

# ANNUAL REPORT 2017



সাউথ এশিয়া ইনসিওরেন্স কোম্পানী লিঃ  
SOUTH ASIA INSURANCE COMPANY LIMITED

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To establish our Company as a role model in the nonlife Insurance Sector in Bangladesh

## VISION

## MISSION

- ▶ To Provide excellent & personalised service to the clients.
- ▶ To introduce new product to the clients.
- ▶ To introduce good governance for the Company.

To conduct business operation with full transparency on ethical standards and to abide by all regulatory laws.

## OBJECTIVES

## CORE VALUE

01

### *INTEGRITY*

To comply with high ethical standards that replicate honesty and professionalism in dealing with our customers, peers and regulators.

02

### *CUSTOMER FOCUS*

To have the most satisfied customers through strong focus on customer value and to secure their loyalty through quality service.

03

### *PROFESSIONALISM*

Ensuring an all-inclusive and thorough understanding of the work we do with the dexterity and willingness to communicate the information in the most proficient way.

04

### *TEAM WORK*

To achieve our goals by synergizing our individual talents and skills.

05

### *INNOVATION:*

To create value through innovation by transforming ideas into marketable products and finding ways to change existing products and services to meet the expectation of the customers in the fast changing technological environment.

## Company's Information

### 01. Registered Office:

Shawdesh Tower (5th Floor)  
41/6, Purana Palton (Box Culvert Road), Dhaka-1000  
Phone-47111151-53, 9552113, 9551762  
Fax- 880-02-9550056, E-mail-saic@bol-online.com  
Web- www.southasiainsurance.com

- |   |  |
|---|--|
| 02. Certificate of Incorporation of the Company | : C-39277(1235)/99 date 21/12/1999   |
| 03. Certificate of the commencement of Business | : 21st December'1999   |
| 04. Vat registration Number                     | : 9011049939   |
| 05. Business Identification Number (BIN NO)     | : 000001376  |
| 06. Tax Identification Number                   | : 128164375579   |
| 07. Auditor                                     | : Mahtel Huq & Co. BGIC Tower(4th floor),<br>34, Topkhana Road, Dhaka  |
| 08. Tax Adviser                                 | : Mahtel Huq & Co. BGIC Tower(4th floor),<br>34, Topkhana Road, Dhaka  |
| 09. Principal Bankers                           | : Mercantile Bank Limited,<br>NRB Commerce Bank Limited,<br>Trust Bank Limited,<br>National Credit and Commerce Bank Limited |
| 10. Chief Executive Officer (CC)                | : Shamsar Hassan   |
| 11. Chief Financial Officer                     | : Anamul Gani Chowdhury  |
| 12. Deputy Secretary                            | : Faruque Ahmed  |



## List of the Directors

### *Chairman*

**Ms. Rahnuma Ahsan**

Rep. of AG Poly & Fiber Industries Ltd

### *Vice- Chairman*

**Mr. Md. Shafiul Asgar**

Rep. of Ratanpur Aquaculture Farms Ltd

### *Directors*

**Mr. Mirazul Ahsan**

Rep. of AG Agro foods Ltd

**Mr. Md. Rushaed Ahsan**

Rep. of AG Property Developments Ltd.

**Mr. Shafiqul Islam**

Rep. of Ratanpur Agro Ltd

**Mr. Ahsan ul Mahmud**

Rep. of Ratan pur Farms Ltd

**Mr. Mohammad Ashaduzzaman**

Rep. of Thermax Spinning Ltd

**Mr. Mohammed Mahbubur Rahman Molla**

Rep. of Sister Denim Composite Ltd

**Mr. Ananta Kumar Sarker**

Rep. of Thermax Melange spinning Mills Ltd

### *Chief Executive Officer (CC)*

**Mr. Shamsar Hassan**



## Chairman Statement

Bismillahir Rahmanir Rahim

Honourable Directors and Share holders,  
Assalamu Alaikum,

Honourable Directors and Share holders,

I on behalf of the Board of Directors I present the Annual report of the South Asia Insurance Company Limited for the financial year ended 31st December, 2017. The Board of Directors entrusted me to act as Chairman of the company on BM-86 dt 09/11/2017. Since my taking over the responsibility as chairman of the company, I have been closely monitoring the head office activities and also looking after liaison with all government authorities.

I am really thankful to all directors & shareholders for extending their all out support and co-operation to me. I always try to keep the directors updated regarding company's exact position time to time. Especially I am very much grateful to M/S. Thermex Group, M/S RSRM & M/S AG Group for patronizing us by giving significant volume of insurance business. I hope all directors and shareholders will extend their constant support and co-operation in the coming years.

By this time you are aware that, during the year 2011, Rajuk allotted 15 khata plot of land in favour of our Company in Uttara Model Town (3rd phase) Section # 07, for which all payment has already been paid within the timeframe. After measuring, as per Rajuk letter no Rajuk/Attached & land-23 (Uttara) 3rd phase/3081 date 26/08/2015 they have finally allotted total 12 khata. We are trying to get allotment of 15 khata in the name of South Asia Insurance Company Limited. Registration work of the land is now under process.

### ACKNOWLEDGEMENT

I would like to express our gratitude to the ministry of Finance, Government of the people's republic of Bangladesh, Insurance Development & Regulatory Authority (IDRA), Bangladesh Insurance Association (BIA), Bangladesh Bank National Board Of Revenue (NBR) Registrar of Joint Stock Company's & Farms (RJSC) and all other regulatory authorities for their valuable guidance, support & co-operation.

Before I conclude, I once again would like to express my sincere thanks and gratitude to my fellow board members and shareholders for their support, advice and guidance and also thanks to the management team and all staff members of South Asia Insurance Company Limited for their hard work and sincere devotion for upholding the company's image.

Thank you all

*Rahnuma Ahsan*

Ms. Rahnuma Ahsan  
Chairman





## Director's Report

Bismillahir Rahmanir Rahim

Dear Shareholders,  
Assalamu Alaikum

On behalf of the Board of Directors' I am delighted to welcome all of the South Asia Insurance Company Limited and have the pleasure to place before you the annual Report together with the Audited Accounts of the Company covering the Statement of Financial Position (Balance Sheet), Statement of Comprehensive Income (Profit & Loss Account), Consulted Insurance Revenue Accounts (Revenue Accounts), the notes thereto and the Auditors' report for the year ended 31st December 2017.

### REVIEW OF THE ECONOMY

#### Movement of Global Economy:

Global growth in 2017, while inflation remained moderate. Long-term bond yields remained low deposit a reduction of monetary stimulus by some of the major central banks. Stock markets performed well in this environment.

The Global upswing in economic activity is strengthening with global projected to rise 3.6 percent in 2017 and 3.7 percent in 2018. Broad-based upward revisions in the euro area, Japan, emerging Asia, emerging Europe and Russia more than offset downward revisions for the United States and United Kingdom. But the recovery is not complete. While the base line outlook is strengthening, growth remains weak in many countries and inflation is below target in most advanced economies. Commodity exporters, especially of fuel are particularly hard hit as their adjustment to a sharp step down in foreign earnings continues, and while short-term risks are broadly balanced, medium-term risks are still tilted to the downside.

For policy makers, the welcome cyclical pickup in global activities provides an ideal window of opportunity to tackle key challenges to boost potential output while ensuring its benefits are broadly shared and to build resilience against downside risks. For many of the challenges that the global economy confronts, individual country actions can be more effective if supported by multilateral co-operation. Preserving the global economic expansion will require policy makers to avoid protectionist measures and to do more to ensure that gains from growth are shared more widely. In addition to preserving an open trading system, key areas for collective action include safeguarding global financial stability, achieving tax systems and avoiding a race to the bottom, continuing to support low-income countries as they pursue their development goals and mitigating and adapting to climate change. Many of the economies suffering the worst consequences of higher temperatures and changed weather patterns are those with the fewest resources to deal with these challenges. Richer countries will increasingly feel direct negative effects from unmitigated climate change, however and will not be immune to spillover from the rest of the world.

### Bangladesh Economy:

For Bangladesh, 2017 has been a mixed year of achievements and challenges. Through some macro indicators reflect the positive trends; the overall strength of the economy is weakening due to number of developments toward the second half of the year. One of the major achievements of the economy has been a 7.28 percent economic growth in FY2017, up from 7.1 percent in FY2016. Annual average CPI (Consumer Price Index) inflation continued to decline and stood at 5.4 percent in the June-2017, well below the 5.8 percent target ceiling for FY2017. The declining trend in average CPI inflation is mainly driven by non-food inflation, while food inflation witnessed a sharp increase due to flash food-related crop losses in the North eastern regions in FY17.

Agriculture accounts for 14.7 percent of GDP and grew by 3.0 percent in FY17, up from 2.8 percent in FY16, mainly supported by the strong growth of all sub-sectors. Industry accounts for 32.4 percent of GDP and grew by 10.2 percent in FY17, down from 11.1 percent in FY16. This growth was supported by strong growth of construction sub-sector and manufacturing sector especially small scale industry. The service sector accounts for the largest share (52.9 percent) of GDP and grew by 6.7 percent in FY17, compare to 6.3 percent in FY16. In Bangladesh the overall growth momentum mainly attributed by industry, services and agriculture sectors. Moreover, strong domestic demand and growing electricity generation remained buoyant in FY17.

The year 2018 will be a turning point for Bangladesh in many ways. Bangladesh has already left the least developed country status. It is now under the category of middle-income country. Additionally it has been continuing to implement the sustainable development goals (SDGS). It is expected that accommodative monetary policy and

accelerated different facilities particularly in industry and service sectors in the next few years, may help to achieve the desire economic growth.

#### **Insurance Market in Bangladesh:**

Bangladesh is a small country and its non life insurance market is small comparing other developing but 45 non life insurance companies are function in the Bangladesh. The Insurance Act is updated recently but still insurance rules not updated. As a result Insurance companies are working based on 1958 rules. The Current state of affairs of general insurance market of Bangladesh is far from satisfactory and most of the insurance companies are still struggling. As a result the cut-throat competition amongst the insurance companies has started again.

In spite of the above barricades, our company has secure growth because of continuous efforts of Board of Directors and Management. The Gross premium Income of the company has increased to Tk. 6.60 Crore from 5.54 crore of last year.

The Insurance Regulator, Insurance Development and Regulatory Authority (IDRA) has taken serious of measures to bring about many positive changes including prohibition credit business, streamlining agent commission, protection tariff violation etc. The Government and The IDRA should continue their efforts to contribute much in their respective areas for the development of insurance industry. The Regulatory body will guide Insurance Companies to execute the policies of the Government and companies of Insurance Act 2010. The Bangladesh Insurance Association (BIA) will have to co-operate whole heartily in the insurance business smoothly complying with the rules/regulations of Insurance Act, 2010 and the insurance companies will have to take the responsibilities of running the business effectively and property.

