UNITED INSURANCE COMPANY LIMITED

AMAR STOCK

Thirty Second Annual Report & Accounts: 2016

Our Vision

- To be the leading provider of the highest quality of insurance service.

Our Mission

- To operate in accordance with the law of the land and as per international norms and practices.
- To provide promptly the best possible services ensuring security of our clients
- To extend a professional hand to our clients at all times.
- To serve the interests of shareholders.

NOTICE OF THE 32ND ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting of United Insurance Company Limited will be held at Dhaka Ladies Club, 36 Eskatan Garden Road, Ramna, Dhaka-1000 on Sunday, 14 May 2017 at 10.00 A.M. to transact the following business:

1. To receive and adopt the Directors' Report, the Auditors' Report and the Audited Financial Statements for the year ended 31 December 2016 thereon.

2. To declare dividend for the year 2016.

3. To elect Directors as per the Articles of Association of the Company.

4. To appoint Auditors for the year 2017 and to fix their remuneration.

By order of the Board

Dated, Dhaka
30 March 2017

(Md. Imran Hasan, ACS)
Company Secretary

Notes:

1. The **Record Date** will be **Thursday, 20 April 2017.** Shareholders whose names appear in the members' register of the company on the record date will be eligible to attend the meeting and receive dividend.

2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote in his/her stead. Duly stamped proxy must be submitted to the Share Department of the company at least 48 hours before the start of the meeting at 06:00 P.M. on Thursday, 11 May 2017.

3. Shareholders and Proxies are requested to record their entry at the Annual General Meeting well in time. No entry will be recorded after 11:00 A.M.

4. Members are advised to update change of address (if any) through their respective Depository Participants.

Members may also note that no gift/gift coupon/food box/benefit in cash or in kind shall be distributed/paid at the AGM as per BSEC Directive.

AMARSTOCK

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FACTS ABOUT THE COMPANY

PARTICULARS	DATE
Incorporated	7 May 1985
Commenced underwriting	19 October 1985
First Dividend declared (12%) at 3rd AGM	30 June 1988
Listing in Dhaka Stock Exchange Limited	9 April 1990
Paid-up capital raised to Tk. 60 million after public floatation of shares	20 May 1990
First trading of shares on Dhaka Stock Exchange Limited	28 October 1990
First Public AGM held at Sonargaon Hotel, Dhaka	27 May 1991
Paid-up capital raised to Tk. 78 million (30% stock dividend)	15 May 2007
Electronic transaction of shares	22 May 2007
Credit rating "A" by CRISL in 2007 on 2006 Accounts	24 September 2007
Overseas Reinsurance Treaty commenced	1 April 2008
Paid-up capital raised to Tk. 100 million (28.21% stock dividend)	8 May 2008
Paid-up capital raised to Tk. 250 million (150% stock dividend)	7 May 2009
Paid-up capital raised to Tk. 300 million (20% stock dividend)	22 April 2010
Paid-up capital raised to Tk. 330 million (10% stock dividend)	2 June 2011
Credit rating "AA-" by CRISL in 2012 on 2010 Accounts	7 February 2012
Paid-up capital raised to Tk. 363 million (10% stock dividend)	7 May 2012
Paid-up capital raised to Tk. 400 million (10.19% stock dividend)	9 May 2013
Credit rating "AA" by CRISL in 2013 on 2012 Accounts	14 November 2013
Credit rating "AA" by CRISL in 2015 on 2014 Accounts	13 September 2015
Paid-up capital raised to Tk. 420 million (5% stock dividend)	11 May 2016
Credit rating "AA" by CRISL in 2017 on 2015 Accounts	30 March 2017

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CORPORATE MANAGEMENT

BOARD OF DIRECTORS

CHAIRMAN

- Syed Aziz Ahmad



M. A. Azim
One of our Directors

SPONSORS & INSTITUTIONAL DIRECTORS	NOMINATED BY
M. Saiful Islam	National Brokers Ltd
M. A. Azim	The Allynugger Tea Company Ltd
M. Shah Alam	Amo Tea Company Ltd
Rafi Omar	Macalms Bangladesh Trust

DIRECTORS FROM PUBLIC SUBSCRIBERS	
Syed Aziz Ahmad	Camellia Duncan Foundation
Prof. Dr. Wahiuddin Mahmood	Camellia Duncan Foundation

INDEPENDENT DIRECTORS

- M. M. Alam
- M. Hafizullah

MANAGING DIRECTOR & CEO (CC)

- Rafiqul Islam

CHIEF FINANCIAL OFFICER

- Ms. Minhaz Shahid, ACA

COMPANY SECRETARY

- Md. Imran Hasan, ACS

HEAD OFFICE & REGISTERED OFFICE

CAMELLIA HOUSE
22, Kazi Nazrul Islam Avenue,
Dhaka-1000, Bangladesh
Tel: PABX: 58611720-2, 58617762
9661397-8, 9662670
Fax: 880-2-58614475, 58615351
E-mail: info@unitedinsurance.com.bd
www:unitedinsurance.com.bd

SHARE DEPARTMENT

AHN TOWER
Level # 3
13-15, Biponon C/A, Sonargaon Road,
Banglamotor, Dhaka-1000
Tel: PABX: 9611612, 9611615
Fax: 880-2-9611594
E-mail: monir@unitedinsurance.com.bd
www: unitedinsurance.com.bd

AMARSTOCK

EXECUTIVE COMMITTEE

❖ Syed Aziz Ahmad	Chairman
❖ M. A. Azim	Member
❖ Rafiqul Islam	Member

AUDIT COMMITTEE

❖ M. M. Alam	Chairman
❖ M. Hafizullah	Member
❖ M. Saiful Islam	Member
❖ M. Shah Alam	Member
❖ Prof. Dr. Wahiuddin Mahmood	Member

EXECUTIVES, LEGAL ADVISORS, AUDITORS AND BANKERS

CHIEF EXECUTIVE OFFICER (CC)
❖ Rafiqul Islam

DEPUTY MANAGING DIRECTOR
❖ Md. Anisur Rahman

GENERAL MANAGER
❖ A. T. M. Abdul Matin

SR. DEPUTY GENERAL MANAGERS
❖ Md. Jashimuddin
❖ Maqsudul Haque
❖ Faiz Jalaluddin Ahmad

DEPUTY GENERAL MANAGERS
❖ Khondaker Fakrul Alam
❖ S. M. Shafi Ullah
❖ Rafiquddin Ahmed
❖ Ms. Minhaz Shahid, ACA
❖ Selim Jahangir

ASSISTANT GENERAL MANAGER
❖ Md. Faruque Ahamed Sarker

SENIOR MANAGERS
❖ Md. Sharafat Hossain
❖ Md. Kamruzzaman
❖ Md. Imran Hasan, ACS
❖ Mohammad Atiqur Rahman
❖ Md. Abul Monsur Khan
❖ Md. Mizanur Rahman Bhuiyan
❖ Rashedul Islam
❖ Shahedul Haque
❖ Mohammad Mahfujur Rahman

LEGAL ADVISORS
ORR, DIGNAM & CO.
Advocates & Barristers
Office No: 101-104, Sajan Tower 2 (1st Floor)
3, Segun Bagicha, Dhaka-1000, Bangladesh

AUDITORS
Hoda Vasi Chowdhury & Co.
Chartered Accountants
National Office (8th Floor)
7-9, Kawranbazar,
Dhaka-1205, Bangladesh

BANKERS
Standard Chartered Bank
Bank Asia Ltd

AMAR STOCK

BRANCH OFFICES

Central Development Unit

CAMELLIA HOUSE
22, Kazi Nazrul Islam Avenue,
Dhaka-1000, Bangladesh
Tel: PABX: 58611720-2, 9661397-8
9662670, 58617762
Fax: 880-2-58614475, 58615351
E-mail: info@unitedinsurance.com.bd
www:unitedinsurance.com.bd

Dhaka Zonal Office

AHN TOWER
Level # 3
13-15, Biponon C/A, Sonargaon Road,
Banglamotor, Dhaka-1000
Tel: PABX: 9611612, 9611615
Fax: 880-2-9611594
E-mail: dzo@unitedinsurance.com.bd

Narayanganj

48, S. M. Maleh Road,
Tanbazar,
Narayanganj
Tel: 01817 116 609
E-mail: ngj.uicl@gmail.com

Chapai Nawabganj

Holding No: 8 (1st Floor)
Godgari Road, Masjid Para
Chapai Nawabganj
Tel: 01712 000 026
E-mail: cng.uicl@gmail.com

Sylhet

Madhuban Shopping Complex
7774, Bandar Bazar
Sylhet
Tel: 712301, 01558 360 767, 01711 282 900
E-mail: syl.uicl@gmail.com

Khulna

Hui House
77, Gagon Babu Road
Khulna
Tel: 730257, 01711 824 433
E-mail: kln.uicl@gmail.com

Bogra

146, Raja Bazar
2nd Floor
Bogra
Tel: 64962, 01716 347 386
E-mail: bog.uicl@gmail.com

Rangpur

Sabera Mansion
147/1, Station Road
Rangpur
Tel: 64235, 01718 409 643
E-mail: rnp.uicl@gmail.com

Pabna

Rana Shoping Complex (3rd floor)
Pabna Press Club New Road,
Pabna Sadar
Pabna
Tel: 64345, 01729 435 370
E-mail: pbn.uicl@gmail.com

Khatunganj

Gazi Tower,3rd Floor
47, Shah Amanat Road
(Jail Road)
Chittagong-4000
Tel: 031-620760, 01711 821 928
E-mail: info.uicl@gmail.com

Agrabad

Makkah Madinah Trade Centre
(MMTC) 14th Floor
78, Agrabad C/A
Chittagong-4000
Tel: 031-716227, 716136, 711143
Cell: 01713 122 844
FAX: 88 031 721 230
E-mail: czo.uicl@gmail.com

Jamalpur

393/N, Doyamoyee Road
Jamalpur, Sadar,
Jamalpur
Tel: 01714 395 601
E-mail: info@unitedinsurance.com.bd

MARKET STOCK

CHAIRMAN'S REPORT-2016

DEAR SHAREHOLDERS

I am delighted to welcome you to the 32nd Annual General Meeting of United Insurance Company Limited. I take the opportunity to present the financial performance of the Company for the year 2016.



Chairman Syed Aziz Ahmad

ECONOMIC SCENARIO

The economy of Bangladesh was stable in the past 5 years with an average growth rate of 6.50% showing resilience amidst global headwinds and domestic challenges. In 2016, it grew by 7.11% as a consequence of a reasonably stable political climate, increasing industrial growth and prudent fiscal and monetary measures of the government. The growth was accompanied by a decreased inflation rate of 5.92%.

The foreign exchange reserve rose to USD 32.10 billion in December 2016, the highest so far despite a decrease in remittance from abroad. This was because exports grew by around 14% while the average export growth of the Asia-Pacific region was 7.5%, according to the Asia-Pacific Trade and Investment Report 2016. Bangladesh's ready-made garment (RMG) sector accounted for about 80% of total exports, continued to be strong being the second largest RMG exporter, amounting USD 28.09 billion in 2016. This was 10.42% higher than 2015.

IDRA

Insurance Development and Regulatory Authority (IDRA) is trying their utmost to bring in discipline in the insurance industry. We hope that IDRA will continue to do so in order to ensure a level playing field for all companies in the industry.

OUR BUSINESS

Your Company wrote direct insurance business with a premium income of Tk. 418.72 million against Tk. 383.37 million in 2015, registering a growth of 9.22%. Bangladesh insurance industry, particularly the non-life sector, has

প্রিয় শেয়ারহোল্ডারবৃন্দ

ইউনাইটেড ইনসিওরেন্সে কোম্পানী লিমিটেড-এর ৩২তম বার্ষিক সাধারণ সভায় আপনাদের স্বাগত জানাতে পেরে আমি আনন্দিত। আপনাদের নিকট কোম্পানীর ২০১৬ সমাপ্ত বছরের আর্থিক প্রতিবেদন উপস্থাপনের সুযোগ পেয়ে আমি গর্বিত।

অর্থনৈতিক চিত্র

বাংলাদেশের অর্থনীতি বিগত ৫ বছরে বৈশ্বিক অর্থনীতির স্বাভাবিক অবস্থা ও আভ্যন্তরীণ বাধাসমূহ কাটিয়ে স্থিতিশীল ছিল যা গড়ে ৬.৫% হারে বৃদ্ধি পায়। স্থিতিশীল রাজনৈতিক পরিবেশ, ক্রমবর্ধমান শিল্পের প্রবৃদ্ধি এবং সরকারের বিচক্ষণ রাজস্ব ও আর্থিক ব্যবস্থাপনার কারণে ২০১৬ সালে দেশের অর্থনীতি ৭.১১% হারে বৃদ্ধি পেয়েছিল। এছাড়াও ৫.৯২% এর কম মুদ্রাস্ফীতি হারও এ বৃদ্ধিতে সহাযোগীতা করেছে।

বিদেশ থেকে প্রবাসী আয় প্রবাহ কম হওয়া সত্বেও বৈদেশিক মুদ্রার রিজার্ভ বেড়ে ডিসেম্বর ২০১৬ সালে সর্বোচ্চ ৩২.১০ বিলিয়ন মার্কিন ডলার হয়। এশিয়া-প্রশান্ত মহাসাগরীয় বাণিজ্য ও বিনিয়োগ প্রতিবেদন ২০১৬ অনুযায়ী এই সময়ে দেশের রপ্তানী প্রবৃদ্ধি প্রায় ১৪% ছিল, যেখানে এশীয়-প্রশান্ত মহাসাগরীয় অঞ্চলের গড় রপ্তানী প্রবৃদ্ধি ছিল প্রায় ৭.৫%। বাংলাদেশের মোট রপ্তানীতে তৈরী পোশাক খাতের অবদান প্রায় ৮০%, ২০১৬ সালে রপ্তানীর পরিমাণ ছিল ২৮.০৯ বিলিয়ন মার্কিন ডলার, যা বাংলাদেশকে ২য় বৃহত্তম তৈরী পোশাক রপ্তানীকারক দেশ হিসেবে প্রতিষ্ঠিত করেছে, যা ২০১৫ সালের চেয়ে ১০.৪২% বেশী।

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ) বীমা শিল্পের শৃঙ্খলা আনতে তাদের সর্বোচ্চ চেষ্টা করে যাচ্ছে। আমরা প্রত্যাশা করছি, এই শিল্পের সকল কোম্পানীর জন্য একটি সুষ্ঠু ব্যবসায়িক পরিবেশ নিশ্চিত করার লক্ষ্যে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ তাঁদের চেষ্টা অব্যাহত রাখবে।

আমাদের ব্যবসা

প্রত্যক্ষ বীমা ব্যবসা থেকে আপনাদের কোম্পানী ২০১৫ সালে ৩৮৩.৩৭ মিলিয়ন টাকা এর বিপরীতে এ বছর প্রিমিয়াম আয় করেছে প্রায় ৪১৮.৭২ মিলিয়ন টাকা, যার প্রবৃদ্ধি ৯.২২%। বাংলাদেশের বীমা শিল্প, বিশেষ

shown a visible growth over last few years, which is also reflected in the performance of your Company.

HEALTH INSURANCE SCHEME

In 2016, health insurance premium increased to Tk. 10.66 million, with a growth of 55% over the previous year. This is a product with good potential and we expect to increase the portfolio significantly in the coming years.

SOCIAL INSURANCE BUSINESS

In order to improve the earnings of the rural population, the Company continues to support the SME initiatives, which are steadily improving the social/financial status of the individuals in the rural areas.

Compared to other South Asian countries, social insurance sector of Bangladesh has not grown at par with the economic growth of the country. A large segment of population including agriculture sector are still outside the insurance coverage. Your Company plans to introduce different schemes for the underserved segment of the society and thereby increase its own premium income.

PROFITABILITY

Underwriting profit, which is derived basically from the insurance business of the Company, was Tk. 47.60 million as against Tk. 42.04 million in 2015. Investment in the share market did improve a little and the company made some profit from investment in 2016. We recommend a dividend of 11% (eleven percent) cash for the year 2016.

PROSPECT OF 2017

It is expected that Bangladesh economy will maintain its current trend of growth in GDP. The government is going ahead with implementation of infrastructural development projects including construction of Padma Bridge, Payra Deep Sea Port, a four lane Dhaka-Chittagong highway and Dhaka Metro Rail Network. These projects will drive the economy in 2017. Your Company hopes to be a part of the growth and thereby increase its income.

AWARD AND RECOGNITION

You will be pleased to know that your Company received the prestigious "ICMAB Best Corporate Award 2015-Certificate of Merit" prize in the non-life insurance sector organised by the Institute of Cost & Management Accountants of Bangladesh (ICMAB) for its accountability, good governance and transparency.

