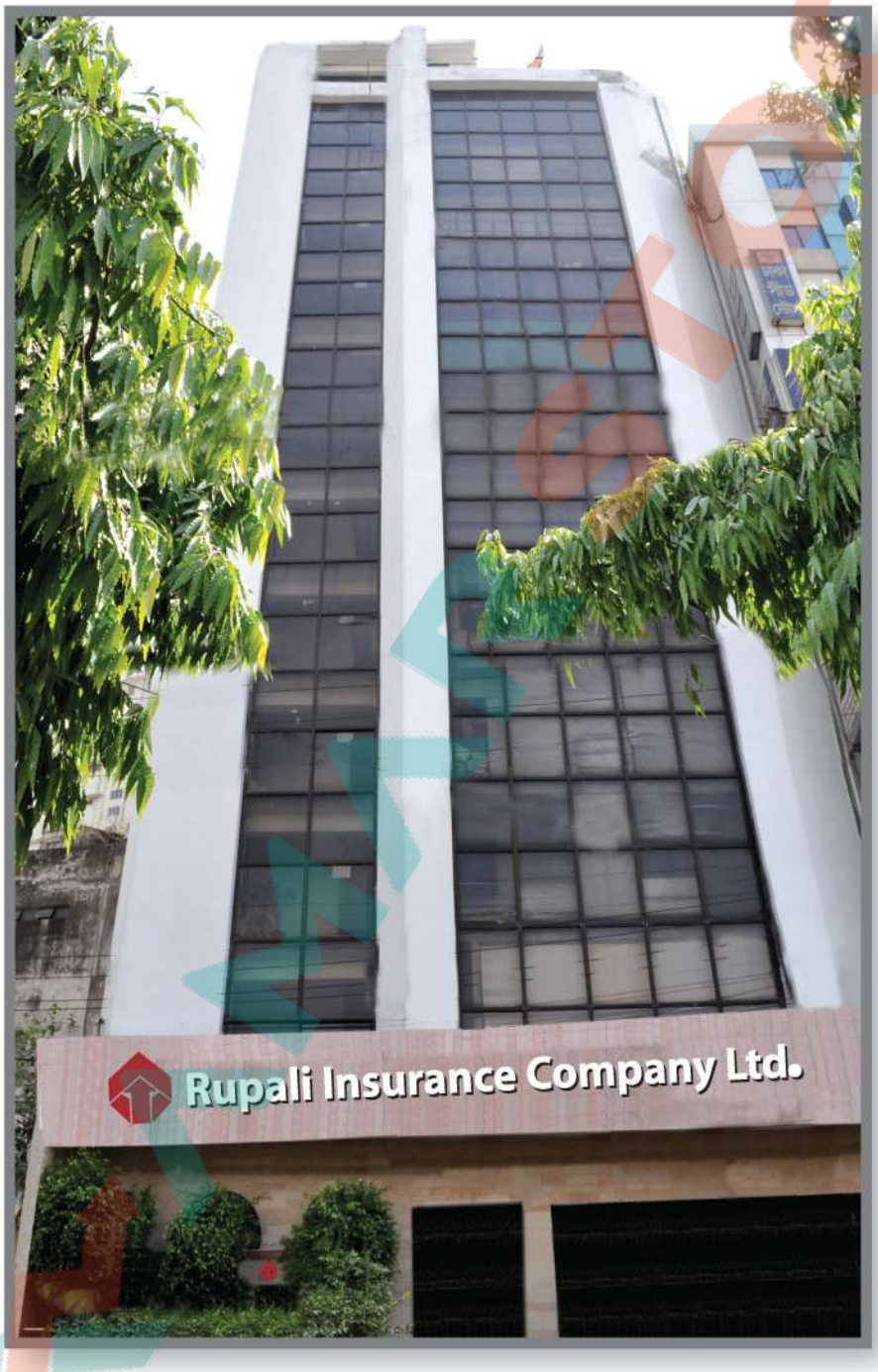
30th YEAR

Annual General Meeting of Rupali Insurance Co. Ltd.

# ANNUAL REPORT 2017



## Rupali Insurance Company Limited


Rupali Insurance Company Ltd.

# annual report 2017



## 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

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MYNAVSTOCK

# 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, 2017.**

Dear Sir,

A copy of the Annual Report along with the Audited Financial Statements and Balance Sheet as on December 31, 2017 depicting the Financial Position, Income Statement, Statement of changes in Shareholders' Equity and statement of Cash Flows for the year ended December 31, 2017 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

# Rupali Insurance Company Limited

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

## Notice of the 30th Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting of Rupali Insurance Company Limited will be held on Wednesday, the 4th July, 2018 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, 2017 and Auditors' Report thereon.
2. To declare Dividend for the year ended 31st December, 2017 as recommended by the Board of Directors.
3. To consider appointment of Auditors for the year 2018 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 FCS
Chief Executive Officer

Dated : Dhaka, May 16, 2018

### Notes :

1. The `Record Date' is fixed on Thursday, May 24, 2018. 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, 2017 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 19, 2018; 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"***

## 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/16483/17


***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 31,2016

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. 1,578.08 million

***TOTAL ASSETS***
TK. 2,210.68 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: November' 15, 2017 | Valid up to November' 14, 2018 |

### 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, 2016 and other relevant qualitative and quantitative informations up-to the date of rating. The reaffirmation reflects RICL's good financial performance, good solvency position, sound liquidity, wide branch network, diversified investment portfolio, experienced top management, good 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 2016, its capital base and solvency rose significantly. Paid up capital rose to Tk. 632.16 million in 2016 from Tk. 602.06 million in 2015. However, gross premium increased to Tk. 845.93 million in 2016 from Tk. 821.77 million in 2015 while underwriting profit also moved stood to Tk. 122.67 million, from Tk. 129.57 million during the above periods respectively. With the same token. Profit after tax (PAT) also increased to Tk. 114.24 million in 2016 from Tk. 113.34 million in 2015. ROAA moved slightly downward to 8.28% in 2016 from 8.48% in 2015 while ROAE decreased to 7.37% from 7.58% during the above period respectively. CRISL views RICL's investment strategy is diversified having around 91.45% of its funds remains in cash and deployed in fixed deposits while rest are 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.663.77 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, significant outstanding premium, sizable outstanding claim, unrealiized loss from investment in shares, yet to settle 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.

### 2.0 CORPORATE PROFILE

#### 2.1 The Genesis

Rupali Insurance Company Limited (RICL), a first generation non-life insurance company, was incorporated on May 13, 1988 as a public limited company under the Companies Act,1913 as amended in 1994. The company started its business with the vision `to meet the challenge of national advancement in the years to come' with paid-up capital of TK.30.00 millio against.

# 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.





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# 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.

# 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.

# 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. 664 million as on December 31, 2017 after issuance of Rights shares in the year 2012 and adjustment of stock dividends Including @ 5% declared in the year 2016. 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 November 15, 2017 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 46 branches covering strategic financial centers of Dhaka, Chittagong & some other 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 | : | 46 |
| Number of Employees | : | 570 |
| Listing with Dhaka Stock Exchange | : | March 20, 1995 |
| Listing with Chittagong Stock Exchange | : | October 10, 1995 |
| Registered Office | : | Rupali Bima Bhaban<br>7 Rajuk Avenue, Dhaka-1000<br>Phone: 9565625-26, 9567238, 9553861<br>Fax: 880-2-9565629<br>E-mail: info@rupaliinsurance.com<br>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.<br>Chartered Accountants |
| Legal Consultant | : | Rokanuddin Mahmud<br>Barrister-at-Law |

AMAR STOCK

# Photographs of Board of Directors





# Photographs of 29th 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.



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## 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,