### **Business Review**

#### **Financial Analysis**

##### **Gross Premium Income**

In 2017, South Asia Insurance Company achieved gross premium of Tk. 66.10 million against Tk. 55.46 million of 2016. Gross premium income increased by Tk. 10.64 million registering a increasing of 19.18% compared to that of previous year.

##### **Investment Income**

In year 2017 the company earned Tk. 10.69 million from FDR interest, while it was Tk. 12.37 million in 2016. Registering a declining of 13.58% compared to that of previous year.

##### **Profit (before Tax & after tax)**

Company earned a net profit before tax Tk. 15.25 million in 2017 as against Tk. 8.92 million in 2016, Company earned a net profit after tax of Tk. 12.75 million in 2017, while it was Tk. 7.26 million in 2016

**Earnings per share**

	2017	2016
Earnings per share after tax:	2.12	1.21
Earnings per share (before tax)	2.54	1.49

**Reserve**

Reserve is a key indicator of the financial strength of a company. Accordingly, an exceptional loss reserve up to 31st December 2017 of Tk. 55.58 million, General reserve as on 31st December 2017 stood at Tk. 21.100 million, dividend equalization fund also Tk. 10.00 million.

**Total Assets**

Assets of the Company stood at Tk. 271.79 million in 2017 as against Tk. 252.42 million in 2016, shareholder's equity of the company is Tk. 182.41 million as against Tk. 169.67million in 2016.

**Role of the Board**

The board has the responsibility to periodically review and approve the overall strategies of business organization and significant policies of the Company. The Board also sets Company's core values and adopts proper standards to ensure that the company operates with the integrity and complies with the adopts proper standards to ensure that the Company operates with the integrity and complies with the relevant rules & regulations. The Board approves the Company's budget and business plan and reviews those on regular basis so as to give proper directions as per changing economic and market environment. The Management operates within the policies, manuals and limits as approved by the Board.

**Director's Remuneration**

Except the Chief Executive Officer, none of the directors holds any office of profit in the Company. The Directors do not get any remuneration; they only get fees for attending Board/Committee meetings. The maximum fees payable to Directors is Tk. 5,000/- for attending each meeting.

Retirement and re-election of directors

**Information Technology**

Information Technology Without proper use to contemporary information technology (IT) expected, business success is not possible. With such realization 2016 we have develop & upgraded all of our PC, introduced all computer in networking, develop IP router, Networking . Employees are trained up for upgraded IT infract ruction. Now all employees

are leading smooth and accelerated decision and its implementations. In 2017 all Branches were IT in frustration. In 2016 we have introduced website [www.southasiainsurance.com](http://www.southasiainsurance.com). Company's all financial information, directors profiles, Company's all information included in the web page. Recently we have introduce Upgraded Server in our IT Infrastructure.

#### Human Resource:

Human resource development is a pre- requirement for achieving organizational goals and success depend on better management of human resources. The Company has focused on building the skill of staff on various level to create a wealth of knowledge for future needs. Training is recognized through which organization could help improving its employees efficiency. South Asia insurance company limited always focus employees to maintain our standard and efficiency. We will continue to follow the above policy for keeping human resource well trained for all purpose.

Introduce Integrated Insurance Management System(IIMS) software:- For quick response, better service to the Client, transference of the transition, better MIS, smooth service there is no alternative without software. For this reason South Asia Insurance Company introduce a software name is Integrated Insurance Management System(IIMS). Now we can better service to the client within short time.

I would like to express my gratitude to the members of the Board for their continuous support and co-operation without which the Company would not have been in its present position. I also express my deep appreciation to the management and all members of staff of their dedicated and efficient services, their loyalty & relentless efforts for Company's growth and improvement.

I would like to conclude by conveying m sincere and special thanks and heartfelt felicitation to our respected Directors, shareholders, valued customers/clients, patrons, well-wishers for their support, assistance and patronage. We renew to them our promise to remain disciplined, compliant and result-oriented in all our endeavors and in return seek their co-operation and support.

May Allah bless us all.



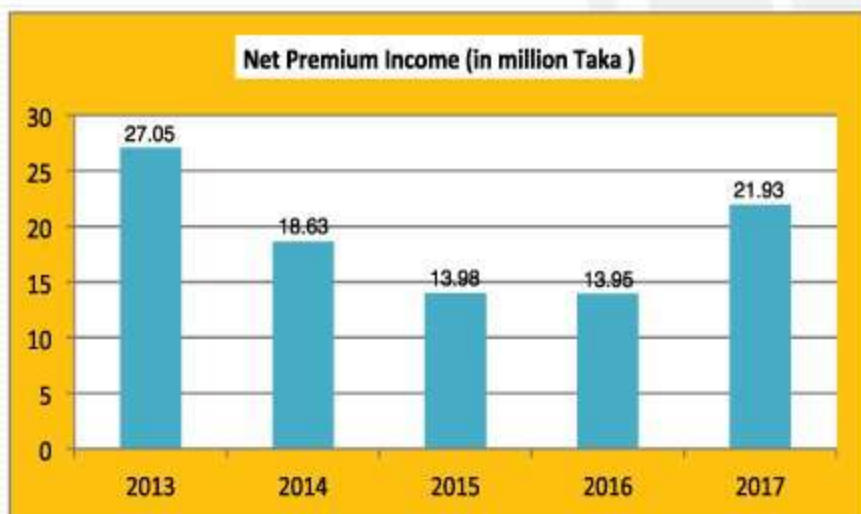
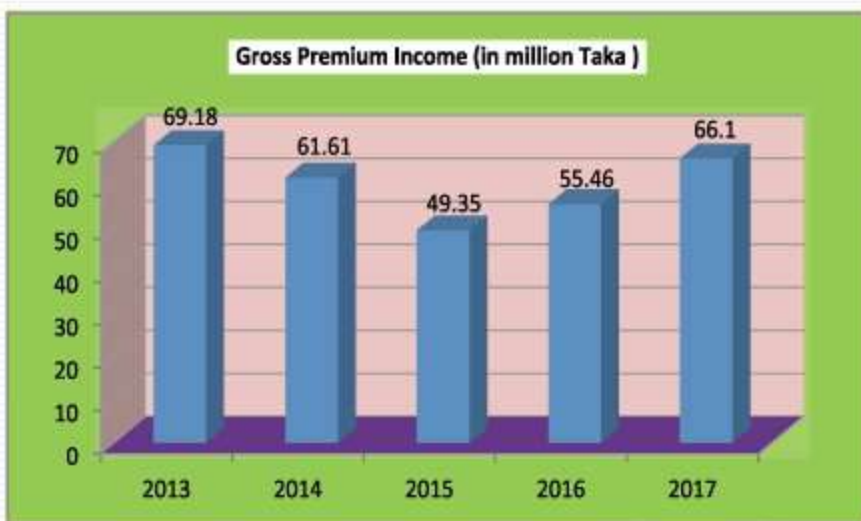
Ms. Rahnuma Ahsan  
Chairman

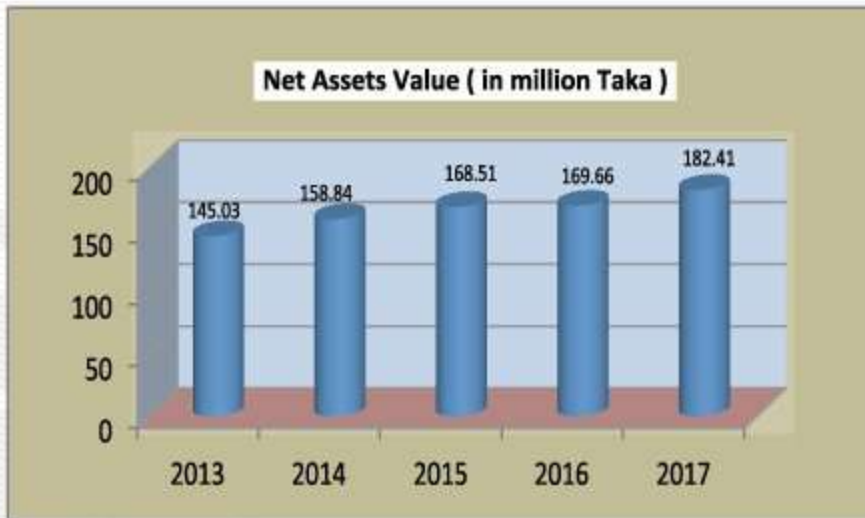
## Financial Information at a Glance

Name	2017	2016	2015	2014	2013
Gross premium Income (Turnover) :	66.1	55.46	49.35	61.61	69.18
Net premium Income :	21.93	13.95	13.98	18.63	27.05
Net Claims Paid	1.37	0.74	1.15	2.02	12.39
Management Expenses (Including agent commission)	17.95	18.78	26.67	27.19	33.86
Reserve for Un-Expired risk	6.61	2.77	4.94	6.16	6.92
Operating (Underwriting) Profit/(loss)	6.56	-2.16	-2.67	7.11	15.19
Investment Income & Others Income	6.56	12.37	17.01	22.36	21.31
Gross profit / (Loss) Before Tax	15.25	8.92	12.58	27.81	31.34
Income tax provision	2.5	1.66	3.00	8.00	10.38
Net Profit / (Loss) After Tax	12.75	7.26	9.57	19.81	20.96
Earning Per Share (EPS) after Tax	2.12	1.49	1.60	3.30	3.49
Investment	143.72	145.09	151.31	188.17	181.49
Net Asset Value per share	29.75	28.28	29.00	27.74	24.17
Share holder's equity	182.41	169.66	168.41	158.84	140.03

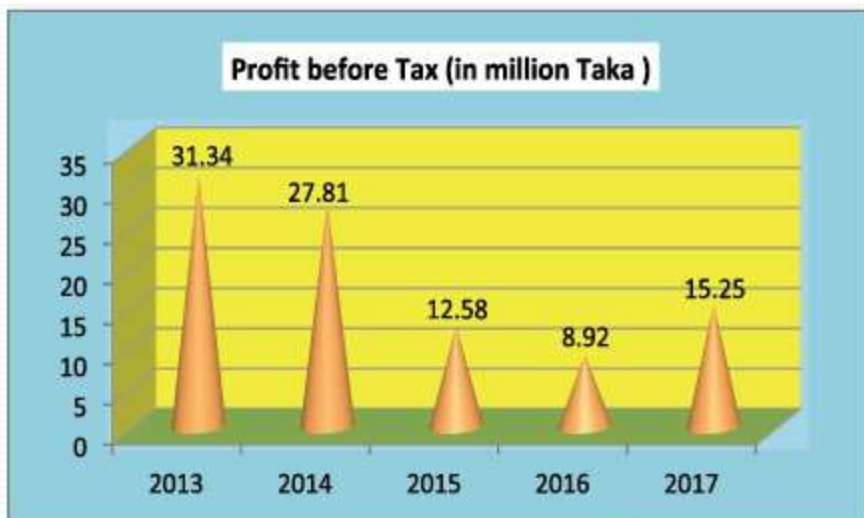
Operational Performance	Taka in Million			
	2017	2016	Increased/ (Decreased) in 2017	Increased/ (Decreased) %
Gross premium Income (Turnover) :	66.1	55.46	10.64	19.18
Net premium Income :	21.93	13.95	7.98	57.20
Net Claims Paid	1.37	0.74	0.63	85.14
Management Expenses	17.95	18.78	-0.83	-4.42
Reserve for exceptional loss	6.61	2.77	3.84	138.63
Operating (Underwriting) Profit/(loss)	6.56	-2.16	8.72	403.70
Investment Income & Others Income	10.69	12.37	-1.68	-13.58
Gross profit / (Loss) Before Tax	15.25	8.92	6.33	70.96
Income tax provision	2.5	1.66	0.84	50.60
Net Profit / (Loss) After Tax	12.75	7.26	5.49	75.62
Earning Per Share (EPS) after Tax	2.12	1.49	0.63	42.28

