

Annual Report 2017



সোনার বাংলা ইন্স্যুরেন্স লিমিটেড
SONAR BANGLA INSURANCE LIMITED

Paramount Heights (14th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
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E-mail: sbi222@yahoo.com, Web : www.sonarbanglains.com

Company's Key Information

This is a third generation Non-Life Insurance Company, incorporated as a Public Ltd. Company in Bangladesh in the year 2000 under the Companies Act 1994. The Company complies with Insurance Act 2010 and directives as received time to time from IDRA.

The Company is listed with Dhaka Stock Exchange Limited and Chitagong Stock Exchange Limited as a Publicly Traded Company. The Company carries its insurance activities through 27 branches spread over the country.

Registered Name of the Company

Sonar Bangla Insurance Limited

Nature of Business

Non-Life Insurance Business

Chairman

Sheikh Kabir Hossain

Chief Executive Officer

Md. Abdul Khaleque Miah

Asstt. Managing Director & CFO

A.B.M. Hasangir

General Manager & Company Secretary

Abdur Rouf Gomosta

Auditors

G. Kibria & Co.

Chartered Accountants

24-25, Dilkusha C/A (5th Floor), Dhaka-1000

Registered Office

Paramount Heights (14th Floor)

65/2/1, Box Culvert Road Purana Paltan, Dhaka-1000

Subsidiary: Sonar Bangla Capital Management Ltd.

Paramount Heights (8th Floor)

65/2/1, Box Culvert Road Purana Paltan, Dhaka-1000

Phone

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Speech from the Chairman

Dear Valued Shareholders

Assala-mu-alaikum

It is a great pleasure and a privilege for me to welcome you all on behalf of the Board of Directors of the Company in the 18th Annual General Meeting. I take the opportunity to present the financial performance of the Company for the year 2017. The economy of the Country in 2017 has been able to maintain sustained growth even in the face of global financial crisis.



The economy of Bangladesh is set to grow propelled by strong domestic demand, strengthening of exports, execution of large infrastructure projects, setting up of special economic zones and most importantly by the forthcoming initiatives in the energy sector. The growth, as predicted by Asian Development Bank (ADB), will be resilient of over 7 percent in 2018. We hope that your Company will also grow in line with the country's growth.

You will be happy to know that your Company is introducing new product for the interest of the Insured. Besides, in order to enhance business activities of the Company, we also welcome new idea or product which can be introduced as Insurance business.

The overall business performance for the year 2017 was satisfactory. As a result, your Company has been able to earn a good premium income in 2017 and maintain the growth of the Company which helps to increase its progress and success in 2017 with the guidance of the valued Shareholders, co-operation of the Board of Directors and with the tireless efforts of the experienced Management.

You will be happy to learn that during the year 2017 Sonar Bangla Insurance Ltd. has earned a gross premium of Tk. 40,53,16,975/- where the underwriting profit stands at Tk. 7,71,26,341/- and Net Profit before Tax stands at Tk. 8,10,73,626/- with a staggering sustainability. The Underwriting profit as well as Net profit of 2017 is satisfactory. The Board of Directors consistently monitor the state of affairs of the Company. Your Company has made sustainable progress in all areas of operation during this year.

You will also be happy to inform that Sonar Bangla Insurance Ltd. has been rated "AA" from "AA-" by upgrading its credit ranking which will help to procure more business and enhance the goodwill of the Company.

You know that risk is our business. An excellent risk management can mitigate it by their efficiency and keep the interest of the insured and achieve the success. Therefore we focus on customer service through a holistic relationship approach.

Your Company is working for the interest of its stakeholders. Our future program is to introduce new ideas and product for the benefit of the industry and the investors. As always we shall give due attention to the suggestions of our respected shareholders. At last I have the pleasure to inform you that considering the overall situation of the industry and the company, your board has recommended 10% Stock Dividend (Bonus Share) for the shareholders for the year-2017.

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

Finally, I thank you all once again for placing your trust on us and I am confident your continued support and co-operation will lead Sonar Bangla Insurance Limited to grow further with professional excellence.

May Allah shower on us unending blessing at all times.



Sheikh Kabir Hossain
Chairman



Chief Executive Officer(CEO)'s Round up

Dear Valued Shareholders

Assala-mu-alaikum

It gives me an immense pleasure to welcome you at the 18th Annual General Meeting of Sonar Bangla Insurance Ltd. I would like to express my heartfelt thanks to all of you for your active support for all times in this occasion. I sincerely express my heartfelt gratitude and thanks to our hon'ble shareholders, valued clients and respected well wishers for their continued support and co-operation.

The economy of Bangladesh started looking good since the very inception of the year 2017. The financial services including Insurance Company, initiated going ahead for the good economy. As a result, the financial conditions have upgraded with improvement of the country.

I would like to say a few words for the development of the Company. Since inception, Sonar Bangla Insurance Ltd. extended its continuous endeavor has increased Shareholders' interest to become the Company a financially sound organization. Moreover, your Board and Management have delivered their tireless and integrated efforts for achieving the goal.

All of you are well known that the Insurance market is very competitive where we render our vigorous initiatives to build-up our reputation for our potential clients by providing excellent services, particularly prompt settlement of claims and for this reason we put our utmost effort to maintain the overall outcome in good position.

Like previous years, the entire workforce of Sonar Bangla Insurance Ltd. put their good delivery to maintain the overall improvement. As a result, Sonar Bangla Insurance Ltd. has earned a satisfactory Gross Premium Income of Tk. 40,53,16,975 in 2017 where Underwriting Profit is Tk. 7,71,26,341 and Net Profit before Tax is Tk. 8,10,73,626

You will also be happy to know that M/s. Alpha Credit Rating Ltd. has upgraded the rating result of Sonar Bangla Insurance Ltd. from "AA-" to "AA". which indicates superior capacity of the company and will help to increase the business and image of the Company.

Rating "AA" is very positive which means the Company is able to settle very high claims with strong protection factors supported by good financial performance and sound solvency position, sound re-insurance arrangement and internal control etc.

We always support our clients as they are the members of our family and extend all our co-operations and prompt service to them in an appropriate way. As a result our clients always repose their full trust on us. We always extend our technical support to our clients to cater their insurance requirements aiming at maximum benefit with appropriate cost.

We are ever grateful to all our regulatory bodies specially Insurance Development and Regulatory Authority (IDRA), Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Bangladesh Bank, Central Depository of Bangladesh Ltd. and all Banks & Financial Institutions, Bangladesh Insurance Association (BIA), Bangladesh Insurance Academy, Sadharan Bima Corporation for their continuous support, co-operation and encouragement.

We are also grateful to our employees for their dedication and thoughtful work to overcome the crucial challenges.

Sincerely thank to all our respected Shareholders, Clients for reposing their unshakeable trust and confidence in making the year 2017 a success, my sincere appreciation to the honourable members of the Board for their judicious guidance round the year and look forward to receive the same in future.

With best regards.

Md. Abdul Khaleque Miah
Chief Executive Officer



COMPANY'S PROFILE

Sonar Bangla Insurance Limited (SBI) a third generation Non Life Insurance Company was incorporated on March 14, 2000 as a Public Limited Company under the Companies Act, 1994 with the vision to become a premier non-life insurance Company. It obtained the certificate of registration for carrying insurance business from the Chief Controller of Insurance on April 26, 2000. The Company started its business with a paidup Capital of Tk. 6.00 crore against the authorized Capital of Tk. 20.00 crore being sponsored by group of re-noun business personalities and reported industrialist of the country having involvement diversified business. Presently its Authorized Capital is Tk. 100.00 crore and paidup Capital is Tk. 34,34,08,630

Mr. Sheikh Kabir Hossain is an eminent social personality in Bangladesh. He is the Hon'ble Chairman of the Company and Chariman, Central Depository Bangladesh Ltd. as well as the President of the Bangladesh Insurance Association. He is former Chairman of Bangladesh Red Crescent Society and International Director (2005-2007) of Lions Club International Bangladesh, Vice-Chairman of Islamia Eye Hospital, Member of Board of Governors, Bangladesh Open University etc. Besides, he takes parts important role to take important policy making regarding different issues on financial matter of the Country with participation of Insurance Development and Regulatory Authority (IDRA).

Sonar Bangla Insurance Limited went into Initial Public Offering (IPO) in 2005 to raise its paidup Capital from 6.00 crore to 15.00 crore and listed with the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. in 2006. Sonar Bangla Insurance Limited obtained "AA" from Alpha Credit Rating Ltd. based on its sound financial performance and high claim paying ability. The Company has been operating its business with a network of 27 branches in different districts of the country. The Company earned gross premium of Tk. 40,53,16,975 in 2017. The Company made underwriting profit of Tk.7,71,26,341 and profit before tax is Tk. 8,10,73,626 during the year 2017.

Our objective is to prove our integrity and credibility to the clients by extending sincere and meritorious services to them. It is our vow to extend expert advice on prudent Underwriting of the client's insurance requirements and make expeditious settlement of Claim.

That's why, we always consider our clients as the member of our family and extend our all sorts of co-operations and prompt services to them in appropriate way. As a result our clients always repose their full trust on us. We always extend our technical support to our clients to cater their insurance requirements aiming at maximum benefit with appropriate cost.

The future plans of Sonar Bangla Insurance Limited not only development of new products and services, but also marketing activities aimed at tapping the hitherto untapped segments of the market. The Company is fully aware of its social responsibilities and would like to aim its future developments activities in the direction which bring insurance services and benefits to the reach of the common people of Bangladesh.

Historical Background



MAJOR EVENTS

Date of incorporation	14 March, 2000
Date of Registration from the Chief Controller of Insurance .	26 April, 2000
Listing with Dhaka Stock Exchange Ltd. (DSE)	15 January, 2006
Listing with Chittagong Stock Exchange Ltd. (CSE)	
First trading of shares at Dhaka Stock Exchange (DSE)	15 January, 2006
<u>Shareholding structure</u>	<u>Percentage(%)</u>
Sponsors	31.78%
Public Shareholders & Institutions	68.22%

CAPITAL

Authorized : 10,00,00,000 ordinary shares of Tk. 10.00 each	Tk. 100,00,00,000
Paid-up : 3,43,40,863 ordinary shares of Tk. 10.00 each	Tk. 34,34,08,630

5 (FIVE) YEARS POSITION AT A GLANCE

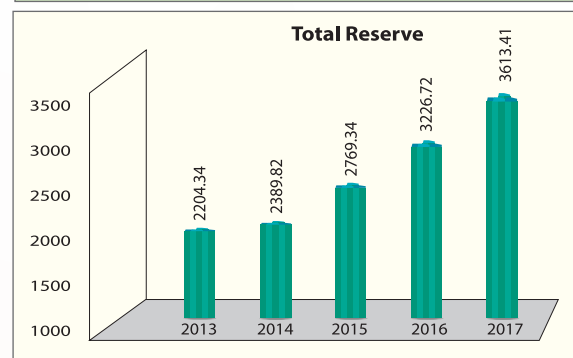
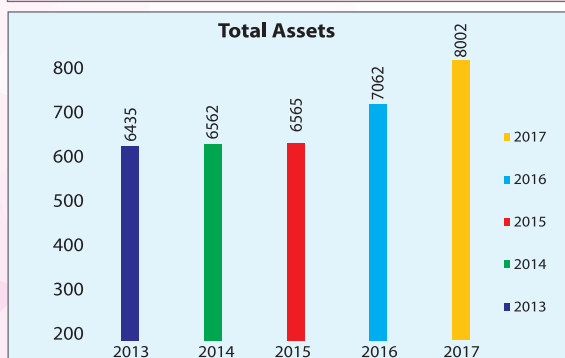
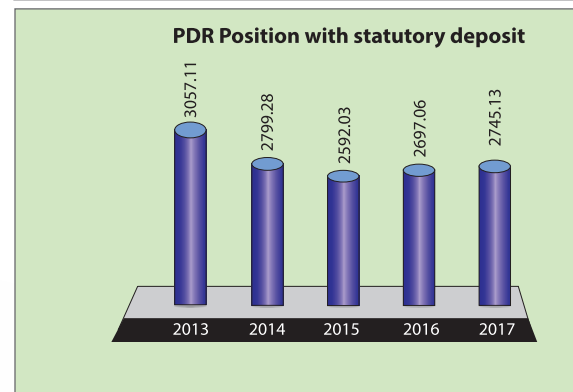
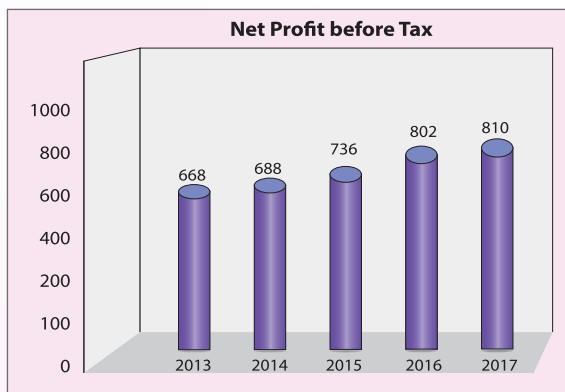
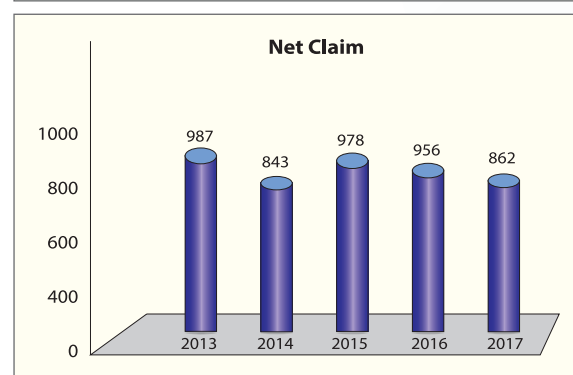
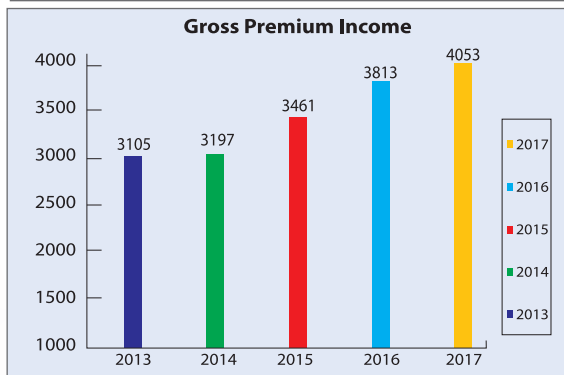
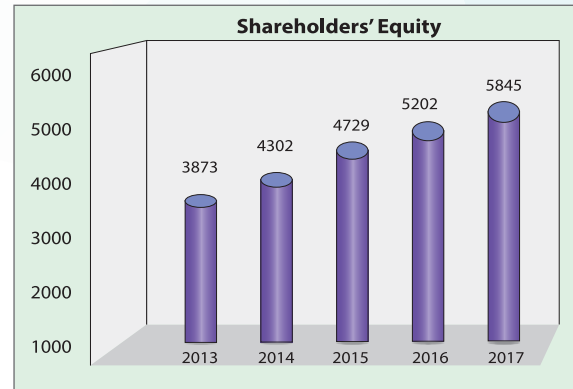
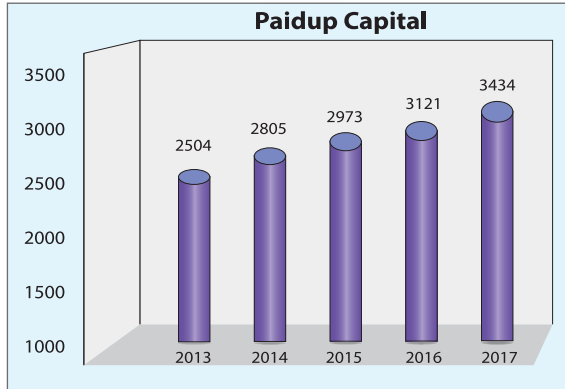
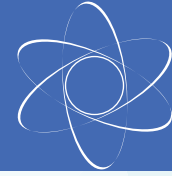
(Figure in lac)

Particulars	Year					
	2017	2016	2015	2014	2013	
Paid up Capital	3434	3122	2973	2805	2504	
Gross Premium Income	4053	3813	3461	3197	3105	
Net premium Income	2988	2803	2507	2176	2016	
Net Claim	862	956	978	843	987	
Net Profit (Pre-Tax)	811	803	737	688	669	
Dividend	Cash	-	-	5%	6%	-
	Stock	10%	10%	5%	6%	12%
FDR Position with statutory deposit	2745	2698	2592	2800	3057	
Reserve (Total)	3613	3227	2769	2390	2204	
Assets (Total)	8002	7062	6565	6562	6435	

Amount shown in Taka considering the present Number of Shares

Earning per Share (EPS)	1.43	1.42	1.44	1.35	1.29
Net Operating Cash Flow (NOCFS)	0.48	1.28	0.32	1.47	1.27
Net Asset Value (NAV)	17.02	15.15	13.77	12.70	11.27

Company's Position by Graphical Representation



Our Vision, Mission & Goal

Vision

To Make the Company an ideal institution and create value for our and Shareholders and clients.

Mission

To make the Company a glorious one by becoming the most caring one with innovation dedication dynamism and client need based efficient service.

Goal

- * To create trust and confidence amongst the insureds.
- * To create value added services for our clients.
- * To maximize our services for the clients.
- * To maximize profit of the Company.
- * To create a healthier environment for all our stakeholders.

OVER ALL STRATEGIC OBJECTIVES

We, at Sonar Bangla Insurance Ltd. realize that for us to prosper, we need to be flexible and responsive, to satisfy our clients by providing them with what they want, when they want it and most importantly before other competitors can offer it. It is important to recognize the elements that make our intangible resources, such as, our ability to relate to customers regarding their needs and wants, management style, corporate culture and commitment. These elements will differentiate us from our competitors and contribute towards the development of a sustainable competitive edge. Our corporate strategy and guiding principles rest firmly on this belief:

PROCESS FOCUS

- To have all products meet standard of excellence guidelines
- To continue improve internal process to realize efficiencies
- Improve system accuracy and responsiveness
- Improve organizational structure
- Improve performance measurement and reporting capability
- Reduce administrative overhead
- Improve financial analysis, controls, and audit capability

BUSINESS FOCUS

- Increase quality
- Implement changes faster
- Increase customer retention
- Increase customer loyalty
- Improve overall service and maximize market share
- Improve marketing, advertising and public relations
- Achieve and maintain outstanding customer service
- Continuously broaden customer database by obtaining new information on customer characteristics and needs

PEOPLE/LEARNING FOCUS

- To hire, develop and maintain the right people in right place
- Employee professionals who create success for customers
- Develop board set of skills useful for customer support
- To continue learn and adopt current best practices
- Transfer knowledge from leading-edge clients
- To align incentives and staff rewards with performance

OUR CORE VALUES

- Integrity
- Transparency
- Professionalism & Excellences
- Customer Focus
- Fairness
- Team Spirit
- Commitment
- Enthusiasm for work
- Business Ethics
- Quality
- Continuous self Improvement



OUR CORE STRENGTHS

- Professionally Strong Board of Directors
- Sound Capital Base
- Prompt Decision Making
- Efficient Team Work
- Customer Satisfaction
- Internal check & Control
- Professional & experienced Management
- Unique Corporate Culture
- Sound assets base
- Sound reserve base
- High claim paying ability

OUR CORE COMPETENCIES

- Knowledge
- Experience & Expertise
- Transparency
- Pursuit of Disciplined Growth Strategies
- Prompt claims settlement
- Adequate coverage from Re-Insurers from SBC.
- Reliability



Board of Directors



Shahidul Islam Niru
Independent Director & Vice Chairman
Sonar Bangla Insurance Ltd



Sheikh Kabir Hossain
Chairman
Sonar Bangla Insurance Ltd
Sonar Bangla Capital Management Ltd.
Central Depository Bangladesh Ltd.
President
Bangladesh Insurance Association
Chairman, Board of Trusty
Fareast International University
Managing Director
Cabico Limited
Former Chairman
Bangladesh Red Crescent Society
International Director (2005-2007)
Lions Club International
Vice Chairman
Islamia Eye Hospital
Member, Board of Governors
Bangladesh Open University



Al-haj Md. Shamsul Haque
Director & Ex-Chairman
Sonar Bangla Insurance Ltd
Chairman
Claxton Apparels & Textiles Ltd.
Butterfly Sewing Machine Mfg. Co. Ltd



Al-haj Md. Ruhul Amin
Director
Sonar Bangla Insurance Ltd.
Vice-Chairman
Sonar Bangla Capital Management Ltd.
Chairman & Managing Director
Comfort Group



Md. Rajjab Sharif
Director
Sonar Bangla Insurance Ltd.
Managing Director
Sharif Melamine Industries (Pvt.) Ltd
Sharif Housing Ltd.
Sharif Pharmaceuticals Ltd.



Ganga Charan Malakar
Director
Sonar Bangla Insurance Ltd.
Chairman
Venus Jewellers Ltd.
President
Bangladesh Jewellers Samity
Swarna Shilpa Samity
Vice Chairman
Banglaesh Gold (Pvt.) Limited
Member, FBCCI



Md. Motaleb Hossain
Director
Sonar Bangla Insurance Ltd.
Managing Director
MH Jute Mills Ltd.



Shahida Alamin
Director
Sonar Bangla Insurance Ltd.



Nargis Akter
Director
Sonar Bangla Insurance Ltd.
Sonar Bangla Capital Mgt. Ltd.



Kailash Chandra Barai
Director
Sonar Bangla Insurance Ltd.
Sonar Bangla Capital Mgt. Ltd
Vice Chairman
Anuvab Bahumkhi Samabay Samity Ltd
Sree Sree Ramna Kali Mondir
Proprietor
Kalpana Jewellers
Member of the Executive Council
Bangladesh Jewellers Samity



Md. Haroon Kamal
Director
Sonar Bangla Insurance Ltd



Abul Kalam Azad
(Nominated by Modern Washing & Dying
Industries Limited)
Director
Sonar Bangla Insurance Ltd.



Farida Islam
Director
Sonar Bangla Insurance Ltd.



Delowar Hossain Raja
Director
Sonar Bangla Insurance Ltd.
Chief Advisor & Director
Gan-Bangla Television
Chairman
Raja Orchid Trade & Manufacturing Co. Ltd.
Tritech Computers & Engineers
Co-Chairman
Standing Committee on Electrical &
Electronics, FBCCI
Director
BCI (Bangladesh Chamber of Industries).



Mohammad Khairul Hassan
Director
Sonar Bangla Insurance Ltd.
Managing Director
Al-Hassan Diamond Gallery Ltd.
Al-Hassan Real Estate Ltd.



Md. Belal Hossain
Director
Sonar Bangla Insurance Ltd
Ha-Meem Group



Nesar Ahmed
Director
Sonar Bangla Insurance Ltd.
ATN Bangla, ATN News



Ehsan-E-Moazzam
Independent Director
Sonar Bangla Insurance Ltd



Dr. Bithi Rahman
Independent Director
Sonar Bangla Insurance Ltd



Sagorika Barai
Independent Director
Sonar Bangla Insurance Ltd

Chief Advisor to the Board



Quazi Sirajul Islam M.J.F
Managing Director
Amin Jewellers Ltd.
Director
Prime Bank Ltd.
Chairman
City Hospital Ltd

Board Committees



Executive Committee

01. Al-haj Md. Shamsul Haque, Director	Chairman
02. Mr. Sahidul Islam Niru, Independent Director & Vice Chairman	Member
03. Al-Haj Md. Ruhul Amin, Director	Member
04. Mrs. Shahida Alamin, Director	Member
05. Mr. Kailash Chandra Barai, Director	Member
06. Mrs Nargis Akter, Director	Member
07. Mr. Md. Motaleb Hossain, Director	Member
08. Mr. Md. Haroon Kamal, Director	Member
09. Mr. Delowar Hossain Raja, Director	Member
10. Mr. Ehsan-E-Moazzam, Independent Director	Member
11. Mr. Md. Abdul Khaleque Miah, CEO	Ex-Officio Member

Claims Committee

01. Al-haj Md. Ruhul Amin, Director	Chairman
02. Mr. Sahidul Islam Niru, Independent Director & Vice Chairman	Member
03. Mrs. Shahida Alamin, Director	Member
04. Mr. Md. Motaleb Hossain, Director	Member
05. Mr. Kailash Chandra Barai, Director	Member
06. Mr. Md. Haroon Kamal, Director	Member
07. Mr. Delowar Hossain Raja, Director	Member
08. Mr. Mohammad Khairul Hasan, Director	Member
09. Mr. Md. Belal Hossain, Director	Member
10. Dr. Bithi Rahman, Independent Director	Member
11. Mr. Md. Abdul Khaleque Miah, CEO	Ex-Officio Member

Audit Committee

01. Mr. Sahidul Islam Niru, Independent Director & Vice Chairman	Chairman
02. Al-haj Md. Ruhul Amin, Director	Member
03. Mrs. Shahida Alamin, Director	Member
04. Mrs. Nargis Akter, Director	Member
05. Mr. Md. Motaleb Hossain, Director	Member
06. Mr. Ganga Charan Malaker, Director	Member
07. Mr. Md. Haroon Kamal, Director	Member
08. Mr. Delowar Hossain Raja, Director	Member
09. Mrs. Sagorika Barai, Independent Director	Member
10. Mr. Md. Abdul Khaleque Miah, CEO	Ex-Officio Member

Management Team



Chief Executive Officer

Md. Abdul Khaleque Miah

Additional Managing Director

Md. Wahiduzzaman

Md. Shahadat Hossain

Md. Nazim Uddin (Babul)

Deputy Managing Director

Sheikh Quamrul Islam Bitu

Bilkis Begum Maya

Dipak Kumar Lala

Asstt. Managing Director & CFO

A.B.M. Hasangir

Asstt. Managing Director

Md. Kamal Sikder

Hasina Akter Shapna

Emranul Hoque Chowdhury

Md. Shahjahan Mollah

Md. Azizul Hoque

Senior General Manager

Md. Aroj Ali Miah

Md. Jamal Uddin Hera

General Manager & Company Secretary

Abdur Rouf Gomosta

General Manager & Head of U/W & BCD

Md. Gulam Murtuza

General Manager

Md. Hafiz Ullah

Md. Dulal Miah Munshi

Md. Anwaruzzaman

Md. Delower Hossain

Md. Nazrul Islam Monto

K.U.M. Mehbub Elahi

Md. Gias Uddin

Md. Yeasin Ali

Md. Fasiuzzaman Khan

Mr. Riaz Akhter

Sr. Deputy General Manager

Md. Nashir Uddin

Md. Tafiqur Rahman

Md. Rezaul Karim

Deputy General Manager

S.M. Maksudur Rahaman

Senior Manager

Md. Saiful Islam

Md. Neamul Aziz Khan

Manager(Audit)

Mustafizur Rahaman

Deputy Manager (Claims)

Syed Kamruzzaman

Asst. Manager (IT)

Golam Mahmud

Products that we offer



The Company deals in Fire, Marine, Motor and all kinds of Miscellaneous Insurance. The company underwrites risks involved in trade and Properties and thus provides their security through insurance and reinsurance services. Some of our popular Insurances are as follows:

Motor Insurance (Comprehensive/ Act Liability)

- Motor Insurance for Commercial Vehicle
- Motor Insurance for Private Vehicle
- Motor Insurance for Cycle/Scooter

Fire Insurance

- Fire Insurance (including Allied Perils)
- Industrial All Risks (IAR)
- Fire Insurance Consequential Loss
- Fire Insurance Dwelling, House and Contents
- Fire Insurance Hotel Combined

Marine Cargo Insurance

- Marine Cargo Insurance transit by Steamer of Powered Vessel (Import/Export)
- Marine Cargo Insurance transit by Rail/Lorry/Truck (Import/Export)
- Marine Cargo Insurance transit by Inland Rail or Road Conveyance
- Marine Cargo Insurance transit by Inland Cargoes (water borne)
- Marine Cargo Insurance transit by Air Cargo (Import/Export)

Marine Hull Insurance (TLO & TC)

Engineering Insurance

- Machinery Insurance (Machinery Breakdown)
- Deterioration of Stock (Dos)
- Boiler and Pressure Vessel (BPV)
- Electronic Equipment Insurance (EEI)
- Erection All Risks (EAR)
- Contractor's All Risks (CAR)
- Engineering Insurance Consequential Loss

Miscellaneous/Accident Insurance

- Burglary & House Breaking Insurance
- Cash in safe (CIS)
- Cash in Transit (CTT)
- Cash on counter (COC)
- People Personal Accident (PPA)
- Workmen's Compensation (WC)
- Business Interruption
- Fidelity Guarantee Insurance
- Personal Accident (PA)
- Public Liability (PL)
- Professional Liability

Events of SBIL in Pictures



Partial view of 17th Annual General Meeting.



