees received salary up to taka 3,000 per month are nil.
- Number of Employees received salary above taka 3,000 per month are 585.
- The Company has no contingent liability.
- The Board of Directors received no remuneration from the company other than fees for attending the Board meetings.
- During the year 8(eight) numbers of Board Meeting were held.
- All shares have been fully called and paid up.
- There were no preference share issued by the company.
- There were no bank guarantees issued by the company on behalf of their directors or the company itself.

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

Notes to the Financial Statements
For the year ended December 31, 2017

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
3.00 Share Capital:		
3.01 Authorized Capital:		
100,000,000 ordinary shares of Tk.10 each	**1,000,000,000**	**1,000,000,000**
3.02 Issued, Subscribed and Paid up capital: Tk. 35,02,10,360		
Issued, Subscribed and Paid up capital consists of 3,50,21,036 ordinary shares of Tk.10 each fully paid	350,210,360	312,687,830
	350,210,360	**312,687,830**

3.03 Shareholdings:

Pursuant to section 21 of Insurance Act. 2010 (The First Schedule), and Rule 4-A of Insurance Rules 1958 and the Memorandum and Articles of Association of the Company, The Company with the permission of Bangladesh Securities and Exchange Commission raised its Paid up Capital from Tk.6.00 Crore to Tk.15.00 Crore through Initial Public Offering (IPO) of 900,000 Ordinary Shares of Tk.100 each as per in October, 2008. Company issued 10% Stock dividend on 2009,2010,2011,12% on 2012, 12.5% on 2013, 10% on 2014, 13% on 2015 & 12% on 2016.So total paid capital increase from Tk.15.00 Crore to Tk.35.02 Crore. In the year 2011 the Company increased its authorized capital Tk.50.00 crore to Tk.100.00 crore and changed the per share value from Tk.100 to Tk.10 in the 3rd Extra Ordinary General Meeting held on 15th November 2011.The Company also got the necessary permission from Securities and Exchange Commission and maintained the all formalities required by the Register of Joint Stock Companies & Firms. The category-wise share holding position as on 31st December, 2017 is as under.

Particulars	2017		2016	
Category of Shareholders	No. of Shares	% of holding	No. of Shares	% of holding
1. Sponsors & Directors (Group-A)	21,976,112	62.75	11,267,890	36.04
2. General Public (Group-B)	13,044,924	37.25	20,000,893	63.96
Total	**35,021,036**	**100.00**	**31,268,783**	**100.00**

Group "A" Shareholders (Sponsors)

Class interval	No. of Shareholders	No. of Share	% Total holding	% of Total paid-up capital
1 to 500	-	-	-	-
501 to 5000	-	-	-	-
5001 to 10000	-	-	-	-
10001 to 20000	1	10,612	0.05	0.03
20001 to 30000	1	25,058	0.11	0.07
30001 to 40000	-	-	-	-
40001 to 50000	-	-	-	-
50001 to 100000	-	-	-	-
100001 to 1000000	8	5,848,839	26.61	16.70
1000001 to 10000000	6	16,091,603	73.22	45.95
Total	**16**	**21,976,112**	**100.00**	**62.75**

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

Group "B" Shareholders (Public)

Class interval	No. of Shareholders	No. of Share	% Total holding	% of Total paid-up capital
1 to 500	1197	177,890	1.36	0.51
501 to 5000	1292	1,985,739	15.22	5.67
5001 to 10000	86	608,363	4.66	1.74
10001 to 20000	46	652,439	5.00	1.86
20001 to 30000	20	485,850	3.72	1.39
30001 to 40000	14	485,291	3.72	1.39
40001 to 50000	3	134,884	1.03	0.39
50001 to 100000	7	564,004	4.32	1.61
100001 to 1000000	12	3,533,309	27.09	10.09
1000001 to 10000000	3	4,417,155	33.86	12.61
Total	**2680**	**13,044,924**	**100.00**	**37.25**

3.04 Share Capital(Paid up):Tk. 35,02,10,360

Opening balance	312,687,830	276,714,900
Add: Bonus share issued during the year	37,522,530	35,972,930
Total share capital (paid up)	**350,210,360**	**312,687,830**

4.00 Reserve and Contingent Account : Tk.17,23,99,340

The company has been made some exceptional reserves from net profit to meet any future contingencies like claims losses or any sudden future fund crisis. Details are as hereunder:

Particulars	Notes No.	Amount in Taka	
		31.12.2017	31.12.2016
Reserve for Exceptional losses	4.01	118,730,266	100,717,849
General Reserve	4.02	7,500,000	6,500,000
Retained Earnings	4.03	46,169,074	43,211,004
Total reserves & surplus		**172,399,340**	**150,428,853**

4. 01 Reserve for Exceptional Losses:

As per paragraph 6 of fourth schedule of Income Tax ordinance 1984. as earlier for the year 2016, 4.55% of the net premium income was transferred to reserve for exceptional losses. Details of calculation as hereunder:

Opening balance		100,717,849	85,588,025
Add: Reserve made during the year (tax exempted)	4.01(a)	18,012,417	15,129,824
Closing Balance as on December 31, 2017		**118,730,266**	**100,717,849**

4.01(a) Class wise reserve for Exceptional Losses:

This represents profit set aside during the year under review at 5.45% of net premium allowed as expenses to meet exceptional losses. The aforesaid set aside of profit has been allowed as expenses by paragraph 6 of 4th schedule of the Income Tax Ordinance, 1984.