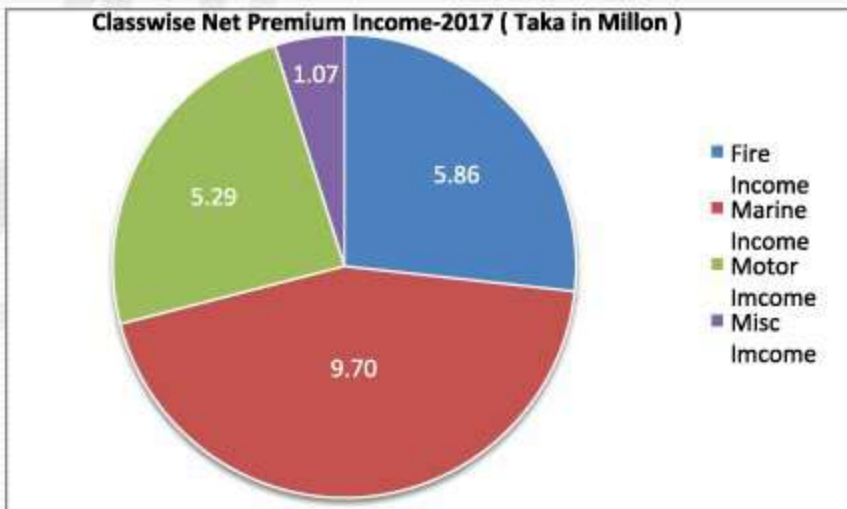
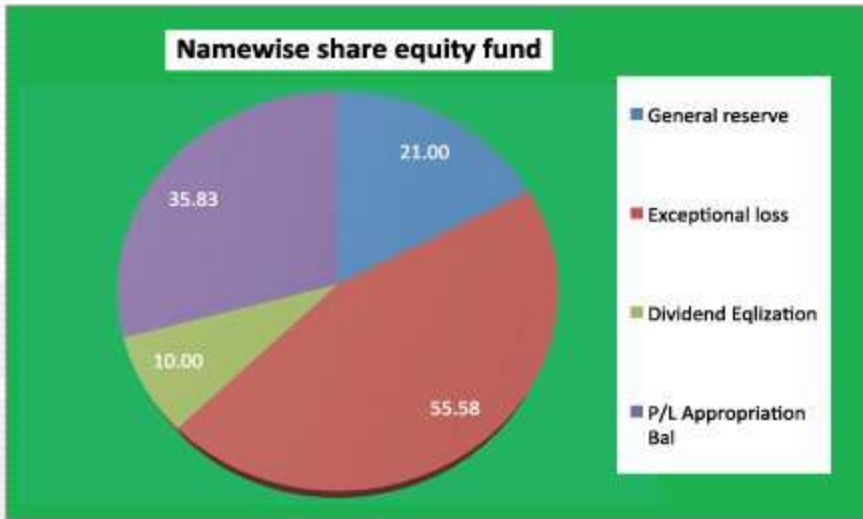
## GRAPHICAL PRESENTATION

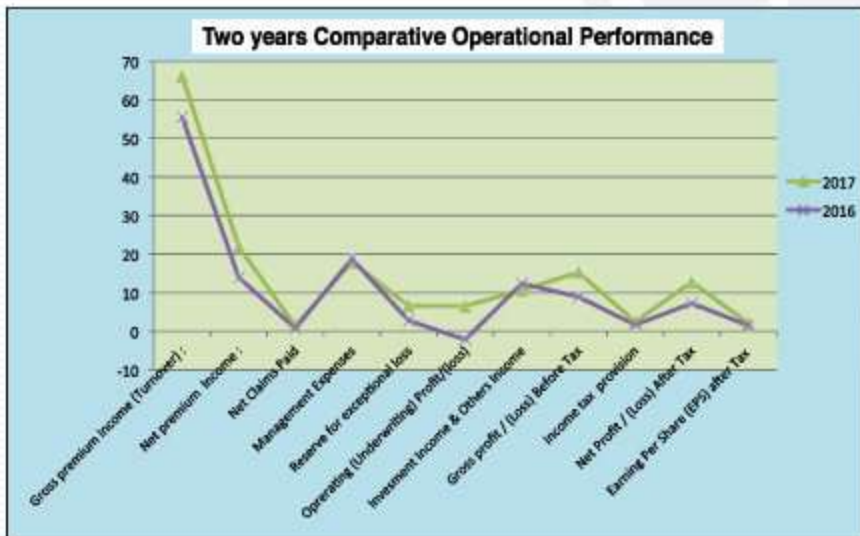
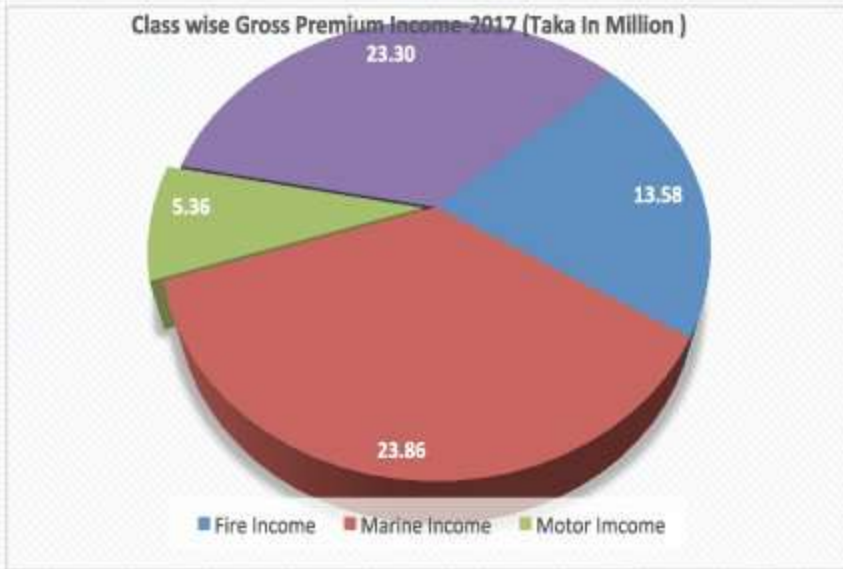














# Photo Gallery



## Photo Galary





## Independent Auditors' Report to the Shareholders of **SOUTH ASIA INSURANCE COMPANY LIMITED**

### Report on the financial statements

We have audited the accompanying Statement of Financial Position(Balance Sheet) of the SOUTH ASIA INSURANCE COMPANY LIMITED as of 31 December, 2017 and the related Revenue Accounts, as well as Profit and Loss Account, and other Comprehensive Income Profit and Loss Appropriation Account, Statement of Cash Flows, Statement of Changes in Equity for the period then ended together with notes thereto. The preparation of the financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on these on these Financial Statements based on our audit.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS)/ Bangladesh Financial reporting Standards(BFRS), The Companies Act1994, The Insurance Act2010, Insurance rules 1958, the Securities and Exchange Rules 1987, guidelines provided by Insurance Development and regulatory Authority(IDRA) and other applicable laws and regulations and for such internal control as management determines, which is necessary to enable the preparation of financial statements that are free from material misstatement, where due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and as well as plan and perform the audit to obtain reasonable assurance where 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 procedure selected depend on the auditors judgment, including the assessment of the risk of materials misstatement if the financial statements, whether due ti fraud or error. In making those risk assessments the auditor consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities internal control. An audit also includes

evaluation the appropriateness of accounting policies used and reasonableness of accounting elements 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 of South Asia Insurance Company Limited, in all material respects, give a true and fair view of the financial position of the Company as on 31 December, 2017 of its financial performance and of its Cash flow for the year than ended and financial statement were prepared in accordance with Bangladesh Financial reporting Standard(BFRS) and Bangladesh Accounting Standard(BAS)The Companies Act, 1994, the Insurance Act, 2010, the Securities and Exchange Rules, 1987 Insurance Rules 1958(as amended in 2010),in the Insurance rules 1958 and other applicable laws and regulations.

#### We also report that :

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- ii) In our opinion, proper Books and account as required by law have been kept by the Company as per as it appeared from our examination of those bank and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
- iii) As per section 63 (2) of the Insurance Act, 2010, we certify that to the best of our knowledge and belief and according to the information and explanations given to us, all expenses of management wherever incurred and whether incurred directly or indirectly, in respect of insurance business of the Company transacted in Bangladesh during the year under report have been duly debited to the related Revenue Accounts and the Profit and Loss Account of the Company;
- iv) The information and explanations required by us have been received and found satisfactory.
- v) As per regulation 11 of part 1 of the Third Schedule of the insurance Act, 1938(as amended 2010), we further certify that according to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form, outside Bangladesh in respect of any of its business re-insured abroad during the year ended 31 st December,2017
- vi) The company's Balance sheet, Revenue Accounts, Profit and Loss Account, and other Comprehensive Income Profit and Loss Appropriation Account, Statement of Cash Flows, Statement of Changes in Equity dealt with by the report are an agreement with the books and account and returns.
- vii) The expenditure incurred was for the purposes of the Company's business;