করে নন-লাইফ বীমা খাত, যার প্রবৃদ্ধি গত কয়েক বছর ধরে হচ্ছে, তা আপনাদের কোম্পানীর কর্মক্ষমতায়ও প্রতিফলিত হচ্ছে।

স্বাস্থ্য বীমা প্রকল্প

২০১৬ সালে স্বাস্থ্য বীমা খাতের প্রিমিয়াম আয় বৃদ্ধি পেয়ে ১০.৬৬ মিলিয়ন টাকা হয়েছে যা পূর্বের বছরের চেয়ে ৫৫% বেশী। এ খাতটি সুসম্ভাবনাময় এবং আমরা আশাবাদী আগামী বছরগুলোতে উল্লেখযোগ্য হারে এ খাতে প্রবৃদ্ধি অর্জিত হবে।

সামাজিক বীমা ব্যবসা

গ্রামীণ জনগোষ্ঠীর আয়ে উন্নতিসাধনের লক্ষ্যে, কোম্পানী এসএমই ব্যবসা উন্নয়নের জন্য বীমা সেবা দিয়ে যাচ্ছে যার ফলে গ্রামীন জনগোষ্ঠীর আর্থ-সামাজিক উন্নয়ন অব্যাহত রয়েছে।

দক্ষিণ এশিয়ার অন্যান্য দেশের তুলনায় বাংলাদেশের সামাজিক বীমা খাত দেশের অর্থনৈতিক প্রবৃদ্ধি অনুযায়ী প্রবৃদ্ধি অর্জন করতে পারেনি। কৃষি খাতসহ জনসংখ্যার একটি বড় অংশ এখনও বীমা কভারেজের বাইরে রয়েছে। আপনাদের কোম্পানী সমাজের সুবিধা বঞ্চিত অংশকে সেবা প্রদান করার জন্য বিভিন্ন স্কীম চালু করার পরিকল্পনা করছে যার ফলে প্রতিষ্ঠানটির প্রিমিয়াম আয়ও বৃদ্ধি পাবে।

মুনাফা

কোম্পানীর বীমা ব্যবসা থেকে উদ্ভুত অবলিখন মুনাফা ২০১৫ সালের ৪২.০৪ মিলিয়ন টাকার বিপরীতে এ বছর হয়েছে ৪৭.৬০ মিলিয়ন টাকা। ২০১৬ সালে শেয়ার বাজারের কিছুটা উন্নতি হয়েছে এবং কোম্পানী এ বছর শেয়ারে বিনিয়োগ থেকে অল্প কিছু মুনাফা করেছে। আমরা ২০১৬ সালের জন্য ১১% নগদ লভ্যাংশের সুপারিশ করছি।

২০১৭ এর প্রত্যাশা

আশা করা যায় বাংলাদেশের অর্থনীতি বর্তমান হারে জিডিপি প্রবৃদ্ধির ধারাবাহিকতা বজায় রাখবে। সরকার পদ্মা সেতু, পায়রা গভীর সমুদ্রবন্দর, চার লেন বিশিষ্ট ঢাকা-চট্টগ্রাম মহাসড়ক এবং ঢাকা মেট্রো রেল নেটওয়ার্ক নির্মাণ সহ অবকাঠামোগত প্রকল্প বাস্তবায়নের মাধ্যমে উন্নয়নের পথে এগিয়ে যাচ্ছে। এ প্রকল্পসমূহ ২০১৭ সালের অর্থনীতির চালিকাশক্তি হবে। আপনার কোম্পানী এই প্রবৃদ্ধির একটি অংশ হওয়া এবং এর মাধ্যমে আয় বৃদ্ধির প্রত্যাশা করে।

পুরস্কার এবং স্বীকৃতি

আপনারা জেনে আনন্দিত হবেন যে, আপনাদের কোম্পানী জবাবদিহিতা, সুসাশন এবং স্বচ্ছতার জন্য ইনস্টিটিউট অব কষ্ট এন্ড ম্যানেজমেন্ট একাউন্ট্যান্টস অব বাংলাদেশ (আইসিএমএবি) কৃর্তৃক আয়োজিত অনুষ্ঠানে নন-লাইফ বীমা খাতে সম্মানসূচক "আইসিএমএবি বেস্ট কর্পোরেট অ্যাওয়াড ২০১৫-সার্টিফিকেট অব মেরিট" পুরস্কার লাভ করেছে।

ACKNOWLEDGEMENT

We would like to thank the Ministry of Finance, all our esteemed stakeholders, well-wishers, Insurance Development & Regulatory Authority (IDRA), Bangladesh Bank, Bangladesh Insurance Association, Bangladesh Insurance Academy, Bangladesh Securities & Exchange Commission, Dhaka Stock Exchange Ltd., our co-insurers and re-insurers for the support to the company. I am grateful to all of my colleagues on the Board for their valuable advices from time to time. I would also like to thank the members of staff for their loyalty and the devotion in maintaining the company's high standard of business ethics.

Dated, Dhaka
30 March 2017

Syed Aziz Ahmad
Chairman

কৃতজ্ঞতা স্বীকার

অর্থ মন্ত্রণালয়, আমাদের সকল সম্মানিত স্টেকহোল্ডার, শুভানুধ্যায়ী, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, বাংলাদেশ ব্যাংক, বাংলাদেশ ইনসিওরেন্স এসোসিয়েশন, বাংলাদেশ ইনসিওরেন্স একাডেমী, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা স্টক এক্সচেঞ্জ, সহ-বীমাকারী এবং পুনঃবীমাকারীদেরকে কোম্পানীকে সহযোগীতার জন্য আমরা কৃতজ্ঞতা জ্ঞাপন করছি। মূল্যবান পরামর্শ প্রদানের জন্য আমি পরিচালনা পর্ষদের সকলের নিকট কৃতজ্ঞ। কোম্পানীর কর্মকর্তা-কর্মচারীদেরকে তাদের একান্ত আনুগত্য এবং নিষ্ঠার সাথে ব্যবসায়িক নৈতিক মান বজায় রেখে ব্যবসা করার জন্য আমি তাদেরকে ধন্যবাদ জানাই।

তারিখ, ঢাকা
৩০ মার্চ ২০১৭

সৈয়দ আজিজ আহ্‌মদ
চেয়ারম্যান

AMARSTOCK

REPORT OF THE BOARD OF DIRECTORS OF UNITED INSURANCE COMPANY LIMITED FOR THE YEAR ENDED 31 DECEMBER 2016

DEAR SHAREHOLDERS

On behalf of the Board of Directors of United Insurance Company Limited, I am pleased to welcome you at the 32nd Annual General Meeting of the Company. It is a pleasure and privilege on the part of the Directors to present the Annual Report of 2016 with the Auditors' Report together with the Audited Financial Statements of the Company for the year ended 31 December 2016.

INSURANCE INDUSTRY

The gross premium income of the country of Non-Life Insurance in the private sector was Tk. 22,726.23 million in 2015. Premium growth rate in the recent years has not increased as much as expected in line with country's GDP growth. In last few years, combined insurance penetration rate (insurance premium as a percentage of GDP) was only 0.09%.

INSURANCE BUSINESS IN 2016

Your Company, in spite of slower industry growth, earned a gross premium income of Tk. 418.72 million as against Tk. 383.37 million in 2015, showing an increase of 9.22%.

ইউনাইটেড ইনসিওরেন্স কোম্পানী লিমিটেড এর ২০১৬ সালের ৩১ ডিসেম্বর তারিখে সমাপ্ত বছরের পরিচালকমন্ডলীর প্রতিবেদন

প্রিয় শেয়ারহোল্ডারবৃন্দ

ইউনাইটেড ইনসিওরেন্স কোম্পানী লিমিটেড এর পরিচালনা পর্ষদের পক্ষ থেকে কোম্পানীর ৩২তম বার্ষিক সাধারণ সভায় আপনাদের



The Directors along with the Company Secretary at the 31st Annual General Meeting

সকলকে স্বাগত জানাতে পেরে আমি আনন্দিতবোধ করছি। পরিচালকমন্ডলীগণ ২০১৬ সালের বার্ষিক প্রতিবেদন এর সাথে ২০১৬ সমাপ্ত বছরের নিরীক্ষিত আর্থিক প্রতিবেদন আপনাদের নিকট উপস্থাপন করতে পেরে যথার্থ আনন্দিত।

বীমা শিল্প

২০১৫ সালে দেশের বেসরকারী নন-লাইফ বীমা খাতে মোট প্রিমিয়াম আয় ছিল ২২,৭২৬.২৩ মিলিয়ন টাকা। প্রিমিয়াম আয়ের প্রবৃদ্ধির হার সাম্প্রতিক বছরগুলোতে দেশের জিডিপি-এর প্রবৃদ্ধির হার এর সঙ্গে সামঞ্জস্য রেখে আশানুরূপভাবে বৃদ্ধি পায়নি। বিগত কয়েক বছরে বীমা শিল্পের সম্মিলিত অবদানের হার (জিডিপি-এর বিপরীতে বীমা প্রিমিয়ামের হার) ছিল মাত্র ০.০৯%।

বীমা ব্যবসা ২০১৬

এই শিল্পের ধীরগতি সত্বেও, আপনাদের কোম্পানী ২০১৫ সালের ৩৮৩.৩৭ মিলিয়ন টাকার বিপরীতে ৯.২২% হারে বৃদ্ধি পেয়ে এ বছর আয় করেছে ৪১৮.৭২ মিলিয়ন টাকা।



The Shareholders at the 31st Annual General Meeting

Credit Rating

You will be glad to know that United Insurance Company Limited has been rated "AA" and this reflects Company's financial ability in claim settlement, prudent financial management, solvency and sound liquidity. The rating will help the Company in obtaining favorable terms from the Reinsurers abroad.

ক্রেডিট রেটিং

আপনারা জেনে আনন্দিত হবেন যে, ইউনাইটেড ইনসিওরেন্স কোম্পানী লিমিটেড-এর ক্রেডিট রেটিং "AA" দেয়া হয়েছে, যা কোম্পানীর বীমা দাবী পরিশোধের আর্থিক সক্ষমতা, বিচক্ষণ আর্থিক ব্যবস্থাপনা, সচ্ছলতা এবং সুদৃঢ় তারল্যকে প্রতিফলিত করে। বিদেশী পূনঃবীমাকারীদের নিকট থেকে অনুকুল শর্তাবলী প্রাপ্তীর ক্ষেত্রেও এই ক্রেডিট রেটিং কোম্পানীকে ভালভাবে সাহায্য করবে।

RISKS MANAGEMENT

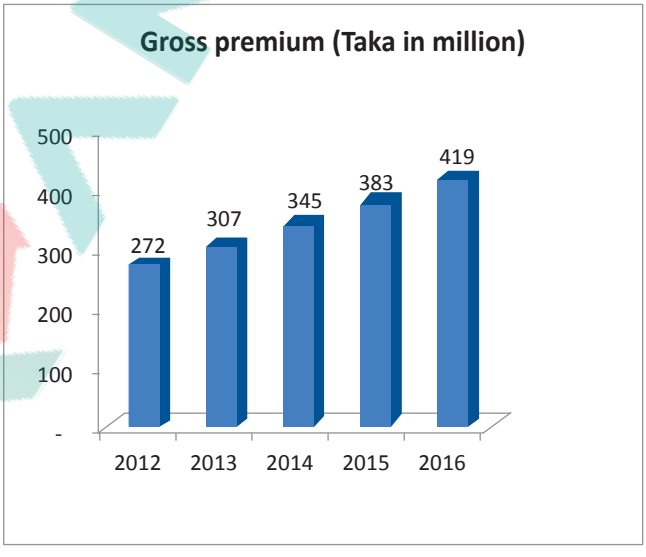
You are aware that "Risk" is an integral part of insurance business. Enterprises transfer their risk on the insurer through insurance coverage as a mechanism of their risk management.

To keep the risks at an acceptable level, your Company constantly identifies, monitors and reviews the risks inherent in the business, continues to update its data base with information and takes corrective and or preventive measures to safeguard the stakeholders' interest.

ঝুঁকি ব্যবস্থাপনা

আপনারা জানেন যে, ঝুঁকি বীমা ব্যবসায়ের একটি অবিচ্ছেদ্য অংশ। ব্যবসা-প্রতিষ্ঠান সমূহ তাদের ঝুঁকি ব্যবস্থাপনার কৌশল হিসেবে বীমা কভারেজের মাধ্যমে বীমাকারীর নিকট তাদের ঝুঁকি স্থানান্তর করে থাকে।

আপনাদের কোম্পানী ঝুঁকিসমুহকে গ্রহণযোগ্য পর্যায়ে রাখতে প্রতিনিয়ত ব্যবসায়ে বিদ্যমান ঝুঁকিসমূহ চিহ্নিতকরণ, পর্যবেক্ষণ ও পর্যালোচনা করে, তথ্য-ভান্ডার হাল-নাগাদকরণ এবং স্বার্থ সংশ্লিষ্ঠ পক্ষসমূহ ও শেয়ারহোল্ডাদের স্বার্থ সংরক্ষণের জন্য সংশোধনমূলক ব্যবস্থা গ্রহণ করে থাকে।



BUSINESS PERFORMANCE

ব্যবসা কর্মক্ষমতা

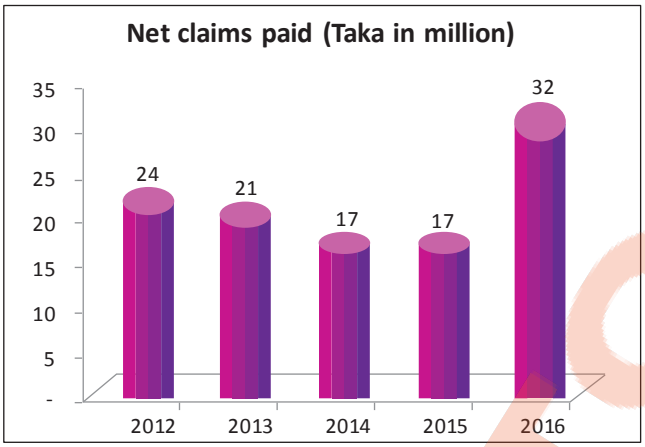
Fire Insurance Business:

The Company wrote direct fire insurance business with a gross premium income of

অগ্নি বীমা ব্যবসাঃ

কোম্পানী প্রত্যক্ষ অগ্নি বীমার ব্যবসা থেকে ২০১৫ সালে মোট

Tk. 158.89 million against Tk. 147.75 million in 2015. After ceding of the re-insurance premium, the net premium of the fire insurance business amounted to Tk. 66.69 million. The Company earned an underwriting profit of Tk. 11.54 million from its fire insurance business against Tk. 0.82 million in 2015.



১৪৭.৭৫ মিলিয়ন টাকা এর বিপরীতে এ বছর প্রিমিয়াম আয় করেছে প্রায় ১৫৮.৮৯ মিলিয়ন টাকা। পুনঃবীমা প্রিমিয়ামের যথাযথ সংস্থানের পর অগ্নি বীমা ব্যবসায়ে নীট প্রিমিয়াম হয়েছে ৬৬.৬৯ মিলিয়ন টাকা। কোম্পানী অগ্নি বীমা ব্যবসা থেকে ২০১৫ সালের ০.৮২ মিলিয়ন টাকা অবলিখন মুনাফার স্থলে এবছর মুনাফা অর্জন করেছে ১১.৫৪ মিলিয়ন টাকা।

Marine Insurance Business:

The gross premium income from underwriting of marine insurance increased to Tk. 142.79 million from Tk. 124.05 million in 2015, yielding a net premium of Tk. 105.95 million, after payment for re-insurance. The Company earned an underwriting profit of Tk. 19.06 million against Tk. 24.95 million in 2015. Underwriting profit under this head came down this year mainly because of payment of some big claims.