## 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

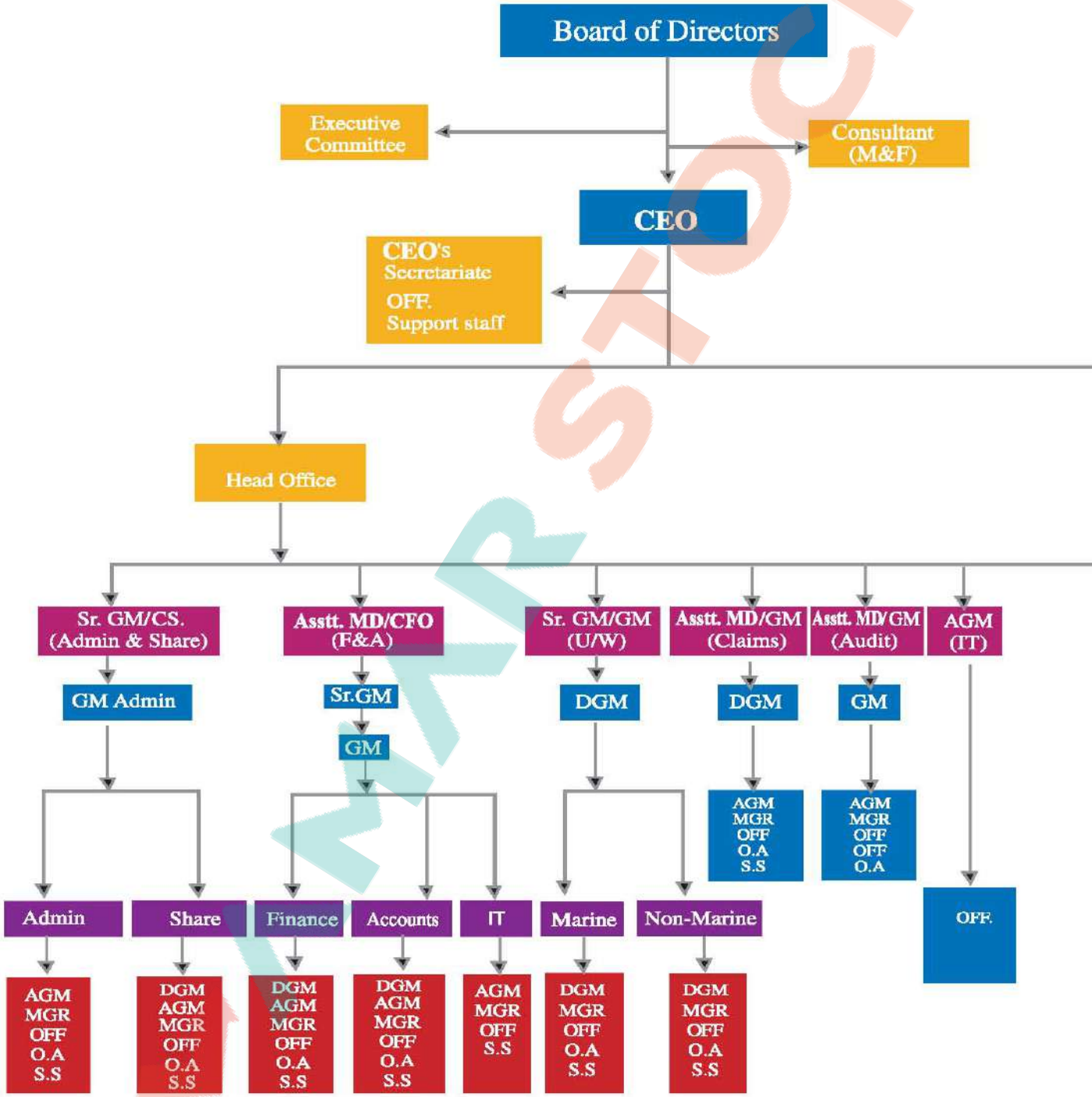
## Chairman
MOSTAFA GOLAM QUDDUS

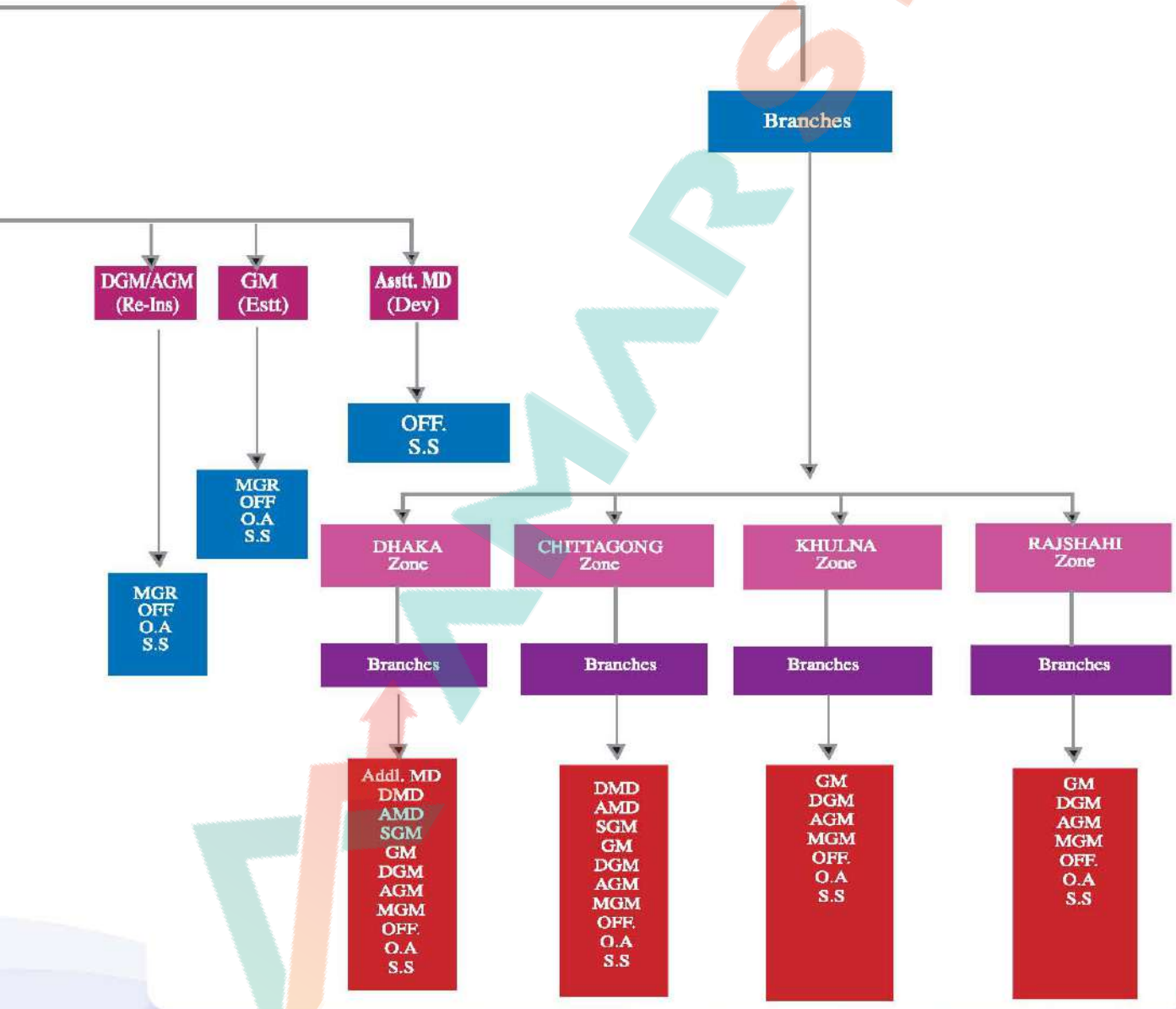
## Directors
MD. SHAMSUL HUDA
MUJIBUR RAHMAN
MD. NAZIM UDDIN
MD. ALI AHMED
MOHAMMAD YONUS
K. M. FAROOKH
ABU HENA
QUAZI MONIRUZZAMAN
SHAON AHMED
MD. OBAIDUL HUQUE
FAZLUTUN NESSA
MOSTAFA QUAMRUS SOBHAN
FAUZIA QUAMRUN TANIA
TASNIA QUAMRUN ANIKA
AFTAB AHMED
M. JINNAT ALI MIAN
MD. SIRAJUL HUQ
SHAFIA SOBHAN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

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

## Audit Committee
Mir Rashed Bin Aman, Chairman
Quazi Moniruzzaman, Member
M. Jinnat Ali Mian, Member
Md. Sirajul Huq, Member
Fauzia Quamrun Tania, Member

# Organogram


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


Branches
DGM/AGM (Re-Ins)
GM (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

MARSTOCK

# 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.



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## 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, Malaysia, 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. Zehadul Karim**
General Manager
Finance and Accounts Division

**A.B.M. Zafar Ahmed (Manik)**
General Manager
Eshtablishment Division

**Md. Mofizur Rahman**
General Manager
Eshtablishment Division

**Md. Manir Hossain Khan**
General Manager
Audit & Inspection Division

## Branches:

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

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

**Md. Golam Morshed**
Deputy Managing Director
Laldighi Branch

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

**Md. Azharul Islam**
Deputy Managing Director
Moulvi Bazar Branch

**Md. Shamsul Alam**
Deputy Managing Director
Barisal Branch

**Md. Kaiser Parvez**
Deputy Managing Director
Motijheel A/C Branch

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

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

**Adiluzzaman**
Asstt. Managing Director
Kawran Bazar Branch

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

**Md. Mizanur Rahman**
Asstt. Managing Director
Principal Branch

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

**Shaiful Islam**
Senior General Manager
Motijheel A/C 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 |
| Moulvi Bazar | Md. Azharul Islam | DMD |
| Barisal Branch | Md. Shamsul Alam | DMD |
| Kadamtoli Branch | Md. Abul Kalam Azad | Asstt.M.D |
| Kawran Bazar Branch | Adiluzzaman | Asstt. M.D. |
| Dilkusha Branch | Md. Mujaffor Hossain | Asstt. M.D. |
| Gulshan Branch | Md. Zulfiquar Ali | Asstt. M.D. |
| Principal Barnch | Md. Mizanur Rahman | Asstt. M.D. |
| VIP Road Branch | Helaluddin Mohd. Hossain | Sr. GM |
| Narayangonj Branch | Md. Nazrul Islam | GM |
| Motijheel C/A Branch | Mufti Moklesur Rahman | GM |
| 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 |
| Badda Branch | Khadiza Akhter | G.M |
| Kushtia Branch | Md. Sarwar Uddin | D.G.M |
| Khulna Branch | Md. Haider Ali | D.G.M |
| Rampura Branch | Md. Delwar Hossain Miji | A.G.M |
| Nasirabad Branch | Md. Mamunur Rashid | A.G.M |
| B.B. Avenue Branch | Kazi Zakir Hossain | A.G.M |
| Dinajpur Branch | Md. Akkel Ali | A.G.M |
| Jessore Branch | Md. Aminul Islam | A.G. M |
| Thakurgaon Branch | Md. Abdus Salam | A.G.M |
| Jamalpur Branch | Md. Imam Uddin | A.G.M |
| Faridpur Branch | Abdullah al-Mamun | A.G.M |
| Uttara Branch | Delwar Hossain | A.G.M |
| Malibagh Branch | Md. Nurul Kabir | A.G.M |
| Sirajgonj Branch | Masudur Rahman | A.G.M |
| Netrokona Branch | Sunil Chandra Sarker | MGR-I |
| Rajshahi Branch | Indu Bhuson Tarafder | MGR-I |
| Rangpur Branch | Masudur Rahman Rubel | MGR-I |
| Bogra Branch | Md. Lutfar Rahman | MGR-I |
| Tangail Branch | Md. Alimuzzaheed Shahariar | MGR-II |
| Naogaon Branch | Md. Abu Naser | MGR-II |
| Sylhet Branch | Md. Mazharul Islam | MGR-II |
| 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 |
| Satkhira Branch | Shekhor Sadhu | OFFICER-III |

SHARE STOCK



# 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 2017 is satisfactory. The performances during the first quarter of 2018 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 30 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 2017. 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 2017 as follows:

1) The RICL earned a gross premium of BDT - 862 million
2) The underwriting profit stood at BDT - 129 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 and 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 30 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 Thirtie$^{th}$ 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, 2017 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 2017 than that of 2016. 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:

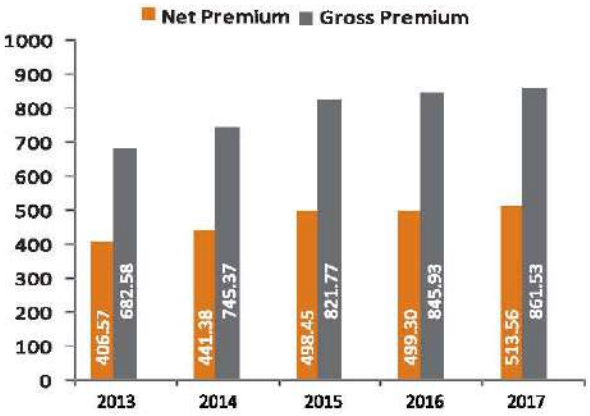
The global economy has recovered as per expectation during the year 2017 although the same was not done satisfactorily during the time of previous 2 (Two) years. To lessen the burden of public debt IMF advised the developed economic countries to reduce the interest rate of public debt and to stimulate the domestic consumption for the sake of economic growth. As per projection of IMF the growth of world economy was estimated at about 3.6% in the year 2017. The world economy has developed as per expectation during the year 2017 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 2017 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 7.28% in FY-17 against 7.11% in FY-16.

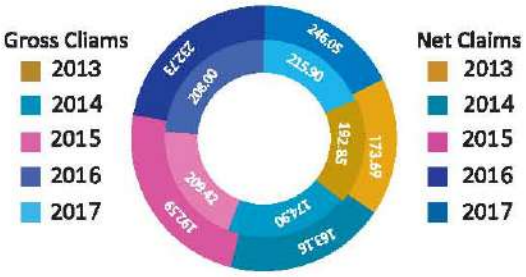
## Premium Income

During the period under review the Company procured premium amounting to Tk. 862 million against Tk.846 million in 2016. Out of this Tk.813 million came from Private Sector against Tk.804 million in 2016 and the balance of Tk.49 million represents our share of public sector business received from Sadharan Bima Corporation. After ceding Tk.348 million as Re-Insurance premium the net premium income for the year amounted to Tk.514 million against Tk.499 million in 2016, represents Increase of Tk.15 million. The Gross Premium Income of the Company has been increased by Tk.16 million compared to the preceding year complying the Rules and Regulations imposed by IDRA time to time.



### Claims

During the year 2017 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.216 million were charged to the accounts after adjustment of recoveries made from Sadharan Bima Corporation.



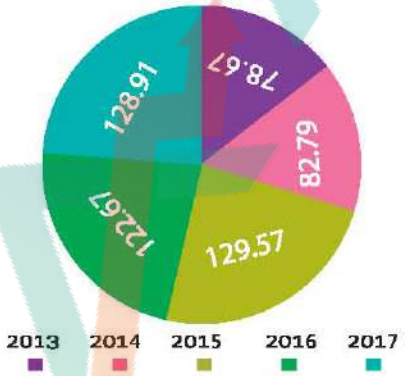

### Paid up Capital:

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. 664 million as on December 31, 2017 after issuance of Rights shares in the year 2012 and adjustment of stock dividends Including @ 5% declared in the year 2016. RICL'S shares are being traded as "A" category issue at both the bourses of the country.

### Profit

Underwriting profit in the year 2017 stood at Tk.129 million against Tk.123 million in 2016. Net profit before tax stood at Tk.179 million in the year 2017 as against Tk.180 million in 2016.




### Dividend

Considering the performances of the company for the year ended 31st December 2017 the Board of Directors recommended to declare 5% Stock and 5% Cash Dividend to the shareholders for the year ended 31st December, 2017 subject to approval by the shareholders in the 30th Annual General Meeting of the Company to be held on Wednesday, the 04th July, 2018.

### Assets

Total assets of the company stood at Tk.2,284 million in 2017 compared to Tk.2,211 million in 2016. This includes the book value of the 12 storied building including the value of land of the Company of Tk.435 million. Four floors of the building have been leased out to different parties including 1 Life Insurance Company.

### Reserve

Reserve for Exceptional Losses in 2017 stood at Tk. 432 million including Tk.65 million raised during the year out of net profit. Besides, Reserve for Unexpired Risks stood at Tk.208 million.

### Investment

Total investment of the Company in 2017 stood at Tk.133.13 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, Tk.56.53 million in shares of listed securities and Tk. 10 million has been deposited to SIBL (Social Islamic Bank Ltd.) Since august 2017 @ Tk. 20 Lac per month for 10 Years Mudaraba Billinior Deposit Scheme. In addition, Fixed Deposits with commercial Banks stood at Tk. 899.00 million.

### Branches

The Company had 46 (Forty Six) Branches through out the country in operation, during the year 2017.