**MAHFEL HUQ & CO.**  
CHARTERED ACCOUNTANTS

Dated, Dhaka,  
September 12, 2018



## South Asia Insurance Company Limited

Statement of Financial Position (Balance Sheet)  
As at December 31, 2017

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		31.12.2017	31.12.2016			31.12.2017	31.12.2016
<b>Shareholders Equity &amp; Liabilities:</b>				<b>Assets:</b>			
Authorized Share Capital:				Non Current Assets			
30,000,000 ordinary shares of Tk.10 each		30,000,000	300,000,000	Property Plant and Assets (At cost less Depreciation)	13	1,344,117	1,425,092
Issued, Subscribed & Paid up Capital:				INVESTMENTS			
6,000,000 ordinary shares of Tk.10 each	6.01	60,000,000	60,000,000	Statutory Deposits	14.01	25,000,000	25,000,000
				Purchase land in Uttara Model Town	18	33,240,000	33,240,000
				Current Assets:			
Reserve and Contingent Account:				Stock of Stationery		85,820	74,542
Reserve for Exceptional Losses	7.01	55,582,946	48,973,062	Insurance Stamp in Hand		84,644	95,620
General Reserve Fund	7.02	21,000,000	21,000,000	Interest Accrued but not received	15	4,566,049	4,939,036
Reserve for Dividend Equalization Fund		10,000,000	10,000,000	Amount due from other persons or bodies carrying on insurance business	16	21,390,659	12,578,513
Profit & Loss Appropriation Account		35,830,836	39,094,037	Sundry Debtors	17	67,104,377	52,890,279
				Cash and Cash Equivalents			
<b>Total Shareholder's Equity:</b>		<b>182,413,786</b>	<b>169,667,699</b>	Fixed Deposit Receipts (Term Deposit)	14.02	118,977,062	122,185,379
<b>Balance of Funds and Accounts:</b>	8	<b>8,885,740</b>	<b>6,319,623</b>	Cash in hand		261,521	142,626
Fire Insurance Business		2,946,382	643,237	Cash at bank		9,213,226	1,950,243
Marine Insurance Business		3,826,386	4,175,444				
Marine Hull Insurance Business		137,018	74,439				
Motor Insurance Business		2,117,025	1,118,865				
Miscellaneous Insurance Business		428,329	305,651				
Premium Deposits		7,476,950	4,861,623				
<b>Liabilities and Provisions</b>		<b>73,043,218</b>	<b>71,371,214</b>				
Income Tax Provision	9	58,547,054	56,045,501				
Estimated Liability in Respect of Outstanding Claims whether Due or Incurred	10	9,666,303	9,683,205				
Amount due to other persons or bodies carrying insurance business	11	3,174,900	3,174,900				
Sundry Creditors	12	3,652,558	4,667,605				
<b>Total Liabilities:</b>		<b>88,373,908</b>	<b>82,793,462</b>				
<b>Total Shareholder's Equity &amp; Liabilities</b>		<b>271,787,686</b>	<b>252,420,162</b>	<b>Total Assets</b>		<b>271,787,686</b>	<b>252,420,161</b>
<b>Net Asset Value per share (NAV)</b>		<b>30.40</b>	<b>28.28</b>				

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka

Dated: September 12, 2018

Rahma Ahsan

Ms. Rahnuma Ahsan

Chairman


  
Shamsher Hassan  
Chief Executive Officer(CEO)


  
Satyjit Das  
Director


  
Mahafel Hui & Co  
Chartered Accountants


  
Mahafel Hui & Co  
Chartered Accountants

# South Asia Insurance Company Limited

## Profit and Loss Account and (statement of profit or loss & other Comprehensive Income) For the Year Ended December 31, 2017


Particulars	Amount in Taka		Particulars	Amount in Taka	
	31.12.2017	30.12.2016		31.12.2017	30.12.2016
<b>Expenses of Management</b>	<b>1,994,862</b>	<b>1,287,941</b>	<b>Operating Profit / (loss) transferred from :</b>	<b>6,556,151</b>	<b>(2,159,527)</b>
(not applicable to any particular fund or account)			Fire Insurance Revenue Account	929,794	1,429,289
Directors' fees	305,000	220,000	Marine Insurance Revenue Account	5,938,126	336,897
Advertisement & Publicity	-	60,687	Marine Hull Insurance Revenue Account	14,654	(65,298)
Audit fees	100,000	100,000	Motor Insurance Revenue Account	2,907,993	1,595,584
Legal & professional fees	842,500	185,000	Misc. Insurance Revenue Account	(3,234,415)	(5,455,998)
Depreciation	312,674	225,712			
Registration fees	196,103	185,946	<b>Non-Operating Income :</b>		
Meeting Expenses	139,977	160,596	(Interest, Dividend and Rents not applicable to any particular fund or account)		
Donation & Subscription	298,608	150,000	Others Income	4,000	80,000
Profit before Tax transferred to Profit & (Loss) Appropriation Account	15,247,633	8,918,739		10,682,344	12,286,207
<b>Total :</b>	<b>17,242,495</b>	<b>10,206,680</b>	<b>Total :</b>	<b>17,242,495</b>	<b>10,126,680</b>
<b>Earnings Per Share before tax</b>	<b>2.54</b>	<b>1.49</b>			

The annexed notes from 1 to 20 form an integral part of these Financial Statements.

Place: Dhaka  
Dated: September 12, 2018

  
Ms. Rahnuma Ahsan  
Chairman

  
Shambir Hussain  
Chief Executive Officer(cc)

  
Saikat Saha  
Director

  
Mahafel Huq & Co  
Chartered Accountants

  
Mahafel Huq & Co  
Chartered Accountants

**South Asia Insurance Company Limited**  
**Profit & Loss Appropriation Account**  
**For the Year Ended December 31, 2017**

Particulars	Notes	Amount in Taka		Particulars	Notes	Amount in Taka	
		31.12.2017	31.12.2016			31.12.2017	31.12.2016
<b>Appropriation:</b>				<b>Opening Balance of Appropriation Accounts</b>			
Reserve for exceptional losses	7.01	6,609,882	2,772,900	Profit/(loss) carried forward during the year		29,694,638	31,212,236
Provision for Income Tax	9.01	2,501,553	1,663,438			15,247,633	8,918,739
Cash Dividend Paid for the Year 2015			6,000,000				
General Reserve Fund							
<b>Retained Earnings Balance Transferred to Statement of Financial Position</b>		<b>35,830,836</b>	<b>29,694,638</b>	<b>Total</b>		<b>44,942,271</b>	<b>40,130,975</b>
<b>Earnings Per Share after tax</b>		<b>2.12</b>	<b>1.21</b>				

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka  
 Dated: September 12, 2018

*Rahma Ahsan*  
**Ms. Rahnuma Ahsan**  
 Chairman

*Shamim Hassan*  
**Shamim Hassan**  
 Chief Executive Officer(ce)

*Satish Dasgupta*  
**Satish Dasgupta**  
 Director

*Abul*  
**Abul**  
 Director

*Mahaful Haque*  
**Mahaful Haque & Co**  
 Chartered Accountants

**South Asia Insurance Company Limited**  
Consolidated Insurance Revenue Account  
For the Year Ended December 31, 2017

Particulars	Amount in Taka					Particulars	Amount in Taka					2016 Total		
	2017						2017							
	Fire	Marine	Marine Hull	Motor	Misc.		Fire	Marine	Marine Hull	Motor	Misc.		Total	
Claims under Policies less Re-Insurances	171,487	928,249	620	375,998	79,205	1,356,659	1,877,815					5,319,926	3,013,037	
Claims Paid during the year	171,487	928,249	620	375,998	79,205	1,879,561	742,902							
Add: Claims Outstanding at the end of the year	1,351,487	5,949,389	-	2,385,467	-	9,686,343	9,683,205						21,353,823	13,952,811
Less: Claims Outstanding at the end of the previous year	1,351,487	5,957,071	-	2,384,687	-	9,693,245	8,548,791					683,981	9,029,739	5,255,739
Expenses of management	3,696,513	6,413,990	55,119	5,453,964	6,327,186	17,946,173	16,834,113							
Agent Commission	1,256,219	893,117	-	420,429	-	2,569,764	1,950,236							
Profit/(Loss) Transferred to Profit & Loss Account	920,794	5,808,138	14,654	2,907,999	(3,234,415)	6,196,151	(2,100,577)							
Balance of account at the end of the year as shown in the Balance sheet	2,346,382	3,826,386	137,018	2,117,025	428,929	8,855,740	6,319,025							
(Source for unexpired risks being 40% of premium income on Marine, Motor & Misc and 20% of Premium income on Marine (Hull of the year).														
<b>Total</b>	<b>8,390,395</b>	<b>17,998,269</b>	<b>217,411</b>	<b>7,074,499</b>	<b>3,693,265</b>	<b>37,383,886</b>	<b>24,821,453</b>					<b>17,383,488</b>	<b>24,821,453</b>	

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka

Dated: September 12, 2018

*Rahma Akram*

**Ms. Rahnuma Akram**  
Chairman

*Shamsher Hassan*

**Shamsher Hassan**  
Chief Executive Officer (cc)

*Satish Kumar*

**Director**

*Abul Kalam*

**Director**

*Mahafel Huq*

**Mahafel Huq & Co**  
Chartered Accountants

**South Asia Insurance Company Limited**  
**Fire Insurance Revenue Account**  
**For the Year ended December 31, 2017**

Particulars	Amount in Taka		Particulars	Amount in Taka	
	2017	2016		2017	2016
Claims under Policies less Re-insurances:	171,487	76,672	Balance of account at the beginning of the year:	645,227	1,927,228
Claims Paid during the year	171,487	76,672	Premium less re-insurances	5,865,954	1,433,837
Add: Claims Outstanding at the end of the year	1,331,467	1,331,467	Commission on Re-insurances ceded	1,879,214	1,208,015
Less: Claims Outstanding at the end of the previous year	1,331,467	1,331,467			
Expenses of management	3,686,513	1,942,221			
Agent Commission	1,256,219	475,672			
<b>Profit/(Loss) Transferred to Profit &amp; Loss Account</b>	<b>929,794</b>	<b>1,429,289</b>			
Balance of account at the end of the year as shown in the Balance sheet	2,346,382	645,227			
(Reserve for unexpired risks being 45% of premium income on Fire of the year )					
<b>Total</b>	<b>8,390,395</b>	<b>4,569,080</b>	<b>Total</b>	<b>8,390,395</b>	<b>4,569,080</b>

Pisoor, Dhaka  
 Dated: September 12, 2018

*Rahma Akhron*  
**Ms. Rahnuma Ahsan**  
 Chairman

*Shamsher Hassan*  
**Shamsher Hassan**  
 Chief Executive Officer(c)

*Satjit Dasgupta*  
 Director

*Abdullah*  
 Director

*Mahafel Haque*  
**Mahafel Haque & Co**  
 Chartered Accountants

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

# South Asia Insurance Company Limited

## Marine & Marine Hull Insurance Revenue Account For the Year ended December 31, 2017

Particulars	Amount in Taka			Amount in Taka		
	2017		2016	2017		2016
	Marine	Marine Hull	Total	Marine	Marine Hull	Total
Claims under Policies less Re-Insurances:	929,249	620	929,869	1,401,357		3,415,329
Claims Paid during the year	936,951	620	937,571	371,943		3,264,884
Add: Claims Outstanding at the end of the year	5,949,369	-	5,949,369	5,957,071		385,494
Less: Claims Outstanding at the end of the previous year	5,957,071	-	5,957,071	4,927,657		
Expenses of management	6,413,390	65,119	6,478,510	8,052,916		
Agent Commission	892,117	-	892,117	1,378,940		
<b>Profit/(Loss) Transferred to Profit &amp; Loss Account.</b>	5,938,126	14,654	5,952,780	(8,017,388)		
Balance of account at the end of the year as shown in the Balance sheet	3,826,386	137,018	3,963,404	4,249,883		
(Reserve for unassigned risks being 45% of premium income on Marine and 100% of Premium Income on Marine Hull of the year)						
<b>Total</b>	<b>17,999,268</b>	<b>217,411</b>	<b>18,216,679</b>	<b>7,065,707</b>		<b>7,065,707</b>

