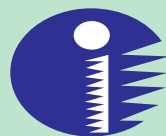


# **Annual Report 2017**



**Express Insurance Limited**

## NOTICE



### Notice of the 18th Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of Express Insurance Limited will be held on Monday, the 24th September, 2018 at 2.00 PM in the Board Room of the Head Office of the Company at Al-Razi Complex (9<sup>th</sup> & 10<sup>th</sup> Floor), 166-167, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000 to transact the following business:

### Agenda:

01. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Accounts of the Company for the period ended on 31<sup>st</sup> December, 2017 along with Auditors' Report and Directors' Report thereon;
02. To declare Dividend for the year ended on 31<sup>st</sup> December, 2017 as recommended by the Board of Directors;
03. To elect Directors;
04. To appoint Auditors' for the term till the next Annual General Meeting and to fix their remuneration.

Dated: Dhaka, 06<sup>th</sup> September, 2018

By order of the Board of Directors  
Sd/-  
**(Md. Liaquat Ali Khan)**  
Company Secretary

### Notes:

01. The register of the member and the share transfer register will remain closed from 10<sup>th</sup> September, 2018 to 24<sup>th</sup> September, 2018 (inclusive both days).
02. A member entitled to attend and vote at the above meeting may appoint a proxy (as per Article of the Association, proxy shall be a member of the Company) on his/her behalf. The proxy form duly stamped and signed shall be submitted at the Registered Office of the Company at least 48 hours before the meeting.





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# Corporate Profile

**Name of the Company**  
Express Insurance Limited

**Credit Rating**  
'A'

**Legal Form**  
Express Insurance Limited was incorporated in Bangladesh and registered with the Registrar of Joint Stock Companies & Firms as a public company limited by shares.

**Credit Rating Agency**  
Alpha Credit Rating Limited

**Chairman**  
Mrs. Farida Razzaq

**Company Registration Number**  
C-39954, Dated: 30 March, 2000

**Managing Director**  
Mr. K.M. Saidur Rahman

**Authorized Capital**  
BDT 750.00 million

**Chief Financial Officer**  
Mr. Md. Obaidul Akbar

**Paid up Capital**  
BDT 391.18 million

**Company Secretary**  
Mr. Md. Liaquat Ali Khan

**Tax Payer Identification Number (TIN)**  
214124981218

**No. of Branches**  
21

**Business Identification Number (BIN)**  
000 25 12 79

**Subsidiary Companies**  
Nil

**Auditors**  
Ahmed Zaker & Co.,  
Chartered Accountants

**Registered Office**  
Al-Razi Complex (9th & 10th Floor), 166-167, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000.  
PABX : 9554421, 9561255, 9569546, 9557196  
Fax : 880-2-9568616,  
E-mail: [express\\_insurance@ymail.com](mailto:express_insurance@ymail.com),  
Web: [www.eilbd.com](http://www.eilbd.com)

## PAST CHAIRMEN OF THE COMPANY



**Maj. Gen. Monjur Rashid (Rtd.)**  
Period (2000-2001)



**Mr. Abdur Rashid**  
Period (2001-2003)

**Ex-Chairman & Managing Director**  
M/s. Gumti Textile Ltd.  
M/s. Gumti Apparels Ltd.



**Mr. Khalilur Rahman Choudhury**  
Period (2003-2004)

**Chairman & Managing Director**  
M/s. Khalil Knitwear Ltd.  
M/s. Khalil Garments Ltd.  
M/s. Khalil & Khalil Investment Ltd.  
M/s. Ataia Trading Corp. Ltd.  
**Managing Director**  
M/s. Khalil Fashion Ltd.  
**Proprietor**  
M/s. Al-Hera Filling Station.  
M/s. KRC Rubber Plantation  
M/s. KRC CNG & Filling Station.



**Al-haj Mohammed Younus**  
Period (2004-2006)

**Director**  
**Shahjalal Islami Bank Ltd.**  
Sonali Paper & Board Mills Ltd.  
Athena Venture & Equities Ltd.  
NRB Telecom Ltd.  
Sonali Dredger Ltd.  
**Trustee**  
Fareast International University, Bangladesh  
**Member**  
Bangladesh Association of Publicly Listed Companies  
Kurmitola Golf Club  
Mohammedan Sporting Club Ltd.  
**Managing Director**  
Younus Group of Industries  
**Chairman**  
Wordbridge School



**Mr. Md. Shamsur Rahman**  
Period (2006-2009, 2015-2016)

**Chairman**  
M/s. Bay Tannery Unit-2 Ltd.  
**Director**  
Golden Life Insurance Co. Ltd.  
M/s. Bay Economic Zone  
**Managing Director**  
M/s. Bay Tanneries Ltd.  
M/s. Bay Rubber & Plastic Inds. Ltd.  
M/s. Bay Agro Industries Ltd.  
M/s. Aziz Tanneries Ltd.  
**Shareholder**  
M/s. Shalbahan Farms Ltd.



**Mr. Rezaul Karim Ansari**  
Period (2009-2011)

**Ex-Chairman**  
**Jamuna Bank Ltd.**  
**Chairman & Managing Director**  
M/s. Karim Leathers Ltd.  
M/s. Kamtex Ltd.  
M/s. Hi-Tech Steel & Re-Rolling Mills Ltd.

## PAST CHAIRMEN OF THE COMPANY



### **Managing Director**

M/s. Wills Fashion Ltd.  
M/s. Probal Garments Ltd.  
M/s. Wills Fashionwear (PVT) Ltd.  
M/s. Wills Properties Ltd.  
M/s. Triple A Ltd.  
M/s. Mirzapur Resort Ltd.  
M/s. Chalishnu Publications Ltd.

**Mr. Syed Al Farooque**  
Period (2011-2012)



### **Sponsor Shareholder EXIM Bank Ltd.**

### **Chairman & Managing Director**

M/s. Chemitan Ltd.  
M/s. Aaron Denim Ltd.

### **Proprietor**

M/s. Aaron Leather Complex

**Mr. Md. Mazakat Harun**  
Period (2012-2015)

## SPONSOR SHAREHOLDERS OF THE COMPANY



Al-haj Mohammed Younus

**Director**  
**Shahjalal Islami Bank Ltd.**  
 Sonali Paper & Board Mills Ltd.  
 Athena Venture & Equities Ltd.  
 NRB Telecom Ltd.  
 Sonali Dredger Ltd.  
**Trustee**  
 Fareast International University, Bangladesh  
**Member**  
 Bangladesh Association of  
 Publicly Listed Companies  
 Kurmitola Golf Club  
 Mohammedan Sporting Club Ltd.  
**Managing Director**  
 Yunus Group of Industries  
**Chairman**  
 Wordbridge School



Mr. Altaf Hossain Sarker

**Ex-Chairman & Director**  
**Dhaka Bank Ltd.**  
**Ex-Director**  
 BTMA  
**Founder Trustee**  
 Independent University, Bangladesh  
**Chairman & Managing Director**  
 M/s. China Plastic Ltd.  
**Managing Director**  
 Rahmat Group of Industries



Mr. Md. Shamsur Rahman

**Chairman**  
 M/s. Bay Tannery Unit-2 Ltd.  
**Director**  
 Golden Life Insurance Co. Ltd.  
 M/s. Bay Economic Zone  
**Managing Director**  
 M/s. Bay Tanneries Ltd.  
 M/s. Bay Rubber & Plastic Inds. Ltd.  
 M/s. Bay Agro Industries Ltd.  
 M/s. Aziz Tanneries Ltd.  
**Shareholder**  
 M/s. Shalbahan Farms Ltd.



Mr. Md. Mazakat Harun

**Sponsor-Shareholder**  
**EXIM Bank Ltd.**  
**Chairman & MD**  
 M/s. Aaron Denim Ltd.  
 M/s. Chemitan Ltd.  
**Proprietor**  
 M/s. Aaron Leather Complex



Mrs. Sultana Jahan

## DIRECTORS' PROFILE

### Chairman



**Mrs. Farida Razzaq**

Mrs. Farida Razzaq is the Present Chairman of Express Insurance Limited. She is one of the Sponsor Directors of the Company. Mrs. Farida Razzaq obtained her graduation from Dhaka University. She has been running her business house Nandini Printing and Publications since 1990. Besides, she is the Chairman of Ideal Asset Development Ltd., Vice-Chairman of The Millennium International School and Altimete Property Development Ltd.. She is also associated with many other social and educational organisations.

### Director



**Mr. Syed Al Farooque**

Mr. Syed Al Farooque is a Sponsor Director and Chairman, Executive Committee of Express Insurance Limited & former Chairman of the Company. He obtained M. A. with B.A. (Hon's) in Bangla Language and Literature from Dhaka University. He started business career in 1980 and set up number of Industrial units in RMG Sector. He was also involved in real estate sector with good reputation. He is also associated with media business and established celebrity and talent management. Company at home and abroad. He is the Managing Director of Wills Group. He had active role in BGMEA. He is a member of India-Bangladesh Chamber, Dutch-Bangla Chamber, German Bangladesh Chamber and IBFB. He was a member of the Executive Committee of Bangladesh Insurance Association and played vital role in developing the Insurance Industry in the country. Apart from business activities he is a reputed cultural personalities and renowned poet in the country. He is author of 40 books, and has been honoured with 23 important awards in Bangladesh, India, UK and USA for his literary contribution. He attended many international poetry and literary festival, book fair and business summit through out the world. He is associated with many other social and cultural organizations including Bangla Academy, Baridhara Society, Gulshan Club and "Muldhara". As the President of Muldhara and Shishu Shahitya Parishad he is working to expand bangla language and culture. He was the editor of weekly Akarshon, Chief Editor of Kishor Jogot, Associate editor of Shachitro Shomoy and Asia Editor of Curry Life, International magazine published from London. He is also a Reciter, song writer and music-video director.

## Director



**Mrs. Mahfuza Younus**

Mrs. Mahfuza Younus is a Sponsor Director and Chairman of the Claim Committee of the Company. Mrs. Mahfuza Younus along with her husband are running a big business house, comprising more than 18 industrial units. She is the Chairman of Sonali Paper & Board Mills Ltd., a publicly listed Company. She is also Director of Younus Paper Mills Ltd., Younus Fine Paper Mills Ltd., Younus Offset Paper Mills Ltd., Younus News Print Mills Ltd., Ananta Paper Mills Ltd., Bickrampur Potato Flakes Industries Ltd., Younus Spinning Mills Ltd., Sobhan Ice & Cold Storage Ltd., Younus Cold Storage Ltd., Gorib E Newas Cold Storage Ltd., Sideshawari Cold Storage Ltd., Noapara Cold Storage Ltd., Sharif Cold Storage Ltd., Younus Specialized Cold Storage Ltd., Europa Cold Storage Ltd., Akco Cold Storage Ltd., Combined Food & Cold Storage Ltd., Younus Filament Industries Ltd., Over the time she earned a lot of experience and managing industries of the group efficiently.

## Director

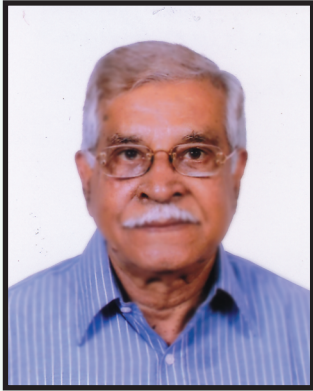


**Mr. Md. Abdul Awal**

Mr. Md. Abdul Awal is one of the Sponsor Directors of Express Insurance Limited. He is a bachelor of Business Administration. He started his business career soon after completing his education. In 2005 he started his share trading business house Synthia Securities Limited having a membership of Dhaka Stock Exchange. He is also a sponsor shareholder of Mercantile Bank Limited. Within short period of time he become a successful businessman by dint of his hard labour, sincerity, honesty and amiable dealings. He is the member Secretary of 'Abdur Razzaq & Mohammed Selim Foundation' a non-profit organization engaged in social welfare activities with a view for helping the less privileged people of the society with their education & health care.



## Director



**Mr. Khalilur Rahman Choudhury**

Mr. Khalilur Rahman Choudhury is a Sponsor Director of Express Insurance Limited and Past Chairman of Claim Committee of the Company. Mr. Khalilur Rahman Choudhury is a commerce graduate. He also earned a diploma in Credit Management in 1962 from Institute of Credit Management, UK. In his long business career he established eight Industry/business house and managing very successfully. He is the Chairman & Managing Director of Khalil Garments Ltd., shion Ltd., He is also the Proprietor of Al-Hera Filling Station, KRC CNG & Filling Station and KRC Rubber Plantation. He was elected CIP for consecutive 5 times for his valuable contribution to the economy of the country. He is associated with many other social and educational organizations. He is the founder and donor of Khalil Bidda Niketan and Khalil Choudhury Girls Academy in his locality in Sylhet. He is also associated with many other welfare organizations.

## Director



**Mrs. Marium Akhter**

Mrs. Marium Akhter is a Sponsor Director of Express Insurance Limited. Mrs. Marium Akhter comes of a respectable Muslim Family. Mrs. Marium Akhter was associated with Karim Leathers Limited since 1983 as a Director and she is the present Chairman of Karim Leathers Limited. She is also a Director of Kamtex Ltd. since 2001. Karim Leathers Limited is one of the mentionable leather industry in the country.



## Director

**Mr. Latiful Bari**

Mr. Latiful Bari is a Sponsor Director of Express Insurance Limited. Mr. Latiful Bari obtained his graduation in Business Administration from Bradford College, United States of America. After completion of his education he joined his family Group of Industries. He holds the position of the Managing Director of Rahmat Fashion Wears Limited & the Chairman of Rahmat Knit Dying & Finishing Limited. He is one of the Directors of Rahmat Textiles Limited, China Plastic (BD) Limited & Rahmat Rotors Limited. He visited many countries of the world for business purpose.

## Director

**Mr. Amir Hamza Sarker**

Mr. Amir Hamza Sarker is a Sponsor Director of Express Insurance Limited. Mr. Amir Hamza Sarker earned his B.B.M degree from Cambridge Collage, Australia. After completion of his education he started his career joining his family Group of Industries. He is the Chiarmen of Rahmat Spining Mills Limited, Chairman & Managing Director of Logos wear House Limited. Managing Director of Rahmat sweaters (BD) Limited, Belkuchi Spinning Mills Ltd., Logos Apparels Ltd., & Director Rahmat Plastice & Accessories Limited and he is the Proprietor of Logos Printing & Design. He visited many countries of the word for business purpose.

## Director

**Mr. ABM Kaiser**

Mr. ABM Kaiser born in a respectable Muslim family. In his long business career he was the Chairman and Managing Director of M/s. Gumti Textiles Limited and Gumti Apparels Limited. He is very sincere and hard working man. Presently he is running his business M/s. Kaiser Trading house.

## Director

**Mrs. Halima Harun**

Mrs. Halima Harun is one of the Sponsor Directors of Express Insurance Limited. She comes of a Muslim family and educated lady. She is associated with her family business and industry since long. Presently she is sponsor share holder of Exim Bank Limited and one of the Directors of Chemitan Limited. Being associated with these concerns she has earned knowlege and experience to manage these running concerns successfully.

## Independent Director

**Mr. Siddique Hossain Choudhury**

Mr. Siddique Hossain Choudhury is an Independent Director of Express Insurance Limited and he is the Chairman of the Audit Committee of the Board. Mr. Siddique Hossain Choudhury is a retired Govt. Officer. He served long time in various responsible position in Taxation Department. He was Director (Finance) in Bangladesh Biman. During his service he participated in high level training course in PATC and in BCS Taxes Academy, Bangladesh. He also attended training course on Tax Administration in L.A., USA and training course on Lease of Air Craft Loan held in Newyork, USA. He is also associated with many social & welfare organizations.

## Independent Director

**Mr. Feroz Ahmed**

Mr. Feroz Ahmed obtained BA (Hon's) MA Degree in Economics from Dhaka University. Then he joined Bangladesh Bank as officer grade-1 through competitive examination and served there till February 1979. Thereafter he joined Bangladesh Civil Service as a member of BCS (Custom and Excise) cadre in March, 1979. He served there in various capacities with good reputation. In February 1998 he joined as Deputy Secretary to the Government of Bangladesh in the Finance Division.

As Additional Secretary he discharged the responsibility of Chief Controller of Insurance. As Secretary to the Govt. of Bangladesh he served as Executive Director of Jamuna Bridge Authority, Youth and Sports Ministry and Commerce Ministry.

During his checkered career he also served as Chairman, Investment corporation of Bangladesh and Bangladesh Insurance Academy. He led Government and Business delegations for promoting trade and Commerce with various countries. He also visited many countries of the world for discharging Government service. He retired from Govt. service in 2010.

## Managing Director & CEO



**Mr. K. M. Saidur Rahman**

Mr. K. M. Saidur Rahman has been serving the Company since July 2006 as its Managing Director & CEO. The Company has been reportedly achieved remarkable growth in all round during his tenure of service. He is a BBA, MBA and qualified Chartered Secretaries from the Institute of Chartered Secretaries of Bangladesh and become a Fellow Member (FCS). He is also the Faculty Member of ICSB and guest lecturer of a few training institute of Banks. He has attended many insurance related seminars, symposiums and workshops. He participated in various professional training courses. Mr. Rahman is a renowned insurance personality.