### 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:

Mostafa Golam Quddus
Mohammad Yonus
Shaon 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 4 (Four) meetings held during the year 2017 under report. The Audit Committee reviewed the audited Balance Sheet of our Company alongwith financial statements and reports for the year 2017 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 2018 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, 2017 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 2017

Taka in Million

| DETAILES | FIRE | MARINE CARGO | MARINE HULL | MOTOR | MISC | 2017 | 2016 |
|---|---|---|---|---|---|---|---|
| Gross Direct Premium | 352.03 | 234.01 | 23.09 | 213.95 | 36.52 | 859.61 | 844.71 |
| Gross R/I Premium | — | — | — | — | 1.92 | 1.92 | 1.22 |
| Total Gross Premium | 352.03 | 234.02 | 23.09 | 213.95 | 38.44 | 861.53 | 845.93 |
| R/I Premium Ceded | 221.85 | 67.38 | 19.07 | 12.16 | 27.51 | 347.97 | 346.63 |
| Net Premium | 130.18 | 166.64 | 4.02 | 201.79 | 10.93 | 513.56 | 499.30 |
| Net Premium Reserve Retained | .93 | -20.42 | -3.52 | 11.82 | .56 | -3.59 | -3.30 |
| Net Earned Premium | 131.11 | 146.22 | 7.54 | 213.61 | 11.49 | 509.97 | 496.00 |
| Commission Paid | 52.02 | 32.45 | 3.44 | 31.71 | 2.66 | 122.28 | 127.15 |
| Net R/I Commission Earned | 66.11 | 18.56 | 3.39 | 0.48 | 5.70 | 94.24 | 93.14 |
| Management Expenses (Revenue A/C) | 55.98 | 36.84 | 3.62 | 34.62 | 6.05 | 137.11 | 131.33 |
| Management Expenses (P&L A/C) | — | — | — | — | — | 28.77 | 25.56 |
| Gross Incurred Claims | 81.87 | 68.48 | — | 82.87 | 12.83 | 246.05 | 232.73 |
| Net Incurred Claims | 70.95 | 54.92 | — | 82.87 | 7.16 | 215.90 | 208.00 |
| U/W Profit | 18.26 | 40.56 | 3.86 | 64.90 | 1.33 | 128.91 | 122.67 |
| Investment Income (Before Tax) | — | — | — | — | — | 78.82 | 83.14 |
| Net Profit before tax | — | — | — | — | — | 178.96 | 180.24 |
| Return on Equity | — | — | — | — | — | 8.10 | 7.37 |
| Shareholder's Fund | — | — | — | — | — | 1,646.22 | 1,578.08 |

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, 2017 the Board of Directors held 5 (five) meetings and the Directors serving on the Board attended in aggregate 94% of the total number of meetings.

x) At December 31, 2017, 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 31,2017

| Sl.No | Name of shareholding Directors | Designation | No of Shares | % of holding |
|---|---|---|---|---|
| 01. | MR. MOSTAFA GOLAM QUDDUS | Chairman | 55,42,401 | 8.35% |
| 02. | MR. MD. SHAMSUL HUDA | Sponsor Director | 13,59,782 | 2.05% |
| 03. | MR. MUJIBUR RAHMAN | Sponsor Director | 13,59,828 | 2.05% |
| 04. | MR. MD. NAZIM UDDIN | Sponsor Director | 18,31,864 | 2.76% |
| 05. | MR. MD. ALI AHMED | Sponsor Director | 20,10,784 | 3.03% |
| 06. | MR. MOHAMMAD YONUS | Sponsor Director | 18,18,294 | 2.74% |
| 07. | MR. K. M. FAROOKH | Sponsor Director | 16,59,341 | 2.50% |
| 08. | MR. ABU HENA | Sponsor Director | 13,27,836 | 2.00% |
| 09. | MR. QUAZI MONIRUZZAMAN | Sponsor Director | 14,57,481 | 2.20% |
| 10. | MR. SHAON AHMED | Sponsor Director | 42,87,981 | 6.46% |
| 11. | MR. MD. OBAIDUL HUQUE | Sponsor Director | 16,59,341 | 2.50% |
| 12. | MRS.FAZLUTUN NESSA | Shareholder Director | 8,77,398 | 1.32% |
| 13. | MR. MOSTAFA QUAMRUS SOBHAN | Shareholder Director | 36,64,693 | 5.52% |
| 14. | MRS. FAUZIA QUAMRUN TANIA | Shareholder Director | 5,12,848 | 0.77 % |
| 15. | MRS. TASNIA QUAMRUN ANIKA | Shareholder Director | 79,994 | 0.12% |
| 16. | MR. AFTAB AHMED | Shareholder Director | 21,942 | 0.03% |
| 17. | MR. M. JINNAT ALI MIAN | Independent Director | 2,55,364 | 0.38% |
| 18. | MR. MD. SIRAJUL HUQ | Independent Director | 1,51,106 | 0.23 % |
| 19. | MRS. SHAFIA SOBHAN CHOWDHURY | Independent Director | 11,615 | 0.02% |
| 20. | MR. MIR RASHED BIN AMAN | Independent Director | Nil | Nil |
| 21. | CEO/CS/HOD/INTERNAL AUDIT | | Nil | Nil |
| 22. | CFO | | Nil | Nil |
| | TOTAL | | 2,98,89,893 | 45.03 % |

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

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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, 2017

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, 2017.

### 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, 2018

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

| | | | | |
|---|---|---|---|---|
| 1.5(xxi) (c) | Share holding Pattern of Top five salaried executives | ✓ | — | — |
| 1.5 (xxi)(d) | Shareholders holding of 10% or more voting interest | ✓ | — | — |
| 1.5(xxii)(a) | A brief resume of Director in case of appointment/re-appointment | ✓ | — | — |
| 1.5 (xxii)(b) | Nature of the proposed Directors' expertise in specific functional areas | ✓ | — | — |
| 1.5 (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 | — | — | Not applicable |
| 3.3 (ii) | Monitor Choice of accounting policies and principles | ✓ | — | — |
| 3.3 (iii) | Monitoring Internal Control Risk Management Process | ✓ | — | — |

| | | | | |
|---|---|---|---|---|
| 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 | ✓ | — | — |
| 4 (ii) | Non-engagement in designing of Financial Information System | ✓ | — | — |
| 4(iii) | Non-engagement in Book-Keeping | ✓ | — | — |
| 4(iv) | Non-engagement in Broker-dealer services | — | — | Not applicable |
| 4(v) | Non-engagement in Actuarial Services | — | — | Not applicable |
| 4(vi) | Non-engagement in Internal Audit | ✓ | — | — |
| 4(vii) | Non-engagement in any other services | ✓ | — | — |

| | | | | |
|---|---|---|---|---|
| 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 | ✓ | — | — |
| 6(ii) | Certification of CEO and CFO regarding fair transaction by the company | ✓ | — | — |
| 7(i) | Compliance Certificate from CA, CMA or CS on Corporate Governance Guidelines | ✓ | — | — |
| 7 (ii) | Attachment of Annexure in the Directors report | ✓ | — | — |

# 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 5(Five) members as follows:

1. Mr. Mir Rashed Bin Aman
2. Mr. Quazi Moniruzzaman
3. M. Jinnat Ali Mian
4. Mr. Md. Sirazul Huq
5. 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.

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# Company's Performance

## 5 Years at a Glance

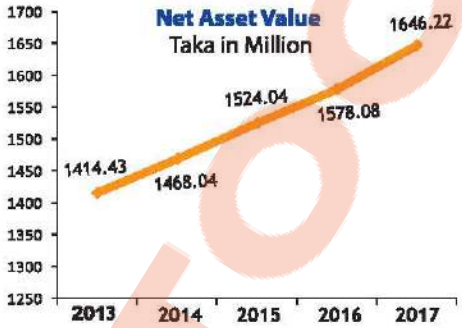
Taka in Million

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| Gross Premium | 861.53 | 845.93 | 821.77 | 745.37 | 682.58 |
| Re-Insurance Premium | 347.97 | 346.63 | 323.32 | 303.99 | 276.01 |
| Net Premium | 513.56 | 499.30 | 498.45 | 441.38 | 406.57 |
| Gross Claims | 246.05 | 232.73 | 209.42 | 174.90 | 192.85 |
| Net Claims | 215.90 | 208.00 | 192.59 | 163.16 | 173.69 |
| Underwriting Profit | 128.91 | 122.67 | 129.57 | 82.79 | 78.67 |
| Net Profit before Tax | 178.96 | 180.24 | 178.34 | 172.53 | 163.85 |
| Paid up Capital | 663.77 | 632.16 | 602.06 | 573.39 | 521.26 |
| Reserve for Unexpired Risk | 207.83 | 204.24 | 200.94 | 179.38 | 163.94 |
| Reserve for Exceptional Losses | 432.37 | 367.37 | 347.37 | 327.37 | 307.37 |
| Total Assets | 2,284.40 | 2,210.67 | 2,145.03 | 2,058.86 | 1,982.37 |
| Fixed Assets | 458.69 | 446.86 | 441.24 | 424.68 | 403.73 |
| Investment including FDR | 1,032.13 | 1,020.13 | 1,012.58 | 985.05 | 963.12 |
| Dividend Amount | 66.38 | 94.82 | 90.31 | 86.01 | 104.25 |
| Dividend % | 10% (Cash-05% & Stock-05%) | 15% (Cash-10% & Stock-05%) | 15% (Cash-10% & Stock-05%) | 15% (Cash-10% & Stock-05%) | 20% (Cash-10% & Stock-05%) |
| No. of Branches | 46 | 48 | 48 | 48 | 47 |
| No. of Employees | 570 | 598 | 608 | 620 | 610 |
| No. of Shareholders | 5,476 | 5,955 | 6,747 | 8,073 | 9,222 |

| | | | | | |
|---|---|---|---|---|---|
| Earning Per Share at per value of Tk. 10/- | 2.01 | 1.84 | 1.92 | 1.88 | 1.98 |
| Earning Per Share at per value of Tk. 10/-(Restated) | – | 1.75 | 1.82 | 1.79 | 1.80 |
| Net Asset Value Per Share at per value of Tk. 10/- | 22.20 | 22.64 | 23.01 | 23.18 | 24.63 |
| Net operating cash flow per share (NOCFPS) | 1.73 | 1.62 | 2.02 | 1.39 | 1.26 |
| Net operating cash flow per share (NOCFPS) (Restated) | – | 1.54 | 1.92 | 1.32 | 1.15 |
| Return on equity | 8.10 | 7.37 | 7.57 | 7.34 | 7.30 |
| Price earning ratio | 10.15 | 10.05 | 8.80 | 12.55 | 16.97 |
| Market Price of the Share as on 30th Dec. | 20.40 | 18.50 | 16.90 | 23.60 | 33.60 |

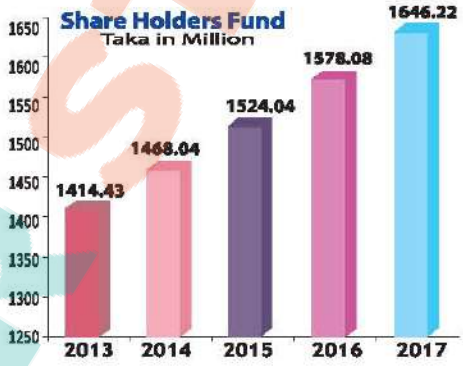
# Performance Indicators



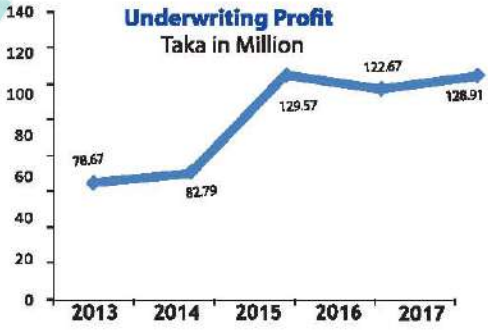


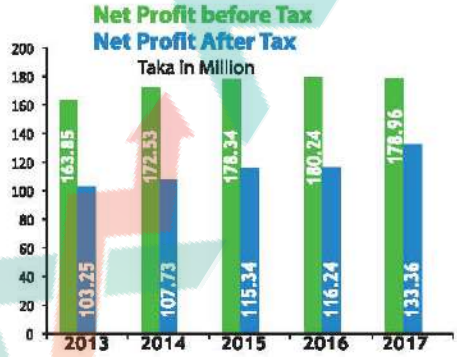










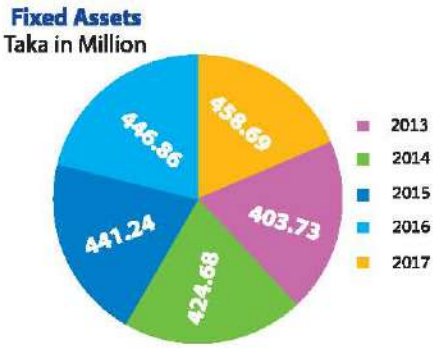



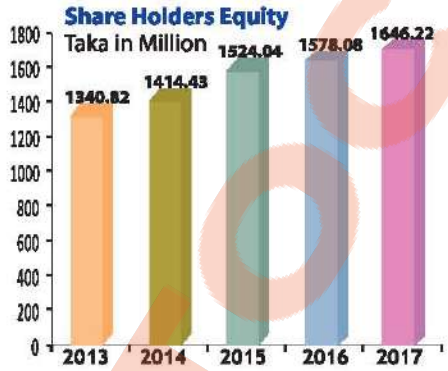




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# Performance Indicators

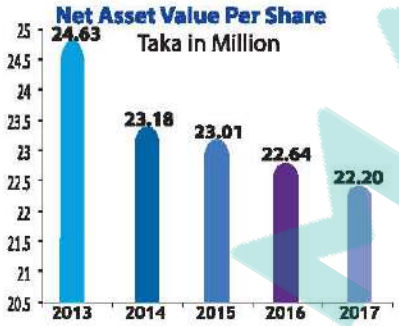


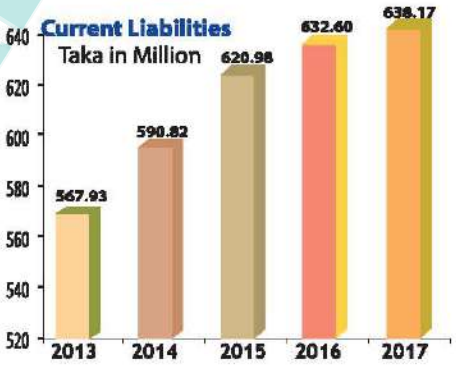







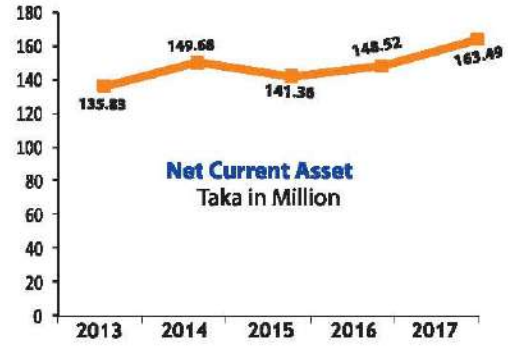








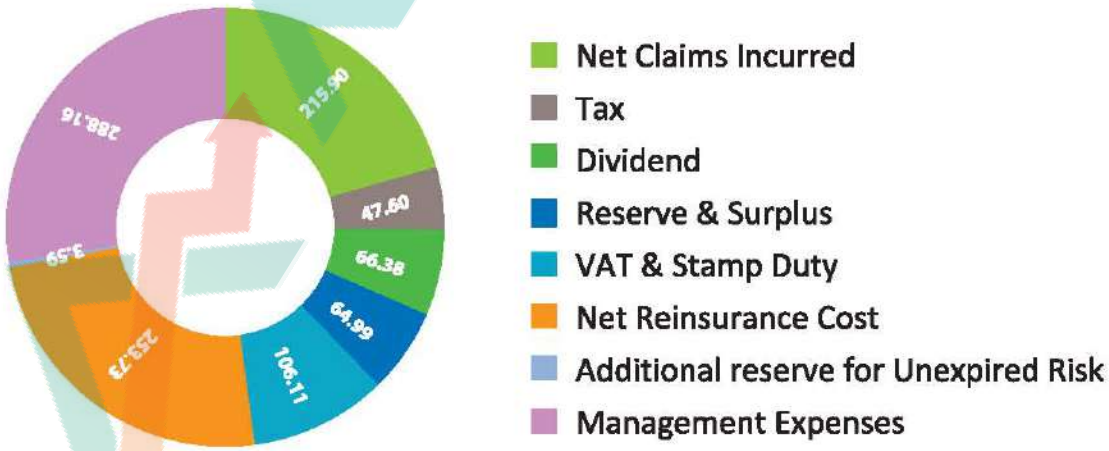
# Value Added Statement

FOR THE YEAR ENDED DECEMBER 31,2017

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 2017 is appended below:

| Particulars | 2017 Tk. (In million) | 2016 Tk. (In million) |
|---|---|---|
| VALUE ADDED | | |
| Gross Premium | 861.53 | 845.93 |
| Vat & Stamp Duty | 106.11 | 102.31 |
| Investment & other Income | 78.82 | 83.14 |
| TOTAL VALUE ADDED | 1,046.46 | 1,031.38 |
| DISTRIBUTION OF THE VALUE ADDED | | |
| VAT & Stamp Duty | 106.11 | 102.31 |
| Net Reinsurance Cost | 253.73 | 253.49 |
| Additional reserve for Unexpired Risk | 3.59 | 3.30 |
| Management Expenses | 288.16 | 284.04 |
| Net Claims Incurred | 215.90 | 208.00 |
| Tax | 47.60 | 66.00 |
| Dividend | 66.38 | 94.82 |
| Reserve & Surplus | 64.99 | 19.92 |
| TOTAL DISTRIBUTION | 1,046.46 | 1,031.38 |



# 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.

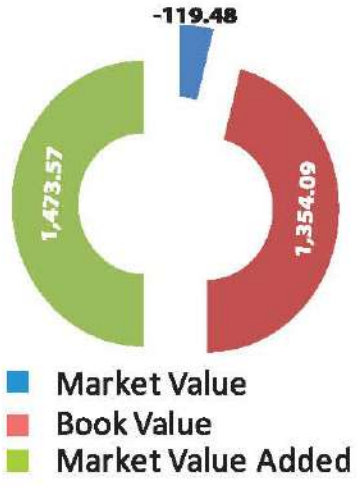
| For the year ended 31st December | 2017 Tk.(in million) | 2016 Tk.(in million) |
|---|---|---|
| Shareholders' equity at the year end | 1,223.37 | 1,181.23 |
| Accumulated provision for doubtful losses | — | — |
| Average Shareholders' equity | 1,223.37 | 1,181.23 |
| *Cost of equity (%) | 11.06 | 11.06 |
| Economic Value Added | -1.94 | -14.40 |
| Net profit after tax | 133.36 | 116.24 |
| Less: Cost of equity | 135.30 | 130.64 |

* 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 31,2017

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 | 66,376,980 | 20.40 | 1,354.09 |
| Book Value | 66,376,980 | 22.20 | 1,473.57 |
| Market Value Added | — | — | -119.48 |

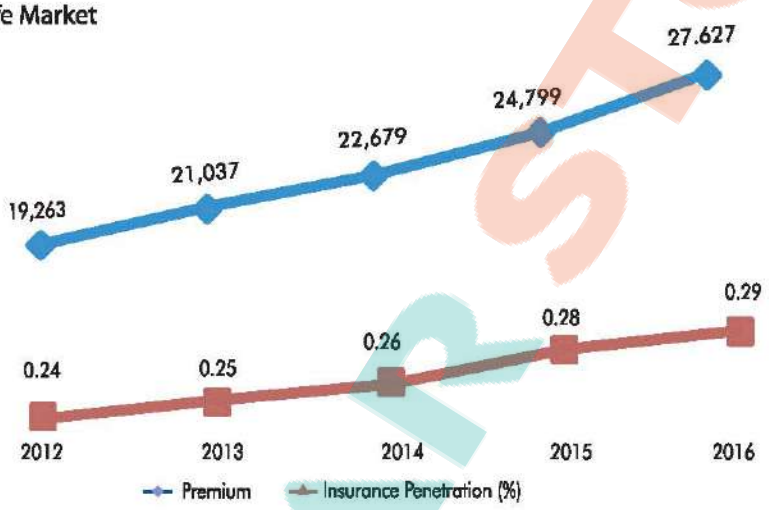
# Market Share Information

**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 46 insurance companies including one state enterprise. The market share value of Rupali Insurance Co. Ltd. is 3.12%

Bangladesh Non-life Market
Taka in Million




# Accounting Ratios Partaining To Insurance Sector

| Particulars | 2017 | 2016 |
|---|---|---|
| Reinsurance Premium Ceded as % of Gross Premium | 40.39 | 40.98 |
| Commission Paid as % of Gross Premium | 14.19 | 15.03 |
| Net R/I Commission Earned as % of Gross Premium | 10.94 | 11.01 |
| Net R/I Commission Earned as % of Net Premium | 18.35 | 18.65 |
| Management Expenses (Revenue A/C) as % of Gross Premium | 15.91 | 15.53 |
| Management Expenses (Revenue A/C) as % of Net Premium | 26.70 | 26.30 |
| Net Claims Incurred as % of Gross Premium | 25.06 | 24.59 |
| Net Claims Incurred as % of Net Premium | 42.04 | 41.66 |
| Underwritting Result as % of Gross Premium | 14.96 | 14.50 |
| Underwritting Result as % of Net Premium | 25.10 | 24.57 |

# 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.

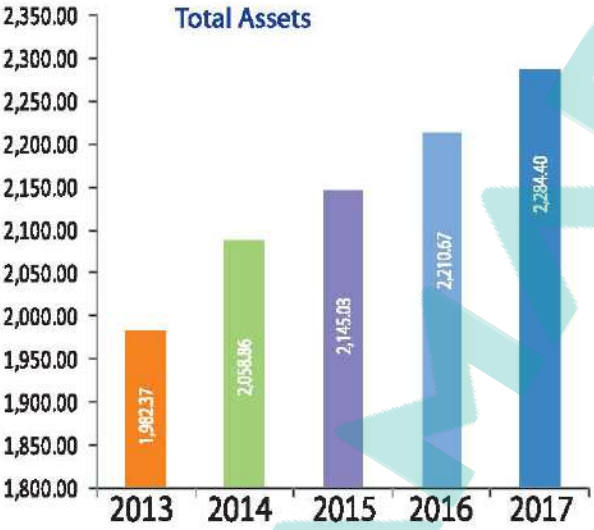
# Review Of Assets Quality

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 |
|---|---|---|---|---|---|
| 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 |
| 2017 | 458.69 | 133.13 | 1,034.14 | 658.44 | 2,284.40 |







POSITION OF INVESTABLE ASSETS

Taka in Million

| Particular | 2017 | % | 2016 | % |
|---|---|---|---|---|
| Share & Debenture | | | | |
| Long term | 76.60 | 5.13 | 66.60 | 4.56 |
| Current | 56.53 | 3.79 | 62.77 | 4.31 |
| Total: | 133.13 | 8.92 | 129.37 | 8.87 |
| Cash at bank | 1,034.14 | 69.27 | 1,012.24 | 69.37 |
| Fixed Assets | 458.69 | 30.73 | 446.86 | 30.63 |
| Total: | 1,492.83 | 100.00 | 1,459.10 | 100.00 |

# Report Of The Audit Committee

The Audit Committee of Rupali Insurance Company Ltd. consists of 5 (Five) Directors as per directive of the Board of Directors. e.g. Mr. Mir Rashed Bin Aman, Quazi Moniruzzaman, M. Jinnat Ali Mian Mr. Sirajul Huq and Mrs. Fauzia Quamrun Tania. 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.2017, 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 2017 and review of the Audit plan 2018.
- Review and discussion of the Management Report by the external auditor for the year ended December 31, 2017 and management's responses to the report.

During the meeting held on March 20, 2018 the Audit Committee reviewed and examined the External draft audit reports including the financial statements for the year 2017 and placed the audited accounts with recommendation for the year 2017 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, 2017, 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, 2017 as follows:

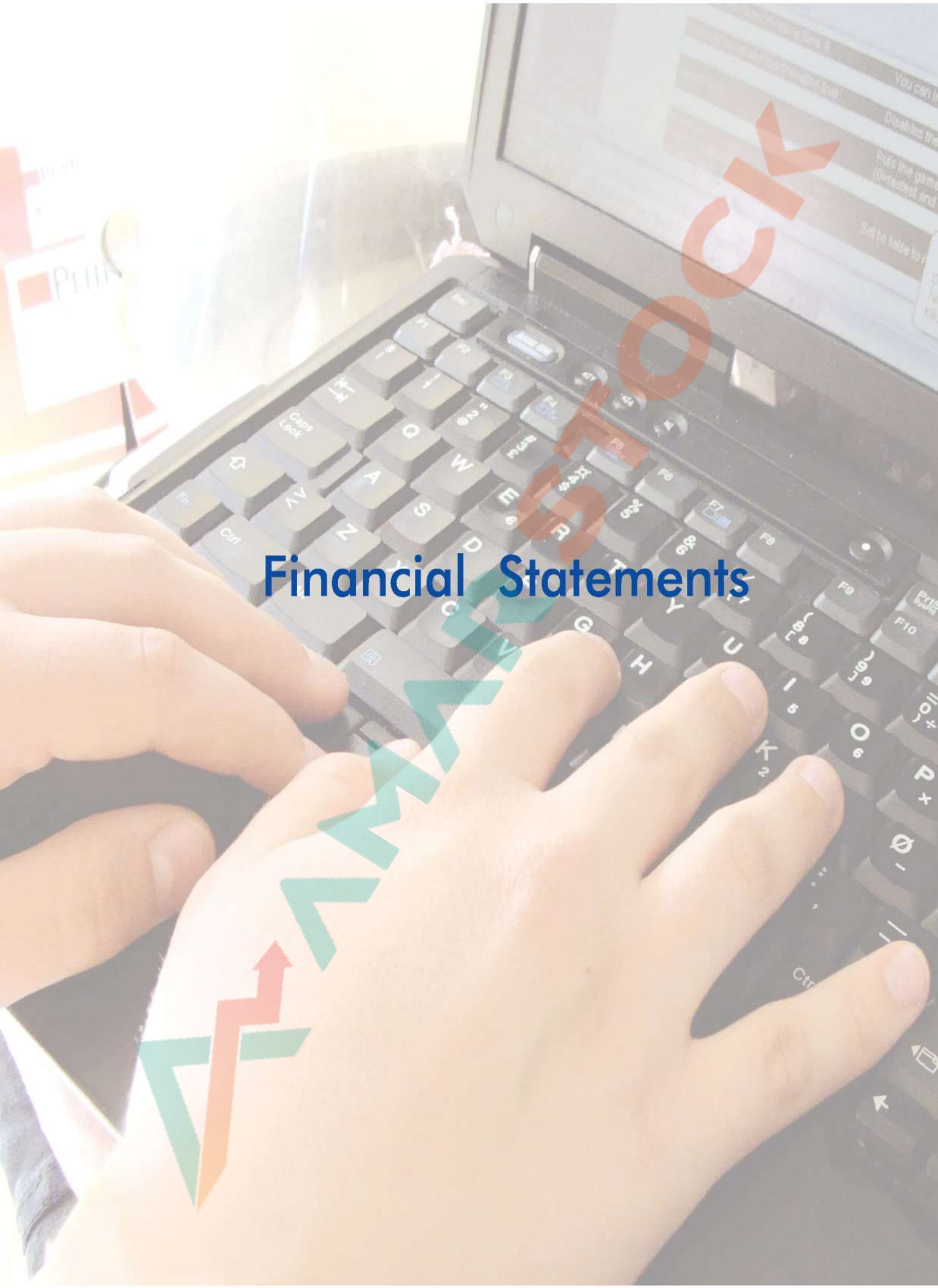
a) the financial statement does not contain any materially untrue statement or omits any material fact or contains statement that might be misleading.