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka  
Dated: September 12, 2018

*Rahma Akhron*  
**Ms. Rahnuma Akhron**  
Chairman

*Shamsher Hassan*  
**Shamsher Hassan**  
Chief Executive Officer(ict)

*Satish Chandra*  
Director

*Abul*  
Director


*Mahafel Hossain*  
**Mahafel Hossain & Co**  
Chartered Accountants

## South Asia Insurance Company Limited

Motor Insurance Revenue Account  
For the Year ended December 31, 2017

Particulars	Amount in Taka		Particulars	Amount in Taka	
	2017	2016		2017	2016
Claims under Policies less Re-insurances:	1,75,998	193,251	Balance of account at the beginning of the year :	1,118,865	1,279,092
Claims Paid during the year	185,198	88,251	Premium less re-insurances.	5,297,563	2,496,366
Add: Claims Outstanding at the end of the year	2,385,467	2,394,667	Commission on Re-insurances ceded	663,981	66,134
Less: Claims Outstanding at the end of the previous year	2,394,667	2,289,667			
Expenses of management	1,453,964	835,028			
Agent Commission	420,429	88,864			
<b>Profit/(Loss) Transferred to Profit &amp; Loss Account.</b>	<b>2,907,993</b>	<b>1,595,584</b>			
Balance of account at the end of the year as shown in the Balance sheet	2,117,025	1,118,865			
(Reserve for unexpired risks being 45% of Motor premium income of the year)					
<b>Total</b>	<b>7,075,409</b>	<b>3,831,592</b>	<b>Total</b>	<b>7,075,409</b>	<b>3,831,592</b>

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka  
Dated: September 12, 2018

  
Ms. Rahnuma Akhson  
Chairman


  
Satish Kumar  
Director


  
Director


  
Mahafel Hui & Co  
Chartered Accountants

# South Asia Insurance Company Limited

## Miscellaneous Insurance Revenue Account

For the Year ended December 31, 2017

Particulars	Amount in Taka		Particulars	Amount in Taka	
	2017	2016		2017	2016
Claims under Policies less Re-insurances:			Balance of account at the beginning of the year:	305,651	(1,008,567)
Claims Paid during the year	79,305	205,735	Premium less re-insurances	1,072,323	679,225
Add: Claims Outstanding at the end of the year	79,305	-	Commission Earned on Re-insurances	2,223,031	1,395,428
Less: Claims Outstanding at the end of the previous year	-	-			
Expenses of management	6,327,186	6,003,949			
Agent Commission	-	6,750			
Profit/(Loss) Transferred to Profit & Loss Account	(3,234,415)	(5,455,999)			
Balance of account at the end of the year as shown in the Balance sheet	428,929	305,651			
(Reserve for unexpired risks being 45% of Miscellaneous premium income of the year)					
<b>Total</b>	<b>3,601,005</b>	<b>1,066,086</b>	<b>Total</b>	<b>3,601,005</b>	<b>1,066,086</b>

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka  
Dated: September 12, 2018

*Rahma Afron*  
**Ms. Rahnuma Ahsan**  
Chairman

*Shamsher Hassan*  
**Shamsher Hassan**  
Chief Executive Officer(cc)

*Satish Kumar*  
Director

*Abul Kalam*  
Director

*Mahafel Huq*  
**Mahafel Huq**  
Chartered Accountants



## South Asia Insurance Company Limited

## Statement of Cash Flows

For the Year Ended December 31, 2017

Particulars	Amount in Taka	
	31.12.2017	31.12.2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Turnover against Insurance Business and others	40,565,750	25,855,000
Payment for management expenses, re-insurance and claims	(39,043,798)	(32,043,798)
Company's Income Tax Paid to Government	(16,319,221)	(10,268,562)
Source Tax Paid on Different Heads	(2,486,758)	(840,969)
VAT Paid(including Source vat) to Government	(4,154,642)	(1,599,942)
<b>Net cash flow from Operating Activities</b>	<b>(21,438,669)</b>	<b>(18,898,271)</b>
<b>Net operating cash flow per share</b>	<b>(3.57)</b>	<b>(3.15)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Paid for Land purchase	-	-
Disposal of fixed assets	-	80,000
Purchase of Fixed Assets	(230,700)	(220,900.00)
Fixed Deposit opened	(1,404,805)	(43,500,000)
Fixed Deposit encased	12,000,000	49,000,000
Interest received	9,233,357	11,139,426
<b>Net cash flow from Investing activities</b>	<b>19,597,852</b>	<b>16,498,526</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Cash dividend paid	(1,372,500)	(4,942,500)
<b>Net cash flow from financing activities</b>	<b>(1,372,500)</b>	<b>(4,942,500)</b>
Increase/ (Decrease) in Cash and Cash Equivalent(A+B+C)	(3,213,317)	(7,342,245)
Cash and Cash Equivalent at the beginning of the year	122,185,379	129,527,624
<b>Cash and Cash Equivalent at the closing of the year</b>	<b>118,972,062</b>	<b>122,185,379</b>

The annexed notes from 1 to 21 form an integral part of these Financial Statements.

Place: Dhaka

Dated: September 12, 2018

  
Ms. Rahnuma Ahsan  
Chairman

  
Shambir Hassan  
Chief Executive Officer(ce)

  
Director

  
Director

  
Mahafel Huq & Co  
Chartered Accountants

## South Asia Insurance Company Limited

Statement of Changes in Equity  
For the Year ended December 31, 2017

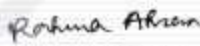
For the year -2017	(Amount in Taka)					
	Particulars	Share Capital	General Reserve Fund	Reserve for exceptional losses	Reserve for Dividend Equalization fund	Profit & Loss Account Appr.
Balance as at 1st January 2017	60,000,000	21,000,000	48,973,062	10,000,000	29,694,637	169,667,698
Profit after tax for the year	-	-	-	-	12,746,080	7,255,300
Dividend Paid	-	-	-	-	-	-
General Reserve	-	-	-	-	-	-
Reserve for exceptional losses	-	-	6,609,883	-	(6,609,882)	(6,609,882)
Reserve for Dividend Equalization fund	-	-	-	-	-	-
<b>Total</b>	<b>60,000,000</b>	<b>21,000,000</b>	<b>55,582,945</b>	<b>10,000,000</b>	<b>35,830,835</b>	<b>182,413,780</b>

South Asia Insurance Company Ltd.  
Statement of Changes in Equity  
For the Year ended December 31, 2016

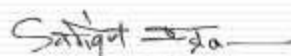
For the year -2016	(Amount in Taka)					
	Particulars	Share Capital	General Reserve Fund	Reserve for exceptional losses	Reserve for Dividend Equalization fund	Profit & Loss Account Appr.
Balance as at 1st January 2016	60,000,000	21,000,000	46,200,162	10,000,000	31,212,236	168,412,398
Profit after tax for the year	-	-	-	-	7,255,300	7,255,300
Dividend Paid	-	-	-	-	(6,000,000)	(6,000,000)
General Reserve	-	-	-	-	-	-
Reserve for exceptional losses	-	-	2,772,900	-	(2,772,900)	(2,772,900)
Reserve for Dividend Equalization fund	-	-	-	-	-	-
<b>Total</b>	<b>60,000,000</b>	<b>21,000,000</b>	<b>48,973,062</b>	<b>10,000,000</b>	<b>29,694,636</b>	<b>169,667,698</b>

Place: Dhaka

Dated: September 12, 2018

  
Ms. Rahnuma Ahsan  
Chairman

  
Shamsher Hassan  
Chief Executive Officer(cc)

  
Satiq  
Director

  
Director

  
Mahafel Huq & Co  
Chartered Accountants

## South Asia Insurance Company Limited

Classified Summary of Assets as at 31 December, 2017.

Form "AA"		Amount in Taka	
		31.12.2017	31.12.2016
Sl. No.	Class of Assets	Book Value	Book Value
<b>A. NON CURRENT ASSETS :</b>			
<b>i). Property, Plant &amp; Office Equipments</b>			
(a)	Motor Vehicles	844,375	1,055,468
(b)	Furniture & Fixture	135,099	138,510
(c)	Electrical Equipment	7,647	8,996
(d)	Office Equipment	54,780	46,397
(e)		28,000	-
(f)	Computer	274,216	176,720.00
<b>Sub total :</b>		<b>1,344,116</b>	<b>1,426,090</b>
<b>ii). Investment :</b>			
(a)	5 Years Bangladesh Govt. Treasury Bond	25,000,000	25,000,000
<b>Sub total :</b>		<b>25,000,000</b>	<b>25,000,000</b>
<b>Total Non Current Assets =(i+ii)</b>		<b>26,344,116</b>	<b>26,426,090</b>
<b>B). CURRENT ASSETS :</b>			
(a)	Investment in Fixed Deposits Receipts (FDR)	109,497,315	120,092,510
(b)	STD Accounts Balance with Banks	8,869,376	1,669,318
(c)	Current Accounts Balance with Banks	343,850	280,927.00
(d)	Cash in hand as on December 31, 2017	261,521	142,626
(e)	Advance in Land Purchase	33,240,000	33,240,000
(f)	Interest Accrued	4,566,049	4,929,636
(g)	Sundry Debtors	67,104,327	52,890,279
(h)	Amount due from other persons or bodies carrying on insurance business	21,390,669	12,578,513
(i)	Stock of printing materials in hand (at cost)	85,820	74,642.00
(j)	Stamps in hand	84,644	95,620
<b>Total Current Assets : (B)</b>		<b>245,443,571</b>	<b>225,994,071</b>
<b>Total Assets =(A+B)</b>		<b>271,787,687</b>	<b>252,420,161</b>

Place: Dhaka

Dated: September 12, 2018

*Rahnuma Ahsan*  
Ms. Rahnuma Ahsan  
Chairman

*Shamiser Hassan*  
Shamiser Hassan  
Chief Executive Officer(ce)

*Satigut*  
Director

*Mahafel Huq*  
Director

*Mahafel Huq & Co*  
Mahafel Huq & Co  
Chartered Accountants

## South Asia Insurance Company Limited

### Notes to the Financial Statements

#### For the Year Ended December 31, 2017

#### 1.00 LEGAL FORM OF THE COMPANY :

The Company was incorporated as a public limited company on 21st December 1999 under the Companies Act 1994 and obtained registration from the Insurance Development & Regulatory Authority (IDRA) former Chief Controller of Insurance, Government of the People's Republic of Bangladesh on March 29th 1999 concurrently. The company has obtained registration certificate from the Insurance Development & Regulatory Authority (IDRA). The company is engaged in the business of all types of insurance other than life as per Insurance Act, 1938 as amended 2010.