Partial view of 17th Annual General Meeting, where Honorable Shareholders are seen.



Partial view of 17th Annual General Meeting, where Honorable Shareholders are seen.



Mr. Sheikh Kabir Hossain, Honorable Chairman of the Company is presiding over the meeting of the Board of Directors



View of Annual Branch Incharges Conference, where Mr. Sheikh Kabir Hossain, Honorable Chairman with other Directors and CEO are also seen.



Mr. Sheikh Kabir Hossain, Honorable Chairman is handing-over the award to Mr. Abdul Khaleque Miah, CEO of the Company.

Events of SBIL in Pictures



Mr. Sheikh Kabir Hossain, Honorable Chairman of the Company is handing-over the award to Mr. Wahiduzzaman, Addl. Managing Director, Motijheel Branch, Dhaka.



Mr. Sheikh Kabir Hossain, Honorable Chairman is handing-over the award to Mr. Md. Shahadat Hossain, Addl. Managing Director, Imamgonj Branch.



Mr. Quazi Sirajul Islam, Honorable Chief Advisor is handing-over the award to Mrs. Bilkis Begum Maya, Dy. Managing Director, Local Office, Dhaka.



Mr. Md. Abdul Khaleque Miah, Chief Executive Officer of the Company is handing-over a cheque for settlement of claim. Mr. A.B.M. Hasangir, Asstt. Managing Director & CFO, Mr. Abdur Rouf Gomosta, General Manager & CS and Mr. Md. Nazrul Islam, General Manager & In-charge of Hatkhola Branch of the Company are also seen.



Mr. Md. Abdul Khaleque Miah, Chief Executive Officer of the Company is handing-over a cheque for settlement of claim. Mr. A.B.M. Hasangir, Asstt. Managing Director & CFO, Mr. Abdur Rouf Gomosta, General Manager & CS and Mr. Shahjahan Mollah, Asstt. Managing Director & In-charge of Naya Paltan Branch of the Co. are also seen.



Mr. Md. Abdul Khaleque Miah, Chief Executive Officer of the Company is handing-over a cheque for settlement of claim. Mr. K.U.M. Mehbub Elahi, General Manager & In-charge, and Mr. Syed Kamruzzaman, Deputy Manager, Claims Dept. of the Company are also seen.

Events of SBIL in Pictures



Mr. Md. Abdul Khaleque Miah, Chief Executive Officer of the Company is handing-over a cheque for settlement of claim. Mr. A.B.M. Hasangir, Asstt. Managing Director & CFO, Mr. Abdur Rouf Gomosta, General Manager & CS and Mr. Syed Kamruzzaman Deputy Manager, Claims Dept. of the Company are also seen.



Mr. Md. Abdul Khaleque Miah, Chief Executive Officer of the Company is handing-over a cheque for settlement of claim. Mr. Abdur Rouf Gomosta, General Manager & CS and Mr. Syed Kamruzzaman, Deputy Manager, Claims Dept. of the Company are also seen.



Anti-Money Laundering Meeting of the Company, where Honorable Vice-Chairman was present with others.



Partial view of Iftar & Doa Mahfil, where Honorable Chairman, Directors, CEO and other Officials are also seen.



Partial view of participation of Bima Mela- 2017 of the Company organized by IDRA.



CEO of the Company congratulates Mr. Sheikh Kabir Hossain, re-elected as Chairman and Mr. Shahidul Islam Niru, elected as Vice-Chairman, where Honorable Directors, Head Office Executives and Branch Incharges are also seen.

Sonar Bangla Insurance Ltd.

Paramount Heights (14th Floor), 65/2/1. Box Culvert Road, Purana Paltan, Dhaka -1000.

Notice of the 18th Annual General Meeting & Price Sensitive Information

Notice is hereby given that the 18th Annual General Meeting of Sonar Bangla Insurance Ltd. will be held on Thursday the 26th day of July, 2018 at 11:00 am at Institution of Diploma Engineers Bangladesh 160/A, Kakrail, Dhaka to transact the following business.

01. To receive, consider and adopt the Directors' Report and the Audited Accounts of the Company and Auditors Report thereon for the year ended 31st December, 2017.
02. To declare Dividend for the year, 2017.
03. To appoint Auditors for the year 2018 and fix up their remuneration.
04. To elect Directors as per Articles of Association of the Company.

By order of the Board of Directors
sd/-

Dated, Dhaka 30th April, 2018

(Abdur Rouf Gomosta)
Company Secretary

NOTES :

- i. The Board of Directors in its meeting held on 30/04/2018 has recommended 10% (ten percent) Stock Dividend (bonus share) for the year, 2017.
- ii. EPS Tk. 1.43, NAV per share Tk. 17.02, NOCF per share Tk. 0.48
- iii. The Record date shall be on 24/05/2018. The Shareholders whose names would appear in the Register of members of the Company or Register of CDBL on the Record Date' will be eligible to attend the 18th AGM and receive dividend as approved.
- iv. A member of the Company entitled to attend and vote at the above Annual General Meeting may appoint a proxy who shall also be a member of the Company to attend and vote on his/her behalf.
- v. As per the above Agenda No. 4 nominations in prescribed form are invited from the eligible Shareholders expressing his/her willingness to contest the election of Directors.
 - a) Last date of submission of nomination paper is on 27/05/2018 and last date of withdrawal of candidature is on 03/06/2018.
 - b) Nomination papers and criteria for qualification of the Directors and other information are available on request at the Registered Office of the Company during Office hours.

As per Bangladesh Securities and Exchange Commission's Circular No SEC/CMRRCD/2009-193/154 dated October 24, 2013, "no benefit in cash or kind other than in the form of Dividend (i.e.No Food/Box/- Gift Coupon etc)"to be distributed at the 18th AGM.

সম্মানিত শেয়ারহোল্ডার বৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ২৪ অক্টোবর, ২০১৩ তারিখের প্রজ্ঞাপন নং এসইসি/সিএআরআরসিডি/২০০৯-১৯৩/১৫৪ আলোকে আসন্ন বার্ষিক সাধারণ সভায় কোনো প্রকার আপ্যায়ন বা উপহারের ব্যবস্থা থাকবে না।

**REPORT OF THE BOARD OF DIRECTORS OF
SONAR BANGLA INSURANCE LTD.**

FOR THE YEAR ENDED 31ST DECEMBER, 2017

Bismillahir Rahmanir Rahim.

Dear Shareholders,

Assalamualaikum,

It is indeed a great pleasure for me to welcome you all, on behalf of the Board of Directors of Sonar Bangla Insurance Limited on the occasion of the 18th Annual General Meeting of your Company. I thank you all for making time regardless of your busy schedule to attend this Annual Meeting and make it a success.

The Board of Directors has considered the performance of the Company for the year-2017, I am honoured to present before you the 17th Annual Report alongwith the audited accounts and auditors' report thereon for your perusal and approval.

01. Background:

Sonar Bangla Insurance Limited was incorporated as per Company Act, 1994 as a Public Limited Company on 14th March, 2000 with a Paid up Capital of Tk. 6.00 (six) crore. The Company obtained its registration from the Department of Insurance, Government of the Peoples' Republic of Bangladesh (now Insurance Development and Regulatory Authority) on 26th April, 2000 and started its operation for underwriting Fire, Marine, Motor and Miscellaneous Insurance business.

02. Paidup Capital:

At the end of 2005 Sonar Bangla Insurance Ltd. floated its shares by subscription to earn Tk. 9.00 (nine) crore from Initial Public offering (IPO) as per clause 5 (kha) of the Articles of Association of the Company. After issuing the subscription, paid up Capital has increased from Tk. 6.00 (six) crore to Tk. 15 (fifteen) crore. Thereafter, the Paid up Capital of the Company has increased to Tk. 34.34 crore by declaring stock dividend (Bonus Share) from the year 2008 to 2016. In the year 2011, the Company raised its Authorized Capital to Tk. 100.00 (one hundred) crore from 20.00 (twenty) crore considering the gradual enhancement of paid up Capital.

03. An Overview of Economy:

Bangladesh Economy:

For achieving an outstanding growth in 2017, Bangladesh economy has emerged as one of the resilient developing economy in the world- which signifying micro economic fundamentals. As the overall economic operation of the country prime momentum industrial sector can able to hold its favourable position. Besides, significant growth is also to be performed in the Service sector. Agricultural production is also increased and remittance collection was satisfactory. Overall massive development is performed specially infrastructural work. For this favourable economic situation, it is Possible to earn more Gross Domestic Production (GDP) growth than the previous times.

Global Economy:

The global economy has regained during the year 2017. According to International Monetary Fund (IMF), the global economic growth, which was 3.6% is projected at 3.7% in 2017 and 3.9% in 2018, of which advanced economies will grow at over 2%, the U.S. growth forecast has and the emerging markets and Developing countries at 6.5% over 2018 and 2019 years. Meanwhile ADB has made its growth forecast for developing Asian Countries at 5.9% in 2017 and 5.8% in 2018. Bangladesh is able to sustain its economic growth over 7% during 2017.

04. Insurance Industry out look:

In 2017 the prime momentum sector i.e. industry sector was favourable. As a result, it is possible to sustain the growth of industry sector. The growth of Sonar Bangla Insurance Ltd. was also satisfactory. Sonar Bangla Insurance Ltd. is a partner of this growth. It has been possible to sustain the growth due to Insurance Development and Regulatory Authority has taken some practical steps. As prescribed by Insurance Development and Regulatory Authority all companies operate their business within a certain rule as such the Insurance Industry may establish a sound and disciplined way. To execute the Insurance Act. 2010 Sonar Bangla Insurance Ltd. is very much cautious and trying to complying the steps taken by IDRA with cordially.

05. Capital Market Scenario In 2017

The Capital Market scenario in 2017 was different inspite of other financial indicators were favourable. The Government and the regulator took various measures to sustain the Capital Market but it is not effected. Though your Company is able to earn some profit in 2017 from share trading.

06. Operational Result

Now on behalf of the Board of Directors of the Company. I would like to submit before the distinguished shareholders the precise report on the activities of the Company for the year, 2017.

COMPANY'S PERFORMANCE AT A GLANCE.

		2017	2016
Gross Premium	Tk.	40,53,16,975	38,13,37,703
Re-Insurance Premium ceded	Tk.	10,65,52,624	10,10,46,420
Net Premium less Re-Insurance	Tk.	29,87,64,351	28,02,91,283
Income from FDR/TDR	Tk.	1,32,99,772	1,65,45,363
Net Profit before Tax	Tk.	8,10,73,626	8,02,52,493
Reserve for Unexpired Risk	Tk.	12,02,14,933	11,46,06,479
Reserve for contingency	Tk.	24,11,26,220	20,80,66,042

RELEVANT UNDERWRITING BUSINESS FIGURE FOR THE YEAR, 2017

Particulars	Fire Taka	Marine Taka	Motor & Misc. Taka	Total = 2017 Taka	Total = 2016 Taka
Gross Premium	19,38,64,446	14,11,26,470	7,03,26,059	40,53,16,975	38,13,37,703
Less : Re-Ins. Premium	5,07,58,594	3,09,58,413	2,48,35,617	10,65,52,624	10,10,46,420
Net Premium (a)	14,31,05,852	11,01,68,057	4,54,90,442	29,87,64,351	28,02,91,283
Add : Comm. earned on Re-Ins. Ceded (b)	1,42,05,193	78,76,935	35,42,723	2,56,24,851	2,82,79,835
Less : Claim Less Re-Insurance (c)	7,51,23,954	69,14,352	41,68,375	8,62,06,721	9,55,68,319
Less : Agency Com. (d)	2,99,66,529	2,00,48,603	87,52,426	5,87,67,558	5,08,32,182
Less : Management Exp. (e)	4,62,42,424	3,36,62,852	1,67,74,852	9,66,80,128	7,74,71,976
Less : Opn. Balance of Fund (f)	5,72,42,341	4,47,76,416	1,81,96,176	12,02,14,933	11,46,06,479
Add: Clg. Balance of Fund(g)	6,94,01,258	3,14,00,279	1,38,04,942	11,46,06,479	10,12,63,379
Underwriting Profit/(Loss) (a+b-c-d-e-f+g)	1,81,37,055	4,40,43,008	1,49,46,278	7,71,26,341	7,13,55,541

PROFIT & LOSS ACCOUNT

The Company earned a net profit of Tk. 8,10,73,626/- during the year under review as under :

Particulars	2017 Taka	2016 Taka
Income from Investment	1,39,79,959	2,10,31,118
Add : Miscellaneous Income	68,376	44,910
Add: Profit of Disposal from Fixed Assets	—	13,48,640
Add: Profit from share trading	13,05,913	38,532
Add : Underwriting Profit/(Loss)	7,71,26,341	7,13,55,541
Total	9,24,80,589	9,38,18,741
Less : Management Expenses (Not applicable to any particular fund or account)	1,14,06,963	1,35,66,248
Profit before taxation and appropriation.	8,10,73,626	8,02,52,493

PROFIT & LOSS APPROPRIATION ACCOUNT

Current year's Net profit as above	8,10,73,626	8,02,52,493
Add : Inappropriate profit of last year	3,91,00,781	3,47,35,550
Total	12,01,74,407	11,49,88,043
Less : The above Profit of the Company has been appropriated as under :		
Reserve for exceptional losses	2,98,76,438	2,80,29,128
Provision for Taxation	1,99,51,064	1,79,80,784
Stock Dividend Paid into Capital	3,12,18,960	2,97,32,350
Deferred Tax	1,25,000	1,45,000
Balance Carried to Balance Sheet	3,90,02,945	3,91,00,781
Total	12,01,74,407	11,49,88,043

07. Assets And Reserve

During the year total assets of the Company is Tk. 80,02,06,202 which was Tk. 70,61,69,712 in the year-2016 that means assets increased in 2017 against 2016. Further more the reserve of the Company has also increased. The reserve was Tk. 32,26,72,521 in 2016. By increasing the reserve it stood at Tk. 32,26,72,521 in 2016 i.e. the reserve has increased Tk. 3,86,68,632 in 2017 against 2016.

Details as under:

Particulars	2017	2016	Increased/(Decreased)
Total Assets	80,02,06,202	70,61,69,712	9,40,36,490
Total Reserve	36,13,41,153	32,26,72,521	3,86,68,632

08. Investment

Including Statutory Deposit of Tk. 2,50,00,000/- in the form of National Treasury Bond with Jamuna Bank Ltd., investment like Fixed Deposit (FDR), Shares and amount lying with different STD and CD accounts with schedule Banks total investment of the Company is Tk. 38,73,45,852 in 2017 which was Tk. 38,04,86,383 in 2016. Out of this Tk. 7,77,08,925 has invested to its subsidiary organization named Sonar Bangla Capital Management Ltd. as Paid up Capital. The position of total Investment at cost is as under :

	2017 Taka	2016 Taka	Increased/ (Decreased)
National Investment Bond	2,50,00,000	2,50,00,000	-
Fixed Deposit with various Banks	24,95,13,841	24,47,60,463	47,53,378
Balance in different STD & CD Accounts	1,54,05,281	1,76,63,596	(22,58,315)
Investment of Shares (at fair value)	1,97,17,805	1,53,53,399	43,64,406
Investment subsidiary	7,77,08,925	7,77,08,925	-
Total	38,73,45,852	38,04,86,383	68,59,469

N.B. : Investment in Shares have been shown in Balance Sheet as per market price according to BAS-39 of BFRS.

09. Compliance of Accounting Standards

The Directors confirm that the financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and any other International Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh.

10. Subsidiary Operations:

Sonar Bangla Insurance Ltd. has a subsidiary organization named “**Sonar Bangla Capital Management Ltd.**” and holding the percentage of shares of it 58.99. A detail of the business operation of accounts of this organization has been given alongwith this annual report.

11. Extraordinary Gain/(Loss)

You are informed that Sonar Bangla Insurance Ltd. has formed a subsidiary company in 2012 named Sonar Bangla Capital Management Ltd. (Merchant Bank). You will be glad to know that the subsidiary earned a Net profit before Tax of Tk. 1,0021,126.44/- in 2017. As a result Sonar Bangla Insurance Ltd. will get the profit share of 58.99% after distribution, being the Parent Company.

12. Dividend

Considering the overall operational result of the Company for the year 2017, the Board of Directors of Sonar Bangla Insurance Ltd. recommended 10% Stock Dividend (Bonus Share) for the shareholders.

13. Retirement and Election of Directors

In accordance with the provision of clause 111 & 112 of the Articles of Association of the Company the following 04 (four) Directors (Sponsor Directors) from ‘Group-A’ shall retire and being eligible may offer themselves for re-election as per provision of clause 113 of Articles of Association of the Company.

01. Mr. Sheikh Kabir Hossain.
02. Al-haj Md. Shamsul Haque.
03. Mr. Md. Rajjab Sharif.
04. Mr. Ganga Charan Malaker.

Also as per Articles of Association of the Company the following Directors from 'Group- B' shall retire to Directors and will be elected as Directors as per rule.

01. Mr. Md. Belal Hossain.
02. Mr. Mohammad Khairul Hassan.

Appointment of Independent Directors

As per BSEC's Notifications No. SEC/CMRR/2006-158/134/Admn./44 Dated 07/08/2012 to comply with the direction, now the following 04 (four) Independent Directors are appointed compared with the Board size for your Company.

01. Mr. Shahidul Islam Niru
02. Mr. Ehsan-E-Moazzem
03. Dr. Bithi Rahman
04. Mrs. Sagorika Barai

14. Human Resources Department

The Directors of the Company firmly believe that the quality of human resources considers its greatest strength to the end, our Directors are always keen and careful in recruiting well-educated, skilled and enterprising personnel who are able to project a bright image of the Company. In addition to careful selection, our Company gives special emphasis on imparting in-service training to the executives and officers by taking advantages of the courses and trainings organized by Bangladesh Insurance Academy, Bangladesh Insurance Association, Bangladesh Bank as well as other agencies from time to time.

15. Appointment of Auditor

The present Auditor of the Company M/s. **G. Kibria & Co.** Chartered Accountants retires in this Annual General Meeting and not being eligible as per BSEC's rule, the Board of Directors of the Company recommended M/s. Ahmad & Akter, Chartered Accountants for appointment as Auditor at a fee of Tk. 60,000/- for the next year as they have expressed their consent to be Auditor for the year, 2018.

16. Credit Rating Result

Alpha Credit Rating Ltd. has rated the Sonar Bangla Insurance Ltd. from "AA-" to "AA" considering the gradual development on the financial statements of the company upto December 31, 2017 on relevant qualitative and quantitative information. The rating reflects good claim paying ability, prudent underwriting and good financial performance etc. of the Company. The Board of Directors expressed their satisfaction for improving the result from "AA-" to "AA" which will help to increase more business and build-up image of the Company day by day.

17. Re-insurance

The Company has its reinsurance treaty with Sadharan Bima corporation for the interest of clients. Based on the treaty the Company can underwrite any risk of whatever dimension.

18. Size of Board

The following committees of the Board are performing to run the Company effectively and efficiently. Size of the Board including independent Directors is as per limit prescribed by the Notification of BSEC to comply in order to keep the members within the limit.

EXECUTIVE COMMITTEE:

The Executive Committee consisted of presently 11 Members including the Chief Executive Officer. The Executive Committee holds a meeting as and when required to implement the policies and guideline through the Management according to the terms of reference approved by the Board.

CLAIMS COMMITTEE:

The Claims Committee consisted of presently 11 Members including the Chief Executive Officer. The Committee approves any claims up Tk. 10 (Ten) lac and recommends to the Board for approval of claim above Tk. 10 (Ten) lac.

AUDIT COMMITTEE :

As per decision of the Board an Independent Director is nominated as Chairman of the Audit Committee. Audit Committee consisted of 10 members including the Chief Executive Officer. The Committee conducts their affairs as per direction of the BSEC.

19. Outlook for 2018

The Company has been able to keep its success growth and earn more profit in 2017 against 2016 where different adverse situation were sustained. If the political stability and economic environment are favourable, the Board of Directors expect the Company shall achieve more business and profit with a positive result in the year 2018.

We expect that the distinctive steps we are taking will put us in an advantageous position to attract more business. Our key focus would be on quality of service with fair and efficient claim settlements, controlling costs, improving efficiencies and prudent underwriting. In behalf of this, Board of Directors of SBI expect a satisfactory business performance in 2018 and further improvement in the balance sheet structure with positive effect.

20. Compliance of Company Act, 1994 under section 184

We also report that:

- i) The financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- ii) Proper books of accounts of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- iv) International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no significant doubts upon the Company's ability to continue as a on going concern.
- vii) The BSEC's compliance Report is at annexure-A.
- viii) The key operating and financial data of preceding five years have been provided in at a glance (annexure-C).
- ix) During the year ended December 31, 2017, the Board of Directors held 04 meeting and the Directors serving on the Board attended in aggregate 82.5% of the total number of meetings.
- x) The pattern of shareholding as on December 31, 2017 is given at annexure-B.

21. Corporate Governance

The Board of Directors of the Company firmly believe that practice of Good Corporate Governance and transparency is a sine qua non towards ensuring a disciplined and a sustainable organization. Sonar Bangla Insurance designed the corporate Governance systems and practices to ensure adequate internal control in operational process, transparency, and accountability. The Corporate Governance structure specifies the distribution of rights and responsibilities among different executives and spells out the rules and procedures for making decisions on corporate affairs. The role of Regulatory Authorities is very important in respect of Corporate Governance practices. Sonar Bangla Insurance is pledge-bound to comply with all the requirements of regulatory Authorities, Parties to Corporate Governance are Board of Directors, different committees of the Board, the management, different management committee, all decision making personnel, etc. All plans, programmes, Policy decisions, as initiated by the Board are implemented by the Management under the leadership of Chief Executive Officer.

22. Corporate Social Responsibility (CSR) Activities

Sonar Bangla Insurance Limited has extended its corporate social responsibility during 2017. Sonar Bangla Insurance Ltd. contributed substantial amount of money and distributed blankets among the winter affected peoples. To strengthen the corporate social responsibility Sonar Bangla Insurance Ltd. awards to brilliant insolvent students and donates its substantial funds to its sick and helpless employees.

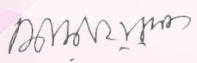
23. Appreciation

Dear Shareholders, we take this opportunity to express our deep gratitude. For which we thank you, including all our valued clients and well-wishers for the confidence you have had in us. Without your encouragement, positive support and active co-operation it would not have been possible to achieve the present position.

The Board of Directors would like to record its appreciation for the general support and co-operation extended by the Government of the Peoples Republic of Bangladesh, the Ministry of Finance, the Ministry of Commerce, Insurance Development and Regulatory Authority, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Central Depository Bangladesh Ltd., Sadharan Bima Corporation, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange Ltd., Bangladesh Bank, all scheduled Banks and financial Companies, our valued clients, patrons and well-wishers who have been graciously extending their co-operation, support, patronage and encouragement all through.

The Board of Directors record their deep appreciation to the Chief Executive Officer, all Branch Incharges, Departmental Incharges of Head Office and all other Officers/Staff for their hard work, dedication and sincerity that they have shown for the growth of the Company.