## EXECUTIVES OF THE HEAD OFFICE

**Mr. K. M. Saidur Rahman, MBA, FCS.**

Managing Director & CEO

**Mr. Md. Anwar Hossain**

Additional Managing Director

**Mr. Md. Badiuzzman Lasker**

Deputy Managing Director

**Mr. Md. Ahsan Habib**

Asstt. Managing Director

**Mr. Kamrul Hasan Dulal**

Asstt. Managing Director

**Mr. Md. Nejam Uddin**

Asstt. Managing Director

**Mr. Md. Kabir Ahmed Khondaker**

Asstt. Managing Director

**Mr. Md. Nakibur Rahman Khan, B. Com (Hon's), M. Com (Management)**

Asstt. Managing Director &  
Head of Underwriting & Branch Control Department

**Mr. Md. Iqbal Hossain Chowdhury, Dip. In Electrical Engineering, MA.**

Sr. GM & Head of Claim & Re-insurance Department

**Mr. Md. Liaquat Ali Khan, BA. (Hon's), MA. (Econ.)**

Company Secretary

**Mr. Md. Obaidul Akbar**

**B.Com(Hon's), MBS (ACC), CA (CC), CGA, ITP, LLB, PGDFM**

Sr. Assistant General Manager, CFO

**Mr. Md. Al-Amin Gazi, M. Com.**

Sr. AGM, (Internal Audit)

**Mr. M. M. Anamul Haque**

AGM, Establishment Department

**Mr. Md. Shafiquz-Zaman, BA**

AGM (Underwriting Department)

**Mr. Md. Farhad Hossain Bhuiyan, BA**

AGM (Underwriting Department)

## LIST OF BRANCHES

Sl. No.	Name of Branch	Address	Name of In-charge	Phone/Fax
<b>DHAKA ZONE</b>				
01	<b>Motijheel Branch.</b>	Paramount Heights (5 <sup>th</sup> floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka.	<b>Mr.Md. Anwar Hossain</b> Additional Managing Director	9574498 (AMD), 9585763, 01711-535554 Fax No.-880-02-9574497
02	<b>Kakrail Branch</b>	Akram Tower, (11 <sup>th</sup> floor), 199, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000.	<b>Mr. Md. Badiuzzman Lasker</b> Deputy Managing Director	8392114, 8392113 01985-467457, 01842-467457
03	<b>DIT Road Branch</b>	Lal Bhaban (9 <sup>th</sup> floor), 18, Rajuk Avenue, Dhaka-1000.	<b>Mr. Kamrul Hasan Dulal</b> Asstt. Managing Director	9560740, 01912-104354 Fax No.-880-02-9571804
04	<b>Local Office</b>	28, Dilkusha, C/A (16 <sup>th</sup> floor), suit # 1602, Dhaka.	<b>Mr. Md. Nejam Uddin</b> Asstt. Managing Director	47111134, 9572284, 01732-336717 Fax No.-880-02-9570989
05	<b>Narayangonj Branch</b>	55/1, S.M Malay Road, Farzana Tower (2 <sup>nd</sup> floor), Narayangonj.	<b>Mr. Md. Kabir Ahmed Khondaker</b> Asstt. Managing Director	7644983, 01715-284293 Fax No. -880-02-7644983
06	<b>Principal Branch</b>	6, Motijheel C/A (4 <sup>th</sup> floor), Dhaka.	<b>Mr.Md. Amir Hossain Chowdhury</b> Sr. General Manager	47113862, 01713-114925, 01712-571910 Fax No.-880-02-57164107
07	<b>Paltan Branch</b>	Nurjahan Sharif Plaza, (7 <sup>th</sup> floor), 34, Purana Paltan, Dhaka.	<b>Mr. Md. Ahsan Habib Khondaker</b> Sr. General Manager	47114992, 01715-863792 Fax No.-880-02-57163896
08	<b>B.B. Avenue Branch</b>	20, B.B Avenue (3 <sup>rd</sup> floor), Dhaka.	<b>Mr. Md. Mofizul Haider</b> Sr. General Manager	9566013, 01772-407886 Fax No. -880-02-9566411
09	<b>Malibagh Branch</b>	83, Siddeswary Circular road, Manhattan Tower, (3 <sup>rd</sup> floor), Malibagh.	<b>Mr. Atiqur Rahman</b> Sr. General Manager	9333086, 01979-040572 Fax No.-880-02-8318664
10	<b>Kawran Bazar Branch</b>	57/E, Kazi Nazrul Islam Avenue, (1 <sup>st</sup> floor), Kawran bazar, Dhaka.	<b>Mr. S M Kabiruzzaman</b> Sr. General Manager	9128296, 01711-583829 Fax No. -880-02-9128296
11	<b>Hatkhole Branch</b>	33/1, Hatkhola Road (1 <sup>st</sup> floor), Dhaka.	<b>Mr. Md. Hafizur Rahman</b> Sr. General Manager	9571761, 01713-046259, Fax No. -880-02-47116863
12	<b>Topkhana Road Br.</b>	Tropicana Tower (6 <sup>th</sup> floor), 218, Shahid Syed Nazrul Islam Sharni (45, Topkhana Road), Dhaka.	<b>Mr. Md. Shaheen Hossain</b> Sr. General Manager	9586629, 01713-013079 Fax No. -880-02-9586630
13	<b>Naya Paltan Branch</b>	Navana Rahim Ardent, Suite # B2 (2 <sup>nd</sup> floor), 185, Shahid Syed Nazrul Islam Sharani, Dhaka-1000.	<b>Mr. Md. Abdul Latif</b> Sr. General Manager	9343151, 01836-567290 Fax No.-9343251
14	<b>Dilkusha Branch</b>	58, Dilkusha C/A (7 <sup>th</sup> floor), Dhaka.	<b>Mr. S.M. Sainik Ahmed</b> Sr. General Manager	9515280, 01712-253996 Fax No.-880-02-9557478
15	<b>Imamgonj Branch</b>	47, Urdu Road, (2 <sup>nd</sup> floor), Bhuiyan Plaza, Dhaka.	-	57312930, 01711-443308 01971-443308 Fax No. -880-02-57312930
16	<b>VIP Road Branch</b>	Shatabdi Centre, (8 <sup>th</sup> floor), Room no. 8/G, 292, Inner Circular Road, Dhaka.	<b>Mr. Noman Iben Nasir</b> General Manager	7191845, 01965-822445 01757-846276 Fax No. -880-02-7191846
17	<b>Bangshal Branch</b>	92, Shahid Syed Nazrul Islam Sharani (4 <sup>th</sup> floor), Bangshal, Dhaka.	<b>Mr. Shekh Abdul Halim</b> General Manager	47112912, 01711-194111 Fax No. -880-02-47112912
18	<b>Narsingdi Branch</b>	Sultan Uddin Market (4 <sup>th</sup> floor), East Chelispur, JailKhana Mor, Narsingdi.	<b>Mr. Sohel Ahmed</b> Asstt. General Manager	Mob-01715-136448
<b>CHITTAGONG ZONE</b>				
19	<b>Agrabad Branch/ Zonal Office Chittagong</b>	K.M. Tower (4 <sup>th</sup> floor), 76-77, Agrabad C/A, Chittagong.	<b>Mr. Bahar Uddin Chowdhury</b> Additional Managing Director & Zonal Chief, Chittagong Zone	031-712912, 01707-709295 Fax No.-880-031-2516947
20	<b>Khatungonj Branch</b>	Salma Tower, (3 <sup>rd</sup> floor), 398/A, Khatungong, Chittagong.	<b>Mr.Md. Forkan Azam</b> Sr. General Manager	031-623228, 01815-700308 Fax No.-880-031-625473
21	<b>Jublee Road Branch</b>	Wazico Tower, (4 <sup>th</sup> floor), 263, Jublee Road, Enayat Bazar, Chittagong.	<b>Mr. Md. Amzad Hossain</b> Sr. General Manager	031-622224, 01949-897208 Fax No. -880-031-622225

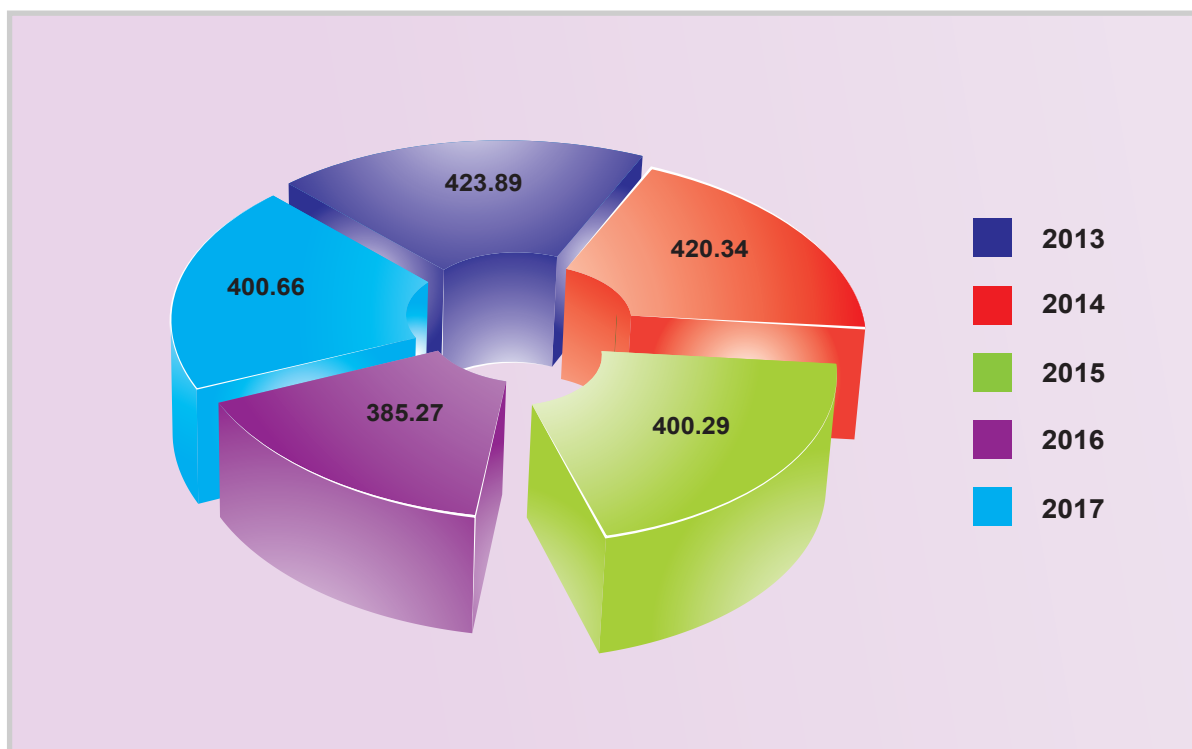
## FINANCIAL HIGHLIGHTS

Figure in Million

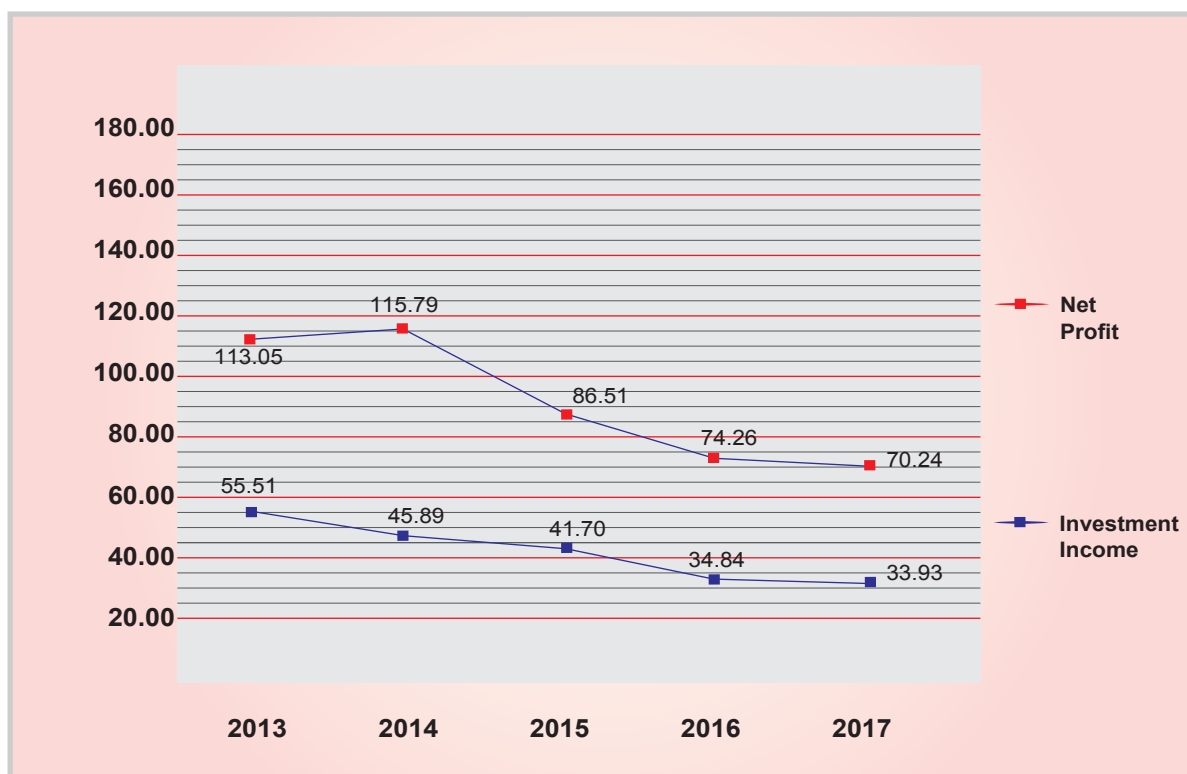
S.L No	Particulars	Year					Remarks
		2013	2014	2015	2016	2017	
01	Gross Premium Income	423.89	420.34	400.29	385.27	400.66	
02	Net Premium Income	264.58	278.50	266.42	244.70	252.29	
03	Gross Claim	116.97	78.36	112.94	54.85	56.38	
04	Under Writing Profit	84.28	96.48	67.02	57.48	41.01	
05	Investment Income	55.51	45.89	41.70	34.84	33.93	
06	Profit before tax	113.05	115.79	86.51	74.26	70.24	
07	Profit after tax	85.48	85.79	56.51	49.26	46.77	
08	Paid up Capital	325.98	325.98	391.18	391.18	391.18	
09	Share holders equity	642.39	637.42	693.92	742.11	743.01	
10	Total Reserves	246.40	241.88	254.81	262.79	265.80	
11	Total Assets	946.38	974.86	1032.44	1086.96	1087.25	
12	Total Investment	540.29	540.44	542.29	593.70	611.04	
13	Fixed Assets (Land & Building)	143.94	141.09	138.27	135.50	132.79	
14	Earning Per share (EPS) Tk.	2.62	2.64	1.44	1.26	1.20	
15	% of Dividend (Cash)	20%	-	12%	10%	10%	
16	% of Dividend (Stock)	-	20%	-	-	-	

## PERFORMANCE OF THE COMPANY

### Gross Premium Income (Taka in Million)



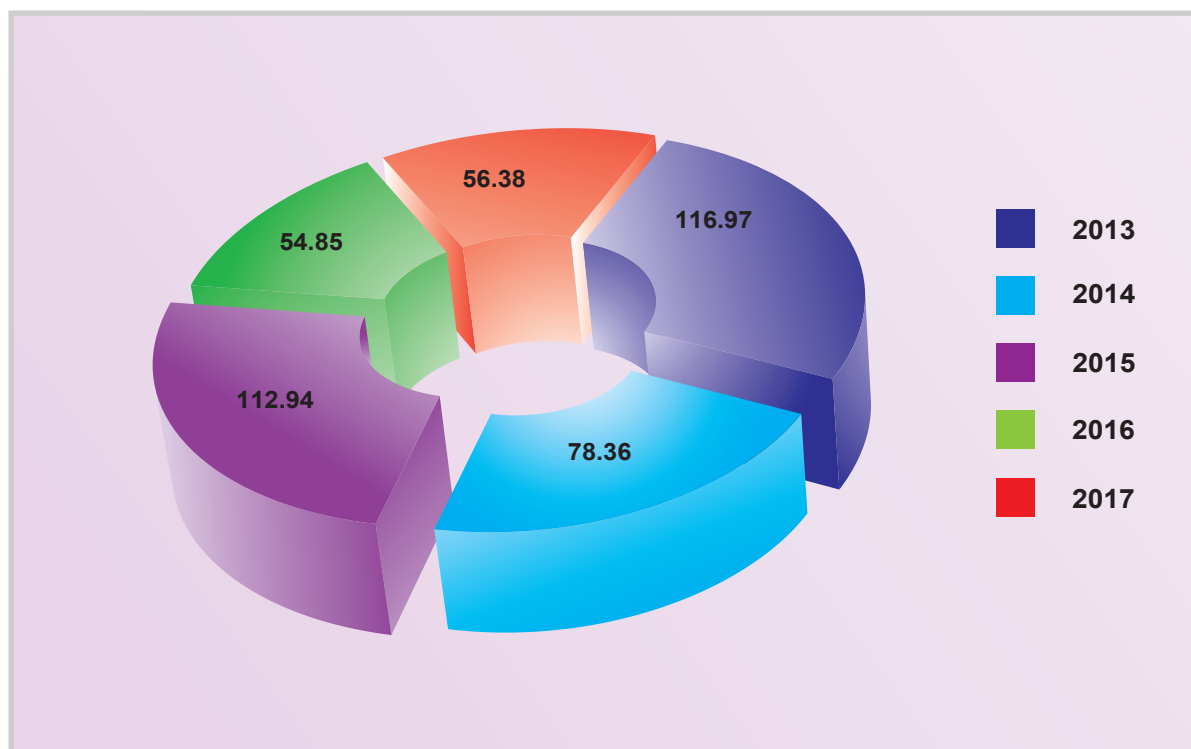
### Investment Income & Net Profit (Taka in Million)