#### 1.01 Address of Registered Office and Place of Business of the Company

The registered office of the company is located at Shawdesh tower(5th floor) 41/6 Purana Palton(Box Culvert Road), Dhaka-1000, Bangladesh.

#### 1.02 Principal Activities of the Company :

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

#### 1.03 Date of Financial Statements When Approval :

Financial Statements of the Company for the year ended December 31, 2017 were approval on September 12, 2018 in accordance with a resolution of the Board of Directors of the Company.

#### 2.00 Summary of Significant Accounting Policies and Other related Policies Information:

##### 2.01 Basis of Accounting Preparation :

The financial statements of the Company under reporting have been prepared under historical cost convention in going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) and practice in Bangladesh. Disclosure of financial information as required by Insurance Act 2010 have been complied with while preparing statement of financial position, statement of profit or loss and other comprehensive Income, profit and loss appropriation account and revenue accounts for specific classes of insurance business in the form set forth in the first, second and third schedule of the Insurance Act and also in compliance with the Company Act 1994.

##### 2.02 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. 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 Insurance Act, 1938 as amended and adopted Insurance Act 2010. The classified summary of the assets has been prepared in accordance with Form "AA" as set forth in Part – II of the aforesaid Act. Statement of the cash flow and statement

of change in equity have been prepared in accordance with applicable BAS.

**i) Method of Preparation:**

The Financial statements have been drawn up on mercantile method.

**ii) Compliance Statements and General Rules & Regulations:**

The financial statements have been prepared and disclosures of information have been made in accordance with the requirements of insurance Act,1938 (as New Act,2010), Insurance rules 1958, the companies Act 1994, and time to time Guidelines from Insurance Development and Regulatory Authority rules and regulations. weare applied where applicable and not con tradictory with the above. To comply with the International Accounting Standards and International Financial Reporting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

**iii) Last Year's Figures Rearranged and adjusted**

Last year's figures have been rearranged and adjusted wherever considered necessary to confirm with the current year balances. As prescribed in BAS-8.

**iv) Basis of Measurement**

The financial statements have been prepared on the historical cost basis except for investments in stock exchanges which are measured at fair value.

**v) Functional and Presentational Currency**

These financial statements are prepared in Bangladesh Taka (Taka / Tk.), which is the company's functional currency. All information presented in Taka has been rounded to the nearest Taka (BDT).

**vi) Going Concern Basis :**

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

**vii) Interim Financial Reporting:**

In accordance with Bangladesh Accounting Standard (BAS-34) . Interim Financial Reporting publicly traded entities encourages to provide interim financial reports that confirm to the recognition, measurement and disclosure principals set out in this standard. Timely and reliable interim financial reporting improves the ability of investors, creditors, and others to understand an entity's capacity to generate earnings and cash flows and its financial condition and liquidity. South Asia Insurance Company apply the same accounting policies in its interim financial statements as are applied in its annual financial statements.

**viii) Reporting Period**

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

### 2.03 Significant Accounting Policies

**i) Revenue Recognition (BAS-18):**

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

**ii) Underwriting Premium Income :**

Premium income is recognized when insurance policies are issued and premium collected. The sum of premium income as appeared in classified Revenue Accounts is net of the refund made, Re-insurance ceded and Re-insurance premium on PSB.

**iii) Public Sector Business (PSB) :**

As Per Government decision effective from April 1990, all the Public Sector Insurance Business 100% is being underwritten by Shadharan Bima Corporation, 50% being retained by Shadharan Bima Corporation and the balance equally divided to 47 private sector insurance companies. The premium in respect of Company's share of Public Sector Insurance Business (PSB) is accounted for in the year in which the relevant statement of accounts from Shadharan Bima Corporation is received. The statements of account for the period from July 2016 to June, 2017 have been received from SBC and the Company's share of PSB for the aforesaid period has been recognized in these financial statements accordingly. Such method of account for the Public Sector insurance Business (PSB) has been consistently followed.

**iv) Re-Insurance Ceded and Accepted with Shadharan Bima Corporation:**

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

**v) Cover Notes Converted into Policy (CCP) :**

Amounts received against issue of cover notes that have not converted into policy are not recognized as income. The cover note which were previously issued are converted into insurance policy or at the expiry of one year cover note as per circular of Shadharan Bima Corporation (SBC).

**vi) Investment Income :**

Interest on Fixed Deposit Receipts (FDR) and 5 (five) years Bangladesh Government Treasury Bond (BGTB) are accounted for on accrual basis after making provision for income tax deductible at source. Interest on STD account and other income are recognized on cash basis.

### 2.04 Fixed Assets :

**i) Valuation of Government Bond:**

5 years Bangladesh Government Treasury Bond (BGTB) / Securities are stated at cost.

**ii) Valuation of Fixed assets :**

**a) Building Property, Plant and Equipment :**

All fixed assets are stated at cost less accumulated depreciation as per Bangladesh Accounting Standard (BAS) -16, "Property, Plant and Equipment". The cost acquisition of an asset comprise its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

**b) Recognition of Fixed Assets :**

The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the items can be measured reliably. Normal expenditure incurred after the assets have been put into operation such as repairs and maintenance other than major replacements renewals and or betterment of the assets are charged off as revenue expenditure in the period in which it is incurred.

**c) Depreciation on Building Property, Plant & Equipments :**

Building Property, Plant & Equipment are depreciated following the reducing balance method on the basis of life expectancy of the assets in accordance with BAS-16. Depreciation on addition of fixed assets has been charged when it is available for use. The Property, Plant & Equipment are depreciated at the following rates:

Items	Rate %
Motor Vehicles	20%
Furniture & Fixtures	10%
Office Equipment	15%
Electrical Equipment	15%
Computer	20%

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 Insurance Act 1938, have been reviewed and the balances are in agreement with the statement of financial position amount and Form "AA" amount.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and recognized in the statement of profit or loss account and other comprehensive income.

**d) De-recognition :**

An item of property, Plant and Equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss account and other Comprehensive income in the year the asset is de-recognized .

**e) Impairment of Assets :**

As per Bangladesh Accounting Standard (BAS) 36 : The carrying amounts of the company's non-current assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss account and other comprehensive income. Considering the present conditions of the assets, management concludes that there is no such indications exist.

**2.05 Balance of Funds & Accounts (Un-expired Risk Reserve) :**

Surplus / Deficit on Revenue Accounts has been arrived at after making necessary provision for un-expired risk @ 40% of Net premium Income on Fire, Motor, Miscellaneous, Marine cargo and 100% on Marine Hull business concern.

**2.06 Allocation of Management Expenses :**

As per section 40(C-2) insurance Act 1938 as amended Insurance Law 2010 all relevant Management expenses wherever incurred directly or indirectly have been allocated amongst different Revenue Account in respect of Fire, Marine, Motor and Miscellaneous insurance business on pro-rata basis at their respective gross premium Income. Management expenses as charged to Revenue Accounts amounting to Tk.1,79,46,173/= of Gross Premium Income of Tk. 6,60,98,819/=

**2.07 Cash Flow Statement :**

Statement of Cash Flows is prepared in accordance with IAS -7 and Bangladesh Accounting Standard (BAS) -7 Statement of Cash Flows and the cash flow from the operating activities has been presented under direct method as prescribed by the Securities and Exchange Rules -1987. Statement of Cash Flows is broken down into operating activities, investing activities, and financing activities.

**3.00 Provision for Income Taxes:**

The company has made the income tax provision on the basis of BAS-12 "Income Taxes" and Income Tax Ordinance, 1984 as amended time to time. Provision for Income Tax represents the sum of the current Tax on profit.

**3.01 Current Tax Provision :**

The tax currently payable is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of profit or loss appropriation Account because it excludes items of income or expenses that are taxable or deductible in succeeding years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted on the financial position date.

**4.00 Reserve or Contingencies Accounts :****4.01 Reserve for Exceptional losses :**

As per Para 6 of 4th Schedule of Income Tax Ordinance, 1984 to meet the exceptional losses, company sets aside ten percent of the premium income of the year in which it is set aside from the balance of the profit to Reserve for exceptional losses. As per Insurance Act 1938 as amended 2010, 10% statutory reserve is maintained out of profit by the company to meet any possible future claims on net premium income during the year.

**4.02 General Reserve Fund :**

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

**5.00 Earning Per Share (EPS) :**

The company calculates Earning Per Share (EPS) in accordance with BAS -33: "Earnings Per Share", which has been shown on the Statement of Profit and Loss Account and Other Comprehensive Income in the Financial Statements.



6.00 Additional Information on Financial Statements for the year 2017

6.01 Disclosure of Company's Issued, Subscribed and Paid up Capital:

Issued, Subscribed & Paid up Capital:

6,000,000 Ordinary shares of Tk.10 each.

Amount in Taka	
31.12.2017	31.12.2016
60,000,000	60,000,000

Shareholding Pattern

Sponsors:-

- 1 Ms. Rahnuma Ahsan Rep. by AG Poly & fiber Industries Ltd
- 2 Mr. Md. Shafiul Asgar Rep. by Ratanpur Aquaculture Farms Ltd
- 3 Mr. Mirazul Ahsan Rep. by AG Agro foods Ltd
- 4 Mr. Md. Rushaed Ahsan Rep by AG Property Developments Lrd
- 5 Mr. Shafiqul Islam Rep. by Ratanpur Agro Ltd
- 6 Mr. Ahsan ul Mahmud Rep. by Ratan pur Farms Ltd
- 7 Mr. Mohammad Ashaduzzaman Rep. by Thermax Spinning Ltd
- 8 Mohammed Mahbubur Rahman Rep by Sister Denim Composite Ltd
- 9 Mr. Ananta Kumar Sarker Rep. by Thermax Melange spinning Mills Ltd
- 10 Mr.Md. Harun Rep. by AG Agro Industries Ltd
- 11 Mr. Mrinal Kanti Mondal Rep by Ratanpur Dairy farms Ltd
- 12 Mr. Abu Bakar siddique Rep by Adury Knit Composite Ltd
- 13 Electro Venture Ltd

Total Share

Number of Share	% of shareholding
457,500	7.625
457,500	7.625
457,500	7.625
457,500	7.625
514,688	8.58
452,812	7.55
457,500	7.625
457,500	7.625
457,500	7.625
457,500	7.625
457,500	7.625
457,500	7.625
457,500	7.625
6,000,000	100

7.00 Class wise Exceptional Loss Reserve :

This represents profit set-aside during the year under review at 10% of net premium allowed as expenses to meet Exceptional Losses. The aforesaid set-aside of profit has been allowed as expenses by paragraph 6(2) of 4th Schedule of the Income Tax Ordinance, 1984.