নৌ বীমা ব্যবসাঃ

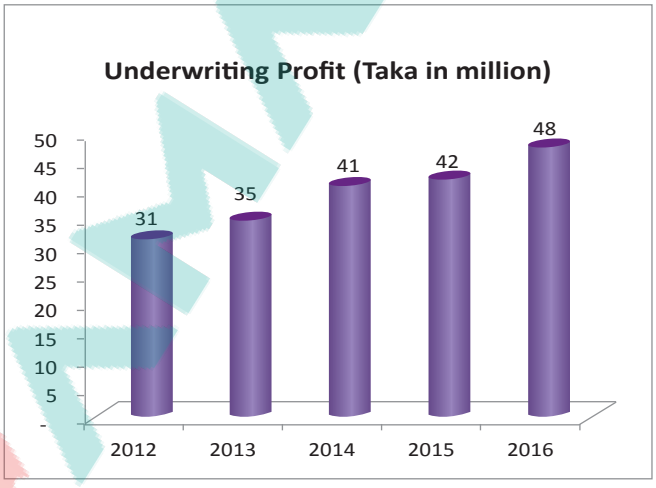
নৌ বীমা ব্যবসায় থেকে কোম্পানীর মোট প্রিমিয়াম আয় ২০১৫ সালের ১২৪.০৫ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে এ বছর হয়েছে ১৪২.৭৯ মিলিয়ন টাকা, যথাযথ পুনঃবীমা প্রিমিয়াম প্রদান-এর পর নীট প্রিমিয়াম আয় হয়েছে ১০৫.৯৫ মিলিয়ন টাকা। কোম্পানী নৌ বীমা ব্যবসা থেকে ২০১৫ সালের ২৪.৯৫ মিলিয়ন টাকা অবলিখন মুনাফার স্থলে এবছর মুনাফা অর্জন করেছে ১৯.০৬ মিলিয়ন টাকা। কতিপয় বড় বীমা দাবী পরিশোধের কারণে এ বছর এই খাতের অবলিখন মুনাফা কিছুটা কম হয়েছে।

Motor and Miscellaneous Insurance Business:

In motor insurance segment, the gross premium income increased to Tk. 49.24 million from Tk. 44.50 million in 2015. Profit of motor insurance business increased to Tk. 14.28 million from Tk. 13.63 million in 2015.

Premium income from miscellaneous underwriting was Tk. 67.81 million and the profit for the year was slightly higher than the previous year.

মোটর ও বিবিধ বীমা ব্যবসাঃ



মোটর বীমা ব্যবসার মোট প্রিমিয়াম আয় ২০১৫ সালের ৪৪.৫০ মিলিয়ন টাকা থেকে বৃদ্ধি পেয়ে এবছর হয়েছে ৪৯.২৪ মিলিয়ন টাকা। ২০১৬ সালে মোটর বীমা ব্যবসার মুনাফা বৃদ্ধি পেয়ে হয়েছে ১৪.২৮ মিলিয়ন টাকা, যা ২০১৫ সালে ছিল ১৩.৬৩ মিলিয়ন টাকা।

বিবিধ অবলিখন থেকে প্রিমিয়াম আয় হয়েছে ৬৭.৮১ মিলিয়ন টাকা এবং গত বছরের তুলনায় এ বছরের মুনাফা সামান্য বৃদ্ধি পেয়েছে।

Income from Investment:

Interest income derived from banks and non-banking financial institutions decreased to Tk. 35.59 million from Tk. 46.22 million in 2015. This was the outcome of a lower interest rate prevailing in the market and also encashment of part of deposit for purchase of 6,333 sft office space and settlement of large claims.

বিনিয়োগ থেকে আয়ঃ

বিভিন্ন ব্যাংক ও আর্থিক প্রতিষ্ঠানে গচ্ছিত বিনিয়োগ থেকে প্রাপ্ত মুনাফা ২০১৫ সালে ৪৬.২২ মিলিয়ন টাকা থেকে কমে এ বছর হয়েছে ৩৫.৫৯ মিলিয়ন টাকা। এর প্রধান কারণ ছিল গচ্ছিত টাকার উপর মুনাফার হার কমে যাওয়া এবং কতিপয় বড় বীমা দাবী পরিশোধ ও এ ছাড়াও ৬,৩৩৩ বর্গফুট অফিস স্পেস ক্রয় করার জন্য আমানত কিছু অংশ নগদায়নকরণ ।

The dividend income, other than from our associate company, United Finance Limited, increased to Tk. 1.50 million from Tk. 0.88 million in 2015. Profit from trading of shares was only Tk. 0.14 million in 2016.

From United Finance Limited, we received a cash dividend of Tk. 15.92 million and 3,184,236 bonus shares in 2016 against the cash dividend of Tk. 14.47 million and 2,894,760 bonus shares in 2015.

PROFIT AND LOSS ACCOUNT

The salient features are given below:

	2016 Taka	2015 Taka
Gross Premium	418,722,604	383,366,147
Net Premium	250,504,664	217,101,392
Underwriting profit	47,597,528	42,042,973
Interest income	35,592,208	46,223,141
Dividend income (including associate company's dividend)	17,419,401	15,353,670
Profit before tax	146,488,938	154,313,980
Provision for tax	26,000,000	30,000,000
Transfer to Reserve for exceptional losses	25,050,466	21,710,139
Divisible profit	46,189,246	48,205,407

The Company adopted IFRS-9: Financial Instruments for recording and presentation of investment in shares at fair value as at 31 December 2016. The difference between market value of the securities and their cost has been reflected in the profit and loss account of the Company.

Owing to application of BAS-28: Investment in Associates, the balance of profit in the profit and loss appropriation account amounted to Tk. 413.58 million. However, after necessary adjustment of accumulated unrealised profit and dividend received so far from the associate, United Finance Ltd, and with other income and deductions, the divisible profit for the year 2016 stood at Tk. 46.19 million.

COMPANY'S VEHICLES: USAGE & MAINTENACE

In compliance with the directive no: 5 of Circular No:Bi:U:Ni:Ka/GAD/1003/2011-554 dated 24 April 2015 by the Insurance Development and Regulatory Authority (IDRA), we confirm that the Company's total expenses relating to usage and maintenance of its vehicles in 2016 was Tk. 3.25 million. The total number of vehicles was 5 for which total cost was

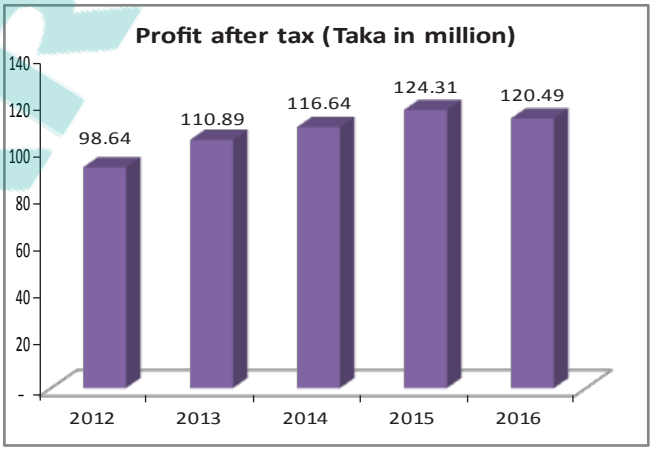
আমাদের সহযোগী প্রতিষ্ঠান ইউনাইটেড ফাইন্যান্স লিমিটেড থেকে প্রাপ্ত লভ্যাংশ ব্যতিত ২০১৫ সালে লভ্যাংশ আয় ছিল মাত্র ০.৮৮ মিলিয়ন টাকা যা ২০১৬ সালে বৃদ্ধি পেয়ে হয়েছে ১.৫০ মিলিয়ন টাকা । ২০১৬ সালে শেয়ার ক্রয়-বিক্রয় থেকে মুনাফা হয়েছে মাত্র ০.১৪ মিলিয়ন টাকা।

ইউনাইটেড ফাইন্যান্স লিমিটেড থেকে ২০১৫ সালে নগদ লভ্যাংশ হিসেবে ১৪.৪৭ মিলিয়ন টাকা এবং ২,৮৯৪,৭৬০টি বোনাস শেয়ার এর বিপরীতে ২০১৬ সালে নগদ লভ্যাংশ হিসেবে পেয়েছি ১৫.৯২ মিলিয়ন টাকা এবং ৩,১৮৪,২৩৬টি বোনাস শেয়ার।

লাভ ক্ষতি হিসাব

কোম্পানীর শেয়ারে বিনিয়োগ ২০১৬ সালের ৩১ ডিসেম্বর তারিখ সমাপ্ত বছরে 'ফেয়ার ভ্যালু' বা ন্যায্য মূল্যে হিসাবভুক্ত করণ ও প্রকাশের জন্য হিসাব মান 'আইএফআরএস-৯: ফিনান্সিয়াল ইন্সট্রুমেন্টস' গ্রহন করেছে । শেয়ারে বিনিয়োগ সমূহের বাজারমূল্য ও ক্রয়মূল্যের মধ্যে যে পার্থক্য তা কোম্পানীর লাভ-লোকসান হিসাবে প্রদর্শিত হয়েছে।

আপনারা জানেন যে, বাংলাদেশ হিসাব মান ' বিএএস-২৮: ইনভেস্টমেন্ট ইন এসোসিয়েটস' প্রয়োগের ফলে এবছর লাভ-লোকসান আবন্টন হিসাবের



উদ্বৃত্ত দাঁড়িয়েছে ৪১৩.৫৮ মিলিয়ন টাকা। তবে কোম্পানীর সহযোগী প্রতিষ্ঠান ইউনাইটেড ফাইন্যান্স লিমিটেড থেকে প্রাপ্ত পুঞ্জিভূত অনগদায়নকৃত মুনাফা বাদ দিয়ে এবং তা থেকে প্রাপ্ত নগদ লভ্যাংশ সমন্বয়ের পর ২০১৬ সালে কোম্পানীর বন্টনযোগ্য মুনাফা দাঁড়িয়েছে ৪৬.১৯ মিলিয়ন টাকা।

কোম্পানীর মোটরযান: ব্যবহার ও পরিচালন ব্যয়

বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (বীঃউঃনিঃক) কর্তৃক বিলাশবহুল যানবাহনে উচ্চ ব্যয় পরিহার প্রসঙ্গে জারিকৃত সার্কুলার নং বীঃউঃনিঃক/জিএডি/১০০৩/২০১১-৫৫৪ তারিখঃ ২৪ এপ্রিল ২০১৪-এর নির্দেশনা নম্বর ৫ এর পরিপালন অনুসারে উল্লেখ করা যাচ্ছে যে ২০১৬ সালে কোম্পানীর মোটরযান সমূহের ব্যবহার ও পরিচালন ব্যয় হয়েছে ৩.২৫ মিলিয়ন টাকা। কোম্পানীর মোট যানবাহন সংখ্যা ছিল ০৫টি যেগুলোর ক্রয়মূল্য

Tk. 9.75 million and the written down value as at 31 December 2016 was Tk. 2.03 million.

ASSETS

On behalf of the Directors, I would like to inform you that negotiation was initiated for the purchase of an office space of 6,333 sft on 12th floor at SEL Rose-N-Dale at 116 Kazi Nazrul Islam Avenue, Dhaka, at a cost of Tk. 100 (One hundred) million only excluding registration cost, VAT, TAX and other admissible costs, from Company's own fund. The purchase of said floor space was completed on 23 February 2017.

ছিল মোট ৯.৭৫ মিলিয়ন টাকা এবং ৩১ ডিসেম্বর ২০১৬ হিসাব সমাপ্ত বছরে যেগুলোর অবচিতি মূল্য ছিল ২.০৩ মিলিয়ন টাকা।

পরিসম্পদ

পরিচালকদের পক্ষে আমি আপনাদের জানাচ্ছি যে, ২০১৬ সালে কোম্পানীর জন্য ১১৬ কাজী নজরুল ইসলাম এভিনিউতে অবস্থিত SEL Rose-N-Dale এর ১২তম তলায় ৬,৩৩৩ বর্গফুটের অফিস স্পেস নিজস্ব তহবিল ব্যয়ে ক্রয়ের জন্য উদ্যোগ গ্রহণ করা হয়েছিল, যার মূল্য নিবন্ধন খরচ, মূল্য সংযোজন কর, আয়কর এবং অন্যান্য খরচ বাদে ১০০ (একশত) মিলিয়ন টাকা। উপরোক্ত অফিস স্পেস-এর ক্রয় ২৩শে ফেব্রুয়ারী ২০১৭ সালে সম্পন্ন হয়েছে।



Participants at the 24th Branch Managers' Conference at Camellia House

The assets of the Company, excluding 6,333 sft floor space stated above, increased to Tk. 1,398.85 million from Tk. 1,297.23 million in 2015. The value of the assets increased mainly due to increase in the value of our investment in the United Finance Limited in view of the application of the equity method as per BAS-28: Investment in Associates.

DIVIDEND

The Board recommended cash dividend of TK. 1.10 per ordinary share (face value of Tk. 10 each) amounting to Tk. 46.20 million for 42 Million ordinary shares held on record date ie. 20 April 2017 for the year ended on 31 December 2016.

উপরোক্ত অফিস স্পেস বাদে কোম্পানীর পরিসম্পদ ২০১৫ সালের ১,২৯৭.২৩ মিলিয়ন টাকা থেকে বেড়ে এবছর হয়েছে ১,৩৯৮.৮৫ মিলিয়ন টাকা। পরিসম্পদের মূল্য বৃদ্ধি পাওয়ার প্রধান কারণ হচ্ছে বাংলাদেশ হিসাব মান 'বিএএস-২৮: ইনভেস্টমেন্ট ইন এসোসিয়েটস' অনুসারে এ্যাকুইটি মেথড প্রয়োগের ফলে আমাদের সহযোগী কোম্পানী ইউনাইটেড ফাইনান্স লিঃ-এর শেয়ারে বিনিয়োগের মূল্য বৃদ্ধি।

লভ্যাংশ

পরিচালনা পর্ষদ ৩১ ডিসেম্বর ২০১৬ সমাপ্ত বছরের জন্য নির্ধারিত রেকর্ড তারিখ অর্থাৎ ২০ এপ্রিল ২০১৭ মোতাবেক প্রতিটি সাধারণ শেয়ারের (১০ টাকা অভিহিত মূল্য) বিপরীতে ১.১০ টাকা হারে নগদ লভাংশ হিসেবে ৪২ মিলিয়ন শেয়ারের বিপরীতে ৪৬.২০ মিলিয়ন টাকা প্রদানের সুপারিশ করেছেন।



A social gathering at the 24th Branch Managers' Conference at Camellia House

DIRECTORS

Sponsor Directors:

In accordance with the provision of articles 153, 154 and 155 of the Articles of Association of the Company, Mr. M. A. Azim and Mr. Rafi Omar, nominated by The Allynugger Tea Company Ltd and Macalms Bangladesh Trust respectively, retire and being eligible offer themselves for re-election.

Director from Public Subscribers:

In accordance with the provisions of articles 153, 154 and 155 of the Articles of Association of the Company, Mr. Syed Aziz Ahmad, nominated by Camellia Duncan Foundation, Director from amongst the public subscribers also retires and being eligible offers himself for re-election as nominee of Camellia Duncan Foundation.

The relevant notice dated 26 February 2017 regarding the election of Director from public subscribers was published in two national dailies where the last date of submission of nomination was 12 March 2017. The Election of Director from public subscribers will be held at the AGM.

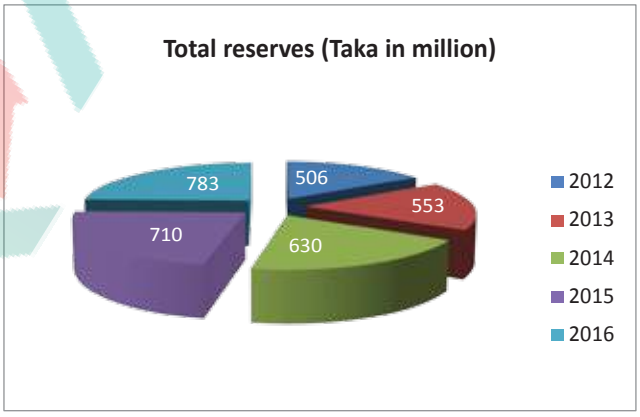
পরিচালকমন্ডলী

উদ্যোক্তা পরিচালকঃ

কোম্পানীর সংঘ বিধি এর ১৫৩, ১৫৪ ও ১৫৫ অনুযায়ী উদ্যোক্তা পরিচালক আলীনগর টী কোম্পানী লিঃ এর প্রতিনিধি, জনাব এম. এ. আজিম এবং ম্যাকামস বাংলাদেশ ট্রাস্ট-এর প্রতিনিধি জনাব রাফি ওমর অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় তারা পুনঃনির্বাচনের আগ্রহ ব্যক্ত করেছেন।

সাধারণ শেয়ারহোল্ডারদের পরিচালকঃ

কোম্পানীর সংঘ বিধি এর ১৫৩, ১৫৪ ও ১৫৫ অনুযায়ী সাধারণ শেয়ারহোল্ডারদের মধ্য থেকে নির্বাচিত পরিচালক ক্যামেলিয়া ডানকান ফাউন্ডেশন এর প্রতিনিধি সৈয়দ আজিজ আহমদ অবসর গ্রহণ করেছেন এবং যোগ্য বিধায় তিনি পুনঃনির্বাচনের জন্য ক্যামেলিয়া ডানকান ফাউন্ডেশন এর মনোনীত প্রতিনিধি হিসেবে আগ্রহ ব্যক্ত করেছেন।



সাধারণ শেয়ারহোল্ডারদের মধ্য থেকে পরিচালক নির্বাচন সংক্রান্ত তথ্যসম্বলিত বিজ্ঞপ্তিটি ২৬ ফেব্রুয়ারী ২০১৭ তারিখের দুটি জাতীয় দৈনিক পত্রিকায় প্রকাশিত হয়, যেখানে নির্বাচনের জন্য মনোনয়নপত্র জমাদানের সর্বশেষ তারিখ ছিল ১২ মার্চ ২০১৭। সাধারণ শেয়ারহোল্ডারদের মধ্য থেকে পরিচালক নির্বাচন কোম্পানীর বার্ষিক সাধারণ সভায় অনুষ্ঠিত হবে।

AUDITORS

Pursuant to Section 210 of the Companies Act 1994 and Dhaka Stock Exchange (Listing) Regulations 2015, the Company's Statutory Auditors M/s. Hoda Vasi Chowdhury & Co., Chartered Accountants, retire after completion of 3 years service to the Company. Pursuant to the said section of the Companies Act 1994 and regulation no.-15(2) of Dhaka Stock Exchange (Listing) Regulations 2015, new statutory auditors are therefore required to be appointed by the shareholders for the year 2017 at the 32nd Annual General Meeting.