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, 2018



# 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, 2017 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 30, 2018

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, 2017 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, 2017

| CAPITAL AND LIABILITIES | NOTES | 2017 | 2016 |
|---|---|---|---|
| Authorized capital : | | | |
| 100,000,000 ordinary shares of Taka 10 each | | 1,000,000,000 | 1,000,000,000 |
| Shareholders Equity : | | | |
| Issued, subscribed & paid up capital | | 1,646,217,235 | 1,578,076,322 |
| 66,376,980 ordinary shares of Taka 10 each | 7 | 663,769,800 | 632,161,720 |
| Share Premium | 8 | 212,448,120 | 212,448,120 |
| Reserve for exceptional losses | 9 | 432,373,550 | 367,373,550 |
| 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) | 69,722,991 | 98,190,158 |
| Balance of funds and account : | | 207,832,285 | 204,241,171 |
| Fire Insurance business | | 52,071,210 | 53,006,173 |
| Marine Insurance business | | 70,671,571 | 53,762,812 |
| Miscellaneous Insurance business | | 85,089,504 | 97,472,186 |
| Premium deposit | 10 | 18,997,422 | 15,914,515 |
| Estimated liabilities in respect of outstanding claims whether due or intimated | 11 | 60,351,820 | 59,415,816 |
| Amount due to other persons or bodies carrying on insurance business | 12 | 41,933,692 | 29,450,903 |
| Sundry creditors (including provision for expenses and taxes) | 13 | 309,072,205 | 323,572,732 |
| | Taka | 2,284,404,659 | 2,210,671,459 |

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 25,2018.

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

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 30, 2018

# Rupali Insurance Company Limited

## Balance Sheet

As on December 31, 2017

| PROPERTY AND ASSETS | NOTES | 2017 | 2016 |
|---|---|---|---|
| Investment (At cost) : | 1 | 133,125,838 | 129,368,264 |
| Outstanding premium | 2 | 61,876,749 | 61,972,576 |
| Accrued interest | 3 | 22,173,414 | 25,707,412 |
| Amount due from other persons or bodies carrying on Insurance business | 4 | 69,215,023 | 66,962,867 |
| Sundry debtors (including deposits and prepayments) | 5 | 140,351,091 | 121,696,619 |
| Cash and bank balances | 6 | 1,034,142,466 | 1,012,238,201 |
| Other accounts : | | 823,520,078 | 792,725,520 |
| Fixed assets at cost less depreciation | (Annexure-1) | 458,687,017 | 446,862,397 |
| Stock of Printing materials | | 974,650 | 1,115,758 |
| Advance income tax | 13.01 | 363,858,411 | 344,747,365 |
| | Taka | 2,284,404,659 | 2,210,671,459 |

Subject to our seperate report of even date.

Mostafa Golam Quddus
Chairman

(A.Wahab & Co.)
Chartered Accountants

# Rupali Insurance Company Limited

## Profit and Loss Account

For the year ended December 31, 2017

| EXPENSES | NOTES | 2017 | 2016 |
|---|---|---|---|
| Expenses of management (not applicable to any fund or account) | | | |
| Directors' fees | | 396,000 | 544,000 |
| Audit fee | 15 (iii) | 85,000 | 156,250 |
| Donation & subscription | 15 (iv) | 2,087,750 | 1,217,226 |
| Publicity & advertisement | | 1,438,045 | 2,403,444 |
| Fees and charges | | 152,733 | 50,459 |
| Legal & professional fee | | 906,600 | 524,900 |
| Registration & renewals | 15 (v) | 3,895,115 | 3,568,113 |
| Depreciation | (Annexure-1) | 19,243,482 | 15,672,142 |
| Share Expenses | | 123,123 | 788,360 |
| AGM Expenses | | 340,314 | 632,391 |
| CDBL Charge | | 106,000 | – |
| Profit for the year transferred to Profit & Loss Appropriation Account | | 178,957,091 | 180,244,361 |
| | Taka | 207,731,253 | 205,801,646 |

## Profit and Loss Appropriation Account

For the year ended 31st December, 2017

| | | | |
|---|---|---|---|
| Reserve for exceptional losses | | 65,000,000 | 20,000,000 |
| Provision for tax | | 45,600,000 | 64,000,000 |
| Provision for Deferred taxation | | 2,000,000 | 2,000,000 |
| Balance transferred to Balance Sheet | 15 (vi) | 69,722,991 | 98,190,158 |
| | Taka | 182,322,991 | 184,190,158 |
| Earning per Share (EPS) after tax | 16 | 2.01 | 1.75 |

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 25, 2018.

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

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 30, 2018

# Rupali Insurance Company Limited

## Profit and Loss Account

For the year ended December 31, 2017

| INCOME | NOTES | 2017 | 2016 |
|---|---|---|---|
| Interest, dividend and rents (not applicable to any fund or account) | | | |
| Interest and rental income | 15 (i) | 70,296,320 | 78,039,473 |
| Profit transferred from : | 14 (i) | 128,911,216 | 122,665,975 |
| Fire revenue account | | 18,262,825 | 18,563,739 |
| Marine revenue account | | 44,422,146 | 12,611,587 |
| Miscellaneous revenue account | | 66,226,244 | 91,490,649 |
| Other income | 15 (ii) | 8,523,717 | 5,096,198 |
| | Taka | 207,731,253 | 205,801,646 |

## Profit and Loss Appropriation Account

For the year ended 31st December, 2017

| | | | |
|---|---|---|---|
| Balance brought forward from previous year | | 3,365,900 | 3,945,797 |
| Net profit for the year transferred from Profit & Loss Account | | 178,957,091 | 180,244,361 |
| | Taka | 182,322,991 | 184,190,158 |

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, 2017

| EXPENSES | NOTES | 2017 | 2016 |
|---|---|---|---|
| Claims under policies Less re-insurance : | | | |
| Paid during the year | 14 (iii) | 71,998,130 | 67,960,175 |
| Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated | 14 (iii) | 14,454,109 | 15,505,045 |
| | | 86,452,239 | 83,465,220 |
| Less : Outstanding claims at the end of the previous year | | 15,505,045 | 15,696,710 |
| | | 70,947,194 | 67,768,510 |
| Agency commission | 14 (ii) | 52,024,729 | 52,884,594 |
| Management expenses | 14 (iv) | 55,982,893 | 54,832,523 |
| Profit for the year transferred to Profit & Loss Account | | 18,262,825 | 18,563,739 |
| 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 | | 52,071,210 | 53,006,173 |
| | Taka | 249,288,851 | 247,055,539 |

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 25, 2018.

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

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 30, 2018

# Rupali Insurance Company Limited

## Fire Insurance Revenue Account

For the year ended December 31, 2017

| INCOME | NOTES | 2017 | 2016 |
|---|---|---|---|
| Balance of account at the beginning of the Year : | | | |
| Reserve for Unexpired risk | | 53,006,173 | 43,657,920 |
| Premium less re-insurance | 14 (i) | 130,178,024 | 132,515,433 |
| Commission on re-insurance ceded | 14 (ii) | 66,104,654 | 70,882,186 |
| | Taka | 249,288,851 | 247,055,539 |

Subject to our seperate report of even date.

Mostafa Golam Quddus
Chairman

(A.Wahab & Co.)
Chartered Accountants

# Rupali Insurance Company Limited
## Marine Insurance Revenue Account
For the year ended December 31, 2017

| EXPENSES | | Marine Cargo | Marine Hull | 2017 | 2016 |
|---|---|---|---|---|---|
| Claims under policies Less re-insurance : | | | | | |
| Paid during the year | 14 (iii) | 48,685,511 | 621 | 48,686,132 | 49,664,542 |
| Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated | 14 (iii) | 20,926,371 | — | 20,926,371 | 14,690,227 |
| | | 69,611,882 | 621 | 69,612,503 | 64,354,769 |
| Less : Outstanding claims at the end of the previous year | | 14,690,227 | — | 14,690,227 | 15,706,299 |
| | | 54,921,655 | 621 | 54,922,276 | 48,648,470 |
| Agency commission | 14 (ii) | 32,450,474 | 3,441,991 | 35,892,465 | 31,080,366 |
| Management expenses | 14 (iv) | 36,836,184 | 3,625,613 | 40,461,797 | 31,792,090 |
| Profit for the year transferred to Profit and Loss Account | | 40,562,911 | 3,859,235 | 44,422,146 | 12,611,587 |
| 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 | | 66,656,054 | 4,015,517 | 70,671,571 | 53,762,812 |
| | Taka | 231,427,278 | 14,942,977 | 246,370,255 | 177,895,325 |

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 25, 2018.

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

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 30, 2018

# Rupali Insurance Company Limited

## Marine Insurance Revenue Account

For the year ended December 31, 2017

| INCOME | | Marine Cargo | Marine Hull | 2017 | 2016 |
|---|---|---|---|---|---|
| Balance of account at the beginning of the year : | | | | | |
| Reserve for Unexpired Risk | | 46,227,971 | 7,534,841 | 53,762,812 | 38,126,085 |
| Premium less re-insurance | 14 (i) | 166,640,134 | 4,015,517 | 170,655,651 | 123,104,768 |
| Commission on re-insurance ceded | 14 (ii) | 18,559,173 | 3,392,619 | 21,951,792 | 16,664,472 |
| | Taka | 231,427,278 | 14,942,977 | 246,370,255 | 177,895,325 |

Subject to our seperate report of even date

Mostafa Golam Quddus
Chairman

(A.Wahab & Co.)
Chartered Accountants

# Rupali Insurance Company Limited

## Miscellaneous Insurance Revenue Account

For the year ended December 31, 2017

| EXPENSES | | Motor | Mise | 2017 | 2016 |
|---|---|---|---|---|---|
| Claims under policies | | | | | |
| Less re-insurance : | | | | | |
| Paid during the year | 14 (iii) | 86,989,333 | 7,292,257 | 94,281,590 | 83,578,437 |
| Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated | 14 (iii) | 24,064,453 | 906,887 | 24,971,340 | 29,220,544 |
| | | 111,053,786 | 8,199,144 | 119,252,930 | 112,798,981 |
| Less : Outstanding claims at the end of the previous year | | 28,185,544 | 1,035,000 | 29,220,544 | 21,220,043 |
| | | 82,868,242 | 7,164,144 | 90,032,386 | 91,578,938 |
| Commission on re-insurance accepted | 14 (ii) | — | 673,137 | 673,137 | 426,293 |
| Agency commission | 14 (ii) | 31,709,787 | 1,982,488 | 33,692,275 | 42,758,340 |
| Management expenses | 14 (iv) | 34,617,229 | 6,050,237 | 40,667,466 | 44,707,804 |
| Profit for the year transferred to Profit and Loss Account | | 64,900,960 | 1,325,284 | 66,226,244 | 91,490,649 |
| 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 | | 80,716,455 | 4,373,049 | 85,089,504 | 97,472,186 |
| | Taka | 294,812,673 | 21,568,339 | 316,381,012 | 368,434,211 |

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 25, 2018.

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

Mostafa Quamrus Sobhan
Director

Quazi Moniruzzaman
Director

Dated : Dhaka, April 30, 2018

# Rupali Insurance Company Limited

## Miscellaneous Insurance Revenue Account

For the year ended December 31, 2017

| INCOME | | Motor | Mise | 2017 | 2016 |
|---|---|---|---|---|---|
| Balance of account at the beginning of the year : | | | | | |
| Reserve for Unexpired risk | | 92,538,855 | 4,933,331 | 97,472,186 | 119,158,436 |
| Premium less re-insurance | 14 (i) | 201,791,137 | 10,932,622 | 212,723,759 | 243,680,466 |
| Commission on re-insurance ceded | 14 (ii) | 482,681 | 5,702,386 | 6,185,067 | 5,595,309 |
| Taka | | 294,812,673 | 21,568,339 | 316,381,012 | 368,434,211 |

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, 2017

| Particulars | Share Capital | Share Premium | Reserve for Exceptional Losses | Reserve for Revaluation of land & Building | Dividend Equalization Fund | Profit & Loss Appropriation | Total |
|---|---|---|---|---|---|---|---|
| Equity as at January 01, 2017 | 632,161,720 | 212,448,120 | 367,373,550 | 249,902,774 | 18,000,000 | 98,190,158 | 1,578,076,322 |
| Dividend equalization fund transferred to retained | — | — | — | — | — | — | — |
| Stock Dividend | 31,608,080 | — | — | — | — | (31,608,080) | — |
| Cash Dividend | — | — | — | — | — | (63,216,178) | (63,216,178) |
| Surplus/Addition during the year | — | — | 65,000,000 | — | — | 66,357,091 | 131,357,091 |
| Equity as at December 31, 2017 | 663,769,800 | 212,448,120 | 432,373,550 | 249,902,774 | 18,000,000 | 69,722,991 | 1,646,217,235 |

# 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 | Reserve for Revaluation of land & Building | Dividend Equalization Fund | Profit & Loss Appropriation | Total |
|---|---|---|---|---|---|---|---|
| Equity as at January 01, 2016 | 602,058,790 | 212,448,120 | 347,373,550 | 249,902,774 | 18,000,000 | 94,254,606 | 1,524,037,840 |
| Dividend equalization fund transferred to retained | — | — | — | — | — | — | — |
| 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 |
| Equity as at December 31, 2016 | 632,161,720 | 212,448,120 | 367,373,550 | 249,902,774 | 18,000,000 | 98,190,158 | 1,578,076,322 |

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 25, 2018.