May Almighty Allah bless us all.
For the Board of Directors,


(Sheikh Kabir Hossain)
Chairman

৩১ শে ডিসেম্বর, ২০১৭ইং তারিখে সমাপ্ত বছরে সোনার বাংলা ইন্স্যুরেন্স লিমিটেড এর পরিচালকমণ্ডলীর প্রতিবেদন।

বিসমিল্লাহির রাহমানির রাহিম
সম্মানিত শেয়ারহোল্ডারবৃন্দ,
আসসালামু আলাইকুম,

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড এর ১৮তম বার্ষিক সাধারণ সভায় পরিচালকমণ্ডলীর পক্ষ থেকে আপনাদেরকে আন্তরিক স্বাগত জানাতে পেরে আমি আনন্দিত। আপনাদের শত ব্যস্ততার মাঝেও মূল্যবান সময় ব্যয় করে অদ্যকার ১৮তম বার্ষিক সাধারণ সভায় উপস্থিত হয়ে সভাকে সাফল্যমণ্ডিত করার জন্য আমি আপনাদেরকে ধন্যবাদ জ্ঞাপন করছি।

পরিচালনা পর্ষদ কর্তৃক ২০১৭ইং সালের ব্যবসায়িক কার্যাবলীর ভিত্তিতে ২০১৭ইং সালের হিসাব প্রতিবেদন ও তৎসংক্রান্ত পরিচালকমণ্ডলীর প্রতিবেদন এবং নিরীক্ষকের প্রতিবেদন আপনাদের মূল্যায়ন ও অনুমোদনের জন্য উপস্থাপন করছি।

১। পটভূমি :

২০০০ইং সালের ১৪ই মার্চ সোনার বাংলা ইন্স্যুরেন্স লিমিটেড টাঃ ৬.০০ কোটি পরিশোধিত মূলধন নিয়ে কোম্পানি আইন ১৯৯৪ অনুযায়ী পাবলিক লিমিটেড কোম্পানি হিসাবে নিবন্ধিত হয়। ২০০০ইং সালের ২৬শে এপ্রিল তৎকালীন বীমা অধিদপ্তর (বর্তমান বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ) থেকে রেজিস্ট্রেশন প্রাপ্ত হয়ে অগ্নি, নৌ, মটর ও বিবিধ বীমা অবলিখনের কার্যক্রম শুরু করে।

২। পরিশোধিত মূলধন :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড ২০০৫ইং সালের শেষে কোম্পানির সংঘবিধির ৫(খ) অনুচ্ছেদ অনুসারে ০৯ (নয়) কোটি টাকা আহরণ করার জন্য IPO বা জনগণের মাঝে শেয়ার বিক্রয়ের ব্যবস্থা করা হয়। শেয়ার ইস্যুর পরে কোম্পানির পরিশোধিত মূলধন ০৬ (ছয়) কোটি থেকে বেড়ে ১৫ (পনের) কোটি টাকায় উন্নীত হয়। পরবর্তীতে ২০০৮ইং সাল থেকে ২০১৬ইং সাল পর্যন্ত স্টক ডিভিডেন্ড (বোনাস শেয়ার) প্রদানের ফলে কোম্পানির বর্তমান পরিশোধিত মূলধন হয়েছে ৩৪.৩৪ কোটি টাকা। মূলধনের এই ক্রমবর্ধমান বৃদ্ধির কথা বিবেচনা করে ২০১৯ইং সালে কোম্পানির অনুমোদিত মূলধন ১০০.০০ (একশত) কোটি টাকায় উন্নীত করা হয়।

৩। অর্থনৈতিক খাত পর্যালোচনা :

বাংলাদেশ অর্থনীতি

২০১৭ইং সালে উল্লেখযোগ্য প্রবৃদ্ধি অর্জনের ফলে বাংলাদেশের অর্থনীতি বিশ্ব অর্থনীতিতে উদীয়মান ও সম্ভাবনাময় অর্থনীতি হিসাবে স্থান করে নিয়েছে, যা বলিষ্ঠ সাময়িক অর্থনৈতিক ভিতের পরিচায়ক। দেশের সার্বিক অর্থনৈতিক কর্মকাণ্ড ইতিবাচক অবস্থানে থাকায় শিল্পখাত অনুকূল অবস্থান ধরে রাখতে সক্ষম হয় ও সেবা খাতে উল্লেখযোগ্য প্রবৃদ্ধি হয়, কৃষি উৎপাদন বৃদ্ধি পায়, বৈদেশিক রেমিট্যান্স সংগ্রহ আশানুরূপ হয় এবং অবকাঠামোখাতের ব্যাপক উন্নয়ন সাধিত হয়। এতে বাংলাদেশের অর্থনীতি আরও সমৃদ্ধি লাভ করে ও গতিশীল হয়। অর্থনীতির এই অনুকূল অবস্থানের কারণে মোট অভ্যন্তরীণ উৎপাদন (জিডিপি)-এর প্রবৃদ্ধি অন্যান্য সময়ের তুলনায় বেশি হয়।

বিশ্ব অর্থনীতি

বিশ্ব অর্থনীতি ২০১৭ ইং সালে পুনরুদ্ধার হয়েছে। আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) এর মতে ২০১৬ ইং সালে প্রবৃদ্ধি ছিল ৩.৬%-যা ২০১৭ ইং সালে ৩.৭% এবং ২০১৮ সালে ৩.৯% উন্নীত হবে বলে মনে করা হয়েছিল। যার মধ্যে উন্নত দেশ সমূহের প্রবৃদ্ধি ২% এর বেশি হবে। যুক্তরাষ্ট্রের মতে ২০১৮ এবং ২০১৯ সালের মধ্যে উদীয়মান বাজার এবং উন্নয়নশীল দেশসমূহের প্রবৃদ্ধি ৬.৫% হবে বলে পূর্বাভাস করা হয়েছিল। ইতিমধ্যে এশিয়ান ডেভেলপমেন্ট ব্যাংক (এডিবি) ২০১৭ এবং ২০১৮ ইং সালে এশিয়ার উন্নয়নশীল দেশসমূহের জন্য এর প্রবৃদ্ধি ৫.৯% এবং ৫.৮% প্রাক্কলন করেছে। ২০১৭ ইং সালে বাংলাদেশ তার অর্থনৈতিক গতি সুসংহত রেখে এর প্রবৃদ্ধি ৭% এর বেশি ধরে রাখতে সক্ষম হয়েছে।

৪। বীমা খাত পর্যালোচনা :

২০১৭ইং সালে দেশের অর্থনীতির প্রধান চালিকাশক্তি শিল্পখাত অনুকূল অবস্থানে ছিল। এর প্রভাবে বীমা শিল্প তার প্রবৃদ্ধি ধরে রাখতে সক্ষম হয়। একইভাবে সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের প্রবৃদ্ধিও সন্তোষজনক ছিল। এদিকে, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ ও ধারাবাহিকভাবে এই শিল্পের জন্য ইতিবাচক বাস্তবমুখী পদক্ষেপ গ্রহণ অব্যাহত রাখেন এবং সকল কোম্পানীকে একই নিয়মের মধ্যে থেকে বীমা ব্যবসা পরিচালনা করা ও বীমা শিল্পে একটি সুস্থ, সুন্দর ও সুশৃঙ্খল পরিবেশ বজায় রাখার জোর প্রচেষ্টা চালান। সোনার বাংলা ইন্স্যুরেন্স লিঃ বীমা আইন -২০১০ কার্যকরের লক্ষ্যে বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ কর্তৃক গৃহীত পদক্ষেপসমূহ বাস্তবায়নে আন্তরিকভাবে সর্বদা সচেষ্ট রয়েছে এবং তাদের কার্যক্রমের সাথে একমত পোষণ করছে।

৫। পুঁজিবাজার দৃশ্যপট -২০১৭ :

২০১৭ইং সাল দেশের সার্বিক অর্থনীতির জন্য অনকূল হিসাবে বিবেচিত হলেও পুঁজিবাজারের দৃশ্যপট ছিল ভিন্ন। সরকার ও নিয়ন্ত্রক সংস্থা পুঁজিবাজারকে ইতিবাচক ধারায় আনতে বিভিন্ন পদক্ষেপ গ্রহণ করায় ২০১৭ইং সালে আপনাদের কোম্পানি এ খাতে সামান্য কিছু মুনাফা অর্জন করতে সক্ষম হয়েছে।

৬। কার্যকরী ফলাফল :

সম্মানিত শেয়ারহোল্ডারবৃন্দের অবগতির জন্য ২০১৭ইং সালের কার্যকরী ফলাফলের সংক্ষিপ্ত বিবরণী তুলে ধরাছি।

বিবরণী		২০১৭	২০১৬
গ্রস প্রিমিয়াম	টাকা :	৪০,৫৩,১৬,৯৭৫	৩৮,১৩,৩৭,৭০৩
পুনঃবীমাকৃত প্রিমিয়াম	টাকা :	১০,৬৫,৫২,৬২৪	১০,১০,৪৬,৪২০
নীট প্রিমিয়াম (বাদ পুনঃবীমা)	টাকা :	২৯,৮৭,৬৪,৩৫১	২৮,০২,৯১,২৮৩
স্থায়ী আমানত হতে আয়	টাকা :	১,৩২,৯৯,৭৭২	১,৬৫,৪৫,৩৬৩
করপূর্ব নীট মুনাফা	টাকা :	৮,১০,৭৩,৬২৬	৮,০২,৫২,৯৯৩
অপ্রত্যাশিত ঝুঁকির উপর সঞ্চিতি	টাকা :	১২,০২,১৪,৯৩৩	১১,৪৬,০৬,৪৭৯
সম্ভাব্য দায় সঞ্চিতি/রিজার্ভ	টাকা :	২৪,১১,২৬,২২০	২০,৮০,৬৬,০৪২

২০১৭ সালের প্রাসঙ্গিক অবলিখন ব্যবসায়িক বিবরণী:

বিবরণ	ফায়ার টাকা	মেরিন টাকা	মটর ও বিবিধ টাকা	মোট-২০১৭ টাকা	মোট-২০১৬ টাকা
মোট প্রিমিয়াম আয়	১৯,৩৮,৬৪,৪৪৬	১৪,৯১,২৬,৪৭০	৭,০৩,২৬,০৫৯	৪০,৫৩,১৬,৯৭৫	৩৮,১৩,৩৭,৭০৩
বাদ : পুনঃবীমা বাদ প্রদান	৫,০৭,৫৮,৫৯৪	৩,০৯,৫৮,৪১৩	২,৪৮,৩৫,৬১৭	১০,৬৫,৫২,৬২৪	১০,১০,৪৬,৪২০
নীট প্রিমিয়াম আয় (এ)	১৪,৩১,০৬,৮৫২	১১,৮১,৬৮,০৫৭	৪,৫৪,৯০,৪৪২	২৯,৮৭,৬৪,৩৫১	২৮,০২,৯১,২৮৩
যোগ : পুনঃবীমা উপর কমিশন (বি)	১,৪২,০৫,১৯৩	৭৮,৭৬,৯৩৫	৩৫,৪২,৭২৩	২,৫৬,২৪,৮৫১	২,৮২,৭৯,৮৩৫
বাদ : পুনঃবীমা বাদ দাবী পরিশোধ (সি)	৭,৫১,২৩,৯৫৪	৬৯,৯৪,৩৯২	৪১,৬৮,৩৭৫	৮,৬২,০৬,৭২১	৯,৫৫,৬৮,৩৯৯
বাদ : প্রত্যক্ষ প্রিমিয়ামের উপর কমিশন (ডি)	২,৯৯,৬৬,৫২৯	২,০০,৪৮,৬০৩	৮৭,৫২,৪২৬	৫,৮৭,৬৭,৫৫৮	৫,০৮,৩২,৯৮২
বাদ : ব্যবস্থাপনা ব্যয় (ই)	৪,৬২,৪২,৪২৪	৩,৩৬,৬২,৮৫২	১,৬৭,৭৪,৮৫২	৯,৬৬,৮০,১২৮	৭,৭৪,৭৯,৯৭৬
বাদ : অপ্রত্যাশিত বীমাদাবীর জন্য সমাপনী স্থিতি (এফ)	৫,৭২,৪২,৩৪১	৪,৪৭,৭৬,৪১৬	১,৮১,৯৬,১৭৬	১২,০২,১৪,৯৩৩	১১,৪৬,০৬,৪৭৯
যোগ : অপ্রত্যাশিত বীমাদাবীর জন্য প্রারম্ভিক স্থিতি (জি)	৬,৯৪,০৯,২৫৮	৩,৯৪,০০,২৭৯	১,৩৮,০৪,৯৪২	১১,৪৬,০৬,৪৭৯	১০,৯২,৬৩,৩৭৯
অবলিখন লাভ/(ক্ষতি) (এ+বি-সি-ডি-ই-এফ+জি)	১,৮১,৩৭,০৫৫	৪,৪০,৪৩,০০৮	১,৪৯,৪৬,২৭৮	৭,৭১,২৬,৩৪১	৭,৯৩,৫৫,৫৪১

লাভ-ক্ষতি হিসাব :

ডিসেম্বর ২০১৭ইং সমাপ্ত অর্থ বছরে কোম্পানী ৮,১০,৭৩,৬২৬/- টাকা করপূর্ব নিট মুনাফা অর্জন করে, যার হিসাব নিম্নরূপ

	২০১৭	২০১৬
বিনিয়োগ খাত হতে আয়	১,৩৯,৭৯,৯৫৯	২,১০,৬৯,৬৫০
যোগ : বিবিধ আয়	৬৮,৩৭৯	৪৪,৯১০
বাদ : স্থায়ী সম্পদ বিক্রিজনিত লাভ	-	১৩,৪৮,৬৪০
যোগ : শেয়ার ব্যবসা হতে আয়	১৩,০৫,৯১৩	৩৮,৫৩২
যোগ : অবলিখন/লাভ(ক্ষতি)	৭,৭৯,২৬,৩৪৯	৭,১৩,৫৫,৫৪৯
মোট	৯,২৪,৮০,৫৮৯	৯,৩৮,১৮,৭৪৯
বাদ : ব্যবস্থাপনা ব্যয়	১,১৪,০৬,৯৬৩	১,৩৫,৬৬,২৪৮
(বীমা ব্যবসা সংক্রান্ত কোন রাজস্ব হিসাবের সহিত সংশ্লিষ্ট নয়)		
করপূর্ব নিট মুনাফা	৮,১০,৭৩,৬২৬	৮,০২,৫২,৪৯৩

লাভ/(ক্ষতি) আবন্টন হিসাব :

বর্তমান বছরের করপূর্ব নিট মুনাফা	৮,১০,৭৩,৬২৬	৮,০২,৫২,৪৯৩
যোগ : প্রারম্ভিক জের	৩,৯৯,০০,৭৮৯	৩,৪৭,৩৫,৫৫০
মোট	১২,০৯,৭৪,৪০৭	১১,৪৯,৮৮,০৪৩
বাদ : আবন্টনকৃত নিট মুনাফার বন্টনকৃত হিসাব, যা নিম্নরূপ :		
অপ্রত্যাশিত ক্ষতির সঞ্চিতি	২,৯৮,৭৬,৪৩৮	২,৮০,২৯,৯২৮
কর সঞ্চিতি	১,৯৯,৫১,০৬৪	১,৭৯,৮০,৭৮৪
লভ্যাংশ পরিশোধ	৩,১২,১৮,৯৬০	২,৯৭,৩২,৩৫০
ডেফার্ড ট্যাক্স	১,২৫,০০০	১,৪৫,০০০
সমাপনী জের-যা স্থিতিপত্রে স্থানান্তরিত হল	৩,৯০,০২,৯৪৫	৩,৯১,০০,৭৮৯
মোট	১২,০৯,৭৪,৪০৭	১১,৪৯,৮৮,০৪৩

৭। সম্পত্তি ও রিজার্ভ

২০১৭ইং সালে কোম্পানীর মোট সম্পদের পরিমাণ ৮০,০২,০৬,২০২ টাকা যা ২০১৬ইং সালে ছিল ৭০,৬৯,৬৯,৭৯২ টাকা। অর্থাৎ ২০১৬ইং সালের তুলনায় ২০১৭ইং সালে সম্পদ বৃদ্ধি পেয়েছে ৯,৪০,৩৬,৪৯০ টাকা। এছাড়া কোম্পানীর রিজার্ভও বৃদ্ধি পেয়েছে। ২০১৬ইং সালে কোম্পানীর মোট রিজার্ভ ছিল ৩২,২৬,৭২,৫২৯ টাকা। ২০১৭ইং সালে তা বৃদ্ধি পেয়ে হয়েছে ৩৬,১৩,৪৯,১৫৩ টাকা। অর্থাৎ ২০১৬ইং সালের তুলনায় ২০১৭ইং সালে মোট রিজার্ভ বৃদ্ধি পেয়েছে ৩,৮৬,৬৮,৬৩২ টাকা।

কোম্পানীর বর্তমান সম্পদ ও রিজার্ভের বিবরণ নিম্নে দেয়া হলো :

বিবরণ	২০১৭	২০১৬	বৃদ্ধি/(হ্রাস)
মোট সম্পদ	৮০,০২,০৬,২০২	৭০,৬৯,৬৯,৭৯২	৯,৪০,৩৬,৪৯০
মোট রিজার্ভ	৩৬,১৩,৪৯,১৫৩	৩২,২৬,৭২,৫২৯	৩,৮৬,৬৮,৬৩২

৮। বিনিয়োগ :

বিধিবদ্ধ জমা ২,৫০,০০,০০০ টাকাসহ বিভিন্ন মেয়াদী স্থায়ীআমানত (এফডিআর), শেয়ারে বিনিয়োগ ও কোম্পানীর এসটিডি ও সিডি ব্যাংক হিসাবে জমাসহ ২০১৭ইং সালে কোম্পানীর মোট বিনিয়োগ ৩৮,৭৩,৪৫,৮৫২ টাকা যা ২০১৬ইং সালে ছিল ৩৮,০৪,৮৬,৩৮৩ টাকা। এরমধ্যে কোম্পানীর সাবসিডিয়ারী প্রতিষ্ঠান সোনার বাংলা ক্যাপিট্যাল ম্যানেজমেন্ট (মার্চেন্ট ব্যাংক) এ পরিশোধিত মূলধন হিসাবে ৭,৭৭,০৮,৯২৫ টাকা বিনিয়োগ করা হয়। ২০১৭ইং সালের বিনিয়োগ এক নজরে নিম্নরূপ :

বিবরণ	২০১৭	২০১৬	বৃদ্ধি/(হ্রাস)
জাতীয় বিনিয়োগ বন্ডে বিনিয়োগ	২,৫০,০০,০০০	২,৫০,০০,০০০	-
স্থায়ী আমানত হিসাবে জমা	২৪,৯৫,৯৩,৮৪৯	২৪,৪৭,৬০,৪৬৩	৪৭,৫৩,৩৮৬
এসটিডি ও সিডি ব্যাংক হিসাবে জমা	১,৫৪,০৫,২৮৯	১,৭৬,৬৩,৫৯৬	(২২,৫৮,৩০৭)
শেয়ারে বিনিয়োগ (বাজার মূল্যে)	১,৯৭,৯৭,৮০৫	১,৫৩,৫৩,৩৯৯	৪৩,৬৪,৪০৬
সাবসিডিয়ারী প্রতিষ্ঠানে বিনিয়োগ	৭,৭৭,০৮,৯২৫	৭,৭৭,০৮,৯২৫	-
মোট	৩৮,৭৩,৪৫,৮৫২	৩৮,০৪,৮৬,৩৮৩	৬৮,৫৯,৪৬৯

বিঃদ্রঃ ক্যাপিটাল মার্কেটে বিনিয়োগকৃত শেয়ারের মূল্যমান ইঅব-৩৯ অনুযায়ী মার্কেট ভ্যালু ধরে স্থিতিপত্রে প্রদর্শিত হয়েছে।

৯। হিসাবের মানদণ্ডসমূহ পরিপালনঃ

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড কর্তৃক প্রণীত ২০১৬ইং সালের হিসাব বিবরণী ইনষ্টিটিউট অব চার্টার্ড একাউন্ট্যান্টস, বাংলাদেশ এবং সাধারণভাবে গৃহীত দেশী ও আন্তর্জাতিকভাবে স্বীকৃত একাউন্টিং পলিসি অনুযায়ী করা হয়েছে। কেননা, পরিচালনা পর্ষদ হিসাব প্রনয়ণে উক্ত নীতিতে বিশ্বাসী।

১০। সাবসিডিয়ারী অপারেশন :

সোনার বাংলা ইন্স্যুরেন্স লিঃ এর সাবসিডিয়ারী প্রতিষ্ঠান সোনার বাংলা ক্যাপিটাল ম্যানেজমেন্ট লিঃ (মার্চেন্ট ব্যাংক) যার ৫৮.৯৯% শেয়ার সোনার বাংলা ইন্স্যুরেন্স লিঃ ধারণ করছে। বর্ণিত সাবসিডিয়ারী প্রতিষ্ঠানের বার্ষিক ব্যবসায়িক হিসাব বিবরণী অত্র প্রতিবেদনের শেষাংশে প্রদর্শিত হলো।

11| Extraordinary Gain/Loss:

আপনারা অবগত আছেন যে, সোনার বাংলা ইন্স্যুরেন্স লিঃ ২০১২ইং সালে একটি সাবসিডিয়ারী প্রতিষ্ঠান সোনার বাংলা ক্যাপিটাল ম্যানেজমেন্ট লিঃ (মার্চেন্ট ব্যাংক) গঠন করে। আপনারা জেনে আনন্দিত হবেন যে, উক্ত সাবসিডিয়ারী প্রতিষ্ঠান ২০১৭ইং অর্থ বছরে ১,০০,২৯,৯২৬.৪৪/- টাকা করপূর্ব নিট মুনাফা অর্জন করে। ফলশ্রুতিতে প্যারেন্ট কোম্পানি হিসাবে আপনাদের সোনার বাংলা ইন্স্যুরেন্স লিমিটেড উক্ত মুনাফার ৫৮.৯৯% অংশ পাবে।

১২। লভ্যাংশ

প্রিয় শেয়ারহোল্ডারবৃন্দ,

সার্বিক দিক বিবেচনা করে সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের পরিচালনা পর্ষদ ২০১৭ইং সালে শেয়ারহোল্ডারবৃন্দের জন্য ১০% স্টক ডিভিডেন্ড (বোনাস শেয়ার) প্রদানের সুপারিশ করেছেন।

১৩। পরিচালকবৃন্দের অবসর ও নির্বাচনঃ

কোম্পানির সংঘবিধির ১১১ ও ১১২ অনুচ্ছেদ মোতাবেক ‘গ্রুপ-এ’ পরিচালকদের (উদ্যোক্তা পরিচালক) মধ্যে নিম্নোক্ত ০৪ (চার) জন পরিচালক অবসর গ্রহণ করেন এবং কোম্পানির সংঘবিধির ১১৩ অনুচ্ছেদ অনুযায়ী পুনরায় নির্বাচনের যোগ্য বিধায় পুনঃনির্বাচনের জন্য আগ্রহ প্রকাশ করেছেন।

- ০১। জনাব শেখ কবির হোসেন।
- ০২। আলহাজ্ব মোঃ শামসুল হক।
- ০৩। জনাব মোঃ রজ্জুব শরীফ।
- ০৪। মি. গঙ্গাচরন মালাকার।

একইভাবে, কোম্পানির সংঘবিধির শর্তানুযায়ী ‘গ্রুপ-বি’ পরিচালক অর্থাৎ শেয়ারহোল্ডার পরিচালকদের মধ্যে নিম্নবর্ণিত ০২ জন পরিচালক ১৮তম বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন এবং বিধি মোতাবেক নির্বাচিত হবেন।

০১। জনাব মোঃ বেলাল হোসেন।

০২। জনাব মোঃ খায়রুল হাসান।

ইনডিপেনডেন্ট পরিচালক নিয়োগ :

আপনাদের কোম্পানির বর্তমান বোর্ড সাইজের অনুপাতে ০৪ জন ইনডিপেনডেন্ট পরিচালক নিয়োগ দিয়ে বিএসইসি এর নির্দেশনা যথাযথভাবে পরিপালন করা হয়েছে। কোম্পানির ০৪ জন ইনডিপেনডেন্ট পরিচালকের তালিকা নিম্নরূপঃ

০১। জনাব শহিদুল ইসলাম নিরু

০২। জনাব এহসান-ই-মোয়াজ্জেম

০৩। ডাঃ বিথী রহমান

০৪। মিসেস সাগরিকা বাউড়

১৪। মানব সম্পদ বিভাগ :

যে কোনো প্রতিষ্ঠানের জন্য যোগ্য মানব সম্পদ প্রতিষ্ঠানের উৎকর্ষতা লাভে গুরুত্বপূর্ণ ভূমিকা পালন করে থাকে। সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের পরিচালনা পর্ষদ এই বিষয়টি দৃঢ়ভাবে বিশ্বাস করেন। এই বিশ্বাসের ভিত্তিতেই কোম্পানির মর্যাদা বৃদ্ধিতে সহায়ক ও উজ্জ্বল ভাবমূর্তি তুলে ধরতে পারে এমন মেধাবী, উচ্চ শিক্ষিত, দক্ষ এবং উদ্যোগী কর্মকর্তা/কর্মচারী নিয়োগ দেয়া হয় এবং দক্ষ হিসাবে গড়ে তোলার জন্য বাংলাদেশ ইন্স্যুরেন্স একাডেমী, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, বাংলাদেশ ব্যাংক সহ অন্যান্য সরকারি, বেসরকারি বিভিন্ন প্রতিষ্ঠান কর্তৃক আয়োজিত নানাবিধ প্রশিক্ষণে পাঠানো হয়।

১৫। নিরীক্ষক নিয়োগ :

কোম্পানির বর্তমান নিরীক্ষক মেসার্স জি. কিবরিয়া এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস্ অদ্যকার বার্ষিক সাধারণ সভায় অবসর গ্রহণ করেন। বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের বিধি মোতাবেক মেসার্স জি. কিবরিয়া এন্ড কোম্পানী, চার্টার্ড একাউন্ট্যান্টস্ নিরীক্ষক হিসাবে পুনঃনিয়োগের যোগ্য নয়। তাই পরিচালনা পর্ষদ ৬০,০০০/- টাকা পারিশ্রমিকে পরবর্তী ০১ (এক) বছরের জন্য মেসার্স আহমেদ এন্ড আক্তার, চার্টার্ড একাউন্ট্যান্টস্কে নিয়োগের জন্য সুপারিশ করেন।

১৬। ক্রেডিট রেটিং ফলাফল :

মেসার্স আলফা ক্রেডিট রেটিং লিমিটেড, কোম্পানির ডিসেম্বর ৩১, ২০১৭ইং সমাপ্ত সময়ের আর্থিক বিবরণীর গুণগত ও সংখ্যাগতমানের উপর ভিত্তি করে কোম্পানির ক্রমাঙ্কে উন্নতিতে সন্তুষ্ট হয়ে সোনার বাংলা ইন্স্যুরেন্স লিমিটেডকে “AA” ক্রেডিট রেটিং ফলাফল প্রদান করেন, যা কোম্পানির দক্ষ অবলিখন, ভালো বীমা দাবি পরিশোধ ক্ষমতা, উন্নত আর্থিক অবস্থান প্রতিফলিত করে। পরিচালনা পর্ষদ কোম্পানির ক্রেডিট রেটিং ফলাফল “AA-” হতে “AA” হওয়ায় সন্তোষ প্রকাশ করেন এবং পর্ষদ আশাবাদ পোষণ করেন যে, উক্ত ক্রেডিট রেটিং ফলাফলে কোম্পানির উত্তরোত্তর ব্যবসা ও সুনাম আরও বৃদ্ধি পাবে।

১৭। পুনঃবীমা :

আপনাদের কোম্পানি সাধারণ বীমা কর্পোরেশন-এর সাথে পুনঃবীমা চুক্তি সম্পাদন করে থাকে। এই পুনঃবীমা চুক্তির অধীনে কোম্পানি ব্যাপক বীমা ঝুঁকি অবলিখনের ক্ষমতা রাখে।

১৮। পরিচালনা পর্ষদের আকার :

আপনাদের কোম্পানির বোর্ড সাইজ ও ইনডিপেনডেন্ট পরিচালক বিএসইসি এর নির্দেশনা অনুযায়ী নির্ধারিত সীমার মধ্যে রাখা হয়েছে। এছাড়া, কোম্পানির অভ্যন্তরীণ নিয়ন্ত্রণ ও পর্যবেক্ষণ ব্যবস্থা জোরদার করার ও পর্ষদকে সাহায্য করার জন্য পরিচালনা পর্ষদ কর্তৃক এক্সিকিউটিভ কমিটি, ক্লেইমস্ কমিটি ও অডিট কমিটি গঠন করা হয়ে থাকে। কমিটিসমূহের কার্যক্রম নিম্নরূপ :

এক্সিকিউটিভ কমিটি :