নিরীক্ষকবৃন্দ

কোম্পানী আইন, ১৯৯৪ এর ধারা-২০১ ও ঢাকা স্টক এক্সচেঞ্জ (লিস্টিং) বিধিমালা-২০১৫ অনুযায়ী কোম্পানীর বিধিবদ্ধ নিরীক্ষক মেসার্স হুদা ভাসী চৌধুরী এন্ড কোং, চাটার্ড একাউন্ট্যান্টস তাদের নিরীক্ষা কাজের একাধারে ৩ বছর পূর্ণ হওয়ায় অবসর গ্রহণ করেছেন। উপরোক্ত ধারা এবং ঢাকা স্টক এক্সচেঞ্জ (লিস্টিং) বিধিমালা-২০১৫ এর ১৫(২) ধারা অনুযায়ী ২০১৭ সালের জন্য শেয়ারহোল্ডারবৃন্দ ৩২তম বার্ষিক সাধারণ সভায় কোম্পানীর নতুন বিধিবদ্ধ নিরীক্ষক নিয়োগ করবেন।

CORPORATE AND FINANCIAL REPORTING

The Company has complied with all the requirements of Corporate Governance as required by the Bangladesh Securities and Exchange Commission (BSEC).

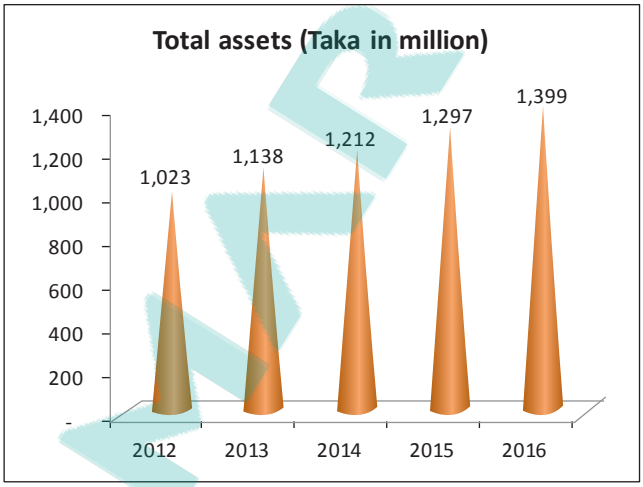
Accordingly, the Directors are pleased to confirm the following:

কর্পোরেট এবং আর্থিক প্রতিবেদন

কোম্পানী বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন (বিএসইসি) কর্তৃক প্রণীত কর্পোরেট গভার্নেন্স এর আবশ্যিক গুলো যথাযথ ভাবে পালন করেছে।

তদানুরূপ পরিচালকমন্ডলী নিম্নলিখিত বিষয়গুলো নিশ্চিত করেন ঃ

(a) The financial statements together with notes thereon have been prepared in conformity with the Companies Act, 1994, Insurance Act, 2010 and in some applicable cases Insurance Act, 1938 and Securities & Exchange Commission Rules, 1987. These statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity.



ক) কোম্পানী আইন, ১৯৯৪ ও সিকিউরিটি ও এক্সচেঞ্জ কমিশন বিধিমালা, ১৯৮৭ অনুযায়ী আর্থিক বিবরণীসমূহ এবং সংযুক্ত টীকাসমূহ তৈরী করা হয়েছে। এ বিবরণীসমূহ কোম্পানীর আর্থিক অবস্হা, সমাপ্ত বছরের কার্যক্রমের ফলাফল এবং নগদ অর্থ প্রবাহের সুষ্ঠু প্রতিফলন করে।

(b) Proper books of account of the Company have been maintained.

খ) কোম্পানীর হিসাব বহিসমূহ সঠিকভাবে সংরক্ষিত হয়েছে।

(c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment.

গ) আর্থিক বিবরণীসমূহ তৈরীতে সঠিক হিসাব নীতিমালাসমূহ যথাযথভাবে প্রয়োগ করা হয়েছে। তবে যেখানে এর ব্যত্যয় ঘটেছে তা প্রকাশ করা হয়েছে। হিসাব অনুমানসমুহ যুক্তি সঙ্গতভাবে ও বিচক্ষণতার সাথে করা হয়েছে।

(d) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements.

ঘ) বাংলাদেশে প্রযোজ্য আর্ন্তজাতিক হিসাবমান অনুযায়ী আর্থিক বিবরণীসমূহ প্রস্তুত করা হয়েছে।

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

ঙ) অভ্যন্তরীন নিয়ন্ত্রণ ব্যবস্হা সুদৃঢ়ভাবে প্রণীত এবং যার প্রয়োগ এবং পর্যবেক্ষণ অতীব কার্যকর।

(f) There are no significant doubts about the Company's ability to continue as a going concern.

(g) There are no significant deviations from the operating result of the last year.

চ) চলমান প্রতিষ্ঠান হিসাবে কোম্পানীর সক্ষমতায় বিন্দুমাত্র কোন সন্দেহ নেই।

ছ) বিগত বছরের কার্যক্রমের তুলনায় তেমন গুরত্বপূর্ণ কোন বিচ্যুতি নেই।



Mr. Rafiqul Islam, CEO (C.C.) receiving the "ICMAB Best Corporate Award- 2015" in the 'Certificate of Merit' category on behalf of the Company from the Hon'ble Finance Minister, Mr. AMA Muhith, MP.

BOARD MEETING ATTENDANCE

During the year, eight Board Meetings were held. The attendance of the Directors are shown in **Annexure-1.**

PATTERN OF SHAREHOLDING

Pattern of shareholding as per clause 1.5(xxi) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 are shown in **Annexure-2.**

KEY OPERATING AND FINANCIAL DATA

The Company's summarised key operating and financial data for the last five years are shown in **Annexure-3.**

BRIEF RESUME OF THE DIRECTORS

Brief resume of the Directors as per clause 1.5(xxii) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 are shown in **Annexure-4.**

পর্ষদ সভায় উপস্থিতি

আলোচ্য বছরে কোম্পানীর ৮ টি পর্ষদ সভা অনুষ্ঠিত হয়। উক্ত সভা সমূহে পরিচালকদের উপস্থিতি **Annexure-1** এ দেখানো হ'ল।

শেয়ারহোল্ডিং ধরণ

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪/ তারিখঃ ৭ আগস্ট ২০১২-এর ক্লজ ১.৫ (xxi) অনুযায়ী শেয়ারহোল্ডিং ধরণ **Annexure-2** দেখানো হ'ল।

উল্লেখযোগ্য আর্থিক তথ্য

কোম্পানীর বিগত পাঁচ বছরের সংক্ষিপ্ত ও উল্লেখযোগ্য আর্থিক তথ্যসমূহ **Annexure-3** দেখানো হ'ল ।

পরিচালকদের সংক্ষিপ্ত জীবনী

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪/ তারিখঃ আগস্ট ৭, ২০১২-এর ক্লজ ১.৫ (xxii) অনুযায়ী কোম্পানীর পরিচালকদের সংক্ষিপ্ত জীবনী **Annexure-4** এ সংযুক্ত করা হয়েছে।

REPORT OF THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

The Chief Executive Officer and Chief Financial Officer have performed their duties as per the Rules, responsibilities and duties as prescribed by the board. The report is placed in **Annexure-5.**

REPORT ON THE ACTIVITIES OF THE AUDIT COMMITTEE

Pursuant to the clause 3.5 of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, the activities of the Audit Committee have been shown in **Annexure-6.**

CORPORATE GOVERNANCE COMPLIANCE REPORT

You are aware that the corporate governance is a system by which companies are directed, supervised, and controlled by the Board to keep them accountable to the shareholders. The Board of Directors of United Insurance Company Limited is committed to adopting the highest governance standards and amending those standards as required to protect the interest of stakeholders' and policy holders of the Company. Ensuring the safeguard against conflict of interest between the Board and the management, United Insurance confirms the segregation of duties and responsibilities for smooth operation of business. The Board provides direction to the management, approves strategic decision and policies to attain predetermined goals and objectives of the Company.

Certificate from auditors on compliance with the conditions as per clause 7(i) of the BSEC notification no: SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 are shown in **Annexure-7.**

Pursuant to the clause 7(ii) of the BSEC Notification No: SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, we attach the Company's Corporate Governance compliance status as **Annexure-8.**

MANAGEMENT

Following the resignation of Mr. Syed Shahriyar Ahsan, Chief Executive Officer (CEO) of the Company, who joined as Managing Director of Sadharan Bima Corporation, a state owned corporation under the Ministry of Finance,

মুখ্য নির্বাহী কর্মকর্তা ও প্রধান হিসাবরক্ষণ কর্মকর্তার প্রতিবেদন

কোম্পানীর মুখ্য নির্বাহী কর্মকর্তা ও প্রধান হিসাবরক্ষণ কর্মকর্তাগণ পরিচালনা পর্ষদকর্তৃক প্রদত্ত নিয়মনীতি অনুযায়ী তাদের কার্যক্রম পরিচালনা করেছেন। এ সংক্রান্ত প্রতিবেদন **Annexure-5** এ সংযুক্ত করা হয়েছে ।

নিরীক্ষা কমিটির কার্যক্রমের উপর প্রতিবেদন

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪/ তারিখঃ আগস্ট ৭, ২০১২-এর ক্লজ ৩.৫ অনুযায়ী কোম্পানীর নিরীক্ষা কমিটির প্রতিবেদন **Annexure-6** এ সংযুক্ত করা হয়েছে।

কর্পোরেট গভার্নেন্স ঃ কর্পোরেট গভার্নেন্স পরিপালন প্রতিবেদন

আপনারা অবগত যে, প্রতিষ্ঠানের সুশাসন এমন একটি ব্যবস্থা, যার দ্বারা পরিচালনা পর্ষদ শেয়ারহোল্ডারদের নিকট দায়বদ্ধ থেকে কোম্পানী পরিচালনা ও নিয়ন্ত্রণ করেন। ইউনাইটেড ইনসিওরেন্স কোম্পানী লিমিটেড এর পরিচালনা পর্ষদ কোম্পানীর স্টেকহোল্ডার ও নীতিনির্ধারকদের স্বার্থরক্ষার্থে সুশাসন ব্যবস্থার সর্বোচ্চ মান গ্রহণ ও প্রয়োজনানুযায়ী সংশোধনের ব্যাপারে প্রতিজ্ঞাবদ্ধ। সুষ্ঠুভাবে ব্যবসা পরিচালনার লক্ষ্যে পরিচালনা পর্ষদ ও ব্যবস্থাপনা কর্তৃপক্ষের মধ্যকার স্বার্থের সংঘাত থেকে সুরক্ষার জন্য ইউনাইটেড ইনসিওরেন্স দায়িত্ব ও কর্তব্য পালনে পৃথকীকরণ নিশ্চিত করে। কোম্পানীর সুনির্দিষ্ট লক্ষ্য ও উদ্দেশ্য অর্জনের জন্য পরিচালনা পর্ষদ কৌশলগত ও নীতিনির্ধারণী সিদ্ধান্ত গ্রহণ করে ব্যবস্থাপনাকে নির্দেশনা প্রদান করেন।

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪/ তারিখঃ আগস্ট ৭, ২০১২-এর ক্লজ ৭(**ii**) অনুযায়ী কোম্পানীর কর্পোরেট গভার্নেন্স পরিপালন প্রতিবেদন **Annexure-7** এ দেখানো হ'ল।

বিএসইসি নোটিফিকেশন নং এসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/১৩৪/এডমিন/৪৪/ তারিখঃ আগস্ট ৭, ২০১২-এর ক্লজ ৭(**i**) অনুযায়ী কোম্পানীর কর্পোরেট গভার্নেন্স পরিপালন সংক্রান্ত নিরীক্ষক-এর প্রতিবেদন **Annexure-8** এ দেখানো হ'ল।

ব্যবস্থাপনা

কোম্পানীর মূখ্য নির্বাহী কর্মকর্তা জনাব সৈয়দ শাহ্‌রিয়ার আহসান, যিনি রাষ্ট্রীয় মালিকানাধীন অর্থ মন্ত্রালয় অধিনস্ত সাধারণ বীমা কর্পোরেশন-এর ব্যবস্থাপনা পরিচালক হিসেবে যোগদান করায়

Mr. Rafiqul Islam, Deputy Managing Director acted as Chief Executive Officer (Current Charge) of the Company after necessary approval from Insurance Development & Regulatory Authority (IDRA).

Meanwhile, an application has been submitted to Insurance Development & Regulatory Authority (IDRA) for approval of appointment of proposed Chief Executive Officer (CEO) of the Company.

Subsequently approval from IDRA was received and we now have Mr. Khawja Manzer Nadeem as our Chief Executive Officer (CEO).

কোম্পানীর উপ-ব্যবস্থাপনা পরিচালক জনাব রফিকুল ইসলাম, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ) থেকে প্রয়োজনীয় অনুমোদনের প্রেক্ষিতে, কোম্পানীর মূখ্য নির্বাহী কর্মকর্তা (চলতি দায়িত্ব) হিসেবে কাজ করেন।

ইতিমধ্যে কোম্পানীর প্রস্তাবিত মূখ্য নির্বাহী কর্মকর্তা নিয়োগ সংক্রান্ত প্রস্তাবটি অনুমোদনের জন্য বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ) এর নিকট দাখিল করা হয়েছে।

পরবর্তীতে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ) এর কাছ থেকে নিয়োগ প্রস্তাবটির অনুমোদন পাওয়া গেছে এবং এখন থেকে জনাব খাজা মানযার নাদিম অত্র কোম্পানীর মূখ্য নির্বাহী কর্মকর্তা।

ACKNOWLEDGEMENT

We gratefully acknowledge valuable help and advices from the esteemed shareholders at the AGM, well-wishers, the Insurance Development & Regulatory Authority (IDRA), Bangladesh Insurance Association, Bangladesh Insurance Academy, our Co-insurers and Re-insurers, Registrar of Joint Stock Companies, Ministry of Finance, Commercial Banks and Financial Institutions, Bangladesh Bank and Bangladesh Securities & Exchange Commission and Dhaka Stock Exchange Limited.

We also like to thank the members of our staff for their devotion, drive and skill in maintaining the Company's high standard of business ethics.

কৃতজ্ঞতা স্বীকার

আমরা আমাদের বার্ষিক সাধারণ সভায় উপস্থিত সকল সম্মানিত গ্রাহক, শুভানুধ্যায়ী, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ (আইডিআরএ), বাংলাদেশ ইনসিওরেন্স এসোসিয়েশন, বাংলাদেশ ইনসিওরেন্স একাডেমী, সহ-বীমাকারী ও পুনঃবীমাকারী প্রতিষ্ঠান, যৌথ মূলধনী কারবার ও ফার্ম, অর্থ মন্ত্রনালয়, বানিজ্যিক ব্যাংক ও আর্থিক প্রতিষ্ঠানসমূহ, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এবং ঢাকা স্টক এক্সচেঞ্জ কে মূল্যবান সহযোগিতা এবং পরামর্শের জন্য ধন্যবাদ জ্ঞাপন করছি।

আমরা আরও ধন্যবাদ জানাতে চাই, কর্মকর্তা ও কর্মচারীদের একান্ত আনুগত্য, নিষ্ঠা, কর্মশক্তি এবং দক্ষতার সাথে কোম্পানীর উচ্চ মানসম্মত ব্যবসায়িক নীতি বজায় রাখার জন্য।

For the Board of Directors

Syed Aziz Ahmad
Chairman

Dated, Dhaka
30 March 2017

পরিচালনা পর্ষদের পক্ষে,

সৈয়দ আজিজ আহ্মদ
চেয়ারম্যান

তারিখ, ঢাকা
৩০ মার্চ ২০১৭

Annexure-1

BOARD MEETING ATTENDANCE

Name of Directors	Attendance
Syed Aziz Ahmad	8
M. Hafizullah	6
M. M. Alam	7
M. Saiful Islam	6
M. A. Azim	8
M. Shah Alam	5
Prof. Dr. Wahiuddin Mahmood	8
Rafi Omar	8

The Directors who could not attend the meetings were granted leave u/s 108(f) of the Companies Act, 1994.

