29th YEAR
Annual General Meeting of Rupali Insurance Co. Ltd.

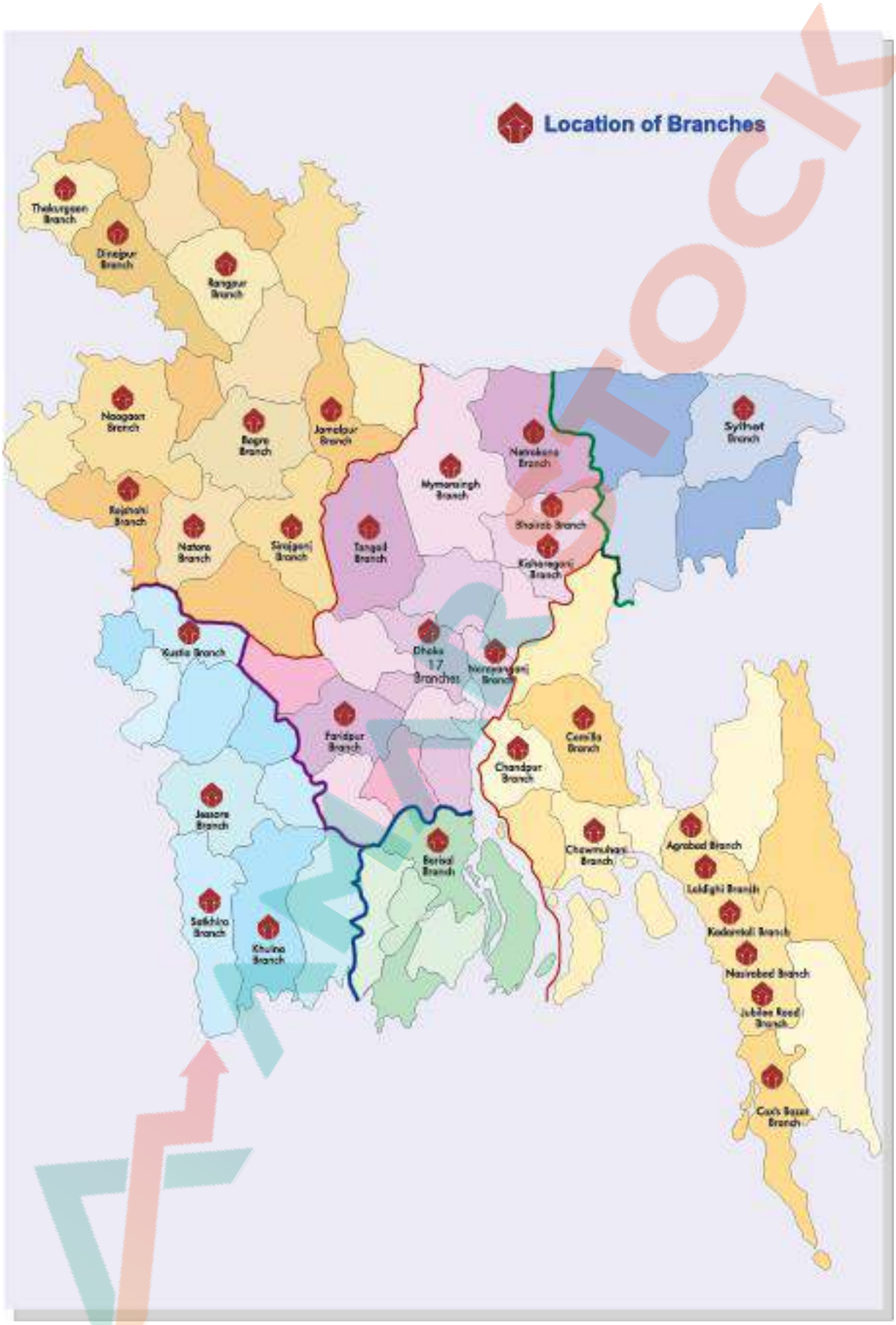
ANNUAL REPORT 2016



Rupali Insurance Company Limited



Registered Office : Rupali Bima Bhaban
7, RAJUK Avenue, Dhaka-1000
Phone: 9565625-26, 9567238, 9553861
Fax : 880-2-9565629
E-mail : info@rupaliinsurance.com
Web : www.rupaliinsurance.com


Location of Branches
Thakurgaon Branch
Dinajpur Branch
Rangpur Branch
Naogaon Branch
Bogra Branch
Jamalpur Branch
Nawabganj Branch
Mymensingh Branch
Sylhet Branch
Rajshahi Branch
Natore Branch
Sirajganj Branch
Tangail Branch
Shariatpur Branch
Kishoreganj Branch
Kushtia Branch
Dhaka 17 Branches
Narayanganj Branch
Faridpur Branch
Comilla Branch
Chandpur Branch
Jessore Branch
Barisal Branch
Chowmuhani Branch
Agrabad Branch
Laldighi Branch
Kadamtali Branch
Nasirabad Branch
Jubilee Road Branch
Satkhira Branch
Khulna Branch
Cox's Bazar Branch


Rupali Insurance Company Ltd.

annual report 2016





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MARSTOCK

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Letter of Transmittal

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

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

Dear Sir,

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

With best regards,

Yours faithfully,

P. K. Roy FCA, FCS
Chief Executive Officer

AMARSTOCK

Rupali Insurance Company Limited

Registered Office : Rupali Bima Bhaban
7, RAJUK Avenue, Dhaka-1000, Bangladesh

Notice of the 29th Annual General Meeting

Notice is hereby given that the 29th Annual General Meeting of Rupali Insurance Company Limited will be held on Wednesday, the 5th July, 2017 at 11:00 A. M. at Imperial Convention Center (5th Floor), 68/B, DIT Road, Malibagh Chowdhury Para, Dhaka-1219 to transact the following business :

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st December, 2016 and Auditors' Report thereon.
2. To declare Dividend for the year ended 31st December, 2016 as recommended by the Board of Directors.
3. To consider appointment of Auditors for the year 2017 and to fix their remuneration.
4. To elect Directors as per Articles of Association of the Company.
5. To transact any other business which may be placed before the meeting with the permission of the Chair.

By order of the Board of Directors

P. K. Roy FCA
Chief Executive Officer

Dated : Dhaka, May 03, 2017

Notes :

1. The `**Record Date**' is fixed on **Sunday, May 21, 2017.** The Shareholders, whose names will appear in the Share Register of the Company (Certificated & Depositary) at the close of business on the record date, will be eligible to attend the meeting and dividend.
2. A member entitled to attend and vote at the meeting may appoint another person as his/her proxy to attend and vote on his/her behalf. The Proxy Form duly stamped must be deposited at the Company's Registered office not later than 48 (Forty Eight) hours before the time scheduled for the meeting.
3. For the sake of convenience Shareholders are requested to submit their queries, if any, on the Directors' Report/Audited Accounts for the Year ended 31st December, 2016 to the Registered Office of the Company preferably 72 (Seventy two) hours before the day of the Annual General Meeting.
4. Shareholders bearing BO IDs are requested to update their respective BO IDs with 12-Digit Taxpayer's Identification Number (e-TIN) and address through their Depository Participant (DP); and
5. Shareholders bearing Folio Numbers are requested to submit their 12 digits e-TIN certificate to the Share Department of the company latest by June 20, 2017; failing which Income Tax will be deducted at source from cash dividend @ 15% instead of 10% as per amended IT ordinance 1984 u/s 54.

N.B: *As Per BSEC Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 "No benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of the equity security"*

AMARSTOCK

Vision

We are ahead to meet the challenge of National advancement in the years to come.





Mission

- Specialised, Personalised & Relentless Services to the Clients with Excellent team work spirit.
- Ensure steady growth of the Company and maximum return to Shareholders.
- Job satisfiction to the employees
- Serving the nation through active participation in the Development of the Economy
- Importance of Professional Management and development of corporate culture.
- Development of Human resources for meeting the challenges of the day.

Credit Rating Information and Services Limited

CREDIT RATING REPORT
On
RUPALI INSURANCE COMPANY LIMITED

REPORT: RR/11327/16

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

Rating Contact:
Md. Asiful Huq
asif@crislbd.com

Analysts:
Moin Uddin Ahmed
moinuddin@crislbd.com

Md. Saiful Alam Shimul
saiful@crislbd.com

Surveillance Rating:
CPA Rating: AA

Outlook: Stable

Rating:
Based on Financials up to December 31,2015

RUPALI INSURANCE COMPANY LIMITED

ACTIVITY
Non-Life Insurance

DATE OF INCORPORATION
May 13, 1988

COMMENCEMENT OF BUSINESS
June 25, 1988

CHAIRMAN
Mostafa Golam Quddus

CHIEF EXECUTIVE OFFICER.
P. K. Roy, FCA, FCS

EQUITY
TK. 1,524.04 million

TOTAL ASSETS
TK. 2,145.03 million

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

	Claim Paying Ability
CPA Rating	AA
Outlook	Stable
Date of Rating: October' 26, 2016	Valid up to October' 25, 2017

1.0 RATIONALE

CRISL has reaffirmed the Claim Paying Ability (CPA) Rating of Rupali Insurance Company Limited (RICL) to 'AA' (pronounced as Double A) based on the financials up to December 31, 2015 and other relevant qualitative and quantitative informations up-to the date of rating. The reaffirmation reflects RICL's good financial performance, inproving business and underwriting performance, good solvency position, sound liquidity, wide branch network, diversified investment portfolio, experienced top management, improving IT infrastructure etc.

RICL sources significant business from renowned group of companies and banks.The company continues to deliver improved services taking due care of the compliance requirements. Based on the financial Statement of 2015, its capital base and solvency rose significantly. Paid up capital rose to Tk. 602.20 million in 2015 from Tk. 573.39 million in 2014. However, gross premium increased to Tk. 821.77 million in 2015 from Tk. 745.37 million in 2014 while underwriting profit also moved upward to Tk. 129.57 million, from Tk. 82.79 million during the above periods respectively. With the same token. Profit after tax (PAT) also increased to Tk. 113.34 million in 2015 from Tk. 105.73 million in 2014. ROAA moved slightly downward to 8.48% in 2015 from 8.54 in 2014 while ROAE increased to 7.58% from 7.34% during the above period respectively. CRISL views RICL's investment strategy is diversified having around 92% of its funds remains in cash and deployed in fixed deposits while rest 8% in capital market & bond.

The capital base of the company is far beyond from regulatory minimum level of Tk.400.00 million. Moreover, recent move to issue 5% bonus shares will further boost up it's capital base to Tk.62.16 million. Besides, RICL owns a multistoried premises at Rajuk Avenue, Dhaka with WDV of Tk. 249.90 million which has enhanced it's overall solvency and investment quality.

On the other hand, RICL faces challenges from moderate underwriting performance in miscellaneous segments, high claim ratio, sizable outstanding claim, unrealized loss from investment in shares, unsettle tax dispute for long periods. CRISL expects the company to continue to adopt a prudent underwriting approach, improve business and investment portfolio and enhance underwriting performance in miscellaneous segment.

CPA rated in this category is adjudged to very high claim paying ability with strong protection factors. Risk is modest but may vary slightly over time due to underwriting and/or economics conditions.

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

Award & Recognitions







ICMAB Best Corporate Award

Rupali Insurance Company Limited has been honored with ICMAB Best Corporate Award, Mr. P. K. Roy FCA, CEO is receiving Award from Mr. Abul Maal Abdul Muhith MP, Hon'ble Ministry of Finance, Government of the People's Republic of Bangladesh.

Century International Quality ERA (CQE)

Rupali Insurance Company Limited has been honored by BID (Business Initiative Directions) with the " Century International Quality ERA (CQE) award" for the year 2012, as recognition of its continuous efforts to strengthen it's commitment to quality and motivation to ensure customer satisfaction, the ultimate measure of Rupali Insurance Company's success.

"OMAC" Otherways Management Association Club-Paris

Rupali Insurance Company Ltd. has been adorned with "The Golden Award for Quality and Business Prestige" for distinguishing itself in the field of Quality & Excellence by "OMAC". Otherways Management Association Club-Paris.

BusinessAsia Award

BusinessAsia awarded Rupali Insurance Co. Ltd. with the crest "BusinessAsia Most Respected Company Awards- 2012" on the performance of the company for the year ended 31st December, 2011.



Over all Strategic Objectives

The overall objectives of management are to grow shareholders wealth, improve customer satisfaction & retention, motivate employees & maintain a high degree of integrity with a view to maintaining a sound solvency position & low risk profile over the long term. Extensive risk management is in place to protect all stake holders. Priority may also be added to the following objectives:

- Continue to strive for sound growth by doing the business that we do well, expanding into areas underserved, entering new sectors and exploring innovation ideas.
- Have a strong customer focus and build relationships based on integrity, superior services based on information technology and mutual benefit.
- Establishment of good Corporate Governance.
- Ensure effective risk management for sustainable growth.
- Creation and expansion of brand image.
- Be responsible, trustworthy and law-abiding in all that we do.
- Be leader in serving the interest of our community and country.
- To have all products meet standard of excellence guidelines.
- To continually improve internal process to realize efficiencies.
- Improve system accuracy and responsiveness.
- Improve organizational structure.
- Improve performance measurement and reporting capability.
- Improve financial analysis, controls, and audit capability.
- Implement change faster.
- To hire, develop and maintain the right people in right place.
- Employ professionals who create success for customers.
- To continually learn and adopt current best practices.
- Transfer knowledge from leading-edge clients.
- To align incentives and staff rewards with performance.

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Core values, code of conduct and ethical principles

TRANSPARENCY

To make the company healthy in all respects we firmly believe in the following manner:

- We exhibit absolute transparency and inspire honest & open communication with our stake holders and clients.
- We cordially receive our individual and believe in team spirit and encourage & support business decisions through experience and good judgment.

INTEGRITY & TRUST WORTHINESS

- We are very much committed to employ the highest ethical standard, fair and honest demonstration in all activities.
- We believe that there can not be teamwork without mutual trust.

SPIRIT OF A VENTURE WITH PROFESSIONALISM & EXCELLENCE

- Business is always uncertain and we are always in favor of continuous innovation and creativity to meet challenges head on.
- We do believe in developing a highly motivated and diverse workforce.
- We contend constantly to attain the best position in quality and thus accomplish everything to meet and exceed the highest demand of our customers.

WE ARE FOR OUR CUSTOMERS

- To provide the most courteous and efficient service in every aspect of its business.
- To be innovative in development of new insurance product and services.
- We are dedicated to fulfill the needs of our customers and very much responsive to the commitments that we have made to them.
- Our customers are our best partners and we remain committed to strengthen the relationship with them as curtaining the value of their loyalty as our best reward.

WE ARE FOR OUR EMPLOYEES

- By promoting their wellbeing through attractive remuneration and fringe benefits.
- By promoting good staff morale through proper staff training and development and provision of opportunities for career development.

WE ARE FOR OUR SHAREHOLDERS

- By forging and consolidating its position as a stable and progressive financial institution.
- By generating profits and fair return on their investment.

WE ARE RESULT ORIENTED

- We are result oriented. We are very much firmed to believe in timely, doggedly, consistently and accurately execute well developed plans, goals, and objectives and responsible for the results they deliver.

TEAM WORK

- We are bound up with teamwork environment where every individual is a valued member, treated with courteous manner, encouraged to contribute, recognized and rewarded for his/her efforts.

WWW.RMSTOCK

Profile of the Company

WHO WE ARE

Sponsored by a group of visionary entrepreneurs, known for it's superior service quality, Brand Image, Strong Corporate Governance & Corporate Culture committed for excellence, Rupali Insurance Company Limited as a Public Limited Company under the Companies Act, 1913 and a first generation & top-tier Non-life Insurance Company in Bangladesh came into existence in May, 1988 and started it's Commercial operations on 25 June, 1988.

CAPITAL

Rupali Insurance Company Limited has a strong capital base & capital adequacy maintaining well position in the market. It started it's business with a paid up capital of Tk. 30 million against an authorized capital of Tk. 200 million being sponsored by a group of renowned business personalities & reputed industrialist of the country having involvement in diversified business. The Company went into initial public offering in 1995.

The paid up capital of the company has been raised to Tk. 632 million as on December 31, 2016 after issuance of Rights shares in the year 2012 and adjustment of stock dividends Including @ 5% declared in the year 2015. RICL shares are being traded as "A" category issue at both the bourses of the country.

CREDIT RATING

For over two and half decades, Rupali Insurance Company Limited has been holding the strong position in terms of premium collection. CRISL, the Credit Rating Agency in Bangladesh reaffirmed the claim paying ability (CPA) rating of Rupali Insurance Company Limited on October 26, 2016 as "AA" based on it's premium collection, core services, financial ability & expeditious settlement of claims.

NETWORK

Rupali Insurance Company Limited, with a network of 48 branches covering strategic financial centers of Dhaka, Chittagong & some important district towns' has been providing whole hearted services to the doorsteps of the clients. It has active presence in capital market. The company is always eagerly ready to fulfill the needs of all it's clients with high profitability & balanced growth. Rupali Insurance Company Limited has earned excellent market reputation and absolute confidence of its valued clients.

BOARD OF DIRECTORS

The Board of Rupali Insurance Company Limited has been constituted with 20 Directors as per section 76 (1) of Insurance Act 2010 and notification of Bangladesh Securities and Exchange Commission. The Board of RICL is as follows:

11 Sponsor Directors,
05 Public Share Holder Directors and
04 Independent Directors.

The Board is chaired by Mr. Mostafa Golam Quddus, an eminent business person & well reputed industrialist & Ex-President of Bangladesh Garments Manufactures and Exporters Association (BGMEA) having diversified business exposures.

BUSINESS STRATEGY

The company is focused on few strategic issues encompassing change management in the short to long period through the implementation of various policies, processes and activities to ensure continuous, sustainable and qualitative growth, with the sole objectives of Institution Building. An effective cluster management program has been implemented. Branch management is now being continually exposed to mature thoughts and ideas through mentors resulting in qualitative improvement of their business and operational activities.



Product of RICL

PROPERTY INSURANCE:

- Fire Insurance including allied perils
- Property Damage All Risks
- Industrial All Risks (IAR) including Machinery Breakdown business interruption
- Comprehensive Machinery Insurance

MARINE INSURANCE:

- Marine Cargo, Marine Hull and Builders Risks Insurances

ENGINEERING INSURANCE:

- Machinery Insurance (Machinery Breakdown)
- Deterioration of Stocks (DOS)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection All Risks (EAR)
- Contractor's All Risk (CAR)
- Work Plant (WP)
- Oil & Gas Well Drilling Equipment Package (OGD)
- Contractors Plant & Machinery (CPM)

MOTOR INSURANCE:

- Motor Insurance for Commercial use
- Motor Insurance for Private use

MISCELLANEOUS INSURANCE:

- Burglary
- Cash in Safe, Cash in Transit, Cash on Counter, Cash in Premises
- Fidelity Money Insurance for Banks Guarantee
- All Risks
- Product Liability
- Public Liability
- Workmen's Compensation
- Employer's Liability
- Marine Terminal Operators Liability (MTOL)
- Comprehensive General Liability
- Hole in One (Golf) Insurance / Event Cover
- Hotel Owner's All Risks (HOAR)
- Personal Accident
- Personal Accident (Air Travel)
- Health Insurance
- Overseas Mediclaim
- Business and Holiday (B&H)
- Corporate Frequent Travels (CFT)
- Employment and Study (E&S)

MAR STOCK

Company Information

THE IMPORTANT INFORMATIONS OF THE RUPALI INSURANCE COMPANY LIMITED ARE AS FOLLOWS:

Incorporation	:	May 13, 1988
Commencement of Business	:	June 25, 1988
Branch Office	:	48
Number of Employees	:	598
Listing with Dhaka Stock Exchange	:	March 20, 1995
Listing with Chittagong Stock Exchange	:	October 10, 1995
Registered Office	:	Rupali Bima Bhaban 7 Rajuk Avenue, Dhaka-1000 Phone: 9565625-26, 9567238, 9553861 Fax: 880-2-9565629 E-mail: info@rupaliinsurance.com Web: www.rupaliinsurance.com
Chairman	:	Mostafa Golam Quddus
Management & Financial Consultant	:	M. Azizul Huq
Chief Executive Officer	:	P. K. Roy, FCA, FCS
Chief Financial Officer	:	A.A. Nasiruddin Ahmed
Company Secretary	:	A.S.M. Rashed
Auditors	:	A. Wahab & Co. Chartered Accountants
Legal Consultant	:	Rokanuddin Mahmud Barrister-at-Law

AMAR STOCK

Photographs of Board of Directors





Photographs of 28th Annual General Meeting







Directors' Profile with Photos



Mostafa Golam Quddus
Chairman

Mr. Mostafa Golam Quddus, Chairman of the Company,is also the Chairman of Dragon Group of Companies. He has completed M.Com. in Management. He is a former President of Bangladesh Garments Manufacturer and Exporter Association (BGMEA) and member of Geneva Convention Child Labor Committee. Mr. Quddus is widely known as the pioneer of sweater industry in Bangladesh. During his long business experience of 25 years he has gathered vast knowledge in modern method and technology in production, marketing and management of textile and knitting industries. He has traveled many countries of the world such as USA, Japan, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore and Canada for the purpose of the business and to enrich his knowledge and experience during the period mentioned. He is also associated with a number of different social welfare organizations as a part of social responsibility.