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 30, 2018

# Rupali Insurance Company Limited

## Cash Flow Statement

For the year ended December 31, 2017

| PARTICULARS | Notes | 2017 | 2016 |
|---|---|---|---|
| **A. Cash Flows from Operating Activities :** | | | |
| Collections from pemium and other income | | 995,945,167 | 955,606,245 |
| Payments for management expenses, re-insurance, claims & commission etc. | | (832,553,445) | (818,531,467) |
| Income tax paid | | (48,617,272) | (34,531,662) |
| Net Cash provided by Operating Activities | | 114,774,450 | 102,543,116 |
| **B. Cash Flows from Investing Activities :** | | | |
| Purchase of Fixed Assets | | (31,068,102) | (21,370,439) |
| Disposal of Fixed Assets | | 3,857,940 | — |
| Purchase of Shares | | (8,174,907) | (1,165,558) |
| Purchase of MBDS | | (10,000,000) | — |
| Purchase of BGTB | | — | (9,100,000) |
| Sale of Shares | | 14,417,333 | 3,054,688 |
| Dividend income | | 1,313,729 | 267,981 |
| Net Cash used in Investing Activities | | (29,654,007) | (28,313,328) |
| **C. Cash Flows from Financing Activities :** | | | |
| Dividend Paid | | (63,216,178) | (60,205,879) |
| Net Cash used in Financing Activities | | (63,216,178) | (60,205,879) |
| **D. Increase/Decrease in cash Flow : (A+B+C)** | | 21,904,265 | 14,023,909 |
| Cash & cash equivalents at the beginning of the year (01.01.2017) | | 1,012,238,201 | 998,214,292 |
| Cash & cash equivalents at the end of the year (31.12.2017) | 6 | 1,034,142,466 | 1,012,238,201 |
| Net Operating Cash Flow Per Share (NOCFPS) | 17 | 1.73 | 1.54 |

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 25,, 2018.

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 30, 2018

# Rupali Insurance Company Limited

## Form A A

### Classified summary of assets as on December 31, 2017

| CLASS OF ASSETS | AMOUNT | BOOK VALUE |
|---|---|---|
| **Investment:** | | |
| Investment in shares of listed securities | 56,525,838 | Book Value |
| Investment in Sonali Life Insurance Co. Ltd. | 32,500,000 | Realizabale Value |
| Investment in MBDS (Mudaraba Billinior Deposit Scheme) | 10,000,000 | Realizabale Value |
| Deposit with Central Depository Bangladesh Ltd. | 34,100,000 | Realizabale Value |
| (20 years Bangladesh Govt. Treasury Bond) | | |
| Fixed deposits, STD, Current Accounts & Cash in hand | 1,033,579,995 | Realizabale Value |
| Stamp in hand | 562,471 | Realizabale Value |
| Outstanding premium | 61,876,749 | Book Value |
| Dues from others carrying on insurance business | 69,215,023 | Book Value |
| Interest accrued but not received | 22,173,414 | Realizabale Value |
| Sundry debtors, advances, deposits and advance income tax | 504,209,502 | Book Value |
| Stock of printing materials in hand | 974,650 | Physical Balance |
| Fixed assets (at cost less depreciation) | 458,687,017 | Book Value |
| Taka | 2,284,404,659 | |

Note : The amount of Fixed assets is inclusive of Tk. 3,421,791 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 25,, 2018.

Subject to our separate 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 30, 2018

# Rupali Insurance Company Limited

## Schedule of Fixed Assets and Depreciation/Amortization thereon

As on December 31, 2017

ANNEXURE-1

| PARTICULARS | COST | | | | DEPRECIATION | | | | | | W.D.V AS ON 31.12.2017 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | AS ON 01.01.2017 | ADDITION DURING THE YR. | DISPOSAL DURING THE YR. | TOTAL AS ON 31.12.2017 | RATE % | AS ON 01.01.2017 | ADJUSTMENT DURING THE YEAR | DURING THE YEAR | AMORTIZATION DURING THE YEAR | TOTAL AS ON 31.12.2017 | |
| Furniture & Fixture | 32,261,504 | 534,807 | 90,550 | 32,705,761 | 10 | 27,937,630 | 90,550 | 1,436,890 | — | 29,283,970 | 3,421,791 |
| Neon Sign | 3,197,811 | 53,970 | — | 3,251,781 | 10 | 2,653,045 | — | 124,054 | — | 2,777,099 | 474,682 |
| Vehicles | 70,976,388 | 8,506,266 | 3,532,500 | 75,950,154 | 20 | 60,532,740 | 3,532,500 | 3,811,186 | — | 60,811,426 | 15,138,728 |
| Electric Equipment | 7,118,746 | 370,001 | — | 7,488,747 | 15 | 4,495,559 | — | 693,381 | — | 5,188,940 | 2,299,807 |
| Office Equipment | 2,967,478 | — | 112,500 | 2,854,978 | 15 | 2,729,585 | 112,500 | 5,775 | — | 2,622,860 | 232,118 |
| Air Conditioner | 11,407,862 | 129,374 | 110,400 | 11,426,836 | 15 | 9,720,321 | 110,400 | 649,769 | — | 10,259,690 | 1,167,146 |
| Telephone Installation | 5,095,915 | 95,890 | — | 5,191,805 | 10 | 5,061,203 | — | 9,589 | — | 5,070,792 | 121,013 |
| By Cycle | 76,796 | — | — | 76,796 | 20 | 76,795 | — | — | — | 76,795 | 1 |
| Computer | 10,998,804 | 1,221,614 | — | 12,220,418 | 30 | 10,753,705 | — | 935,283 | — | 11,688,988 | 531,430 |
| Lift | 5,502,802 | — | — | 5,502,802 | 15 | 5,443,301 | — | 10,500 | — | 5,453,801 | 49,001 |
| Television | 249,200 | 17,500 | 11,990 | 254,710 | 20 | 210,134 | 11,990 | 19,202 | — | 217,346 | 37,364 |
| Land | 35,000,000 | 35,820 | — | 35,035,820 | — | — | — | — | — | — | 35,035,820 |
| Building | 184,163,910 | 20,102,860 | — | 204,266,770 | 10 | 43,285,838 | — | 11,416,391 | — | 54,702,229 | 149,564,541 |
| Generator | 900,183 | — | — | 900,183 | 15 | 900,182 | — | — | — | 900,182 | 1 |
| Web Desigen & Networking | 3,641,964 | — | — | 3,641,964 | 30 | 3,161,927 | — | 58,787 | — | 3,220,714 | 421,250 |
| Solar | 484,500 | — | — | 484,500 | 15 | 122,275 | — | 72,675 | — | 194,950 | 289,550 |
| Total Taka | 374,043,863 | 31,068,102 | 3,857,940 | 401,254,025 | — | 177,084,240 | 3,857,940 | 19,243,482 | — | 192,469,782 | 208,784,243 |
| **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 | 734,481,821 | 31,068,102 | 3,857,940 | 761,691,983 | — | 287,619,424 | 3,857,940 | 19,243,482 | — | 303,004,966 | 458,687,017 |
| December 31, 2016 | 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 |

# Rupali Insurance Company Limited
## Notes to the Financial Statements
For the year ended December 31, 2017

A. LEGAL FORM OF THE COMPANY :

The company is a public limited company under the Companies Act. 1994 and was incorporation in1988. The company 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; and 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 10/20 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. 137,112,156 directly related to business represent approximately 15.88% of gross premium of Tk. 861,530,939 and 26.64% of net premium of Tk. 513,557,434 earned during the year. The above amount of management expenses have been charged @ 40.83% to Fire, 29.51% to Marine and 29.66% 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. 65,000,000 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. 192,469,782 including Tk. 19,243,482 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 2017, 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 2016-2017 and 2017-2018 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 46 branches the gross premium income earned by the company amounting to Tk. 861,530,939 including public sector business of Tk. 48,877,895. After ceding for re-insurance premium the net premium for the year amounted to Tk. 513,557,434 and after charging direct expenses therefrom the net underwriting profit stood at Tk. 128,911,216 as against Tk. 499,300,667 and Tk. 122,665,975 respectively in the preceding year.

D. PUBLIC SECTOR BUSINESS

Public sector business for four quarters up to June, 2017 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 :

| The details break-up is made up as follows : | 2017 | 2016 |
|---|---|---|
| i. 10 years Banladesh Govt. Treasury Bond | 20,500,000 | 20,500,000 |
| ii. 20 years Banladesh Govt. Treasury Bond | 13,600,000 | 13,600,000 |
| iii. Sonali Life Insurance Co. Ltd. | 32,500,000 | 32,500,000 |
| iv. MBDS (Mudaraba Billinior Deposit Scheme) | 10,000,000 | — |
| v. Investment in shares of listed securities | 56,525,838 | 62,768,264 |
| Taka | 133,125,838 | 129,368,264 |

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) Tk.10,000,000 has been deposited to SIBL (Social Islamic Bank Ltd.) Since august 2017 @ Tk. 20 Lac per month for 10 Years Mudaraba Billinior Deposit Scheme.

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

| Particulars | Quantity | Cost Price | Market Price | Consideration Value |
|---|---|---|---|---|
| Lanka Bangla Finance Ltd. | 74,979.00 | 5,527,127.00 | 3,583,996.20 | 3,583,996.00 |
| BSRM Steel Ltd. | 20,580.00 | 3,275,052.00 | 1,615,530.00 | 1,615,530.00 |
| Bangladesh Export Import Co. Ltd. | 25,248.00 | 2,055,508.00 | 681,696.00 | 681,686.00 |
| Continental Insurance Co Ltd. | 57,120.00 | 3,613,674.00 | 1,273,776.00 | 1,273,776.00 |
| Mercantile Insurance Co. Ltd. | 40,655.00 | 2,180,212.00 | 947,261.50 | 947,262.00 |
| City General Insurance Co. Ltd. | 208,264.00 | 9,791,157.00 | 3,790,404.80 | 3,790,405.00 |
| Sonargaon Textiles | 19,635.00 | 602,865.19 | 292,561.50 | 292,561.00 |
| United Commercial Bank Ltd. | 72,450.00 | 4,832,300.13 | 1,709,820.00 | 1,709,820.00 |
| Uttara Finance | 24,054.00 | 3,013,964.00 | 1,748,725.80 | 1,748,725.80 |
| R.A.K. Ceramic Bangladesh Ltd. | 7,686.00 | 1,025,005.24 | 460,391.00 | 460,391.00 |
| Grameen Phone | 33,000.00 | 2,442,000.00 | 15,536,400.00 | 2,442,000.00 |
| Aftab Automobiles | 8,400.00 | 1,408,811.04 | 539,280.00 | 539,280.00 |
| FAR CHEM | 43,890.00 | 1,090,231.00 | 855,855.00 | 855,855.00 |
| Atlas Bangladesh | 3,385.00 | 686,197.01 | 444,789.00 | 444,789.00 |
| Dhaka Bank Ltd. | 27,156.00 | 744,042.34 | 597,432.00 | 597,432.00 |
| IFIC Bank Ltd. | 8,846.00 | 185,008.00 | 159,228.00 | 159,228.00 |
| Padma Oil Co. Ltd. | 7,000.00 | 2,485,522.20 | 1,673,000.00 | 1,673,000.00 |
| Premier Bank Ltd. | 120,789.00 | 3,019,920.00 | 1,896,387.30 | 1,896,387.30 |
| Lafarge Surma Cement Ltd. | 5,000.00 | 410,435.01 | 349,500.00 | 349,500.00 |
| Confidence Cement | 6,000.00 | 601,777.00 | 903,000.00 | 601,776.55 |
| Meghna Petroleum Ltd. | 10,090.00 | 2,400,968.50 | 1,916,099.00 | 1,916,099.00 |
| Padma Islami Life Insurance Ltd. | 12,000.00 | 751,672.00 | 602,400.00 | 602,400.00 |
| Square Textiles Ltd. | 25,410.00 | 1,953,581.39 | 1,626,240.00 | 1,626,240.00 |
| United Power Generation & Distribution Company | 4,500.00 | 916,662.00 | 814,950.00 | 814,950.00 |
| Bangladesh Industrial Fin. Co. Ltd. | 82,700.00 | 1,081,203.26 | 884,890.00 | 884,890.00 |
| Dhaka Electric Supply Co. Ltd. | 3,675.00 | 233,361.00 | 166,845.00 | 166,845.00 |
| Acme Lab | 2,566.00 | 197,582.00 | 292,524.00 | 197,582.00 |
| Total | 955,078.00 | 56,525,838.31 | 45,362,982.10 | 31,872,416.85 |

Provision for Tk 24,653,422 (Note-13.00) has been made on account of the difference between the cost price and consideration value of the shares as on December 31,2017 as value of most of the shares is lower then the cost price.