Annexure-2

Pattern of Shareholdings

Shareholdings of Parent/Subsidiary/Associate companies and other related parties

Name of shareholders	Number of shares (31 December 2016)	Ratio of Holdings (31 December 2016)
Camellia Duncan Foundation	6,691,261	15.93
Macalms Bangladesh Trust	4,199,935	10.00
United Finance Limited	4,200,000	10.00
Amo Tea Company Ltd.	3,190,320	7.60
National Brokers Ltd	2,799,961	6.67
The Allynugger Tea Company Ltd	2,449,935	5.83
The Chandpore Tea Co. Limited	2,379,910	5.67
The Mazdehee Tea Company Ltd	2,194,435	5.22
The Lungla (Sylhet) Tea Company Ltd	2,099,935	5.00
Duncan Products Ltd	455,635	1.08
Duncan Brothers (Bangladesh) Ltd	769,960	1.83
Octavius Steel & Company of BD Ltd	419,935	1.00

Shareholding of the Directors, CEO, Company Secretary, CFO, Head of Internal Audit and their spouses and minor children:

Name of shareholders	Number of shares (31 December 2016)	Ratio of Holdings (31 December 2016)
Syed Aziz Ahmad, Chairman	30,760	0.07
M. Hafizullah, Director	12,534	0.03
Prof. Dr. Wahiuddin Mahmood, Director	29,293	0.07
Syed Shahriyar Ahsan, Managing Director & CEO (01-01-2016 to 20-09-2016)	-	-
Rafiqul Islam, Managing Director & CEO (CC) (from 21-09-2016 to 31-12-2016)	-	-
Ms. Minhaz Shahid ACA, Chief Financial Officer	-	-
Md. Imran Hasan ACS, Company Secretary	-	-
Rashedul Islam, Head of Internal Audit	-	-

Shareholding of Executives: Nil

10% or more voting interest in the Company as on 31 December 2016:

Name of shareholders	Number of shares (31 December 2016)	Ratio of Holdings (31 December 2016)
Camellia Duncan Foundation	6,691,261	15.93
Macalms Bangladesh Trust	4,199,935	10.00
United Finance Limited	4,200,000	10.00

Annexure-3

KEY OPERATING AND FINANCIAL DATA
(Figures in million Taka)

PARTICULARS	YEAR				
	2016	2015	2014	2013	2012
Gross premium	418.72	383.37	345.28	307.08	271.73
Net premium	250.50	217.10	179.64	172.55	136.75
Net claims	31.59	16.55	16.83	20.59	24.34
Investment & other income	104.87	120.18	119.38	109.24	108.62
Underwriting profit	47.60	42.04	40.71	34.82	31.34
Net profit before tax	146.49	154.31	148.64	138.89	134.64
Net profit after tax	120.49	124.31	116.64	110.89	98.64
Divisible profit	46.19	48.21	45.07	50.06	52.01
Paid-up capital	420.00	400.00	400.00	400.00	363.00
Total reserves	782.85	709.82	630.30	552.65	505.67
Cash & bank balances	481.91	491.80	495.48	494.06	484.27
Net operating cash flow	(35.48)	(10.30)	(28.64)	(1.77)	(3.72)
Total assets	1,398.85	1,297.23	1,211.77	1,137.82	1,023.48
Total liabilities	196.00	187.41	181.46	185.17	154.82
Shareholders' equity	1,202.85	1,109.82	1,030.31	952.65	868.66
No. of shares (in million)	42.00	40.00	40.00	40.00	36.30
Solvency Margin Available	903.64	879.37	792.32	754.99	711.62
Solvency Margin Required	56.30	50.04	45.67	40.63	36.32

DATA PER SHARE	2016	2015	2014	2013	2012
Earnings per Share (EPS)=Net profit after tax/ No. of shares	2.87	2.96	2.78	2.64	2.35
Net asset value (Book value)= Equity/ no. of share	28.64	26.42	24.53	22.68	20.68
Net operating cash flows	(0.84)	(0.25)	(0.68)	(0.04)	(0.09)
Market value on 31 December	26.00	25.00	33.90	43.00	46.00
Market value on 31 December (restated)	26.00	23.81	32.29	40.95	39.76
Price Earnings Ratio = Market value/ EPS	9.06	8.04	11.63	15.51	16.93
Stock dividend (historical)	-	5.00%	-	-	10.19%
Stock dividend (restated)	-	4.76%	-	-	8.81%
Cash dividend (historical)	11.00%	6.00%	10.00%	10.00%	7.50%
Cash dividend (restated)	-	5.71%	9.52%	9.52%	6.48%

NB: Figures of previous years have been restated wherever necessary on the basis of outstanding shares at the end of the year 2016.

Annexure-4

BRIEF RESUME OF THE DIRECTORS



Mr. Syed Aziz Ahmad

A Bachelor of Science from F.C. College, Lahore, Mr. Syed Aziz Ahmad has a vast experience in management and administration of tea estates. A former Director of United Finance Limited, he was the Managing Director of United Insurance Company Limited from 2001 to 2005 and also worked later as Director Corporate Affairs of the Company. He is also a Director of Duncan Brothers (Bangladesh) Ltd, Octavius Steel & Co. of Bangladesh Ltd, Eastland Camellia Ltd and Duncan Products Ltd. Mr. Ahmad was elected Chairman of the Company following the death of the founder Chairman late M. Moyeedul Islam.



Mr. M. Saiful Islam

A graduate from Chittagong University with distinctions, Mr. M. Saiful Islam, was associated with Brooke Bond Commodities Ltd., London for nearly twenty years. He was in Unilever as the Head of Tea and Exports. He joined the Board of Directors of National Brokers Ltd. in 1991. He has been the Managing Director of National Brokers Ltd, a leading Chittagong-based tea broking company since 2010. He was the Chairman of Tea Traders Association, a Member of Bangladesh Tea Board, President and Assistant Governor of Rotary Club and Chairman of Old Faujians Association.



Mr. M. Shah Alam

An Honors graduate in Political Science, Mr. M. Shah Alam did his M.A. in Public Administration from the University of Dhaka and a degree in Management from the UK. He had been in tea plantation and represents M/s. Amo Tea Company Limited on the Board of Directors of United Insurance Company Limited. He is the Director of Duncan Brothers (Bangladesh) Limited. He is the Senior Vice Chairman of Bangladesh Tea Association and Member of Bangladesh Tea Board, Bangladesh Rubber Board and an Executive Committee Member of Bangladesh Employers' Federation. He is also a Trustee of Plantation Employees' Provident Fund and Vice Chairman of Agro Food Industry Skills Council.



Mr. M. A. Azim

A graduate with honours in Economics from Dhaka University and then an M. A. in Economics from the University of Karachi, Mr. Azim joined Duncan Brothers (Bangladesh) Limited in 1970 and worked in their gardens in Sylhet till 1982. He worked for a Canadian consulting firm, Northwest Hydraulics Consultants Ltd. for three years from 1982 to 1985 as its Manager of Administration and Finance and then rejoined Duncan Brothers in 1985. He moved to United Finance Limited as its General Manager in 1989 and became its Deputy Managing Director in 2006, a position he still holds. He was a director on the board of United Finance Limited from 2009 to 2012. Having been with United Finance for over 25 years he has developed a wide network of contacts with entrepreneurs, both large and medium, in different sectors of industries of the country.



Mr. M. M. Alam

A member of the Canadian Institute of Chartered Accountants, an M.A in Economics from Dhaka University and an MBA from American University of Beirut. Mr. M. M. Alam is an Independent Director & the Chairman of the Audit Committee of the Company. He was Managing Director of United Finance Limited (then United Leasing Company Limited) from 1995 to 2005 and a Director of the said Company from 2000 to 2011. He has over 40 years experience in marketing, banking and financial services.



Mr. M. Hafizullah

A Senior Advocate of the Supreme Court of Bangladesh, Mr. M. Hafizullah is the head of Orr, Dignam & Company, Advocates and Barristers, a leading law firm of the country. He was enrolled in the High Court in 1966 upon passing the Chambership examination securing first position. Mr. Hafizullah was elected as the Secretary of the Bangladesh Supreme Court Bar Association for 1978-79. He was nominated by the Chief Justice of the Supreme Court of Bangladesh to attend the Academy of American & International Law in 1982 conducted by International & Comparative Law Centre in Dallas, USA. He was elected as the President of the Bangladesh Supreme Court Bar Association for the year 1994-95.

He is an Independent Director of United Insurance Company Ltd and also a member of the Audit Committee of the Company.



Prof. Dr. Wahiuddin Mahmood

Prof. Wahiuddin Mahmood graduated from Chittagong Medical College under the University of Chittagong in 1983. He did his Diploma from Dhaka University in 1990 and obtained his fellowship FCPS (Anesthesiology) from the Bangladesh College of Physicians and Surgeons (BCPS) in 1991. He worked as Assistant Professor and Associate professor of Anesthesiology at Dhaka Medical College till 2004.

In 2004 he joined Shaheed Suhrawardy Hospital as professor of Anesthesiology. He obtained advanced training on Alternative Fluid Therapy (Korea) and attended international conferences periodically across the world. He also attended a training course organised by Sriraj Hospital, Mahidol University, Bangkok on the latest advancement on Critical Care Management in 2006. Prof. Mahmood is a Member of Board of Trustees Bangladesh University, Dhaka, and Executive Council Member of National Heart Foundation Hospital & Research, Institute. A Life Member of Bangladesh Medical Association Dr. Mahmood is also a Life Member of Bangladesh Society of Anesthesiology and Bangladesh College of Physicians & Surgeons, Mohakhali Dhaka. He retired from government service and has been the Consultant, Department of Anesthesiology in Square Hospital Ltd, Dhaka.



Mr. Rafi Omar

A graduate in Science majoring in Physics from Notre Dame College under University of Dhaka in 1969, Mr. Rafi Omar was, before retiring in May 2015, the Managing Director of Kuehne + Nagel Ltd, Dhaka, Bangladesh. An Executive Director of Karnaphuli Limited, Mr. Omar was the Managing Director of Arkay Shipping Co. Ltd and Interocean Agencies Limited. He was an Assistant Manager of Birds (Bangladesh) Ltd, Dhaka, Bangladesh and was also the Chief Operating Officer of Omnitrans International Ltd and was the Shipping Clerk, Detjen Schiffasagentaur, Humburg, West Germany and Shipping Assistant, Mackinnon Mckenzie & Co. Pakistan Ltd, Karachi. Mr. Omar has been a Member of the Executive Committee of the FICCI and the President of the International Freight Forwarders Association (IFFAB) now renamed as Bangladesh Freight Forwarders Association (BAFFA). He was the resource person for training for Multimodal Transport under UNESCAP.



Mr. Rafiqul Islam

Mr. Rafiqul Islam, hold the current charge of the Chief Executive Officer (CEO) of the United Insurance Company Ltd (UICL) with effect from 21 September 2016, following the resignation of Mr. Syed Shahriyar Ahsan. Mr. Islam has been working as Deputy Managing Director of UICL and joined the Company as General Manager in May 1995. Before joining UICL, he worked for more than 25 years in the Government and in public sector autonomous bodies. He also worked in a short assignment as an Officer in the Investment Promotion Service (IPS) with posting at the UNIDO, Tokyo, Japan.

Mr. Islam, an MBA (majoring in Finance) from the Institute of Business Administration, University of Dhaka, also acquired post-graduate degrees in Management Studies from the University of Leeds, United Kingdom and in Statistics from the University of Rajshahi. He attended different training courses, seminars and symposiums in insurance, administration and marketing at home and abroad.

Annexure-5

REPORT OF THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In compliance with the condition no 6 imposed by the Bangladesh Securities and Exchange Commission (BSEC) notification no SEC/CMRCD/2006-158/134/Admn/44 dated 07 August 2012 issued under Section 2CC of the Securities and Exchange Ordinance 1969, we do hereby certify to the Board that-

1) We have reviewed the Financial Statements for the year ended on 31 December 2016 of United Insurance Company Limited and to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

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

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

Yours Sincerely,

(Ms. Minhaz Shahid, ACA)
Chief Financial Officer

(Rafiqul Islam)
Chief Executive Officer (CC)

AMARSTOCK

Annexure-6

REPORT OF THE AUDIT COMMITTEE-2016

The Committee comprises of five directors. The members of the Committee are as follows:

1.	Mr. M. M. Alam (Independent Director)	Chairman
2.	Mr. M. Hafizullah (Independent Director)	Member
3.	Mr. M. Saiful Islam	Member
4.	Mr. M. Shah Alam	Member
5.	Prof. Dr. Wahiuddin Mahmood	Member

The Chief Executive Officer of the Company attended the meetings as an invitee. Other invitees to the meetings were the Chief Financial Officer and the relevant heads of departments who attended the meeting as and when required by the Committee.

A total of 4 (four) meetings were held during 2016.

The following matters were discussed in the meetings and decisions taken were communicated to the Board of Directors:

- ❒ Review of the auditors' report and audited financial statements for the year 2015.
- ❒ Review of the un-audited first quarter report of 2016.
- ❒ Review of the un-audited half-yearly report of 2016.
- ❒ Review of the un-audited third quarter report of 2016.
- ❒ Review of internal audit reports of the Head Office/Branches.
- ❒ The committee was not aware of any issues in the following areas, which needed to be reported to the Board:
  - (i) Report on conflict of interest;
  - (ii) Suspected or presumed fraud or irregularity or material defect in the internal control system; and
  - (iii) Suspected infringement of laws, including securities related laws, rules and regulations.

Dated, Dhaka
30 March 2017

Chairman
Audit Committee

Annexure-7

CERTIFICATE IN COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE GUIDELINES

[Issued under Condition No.7(i) of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) vide Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 issued under Section 2CC of the Securities and Exchange Ordinance 1969 and as amended by the BSEC Notification and published in the gazette on 21 July 2013 and 20 August 2013 respectively.]

We have reviewed the accompanying Status of Compliance with conditions of Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission (BSEC) by United Insurance Company Limited (the Company) for the year ended on 31 December 2016. Such compliances are the responsibilities of the Company as stipulated in the above-mentioned notification issued by Bangladesh Securities and Exchange Commission (BSEC).

We have conducted our review in a manner that has provided us a reasonable basis for expressing our opinion on compliance conditions. The review has been limited to the measures so far adopted by the Company to ensure such compliances and this has not encompassed any opinion on the financial statements of the Company.

According to the information and explanations provided by the Company, we hereby certify that in our opinion, the management of the Company has complied with the necessary conditions of Corporate Governance Guidelines issued by Bangladesh Securities and Exchange commission (BSEC).