K.M. Farookh
Director

K.M. Farookh, is the sponsor director of the company. He is the Managing Director of Farnoor Garments Limited. He completed Bachelor Degree of Science from a reputed University. He has been dealing in various businesses including industrial business successfully for a long time with reputation. He has vast experience in industrial business. He visited a number of countries like USA, Canada, Australia, Germany and many EU countries, Hongkong, Singapore, Thailand and China. He is associated with various social activities.



Quazi Moniruzzaman
Director

Quazi Maniruzzaman, is a Sponsor director of the Company. He has completed B.A. (Hons) in Economics. He has been dealing in various businesses including industrial business since a very long time with reputation. He was also the successful President of Bangladesh Garments Manufacturer and Exporter Association (BGMEA). He is the proprietor of MAX Sweater BD Ltd. & MAX pullover Ltd. He is directly involved in various social activities and social institutions. As he is related with the garments Industry, he has visited many countries like China, Singapore, USA, Germany, Australia, Canada, Hongkong etc.



M. Jinnat Ali Mian
Director

Md. Jinnat Ali Mian, is an Independent director of the Company. He has completed his M.A. in Economics from Dhaka University and M.S. in Transport Economy from Leeds. He is a successful and reputed businessman. He is related to Super Nova Trading Associates Ltd., Hollywood Garments Private Ltd., Pioneer Casual Wear Ltd., Bipul Corporation (Import-Export) Ltd., Panesia General Hospital Ltd. He is a Successful businessman. He has visited many countries like China, USA, UK, Australia, Japan, Canada, Hong Kong, Singapore, India, New Zealand etc. He contributed much towards Social activities and social institutions.



Md. Sirajul Huq
Director

Md. Sirajul Huq, is an Independent director of the company. He has completed B.A. degree. He has been dealing in various businesses successfully for a long period of time with reputation. He is the proprietor of Starling Garments BD Ltd. He has been dealing in industrial business very much successfully. In order to expand the market he has traveled a good number of countries like India, USA, Australia, Belgium, Holland, China, Malaysia, Korea, U.A.E., K.S.A., Canada, UK, New Zealand, France, Germany, Singapore, Thailand, Turkey etc. for business purposes. He is involved in many social activities and institutions.



Mrs. Fazlutun Nessa
Director

Mrs. Fazlutun Nessa, Director of the Company, is a successful business entrepreneur with extensive experience and management skills. Mrs. Nessa has completed her Bachelors in Arts from Chittagong University (1989). She has been running one of the first retail socks companies of Bangladesh established in the year 1990. She has traveled many countries of the world such as USA, Japan, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore and Canada for the purpose of the business and to enrich her knowledge and experience during the period mentioned.



Mostafa Quamrus Sobhan

Director

Mostafa Quamrus Sobhan, Director of the Company,is the Managing Director of Dragon Group of Companies. He has completed his Bachelors in Business Administration from the Nottingham Trent University of UK and Masters in Business Administration from the Maryland University. He has effective export management skill to achieve growth targets in sales activity and expanding sales to different countries around the world and in existing markets. He ensures effective management and led many business delegations in abroad such as UK, EU Countries, USA, Canada, Hong Kong, China and Australia and also kept himself involved in series of social welfare activities.

Mujibur Rahman

Director

Mujibur Rahman is a Sponsor director of the company. He is a successful and reputed businessman. He is the proprietor of Pubali Tannery. He has earned good experience and good knowledge in Tannery business. He is socially involved with many institutions.



Shaon Ahmed

Director

Shaon Ahmed is a sponsor director of the company. He has Completed his B.B.A. from Independent University Bangladesh. He is dealing in business successfully. He is a man of amiable behavior. He is very much social. He has traveled many countries like USA, Canada, UK, EU Countries, Thailand, Singapore, Malaysia etc.



Mir Rashed Bin Aman

Director

Mir Rashed Bin Aman, is an Independent Director of the Company. He has completed his M.Com in Accounting from abroad. He traveled various countries like U.K., USA, Australia, Canada etc. He is very much experienced in running the business and industries smoothly and successfully.



Fauzia Quamrun Tania

Director

Mrs. Fauzia Quamrun Tania is the Director of the Company, is the Managing Director of Imperial Sweater BD Ltd. After completion of her Bsc. Hons/MA in Business Management and Applied Mathematics from University of Glasgow, UK. She has engaged herself in the Operational side of the Business. Mrs. Tania had taken 4 years extensive training in the field of Sweater. She has traveled many countries to enrich her knowledge and experience.

Md. Shamsul Huda

Director

Md. Shamsul Huda is a Sponsor director of the company. He has been dealing in various businesses successfully for a long period of time with reputation. He is the proprietor of Fancy Leather Enterprise. He is a renowned businessman in leather Sector. He is associated with Social activities.



Shafia Sobhan Chowdhury
Director

Mrs. Shafia Sobhan is an Independent Director of the Company. She has Completed her business graduation and upon finishing her graduation she joined Oxford International School as an intern teacher. Other than her involvement in Dragon Sweater & Spinning Limited as Director, She also become a newly appointed Director of Perag Socks Industries Limited and CD Spinning Mills Limited. She has traveled many countries of the world such as USA, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore, and Canada for the purpose of the business and enriches her knowledge and experience.

Abu Hena
Director

Abu Hena is a Sponsor director of the company. He is a successful and reputed businessman. He has acquired good business experience in various businesses. He is social and a person of amiable behavior.



Aftab Ahmed
Director

Aftab Ahmed is a director of the company. He has been doing business for a long time with success and reputation. He is the proprietor of KIOSK. He has got vast experience in various businesses. He has visited a number of countries like India, Australia, Singapore, Hong Kong, Dubai etc. He is a social man and associated with various social activities. His good social behavior attracts others easily.

Md. Nazim Uddin
Director

Md. Nazim Uddin is a Sponsor director of the company. He has been dealing in various businesses for a long time with reputation. He is the proprietor of Rupali Hidas. He has got vast experience in various businesses including Tannery.



Md. Ali Ahmed
Director

Md. Ali Ahmed is a Sponsor director of the company. He has completed his B.A. from a reputed University. He has been doing business with success and reputation for a long time. He is involved in various Social activities.

Mohammad Yonus
Director

Md. Younus is a Sponsor Director of the company. He has completed his M.A. Degree. He is a reputed and successful businessman. He is the proprietor of Perag Socks Industries Ltd. he has visited many countries like Singapore, Thailand, Hong Kong, U.K. U.S.A etc.

Md. Obaidul Haque
Director

Md. Obaidul Haque is a Sponsor director of the company. He is a reputed and successful businessman of the country. He has got vast experience in various businesses. He is socially involved with many institutions.



Tasnia Quamrun Anika
Director

Tasnia Quamrun Anika, is the Director of Dragon Sweater and Spinning Limited. Although very young, she has always been a meritorious student and she has finished her schooling from Fern Hill School in Glasgow and completed her under graduation (BBA) from North South University, Dhaka. She has traveled around the world such as USA, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore and Canada. Mrs Tasnia is also the Director of Perag Socks Industries Limited.



M.Azizul Huq
Management & Financial Consultant

M. Azizul Huq is the Management and Financial Consultant of Rupali Insurance Company Limited. He obtained his BA (Hons) degree in Economics, M. A (Economics) from Dhaka University; Masters in Administrative Studies from Canberra University, Australia.

He joined the Police Service as Assistant Superintendent of Police (erstwhile PSP cadre) in 1966 and Prior to Joining Police Service he served as Research Officer, State Bank of Pakistan (Central Bank), Karachi for nearly 4 years. During the tenure of his Police Service he attained professional training at home and abroad and participated in various seminars, conferences including 2 (two) on " Problems of Money Laundering in the Asian Countries organized by Commonwealth Secretariat (FATF) London, "International visitors' Progamme" organized by the USA Government in 1994 on criminal justice system, attended INTERPOL General Assembly sessions held in Anatolia, Turky in 1996 and in New Delhi in 1997 as Chief Bangladesh Delegate. He was accredited with some special assignments like i) Member-Secretary, Police Retorms Commission(1989-90), ii) Chief Security Coordinator during SAARC summit held at Dhaka in 1993 & 1996. Considering his vast administrative experience and expertise the Govt. of Bangladesh appointed him as Member of three consecutive National Pay Commissions, 2004, 2008 and 2013. But the most important milestone in his long career was his appointment as an Advisor to the non-partisan, neutral, Caretaker Govt. in 2006 holding charge of 3 Ministries of the Govt.

After retirement as Inspector General of Police, Govt. of Bangladesh in 1998 he joined Rupali Insurance Company Limited as Management & Financial Consultant.

This is an advisorial position relating to financial management, budgetary & expenditure control and personnel management. The ranking of Rupali Insurance Company Limited has been elevated to a great extent with his valuable contributions and he is a good mentor of Rupali Insurance Company Limited in all respects.

He has publications on a wide range of subjects with main focus on problems relating to Police Community relationship, contemporary issues like Women & Child trafficking in Bangladesh and the need for Police Reform published in leading dailies from time to time. Besides, he is an active Rotarian (Rotary Club of Dhaka Buriganga) since 1990 and became its president in 2003-2004. Appreciating his services to the community as a Rotarian, contribution and achievement in various fields in the society the Governor, Rotary International District, 3281 has recently honored him with the prestigious "Life Time Achievement Award".



P.K.Roy, FCA, FCS
Chief Executive Officer, RICL

Prithwish Kumar Roy is the Managing Director of Rupali Insurance Company Ltd. He obtained his B.Com (Hons) degree in 1978 & M.Com (Management) degree in 1980 from Dhaka University and professional degree Chartered Accountancy in 1985 from ICAB & Chartered Secretary in 2003 from ICSMB; special training on Project Planning, Re-insurance, Computer including participation in workshop on Re-insurance at China.

He joined Rupali Insurance Company Ltd. as Deputy Managing Director on 7th January, 1999 and held the charge of Managing Director in March, 1999. Since then he has been discharging the responsibilities successfully. Before joining Rupali Insurance Company Ltd. he was Senior Vice President of Eastern Insurance Company Ltd.

Composition of Board and it's Committee

Chairman
MOSTAFA GOLAM QUDDUS

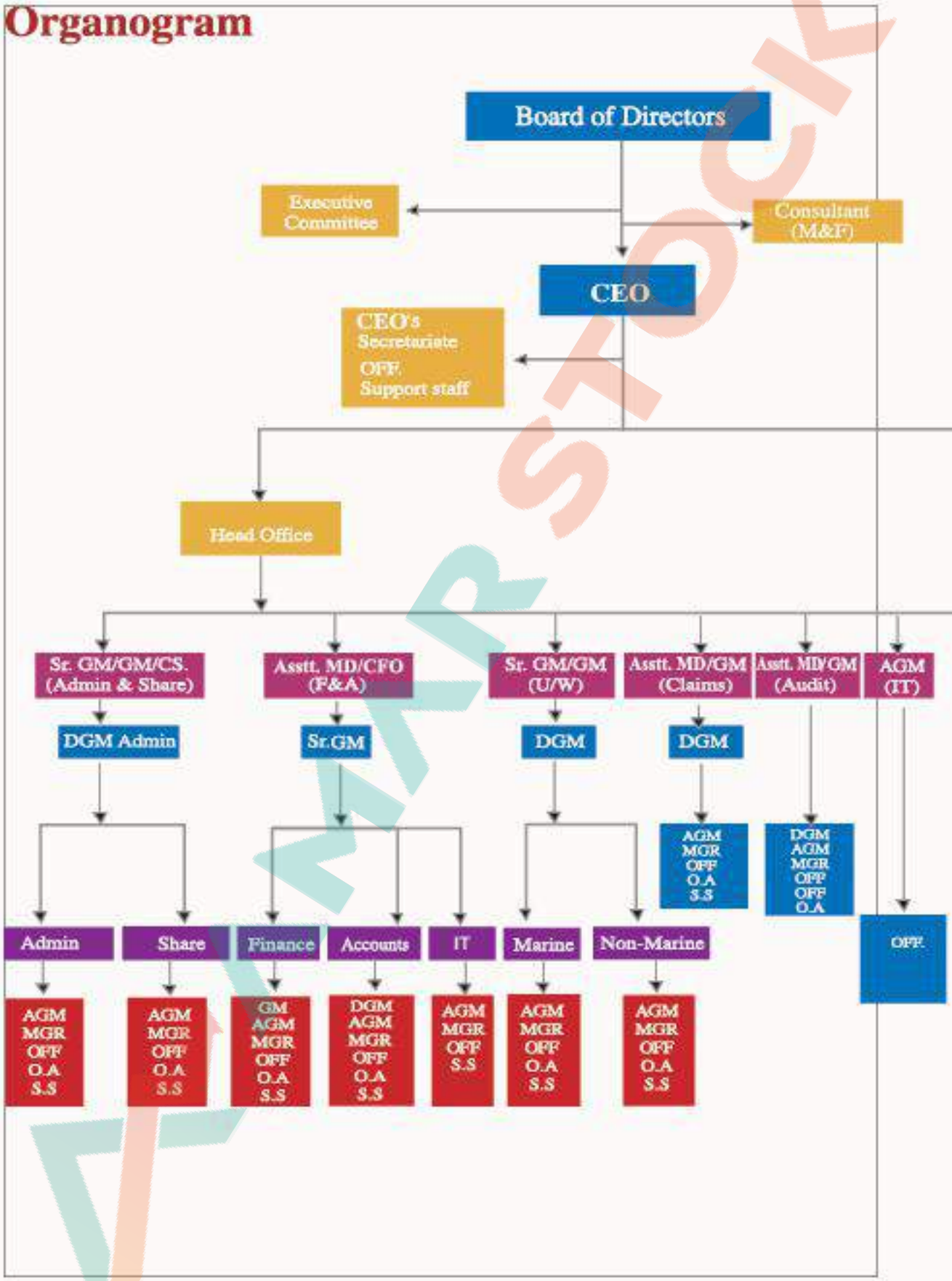
Directors
MD. SHAMSUL HUDA
MUJIBUR RAHMAN
MD. NAZIM UDDIN
MD. ALI AHMED
MOHMMAD YUNUS
K. M. FAROOKH
ABU HENA
QUAZI MONIRUZZAMAN
SHAON AHMED
MD. OBAIDUL HUQUE
FAZLUTUN NESSA
MOSTAFA QUAMRUS SOBHAN
FAUZIA QUAMRUN TANIA
TASNIA QUAMRUN ANIKA
AFTAB AHMED
M. JINNAT ALI MIAN
MD. SIRAJUL HUQ
SHAFIA SOBHAN CHOWDHURY
MIR RASHED BIN AMAN

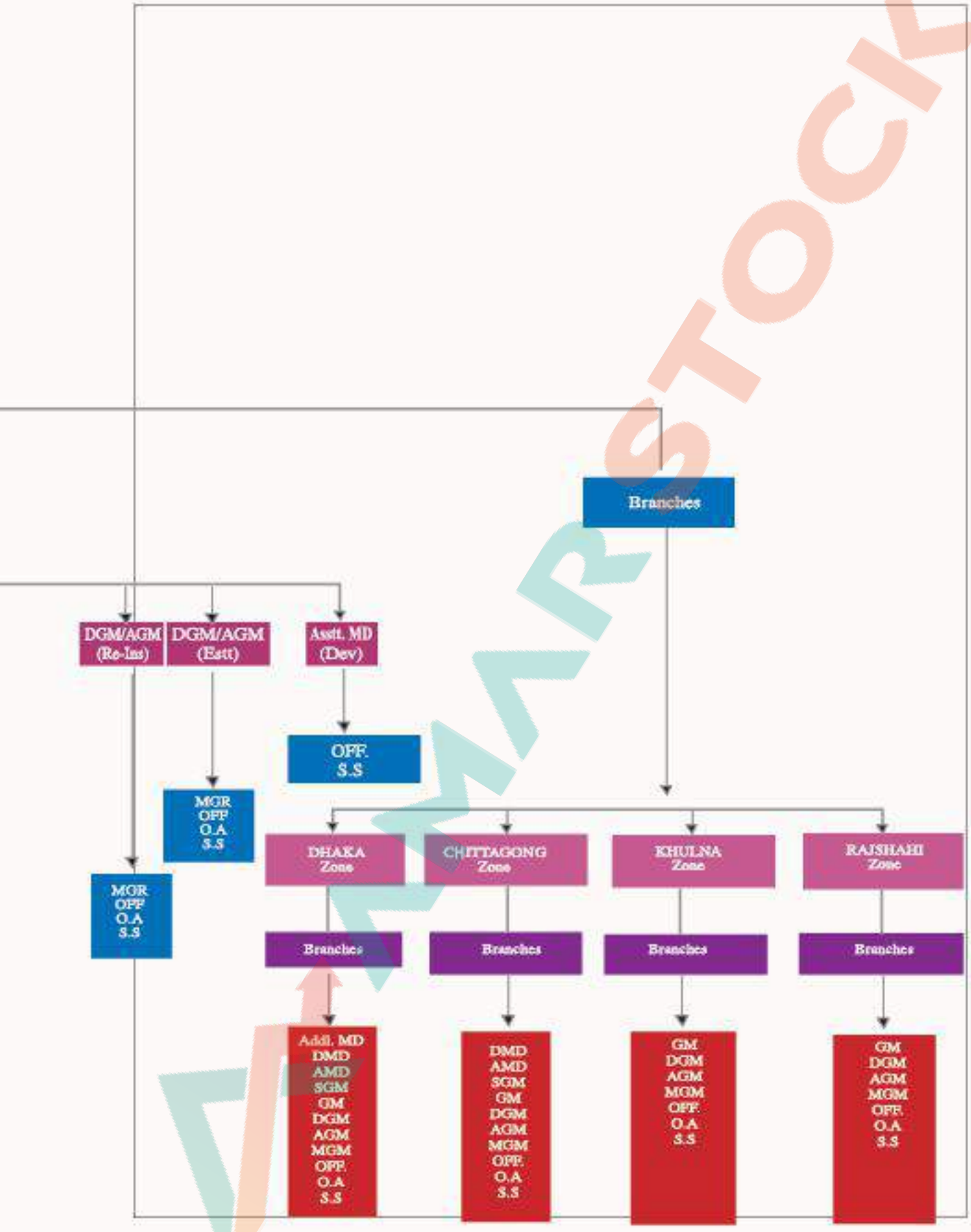
Chief Executive Officer
P. K. ROY, FCA, FCS

Audit Committee
Mir Rashed Bin Aman, Chairman
Quazi Moniruzzaman, Member
Md. Sirajul Huq, Member
Fauzia Quamrun Tania, Member

AMARSTOCK

Organogram


Board of Directors
Executive Committee
Consultant (M&F)
CEO
CEO's Secretariate OFF. Support staff
Head Office
Sr. GM/GM/CS. (Admin & Share)
Asstt. MD/CFO (F&A)
Sr. GM/GM (U/W)
Asstt. MD/GM (Claims)
Asstt. MD/GM (Audit)
AGM (IT)
DGM Admin
Sr.GM
DGM
DGM
AGM MGR OFF O.A S.S
DGM AGM MGR OFF OFF O.A
OFF.
Admin
Share
Finance
Accounts
IT
Marine
Non-Marine
AGM MGR OFF O.A S.S
AGM MGR OFF O.A S.S
GM AGM MGR OFF O.A S.S
DGM AGM MGR OFF O.A S.S
AGM MGR OFF S.S
AGM MGR OFF O.A S.S
AGM MGR OFF O.A S.S


Branches
DGM/AGM (Re-Ins)
DGM/AGM (Estt)
Asstt. MD (Dev)
OFF. S.S
MGR OFF O.A S.S
MGR OFF O.A S.S
DHAKA Zone
CHITTAGONG Zone
KHULNA Zone
RAJSHAHI Zone
Branches
Branches
Branches
Branches
Addl. MD DMD AMD SGM GM DGM AGM MGM OFF. O.A S.S
DMD AMD SGM GM DGM AGM MGM OFF. O.A S.S
GM DGM AGM MGM OFF. O.A S.S
GM DGM AGM MGM OFF. O.A S.S

SMARTSTOCK

Management & Core Executives





Mohd. Alamgir

Additional Managing Director

Mohd. Alamgir is the Additional Managing Director of Rupali Insurance Company Limited. He has 46 years of illustrious career in the field of Insurance. He joined Eastern Federal Union Insurance Co. Ltd. in the year 1967 and worked there for 5 years. And in the year 1972 he joined Sadharon Bima Corporation as Asstt. Manager and worked there till 1985. Then from 1986 to 1988 he served Karnafully Insurance Co. Ltd. as Manager. In 1988 he joined Rupali Insurance Company Limited as Asstt. General Manager. His dedication, hard work and perseverance helped him to get himself promoted to the rank of Addl. Managing Director. Since his joining in Rupali Insurance Co. Ltd. he has been serving with devotion and enthusiasm with the satisfaction of the management.

He traveled many countries like Singapur, Malaysia, Thailand, India etc.