কোম্পানির পরিচালনা পর্ষদ থেকে মনোনীত পরিচালকবৃন্দ এবং মূখ্য নির্বাহী কর্মকর্তাসহ এক্সিকিউটিভ কমিটির বর্তমান সদস্য সংখ্যা ১১ জন। এক্সিকিউটিভ কমিটি কোম্পানির পরিচালনা পর্ষদ কর্তৃক প্রদত্ত ক্ষমতাবলে ব্যবস্থাপনার গুরুত্বপূর্ণ বিষয়ে দিক-নির্দেশনা, বাস্তবায়ন প্রক্রিয়া ও অগ্রগতি নিয়ে আলোচনা ও নিষ্পত্তি করে থাকেন।

ক্লেইমস্ কমিটি :

কোম্পানির পরিচালনা পর্ষদ থেকে মনোনীত পরিচালকবৃন্দ এবং মূখ্য নির্বাহী কর্মকর্তাসহ ক্লেইমস্ কমিটির মোট সদস্য সংখ্যা ১১ জন। ক্লেইমস্ কমিটি ১০ (দশ) লক্ষ টাকা পর্যন্ত বীমা দাবি নিষ্পত্তি করে থাকেন। ১০ (দশ) লক্ষ টাকার অধিক বীমা দাবি নিষ্পত্তির ক্ষেত্রে অনুমোদনের জন্য ক্লেইমস্ কমিটির সুপারিশসহ পরিচালনা পর্ষদ সভায় উপস্থাপন করা হয়।

অডিট কমিটি :

কোম্পানির পরিচালনা পর্ষদ থেকে মনোনীত ০১ জন ইনডিপেনডেন্ট পরিচালককে চেয়ারম্যান করে অডিট কমিটি গঠন করা হয়েছে। মূখ্য নির্বাহী কর্মকর্তাসহ অডিট কমিটির বর্তমান সদস্য সংখ্যা ১০ জন। অডিট কমিটি বিএসইসি এর নির্দেশনা অনুযায়ী কার্যক্রম পরিচালনা করে থাকেন।

১৯। পূর্বাভাস-২০১৮ :

বীমা সেক্টরের নানারকম সীমাবদ্ধতা ও প্রতিকূলতা সত্ত্বেও কোম্পানি ২০১৭ইং সালেও প্রবৃদ্ধির ধারাবাহিকতা রক্ষা করতে সক্ষম হয়েছে। আশা করা যাচ্ছে, ২০১৭ইং সালে দেশে রাজনৈতিক স্থিতিশীলতা ও অর্থনীতির অনুকূল পরিবেশ বজায় থাকলে কোম্পানি ২০১৮ইং সালেও প্রবৃদ্ধি অর্জনের লক্ষ্যে অধিক ব্যবসা সংগ্রহ ও অধিক মুনাফা অর্জনে সক্ষম হবে বলে পর্ষদ প্রত্যাশা করে। পরিচালনা পর্ষদ মনে করে, ব্যবসা সম্প্রসারণ করার লক্ষ্যে গ্রাহক আকর্ষণ বাড়াতে হবে। আর গ্রাহক আকর্ষণ বাড়ানোর জন্য যথাযথ পদক্ষেপ গ্রহণ করতে হবে। পদক্ষেপের মধ্যে থাকবে গ্রাহকদের উন্নত সেবা প্রদান, বীমা দাবি নিষ্পত্তির বিষয়টি আরও গতিশীল করা, ব্যয় সংকোচন করা, অবলিখন ব্যবস্থাকে আরও উন্নত করা, কোম্পানির পুঁজি যথাস্থানে বিনিয়োগ করে অধিক মুনাফা অর্জন করা ইত্যাদি। তাই পরিচালনা পর্ষদ ২০১৮ইং সালে আপনাদের কোম্পানির প্রবৃদ্ধির হার বাড়ানোর জন্য উক্ত বিষয়গুলো বাস্তবায়নে কোম্পানির সার্বিক কার্যক্রম আরও নিবিড়ভাবে পর্যবেক্ষণ করবেন।

২০। কোম্পানি আইন, ১৯৯৪ এর ১৮৪ ধারার নির্দেশনা পরিপালন :

- ১। কোম্পানির ব্যবস্থাপনা কর্তৃপক্ষ কর্তৃক তৈরি আর্থিক বিবরণীর অবস্থা, কার্যকরী ফলাফল, নগদ প্রবাহ বিবরণী এবং ইকুইটি পরিবর্তন সংক্রান্ত তথ্যাদি কোম্পানির আর্থিক চিত্রের প্রতিফলন।
- ২। কোম্পানির হিসাব বহি যথাযথভাবে সংরক্ষিত হয়েছে।
- ৩। হিসাববিবরণী প্রস্তুতের ক্ষেত্রে যথাপযুক্ত হিসাব নীতি ধারাবাহিকতার সাথে প্রয়োগ করা হয়েছে এবং হিসাব সংক্রান্ত অনুমোদনসমূহ সঠিক বিচার ও বিচক্ষণতার উপর ভিত্তি করে করা হয়েছে।
- ৪। আর্থিক বিবরণী প্রস্তুতের ক্ষেত্রে বাংলাদেশে প্রয়োগকৃত আন্তর্জাতিক হিসাবমান যথাযথ অনুসরণ করা হয়েছে এবং কোনো ব্যতিক্রম ঘটলে প্রকাশ করা হয়েছে।
- ৫। অভ্যন্তরীণ নিয়ন্ত্রন পদ্ধতি কাঠামোগতভাবে সুষ্ঠু এবং যথাযথভাবে বাস্তবায়ন ও তদারক করা হয়েছে।
- ৬। কোম্পানি সচলভাবে পরিচালিত হওয়ার সক্ষমতা সম্বন্ধে সন্দেহের কোনো অবকাশ নেই।
- ৭। বাংলাদেশ সিকিউরিটিজ এ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি)-এর নির্দেশনা বাস্তবায়নের চিত্র Annexure-A তে প্রতিফলিত হয়েছে।
- ৮। গত পাঁচ বছরের পরিচালনাগত এবং আর্থিক ডাটা ও (five) years performance at a glance (Annexure C) এ উপস্থাপন করা হয়েছে।
- ৯। ৩১শে ডিসেম্বর, ২০১৭ইং সমাপ্ত বছরে পরিচালনা পর্ষদের মোট ০৪টি সভা অনুষ্ঠিত হয়েছে এবং মোট সভায় পরিচালকমণ্ডলীর উপস্থিতির হার ছিল শতকরা ৮২.৫ ভাগ।
- ১০। ৩১শে ডিসেম্বর, ২০১৭ইং তারিখে শেয়ার হোল্ডিং সংক্রান্ত চিত্র Annexure-B তে উপস্থাপন করা হয়েছে।

২১। কর্পোরেট সুশাসন :

যে কোনো প্রতিষ্ঠানের জন্য অপরিহার্য বিষয় হলো সুশাসন, স্বচ্ছতা, সুশৃঙ্খলতা নিশ্চিত করা। সোনার বাংলা ইন্স্যুরেন্স লিমিটেডের পরিচালনা পর্ষদ এই বিষয়ে দৃঢ়ভাবে বিশ্বাসী বলেই সোনার বাংলা ইন্স্যুরেন্স লিমিটেড কর্পোরেট সুশাসন অনুশীলন করে। কর্পোরেট সুশাসন কাঠামো বিভিন্ন পর্যায়ের নির্বাহীদের মধ্যে তাদের অধিকার ও দায়িত্ব সুনির্দিষ্ট করে দেয়।

কর্পোরেট সুশাসন প্রক্রিয়ায় নিয়ন্ত্রক সংস্থাসমূহের নির্দেশনা বা তাদের গৃহীত পদক্ষেপ যথাযথভাবে পরিপালন করা অতি গুরুত্বপূর্ণ। তাই সোনার বাংলা ইন্স্যুরেন্স লিমিটেড নিয়ন্ত্রক সংস্থাসমূহের যাবতীয় নির্দেশনা, তাদের গৃহীত পদক্ষেপ বাস্তবায়ন ও শর্ত পূরণে সর্বাধিক গুরুত্ব দিয়ে থাকে।

পরিচালনা পর্ষদ, পরিচালনা পর্ষদকে সহায়তাকারীর বিভিন্ন কমিটি ও ব্যবস্থাপনা কর্তৃপক্ষ কর্পোরেট সুশাসনের সাথে ওতপ্রোতভাবে জড়িত। তাই আপনাদের কোম্পানি কর্পোরেট সুশাসনের লক্ষ্যে পর্ষদ ও এর সহায়তাকরী কমিটির সিদ্ধান্ত বা নির্দেশনা মুখ্য নির্বাহী কর্মকর্তার নেতৃত্বে বাস্তবায়ন করে থাকে।

২২। কর্পোরেট সোশাল রেসপনসিবিলিটি (সিএসআর) কার্যক্রম :

সোনার বাংলা ইন্স্যুরেন্স লিমিটেড ২০১৭ইং সালেও সিএসআর কার্যক্রম সম্প্রসারিত করেছে। ২০১৭ইং সালেও এর ব্যতিক্রম হয়নি। সিএসআর কার্যক্রম কর্পোরেট সুশাসনেরই একটি অংশ। তাই সোনার বাংলা ইন্স্যুরেন্স লিমিটেড মানব সেবায় উদ্বুদ্ধ হয়ে শীতাতর্কদের মাঝে কন্সল বিতরণসহ অসহায় মেধাবী ছাত্র/ছাত্রীদের মাঝে বৃত্তি প্রদান এবং অসুস্থ ও অসহায় কর্মকর্তা/কর্মচারীদের আর্থিক অনুদান প্রদান করেছে।

২৩। কৃতজ্ঞতা :

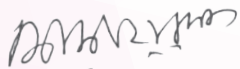
প্রিয় শেয়ারহোল্ডারবৃন্দ, আমাদের সকল সম্মানিত গ্রাহক এবং শুভানুধ্যায়ী যাঁরা আমাদের উপর অকুণ্ঠ সমর্থন ও আস্থা অর্পণ করেছেন তাঁদের প্রতি আমরা আমাদের গভীর কৃতজ্ঞতা প্রকাশ করছি। আপনাদের সমর্থন এবং কার্যকর সহযোগিতা ছাড়া বর্তমান এ ব্যবসায়িক সাফল্য অর্জন করা সম্ভব হতো না।

কোম্পানিকে সকল ধরণের সমর্থন ও সহযোগিতা প্রদানের জন্য পরিচালনা পর্ষদ গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের অর্থ মন্ত্রণালয়, বাণিজ্য মন্ত্রণালয়, বীমা উন্নয়ন ও নিয়ন্ত্রণ কর্তৃপক্ষ, বাংলাদেশ সিকিউরিটিজ এ্যান্ড একচেঞ্জ কমিশন, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানিজ এন্ড ফার্মস, সাধারণ বীমা কর্পোরেশন, বাংলাদেশ ব্যাংকসহ সকল বাণিজ্যিক ব্যাংক ও আর্থিক সংস্থা, ঢাকা স্টক এক্সচেঞ্জ, চট্টগ্রাম স্টক এক্সচেঞ্জ, বাংলাদেশ ইন্স্যুরেন্স এসোসিয়েশন, সেন্ট্রাল ডিপোজিটরী বাংলাদেশ লিঃ, জাতীয় রাজস্ব বোর্ড, বাংলাদেশ ইনসিওরেন্স একাডেমী এবং অন্যান্য সকল এজেন্সিকে তাঁদের সকল প্রকার আন্তরিক সহযোগিতা প্রদানের জন্য কৃতজ্ঞতা ও ধন্যবাদ জ্ঞাপন করছে।

কোম্পানির ব্যবসা বৃদ্ধি ও উন্নতিতে মূল্যবান অবদান রাখার জন্য পরিচালকমণ্ডলী কোম্পানির মুখ্য নির্বাহী কর্মকর্তা, সকল শাখা প্রধান, প্রধান কার্যালয়ের সকল বিভাগীয় প্রধান ও অন্যান্য সকল স্তরের কর্মকর্তা ও কর্মচারীবৃন্দের প্রতি গভীর কৃতজ্ঞতা প্রকাশ করছে।

সর্বশক্তিমান সৃষ্টিকর্তা আমাদের সহায় হোন।

সবাইকে ধন্যবাদ,



(শেখ কবির হোসেন)

চেয়ারম্যান

Shareholding Pattern

Annexure-B

Sl. No.	Shares Held by	No. of Shares held	Percentage of Share holding
Directors:			
1	Mr. Sheikh Kabir Hossain	6,87,558	2.00%
2	Al- haj Md. Shamsul Haque	8,12,194	2.36%
3	Mr. Md. Rajjab Sharif	6,89,247	2.00%
4	Mr. Ganga Charan Malakar	11,44,693	3.33%
5	Mr. Md. Haroon Kamal	6,87,217	2.00%
6	Mr. Kailash Chandra Barai	6,87,220	2.00%
7	Mrs. Nargis Akter	7,37,220	2.14%
8	Al-haj Md. Ruhul Amin	8,89,348	2.58%
9	Mrs. Shahida Alamin	6,89,247	2.00%
10	Mr. Md. Motaleb Hossain	6,89,486	2.00%
11	Mr. Abul kalam Azad (Nominated by Modern Washing and Dyeing Ind. Ltd.)	19,68,024	5.73%
12	Mrs. Farida Islam	11,02,680	3.21%
13	Mr. Delowar Hossain Raja	12,226	0.035%
14	Md. Belal Hossain	51,489	0.149%
15	Mr. Nesar Ahmed	36,065	0.105%
16	Mr. Md. Khairul Hassan	27,424	0.079%
Independent Directors:			
1	Mr. Shahidul Islam Niru	Nil	-
2	Mr. Ehsan-e-Moazzam	Nil	-
3	Dr. Bithi Rahman, MBBS	Nil	-
4	Mrs. Sagorika Barai	Nil	-
CEO, CFO, CS, Head of Internal Audit & their spouses, Executives			
1	Chief Executive Officer	Nil	-
2	Chief Financial Officer	Nil	-
3	Company Secretary	Nil	-
4	Head of Internal Audit	Nil	-
5	Executives	Nil	-
6	General Public/Institution	2,34,29,525	68.22%
7	Share holding 10% (Ten percent) or more voting	Nil	-

5 (FIVE) YEARS POSITION AT A GLANCE

(Figure in Lac)

Particulars	Year				
	2017	2016	2015	2014	2013
Paid up Capital	3434.08	3121.89	2973.23	2804.93	2504.40
Gross Premium Income	4053.16	3813.37	3461.31	3197.39	3105.16
Net Premium Income	2987.64	2802.91	2506.86	2175.99	2016.25
Net Claim	862.06	955.68	978.36	843.27	986.79
Net Profit (Pre-Tax)	810.73	802.52	736.54	688.48	668.67
Reserve (Total)	3613.40	3226.72	2769.34	2389.82	2204.34
Assets (Total)	8002.06	7061.69	6564.55	6561.54	6434.58

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Dhaka. Phone : 880-2-7192098
Fax : 880-2-7194870
E-mail : shafiq_basak@yahoo.com

শফিক বসাক এন্ড কোং
SHAFIQ BASAK & Co.
CHARTERED ACCOUNTANTS

CHITTAGONG OFFICE
National House (1st Floor)
109, Agrabad Commercial Area
Chittagong-4100, Bangladesh.
Phone : 880-031-711561
Fax : 880-031-723680
E-mail : basak_sbc@yahoo.com

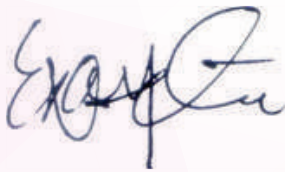
**CERTIFICATE OF COMPLIANCES ON CONDITIONS OF
THE CORPORATE GOVERNANCE GUIDELINES TO THE SHAREHOLDERS OF
SONAR BANGLA INSURANCE LIMITED**

[As required under the Bangladesh Securities and Exchange Commission (BSEC)]

We have examined the compliance of conditions of The Corporate Governance Guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by Sonar Bangla Insurance Limited (the "Company") for the year ended December 31, 2017 as stipulated in clause 7(i) of the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 and subsequently amended through their notification no SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July, 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

The compliances 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 Company's management. Our examination for the purpose of issuing this certificate was limited to the examining of procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received thereon. This is scrutiny and verification only and not an expression of opinion or audit of the financial statements of the Company.

To the best of our information and according to the explanations given to us, we certify that Sonar Bangla Insurance Limited has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notifications issued under section 2CC of the Securities and Exchange Ordinance-1969, for the year ended 31st December, 2017.



(Md. Enayet ullah, FCA)

Partner

SHAFIQ BASAK & Co.

Chartered Accountants

Dated: Dhaka April 30, 2018

Corporate Governance

Compliance Report on BSEC's Notification

Status of Compliance of Corporate Governance

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/C-MRRC.D. 2006-158/Adniin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.1	Board's Size (Shall not be less than 5 (five) and more than 20 (twenty))	✓	-	-
1.2 (i)	Independent Directors (at least 1/5 of the total number of directors in the company's board shall be independent directors)	✓	-	-
1.2 (ii) a)	Independent Director means (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:)	✓	-	-
1.2 (ii) b)	who is not a sponsor of the company and 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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓	-	-
1.2 (ii) c)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies;	✓	-	-
1.2 (ii) d)	who is not a member, director or officer or any stock exchange:	✓	-	-
1.2 (ii) e)	who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market:	✓	-	-
1.2(ii) f)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of any statutory audit firm	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.2 (ii) g)	who shall not be an independent director in more than 3 (three) listed companies;	✓	-	-
1.2 (ii) h)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	✓	-	-
1.2 (ii) i)	who has not been convicted for a criminal offence involving moral turpitude.	✓	-	-
1.2 (iii)	the independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	-	-
1.2 (iv)	the post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	✓	-	-
1.2 (v)	the Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓	-	-
1.2 (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.	✓	-	-
1.3 (i)	Qualification of Independent Director (ID) 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.	✓	-	-
1.3 (ii)	The person should be a Business Leader/CorporateLeader/Bureaucrat/university Teacher with Economics or business Studie-sor Lawbackground/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent directors have at least 12 (twelve) years of corporate management/professional experiences	✓	-	-
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.4	Chairman of the Board & Chief Executive Officer (The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer)	✓	-	-
1.5 (i)	The Directors' Report to Shareholders (The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994): Industry outlook and possible future developments in the industry.	✓	-	-
1.5 (ii)	Segment-wise or product-wise performance.	✓	-	-
1.5 (iii)	Risk and concerns.	✓	-	-
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓	-	-
1.5 (v)	Discussion on continuity of any Extra Ordinary gain or loss.	✓	-	-
1.5 (vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓	-	-
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments. 1.5 (vii)	-	-	N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing etc.	-	-	N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	-	-	N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.5 (x)	Remuneration to directors including independent directors.	✓	-	-
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result, of its operations, cash flows and changes in equity	✓	-	-
1.5 (xii)	Proper books of account of the issuer company have been maintained	✓	-	-
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	✓	-	-
1.5 (xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standards (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed.	✓	-	-
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓	-	-
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓	-	-
1.5(xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	✓	-	-
1.5(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	-	-	N/A

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
1.5 (xviii)	Key operating and financial data of at least preceding (five) years shall be summarized.	✓	-	-
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	-	-	N/A
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓	-	04 meetings with average 82.5% attendance
1.5 (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:-	✓	-	-
	(a) Parent/Subsidiary/ Associated Companies and other related parties (name wise details):	✓	-	Sonar Bangla Capital Management Ltd.
	(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (namewise details)	✓	-	-
	(c) Executives;	✓	-	-
	(d) Shareholders holding ten percent (10) or more voting interest in the company) (name wise details).	✓	-	-
	Explanation; For the purpose of this clause, the expression executive means top 5 (five) salaried employees of the company, other the Directors. Chief Executive Officer. Company Secretary. Chief Financial Officer and Head of Internal Audit.	✓	-	-
1.5 (xxii)	In cash of the appointment/ reappointment of a director the company shall disclose the following information to the shareholders:-	-	-	N/A
1.5 (xxii (a)	a brief resume of the director;	✓	-	-
1.5 (xxii (b)	nature of his/her expertise in specific functional areas;	✓	-	-
1.5 (xxii (c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
2.1	<p>Appointment of Chief Financial Officer (CFO), Head of Internal Audit & Company Secretary (CS) 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.</p>	✓	-	-
2.2	<p>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.</p>	✓	-	-
3 (i)	<p>Audit Committee: The company shall have an Audit Committee as a subcommittee of the Board of Directors.</p>	✓	-	-
3 (ii)	<p>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.</p>	✓	-	-
3 (iii)	<p>The Audit Committee shall be responsible to the Board of Directors. The duties of the audit Committee shall be clearly set forth in writing.</p>	✓	-	-
3.1 (i)	<p>Constitution of the Audit Committee: The audit Committee shall be composed of at least 3 (three) members.</p>	✓	-	-
3.1 (ii)	<p>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.</p>	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
3.1 (iii)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management experience. Explanation: The term “financially literate” means the ability to read and understand the financial statements like Balance Sheet, Income Statement and Cash Flow Statement and a person will be considered to have accounting or related financial management expertise if (s) he possesses professional qualification or Accounting/Finance graduate with at least 12 (twelve) years of corporate management professional experiences.	✓	-	-
3.1 (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.	✓	-	-
3.1 (v)	The company secretary shall act as the secretary of the Committee.	✓	-	-
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	-
3.2 (i)	Chairman of the Audit Committee: The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓	-	-
3.2 (ii)	Chairman of the audit committee shall remain present in the Annual General Meeting (AGM).	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
3.3 (i)	Role of Audit Committee: Role of audit committee shall include the following.	✓	-	-
3.3 (ii)	Monitor choice of accounting policies and principles	✓	-	-
3.3 (iii)	Monitor Internal Control Risk management process.	✓	-	-
3.3 (iv)	Oversee hiring and performance of external auditors.	✓	-	-
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓	-	-
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓	-	-
3.3 (vii)	Review the adequacy of internal audit function.	✓	-	-
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	✓	-	-
3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓	-	-
3.3 (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.	✓	-	-
3.4.1 (i)	Reporting of the Audit Committee to the Board of Directors: The Audit Committee shall report on its activities to the Board of Directors.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
3.4.1 (ii) (a)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:- report on conflicts of interests;	✓	-	-
3.4.1 (ii) (b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	✓	-	-
3.4.1 (ii) (c)	suspected infringement of laws, including securities related laws, rules and regulations;	✓	-	-
3.4.1 (ii) (d)	any other matter which shall be disclosed to the Board of Directors immediately.	✓	-	-
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 rectifications 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, 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.	✓	-	-
3.5	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under conditions 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.	✓	-	-
4 (i)	EXTERNAL/STATUTORY AUDITORS: The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely: Appraisal or valuation services or fairness opinions.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
4 (ii)	Financial information systems design and implementation.	✓	-	-
4 (iii)	Book-keeping or other services related to the accounting records or financial statements.	✓	-	-
4 (iv)	Broker-dealer services.	✓	-	-
4 (v)	Actuarial services.	✓	-	-
4 (vi)	Internal audit services.	✓	-	-
4 (vii)	Any other service that the Audit Committee determines.	✓	-	-
4 (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.	✓	-	-
5 (i)	SUBSIDIARY COMPANY: 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.	✓	-	-
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	✓	-	-
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓	-	-
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓	-	-
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓	-	-

Condition No.	Title	Compliance Status		Remarks (if any)
		Put ✓ in the appropriate column		
		Complied	Not complied	
6 (i) (a)	<p>DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) The CEO and CFO shall certify to the Board that:-They have reviewed financial statements for the year and that to the best of their knowledge and belief:these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:</p>	✓	-	-
6 (i) (b)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable law's.	✓	-	-
6 (ii)	There are. to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓	-	-
7 (i)	<p>REPORTING & COMPLIANCE OF CORPORATE GOVERNANCE: The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Account/Cost & 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. Explanation: Chartered Accountant means Chartered Accountant as defined in the Chartered Accountants Act, 1949 (Act No. XXXVIII of 1949); Cost and Management Accountant means Cost and Management Account as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. Fill of 1977); Chartered Secretary means Chartered Secretary as defined in the vrrffrs চার্টার্ড সেক্রেটারীজ, ২০১০ (২০১০ সনের ২৬নং আইন)</p>	✓	-	-
7 (ii)	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.	✓	-	-

Report on Corporate Governance

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

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

Composition of Board of Directors

Board of Directors

The Board of Sonar Bangla Insurance Ltd. has been constituted with 20 Directors as on Dec 31, 2017 as per above notification, the Board of SBI is as follows:

Sponsor Directors	- 12
Public Share Holder Directors and	- 04
Independent Directors	- 04

The Board is chaired by Mr. Sheikh Kabir Hossain

Role and Responsibilities of the Board

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

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

- Determination of the strategies, policies, management performance criteria and business plan alongwith monitoring and evaluation of the same.
- Reporting on the affairs, progress and performance of the Company to the shareholders periodically and timely.
- Delegation of power to Board committee and management and approval of transaction in excess of delegated power.
- Regular review of all kinds of financial matters.
- Appointment, Evaluation and overall supervision of the performance of the Top Management.

Ensuring of necessary skill and experience of the senior executives to perform their function efficiently for the sake of best interest of the Company.

Role of the Chairman

The Chairman is the head of the Board. He takes decision of any matter in consultation with the Board members. He is not the Chief Executive of the Company. The role of the Chairman and Chief Executive Officer are independent and separate. The Chairman runs the Board, while the Chief Executive Officer takes executive decision within the jurisdiction of power delegated by the Board.

Board Meetings

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

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

Internal Control

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

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

Audit Committee

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

Responsibilities

- 1 Briefly analyze the financial reporting process.
- 2 Monitoring the choice of accounting policies and principles.
3. Monitor internal control risk management Process
- 4 Oversee hiring and performance of external auditors.
- 5 Review with the help of management, the annual financial statements before submission to the board for approval.
- 6 Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
- 7 Review the adequacy of internal audit function.
- 8 Review statement of significant related party transactions submitted by the management.
- 9 Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.
- 10 When money is raised through Initial Public Offering (IPO) / Repeat Public Offering (RPO) / Rights Issue the company shall disclose to the Audit Committee about the uses / applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer documents / prospectus.

Human Capital

Human capital is the most vital factor of all the factors for development of an organization. Sonar Bangla Insurance Limited believes that human capital composes infrastructure of a business organization, formulates, polices, collects ingredients of output, develops quality of output. Sonar Bangla Insurance Limited has adopted the measures to develop the human capital on the following policies:

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

Information available on the Website

(Sonar Bangla Insurance Limited has been maintaining a full fledged web-site over the years and the web-site is being updated regularly. Every information regarding the Company is available in the site. The web-site address of SBI is www.sonarbanglains.com

Management Committee

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

Corporate Governance

The Board of Directors of the Company firmly believe that practice of Good Corporate Governance and transparency is a sine qua non towards ensuring a disciplined and a sustainable organization. Sonar Bangla Insurance designed the corporate Governance systems and practices to ensure adequate internal control in operational process, transparency, and accountability. The Corporate Governance structure specifies the distribution of rights and responsibilities among different executives and spells out the rules and Procedures for making decisions on corporate affairs. The role of Reuglatory Authorities is very important in respect of Corporate Governance practices. Sonar Bangla Insurance is pledge-bound to comply with all the requirements of regulatory Authorities, Parties to corporate Governance are Board of Directors, different committees of the Board, the management, different management committee a decision making personnel, etc. All plans, programmes, Policy decisions, as initiated by the Board are implemented by the management under the leadership of CEO.