Dated: Dhaka,
06 April 2017

Chowdhury Hossain Rashid & Co.
Chartered Accountants

Annexure-8

STATUS OF COMPLIANCE OF CORPORATE GOVERNANCE

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

Condition No.	Title of the Condition	Compliance Status		Remarks
		Complied	Not Complied	
1	**Board's Size:**			
1.1	The number of the Board members of the Company shall not be less than 5 (five) and more than 20 (twenty)	√		
1.2	**Independent Directors:**			
1.2(i)	At least one fifth (1/5) of the total number of directors in the Company's Board	√		
1.2(ii)(a)	Does not hold any share in the company or holds less than one percent (1%) shares of the total paid up shares of the company	√		
1.2(ii)(b)	Who is not a sponsor of the company and is not connected with the company's any sponsor/director/shareholder who holds one percent (1%) or more shares of the total paid-up shares on the basis of family relationship	√		
1.2(ii)(c)	Who does not have any other relationship, weather pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1.2(ii)(d)	"Who is not a member, director or officerof any stock exchange"	√		
1.2(ii)(e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market	√		
1.2(ii)(f)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm	√		
1.2(ii)(g)	Who shall not be an independent director in more than 3 (three) listed companies	√		
1.2(ii)(h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a non-bank financial institution (NBFI)	√		
1.2(ii)(i)	Who has not been convicted for a criminal offence involving moral turpitude	√		
1.2(iii)	Shall be appointed by the Board of Directors and approved by the Shareholders in the Annual General Meeting (AGM)	√		
1.2(iv)	Post of independent director(s) can not remain vacant for more than 90 (ninety) days	√		
1.2(v)	Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded	√		
1.2(vi)	Tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only			
1.3	**Qualification of Independent Director:**			
1.3(i)	"Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution tobusiness"	√		
1.3(ii)	The person should be a Business Leader / Corporate Leader /Bureaucrat / University Teacher with Economics or Business Studies or Law background / Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The Independent Director must have at least 12 (twelve) years of corporate management / professional experiences	√		
1.3(iii)	In special cases the qualifications may be relaxed subject to prior approval of the Commission			Not applicable
1.4	**Chairman of the Board and Chief Executive Officer:**			
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals.	√		

Condition No.	Title of the Condition	Compliance Status		Remarks
		Complied	Not Complied	
	The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer			
1.5	**The Directors' Report to Shareholders:**			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product-wise performance	√		
1.5(iii)	Risks and concerns	√		
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	√		
1.5(v)	Discussion on continuity of any extra-ordinary gain or loss			Not applicable
1.5(vi)	Basis for Related Party transaction- a statement of all related party transactions should be disclosed	√		
1.5(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments			Not applicable
1.5(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			Not applicable
1.5(ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report			Not applicable
1.5(x)	Remuneration to directors including independent directors	√		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations,cash flows and changes in equity	√		
1.5(xii)	Proper books of account of the issuer company have been maintained	√		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5(xiv)	International Accounting Standards (IAS) / Bangladesh Accounting Standards (BAS) / International Financial Reporting Standards (IFRS) / Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored	√		
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	√		
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	√		
1.5(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given			Not applicable
1.5(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed	√		
1.5(xxi)	The pattern of shareholding:			
1.5(xxi)(a)	Parent/Subsidiary/Associated Companies and other related parties	√		
1.5(xxi)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children	√		
1.5(xxi)(c)	Executives			
1.5(xxi)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√		
1.5(xxii)	Appointment/ reappointment of a director:			
1.5(xxii)(a)	A brief resume of the director	√		
1.5(xxii)(b)	Expertise in specific functional areas	√		
1.5(xxii)(c)	Holding of directorship and membership of committees of the board other than this Company	√		

Condition No.	Title of the Condition	Compliance Status		Remarks
		Complied	Not Complied	
2	**Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit (HIA):**			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS	√		
2.2	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors,provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters	√		
3	**Audit Committee:**			
3(i)	The company shall have an Audit Committee as a sub-committee of the Board	√		
3(ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
3(iii)	The Audit Committee shall be responsible to the Board of Directors	√		
3.1	**Constitution of the Audit Committee:**			
3.1(i)	The Audit Committee shall be composed of at least 3 (three) members	√		
3.1(ii)	The Board of Directors shall appoint members of the Audit Committee who shall be director of the company and shall include at least 1 (one) Independent Director	√		
3.1(iii)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	√		
3.1(iv)	Filling of casual vacancy in the Audit Committee	√		
3.1(v)	Secretary of the Committee	√		
3.1(vi)	The quorum of the Audit meeting shall not constitute without Independent Director	√		
3.2	**Chairman of the Audit Committee:**			
3.2(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an Independent Director	√		
3.2(ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√		
3.3	**Role of Audit Committee:**			
3.3(i)	Oversee the financial reporting process	√		
3.3(ii)	Monitor choice of accounting policies and principles	√		
3.3(iii)	Monitor Internal Control Risk management process	√		
3.3(iv)	Oversee hiring and performance of external auditors	√		
3.3(v)	Review along with the management,the annual financial statements before submission to the board for approval	√		
3.3(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
3.3(vii)	Review adequacy of Internal Audit function	√		
3.3(viii)	Review statement of significant related party transactions submitted by the management	√		
3.3(ix)	"Review management letters / letterof internal control weakness issuedby statutory auditors"	√		
3.3(x)	Declaration of Audit Committee by the company regarding utilization of IPO/PRO, Right Issue money			Not applicable
3.4	**Reporting of the audit committee:**			
3.4.1	Reporting to the Board of Directors:			
3.4.1(i)	The Audit Committee shall report on its activities to the Board of Directors	√		
3.4.1(ii)	Activities of Audit Committee:			
3.4.1(ii)(a)	Report on conflicts of interests	√		No such event found

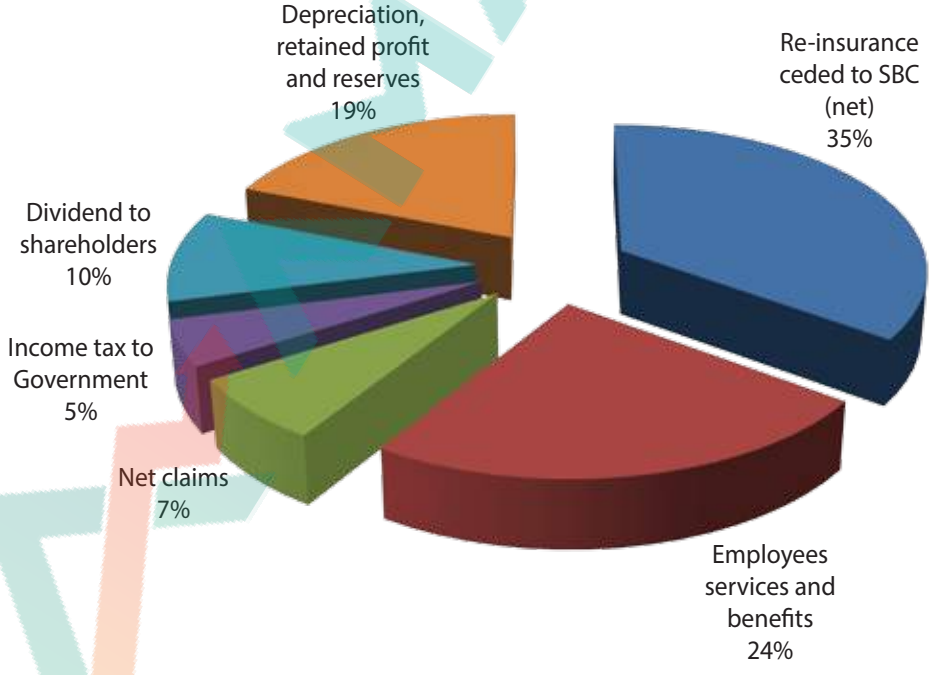
Condition No.	Title of the Condition	Compliance Status		Remarks
		Complied		Not Complied
3.4.1(ii)(b)	Suspected or presumed fraud or irregularity or material defect in the internal control system	√		No such event found
3.4.1(ii)(c)	Suspected infringement of laws, including securities related laws, rules and regulations	√		No such event found
3.4.1(ii)(d)	Any other matter which shall be disclosed to the Board of Directors immediately	√		No such event found
3.4.2	Reporting to the authorities	√		
3.5	Reporting to the Shareholders and General Investors	√		
4.0	**External/Statutory Auditors:**			
	The issuer company should not engage its external/statutory auditors to perform the following services of the company:			
4(i)	Appraisal or valuation services or fairness opinions	√		
4(ii)	Financial information systems design and implementation	√		
4(iii)	Book-keeping or other services related to the accounting records or financial statements	√		
4(iv)	Broker-dealer services	√		
4(v)	Actuarial services	√		
4(vi)	Internal audit service	√		
4(vii)	Any other services that the Audit Committee determines	√		
4(viii)	No partner on employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company	√		
4(ix)	Audit/certification services on compliance of corporate governance	√		
5	**Subsidiary Company:**			
5(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company			Not applicable
5(ii)	At least 1 (one) Independent Director on the Board of Directors of the holding company shall be a Director on the Board of Directors of the subsidiary company			Not applicable
5(iii)	The minutes of the Board Meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company			Not applicable
5(iv)	The minutes of the respective Board Meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company			Not applicable
5(v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.			Not applicable
6	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO):**			
	The CEO and CFO shall certify to the Board that:			
6(i)	They have received financial statements for the year and that to the best of their knowledge and belief:			
6(i)(a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
6(i)(b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7	**Reporting and Compliance of Corporate Governance:**			
7(i)	Obtain a certificate regarding compliance of conditions of Corporate Governance Guidelines of the Commission and the same shall send to the shareholders on a yearly basis.	√		
7(ii)	Attachment of annexure in the Director's Report of the company	√		

VALUE ADDED STATEMENT-2016

Head of accounts	(Taka in million)
Gross premium income	418.72
Investment and other income	40.26
Share of profit of associate	64.61
Commission on re-insurance ceded	58.92
	582.51
Less: Purchases of supplies and services	107.18
	475.33

Applied as follows:

Re-insurance ceded to SBC (net)	168.22	35%
Employees services and benefits	111.98	24%
Net claims	31.59	7%
Income tax to Government	26.00	5%
Dividend to shareholders	46.20	10%
Depreciation, retained profit and reserves	91.34	19%
	475.33	100.00%



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF UNITED INSURANCE COMPANY LIMITED

We have audited the accompanying Financial Statements of United Insurance Company Limited which comprises the balance sheet as of 31 December 2016 and the related revenue accounts as well as the profit and loss account, profit and loss appropriation account, statement of changes in shareholders equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes thereto.

Management's responsibility for the financial statements

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

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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the state of the Company's affairs as on 31 December 2016 and the results of its Operations and its Cash Flows for the year then ended and comply with the Companies Act 1994, the Insurance Act 2010 and in some applicable cases, the Insurance Act 1938, the Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

AMARSTOCK

We also report that:

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

b) in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us and incorporated in the accompanying accounts;

c) the company's balance sheet and profit and loss account and cash flows dealt with by the report are in agreement with the books of account;

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

e) as per section 63 (2) of the Insurance Act 2010, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or 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 and loss account of the company; and

f) as per regulation 11 of part 1 of the third schedule of the Insurance Act 1938 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.

Dated, Dhaka
30 March 2017

Hoda Vasi Chowdhury & Co.,
Chartered Accountants

BALANCE SHEET

	Notes	Amount in Taka	
		2016	2015
CAPITAL & LIABILITIES			
Share capital:	4		
Authorised:			
50,000,000 ordinary shares of Tk 10 each		500,000,000	500,000,000
Issued, subscribed and paid-up:			
42,000,000 ordinary shares of Tk 10 each		420,000,000	400,000,000
Reserve or contingency accounts:			
Reserve for exceptional losses		281,923,847	256,873,381
General reserve	18	87,350,000	87,350,000
Profit and loss appropriation account balance		413,579,018	365,595,898
Balances of funds and accounts:			
Fire insurance business		26,674,951	21,801,945
Marine insurance business		43,852,851	37,734,791
Motor insurance business		19,292,340	17,286,460
Miscellaneous insurance business		11,855,008	10,726,845
		101,675,150	87,550,041
Premium deposits	5	12,072,553	6,791,456
Estimated liability in respect of outstanding claims whether due or intimated	6	12,567,411	10,331,590
Amount due to other persons or bodies carrying on insurance business	7	13,735,427	10,428,156
Sundry creditors (including provision for expenses and taxes)	8	48,408,329	60,138,744
Unclaimed dividend	21	7,539,048	12,172,981
		1,398,850,783	**1,297,232,247**

Notes 1 to 28 form an integral part of these statement of accounts

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

AS AT 31 DECEMBER 2016

	Notes	Amount in Taka	
		2016	2015
PROPERTY & ASSETS			
Statutory deposit: Bangladesh Govt. Treasury Bond		25,000,000	25,000,000
Shares - at market value	9	27,511,954	32,657,918
Investment in associate	9	571,287,824	522,597,459
Deferred tax assets	10	2,875,445	6,330,796
Outstanding premium	11	33,800,728	39,144,390
Accrued interest		10,139,411	15,039,802
Amount due from other persons or bodies carrying on insurance business		200,652,550	131,197,726
Debtors (including advances, deposits and prepayments and others)	12	26,390,692	18,201,340
Cash and cash equivalents	13	481,911,315	491,797,436
Other accounts: Property, plant and equipment (at cost less accumulated depreciation)	14	18,257,555	14,329,389
Stationery and forms		1,023,309	935,991
		1,398,850,783	**1,297,232,247**
Net Asset Value per share (2015:restated)	24	28.64	26.42

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

PROFIT AND LOSS ACCOUNT

	Notes	Amount in Taka	
		2016	2015
Expenses of management (not applicable to any particular fund or account):			
Audit fees	17	410,000	350,000
CDBL expenses		175,587	611,490
Directors' fees		350,000	215,000
Depreciation	14	2,936,724	2,543,372
Publicity and advertisement		904,796	1,202,048
Registration renewal fees		1,208,473	1,074,784
		5,985,580	5,996,694
Loss (unrealized) on investment in Shares		-	1,912,056
Profit for the year carried down to appropriation account		146,488,938	154,313,980
		152,474,518	**162,222,730**

PROFIT AND LOSS APPROPRIATION ACCOUNT

	Notes	Amount in Taka	
		2016	2015
Transfer to reserve for exceptional losses (10% of net premium)		25,050,466	21,710,139
Provision for income taxes		26,000,000	30,000,000
Deferred tax expenses	10	3,455,351	4,802,118
Issuance of bonus share		20,000,000	-
Cash dividend paid		24,000,000	40,000,000
Balance transferred to balance sheet		413,579,018	365,595,898
Transferred to general reserve		-	2,000,000
		512,084,836	**464,108,155**
Earnings per share (2015:restated)	23	2.87	2.96

Notes 1 to 28 form an integral part of these statement of accounts

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Amount in Taka	
		2016	2015
Interest, dividend and rents (not applicable to any particular fund or account)			
Interest and dividend income	15	37,090,426	47,102,994
Fair value gain on investment in shares	9	2,837,853	-
Share of profit of associate	9	64,611,548	70,851,546
Profit transferred from :			
Fire revenue account		11,541,984	819,670
Marine revenue account		19,058,203	24,953,975
Motor revenue account		14,277,430	13,632,332
Miscellaneous revenue account		2,719,911	2,636,996
		47,597,528	42,042,973
Gain on sale of investment in shares		140,339	1,734,166
Other income	16	196,824	491,051
		152,474,518	**162,222,730**

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Amount in Taka	
		2016	2015
Balance brought forward from last year		365,595,898	309,794,175
Profit for the year brought down from profit and loss account		146,488,938	154,313,980
		512,084,836	**464,108,155**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

CONSOLIDATED REVENUE ACCOUNT

	Amount in Taka	
	2016	2015
Claims under policies less re-insurance :		
Paid during the year	29,351,297	14,575,128
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	12,567,411	10,331,590
	41,918,708	24,906,718
Less : Outstanding at the end of previous year	10,331,590	8,352,646
	31,587,118	16,554,072
Agency commission	56,439,388	51,822,303
Expenses of management	159,679,237	145,361,299
Profit transferred to profit and loss account	47,597,528	42,042,973
Balance of account at the end of the year as shown in the balance sheet:		
Reserve for unexpired risk being:		
40% premium income of the year except Marine Hull	99,219,676	86,367,568
100% premium income of the year on Marine Hull	2,455,473	1,182,473
	101,675,149	87,550,041
	396,978,420	**343,330,688**

All expenses of management wherever incurred whether directly or indirectly in respect of fire, marine and miscellaneous insurance business transacted in Bangladesh have been fully debited in the respective revenue accounts as expenses in the ratio of gross premium income.