Mr. Md. Zahirul Islam

Additional Managing Director

Mr. Md. Zahirul Islam is the Additional Managing Director of Rupali Insurance Company Ltd. He obtained his bachelor Degree from a reputed University. He started his career as Assistant Manager, Front Office, Pan pacific Sonargaon Hotel. Dhaka in 1981 and served there up to 1996. Afterwards, he joined Rupali Insurance Company Limited as Assistant General Manager on 1st January, 1997. By dint of his hard working, perseverance and enthusiasm he was promoted to the ranks of different higher grades gradually and finally to the rank of Additional Managing Director in 2017. He has been rendering his relentless Services to the clients with entire satisfaction of the Management.

He is involved in various social activities and institutions including Lions Clubs International. He has traveled many countries like USA, UK, Canada, France, Singapore, Malaysia, India etc.

MARSTOCK

P. K. Roy FCA, FCS

Chief Executive Officer

Prithwish Kumar Roy is the Managing Director of Rupali Insurance Company Ltd. He obtained his B.Com (Hons) degree in 1978 & M.Com (Management) degree in 1980 from Dhaka University and professional degree Chartered Accountancy in 1985 from ICAB & Chartered Secretary in 2003 from ICSMB; special training on Project Planning, Re-insurance, Computer including participation in workshop on Re-insurance at China.

He joined Rupali Insurance Company Ltd. as Deputy Managing Director on 7th January, 1999 and held the charge of Managing Director in March, 1999. Since then he has been discharging the responsibilities successfully. Before joining Rupali Insurance Company Ltd. he was Senior Vice President of Eastern Insurance Company Ltd.

As per social status he was District Governor & Council Chairperson of Lions Clubs International, District 315 B2 & Multiple District 315 for the period 2007-2008 & 2008-2009 respectively. He is a member of Governing Body of Ramkrishnapur College, Fellow Member of Institute of Chartered Accountants of Bangladesh (ICAB) & Fellow member of Institute of Chartered Secretaries and Management of Bangladesh (ICSMB).

He has got vast expertise in different fields of investigation, Audit, Manufacturing, Trading & Service organizations, preparation of Accounts, Consultancy and Share Valuation, Re-insurance, Underwriting, Claim Settlement, Administration and Secretarial Affairs.

He has traveled many countries of the world such as USA, UK, China, Japan, Canada, Australia, India, Hong Kong, Singapore, Thailand etc. in connection with tour of Lions Club's International in different capacities for different purposes and official tour of Rupali Insurance Company Limited to attend various seminars & workshops in different times.



A.A. Nasiruddin Ahmed

Chief Financial Officer

A.A. Nasiruddin Ahmed is the Chief Financial Officer of Rupali Insurance Company Limited. He has got his M.Com degree in Accounting from Dhaka University. He started his career in Riyadh, Saudi Arabia as accountant in a renowned company. After coming back, in August 1988 he joined Rupali Insurance Company Limited as Officer-I in Accounts & Finance Division. And afterwards with his dedication and hard work he was able to apprise the management and got himself promoted to the ranks of various higher grades. In Addition he was assigned to the position of Chief Financial Officer in the year 1998. He got a Best Business Performance Award in 1992. He has visited several countries like India and Saudi Arabia, Kuwait etc.



A.S.M. Rashed

Company Secretary

A.S.M. Rashed is the Company Secretary. He got his graduation degree from a reputed University. He started his career in an International Company in Saudi Arabia. After coming back he joined Rupali Insurance Company Limited as junior officer in Administration Division in 1988.Consequently by dint of his efficiency he has been promoted to the ranks of various higher grades. At present he is the Company Secretary & Sr. General Manager (Admin). He obtained trainings in Human Resource Development from BIA (Bangladesh Insurance Academy), Company Secretarial functions from ICMA (Institute of Cost & Management Accounts of Bangladesh) and English Language Course from BIA. He traveled some countries like Saudi Arabia, Kuwait, India etc.

Senior Executives

Head office:

Md. Hafizur Rahman
Assistant Managing Director
Development Division

Md. Gius Uddin
Assistant Managing Director
Audit & Inspection Division

A.Z.M. Sadek
Assistant Managing Director
Claims Division

Md. Mizanur Rahman
Senior General Manager
Finance and Accounts Division & IT Division

Kazi Rezaul Islam
Senior General Manager
Branches
Control Division

Md. Mofizur Rahman
Deputy General Manager
Eshtablishment Division

Md. Aminul Islam
Manager-II
Re-Insurance Division

Branchaes:

Mr. Mohd. Alamgir
Addl. Managing Director
Motijheel A/C Branch

Mr. Md. Zahirul Islam
Addl. Managing Director
Sonargaon Hotel Branch

Mr. Md. Golam Morshed
Deputy Managing Director
Laldighi Branch

Mr. A. H. M. Abul Khair
Deputy Managing Director
Agrabad Branch

Mr. S. M. Shahidul Haque
Deputy Managing Director
Principal Barnch

Mr. Md. Abul Kalam Azad
Asstt. Managing Director
Kadamtoli Branch

Mr. Md. Azharul Islam
Asstt. Managing Director
Moulvi Bazar

Mr. Md. Mujaffor Hossain
Asstt. Managing Director
Dilkusha Branch

Mr. Adiluzzaman
Asstt. Managing Director
Kawran Bazar Branch

Mr. Md. Zulfiquar Ali
Asstt. Managing Director
Gulshan Branch

Mr. Md. Shamsul Alam
Asstt. Managing Director
Barisal Branch

Mr. Helaluddin Mohd. Hossain
Senior General Manager
VIP Road Branch

AMARSTOCK

Head of Branches

Branches	Name	Designation
Motijheel A/C Branch	Mohd. Alamgir	Addl. M.D
Sonargaon Hotel Branch	Md. Zahirul Islam	Addl. M.D
Laldighi Branch	Md. Golam Morshed	DMD
Agrabad Branch	A. H. M. Abul Khair	DMD
Principal Barnch	S. M. Shahidul Haque	DMD
Kadamtoli Branch	Md. Abul Kalam Azad	Asstt.M.D
Kawran Bazar Branch	Adiluzzaman	Asst. M.D.
Moulvi Bazar	Md. Azharul Islam	Asst. M.D.
Dilkusha Branch	Md. Mujaffor Hossain	Asst. M.D.
Gulshan Branch	Md. Zulfiquar Ali	Asst. M.D.
Barisal Branch	Md. Shamsul Alam	Asst. M.D.
VIP Road Branch	Helaluddin Mohd. Hossain	Sr. GM
Rampura Branch	Md. Robiul Islam	G.M
Nasirabad Branch	A.K.M Jamal Uddin	G.M
Narayangonj	Md. Nazrul Islam	GM
Motijheel C/A Branch	Md. Shamsul Hoque	GM
Mohakhali Branch	Nasir Khan	MGR-III
Bhairab Bazar Branch	Golam Sarwar Majumder	G.M
Kishoregonj Branch	Md. Saiful Islam Chowdhury	G.M
Comilla Branch	Papri Bose	G.M
Chandpur Branch	Md. Safiuddin Ahmed	G.M
B.B. Avenue Branch	Mufti Moklesur Rahman	G.M
Badda Branch	Khadiza Akhter	G.M
New Market Branch	Md.Delwar Hossain Miji	A.G.M
Kushtia Branch	Md. Sarwar Uddin	D.G.M
Dinajpur Branch	Md. Akkel Ali	A.G.M
Naogaon Branch	Md. Abu Naser	Manager-II
Jessore Branch	Md. Aminul Islam	A.G. M
Khulna Branch	Md. Haider Ali	D.G.M
Thakurgaon Branch	Md. Abdus Salam	A.G.M
Netrokona Branch	Sunil Chandra Sarker	MGR-I
Rajshahi Branch	Indu Bhuson Tarafder	MGR-I
Rangpur Branch	Masudur Rahman Rubel	MGR-I
Jamalpur Branch	Md. Imam Uddin	A.G.M
Faridpur Branch	Abdullah al-Mamun	A.G.M
Tangail Branch	Md. Jamal Uddin	MGR-II
Satkhira Branch	Shamima Rahman	MGR-I
Uttara Branch	Delwar Hossain	A.G.M
Sylhet Branch	Md. Mazharul Islam	MGR-II
Bogra Branch	Md. Lutfar Rahman	MGR-I
Cox's Bazar Branch	Ferojul Mowla	MGR-II
Choumuhoni Branch	Abdul Wahhab	MGR-II
Natore Branch	Md. Habibur Rahman	MGR-III
Mymensingh Branch	Md. Delwar Hossain	MGR-III
Sirajgonj Branch	Masudur Rahman	MGR-III
Malibagh Branch	Md. Nurul Kabir	A.G.M

INVESTOCK



Chairman's Report

Bismilla-hir- rahmanir Rahim
Dear fellow shareholders
Assalamu Alaikum,

It is a statutory requirement to apprise you about the business performance of the company since Balance Sheet date to the present time. I take this opportunity to give you brief resume of the business turnover of the Company since balance sheet date.

The overall business performance of the company for the year 2016 is satisfactory. The performances during the first quarter of 2017 is also satisfactory allthough market is highly competitive and facing economic challenges due to internal and external factors. Different circulars issued from time to time by the newly created Regulatory body had created some restive situation in the market. It may be mentioned that there was no unusual claim during the period due to prudent and judicious underwriting.

It is expected that with the valued suggestions of the Board of Directors, the Shareholders, relentless efforts and dedicated services of the employees, the Company will be able to upgrade the position during the remaining period of the year. Prudent and Judicious financial management combined with stringent austerity measures by all concerned is also warranted to improve the profitability and viability of the company.

Thanking you

Mostafa Golam Quddus
Chairman



CEO's Round up

Since its establishment 29 years ago Rupali Insurance Company's continuous endeavor has increased Share Holders' value & has made the Company a financially sound organization. It has been the Board's and Management's tireless efforts in developing and converging to our mission of being "an insurance with a difference."

The economy of Bangladesh Started looking well since the very inception of the year 2016. The financial services industries including insurance company initiated going ahead. The financial hindrances & broad based consumer anxieties have been removed to a great extent. The economy of the country as a whole began to improve substantially. As a result the financial conditions have upgraded, growth prospects have looked up and upward trend of business has elevated.

Although some conditions have been imposed by IDRA in the insurance industry, yet the insurance sector has come up far and wide. However, we are pleased to furnish the report of our company for the year 2016 as follows:

1) The RICL earned a gross premium of BDT - 846 million
2) The underwriting profit stood at BDT - 123 million.
3) As per grade RICL was dignified as one of the top ranking non life insurance companies in the country.

Long term services & comprehensive relationship with the clients are dependent on the roads and diversification of products which has been introduced in our company. We are committed to maintain a strong capital position through implementation of decision for business growth.

Today RICL is one of the market leaders in many respects and we have been trying to strengthen the position in the industry in a sustainable manner by continuing our investment. We are very much confident that our business will continue to grow in future. In addition, our investment in the capital market will grow to some extent to derive the benefit if the market stabilizes. No matter we shall try to:

- be client oriented
- raise and exercise integrity
- excellency in all respects
- uphold the esteem for individuals and communities

We are ever grateful to all our regulatory bodies especially IDRA Bangladesh, Securities & Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange, Chittagong Stock Exchange, Bangladesh Bank, Central Depository of Bangladesh Ltd. for their continuous support and guidance.

We are also grateful to our employees for their dedicated and thoughtful work to overcome the crucial challenges we did face in running our business. Now RICL has emerged from this critical position to stronger competitive position for which we thank the employees.

We are whole heartedly indebted to our honorable Board of Directors who has been extending their support and guidance with their prudent knowledge, experience and vision for the last 28 years. Finally, we know that we have been accelerating our efforts equally for our shareholders. So, on behalf of all the fellow directors and employees we would like to thank you for your best cooperation and confidence. We will continue to do all to reward your trust.

P. K. Roy FCA, FCS
Chief Executive Officer

Directors' Report to the Shareholders

Dear Shareholders, Executives, Ladies and Gentlemen,

I, alongwith the Board of Directors of Rupali Insurance Company Ltd. bear the great pleasure to welcome you all to the Twenty Nineth Annual General Meeting of the Company. We feel sheer privilege for continuous patronage and support extended by all of you for about two and half decades. We would like to furnish the Directors' Report alongwith the audited financial statements and auditors report for the year ended December 31, 2016 for review, suggestion and approval from your end.

The economy and business environment:

The economy of Bangladesh has continued to improve to a considerable extent. Consequently the activities of other sectors including insurance company has improved. As a result the financial conditions have upgraded, growth prospects have looked up and upward trend of business has expanded. The global output expanded considerably in 2016 than that of 2015. This is because of improvement of the position of euro area economy with GDP rising. Growth of emerging and developing economies has come up with the healthy external business environment and consistent internal demand.

World Economy:

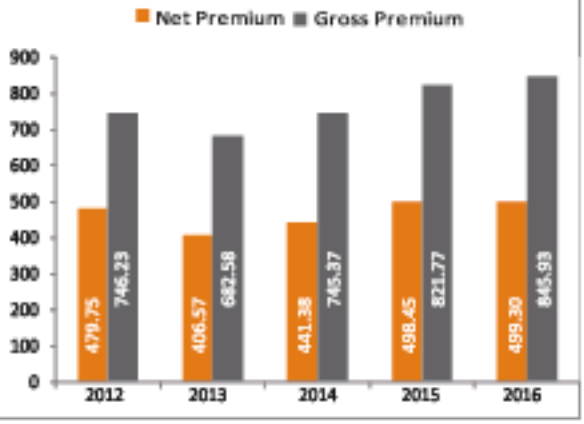
The global economy has recovered as per expectation during the year 2016 although the same was not done satisfactorily during the time of previous 2 (Two) years. To lessen the burden of public debt IMF advised the developed economic countries to reduce the interest rate of public debt and to stimulate the domestic consumption for the sake of economic growth. As per projection of IMF the growth of world economy was estimated at about 4.25% in the year 2015. The world economy has developed as per expectation during the year 2016 due to rising demand, production and employment.

Economic Growth & Development in Bangladesh Economy:

Despite global meltdown in the economy in the Previous years, Bangladesh economy maintained growth momentum with some slowdown in export growth and in new investment activities. Outlays from national budget provided support to the affected sectors and extended the social safety net to uphold the domestic demand and economic activities. Inspite of some challenges in export earnings and remittance inflows the economic growth demonstrated satisfactory performances maintained by domestic demand. The growth was further accelerated during the year 2016 due to support of the appropriate Fiscal as well as monetary policies of the Government. According to the estimates of Bangladesh Bureau of statistics (BBS) GDP grew by 7.11% in FY-16 against 6.52% in FY-15.

Premium Income

During the period under review the Company procured premium amounting to Tk. 846 million against Tk.822 million in 2015. Out of this Tk.804 million came from Private Sector against Tk.784 million in 2015 and the balance of Tk.42 million represents our share of public sector business received from Sadharan Bima Corporation. After ceding Tk.347 million as Re-Insurance premium the net premium income for the year amounted to Tk.499 million against Tk.498 million in 2015, represents Increase of Tk.1 million. The Gross Premium Income of the Company has been Increased by Tk.24 million compared to the preceding year complying the Rules and Regulations imposed by IDRA time to time.



Claims

During the year 2016 the Rupali Insurance Company Limited settled more claims. The claim position of Rupali Insurance Company Limited, however, remained within control due to prudent & judicious underwriting. The net claims of Tk.208 million were charged to the accounts after adjustment of recoveries made from Sadharan Bima Corporation.



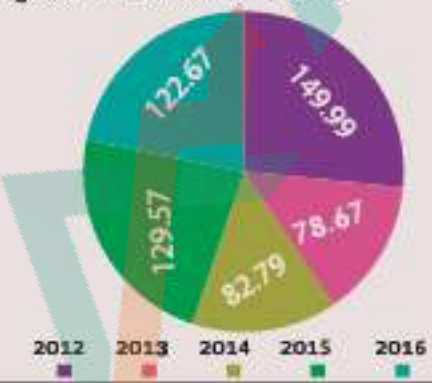
Paid up Capital:

Rupali Insurance Company Limited has a strong capital base & capital adequacy maintaining well position in the market. It started its business with a paid up capital of Tk. 30 million against an authorized capital of Tk. 200 million being sponsored by a group of renowned business personalities & reputed industrialist of the country having involvement in diversified business. The Company went into initial public offering in 1995.

The paid up capital of the company has been raised to Tk. 632 million as on December 31, 2016 after issuance of Rights shares in the year 2012 and adjustment of stock dividends Including @ 5% declared in the year 2015. RICL'S shares are being traded as "A" category issue at both the bourses of the country.

Profit

Underwriting profit in the year 2016 stood at Tk.123 million against Tk.130 million in 2015. Net profit before tax stood at Tk.180 million in the year 2016 as against Tk.178 million in 2015.



Dividend

Considering the performances of the company for the year ended 31st December 2016 the Board of Directors recommended to declare 5% Stock and 10% Cash Dividend to the shareholders for the year ended 31st December, 2016 subject to approval by the shareholders in the 29th Annual General Meeting of the Company to be held on Wedbesday, the 05th July, 2017.

Assets

Total assets of the company stood at Tk.2,211 million in 2016 compared to Tk.2,145 million in 2015. This includes the book value of the 12 storied building including the value of land of the Company of Tk.426 million. Four floors of the building have been leased out to different parties including 1 Life Insurance Company.

Reserve

Reserve for Exceptional Losses in 2016 stood at Tk. 367 million including Tk.20 million raised during the year out of net profit. Besides, Reserve for Unexpired Risks stood at Tk.204 million.

Investment

Total investment of the Company in 2016 stood at Tk.129.37 million. out of this Tk. 34.10 million was invested in 20 & 10 years Government Treasury Bond. Tk 30 Million has been deposited for Sonali Life Insurance Company Limited for holding 3,000,000 ordinary shares and TK 2.5 Million has been deposited for Sonali Life Insurance Company Limited as Security deposit and Tk.62.77 million in shares of listed securities. In addition, Fixed Deposits with commercial Banks stood at Tk. 890.76 million.

Branches

The Company had 48 (Forty Eight) Branches through out the country in operation, 2(Two) branches have since been closed because of business consideration during the year 2016.

Directors

In accordance with article 114 of the Articles of Association of the Company the following 3 (three) Sponsor Directors retire and being eligible all of them offer themselves for re-election:

K.M. Farookh.

Quazi Moniruzzaman.

Md. Ali Ahmed.

In accordance with the same provisions two Directors from Public Shareholders retire from office and as required by insurance Rules, 1958 election of Directors from Public Shareholders will be held in the said Annual General Meeting.

Audit Committee

The Audit committee of our Company has been formed as per directives of BSEC and 5 (Five) meetings held during the year 2016 under report. The Audit Committee reviewed the audited Balance Sheet of our Company alongwith financial statements and reports for the year 2016 submitted by the Auditor A.Wahab & Co. and recommended the same for placing before the Board of Directors.

Auditors

The Auditors, A. Wahab & Co. Chartered Accountants retire and the Auditor for the year 2017 will be appointed as per terms and conditions of the Bangladesh Securities and Exchanges Ordinance 1969.

Directors' Statements regarding their Accountability and Transparency of the Financial Statements and Reports

The Directors confirm that the financial statements of the Company prepared in accordance with IAS as adopted by ICAB and presented a true and fair view of the assets, liabilities, financial position and result of the Company. Directors also confirm that the Directors' report contained the operational and financial review with the development of the performance of the Company.

Report on the Compliance of the Conditions of BSEC's Notification

In accordance with the Bangladesh Securities and Exchange Commission's Notification the Company has to report on the compliance of certain conditions. The notifications were issued for the purpose of establishing a farm work for insuring good governance practices in the listed companies for the interest of the investors and the capital market.

Substantial Shareholdings

As per BSEC's Notification a listed company has to disclose in the Directors' Report the list of shareholder holding ten percent or more voting interest in the Company. None of the shareholders hold ten percent or above shares in Rupali Insurance Company Limited. The shareholding status of all directors and executives of the company as on 31st December, 2016 is given in the page 34.

Looking into the Future

Rupali Insurance Co. Ltd. signifies the symbol of progress and reputation in walking ambitiously in front of you assuring that we are working to achieve the milestone following the principle of providing high quality and professional survey to our respected clients. We are very much confident of maintaining steady growth & progress in the days to come. Presently the market situation of the industry is very challenging and volatile. But 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.

Conclusion

Dear Shareholders, We take this opportunity to express our deep gratitude and thanks to you, all our valued clients and wellwishers for the confidence they have placed in us. Without their encouragement, positive support and active co-operation it would not have been possible to achieve the present position.

We record our profound gratitude and thanks to the Ministry of Finance, the Chairman, Insurance Development and Regulatory Authority, the Registrar of Joint Stock Companies and Firms, Bangladesh Securities and Exchange Commission, Bangladesh Bank, all Scheduled Banks, Financial Institutions, Dhaka Stock Exchange, Chittagong Stock Exchange and Sadharan Bima Corporation for their co-operation and assistance extended during the year.

We record our appreciation to our Management & Financial Consultant, Legal Adviser, Managing Director, Executives, Officers and Staff for their dedicated services to the Company.

While concluding, esteemed shareholders, we solicit your continued support, co-operation and valuable suggestions in the days to come.