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

Particulars	Net Premium	% on Net Premium	Amount in Taka	
			31.12.2017	31.12.2016
01. Fire insurance business	148,752,403	5.45%	8,107,006	5,899,724
02. Marine cargo insurance business	104,912,462	5.45%	5,717,729	5,601,292
03. Marine hull insurance business	10,662,405	5.45%	581,101	511,519
04. Motor insurance business	45,511,169	5.45%	2,480,359	2,145,503
05. Miscellaneous insurance business	20,664,623	5.45%	1,126,222	971,786
Total	**330,503,062**		**18,012,417**	**15,129,824**

4.02 General Reserve:

The company has created a general reserve fund for avoiding any sudden fund crisis and contingency in future.

Opening balance	6,500,000	5,500,000
Add: Reserve made during the year	1,000,000	1,000,000
Closing balance as on December 31, 2017	**7,500,000**	**6,500,000**

4.03 Retained Earnings:

Opening balance of undistributed profit	43,211,004	37,040,905
Less: Issuance of Bonus share	37,522,530	35,972,930
Retained earnings from previous year	5,688,474	1,067,975
Add: Net profit during the year	59,493,017	58,492,688
Add: Prior year adjustment	-	1,280,165
Total undistributed profit	**65,181,491**	**60,840,828**
Appropriation:		
Less: Reserve for Exceptional Losses	18,012,417	15,129,824
Less: General Reserve	1,000,000	1,000,000
Less: Provision for Gratuity	-	1,500,000
Closing balance of undistributed profit	**46,169,074**	**43,211,004**

5.00 Balance of funds and Accounts : Tk. 13,85,98,668

As per para 27A (2)(b) Insurance Act, 1938 for the purpose of sub-section (1) the company has made necessary provision for un-expired risk reserve during the year @40% of net premium on Fire, Marine Cargo, Motor, Miscellaneous and 100% on Marine Hull business. Classwise un-expired risk reserve is as follows:

Class of business	Net Premium	Percentage		
Fire	148,752,403	40%	59,500,961	51,865,704
Marine Cargo	104,912,462	40%	41,964,985	49,242,128
Marine Hull	10,662,405	100%	10,662,405	11,242,170
Motor	45,511,169	40%	18,204,468	18,861,563
Miscellaneous	20,664,623	40%	8,265,849	8,543,175
Total	**330,503,062**		**138,598,668**	**139,754,740**

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

6.00 Premium Deposits : Tk. 2,09,63,359

The above mentioned amount includes premium received against cover notes for which policies have not been issued within December 31,2017. While the risks against non-marine and marine hull have been assumed from the issuance of cover notes, risk against marine cargo have not been assumed until shipment adivces are provided and accrodingly policies are issued.

Fire	1,642,813	1,681,911
Marine Cargo	14,824,001	13,756,445
Marine Hull	26,250	26,250
Motor	-	309,159
Miscellaneous	234,375	234,375
Stamp duty	2,272,841	3,161,411
Excess deposit	1,963,079	1,303,345
Total	**20,963,359**	**20,472,896**

7.00 Estimated liability in respect of outstanding claims whether due or intimated: Tk. 5,41,75,367

Fire	47,132,280	53,159,240
Marine Cargo	6,238,623	6,130,782
Marine Hull	-	-
Motor	697,480	2,700,647
Miscellaneous	106,984	-
Total	**54,175,367**	**61,990,669**

All the claims of which the company received intimations within December 31, 2017 have been taken into consideration while estimating the liability in respect of outstanding claims.

8.00 Amount due to other persons or bodies carrying on insurance business: Tk.10,01,82,060

This amount is payable to Shadharan Bima Corporation on account of re-insurance arrangements with them and to other local insurance companies under co-insurance premium. Break up of the amount is as under:

Payable to SBC	99,457,336	89,776,819
Pioneer insurance company limited	561,000	561,000
Others insurance company Note- 8.00 (i)	163,724	163,724
Total	**100,182,060**	**90,501,543**

8.00(i) Others insurance company

Express insurance company limited	122,980	122,980
Reliance insurance company limited	40,744	40,744
	163,724	**163,724**

9.00 Provision for Workers 'Profit participation and welfare fund(WPPF): Tk. 1,38,57,345

Opening balance	9,437,028	4,799,582
Add: Provision made during the year	4,420,317	4,637,446
Total	**13,857,345**	**9,437,028**

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

Provision made 5% on net profit before tax during the year as per Sec-234 of Bangladesh Labour (amendment) Act-2013.

The Company has not yet established a Trustee Board to administor the Fund. As such no payment was made since its establishment.

10.00 Provision for Income Tax: Tk. 11,40,07,509

Opening balance	88,029,801	55,375,793
Add: Provision made during the year	26,500,000	32,600,000
Add: Provision for Income Tax on Capital gain-2017	7,509	54,008
	26,507,509	32,654,008
Total Tax Liability	114,537,310	88,029,801
Payment during the year :		
Income Tax on Capital gain-2016	54,008	-
	114,483,302	88,029,801
Adjusted during the year :		
Less:Adjusted Capital gain Tax Assessment year(2015-2016)with Advance Income Tax	155,406	-
Less:Adjusted Capital gain Tax Assessment year(2016-2017) with Advance Income Tax	320,387	-
Provision for Income Tax as at December 31, 2017	**114,007,509**	**88,029,801**