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

FOR THE YEAR ENDED 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Balance of account at beginning of the year :		
Reserve for unexpired risk	87,550,041	72,416,363
Premium less re-insurance	250,504,664	217,101,392
Commission on re-insurance ceded	58,923,715	53,812,933
	396,978,420	**343,330,688**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

AMAR STOCK

FIRE INSURANCE REVENUE ACCOUNT

	Amount in Taka	
	2016	2015
Claims under policies less re-insurance:		
Paid during the year	3,631,919	3,389,278
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	1,857,111	3,719,458
	5,489,030	7,108,736
Less : Outstanding at the end of previous year	3,719,458	3,785,956
	1,769,572	3,322,780
Agency commission	23,349,422	21,659,165
Expenses of management	60,621,849	56,047,635
Profit transferred to profit and loss account	11,541,984	819,670
Balance of account at the end of the year as shown in the balance sheet :		
Reserve for unexpired risk being 40% premium income for the year	26,674,951	21,801,945
	123,957,778	**103,651,195**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

FOR THE YEAR ENDED 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Balance of account at the beginning of the year :		
Reserve for unexpired risk	21,801,945	14,506,244
Premium less re-insurance	66,687,377	54,504,863
Commission on re-insurance ceded	35,468,456	34,640,088
	123,957,778	**103,651,195**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

AMARSTOCK

MARINE INSURANCE REVENUE ACCOUNT

	Amount in Taka	
	2016	2015
Claims under policies less re-insurance:		
Paid during the year	15,761,334	5,570,098
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	6,355,476	3,072,442
	22,116,810	8,642,540
Less : Outstanding at the end of previous year	3,072,442	2,178,003
	19,044,368	6,464,537
Agency commission	18,817,194	16,204,682
Expenses of management	54,316,170	46,910,072
Profit transferred to profit and loss account	19,058,203	24,953,975
Balance of account at the end of the year as shown in the balance sheet:		
Reserve for unexpired risk being		
40 % Premium income of the year on Marine Cargo	41,397,378	36,552,318
100 % Premium income of the year on Marine Hull	2,455,473	1,182,473
	43,852,851	37,734,791
	155,088,786	**132,268,057**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

FOR THE YEAR ENDED 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Balance of account at beginning of the year:		
Reserve for unexpired risk	37,734,791	30,969,742
Premium less re-insurance	105,948,917	92,563,268
Commission on re-insurance ceded	11,405,078	8,735,047
	155,088,786	**132,268,057**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

AMAR STOCK

MOTOR INSURANCE REVENUE ACCOUNT

	Amount in Taka	
	2016	2015
Claims under policies less re-insurance:		
Paid during the year	4,770,102	5,033,660
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	4,072,030	2,838,628
	8,842,132	7,872,288
Less : Outstanding at the end of previous year	2,838,628	1,932,186
	6,003,504	5,940,102
Agency commission	7,061,796	6,360,367
Expenses of management	18,886,773	16,979,352
Profit transferred to profit and loss account	14,277,431	13,632,332
Balance of account at the end of the year as shown in the balance sheet :		
Reserve for unexpired risk being 40% premium income of the year	19,292,340	17,286,460
	65,521,844	**60,198,613**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

FOR THE YEAR ENDED 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Balance of account at beginning of the year:		
Reserve for unexpired risk	17,286,460	16,982,464
Premium less re-insurance	48,230,851	43,216,149
Commission on re-insurance ceded	4,533	-
	65,521,844	**60,198,613**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

MISCELLANEOUS INSURANCE REVENUE ACCOUNT

	Amount in Taka	
	2016	2015
Claims under policies less re-insurance:		
Paid during the year	5,187,942	582,092
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	282,794	701,062
	5,470,736	1,283,154
Less : Outstanding at the end of previous year	701,062	456,501
	4,769,674	826,653
Agency commission	7,210,975	7,598,089
Expenses of management	25,854,445	25,424,240
Profit transferred to profit and loss account	2,719,910	2,636,996
Balance of account at the end of the year as shown in the balance sheet:		
Reserve for unexpired risk being 40% premium income of the year	11,855,008	10,726,845
	52,410,012	**47,212,823**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Dhaka, 30 March 2017

AMARSTOCK

FOR THE YEAR ENDED 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Balance of account at beginning of the year:		
Reserve for unexpired risk	10,726,845	9,957,913
Premium less re-insurance	29,637,519	26,817,112
Commission on re-insurance ceded	12,045,648	10,437,798
	52,410,012	**47,212,823**

As per our annexed report of same date

Rafiqul Islam
Chief Executive Officer (CC)

Hoda Vasi Chowdhury & Co
Chartered Accountants

AMAR STOCK

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the year ended 31 December 2016

Particulars	Amuont in Taka				
	Share capital	Reserve for exceptional losses	General reserve	Profit & loss appropriation account	Total
Balance at 1 January 2015	**400,000,000**	**235,163,242**	**85,350,000**	**309,794,175**	**1,030,307,417**
Issue of share capital (Bonus share)	-	-	-	-	-
Dividend paid	-	-	-	(40,000,000)	(40,000,000)
Transferred to general reserve	-	-	2,000,000	(2,000,000)	-
Deferred tax expense	-	-		(4,802,118)	(4,802,118)
Profit after tax for the year 2015	-	-	-	124,313,980	124,313,980
Appropriation made during the year	-	21,710,139	-	(21,710,139)	-
Balance at 31 December 2015	**400,000,000**	**256,873,381**	**87,350,000**	**365,595,898**	**1,109,819,279**
Issuance of bonus share	20,000,000	-	-	(20,000,000)	-
Dividend paid	-	-	-	(24,000,000)	(24,000,000)
Deferred tax expense	-	-	-	(3,455,351)	(3,455,351)
Profit after tax for the year 2016	-	-	-	120,488,938	120,488,938
Appropriation made during the year	-	25,050,466	-	(25,050,466)	-
Balance at 31 December 2016	**420,000,000**	**281,923,847**	**87,350,000**	**413,579,017**	**1,202,852,866**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Rafiqul Islam
Chief Executive Officer (CC)

Dhaka, 30 March 2017

STATEMENT OF CASH FLOWS
For the year ended 31 December 2016

		Amount in Taka	
		2016	2015
A	**Cash flows from operating activities**		
	Collection from premium and other income	328,231,886	252,297,201
	Management expenses, re-insurance and claims	(330,731,084)	(232,957,135)
	Income taxes paid	(32,979,067)	(29,641,383)
	Net cash used in operating activities	**(35,478,265)**	**(10,301,317)**
B	**Cash flows from investing activities**		
	Purchase of fixed assets	(6,995,958)	(4,008,974)
	Purchase of shares	(5,534,918)	(27,000,523)
	Sale proceeds of fixed assets	131,068	235,500
	Sale proceeds of shares	13,614,277	13,403,143
	Interest received	35,592,208	46,223,141
	Dividend received from investees	1,498,218	879,853
	Dividend received from associate	15,921,183	14,473,817
	Net cash flows from investing activities	**54,226,078**	**44,205,957**
C	**Cash flows from financing activities**		
	Dividend paid	(28,633,933)	(37,583,693)
	Net cash used in financing activities	**(28,633,933)**	**(37,583,693)**
	Net (decrease)/ increase in cash or cash equivalents (A+B+C)	**(9,886,121)**	**(3,679,053)**
	Cash and cash equivalents at the beginning of the year	491,797,436	495,476,489
	Cash and cash equivalents at the end of the year	**481,911,315**	**491,797,436**
	Net Operating Cash Flows Per Share (NOCFPS) (2015: restated)	(0.84)	(0.25)

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Rafiqul Islam
Chief Executive Officer (CC)

Dhaka, 30 March 2017

NOTES TO THE ACCOUNTS
For the year ended 31 December 2016

1 Background

United Insurance Company Limited (hereinafter referred to as "The Company") was incorporated on 7 May 1985 and obtained the Certificate of Commencement of Business from the Registrar of Joint Stock Companies, Bangladesh with effect from 12 October 1985. However, the Certificate of Registration was obtained on 15 October 1985 from the Department of Insurance, Government of the People's Republic of Bangladesh. The Company was listed in Dhaka Stock Exchange Limited on 9 April 1990.

1.1 Application of standards

The following BAS & BFRS are applicable for the financial statement for the year under review:

BAS 7	Statement of Cash Flows
BAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS 10	Events After The Reporting Period
BAS 12	Income Taxes
BAS 16	Property, Plant and Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 24	Related Party Disclosures
BAS 33	Earnings Per Share
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BAS 38	Intangible Assets
BFRS 7	Financial Instruments, disclosures

1.2 Basis of presenting accounts

a) These accounts have been prepared under Bangladesh Financial Reporting Standards (BFRSs) on historical cost convention.

b) The accompanied financial statements have been prepared and presented in accordance with Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standard (BASs), the insurance Act 2010, Insurance Rules 1958, the Companies Act, 1994, and the other applicable laws and regulations as much as practicable. In certain cases where rules and regulations are yet to be framed by the Insurance Development and Regulatory Authority (IDRA), the relevant provisions of the Insurance Act 1938 have been resorted to. Accordingly, the balance sheet has been prepared in accordance with the regulations contained in part I of the first schedule and as per form "A" as set forth in part II of that schedule and revenue account of each class of non-life insurance business has been prepared in accordance with the regulations as contained in part I of the third schedule and as per form 'F" as set forth part II of that schedule of the Insurance Act 1938 as amended.

c) The Insurance Act, 2010 was promulgated on 18 March 2010. The Insurance Development & Regulatory Authority Act, 2010 was also promulgated on 18 March 2010. But necessary rules & regulations have not yet been gazateed by the Government for the application of the said Acts. As a result, in the absense of any formets, the Balance Sheet and Revenue Accounts have been prepared in accordance with the prescribed formets in the Insurance Act, 1938 and provisions in the Insurance Rules 1958.

2. Significant accounting policies

2.1 Public Sector Business

Company's share of public sector business is accounted for in the year in which the statement of accounts from the Sadharan Bima Corporation are received. As at 31 December 2016, statement of accounts for the period from 1 July 2015 to 30 June 2016 had been received from the Sadharan Bima Corporation and accordingly, the Company's share of public sector business for that period had been accounted for in the accompanying accounts. This practice is being followed consistently.

2.2 Property, plant and equipment (PPE)

i) Recognition & Measurement:

Items of property, plant and equipment are stated as cost, net of accumulated depreciation and/or accumulated impairment losses, if any in accordance with BAS-16. Cost includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Fully depriciated assets are carried in the books at nominal value of TK.1 for the purpose of identification.

ii) Subsequent cost

The cost replacing or upgrading an item of property plant and equipment is capitalised if it is probable that future economic benefits embodied in it will flow to the Company and its cost can be reliably measured.The cost of the day to day servicing of property, plant and equipment are recognized in the profit or loss accounts as incurred.

iii) Depreciation of property, plant & equipment

Depreciation on property, plant & equipment is charged on straight line method over the estimated useful lives of the assets, at the annual rates shown below:

Category of PPE	Rate(%)
Building	10
Furniture, fixtures	10
Office equipment	15
Office decoration	10
Computer	15
Air Conditioners	15
Motor vehicles	20
Computer Software	20
PABX	15

Depreciation on additions to property, plant & equipment made during the year is charged from the month in which the newly acquired assets are availabe for use.While depreciation on disposal of property, plant and equipment is made up to the month prior to the disposal.

2.3 Basis of recognition of income in respect of premium deposit

Amounts received against issuance of cover notes are recognised as income. The cover notes are converted into policies within nine months following the issuance of cover notes in accordance with the issuance of Circular by the then Chief Controller of Insurance.

2.4 Recognition of income from Associate

The Company holds 20.64% in the equity of United Finance Limited, an associate of the Company. Pursuant to provision of relevant accounting standard, the proportionate income of the associate company has been accounted for under equity method and recognised in the company's books of account. Accordingly, during the year under review, an amount of Tk. 64,611,548 has been recognised as income and reflected in the accompanying profit and loss account.

2.5 Income tax

a) Current Tax

Provision for income tax has been made at 40% on the basis of Finance Act, 2016. Advance income tax including tax deducted at source (TDS) has been shown and appearing in the financial statements after deduction of provision for taxes.

b) Deferred Tax

Deferred income tax is provided in full,using balance sheet method, on temporary differences arising between the tax base values of assets and liabilities and their carrying amounts in the financial statements in accordance with BAS-12. Currently enacted tax rate of 40% is used in the determination of deferred income tax.

Deferred tax liabilities are recognised for all temporary taxable differences.

Deferred tax assets are recognised on the carry forward of unabsorbed tax losses and other deductible temporary differences to the extent that is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.6 Cash and cash equivalent

Cash and cash equivalents comprise of cash in hand, cash at banks, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition.

2.7 Retirement benefit scheme

a) Provident Fund: The Company operates a recognised provident fund scheme, managed by independent Board of Trustees, with equal contribution by the employees and the company @ 10% on monthly basic salary.The company's contributions to the scheme are charged to profit and loss account in the year in which they relate.

b) Gratuity: The Company operates a funded gratuity scheme in accordance with the rules of gratuity fund which is approved by the National Board of Revenue (NBR). Employees having completed six months of service with the Company are eligible to get one months last drawn basic salary and for employees having completed more than ten years of service are entitled to receive one and a half months last drawn basic salary. Provision in respect of gratuity has been made in the accompanying accounts covering all of its eligible employees. Acturial valuation of the fund is to be done in due course.

2.8 Investment in shares

Investment in shares which are actively traded on a quoted market are designated at fair value through profit and loss account. Gains or losses arising from a chage in the fair value of such financial assets are recognised in the profit and loss account as per BFRS 7: Financial Instrument Disclosure.

2.9 Statement of Cash flows

The Statement of Cash flows has been prepared in accordance with the requirment of BAS-7: Statement of Cash Flows. The cash generated from operating activities has been reported using the direct method as prescribed by the Securities and Exchange Rules 1987 and the following the benchmark treatment of BAS 7, whereby major classes of gross cash receipts and gross cash payments from operating activities are diclosed.

2.10 Reporting period

The reporting period of the Company covers one year from 1 January to 31 December consistently.

2.11 Valuation of assets

The value of all assets at 31 December 2016 as shown in the Balance Sheet and in the Classified Summary of Assets on Form 'AA' annexed have been reviewed and the said assets have been set forth in the Balance Sheet at amounts at their respective book values which in the aggregate do not exceed their aggregate market value.

3 General

i) Figures appearing in these financial statements have been rounded off to the nearest Taka; and

ii) Previous years figures have been rearranged, wherever considered necessary, to conform to current years presentation.

4 Share capital

	Amount in Taka	
	2016	2015
Authorised:		
50,000,000 ordinary shares of Tk 10 each	500,000,000	500,000,000
Issued, subscribed and paid-up:		
42,000,000 ordinary shares of Tk 10 each fully paid-up	420,000,000	400,000,000

Classification of shareholding position of the Company at 31 December

Holding of shares	Number of shareholders		Percentage of total holdings	
	2016	2015	2016	2015
Less than 500	2,290	3,036	0.66	1.16
500 to 5,000	1,019	1,128	2.78	3.37
5,001 to 10,000	63	82	1.07	1.42
10,001 to 20,000	38	41	1.14	1.44
20,001 to 30,000	19	17	1.13	1.08
30,001 to 40,000	10	8	0.80	0.70
40,001 to 50,000	7	9	0.80	1.02
50,001 & above	43	41	91.62	89.81
	3,489	4,362	100.00	100.00

5 Premium deposits

Balance on this account represents premium received against cover notes which were not converted into policies within 31 December 2016 because the period of nine months had not been expired from the dates of issue of cover notes.

6 Estimated liability in respect of outstanding claims whether due or intimated

	Amount in Taka	
	2016	2015
Fire	1,857,111	3,719,458
Marine	6,355,476	3,072,442
Motor	4,072,030	2,838,628
Miscellaneous	282,794	701,062
	12,567,411	**10,331,590**

All the claims of which the management is aware of as per intimation up to the year-end have been taken into consideration.

7 Amounts due to other persons or bodies carrying on insurance business

Co-insurers	13,735,427	10,428,156
	13,735,427	**10,428,156**

This amount represents insurance premium collected from policyholders and payable to co-insurers.

8 Sundry creditors (including provision for expenses and taxes)

Liabilities for management expenses	8,819,384	8,940,969
Provision for gratuity (Note-8.1)	9,350,530	15,567,280
Advance received from policyholder against Open Marine Cover note	3,094,013	2,949,642
VAT payable	2,161,305	2,603,724
Provision for taxation - net of advance tax and TDS	10,849,529	17,828,987
Other Sundry creditors	14,133,568	12,248,142
	48,408,329	**60,138,744**

8.1 Gratuity scheme of the company was converted to a funded scheme on effective from 12 January 2015. The above noted amount of Taka 9,350,530 has been arrived at after deducting Taka 20,000,000 transferred in 2015 and Taka 10,000,000 in 2016 respectively to the fund and the remaining balance is being transferred gradually.