Thank you

On behalf of the Board of Directors

Mostafa Golam Quddus
Chairman

Summary of Accounts 2016

Taka in Million

DETAILES	FIRE	MARINE CARGO	MARINE HULL	MOTOR	MISC	2016	2015
Gross Direct Premium	353.67	177.63	29.58	248.85	34.98	844.71	820.73
Gross R/I Premium	—	—	—	—	1.22	1.22	1.04
Total Gross Premium	353.67	177.63	29.58	248.85	36.20	845.93	821.77
R/I Premium Ceded	221.16	62.06	22.04	17.50	23.87	346.63	323.32
Net Premium	132.51	115.57	7.54	231.35	12.33	499.30	498.45
Net Premium Reserve Retained	-9.35	-10.70	-4.93	21.66	0.02	-3.30	-21.56
Net Earned Premium	123.16	104.87	2.61	253.01	12.35	496.00	476.89
Commission Paid	52.88	26.64	4.44	37.33	5.86	127.15	116.95
Net R/I Commission Earned	70.88	13.06	3.61	0.58	5.01	93.14	90.37
Management Expenses (Revenue A/C)	54.83	27.25	4.54	39.14	5.57	131.33	128.14
Management Expenses (P&L A/C)	—	—	—	—	—	25.56	31.98
Gross Incurred Claims	78.54	47.29	14.95	91.21	0.73	232.73	209.42
Net Incurred Claims	67.77	39.69	8.96	91.21	0.37	208.00	192.59
U/W Profit	18.57	24.33	-11.72	85.92	5.57	122.67	129.57
Investment Income (Before Tax)	—	—	—	—	—	83.14	80.76
Net Profit before tax	—	—	—	—	—	180.24	178.34
Return on Equity	—	—	—	—	—	7.37	7.57
Shareholder's Fund	—	—	—	—	—	1,578.08	1,524.04

AMARSTOCK

Directors' Report to Shareholders (under section 184 of the Companies Act, 1994)

We report that :

i) The financial statement prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

ii) Proper books of accounts of the company have been maintained.

iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement.

iv) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any deviation there from has been adequately disclosed.

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

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

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

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

ix) During the year ended December 31, 2016 the Board of Directors held 5 (five) meetings and the Directors serving on the Board attended in aggregate 95% of the total number of meetings.

x) At December 31, 2016, the pattern of shareholding are given below :

a) Shareholdings of Parent/Subsidiary/Associate companies and other related parties : Nil

b) Shareholdings of Directors, CEO, Company Secretary, CFO and Head of Internal Audit and their Spouses and minor children are as follows.

Directors' Shareholding Position as on December 31, 2016

Sl. No	Name of shareholding Directors	Designation	No of Shares	% of holding
01.	MR. MOSTAFA GOLAM QUDDUS	Chairman	52,78,478	8.35%
02.	MR. MD. SHAMSUL HUDA	Sponsor Director	12,95,031	2.05%
03.	MR. MUJIBUR RAHMAN	Sponsor Director	12,95,075	2.05%
04.	MR. MD. NAZIM UDDIN	Sponsor Director	17,44,633	2.76%
05.	MR. MD. ALI AHMED	Sponsor Director	19,15,033	3.03%
06.	MR. MOHAMMAD YONUS	Sponsor Director	17,31,709	2.74%
07.	MR. K. M. FAROOKH	Sponsor Director	15,80,325	2.50%
08.	MR. ABU HENA	Sponsor Director	12,64,606	2.00%
09.	MR. QUAZI MONIRUZZAMAN	Sponsor Director	13,83,316	2.19%
10.	MR. MD. OBAIDUL HUQUE	Sponsor Director	15,80,325	2.50%
11.	MR. SHAON AHMED	Sponsor Director	40,83,792	6.46%
12.	MR. MOSTAFA QUAMRUS SOBHAN	Shareholder Director	34,90,185	5.52%
13.	MRS.FAZLUTUN NESSA	Shareholder Director	8,35,618	1.32%
14.	MRS. FAUZIA QUAMRUN TANIA	Shareholder Director	4,88,428	0.77 %
15.	MRS. TASNIA QUAMRUN ANIKA	Shareholder Director	76,185	0.12%
16.	MR. AFTAB AHMED	Shareholder Director	20,898	0.03%
17.	MR. M. JINNAT ALI MIAN	Independent Director	2,43,204	0.38%
18.	MRS. SHAFIA SOBHAN CHOWDHURY	Independent Director	11,062	0.02%
19.	MR. MD. SIRAJUL HUQ	Independent Director	1,43,911	0.23 %
20.	MR. MIR RASHED BIN AMAN	Independent Director	Nil	Nil
21.	CEO/CS/HOD/INTERNAL AUDIT		Nil	Nil
22.	CFO		985	0.001%
	TOTAL		2,84,62,799	45.02 %

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road), Dhaka-1205
Tel : 88-02-9635139, Fax: 88-02-9672006
Mobile : 01552-638228,01711-520770,
01922-117370, 0192-719463
E-mail : shirazkhanbasak@yahoo.com

To the shareholder of
Rupali Insurance Company Limited

Certificate on compliance of conditions of corporate governance by
Rupali Insurance Company Limited for the year ended December 31, 2016

We have reviewed the relevant documents concerning the company's compliance with the corporate governance matters.

Basis of opinion
We carried out our review in accordance with the guidelines issued by the Securities & Exchange Commission under Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012. The compliances of conditios of the corporate governance and reporting of the status of compliance are the responsibility of the company's management

Period Covered
Our review for this certificate is confined to the aspects for the year ended December 31, 2016.

Opinion
In our opinion, based on our review of relevant documents and also information made available to us by the management, the company's status on compliance with corporate governance requirements as shown in Annexure reflects actual position of the company's compliance with the condition of Corporate Governance Guidelines of SEC applicable for listed companies.

(SHIRAZ KHAN BASAK & CO.)
CHARTERED ACCOUNTANTS

Dated : Dhaka
June 05, 2017

Status of Compliance of Corporate Governance

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

Condition No.	Title	Compliance Status		Remarks (If any)
		Complied	Not Complied	
1.1	Board's size: Shall not be less than 5 (Five) and more than 20 (twenty)	✓	—	—
1.2 (i)	Independent Director (ID) at least 1/5 minimum 3 (three)	✓	—	4 Independent Directors
1.2 (ii) (a)	ID Holds less than 1% shares of total paid up capital	✓	—	—
1.2 (ii) (b)	ID is not a sponsor and not concerned with any sponsor or Director or shareholders who hold 1% shares	✓	—	—
1.2 (ii) (c)	ID does not have other relation with the company or its subsidiary/ associated companies	✓	—	—
1.2 (ii)(d)	ID is not a member, Director or officer of any Stock Exchange	✓	—	—
1.2 (ii) (e)	ID is not a shareholder, Director or Officer of any member of stock exchange or an intermediary of the capital market	✓	—	—
1.2 (ii) (f)	ID is not a partner or an executive during the preceding 3 years of company's statutory audit firm	✓	—	—
1.2 (ii) (g)	ID is not an Independent Director in more than 3 listed companies	✓	—	—
1.2 (ii)(h)	ID has not been convicted by a court as a loan defaulter	✓	—	—
1.2 (ii) (i)	ID has not been convicted for criminal offence involving moral turpitude	✓	—	—
1.2 (iii)	ID appointed by Board of Directors	✓	—	—
1.2 (iv)	Post of ID was not vacant for more than 90 Days	✓	—	—
1.2 (v)	Code of conduct for all Board members and annual compliance thereof	✓	—	—
1.2 (vi)	Tenure of office of ID shall be 3 years	✓	—	—
1.3 (i)	ID shall be knowledgeable individual with integrity and able to ensure compliance with financial, regulatory and corporate law.	✓	—	—
1.3 (ii)	ID should be business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/ Professionals like CA,CMA, CS having 12 years corporate management/ professional experience	✓	—	—

1.3 (iii)	Qualification of ID relaxed subject to prior approval of SEC	—	—	Not applicable
1.4	Separate Chairman of the board and chief Executive and clearly defined roles and responsibilities	✓	—	—
1.5 (i)	Industry outlook and future development Segment-wise/ product-wise performance	✓	—	—
1.5 (ii)	Risks and concerns	✓	—	—
1.5 (iii)	Discussion on cost of goods sold, Gross profit margin	—	—	—
1.5 (iv)	and net profit margin Discussion on continuity of any extraordinary gain or	—	—	Not applicable
1.5 (v)	loss Related party transaction statement	—	—	Not applicable
1.5 (vi)	Utilization of sale proceeds from public issue, right	—	—	Not applicable
1.5 (vii)	issue and/or other instrument Explanation in case of deterioration of financial	—	—	Not applicable
1.5 (viii)	results after IPO,RPO,RO or Direct Listing Statement on variance between Quarterly Financial	—		Not applicable
1.5 (ix)	performance and Annual Financial Statements Remuneration of Directors	—	—	—
1.5 (x)	`Fairness of Financial Statements	✓	—	—
1.5 (xi)	Maintenance of proper books of account	✓	—	—
1.5 (xii)	Adoption of appropriate accounting policies and	✓	—	—
1.5 (xiii)	estimates Compliance with International Accounting Standard	✓	—	—
1.5 (xiv)	Soundness of Internal Control System	✓	—	—
1.5 (xv)	Ability to continue as a going concern	✓	—	—
1.5 (xvi)	Significant deviations in operating results from last year and explanation thereof	✓	—	—
1.5 (xvii)	Presentation of at least preceding three years key operating and financial data	—	—	Not applicable
1.5 (xviii)	Declaration of Dividend	✓	—	—
1.5 (xix)	Details of Board meeting	✓	—	—
1.5(xx)	Shareholding pattern of parent/subsidiary/ associated companies and other related parties	✓	—	—
1.5 (xxi) (a)	Shareholding pattern of CEO,CFO, CS, HIA and their spouse and minor children	—	—	Not applicable
1.5 (xxi) (b)		✓	—	—

MARKET STOCK

15(xxi) (c)	Share holding Pattern of Top five salaried executives	✓	—	—
15 (xxi)(d)	Shareholders holding of 10% or more voting interest	✓	—	—
15(xxii)(a)	A brief resume of Director in case of appointment/re-appointment	✓	—	—
15 (xxii)(b)	Nature of the proposed Directors' expertise in specific functional areas	✓	—	—
15 (xxii) (c)	Proposed Directors' Directorship in other company/companies	—	✓	—
2.1	Appointment of CFO, Company Secretary & Head of Internal Audit and defining of their responsibilities	✓	—	—
2.2	Attendance of CFO & Company Secretary in the Board of Directors meeting	✓	—	—
3(i)	Audit committee: As a subcommittee of the Board	✓	—	—
3 (ii)	Role of the Audit Committee	✓	—	—
3(iii)	Duties and responsibilities of the Audit Committee	✓	—	—
3.1(i)	Constitution of audit committee with at least 3 members	✓	—	—
3.1 (ii)	Inclusion of at least 1 Independent Director in audit Committee	✓	—	—
3.1 (iii)	Financial literacy of the Audit committee members and at least 1 Independent Director having accounting or related financial management experience	✓	—	—
3.1 (iv)	Filling of casual vacancy in the Audit committee	✓	—	—
3.1 (v)	CS as Secretary of the Audit Committee	✓	—	—
3.1 (vi)	1 Independent Director is mandatory for quorum of the Audit Committee meeting	✓	—	—
3.2(i)	Chairman of the Committee shall be an independent Director	✓	—	—
3.2(ii)	Presence of Audit Committee Chairman in the AGM	✓	—	—
3.3(i)	Oversee financial reporting process	✓	—	—
3.3 (ii)	Monitor Choice of accounting policies and principles	✓	—	—
3.3 (iii)	Monitoring Internal Control Risk Management Process	—	—	Not applicable
		✓	—	—
		✓	—	—

3.3 (iv)	Oversee hiring and performance of external auditors	✓	—	—
3.3 (v)	Review annual financial statements before submission to the Board	✓	—	—
3.3(vi)	Review quarterly and half-yearly financial statements before submission to the Board	✓	—	—
3.3 (vii)	Review adequacy of internal audit functions	✓	—	—
3.3 (viii)	Review significant related party transactions	—		No such case raised
3.3(ix)	Review weakness of internal control raised by the statutory auditors	—	—	No such case raised
3.3(x)	Review the utilization of money raised through IPO, RPO, Rights Issue	✓	—	—
3.4.1 (i)	Reporting activities of the Audit Committee before Board of Directors	✓	—	—
3.4.1(ii)(a)	Reporting conflict of interest to the Board of Directors	—	—	No such case raised
3.4.1(ii)(b)	Reporting suspected or presumed fraud or irregularity or material defect in the internal control system to the Board of Directors	—	—	No such case raised
3.4.1(ii) (c)	Reporting suspected infringement of laws including securities related laws, rules and regulations to the Board of Directors	—	—	No such case raised
3.4.1 (ii)(d)	Reporting of the any other matter to the Board of Directors	—	—	No such case raised
3.4.2	Reporting of Qualified point to Commission	—	—	No such case raised
3.5	Reporting of activities of the audit committee to the shareholders and General Investors	✓	—	—
4(i)	Non-engagement in appraisal of valuation Non-engagement in designing of Financial	✓	—	—
4 (ii)	Information System Non-engagement in Book-Keeping	✓	—	—
4(iii)	Non-engagement in Broker-dealer services	✓	—	—
4(iv)	Non-engagement in Actuarial Services	—	—	Not applicable
4(v)	Non-engagement in Internal Audit	—	—	Not applicable
4(vi)	Non-engagement in any other services	✓	—	—
4(vii)		✓	—	—

4(viii)	Prohibition of holding any shares of the company by any partner or employees of its external audit firms	✓	—	—
5(i)	Composition of the subsidiary company	—	—	Not applicable
5(ii)	Independent Director of a holding company shall be director in the board of the subsidiary company	—	—	Not applicable
5(iii)	Reviewing minutes of the Board meeting of the subsidiary company by the Board of Directors of holding company	—	—	Not applicable
5(iv)	Inclusion of the statement in the minutes of the holding company regarding reviewing the affairs of its subsidiary company	—	—	Not applicable
5(v)	Review of Financial Statements and investment of the subsidiary company by the Audit Committee of the holding company	—	—	Not applicable
6(i)(a)	Certification of CEO and CFO that financial statements does not contain untrue or omit any material facts or any statement that may mislead	✓	—	—
6(i)(b)	Certification of CEO and CFO that financial statements present true and fair view of the company's affairs and complies existing accounting standard and applicable law Certification of CEO and CFO regarding fair transaction by the company	✓	—	—
6(ii)	Compliance Certificate from CA, CMA or CS on Corporate Governance Guidelines	✓	—	—
7(i)	Attachment of Annexure in the Directors report	✓	—	—
7 (ii)		✓	—	—

Report on Corporate Governance

Corporate Governance is the system of Internal Control and procedures by which an individual Company is managed in the best interest of all stakeholders. Fairness, Transparency, Accountability & Responsibility are the minimum standard of acceptable corporate behavior today. At RICL corporate Governance means increasing the shareholders value by being efficient, transparent, professional & accountable to the organization, society & environment, thereby ensuring better and timely financial reporting.

The primary role of corporate governance is played by the Board of Directors. It is the Board that formulates the vision, objectives and strategic goals. The Board's dynamism, guidance and stewardship are all that drives the company towards sustainable growth. The Management's role is to execute those directives in a professional, proactive and at the same time ethical manner. RICL considers that its corporate governance practices comply with all the aspects of BSEC Notification No. BSEC/CMMRRCD/ 2006- 158/134/Admin/44: dated 07 August, 2012.

Composition of Board of Directors:

Board of Directors:

The Board of Rupali Insurance Company Limited has been constituted with 20 Directors as per section 76 (1) of Insurance Act 2010. The Board of RICL is as follows:

11 Sponsor Directors,

05 Public Share Holder Directors and

04 Independent Directors.

The Board is chaired by Mr. Mostafa Golam Quddus, an eminent business person & well-reputed industrialist & Ex-President of Bangladesh Garments Manufactures and Exporters Association (BGMEA) having diversified business exposures.

Role and Responsibilities of the Board:

The Board will initially pivot on the direction, control and governance of the insurer and in particular should articulate and entrust to a corporate philosophy and governance that will shape the level of risk adoption, standard of business conduct and ethical behavior of the company at the macro levels. The Board should also set clear and transparent policy framework for translation of the corporate objectives.

The Board is fully empowered to control over the Company's affairs and is entirely accountable to the shareholders. The Board formulates the strategic objectives and policy framework for the company. In discharging the responsibilities Board carries out the following functions as per charter of the Board.

- Determination of the strategies, policies, management performance criteria and business plan alongwith monitoring & evaluation of the same.
- Reporting on the affairs, progress and performance of the Company to the shareholders periodically and timely.
- Delegation of power to Board committee and management and approval of transaction in excess of delegated power.
- Approval of Annual Budget of all expenditure including capital ones.
- Regular review of all kinds of financial matters.
- Appointment, Evaluation and overall supervision of the performance of the Top management.
- Ensuring of necessary skill and experience of the senior executives to perform their function efficiently for the sake of best interest of the Company.

Role of the Chairman:

The Chairman is the head of the Board. He takes decision of any matter in consultation with the Board members. He is not the Chief Executive of the Company. The role of the Chairman and Chief Executive Officer are independent and separate. The Chairman runs

the Board, while the Chief Executive Officer takes executive decision within the jurisdiction of power delegated by the Board.

Board Meetings

The meetings of the Board of Directors of Rupali Insurance Company Limited are normally held in the Board Room of Registered Corporate Head Office of the Company. The meetings are held on the scheduled dates as per decision of the Board. The notice of the meeting is served in writing to each Director by the Chief Executive Officer Company Secretary well ahead.

The Company secretary prepares the papers including necessary notes therein as per requirement which are placed before the Board meeting for threadbare discussion. The members are also at their sweet will to recommend inclusion of any matter in the agenda for discussion. The company secretary and the Chief Financial Officer always attend the Board meeting for providing additional inputs for presentations.

Internal Control

Internal control system is designed in such a way that contains self monitoring mechanism and actions are taken to correct deficiencies as they are identified. Although the Board is responsible for ensuring adequate and effective control system yet it has inherent limitation including the possibility of circumvention or overriding of controls and therefore, can provide only reasonable assurances against material misstatement or loss. The company's internal control system has been outlined to ensure the director with reasonable assurance that assets are safeguarded against unauthorized use by the employees or management or third parties; transactions are fully authentic, properly recorded and material error and irregularities are either prevented or detected for regularization within a reasonable period of time.

Appropriately designed management, properly fixation of responsibilities, reasonably delegation of power and authority, setting up of accountability at each level, periodic reporting and regular monitoring of performances are the vital component parts of internal control framework prevailed in Rupali Insurance Company Limited.

Audit Committee:

As per delegation of power by the Board the committee is authorized to examine any matter relating to the financial affairs of the Company, to review all audit and inspection report, internal control system and procedure, accounting policies and adherence to compliance requirements etc.

Composition of Audit Committee:

The Audit Committee consists of 4(Four) members as follows:

1. Mr. Mir Rashed Bin Aman
2. Mr. Quazi Moniruzzaman
3. Mr. Md. Sirazul Huq
4. Mrs. Fauzia Quamrun Tania

Responsibilities:

1. Briefly analyze the financial reporting process.
2. Monitoring the choice of accounting policies and principles.
3. Monitor internal control risk management Process.
4. Oversee hiring and performance of external auditors.
5. Review with the help of management, the annual financial statements before submission to the board for approval.
6. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
7. Review the adequacy of internal audit function.
8. Review statement of significant related party transactions submitted by the management.
9. Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.
10. When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) /

Rights Issue the company shall disclose to the Audit Committee about the uses / applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document / prospectus.

Human Capital

Human capital is the most vital factor of all the factors for development of an organization. Rupali Insurance Company Limited believes that human capital composes infrastructure of a business organization, formulates polices, collects ingredients of output, develops quality of output. It is the most important asset of the company. It is the source of competency, knowledge, vision, mission and personality attributes inherently organized in the ability to perform jobs to produce the economic value to the company. The human capital can be developed through education, training, practice and experience. Rupali Insurance Company Ltd. has adopted the measures to develop the human capital on the following policies:

1. Establish and Administer transfer policy in order to develop and implement recruitment opportunities, promotion, remuneration benefits, rewards, recognition system, transfer, training, performance management system irrespective of age, sex, race, political entity & religion belief.
2. Create an atmosphere of trust and support within the purview and the company which will lead and encourage the employees to work all together developing a team spirit as well as inspiring them to be innovative and creative in order to achieve company goals.
3. Evolve a property internal communication and involvement mechanism which inspire employees to identify them with the company and it's activities.
4. Adopt a systematic plan to approach the anticipated charge and gear up the employees for technologies environmental changes. Accordingly try to find out the needs for training and development of the employees providing necessary opportunities for them to promote their career.
5. To confirm the employment opportunities inconformity with the established and acceptable practices of the country.
6. To chalk out a proper planning for recruiting enough people with skills and talents as per requirement of the company to meet the current and future growths.
7. To ensure specification of people with high quality and capability irrespective of sex, religion, caste, creed, age and seniority for all the senior management position in the company.