11.00 Sundry Creditors: Tk. 4,11,03,754

Salaries and Allowances		8,877,195	7,066,855
Security deposit (Against Open Policy)		934,000	834,000
Audit fees payable (Malek Siddiqui Wali)		280,000	280,000
Audit fees payable (Special Audit)		295,500	295,500
Gazi Satellite Television Limited		1,500,000	1,500,000
Gratuity fund	Note-11.00(b)	6,958,291	7,276,283
Insurance stamp		3,953,289	8,988,751
Income Tax (deduction at source)		207,903	270,902
Income Tax against agent commission		2,496,686	3,148,384
VAT (deduction at source)		603,774	662,612
Liability vat December, 2017		4,234,668	4,390,255
Provident Fund employees contribution		231,744	340,038
Provident Fund employers contribution		231,744	340,038
Provident Fund loan recovery		256,762	189,825
Loan from RICL Employees Provident Fund		1,000,000	-
HR Holdings Limited (Office maintenance & Electric Bill)		150,533	154,462
Continental Courier Service		41,000	29,305
Share Application Money (GP & NRB)	Note-11.00 (a)	3,371,353	3,371,353
Lease advance realization		5,386,456	5,221,714
M/s. Confidence software Limited		30,000	30,000
Office Rent & Service Charges		62,856	62,856
Total		**41,103,754**	**44,453,133**

11.00(a) As per rules of SEC for IPO issue, RICL issued all refund warrants to the unsuccessful application for the year 2008 out of which Tk.3,371,353 (General Public Tk.3,034,463 & Non-resident Bangladeshi (NRB) equivalent to BDT-336,890) have not been encashed prior to December 31, 2017.

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

11.00(b) Provision for Gratuity Fund : Tk. 69,58,291

Opening balance	7,276,283	6,431,057
Add: Provision made during the year	1,500,000	1,500,000
	8,776,283	7,931,057
Less: Paid during the year	1,817,992	654,774
Total provision for Gratuity Fund	**6,958,291**	**7,276,283**

The company has made provision for employees gratuity fund during the year "As per provision of service rules of the company under Sec.5.11 " .The service rules of Republic insurance company limited approved by the Board of Directors on January 03, 2013 as per service rules Sec 5.11 (Note-A) gratuity shall be recognized from 1st July, 2004) & BAS-19 under employees retirement benefit scheme. Balance of Tk.69,58,291 shown on Sundry Creditors Account.

12.00 Property, Plant & Equipment : Tk. 2,40,60,168

A. Cost price:		
Cost of Fixed Assets as on January 1, 2017	63,131,858	60,154,097
Add: Addition during the year	2,725,089	2,977,761
Less: Adjustment / Disposal during the year	(153,000)	-
Cost of Fixed Assets as on December 31, 2017	65,703,947	63,131,858
B. Accumulated Depreciation:		
Accumulated Depreciation balance as on January 1, 2017	38,977,649	36,146,190
Add: Depreciation during the year	2,785,038	2,831,459
Less: Adjustment/ Disposal during the year	(118,908)	-
Accumulated Depreciation balance as on December 31, 2017	41,643,779	38,977,649
Written down value as on December 31, 2017 (A-B)	**24,060,168**	**24,154,209**

A schedule of Fixed Assets has been given in Annexure-A.

13.00 Statutory Deposit with Bangladesh Bank: Tk. 2,50,00,000

Sl. No.	Particulars of Investment	Cost Value
1	Govt. Treasury Bond (Deposit with Jamuna Bank Ltd)	25,000,000

A sum of Tk.25,000,000 was invested in Bangladesh Bank Govt. Treasury Bond at cost kept with Jamuna Bank Limiited as statutory deposit as required under section 23 and 24 of the Insurance Act. 2010 (The First schedule item 2 (B). The details of the investment is as follows:

Nature of Security	ISIN No.	Interest Rate	Issue date	Maturity date	Amount (Tk.)
10YBGTB	BD09233301107	12%	13.02.2013	13.02.2023	2,50,00,000

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

14.00 Investment in Shares at Market Value: Tk.2,14,52,074

Name of the Company	No. of Shares as on 31.12.2017	Average cost price as on 31.12.2017	Market price as on 31.12.2017	Cost Value as on 31.12.2017	Market value as on 31.12.2017	Profit / (Loss)
ACI Limited	1,441	27.74	459.80	39,980	662,572	622,592
Beximco Limited	6,182	25.91	27.00	160,152	166,914	6,762
DESCO	1,526	14.12	45.40	21,550	69,280	47,730
Exim Bank Limited	3,764	2.01	17.20	7,575	64,741	57,166
ICB Islamic Bank Limited	10,900	10.00	7.00	109,000	76,300	(32,700)
IFIC Bank Limited	32,804	23.61	18.00	774,590	590,472	(184,118)
Islami Bank (BD) Limited	996	12.08	36.60	12,030	36,454	24,424
Lafarge Surma Cement Limited	3,000	24.67	69.90	74,016	209,700	135,684
Mercantile Bank Limited	23,520	11.77	26.40	276,800	620,928	344,128
Mutual Trust Bank Limited	25,387	13.18	35.00	334,500	888,545	554,045
National Bank Limited	33,396	8.93	13.00	298,300	434,148	135,848
NCC Bank Limited	64,081	20.35	17.70	1,304,325	1,134,234	(170,091)
One Bank Limited	15,313	10.34	24.00	158,350	367,512	209,162
Phoenix Finance & Investment Limited	4,633	105.89	37.70	490,610	174,664	(315,946)
Premier Bank Limited	13,576	9.58	15.70	130,000	213,143	83,143
Pubali Bank Limited	5,740	40.64	30.40	233,268	174,496	(58,772)
South East Bank Limited	17,798	13.77	22.20	245,089	395,116	150,027
Standard Bank Limited	6,472	4.62	15.60	29,896	100,963	71,067
Summit Power Limited	922	3.04	35.90	2,800	33,100	30,300
United Commercial Bank Limited	16,222	24.94	23.60	404,500	382,839	(21,661)
The ACME Laboratories Limited	128,561	85.20	114.00	10,953,397	14,655,954	3,702,557
Total	**416,234**			**16,060,728**	**21,452,074**	**5,391,346**