2. Outstanding premium :

The details break-up is made up as follows :

| | | 2017 | 2016 |
|---|---|---|---|
| Fire | | 30,580,689 | 31,987,016 |
| Marine | | 18,525,900 | 17,529,450 |
| Motor | | 12,770,160 | 12,456,110 |
| | Taka | 61,876,749 | 61,972,576 |

3. Accrued interest :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Opening balance | 25,707,412 | 30,993,088 |
| Add : Amount accrued during the year Interest on FDR | 21,195,286 | 24,751,725 |
| Interest on 10/20 Years Bangladesh Govt.Treasury Bond | 978,128 | 955,687 |
| | 47,880,826 | 56,700,500 |
| Less : Received during the year | 25,707,412 | 30,993,088 |
| Taka | 22,173,414 | 25,707,412 |

4. Amount due from other persons or bodies carrying on insurance business :
The amount represents premium receivable from co-insurers against co-insurance business underwritten Jointly.

| The details break-up is made up as follows : | | 2017 | 2016 |
|---|---|---|---|
| Fire | | 34,767,906 | 33,525,691 |
| Marine | | 22,678,934 | 21,737,775 |
| Miscellaneous | | 11,768,183 | 11,699,401 |
| | Taka | 69,215,023 | 66,962,867 |

5. Sundry debtors :
The details break-up is made up as follows :

| | | | |
|---|---|---|---|
| Agent Balance | | 74,820,810 | 55,546,374 |
| Rent Receivable | | 3,043,335 | 1,837,579 |
| Advance against purchase of shanes | | 1,543,121 | 5,587,696 |
| Advance against office rent | | 31,702,918 | 33,387,583 |
| Advance against claim | | 25,000,000 | — |
| Other Advance | | 2,726,231 | 2,931,581 |
| R/I Port folio premium & losses | | — | 21,391,130 |
| Security Deposit | | 1,514,676 | 1,014,676 |
| | Taka | 140,351,091 | 121,696,619 |

6. Cash and bank balance :
The details break-up is made up as follows :

| A. On hand : | | 2017 | 2016 |
|---|---|---|---|
| Cash | | 25,868,072 | 27,016,903 |
| Stamps | | 562,471 | 883,024 |
| | | 26,430,543 | 27,899,927 |
| B. At Banks : | | | |
| Fixed deposits | | 899,004,924 | 890,760,739 |
| STD and Current accounts | | 108,706,999 | 93,577,535 |
| | | 1,007,711,923 | 984,338,274 |
| | Taka | 1,034,142,466 | 1,012,238,201 |

7. Issued, subscribed & Paid-up Capital :
This balance represents 66,376,980 ordinary shares of Tk. 10.00 each fully paid-up to Tk. 663,769,800 which is made up of as follows :

| | 2017 | 2016 |
|---|---|---|
| Opening Balance (63,216,172 Shares) | 632,161,720 | 602,058,790 |
| Add : Bonus Shares issued during the year (3,160,808 shares @ Tk.10 each) | 31,608,080 | 30,102,930 |
| Total | 663,769,800 | 632,161,720 |

7.01 The category wise shareholdings as on 31.12.2017 is noted below :
The details break-up is made up as follows :

| Category of shareholders | No. of Shares | % of Holdings | Amount |
|---|---|---|---|
| 1. Sponsors & Directors | 32,129,180 | 48.41 | 321,291,800 |
| 2. General Public | 21,116,494 | 31.81 | 211,164,940 |
| 3. Financial Institutions | 13,096,016 | 19.73 | 130,960,160 |
| 4. NRB | 35,290 | 0.05 | 352,900 |
| Total | 66,376,980 | 100 | 663,769,800 |

7.02 Classification of Shareholders by holdings :

The details break-up is made up as follows :

| Class Interval | No. of Shares | No. of Share Holders | % of Total Paid- Up Capital |
|---|---|---|---|
| 1-500 | 426,921 | 2,977 | 0.64 |
| 501-5000 | 3,464,799 | 1,880 | 5.22 |
| 5001-10000 | 1,850,018 | 264 | 2.79 |
| 10001-20000 | 2,111,138 | 152 | 3.18 |
| 20001-30000 | 1,479,811 | 61 | 2.23 |
| 30001-40000 | 1,048,129 | 29 | 1.58 |
| 40001-50000 | 575,485 | 13 | 0.86 |
| 50001-100000 | 2,666,666 | 36 | 4.02 |
| 100001-1000000 | 14,942,076 | 45 | 22.51 |
| Over-1000000 | 37,811,937 | 19 | 56.97 |
| Total | 66,376,980 | 5,476 | 100.00 |

8. Share Premium :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Opening balance | 212,448,120 | 212,448,120 |
| Taka | 212,448,120 | 212,448,120 |

9. Reserve for exceptional losses :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Opening balance | 367,373,550 | 347,373,550 |
| Provision during the period | 65,000,000 | 20,000,000 |
| Taka | 432,373,550 | 367,373,550 |

10. Premium Deposit :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Premium deposit | 18,997,422 | 15,914,515 |
| Taka | 18,997,422 | 15,914,515 |

The balance represents amount received against cover notes for which policies were not issued till December.

11. Estimated liabilities in respect of outstanding claims whether due or intimated :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Fire | 14,454,109 | 15,505,045 |
| Marine | 20,926,371 | 14,690,227 |
| Motor | 24,064,453 | 28,185,544 |
| Miscellaneous | 906,887 | 1,035,000 |
| Taka | 60,351,820 | 59,415,816 |

12. Amount due to other persons or bodies carrying on insurance business :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Amount due to SBC | 31,666,512 | 19,783,801 |
| Other insurance Companies | 10,267,180 | 9,667,102 |
| Taka | 41,933,692 | 29,450,903 |

13. Sundry Creditors :

The details break-up is made up as follows :

| | 2017 | 2016 |
|---|---|---|
| Liabilities for Capital expenses | 550,741 | 489,522 |
| Liabilities for expenses | 5,990,587 | 3,188,024 |
| Value added tax and other Govt. dues | 339,341 | 412,678 |
| Provision for deferred tax | 20,000,000 | 18,000,000 |
| Provision for share Investment | 24,653,422 | 30,138,511 |
| Provision for income tax (Assessment year 2018-2019) (Note-13.01) | 45,600,000 | 64,000,000 |
| Income tax provided (Assessment year 1991-1992 to 2017-2018) | 202,693,595 | 198,199,822 |
| Share application money | — | 82,930 |
| Advance rent received | 2,366,692 | 2,333,352 |
| Others payable | 6,877,827 | 6,727,893 |
| Taka | 309,072,205 | 323,572,732 |

13.01 As against tax payable on account of provision up to assessment year 2018-2019 noted above there is a balance of advance tax of Tk. 363,858,411 paid up to the accounting year December 31, 2017.

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 | 64,800,000 | — | 48,259,006 |
| 31.12.2015 | 2016-2017 | 63,000,000 | 20,000,000 | 43,000,000 | 30,261,888 |
| 31.12.2016 | 2017-2018 | 64,000,000 | 31,879,942 | 32,120,058 | 27,357,947 |
| Total Taka | | 505,131,000 | 302,437,405 | 202,693,595 | 344,747,365 |
| 31.12.2017 | | 45,600,000 | — | — | 19,111,046 |
| | | | | Tk. | 363,858,411 |

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 summarized position of net underwriting Profit earned during the year 2017 is as follows :

| Particulars | Fire | Marine | Motor & Misc | Total of 2017 | Total of 2016 |
|---|---|---|---|---|---|
| Revenue | | | | | |
| A. Gross Premium (including SBC & Govt. Business) | 352,034,792 | 257,101,289 | 252,394,858 | 861,530,939 | 845,932,899 |
| B. Re-Insurance Premium | 221,856,768 | 86,445,638 | 39,671,099 | 347,973,505 | 346,632,322 |
| C. Net Premium (A-B) | 130,178,024 | 170,655,651 | 212,723,759 | 513,557,434 | 499,300,667 |
| Direct Expenses | | | | | |
| D. Commission (Net) (ii) | (14,079,925) | 13,940,673 | 28,180,345 | 28,041,093 | 34,007,626 |
| E. Claim settled and provided (Net) (iii) | 70,947,194 | 54,922,276 | 90,032,386 | 215,901,856 | 207,995,918 |
| F. Management Expenses | 55,982,893 | 40,461,797 | 40,667,466 | 137,112,156 | 131,332,417 |
| G. Total Direct Expenses (D+E+F) | 112,850,162 | 109,324,746 | 158,880,197 | 381,055,105 | 373,335,961 |
| H. Adjusted Fund Balances for Unexpired Risk (Opening Balance Less Closing Balance) | 934,963 | (16,908,759) | 12,382,683 | (3,591,113) | (3,298,731) |
| Net Underwriting Profit (C-G+H) | 18,262,825 | 44,422,146 | 66,226,245 | 128,911,216 | 122,665,975 |

ii. Commission (Net) :

| Particulars | Fire | Marine | Motor & Misc | Total of 2017 | Total of 2016 |
|---|---|---|---|---|---|
| Commission paid on Direct Business | 52,024,729 | 35,892,465 | 33,692,275 | 121,609,469 | 126,723,300 |
| Commission paid on Re-Insurance accepted | — | — | 673,137 | 673,137 | 426,293, |
| Total | 52,024,729 | 35,892,465 | 34,365,412 | 122,282,606 | 127,149,593 |
| Less : Commission earned on Re-Insurance | 66,104,654 | 21,951,792 | 6,185,067 | 94,241,513 | 93,141,967 |
| Net Commission Taka | (14,079,925) | 13,940,673 | 28,180,345 | 28,041,093 | 34,007,626 |

iii. Claims settled (Net) :

| Particulars | Fire | Marine | Motor & Misc | Total of 2017 | Total of 2016 |
|---|---|---|---|---|---|
| Gross Claim | 82,923,631 | 62,246,757 | 99,946,885 | 245,117,273 | 225,935,337 |
| Less : Re-Insurance Claim Recovery paid during the year | 10,925,501 | 13,560,625 | 5,665,295 | 30,151,421 | 24,732,183 |
| | 71,998,130 | 48,686,132 | 94,281,590 | 214,965,852 | 201,203,154 |
| Add : Outstanding Claim at the end of the year whether due or intimated | 14,454,109 | 20,926,371 | 24,971,340 | 60,351,820 | 59,415,816 |
| | 86,452,239 | 69,612,503 | 119,252,930 | 275,317,672 | 260,618,970 |
| Less : Outstanding Claim at the end of the previous year | 15,505,045 | 14,690,227 | 29,220,544 | 59,415,816 | 52,623,052 |
| Net Amount Taka | 70,947,194 | 54,922,276 | 90,032,386 | 215,901,856 | 207,995,918 |

iv. Management Expenses :

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

| | 2017 | | 2016 | |
|---|---|---|---|---|
| Revenue Accounts | Percentage | Taka | Percentage | Taka |
| Fire | 40.83 | 55,982,893 | 43.68 | 54,832,523 |
| Marine | 29.51 | 40,461,797 | 23.67 | 31,792,090 |
| Motor & Misc. | 29.66 | 40,667,466 | 32.65 | 44,707,804 |
| | 100.00 | 137,112,156 | 100.00 | 131,332,417 |

15. Profit And Loss Account

i. Interest, dividend and rental income :

| The details break-up is made up as follows : | | 2017 | 2016 |
|---|---|---|---|
| On fixed deposit | | 56,569,715 | 66,678,969 |
| On STD accounts | | 1,452,222 | 352,392 |
| On Bangladesh Govt. Treasury Bond | | 3,770,281 | 3,492,863 |
| | Taka | 61,792,218 | 70,524,224 |
| Dividend income | | 1,313,729 | 267,981 |
| Rental Income | | 7,190,373 | 7,247,268 |
| | | 8,504,102 | 7,515,249 |
| | Taka | 70,296,320 | 78,039,473 |

ii. Other income :

| The details break-up is made up as follows : | | 2017 | 2016 |
|---|---|---|---|
| Miscellaneous income | | 43,800 | 169,060 |
| Profit on Diminution of Share | | 5,485,089 | 4,184,740 |
| Profit on sale of Shares | | 867,643 | 742,398 |
| Profit on disposal of assets | | 2,127,185 | — |
| | Taka | 8,523,717 | 5,096,198 |

iii. Audit fee :

| The details break-up is made up as follows : | | 2017 | 2016 |
|---|---|---|---|
| Statutory Audit | | 85,000 | 156,250 |
| | Taka | 85,000 | 156,250 |

iv. Donation and Subscription :

| The details break-up is made up as follows : | 2017 | 2016 |
|---|---|---|
| Donation & Subscription | 2,087,750 | 1,217,226 |

The amount is inclusive of Tk. 140,000 paid to Bangladesh Insurance Association, Tk. 30,000 paid to Bangladesh Association of Publicly Listed Co. Tk. 200,000 paid to Prime Minister Relief & Welfare Fund, Tk. 685,000 paid to Insurance Development & Regulatory Authority Tk. 416,340 paid to Dhaka Stock Exchange Limited, Tk. 316,081 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.

v. Registration and Renewals

| The details break-up is made up as follows : | 2017 | 2016 |
|---|---|---|
| Registration and renewals | 3,895,115 | 3,568,113 |