Remuneration of other committees of the Board:

As per resolution of the Board of Directors it has been decided that no remuneration is allowed to the members of other committees of the Board.

Information available on the Website:

Rupali Insurance Company Limited has been maintaining a full fledged web-site over the years and the web-site is being updated regularly. Every information regarding the Company is available in the site. The web-site address of RICL is www.rupaliinsurance.com

Management Committee:

The Management Committee is entrusted with the task of making key decisions of the Company's management and operations under the official delegation of authority from the Board. The Committee is comprised of senior Executives who are from various key functions and operation of the company.

The Management Committee is divided into 5 (five) parts e.g.

a) Recruitment Committee b) Promotion Committee c) Vigilance Committee

d) Investment Committee & e) Claim Settlement Committee.

A) Recruitment Committee consists of the following Members:-

1. Mr. P. K. Roy, FCA, FCS,	Chief Executive Officer	Chairman
2. Mr. Mohd. Alamgir	Addl. Managing Director	Member
3. Mr. A. S. M. Rashed	Sr. General Manager	Member

This committee takes all the responsibilities in connection with interview, selection & recommendation for appointment.

B) Promotion Committee: This committee consists of following Members:-

1. Mr. P. K. Roy, FCA, FCS,	Chief Executive Officer	Chairman
2. Mr. Mohd. Alamgir	Addl. Managing Director	Member
3. Mr. A. S. M. Rashed	Sr. General Manager	Member

The committee bears the responsibility of verifying & justifying the performance of the employees for recommendation of promotion.

C) Vigilance Committee: This committee consists of the following Members:-

1. Mr. Md. Gius Uddin,	Asstt. Managing Director (Audit & Inspection)	Co-ordinator
2. Mr. A. S. M. Rashed,	Sr. General Manager (Administration)	Member
3. Mr. Kazi Rezaul Islam,	Sr. General Manager (B.C.D)	Member

The Committee is entrusted with the responsibility of close monitoring of the performance of all the Branches.

D) Investment Committee: This committee consists of the following Members:

1. Mr. A. A. Nasiruddin Ahmed,	Asstt. Managing Director (F&A)	Co-ordinator
2. Mr. Md. Gius Uddin,	Asstt. Managing Director (Audit & Inspection)	Member
3. Mr. A. S. M. Rashed,	Sr. General Manager (Administration)	Member
4. Mr. Md. Mizanur Rahman,	Sr. General Manager (F&A) and IT	Member
5. Mr. Kazi Rezaul Islam,	Sr. General Manager (B.C.D)	Member

The committee looks after the investment of excess fund in different private and public sector properties to earn profit and is always alert regarding the safety and security of the fund invested. The committee is entrusted with the responsibility of investment in shares considering the situation, probability of profit and the risks involvement thereon.

E) Claim Settlement Committee: This committee consists of the following Members:-

1. Mr. P. K. Roy, FCA, FCS,	Chief Executive Officer	Chairman
2. Mr. A. Z. M. Sadek	Asstt. Managing Director (Claim)	Member

The committee is entrusted with responsibility of recommendation for settling the claims considering the gravity, verifying the facts and justifying the situation in all respects as early as possible.

Other Information:

The information in all respects regarding the company are provided on Page-13 for ease going to the knowledge of the Share-holders.

Report on Corporate Social Responsibilities

We are social beings living in the society maintaining a good relationship with each other socially. Accordingly we all have a personal responsibility to each other. Whatever is done, it carries effect on other. It is same in case of business large or small, public or private that their actions affect a large number of stakeholder; such stakeholders include customers, shareholders, employees, suppliers and society in general.

With this end in view Rupali Insurance Company Ltd. has been adding due importance and making contribution towards various activities as parts of its CSR efforts for regenerating fruitful contribution in the fields of health, education, support to disabled persons, sports, supports to help the underprivileged children, social activities etc.

Redress of Investors' Complaints

Rupali Insurance Company Limited is one of the Non-life Insurance Companies maintaining highest standards of conduct and professional behavior with the shareholders. Share Department is very much alert to maintain the systematized records and informations relevant to the shareholders. Share Department is always ready to help the shareholders whenever they are in need of services like share transfer, transmission, dividend warrant issue, dividend warrant re-validation etc.

Redress of Clients, Complaints

It is a well known fact that no business can exist without customers. In Insurance Company the Clients will flock together with the satisfaction of the services rendered by the designing business. Being a service oriented industry Rupali Insurance Company Limited always attends to it's clients complaints whether related to it's service or claim settlement. Rupali promotes it's clients to step forward with any complaints they may have and the top management is completely reachable to all of them.

WWW.STOCK

Company's Performance

5 Years at a Glance

Taka in Million

	2016	2015	2014	2013	2012
Gross Premium	845.93	821.77	745.37	682.58	746.23
Re-Insurance Premium	346.63	323.32	303.99	276.01	266.48
Net Premium	499.30	498.45	441.38	406.57	479.75
Gross Claims	232.73	209.42	174.90	192.85	162.27
Net Claims	208.00	192.59	163.16	173.69	144.18
Underwriting Profit	122.67	129.57	82.79	78.67	149.99
Net Profit before Tax	180.24	178.34	172.53	163.85	179.47
Paid up Capital	632.16	602.06	573.39	521.26	434.39
Reserve for Unexpired Risk	204.24	200.94	179.38	163.94	192.17
Reserve for Exceptional Losses	367.37	347.37	327.37	307.37	287.37
Total Assets	2,210.67	2,145.03	2,058.86	1,982.37	1,887.21
Fixed Assets	446.86	441.24	424.68	403.73	397.78
Investment including FDR	1,020.13	1,012.58	985.05	963.12	941.02
Dividend Amount	94.82	90.31	86.01	104.25	86.88
Dividend %	15% (Cash-10% & Stock-05%)	15% (Cash-10% & Stock-05%)	15% (Cash-10% & Stock-05%)	20% (Cash-10% & Stock-05%)	20% (Cash-10% & Stock-10%)
No. of Branches	48	48	48	47	44
No. of Employees	598	608	620	610	570
No. of Shareholders	5,955	6,747	8,073	9,222	7,793
Earning Per Share at per value of Tk. 10/-	1.84	1.92	1.88	1.98	3.31
Earning Per Share at per value of Tk. 10/-(Restated)	1.84	1.82	1.79	1.80	–
Net Asset Value Per Share at per value of Tk. 10/-	22.64	23.01	23.18	24.63	28.06
Net operating cash flow per share (NOCFPS)	1.62	2.02	1.39	1.26	3.66
Net operating cash flow per share (NOCFPS) (Restated)	1.62	1.92	1.32	1.15	–
Return on equity	7.37	7.57	7.34	7.30	8.71
Price earning ratio	10.05	8.80	12.55	16.97	13.87
Market Price of the Share as on 30th Dec.	18.50	16.90	23.60	33.60	45.90

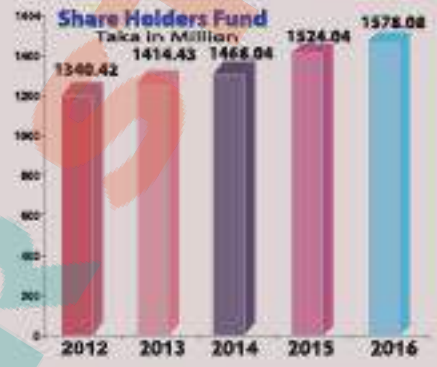
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Performance Indicators



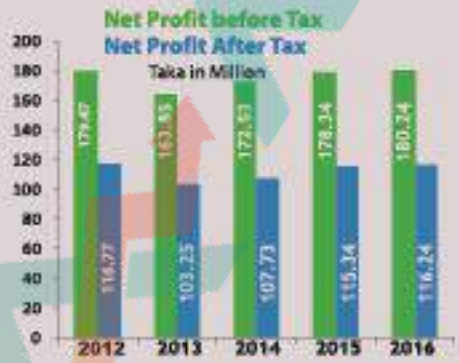














Performance Indicators

















Value Added Statement

FOR THE YEAR ENDED DECEMBER 31,2016

The Value Added Statement (VAS) is the detailed account of total value earned by the organization during the year of account and also the distribution for the same period. By paying the salaries and allowances timely to the personnel the company contributed highly to the socio-economic development and also giving away attractive and consistent dividend to the shareholders. Rupali Insurance Company Ltd. regularly pays Tax, Vat, and Stamps duty etc. to the Government Exchequer.

The Value added statement of Rupali Insurance Company Limited for the year 2016 is appended below:

Particulars	2016 Tk. (In million)	2015 Tk. (In million)
VALUE ADDED		
Gross Premium	845.93	821.77
Vat & Stamp Duty	102.31	103.37
Investment & other Income	83.14	80.76
TOTAL VALUE ADDED	**1,031.38**	**1,005.90**
DISTRIBUTION OF THE VALUE ADDED		
VAT & Stamp Duty	102.31	103.37
Net Reinsurance Cost	253.49	232.95
Additional reserve for Unexpired Risk	3.30	21.56
Management Expenses	284.04	277.07
Net Claims Incurred	208.00	192.59
Tax	66.00	65.00
Dividend	94.82	90.31
Reserve & Surplus	19.92	23.05
TOTAL DISTRIBUTION	**1,031.38**	**1,005.90**



Economic Value Added Statement

Economic Value Added (EVA) is the financial indicator of measuring the actual economic profit of an organization. It assesses the companyes' economic success/failure over the period of time. Through this statement investors can easily find out how much value the company is giving to the investors and also very useful to do an analysis among the peer companies on how well it's operating in it's industry. The economic Value added is calculated by taking a companys' net profit after tax less cost of equity.

For the year ended 31st December	2016 Tk.(in million)	2015 Tk.(in million)
Shareholders' equity at the year end	1,181.23	1,135.19
Accumulated provision for doubtful losses	—	—
Average Shareholders' equity	1,181.23	1,135.19
*Cost of equity (%)	11.06	14.10
Economic Value Added	**-14.40**	**-44.72**
Net profit after tax	116.24	115.34
Less: Cost of equity	130.64	160.06

* The cost of equity has been calculated based on the interest on Bangladesh Government Treasury Bond plus 2% risk premium.
* Shareholders equity has been calculated after deducting revaluation of land and Building.

Market Value Added Statement

FOR THE YEAR ENDED DECEMBER 31,2016

Market Value Added (MVA) is the difference between the total market value and total book value of the companys' shares. Higher MVA indicates companys' better position. Positive and Higher MVA means the company has earned substantial wealth for shareholders. And on the other hand negative and lower MVA means the value of management action and investment are less than that value of the capital contributed to the company by the capital market.



Particulars	Numbers of Shares	Value Per Share (Taka)	Total Value Tk.(in million)
Market Value	63,216,172	18.50	1,169.50
Book Value	63,216,172	22.64	1,431.21
Market Value Added	—	—	**-261.71**

Market Share Information

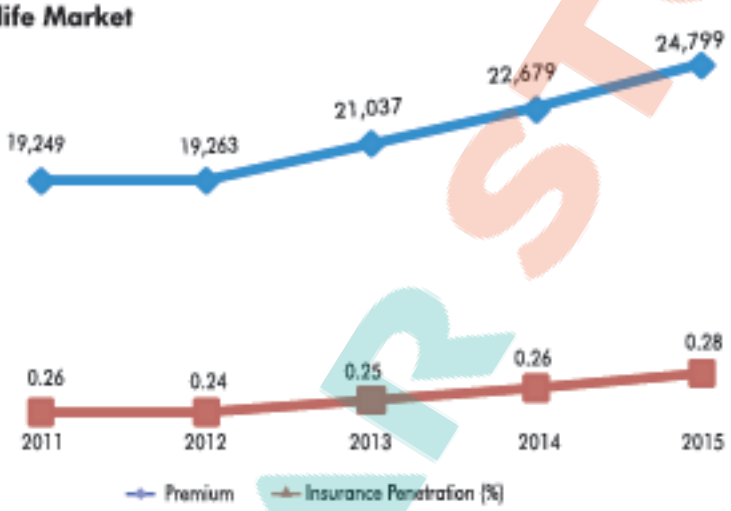
Bangladesh Non-life Insurance Market Composition & Share

Bangladesh Non-life insurance Premium in 2015 was Taka 24,799 million, Last 6 year's Premium growth and penetration rate (Non-life insurance premium as % of GDP) is shown in the chart below:

The Non-life market is comprised of 45 insurance companies including one state enterprise. The market share value of Rupali Insurance Co. Ltd. is 3.41%

Bangladesh Non-life Market

Taka in Million



Accounting Ratios Partaining To Insurance Sector

Particulars	2016	2015
Reinsurance Premium Ceded as % of Gross Premium	40.98	39.34
Commission Paid as % of Gross Premium	15.03	14.23
Net R/I Commission Earned as % of Gross Premium	11.01	11.00
Net R/I Commission Earned as % of Net Premium	18.65	18.13
Management Expenses (Revenue A/C) as % of Gross Premium	15.53	15.59
Management Expenses (Revenue A/C) as % of Net Premium	26.30	25.71
Net Claims Incurred as % of Gross Premium	24.59	23.44
Net Claims Incurred as % of Net Premium	41.66	38.63
Underwritting Result as % of Gross Premium	14.50	15.77
Underwritting Result as % of Net Premium	24.57	25.99

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Human Resource Management For All Managers

The success of an organization depends on various factors. But it is quite difficult to determine which factor of all the factors is more crucial and important for survival of the organization although we believe that the role of human resource is the very crucial factor for the survival and growth in an organization. As a matter of fact the role of Human Resource is very much expanding and it is not limited to selection and recruitment procedure but also affecting the day to day activities of an organization.

The purpose of the HRM is to formulate and implement a strategic and coherent approach for the management of employees rendering services in the organization and find out the best out of them for the escalation of the organization. The development of an organization depends mainly on the earnestness and enthusiasm of the employees.

The endless competitions among the employees and hard market condition have made it stringent for an organization to survive and manage all the available expediencies accurately. Of late, it has come into recognition that the practice of HR policies needs to be exercised in all aspects of an organization and it should not remain limited to selection process only. For smooth running of organization now all the Departmental Managers need to follow the HR polices Black and White.

The knowledge of HRM is very much effective for all the managers to make the functioning of an organization more productive and smooth. In the past only the big organizations would maintain a separate HR Department and most of small organizations didn't have any existence of it but the trend is changing now rapidly. Managers are now frequently getting involved in HR activities for running their organizations effectively.

The concept of HR is a combination of 3H, these are Heart, Head, and Hand. A manager must have got the idea of realization regarding feeling by heart, thinking by head and implementation by hand. The ultimate aim of HRM is to develop the organizational culture and to ascribe assistance to the organization in achieving it's vision and mission. Considering the importance and expansion of role of HR policy should be adopted by all top managers for implementation in line with an organization's mission, vision and business strategies, which have been followed by Rupali Insurance co. Ltd.

Report On Information Technology

With the advance of science and technology across the world RICL has taken initiative to install Integrated Insurance Software (IIS) in the company. With this end in view Rupali Insurance Company Limited has been using accounting system tally for maintaining general accounts from the year 1990.RICL has also been using various customized software namely FDR management, provident fund & share. Most of the branches of RICL have been using computers. RICL has its own website.

Report On Going Concern

The Financial statements of an organization are generally prepared on the assumption that the enterprise is a going concern and will continue its operation for the predictable future. So it is presumed that the enterprise has neither the intension nor the necessity. The Financial statement may have to be prepared on a different basis which is used to be disclosed. On the other hand, the listed companies are required by BSEC to report on it's capacity to run as going concern.

The Board of Directors of Rupali Insurance Company Limited uses to asses annually as to whether there exist material uncertainties which may cause significant doubt upon the companys' ability to continue as going concern. The Directors, assessment as to whether the company is a going concern involves appropriate inquiries including review of budget, forecast, assumption and future outcome of inherent and uncertainties in existence. The Directors are convinced from the following indications that focus reasonable assurance regarding companies ability to continue as a going concern for the foreseeable future.

Financial Indication:

- Positive net current assets
- Positive operating cash flows
- Positive key financial ratios
- Consistent payment of dividends
- Credibility in payment of obligations
- Performance growth
- Positive underwriting results and trends

Operating Indications:

- Key management turnover
- Good business expansion
- Spread of business across diverse clients' satisfaction
- Good corporate environment and employee's satisfaction

Other Indications:

- Maintenance of sufficient capital base as required by law
- Strong equity base
- Strong Claim Paying Ability (CPA)
- Anticipates no significant change in legislation or government policy

Environment

Pollution is the contamination of air, soil, or water by the discharge of harmful substances. Pollution prevention is the reduction or elimination of pollution at the source (source reduction) instead of at the end-of-the-pipe or stack.

Environment plays an important role in our daily life. And this environment creates the difference between the countries. There is a saying that environment doesn't like interfering and that is why environment is changing its own flow which is causing problem to the civilization. And as a result of pollution environment is acting weird. e.g. seasons are being delayed from its normal time. And different natural calamities are happening in Bangladesh, because of environment pollution flood, cyclone, excessive rainfall, draughts are happening.

Rupali Insurance Company Limited always tries to build awareness among the people of the society about environment. The Company has introduced many insurance policies keeping the environment pollution in mind. The Company is covering the damages caused by environment pollution. Water is another important element of environment. But it is being polluted because of the interference of the people. But Rupali Insurance Co. Ltd. tries to provide pure drinking water to all the employees working in the organization.

Because of deforestation environment is getting polluted. But the Company regularly arranges different tree plantation programs in different places of the Country. The Company keeps trees in every floor of the building as well as in the branches to ensure proper oxygen flow within the organization.

Claims Management And Details Of Outstanding Claims

The clients obtain insurance policies from the insurance companies for the safe guard of their properties. Accordingly the questions of claim settlement are related with the Insurance Company from the very beginning. The claims handling process starts with the notification of loss to the Rupali Insurance Company limited and the company appoints a Surveyor immediately on receipt of intimation. Rupali Insurance Company limited undertakes all necessary steps for expeditious settlement of claims. With the intimation of loss/damage Rupali Insurance Company limited tries to contact the insured, arranges to inspect the loss through a Surveyor assessing quantum of loss. Rupali Insurance Company Limited also suggests their clients for adopting preventive measures to minimize the loss and to take steps to protect salvage.

To make speedy disposal of claims the insureds are always requested to submit all available supporting documents without delay. After receiving all necessary papers alongwith the survey report from the Surveyors, the company quickly scrutinizes all the documents as per check list, verifies the loss ascertained by Surveyors and, if in order, proceeds without loss of time.

The client obtains an insurance policy by paying premium with the objective of obtaining financial indemnification upon happening of a loss to the subject matter of insurance. Out of any insurance contact, the client, therefore, has the following expectations:

a) Adequate insurance coverage.

b) Timely delivery of defect free policy documents with relevant endorsements / warranties / conditions / guidelines.

c) Should a claim happen, quick settlement to his satisfaction.

Rupali Insurance Company Limited has a corporate philosophy on claims management aiming to provide high quality service and expeditious settlement of claims. It specifies the nature of claim service at each stage of claim process. Rupali Insurance Company Limited has earned a good reputation in the field of claim settlement in Insurance Industry.

Incurred But Not Reported (IBNR) Losses

IBNR refers to the losses that are not filed with the insurer or reinsurer until years after the insurance policy is sold. It is a reserve to provide for claims in respect of claim events that have occurred before the accounting date but had still to be reported to the insurer by that date. In the case of a reinsurer, the reserve needs also to provide for claims that, although known to the cedant, have not yet been reported to the reinsurer to the reinsurer as being liable to involve the reinsurer.

Some liability claims may be filed long after the event that caused the injury to occur. Asbestos-related diseases, for example, do not show up until decades after the exposure. IBNR also refers to estimates made about claims already reported but where the full extent of the injury is not yet known, such as a workmen's compensation claim where the degree to which work-related injuries prevents a worker from earning what he or she earned before the injury unfolds over time. Rupali Insurance Company adjusts such losses after having new information.

Incurred But Not Enough Reported (IBNER) Reserve

IBNER refers a reserve reflecting expected changes (increase and decrease) in estimates for reported claims only (i.e. excluding any "true" or "pure" IBNR claims). The abbreviation is sometimes stated as applying to "incurred but not enough reserved".

Under the current Insurance laws of Bangladesh, it is not yet obligatory to provide reserves for IBNR and/or IBNER claims. However, under solvency margin regulations proposed under Insurance Act 2010, such reserves will be required to be maintained in the manner to be prescribed by the relevant Rules.

Insurance Risk And Its Mitigation

Insurance is a device of spreading the risks from one shoulder to another. It bears two fundamental characteristics: one is shifting of risk from one individual to a group and the other is sharing the losses on the basis of equitability by all members of the group.

Rupali Insurance Company Limited uses to undertake pre-insurance surveys of large and complicated risks through the professional and technical experts, which provides facilities to defend the insured's property and wealth. The method basically helps to reduce the happening of the incident itself rather than minimizing the extent of loss.

Besides, Rupali Insurance Company, tries to handle the salvage properly with the ultimate objects of minimizing the extent of loss which has already occurred & thus contribute to the economy.