Corporate Social Responsibility (CSR) Activities

With the view of corporate social responsibility Sonar Bangla Insurance Ltd. has been adding due attention and making a sizeable financial contriution substantial some of money towards various activities as parts of its CSR efforts for regenerating fruitful contribution in the fields of health, education, support to disabled persons, supports to help the flood and winter affected peoples, social activies etc.



INFORMATION TECHNOLOGY (IT) INFRASTRUCTURE

Sonar Bangla Insurance Ltd. is determined to use Information Technology (IT) towards utmost facilities so that it can simply be differentiated from other companies in this sector. In this regard, SBIL has made its IT department strengthened with experienced and efficient resources with a goal to reach its valued clients with latest IT facilities.

SBIL has made significant improvements in IT Infrastructure and Software. Some of the remarkable achievements of IT are introducing of Local Area Network (LAN) at Head Office and Branches computerization of all departments, flourishing implementation of all the branches situated all over the country under online network, deploying high end servers under Linux Platform, implementing fully integrated general insurance software "Computer Integrated Insurance System (CIIS) All the operational process and functionalities are included in ERP applications CIIS.

Future Plans: To become a leader in the effective use of innovative IT in Non-Life Insurance Sector.

- i) Plan and implement information Resources and Technology (IRT) collaboratively.
- ii) Establish a Data Center for providing information to the management from data archive as and when required.
- iii) Establish a Disaster Recovery Center to secure the Company's valuable data in a professional manner.
- iv) Develop resources through effective IT trainings.

Conclusion: Technology provides the ability to process a large number of information and in a way which presents the details in a clear and short and snappy manner to employees. Anticipated benefits of implementing a technology system includes improvements in profit effectiveness, and a higher degree of accuracy among information in the possible shortest time.

Value Added Statement

for the year ended December 31, 2017

The Value Added statement (VAS) provides a detailed account of total value created by the Company during the year of account and its distribution for the same period. Sonar Bangla Insurance Ltd. contributed positively to the socio-economic development through payment of salaries and allowances of employees; by paying attractive and consistent dividend to the shareholders and by paying Tax.

The Value Added Statement of Sonar Bangla Insurance Ltd. for the year 2017 mentioned below shows how the value is created and distributed among different stakeholders of the company.

Particulars	2017 Taka	2016 Taka
Premium Income	40,53,16,975	38,13,37,703
Commission on Re-Insurance Ceded	2,56,24,851	2,82,79,835
Investment & Others Income	1,53,54,248	2,24,63,200
Balance of Fund	56,08,454	1,33,43,100
Total Value Added	45,19,04,528	44,54,23,838
<u>Distribution of the Value Added</u>		
Re-insurance	10,65,52,624	10,10,46,420
Management Expenses	9,66,80,128	7,74,71,976
Agency Commission	5,87,67,558	5,08,32,182
Net Claims Incurred	8,62,06,721	9,55,68,319
Tax	1,99,51,064	1,79,80,784
Dividend	3,43,40,863	3,12,18,967
Reserve & Surplus	3,30,60,178	3,23,94,353
Total Distribution	43,55,59,136	40,65,13,001

Economic Value Added Statement

Economic Value Added (EVA) is the financial indicator of measures that show the true economic profit of an organization. It assesses a measurement of company's economic success or failure over the period of time. Such a metric is useful for investors who wish to determine how well a company has added value for its investors and it can be compared against company's peers for a quick analysis of how well the company is operating in its industry. Economic value added is calculated by taking a company's net profit after tax less cost of capital.

For the year ended 31 st December	2017 Taka	2016 Taka
Shareholders' equity at the year ended	58,45,34,850	52,02,55,712
Accumulated provision for doubtful losses	-	-
Average Shareholders' equity	58,45,34,850	52,02,55,712
Cost of equity (%)	7%	7.00
Economic Value Added	3,50,72,091	3,12,15,342
Net profit after tax	6,09,97,562	6,21,26,709
Less : Cost of equity	2,59,25,471	3,09,11,367

"It is the opportunity cost i.e. the expected risk free return on investments, plus a risk premium. Considering the Interest on fixed deposit /Government Sanchaya Parta plus 1% premium has been assumed to be the cost of equity."

Market Value Added Statement

for the year ended December, 2017

Market Value Added (MVA) is the differences between the total Market value (based on the quoted price in the main bourse) and total book value of the Company's shares. The Higher the MVA better the Company's position. A high MVA indicates the Company has created substantial wealth for the shareholders. A Investments are less than that value of the capital contributed to the Company by the capital market (or that wealth and value have been destroyed).

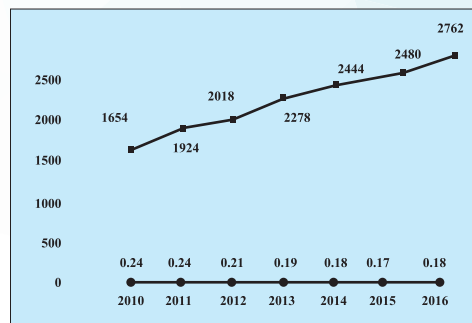
As of December 31, 2017, the total share market value of Sonar Bangla Insurance Ltd. stood at Taka 63.18 crore whereas the book value of the Shareholder's Equity stood Taka 34.34 crore. The calculation of Market Value Added of Taka 28.84 crore. The Calculation Market Value is given below:

Particulars	Number of Shares	Value per Share (Taka)	Total Value (Taka)
Market Value	3,43,40,863	18.40	63,18,71,879
Book Value	3,43,40,863	10.00	34,34,08,630
Market Value Added			28,84,63,249

Market Share Information

Bangladesh Non-Life Insurance Market Composition & Share

Bangladesh Non-life Insurance Premium in 2016 was Taka 2762 crore (Approx). Last 6 year's Premium growth and penetration rate (Non-life Insurance Ternium as % of GDP) is shown in this chart:



Bangladesh Non-Life Insurance Market

The non-life market is comprised of 46 Insurance Companies and one Government Corporation. No single insurer has a large market share. The top 7 private sector insurers collectively account for a market share of 43.70% approx.

Accounting Ratios Pertaining to Insurance Sector

Particulars	2017	2016
Reinsurance Premium Ceded as % of Gross Premium	26.29	26.48
Commission Paid % of Gross Premium	14.50	13.32
Net R/I Commission Earned as % of Gross Premium	6.32	7.42
Net R/I Commission Earned as % of Net Premium	8.58	10.09
Management Expenses (Revenue A/C) as % of Gross Premium	23.85	20.32
Management Expenses (Revenue A/C) as % of Net Premium	32.36	27.61
Net Claims Incurred as % of Gross Premium	21.27	25.07
Net Claims Incurred as % of Net Premium	28.85	34.11
Underwriting Result as % of Gross Premium	19.03	18.69
Underwriting Result as % of Net Premium	25.82	25.54

Report on Corporate Social Responsibilities

We all have personal responsibility to each other and the world around us. Everything we do has an effect on the other people. It is the same for businesses, large or small, public or private, that their actions affect a large number of stakeholders. Such stakeholders include customers, shareholders, employees, suppliers and society in general.

With growing scrutiny of business operations organizations are increasingly being driven to satisfy the expectations of opinion of governments and customers in order to thrive. In essence, businesses adopting Corporate Social Responsibility (CSR) principles believe that by operating ethically and responsibly, they have a greater chance of success. Businesses are demonstrating that well managed CSR actually supports business objectives, especially among medium/large corporate where improved compliance, reputation and relationships have been shown to increase shareholders value and profitability. With this end in view, Sonar Bangla Insurance Ltd. (SBIL) over the years have been giving due importance & making contributions towards various activities as part of its CSR efforts. Our CSR efforts included making contributions in the fields of health, support to naturally disaster, flood and winter affected peoples, education & training etc.

Redress of Clients Complaints & Communication

Insurance being a service industry, Clients' satisfaction are always our first priority. We take care of them as they are our business partners. We treat all clients with warmth and respect. We are always ready with our online service and achieve satisfactory business growth in the long run. Being fully aware of this, Sonar Bangla Insurance always attends to its clients complaints-whether related to its services or claim Settlement. Sonar Bangla encourages its clients to come towards with any complaint they may have and the top management is completely accessible to all them. Complaints can be lodged with the management in writing, over telephone, by e-mail or through the web site.

During regular meetings with its clients of various types, the management actively solicits the clients' views on the Company's services, shortcomings, if any, and their suggestions. Clients views and complaints are discussed at the management committee meeting held at Head Office and also during meetings with Branch Managers. This aspect also features prominently at the Annual Branch Conference of the Company. Clients may contact for Complaints to the following address.

Communicated to :

Mr. Syed Kamruzzaman
Dy. Manager (Claims and Re-Insurance)
Phone : 7170453-4, 9564086
Mobile : 01921026475
E-mail: sbi222@yahoo.com
Web : www.sonarbanglains.com

Solvency Margin

Solvency margin is the amount by which the assets of an insurer exceeds its liabilities and will form part of the insurer's shareholder's funds. Methods of valuation of assets and liabilities of an insure are prescribed in the insurance regulations. The regulations stipulate the minimum solvency margin, which an insurer must be maintained at all times. The solvency of an Insurance Company corresponds to its ability to pay claims. The solvency of insurance company or its financial strength depends chiefly on whether sufficient technical reserves have been set up for the obligations entered into and whether the company has adequate capital as security.

Moreover solvency margin assists financial investment managers when making a decision on the risk or reward capability of a company to return dividends to stockholders. In Bangladesh regulations for solvency margin for non-life insurance company have been prepared by IDRA but not yet been approved by concerned ministry thereby not yet promulgated through official gazette.

Redress of Investors Complaints and Communication

Sonar Bangla Insurance Ltd. have separate share Department headed by Mr. Abdur Rouf Gomosta, Company Secretary to communicate with shareholders and others Stakeholders. Investors and others may contact at any time to Share Department for any sort of information and query. To make the AGM more participatory, arranging AGM in a well-known place & convenient time allowing shareholders to speak in the relating to shareholders transfer of shares, changes of name and addresses and payment of dividend etc. might be sent to the following address.

Share Department

Md. Monabber Hossain
Dy. Manager (Share Trade and Investment).
Dhaka
Phone : 9547211-12, 9564086
Mobile : 01717163493
E-mail: sbi222@yahoo.com
Web : www.sonarbanglains.com.

Report on Going Concern

Financial Statements are normally prepared on the assumption that an enterprise is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the enterprise has neither the intention nor the need to liquidate or curtail materially the scale of its operations ; If such an intention or need exists, the financial statement may have to be prepared on a different basis and, if so, the basis used is disclosed. On the other hand listed Companies are required by BSEC to report on its ability to continue as going concern.

The Board of Director of Sonar Bangla Insurance Ltd. has made annual assessment about whether there exist material uncertainties which may cast significant doubt upon the Company's ability to continue as going concern. The director's assessment of whether the Company is a going concern involves making appropriate inquires including review of budget, forecast assumptions and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to company's ability to continue as a going concern for the foreseeable future.

Financial Indications

- Positive net current assets
- Less reliance on short term borrowing
- Continuous financial support by lenders
- Positive operating cash flows
- Positive key financial ratios
- Consistent payment of dividends
- Credibility in payment of obligations
- Performance growth positive underwriting results and trends

Operating Indications

- key management turnover
- Good business expansion
- Spread of business across diverse clientele
- Good market reputation and clients satisfaction
- Good Corporate environment and employee satisfaction.

Other Indications

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



Directors' Certificate

As per Regulations contained in the First Schedule of the Insurance Act, 2010, and as per Section 63(2) of the said Act, we certify that:

01. The value of investments in shares has been taken at fair value and the quoted value thereof mentioned wherever available.
02. The Values of all assets as shown in the Balance Sheet and as classified Form "AA" annexed have been duly reviewed as at 31st December, 2017 and in our belief, the said assets have been set forth in the Balance Sheet at amounts not exceeding their realizable or market values under the several headings as enumerated therein.
03. All expenses of management, wherever incurred and whether incurred directly or indirectly in respect of Fire, Marine, Motor and Miscellaneous Insurance Business have been duly debited to the related Revenue Accounts and Profit & Loss Account.



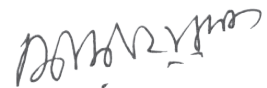
Md. Abdul Khaleque Miah
Chief Executive Officer



Shahidul Islam Niru
Independent Director



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairman

Report of the Audit Committee

Audit Committee of the Sonar Bangla Insurance Ltd. comprises of 09 Directors nominated by Board of Directors. It operates according to the Terms of Reference approved by the Board in compliance with the Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/134/Admin/44 dated 7 August, 2012.

During the year 2017, 06 meetings of the Audit Committee were held.

Role of Audit Committee

- i) Review the existing risk management policies and procedures for ensuring an effective internal check and control system.
- ii) Review the annual financial statements and determine whether they are complete and consistent with the accounting standard set by the regulatory authorities.
- iii) Review the findings and recommendations made by the internal auditors for removing the irregularities detected.
- iv) Review the auditing performance of external auditors and their audit reports.

Activities:

- i) Approved annual audit planning for the year 2018.
- ii) Reviewed quarterly and half yearly financial statement of the company to evaluate the performance.
- iii) Reviewed significant internal audit findings with a view to talking timely corrective actions.
- iv) Reviewed and examined the Annual Financial Statements 2017 audited by the external auditors and recommended to place the same the Board for consideration.



Shadidul Islam Niru

Chairman (Independent Director)
Audit Committee of the Board

CEO & CFO'S DECLARATION TO THE BOARD

The Board of Directors
Sonar Bangla Insurance Ltd.
Head Office
Dhaka.

Sub : CEO & CFO's declaration to the Board

In accordance with the notification of Bangladesh Securities and Exchange Commission No. BSEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012 we declare that for the financial year ended 31 December, 2017:

- i) We have reviewed financial statements for the year ended 31 December, 2017 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct



(A.B.M. Hasangir)
Asstt. Managing Director & CFO



(Md. Abdul Khaleque Miah)
Chief Executive Officer

**Independent Auditors' Report
To
The Shareholders of Sonar Bangla Insurance Limited.**

We have audited the accompanying consolidated financial statements of Sonar Bangla Insurance Limited and its subsidiary (together referred to as the "Group") as well as the separate financial statements of Sonar Bangla Insurance Limited (the "Company") which comprise the consolidated and separate Balance Sheet as at December 31, 2017, consolidated and separate profit and loss account, consolidated and separate profit and loss appropriation account, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these consolidated financial statements of the Group and also separate financial statements of the company in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Insurance Act 2010, the companies Act 1994, Bangladesh Securities & Exchange Rules 1987 and other applicable rules, laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated and separate 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 relevant ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and separate financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated and separate 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 principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated and separate 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 consolidated financial statements of the group and separate financial statements of the Company present fairly, in all material respects, the consolidated Balance sheet of the group and the separate Balance sheet of the Company as at December 31, 2017 and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and complies with the Companies Act 1994, Insurance Act 2010, Insurance Rules 1958, the Securities and Exchange Rules 1987 and other applicable laws, rules and regulations.

Emphasis of Matter

- i. As disclosed in the note 15.00 of the financial statements regarding sundry debtors, in respect of reinsurance portfolio premium amounting to TK. 42,043,819. Management should take necessary steps to realize/adjust the balances.
- ii. The management needs to make arrangement to introduce the Workers Profit Participation Fund (WPPF) in the company with compliance of applicable rules and regulations.
- iii. As disclosed in the Balance Sheet of the financial statements regarding amount due from other persons or bodies carrying on insurance business amounting to TK. 46,442,907 and as disclosed in the note 8 of the financial statements regarding amount due to other person or bodies carrying on insurance business amounting TK. 24,619,552. In both of the case balance lying on the Sadharan Bima Corporation and having conformity with the records of the Company. The balance is un-reconciled since long so management should take proper initiative to reconcile the balance as early as possible.
- iv. As described in the note 9.1 in the financial statements regarding liability for taxation, in this case actual demand of the tax authority is higher than the liability recognized in the financial statements, so the actual liability is contingent and issue is under process of litigation. The Management should resolve the issue as early as possible. Also the management should adjust the amount with advance against Company Tax.
- v. Though tax assessment issues are under litigation and actual scenario is contingent, the Company calculates deferred tax as lump sum basis. The management should calculate deferred tax as per BAS-12.

Report on other Legal and Regulatory Requirements

- 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; and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us and incorporated in the accompanying accounts;
- c) the Company management has followed relevant provision of laws and rules in managing the affairs of the Company and proper books of accounts, records and other statutory books have been properly maintained and (where applicable) proper returns adequate for the purpose of our audit have been received from branches not visited by us;

- d) As per section 63 (2) of the Insurance Act 2010 as amended, we report 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 in 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 Profit or Loss Account of the Company;
- e) As per Section 59(5) of the Insurance Act 2010 as amended rule 1958, we report that to the best of our information and as shown by its books, the company during the year under report has not paid any person any commission in any form outside Bangladesh in respect of any of its business re-insured aboard;
- f) the consolidated balance sheet, consolidated Profit or Loss and consolidated Statements of Cash Flows of the Group and the separate balance sheet, separate Profit or Loss and separate Statements of Cash Flows of the Company dealt with by the report are in agreement with the books of account and drawn as per Insurance Act 2010;
- g) the expenditure incurred was for the purposes of the company's business;

Dated:Dhaka
30 April,2018



G. Kibria & Co.
Chartered Accountants


CONSOLIDATED BALANCE SHEET

CAPITAL AND LIABILITIES	NOTES	BALANCE AS AT	
		31.12.2017	31.12.2016
AUTHORIZED CAPITAL: 10,00,00,000 Ordinary Shares of Tk. 10/-each		1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 3,43,40,863 Ordinary Shares of Tk. 10/-each	2	343,408,630	312,189,670
RESERVE OR CONTINGENCY ACCOUNTS	3	248,619,549	212,631,204
Reserve for Exceptional Losses		198,841,699	168,965,261
Fair Value Reserve		3,281,576	—
Profit & Loss Account & Appropriation		46,496,274	43,665,943
NON CONTROLLING INTEREST	4(a)	81,727,110	76,729,475
BALANCE OF FUNDS AND ACCOUNTS	4	120,214,933	114,606,479
Fire Insurance Business		57,242,341	69,401,258
Marine Cargo Insurance Business		44,776,416	27,250,336
Marine Hull Insurance Business		—	4,149,943
Motor Insurance Business		13,646,061	10,938,494
Miscellaneous Insurance Business		4,550,115	2,866,448
PREMIUM DEPOSIT	5	3,325,126	3,249,839
LIABILITY & PROVISION		122,616,677	90,617,495
Loans & Advances	6	44,690,900	31,301,150
Estimated liabilities in respect of outstanding claims whether due or intimated	7	11,231,685	10,164,939
Amount due to other persons or bodies carrying on insurance business	8	24,619,552	10,110,775
Sundry Creditors(Including outstanding and accruing for expenses)	9	40,767,970	37,859,061
Deferred Tax Provision	10	1,306,570	1,181,570
TOTAL		919,912,025	810,024,162

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

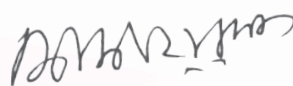

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

AS AT DECEMBER 31, 2017

PROPERTY AND ASSETS	NOTES	BALANCE AS AT	
		31.12.2017	31.12.2016
INVESTMENT		165,335,904	155,858,469
Bangladesh Government Treasury Bond	11	25,000,000	25,000,000
Investment in Shares	12	140,335,904	130,858,469
INTEREST RECEIVABLE (accrued but not due)	14	8,204,369	17,551,594
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS		46,442,907	29,190,337
SUNDRY DEBTORS	15	320,734,001	243,345,423
CASH AND BANK BALANCES:	16	298,864,865	295,469,172
Fixed Deposit		279,872,382	273,534,007
STD & CD A/C with Bank		16,522,703	6,673,344
Cash in Hand		844,780	993,939
Cheques in transit		1,625,000	14,267,882
OTHERS ACCOUNTS	17	80,329,979	68,609,167
Fixed Assets (At cost less Depr.)		78,811,491	67,199,682
Stock of Stationery, Stamps & Forms		1,518,488	1,409,485
TOTAL		919,912,025	810,024,162


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants

CONSOLIDATED PROFIT AND LOSS ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
EXPENSES OF MANAGEMENT (Not applicable to any particular Fund or Account)		18,562,439	19,569,734
Director's Fees		865,000	1,464,250
Audit Fees		306,250	23,250
Advertisement and Publicity		486,237	458,850
Renewal of Registration & Trade License		1,521,101	1,557,018
Fees & Charges		600,124	462,754
Legal Fee & Professional Fee		1,449,550	233,300
Levy Charges		200,000	–
CSR Expenses		262,000	1,807,219
Subscription	19	236,000	341,000
Car Rental		664,700	2,213,740
Loss on Sale of Fixed Asset		15,133	–
Depreciation		5,970,321	6,533,103
Unrealized loss of Share		1,445,548	26,984
Expenses of Management of SBCML		4,540,475	4,448,266
NET PROFIT/(LOSS) TRANSFERRED TO PROFIT & LOSS APPROPRIATION ACCOUNT		91,094,753	85,834,011
TOTAL		109,657,192	105,403,745


CONSOLIDATED PROFIT AND LOSS APPROPRIATION ACCOUNT

PARTICULARS	NOTES	2017 TAKA	2016 TAKA
Reserve For Exceptional Losses		29,876,438	28,029,128
Dividend Paid		31,218,960	32,303,925
Investment To Subsidiary		–	3,700,425
Provision For Income Tax		22,046,387	19,325,350
Deferred Tax		125,000	145,000
BALANCE TRANSFERRED TO BALANCE SHEET		51,493,911	43,665,943
TOTAL		134,760,696	127,169,771
BASIC EARNING PER SHARE	22	1.66	1.63

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

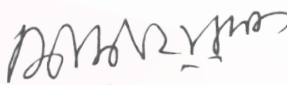
FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
INTEREST AND DIVIDEND INCOME (Not applicable to any particular Fund or Account)	18	16,994,573	25,613,987
Interest Income		15,069,811	18,700,398
Dividend income(Cash)		1,924,762	3,213,164
Dividend from Subsidiary		-	3,700,425
OTHER INCOME		15,536,278	8,434,217
Realized gain from share transaction		13,132,352	7,025,334
Profit From disposal of Fixed Assets		-	1,348,640
Misc income		2,403,926	60,243
PROFIT/(LOSS) TRANSFERRED FROM REVENUE ACCOUNT		77,126,341	71,355,541
Fire Revenue Account		18,137,055	32,570,685
Marine Cargo Revenue Account	41,804,238	33,197,920	
Marine Hull Revenue Account	2,238,770	(57,611)	
Motor Revenue Account	13,171,751	6,135,727	
Misc. Revenue Account	1,774,526	(491,180)	
TOTAL		109,657,192	105,403,745

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	2017 TAKA	2016 TAKA
Balance Brought Forward From Previous Year		43,665,943	41,335,760
Net Profit For The Year Brought Down		91,094,753	85,834,011
TOTAL		134,760,696	127,169,771


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants


**SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2017**


PARTICULARS	SHARE CAPITAL	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	NON CONTROLLING INTEREST	RETAIN EARNINGS	TOTAL
AT THE BEGINNING OF THE YEAR	312,189,670	168,965,261	—	76,729,475	43,665,943	601,550,349
Stock Dividend	31,218,960	—	—	—	(31,218,960)	—
Net Profit after tax	—	—	—	—	68,923,364	68,923,364
Non Controlling Interest	—	—	—	4,997,635	(4,997,635)	—
Fair Value Reserve	—	—	3,281,576	—	—	3,281,576
Appropriation made during the year	—	29,876,438	—	—	(29,876,438)	—
AT THE END OF THE YEAR	343,408,630	198,841,699	3,281,576	81,727,110	46,496,274	673,755,289
AT THE END OF THE YEAR - 2016	312,189,670	168,965,261	—	76,729,475	43,665,943	601,550,349


Md. Abdul Khaleq Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossein
Chairman


Subject to our separate report of even date

G. Kibria & Co.
Chartered Accountants

Dated:Dhaka,
April 30, 2018

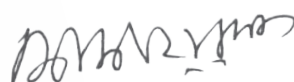
**SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2017**

PARTICULARS	AMOUNT IN TAKA	
	2017	2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Premium Collection and other Income	418,987,829	337,575,428
Payment of Expenses, Re-Insurance, Claims	(376,991,617)	(276,111,735)
Income Tax Paid	(20,690,087)	(13,860,538)
Net Cash Provided by Operating Activities	21,306,125	47,603,155
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Share	(13,593,992)	(28,043,627)
Investment in Merchant Bank	—	—
Purchase of Fixed Asset	(17,605,263)	(3,523,840)
Purchase of Property	—	—
Disposal of fixed assets	—	1,350,000
Sale proceeds of share and securities	—	—
Net Cash used in Investing Activities	(31,199,255)	(30,217,467)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
SOD/Loan Account	11,703,826	—
Increase in Share Capital	—	22,726,466
Dividend paid	—	(14,866,175)
Net Cash used in Financing Activities	11,703,826	7,860,291
D. NET INCREASED IN CASH & CASH EQUIVALENT (A+B+C)	1,810,696	25,245,979
E. OPENING CASH AND CASH EQUIVALENT	266,695,628	241,449,649
F. CLOSING CASH AND CASH EQUIVALENT (D+E)	268,506,324	266,695,628
Net Operating Cash Flow per Share (NOCFS) =	Net operating cash flow	
	Number of shares	
	21,306,125	47,603,155
	34,340,863	34,340,863
NOCFS	TK. 0.62	TK. 1.39


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants

Dated, Dhaka,
April 30, 2018


BALANCE SHEET

CAPITAL AND LIABILITIES	NOTES	BALANCE AS AT	
		31.12.2017	31.12.2016
AUTHORIZED CAPITAL: 10,00,00,000 Ordinary Shares of Tk. 10/-each		1,000,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 3,43,40,863 Ordinary Shares of Tk. 10/- each	2	343,408,630	312,189,670
RESERVE OR CONTINGENCY ACCOUNT Reserve for Exceptional Losses Profit & Loss Account & Appropriation Reserve for Fare Value of Share Trading A/C.	3	241,126,220 198,841,699 39,002,945 3,281,576	208,066,042 168,965,261 39,100,781 -
BALANCE OF FUNDS AND ACCOUNTS Fire Insurance Business Marine Cargo Insurance Business Marine Hull Insurance Business Motor Insurance Business Miscellaneous Insurance Business	4	120,214,933 57,242,341 44,776,416 - 13,646,061 4,550,115	114,606,479 69,401,258 27,250,336 4,149,943 10,938,494 2,866,448
PREMIUM DEPOSIT	5	3,325,126	3,249,839
LIABILITY & PROVISION		92,131,293	68,057,682
Loans & Advances	6	29,691,706	20,000,000
Estimated liabilities in respect of outstanding claims whether due or intimated	7	11,231,685	10,164,939
Amount due to other persons or bodies carrying on insurance business	8	24,619,552	10,110,775
Sundry Creditors(Including outstanding and accruing for expenses)	9	25,281,780	26,600,398
Deferred Tax Provision	10	1,306,570	1,181,570
TOTAL		800,206,201	706,169,712