The amount includes a sum of Tk. 3,404,880 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 details break-up is made up as follows : | 2017 | 2016 |
|---|---|---|
| Underwriting Profit as per Revenue Accounts | 128,911,216 | 122,665,975 |
| Interest Income | 61,792,218 | 70,524,224 |
| Rental Income | 7,190,373 | 7,247,268 |
| Dividend income | 1,313,729 | 267,981 |
| Other Income | 8,523,717 | 5,096,198 |
| | 207,731,253 | 205,801,646 |
| Less : Expenses of Management | 28,774,162 | 25,557,285 |
| (Not applicable to any Fund or Account) Surplus | 178,957,091 | 180,244,361 |
| Less : Reserve for Exceptional losses (Lump Sum) | 65,000,000 | 20,000,000 |
| | 113,957,091 | 160,244,361 |
| Less : Tax Provision | 45,600,000 | 64,000,000 |
| Less : Deferred taxation | 2,000,000 | 2,000,000 |
| | 66,357,091 | 94,244,361 |
| Add : Surplus brought forward | 3,365,900 | 3,945,797 |
| Surplus Carried Forward Taka | 69,722,991 | 98,190,158 |

16.00 Earning per share (EPS) after tax:

| The details break-up is made up as follows : | 2017 | 2016 |
|---|---|---|
| Number of ordinary shares | 66,376,980 | 63,216,172 |
| Net profit before Tax | 178,957,091 | 180,244,361 |
| Less : Provision for Tax | 45,600,000 | 64,000,000 |
| Net profit after Tax | 133,357,091 | 116,244,361 |
| | 133,357,091 | 116,244,361 |
| Earning per share | 66,376,980 | 66,376,980 |
| Taka | 2.01 | 1.75 |

17.00 Net operating Cash Flow Per Share (NOCFPS):

| | | | |
|---|---|---|---|
| NOCFPS= | Net Cash Provided by Operation Activities | 114,774,450 | 102,543,116 |
| | Number of Share | 66,376,980 | 66,376,980 |
| | Taka | 1.73 | 1.54 |

18. Number of employees

The number of 436 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 The Company in it's 182nd meeting held on April 25, 2018 at 3.00 pm has recommended stock dividend @ 5% and cash dividend @ 5% of the year 2017, out of the surplus available for the year 2017 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. 396,000 was paid to the Directors of the company as Board meeting attendance fee @Tk. 4,000 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 credit facility of general nature as on Balance Sheet date

(e) No amount was due by the Directors (including Chief Executive Officer) 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, 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 30, 2018

# Quarterly Analysis 2017

| Particular | 1st Quarter jan-Mar 17 Taka | 2nd Quarter Apr-Jun 17 Taka | 3rd Quarter Jul-Sep 17 Taka | 4th Quarter Oct-Dec 17 Taka | Total Jan-Dec 17 Taka |
|---|---|---|---|---|---|
| Net Premium income | 135,499,000 | 131,676,000 | 123,242,000 | 123,140,434 | 513,557,434 |
| Net R/I Commission earned | 20,045,000 | 27,784,000 | 22,062,000 | 24,350,513 | 94,241,513 |
| Add: Investment & other income | 16,736,000 | 16,718,000 | 15,102,000 | 30,264,037 | 78,820,037 |
| Total income | 172,280,000 | 174,567,000 | 162,169,000 | 177,754,984 | 686,618,984 |
| Management & other expenses | 115,306,000 | 121,082,000 | 125,752,000 | 145,521,893 | 507,661,893 |
| Total expenses | 115,306,000 | 121,082,000 | 125,752,000 | 145,521,893 | 507,661,893 |
| Net Profit before tax | 56,974,000 | 53,485,000 | 36,417,000 | 32,081,091 | 178,957,091 |
| Provision for income tax | 16,000,000 | 9,000,000 | 5,000,000 | 15,600,000 | 45,600,000 |
| Net Profit after tax | 40,974,000 | 44,485,000 | 31,417,000 | 16,481,091 | 133,357,091 |
| Number of share oudstanding | 63,216,172 | 63,216,172 | 66,376,980 | 66,376,980 | 66,376,980 |
| Earning per share (EPS) | 0.65 | 0.70 | 0.47 | 0.19 | 2.01 |

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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 | 3,160,808 | 31,608,080 | 663,769,800 |
| 2017 | 5% Stock dividend (proposed) | 3,318,849 | 33,188,490 | 696,958,290 |

# Financial Calender

| 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 |

| Particulars | 2018 |
|---|---|
| Announcement of 2017 final result | 25 April 2018 |
| Record date | 24 May 2018 |
| Annual Report 2017 dispatched | 14 June 2018 |
| 30th Annual General Meeting | 04 July 2018 |

# 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, 2017 & 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

Mostafa Khairus Sobhan
Director

Quazi Moniruzzaman
Director

Mostafa Golam Quddus
Chairman

Dated : Dhaka, April 30, 2018

# Branches of the Company

| Name & Address | Telephone |
|---|---|
| Principal Branch<br>7, RAJUK Avenue, Dhaka | 9555172-3<br>Fax - 9564411 |
| Dilkusha Branch<br>15, Dilkusha C/A, Dhaka | 9563933<br>9567796 |
| Motijheel Branch<br>115-120 Motijheel C/A,<br>Dhaka | Fax - 9560608<br>9565750 |
| Motijheel Commercial Area Branch<br>7, RAJUK Avenue (8th Floor)<br>Motijheel C/A, Dhaka | 9560330<br>9567364 |
| Moulvi Bazar Branch<br>77/7, Moulvi Bazar,<br>Dhaka | 7315826<br>7311349 |
| Karwan Bazar<br>41/1, Kazi Nazrul Islam Ave.<br>Zeenat Bhaban, Dhaka. | 9141198<br>8119110 |
| Rampura Branch<br>80/A, Siddeswari<br>Circular Road, Dhaka | 8318447 |
| Bangabandhu Avenue Branch<br>31, Bangabandhu Avenue<br>(2nd Fl.) Dhaka. | Fax - 9563458<br>9552280 |
| Sonargaon Hotel Branch<br>Sonargaon Pan Pacific Hotel<br>Dhaka | Fax - 9127076<br>8111641/4362 |
| V.I.P. Road Branch<br>69/1, Purana Paltan Line<br>(5th Floor) Oriental Trade<br>Center, Dhaka-1000. | 9339985<br>9346123 |

| Name & Address | Telephone |
|---|---|
| Badda Branch<br>394/1, Rampura, Dhaka | 8354390 |
| Narayanganj Branch<br>Monsur Plaza, 1st Floor<br>4/Sonaton pal lane<br>Narayanganj | 7633941 |
| Jamalpur Branch<br>Holding no. 1192, Nishat Plaza<br>(1st Floor) Bono Masjid Road<br>Jamalpur | 63053 |
| Kishoregonj Branch<br>1235, Ishakha Road<br>Mirza Bhaban, Kishoregonj | 55281 |
| Netrokona Branch<br>963, Nikhil Nath Road<br>Netrokona | 61760 |
| Tangail Branch<br>Agrani Bank Premises<br>Dhaka Tangail Highway Road<br>Tangail | 54159 |
| Bhairab Branch<br>231, Kachari Road<br>Bhairab Bazar, Kishoregonj | 01711833866 |
| Faridpur Branch<br>102, Thana Road, Faridpur | 64289 |
| Agrabad Branch<br>30, Agrabad C/A,Chittagong | Fax - 724046<br>714807 |
| Laldighi Branch<br>1016, East Laldighi<br>Andarkilla, Chittagong | Fax - 622169<br>617135 |

# Branches of the Company

| Name & Address | Telephone |
|---|---|
| Kadamtali Branch<br>92/93, D.T.Rd. Aman complex<br>Dewanhat, Chittagong | 723877<br>715423 |
| Nasirabad Branch<br>185/199, C.D.A. Avenue<br>Muradpur Moor, Chittagong | 652741 |
| Cox's Bazar Branch<br>Bazarghata Main Road<br>Cox's Bazar | 64138 |
| Comilla Branch<br>Tahmid Plaza,<br>Nazrul Avenue<br>Kandirpar,Comilla | 69598<br>127/114 |
| Chandpur Branch<br>J. M. Sen Gupta Road<br>Chandpur | 5661 |
| Chawmuhani Branch<br>Rashid Building<br>Karimpur Road, Chawmuhani<br>Noakhali. | 53290 |
| Khulna Branch<br>11, Khan-A-Sabur Road<br>Khulna | 720400 |
| Jessore Branch<br>M. K. Road, Jess Tower<br>(3rd Floor) Jessore. | 62143 |
| Satkhira Branch<br>Abul Kashem Road,<br>19/2 New Market, Satkhira | 62330 |
| Kushtia Branch<br>55/A, Lovely tower<br>Room No. 4. F. 4 | 62443 |
| Barisal Branch<br>Bangladesh Bank Moor<br>Bogra Road, Barisal | 56172 |

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

# 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 30th Annual General Meeting of the Company to be held on Wednesday, the 4th July, 2018, at 11.00 A. M. and at any adjournment thereof.

Signed this ..... day of.....2018

Revenue Stamp Tk. 20/=

Signature of Proxy .....

Signature of Shareholder

Folio/BO ID No

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 30th Annual General Meeting of the Company being held on Wednesday, the 4th July, 2018 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 .....

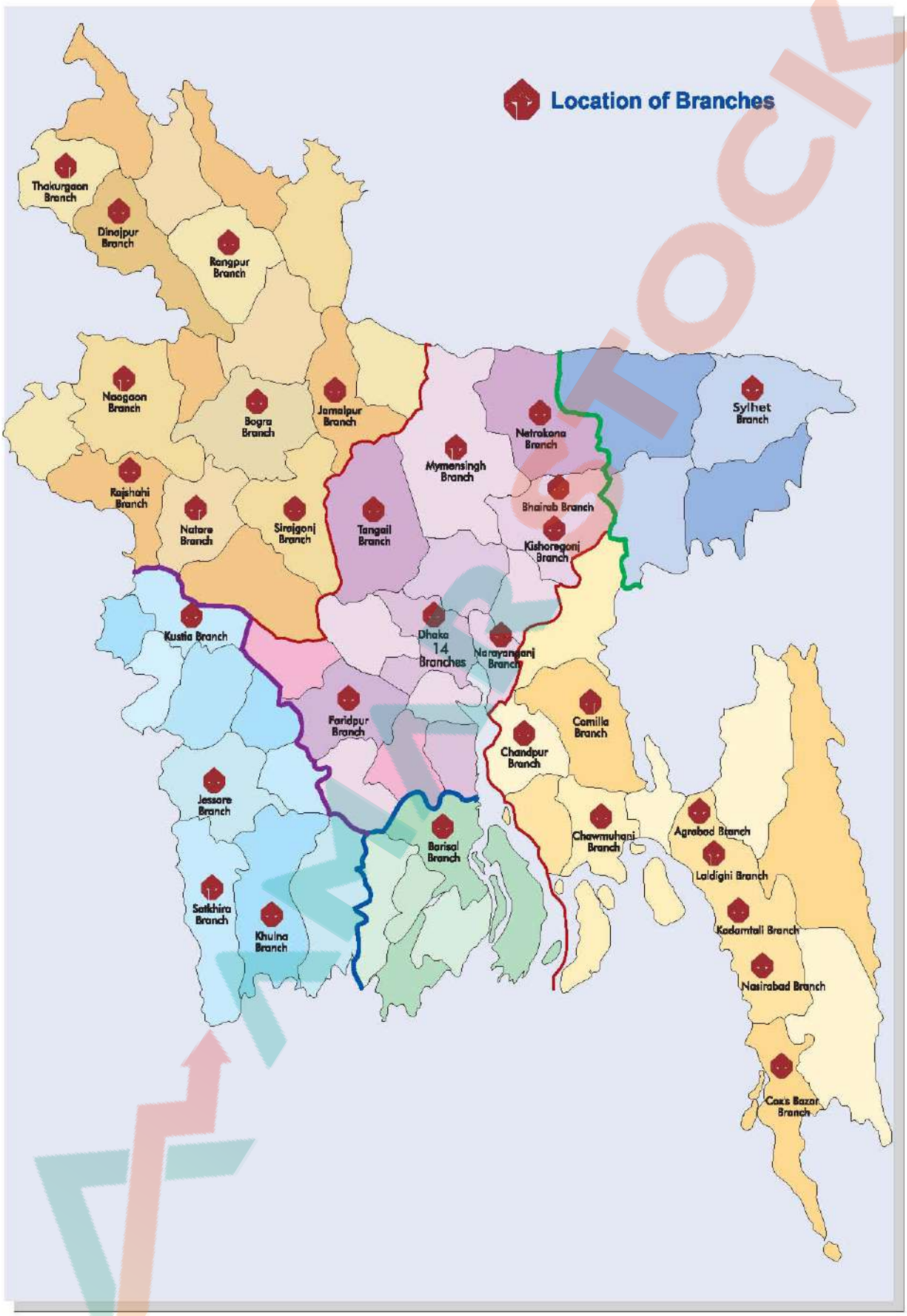
Date .....

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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Location of Branches
Thakurgaon Branch
Dinajpur Branch
Rangpur Branch
Naogaon Branch
Bogra Branch
Jamalpur Branch
Rajshahi Branch
Natore Branch
Sirajgonj Branch
Tangail Branch
Mymensingh Branch
Netrakona Branch
Sylhet Branch
Bhairab Branch
Kishoregonj Branch
Kustia Branch
Dhaka 14 Branches
Narayanganj Branch
Faridpur Branch
Comilla Branch
Chandpur Branch
Jessore Branch
Barisal Branch
Chawmuhani Branch
Agrabad Branch
Laldighi Branch
Kadamtali Branch
Nasirabad Branch
Satkhira Branch
Khulna Branch
Cox's Bazar Branch




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