The risk management insures proper understanding of right level of risk acceptance, risk control and risk related expenditure. Further more, the risk and recovery planning expenditure can neither be less nor more, than the organization needs it to be.

The pre-underwriting inspection of fire hazards to the insured property bears great importance. It is very much prudent and essential to make inspection before accepting the risk for underwriting and reinsurance purposes. On the basis of the pre-inspection report the underwriter may recommend segregation of risk by installation of fire proof door to reduce premium, cleanliness of factory premises and to reduce fire hazards. Recommended fire prevention measures not only reduce fire hazards but also help the insured to get rebate on the rate of premium. Without pre-inspection it is difficult to segregate risk and make retention and cession to re-insurers. Inspection surveyor's advice for risk development largely contributes towards reducing the possibility of hazards rather than minimizing the extent of loss after the happening of the casualty.

Rupali Insurance Company Limited ensures proper risk management of their clients which benefits them as saving resources : time, assets, income, property & people are valuable resources which can be saved if fewer claims occur, protecting the reputation & public image of the clientele, preventing or reducing legal liability and increasing the stability of operation, protecting people from harm, protecting the environment, generating the ability to prepare for various circumstances, bring down liabilities, helping in defining insurance needs clearly.

Although Rupali Insurance Company Limited, through its effective risk management practice, is not in a position to eliminate the risk out & out but the endeavour shown that the company is committed to reduce the loss and prevent the same as far as possible making the clients a better position in connection with risk.

Solvency Margin

Solvency margin means the amount of assets which exceeds the insurer's liabilities & this will exhibit a part of the Insurer's share holder's funds. The valuation methods of assets and liabilities of an insurer will be prescribed in the insurance regulation. The regulation sets the minimum level of solvency margin without which an insurer cannot go on. The solvency of an insurance company exposes its assets to debts.

As per section 43 of Insurance Act 2010 the concept of Solvency Margin needs to be followed by non-life insurance companies. As the relevant regulation has not yet been formed by the Regulator this concept can not be followed to assess the strength of the Company. This regulation will be formed within short time.

Responsibilities towards the staff

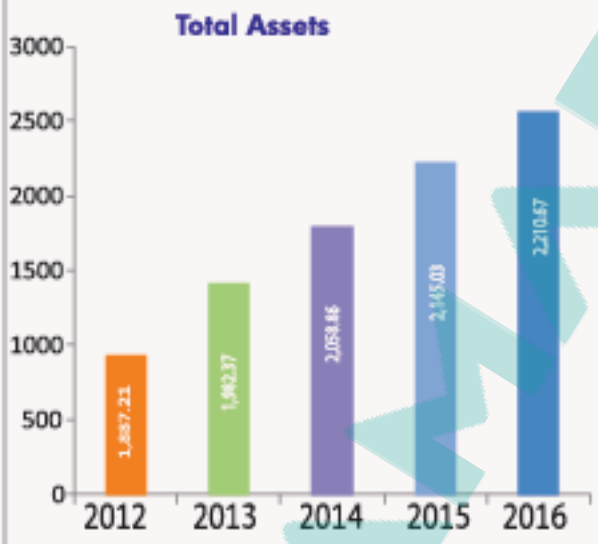
The business organization is the main stay of the staff where from they earn their livelihood. Since this is the only source of income of the staff they work hard for the development of the organization. Considering the circumstances Rupali Insurance Company Ltd. has adopted some measures like Group insurance, Provident Fund, Gratuity, Personal Accident Policy, Medical Assistance in case of need etc. The Management is also in view of introducing a Welfare Fund for the well being of the poor and meritorious students from the children of the staff with the approval of the Board of Directors.

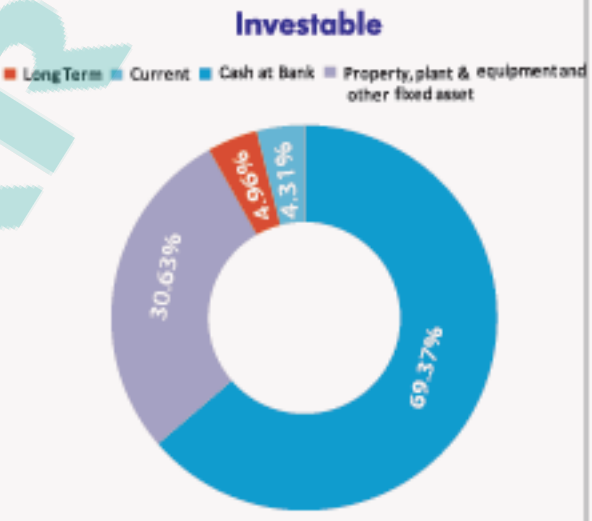
Review Of Assets Quality

This gives importance on the superior assets quality so that this will bring highest value to the Company, ensures satisfactory return to the stake holders and ensures sustainable development. In order to achieve this cherished goal the Company reviews and monitors the assets quality from time to time for the growth of the same. The figures shown below will exhibit the assets quality of Rupali Insurance Company Limited for last 5 years.

POSITION OF TOTAL ASSETS — **Taka in Million**

Year	Fixed Assets	Investment	Cash, fixed deposit and bank balances	Other assets	Total
2012	397.78	70.15	1,004.32	414.96	1,887.21
2013	403.73	113.70	980.27	484.67	1,982.37
2014	424.68	122.33	965.49	546.36	2,058.86
2015	441.24	122.16	998.21	583.42	2,145.03
2016	446.86	129.37	1,012.24	622.20	2,210.67





POSITION OF INVESTABLE ASSETS — **Taka in Million**

Particular	2016	%	2015	%
Share & Debenture				
Long term	66.60	4.56	57.50	3.68
Current	62.77	4.31	64.66	4.14
Total:	**129.37**	**8.87**	**122.16**	**7.82**
Cash at bank	1,012.24	69.37	998.21	63.92
Fixed Assets	446.86	30.63	441.24	28.26
Total:	**1,459.10**	**100.00**	**1,561.61**	**100.00**

Report Of The Audit Committee

The Audit Committee of Rupali Insurance Company Ltd. consists of 4 (four) Directors as per directive of the Board of Directors. e.g. Mr. Mir Rashed Bin Aman, Qazi Maniruzzaman, Mrs.Fauzia Quamrun Tania and Mr. Sirajul Huq. The committee has to convey the report to the Board of Directors directly and the chief internal Audit & control officer has right to access the committee directly. It deals as per terms of Reference approved by the Board complying the section 3 of the Bangladesh Securities and Exchange Commission Notification.

During the year under review ie.2016, 4(four) meetings of the Audit Committee were held to accomplish the undermentioned jobs:

- Review of the appointment of External Auditors.
- Review of quarterly and half yearly financial statements.
- Review of various reports of Internal Audit and Control Division on financial procedures & branch activities recommending appropriate measures to the management.
- Review of Status report of Audit Plan 2016 and review of the Audit plan 2017.
- Review and discussion of the Management Report by the external auditor for the year ended December 31, 2016 and management's responses to the report.

During the meeting held on March 04, 2017 the Audit Committee reviewed and examined the External draft audit reports including the financial statements for the year 2016 and placed the audited accounts with recommendation for the year 2016 before the Board of Directors for their consideration and approval. The Audit Committee is of the opinion that the External Audit Control and measures are quite enough to present a real and fair picture of performances and financial status of the Company.

Mir Rashed Bin Aman
Chairman
Audit Committee.

CEO & CFO'S Certificate to the Board of Directors in respect of FINANCIAL REPORTING

To the best of our knowledge and belief we certify that we have reviewed the financial statement of Rupali Insurance Co. Ltd. comprises the Balance sheet as of December 31, 2016, profit & loss account, statement of changes in share holders equity, statement of cash flows and liquidity statement together with accounting policies and explanatory notes for the year ended December 31, 2016 as follows:

a) the financial statement does not contain any materially untrue statement or omits any material fact or contains statement that might be misleading.

b) the financial statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

A.A. Nasiruddin Ahmed
Chief Financial Officer

P. K. Roy FCA FCS
Chief Executive Officer

Dhaka, April 12, 2017



Financial Statements

Auditor's Report to the Shareholders of Rupali Insurance Company Limited

We have audited the accompanying Balance Sheet of Rupali Insurance Company Limited as of December 31, 2016 and the related Profit and Loss Account and Statement of Cash Flows for the year then ended.

Management's responsibility for the financial statements:
Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable law and regulations. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility:
Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation financial statement.

We believe that our audit provides a reasonable basis for our opinion.

Dated : Dhaka
April 12, 2017

Opinion:

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the company's affairs as of December 31, 2016 and of the results of its operations and its Cash Flows for the year then ended and comply with the Companies Act, 1994, Insurance Act, 2010 and Insurance Rules 1958, Securities Exchange Rules, 1987 and other applicable laws and regulations.

We report that :

i) We have obtained 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.

iii) The company's Balance Sheet and Profit and Loss Account 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, in respect of insurance business of the company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Profit & Loss Account of the Company; and

vi) As per Regulation-11 of Part-I of the Third Schedule of the Insurance Act, 2010 as amended, we certify that to the best of our information and as shown by its books, the Company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured abroad.

A.Wahab & Co.

(A.Wahab & Co.)
Chartered Accountants

Rupali Insurance Company Limited

Balance Sheet

As on December 31, 2016

CAPITAL AND LIABILITIES	NOTES	2016	2015
Authorized capital :			
100,000,000 ordinary shares of Taka 10 each		1,000,000,000	1,000,000,000
Issued, subscribed & paid up capital :			
63,216,172 ordinary shares of Taka 10 each	7	632,161,720	602,058,790
Share Premium	8	212,448,120	212,448,120
Reserve, surplus & contingency accounts :			
Reserve for exceptional losses	9	367,373,550	347,373,550
Reserve for revaluation of land and building		249,902,774	249,902,774
Dividend equalisation fund		18,000,000	18,000,000
Profit & loss appropriation accounts	15(vi)	98,190,159	94,254,606
Balance of funds and account :			
Fire Insurance business		204,241,171	200,942,441
Marine Insurance business		53,006,173	43,657,920
Miscellaneous Insurance business		53,762,812	38,126,085
		97,472,186	119,158,436
Premium deposit	10	15,914,515	16,444,091
Estimated liabilities in respect of outstanding claims whether due or intimated	11	59,415,816	52,623,052
Amount due to other persons or bodies carrying on insurance business	12	29,450,903	27,393,985
Sundry creditors (including provision for expenses and taxes)	13	323,572,732	323,587,205
	Taka	**2,210,671,459**	**2,145,028,614**

The annexed Notes form 1 to 21 form an integral part of these financial statements. These financial statements were approved by the Board of Directors as on April 11,2017.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Balance Sheet

As on December 31, 2016

PROPERTY AND ASSETS	NOTES	2016	2015
Investment (At cost) :	1	129,368,264	122,157,394
Outstanding premium	2	61,972,576	66,969,054
Accrued interest	3	25,707,412	30,993,088
Amount due from other persons or bodies carrying on Insurance business	4	66,962,867	57,691,562
Sundry debtors (including deposits and prepayments)	5	121,696,619	108,976,752
Cash and bank balances	6	1,012,238,201	998,214,292
Other accounts :		792,725,520	760,026,472
Fixed assets at cost less depreciation (Annexure-1)		446,862,397	441,242,200
Stock of Printing materials		1,115,758	1,394,854
Advance income tax	13.01	344,747,365	317,389,418
	Taka	**2,210,671,459**	**2,145,028,614**

Mostafa Golam Quddus
Chairman

(A. Wahab & Co.)
Chartered Accountants

Rupali Insurance Company Limited

Profit and Loss Account

For the year ended December 31, 2016

EXPENSES	NOTES	2016	2015
Expenses of management (not applicable to any fund or account)			
Directors' fees		544,000	400,000
Audit fee (including special audit)	15 (iii)	156,250	187,500
Donation & subscription	15 (iv)	1,217,226	1,314,292
Publicity & advertisement		2,403,444	2,640,779
Fees and charges		50,459	596,714
Legal & professional fee		524,900	260,850
Registration & renewals	15 (v)	3,568,113	3,083,855
Depreciation (Annexure-I)		15,672,142	16,306,195
Share Expenses		788,360	208,290
AGM Expenses		632,391	836,705
Provision for diminution in value of investment		–	6,147,377
Profit for the year transferred to Profit & Loss Appropriation Account		180,244,361	178,339,958
	Taka	**205,801,646**	**210,322,515**

Profit and Loss Appropriation Account

For the year ended 31st December, 2016

Reserve for exceptional losses		20,000,000	20,000,000
Provision for tax		64,000,000	63,000,000
Provision for Deferred taxation		2,000,000	2,000,000
Balance transferred to Balance Sheet	15 (vi)	98,190,158	94,254,606
	Taka	**184,190,158**	**179,254,606**
Earning per Share (EPS) after tax (Restated)	**16**	**1.84**	**1.82**

The annexed Notes form 1 to 21 form an integral part of these financial statements. These financial statements were approved by the Board of Directors as on April 11, 2017.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Profit and Loss Account

For the year ended December 31, 2016

INCOME	NOTES	2016	2015
Interest, dividend and rents (not applicable to any fund or account)			
Interest and rental income	15 (i)	78,039,473	79,616,260
Profit transferred from :	14 (i)	122,665,975	129,570,876
Fire revenue account		18,563,739	24,349,914
Marine revenue account		12,611,587	19,821,571
Miscellaneous revenue account		91,490,650	85,399,391
Other income	15 (ii)	5,096,198	1,135,379
	Taka	**205,801,646**	**210,322,515**

Profit and Loss Appropriation Account

For the year ended 31st December, 2016

Balance brought forward from previous year		3,945,797	914,648
Net profit for the year transferred from Profit & Loss Account		180,244,361	178,339,958
	Taka	**184,190,158**	**179,254,606**

Subject to our seperate report of even date.

Mostafa Golam Quddus
Chairman

(A. Wahab & Co.)
Chartered Accountants

Rupali Insurance Company Limited

Fire Insurance Revenue Account

For the year ended December 31, 2016

EXPENSES	NOTES	2016	2015
Claims under policies Less re-insurance :			
Paid during the year		67,960,175	51,940,896
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		15,505,045	15,696,710
		72,409,887	**67,637,606**
Less : Outstanding claims at the end of the previous year		15,996,710	9,967,448
		56,713,177	**57,670,158**
Agency commission		52,884,594	44,697,088
Management expenses		54,832,523	47,809,203
Profit for the year transferred to Profit & Loss Account		18,563,739	24,349,914
Balance of account at the end of the Period as shown in Balance Sheet : Reserve for unexpired risk being 40% of premium income of the year		53,006,173	43,657,920
	Taka	**247,055,539**	**218,184,283**

The annexed Notes from 1 to 21 form an integral part of these financial statements. These financial statements were approved by the Board of Directors as on April 11,2017.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Fire Insurance Revenue Account

For the year ended December 31, 2016

INCOME	NOTES	2016	2015
Balance of account at the beginning of the Year :			
Reserve for Unexpired risk		43,657,920	44,773,978
Premium less re-insurance		132,515,433	109,144,801
Commission on re-insurance ceded		70,882,186	64,265,504
Taka		**247,055,539**	**218,184,283**

Subject to our seperate report of even date.

Mostafa Golam Quddus
Chairman

(A. Wahab & Co.)
Chartered Accountants

AMAR STOCK

Rupali Insurance Company Limited

Marine Insurance Revenue Account

For the year ended December 31, 2016

EXPENSES	Marine Cargo	Marine Hull	2016	2015
Claims under policies Less re-insurance :				
Paid during the year	40,708,277	8,956,265	49,664,542	27,890,367
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	14,690,227	–	14,690,227	15,706,299
	55,398,504	**8,956,265**	**64,354,769**	**43,596,666**
Less : Outstanding claims at the end of the previous year	15,706,299	–	15,706,299	7,272,168
	39,692,205	**8,956,265**	**44,744,405**	**36,324,498**
Agency commission	26,643,945	4,436,421	31,080,366	25,870,314
Management expenses	27,254,077	4,538,013	31,792,090	29,850,075
Profit/(Loss) for the year transferred to Profit and Loss Account	24,334,450	(11,722,863)	12,611,587	19,821,571
Balance of account at the end of the year as shown in balance sheet : Reserve for unexpired risk being 40% of Marine cargo premium and 100% of Marine Hull premium income of the year	46,227,971	7,534,841	53,762,812	38,126,085
Taka	**164,152,648**	**13,742,677**	**177,895,325**	**149,992,543**

The annexed Notes form 1 to 21 form an integral part of these financial statements. These financial statements were approved by the Board of Directors as on April 11, 2017.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Marine Insurance Revenue Account

For the year ended December 31, 2016

INCOME	Marine Cargo	Marine Hull	2016	2015
Balance of account at the beginning of the year :				
Reserve for Unexpired Risk	35,525,030	2,601,055	38,126,085	37,096,709
Premium less re-insurance	115,569,927	7,534,841	123,104,768	91,413,629
Commission on re-insurance ceded	13,057,691	3,606,781	16,664,472	21,482,205
Taka	164,152,648	13,742,677	177,895,325	149,992,543

Subject to our seperate report of even date

Mostafa Golam Quddus
Chairman

(A.Wahab & Co.)
Chartered Accountants

AMARSTOCK

Rupali Insurance Company Limited

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2016

EXPENSES	Motor	Mise	2016	2015
Claims under policies				
Less re-insurance :				
Paid during the year	83,269,469	308,968	83,578,437	98,777,951
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	28,185,544	1,035,000	29,220,544	21,220,043
	111,455,013	1,343,968	112,798,981	119,997,994
Less : Outstanding claims at the end of the previous year	20,246,623	973,420	21,220,043	21,401,170
	91,208,390	**370,548**	**91,578,968**	**98,596,824**
Commission on re-insurance accepted	–	426,293	426,293	363,391
Agency commission	37,328,187	5,430,153	42,758,340	46,022,383
Management expenses	39,136,553	5,571,251	44,707,804	50,479,419
Profit/(Loss) for the year transferred to Profit and Loss Account	85,924,849	5,565,800	91,490,650	85,399,391
Balance of account at the end of the Year as shown in Balance Sheet :				
Reserve for Unexpired Risk being 40% of Motor & Misc. Premium income for the year	92,538,855	4,933,332	97,472,186	119,158,436
Taka	**346,136,834**	**22,297,377**	**368,434,211**	**400,019,844**

The annexed Notes form 1 to 21 form an integral part of these financial statements. These financial statements were approved by the Board of Directors as on April 11, 2017.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 12, 2017

AMARSTOCK

Rupali Insurance Company Limited

Miscellaneous Insurance Revenue Account

For the year ended December 31, 2016

INCOME	Motor	Mise	2016	2015
Balance of account at the beginning of the year :				
Reserve for Unexpired risk	114,212,668	4,945,768	119,158,436	97,506,608
Premium less re-insurance	231,347,137	12,333,329	243,680,466	297,896,091
Commission on re-insurance ceded	577,029	5,018,280	5,595,309	4,617,145
Taka	**346,136,834**	**22,297,377**	**368,434,211**	**400,019,844**

Subject to our seperate report of even date

Mostafa Golam Quddus
Chairman

(A. Wahab & Co.)
Chartered Accountants

Rupali Insurance Company Limited

Statement of Changes in Equity

For the year ended December 31, 2016

Particulars	Share Capital	Share Premium	Reserve for Exceptional Losses	Dividend Equalization Fund	Reserve for Revaluation of land & Building	Profit & Loss Appropriation	Total
Equity as at January 01, 2016	602,058,790	212,448,120	347,373,550	18,000,000	249,902,774	94,254,606	1,524,037,840
Dividend equalization fund transferred to retained earning	—	—	—	—	—	—	—
Stock Dividend	30,102,930	—	—	—	—	(30,102,930)	—
Cash Dividend	—	—	—	—	—	(60,205,879)	(60,205,879)
Surplus/Addition during the year	—	—	20,000,000	—	—	94,244,361	114,244,361
Total :	**632,161,720**	**212,448,120**	**367,373,550**	**18,000,000**	**249,902,774**	**98,190,158**	**1,578,076,322**
December 31,2015	**602,058,790**	**212,448,120**	**347,373,550**	**18,000,000**	**249,902,774**	**94,254,606**	**1,524,037,840**

The annexed Notes form 1 to 21 form an integral part of these financial statements. These financial Statements were approved by the Board of Directors as on April 11, 2017.