14.00 (i) Change in Fair value of Marketable Securities:

Fair value of investment in shares	21,452,074	17,806,636
Less: Cost price of the investment	16,060,728	16,060,728
Total unrealised profit as on 31 December	5,391,346	1,745,908
Total unrealised profit/(loss) recognized in previous year	1,745,908	(683,356)
Fair value profit /(loss) made during the year (recognized in profit or loss statement)	**3,645,438**	**2,429,264**

15.00 Stock of Printing and Stationery : Tk.11,61,991

Printing	1,128,253	1,151,474
Stationery	33,738	96,965
Total	**1,161,991**	**1,248,439**

16.00 Amount due from other persons or bodies carrying on insurance business : Tk.20,78,03,151

This balance represents receivable from Sadharan Bima Corporation (SBC) and other insurance companies on account of claims recoverable, Public sector business, Engineering surplus treaty & Co-insurance business. Break up of the amount is as under:

Receivable from Sadharan Bima Corporation		205,928,899	195,257,401
Receivable from others insurance company against co-insurance business	Note- 16.00 (i)	1,874,252	1,874,252
Total		**207,803,151**	**197,131,653**

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
16.00(i) Details of receivable against Co-insurance business:		
City General Insurance Company Limited	806,711	806,711
Asia Pacific Insurance Company Limited	265,073	265,073
Karnaphuli Insurance Company Limited	14,926	14,926
Reliance Insurance Company Limited	39,195	39,195
Green Delta Insurance Company Limited	375,119	375,119
Progati Insurance Company Limited	120,579	120,579
Union Insurance Company Limited	210,499	210,499
Federal Insurance Company Limited	42,150	42,150
	1,874,252	**1,874,252**
17.00 Interest Accrued : Tk.2,01,28,674		
Accrued interest on FDR Account:		
Opening balance	20,271,672	21,809,178
Add: Accrued during the year	24,653,662	30,628,369
Less: Received during the year	25,843,937	32,165,875
Total Accrued interest on FDR Account	**19,081,397**	**20,271,672**
Accrued interest on Treasury Bond:		
Opening balance	1,047,277	1,047,277
Add: Accrued during the year	2,770,500	2,770,500
Less: Received during the year	2,770,500	2,770,500
Total Accrued interest on Treasury Bond	**1,047,277**	**1,047,277**
Total	**20,128,674**	**21,318,949**

The amount represents interest earned/accrued but not received during the year.

18.00 Sundry Debtors (including advances, deposits and pre-payments): Tk. 23,75,25,157

The following items are unsecured but considered as good and this consists of as follows:

Advance Office Rent (Branches)		2,657,519	2,629,337
Advance Office Rent (Head Office)		-	1,221,120
Advance CNG Conversion		5,250	52,729
Advance printing		300,000	350,000
Advance Income Tax	Note-18.00(a)	161,031,599	122,468,249
Advance for office space purchase	Note-18.00(d)	9,422,900	9,422,900
Advance against legal fees		210,000	210,000
Advance against salary		176,648	9,000
Advance against Computer Software		-	225,000
Advance against Vehicle purchase		8,500,000	-
Advance against Agent commission and others		3,570,762	6,535,881
Collection Control Accounts		36,845,437	14,322,580
Deposit Clearing		6,601,197	6,601,197
Short deposit		6,562,645	6,562,645
Security deposit (Telephone)		75,600	75,600
Security deposit (Office Rent)		1,565,600	725,600
Total		**237,525,157**	**171,411,838**

		For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
18.00(a) Advance Income Tax			
Opening balance		122,468,249	87,972,917
Add: Payment during the year			
Deduction at source during the year, 2017	Note-{18.00(b)}	2,691,268	3,371,186
Advance Income Tax against Capital gain 2015		-	320,387
Advance payment against Assessment year (2013-2014)		11,892,875	8,000,000
Advance payment against Assessment year (2014-2015)		1,600,000	2,875,000
Advance payment against Assessment year (2015-2016)		-	-
Advance payment against Assessment year (2016-2017)		-	12,000,000
Advance payment against Assessment year (2017-2018)		16,560,000	7,708,759
Advance payment against Assessment year (2018-2019)		6,000,000	-
Advance Income Tax against Car registration	Note-{18.00(c)}	295,000	220,000
Total Advance Income Tax Payment during the year		**161,507,392**	**122,468,249**
Less:Adjusted Capital gain Tax Assessment year(2015-2016) with Provision for Income Tax		155,406	-
Less:Adjusted Capital gain Tax Assessment year(2016-2017) with Provision for Income Tax		320,387	-
Balance as at December 31, 2017		**161,031,599**	**122,468,249**

18.00(b) Deduction at source during the year

FDR Account	2,597,851	3,178,936
STD Account	93,417	192,250
	2,691,268	**3,371,186**

18.00(c) Advance Income Tax (Car registration)

Advance Income Tax Car registration-2017	**295,000**	**220,000**

18.00(d) The company paid as advance for purchase of 1289 sft floor space at IPL SF Tower at Agrabad C/A, Chittagong. Total Advance paid up to December 31, 2017 Tk.94,22,900.