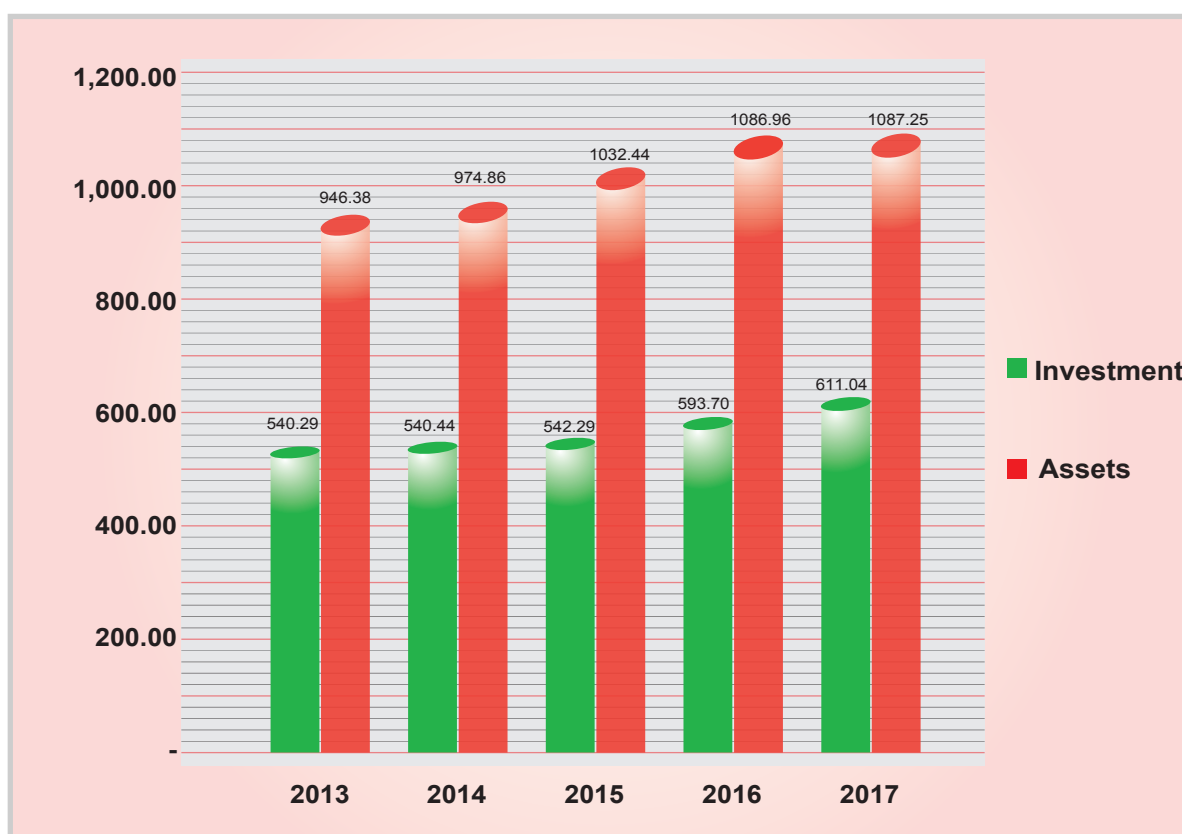


## PERFORMANCE OF THE COMPANY

### Gross Claim Paid (Taka in Million)



### Investment & Asset Position (Taka in Million)



## CHAIRMAN'S ADDRESS

*Assalamu Walaikum,*

I express my profound gratitude to the Almighty Allah for being able to present before you the progress and achievement of the Company. It is my pleasure to warmly welcome you all at the 18th Annual General Meeting. I would like to take the opportunity to express my sincere thanks and appreciation for your active participation, continuous support and co-operation. It is my privilege to present before you a short statement about the performance of the Company in 2017.

Though Bangladesh economy is expanding at a reasonable rate still it is a small economy. It is well known to you all that there are 46 Non-life Insurance Companies operating in this small economy. As a result there always exists stiff competition among the different Companies. From the very beginning of the journey Insurance Development and Regulatory Authority (IDRA) had been working hard to restrict unhealthy competition and unethical practice and to restore the image of the Industry. With this aim in view the Insurance Development and Regulatory Authority (IDRA) has issued a good number of directives to all Insurance Companies. We are hopeful that the Insurance sector will overcome all the deficiencies within a reasonable time.

In spite of all these hurdles mentioned above Express Insurance Limited earned gross premium of Tk. 400.66 Million and net Premium of Tk. 252.29 Million in the year 2017, underwriting Profit stood at Tk. 41.01 Million and net profit before tax stood at Tk. 70.24 Million. Total asset at Tk. 1087.25 Million on 31-12-2017. The Company has paid Tk. 56.38 Million for claim settlement in the year 2017.

Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed have recently joined in the Board of Directors as Independent Directors. We welcome them in the Company and hope that the Board of Directors will be more strengthened by their joining.

The Board of Directors has tireless efforts to make your investment more profitable and back you a good rate of return of investment as Dividend. But stiff competition, increase of business procurement cost & decrease of return on investment portfolio are the main obstacles to this effort.

You will be happy to know that Express Insurance Limited has been rated "A" by Alpha Credit Rating based on its claim paying ability and financial statement ended as on 31 December, 2017 which indicates strong liquidity position, good track record, good solvency ratio, sound profitability and smart investment portfolio.

I would like to thank the employees of the Company for their hard work, sincere efforts & dedication for overall growth of the Company and I hope their contribution will be more fruitful in the days to come. Lastly, I would like to convey my deep appreciation and gratitude and sincere thanks to all of our valued clients, my fellow colleagues in the Board, the Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission, Joint Stock Companies & Firms for their guidance & supports & full co-operation.

With best regards.



**(Mrs. Farida Razzaq)**

## MESSAGE FROM THE MANAGING DIRECTOR & CEO

### *Bismillahir Rahmanir Rahim*

It is indeed a great pleasure for me to let you inform the performance of the Company for the year ended 2017 through this Annual Report. We also warmly welcome you all at the 18th Annual General Meeting of your beloved Company.

As all of you know that 46 Non-Life Insurance Companies are operating in the country. Consequently unhealthy and stiff competition is going in the insurance industry. Our aim is to underwrite good insurance business rather to increase the business volume. It is our philosophy to underwrite good and comparative less risky business to minimize the loss ratio as a part of the prudent Risk Management.

You will find that your Company has earned Tk. 400.66 Million Gross Premium, the profit before tax is Tk. 70.24 Million and total investment stood at Tk. 611.04 Million during the year under review.

In spite of limited scope of diversification of investment of the company, the management is looking for new and profitable investment arena to make more profit. But the return from investment is becoming poor gradually in last few years due to cut down the interest rate of FDR's and slow & steady growth of Stock Market.

The economy of the country is growing up gradually, Industrialisation, Import growth, Increase of Export, GDP growth, lead to the Insurance Industry to generate more insurance premium.

However, our total team is now inspiring to hard work to increase business volume to make higher profit and try to diversify the investment so that performance of the current year will be better and satisfactory. I hope my all staff including the Branch Manager will devotedly work hard for better future of EIL family. Recently, the company has introduced the Workers Profit Participation Fund (WPPF) for the employees besides, Provident Fund, Group Insurance etc.

The right attention of the government. and the regulators is urgently required to solve the current problem of the insurance industry. All stakeholders should come forward to create healthy environment, good professional practice, good corporate governance. Isolated and few steps would not bring positive result. Therefore we are waiting for a series of Reforms Action Plans of the regulators to mitigate long malpractices in the industry.

In fine, I sincerely thank to our Hon'ble Chairmen, Board of Directors, Executive Committee, Claim Committee, Audit Committee and Directors for their unstinted support and co-operation in managing the Company.

I sincerely recognise the contribution of the employees of the Company and without their hard work, sincerity and devotion, the Company does not make any progress at all. I hope, their unstinted support would continue in the days ahead too.

I would also like to express my heartfelt gratitude to our valued clients for their continuous support, trust and confidence which inspired us to go ahead towards success.

I would like to place our record the excellent co-operation and support of Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) etc.

With best Regards



**(K.M. Saidur Rahman)**  
Managing Director & CEO

## DIRECTORS' REPORT TO THE SHAREHOLDERS

*Bismillahir Rahmanir Rahim*

Dear Members,  
*Assalamu Alaikum Wa-Rahmatullah*

The Board of Directors of Express Insurance Limited takes the pleasure in presenting the Directors' Report in this 18<sup>th</sup> Annual General Meeting before you along with the Audited Financial Statements for the year 2017 and a brief overview of Global and Bangladesh Economy.

### Global economy :

The global economy in fact has experienced a cyclical recovery, reflecting a rebound in investment, manufacturing activity and trade. Overall, the global economy is reported to have grown by 3.7% in 2017 which was 3.2% in 2016. Growth in the advanced economies gained significant momentum crossing a .04% above previous year & reached at 2.3%. The continued boost in domestic demand in the developed economies, favourable financial conditions, strong business and consumer confidence are expected to play a vital role in achieving expected growth targets of 3.7% in 2018 as forecasted by IMF.

### Bangladesh economy :

The economy of Bangladesh has been able to maintain sustained economic growth even in the face of global financial crises. The economy of Bangladesh has expanded significantly in 2017, despite ups and downs in the performance of major economic indicators. One of the major achievements of the economy has been a 7.28 percent economic growth in 2017, breaking the six percent circle that continued for a decade or so. As a result, the World Bank express high hope for Bangladesh economy for the next two fiscal year. Like previous years, major boost of growth has come from the industrial sector next from the service sector. Though average inflation rate was about 5.5 percent, food inflation showed an increasing rate in the last part of the year, mainly because of agricultural loss due to two rounds of flood.

The year 2018 will be a turning point for Bangladesh in many ways. Bangladesh recently fulfilled the UN's current criteria to graduate from a "least developed country" to a developing country. It has also recently advanced from a low-income country to a low-middle income country on the world Bank's scale.

The government has been implementing a number of mega projects to improve the country's alling infrastructure, which if done efficiently and timely could add further value to the growth of the country's Gross Domestic Product (GDP).

### Industry Outlook:

The insurance industry in Bangladesh has a great prospect because of a number of reasons such as the sustained growth rate of the country's GDP and per capita income, growth of the market size, increasing population and a rapid shift of the economy from a consumption one to a manufacturing one, especially through expansion and diversification of entrepreneurship in both urban and rural areas. It is also observed that the high and middle-income people and the companies running businesses with some success are becoming more conscious about their safety and therefore, the insurance businesses may see their prospect in coverage of the risks. The prospect of development of insurance business will depend on the growing understanding of the people and businesses of the facts that insurance provides safety and security through various types of the insurance products.

### Business Highlights:

Express Insurance Limited has had another successful year. The gross premium income of 2017 stood at Tk. 400.66 Million while the net premium income was Tk.252.29 Million. The underwriting profit was Tk.41.01 Million. In the year 2017 the operating income and net income of the Company were in decreasing trend inspite of little increase in premium income & decrease of investment income because of fall of rate of interest of FDR's and negative trend of share market and increase of operating expenses.

The management has taken all steps to increase its premium income this year. New marketing peoples have been recruited and new motivation package has also been declared for increase of premium income.

### Business highlights of 2017 in comparison with 2016 :

*Taka In Million*

Particulars	Fire	Marine	Motor	Misc.	2017	2016
Gross Premium Income	134.30	142.66	90.52	33.17	400.66	385.27
Re-insurance Ceded	81.55	38.83	0.74	27.25	148.37	140.57
Net Premium Income	52.76	103.83	89.78	5.92	252.29	244.70
Total Claim paid	12.88	17.40	15.36	10.74	56.38	54.85
Agency Commission	20.01	21.79	13.63	1.53	56.96	51.93
Management Expenses	57.20	60.71	38.85	14.14	170.90	164.40
Reserve for unexpired Risk	21.10	42.20	35.91	2.37	101.58	98.34
Underwriting Profit/(Loss)	(7.46)	38.40	14.84	(4.77)	41.01	57.48

### Investment Income and Net Profit :

In spite of adverse effect of investment of share and fall of rate of interest of FDR, the Company earned a net profit before tax of Tk. 70.24 Million while it was Tk. 74.26 million in the previous year.

**Comparison of investment income and profit:***Taka In Million*

<b>Over all Result</b>	<b>2017</b>	<b>2016</b>
Underwriting Profit / (Loss)	41.01	57.48
Interest & Revenue	33.93	34.84
Gain/(Loss) on sale of share	-	-
Total Investment Income	33.93	34.84
Profit before Tax	70.24	74.26
Provision for Tax	20.13	25.00
Reserved for Exceptional Loss	5.00	10.00
Dividend 10% in Cash	-	39.12
Proposed Dividend 10% in Cash	39.12	-

**Appropriation of Profit and Dividend Declaration :**

The Company has made provision of Tk. 5.00 Million as Reserve for Exceptional Loss and Tk. 20.13 Million for Corporate Tax during this year. The Board of Directors has recommended to the Members to declare @ 10% dividend in cash for the year 2017. The dividend policy of your Company is attractive and satisfactory to its shareholders. Your Company has been able to maintain good rate of dividend since last 10 (ten) years.

**Claim Settlement :**

The gross claim payment of the Company stood at Tk.56.38 Million in 2017 as against Tk.54.85 Million of 2016. Re-insurance protection for the risk undertaken by the Company is well managed and as such the clients are strongly protected.

**Investment Position :**

The investment of the Company stood at Tk. 611.04 Million at the end of 2017, after adjustment of cumulative loss of investment in shares of previous years. The head wise investment figures are listed below :

<b>Sl. No.</b>	<b>Particulars</b>	<b>2017</b>	<b>2016</b>
01.	National Investment Bond	2,50,00,000	2,50,00,000
02.	Bank Balance with Fixed Deposit	54,54,63,399	52,61,19,229
03.	Investment in Shares	4,05,81,496	3,21,82,517
04.	Investment in CMM A/C	-	1,04,00,000
<b>Total Investment</b>		<b>61,10,44,895</b>	<b>59,37,01,746</b>

**Credit Rating Report :**

Your Company has been rated 'A' by Alpha Credit Rating Ltd. based on its audited financials ended December, 2017 and other qualitative and quantitative information up to the date of rating. CPA Rating 'A' indicates high claim paying ability having good protection factors (Strong liquidity position, good solvency ratio, sound profitability and smart investment). The above rating has been assigned in consideration of its good financial and technical performance, improving good solvency, sound liquidity, diversified and smart investment portfolio.

**IPO :**

The application of IPO has already been submitted to the Bangladesh Securities and Exchange Commission with up dated information. The Commission is actively considering our draft prospectus for approval. We hope, the Commission will accord their kind consent to float our public share very soon.

**Retirement & Re-election of Directors:**

According to Articles of 112 & 113 of the Articles of Association of the Company, the following Directors of Group KA (Sponsor Shareholders) shall retire in the upcoming 18th AGM and being eligible for re-election as per Article 114, all of them have offered themselves for re-election.

1. *Mr. Syed Al Farooque*
2. *Mrs. Halima Harun*
3. *Mrs. Farida Razzaq*
4. *Mrs. Marium Akhter*

**Appointment of Independent Directors:**

Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed have been appointed as Independent Director in the Company. Mr. Siddique Hossain Choudhury is a retired Govt. officer. He was appointed in the Company on 29th May, 2017 and Mr. Feroz Ahmed was a member of BCS Cadre and retired as Secretary to the Govt. of the Peoples' Republic of Bangladesh. He was appointed in the Company on 15th October, 2017. The Board has expeted that the shareholders shall ratify their appointed in the ensuing 18th AGM.

**Audit Committee**

There was an Audit Committee since inception of the Company. With the appointment of Mr. Siddique Hossain Choudhury and Mr. Feroz Ahmed as the Independent Director of the Company Mr. Siddique Hossain Choudhury has been elected as the Chairman of the Audit Committee and Mr. Feroz Ahmed has been elected as one of the members of the Audit Committee.

**Appointment of Auditors:**

M/s. AHMED ZAKER & Co. Chartered Accountants have served the Company for the year 2017 and will retire in the 18th Annual General Meeting. They have expressed their willingness for re-appointment for the next term. The Board of Directors has recommended to the members for their consideration of re-appointment of M/s. AHMED ZAKER & Co. Chartered Accountants.

**Management:**

The Board of Director in it's 219<sup>th</sup> Board Meeting held on 28<sup>th</sup> January, 2018 has re-appointed Mr. K M Saidur Rahman as CEO for another term of 3 (three) years with effect from March 2018 and the 'Insurance Development & Regularity Authority (IDRA)' has already approved his re-appointment. The day to day management of the Company is vested with a group of qualified and experienced personnels. Mr. K M Saidur Rahman is leading the team. Under his prudunce guidance the present management has been working tireless for the continuous growth of the Company. We believe that qualified, experienced and hard working personnels are the key to success of the Company. The Board confident that under the prudent leadership of Mr. K M Saidur Rahman, CEO, the Company will march ahead and be able to maintain its' continuous growth with full support and co-operation of all employees of the Company.

**Challenges ahead:**

It is well know to you all that total 46 non-life insurance companies are operating business in the Country entitle only 2% of market share for each Company. It is big challenge for the Company to retain his market share due to uneven competition.



Besides, the terms & conditions of Re-insurance Treaty as given by the state owned Sadharan Bima Corporation, the only re-insurer in the country, may push the Company in to a high risk. The Government decision to set up the Insurance Development and Regulatory Authority (IDRA) was welcomed by all at its formation a few years back. IDRA, which become operational in January 2011 is severely understaffed to oversee the reforms in the industries. In spite of all its limitation, at the very beginning IDRA issued a good number of directives to all Insurance Companies with good intention to bring discipline in the Insurance Industry to restrict unhealthy competition and unethical practice which lead the Insurance Industry in sound and healthy position also restore the image of the Industry.

However, we are optimistic that with the expansion of Bangladesh economy demand for non-life insurance products will also increase. Government will also play positive vital role ensuring availability of electricity, and gas, infrastructure facilities and providing fiscal incentives. Establishment of Economic Zone/Export processing zone in both private & public sector & invitation of the foreign investors for invest will also play positive role in this regard.

### Compliance of Corporate Governance

The Board of Directors of the Company firmly believes that good Corporate Governance and transparency is very much essential for ensuring a disciplined and sustainable organisation. Accordingly, the Board of Directors has already implemented almost all the Guidelines of the BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated August 7, 2012. In this regard we attach the Company's compliance status with this Annual Report.