Subject to our seperate report of even date.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Mostafa Golam Quddus
Chairman

(A. Wahab & Co.)
Chartered Accountants

Dated : Dhaka, April 12, 2017

AMARSTOCK

Rupali Insurance Company Limited

Cash Flow Statement

For the year ended December 31, 2016

PARTICULARS	Notes	2016	2015
A. Cash Flows from Operating Activities :			
Collections from pemium and other income		955,606,245	908,623,616
Payments for management expenses, re-insurance, claims & commission etc.		(818,531,467)	(756,694,128)
Income tax paid		(34,531,662)	(30,261,888)
Net Cash provided by Operating Activities		**102,543,136**	**121,667,600**
B. Cash Flows from Investing Activities :			
Purchase of Fixed Assets		(21,370,439)	(32,863,829)
Purchase of Shares		(1,165,558)	(22,075,732)
Purchase of BGTB		(9,100,000)	–
Sale of Shares		3,054,688	22,245,538
Dividend income		267,981	1,088,196
Net Cash used in Investing Activities		**(28,313,328)**	**(31,605,827)**
C. Cash Flows from Financing Activities :			
Dividend Paid		(60,205,879)	(57,338,933)
Net Cash used in Financing Activities		**(60,205,879)**	**(57,338,933)**
D. Increase/Decrease in cash Flow : (A+B+C)		**14,023,909**	**32,722,840**
Cash & cash equivalents at the beginning of the year (01.01.2016)		998,214,292	965,491,452
Cash & cash equivalents at the end of the year	**6**	**1,012,238,201**	**998,214,292**
Net Operating Cash Flow Per Share (NOCFPS) (Restated)	**17**	**1.62**	**1.92**

The annexed Notes form 1 to 21 form an integral part of these financial statements.These financial statements were approved by the Board of Directors as on April 11, 2017.

Subject to our seperate report of even date.

P. K. Roy, FCA, FCS	Mostafa Quamrul Sobhan	Quazi Moniruzzaman	Mostafa Golam Quddus	(A. Wahab & Co.)
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Form A A

Classified summary of assets as on December 31, 2016

CLASS OF ASSETS	AMOUNT	BOOK VALUE
Investment:		
Investment in shares of listed securities	62,768,264	Book Value
Investment in Sonali Life Insurance Co. Ltd.	32,500,000	Realizabale Value
Deposit with Central Depository Bangladesh Ltd. (20 years Bangladesh Govt. Treasury Bond)	34,100,000	Realizabale Value
Fixed deposits, STD and current accounts	1,004,338,274	Realizabale Value
Cash in hand & stamp	7,899,927	Realizabale Value
Outstanding premium and dues from others carrying on insurance business	128,935,443	Book Value
Interest accrued but not received	25,707,412	Realizabale Value
Sundry debtors, advances, deposits and advance income tax	466,443,984	Book Value
Fixed assets (at cost less depreciation)	446,862,397	Book Value
Taka	**2,209,555,701**	

Note : The amount of Fixed assets is inclusive of Tk. 4,323,874 being W.D.V. of Furniture and Fixure and Revaluation of Land & Building amounting to Tk. 249,902,774.

The annexed Notes form 1 to 21 form an integral part of these financial statements.These financial statements were approved by the Board of Directors as on April 11,, 2017.

P. K. Roy, FCA, FCS	Mostafa Quamrus Sobhan	Quazi Moniruzzaman	Mostafa Golam Quddus	(A.Wahab & Co.)
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : Dhaka, April 12, 2017

Rupali Insurance Company Limited

Schedule of Fixed Assets and Depreciation/Amortization thereon
As on December 31, 2016

ANNEXURE-1

PARTICULARS	COST				DEPRECIATION						W.D.V AS ON 31.12.2016
	AS ON 01.01.2016	ADDITION DURING THE YR.	DISPOSAL DURING THE YR.	TOTAL AS ON 31.12.2016	RATE %	AS ON 01.01.2016	ADJUSTMENT DURING THE YEAR	DURING THE YEAR	AMORTIZATION DURING THE YEAR	TOTAL AS ON 31.12.2016	
Furniture & Fixture	31,793,461	546,143	78,100	32,261,504	10	26,551,774	—	1,385,856	—	27,937,630	4,323,874
Neon Sign	3,035,161	162,650	—	3,197,811	10	2,532,688	—	120,357	—	2,653,045	544,766
Vehicles	67,850,668	4,195,220	1,069,500	70,976,388	20	57,979,673	1,069,500	3,622,567	—	60,532,740	10,443,648
Electric Equipment	4,722,981	2,395,765	—	7,118,746	15	3,787,042	—	708,517	—	4,495,559	2,623,187
Office Equipment	2,967,478	—	—	2,967,478	15	2,723,810	—	5,775	—	2,729,585	237,893
Air Conditioner	10,677,183	730,679	—	11,407,862	15	9,080,809	—	639,512	—	9,720,321	1,687,541
Telephone Installation	5,020,045	75,870	—	5,095,915	10	4,863,473	—	197,730	—	5,061,203	34,712
By Cycle	76,796	—	—	76,796	20	76,095	—	700	—	76,795	1
Computer	10,752,496	246,308	—	10,998,804	30	10,134,283	—	619,422	—	10,753,705	245,099
Lift	5,432,802	70,000	—	5,502,802	15	5,432,801	—	10,500	—	5,443,301	59,501
Television	249,200	—	—	249,200	20	194,432	—	15,702	—	210,134	39,066
Land	35,000,000	—	—	35,000,000	—	—	—	—		—	35,000,000
Building	171,565,893	12,598,017	—	184,163,910	10	36,116,969	—	7,168,869	—	43,285,838	140,878,072
Generator	900,183	—	—	900,183	15	888,811	—	11,371	—	900,182	1
Web Design & Networking	3,446,007	195,957	—	3,641,964	30	2,069,338	—	1,092,589	—	3,161,927	480,037
Solar	330,670	153,830	—	484,500	15	49,600	—	72,675	—	122,275	362,225
Total Taka	**353,821,024**	**21,370,439**	**1,147,600**	**374,043,863**	—	**162,481,598**	**1,069,500**	**15,672,142**	—	**177,084,240**	**196,959,623**
Revaluation of Land & Building											
Land	84,100,000	—	—	84,100,000	—	—	—	—	—	—	84,100,000
Building	276,337,958	—	—	276,337,958	—	110,535,184	—	—	—	110,535,184	165,802,774
Total Taka	**360,437,958**	—	—	**360,437,958**	—	**110,535,184**	—	—	—	**110,535,184**	**249,902,774**
Grand Total	**714,258,982**	**21,370,439**	**1,147,600**	**734,481,821**	—	**273,016,782**	**1,069,500**	**15,672,142**	—	**287,619,424**	**446,862,397**
December 31, 2015	**681,395,153**	**32,863,829**	—	**714,258,982**	—	**256,710,587**	—	**16,033,477**	—	**273,016,782**	**441,242,200**

Rupali Insurance Company Limited
Notes to the Financial Statements
For the year ended December 31, 2016

A. LEGAL FORM OF THE COMPANY :

The company is a public limited company under the Companies Act. 1994 vide certificate of incorporation No. c-17544 (344) /88 on May 30, 1988 with its registered office at Rupali Bima Bhaban, 7 Rajuk Avenue , Dhaka -1000 and is engaged in general insurance business as per Insurance Act. 2010.

B. SIGNIFICANT ACCOUNTING POLICIES AND OTHER RELEVANT INFORMATION :

i. Basis of Presentation of Financial Statement :

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

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

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

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

ii. Premium Income :

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

iii. Interest on Statutory and Other Investments :

Interest earned on 10 years and 20 years Bangladesh Govt. Treasury Bond held with Central Depository Bangladesh as statutory investmet has been accounted for and interest received from various banks after deduction of charges has been duly credited to the Profit and Loss Account.

iv. Management Expenses :

Management expenses of Tk. 131,332,417 directly related to business represent approximately 15.53% of gross premium of Tk. 845,932,899 and 26.30% of net premium of Tk. 499,300,667 earned during the year. The above amount of management expenses have been charged @ 41.75% to Fire, 24.21% to Marine and 34.04% to Miscellaneous Business Revenue Account on the basis of insurance Rules 1958.

v. Surplus of Revenue Account & Provision for Unexpired Risk :

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

vi. Reserve for Exceptional Loss :

Provision has been made on account of Reserve for Exceptional Losses out of profit before tax in the amount of Tk. 20,000,000 on the basis of section 6(2) of the 4th schedule of Income Tax Ordinance 1984.

vii. Depreciation/Amortization on Fixed Assets :

a) Depreciation: Depreciation on fixed assets for the used period has been charged on cost as per straight line method at rates varying from 10% to 30% depending on the estimated useful life of the assets and the accumulated depreciation of Tk. 177,084,240 including Tk. 15,672,142 provided during the year has been deducted from the cost of Fixed Assets as per previous year's practice.

b) Amortization: As per BAS-16, Paragraph 41, no amortization has been made during the year 2016, as the revalued assets have not been derecognized.

viii. Income Tax :

Provision for Income Tax has been made in accordance with the best estimates of the management based on the prevailing Income Tax law without considering the admissible and inadmissible expenses. Assessments for the assessment year 2015-2016 and 2016-2017 are under process. Details of Tax provision, Tax paid, Balance Payable and Advance Tax paid in respect of different assessment years is given under note 13.01.

C. OPERATION

During the year under audit through the operation of 48 branches the gross premium income earned by the company amounting to Tk. 845,932,899 including public sector business of Tk. 42,460,015. After ceding for re-insurance premium the net premium for the year amounted to Tk. 499,300,667 and after charging direct expenses therefrom the net underwriting profit stood at Tk. 122,665,975 as against Tk. 498,454,521 and Tk. 129,570,876 respectively in the preceding year.

D. PUBLIC SECTOR BUSINESS

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

E. EMPLOYEE BENEFIT PLAN (BAS 19) :

Company maintains accounts of Provident Fund and Group Insurance in compliance with BAS-19.

F. WORKERS PROFIT PARTICIPATION FUND AND WELFARE FUND:

The Company is yet to decide on the applicability of the Secctios 2(65) of the Labour code, 2006 and 232 of the Labour Act, 2006 hence no provision for workers profit Participation and welfare fund has been made in the accouts.

G. USE OF ESTIMATES IN PREPARATION OF THE FINANCIAL STATEMENTS :

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

H. OTHER :

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

b) Figures have been rounded off to the nearest taka and previous year's figures have been re-arranged, wherever necessary, for comparison comparison purpose.

BALANCE SHEET

1. Investment at cost : Tk. 129,368,264

The break-up of the above balance is as under :	2016	2015
i. 10 years Banladesh Govt. Treasury Bond	20,500,000	20,500,000
ii. 20 years Banladesh Govt. Treasury Bond	13,600,000	4,500,000
iii. Sonali Life Insurance Co. Ltd.	32,500,000	32,500,000
iv. Investment in shares of listed securities	62,768,264	64,657,394
Taka	**129,368,264**	**122,157,394**

i) 10 years Banlgadesh Govt. Treasury Bond of Tk. 205,00,000 is lying with Central Depository Bangladesh Ltd. as statutory deposit.
ii) 20 years Banlgadesh Govt. Treasury Bond of Tk. 136,00,000 is lying with Central Depository Bangladesh Ltd. as statutory deposit.
iii) Tk 30,000,000 has been deposited for Sonali Life Insurance Co. Ltd. for holding 3,000,000 Shares and Tk. 2,500,000 has been deposited for Sonali Life Insurance Co. Ltd. as Security deposit.

iv) **Details of Investment in shares of listed securities are as below:**

Particulars	Quantity	Cost Price	Market Price	Consideration Value
Lanka Bangla Finance Ltd.	83,670	6,684,570	2,911,717	2,911,717
BSRM Steel Ltd.	20,580	3,275,052	1,909,824	1,909,824
Continental Insurance Co Ltd.	54,400	3,613,747	1,000,960	1,000,960
Mercantile Insurance Co. Ltd.	40,655	2,180,212	670,808	670,808
City General Insurance Co. Ltd.	208,264	9,791,159	3,394,703	3,394,703
Sonargaon Textiles	19,635	602,865	200,277	200,277
United Commercial Bank Ltd.	72,450	4,832,300	1,543,186	1,543,186
Uttara Finance	24,054	3,013,963	1,474,510	1,474,510
R.A.K. Ceramic Bangladesh Ltd.	7,320	1,025,005	453,108	453,108
Grameen Phone	33,000	2,442,000	9,375,300	2,442,000
Aftab Automobiles	8,400	1,408,811	476,280	476,280
Bangladesh Export Import Co. Ltd.	24,046	2,055,508	625,196	625,196
Standared Bank Ltd.	154,732	2,094,723	1,841,310	1,841,310
Atlas Bangladesh	3,078	686,197	336,733	336,733
Dhaka Bank Ltd.	25,863	744,049	462,947	462,947
IFIC Bank Ltd.	4,173	143,298	87,216	87,216
MJL Bangladesh Ltd.	4,361	299,920	521,576	299,920
Padma Oil Co. Ltd.	7,000	2,485,522	1,261,400	1,261,400
Premier Bank Ltd.	118,422	3,019,937	1,160,535	1,160,535
Lafarge Surma Cement Ltd.	5,000	410,435	410,500	410,435
Confidence Cement	33,500	4,031,905	3,664,900	3,664,900
Meghna Petroleum Ltd.	7,700	1,916,410	1,312,080	1,312,080
Padma Islami Life Insurance Ltd.	10,000	751,671	282,000	282,000
Square Textiles Ltd.	24,200	1,953,581	1,674,640	1,674,640
SPCL	5,000	689,061	680,500	680,500
Information Technologey Ltd.	500	5,000	–	5,000
United Power Generation & Distribution Company	4,500	916,661	637,200	637,200
Bangladesh Industrial Fin. Co. Ltd.	82,700	1,081,201	860,080	860,080
Dhaka Electric Supply Co. Ltd.	3,675	233,360	170,152	170,152
South East Bank Ltd.	10,000	182,652	187,000	182,552
Acme Lab	2,565	197,582	254,034	197,582
Total	**1,103,443**	**62,768,264**	**39,840,673**	**32,629,753**

Provision for Tk 30,138,511 has been made on account of the difference between the cost price and consideration value of most of the shares as on December 31,2016 is lower than the cost price of those shares.

2. Outstanding premium : Tk. 61,972,576

The above balance is made up as follows :

	2016	2015
Fire	31,987,016	32,863,010
Marine	17,529,450	18,296,031
Motor	12,456,110	15,810,013
Taka	**61,972,576**	**66,969,054**

3. Accrued interest : Tk. 25,707,412

The above balance is made up as follows :

	2016	2015
Opening balance	30,993,088	49,500,177
Add : Amount accrued during the year :		
Interest on FDR	24,751,725	29,321,598
Interest on 20 Years Bangladesh Govt.Treasury Bond	955,687	835,745
	56,700,500	79,657,520
Less : Received during the year	30,993,088	48,664,432
Taka	**25,707,412**	**30,993,088**

4. Amount due from other persons or bodies carrying on insurance business : Tk. 66,962,867

The amount represents premium receivable from co-insurers against co-insurance business underwritten Jointly.

The above balance is made up as follows :	2016	2015
Fire	33,525,691	33,890,038
Marine	21,737,775	12,102,123
Miscellaneous	11,699,401	11,699,401
Taka	**66,962,867**	**57,691,562**

5. Sundry debtors : Tk. 121,696,619

The above balance is made up as follows :		
Agent Balance	55,546,374	50,021,761
Rent Receivable	1,837,579	460,026
Advance against purchase of shanes	5,587,696	39,346
Advance against office rent	33,387,583	25,952,664
Other Advance	2,931,581	10,097,149
R/I Port folio premium & losses	21,391,130	21,391,130
Security Deposit	1,014,676	1,014,676
Taka	**121,696,619**	**108,976,752**

6. Cash and bank balance : Tk. 1,012,238,201

The above balance is made up as follows :

A. On hand :	2016	2015
Cash	27,016,906	23,173,616
Stamps	883,024	64,160
	27,899,927	**23,237,776**
B. At Banks :		
Fixed deposits	890,760,739	890,422,987
STD and Current accounts	93,577,535	84,553,529
	984,338,274	**974,976,516**
Taka	**1,012,238,201**	**998,214,292**

7. Issued, subscribed & Paid-up Capital : Tk. 632,161,720

This balance represents 63,216,172 ordinary shares of Tk. 10.00 each fully paid-up to Tk. 632,161,720 which is made up of as follows :

	2016	2015
Opening Balance (60,205,879 Shares)	602,058,790	573,389,330
Add : Bonus Shares issued during the year (3,010,293 shares Tk. 10 each)	30,102,930	28,669,460
Total	**632,161,720**	**602,058,790**

7.01 The category wise shareholdings as on 31.12.2016 is noted below :

Category of shareholders	No. of Shares	% of Holdings	Amount
1. Sponsors & Directors	30,594,470	48.40	305,944,700
2. General Public	19,504,595	30.85	195,045,950
3. Financial Institutions	13,058,381	20.66	130,583,810
4. NRB	58,726	0.09	587,260
Total	**63,216,172**	**100**	**632,161,720**

7.02 Classification of Shareholders by holdings :

Class Interval	No. of Shares	No. of Share Holders	% of Total Paid- Up Capital
1-500	472,255	3,307	0.75
501-5000	3,645,730	2,007	5.77
5001-10000	1,732,869	246	2.74
10001-20000	2,351,542	170	3.72
20001-30000	1.734,411	71	2.74
30001-40000	1,098,903	31	1.74
40001-50000	723,082	16	1.14
50001-100000	2,415,735	35	3.82
100001-1000000	17,573,613	57	27.80
Over-1000000	31,468,032	15	49.78
Total	**63,216,172**	**5,955**	**100.00**

8. Share Premium Tk. 212,448,120

The above balance is made up as follows :

		2016	2015
Opening balance		212,448,120	212,448,120
	Taka	**212,448,120**	**212,448,120**

9. Reserve for exceptional losses : Tk. 367,373,550

The above balance is made up as follows :

		2016	2015
Opening balance		347,373,550	327,373,550
Provision during the period		20,000,000	20,000,000
	Taka	**367,373,550**	**347,373,550**

10. Premium Deposit : Tk. 15,914,515

The above balance is made up as follows

		2016	2015
Premium deposit		15,914,515	16,444,091
	Taka	**15,914,515**	**16,444,091**

11. Estimated liabilities in respect of outstanding claims whether due or intimated : Tk. 59,415,816

The above balance is made up as follows :

		2016	2015
Fire		15,505,045	15,696,710
Marine		14,690,227	15,706,299
Motor		28,185,544	20,246,623
Miscellaneous		1,035,000	973,420
	Taka	**59,415,816**	**52,623,052**

12. Amount due to other persons or bodies carrying on insurance business : Tk. 29,450,903

The above balance is made up as follows :

		2016	2015
Amount due to SBC		19,783,801	16,246,907
Other insurance Companies		9,667,102	11,147,078
	Taka	**29,450,903**	**27,393,985**

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13. Sundry Creditors : Tk. 323,572,732

The above balance is made up as follows :

	2016	2015
Liabilities for Capital expenses	489,522	358,465
Liabilities for expenses	3,188,024	5,977,560
Value added tax and other Govt. dues	412,678	566,107
Provision for deferred tax	18,000,000	16,000,000
Provision for share Investment	30,138,511	35,336,564
Provision for income tax (Assessment year 2017-2018) (Note-13.01)	64,000,000	63,000,000
Income tax provided (Assessment year 1991-1992 to 2016-2017)	198,199,822	192,373,537
Share application money	82,930	82,930
Advance rent received	2,333,352	2,153,391
Others payable	6,727,893	7,738,651
Taka	**323,572,732**	**323,587,205**

13.01 As against tax payable on account of provision up to assessment year 2017-2018 noted above there is a balance of advance tax of Tk. 344,747,365 paid up to the accounting year December 31, 2016.

The liability for Income Tax and corresponding payment of tax there against is noted below :

Accounting Year	Assessment year	Tax provision	Tax paid/Adjustment	Balance payable	Advance Tax
31.12.1990	1991-1992	4,031,000	2,508,910	1,522,090	893,944
31.12.1991	1992-1993	1,800,000	500,000	1,300,000	718,831
31.12.1992	1993-1994	4,000,000	3,500,000	500,000	1,701,620
31.12.1993	1994-1995	5,000,000	5,486,074	(486,074)	3,141,886
31.12.1994	1995-1996	8,700,000	7,000,000	1,700,000	4,665,043
31.12.1995	1996-1997	11,300,000	21,000,000	(9,700,000)	4,021,654
31.12.1996	1997-1998	12,000,000	557,537	11,442,463	5,427,736
31.12.1997	1998-1999	4,200,000	7,800,000	(3,600,000)	579,159
31.12.1998	1999-2000	2,600,000	5,400,000	(2,800,000)	2,050,000
31.12.1999	2000-2001	2,500,000	500,000	2,000,000	911,828
31.12.2000	2001-2002	3,300,000	147,340	3,152,660	1,767,560
31.12.2001	2002-2003	3,500,000	—	3,500,000	1,226,175
31.12.2002	2003-2004	4,500,000	—	4,500,000	5,763,369
31.12.2003	2004-2005	6,000,000	1,458,000	4,542,000	3,793,136
31.12.2004	2005-2006	6,000,000	1,077,602	4,922,398	7,171,772
31.12.2005	2006-2007	7,000,000	—	7,000,000	7,557,344
31.12.2006	2007-2008	9,000,000	3,000,000	6,000,000	7,561,590
31.12.2007	2008-2009	10,000,000	2,400,000	7,600,000	14,375,530
31.12.2008	2009-2010	20,500,000	20,000,000	500,000	11,781,933
31.12.2009	2010-2011	22,000,000	25,424,500	(3,424,500)	19,118,667
31.12.2010	2011-2012	18,200,000	12,000,000	6,200,000	21,637,354
31.12.2011	2012-2013	23,900,000	15,997,500	7,902,500	17,178,552
31.12.2012	2013-2014	62,700,000	40,000,000	22,700,000	35,913,456
31.12.2013	2014-2015	60,600,000	10,000,000	50,600,000	59,910,385
31.12.2014	2015-2016	64,800,000	37,173,715	27,626,285	48,259,006
31.12.2015	2016-2017	63,000,000	20,000,000	43,000,000	30,261,888
Total Taka		**441,131,000**	**242,931,178**	**198,199,822**	**317,389,418**
31.12.2016		**64,000,000**	**—**	**—**	**27,357,947**
				Tk.	**344,747,365**

13.02 The Year wise Tax provision, assessed tax and the advance tax for the assessments completed up to 2001-2002 (A/C's 31-12-2000) will be adjusted in due course after disposal of pending appeal cases with different appeal authorities including Honorable High Court.