7.01 10% Exceptional Loss Reserve on Premium

Fire Insurance Business  
Marine Insurance Business  
Motor Insurance Business  
Miscellaneous Insurance Business  
Current year Exceptional loss reserve  
Add: Previous exceptional loss reserve  
Total

Premium	At 10% of Premium on Amount in Taka	
	31.12.2017	31.12.2016
13,578,056	1,357,806	319,921
23,861,457	2,386,146	1,326,469
5,355,198	535,520	137,545
23,304,108	2,330,411	988,965
66,098,819	6,609,882	2,772,900
	48,973,062	46,200,162
	55,582,944	48,973,062

**7.02 General Reserve Fund Account:**

The company has created a General Reserve fund from financial year 2011 for avoiding any sudden fund crisis and contingency in future.

Opening Balance	21,000,000	21,000,000
Add : Transferred during the year	-	0
Closing balance as on December 31, 2017	21,000,000	21,000,000

**8.00 Balance of Fund and Accounts (Un-Expired Risk Reserve) :**

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

Class of business	Net Premium	Percentage	Amount in Taka	
			31.12.2017	31.12.2016
Fire	5,865,954	40%	2,346,382	645,227
Marine	9,565,965	40%	3,826,386	4,175,444
Marine Hull	137,018	100%	137,018	74,439
Motor	5,292,563	40%	2,117,025	1,118,865
Miscellaneous	1,072,323	40%	428,929	305,651
<b>Total</b>	<b>21,933,823</b>		<b>8,855,740</b>	<b>6,319,625</b>

**9.00 Income Tax Provision :**

This represents provision on account of Income tax, details are as follows:

	Amount in Taka	
	31.12.2017	31.12.2016
Opening Balance as on 1st January,	56,045,501	64,650,625
Add : Provision made during the year (9.01)	2,501,553	1,663,438
<b>Total</b>	<b>58,547,054</b>	<b>66,314,063</b>
Less: Company Tax paid during the year		10,268,562
<b>Closing balance as on December 31, 2017</b>	<b>58,547,054</b>	<b>56,045,501</b>

**9.01 Provision for Income Tax:**

Net Profit as per statement of profit or loss and other comprehensive income  
 Less: Reserve for exceptional losses( Note 7.01)  
 Less: Tax free Interest (NIB)  
**Taxable Income**  
 42.50% tax on taxable Income  
**Total tax provision**

	Amount in Taka	
	31.12.2017	31.12.2016
Net Profit as per statement of profit or loss and other comprehensive income	15,247,633	8,918,738
Less: Reserve for exceptional losses( Note 7.01)	6,609,882	2,772,900
Less: Tax free Interest (NIB)	2,751,744	2,231,867
<b>Taxable Income</b>	<b>5,886,007</b>	<b>3,913,971</b>
42.50% tax on taxable Income	2,501,553	1,663,438
<b>Total tax provision</b>	<b>2,501,553</b>	<b>1,663,438</b>

**10.00 Estimated Liability in Respect of Outstanding Claims Whether due or Intimated:**

Class of business

Fire  
 Marine  
 Motor  
 Closing balance as on December 31, 2017

	Amount in Taka	
	31.12.2017	31.12.2016
Fire	1,331,467	1,331,467
Marine	5,949,369	5,957,071
Motor	2,385,467	2,394,667
<b>Closing balance as on December 31, 2017</b>	<b>9,666,303</b>	<b>9,683,205</b>

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

**11.00 Amount due to other Persons or Bodies carrying on Insurance Business :**

	Amount in Taka	
	31.12.2017	31.12.2016
Pioneer Insurance Company Limited	406,411	406,411
Bangladesh General Insurance Company Limited	654,463	654,463
Phoenix Insurance Company limited	114,029	114,029
Closing balance as on December 31, 2017	1,174,903	1,174,903

**12.00 Sundry Creditors (including provision for expenses and taxes) :**

This represents liabilities for certain expenses as well as other finance, which are made up as follows:

Head of Items	Amount in Taka	
	31.12.2017	31.12.2016
Audit fees payable	300,000	310,000
VAT on Insurance Premium Payable	231,170	24,931
Employees' Tax deduction at source	19,495	1,795
Tax on dividend Payable	-	142,500
Source Vat deduction on office rent	-	43,349
Source tax deduction on agent commission	-	7,369
Office Rent Payable	19,200	19,200
Source tax deduction on office rent	13,427	14,387
Telephone bill Payable	4,549	15,137
Source Vat Payable	-	-
Electricity bills Payable	29,735	16,631
Salary payable	774,694	135,550
Others Payable	1,935,688	2,064,256
Dividend payable (12.01)	-	1,372,500
Software installation & Development fee payable	325,000	500,000
Source tax Payable	-	-
Closing balance as on December 31, 2017	3,652,958	4,667,605

**12.01 Unclaimed Dividend**

	Amount in Taka	
	31.12.2017	31.12.2016
Opening Balance	1,372,500	1,372,500
Less: Mr.Ghulam Akbar Chowdhury(Year 2014 & 2015)	915,000	915,000
Less: Mr. Anwar Ali Khan( Year 2015)	457,500	457,500
Total Unclaimed Dividend as on December 31, 2017	0	1,372,500

**13.00 Fixed Assets :**

**A. Cost Price :**

Cost of Fixed Assets as on January 1, 2017	13,926,586	14,135,686
Add : Addition during the year	230,700	220,900
Less: Adjustment / Disposal during the year	-	430,000.00
Cost of Fixed Assets as on December 31, 2017	14,157,286	13,926,586

**B. Accumulated Depreciation :**

Accumulated Depreciation Balance 1st January, 2017	12,500,494	12,704,781
Add : Depreciation during the year	312,674	225,712
Less : Disposal /Adjustment during the year	0	430,000.00
Accumulated Depreciation Balance at 31st December, 2017	12,813,169	12,500,494
Written Down Value As on December 31, 2017.(A-B)	1,344,117	1,426,092

Details in Annexure "A"

**14.00 Investment (at cost) :****14.01 Statutory Deposits**

The amount Tk. 90,00,000/= and Tk 1,60,00,000/= represents statutory deposit with Bangladesh Bank as required under Sec.7(1) of the Insurance Act, 1938 as amended 2010.

- 5 Years Bangladesh Govt. Treasury Bond @ 10.10%  
5 Years Bangladesh Govt. Treasury Bond @ 11.82%

Amount in Taka	
31.12.2017	31.12.2016
9,000,000	9,000,000
16,000,000	16,000,000
<b>25,000,000</b>	<b>25,000,000</b>

**14.02 Fixed Deposit Receipt (Term Deposit)**

Name of Company	Branch Name	2017	2016
AB Bank Ltd	Principal Branch	13,000,000	13,000,000
Delta Brac Housing Finance Corporate	Motijheel Branch	4,000,000	4,758,884
Exim Bank	Principal Branch	4,000,000	4,781,466
IIDFC	Dilkusha Branch	28,500,000	37,633,275
NRB Global Bank Limited	Motijheel Branch	7,500,000	7,500,000
Union Bank Limited	Nawabpur Road Branch	30,000,000	30,000,000
Maridian Finance	Federation Branch	5,000,000	-
National Bank	Dilkusha Branch	7,500,000	7,500,000
Standard Bank Ltd	Dilkusha Branch	497,315	497,315
Standard Bank Ltd	Topkhana Branch	1,500,000	1,500,000
ULCL	Head Office Branch		4,500,000
Social Islami Bank Ltd	Basundhara Branch	3,000,000	3,000,000
United Commercial Bank Limited	Khatungong Branch	3,000,000	3,000,000
Uttara Finance Ltd	Dhaka Branch	2,000,000	2,421,570
<b>Total:</b>		<b>109,497,315</b>	<b>120,092,510</b>

**15.00 Interest Accrued but not Received :**

- a) On Fixed Deposit with different banks  
b) 5 years Bangladesh Govt. Treasury Bond (10.10% & 11.82 %)  
Closing balance as on December 31, 2017

Amount in Taka	
31.12.2017	31.12.2016
3,840,716	4,155,847
725,333	773,789
<b>4,566,049</b>	<b>4,929,636</b>

**16.00 Amount due from other persons or bodies carrying on Insurance business :**

Receivable from Shadharan Bima Corporation (SBC)

Amount in Taka	
31.12.2017	31.12.2016
<b>21,390,669</b>	<b>12,578,513</b>

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

This represents advance, deposits, pre-payments made and amount receivable from insured, which are as follows:

	Amount in Taka	
	31.12.2017	31.12.2016
Advance Against Mutual Securities	25,000	25,000
Advance Against Management Expenses	10,000	10,000
Advance against issue Manager Expenses	100,000	100,000
Advance Income Tax (note 17.02)	61,582,291	48,263,070
Advance office rent	1,541,148	1,541,148
Advance against salaries	44,686	73,269
Source Tax on FDR, SND and Car tax token fitness (17.01)	3,770,202	2,846,792
Security Deposit (Telephone)	31,000	31,000
<b>Closing balance as on December 31, 2017</b>	<b>67,104,327</b>	<b>52,890,279</b>

**17.01 Advance(source) Income Tax :**

		Amount in Taka	
		31.12.2017	31.12.2016
Corporate Advance Tax opening		2,846,791	1,679,749
Advance Tax deduction at Source		827,609	1,062,042
	FDR & STD		
	Car	95,802	105,000
<b>Total Corporate Tax as on December 31, 2017</b>		<b>3,770,202</b>	<b>2,846,791</b>

**17.02 Advance Income Tax :**

		Amount in Taka	
		31.12.2017	31.12.2016
Corporate Advance Tax opening		48,263,070	48,263,070
For 1st Appeals purpose(due for tax for the year 2011)		10,000,000	
For 2nd appeals(tribunal) 10% on total liability year 2012		788,254	
For 2nd appeals(tribunal) 10% on total liability year 2010		304,461	
For 2nd appeals(tribunal) 10% on total liability year 2011		430,318	
For 2nd appeals(tribunal) 10% on total liability year 2014		1,299,367	
Tax paid as per tax assessment year 2017-2018(Year 2016)	Car	496,821	
<b>Total Corporate Tax as on December 31, 2017</b>		<b>61,582,291</b>	<b>48,263,070</b>

**18.00 Purchase Land on Uttara Model Town**

During the year 2011, RAJUK allotted a 15 khata plot of land in favor of South Asia Insurance Company Limited in the project of Uttara Model Town(3rd phase) Sector#07, Road# 02 total value of the land Tk 3,32,40,000 which already paid within the timeframe. After measuring as per RAJUK letter no Rajuk/Attached & land-2(uttara)3rd phase/3081 date"-26/08/15 they finally allotted to Company total 12 khata. Excess payment for 3(three) khata will be refundable. Registration work under process.