19.00 Fixed deposit with Banks : Tk. 41,98,24,061

Opening balance	407,449,351	402,894,335
Add: Addition during the year	40,031,580	23,178,390
Less: Encashment during the year	27,656,870	18,623,374
Total	**419,824,061**	**407,449,351**
Statement of Bank wise Fixed Deposit Account:		
A B Bank Ltd	11,400,000	13,400,000
Al Arafah Islami Bank Ltd	31,200,000	34,489,690
Agrani Bank Ltd	1,000,000	1,000,000
Bangradesh Commerce Bank Ltd	6,800,000	6,800,000
Brac Bank Ltd	9,235,513	5,180,846
Basic Bank Ltd	-	2,400,000
Bangladesh Krishi Bank	1,400,000	1,400,000
Bank Asia Ltd	17,300,000	17,378,750
The City Bank Ltd	700,000	700,000
Dhaka Bank Ltd	15,200,000	17,200,000
Dutch Bangla Bank Ltd	5,000,699	5,000,699
EXIM Bank Ltd	39,400,000	38,562,000
Eastern Bank Ltd	8,625,926	9,310,936

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
First Security Bank Ltd	11,700,000	11,788,250
IFIC Bank Ltd	17,700,000	15,223,625
IDLC Finance Ltd	-	2,000,000
Islami Bank (BD) Ltd	15,000,000	12,063,730
Jamuna Bank Ltd	29,000,000	25,035,775
Mutual Trust Bank Ltd	9,800,000	9,800,000
Mercantile Bank Ltd	10,500,000	8,000,000
NCC Bank Ltd	11,500,000	11,500,000
National Bank Ltd	4,300,000	4,340,775
NRB Commercial Bank Limited	10,000,000	5,000,000
NRB Global Bank Limited	5,000,000	5,000,000
National Bank of Pakistan	3,000,000	3,000,000
One Bank Ltd	6,000,000	7,000,000
Prime Bank Ltd	5,961,923	5,800,000
Pubali Bank Ltd	22,100,000	22,181,775
The Premier Bank Ltd	8,600,000	9,678,750
Rupali Bank Ltd	1,000,000	1,000,000
Social Islami Bank Ltd	24,000,000	23,081,000
Standard Bank Ltd	14,000,000	14,361,500
Shahjalal Islami Bank Ltd	12,600,000	11,600,000
Southeast Bank Limited	19,100,000	18,471,250
The Trust Bank Ltd	4,000,000	4,000,000
Uttara Bank Ltd	200,000	200,000
Janata bank	500,000	500,000
Rajshai Krishi Unnayn Bank	3,000,000	3,000,000
State Bank of India	3,000,000	3,000,000
Bangladesh Development Bank (BDB)	500,000	500,000
UCB Limited	14,500,000	15,500,000
SBAC Bank Limited	2,000,000	2,000,000
Madhumoti Bank Ltd	2,000,000	-
Meghna Bank Ltd	2,000,000	-
Total	**419,824,061**	**407,449,351**

20.00 Cash and Cash Equivalents : Tk. 4,34,35,735

Cash at Bank	38,462,907	40,801,748
Cash in hand	4,972,828	3,738,124
Total	**43,435,735**	**44,539,872**

Cash at Bank is inclusive of Refund warrants of Tk.3,371,353 out of which issued to the unsuccessful applicants against IPO but not encashed prior to December 31, 2017 lying with STD Account of the The City Bank Ltd, Principal Branch, Dhaka.

21.00 Interest Income: Tk. 2,82,84,785

Interest received on:		
FDR Account	5,572,265	10,356,697
STD Account	860,623	872,683
Government Treasury Bond	1,723,223	1,723,223
	8,156,111	**12,952,603**
Accrued interest on:		
FDR Account	19,081,397	20,271,672
Government Treasury Bond	1,047,277	1,047,277
	20,128,674	**21,318,949**
Total	**28,284,785**	**34,271,552**

		For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
22.00 Share Investment and Dividend income : Tk. 38,99,755			
Change in Fair value of Marketable securities [Note-14.00 (i)]		3,645,438	2,429,264
Profit / (Loss) sale on share [Note 22.00 (i)]		-	3,637,300
Cash dividend		254,317	739,587
Total		**3,899,755**	**6,806,151**
22.00(i) Profit / (Loss) sale on share			
Cost value of share The ACME Laboratories Limited		-	10,905,600
Sale value of share The ACME Laboratories Limited		-	14,542,900
Profit on sale of share		**-**	**3,637,300**
23.00 Other Income : Tk. 6,22,637			
Profit / (loss) on sale of Fixed Assets	Note-23.00(i)	50,058	360,055
Service charges (policy cancelled charges)		507,061	628,384
Foreign currency translation gain		65,518	-
Sale of old goods		-	-
Total		**622,637**	**988,439**
23.00 (i) Profit on sale of Fixed Assets :Tk. 50,058			
a. Sale of Vehicle:			
Cost of Vehicle		153,000	-
Accumulated depreciation		118,908	-
Written down value		34,092	-
Disposal proceeds		84,150	-
Profit/ (Loss) on sale of Vehicle		**50,058**	**-**
b. Sale of lease Car:			
Cost of lease Car		-	3,570,000
Accumulated depreciation		-	1,620,055
Written down value		-	1,949,945
Disposal proceeds /Lease advance realized		-	2,310,000
Profit / (loss) on sale of Lease Car		**-**	**360,055**
c. Capital gain on Fixed Assets			
Profit on sale of Vehicle		50,058	-
Profit on sale of lease Car		-	360,055
Net Capital gain		**50,058**	**360,055**
24.00 Deferred Tax: Tk.34,59,948			
Property, Plant and Equipment at Tax base(excluding land)		26,551,341	28,879,471
Property, Plant and Equipment at Accounting base(excluding land)		19,468,415	19,745,434
Temporary difference		7,082,926	9,134,037
Tax rate		40.00%	40.00%
Deferred Tax		2,833,170	3,653,615
Gratuity Provision at Accounting base		6,958,291	7,276,283
Gratuity Provision at Tax base		-	-