### Gratitude:

The Board of Directors convey its profound gratitude and sincere thanks to the Ministry of Finance, Ministry of Commerce, the Insurance Development & Regulatory Authority, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Sadharan Bima Corporation, all Commercial Banks, Financial Institutions, and all of our valued clients for their whole hearted support, co-operation & guidance at various stages of the Company.

The Board also thankfully remember the valuable contributions of the Chairman, Vice-chairman, Executive Committee, Claim Committee and Audit Committee of the Company for all round prosperity & success of the Company.

In fine, the Member of the Board of Directors also like to express their sincere thanks and appreciation of the services rendered by all employees of the Company and hope to receive their untiring efforts towards all round development of the Company in the days ahead, like past.

Let us pray to Almighty Allah for all round prosperity of the Company.

Allah Hafiz

For and on behalf of Board of Directors  
Of Express Insurance Limited

Date : 27 August, 2018

  
(Mrs. Farida Razzaq)  
Chairman





**PODDER & ASSOCIATES**  
**Cost and Management Accountants**

A/1 (Ground Floor), Segun Bagicha, Dhaka-1000, Bangladesh

E-mail : info@thepodders.com

As per BSEC rules (letter SEC/CMRRCD/2006-158/134/admin/44, dated 07 August, 2012), all the companies listed with any stock exchange in Bangladesh shall comply with some conditions in accordance with condition no. 7. The condition requires that the directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions and prerequisites set by BSEC in their letter.

## **Compliance Certificate**

On

## **Corporate Governance**

To the Shareholders of

## **Express Insurance Limited**

We have examined the compliance to the BSEC guidelines on Corporate Governance by Express Insurance Limited for the financial year ended on 31<sup>st</sup> December 2017, these guidelines relate to the Notification no. SEC/CMRRCD/ 2006-158/134/admin/44 dated 7 August 2012, as amended vide notification dated 21 July 2013 and 18 August 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

The compliance of conditions of the Corporate Governance Guidelines as stated in the aforesaid notification and reporting of the status of compliance is the responsibility of the management of the Company. Our review for the purpose of issuing this certificate was limited to the verification of procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance Guidelines and proper reporting of compliance status on the compliance statement on the basis of evidences obtained and representation received thereon from the management of the Company. It is neither an audit nor expression of opinion on the financial statements of the Company.

Based on information and explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance Guidelines as stipulated in the above mentioned notification of Bangladesh Securities and Exchange Commission (BSEC).

For Podder & Associates

**Jayanta Kumer Podder**

Cost and Management Accountant



Date: 28 May 2018

Place : Dhaka, Bangladesh

**Express Insurance Limited**  
**Status of Compliance with the Corporate Governance Guideline (CGC)**  
**For the period ended 31st December 2017**

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

**(Report under Condition No. 7.00)**

Condition No.	Title	Complied	Not Complied	Remarks (If any)
<b>1</b>	<b>BOARD OF DIRECTORS:</b>			
1.1	Board's Size			
	The number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty).	✓		
<b>1.2</b>	<b>Independent Directors</b>			
(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		According to Insurance Act, 2010 Sec.76, Maximum number of ID's shall be 2 (two) in the insurance company.
(ii)	<b><i>For the purpose of this clause 'Independent directors' means a director-</i></b>			
a)	Who either 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.	✓		
b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company.	✓		
c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓		
d)	Who is not a member, director. or officer of any stock exchange;	✓		
e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
f)	Who is not a partner or an executive or was not Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	✓		
g)	Who shall not be an independent director in more than 3 (three) listed companies;	✓		
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);	✓		
i)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
(iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		Approval of 01 (one) ID's are awaiting in upcoming AGM
(vi)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.	✓		
(v)	The board shall lay down a code of conduct of all board members and annual compliance of the code to be recorded.	✓		
(vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	✓		

<b>1.3</b>	<b>Qualification of Independent Director (ID)</b>			
(i)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
(ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law back ground/Professionals like Chartered Accountants, Cost & Management Accountants, and chartered Secretaries. The independent director must have at least 12 (twelve) years of corporate management/professional experiences.	✓		
(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			No such Incidence arose
<b>1.4</b>	<b>Chairman of the Board and Chief Executive Officer</b>			
(i)	The position of the chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the chairman and the chief executive officer.	✓		
<b>1.5</b>	<b>Directors Report to the Shareholders</b>			
(i)	Industry outlook and possible future developments in the industry.	✓		
(ii)	Segment-wise or product-wise performance.	✓		
(iii)	Risks and concerns.	✓		
(iv)	A discussion on Cost of Goods sold, Gross profit Margin and Net Profit Margin.	✓		
(v)	Discussion on continuity of any Extra-Ordinary gain or loss.			No such Incidence arose
(vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		
(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			No such matter to explain
(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.			No such Incidence arose
(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	✓		No such matter to explain
(x)	Remuneration to directors including independent directors.	✓		
(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.	✓		
(xii)	Proper books of account of the issuer company have been maintained	✓		
(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.	✓		
(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (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.	✓		

(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓		
(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.			No such matter to explain
(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
(xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	✓		
(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
(xxi)	The Pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:	✓		
(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
(xxi) b)	Directors, Chief Executive Office, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓		
(xxi) c)	Executive;	✓		
(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	✓		No such matter to explain
(xxii)	<b><i>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:</i></b>			
(xxii) a)	a brief resume of the director	✓		
(xxii) b)	nature of his/her expertise in specific functional areas;	✓		
(xxii) c)	Name of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
<b>2.0</b>	<b><i>Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)</i></b>			
2.1 Appointment	The company shall Appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of Internal Audit and the CS.	✓		
2.2 Requirement to attend the Board Meetings	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	✓		
<b>3.0</b>	<b><i>Audit Committee</i></b>			
(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
(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	✓		
(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		
<b>3.1</b>	<b><i>Constitution of the Audit Committee</i></b>			
(i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		

(ii)	The Board of Directors shall appoint members of the audit committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓		
(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.	✓		
(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.			No such incidence arose
(v)	The company secretary shall act as the secretary of the Committee.	✓		
(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
<b>3.2</b>	<b>Chairman of the Audit Committee</b>			
(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.	✓		
(ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).			
<b>3.3</b>	<b>Role of Audit Committee</b>			
(i)	Oversee the financial reporting process.	✓		
(ii)	Monitor choice of accounting policies and principles.	✓		
(iii)	Monitor Internal Control Risk management process.	✓		
(iv)	Oversee hiring and performance of external auditors.	✓		
(v)	Review along with the management, the annual financial statements, before submission to the board for approval.	✓		
(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
(vii)	Review the adequacy of internal audit function.	✓		
(viii)	Review statement of significant related party transactions submitted by the management.	✓		
(ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓		
(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.			No such Incidence arose
<b>3.4</b>	<b>Role of Audit Committee</b>			
(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	✓		
3.4.1(ii)a)	report on conflicts of interests;			No such Incidence arose
b)	Suspected or presumed fraud or irregularity or material defect in the internal control system.			No such Incidence arose

c)	Suspected infringement of laws, including securities related laws, rules and regulations;			No such Incidence arose
d)	any other matter which shall be disclosed to the Board of Directors immediately.			No such Incidence arose
3.4.2 Reporting to the Authorities	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission,			No such reportable Incidence arose
	upon reporting of such matters to the Board of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.			
<b>3.5</b>	<b>Reporting to the Shareholders and General Investors</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.	✓		
<b>4</b>	<b>External/Statutory Auditors</b>			
<b>The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:-</b>				
(i)	Appraisal or valuation services or fairness opinions.	✓		
(ii)	Financial information system design and implementation.	✓		
(iii)	Book-keeping or other services related to the accounting records or financial statement.	✓		
(iv)	Broker-dealer services.	✓		
(v)	Acutarial services	✓		
(vi)	Internal audit services	✓		
(vii)	Any other services that the audit committee determines.	✓		
(viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
(ix)	Audit/Certifiacion services on compliance of corporate governance as required under clause (i) of condition No.7	✓		
<b>5</b>	<b>Subsidiary Company</b>			
(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
(ii)	At least 1 (one) independent director of the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			Not Applicable
(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
(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			Not Applicable
(v)	The Audit Committee of the holding company shall also review the financial statements, in particular, the investment made by the subsidiary company.			Not Applicable

<b>6.0</b>	<b>Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO).</b>			
<b>The CEO and CFO shall certify to the Board that:-</b>				
(i)	They have reviewed financial statements for the year and that to the best of their 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;	✓		CEO and CFO certified to the Board during finalization of Financial Statement which is stated in the "Directors declaration as to Financial statements in the Directors' Report".
(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.	✓		In practice
(ii)	There are, to the best of knowledge and belief, no transactions entered into by company during the year which are fraudulent illegal or violation of the company's code of	✓		In practice
<b>7.0</b>	<b>Reporting and Compliance of Corporate Governance</b>			
(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/ Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	✓		Required certification has been obtained from "PODDER & ASSOCIATES" Cost & Management Accountants for the period ended 31st December 2017.
(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied these conditions.	✓		



## OWNERSHIP STATUS

Sl. No	Name of Directors	No. Shares	Spouse	Minor Childred	Total	% of Share
1	Mrs. Farida Razzak	39,26,572	-	N/A	39,26,572	10.0376
2	Mr. Syed Al Farooque	43,26,715	-	N/A	43,26,715	11.0605
3	Mrs. Mahfuza Younus	13,70,880	28,66,954	N/A	42,37,834	10.8333
5	Mr. Khalilur Rahman Choudhury	38,82,350	-	N/A	38,82,350	9.9245
6	Mr. Md. Abdul Awal	36,00,630	-	N/A	36,00,630	9.2044
7	Mrs. Marium Akhter	27,85,748	-	N/A	27,85,748	7.1213
8	Mr. Amir Hamza Sarker	29,04,169	-	N/A	29,04,169	7.4240
9	Mr. Latiful Bari	13,70,880	-	N/A	13,70,880	3.5044
10	Mr. ABM Kaiser	33,28,982	9,97,776	N/A	43,26,758	11.0606
11	Mrs. Halima Harun	17,40,857	13,70,880	N/A	31,11,737	7.9546
12	Mr. Siddique Hossain Choudhury Independent Director	-	-	N/A	-	0.00
13	Mr. Feroz Ahmed Independent Director	-	-	N/A	-	0.00
14	Managing Director & CEO	-	-	N/A	-	0.00
15	Company Secretary	-	-	N/A	-	0.00
16	Chief Financial Officer	-	-	N/A	-	0.00
17	Head of Internal Audit	-	-	N/A	-	0.00




## Responsibility Statement of CEO and CFO

To the best of our knowledge and belief, we certify that we have reviewed the Financial Statement of Express Insurance Limited comprising the Balance Sheet as of December 31, 2017, Profit & Loss Account, Statement of Changes in Shareholder's Equity, Statement of Cash Flows together with accounting policies and explanatory note for the year ended December 31, 2017 as follows :

- a) The Financial Statements do not contain any materially untrue statement or omit any material factor contain statement that might be misleading,
- b) The Financial Statements together present a true and fair views of the company's affairs and are in compliance with existing accounting Standard and applicable Laws.



**(Md. Obaidul Akbar)**  
Sr. AGM & CFO



**(K. M. Saidur Rahman)**  
Managing Director & CEO

## **Independent Auditors' Report To the Shareholders of Express Insurance Limited**

We have audited the accompanying financial statements of Express Insurance Limited, which comprise the statement of financial position as at December 31, 2017 and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) along with Rules & Regulations Issued by the Insurance Development & Regulatory Authority (IDRA), The Securities & Exchange Rules 1987, Insurance Act 2010, Companies Act 1994 and other Rules & Regulations. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

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

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

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

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial positions of Express Insurance Limited as of December 31, 2017 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) along with Rules & Regulations Issued by the Insurance Development & Regulatory Authority (IDRA), Insurance Act 2010, The Securities & Exchange Rules 1987 other applicable Rules & Regulations.

## Report on Other Legal and Regulatory Requirements

We also report that;

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- (c) The company's Statement of Financial Position (Balance Sheet), Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Account) and Statement of Cash Flows dealt with by the report are in agreement with the books of accounts;
- (d) The financial position of the Company as at December 31, 2017 and the profit for the year then ended have been properly reflected in the Financial Statements, and the Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applicable in Bangladesh.
- (e) The expenditures incurred during the year were for the purpose of the business of the Company;
- (f) As per section 40-C (2) of the Insurance Act, 1938 as amended, we certify that to the best of our knowledge and belief and according to the information and explanation 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 audit have been duly debited to the related Revenue Accounts and the Profit & Loss Account of the company;
- (g) As per regulation 11 of part 1 of the third schedule of the Insurance Act, 1938 as amended 2010, we certify that to the best of our knowledge and information given to us and as shown by its books, the company during the year under audit has not paid any person any commission in any form, outside Bangladesh in respect of its re-insurance business abroad;

Dhaka.  
April 22, 2018

  
AHMED ZAKER & CO.  
Chartered Accountants

## STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

EQUITY AND LIABILITIES	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Share Capital	3.0	391,184,640	391,184,640
Reserve for exceptional losses	4.0	168,594,241	163,594,241
Revaluation surplus/reserve	5.0	97,209,235	99,193,097
Profit & loss appropriation account		86,024,083	88,138,548
<b>Total Equity</b>		<b>743,012,199</b>	<b>742,110,526</b>
Balance of funds and accounts:	6.0	101,588,723	98,338,832
Workers Profit Participation Fund (WPPF)		3,344,899	-
<b>Current Liabilities</b>			
Premium Deposit	7.0	1,831,054	3,011,627
Estimated liabilities in respect of outstanding claims whether due or intimated	8.0	3,699,400	4,574,094
Amount due to other persons or bodies carrying on insurance business	9.0	64,479,395	81,311,234
Sundry creditors	10.0	5,410,777	13,869,780
Deferred tax liability	11.0	7,488,233	4,935,673
Provision for income tax	12.0	156,392,662	138,813,476
<b>Total current liabilities</b>		<b>239,301,521</b>	<b>246,515,884</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,087,247,342</b>	<b>1,086,965,242</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.



Chairman

Dhaka.  
April 22, 2018



Vice-Chairman

**AS AT 31 DECEMBER, 2017**

PROPERTY AND ASSETS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Investment	13.0	65,581,496	67,582,517
Interest accrued	14.0	17,338,052	10,926,514
Amount due from other persons or bodies carrying on insurance business	15.0	58,415,707	103,085,090
Sundry debtors (including advances, deposits and prepayment)	16.0	237,073,108	214,899,278
Cash and cash equivalent	17.0	545,463,399	526,119,229
Fixed assets (At cost/Revaluation less depreciation)	18.0	162,067,854	163,423,482
Stock of stationery		341,111	327,517
Insurance stamps in hand		966,615	601,615
<b>TOTAL PROPERTY AND ASSETS</b>		<b>1,087,247,342</b>	<b>1,086,965,242</b>
<b>NAV Per Share</b>		<b>18.99</b>	<b>18.97</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME (PROFIT AND LOSS ACCOUNT)

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Directors' fees	23.0	1,935,000	1,780,000
Audit fees		182,000	100,500
Donation & subscription		345,000	339,700
Company contribution to PF	29.0	1,954,500	2,021,599
Group Insurance		509,066	468,132
Managers Conference & Picnic		-	2,912,429
Legal & professional fees		346,375	371,125
Depreciation		7,866,030	7,805,612
IPO Submission fee		306,625	-
Registration fees		2,673,537	4,156,415
Advertisement & Publicity		343,543	423,016
<b>Expenses of management (not applicable to any particular fund and account)</b>		<b>16,461,676</b>	<b>20,378,528</b>
Balance for the period carried to statement of appropriation account		70,242,874	74,264,330
<b>Total</b>		<b>86,704,550</b>	<b>94,642,858</b>

## STATEMENT OF APPROPRIATION ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Reserve for exceptional losses	4.0	5,000,000	10,000,000
Provision for taxation including deferred tax	22.0	20,131,746	25,000,000
Worker's Profit Participation Fund (WPPF)		3,344,899	-
Balance Transferred to Statement of Financial Position		86,024,083	88,138,548
<b>Total</b>		<b>114,500,728</b>	<b>123,138,548</b>
<b>Earning Per Share (EPS)</b>	<b>2(B)</b>	<b>1.20</b>	<b>1.26</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.



Chairman

Dhaka.  
April 22, 2018



Vice-Chairman

**FOR THE YEAR ENDED 31 DECEMBER, 2017**

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Interest, Dividend and Rents (not applicable to any particular fund and account)	19.0	33,929,311	34,843,908
Profit/(loss) transferred from revenue accounts	21.0	41,012,024	57,482,512
Un Realized Gain on Revaluation of Share	13.01	6,847,229	2,316,438
Gain on sale of Old Car	20.0	4,915,986	-
<b>Total</b>		<b>86,704,550</b>	<b>94,642,858</b>

**FOR THE YEAR ENDED 31st DECEMBER, 2017**

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Balance from last year	24.0	44,257,854	48,874,218
Net profit for the period brought down		70,242,874	74,264,330
<b>Total</b>		<b>114,500,728</b>	<b>123,138,548</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.



## CONSOLIDATED INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
<b>Claims under policies less re-insurances:</b>			
Paid during the year	26.0	19,430,928	23,624,224
Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	3,699,400	4,574,094
		23,130,328	28,198,318
Less: Claims outstanding at the end of the previous year	8.0	4,574,094	5,991,668
		<b>18,556,234</b>	<b>22,206,650</b>
Agency Commission	28.0	56,962,767	51,926,971
Expenses of Management	27.0	170,904,606	164,400,986
Balance of account at the end of the year as shown in the Balance Sheet	6.0	101,588,723	98,338,832
Profit transferred to Profit & Loss Account	21.0	41,012,024	57,482,512
<b>Total</b>		<b>389,024,354</b>	<b>394,355,951</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.