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018


Md. Abdul khaleque Miah
Chief Executive Officer

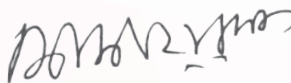

Shahidul Islam Niru
Independent Director

AS AT DECEMBER 31, 2017

PROPERTY AND ASSETS	NOTES	BALANCE ASAT	
		31.12.2017	31.12.2016
INVESTMENT		122,426,730	118,062,324
Bangladesh Government Treasury Bond	11	25,000,000	25,000,000
Investment in Shares (Fair Value)	12	19,717,805	15,353,399
Investment to Subsidiary	13	77,708,925	77,708,925
INTEREST RECEIVABLE (accrued but not due)	14	7,283,949	14,821,177
AMOUNT DUE FROM OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS		46,442,907	29,190,337
SUNDRY DEBTORS	15	292,911,000	227,427,346
CASH AND BANK BALANCES:	16	265,740,756	263,365,255
Fixed Deposit		249,513,841	244,760,463
STD & CD A/C with Bank		13,780,281	3,395,714
Cash in hand		821,634	941,196
Cheques in transit		1,625,000	14,267,882
OTHERS ACCOUNTS		65,400,859	53,303,273
Fixed assets (At cost less Depr.)	17	63,882,371	51,893,788
Stock of Stationery, Stamps & Forms (Fair Value)		1,518,488	1,409,485
TOTAL		800,206,201	706,169,712



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date



G. Kibria & Co.
Chartered Accountants

PROFIT AND LOSS ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
EXPENSES OF MANAGEMENT (Not applicable to any particular Fund or Account)		11,406,963	13,566,248
Directors Fees		865,000	1,074,250
Audit Fees		286,250	-
Advertisement and Publicity		486,237	458,850
Renewal of Registration & Trade License		1,431,022	1,512,718
Fees & Charges		600,124	462,754
Legal Fee & Professional Fee		1,449,550	233,300
Levy Charges		200,000	-
CSR Expenses		262,000	1,807,219
Subscription	19	136,000	236,000
Car Rental		664,700	2,213,740
Loss on Sale of Fixed Asset		15,133	-
Depreciation		5,010,947	5,540,433
Unrealized loss of Share		-	26,984
NET PROFIT/(LOSS) TRANSFERRED TO PROFIT & LOSS APPROPRIATION ACCOUNT		81,073,626	80,252,493
TOTAL		92,480,589	93,818,741

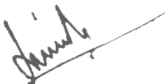
PROFIT AND LOSS APPROPRIATION ACCOUNT

PARTICULARS	NOTES	2017 TAKA	2016 TAKA
Reserve For Exceptional Losses		29,876,438	28,029,128
Dividend Paid		31,218,960	29,732,350
Provision For Income Tax		19,951,064	17,980,784
Deferred Tax		125,000	145,000
BALANCE TRANSFERRED TO BALANCE SHEET		39,002,945	39,100,781
TOTAL		120,174,407	114,988,043
BASIC EPS		TK. 1.43	TK. 1.42

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

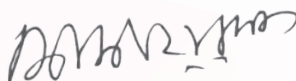
FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
INTEREST AND DIVIDEND INCOME (Not applicable to any particular Fund or Account)		13,979,959	21,031,118
Interest Income	18	13,299,772	16,545,363
Dividend Income (Cash)		680,187	785,330
Dividend from Subsidiary		—	3,700,425
OTHER INCOME		1,374,289	1,432,082
Realized gain from share transaction Profit		1,305,913	38,532
Profit from disposal of Fixed Assets		—	1,348,640
Misc. income		68,376	44,910
PROFIT/ (LOSS) TRANSFERRED FROM REVENUE ACCOUNT		77,126,341	71,355,541
Fire Revenue Account		18,137,055	32,570,685
Marine Cargo Revenue Account		41,804,238	33,197,920
Marine Hull Revenue Account		2,238,770	(57,611)
Motor Revenue Account		13,171,751	6,135,727
Misc. Revenue Account		1,774,526	(491,180)
TOTAL		92,480,589	93,818,741

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	2017 TAKA	2016 TAKA
Balance brought forward from previous year		39,100,781	34,735,550
Net Profit for the year broughtdown		81,073,626	80,252,493
TOTAL		120,174,407	114,988,043


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman


G. Kibria & Co.
Chartered Accountants

Subject to our separate report of even date


CONSOLIDATED REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		86,206,721	95,568,319
Paid during the year		85,139,975	100,914,604
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		11,231,685	10,164,939
		96,371,660	111,079,543
Less: Outstanding claims at the end of the previous year		(10,164,339)	(15,511,224)
AGENCY COMISSION		58,767,558	50,832,182
EXPENSES OF MANAGEMENT	21	96,680,128	77,471,976
PROFIT TRANSFERRED TO PROFIT & LOSS ACCOUNT		77,126,341	71,355,541
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 40% of premium income(100% Marine Hull) of the year		120,214,933	114,606,479
TOTAL		438,995,681	409,834,497

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

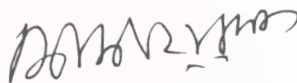

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		114,606,479	101,263,379
PREMIUM LESS RE INSURANCE	20	298,764,351	280,291,283
COMISSION ON RE INSURANCE CEDED		25,624,851	28,279,835
TOTAL		438,995,681	409,834,497


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants


FIRE INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		75,123,954	70,490,062
Paid during the year		72,006,965	73,003,391
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		6,704,130	3,587,141
		78,711,095	76,590,532
Less: Outstanding claims at the end of the previous year		(3,587,141)	(6,100,470)
AGENCY COMMISSION		29,966,529	32,946,745
EXPENSES OF MANAGEMENT	21	46,242,424	45,278,378
PROFIT TRANSFERRED TO PROFIT & (LOSS) ACCOUNT		18,137,055	32,570,685
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE			
Reserve for Unexpired Risks being 40% of premium income of the year		57,242,341	69,401,258
TOTAL		226,712,303	250,687,128

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

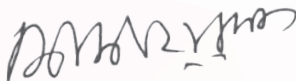

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		69,401,258	60,307,361
PREMIUM LESS RE INSURANCE	20	143,105,852	173,503,145
COMMISSION ON RE INSURANCE CEDED		14,205,193	16,876,622
TOTAL		226,712,303	250,687,128


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants


MARINE CARGO INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		7,005,351	10,022,922
Paid during the year		6,729,134	10,076,005
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		1,964,533	1,688,316
		8,693,667	11,764,321
Less: Outstanding claims at the end of the previous year		(1,688,316)	(1,741,399)
AGENCY COMISSION		19,763,529	12,107,964
EXPENSES OF MANAGEMENT	21	33,580,596	19,848,293
PROFIT TRANSFERRED TO PROFIT & (LOSS) ACCOUNT		41,804,238	33,197,920
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		44,776,416	27,250,336
TOTAL		146,930,130	102,427,435

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

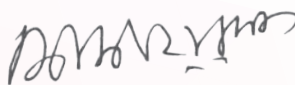

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		27,250,336	26,074,918
PREMIUM LESS RE INSURANCE		111,941,039	68,125,841
COMISSION ON RE INSURANCE CEDED		7,738,755	8,226,676
TOTAL		146,930,130	102,427,435


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman


G. Kibria & Co.
Chartered Accountants

Subject to our separate report of even date


MARINE HULL INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		(90,959)	200,128
Paid during the year		(90,959)	200,128
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		-	-
		(90,959)	200,128
Less: Outstanding claims at the end of the previous year		-	-
AGENCY COMISSION		285,074	617,888
EXPENSES OF MANAGEMENT	21	82,256	909,516
PROFIT TRANSFERRED TO PROFIT & (LOSS) ACCOUNT		2,238,770	(57,611)
BALANCE OF ACCOUNT AT THE END OF THE YEAR AS SHOWN IN THE BALANCE SHEET			
Reserve for Unexpired Risks being 100% of premium income of the year		-	4,149,943
TOTAL		2,515,141	5,819,864

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		4,149,943	1,648,448
PREMIUM LESS RE INSURANCE	20	(1,772,982)	4,149,943
COMMISSION ON RE INSURANCE CEDED		138,180	21,473
TOTAL		2,515,141	5,819,864


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman


G. Kibria & Co.
Chartered Accountants

Subject to our separate report of even date


MOTOR INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		5,089,074	11,724,413
Paid during the year		6,415,534	13,001,165
Add: Total estimated liabilities in respect of outstanding claims at the year end of the whether due or intimated		1,429,830	2,756,290
		7,845,364	15,757,455
Less: Outstanding claims at the end of the previous year		(2,756,290)	(4,033,042)
AGENCY COMISSION		4,961,688	3,909,704
EXPENSES OF MANAGEMENT	21	8,338,559	5,733,774
PROFIT TRANSFERRED TO PROFIT & (LOSS) ACCOUNT		13,171,751	6,135,727
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		13,646,061	10,938,494
TOTAL		45,207,133	38,442,112

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

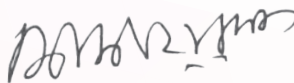

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		10,938,494	10,869,084
PREMIUM LESS RE INSURANCE	20	34,115,152	27,346,235
COMMISSION ON RE INSURANCE CEDED		153,487	226,793
TOTAL		45,207,133	38,442,112


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


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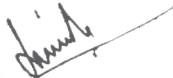
MISC INSURANCE REVENUE ACCOUNT

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2016
CLAIMS UNDER POLICIES LESS RE INSURANCE		(920,698)	3,130,794
Paid during the year		79,302	4,633,915
Add: Total estimated liabilities in respect of outstanding claims at the end of the year whether due or intimated		1,133,192	2,133,192
		1,212,494	6,767,107
Less: Outstanding claims at the end of the previous year		(2,133,192)	(3,636,313)
AGENCY COMISSION		3,790,738	1,249,881
EXPENSES OF MANAGEMENT	21	8,436,293	5,702,015
PROFIT TRANSFERRED TO PROFIT & (LOSS) ACCOUNT		1,774,526	(491,180)
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		4,550,115	2,866,448
TOTAL		17,630,974	12,457,958

The annexed notes form an integral part of these financial statements.

Dated: Dhaka
30 April, 2018

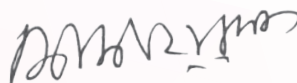

Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director

FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	NOTES	AMOUNT IN TAKA	
		2017	2018
BALANCE OF ACCOUNT AT THE BEGINNING OF THE YEAR		2,866,448	2,363,568
PREMIUM LESS RE INSURANCE	20	11,375,290	7,166,119
COMISSION ON RE INSURANCE CEDED		3,389,236	2,928,271
TOTAL		17,630,974	12,457,958


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants

SONAR BANGLA INSURANCE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2017

PARTICULARS	SHARE CAPITAL	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	RETAIN EARNINGS	TOTAL
AT THE BEGINNING OF THE YEAR					
	312,189,670		168,965,261	39,100,781	520,255,712
Stock Dividend	31,218,960			(31,218,960)	
Net Profit after tax				60,997,562	60,997,562
Appropriation made during the year			29,876,438	(29,876,438)	
Changes in Fair Value of Share				3,281,576	3,281,576
AT THE END OF THE YEAR					
	343,408,630		198,841,699	39,002,945	584,534,850

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 31, 2016

PARTICULARS	SHARE CAPITAL	RESERVE FOR EXCEPTIONAL LOSSES	FAIR VALUE RESERVE	RETAIN EARNINGS	TOTAL
AT THE BEGINNING OF THE YEAR					
	297,323,500	140,936,133		34,735,550	472,995,183
Stock Dividend	14,866,170			(14,866,170)	
Cash Dividend				(14,866,180)	(14,866,180.00)
Net Profit after tax				62,126,709	62,126,709
Appropriation made during the year			28,029,128	(28,029,128)	
AT THE END OF THE YEAR					
	312,189,670	168,965,261		39,100,781	520,255,712

Subject to our separate report of even date



Al-haj Md. Ruhul Amin
Director



Shahidul Islam Niru
Independent Director



Md. Abdul khaleque Miah
Chief Executive Officer



Sheikh Kabir Hossain
Chairman



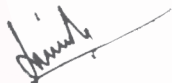
G. Kibria & Co.
Chartered Accountants

Dated: Dhaka
30 April, 2018


**SONAR BANGLA INSURANCE LTD.
STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31, 2017**

PARTICULARS	AMOUNT (IN TAKA)	
	2017	2016
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Premium Collection and other Income	401,216,704	325,990,424
Payment of Expenses, Re-Insurance, Claims	(364,364,996)	(268,723,483)
Income Tax Paid	(20,249,284)	(13,306,702)
Net Cash Provided by Operating Activities	16,602,424	43,960,239
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in Share	(6,895,966)	(3,950,205)
Investment in Merchant Bank		
Purchase of Fixed Assest	(17,022,663)	(3,398,840)
Disposal of fixed assets		1,350,000
Sale proceeds of share and securities		
Net Cash used in Investing Activities	(23,918,629)	(6,999,045)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
SOD/Loan Account	9,691,706	
Issue of Share		
Dividend paid		(14,866,175)
Net Cash used in Financing Activities	9,691,706	(14,866,175)
D. NET INCREASED IN CASH & CASH EQUIVALENT (A+B+C)	2,375,501	23,095,019
E. OPENING CASH AND CASH EQUIVALENT	263,365,255	240,270,236
F. CLOSING CASH AND CASH EQUIVALENT (D+E)	265,740,756	263,365,255
Net Operating Cash Flow per Share (NOCFS)	= $\frac{\text{Net operating cash flow}}{\text{Number of shares}}$	
	= $\frac{16,602,424}{34,340,863}$	$\frac{43,960,239}{34,340,863}$
	NOCFS = TK. 0.48	TK. 1.28


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date


G. Kibria & Co.
Chartered Accountants

Dated: Dhaka
30 April, 2018

FORM "AA"
CLASSIFIED SUMMARY OF THE ASSETS
SONAR BANGLA INSURANCE LIMITED
AS AT 31ST DECEMBER, 2017

PARTICULARS	AMOUNT IN TAKA	REMARKS
Statutory Deposit	25,000,000	Realizable Value
Investment in Share	19,717,805	Fair Value
Investment to Subsidiary	77,708,925	Book Value
Accured Interest	7,283,949	Book Value
Sundry Debtors	292,911,001	Book Value
Amount Due from Other Persons or Bodies Carrying on Insurance Business	46,442,907	Book Value
Fixed Deposit	249,513,841	Realizable value
Bank Balance & Cheques in transit Cash in hand	15,405,281	Realizable value
	821,634	Realizable value
Fixed Assets (at cost less depr.) Stock of Stationery, Forms & Stamp	63,882,371	Book Value
	1,518,488	Fair value
TOTAL	800,206,202	



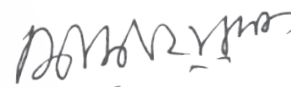
Md. Abdul khaleque Miah
Chief Executive Officer



Shahidul Islam Niru
Independent Director



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date



G. Kibria & Co.
Chartered Accountants

Dated: Dhaka
30 April, 2018

**SONAR BANGLA INSURANCE LIMITED
NET ASSETS VALUE (NAV)**

PARTICULARS	AMOUNT IN TAKA	
	2017	2016
<u>A. ASSETS:</u>		
Investment at cost (NIB)	25,000,000	25,000,000
Investment in Shares	19,717,805	15,353,399
Investment to subsidiary	77,708,925	77,708,925
Interest Accrued but not due	7,283,949	14,821,177
Amount due from other persons or bodies carrying on Insurance Business	46,442,907	29,190,337
Sundry Debtors (Including Advances, Deposits & Prepayments)	292,911,001	227,427,346
Cash and Bank Balances	265,740,756	263,365,255
Other Accounts (Fixed Assets & Stock of Stationery, Stamps)	65,400,859	53,303,273
TOTAL	800,206,202	706,169,712
<u>B. LIABILITIES:</u>		
Balance of Funds and Accounts	120,214,933	114,606,479
Other Sums Owing (Premium Deposit Account)	3,325,126	3,249,839
Estimated Liabilities in respect of outstanding claims whether due or intimated	11,231,685	10,164,939
Amount due to other persons or bodies carrying on Insurance Business	24,619,552	10,110,775
Sundry Creditors (Including Provision for expenses and Taxes)	26,588,350	27,781,968
Loans and Advance	29,691,706	20,000,000
TOTAL	215,671,352	185,914,000
NET ASSET (A - B)	584,534,850	520,255,712
NO. OF SHARES	34,340,863	34,340,863
NET ASSETS VALUE PER SHARE	Tk. 17.02	15.15



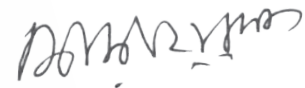
Md. Abdul khaleque Miah
Chief Executive Officer



Shahidul Islam Niru
Independent Director



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date

Dated: Dhaka
30 April, 2018



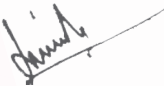
G. Kibria & Co.
Chartered Accountants

**SONAR BANGLA INSURANCE LIMITED
CONSOLIDATED NET ASSETS VALUE (NAV)**

PARTICULARS	AMOUNT	IN TAKA
	2017	2016
A. ASSETS:		
Investment at cost (NIB)	25,000,000	25,000,000
Investment in Shares	140,335,904	130,858,469
Interest Accrued but not due	9,053,988	17,551,594
Amount due from other persons or bodies carrying on Insurance Business	46,442,907	29,190,337
Sundry Debtors (Including Advances, Deposits & Prepayments)	319,884,382	243,345,423
Cash and Bank Balances	298,864,865	295,469,172
Other Accounts (Fixed Assets & Stock of Stationery, Stamps)	80,329,979	68,609,167
TOTAL	919,912,025	810,024,162
B. LIABILITIES:		
Balance of Funds and Accounts	120,214,933	114,606,479
Other Sums Owing (Premium Deposit Account)	3,325,126	3,249,839
Estimated Liabilities in respect of outstanding claims whether due or intimated	11,231,685	10,164,939
Amount due to other persons or bodies carrying on Insurance Business	24,619,552	10,110,775
Sundry Creditors (Including Provision for expenses and Taxes)	42,074,540	39,040,631
Loans and Advance	44,690,900	31,301,150
Non Controlling Interest	81,727,110	76,729,475
TOTAL	327,883,846	285,203,288
NET ASSET (A-B)	592,028,179	524,820,874
NO OF SHARES	34,340,863	34,340,863
NET ASSETS VALUE PER SHARE	Tk. 17.24	15.28



Md. Abdul khaleque Miah
Chief Executive Officer



Shahidul Islam Niru
Independent Director



Al-haj Md. Ruhul Amin
Director



Sheikh Kabir Hossain
Chairman

Subject to our separate report of even date



G. Kibria & Co.
Chartered Accountants

Dated, Dhaka,
April 30, 2018

SONAR BANGLA INSURANCE LTD.
Notes to the Financial Statements
For the year ended December 31, 2017

1.00 Historical Background:

Sonar Bangla Insurance Limited was incorporated in Bangladesh on March 14, 2000 and went into operation on 1st May, 2000 as a Public Limited Company under the Companies Act, 1994 with a view to run all types of insurance business except life as per Insurance Act, 1938 in Bangladesh. The Company went into initial public offerings (IPO) on September 2005 and raised its Share Capital to Tk. 34.34 crore. Now the Company is listed with Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd.

The registered office of the Company is at Paramount Heights (Level-14) 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.

The Company is engaged in Non Life Insurance Business with meaning of Insurance Act, 2010

The Company has also formed another subsidiary Company viz, Sonar Bangla Capital Management Ltd., to run business of Merchant Bank and obtained the licence from Securities and Exchange Commission for Commercial operation.

1.01 Basis of Presentation of Financial Statements(BAS 1) and Significant Accounting Policies:

1.02 Basis of Presenting Accounts:

a) The Financial Statements are prepared on a going concern basis under historical cost convention on generally accepted accounting Principles and Cash Flows Statement has been prepared on direct method and accrual basis of accounting has been followed:

b) The Balance Sheet has been prepared in accordance with the regulation contained in part I of the first schedule and as per Form "A" as setforth in part II of that schedule Profit & Loss Account(Comprehensive income statement) and Profit & Loss Appropriation Account have been prepared in accordance with the regulation contained in part I of the second schedule and as per Form "B" & "C" setforth in part II of that schedule respectively and the Revenue Accounts of each class of General Insurance Business has been prepared in accordance with the regulation as contained in part I of the third schedule and as per Form "F" as setforth the in part II of that schedule of the Insurance Act.

1.03 Significant Accounting Polices:

a) Underwriting Business:

Gross underwriting business as well as Re-Insurance thereof and claim settled etc. have been recorded separately for each class of business and the net underwriting results thereof have been reflected in the revenue accounts after due consideration of Re-Insurance ceded.

b) Segment reporting (BAS-14)

A business segment is a distinguishable component of the Company that is engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Company accounts for segment reporting of operating results using the classes of business. The performance of segments are evaluated on the basis of underwriting results of each segment. The Company has four primary business segments for reporting purposes namely Fire, Marine, Motor and Miscellaneous.

c) Balance of Fund and Accounts:

These have been arrived at after making provision for unexpired risks @ 40% of net premium income on all business except Marine Hull where provision has been made @100% on net premium income.

d) Management expenses :

Management expenses of Tk. 9,66,80,126 have been charged into 47.83% to Fire for Tk. 4,62,42,424, 34.73% to Marine Cargo for Tk. 3,35,80,596, 0.09% to Marine Hull for Tk. 82,256, 8.62% to Motor for Tk. 83,38,559 and 8.73 % for Tk. 84,36,293 to Miscellaneous revenue account respectively during the year.

e) Compliance of Local Laws:

The financial statements have been prepared in compliance with requirement of the Companies Act, 1994, Bangladesh Securities and Exchange Rules 1987, Insurance Act, 1938 and subsequently followed by Insurance Act. 2010, Anti Money Laundering Act.-2012 and other relevant Local Laws.

f) Compliance with Bangladesh Accounting Standards (BAS):

The financial statements have been prepared as at December 31, 2017 in compliance with requirement of the Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) approved by the Instituted of Chartered Accountants of Bangladesh (ICAB) and other regulations applicable in Bangladesh.

g) Reporting Currency:

The financial statements are presented in Bangladesh Currency (Taka) which have been rounded off to the nearest taka where indicated otherwise.

h) Accounting Period:

The financial period of the Insurance Company covers one year from January 01, 2017 to December 31, 2017.

i) Fixed Assets:

All Assets of the Company shown in financial statements that are within the scope of BAS-36, are in physical existence and valued on more than their recoverable amount. Following International Accounting Standards adopted by ICAB, discloser with regards to "Impairment of Assets" as per BAS - 36 have not been considered These are stated at cost less accumulated depreciation. Depreciation on Fixed Assets have been charged on reducing balance method at rates varying from 2.5% to 30% depending on the estimated useful lives of the assets and are consistently applied in relation to previous year. Depreciation of Fixed Assets have been charged proportionately on addition of Fixed Assets when it is available for use as per paragraph 55 of BAS 16.

Category of Assets:	Rate of Dep.
Office Decoration	10%
Furniture & Fixture	10%
Telephone Installation	15%
Computer A/C	30%
Office Equipment	15%
Motor Vehicles	20%
Software Installation	30%
Air Condition	20%
Motor Cycle	20%
Office Space	2.5%

j) Stock of Stationery & Forms:

Stock of Stationery,Forms & stamps have been shown lower of cost and net realizable value.

k) Public Sector Business:

Company's share of Public sector business is accounted for the year in which the statement of accounts from the Sadharan Bima Corporation are received up to 31st December, 2017. Statement of accounts for the period from 1st July, 2016 to 30th June, 2017 have been received from the Sadharan Bima Corporation and accordingly, the Company's share of Public Sector Business for the year has been accounted for the accompanying accounts. This practice is being followed consistently.

l) Provision for Income Tax (BAS 12):

Provision for income tax for the year under audit has been made on the basis of Finance Act.

m) Deferred Taxation (BAS-12): Tk. 13,06,570

This has arrived as under:

Opening Balance	1,181,570
Add: Provision during the year	125,000
Total :	<u>1,306,570</u>

Deferred Tax has been calculated as lump sum basis to follow with BAS - 12.

n) Revenue Recognition (BAS-18)

The total amount of premium earned on various classes of insurance business underwritten during the year, the gross amount of premium earned against various policies, the amount of re-insurance premium due to Sadharan Bima Corporation, the amount of re-insurance commission earned and the amount of claims less re-insurance settled during the year have been duly accounted for the books of accounts of the company and while preparing the final statements of accounts, the effect of re-insurance as well as the effect of total estimated liabilities in respect of outstanding claims at the end of the year, whether due or intimated have also been duly

o) Employee's Benefit Plan (BAS-19)

The Company has introduced a Employees Service Rules-2012 where a new attractive pay-scale has already been executed from January, 2012 for the interest of the Employees. Besides, Group Insurance Policy has been introduced as employees benefit scheme and provident fund is in under process.

p) Earning per Share (BAS-33)

The Company has calculated earning per share (EPS) in accordance with the Bangladesh Accounting Standards (BAS) -33 "Earning per Share" as adopted by ICAB.

q) Investment:

- * Investment for statutory deposit is stated in respect of market value.
- * Income on Investment, other than shares, is accounted for on accrual concept basis.
- * Dividend Income on Investment on shares are accounted for the year of receiving of such dividend.
- * Gain /(Loss) on sold Fixed Assets are accounted for on a actual realization basis.

r) Reserve for Exceptional Losses:

Reserve for exceptional losses as appropriated out of current year's profit before tax for Tk. 2,98,76,438 as per 4th schedule of income Tax ordinance.

s) Interest on FDR & STD:

Interest received from Banks on STD Accounts and FDR Accounts have been duly credited to the Profit and Loss Account.

t) Reserve for un-expired risks:

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

u) Precaution for Anti Money Laundering:

The Company has prepared and implemented the internal control guide line to prevent Money Laundering activity following the Bangladesh Bank's guide line in this behalf.

v) Disclosure of key Management personnel compensation

As per paragraph 17 of BAS 24, the company shall provide short term employee benefits, post employment benefits, other employment benefits and termination benefits as deem fit as per service rule of the company as well as the interest of the employee of the company.

W) Disclosure of Related Party Transaction(Paragraph 18,BAS 24)

There is no related party transaction.

2.00 SHARE CAPITAL

a) Authorized Capital Tk. 100,00,00,000.00

Divided into 10,00,00,000 ordinary shares of Tk. 10/- each.

b) Issued Subscribed & Paid up Capital Tk. 34,34,08,630

Divided into 3,43,40,863 ordinary shares of Tk. 10/- each.