Land purchase on Uttara Model Town

Opening Advance  
Advance Paid during the year 2017  
Total paid as full & final for land purpose

		Amount in Taka	
		31.12.2017	31.12.2016
		33,240,000	33,240,000
		-	-
		<b>33,240,000</b>	<b>33,240,000</b>

**19.00 Others Income:**

Old IPS Battery sold  
Car Purchase value(Car no-DM-GA-15-0884) Model-1996, Toyota Starlet  
Accumulated Depreciation  
Written down Value  
Car sold (Car no-DM-GA-15-0884)  
Old IPS Battery sold/Profit on car sold

		Amount in Taka	
		31.12.2017	31.12.2016
		4,000	-
		-	430,000
		-	(430,000)
		-	-
		-	80,000
		<b>4,000</b>	<b>80,000</b>

**20.00 Interest Income:**

Interest on FDR  
Interest on STD  
Interest on NIB  
Total interest income as on 31st December'2017

		Amount in Taka	
		31.12.2017	31.12.2016
		7,833,772	10,005,355
		96,829	48,985
		2,751,744	2,231,867
		<b>10,682,345</b>	<b>12,286,207</b>

**21:00 Earning per share**

Before Tax  
After Tax

		Amount in Taka	
		31.12.2017	31.12.2016
		2.54	1.49
		2.12	1.6

# South Asia Insurance Company Limited

## Schedule of Building Property, Plant & Office Equipment As at December 31, 2017

Annexure - A

S.L	PARTICULARS	COST				Rate	DEPRECIATION			WRITTEN DOWN VALUE (WDV)	
		Opening Balance as at 1st Jan. 17	Addition during the year	Disposal during the year	Balance as on 31.12.17		Charged during the year	Adjustment during the year	Balance as on 31.12.17	Balance as on 31.12.16	
01	Motor Vehicles	9,740,409	-	-	9,740,409	20%	211,093	-	8,896,034	844,375	1,055,468
02	Furniture & Fixture	2,779,049	11,600	-	2,740,649	10%	15,011	-	2,605,550	135,099	138,510
03	Electrical Equipment	230,200	-	-	230,200	15%	1,349	-	222,553	7,647	8,996
04	Office Equipment	953,053	18,050	-	971,103	15%	9,667	-	916,323	54,780	46,397
05	Sundry Assets	52,975	35,000	-	87,975	20%	7,000	-	59,975	28,000	0
06	Computer	220,900	166,050	-	386,950	20%	68,554	-	112,734	274,216	176,720
	<b>Total</b>	<b>13,926,586</b>	<b>230,700</b>	<b>-</b>	<b>14,157,286</b>		<b>312,674</b>	<b>0</b>	<b>12,813,168</b>	<b>1,344,118</b>	<b>1,426,092</b>
	Year 2016	14,135,686	220,900	430,000	13,926,586		225,713	430,000	12,500,494	1,426,092	1,430,905

Place: Dhaka  
Dated: September 12, 2018

*Rahma Akram*  
Ms. Rahnuma Ahsan  
Chairman

*Shamim Hassan*  
Shamim Hassan  
Chief Executive Officer (c)

*Satish Dasg*  
Director

*Ad*  
Director

*Mahabul Hossain*  
Mahabul Hossain & Co  
Chartered Accountants

## South Asia Insurance Company Limited

Statement of Class wise Premium Income  
For the Year ended December 31, 2017

	FIRE	MARINE			TOTAL	MISCELLANEOUS			GRAND TOTAL
		CARGO	HULL	MOTOR		MISC.	TOTAL		
Premium Underwritten	8,374,793	5,947,445	-	2,802,858	5,947,445	2,802,858		2,802,858	17,125,096
ADD: Premium on PSB	5,203,263	17,674,167	239,845	17,914,012	2,552,340	23,304,108		25,856,448	48,973,723
<b>TOTAL GROSS PREMIUM</b>	<b>13,578,056</b>	<b>23,621,612</b>	<b>239,845</b>	<b>23,861,457</b>	<b>5,355,198</b>	<b>23,304,108</b>		<b>28,659,306</b>	<b>66,098,819</b>
LESS: Re-insurance Ceded	3,537,691	524,557	-	524,557				-	4,062,248
LESS: Re-insurance Premium on PSB	4,174,411	13,531,090	102,827	13,633,917	62,635	22,231,785		22,294,420	40,102,748
<b>NET PREMIUM</b>	<b>5,865,954</b>	<b>9,565,965</b>	<b>137,018</b>	<b>9,702,983</b>	<b>5,292,563</b>	<b>1,072,323</b>		<b>6,364,886</b>	<b>21,933,823</b>

## Classwise Commission

	FIRE	MARINE			TOTAL	MISCELLANEOUS			GRAND TOTAL
		CARGO	HULL	MOTOR		MISC.	TOTAL		
Commission earned on R/I ceded	1,061,307	170,481	-	170,481				-	1,231,788
ADD: R/I Commission: Earn On PSB	817,907	4,087,378	5,654	4,093,032	663,981	2,223,031		2,887,012	7,797,951
<b>Gross Commission Earned</b>	<b>1,879,214</b>	<b>4,257,859</b>	<b>5,654</b>	<b>4,263,513</b>	<b>663,981</b>	<b>2,223,031</b>		<b>2,887,012</b>	<b>9,029,739</b>

## Classwise Claim

	FIRE	MARINE			TOTAL	MISCELLANEOUS			GRAND TOTAL
		CARGO	HULL	MOTOR		MISC.	TOTAL		
Claims paid during the year	-	-	-	-	59,748	-		59,748	59,748
Add R/I claim paid (Adjusted) on PSB	172,094	5,767,764	620	5,768,384	125,450	10,744,601		10,870,051	16,810,529
<b>Total Claims Paid</b>	<b>172,094</b>	<b>5,767,764</b>	<b>620</b>	<b>5,768,384</b>	<b>185,198</b>	<b>10,744,601</b>		<b>10,929,799</b>	<b>16,870,277</b>
LESS: R/I Claims Recovered on PSB	607	4,830,813	-	4,830,813	-	10,665,296		10,665,296	15,496,716
<b>NET CLAIMS PAID</b>	<b>171,487</b>	<b>936,951</b>	<b>620</b>	<b>937,571</b>	<b>185,198</b>	<b>79,305</b>		<b>264,503</b>	<b>1,373,561</b>

## South Asia Insurance Company Limited

## Statement of Management Expenses

For the Year ended 31 December, 2017.

Sl No.	Accounts Title	Charge to Revenue Accounts	Charge to Profit & Loss.	Total as on 31-12-2017	Total as on 31-12-2016
1	Salary & Allowances	7,350,158	-	7,350,158	5,829,416
2	Festival Bonus	695,511	-	695,511	852,083
3	Uniform & Liveries	18,000	-	18,000	15,750
4	Computer Accessories	73,713	-	73,713	19,164
5	Car Fuel	295,643	-	295,643	320,341
6	Car Maintenance	318,757	-	318,757	239,173
7	Car Allowance	377,240	-	377,240	345,000
8	Conveyance	77,190	-	77,190	51,746
9	Travelling	170,660	-	170,660	393,550
10	Office Rent.	3,639,288	-	3,639,288	3,380,600
11	Insurance Stamp exp.	13,385	-	13,385	5,590
12	Printing	127,437	-	127,437	200,200
13	Entertainment	47,459	-	47,459	22,143
14	Electricity	309,524	-	309,524	295,709
15	Stationary	79,013	-	79,013	94,890
16	Bank Charges	99,530	-	99,530	106,896
17	Books ,Papers & Periodicals	11,136	-	11,136	9,250
18	Stamp duty on PSB.	4,433	-	4,433	3,328
19	Software Installation & Development Charge	-	-	-	500,000
20	Renewals & Reg. exp.(Car & Office)	60,483	-	60,483	48,832
21	Management Expense (PSB)	3,665,842	-	3,665,842	3,184,501
22	Business Expenses (PSB)	42,222	-	42,222	40,000
23	Insurance premium (Car)	2,427	-	2,427	3,100
24	Postage, Revenue Stamps	39,677	-	39,677	26,187
25	Misc. Expenses	42,420	-	42,420	22,496
26	General Expenses	-	-	-	25,474
27	Annual Listing fees with BIA	-	-	-	100,000
28	Telephone & Telex	55,004	-	55,004	93,615
29	Repair and Maintain (office)	25,603	-	25,603	11,900
30	Mobile bills	31,500	-	31,500	2,100
31	Office Maintenance	247,918	-	247,918	264,511
32	Business Dev. Exp	25,000	-	25,000	326,568
33	Meeting Expenses	-	139,977	139,977	160,596
34	Advertisement	-	-	-	60,687
35	Subscription & Donation	-	298,608	298,608	150,000
36	Director fees	-	105,000	105,000	220,000
37	Registration fees	-	196,103	196,103	185,946
38	Audit fees	-	100,000	100,000	100,000
39	Legal & professional fees	-	842,500	842,500	185,000
40	Depreciation	-	312,674	312,674	225,712
	<b>Total :</b>	<b>17,946,173</b>	<b>1,994,862</b>	<b>19,941,035</b>	<b>18,122,054</b>



## LIST OF THE TOP CLIENTS

- Ahsan Group
- RSRM Group
- Basic thread
- MT Sweater
- Future Trade International
- Taratex Fashion
- Corona Fashion
- HAMKO Group
- Ispahani Group
- Tania Enterprise
- DBL Group
- Thermax Group
- Nice Cotton Ltd.
- Silver Group
- Fariha Garden Group
- Centex Group
- Asia International
- Sanji Group
- Solar Group
- Labib Group
- Aramit Group

## OUR PRODUCTS

### Fire Insurance

The Fire Insurance Policy is a Contract which guarantees to indemnify the insured against loss or damage to the insured property caused by accidental Fire, Lightning and other perils.

- R & SD
- Flood & Cyclone
- Earthquake (Fire & Shock)
- Malicious damage
- Air craft damage
- Explosion
- Impact damage
- Electrical Clause "B" DECA'

### Marine Cargo Insurance Marine Insurance

The policies primarily aim at providing protective in respect of loss, damage or destruction to the subject matter of insurance i.e Hull, Cargo and freight caused by perils of the seas or maritime perils like fire, theft, jettison, collision, contract, heavy weather, stranding/foundering sinking war perils and other perils.

### Marine Hull

This refers to the ship, that is to say, hull and machinery of the vessel. The ship is always at the risk of the perils of the seas and therefore, the ship owner can insure it again probable loss as such.

### Motor Insurance

Different type of policies may be issued of Motor vehicles. Private Cars, Commercial vehicles, Motor trading vehicle. Policy issued is usually of the following types irrespective of the class of vehicle:

- Comprehensive Insurance
- Act Liability Insurance

### Miscellaneous Accident Insurance

- Burglary and House Breaking
- Money Insurance
- Cash in safe and Cash in transit
- Cash on counter insurance
- Machinery Breakdown(MBD)
- Deterioration of stock(DOS)
- Boiler and Pressure Vessel



সাউথ এশিয়া ইনসিওরেন্স কোম্পানী লিঃ  
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