14. Revenue Accounts :

(i) The summarised position of net underwriting Profit earned during the year 2016 is as follows :

Particulars	Fire	Marine	Motor & Misc	Total of 2016	Total of 2015
Revenue					
A. Gross Premium (including SBC & Govt. Business)	353,674,851	207,202,443	285,055,605	845,932,899	821,773,024
B. Re-Insurance Premium	221,159,418	84,097,675	41,375,139	346,632,322	323,318,503
C. Net Premium (A-B)	**132,515,433**	**123,104,768**	**243,680,466**	**499,300,667**	**498,454,521**
Direct Expenses					
D. Commission (Net) (ii)	(17,997,592)	14,415,894	37,589,324	34,007,626	26,588,322
E. Claim settled and provided (Net) (iii)	67,768,510	48,648,470	91,578,938	207,995,918	192,591,480
F. Management Expenses (iv)	54,832,523	31,792,090	44,707,804	131,332,417	128,138,697
G. Total Direct Expenses (D+E+F)	**104,603,441**	**94,856,454**	**173,876,066**	**373,335,961**	**347,318,499**
H. Adjusted Fund Balances for Unexpired Risk (Opening Balance Less Closing Balance)	(9,348,253)	(15,636,727)	(21,686,250)	(3,298,731)	(21,565,146)
Net Underwriting Profit (C-G+H)	**18,563,739**	**12,611,587**	**91,490,659**	**122,665,975**	**129,570,876**

ii. Commission (Net) Tk. 34,007,626

Particulars	Fire	Marine	Motor & Misc	Total of 2016	Total of 2015
Commission paid on Direct Business	52,884,594	31,080,366	42,758,340	126,723,300	116,589,785
Commission paid on Re-Insurance accepted	—	—	426,293,	426,293,	363,391
Total	**52,884,594**	**31,080,366**	**43,184,633**	**127,149,593**	**116,953,176**
Less : Commission earned on Re-Insurance	70,882,186	16,664,472	5,595,309	93,141,967	90,364,854
Net Commission Taka	**(17,997,592)**	**14,415,894**	**37,589,324**	**34,007,626**	**26,588,322**

iii. Claims settled (Net) : Tk.188,495,918

Particulars	Fire	Marine	Motor & Misc	Total of 2016	Total of 2015
Gross Claim	78,733,169	63,263,988	83,938,180	225,935,337	195,436,196
Less : Re-Insurance Claim recoverd during the year	10,772,994	13,599,446	359,743	24,732,183	16,826,982
	67,960,175	**49,664,542**	**83,578,437**	**201,203,154**	**178,609,214**
Add : Outstanding Claim at the end of the year whether due or intimated	15,505,045	14,690,227	29,220,544	59,415,816	52,623,052
	83,465,220	**64,354,769**	**112,798,981**	**260,618,970**	**231,232,266**
Less : Outstanding Claim at the end of the previous year	15,696,710	15,706,299	21,220,043	52,623,052	38,640,786
Net Amount Taka	**67,768,510**	**48,648,470**	**91,578,938**	**207,995,918**	**192,591,480**

iv. Management Expenses : Tk. 131,332,417

The expenses have been charged to Revenue Accounts on the basis of insurance Rules 1958 as under.

	2016		2015	
Revenue Accounts	**Percentage**	**Taka**	**Percentage**	**Taka**
Fire	41.75	54,832,523	37.31	47,809,203
Marine	24.21	31,792,090	23.30	29,850,075
Motor & Misc.	34.04	44,707,804	39.39	50,479,419
	100.00	**131,332,417**	**100.00**	**128,138,697**

15. Profit And Loss Account

i. Interest, dividend and rental income Tk. 78,039,473

The above balance is made up as follows :		**2016**	**2015**
On fixed deposit		66,678,969	66,805,359
On STD accounts		352,392	646,011
On Bangladesh Govt. Treasury Bond		3,492,863	2,998,000
	Taka	**70,524,224**	**70,449,370**
Dividend income		267,981	1,088,196
Rental Income		7,247,268	8,078,694
		7,515,249	9,166,890
	Taka	**78,039,473**	**79,616,260**

ii. Other income : Tk. 5,096,198

The above balance is made up as follows :		**2016**	**2015**
Miscellaneous income		169,060	7,000
Profit on Diminution of Share		4,184,740	–
Profit on sale of Shares		742,398	1,128,379
	Taka	**5,096,198**	**1,135,379**

iii. Audit fee : Tk. 156,250

The above balance is made up as follows :		**2016**	**2015**
Statutory Audit		156,250	187,500
	Taka	**156,250**	**187,500**

iv. Donation and Subscription Tk. 1,217,226

The above balance is made up as follows :	**2016**	**2015**
Donation & Subscription	**1,217,226**	**1,314,292**

The amount is inclusive of Tk. 200,000 paid to Bangladesh Insurance Association, Tk. 80,000 paid to Insuranc Debelopment & Regulatory Authority Tk. 685,892 paid to Dhaka Stock Exchange Limited, Tk. 83,834 paid to Chittagong Stock Exchange Limited as membership and other fee and rest of the amount is paid to various social welfare organizations and sports associations.

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v. Registration and Renewals Tk. 3,568,113

The above balance is made up as follows :	2016	2015
Registration and renewals	3,568,113	3,083,855

The amount includes a sum of Tk. 2,876,206 Paid to Insurance Development and Regulatory Authority as Registration and Renewal for Fire, Marine and Miscellaneous Insurance business as per Insurance Act, 2010.

vi. Net Profit for the year and its Appropriation :

The above balance is made up as follows :	2016	2015
Underwriting Profit as per Revenue Accounts	122,665,975	129,570,876
Interest Income	70,524,224	70,449,370
Rental Income	7,247,268	8,078,694
Dividend income	267,981	1,088,196
Other Income	5,096,198	1,135,379
	205,801,646	210,322,515
Less : Expenses of Management	25,557,285	31,982,557
(Not applicable to any Fund or Account) Surplus	180,244,361	178,339,958
Less : Reserve for Exceptional losses (Lump Sum)	20,000,000	20,000,000
	160,244,361	158,339,958
Less : Tax Provision	64,000,000	63,000,000
Less : Deferred taxation	2,000,000	2,000,000
	94,244,361	93,339,958
Add : Surplus brought forward	3,945,797	914,648
Surplus Carried Forward **Taka**	**98,190,158**	**94,254,606**

16.00 Earning per share (EPS) after tax (Restated):

The above balance is made up as follows :	2016	2015
Total Number of share (2015)	60,205,879	57,338,933
Bonus share (5% of 60,205,879)	3,010,293	2,866,946
Number of ordinary shares	**63,216,172**	**60,205,879**
Net profit before Tax	180,244,361	178,339,958
Less : Provision for Tax	64,000,000	63,000,000
Net profit after Tax	**116,244,361**	**115,339,958**
	116,244,361	115,339,958
	63,216,172	63,216,172
Earning per share **Taka**	**1.84**	**1.82**

17.00 Net operating Cash Flow Per Share (NOCFPS)(Restated):

		2016	2015
NOCFPS=	Net Cash Provided by Operation Activities	102,543,116	121,667,600
	Number of Share	63,216,172	63,216,172
	Taka	**1.62**	**1.92**

18. Number of employees

The number of 495 permanent employees were engaged for the whole year and they received a total annual remuneration on average Tk. 36,000 per employee.

19. Post Balance Sheet Event:

The Board of Directors of Rupali Insurance Co. Ltd. in its 176th meeting held on April 11, 2017 at 3.00 pm has recommended stock dividend @ 5% and cash dividend @ 10% for the year 2016, out of the surplus available for the year 2016 subject to approval of shareholders in the ensuing Annual General Meeting.

20. Other relevant informations :

(a) During the year under review an amount of Tk. 544,000 was paid to the Directors of the company as Board meeting attendance fee @Tk. 4,000.00 per meeting.

(b) During the year under review no compensation was allowed by the company to the Chief Executive Officer and Officers of the company except their regular remuneration.

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

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

(e) No amount was due by the Directors (including Chief Executive Officer) and Officers of the Company or by associated undertaking and by any of them severally or jointly with any other person.

(f) There was no contract for capital expenditure to be executed and not provided for.

21. Contingent Liabilities :

There have been no liabilities of contingent nature of the Company as of December 31, 2016.

P. K. Roy, FCA, FCS	Mostafa Quamrus Sobhan	Quazi Moniruzzaman	Mostafa Golam Quddus	(A.Wahab & Co.)
Chief Executive Officer	Director	Director	Chairman	Chartered Accountants

Dated : Dhaka, April 12, 2017

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Quarterly Analysis 2016

Particular	1st Quarter jan-Mar 16 Taka	2nd Quarter Apr-Jun 16 Taka	3rd Quarter Jul-Sep 16 Taka	4th Quarter Oct-Dec 16 Taka	Total Jan-Dec 16 Taka
Net Premium income	134,632,000	126,377,000	126,235,000	112,056,667	499,300,667
Net R/I Commission earned	19,916,000	26,809,000	22,597,000	23,819,967	93,141,967
Add: Investment & other income	17,433,000	22,850,000	19,580,000	23,272,671	83,135,671
Total income	**168,365,000**	**175,720,000**	**168,153,000**	**163,340,305**	**675,578,305**
Management & other expenses	112,598,000	122,011,000	116,318,000	144,406,944	495,333,944
Total expenses	**112,598,000**	**122,011,000**	**116,318,000**	**144,406,944**	**495,333,944**
Net Profit before tax	**55,767,000**	**53,709,000**	**51,835,000**	**18,933,361**	**180,244,361**
Provision for income tax	16,000,000	9,000,000	14,000,000	25,000,000	64,000,000
Net Profit after tax	**39,767,000**	**44,709,000**	**37,835,000**	**(6,066,639)**	**116,244,361**
Number of share oudstanding	**60,205,879**	**63,216,172**	**63,216,172**	**63,216,172**	**63,216,172**
Earning per share (EPS)	**0.66**	**0.71**	**0.60**	**(0.13)**	**1.84**

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Useful Informations For The Shareholders

THE HISTORY OF RAISING OF SHARE CAPITAL OF RUPALI INSURANCE COMPANY LIMITED.

The main objective of Rupali Insurance Company Limited is to provide maximum profit and dividend to the Shareholders. The history of raising capital and dividend are shown below.

Date	Particulars	No. of Shares	Value in TaKa	Cumulative Paid-up-capital
1988	As per MOA & AOA	300,000	30,000,000	30,000,000
1995	Initial Public offerings	300,000	30,000,000	60,000,000
2004	15% Stock dividend	90,000	9,000,000	69,000,000
2005	15% Stock dividend	103,500	10,350,000	79,350,000
2006	20% Stock dividend	158,700	15,870,000	95,220,000
2007	20% Stock dividend	190,440	19,044,000	114,264,000
2008	20% Stock dividend	228,528	22,852,800	137,116,800
2009	20% Stock dividend	274,233	27,423,300	164,540,100
2010	20% Stock dividend	3,290,802	32,908,020	197,448,120
2011	20% Stock dividend	3,948,962	39,489,620	236,937,740
2012	(Rights Share 1:1)	19,744,812	197,448,120	434,385,860
	20% Stock dividend	8,687,717	86,877,170	521,263,030
2013	10% Stock dividend	5,212,630	52,126,300	573,389,330
2014	5% Stock dividend	2,866,946	286,694,60	602,058,790
2015	5% Stock dividend	3,010,293	30,102,930	632,161,720
2016	5% Stock dividend (proposed)	3,160,808	31,608,080	663,769,800

Financial Calender

Particulars	2010
Announcement of 2009 final result	29 April 2010
Record date	18 May 2010
Annual Report 2009 dispatched	28 June 2010
22 nd Annual General Meeting	15 July 2010
Transfer of stock dividend 2009 to BO Accounts	1st Aug 2010
Dispatch of sales proceeds of fractional shares	10 Nov 2010

Particulars	2011
Announcement of 2010 final result	28 April 2011
Record date	12 May 2011
Annual Report 2010 dispatched	20 June 2011
23nd Annual General Meeting	07 July 2011
Transfer of stock dividend 2010 to BO Accounts	4th Aug 2011

Particulars	2012
Announcement of 2011final result	09 Feb 2012
Record date	23 Feb 2012
Annual Report 2011dispatched	20 March 2012
24th Annual General Meeting	05 April 2012
Transfer of stock dividend 2011 to BO Accounts	02 May 2012
Dispatch of sales proceeds of fractional shares	07 Oct 2012

Particulars	2013
Announcement of 2012 final result	13 March 2013
Record date	28 March 2013
Transfer of stock dividend 2012 to BO Accounts	21 May 2013
Annual Report 2012 dispatched	07 April 2013
25th Annual General Meeting	24 April 2013

Particulars	2014
Announcement of 2013 final result	31March 2014
Record date	10 April 2014
Annual Report 2013 dispatched	13 April 2014
26th Annual General Meeting	28 April 2014

Particulars	2015
Announcement of 2014 final result	29 March 2015
Record date	08 April 2015
Annual Report 2014 dispatched	12 April 2015
27th Annual General Meeting	27 April 2015

Particulars	2016
Announcement of 2015 final result	04 April 2016
Record date	26 April 2016
Annual Report 2015 dispatched	08 May 2016
28th Annual General Meeting	26 May 2016

Particulars	2017
Announcement of 2016 final result	11 April 2017
Record date	21 May 2017
Annual Report 2016 dispatched	15 June 2017
29th Annual General Meeting	05 July 2017

Directors' Certificate

As per regulations contained in the first schedule of the Insurance Act, 1938 and as per section 63 of the Insurance Act 2010 we certify that :-

1. The value of all assets shown in the Balance Sheet and classified on Form "AA" annexed have been reviewed as at 31st December, 2016 & in our belief, the said assets have been setforth in the Balance Sheet at amount not exceeding their realisable or market value under the several headings enumerated in the annexed form.

2. All expenses of management wherever incurred, whether directly or indirectly in respect of Fire, Marine & Miscellaneous insurance business have been fully debited in the respective Revenue Account as expenses.

P. K. Roy, FCA, FCS
Chief Executive Officer

Mashiur Quashirus Sobhan
Director

Quazi Moniruzzaman
Director

Mostafa Golam Quddus
Chairman

Dated : Dhaka, April 12, 2017

Branches of the Company

Name & Address	Telephone
Principal Branch 7, RAJUK Avenue, Dhaka	9555172-3 Fax - 9564411
Dilkusha Branch 15, Dilkusha C/A, Dhaka	9563933 9567796
Motijheel Branch 115-120 Motijheel C/A, Dhaka	Fax - 9560608 9565750
Motijheel Commercial Area Branch 3,DIT Avenue Extension (5th Foor) Motijheel C/A, Dhaka	9560330 9567364
Nawabpur Branch 141, Lutfar Rahman Lane Nawabpur, Dhaka	9562740 9566656
Moulvi Bazar Branch 77/7, Moulvi Bazar, Dhaka	7315826 7311349
Karwan Bazar 41/1, Kazi Nazrul Islam Ave. Zeenat Bhaban, Dhaka.	9141198 8119110
New Market Branch 23, Mirpur Road, Dhaka	8615940 9662915
Rampura Branch 80/A, Siddeswari Circular Road, Dhaka	8318447
Bangabandhu Avenue Branch 31, Bangabandhu Avenue (2nd Fl.) Dhaka.	Fax - 9563458 9552280
Sonargaon Hotel Branch Sonargaon Pan Pacific Hotel Dhaka	Fax - 9127076 8111641/4362
V.I.P. Road Branch 69/1, Purana Paltan Line (5th Floor) Oriental Trade Center, Dhaka-1000.	9339985 9346123

Name & Address	Telephone
Badda Branch 394/1, Rampura, Dhaka	8354390
Narayanganj Branch Monsur Plaza, 1st Floor 4/Sonaton pal lane Narayanganj	7633941
Jamalpur Branch 4030, Medical Road Jamalpur	63053
Kishoregonj Branch 1235, Ishakha Road Mirza Bhaban, Kishoregonj	55281
Netrokona Branch 963, Nikhil Nath Road Netrokona	61760
Tangail Branch Agrani Bank Premises Dhaka Tangail Highway Road Tangail	54159
Bhairab Branch 231, Kachari Road Bhairab Bazar, Kishoregonj	01711833866
Faridpur Branch 102, Thana Road, Faridpur	64289
Agrabad Branch 30, Agrabad C/A,Chittagong	Fax - 724046 714807
Laldighi Branch 1016, East Laldighi Andarkilla, Chittagong	Fax - 622169 617135
Kadamtali Branch 92/93, D.T.Rd. Aman complex Dewanhat, Chittagong	723877 715423

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Branches of the Company

Name & Address	Telephone
Nasirabad Branch 185/199, C.D.A. Avenue Muradpur Moor, Chittagong	652741
Jubilee Road Branch Dominion Plaza 5, Jubilee Road, Chittagong	619786
Cox's Bazar Branch Bazarghata Main Road Cox's Bazar	64138
Comilla Branch Tahmid Plaza, Nazrul Avenue Kandirpar,Comilla	69598 127/114
Chandpur Branch J. M. Sen Gupta Road Chandpur	5661
Chawmuhani Branch Rashid Building Karimpur Road, Chawmuhani Noakhali.	53290
Khulna Branch 11, Khan-A-Sabur Road Khulna	720400
Jessore Branch M. K. Road, Jess Tower (3rd Floor) Jessore.	62143
Satkhira Branch Abul Kashem Road, 19/2 New Market, Satkhira	62330
Kushtia Branch 55/A, Lovely tower Room No. 4. F. 4	62443
Barisal Branch Bangladesh Bank Moor Bogra Road, Barisal	56172

Name & Address	Telephone
Rajshahi branch 69, Natore Road Miapara, Ghoramara, Rajshahi	776197
Natore Branch Kanai Khali, Natore	01712-151343
Bogra Branch Munshi Plaza, Jawtala, Bogra	63654
Naogaon Branch Main Road, Naogaon	53293
Rangpur Branch 22, Central Road, Rangpur	65173
Thakurgaon Branch Naresh Chowhan Road, Thakurgaon	52180
Dinajpur Branch Botibabur More Munshi Para, Dinajpur	63089
Sirajgonj Branch S. S. Road, Sirajgonj Town	01715-108483
Mymensingh Branch 34, Chatto Bazar, Mymensingh	01712-560100
Mohakhali Branch Ambon Complex (6th Floor) Southern Side,99 Mohakhali C/A Dhaka	9893667
Gulshan Branch House No-11/A, Road No-130 Gulshan-1, Dhaka	9883443
Uttara Branch BNS Center (4th Floor) Scetor-07,Uttara, Dhaka	8957351
Sylhet Branch Elegant Shopping Mall (6th Floor) Zinda Bazar, Jallarpar Road, Sylhet	01711-239664 01671-388094
Malibagh Branch 68/B, Malibagh, Chowdhurypara D.I.T. Road, Dhaka-1219	01726-076585 9357642

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RUPALI INSURANCE COMPANY LIMITED

Registered Office : Rupali Bima Bhaban
7, RAJUK Avenue, Dhaka-1000.

Proxy Form

I/we ..... of

.....

being a Member of Rupali Insurance Company Limited do hereby appoint

Mr./Ms .....

of .....

as my/our proxy, to attend and vote for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Wednesday, the 5th July, 2017, at 11.00 A. M. and at any adjournment thereof.

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

Revenue Stamp Tk. 20/=

Signature of Proxy .....

Folio/BO ID No

Signature of Shareholder
Folio/BO ID No.

No. of Shares :

N. B. : IMPORTANT

1) This Proxy Form, duly completed, must be deposited at least 48 hours before the meeting at the company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
2) Signature of the Shareholder and the Proxy should agree with the specimen signature registered with the company.

RUPALI INSURANCE COMPANY LIMITED

Registered Office : Rupali Bima Bhaban
7, RAJUK Avenue, Dhaka-1000.

ATTENDANCE SLIP

I hereby record my attendance at the 29th Annual General Meeting of the Company being held on Wednesday, the 5th July, 2017 at 11.00 A. M. at Imperial Convention Center (5th Floor), 68/B, DIT Road, Malibagh Chowdhury Para, Dhaka-1219.

Name of Member/Proxy .....

Folio/BO ID No

Signature .....

Date .....

NOTE. Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and submit it before entering the meeting hall.

N.B : *As Per BSEC Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 " No benefit in cash or kind, other than in the form of cash dividend or stock dividend, shall be paid to the holders of the equity security"*

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