Chairman



Vice-Chairman

Dhaka.  
April 22, 2018

**FOR THE YEAR ENDED 31 DECEMBER, 2017**

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
<b>Balance of account at the beginning of the year:</b>			
Reserve for unexpired risks		98,338,832	106,762,269
Premium less re-insurances	25.0	252,290,020	244,702,637
Commission on re-insurances ceded		38,395,502	42,891,045
<b>Total</b>		<b>389,024,354</b>	<b>394,355,951</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## FIRE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Claims under policies less re-insurances:			
Paid during the year	26.01	(2,290,539)	4,692,542
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	2,320,314	1,986,627
		<b>29,775</b>	<b>6,679,169</b>
Less: Claims outstanding at the end of the previous year	8.0	1,986,627	1,834,232
		<b>(1,956,852)</b>	<b>4,844,937</b>
Agency Commission	28.0	20,010,245	15,924,016
Expenses of Management	27.2	57,203,039	50,157,980
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	21,102,120	13,294,767
Profit transferred to Profit & Loss Account		(7,459,411)	(9,425,759)
<b>Total</b>		<b>88,899,141</b>	<b>74,795,941</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.



Chairman



Vice-Chairman

Dhaka.  
April 22, 2018

**FOR THE YEAR ENDED 31 DECEMBER, 2017**

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Balance of account at the beginning of the year :			
Reserve for unexpired risks		13,294,767	17,376,134
Premium less re-insurances	25.01	52,755,299	33,236,917
Commission on re-insurances ceded		22,849,075	24,182,890
<b>Total</b>		<b>88,899,141</b>	<b>74,795,941</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## MARINE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Claims under policies less re-insurances:			
Paid during the year	26.01	6,286,419	446,980
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	444,742	1,240,017
		<b>6,731,161</b>	<b>1,686,997</b>
Less: Claims outstanding at the end of the previous year	8.0	1,240,017	296,936
		<b>5,491,144</b>	<b>1,390,061</b>
Agency Commission	28.0	21,787,818	24,312,671
Expenses of Management	27.2	60,713,090	75,798,212
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income on marine cargo and 100% of premium income on Marine Hull of the year:			
Cargo	6.01	41,083,249	53,065,399
Hull		1,121,191	762,962
		42,204,440	53,828,361
Profit transferred to Profit & Loss Account		38,399,801	49,519,989
<b>Total</b>		<b>168,596,293</b>	<b>204,849,294</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

Dhaka.  
April 22, 2018

## FOR THE YEAR ENDED 31 DECEMBER, 2017

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Balance of account at the beginning of the year :			
Reserve for unexpired risks		53,828,361	57,636,869
Premium less re-insurances	25.01	103,829,314	133,426,460
Commission on re-insurances ceded		10,938,618	13,785,965
<b>Total</b>		<b>168,596,293</b>	<b>204,849,294</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## MOTOR INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Claims under policies less re-insurances:			
Paid during the year	26.01	15,355,745	17,322,392
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated	8.0	934,344	1,347,450
		<b>16,290,089</b>	<b>18,669,842</b>
Less: Claims outstanding at the end of the previous year	8.0	1,347,450	3,860,500
		<b>14,942,639</b>	<b>14,809,342</b>
Agency Commission	28.0	13,635,441	10,409,365
Expenses of Management	27.2	38,852,827	32,917,301
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	35,914,119	28,399,798
Profit transferred to Profit & Loss Account		14,840,070	13,906,282
<b>Total</b>		<b>118,185,096</b>	<b>100,442,088</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.

  
Chairman

  
Vice-Chairman

Dhaka.  
April 22, 2018

**FOR THE YEAR ENDED 31 DECEMBER, 2017**

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Balance of account at the beginning of the year :			
Reserve for unexpired risks		28,399,798	29,276,171
Premium less re-insurances	25.01	89,785,298	70,999,495
Commission on re-insurances ceded		-	166,422
<b>Total</b>		<b>118,185,096</b>	<b>100,442,088</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.



## MISCELLANEOUS INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Claims under policies less re-insurances:			
Paid during the year	26.01	79,303	1,162,310
Add: Total estimated liability in respect of outstanding claims at the end of the year whether due or intimated		-	-
		<b>79,303</b>	<b>1,162,310</b>
Less: Claims outstanding at the end of the previous year		-	-
		<b>79,303</b>	<b>1,162,310</b>
Agency Commission	28.0	1,529,263	1,280,919
Expenses of Management	27.2	14,135,650	5,527,493
Balance of account at the end of the year as shown in the Balance Sheet			
Reserve for unexpired risks being 40% of premium income of the year	6.0	2,368,044	2,815,906
Profit transferred to Profit & Loss Account		(4,768,436)	3,482,000
<b>Total</b>		<b>13,343,824</b>	<b>14,268,628</b>

\* The accompanying notes and policies (1-37) form an integral part of these Financial Statements.

  
Chairman

Dhaka.  
April 22, 2018

  
Vice-Chairman

## FOR THE YEAR ENDED 31 DECEMBER, 2017

PARTICULARS	NOTES	Amount in Taka	
		As at 31st December	
		2017	2016
Balance of account at the beginning of the year :			
Reserve for unexpired risks		2,815,906	2,473,095
Premium less re-insurances	25.01	5,920,109	7,039,765
Commission on re-insurances ceded		4,607,809	4,755,768
<b>Total</b>		<b>13,343,824</b>	<b>14,268,628</b>



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants

Signed as per our separate report of same date.

## Express Insurance Limited

### Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER, 2017

Particulars	Notes	Amount in Taka	
		As at 31st December	
		2017	2016
<b>A. Cash flow from operating activities:</b>			
Collection from premium and Other Received	30.0	410,819,905	404,040,281
Payment for Management Expenses, Re-insurance and Claims	31.0	(321,943,464)	(313,968,729)
Income Tax paid	32.0	(24,192,619)	(33,319,524)
<b>Net Cash Generated from Operating Activities</b>		<b>64,683,822</b>	<b>56,752,028</b>
<b>B. Cash Flow From Investing Activities :</b>			
Fixed Assets Acquired		(10,304,416)	(3,517,357)
Fixed Asset Sales		-	26,000
Investment in Share		(1,437,640)	-
Investment in CMM AC.		(1,300,000)	(3,900,000)
Encashment of CMM AC.		13,884,000	-
Security Deposit & Advance		(317,040)	(3,089,465)
<b>Net Cash Generated/(Used) in Investing Activities</b>		<b>524,904</b>	<b>(10,480,822)</b>
<b>C. Cash Flow From Financing Activities :</b>			
Cash dividend paid		(45,864,556)	(1,077,598)
<b>Net Cash Used From Financing Activities</b>		<b>(45,864,556)</b>	<b>(1,077,598)</b>
<b>D. Net Increase in Cash and Cash Equivalents (A+B+C)</b>		<b>19,344,170</b>	<b>45,193,608</b>
<b>E. Cash &amp; Cash Equivalents at the beginning of the year</b>		<b>526,119,229</b>	<b>480,925,621</b>
<b>F. Cash &amp; Cash Equivalents at the end of the year (D+E)</b>		<b>545,463,399</b>	<b>526,119,229</b>
<b>Net operating cash flow per share (NOCFPS)</b>		<b>1.65</b>	<b>1.45</b>

The accompanying notes and policies (1-37) form an integral part of these Financial Statements.



Chairman



Vice-Chairman



Director



Chief Executive Officer



**AHMED ZAKER & CO.**  
Chartered Accountants

Signed as per our separate report of same date.

Dhaka.

April 22, 2018

# Express Insurance Limited

## STATEMENT OF CHANGES IN EQUITY


FOR THE YEAR ENDED 31 DECEMBER, 2017


Particulars	Share Capital	Proposed Issue of Bonus Share	Retained Earnings	Reserve for Exceptional Losses	Revaluation Surplus	Reserve for Investment Fluctuation Fund	Total Equity
Balance as on 1st January, 2017	391,184,640	-	88,138,548	163,594,241	99,193,097	-	742,110,526
Addition during the year	-	-	41,766,229	5,000,000	-	-	46,766,229
Cash Dividend	-	-	(45,864,556)	-	-	-	(45,864,556)
Stock Dividend	-	-	-	-	-	-	-
Prior year adjustment (Brokerage Comm.)	-	-	-	-	-	-	-
Reserve Transfer	-	-	1,983,862	-	(1,983,862)	-	-
<b>31st December, 2017 Total</b>	<b>391,184,640</b>	<b>-</b>	<b>86,024,083</b>	<b>168,594,241</b>	<b>97,209,235</b>	<b>-</b>	<b>743,012,199</b>
Balance as on 1st January, 2016	391,184,640	-	47,927,467	153,594,241	101,217,446	-	693,923,794
Addition during the year	-	-	39,264,330	10,000,000	-	-	49,264,330
Cash Dividend	-	-	(1,077,598)	-	-	-	(1,077,598)
Stock Dividend	-	-	-	-	-	-	-
Reserve Transfer	-	-	2,024,349	-	(2,024,349)	-	-
<b>31st December, 2016 Total</b>	<b>391,184,640</b>	<b>-</b>	<b>88,138,548</b>	<b>163,594,241</b>	<b>99,193,097</b>	<b>-</b>	<b>742,110,526</b>

  
Chairman

  
Vice-Chairman

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Dhaka.  
April 22, 2018

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2017

### 1 Introduction:

Express Insurance Limited was incorporated and commenced its business as a Public Limited Company in Bangladesh on March 30, 2000 under the Companies Act, 1994. with the issuance of incorporation certificate bearing no. C-39954(1922/2000) dated 30 March, 2000 issued by the Registrar of Joint Stock Companies and Firms. However, the permission to carry on Insurance Business was obtained from the Controller of Insurance, Government of Peoples Republic of Bangladesh on May 18, 2000.

#### **Nature of business:**

The primary objectives of the Company are to carry on all kinds of insurance, guarantee and indemnity business other than life insurance business.

### 2 Basis of presenting accounts and significant accounting policies:

#### A) Basis of presenting accounts:

##### i) Basis of accounting:

The financial statements have been prepared on a going concern basis under Generally Accepted Accounting Principles (GAAP) on historical cost convention. These statements have also been prepared in accordance with applicable International Financial Reporting Standards as were adopted in Bangladesh under the name of International Financial Reporting Standards (IFRSs) with reference to disclosures of accounting policies and valuation of investment.

##### ii) Basis of presentation:

The Statement of Financial Position has been prepared in accordance with the regulations as contained in Part-I of the First Schedule and as per Form "A" as set forth in Part-II of that Schedule, Statement of Comprehensive Income and Profit and Loss Appropriation Account has been prepared in accordance with the regulation contained in Part-I of the second schedule and as per Form "B" & "C" as set forth in Part-II of that Schedule respectively of the Previous Insurance Act, 1938. Revenue Account of each class of general insurance business has been prepared in accordance with the regulations as contained in Part-I of the Third Schedule and as per Form 'F' as set forth in Part-II of that Schedule of the Previous Insurance Act, 1938 as amended. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part-II of the aforesaid Act. The Cash Flow Statement has also been included as per requirement of the Securities and Exchange Commission's Rules 1987 as well as per guideline of IAS-7.

##### iii) Going Concern:

The Company has adequate resources to continue in the operatin as a going concern for the foreseeable future. For this reason, the accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Express Insurance Limited be unable to continue as a going concern.

##### iv) Method:

The Financial statements have been drawn on accrual basis.

**v) General:**

- a) Figures appearing in these Financial Statements have been rounded off to the nearest Taka.
- b) Previous year's figures have been rearranged and adjusted wherever considered necessary to conform to the standard accounting practice.

**B) Basic earnings per share:**

Earning per Share (EPS) has been computed considering the earning attributable to the Ordinary Share holders dividing by the weighted average number of shares outstanding during the year as per BAS-33. The calculation of Earning per Share as under:

	31-12-2017 Taka	31-12-2016 Taka
Profit before Tax	70,242,874	74,264,330
Less : Provision for income tax including Deferred Tax	(20,131,746)	(25,000,000)
Less: Worker's Profit Participation (WPPF)	(3,344,899)	-
Profit after Tax	46,766,229	49,264,330
Number of Ordinary Shares	39,118,464	39,118,464
<b>Earning Per share (EPS)</b>	<b>1.20</b>	<b>1.26</b>

**C) Cash flow statement:**

Cash flow statement prepared in accordance with IAS-7 under Direct Method.

**D) Revenue recognition [IAS-18]:**

- i) Premium is recognized when insurance policies are issued. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Re-insurance premium on PSB.
- ii) The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the period in which the relevant statement of accounts is received from Shad-haran Bima Corporation. The statements of account for the period from July 2016 to June 2017 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly.
- iii) Amounts received against issue of Cover Notes, which have not been converted into Policy are recognized as income at the earlier of Cover Notes converted into Policy or after expiry of two years of Cover Notes in accordance with SBC's Circular.
- iv) Interest on Fixed Deposit Receipts (FDR), Account and National Investment Bond (NIB) are recognized as revenue on accrual basis.
- v) Income from marketable securities has been taken into account at actual amount earned and received on its disposal.

**E) Employees' retirement benefit scheme :**

Express Insurance Ltd. offers a number of benefit plan for all permanent Employee's of the company which includes Contributory Provident Fund, Workers Profit Participation Fund, Festival bonus, incentive bonus and group insurance policy which have been accounted for the accordance with the provision of International Accounting Standard (IAS)-19.

**i) Provident fund :**

Under defined contribution scheme. Company operates duly recognized Provident Fund managed by independent Board of trustees for all permanent employees. The eligible employee contributes @ 10% of their basic salary. The Company's contribution to the scheme are charged to profit & loss Account in the year in which they relate.

**ii) Group insurance policy :**

The company has been operating a Group Insurance policy for all confirmed/permanent employees for the supporting of family assistance after death of any Employee's as per Group Insurance Policy terms & condition.

**iii) Workers Profit Participation Fund (WPPF):**

The Company has been operating a fund name Worker's Profit Participation Fund (WPPF) as per section 232 of Bangladesh labour law-2006. It was approved in the 210th board meeting held on 29 May, 2017. Necessary provision for Worker's Profit Participation Fund (WPPF) also made for the year 2017.

**F) Provision for un-expired Risk:**

Surplus/(deficit) on Revenue Accounts has been arrived after making necessary provision for un-expired risk @ 40% of net premium income on all business except Marine Hull Insurance for which provision has been made @ 100% on net premium income under Section 27A (2B & 2C) of Previous Insurance Act, 1938.

**G) Allocation of total management expenses:**

Total related management expenses have been allocated among the different Revenue Accounts on pro-rata basis of their respective gross premium income.

**H) Depreciation on Fixed Assets:**

- i) Depreciation on fixed assets has been calculated on all assets using reducing balance method at varying rates depending on the class of assets. Methods and rates of depreciation are consistently applied in relation to previous period. Depreciation on newly acquired assets is charged from the period of the date of acquisition, Land and Building depreciation charged on revalued amount during the year. The Fixed Assets are depreciated at the following rates:

Items	Rate
Land and Building	2%
Furniture and Fixture	10%
Office Equipments	20%
Electrical Equipments	20%
Air Conditioner	20%
Motor Vehicle	20%
Telephone installation	20%
Office Decoration	10%
Computer	30%
Crockeries & Cutleries	20%

- ii) The value of all assets as shown in the statement of financial position and in the annexed Classified Summary of Assets drawn up in accordance with form "AA" of part-II of the First Schedule to the Previous Insurance Act 1938, have been reviewed and set forth in the statement of financial position at amounts not exceeding their book value.

**I) Related party transactions [IAS-24]:**

During the year, the Company carried out a number of transactions with related parties in the normal course of business.

**J) Provisions relating to collection of premium:**

The company has always complied with the Section 18 of the Insurance Act, 2010 as applicable in regard to provision of collection of premium.

**K) Investment of assets:**

The Section 41 of Insurance Act, 2010 has always complied by the Company.



**L) Restriction on certain investment:**

There is no investment by Express Insurance Limited or hold any shares or debentures of any Company, firms or other business concern in which any directors or any members of the family of such directors has any interest as Proprietor, Partner, Director and Managing Director as per Section 41 (1) of Insurance Act, 2010.

**M) Prohibition of loans:**

As per Section 44 of Insurance Act 2010, The Company has never granted any loan to any Director or any member of the family, Banking Company, Subsidiary Company and Auditor, any loan or temporary advance either and hypothecation property or personal security or otherwise.

**N) Additional information on financial statement :****i) Responsibility for preparation and presentation of financial statements :**

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

**ii) Reporting period:**

Financial Statement of the Company covers on calendar period from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017.

**iii) Reporting currency and level precision:**

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

**iv) Comparative information:**

Comparative information have been disclosed in respect of the year from 1<sup>st</sup> January 2016 to 31<sup>st</sup> December 2016 for all numerical information in the Financial Statements and also the narrative and descriptive information when it is relevant for understanding of the current years financial statements.

Figures of the year from 1<sup>st</sup> January 2016 to 31<sup>st</sup> December 2016 have been rearranged whenever considered necessary to ensure comparability with the current year.

**v) Components of the Financial Statements:**

According to the International Accounting Standard (IAS) 1 "Presentation of Financial Statements" the complete set of Financial Statements include the following components:

- (i) Statement of financial position as at December 31, 2017.
- (ii) Statement of comprehensive income and Profit and Loss appropriation account for the year ended December 31, 2017.
- (iii) Related Revenue Accounts for the year ended December 31, 2017.
- (iv) Statement of Changes in Equity for the year ended December 31, 2017.
- (v) Cash Flow Statement for the year ended December 31, 2017.
- (vi) Accounting Policies and Explanatory notes for the year ended December 31, 2017.

**3.0 Share Capital:****3.01 Authorised Share Capital**

75,000,000 ordinary shares of Tk.10 each.