This balance represents:

Category	No. of Shareholder	No. of Shares	Percentage (%)
Sponsors/Directors	16	10,911,338	32
Institutional Investors	42	6,993,898	20
General Public	3,640	16,435,627	48
Total	3,698	34,340,863	100

Classification of Shareholder by holding:

Class Interval	No. of Share holders	No. of Share	Percentage (%)
000000001-0000000499	1,596	222,632	0.60
000000500-0000005000	1,701	2,714,988	7.92
0000005001-0000010000	168	1,222,970	3.58
0000010001-0000020000	102	1,472,085	4.28
0000020001-0000030000	44	1,124,244	3.27
0000030001-0000040000	15	515,534	1.51
0000040001-0000050000	11	482,431	1.40
0000050001-0000100000	29	1,990,122	5.80
0000100001-0004000000	32	24,595,857	71.64
	3,698	34,340,863	100.00

CASH AND CASH EQUIVALENTS (BAS-07)

Cash and cash equivalents comprise cash in hand and demand deposit and cash equivalents are short term, high Liquid investments that we are ready to convertable to know amount of cash and which are subject to an insignificant risk of change in value, BAS-1 "Presentation of Financial Statements" also provides that Cash equivalents are those who have no restriction.

3.00 RESERVE OR CONTINGENCY ACCOUNTS: TK. 24,11,26,220

Particulars	Notes	Amount	
		2017	2016
Reserve for Exceptional Losses	3.01	198,841,699	168,965,261
Profit & Loss Appropriation	3.02	39,002,945	39,100,781
Fair Value Reserve (Share Trading)		3,281,576	-
		241,126,220	208,066,042

3 (a) CONSOLIDATED RESERVE OR CONTINGENCY : Tk. 24,86,19,549

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	241,126,220	208,066,042
Sonar Bangla Capital Management Ltd.	7,493,329	4,565,162
Total	248,619,549	212,631,204

3.01 Reserve for Exceptional Loss: TK. 19,88,41,699

This is made up as follows:

Particulars	Amount	
	2017	2016
Opening Balance	168,965,261	140,936,133
Provision during the year	29,876,438	28,029,128
	198,841,699	168,965,261

3.02 Profit & Loss Appropriation Accounts: Tk. 3,90,02,945

This is made up as follows:

Particulars	Amount	
	2017	2016
Opening Balance	39,100,781	34,735,550
Net Profit during the year	81,073,626	80,252,493
Total balance for the Appropriation	120,174,407	114,988,043
Less : Appropriations :		
Reserve for Exceptional Loss	29,876,438	28,029,128
Provision for income tax	19,951,064	17,980,784
Provision for Deferred Tax	125,000	145,000
Dividend Paid	31,218,960	29,732,350
	81,171,462	75,887,262
Amount transfer to Balance Sheet	39,002,945	39,100,781

3(2)(a) CONSOLIDATED PROFIT & LOSS APPROPRIATION ACCOUNTS : Tk. 5,14,93,911

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	39,002,945	39,100,781
Sonar Bangla Capital Management Ltd.	12,490,966	4,565,162
Total	51,493,911	43,665,943

3.03 Proposed Dividend :

The Board of Directors recommended 10% Stock Dividend (Bonus Share) on the Audited Financial Statements for the year ended 31st December, 2017 in its 118th Meeting held on April 30, 2018 subject to the approval from the Hon'ble Shareholders of the Annual General Meeting .

4.00 BALANCE OF FUND AND ACCOUNTS :TK. 12,02,14,933

Particular	%	Amount	%	Amount
		2017		2016
Fire	40%	57,242,341	40%	69,401,258
Marine Cargo	40%	44,776,416	40%	27,250,336
Marine Hull	100%	-	100%	4,149,943
Motor	40%	13,646,061	40%	10,938,494
Misc.	40%	4,550,115	40%	2,866,448
Total		120,214,933		114,606,479

4(a) NON CONTROLLING INTEREST OF SONAR BANGLA CAPITAL MANAGEMENT LTD. : Tk. 8,17,27,110

5.00 PREMIUM DEPOSIT: TK. 33,25,126

The above balance represents the amount received against cover notes for which policies were not issued within the year 31st December, 2017 .

6.00 LOANS AND ADVANCE (SOD ACCOUNT): TK. 2,96,91,708

Tk.2,96,91,708 has been used to deposit the paid up capital for Sonar Bangla Capital Management Ltd. (Merchant Bank) being parent company and meetup the expenses of the Company.

6 (a) CONSOLIDATED LOANS AND ADVANCE : Tk. 4,46,90,900

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	29,691,708	20,000,000
Sonar Bangla Capital Management Ltd.	14,999,192	11,301,150
Total	44,690,900	31,301,150

7.00 ESTIMATED LIABILITIES IN RESPECT OF OUTSTANDING CLAIMS WHETHER DUE OR INTIMATED : Tk. 1,12,31,685

This is made up as follows:

Particulars	Amount	
	2017	2016
Fire	6,704,130	3,587,141
Marine	1,964,533	1,688,316
Marine Hull	-	-
Motor	1,429,830	2,756,290
Misc.	1,133,192	2,133,192
	11,231,685	10,164,939

8.00 AMOUNT DUE TO OTHER PERSONS OR BODIES CARRYING ON INSURANCE BUSINESS: TK. 2,46,19,552

This balance represents the amount payable to Sadharan Bima Corporation for re-insurance accounts .

9.00 SUNDRY CREDITORS: TK. 2,52,81,780

Particulars	Notes	Amount	
		2017	2016
O/S. Audit Fee		435,750	435,750
Advance Premium Receipts		-	7,657
VAT Payable		1,098,412	1,237,299
Dividend Payable		-	1,528,804
TDS Payable		-	2,484
Company Tax Liabilities	9.01	23,747,618	23,388,404
Total		25,281,780	26,600,398

9.01 Liability for Taxation : Tk. 2,37,47,618

Particulars	Amount	
	2017	2016
Opening Balance	23,388,405	23,336,146
Add: Provision during the year	19,951,064	17,980,784
	43,339,469	41,316,930
Less: Paid and adjusted during the year	19,591,851	17,928,525
	23,747,618	23,388,405

An amount of Tk. 1,95,91,851 has been provided during the year as against tax on Profit being consideration after reserve for exceptional losses, dividend Income and realized gain from share investment as per provision

9 (a) CONSOLIDATED SUNDRY CREDITORS : Tk. 4,07,67,970

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	25,281,780	26,600,398
Sonar Bangla Capital Management Ltd.	15,486,190	11,258,663
Total	40,767,970	37,859,061

10.00 PROVISION FOR DEFERRED TAX: TK. 13,06,570

This is made up as follows:

Particulars	Amount	
	2017	2016
Opening Balance	1,181,570	1,036,570
Provision during the year	125,000	145,000
	1,306,570	1,181,570

11.00 INVESTMENT OF STATUTORY DEPOSIT : TK. 2,50,00,000

This represents the amount invested as statutory deposit under Insurance Act, 2010

12.00 INVESTMENT IN SHARES AT FAIR VALUE: TK. 1,97,17,805
12 (a) CONSOLIDATED INVESTMENT IN SHARES : TK. 14,03,35,904

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	19,717,805	15,353,399
Sonar Bangla Capital Management Ltd.	120,618,099	115,505,070
Total	140,335,904	130,858,469

This is made up as follows:

BO Account: DBL Securities Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	BRAC Bank Ltd.	654	18.09	11,830.86	108.40	70,893.60	59,062.74
02	Khulna Power Co. Ltd.	11,205	108.53	1,216,078.65	58.50	655,492.50	(560,586.15)
03	Meghna Petroleum Ltd.	583	-	-	188.90	110,128.70	110,128.70
04	Social Islami Bank Ltd.	37,075	22.63	839,007.25	24.30	900,922.50	61,915.25
05	United Commercial Bank Ltd.	70,257	52.32	8,907,846.24	23.60	4,018,065.20	(4,889,781.04)
06	Beximco Ltd.	16,395	95.81	1,570,804.95	27.00	442,665.00	(1,128,139.95)
07	EXIM Bank Ltd.	2,085	17.20	35,862.00	17.20	35,862.00	-
08	ICB Islamic Bank Ltd.	100	5.91	591.45	7.00	700.00	108.55
09	Jamuna Bank Ltd.	552	8.42	4,647.84	22.00	12,144.00	7,496.16
10	National Bank Ltd.	108,828	26.38	2,870,882.64	13.00	1,414,764.00	(1,456,118.64)
Total				15,457,551.88		7,661,637.50	(7,795,914.38)

BO Account: E-Securities Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	OIMEX (IPO)	7,128	9.09	64,799.94	65.20	464,745.60	399,945.66
02	Beximco Ltd.	17,214	91.29	1,571,417.86	27.00	464,778.00	(1,106,639.86)
03	NAHEEACP (IPO)	6,848	9.09	62,255.85	73.40	502,643.20	440,387.35
04	Khulna Power Co. Ltd.	7,884	-	-	58.50	461,214.00	461,214.00
05	Meghna Petroleum Ltd.	172	101.54	17,464.19	188.90	32,490.80	15,026.61
06	National Bank Ltd. People's Leasing	66,114	17.71	1,170,726.88	13.00	859,482.00	(311,244.88)
07	and	201,830	65.11	13,141,575.14	13.70	2,765,071.00	(10,376,504.14)
08	RAK Ceramic Ltd.	103	6.70	690.00	59.90	6,169.70	5,479.70
09	Islami Bank (BD.) Ltd.	20,000	33.97	679,380.00	36.60	732,000.00	52,620.00
10	United Commercial Bank Ltd.	1,024	25.03	308,451.23	23.60	290,846.40	(17,604.83)
Total				17,016,761.09		6,579,440.70	(10,437,320.39)

BO Account: Sonar Bangla Capital Management Ltd.

Sl. No.	Instrument	Qty	Cost Price	Total Cost	Market Price	Market Value	Unrealized Loss
01	A.B. Bank Ltd.	34278	20.57	705,159.52	22.30	764,413.34	59,253.82
02	Beximco Ltd.	13225	54.76	724,244.50	26.30	347,817.50	(376,427.00)
03	City General Insurance Ltd.	7320	26.28	192,348.61	18.30	133,956.00	(58,392.61)
04	National Bank Ltd.	66792	13.24	884,361.80	12.70	848,258.40	(36,103.40)
05	Titas Gas Transmission & Distribution Co. Ltd.	57850	15.87	914,810.45	44.00	2,532,200.00	(2,409,610.45)
06	Uttara Bank Limited	12100	30.53	369,440.03	34.70	419,870.00	50,429.97
07	RSRM Steel Mills Ltd.	7020	44.35	311,302.00	61.30	430,212.00	118,910.00
Total				8,128,666.91		5,476,727.24	(2,651,939.67)
Grand Total				40,602,979.88		19,717,805.44	(20,885,174.44)

Investment of Shares have been shown as per market price i.e. fair value as per BAS-39

13.00 INVESTMENT TO SUBSIDIARY : TK. 7,77,08,925

Sonar Bangla Insurance Ltd. has invested Tk. 7,77,08,925 to Sonar Bangla Capital Management Ltd. as 58.99% paid up Capital being its subsidiary organization. The Company has started its operation from July,

14.00 INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE) TK. 72,83,949

This represents accrued interest on investment in national investment bond and FDR realizable on maturity of the respective investment.

14 (a) CONSOLIDATED INTEREST, DIVIDEND AND RENT RECEIVABLES (ACCRUED BUT NOT DUE) : Tk. 8,204,369

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	7,283,949	14,821,177
Sonar Bangla Capital Management Ltd.	920,420	2,730,417
Total	8,204,369	17,551,594

15.00 SUNDRY DEBTORS: TK. 292,911,000

Particulars	Amount	
	2017	2016
Security Money	1,776,500	1,714,500
Advance against Salary	309,508	474,456
Advance against Office Rent	9,402,724	9,084,306
Advance to Securities House	5,884,762	4,749,461
Advance against Company Tax	104,971,619	67,876,978
Deposit Clearing & Pre-payments	96,712,852	96,898,257
Advance Car Purchase	-	7,675,423
R/Ins portfolio premium	42,043,819	31,803,218
Agent Balance	6,935,747	7,150,747
R/Ins LPC Account against losses	24,873,470	-
	292,911,000	227,427,346

15(a) CONSOLIDATED SUNDRY DEBTORS : Tk.320,734,001

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	292,911,000	227,427,346
Sonar Bangla Capital Management Ltd.	27,823,001	15,918,077
Total	320,734,001	243,345,423

16.00 CASH AND BANK BALANCES: TK. 26,57,40,756

This is made up as follows:

Particulars	Amount	
	2017	2016
Fixed Deposit	249,513,841	244,760,463
STD & CD Accounts with Bank	13,780,281	3,395,714
Cash in hand	821,634	941,196
Cheques in transit	1,625,000	14,267,882
	265,740,756	263,365,255

16(a) CONSOLIDATED CASH AND BANK BALANCE : Tk. 29,88,64,865

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	265,740,756	263,365,255
Sonar Bangla Capital Management Ltd.	33,124,109	32,103,917
Total	298,864,865	295,469,172

17.00 FIXED ASSETS (AT COST LESS DEPCR:) TK. 6,38,82,371

A details of the above balance have been shown in the Schedule-"A"

17(a) CONSOLIDATED FIXED ASSETS (AT COST LESS DEPCR.) : Tk. 7,88,11,491

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	63,882,371	51,893,788
Sonar Bangla Capital Management Ltd.	14,929,120	15,305,894
Total	78,811,491	67,199,682

18.00 INTEREST INCOME: TK. 1,32,99,772

Particulars	Amount	
	2017	2016
F.D.R.	97,03,415	13,261,291
Bangladesh Govt. Treasury Bond	30,15,375	3,009,700
STD & SND Accounts	5,80,982	274,372
	1,32,99,772	16,545,363

18(a) CONSOLIDATED INTEREST INCOME : Tk. 1,50,69,811

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	1,32,99,772	16,545,363
Sonar Bangla Capital Management Ltd.	3,014,614	2,155,035
Total	1,50,69,811	18,700,398

19.00 SUBSCRIPTION : TK. 1,36,000

This represents the payment as the yearly subscription of Bangladesh Insurance Association, Bangladesh Association of Publicly Listed Companies and Bangladesh Chamber of Industries as proposed to their budget.

19(a) CONSOLIDATED SUBSCRIPTION : Tk. 2,36,000

Particulars	Amount	
	2017	2016
Sonar Bangla Insurance Ltd.	136,000	236,000
Sonar Bangla Capital Management Ltd.	100,000	105,000
Total	236,000	341,000.00

20.00 PREMIUM LESS RE-INSURANCE: TK. 29,87,64,351

Particulars	Gross Premium	Ceded Premium	Net Premium	
			2017	2016
Fire	193,864,446	50,758,594	143,105,852	173,503,145
Marine Cargo	140,781,625	28,840,586	111,941,039	68,125,841
Marine Hull	344,845	2,117,827	(1,772,982)	4,149,943
Motor	34,958,163	843,011	34,115,152	27,346,235
Miscellaneous	35,367,896	23,992,606	11,375,290	7,166,119
	405,316,975	106,552,624	298,764,351	280,291,283

21.00 MANAGEMENT EXPENSES (for Consolidation Revenue Account) : Tk. 9,66,80,128

a) Particulars	%	2017	%	2016
Fire insurance	48	46,242,424	58	45,278,378
Marine Insurance	35	33,662,852	27	20,757,809
Motor & Misc.	17	16,774,852	15	11,435,789
		96,680,128		77,471,976

b) Compliance of section 40C of Insurance Act, 1938

The Section 40C deals with the limitation of Expenses of Management of Non-Life Insurance business and in the light of the Section 40C and Rule 40 the Insurance Rule 1958.

No provision has been made in the accounts for the excess Management expenses as per 4th Schedule of Income Tax Ordinance, 1984 because the Management has applied to the Chairman of Insurance Development and Regulatory Authority (IDRA) for excess expense of management where the Insurance Regulator is now try to adopt a new regulation by a gazette notification for limitation of Management Expenses which is under review

22.00 Basic EPS of SBIL

= $\frac{\text{Earnings attributable to ordinary shareholders}}{\text{Weighted average number of shares outstanding during the year-2017}}$

	2017	2016
Tk. = $\frac{49,171,986}{34,340,863}$	49,171,986	48,855,201
Tk. =	1.43	1.42

22.00(a) Consolidated Basic EPS

Tk. = $\frac{57,097,789}{34,340,863}$	57,097,789	56,152,822
Tk. =	1.66	1.63

23.00 GENERAL :

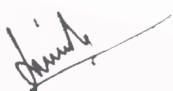
- (1) Number of employees received salary upto Tk 4,500/- per month is nil.
- (2) Number of employees received salary above Tk 4,500/- are 562 nos. (Approx.)
- (3) The Company has no contingent liability.

Comments :

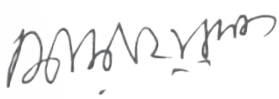
Thus as per above calculation it is found that the actual investment is excess compared to its prescribed investment guide line.

- (1) During the year under review no compensation was allowed by the company to the chief executive and officers of the company except their regular remuneration.
- (2) No Amount of money was spent by the company for compensating any member of the Board for special service rendered.
- (3) During the year under review an amount of Tk. 8,65,000 was paid to the Directors of the company for Board meeting attendance fees as per allowable rate of the IDRA.
- (4) No transaction of Miscellaneous expenditure exceeded Tk. 2,000/-
- (5) There was no Bank guarantee issued by the Company on behalf of their Directors.
- (6) Auditors were paid only statutory audit fee duly approved by the shareholders in the last A.G.M.
- (7) There was no capital work in progress at the end of the accounting year.
- (8) No expenses were paid as royalty and salary to technical experts etc.
- (9) During the year Company was not entered into any agreement with the third party.
- (10) There was no Capital expenditure commitment as at December 31, 2017.
- (11) There was no claim against Company, which was not acknowledgement as debt other than normal course of business.
- (12) There was no credit facility available to the Company under any contract availed of as on December 31, 2017 other than trade credit availed in the ordinary course of business.
- (13) There was no event occurred after Balance Sheet date, which might have effected financial position of the Company as per Balance sheet date.


Md. Abdul khaleque Miah
Chief Executive Officer


Shahidul Islam Niru
Independent Director


Al-haj Md. Ruhul Amin
Director


Sheikh Kabir Hossain
Chairman

24.00 Contingent Liabilities

There was no contingent liabilities a on 31.12.2017

25.00 Payment of Foreign Currency

There was no foreing currency payment during the year-2017

26.00 Foreign Exchange Earned

There was no foreing currency earned during the year- 2017

27.00 Commission, Brokerage or Discount against sales

Commission was incurred or paid to agents as per insurance Act. 1938 as amended Act. 2010 but no brokerage or discount was incurred or paid against sales.

28.00 Segment Reporting

As there is single business and geographic segment within the company operates as such no segment reporting is felt necessary.

29.00 Attendance Status of Borad Meeting of Directors

During the period from 01.01.2017 to 31.12.2017 there were 4 Board Meeting were held. The attendance status of the Directors to the meeting are as follows:

Name of Directors	Position	Meeting	Attended
Mr. Sheikh Kabir Hossain	Chairman	4	4
Mr. Shahidul Islam Niru	Vice-Chairman	4	4
AI-haj Md. Ruhul Amin	Director	4	4
AI -haj Md. Shamsul Hague	Director	4	4
Mrs. Shahida Alamin	Director	4	1
Mr. Ganga Charan Malakar	Director	4	4
Mr. Md. Rajjab Sharif	Director	4	3
Mr. Md. Motaleb Hossain	Director	4	4
Mrs. Nargis Akter	Director	4	4
Mr. Abul Kalam Azad (Nominated by Modern Washing & Dyeing Ind.)	Director	4	3
Mrs. Farida Islam	Director	4	3
Mr. Kailash Chandra Baroi	Director	4	4
Mr. Delowar Hossain Raja	Director	4	4
Mr. Md. Belal Hossain	Director	4	3
Mr. Nesar Ahmed	Director	4	3
Mohammad Khairul Hasan	Director	4	3
Mr. Md. Haroon Kamal	Director	4	1
Mr.Ehsan-E-Moazzam	Independent Director	4	3
Dr. Bithi Rahman,MBBS,	Independent Director	4	3
Mrs. Sagorika Barai	Independent Director	4	4

For Board Meeting attendance fees were paid to the Directors of the Company. Besides, 05 Nos. of Executive Committee, 02 Nos. of Claim Committee and 06 Nos. of Audit Committee were also held during -2017.

30.00 Disclosure as per requirement of Schedule XI, Part II of the Company

Act. 1994 a. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3

a(i) Employee Position for Sonar Bangla Insurance Limited (As at 31st December, 2017)

Salary Range (Monthly)	Officer & Staff		Employee	Total Employee
	Head Office	Branches		
Below Tk. 4,500/=				
Above Tk. 4,500/=				
Total				

b Disclosure as per requirement of Schedule XI, Part II, Para 4

Name of Directors	Designation	Remuneration	Total Payment
Mr. Sheikh Kabir Hossain	Chairman	Paid Tk. 5,000/- for Board Meeting per person and Committee Meeting per person as per attendance of them after deduction of 15% VAT & 10% Tax	-
Mr. Shahidul Islam Niru	Vice-Chairman		-
Al-haj Md. Ruhul Amin	Director		-
Al -haj Md. Shamsul Haque	Director		-
Mrs. Shahida Alamin	Director		-
Mr. Ganga Charan Malakar	Director		-
Mr. Md. Rajjab Sharif	Director		-
Mr. Md. Motaleb Hossain	Director		-
Mrs. Nargis Akter	Director		-
Mr. Abul Kalam Azad	Director		-
Mrs. Farida Islam	Director		-
Mr. Kailash Chandra Baroi	Director		-
Mr. Md. Haroon Kamal	Director		-
Mr. Md. Delowar Hossain Raja	Director		-
Mr. Belal Hossain	Director		-
Mr. Nesar Ahmed	Director		-
Mohammad Khairul Hasan	Director		-
Mr.Ehsan-E-Moazzam	Independent Director		-
Dr. Bithi Rahman,MBBS,	Independent Director		-
Mrs Sagorika Barai	Independent Director	-	
Total			

- b (i) Period of payment to Directors is from 1st January, 2017 to 31st December, 2017.
- b (ii) The above Directors of the Company did not take any benefit from the Company other than the Board Fee.
- Expense reimbursed to the Managing Agent- Nil.
 - Commission or other remuneration payable separately to a Managing Agent or his associate- Nil
 - Commission received or receivable by the Managing Agent or his associate as selling or buying agent of their concerns in respect of contracts entered into such concerns with the Company- nil.
 - The money value of the contracts for the sale of premium or services, entered into by the Company with the Managing Agent or his associate during the financial year is not applicable.
 - Any other perquisites or benefit in cash or in kind stating- nil.

f. Other allowances and commission including guarantee commission-nil

g. Pensions, etc.-

1) Pensions - Nil

2) Gratuities- Nil

3) Payment from Provident Fund - Nil

4) Compensation for loss of office - Nil.

C Disclosure as per requirement of Schedule XI, Part II, Para-7

Details of production capacity utilization Not Applicable

Particulars	Licence Capacity	Installed Capacity in MT	Actual Production in MT from 1st January, 2017 to 31st December, 2017		Capacity Utilization from 1st January 2017 to 31st December, 2017

d Disclosure as per requirement of Schedule XI, Part II, Para-8

i) Raw Materials, Spare Parts, Packing Materials and Capital Machinery

Items	Purchase in Taka			Consumption in Taka	% of Consumption of total purchase
	Import	Local	Total		
Raw Materials					
Spare Parts					
Packing Materials					
Total	-	-	-		

The value of imported raw materials is calculated on CIF basis.

Not Applicable

ii) The Company has not incurred any expenditure in foreign currency for the period from 1st January 2017 to 31 December 2017 on account of royalty, know-how, professional fee, consultancy fees and interest.

iii) No Foreign exchange earned during the year 2017 from selling of Insurance Business.

iv) The Company has not earned any foreign exchanges for royalty, know-how, professional fees and consultancy fees.

v) There was no export as per course of business from the period from 1st January 2017 to 31st December, 2017.

e Disclosure as per requirement of Schedule XI, Part 11, Para-3

	Compliance status of Disclosure of Schedule XI, Part II, Para-3		
3(i)(a) The turnover	Gross premium Income including P.S.B. is for Tk.		40,53,16,975
3(i)(b) Commission paid to selling agents		Tk.	5,87,67,558
3(i)(c) Brokerage and discount of sales, other than the usual trade discount	Not Applicable	Tk.	-
3(i)(d)(i) The value of the raw materials consumed, giving item-wise as possible	Not Applicable	Tk.	-
3(i)(d)(ii) The opening and closing stocks of goods produced	Not Applicable	Tk.	-
3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Not Applicable	Tk.	-
30)(f) In the case of Companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable	Tk.	-
3(i)(g) Opening and closing stocks, purchases, sales and consumption of raw materials with value and quantity breakup for the Company, which falls under one or more categories i.e. manufacturing and/or trading	Not Applicable	Tk.	
30)(h) In the case of other companies, the gross income derived under different heads	Not Applicable		
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Not Applicable		
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Was made during the year		
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and the Manager	Not Applicable		
3(i)(l) Charge for income tax and other taxation on profits	Has been made during the year	Tk.	2,00,76,964
3(i)(m) Reserved for repayment of share capital and repayment of loans	Not Applicable	Tk.	-

3(i)(n)(i) Amount set aside on proposed to be set aside, to reserves, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up.	No
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	No
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Complied
3(i)(p) Expenditure incurred on each of the following items,	Not Applicable
Separately for each item; (i) Consumption of stores and spare parts	Not Applicable
(ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of	Not Applicable
Machinery (vi)(1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provisions or reserve.	Not Applicable

31.00 Subsequent Disclosure of Events after the Balance Sheet Date - Under IAS-10

There is no non-adjusting post balance sheet event of such importance, non disclosure of which would effect the ability to the users of the financial statements to proper evaluation and decision.

32.00 Details of Lease Agreement:

There is no lease assets. So, no lease agreement was required or signed.

33.00 Disclosure as per requirement of schedule XI, Part-I (A. Horizontal Form) of Companies Act. 1994

Accounts Receivable Not Applicable

F. In regard to sundry debtors the following particulars' shall be given separately.

34.00 (I) Debt considered good in respect of which the company is fully secured: Not Applicable

The debtors occurred in the ordinary course of business are considered good and secured.

II) Debt considered good for which the company hold no security other than the debtors personal security.

There is no such debt in this respect as on 31st December, 2017

III) Debt considered doubtful or bad

The Company does not make any provision for doubtful debts as on 31st December, 2017, because of the fact that sales/export are being made on regular basis with fixed maturity dates.

IV) Debt due by directors or other officers of the Company.

There is no such debt in this respect as on 31st December, 2017.

V) Debt due by Common Management

There are no amount due form sister company under common management as on 31st December, 2017.

VI) The miximum amount due by directors or other officers of the Company.