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
Temporary difference	6,958,291	7,276,283
Tax rate	40.00%	40.00%
Deferred Tax	2,783,316	2,910,513
Marketable security at Tax base	16,060,728	16,060,728
Marketable security at Accounting base	21,452,074	17,806,636
Temporary difference	(5,391,346)	(1,745,908)
Tax rate	40.00%	40.00%
Deferred Tax	(2,156,538)	(698,363)
Deferred balance	**3,459,948**	**5,865,765**
Charged to Statement of Profit or Loss and Other Comprehensive Income	**(2,405,817)**	**(1,602,216)**

25.00 Premium less re-insurance : Tk. 33,05,03,062

Class of business	Premium earned		Total Premium earned	Less: Re-insurance premium ceded			Amount in Taka 31.12.2017	Amount in Taka 31.12.2016
	Direct business	Public sector business		Direct business	Public sector business	Total	Net premium earned	Net premium earned
1	**2**	**3**	**4=(2+3)**	**5**	**6**	**7=(5+6)**	**8=(4-7)**	**9**
Fire	212,249,020	5,203,264	217,452,284	64,525,469	4,174,412	68,699,881	148,752,403	129,664,259
Marine Cargo	109,077,892	17,677,378	126,755,270	8,311,719	13,531,089	21,842,808	104,912,462	123,105,321
Marine Hull	11,955,820	234,413	12,190,233	1,425,000	102,828	1,527,828	10,662,405	11,242,170
Motor	45,369,580	2,552,342	47,921,922	2,348,121	62,632	2,410,753	45,511,169	47,153,908
Miscellaneous	49,896,391	23,304,103	73,200,494	31,025,188	22,231,786	53,256,974	19,943,520	20,455,935
Re-insurance Accepted	-	721,103	721,103	-	-	-	721,103	902,003
Total Taka	**428,548,703**	**49,692,603**	**478,241,306**	**107,635,497**	**40,102,747**	**147,738,244**	**330,503,062**	**332,523,596**

26.00 Commission on re-insurance ceded : Tk. 2,86,41,596

Class of business	Commission on re-insurance ceded		Amount in Taka	
	Direct Business	Public Sector Business	31.12.2017	31.12.2016
Fire	17,424,803	545,229	17,970,032	18,152,330
Marine Cargo	2,356,828	2,672,933	5,029,761	4,950,016
Marine Hull	250,950	5,655	256,605	336,434
Motor	481,561	-	481,561	255,879
Miscellaneous	2,021,946	2,881,691	4,903,637	3,435,188
Total Taka	**22,536,088**	**6,105,508**	**28,641,596**	**27,129,847**

27.00 Profit commission: Tk. 15,64,859

Class of business	Profit Commission		Amount in Taka	
	Direct Business	Public Sector Business	31.12.2017	31.12.2016
Fire	-	-	-	4,228,400
Marine Cargo	1,564,859	-	1,564,859	-
Marine Hull	-	-	-	-
Motor	-	-	-	-
Miscellaneous	-	-	-	-
Total Taka	**1,564,859**	**-**	**1,564,859**	**4,228,400**

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka

28.00 Expenses of Management: Tk. 15,97,38,399

Class of business:		
Fire	72,633,050	72,989,907
Marine Cargo	42,330,676	50,906,920
Marine Hull	4,073,32	4,752,370
Motor	16,005,788	17,090,766
Miscellaneous	24,695,556	16,031,194
Total	**159,738,399**	**161,771,157**

Allocation of Management Expenses:

Classes of Business	Gross Premium Income	Percentage (%) 2017	Amount in Taka 31.12.2017	Amount in Taka 31.12.2016
Fire	217,452,284	45.47	72,633,050	72,989,907
Marine Cargo	126,755,270	26.50	42,330,676	50,906,920
Marine Hull	12,190,233	2.55	4,073,329	4,752,370
Motor	47,921,922	10.02	16,005,788	17,090,766
Miscellaneous	73,921,597	15.46	24,695,556	16,031,194
Total	**478,241,306**	**100.00**	**159,738,399**	**161,771,157**

Expenses of Management : Tk. 15,97,38,399
This Consists of the Following:

Salary & Allowances	103,555,694	104,567,215
Bonus (Eid-Ul-Fitre, Eid-Ul Azha'2017)	12,188,257	10,980,882
Business promotional expenses	-	632,260
Incentive bonus	-	-
Photocopy bill	322,258	320,811
Procurement provider (printing)	2,734,432	3,720,535
Stationery	599,639	536,430
Postage	177,750	141,173
Revenue stamp	326,580	325,880
Entertainment	566,431	247,936
Conveyance	949,321	852,325
Electric bill	1,463,891	1,535,123
Electric expenses	125,952	84,307
Telephone expenses	13,350	12,635
Telephone bill	561,458	1,787,539
Computer expenses	749,258	687,526
Currier bill	133,841	159,774
Generator fuel	226,453	253,072
Wasa bill	353,646	284,098
Paper & periodicals	106,844	104,759
Car fuel	1,426,653	1,175,990
Car allowances	-	2,315,293
Repairs & maintenance (Car)	1,037,955	818,872
Office maintenance	1,062,911	1,025,886
Repairs & maintenance (others)	526,670	389,903
Gift item	-	302,630
Miscellaneous expenses	184,552	156,848

	For the year ended 31 December 2017 Taka	For the year ended 31 December 2016 Taka
Travelling expenses	1,234,608	1,108,639
Board Meeting expenses	-	91,014
Service charges(co-insurance)	559,516	565,039
Utility Charges (office)	-	52,512
Office Rent	17,527,970	16,236,019
Service charges (Rent)	80,111	768,910
Bank charges	902,021	327,113
Insurance premium	413,488	525,930
IT expenses	1,288,270	1,173,605
Washing allowance	-	24,600
Service benefit	1,714,478	1,302,360
Conference expenses	-	-
Management expenses (Govt. business)	3,665,842	3,184,502
Business expenses (Govt. business)	40,000	40,000
Provident Fund Employers Contribution	2,918,299	2,951,212
Total	**159,738,399**	**161,771,157**