**3.02 Issued, subscribed and Paid up Capital**

60,00,000 Ordinary shares of Tk. 10 each.

Bonus share issued different year, 1,98,88,464 shares of Tk. 10 each.

Right share issued different year, 1,32,30,000 shares of Tk. 10 each.

During the year 2017, there is no shares has been issued as stock dividend.

Amount in Taka	
31 Dec 2017	31 Dec 2016
750,000,000	750,000,000
60,000,000	60,000,000
198,884,640	198,884,640
132,300,000	132,300,000
<b>391,184,640</b>	<b>391,184,640</b>

Shares holding position of Sponsors Directors and Sponsors Share holder as on 31st December 2017 are as follows:

Sl. No.	Name of the Sponsor Share Holders	Class of Share	No. of Shares subscribed	Nominal value of Shares	Amount (Tk)	Percentage of Share holding
1	Farida Razzak	Ordinary	3,926,572	Tk. 10 each	39,265,720	10.04
2	Md. Mazakat Harun	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
3	Md. Shamsur Rahman	Ordinary	3,111,736	Tk. 10 each	31,117,360	7.95
4	Md. Abdul Awal	Ordinary	3,600,630	Tk. 10 each	36,006,300	9.20
5	Marium Akhter	Ordinary	2,785,748	Tk. 10 each	27,857,480	7.12
6	Syed Al Farooque	Ordinary	4,326,715	Tk. 10 each	43,267,150	11.06
7	Khalilur Rahman Chowdhury	Ordinary	3,882,350	Tk. 10 each	38,823,500	9.92
8	Altaf Hossain Sarker	Ordinary	1,533,335	Tk. 10 each	15,333,350	3.92
9	Mahfuza Younus	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
10	A. B. M Kaiser	Ordinary	3,328,982	Tk. 10 each	33,289,820	8.51
11	Amir Hamza Sarker	Ordinary	2,904,169	Tk. 10 each	29,041,690	7.42
12	Al-haj Mohammad Younus	Ordinary	2,866,954	Tk. 10 each	28,669,540	7.33
13	Halima Harun	Ordinary	1,740,857	Tk. 10 each	17,408,570	4.45
14	Sultana Jahan	Ordinary	997,776	Tk. 10 each	9,977,760	2.55
15	Latiful Bari	Ordinary	1,370,880	Tk. 10 each	13,708,800	3.50
			<b>39,118,464</b>		<b>391,184,640</b>	<b>100</b>

Statement of Fixed Deposit Receipt of different banks for deposit of Paid Up Capital of Tk. 391,184,640 is shown below:

		Amount in Taka	
		As at 31st December	
		2017	2016
1	AB Bank Ltd.	4,500,000	4,500,000
2	Al-Arafah Islami Bank Ltd.	30,000,000	33,000,000
3	Bank Asia Ltd.	35,000,000	35,000,000
4	BD. Commerce Bank Ltd.	6,090,000	6,090,000
5	BASIC Bank Ltd.	1,500,000	1,500,000
6	BRAC Bank Ltd.	2,000,000	2,000,000
7	Dhaka Bank Ltd.	25,000,000	25,000,000
8	Dutch-Bangla Bank Ltd.	8,294,640	8,394,640
9	Eastern Bank Ltd.	1,500,000	1,500,000
10	EXIM Bank Ltd.	25,000,000	25,000,000
11	First Security Bank Ltd.	9,500,000	9,500,000
12	I.F.I.C. Bank Ltd.	16,000,000	20,000,000
13	Islami Bank (BD) Ltd.	17,000,000	17,000,000
14	Jamuna Bank Ltd.	12,000,000	12,000,000
15	Mercantile Bank Ltd.	12,500,000	12,500,000
16	Mutual Trust Bank Ltd.	18,000,000	18,400,000
17	N.C.C. Bank Ltd.	14,000,000	14,000,000
18	National Bank Ltd.	9,000,000	15,500,000
19	One Bank Ltd.	10,000,000	10,000,000
20	Premier Bank Ltd.	10,000,000	5,000,000
21	Prime Bank Ltd	12,000,000	12,000,000
22	Rajshahi Krishi Unn. Bank	1,000,000	1,000,000
23	Shahjalal Islami Bank Ltd.	10,000,000	6,000,000

		Amount in Taka	
		As at 31st December	
		2017	2016
24	Social Investment Bank Ltd.	10,000,000	10,000,000
25	Southeast Bank Ltd.	30,000,000	25,000,000
26	Standard Bank Ltd.	19,000,000	19,000,000
27	State Bank of India	1,000,000	1,000,000
28	Trust Bank Ltd.	2,000,000	2,000,000
29	United Commercial Bank Ltd.	8,000,000	8,000,000
30	Rupali Bank Ltd.	2,000,000	2,000,000
31	Uttara Bank Ltd.	4,000,000	4,000,000
32	Bank Al-Falah	300,000	300,000
33	National Investment Bond	25,000,000	25,000,000
<b>Total</b>		<b>391,184,640</b>	<b>391,184,640</b>

#### 4.0 Reserve for Exceptional Losses:

As per Para 6 of the 4th schedule of Income Tax Ordinance, 1984 to meet the exceptional losses, the Company sets aside maximum 10% (ten percent) of the net premium income of the year in which it is set aside from the balance of the profit.

Opening balance	163,594,241	153,594,241
Addition during the year	5,000,000	10,000,000
Less: Adjustment	-	-
	<b>168,594,241</b>	<b>163,594,241</b>

#### 5.0 Revaluation Surplus [IAS-16]:

The company made revaluation of its Land & Building located at Al-Razi Complex (9<sup>th</sup> & 10<sup>th</sup> Floor), 166-167, Shahid Syed Nazrul Islam Sarani, Bijoy Nagar, Dhaka-1000 as on 29-06-2011 by an independent Professional Accountant Firm Aziz Halim Khair Choudhury & Co. Chartered Accountants, "Baitul Mesbah" Building No.2 (3<sup>rd</sup> & 4<sup>th</sup> Floor), House # 79 (New) Road # 12/A (New), Dhanmondi, Dhaka-1209 to arrive at a fair market value for the purpose of accounting with effect from 30.06.2011.

A transfer of Reserve is made during the year. The Reserve transfer is recorded as actual depreciation less equivalent charge based on original historical cost of Land & Building. Transfer is shown in Statement of change in Equity (Retained Earnings) as per IAS-16. The transfer is made as follows:

Particulars of revalued assets	Book value	Value after Valuation	Reserve transfer	Revaluation Reserve
Opening Balance (Land & Building)	40,133,508	149,870,000	10,543,395	99,193,097
Addition during the year	-	-	-	-
Reserve transfer during the year	-	-	1,983,862	(1,983,862)
<b>Total</b>	<b>40,133,508</b>	<b>149,870,000</b>	<b>12,527,257</b>	<b>97,209,235</b>

**6.0 Balance of Fund Account:**

Class of Business	Amount in Taka	
	As at 31st December	
	2017	2016
Fire	21,102,120	13,294,767
Marine (Note-6.01)	42,204,440	53,828,361
Motor	35,914,119	28,399,798
Miscellaneous	2,368,044	2,815,906
<b>Total</b>	<b>101,588,723</b>	<b>98,338,832</b>

**6.01 Marine**

Cargo	41,083,249	53,065,399
Hull	1,121,191	762,962
	<b>42,204,440</b>	<b>53,828,361</b>

**7.0 Premium Deposit :**

Premium Deposit	1,831,054	3,011,627
	<b>1,831,054</b>	<b>3,011,627</b>

The amount represents the balance of premium received against Cover Notes over the years for which Policies are not issued within 31<sup>st</sup> December 2017.

**8.0 Estimated liability in respect of outstanding claims whether due or intimated :**

Particulars	Balance as on 01.01.2017	Claim Raised during the year	Claim paid during the year	Balance as on 31.12.2017
Fire	1,986,627	13,209,386	12,875,699	2,320,314
Marine	1,240,017	16,606,276	17,401,551	444,742
Motor	1,347,450	14,942,639	15,355,745	934,344
Miscellaneous	-	10,744,598	10,744,598	-
<b>Total</b>	<b>4,574,094</b>	<b>55,502,899</b>	<b>56,377,593</b>	<b>3,699,400</b>

**9.0 Amount due to other persons or bodies carrying on insurance business :**

Opening balance payable to SBC	81,311,234	94,075,012
Addition during the year	-	-
Less: Adjustment/paid to SBC	(16,831,839)	(12,763,778)
<b>Total</b>	<b>64,479,395</b>	<b>81,311,234</b>

**10.0 Sundry Creditors :**

Audit fees payable (10.02)	80,000	430,000
VAT payable	2,483,686	2,349,159
Employees income tax payable	189,550	181,650
Deposit premium (10.04)	550,000	550,000
Salary & allowance payable	196,651	158,352
Bills payable	125,399	747,656
PF contribution	171,151	158,352

Car Sale Installment Received (10.03)	1,614,340	9,221,490
Others Payable	-	73,121
<b>Total</b>	<b>5,410,777</b>	<b>13,869,780</b>

**10.01 Sundry Creditors :**

Particulars	Balance as on 01 Jan 2017	Addition during the year	Adjust during the year	Balance as on 31 Dec. 2017	Balance as on 31 Dec. 2016
Audit fees payable	430,000	80,000	430,000	80,000	430,000
VAT payable	2,349,159	2,483,686	2,349,159	2,483,686	2,349,159
Employees income tax payable	181,650	189,550	181,650	189,550	181,650
Deposit premium	550,000	-	-	550,000	550,000
Salary & allowance payable	158,352	196,651	158,352	196,651	158,352
Bills payable	747,656	125,399	747,656	125,399	747,656
PF contribution	158,352	171,151	158,352	171,151	158,352
Car Sale Installment Received	9,221,490	1,102,850	8,710,000	1,614,340	9,221,490
Others Payable	73,121	-	73,121	-	73,121
<b>Total</b>	<b>13,869,780</b>	<b>4,349,287</b>	<b>12,808,290</b>	<b>5,410,777</b>	<b>13,869,780</b>

Amount in Taka  
As at 31st December

**10.02 Audit fees payable :**

	2017	2016
Opening Balance	430,000	410,000
Add : Provision during the year	80,000	80,000
Less : Adjustment during the year	(430,000)	(60,000)
	<b>80,000</b>	<b>430,000</b>

**10.03 Car Sale Instalment :**

The Company has provided car facilities for its branch managers & departmental in-charge on the basis of hire purchase & instalment payment systems. During the year the company has already handed over 14 number of cars to the executives as per agreement of hire purchase. Sale price of the car has been shown as payment of liabilities which was already shown as car sale installment received in the accounts. Those car which were not handedover due to nonpayment of installment booked in the accounts as Sundry Creditors.

**10.04 Deposit Premium :**

Collumbia Garments Ltd.	100,000	100,000
Collumbia Apperals Ltd.	50,000	50,000
Samuda Chemicals	400,000	400,000
	<b>550,000</b>	<b>550,000</b>

**11.0 Deferred Tax as per IAS-12:****a) Deferred Tax Liability:**

Book value of depreciable fixed assets	162,067,854	163,423,482
Less: Tax base [IAS-12 (7)]	144,448,483	151,810,135
Deductible Temporary differences	17,619,371	11,613,347
Effective Tax Rate	42.50%	42.50%
<b>Deferred Tax Liability [IAS-12 (44)]</b>	<b>7,488,233</b>	<b>4,935,673</b>

b) Deferred Tax Adjustment/Expense (Income) :	Amount in Taka As at 31st December	
	2017	2016
Closing deferred tax liability	7,488,233	4,935,673
Opening deferred tax liability	(4,935,673)	(127,926)
<b>Total Deferred tax adjustment/expense/(Income)</b>	<b>2,552,560</b>	<b>4,807,747</b>

**Tax Rate:**

The effective income tax rate of 42.50% has been considered as applicable for this Insurance Company as per Finance Act, 2017.

**12.0 Provision for Income Tax :**

Opening Balance	138,813,476	118,621,223
Addition during the year	17,579,186	20,192,253
Deferred Tax Liability Adjustment	-	-
<b>Total</b>	<b>156,392,662</b>	<b>138,813,476</b>

**13.0 Investment :**

The investment includes investment in the National Investment Bond, Corporate Money Maker Account and Investment in Share. Details of investments are as under:

Name of Investment	Issue Date	Maturity Date	Amount	Amount
<b>A) National Investment Bond:</b>				
01) BD0923341103	13/03/2013	13/03/2023	16,000,000	16,000,000
02) BD0924031109	16/07/2014	16/07/2024	9,000,000	9,000,000
<b>Total</b>			<b>25,000,000</b>	<b>25,000,000</b>
<b>B) Corporate Money Maker Account:</b>				
01) CMM A/C NO # 010141100000001 (NRBCBL, Principal Branch)			-	800,000
02) CMM A/C NO # 010141100000002 (NRBCBL, Principal Branch)			-	9,600,000
<b>Total</b>			-	<b>10,400,000</b>
<b>C) Investment in Share:</b>	N/A	N/A	40,581,496	32,182,517
<b>Total</b>			<b>40,581,496</b>	<b>32,182,517</b>
<b>Grand Total: (A+B+C)</b>			<b>65,581,496</b>	<b>67,582,517</b>

a) The amount represents statutory investment in 10 (ten) years Government Treasury Bond at cost with Mercantile Bank Ltd. as required under first schedule of the Insurance Act, 2010 Sec.23(b).

b) Investment in share has been stated in the Statement of Financial Position at market value as on 31<sup>st</sup> December 2017. Difference between market value and cost price of such Investment must be considered as impairment loss/gain and it has already been charged in the Statement of Comprehensive Income.

Total investment in shares of different Public Limited Companies are furnished below.

Sl. No	Name of the Company	Market Price per share	No of share	Average buying rate	Total value at cost	Market value
01	Al Arafah Islami Bank Ltd.	24.10	673	23.22	15,624	16,219
02	Aftab Auto	64.20	135,589	105.63	14,322,718	8,704,814
03	The City Bank Ltd.	53.20	2,649	26.40	69,936	140,927
04	Dhaka Bank Ltd.	22.00	25,949	12.76	343,391	570,878
05	Eastern Housing Ltd.	49.20	14,324	51.99	744,705	704,741
06	First Security Islami Bank Ltd.	15.30	15,494	7.98	123,670	237,058
07	ICB Islamic Bank Ltd.	7.00	400	-	-	2,800
08	IFIC Bank Ltd.	18.00	38,634	27.10	1,047,060	695,412
09	Jumuna Bank Ltd.	22.00	42,246	4.98	210,430	929,412
10	Khulna Power Company Ltd.	58.50	5,315	71.28	378,874	310,928
11	Keya Cosmetics Ltd.	12.30	93,753	19.29	1,808,799	1,153,162
12	Meghna Cement	101.70	1,500	210.83	316,240	152,550
13	Meghna Life Ins. Co. Ltd.	59.90	20,809	175.80	3,658,184	1,246,459
14	Mercantile Bank Ltd.	26.40	91	19.40	1,765	2,402
15	Mutual Trust Bank Ltd.	35.00	14,184	24.22	343,479	496,440
16	MJL Bangladesh Ltd.	109.10	149	78.77	11,736	16,256
17	Nahee Almunium Composit Ltd.	73.40	12,552	9.09	114,110	921,317
18	National Bank Ltd.	13.00	80,586	14.18	1,142,834	1,047,618
19	NCC Bank Ltd.	17.70	22,622	29.29	662,677	400,409
20	One Bank Ltd.	24.00	34,172	17.97	613,922	820,128
21	Premier Bank Ltd.	15.70	136,453	24.12	3,291,363	2,142,312
22	Prime Life Insurance Co. Ltd.	54.90	15,457	210.81	3,258,513	848,589
23	RAK Ceramic Ltd.	59.90	266	143.91	38,280	15,933
24	Shahjalal Islami Bank Ltd.	33.00	48,336	32.71	1,581,216	1,595,088
25	Social Islami Bank Ltd.	24.30	128,863	21.42	2,759,648	3,131,371
26	Southeast Bank Ltd.	22.20	30,660	24.07	737,971	680,652
27	Standard Bank Ltd.	15.60	165,951	22.37	3,712,564	2,588,836
28	Summit Power Ltd.	35.90	224,208	39.17	8,782,099	8,049,067
29	United Commercial Bank Ltd.	23.60	5,638	58.19	328,061	133,057
30	United Leasing Company Ltd.	23.80	40,016	46.46	1,859,330	952,381
31	Uttara Bank Ltd.	35.30	17,532	62.93	1,103,363	618,880
32	Aman Cotton Mills Ltd.	40.00	31,385	40.00	1,255,400	1,255,400
<b>Total</b>					<b>54,637,962</b>	<b>40,581,496</b>



**13.01 Changes in fair value of the investment in shares available for sale :**

	Amount in Taka As at 31st December	
	2017	2016
Fair value (Market Value) of Share	40,581,496	32,182,517
Less: cost price of investment in share	54,637,962	53,086,212
Fair value (Market Value) Reserve at 31 December	(14,056,466)	(20,903,695)
Less: Fair value (Market Value) Reserve at 1 January	(20,903,695)	(23,220,133)
<b>Un-Realized Gain/(Loss) of revaluation of Shares</b>	<b>6,847,229</b>	<b>2,316,438</b>

An amount of Tk. 1,255,400 was invested in IPO of Aman Cotton Mills Ltd. and an amount Tk. 182,240 invested as Right share of IFIC Bank Ltd. But those amount were not shown in the portfolio statement as at December 31, 2017, Moreover the cost price of the share of Dhaka Bank Ltd. has been wrongly shown in portfolio statement at a lesser amount by Tk. 12,400 than the previous year.