9 Investment in shares

a Shares at market value

Companies/Fund	Quantity in shares	Accquision cost as at 31 December 2016	Market value as at 31 December 2016	Gain/(Loss)	Accquision cost as at 31 December 2015
National Tea Company Ltd	150	3,343	109,200	105,857	3,343
New Dhaka Refractories (BD) Ltd	9,286	928,600	464,300	(464,300)	928,600
EXIM Bank Ltd	-	-	-	-	1,350,124
BRAC Bank Ltd	735	-	47,114	47,114	-
National Credit & Commerce Bank Limited	-	-	-	-	2,597,470
One Bank Ltd	119,309	2,036,329	2,183,355	147,026	1,550,175
Premier Bank Limited	136,528	1,201,558	1,337,974	136,416	1,547,417
Prime Bank Ltd	81,846	2,252,407	1,448,674	(803,733)	2,252,407
Mutual Trust Bank Ltd	20,908	492,573	482,975	(9,598)	492,573
Summit Power Limited	-	-	-	-	1,153,051
Khulna Power Company Ltd	3,543	284,817	221,438	(63,379)	284,817
TITAS Gas Transmission & Distribution Company Ltd	19,950	1,770,729	985,530	(785,199)	1,770,729
8th ICB Mutual Fund	3,000	202,034	180,000	(22,034)	202,034
ACI Ltd	5,595	2,797,485	2,156,757	(640,728)	2,797,485
DBH 1st Mutual Fund	141,500	1,094,177	1,032,950	(61,227)	1,094,177
Bank Asia Ltd	86,710	1,820,739	1,552,111	(268,628)	1,820,739
Dhaka Electric Supply Company Ltd	7,635	575,664	353,547	(222,117)	575,664
EBL 1st Mutual Fund	137,898	1,018,413	854,968	(163,445)	1,018,413
Fortune Shoes Limited	1,574	15,740	79,959	64,219	-
IDLC Finance Ltd	36,146	2,503,384	2,060,322	(443,062)	2,503,384
International Leasing & Financial Services Ltd	17,640	1,028,566	224,028	(804,538)	1,028,566
Singer Bangladesh Ltd	4,400	767,186	847,000	79,814	485,010
Lafurge Surmah Cement Ltd	7,000	976,269	574,700	(401,569)	976,269
Square Pharmaceuticals Ltd	2,000	495,682	498,000	2,318	1,507,762
Grameen Phone Ltd	4,616	1,251,085	1,311,867	60,782	1,251,085
AFC Agro Biotech Ltd.	18,360	995,949	938,196	(57,753)	995,949
Agni Systems Ltd.	19,173	500,938	400,716	(100,222)	500,938
BSRM Steel Ltd.	5,250	505,512	487,200	(18,312)	505,512
Eastern Insurance Co. Ltd.	14,000	478,866	379,400	(99,466)	478,866
Eastern Bank Ltd.	-	-	-	-	494,834
Green Delta Insurance Co. Ltd.	2,860	190,369	142,142	(48,227)	190,369
Heidelberg Cement BD Ltd.	900	513,134	497,070	(16,064)	513,134
Ifad Autos Ltd.	8,060	722,160	807,612	85,452	489,715
Lende BD Ltd.	370	497,287	479,520	(17,767)	1,055,031
Reliance Insurance Ltd.	10,580	487,754	529,000	41,246	487,754
Southeast Bank Ltd.	25,100	498,471	469,370	(29,101)	498,471
Trust Bank Ltd.	-	-	-	-	1,489,170
United Commercial Bank Ltd.	45,927	1,005,477	978,245	(27,232)	1,005,477
Unique Hotel & Resorts Ltd.	3,600	244,451	194,040	(50,411)	244,451
United Power Generation & Distribution Co. Ltd.	12,200	1,857,385	1,727,520	(129,865)	1,857,385
Uttara Bank Ltd.	19,237	499,733	475,154	(24,579)	499,733
		32,514,266	**27,511,954**	**(5,002,312)**	**40,498,083**

	Amount in Taka	
	2016	2015
Changes in Market value of the investment in Shares:		
Market value of the investment	27,511,954	32,657,918
Less: Cost of the investment	32,514,266	40,498,083
Market value loss at 31 December	**(5,002,312)**	**(7,840,165)**
Market value loss at 01 January	**(7,840,165)**	**(5,928,109)**
Market value adjustment for the year	**2,837,853**	**(1,912,056)**

b Investment in associate

i) Cost of investment	201,368,050	201,368,050
ii) Share of post acquisition profit		
Balance as on 1 January	321,229,409	264,851,680
For the year	64,611,548	70,851,546
Dividend received	(15,921,183	(14,473,817)
	369,919,774	**321,229,409**
	571,287,824	**522,597,459**

This represents the cost of 35,026,602 shares including 3,184,236 bonus shares representing 20.64% equity in United Finance Limited, a publicly traded Company is incorporated on 27 April 1989 under the Companies Act, 1994 and listed with Dhaka Stock Exchange. Share of profit of United Finance Limited based on audited accounts for the year ended 31 December 2016 has been incorporated under equity method. Market value of the shares quoted in the Dhaka Stock Exchange amounts to Tk.802,109,186 as at 31 December 2016.

c Total market value of shares quoted in the Dhaka Stock Exchange and the over the counter market in aggregate, amounts to Tk. 829,621,139 as against cost of Tk.233,882,316 as at 31 December 2016.

10 Deferred tax assets

Carrying amount of property, plant and equipment excluding land	11,320,306	9,592,140
Tax base	9,158,388	9,851,849
Deductible temporary difference	**(2,161,918)**	**259,709**
provision for gratuity	9,350,530	15,567,280
Net deductible temporary difference	**7,188,612**	**15,826,989**
Tax rate	40.0%	40.0%
Deferred tax assets as at 31 December	2,875,445	6,330,796
Deferred tax assets in previous year	6,330,796	11,132,914
Deferred tax (expense)/income for the year	**(3,455,351)**	**(4,802,118)**

	Amount in Taka	
	2016	2015

11 Outstanding premium

Private sector:		
Co-insurance	23,931,541	33,606,574
Others	9,704,880	5,377,031
	33,636,421	**38,983,605**
Public sector	164,307	160,785
	33,800,728	**39,144,390**

12 Debtors (including advances, deposits and prepayments and others)

Advances	21,603,648	14,209,758
Security deposits	577,542	472,542
Prepayments	4,209,502	3,519,040
	26,390,692	**18,201,340**

13 Cash and cash equivalents

In hand		
Cash	320,000	320,000
Stamps	1,031,512	1,821,553
	1,351,512	2,141,553
At banks		
Fixed deposit receipts (FDR)	425,650,000	480,344,775
STD & current accounts	54,909,803	9,311,108
	480,559,803	489,655,883
	481,911,315	**491,797,436**

14 Property, plant and equipment (at cost less accumulated depreciation)

Particulars	Cost				Rate	Depreciation				WDV as at 31 December 2016	WDV as at 31 December 2015
	Opening balance	Additions during the year	Disposal during the year	Closing balance		Opening balance	Charged during the year	Adjustment during the year	Closing balance		
Land-freehold	4,737,249	2,200,000	-	6,937,249	-	-	-	-	-	6,937,249	4,737,249
Building	1,698,750	-	-	1,698,750	10%	1,429,188	53,519	-	1,482,707	216,043	269,562
Furniture & fixtures	8,485,268	387,100	-	8,872,368	10%	6,084,852	421,417	-	6,506,269	2,366,099	2,400,416
Office equipments	1,224,673	24,450	-	1,249,123	15%	1,098,817	35,084	-	1,133,901	115,222	125,856
Office decoration	3,222,864	192,258	-	3,415,122	10%	172,647	336,020	-	508,667	2,906,455	3,050,217
Computers	7,306,959	632,150	-	7,939,109	15%	5,419,508	621,253	-	6,040,761	1,898,348	1,887,451
Computers-Software	-	1,000,000	-	1,000,000	20%	-	17,534	-	17,534	982,466	-
Air conditioners	4,268,250	320,000	-	4,588,250	15%	3,573,666	240,503	-	3,814,169	774,081	694,584
Motor vehicles	10,105,378	2,240,000	2,600,000	9,745,378	20%	8,992,670	1,192,142	2,468,932	7,715,880	2,029,498	1,112,708
PABX	395,323	-	-	395,323	15%	343,977	19,252	-	363,229	32,094	51,346
Total Taka - 2016	**41,444,714**	**6,995,958**	**2,600,000**	**45,840,672**		**27,115,325**	**2,936,724**	**2,468,932**	**27,583,117**	**18,257,555**	**14,329,389**
Total Taka - 2015	**37,523,128**	**4,008,974**	**87,388**	**41,444,714**		**24,659,327**	**2,543,372**	**87,374**	**27,115,325**	**14,329,389**	

		Amount in Taka	
		2016	2015
15	**Interest and dividend income**		
	Interest on:		
	Term deposits (FDR)	32,720,123	42,309,041
	Profit & loss sharing (PLS) accounts	24,264	35,525
	Short term deposit (STD) accounts	1,306,613	1,024,575
	Bangladesh Government Treasury Bond (BGTB)	1,541,208	2,854,000
		35,592,208	46,223,141
	Dividend received from investees	1,498,218	879,853
		37,090,426	**47,102,994**

15.1 During the year under review, dividend received from associate amounting to Tk.15,921,183 has been adjusted against the share of post acquisition profit (Reference Note-9).

16	**Other income**		
	Service charges on co-insurance business	-	58,742
	Gain on sale of fixed assets	-	235,485
	Office rent income	196,824	196,824
		196,824	**491,051**
17	**Audit fees**		
	Statutory audit fee	250,000	200,000
	Special audit fee	160,000	150,000
		410,000	**350,000**
18	**General reserve**		
	Opening balance	87,350,000	85,350,000
	Add: Transferred from profit and loss appropriation account	-	2,000,000
		87,350,000	**87,350,000**

19 Proposed dividend

The Directors in their meeting held on 30 March 2017 have recommended a cash dividend Taka 1.10 per ordinary share of Taka 10 each aggregating Taka 46,200,000 for the year ended 31 December 2016 subject to approval of the shareholders in the Annual General Meeting. The financial statements for the year ended 31 December 2016 do not include the effects of the above cash dividend which will be accounted for in the period when shareholders' right to receive the payment will be established.

Amount in Taka	
2016	2015

20 Related party transactions

The Company has entered into transactions with other entities in normal course of business that fall within the definition of related party as per Bangladesh Accounting Standard-24 "Related Party Disclosures". The terms of related party transactions are not significantly different from those that could have been obtained from third parties. The significant related party transactions are as follows:

Name of the related parties	Description	Receipts during the year	Payments during the year
Duncan Brothers (Bangladesh) Limited	Office rent	-	8,058,240
	Office maintenance	-	2,111,060
	Premium received	514,167	-
	Claims paid	-	259,500
The Lungla (Sylhet) Tea Company Limited	Premium received	5,894,243	-
	Claims paid	-	1,369,773
Amo Tea Company Limited	Premium received	2,078,951	-
	Claims paid	-	97,500
The Chandpore Tea Company Limited	Premium received	966,963	-
	Claims paid	-	1,050
The Mazdehee Tea Company Limited	Premium received	964,832	-
	Claims paid	-	84,400
The Allynugger Tea Company Limited	Premium received	1,989,155	-
	Claims paid	-	165,150
Eastland Camellia Limited	Premium received	291,758	-
	Claims paid	-	87,000
The Surmah Valley Tea Company Limited	Premium received	2,004,822	-
	Claims paid	-	30,500
Camellia Duncan Foundation	Premium received	6,192	-
	Claims paid	-	-
Duncan Products Limited	Premium received	99,643	-
	Claims paid	-	-
United Finance Limited	Premium received	9,835,670	-
	Claims paid	-	1,456,445
	Office rent received	196,824	-

		Amount in Taka	
		2016	2015
21	**Unclaimed dividend**		
	2008	312,829	318,247
	2009	1,064,967	1,526,685
	2010	888,625	1,034,353
	2011	1,018,262	2,171,108
	2012	949,480	1,901,885
	2013	1,398,677	2,749,576
	2014	1,371,449	2,471,127
	2015	534,759	-
		7,539,048	**12,172,981**

22 Number of employees

The number of permanent employees engaged for the whole year who received a total annual remuneration of Tk. 36,000 and above was 267 (in 2015, the number of employees was 272).

23 Earnings per share

a) Earnings attributable to the Ordinary Shareholders (Net Profit after Tax)	120,488,938	124,313,980
b) Weighted Average number of ordinary shares outstanding during the year	42,000,000	42,000,000
Earnings per share (EPS) (2015:restated)	**2.87**	**2.96**

24 Net Assets Value Per Share

Shareholders Equity	1,202,852,866	1,109,819,279
Number of Ordinary Shares	42,000,000	42,000,000
Net Assets Value per share on shares at balance sheet date (2015: restated)	**28.64**	**26.42**

25 Net operating cash flows

Net cash used in operating activities	(35,478,266)	(10,301,317)
Number of Ordinary Shares	42,000,000	42,000,000
Net Operating Cash Flows per share on shares at balance sheet date (2015: restated)	**(0.84)**	**(0.25)**

26 Foreign currency remittances during the year

This represents reinsurance premium ceded of amount USD 402139.44 in 2016 and USD 219,113.39 in 2015 against re-insurance premium and received from overseas amount of USD 36,381.59 in 2016.

27 Overdraft with Standard Chartered Bank

The overdraft facility of Tk. 5 million with Standard Chartered Bank, Dhaka main branch was renewed for a further period of one year. During the year, the facility has been used and the overdraft balance has been fully liquidated by the Company.

The terms and conditions of the overdraft are as follows:

Interest	: Floating, as determined by the bank from time to time. Interest is calculated on the daily balance of the overdraft, accrued monthly and applied quarterly on 31 March, 30 June, 30 September and 31 December.
Repayment	: Basic facility subject to annual review.
Security	: Lien over a FDR of Tk. 5,000,000 of Standard Chartered Bank.
Validity	: The facility will expire and be subject to annual review on 31 July 2017

28 Contingent liability

i) There are some reference applications and appeals pending against income tax assessments of the company for various years and subject to the outcome of such applications and appeals, contingent liabilities of the company in respect of the disputed tax demands at 31 December 2015 arrives around Tk. 182,091,548. The required provision for tax if any, in consequence of the pending processes of reference application and appeals will be made in years of disposal thereof.

ii) Claims under litigation appear for an aggregate estimated amount of Tk 3,754,754

FORM 'AA'
CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER 2016

	Amount in Taka	
	2016	2015
Bangladesh Govt. Treasury Bond (BGTB)	25,000,000	25,000,000
Shares-at cost	27,511,954	32,657,918
Investment in associate	571,287,824	522,597,459
Cash in hand and at bank in Bangladesh	481,911,315	491,797,436
Outstanding premium	33,800,728	39,144,390
Accrued interest	10,139,411	15,039,802
Land - freehold	6,937,249	4,737,249
Buildings	216,043	269,562
Furniture and fixtures	2,366,099	2,400,416
Air conditioners	774,081	694,584
Office equipment	115,222	125,856
PABX	32,094	51,346
Office decoration	2,906,455	3,050,217
Computers	1,898,348	1,887,451
Software	982,466	-
Motor vehicles	2,029,498	1,112,708
Forms and stationery in hand	1,023,309	935,991
Debtors (including advances, deposits and prepayments)	26,390,692	18,201,340
Amounts due from other persons or bodies carrying on insurance business	200,652,550	131,197,726
Deferred tax assets	2,875,445	6,330,796
	1,398,850,783	**1,297,232,247**

Syed Aziz Ahmad
Chairman

M A Azim
Director

Rafi Omar
Director

Rafiqul Islam
Chief Executive Officer (CC)

Dhaka, 30 March 2017

UNITED INSURANCE COMPANY LIMITED
Camellia House
22, Kazi Nazrul Islam Avenue, Dhaka-1000

PROXY FORM

I/We .....
of .....
being a Member of United Insurance Company Limited do hereby appoint
Mr./Ms. .....
of .....
of (failing him/her) Mr./Ms. .....
of .....
as my/our proxy, to vote for me/us and on my/our behalf at the Thirty Second Annual General Meeting of the company to be held on 14 May 2017 and at any adjournment thereof or at any ballot to be taken in consequence thereof.

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

Revenue Stamp Tk. 20.00

Signature of Shareholder .....

Folio No. .....

BO No. | | | | | | | | | | | | | | | | |

No. of Shares

.....
Signature of Proxy

N.B.: IMPORTANT
1. This form of proxy, 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 explaind avove.
2. Signature of the Shareholder should agree with the Specimen Signature registered with the Company Depository Register.

UNITED INSURANCE COMPANY LIMITED
Camellia House
22, Kazi Nazrul Islam Avenue, Dhaka-1000

ATTENDANCE SLIP

I, hereby record my attendance at the Thirty Second Annual General Meeting of the Company being held on Sunday, 14 May 2017 at Dhaka Ladies Club, 36 Eskatan Garden Road, Ramna, Dhaka-1000.

Name of Member/Proxy .....

Folio No..... Signature .....

BO No. | | | | | | | | | | | | | | | | | Date .....

N.B.: 1. Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and deposit the same at the entrance of the meeting hall.
2. No gift/gift coupon/food box/bebefit in cash or in kind shall be distributed/paid at the AGM as per BSEC Directives.


AMAR STOCK