29.00 Schedule of Vat payments: Tk. nil

Opening balance	-	-
Add:		
Vat payment to Govt. during the year 2017	47,452,760	44,771,820
Payment against outstanding vat (December, 2017)	4,234,668	4,390,255
	51,687,428	49,162,075
Less: Vat collected during the year 2017	51,687,428	49,162,075
Total	**-**	**-**

30.00 Prior year adjustment : Tk.12,80,165

The company received lease advanced from the employee's against car that should had been adjusted with cost of transferred vehicle. Adjustment was made correctly but the balance of "Lease advanced realization" was wrongly transferred without adjusting this amount. As the matter was related to before the Comparative Financial Statements, so the opening balance of Comparative Financial Statements have restated in this respect by adjusting amount from "Lease advance realization" with retained earnings.

31.00 Calculation of EPS, NAV & NOCF

31.01 Earnings Per Share(EPS) :

a. Net profit after tax	59,493,017	58,492,688
b. Weighted average number of ordinary shares outstanding during the year	35,021,036	35,021,036
c. Earnings Per Share after Tax (c= a/b) (Restated for 2016)	**1.70**	**1.67**

31.02 Net Assets Value (NAV)

The offering price of the common stock of the company has been determind on the basis of net assets value. The breakup is given below:

Net Assets Value	522,609,700	463,116,683
Number of weighted average shares outstanding during the year	35,021,036	31,268,783
Net Assets Value per share (NAV) (Restated for 2016)	**14.92**	**14.81**

31.03 Net Operating Cash Flows (NOCF) per share

Net operating cash flows	22,430,144	7,764,409
Weighted average number of outstanding shares	35,021,036	31,268,783
Net Operating Cash Flows (NOCF) per share	**0.64**	**0.25**

32.00 Related Party Disclosure:

Details transactions with related parties and balances with them as at December 31, 2017 are as follows:

Name of the Related Party	Relationship	Nature of Transaction	Premium earned during the year	Premium outstanding during the year	Claims paid during the year
Karnaphuli Group			62,976,348	-	923,838
Karnaphuli Limited Karnaphuli Industries Limited Karnaphuli Works Limited Holy Crescent Hospital Ltd. K & T Logistics	Common Director	Insurance business			
Unitex Textile Mills Ltd. Unitex Spinning Mills Ltd.	Chairman	Insurance business	14,154,756	-	39,500
Multidrive Limited	Common Director	Insurance business	99,899		-
Gazi Group			67,187,680	-	17,000
Gazi Tyres Gazi Tanks Gazi Pamps & Motors Gazi International Gazi Satellite Television	Common Director	Insurance business			
Gasmin Limited Show motion Limited	Common Director	Insurance business	3,206,698	-	-
Ali Kawsar	Common Director	Insurance business	76,084		-
During the year the Company sold its old vehicle to the following employee :					
Name	Designation	WDV of vehicle	Disposal proceeds		
1. Md.Khan Mahfuzur Rahman	AVP	34,092	84,150		
Total		**34,092**	**84,150**		

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT

For the year ended December 31, 2017

Annexure -A

Particulars	Cost				Depreciation					
	Cost as on 01.01.2017	Addition during the year	Disposal during the year	Balance as on 31.12.2017	Rate Of Depre - ciation.	Balance as on 01.01.2017	Disposal during the year	Charged during the year	Total as on 31.12.2017	Written down Value as on 31.12.2017
1	**2**	**3**	**4**	**5=(2+3-4)**	**6**	**7**	**8**	**9**	**10=(7-8+9)**	**11=(5-10)**
Computer	4,132,668	308,156	-	4,440,824	30.00%	3,473,557	-	241,717	3,715,274	725,550
Furniture & Fixtures	9,086,947	134,500	-	9,221,447	10.00%	5,150,551	-	402,078	5,552,629	3,668,818
Office Equipments	3,090,601	294,801	-	3,385,402	20.00%	2,546,274	-	119,561	2,665,835	719,567
Vehicles	19,677,750	1,250,000	(153,000)	20,774,750	20.00%	14,945,175	(118,908)	1,088,296	15,914,563	4,860,187
Crockeries & Cutleries	213,754	-	-	213,754	20.00%	183,090	-	6,133	189,223	24,531
Air Conditioner	5,940,493	103,990	-	6,044,483	20.00%	5,218,800	-	156,647	5,375,447	669,036
Telephone	352,660	-	-	352,660	10.00%	214,983	-	13,768	228,751	123,909
Office Decoration	13,351,807	127,692	-	13,479,499	10.00%	6,340,352	-	707,121	7,047,473	6,432,026
Land and Land development	6,238,556	-	-	6,238,556	-	-	-	-	-	6,238,556
Sundry Assets	290,862	35,700	-	326,562	20.00%	283,745	-	3,721	287,466	39,096
Computer Software	755,760	470,250	-	1,226,010	20.00%	621,122	-	45,996	667,118	558,892
Sub Total	**63,131,858**	**2,725,089**	**(153,000)**	**65,703,947**		**38,977,649**	**(118,908)**	**2,785,038**	**41,643,779**	**24,060,168**
-										
Lease Car	3,350,000	-	-	3,350,000	10%	1,520,219	-	182,978	1,703,197	1,646,803
Sub Total	***3,350,000***	***-***	***-***	***3,350,000***		***1,520,219***	***-***	***182,978***	***1,703,197***	***1,646,803***
Grand Total	***66,481,858***	***2,725,089***	***(153,000)***	***69,053,947***		***40,497,868***	***(118,908)***	***2,968,016***	***43,346,976***	***25,706,971***