**14.0 Interest accrued but not due :**

Fixed Deposit with different banks	16,279,794	8,200,746
National Investment Bond	1,058,258	1,047,650
Corporate Money Maker AC.	-	1,678,118
	<b>17,338,052</b>	<b>10,926,514</b>

**\*The ranges of interest on FDR is 5% to 9% P.A.**

**15.0 Amount due from other persons or bodies carrying on insurance business :**

An amount of Tk. 58,415,707.00 is due from Sadharan Bima Corporation on account of re-insurance and co-insurance business done with SBC and other Non Life Insurance Companies under the co-insurance scheme.

Opening balance	103,085,090	130,959,483
Addition during the year	9,854,567	15,203,568
Less: Adjustment (Note: 15.01)	(54,523,951)	(43,077,961)
<b>Total</b>	<b>58,415,707</b>	<b>103,085,090</b>

<b>15.01</b>	Receivable from ceded Commission to SBC	32,289,993	37,368,933
	Add: Receivable from Ceded Claim to SBC	21,449,949	30,918,066
	<b>Total commission and claim to SBC</b>	<b>53,739,942</b>	<b>68,286,999</b>
	Less: Payable for Re-insurance premium to SBC	(108,263,893)	(111,364,960)
	<b>Total Adjustment</b>	<b>(54,523,951)</b>	<b>(43,077,961)</b>

**16.0 Sundry Debtors (including advances, deposits and pre-payments):**

Advance Salary	70,000	181,112
Advance Office Rent	2,769,876	4,677,553
Security Deposit (Telephone)	159,431	159,431
Advance Income Tax & TDS	233,558,801	209,366,182
Advance to Al-Razi Complex Association	515,000	515,000
<b>Total</b>	<b>237,073,108</b>	<b>214,899,278</b>

**16.01 Sundry Debtors (including advances, deposits and pre-payments):**

Particulars	Balance as on 01 Jan.2017	Addition during the	Realized during the year	Balance as on 31 Dec. 2017
Advance Salary	181,112	-	111,112	70,000
Advance Office Rent	4,677,553	317,040	2,224,717	2,769,876
Security Deposit (Telephone)	159,431	-	-	159,431
Advance Income Tax & TDS	209,366,182	24,192,619	-	233,558,801
Advance to Al-Razi Complex Association	515,000	-	-	515,000
<b>Total</b>	<b>214,899,278</b>	<b>24,509,659</b>	<b>2,335,829</b>	<b>237,073,108</b>

**17.0 Cash & cash equivalent :**

	Amount in Taka	
	As at 31st December	
	2017	2016
Fixed Deposit with Banks (Note-17.01)	491,712,145	460,635,392
Balance with banks (STD & CD)	51,992,528	64,334,492
Cash in hand (including cash at branches)	1,758,726	1,149,345
	<b>545,463,399</b>	<b>526,119,229</b>

**17.01 Fixed deposit with banks**

01	Al Arafah Islami Bank Ltd.	30,500,003	34,000,004
02	Bank Alfalah Ltd.	2,800,000	2,800,000
03	Arab Bangladesh Bank Ltd.	8,000,000	7,000,000
04	BD. Commerce Bank Ltd.	9,590,000	6,090,000
05	Bank Asia Ltd.	33,500,000	37,000,000
06	BASIC Bank Ltd.	3,500,000	1,500,000
07	BRAC Bank Ltd.	2,955,978	2,955,978
08	Commercial Bank of Ceylon Ltd.	2,000,000	-
09	The City Bank Ltd.	4,500,000	4,500,000
10	Dhaka Bank Ltd.	35,000,000	28,000,000
11	Dutch Bangla Bank Ltd.	11,652,816	12,652,816
12	Eastern Bank Ltd.	2,500,000	1,500,000
13	Exim Bank Ltd.	27,000,000	26,000,000
14	First Security Islami Bank Ltd.	22,000,000	17,000,000
15	I.F.I.C Bank Ltd.	16,000,000	20,000,000
16	Islami Bank (BD) Ltd.	20,703,347	18,701,593
17	Jamuna Bank Ltd.	14,868,400	14,368,400
18	Marcentile Bank Ltd.	19,600,001	13,600,001
19	Mutual Trust Bank Ltd.	18,300,000	18,400,000
20	Midland Bank Ltd.	4,000,000	6,000,000
21	Modhumoti Bank Ltd.	-	2,000,000
22	Meghna Bank Ltd.	3,000,000	3,000,000
23	National Bank Ltd.	9,000,000	11,500,000
24	NCC Bank Ltd.	14,000,000	14,000,000
25	NRB Global Bank Ltd.	3,000,000	7,000,000
26	NRB Com. Bank Ltd.	5,000,000	5,325,000
27	NRB bank Ltd.	-	1,000,000
28	One Bank Ltd.	12,041,600	11,041,600

		Amount in Taka	
		As at 31st December	
		2017	2016
29	Premier Bank Ltd.	10,000,000	6,000,000
30	Prime Bank Ltd.	12,000,000	13,000,000
31	Pubali Bank Ltd.	4,000,000	5,000,000
32	Rajshahi Krishi Unn. Bank	1,000,000	1,000,000
33	Rupali Bank Ltd.	3,000,000	4,000,000
34	Social Islami Bank Ltd.	13,900,000	11,400,000
35	Shahjalal Islami Bank Ltd.	11,800,000	7,800,000
36	Southeast Bank Ltd.	33,500,000	27,000,000
37	Standard Bank Ltd.	26,000,000	20,000,000
38	State Bank of India	1,000,000	1,000,000
39	South Bangla Agriculture & Commerce Bank Ltd.	6,000,000	7,000,000
40	Trust Bank Ltd.	4,000,000	3,000,000
41	The Farmers Bank Ltd.	1,500,000	500,000
42	United Com. Bank Ltd.	11,000,000	10,000,000
43	Uttara Bank Ltd.	6,000,000	6,000,000
44	Union Bank Ltd.	11,000,000	9,000,000
45	First Finance Ltd.	-	2,000,000
46	National Finance Ltd.	1,000,000	-
		<b>491,712,145</b>	<b>460,635,392</b>

**18.0 Fixed Assets :**

Property, plant and equipment	162,067,854	163,423,482
	<b>162,067,854</b>	<b>163,423,482</b>

Detail of Fixed Assets Schedule is shown in the **Annexure-A**

**19.0 Interest, Dividend and Rents :**

Interest Income (Note-19.01)	32,058,780	33,729,432
Dividend Income (19.02)	1,870,531	1,114,476
Other Income	-	-
<b>Total</b>	<b>33,929,311</b>	<b>34,843,908</b>

**19.01 Interest Income :**

National Investment Bond	2,989,708	3,108,125
Fixed Deposit Receipts	27,890,088	28,924,364
STD and Savings Account	673,102	661,107
Corporate Money Maker AC (DPS)	505,882	1,035,836
	<b>32,058,780</b>	<b>33,729,432</b>

**19.02 Dividend Income :**

Dividend Income represents the amount received from investment in share of public limited company.

**20.0 Gain on Sale of Car :**

During the year the company has sold its used car numbering 14 to its Executives and Branch managers under an agreement on hire purchase system. The book value of those cars are stands nil. Difference between the sale price and the agreement price after charging depreciation of those cars are shown as gain in the accounts. Details calculation of gain are furnished as under:

Sl. No.	Car No	Purchase/ Agreement Price	Total Accumulated Depreciation	Salvage Value	Sold Price	Gain/ (Loss)
01	DM GHA-13-2510	2,350,000	1,913,297	436,703	1,175,000	738,297
02	DM GHA-13-2515	2,350,000	1,913,297	436,703	1,175,000	738,297
03	DM GA-19-5787	1,275,000	1,071,712	203,288	637,500	434,212
04	DM GA-19-5875	1,275,000	1,071,712	203,288	637,500	434,212
05	DM GA-29-3217	1,200,000	807,810	392,190	600,000	207,810
06	DM GA-25-1887	1,150,000	854,995	295,005	575,000	279,995
07	DM GA-29-3146	1,100,000	740,493	359,507	550,000	190,493
08	DM GA-12-4442	1,100,000	740,493	359,507	550,000	190,493
09	DM GA-23-0828	1,000,000	786,885	213,115	500,000	286,885
10	DM GA-23-9908	1,000,000	748,407	251,593	500,000	248,407
11	DM GA-23-9966	1,000,000	748,407	251,593	500,000	248,407
12	DM GA-19-9820	1,000,000	824,773	175,227	500,000	324,773
13	DM GA-21-4607	1,000,000	808,592	191,408	500,000	308,592
14	DM GA-14-2372	620,000	595,113	24,887	310,000	285,113
<b>Total :</b>		<b>17,420,000</b>	<b>13,625,986</b>	<b>3,794,014</b>	<b>8,710,000</b>	<b>4,915,986</b>

**21.0 Profit and loss transferred from revenue account :**

	Amount in Taka	
	As at 31st December	
	2017	2016
Fire	(7,459,411)	(9,425,759)
Marine	38,399,801	49,519,989
Motor	14,840,070	13,906,282
Miscellaneous	(4,768,436)	3,482,000
	<b>41,012,024</b>	<b>57,482,512</b>

**22.0 Provision for taxation including Deferred Tax :**

Current Provision	17,579,186	20,192,253
Deferred Tax	2,552,560	4,807,747
	<b>20,131,746</b>	<b>25,000,000</b>

				Amount in Taka	
				As at 31st December	
23.0 Directors Attendance fees :				2017	2016
Sl. No	Name of Directors	No. of Meeting attended	Fee per Meeting	Total Fees	Total Fees
01	Farida Razzaq	45	5,000	225,000	165,000
02	Md. Mazakat Harun	45	5,000	225,000	160,000
03	Md. Shamsur Rahman	33	5,000	165,000	195,000
04	Md. Abdul Awal	32	5,000	160,000	215,000
05	Marium Akhter	31	5,000	155,000	160,000
06	Syed Al Farooque	31	5,000	155,000	160,000
07	Khalilur Rahman Chowdhury	35	5,000	175,000	155,000
08	Latiful Bari	35	5,000	175,000	150,000
09	Mahfuza Yunus	33	5,000	165,000	145,000
10	Sultana Jahan	23	5,000	115,000	165,000
11	Amir Hamza Sarker	17	5,000	85,000	110,000
12	A.B.M Kaiser	10	5,000	50,000	-
13	Feroz Ahmed	6	5,000	30,000	-
14	Siddique Hossain Choudhury	11	5,000	55,000	-
<b>Total</b>		<b>387</b>		<b>1,935,000</b>	<b>1,780,000</b>

## 23.01 Details Directors Attendance fees :

Sl. No	Name of Directors	Details of attendance				Total
		Board	EC	Claim	Audit	
01	Farida Razzaq	13	10	12	10	45
02	Md. Mazakat Harun	13	10	12	10	45
03	Md. Shamsur Rahman	13	10	-	10	33
04	Md. Abdul Awal	12	9	11	-	32
05	Marium Akhter	12	10	-	9	31
06	Syed Al Farooque	12	10	-	9	31
07	Khalilur Rahman Chowdhury	13	-	12	10	35
08	Latiful Bari	13	10	12	-	35
09	Mahfuza Yunus	12	10	11	-	33
10	Sultana Jahan	8	-	8	7	23
11	Amir Hamza Sarker	6	-	6	5	17
12	A.B.M Kaiser	4	-	3	3	10
13	Feroz Ahmed	3	-	-	3	6
14	Siddique Hossain Choudhury	6	-	-	5	11
<b>Total</b>		<b>140</b>	<b>79</b>	<b>87</b>	<b>81</b>	<b>387</b>

## 24.0 Opening Appropriation Account Balance :

Balance B/D	88,138,548	47,927,467
Less: Dividend Paid	(45,864,556)	(1,077,598)
Add: Reserve Transferred	1,983,862	2,024,349
	<b>44,257,854</b>	<b>48,874,218</b>

25.0 Premium less Re-Insurance :	Amount in Taka	
	As at 31st December	
	2017	2016
Premium less re-insurance (Note-25.01)	252,290,020	244,702,637
	<b>252,290,020</b>	<b>244,702,637</b>

#### 25.01 Premium less Re-Insurance :

Class of Business	Gross Premium	Re-insurance Ceded	Net Premium
Fire	134,301,625	81,546,326	52,755,299
Marine Cargo	141,437,768	38,729,645	102,708,123
Marine Hull	1,224,018	102,827	1,121,191
Motor	90,522,930	737,633	89,785,297
Miscellaneous	33,170,320	27,250,211	5,920,109
<b>Total amount as on 31st Dec. 2017</b>	<b>400,656,661</b>	<b>148,366,642</b>	<b>252,290,020</b>
<b>Total amount as on 31st Dec. 2016</b>	<b>385,273,598</b>	<b>140,570,961</b>	<b>244,702,637</b>

#### 26.0 Claim Paid under Policies less Re-Insurance :

Claim Paid under Policies less Re-insurance (Note-26.01)	19,430,928	23,624,224
	<b>19,430,928</b>	<b>23,624,224</b>

#### 26.01 Claim Paid under Policies less Re-Insurance :

Class of Business	Gross Claim Paid	Re-Insurance Ceded	Net Paid
Fire	12,875,699	15,166,238	(2,290,539)
Marine Cargo	17,401,551	11,115,132	6,286,419
Motor	15,355,745	-	15,355,745
Miscellaneous	10,744,598	10,665,295	79,303
<b>Total amount (31.12.2017)</b>	<b>56,377,593</b>	<b>36,946,665</b>	<b>19,430,928</b>
<b>Total amount (31.12.2016)</b>	<b>54,849,948</b>	<b>31,225,724</b>	<b>23,624,224</b>

#### 27.0 Allocation of Management Expenses :

Salary & Allowances	93,830,610	94,681,970
Festival Bonus	10,346,217	11,895,992
Postage & Telegram	484,597	478,621
Printing & Stationery	2,627,194	3,781,491
Conveyance	3,115,171	6,731,878
Office Cleaning	284,455	520,161
Travelling	19,000	60,654
Entertainment	2,986,150	6,497,135
Repairs and Maintenance	488,941	573,374
Telephone, Trunk call & Telex	3,102,535	5,638,242
Car Maintenance	2,741,358	4,795,180
Car Allowance	14,482,070	10,351,000

	Amount in Taka	
	As at 31st December	
	2017	2016
Internet Charge, Photocopy	968,935	1,713,783
Office Rent	7,874,320	8,053,794
Garage Rent	399,500	875,900
Gas, Water & Electricity Expenses	2,036,250	2,132,807
Meeting and Conference	-	17,500
Papers and yearicals	108,504	154,910
Rates, Taxes and Levies	110,000	24,599
Contribution, Fee and Charges	1,036,894	224,695
Bank Charge	963,357	779,781
Service Charge	427,777	539,066
Insurance Premium	595,202	346,408
Suppliers Bill	219,452	-
Business Dev. Expenses	17,552,344	-
Management Expenses SBC-Fire	394,488	244,958
Management Expenses SBC-Marine	1,351,493	1,317,974
Management Expenses SBC-Motor	193,781	164,086
Management Expenses SBC-Miscellaneous	1,768,303	1,497,483
Stamp Duty consumed-Fire	47,813	96,256
Stamp Duty consumed-Motor	328,658	188,509
Stamp Duty consumed-Miscellaneous	19,237	22,779
	<b>170,904,606</b>	<b>164,400,986</b>

#### 27.01 Managing Director's Remuneration :

Salary & Allowance	3,840,000	3,840,000
Festival Bonus	360,000	360,000
	<b>4,200,000</b>	<b>4,200,000</b>

Managing Director's Remuneration included in Salary & allowances and no other remuneration or special payment except as mentioned above was made to the Managing Director during the year 2017.

#### 27.02 Appropriation of management expenses :

Fire	57,203,039	50,157,980
Marine	60,713,090	75,798,212
Motor	38,852,827	32,917,301
Miscellaneous	14,135,650	5,527,493
	<b>170,904,606</b>	<b>164,400,986</b>

#### 28.0 Agency Commission :

As per Insurance Development & Regulatory Authority's (IDRA) circular No. non life-32/2012 date: 01 April 2012 the agency commission for non life insurance business were fixed up @15% for all classes of non life insurance business. The agency commission for different classes of business are furnished as under:

	Amount in Taka	
	As at 31st December	
	2017	2016
Fire	20,010,245	15,924,016
Marine	21,787,818	24,312,671
Motor	13,635,441	10,409,365
Miscellaneous	1,529,263	1,280,919
<b>Total</b>	<b>56,962,767</b>	<b>51,926,971</b>

### 29.0 Provident Fund :

The Company operates recognized Provident fund consisted by independent Board of trustees. The eligible employees contributes @10% of their basic salary. The company's contribution equal to employee's contribution to the scheme are charged to Statement of Comprehensive Income in the year which they relate. During the year the company has transferred an amount of Tk. 19,54,500 to the fund and balance of the fund as at 31st December 2017 stands at Tk. 1,78,95,378.