There is no such debt in this respect as on 31st December, 2017.

35.00 Approval of the financial statements:

These financial statements were authorized for issue in accordance with a resolution of the company's Board of Directors on April 30, 2018 in its 118th Board Meeting.

36.00 Proposed Dividend

The Board of Directors in its .118th meeting held on April 30, 2018 , proposed to declare 10% stock dividend for the year 2017 subject to the approval by the shareholders in AGM.

37.00 Internal Control

The following steps have been taken for implementation of an effective internal control procedure of the No amount of money was expended by the company of recompensating any members of the Board for special service rendered. There was no bank guarantee issued by the Company on behalf of Directors.

Schedule of Fixed Assets as on 31st December, 2017

Sl. No.	Particulars	C			S	T	Rate of dep	DEPRECIATION			Written down value as on 31.12.2017
		Balance as on 01.01.2017	Addition	Adjustment during the period				Balance as on 31.12.2017	Charged for the period	Adjustment for the year	
		1	2	3	4	5= (1+2+3-4)	6	8= (5-7+9)%	9	10= (7+8-9)	11= (5-10)
01	Office Decoration	26,167,911	110,000			26,277,911	10%	667,712		16,929,939	9,347,972
02	Furniture & Fixture	10,722,943	68,690			10,791,633	10%	284,927		6,802,648	3,988,985
03	Telephone Installation	1,348,470	3,650			1,352,120	15%	13,261		1,188,562	163,558
04	Office Equipment	5,248,272	160,964		85,000	5,324,236	15%	155,891	61,867	3,401,582	1,922,654
05	Motor Vehicle A/C	17,953,420	15,845,039			33,798,459	20%	2,348,732		16,015,202	17,783,257
06	Air conditioner	4,172,488	129,600			4,302,088	20%	140,242		3,507,381	794,707
07	Motor Cycle A/C	36,800	-			36,800	20%	636		34,255	2,545
08	Floor Purchase	31,444,360	-			31,444,360	2.50%	658,438		5,765,266	25,679,094
09	Software Installation	9,072,000	400,000			9,472,000	30%	540,929		6,406,733	3,065,267
10	Computer	2,075,286	304,720			2,380,006	30%	200,177		1,245,672	1,134,334
	TOTAL TAKA	108,241,950	17,022,663	-	85,000	125,179,613		5,010,947	61,867	61,297,242	63,882,371



Credit Rating Result of Sonar Bangla Insurance Ltd.

AA

Sonar Bangla Insurance Limited has been rated by Alpha Credit Rating Limited. The result of the Credit rating is Long Term AA (Very Strong Capacity), Short Term ST-1(Superior Capacity), **Outlook Stable**.

Branch Networks

Local Office

82, Motijheel (4th Floor), Dhaka Mrs.
Ms. Bilkis Begum Maya
Dy. Managing Director & In-charge
Ph : 9561096, 9564452

Motijheel Branch

Ali Bhaban (6th Floor)
9, Rajuk Avenue
Motijheel, Dhaka
Mr. Md. Wahiduzzaman
Addl. Managing Director & In-charge
Ph : 9569023, 9554424

Imamgonj Branch

18, Imamgonj (3rd Floor), Dhaka
Mr. Md. Shahadat Hossain
Addl. Managing Director & In-charge
Ph : 7310388, 9554424

Bijoy Nagar Branch

Paltan Tower (5th Floor), Room No.
504 87, Purana Paltan, Dhaka-1000.
Mr. Sheikh Kamrul Islam (Bitu)
Dy. Managing Director & In-charge
Ph : 9342853

Principal Branch

Paramount Heights (14th Floor)
65/2/1, Purana Paltan, Dhaka-1000.
Ms. Hasina Akter Shapna
Asst. Managing Director & In-charge
Ph : 7126323.

Uttara Branch

A.B. Super Market
Plot # 41. Sector # 03, Road # 02
Mymensing Road, Uttara. Dhaka.
Mr. Md. Emranul Hoque Chowdhury
Asst. Managing Director & In-charge
Ph : 55094090

Nayapaltan Branch

Mollik Tower (2nd Floor)
12/1 Paltan. Dhaka
Mr. Md. Shahjahan Mollah
Asst. Managing Director & In-charge
Ph : 7173635

Dilkusha Branch

BSS Bhaban (3rd Floor)
4. Dilkusha C/A, Dhaka
Mr. Aroj Ali Miah
Sr. General Manager & In-charge
Ph : 7174275

Purana Paltan Branch

Nawab Ali Tower (3rd Floor)
Suite # W- 303
24, Purana Paltan, Dhaka-1000
Mr. Nazim Uddin (Babul)
Addl. Managing Director & In-charge
Ph : 9515432

Kawran Bazar Branch

Dhaka Trade Centre
99, Kazi Nazrul Islam Avenue (13rd Floor)
Kawran Bazar, Dhaka
Mr. Md. Hafizullah
General Manager & In-charge
Ph : 9145279

Fakirapool Branch

Rahmania Int'l Complex (9th Floor)
28/1 /C, Toyenbee Circular Road
Paltan. Dhaka
Mr. Md. Kamal Sikder
Asst. Managing Director & In-charge
Ph : 9560406, 9558384

VIP Road Branch

70/C. Puranapaltan, Dhaka
Mr. Delwar Hossain
General Manager & In-charge
Ph : 8333742

New Market Branch

Mahmud Mansion (2nd Floor)
27, Mirpur Road. Dhaka Mr. K. U. M.
Mehbub Elahi, General Manager & In-charge
Ph : 9669696

Malibag Branch

Mouchak Tower. Room No. 1301 83/3.
Malibag, Dhaka Mr. Dulal Mia Munshi
General Manager & In-charge
Ph:9336165

Nawabpur Branch

Babylon Centre (2nd Floor)
26, Bangabandu Avenue, Dhaka
Mr. Md. Anwaruzzaman
General Manager & In-charge
Ph: 9511143

Hatkholra Branch

2/2. R. K. Mission Road (2nd Floor),
Dhaka Mr. Md. Nazrul Islam
General Manager & In-charge.
Ph : 7174573

Rajshahi Branch

226, Shaheb Bazar (2nd Floor) Rajshahi
Mr. Md. Yeasin Ali
Deputy General Manager & In-charge
Mob: 01670622103

Sylhet Branch

208, Surma Tower, (2nd Floor), Surma
Point, VIP Road, Taltola, Sylhet
Mr. S. M. Maksudur Rahman (Arif)
Deputy General Manager & In-Charge
Ph : 01912899466

Mohakhali Branch

H-42, Bir Uttam Ziaur Rahman Road
(2nd flr.) Mohakhali Amtoli, Dhaka-1212.
Mr. Md. Tafiqur Rahman
Sr. Dy. General Manager
Ph : 01736034460

B. B. Avenue Branch

Don Plaza (6th Floor)
9, B. B. Avenue, Dhaka
Mr. Md. Jamal Uddin Hera
Sr. General Manager & In-charge
Ph : 7161731

Narayangonj Branch

Sattar Tower (3rd Floor)
Room No. 404, 50, S. M. Maleh
Road Tanbazar, Narayangonj
Mr. Md. Fasiuzzaman Khan
General Manager & In-charge
Ph : 7631702

Khatungonj Branch

A. K. Tower
599. Romjoy Mohajon Lane
Khatungonj. Chittagong
Mr. Dipok Kumar Lala
Dy. Managing Director & In-charge
Ph : 031-286208

Agrabad Branch

Progressive Tower (2nd floor)
1837 Sk. Mujib Road Badamtoli,
Agrabad, Chittagong, Mr. Azizul
Hoque, Asst. Managing Director &
In-charge, Ph : 031-2522722

Khulna Branch

Noorjahan Plaza (2nd Floor)
155, Sir Iqbal Road, Khulna
Mr. Md. Gias Uddin
General Manager & In-charge
Ph : 041-729403

Jessore Branch

Shafullah Complex (2nd Floor)
27, M.K. Road
Mr. Md. Rezaul Karim
Sr. Dy. General Manager & In-charge
Phone:01716-082490

Faridpur Branch

House # 124, Mujib Road
Arju Super Market (2nd Floor),
Faridpur. Mr. Md. Nasir Uddin
Sr. Deputy General Manager & In-charge
Mobile : 01716544051

Gazipur Chowrasta Branch

Shahjilani Tower (3rd Floor) Holding No-34
(Ita Hata), Block-A, Outpara, Tangali Road,
Gazipur Chowrasta, Gazipur-1702.
Mr. Riaz Akhter
General Manager & In-Charge
Ph : 01712707749

Independent Auditors' Report
The Shareholders of Sonar Bangla Capital Management Limited.

We have audited the accompanying financial statements of **Sonar Bangla Capital Management Limited**, which comprise the statement of financial position as at December 31, 2017 and the related 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 information.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards of Auditing (BSAs). Those standards require that we comply with relevant ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Sonar Bangla Capital Management Limited** as at December 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and complying with the Companies Act 1994 and other applicable laws and regulations.

Emphasis of Matter

As disclosed in the Statement of Profit or Loss and Other Comprehensive Income of the Financial Statements, in respect of un-realized loss in share amounting to TK. 1,445,548. The Company recognized the unrealized loss in the statement of profit or loss as expenses instead of recognized in the statement of other comprehensive income.

Report on Other legal and Regulatory Requirements

We also report the following:

- 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) The company's statement of financial position, statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

Place: Dhaka

Date: 30 April, 2018



G. KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Limited

Statement of Financial Position


As at 31st December, 2017

	Note	31st Dec-2017	31st Dec-2016
Assets:			
Non-Current Assets:			
Property, Plant & Equipment	4.00	14,531,480.31	14,808,844.71
Intangible Assets	4.01	397,640.00	497,049.60
		14,929,120.31	15,305,894.31
Current Assets:			
Investment on FDR	5.00	30,358,540.73	28,773,544.14
Investment in Shares	6.00	120,618,099.00	115,505,069.61
Profit Receivable from FDR		920,420.00	2,730,417.06
Advance, deposit and prepayments	7.00	27,422,999.72	2,261,115.66
Accounts Receivable	8.00	400,000.00	13,656,960.74
Cash & Cash equivalents	9.00	2,765,568.14	3,330,373.20
		182,485,627.59	166,257,480.41
Total Assets		197,414,747.90	181,563,374.72
Equity & liabilities:			
Capital and Reserve:			
Share capital	10.00	131,712,000.00	131,712,000.00
Retained Earning	11.00	12,490,964.46	4,565,161.55
Share Deposit	12.00	22,726,400.00	22,726,400.00
Total Equity		166,929,364.46	159,003,561.55
Current Liabilities:			
Loan from Bank Asia Ltd.(SOD)	13.00	14,999,193.64	11,301,150.44
Income Tax Provision	14.00	12,603,737.08	10,508,413.55
Account payable	15.00	2,862,452.72	730,249.18
Liability for Expenses	16.00	20,000.00	20,000.00
Total current liabilities		30,485,383.44	22,559,813.17
Total Equity & Liabilities.		197,414,747.90	181,563,374.72


Managing Director (c.c)


Director


Director


Chairman

Dated, Dhaka
April 30, 2018

Subject to our separate report of even date


G. KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Limited

Statement of Profit or Loss and other Comprehensive Income

For the year ended 31st December, 2017

Particulars	31st Dec-2017	31st Dec-2016
INCOME:		
Interest income	1,770,039.00	2,155,035.51
Net interest income	1,770,039.00	2,155,035.51
Dividend Income	1,244,575.00	2,427,833.91
Income from Investment	11,826,439.00	6,986,802.08
Other operating income	2,335,549.64	15,332.63
	15,406,563.64	9,429,968.62
Total Operating Income (A)	17,176,602.64	11,585,004.13
EXPENDITURE:		
Salaries & Allowances, Festival Bouns	1,663,900.00	2,029,950.00
Interest paid on borrowings	1,685,923.20	1,384,700.23
Rent, taxes, insurance, electricity, etc	119,211.00	117,525.00
Legal expenses, Subscription, etc.	100,000.00	105,000.00
Postage, stamp, telecommunication etc.	89,920.00	135,640.00
Stationery, printing, general charges etc.	50,256.00	85,830.00
Entertainment, Meeting Exp,	35,539.00	120,040.00
Directors Fee	-	390,000.00
Depreciation, amortisation/Ple	959,374.00	992,669.63
Un -realized Loss in Share	1,445,548.00	-
Audit Fee	20,000.00	23,250.00
Renewal & Registration	90,079.00	44,300.00
Bank Charges	24,454.00	18,471.50
Conveyance, Carring, Car & Others	871,272.00	556,110.00
Total Operating expenses (B)	7,155,476.20	6,003,486.36
Profit /(Loss) before provision and tax (C=A-B)	10,021,126.44	5,581,517.77
Provision for Taxation	2,095,323.53	1,344,565.82
Net Profit after tax	7,925,802.91	6,561,725.10
Retained Earning Carted forward	7,925,802.91	4,236,951.95




Managing Director (c.c)



Director



Director



Chairman

Dated, Dhaka
April 30, 2018

Subject to our separate report of even date



G. KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Limited

Statement of Cash Flow
as at 31st December, 2017

Particular	31st Dec-2017	31st Dec-2016
<u>A. Cash Flow from opening activities:</u>		
Cash Collection from Turnover	17,771,125.00	11,585,004.13
Paid to Customers, Suppliers, Employees & others	(12,626,621.00)	(37,789,609.63)
Income Tax & Other Provision Paid	(440,803.06)	(553,835.00)
Net Cash receipt from/(used) operating activities	4,703,700.94	(26,758,440.50)
<u>B. Cash flows from investing activities :</u>		
Fixed Assets addition during the year	(582,600.00)	
Investment	(6,698,026.00)	(125,000.00)
Net cash flows from/(used) investing activities	(7,280,626.00)	(125,000.00)
<u>C. Cash flows from financing activities:</u>		
Increase in Share Capital	-	6,272,000.00
Share deposit	-	22,762,400.00
Loan paid/Received	2,012,120.00	-
Net cash flows from financing activities	2,012,120.00	29,034,400.00
D. Net increase/(decrease) in cash and cash equivalent (A+B+C)	(564,805.06)	2,150,959.50
E. Opening cash and cash equivalent	3,330,373.20	1,179,413.70
F. Closing cash and cash equivalents (D+E)	2,765,568.14	3,330,373.20


Managing Director (c.c)


Director


Director


Chairman

Subject to our separate report of even date


G. KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Ltd.

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

Particulars	Share Capital Taka	General Reserve Taka	Dividend Equalization Reserve Taka	Retained Earning Taka	Total Taka
Balance as at 1st January 2017	131,712,000.00	-	-	4,565,161.55	136,277,161.55
Share Deposit	22,726,400.00	-	-	-	22,726,400.00
Stock Dividend Paid	-	-	-	-	-
Net Profit after Tax	-	-	-	7,925,802.91	7,925,802.91
Balance as at 31st Dec.2017	154,438,400.00	-	-	12,490,964.46	166,929,364.46

For the Year ended 31st December-2016

Particulars	Share Capital Taka	General Reserve Taka	Dividend Equalization Reserve Taka	Retained Earning Taka	Total Taka
Balance as at 1st January 2016	125,440,000.00	-	-	6,600,209.60	132,040,209.60
Share Deposit	22,726,400.00	-	-	-	22,726,400.00
Stock Dividend Paid	6,272,000.00	-	-	(6,272,000.00)	-
Net Profit after Tax	-	-	-	4,236,951.95	4,236,951.95
Balance as at 31st Dec.2016	154,438,400.00	-	-	4,565,161.55	159,003,561.55



Managing Director (c.c)



Director



Director



Chairman

Subject to our separate report of even date



G. KIBRIA & CO.
Chartered Accountants

Sonar Bangla Capital Management Limited

FROM "AA"


Classified Summary of the Assets
As at 31st December, 2017

Particulars	Amount	Remark's
Investment in Share	120,618,099.00	Fair Value
Accrued Interest	1,770,039.00	Book Value
Fixed Deposit	30,358,540.73	Realizable Value
Sundry Debtors	26,973,380.72	Book Value
Bank Balance	2,741,973.14	Realizable Value
Cash in Hand	23,595.00	Realizable Value
Fixed Assets (at cost less dep;)	14,929,120.31	Book Value
Total.	197,414,747.90	


Managing Director (c.e)


Director


Director


Chairman

Notes to the Financial Statements

For the Year ended 31st December, 2017

01. Significant Accounting Policies and other materials information

a) Legal form of the Enterprise:

The Company is incorporated under the companies Act. 1994 as a Public Limited Company namely Sonar Bangla Capital Management Ltd. on 21 June, 2010. The Company is a subsidiary company of Sonar Bangla Insurance Ltd.

b) Address of Registered Office and Principal Place of Business :

Presently the principal place of the business is the Registered Office at Paramount Height's 14th floor, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.

c) Nature of Business Activities :

The main objective of the Company as per the Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996, can go for the following products and services:

- i. Underwriting public issue of shares, bond, and debentures.
- ii. Issue Management including arranging of pre-IPO placement and participation thereto.
- iii. Portfolio Management
- iv. It may be mentioned that though corporate advisory services is one of the functions a Merchant Banker can do we in Sonar Bangla Capital Management Limited, will undertake this product, once we build up our capacity by recruiting proper manpower later on.

02. Basis for preparation of financial statements :

a) Statement of Compliance

The financial statement of SBCML has been prepared in accordance with the Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). Companies Act. 1994 and other applicable laws and regulations.

b) Measurement basis used in preparing the Financial Statements

The elements of financial statements have been measured on 'Historical Cost' basis, which is one of the most commonly adopted base provided in 'the framework for the preparation and presentation of financial statements' issued by the international Accounting Standard Board (IASB)

c) Going Concern

Financial statements have been prepared on going concern basis as there was no significant doubt or uncertainty to continue the operation of the Company in the foreseeable future.

d) Components of financial statements :

According to International Accounting Standard (IAS)-1, as adopted by ICAB as BAS-1 ‘presentation of financial statements ‘the complete set of financial statements includes the following components:

- i) Statement of Financial Position
- ii) Statement of Profit or Loss and other comprehensive income
- iii) Statement of Cash flow
- iv) Statement of Changes in Equity and
- v) Notes to the Financial Statements

03. Principal Accounting Policies:

a) Statement of Cash flow

Cash flow statement is prepared in accordance with BAS 7 “Statement of Cash Flow”. The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of BAS-7 which provides that “Enterprise are encouraged to report Cash Flow from Operating Activities using the Direct Method”

b) Reporting Currency and level of Precision:

The figures in the financial statements represent Bangladesh Currency (Taka), which have been rounded-off to the nearest Taka.

4.0 Property, Plant and Equipment

(Net off accumulated depreciation)

	2017	2016
Air -Conditionation	232,561.00	90,701.82
Office Equipment	848,706.00	715,877.56
Office Decoration	932,838.00	925,375.59
Motor Vehicle	886,047.00	1,107,558.40
Furniture & Fixture	435,230.00	383,589.15
Office Premises	11,296,099.00	11,585,742.10
	14,531,480.00	14,808,844.71

Details are given in Annexure-1

4.1 Intangible assets (Net off accumulated depreciation)

Software and System	397,640.00	497,049.60
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5.00 Investment on FDR

		<u>2017</u>	<u>2016</u>
Exim Bank Limited	Paltan Branch	2,93,03,884.73	27,773,544.14
Jamuna Bank Limited	Aganagar Branch	10,54,656.00	10,00,000.00
		3,03,58,540.73	28,773,544.14

6.00 Investment in Shares

Details are given in Annexure-2	12,06,18,099.00	115,505,069.61
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7.00 Advance, deposit and Prepayments

Security Deposit (CDBL)	2,00,000.00	200,000.00
Advance Company Tax	25,01,918.72	2,061,115.66
Receivable from Investor	2,36,84,201.00	-
Receivable from IPO	10,36,880.00	-
	2,74,22,999.72	2,261,115.66

8.00 Account Receivable

Receivable from Mimco Jute (Issue Management Fee)	4,00,000.00	4,00,000.00
Receivable from Investor	-	13,256,960.74
	400,000.00	13,656,960.74

9.00 Cash & Cash equivalent

Cash in Hand	23,146.00	52,743.00
Cash at Bank & Broker House	27,42,422.14	3,277,630.20
Cash and Bank Balance	27,65,568.14	3,330,373.20

10.00 Share Capital

10.01 Authorized Capital	35,00,00,000.00	35,00,00,000.00
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The Authorized capital of the Company is to Tk. 35,00,00,000.00 Divided into 35,00,000 ordinary Shares @Tk. 100/- each

It is noted that The Board of Directors has approved its Authorized Capital from 15.00 Crore to 35.00 Crore in its 2nd Extra Ordinary General Meeting held on August 24, 2015.

10.02 Issued, subscribed and fully paid-up Capital: (Divided into 13, 17,120 ordinary Shares @Tk. 100/- each)	Tk. 131,712,000/-
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The increased in the Share Capital is subject to approval of BSEC from Tk. 10.00 crore to 13.17 crore.

10.03 Share Holding Position:

Name of the Share holders	% of Shareholdings	No. of Shares	Taka
Sonar Bangla Insurance Ltd.	58.9988%	777,091	77,709,100.00
Mrs. Masuda Kabir	7.80%	102,735	10,273,500.00
Mr.Md.Abdullah	7.80%	102,735	10,273,500.00
Mr. Mahfuzur Rahman Mita	7.80%	102,735	10,273,500.00
Mr.Mohammed Amirul Islam	7.80%	102,735	10,273,500.00
Mr.Kaushik Hossain Taposh	7.80%	102,735	10,273,500.00
Sheikh Kabir Hossain	2.00%	26,342	2,634,200.00
A F M Kazi Kamrul Hasan	0.0001%	01	100.00
Mr. Rajjab Sharif	0.0001%	01	100.00
Mr. Ganga Charan Malaker	0.0001%	01	100.00
Al-haj Md. Ruhul Amin	0.0001%	01	100.00
Al-haj Md. Shamsul Haque	0.0001%	01	100.00
Mr. Kailas Chandra Barai	0.0001%	01	100.00
Mr. Md. Harun Kamal	0.0001%	01	100.00
Mr. Sumit Barai	0.0001%	01	100.00
Ms. Nirgis Akter	0.0001%	01	100.00
Modern Washing & Dying	0.0001%	01	100.00
Ms. Shahida Alamin	0.0001%	01	100.00
Mr. Motaleb Hossain	0.0001%	01	100.00
Total	100%	13,17,120	131,712,000.00

	<u>2017</u>	<u>2016</u>
11.00 Retained Earning	Tk. 1, 24, 90,964.46	Tk. 45, 65,161.55

12.00 Share Deposit :	
Mr. Mohammed Amirul Islam	TK. 60,00,000.00
Mr.Md.Abdullah	Tk. 92,26,400.00
Mr. Mahfuzur Rahman Mita	Tk. 75,00,000.00

Tk. 227,26,400.00

13.00 Loan from Bank Asia Limited (SOD)	Tk. 1, 49, 99,193.64	Tk. 11,301,150.44
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14.00 Provision for Corporate Income Tax		
Balance at the beginning of the Year	Tk. 1, 05, 08,413.55	Tk. 9,163,847.73
Add: Provision made during the year	Tk. 20, 95,323.53	Tk. 1,344,565.82
Balance as at end of period	Tk.1,26,03,737.08	Tk. 10,508,413.55

15.00 Accounts Payable		
Clients	Tk. 28, 62,452.72	Tk. 730,249.18

16.00 Liability for Expenses		
Audit Fee	Tk.20,000.00	Tk. 20,000.00

17.00 During our audit the Company has act it license from SEC and start it business which we have physically based.

Sonar Bangla Capital Management Limited

Schedule of Fixed Assets as on 31st December, 2017

Sl. No.	Particulars	C O S T			DEPRECIATION			Net Book value as at 31.12.17			
		Opening balance as on 01.01.2017	Additions during the Year	disposals/adjust, during the year	Total Balance as at 31.12.17	Rate of dep.	Opening balance as on 01.01.2017		Charged for the Year	disposals/adjustments during the year	Total Balance as at 31.12.17
01	Air-Conditionation	276,800	200,000	-	476,800	20%	186,098	58,140	-	244,239	232,561
02	Office Equipment	1,378,820	282,600	-	1,661,420	15%	662,942	149,772	-	812,714	848,706
03	Software	1,500,000	-	-	1,500,000	20%	1,002,950	99,410	-	1,102,360	397,640
04	Office Decoration	1,546,500	-	-	1,546,500	10%	621,124	92,538	-	713,662	832,838
05	Motor Vehicle A/C	3,380,000	-	-	3,380,000	20%	2,272,442	221,512	-	2,493,953	886,047
06	Furniture Fixture	559,650	100,000	-	659,650	10%	176,061	48,359	-	224,420	435,230
07	Office Premises	12,500,000	-	-	12,500,000	2.5%	914,258	289,644	-	1,203,901	11,296,099
	Total as on 31 Dec. 17	21,141,770	582,600	-	21,724,370		5,835,876	959,374	-	6,795,250	14,929,120
	Total as on 31 Dec. 16	21,016,770	125,000	-	21,141,770		4,843,206	992,670	-	5,835,876	15,305,894

 **SONAR BANGLA INSURANCE LIMITED**

Paramount Heights (14th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka.

PROXY FORM

I/We
of
being a member of Sonar Bangla Insurance Limited do hereby appoint

Mr./Mrs
of
as my /our proxy, to vote for me/ us and on my/ our behalf at the 18th Annual General Meeting of the Company to be held on 26th July, 2018 at 11:00 AM at the Institution of Diploma Engineers, Bangladesh, 160/A, Kakrail, Dhaka and any adjournment thereof.

Signed this..... day of 2018.

Signature of Proxy
BO A/c No.

Revenue
Stamp
Tk. 20.00

Signature of Shareholder (s)
BO A/c No.

N.B.: IMPORTANT:

1. This form of proxy, duly completed, must be deposited at least 48 hours before the meeting at the Company's Registered Office. Proxy is invalid if not signed and stamped as explained above.
2. Signature of the Shareholder and the Proxy should agree with the Specimen Signature registered with the Company.
3. As per Articles of Association of the Company, Proxy can be given only to the person who is a member (Shareholder) of the Company.

 **SONAR BANGLA INSURANCE LIMITED**

Paramount Heights (14th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka.

ATTENDANCE SLIP

I hereby record my attendance at the 18th Annual General Meeting of the Company to be held on 26th July, 2018 at 11:00 AM at the Institution of Diploma Engineers, Bangladesh, 160/A, Kakrail, Dhaka.

Name of Shareholder (s) I Proxy
BO / A/C No. holding of ordinary shares of **Sonar Bangla Insurance Ltd.**

Signature of Shareholder (s) / Proxy

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন এর ২৪ অক্টোবর ২০১৩ তারিখের প্রজ্ঞাপন নং এসইসি/সিএমআরআরসিডি/২০০৯-১৯৩/১৫৪ আলোকে আসন্ন বার্ষিক সাধারণ সভায় কোনো প্রকার আপ্যায়ন বা উপহারের ব্যবস্থা থাকবে না।