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

FORM-SM
STATEMENT OF SOLVENCY MARGIN
For the year ended December 31, 2017

S.L. No.	Particulars	31 December 2017 Amount in taka	31 December 2016 Amount in taka
1	Adjusted Assets	793,072,672	713,510,636
2	Adjusted Liabilities	344,289,394	316,165,234
3	Available Solvency Margin (ASM) (1-2)	448,783,278	397,345,402
4	Required Solvency Margin (RSM)	136,871,655	133,009,438
5	Solvency Ratio (ASM) /(RSM) times	3.28	2.99

Place: Dhaka
Dated: 16 April, 2018

Malek Siddiqui Wali
Chartered Accountants

AMAR STOCK

Net Assets Value:
The offering price of the common stock of the company has been determind on the basis of net assets value. The breakup is given below:

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
A. Assets			
a. Fixed Assets (Non-Current Assets)		24,060,168	24,154,209
Lease Car		1,646,803	1,829,781
Statutory Deposit with Bangladesh Bank (Government Treasury Bond)		25,000,000	25,000,000
Deferred Tax		3,459,948	5,865,765
Investment in Shares at market price		21,452,074	17,806,636
Total Fixed Assets		**75,618,993**	**74,656,391**
b. Current Assets:			
Stock of Printing and Stationery		1,161,991	1,248,439
Amount due from other person or bodies carrying on insurance business		207,803,151	197,131,653
Interest Accrued 20,128,674 21,318,949			
Sundry Debtors (including advances, deposits and pre-payments)		237,525,157	171,411,838
Fixed Deposit with Banks		419,824,061	407,449,351
Cash and Cash Equivalents		43,435,735	44,539,872
Total Current Assets		**929,878,769**	**843,100,102**
Total Assets A= (a+b)		**1,005,497,762**	**917,756,493**
B. Liabilities :			
a. Non Current Liabilities :			Restated
Paid up Share Capital		350,210,360	312,687,830
Reserve and Contingent Account :			
Reserve for Exceptional Losses		118,730,266	100,717,849
General Reserve		7,500,000	6,500,000
Profit and Loss Appropriation Account		46,169,074	43,211,004
Total Non-Current Liabilities		**522,609,700**	**463,116,683**
b. Current Liabilities :			
Balance of Funds and Accounts		138,598,668	139,754,740
Premium Deposits		20,963,359	20,472,896
Estimated Liability in respect of outstanding Outstanding claims whether due or intimated		54,175,367	61,990,669
Amount due to other persons or bodies carrying on insurance business		100,182,060	90,501,543
Provision for Taxation		114,007,509	88,029,801
Provision for WPPF		13,857,345	9,437,028
Sundry Creditors		41,103,754	44,453,133
Total Current Liabilities		**482,888,062**	**454,639,810**
Total Liabilities B= (a+b)		**1,005,497,762**	**917,756,493**
Net Asstes Value: (A-B.b)		**522,609,700**	**463,116,683**
		-	
Number of weighted average shares outstanding during the year		**35,021,036**	**31,268,783**
Net Assets Value per share (NAV)		**14.92**	**14.81**
Current Ratio (Times)		**1.93**	**1.85**

Particulars	Notes	31 December 2017 Taka	31 December 2016 Taka
a. Net profit before tax		88,406,343	92,748,912
Less: Provision for taxation		26,507,509	32,654,008
Less: Deferred Tax		2,405,817	1,602,216
		28,913,326	**34,256,224**
b. Net profit after tax		**59,493,017**	**58,492,688**
Ordinary share as at 1st January 2017		31,268,783	276,714,900
Add : Bonus Share Issued during the year		3,752,253	3,597,293
c. Weighted average number of ordinary Shares outstanding during the year		35,021,036	31,268,783
d. Earnings Per Share after Tax (d=b/c) Restated		**1.70**	**1.67**

AMAR STOCK

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

PROXY FORM

I/We _____
of _____
being a member(s) of Republic Insurance Company Limited hereby appoint Mr./Ms. _____
_____ of _____
as my/our proxy to attend and vote for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Sunday, the May 27, 2018 and at any and or at any adjournment thereof.
Signed this _____ day of _____ 2018.

Revenue Stamp 20/=

Signature of Shareholder(s) _____ Signature of the Proxy: _____
BO ID: _____
No. of Shares held: _____

_____ _____
Authorized Signature Signature verified
Republic Insurance Company Limited

N.B. : Important

The Proxy Form, duly complete, signed and affixed with revennue stamp of Tk. 20/- must be deposited at least 48 hours before the time fixed for the meeting at the Company's Registred Office. Proxy will be invalid if not signed and stamped as explained above.

Signature of the Shareholder should match with the Specimen Signature registered with the Company

Republic Insurance Company Limited
রিপাবলিক ইনস্যুরেন্স কোম্পানী লিমিটেড

ATTENDANCE SLIP

I hereby record my attendance at the 18th Annual General Meeting of the Company being held on Sunday, the May 27, 2018 at IDED Bhaban, 160/A, Kakrial, Dhaka-1000.

Signature of Shareholder(s) _____ Signature of the Proxy: _____
Name of Shareholder(s) _____ Name of Proxy: _____
BO ID: _____
No. of Shares held: _____

_____
Authorized Signature
Republic Insurance Company Limited

N. B.: Shareholders attending the meeting in person or by Proxy are requested to complete this Attendance Slips. Signature of Shareholder should confirm to the specimen signature record with the Company.

Please bring this Attendance Slip with you. Admission into the meeting room will not be allowed without it.

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