### 30.0 Collection From Premium and Other Received :

Premium Income	350,598,192	343,281,009
Interest Income	25,647,242	33,058,771
Dividend Income	1,870,531	1,114,476
Car Installment Received	1,102,850	2,639,744
VAT Collection	31,601,090	23,946,281
<b>Total</b>	<b>410,819,905</b>	<b>404,040,281</b>

### 31.0 Payment for Management Expenses, Re-insurance & Claim :

Management Expenses	168,373,703	159,041,394
Agency commission	56,962,767	51,926,971
Claim Paid	39,567,286	54,197,560
Paid to SBC	16,831,839	12,763,778
VAT Paid to Government	31,612,223	23,416,110
Non-Management Expenses	8,595,646	12,622,916
<b>Total</b>	<b>321,943,464</b>	<b>313,968,729</b>

### 32.0 Income Tax Paid :

Advance Income Tax (U/S-64 & 74)	21,420,277	29,932,704
Tax on Bank Profit (TDS)	2,772,342	3,386,820
<b>Total</b>	<b>24,192,619</b>	<b>33,319,524</b>



**33.0 Related Party Disclosur [IAS-24] :****A) Particulars of Directors:**

Sl. No.	Name of Directors	Status with EIL	Entities where they have interests	Position in the Firms/Companies
01.	Farida Razzak	Chairman	01 Nandini Printing & Publication	Managing Director
			02 Ideal Asset Development Ltd.	Chairman
			03 The Millennium International School	Vice-Chairman
			04 Altimete Asset Development Ltd.	Vice-Chairman
02.	Md. Mazakat Harun	Vice -Chairman	01 EXIM Bank Ltd.	Sponsor Shareholder
			02 Aron Denim Ltd.	Chairman & MD
			03 Chemitan Ltd.	Chairman & MD
			04 Chemitan Trading House	Proprietor
03.	Md. Shamsur Rahman	Director	01 Bay Tanneries Ltd.	Chairman
			02 Bay Rubber & Plastic Ind. Ltd.	Managing Director
			03 Aziz Tanneries Ltd.	Managing Director
			04 Bay Footwear Ltd.	Managing Director
			05 Bay Tannery Unit-2 Ltd.	Managing Director
			06 Bay Agro Industries Ltd.	Managing Director
			07 Golden Life Insurance Co. Ltd.	Director
04.	Syed Al Farooque	Director	01 Wills Fashion Ltd.	Managing Director
			02 Probal Garments Ltd.	Managing Director
			03 Wills Fashionwear (Pvt.) Ltd.	Managing Director
			04 Wills Properties Ltd.	Managing Director
			05 Triple A Ltd.	Managing Director
			06 Mirzapur Resort Ltd.	Managing Director
			07 Chalishnu Publications Ltd.	Managing Director
05.	Mahafuza Younus	Director	01 Younus Plastic Inds. Ltd.	Director
			02 Younus Filament Inds. Ltd.	Director
			03 Sobhan Ice & Cold Storage Ltd.	Director
			04 Younus Cold Storage Ltd.	Director
			05 Younus Specialized Cold Storage Ltd.	Director
			06 Siddheswari Cold Storage Ltd.	Director
			07 Europa Cold Storage Ltd.	Director
			08 Younus Spinning Mills Ltd.	Director
			09 Nowpara Cold Storage Pvt. Ltd.	Director
			10 Garib-E-Newaz Cold Storage Pvt. Ltd.	Director
			11 Combined Food & Cold Storage Ltd.	Director
			12 Ananta Paper Mills Ltd.	Director
			13 Younus Fine Paper Mills Ltd.	Director
			14 Younus Offset Paper Mills Ltd.	Director
			15 Younus Paper Mills Ltd.	Director
			16 Sonali Paper & Board Mills Ltd.	Director
			17 Younus Newsprint Mills Ltd.	Director
			18 Sharif Cold Storage Ltd.	Director
06.	Khalilur Rahman Chowdhury	Director	01 Khalil Knitwear Ltd.	Chairman & MD
			02 Khalil Garments Ltd.	Chairman & MD
			03 Khalil & Khalil Investment Ltd.	Chairman & MD
			04 Ataiya Trading Corporation Ltd.	Chairman & MD
			05 Khalil Fashion Ltd.	Managing Director
			06 Al-Hera Filling Station	Proprietor
			07 K. R. C. Rubber Plantation	Proprietor
			08 K.R.C. CNG & Filling Station	Proprietor
07.	Md. Abdul Awal	Director	01 Mercantile Bank Ltd.	Sponsor Shareholder
			02 Synthia Securities Ltd.	Managing Director
08.	Amir Hamza Sarker	Director	01 Logos Apparels Ltd.	Managing Director
			02 Logos Wear House Ltd.	Chairman & MD
			03 Rahmat Sweaters (BD) Ltd.	Managing Director
			04 Belkuchi Spinning Mills Ltd.	Chairman & MD
			05 Logos Printing & Design	Proprietor
09.	Marium Akhter	Director	01 Karim Leathers Ltd.	Director
			02 Kamtex Ltd.	Director
10.	Latiful Bari	Director	01 Rahmat Knit-Dyeing & Finishing Ltd.	Chairman
			02 Rahmat Fashion Wear Ltd.	Managing Director
			03 Rahmat Textiles Ltd.	Director
			04 China Plastic (BD) Ltd.	Director
			05 Rahmat Rorors Ltd.	Director
11.	ABM Kaiser	Director	01 Kaiser Trading Company	Proprietor

**B) Related Party disclosures :**

During the year, the Company carried out a number of transactions with related parties in the normal course of business and on an arms' length basis. The name of these related parties, nature of these transactions and their total value has been set out in accordance with the provision IAS-24: Related party disclosure:

Name of the Party	Nature of Transaction	Nature of Relationship	Amount in Taka As at 31st December	
			2017	2016
Chamitan Trading House	Insurance Premium	Common Directorship	35,703	35,703
Karim Leathers Ltd.	Insurance Premium	Common Directorship	608,362	1,092,491
Kamtex Ltd.			43,027	67,597
K.R.C. Composite Textile Indus. Ltd.	Insurance Premium	Common Directorship	-	-
Khalil Garments Ltd.			-	-
Bay Tanneries Ltd.	Insurance Premium	Common Directorship	244,591	552,854
Bay Rubber & Plastic Ltd.			697,185	976,084
Aziz Tanneries Ltd.			24,140	51,698
Rahmat Textiles Ltd.	Insurance Premium	Common Directorship	4,500,240	5,148,942
Rahmat Sweaters (BD) Ltd.			456,598	207,309
China Plastic (BD) Ltd.			26,923	31,456
Rahmat Knit-Dying & Finishing Ltd.			368,899	391,378
Belkuchi Spinning Mills Ltd.			88,811	294,012
Younus Plastic Industries Ltd.	Insurance Premium	Common Directorship	20,952	21,607
Younus Fillament Industries Ltd.			31,748	31,050
Younus Paper Mills Ltd.			868,051	871,003
Sonali Papers & Board Mills Ltd.			1,094,528	774,751
Younus News Print Mills Ltd.			191,079	409,084
Younus Fine Paper Mills Ltd.			754,539	2,856,397
Younus Offset Paper Mills Ltd.			655,359	2,512,199
Younus Spinning Mills Ltd.			62,992	593,777

Aggregate amount of remuneration paid to all Directors and officers during the accounting year is as follows :

Particulars	Nature of Payment	Amount in Taka As at 31st December	
		2017	2016
1. Directors	Board Meeting Fee	1,935,000	1,780,000
2. Directors	Remuneration	Nil	Nil
3. Chief Executive Officer	Salary, Bonus & other Allowances	4,200,000	4,200,000
4. Officers & Executives	Salary, Bonus & other Allowances	99,976,827	102,377,962
<b>Total</b>		<b>106,111,827</b>	<b>108,357,962</b>

**34.0 Compliance of Schedule XI part II of the Companies Act, 1994 :**

Particulars	NO. of Employees	
	2017	2016
Below Taka. 72,000 per year	-	-
Taka. 72,000 and above	580	545
<b>Total</b>	<b>580</b>	<b>545</b>

**35.0 Corporate Tax Settlement Status :**

The Company's Tax settlement status is as under:

Income Year	Assessment Year	Status	Remarks
2011	2012-2013	Return Submitted	Hon'ble High court
2012	2013-2014	Return Submitted	Tribunal
2013	2014-2015	Return Submitted	Tribunal
2014	2015-2016	Return Submitted	
2015	2016-2017	Return Submitted	
2016	2017-2018	Return Submitted	

**36.0 Subsequent event after the balance sheet data :**

The board of directors in it's 222th meeting held on 22 March, 2018 has recommended 10% Cash dividend which will be recognized in the accounts as and when approved by the shareholders in the next annual general meeting.

**37.0 General :**

- The Board of Directors received no remuneration from the Company other than the Board Meetings attendance fees of Taka. 5,000.00 (Five thousand only) per meeting as per clause no-109 of Memorandum & Articles of Association of the Company.
- There was no capital expenditure commitment as on 31st December, 2017.
- There was no claim against the Company as debt as on 31st December, 2017.
- There has been no amount paid or received as commission to or from any person in respect of the Insurance Business transacted by outside of Bangladesh.
- Contingent Liability:

There is a demand of Tk. 982,670 for VAT by Customs & Excise Department against which the Company has filed a writ petition number 7744 of 2006 before the Hon'ble Supreme Court of Bangladesh, High Court Division. The decision by the Hon'ble Court is awaited.

# EXPRESS INSURANCE LIMITED

## FIXED ASSETS SCHEDULE

As on 31 December, 2017

Annexure-A

Particulars	COST					Rate of Dep.	DEPRECIATION						Written down value as on 31-12-2017
	As on 01-01-2017 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2017 Taka.	As on 01-01-2017 Taka . (Opening)		Charge during the year Taka. (On Opening Less Sold)	Charge during the year Taka. (On Addition)	Total Charge during the year	Sold/Adj. during the year Taka.	Total as on 31-12-2017 Taka.		
	1	2	3	4	5		6	7	8	9=(7+8)	10	11=(6+9-10)	12
Land & Building	40,168,508	-	-	40,168,508	2%		3,856,762	726,235	-	726,235	-	4,582,997	35,585,511
Furniture & Fixture	5,628,323	135,713	-	5,764,036	10%		2,965,296	266,303	7,998	274,301	-	3,239,597	2,524,439
Office Decoration	16,677,749	42,086	-	16,719,835	10%		8,482,377	819,537	3,391	822,928	-	9,305,305	7,414,530
Office Equipment	1,901,074	-	-	1,901,074	20%		1,531,593	73,896	-	73,896	-	1,605,489	295,585
Computer with Printer	3,724,381	1,122,296	-	4,846,677	30%		1,967,814	526,970	186,073	713,043	-	2,680,857	2,165,820
Crockeries & Cutleries	105,561	10,130	-	115,691	20%		73,909	6,330	999	7,329	-	81,238	34,453
Motor Vehicles	42,987,220	8,845,000	17,420,000	34,412,220	20%		31,824,899	1,578,325	920,863	2,499,188	13,625,986	20,698,101	13,714,119
Telephone Installation	258,267	5,450	-	263,717	20%		174,206	16,812	238	17,050	-	191,256	72,461
Electric Equipment	2,340,280	811	-	2,341,091	20%		1,619,391	144,178	64	144,242	-	1,763,633	577,458
Air Condition	6,678,346	142,930	-	6,821,276	20%		3,743,077	587,054	16,901	603,955	-	4,347,032	2,474,244
Sub-total:as at 31 Dec. 2017	120,469,709	10,304,416	17,420,000	113,354,125			56,239,323	4,745,641	1,136,527	5,882,168	13,625,986	48,495,506	64,858,619

Cost

Particulars	COST				Rate of Dep.	DEPRECIATION						Written down value as on 31-12-2017
	As on 01-01-2017 Taka.	Addition during the year Taka.	Sold/Add. during the year Taka.	Total as on 31-12-2017 Taka.		As on 01-01-2017 Taka . (Opening)	Charge during the year Taka.	Charge during the year Taka.	Total Charge during the year	Sold/Adj. during the year Taka.	Total as on 31-12-2017 Taka.	
Land & Building	109, 736, 492	-	-	109,736,492	2%	10,543,395	1,983,862	-	1,983,862	-	12,527,257	97,209,235
Sub-total: as at 31 Dec. 2017	109,736,492	-	-	109,736,492		10,543,394	1,983,862	-	1,983,862	-	12,527,257	97,209,235
Total: as at 31 Dec.2017	230,206,201	10,304,416	17,420,000	223,090,617		66,782,718	6,729,503	1,136,527	7,866,030	13,625,986	61,022,763	162,067,854
As at 31 Dec.2016	226,714,845	3,517,357	26,000	230,206,201		58,977,107	7,805,611	-	7,805,611		66,782,718	163,423,482

Revaluation

**EXPRESS INSURANCE LIMITED**  
**FORM "AA"**

**CLASSIFIED SUMMARY OF ASSETS AS AT 31 DECEMBER, 2017**

Amount in Taka

CLASS OF ASSETS	BOOK VALUE AS PER BALANCE SHEET	MARKET VALUE	REMARKS
National Investment Bond	25,000,000	25,000,000	Not quoted in market
Investment in Share	40,581,496	40,581,496	Market Value
Investment in CMM Account	-	-	Realizable Value
Fixed Deposit with Banks	491,712,145	491,712,145	Realizable Value
In STD A/C with Banks	51,992,528	51,992,528	Realizable Value
Cash in hand	1,758,726	1,758,726	Realizable Value
Interest on Investment accrued but not due	17,338,052	17,338,052	Realizable Value
Amount due from other persons or bodies carrying on insurance business	58,415,707	58,415,707	Realizable Value
OTHER ASSETS :			
Fixed Assets	162,067,854	162,067,854	At Cost/Revaluation less depreciation
Sundry Debtors	237,073,108	237,073,108	Realizable Value
Stock of Stationery & Stamps	1,307,726	1,307,726	Value at Cost
<b>Total</b>	<b>1,087,247,342</b>	<b>1,087,247,342</b>	

  
Chairman

  
Vice-Chairman

  
Director

  
Chief Executive Officer

  
AHMED ZAKER & CO.  
Chartered Accountants

Dhaka.  
April 22, 2018

# EXPRESS INSURANCE LIMITED

Head Office, Dhaka

Statement Showing the details of Class wise Premium Income, Re-Insurance Accepted & Ceded, Commission Paid & Earned, Claim Paid, Recovered & Recoverable For the period ended 31 December, 2017

## Direct Business

Class of Business	Premium Income				Commission			Claims			
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	129,098,361	-	77,371,914	51,726,447	20,010,245	-	22,303,846	12,703,605	-	15,165,631	(2,462,026)
M/Cargo	123,763,600	-	25,364,981	98,398,619	21,625,818	-	8,260,030	11,633,387	-	6,284,318	5,349,069
M/Hull	1,080,000	-	-	1,080,000	162,000	-	-	-	-	-	-
Motor	87,970,588	-	675,000	87,295,588	13,635,441	-	-	15,230,294	-	-	15,230,294
Misc.	9,866,216	-	4,851,998	5,014,218	1,529,263	-	1,726,117	-	-	-	-
Total	351,778,765	-	108,263,893	243,514,872	56,962,767	-	32,289,993	39,567,286	-	21,449,949	18,117,337

## Government Business

Class of Business	Premium Income			Commission			Claims				
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	5,203,264	-	4,174,412	1,028,852	-	-	545,229	172,094	-	607	171,487
M/Cargo	17,674,168	-	13,364,664	4,309,504	-	-	2,672,933	5,767,543	-	4,830,814	936,729
M/Hull	144,018	-	102,827	41,191	-	-	5,655	621	-	-	621
Motor	2,552,342	-	62,632	2,489,710	-	-	-	125,451	-	-	125,451
Misc.	23,304,104	-	22,398,213	905,891	-	-	2,881,692	10,744,598	-	10,665,295	79,303
Total	48,877,896	-	40,102,748	8,775,148	-	-	6,105,509	16,810,307	-	15,496,716	1,313,591

## Direct Business Plus Government Business

Class of Business	Premium Income			Commission			Claims				
	Gross Premium	Re-Insurance Accepted	Re-Insurance Ceded	Net Premium	Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Paid in Direct Business	Re-Insurance Accepted	Re-Insurance Ceded	Net Claim
Fire	134,301,625	-	81,546,326	52,755,299	20,010,245	-	22,849,075	12,875,699	-	15,166,238	(2,290,539)
M/Cargo	141,437,768	-	38,729,645	102,708,123	21,625,818	-	10,932,963	17,400,930	-	11,115,132	6,285,798
M/Hull	1,224,018	-	102,827	1,121,191	162,000	-	5,655	621	-	-	621
Motor	90,522,930	-	737,632	89,785,298	13,635,441	-	-	15,355,745	-	-	15,355,745
Misc.	33,170,320	-	27,250,211	5,920,109	1,529,263	-	4,607,809	10,744,598	-	10,665,295	79,303
Total	400,656,661	-	148,366,641	252,290,020	56,962,767	-	38,395,502	56,377,593	-	36,946,665	19,430,928



Chairman  
Dhaka.



Vice-Chairman



Director



Chief Executive Officer



AHMED ZAKER & CO.  
Chartered Accountants



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

Al-Razi Complex (9th & 10th Floor), 166-167, Shahid Syed  
Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000, Bangladesh  
PABX: 9554421, 9561255, 9569546, 9557196, Fax: 880-2-9568616  
E-mail: express\_insurance@ymail.com, Web : www.eilbd.com

## PROXY FORM

I/We .....  
of .....  
being a member of Express Insurance Limited and a holder of .....  
(Number of Shares) Ordinary Shares do hereby appoint Mr/Mrs .....  
..... of .....

As my proxy, to vote for me/us and on my behalf at the 18th Annual General Meeting of the Company to be held on Monday, the 24th September, 2018 and any adjournment thereof or at any poll that may be taken in consequence thereof.

Signed this ..... Day of ..... 2018

Signature of Shareholder .....

Folio/BO ID No. of Shareholder :

..... Number of Shares :

..... Signature of Proxy

Revenue  
Stamp  
Taka 10.00

### Notes :

The Proxy must be signed across ten taka Revenue Stamp and it should be deposited at the Registered Office of the Company not later than 48 hours the time of holding the meeting (As per Article of Association Proxy will be a member of the Company).



# এক্সপ্রেস ইন্স্যুরেন্স লিমিটেড Express Insurance Limited

## ATTENDANCE SLIP

I do hereby record my attendance at the 18th Annual General Meeting being held on Monday, the 24th September, 2018 at 2.00 P.M at Al-Razi Complex(9th & 10th floor), 166-167, Shahid Syed Nazrul Islam Sharani, Bijoy Nagar, Dhaka-1000. Name of the member/proxy:

.....

Registered Folio/BO ID No. .... Signature .....

### Note:

Please complete the attendance slip and hand it over at the entrance of the office.